

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
NIAGARA FRONTIER TRANSIT METRO SYSTEM, INC.
REGULAR BOARD MEETING
MARCH 28, 2011
MINUTES**

1.
 - A. **CALL TO ORDER**
 - B. **APPROVAL OF MINUTES (February 28, 2011 and March 24, 2011)**
 - C. **EXECUTIVE DIRECTOR'S REPORT**

2. **NFTA CORPORATE REPORT**
 - A. **Committee Reports**
 - (1) **Audit and Governance Committee (Henry Sloma)**
 - (2) **Human Resources Committee (Adam Perry)**
 - B. **Consolidated Financial (Debbie Leous)**
 - C. **Corporate Resolutions (Kim Minkel)**
 1. **Adoption of Five Year Operating and Capital Plans for the Niagara Frontier Transportation Authority and NFT Metro Systems, Inc., Fiscal Years Ending March 31, 2012 through March 31, 2016**
 2. **Adoption of Revised Operating and Capital Budgets, Niagara Frontier Transportation Authority and NFT Metro System, Inc., Fiscal Year 2011-2012**

3. **AVIATION BUSINESS GROUP REPORT**
 - A. **Aviation Committee Report (Carmen Granto)**
 - B. **Financial Update (Bill Vanecek)**
 - C. **Business Update (Bill Vanecek)**
 - D. **Aviation Resolutions (Kim Minkel)**
 - i. **Niagara Frontier Transportation Authority, Acceptance of Aviation Resolutions 3. D. (1) through 3. D. (4)**
 1. **Authorization for Supplemental Agreement No. 1, Lakestone Development, Inc., BNIA**
 2. **Approval of Landing Fee Tariff, BNIA**
 3. **Authorization of Airline Incentive Program, BNIA**
 4. **Authorization of Airline Incentive Program, NFIA**

4. **SURFACE TRANSPORTATION BUSINESS GROUP REPORT**
 - A. **Surface Transportation Committee Report (Eunice Lewin)**
 - B. **Financial Update (Rich McDermott)**
 - C. **Business Update (Rich McDermott)**
 - D. **Surface Transportation Resolutions (Kim Minkel)**
 - i. **Niagara Frontier Transportation Authority, Acceptance of Surface Transportation Resolutions 4. D. (1) through 4. D. (3)**
 1. **Authorization for Agreement, Janek Corporation, Dinex Multiplexing System**

2. Acceptance of Bid, PHW Incorporated, LRV Train Control Carborne Equipment Upgrade
3. Acceptance of Bid, ADA Solutions, Inc., Tactile Strips and Rub-rails, NFTA Metro
5. **PROPERTY RISK/MANAGEMENT GROUP REPORT**
 - A. Property/Risk Management Committee Report (Peter Demakos)
 - B. Financial Update (Vicky Brunette)
 - C. Business Update (Vicky Brunette)
 - D. Property Development Resolutions (Kim Minkel)
 - i. Niagara Frontier Transportation Authority, Acceptance of Property/Risk Management Resolutions 5. D. (1) through 5. D. (4)
 1. Authorization for License Agreement, Carly's Club, a Subsidiary of Roswell Park Alliance Foundation, NFTA Boat Harbor
 2. Authorization for License Agreement, Eclipse Multisport, LLC, NFTA Boat Harbor
 3. Authorization for License Agreement, Buffalo Niagara Riverkeeper, NFTA Boat Harbor
 4. Authorization for Amendment to Lease Agreement, United States Army Corps of Engineers, 901 Fuhrmann Boulevard
 5. Authorization for Fee for Jet Ski Docks, NFTA Boat Harbor
6. **GENERAL COUNSEL'S REPORT (Vicky Brunette) - None**
7. **EXECUTIVE SESSION - None**
8. **ADJOURNMENT**

1. **CALL TO ORDER**

A. **Meeting Called to Order**

Acting Chairman Sloma called the meeting to order at approximately 12:45 p.m.

B. **Approval of Minutes of the NFTA Board Meeting held on February 28, 2011 and Special Meeting held on March 24, 2011**

It was moved by Commissioner Eagan, seconded by Commissioner Croce, that the Minutes of the NFTA Board Meeting held on February 28, 2011 and the Special Meeting held on March 24, 2011 of the Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc., be accepted and approved.

AYES: SLOMA, LEWIN, CROCE, EAGAN, GRANTO, HELFER, PERRY

NOES: NONE

SPECIAL MEETING – MARCH 24, 2011
NFTA Board of Commissioners
181 Ellicott Street – 6th Floor
Buffalo, New York

At approximately 9:35 a.m., Acting Chairman Henry Sloma announced at the Special Board Meeting that the meeting needed to go into Executive Session to discuss the final selection of the General Counsel.

It was moved by Commissioner Hughes, seconded by Commissioner Demakos, and unanimously approved that the meeting go into Executive Session.

COMMISSIONERS PRESENT: SLOMA, DEMAKOS, CREHAN, CROCE, EAGAN, GRANTO, HELFER, HUGHES, LEWIN, PERRY, ZEMSKY

STAFF PRESENT: KIMBERLEY MINKEL, KAREN NOVO

It was unanimously approved that the Executive Session be adjourned at approximately 1:45 p.m., whereupon it was moved by Commissioner Hughes seconded by Commissioner Eagan and unanimously approved that David J. State be appointed General Counsel at an annual salary of \$125,000.

It was moved by Commissioner Grantto, seconded by Commissioner Perry, that the Special Meeting of the Niagara Frontier Transportation Authority be adjourned at approximately 1:48 p.m.

- 2. NFTA CORPORATE REPORT**
 - A. Committee Reports
 - (1) Audit and Governance Committee
 - (2) Human Resources Committee
 - B. Consolidated Financial Report
 - C. Resolutions

Corporate Resolutions

1. Adoption of Five Year Operating and Capital Plans for the Niagara Frontier Transportation Authority and NFT Metro Systems, Inc., Fiscal Years Ending March 31, 2012 through March 31, 2016
2. Adoption of Revised Operating and Capital Budgets, Niagara Frontier Transportation Authority and NFT Metro System, Inc., Fiscal Year 2011-2012

CORPORATE:

2. C. (1) **Adoption of Five Year Operating and Capital Plans for the Niagara Frontier Transportation Authority and NFT Metro Systems, Inc., Fiscal Years Ending March 31, 2012 through March 31, 2016**

RECOMMENDATION: The Audit and Governance Committee has reviewed this item and recommends that the Board adopt the attached Five Year Operating and Capital Plans for the NFTA and NFT Metro System, Inc. for the fiscal years ending March 31, 2012 through March 31, 2016.

INFORMATION: The Public Authorities Reform Act of 2009 requires Authorities to provide a four-year financial plan and Section 1299 of the Public Authorities Law requires a five-year financial plan. Presented herein is the five-year plan that will satisfy both requirements.

In our five-year plan we used the following assumptions:

REVENUES:

- Metro passenger ridership consistent with FYE'12 level for five year period
- Incremental increase in BNIA concessions and commissions

OPERATING ASSISTANCE:

- Erie County Sales Tax average annual compounded increase equal to 1.9%
- Mortgage tax average annual compounded increase equal to 3.2% based on the anticipated annual average residential home price growth rate, based on five year historical trend
- New York State Operating Assistance (non- local match) increasing 2.9% annually
- Federal/State Preventative Maintenance Assistance frozen at FYE'12 levels

EXPENSES:

- Metro salary increasing based on latest contract proposal, all other union and non-rep assumes 2.75% annual salary increases
- 8.8% health insurance increases for each year, based on the five-year trend
- Transit fuel power increasing 6.5% for each year
- Workers' compensation increasing 15.0%, recent workers' compensation entitlement change warrants a higher progression than five-year trend

- Other expense increases vary based on multi-year trends and outlooks

NON-OPERATING/CAPITAL

- Metro capital increasing \$2,896k in FYE'13 due to the purchase of 60 buses
- Beginning with FYE'13, Metro includes the \$2,500k in annual bond debt service payments for rail work previously funded by 88C receipts
- BNIA capital increasing \$973k in FYE'14 primarily due to replacing the 245 Cayuga Road parking lot
- Transportation Centers capital increasing \$1,477k in FYE'13 due to AHU replacement
- NFIA capital increasing \$3,650k in FYE'16 primarily due to off-site parking lot initiative

The deficits in FYE'13 through FYE'16 range from five percent to ten percent of our operation and quantify the need for additional operating assistance and grant funding for capital projects, continued cost control initiatives, as well as enhanced revenues.

FUNDING: No funding is required at this time.

Whereupon, it was moved by Commissioner Granto, seconded by Commissioner Lewin, that the following Resolution be adopted:

"RESOLVED, that the Board hereby adopt the five year Operating and Capital Plans for the Niagara Frontier Transportation Authority and NFT Metro System, Inc., for the fiscal years ending March 31, 2012 through March 31, 2016 as described hereinabove."

AYES: SLOMA, LEWIN, CROCE, EAGAN, GRANTO, PERRY

NOES: HELFER

ADOPTED

**NFTA
FIVE YEAR OPERATING & CAPITAL PLAN
FYE 12 - FYE 16
ASSUMPTIONS**

REVENUES

- Metro passenger fares consistent with FYE 12 levels
- BNIA Concessions/Commissions increasing 2.0% annually based on enplanement growth projections

OPERATING ASSISTANCE

- Erie County Sales Tax average annual compounded increase equal to 1.9%, based on five year historical trend
- Mortgage Tax - average annual compounded increase equal to 3.2% (anticipated annual average price residential home growth rate based on five year historical trend)
- NY State operating assistance average annual compounded increase equal to 2.9%, based on four year historical trend
- Federal/State PMA frozen at FYE 12 levels

EXPENSES

- Metro salary increase based on latest contract proposal; all other union and non-union assumes 2.75% annual salary increases
- Health insurance increasing 8.8% for each year of the five year plan, based on five year trend
- Workers' compensation increasing 15.0%, five year trend reflects 9.9%, however, recent workers' compensation entitlement changes warrant a higher progression
- Transit/Fuel Power increasing 6.5%, based on four year trend
- Other expense increases vary based on multi-year trends and outlooks

NON-OPERATING/CAPITAL

- Metro capital increasing \$2,891k in FYE 13 due to the purchase of 60 buses
- Beginning with FYE 13, Metro includes \$2,500k in annual bond debt service payments for rail work previously funded by 88c receipts
- Transportation Centers capital increasing \$1,447k in FYE 13 due to AHU replacement
- BNIA increasing \$973k in FYE14 primarily due to replacing 245 Cayuga Road parking lot
- NFIA increasing \$3,650k in FYE16 primarily due to offsite parking lot initiative

**NFTA/METRO COMBINED
KEY ITEM REPORT
FYE 12 THROUGH FYE 16**

	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
Operating Revenues	98,609,064	101,103,339	103,570,311	105,930,129	109,790,481
Operating Assistance	<u>94,059,732</u>	<u>95,910,501</u>	<u>96,742,922</u>	<u>99,130,277</u>	<u>101,133,885</u>
Total Oper Revs & Asst	192,668,796	197,013,840	200,313,233	205,060,406	210,924,366
Personnel Expense	130,540,047	136,433,786	142,501,462	148,907,056	155,603,175
Other Operating Expense	<u>45,303,332</u>	<u>47,828,754</u>	<u>50,571,453</u>	<u>53,504,412</u>	<u>56,633,251</u>
Total Operating Expenses	<u>175,843,379</u>	<u>184,262,541</u>	<u>193,072,915</u>	<u>202,411,469</u>	<u>212,236,427</u>
Operating Income/(Loss)	16,825,417	12,751,299	7,240,318	2,648,937	(1,312,061)
Non-operating/Capital	<u>(16,825,417)</u>	<u>(24,003,089)</u>	<u>(23,477,707)</u>	<u>(20,394,051)</u>	<u>(18,630,649)</u>
Net Surplus/(Deficit)	0	(11,251,790)	(16,237,389)	(17,745,113)	(19,942,710)

**NFTA/METRO
BUSINESS CENTERS
NET SURPLUS/(DEFICIT)
FYE 12 THROUGH FYE 16**

	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
NFTA					
BNIA	6,479,056	6,543,741	5,423,448	7,107,322	8,287,556
NFIA	(1,670,091)	(1,934,884)	(2,230,093)	(2,086,970)	(3,919,803)
Transpo Ctrs	(868,571)	(2,310,916)	(1,835,425)	(783,981)	(733,811)
Property Management	<u>(239,509)</u>	<u>(340,191)</u>	<u>(513,152)</u>	<u>152,102</u>	<u>284,387</u>
NFTA Total	3,700,885	1,957,750	844,778	4,388,472	3,918,329
 Metro	 <u>(3,700,885)</u>	 <u>(13,209,540)</u>	 <u>(17,082,167)</u>	 <u>(22,133,586)</u>	 <u>(23,861,039)</u>
NFTA/Metro	<u>0</u>	<u>(11,251,790)</u>	<u>(16,237,389)</u>	<u>(17,745,113)</u>	<u>(19,942,710)</u>

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
FIVE YEAR PLAN
FYE 2012 - FYE 2016**

BUSINESS CENTER	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
SURFACE TRANSPORTATION GROUP					
METRO CONSOLIDATED					
Operating Revenues & Asst	126,522,646	128,373,415	129,205,836	131,593,191	133,596,799
Operating Expenses	<u>126,792,877</u>	<u>132,919,725</u>	<u>139,455,246</u>	<u>146,402,137</u>	<u>153,720,780</u>
Operating Income/(Loss)	(270,231)	(4,546,310)	(10,249,410)	(14,808,946)	(20,123,981)
Non-operating Items	<u>(997,524)</u>	<u>(3,504,724)</u>	<u>(3,527,106)</u>	<u>(3,550,376)</u>	<u>(3,574,566)</u>
Net Income/(Loss)	(1,267,755)	(8,051,034)	(13,776,516)	(18,359,322)	(23,698,547)
Direct Capital	2,050,903	4,942,140	2,358,517	3,724,876	107,802
Indirect Capital	<u>382,228</u>	<u>216,366</u>	<u>947,134</u>	<u>49,388</u>	<u>54,690</u>
Total Capital	<u>2,433,131</u>	<u>5,158,506</u>	<u>3,305,651</u>	<u>3,774,264</u>	<u>162,492</u>
Net Surplus/(Deficit)	<u>(3,700,885)</u>	<u>(13,209,540)</u>	<u>(17,082,167)</u>	<u>(22,133,586)</u>	<u>(23,861,039)</u>
TRANSPO CENTERS					
Operating Revenues	1,777,618	1,837,756	1,899,972	1,964,339	2,030,933
Operating Expenses	<u>2,679,602</u>	<u>2,775,715</u>	<u>2,873,283</u>	<u>2,974,353</u>	<u>3,079,056</u>
Operating Income/(Loss)	(901,984)	(937,959)	(973,311)	(1,010,014)	(1,048,123)
Non-operating Items	<u>635,963</u>	<u>659,763</u>	<u>684,372</u>	<u>709,818</u>	<u>736,907</u>
Net Income/(Loss)	(266,021)	(278,196)	(288,939)	(300,196)	(311,216)
Direct Capital	583,040	2,010,355	1,448,583	478,680	416,942
Indirect Capital	<u>39,510</u>	<u>22,365</u>	<u>97,903</u>	<u>5,105</u>	<u>5,653</u>
Total Capital	<u>602,550</u>	<u>2,032,720</u>	<u>1,546,486</u>	<u>483,785</u>	<u>422,595</u>
Net Surplus/(Deficit)	<u>(868,571)</u>	<u>(2,310,916)</u>	<u>(1,835,425)</u>	<u>(783,981)</u>	<u>(733,811)</u>
TOTAL SURFACE GROUP					
Operating Revenues & Asst	128,300,264	130,211,172	131,105,808	133,557,529	135,627,732
Operating Expenses	<u>129,472,479</u>	<u>135,695,441</u>	<u>142,328,529</u>	<u>149,376,490</u>	<u>156,799,836</u>
Operating Income/(Loss)	(1,172,215)	(5,484,269)	(11,222,721)	(15,818,960)	(21,172,104)
Non-operating Items	<u>(361,561)</u>	<u>(2,844,961)</u>	<u>(2,842,734)</u>	<u>(2,840,558)</u>	<u>(2,837,659)</u>
Net Income/(Loss)	(1,533,776)	(8,329,230)	(14,065,455)	(18,659,518)	(24,009,763)
Direct Capital	2,613,943	6,952,495	3,807,100	4,203,556	524,744
Indirect Capital	<u>421,738</u>	<u>238,731</u>	<u>1,045,037</u>	<u>54,493</u>	<u>60,343</u>
Total Capital	<u>3,035,681</u>	<u>7,191,226</u>	<u>4,852,137</u>	<u>4,258,049</u>	<u>585,087</u>
Net Surplus/(Deficit)	<u>(4,569,456)</u>	<u>(15,520,456)</u>	<u>(18,917,592)</u>	<u>(22,917,567)</u>	<u>(24,594,850)</u>

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
FIVE YEAR PLAN
FYE 2012 - FYE 2016**

BUSINESS CENTER	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
AIRPORT BUSINESS GROUP					
BNIA					
Operating Revenues	58,493,913	60,478,586	62,572,914	64,409,758	67,900,318
Operating Expenses	<u>37,878,091</u>	<u>39,643,225</u>	<u>41,498,794</u>	<u>43,449,903</u>	<u>45,501,964</u>
Operating Income/(Loss)	20,615,822	20,835,361	21,074,120	20,959,855	22,398,354
Non-operating Items	<u>(13,841,291)</u>	<u>(13,929,662)</u>	<u>(13,751,153)</u>	<u>(12,777,355)</u>	<u>(13,330,520)</u>
Net Income/(Loss)	6,774,531	6,905,699	7,322,967	8,182,500	9,067,834
Direct Capital	0	194,700	1,167,350	1,037,000	738,000
Indirect Capital	295,476	167,258	732,168	38,179	42,277
Total Capital	<u>295,476</u>	<u>361,958</u>	<u>1,899,518</u>	<u>1,075,179</u>	<u>780,277</u>
Net Surplus/(Deficit)	<u>6,479,056</u>	<u>6,543,741</u>	<u>5,423,448</u>	<u>7,107,322</u>	<u>8,287,556</u>
NFIA					
Operating Revenues	1,147,207	1,478,517	1,667,406	2,000,988	2,175,569
Operating Expenses	<u>4,419,971</u>	<u>4,716,710</u>	<u>4,899,133</u>	<u>5,094,165</u>	<u>5,293,900</u>
Operating Income/(Loss)	(3,272,764)	(3,238,193)	(3,231,727)	(3,093,177)	(3,118,331)
Non-operating Items	<u>1,670,091</u>	<u>1,934,885</u>	<u>2,230,094</u>	<u>2,086,971</u>	<u>3,919,804</u>
Net Income/(Loss)	(1,602,673)	(1,303,308)	(1,001,633)	(1,006,206)	801,473
Direct Capital	0	593,414	1,061,405	1,072,053	4,711,630
Indirect Capital	<u>67,417</u>	<u>38,163</u>	<u>167,055</u>	<u>8,711</u>	<u>9,646</u>
Total Capital	<u>67,417</u>	<u>631,577</u>	<u>1,228,460</u>	<u>1,080,764</u>	<u>4,721,276</u>
Net Surplus/(Deficit)	<u>(1,670,091)</u>	<u>(1,934,884)</u>	<u>(2,230,093)</u>	<u>(2,086,970)</u>	<u>(3,919,803)</u>
TOTAL AIRPORT BUSN GROUP					
Operating Revenues	59,641,120	61,957,103	64,240,320	66,410,746	70,075,887
Operating Expenses	<u>42,298,062</u>	<u>44,359,934</u>	<u>46,397,928</u>	<u>48,544,068</u>	<u>50,795,864</u>
Operating Income/(Loss)	17,343,058	17,597,168	17,842,393	17,866,678	19,280,023
Non-operating Items	<u>(12,171,200)</u>	<u>(11,994,777)</u>	<u>(11,521,059)</u>	<u>(10,690,384)</u>	<u>(9,410,716)</u>
Net Income/(Loss)	5,171,858	5,602,391	6,321,334	7,176,294	9,869,307
Direct Capital	0	788,114	2,228,755	2,109,053	5,449,630
Indirect Capital	<u>362,893</u>	<u>205,421</u>	<u>899,224</u>	<u>46,890</u>	<u>51,924</u>
Total Capital	<u>362,893</u>	<u>993,535</u>	<u>3,127,979</u>	<u>2,155,943</u>	<u>5,501,554</u>
Net Surplus/(Deficit)	<u>4,808,965</u>	<u>4,608,857</u>	<u>3,193,355</u>	<u>5,020,351</u>	<u>4,367,753</u>

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
FIVE YEAR PLAN
FYE 2012 - FYE 2016**

BUSINESS CENTER	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
PROPERTY GROUP					
Operating Revenues	4,402,378	4,520,531	4,642,071	4,767,097	4,895,713
Operating Expenses	<u>3,747,805</u>	<u>3,882,132</u>	<u>4,021,424</u>	<u>4,165,877</u>	<u>4,315,693</u>
Operating Income/(Loss)	654,573	638,400	620,646	601,220	580,021
Non-operating Items	<u>(266,000)</u>	<u>(270,000)</u>	<u>(270,000)</u>	<u>(270,000)</u>	<u>(270,000)</u>
Net Income/(Loss)	388,573	368,400	350,646	331,220	310,021
Direct Capital	518,821	646,742	593,059	165,000	10,000
Indirect Capital	<u>109,260</u>	<u>61,848</u>	<u>270,739</u>	<u>14,118</u>	<u>15,633</u>
Total Capital	<u>628,081</u>	<u>708,590</u>	<u>863,798</u>	<u>179,118</u>	<u>25,633</u>
Net Surplus/(Deficit)	<u>(239,509)</u>	<u>(340,191)</u>	<u>(513,152)</u>	<u>152,102</u>	<u>284,387</u>
CENTRAL ADMINISTRATION					
NFTA					
Operating Assistance	325,034	325,034	325,034	325,034	325,034
Operating Expenses	<u>325,034</u>	<u>325,034</u>	<u>325,034</u>	<u>325,034</u>	<u>325,034</u>
Net Income/(Loss)	0	0	0	0	0
Direct Capital	893,891	506,000	2,215,000	115,500	127,900
Indirect Capital	<u>(893,891)</u>	<u>(506,000)</u>	<u>(2,215,000)</u>	<u>(115,500)</u>	<u>(127,900)</u>
Total Capital	0	0	0	0	0
Net Surplus/(Deficit)	0	0	0	0	0
GRAND TOTAL					
Operating Revenues & Asst	192,668,796	197,013,840	200,313,233	205,060,406	210,924,366
Operating Expenses					
NFTA	49,050,503	51,342,815	53,617,669	56,009,332	58,515,647
Metro	<u>126,792,877</u>	<u>132,919,725</u>	<u>139,455,246</u>	<u>146,402,137</u>	<u>153,720,780</u>
Total Operating Expenses	175,843,380	184,262,541	193,072,915	202,411,469	212,236,427
Operating Income/(Loss)	16,825,416	12,751,299	7,240,318	2,648,937	(1,312,061)
Non-operating Items	<u>(12,798,761)</u>	<u>(15,109,738)</u>	<u>(14,633,793)</u>	<u>(13,800,942)</u>	<u>(12,518,375)</u>
Net Income/(Loss)	4,026,655	(2,358,439)	(7,393,475)	(11,152,004)	(13,830,436)
Direct Capital	4,026,655	8,893,351	8,843,914	6,593,109	6,112,274
Indirect Capital	0	0	0	0	0
Total Capital	<u>4,026,655</u>	<u>8,893,351</u>	<u>8,843,914</u>	<u>6,593,109</u>	<u>6,112,274</u>
Net Surplus/(Deficit)	0	(11,251,790)	(16,237,389)	(17,745,113)	(19,942,710)

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
FINANCIAL STATEMENT
FYE 2012 - FYE 2016**

	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
OPERATING REVENUES & ASSISTANCE					
Operating Revenues					
Airport Fees & Services	16,507,386	17,430,151	18,422,716	19,087,936	21,369,609
Boat Harbor Fees	973,000	986,622	1,000,435	1,014,441	1,028,643
Passenger Fares	32,005,499	32,005,499	32,005,499	32,005,499	32,005,499
Rental Income	13,703,289	14,294,344	14,906,822	15,521,090	16,163,829
Concessions/Commissions	29,460,423	30,270,574	30,957,214	31,857,119	32,607,338
Retail Sales	275,000	284,900	295,156	305,782	316,790
Resales & Rebillings	1,737,873	1,789,380	1,842,432	1,897,076	1,953,359
Other Operating Revenues	3,946,594	4,041,868	4,140,036	4,241,187	4,345,415
Airline Billing to Meet 1.25 Coverage	0	0	0	0	0
Total Operating Revenues	98,609,064	101,103,339	103,570,311	105,930,129	109,790,481
Operating Assistance					
Local	4,100,000	4,100,000	4,100,000	4,100,000	4,100,000
Erie County Sales Tax	17,632,117	17,967,127	18,308,503	18,656,364	19,010,835
Mortgage Tax	7,232,999	7,464,455	7,703,318	7,949,824	8,204,218
Local - 88c Funds	8,971,000	9,156,000	8,277,000	8,906,000	9,103,000
Peace Bridge	200,000	200,000	200,000	200,000	200,000
State - Local Match	4,100,000	4,100,000	4,100,000	4,100,000	4,100,000
State - MTOAF	24,809,000	25,528,461	26,268,786	27,030,581	27,814,468
State - Sec 9 ACM	43,072	43,072	43,072	43,072	43,072
State - DMTFF	7,569,000	7,788,501	8,014,368	8,246,784	8,485,941
State - General Fund - AMTAP	5,529,000	5,689,341	5,854,332	6,024,108	6,198,807
State - Sec 9 PMA	1,201,377	1,201,377	1,201,377	1,201,377	1,201,377
State - Paratransit	212,500	212,500	212,500	212,500	212,500
State - CST	80,000	80,000	80,000	80,000	80,000
Federal - Sec 18	49,000	49,000	49,000	49,000	49,000
Federal - Sec 9 ACM	344,613	344,613	344,613	344,613	344,613
Federal - PMA	9,611,020	9,611,020	9,611,020	9,611,020	9,611,020
Federal - CMAQ	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Federal - Paratransit	150,000	150,000	150,000	150,000	150,000
Federal - JARC	200,000	200,000	200,000	200,000	200,000
Federal Operating Asst	308,705	308,705	308,705	308,705	308,705
Federal - DEA OT Reimbursement	16,329	16,329	16,329	16,329	16,329
Total Operating Assistance	94,059,732	95,910,501	96,742,922	99,130,277	101,133,885
TOTAL OPERATING REVENUES & ASSISTANCE	192,668,796	197,013,840	200,313,233	205,060,406	210,924,366

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
FINANCIAL STATEMENT
FYE 2012 - FYE 2016**

	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
OPERATING EXPENSES (Excluding Depreciation)					
Personnel Services	130,540,047	136,433,786	142,501,462	148,907,056	155,603,175
Maintenance & Repairs	17,330,591	18,399,583	19,595,869	20,872,803	22,235,920
Transit Fuel/Power	8,620,332	9,413,403	10,279,436	11,225,144	12,257,857
Utilities	6,719,615	6,921,204	7,128,840	7,342,705	7,562,987
Insurance & Injuries	3,863,662	4,083,789	4,208,469	4,332,837	4,463,002
Safety & Security	11,402,619	11,801,711	12,214,771	12,642,288	13,084,768
General Business/Other	22,097,721	23,008,650	23,951,794	24,939,741	25,965,972
Administrative Cost Reallocation	0	0	0	0	0
Costs Transferred to Capital Projects	(2,463,574)	(2,559,613)	(2,659,396)	(2,763,069)	(2,870,783)
Inter Division Reimbursement	<u>(22,367,633)</u>	<u>(23,239,971)</u>	<u>(24,146,330)</u>	<u>(25,088,036)</u>	<u>(26,066,470)</u>
TOTAL OPERATING EXPENSES	<u>175,843,380</u>	<u>184,262,541</u>	<u>193,072,915</u>	<u>202,411,469</u>	<u>212,236,427</u>
OPERATING INCOME/(LOSS)	16,825,416	12,751,299	7,240,318	2,648,937	(1,312,061)
NON-OPERATING ITEMS					
Bond Debt Service	(14,152,999)	(14,183,729)	(14,201,127)	(14,219,195)	(14,216,793)
Operating Expense Reserve & R&R Rsv	(294,202)	(287,650)	(302,224)	(317,623)	(333,898)
Debt Service - Glycol Collection	(300,415)	(300,417)	(294,733)	(288,597)	(287,064)
Property Management Debt Service	(266,000)	(270,000)	(270,000)	(270,000)	(270,000)
Debt Service - Noresco	(646,694)	(646,542)	(646,536)	(646,530)	(646,522)
NFIA Contribution(Excluding Debt Service)	(1,670,091)	(1,934,885)	(2,230,094)	(2,086,971)	(3,919,804)
BNIA Contribution(Excluding Debt Service)	1,670,091	1,934,885	2,230,094	2,086,971	3,919,804
NFIA Contribution - Debt Service	(2,092,371)	(2,150,000)	(2,150,000)	(1,792,000)	0
BNIA Contribution - Debt Service	2,092,371	2,150,000	2,150,000	1,792,000	0
ADF NFIA Debt Service Funding	1,000,000	1,000,000	1,000,000	1,000,000	0
Debt Service	(2,092,371)	(2,150,000)	(2,150,000)	(1,792,000)	0
Property Acquisition/Sale	0	0	0	0	0
Intercompany Transfer - Metro	(700,000)	(725,200)	(750,582)	(776,852)	(804,042)
Intercompany Transfer - Transpo Ctrs	700,000	723,800	748,409	773,855	800,940
Debt Service - Rail Projects	0	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
Interest Income	262,000	530,000	1,033,000	1,536,000	2,039,000
Entitlements	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
PFC	<u>2,691,920</u>	<u>2,700,000</u>	<u>2,700,000</u>	<u>2,700,000</u>	<u>2,700,000</u>
TOTAL NON-OPERATING ITEMS	<u>(12,798,761)</u>	<u>(15,109,738)</u>	<u>(14,633,793)</u>	<u>(13,800,942)</u>	<u>(12,518,379)</u>
NET INCOME/(LOSS)	4,026,655	(2,358,439)	(7,393,475)	(11,152,004)	(13,830,440)
Less: Direct Capital	4,026,655	8,893,351	8,843,914	6,593,109	6,112,274
Less: Indirect Capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET SURPLUS/(DEFICIT)	<u>0</u>	<u>(11,251,790)</u>	<u>(16,237,389)</u>	<u>(17,745,113)</u>	<u>(19,942,714)</u>

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
SURFACE TRANSPORTATION GROUP
METRO CONSOLIDATED FINANCIAL STATEMENT
FYE 2012 - FYE 2016**

	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
REVENUES & ASSISTANCE					
Operating Revenues					
Passenger Fares	32,005,499	32,005,499	32,005,499	32,005,499	32,005,499
Other Operating Revenues	<u>782,449</u>	<u>782,449</u>	<u>782,449</u>	<u>782,449</u>	<u>782,449</u>
Total Revenues	32,787,948	32,787,948	32,787,948	32,787,948	32,787,948
Operating Assistance					
Local	4,100,000	4,100,000	4,100,000	4,100,000	4,100,000
Erie County Sales Tax	17,832,117	17,987,127	18,308,503	18,656,364	19,010,835
Mortgage Tax	7,232,999	7,464,455	7,703,318	7,949,824	8,204,218
Local - 88c Funds	8,971,000	9,156,000	8,277,000	8,906,000	9,103,000
Peace Bridge	200,000	200,000	200,000	200,000	200,000
State - Local Match	4,100,000	4,100,000	4,100,000	4,100,000	4,100,000
State - MTOAF	24,809,000	25,528,461	26,288,786	27,030,581	27,814,468
State - Sec 9 ACM	43,072	43,072	43,072	43,072	43,072
State - DMTTF	7,569,000	7,788,501	8,014,368	8,246,784	8,485,941
State - General Fund - AMTAP	5,529,000	5,689,341	5,854,332	6,024,108	6,198,807
State - Sec 9 PMA	1,201,377	1,201,377	1,201,377	1,201,377	1,201,377
State - Paratransit	212,500	212,500	212,500	212,500	212,500
State - CST	80,000	80,000	80,000	80,000	80,000
Federal - Sec 18	49,000	49,000	49,000	49,000	49,000
Federal - Sec 9 ACM	344,613	344,613	344,613	344,613	344,613
Federal - PMA	9,611,020	9,611,020	9,611,020	9,611,020	9,611,020
Federal - New Freedom Initiative	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Federal - Paratransit	150,000	150,000	150,000	150,000	150,000
Federal - JARC	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Total Operating Assistance	93,734,698	95,585,467	96,417,888	98,805,243	100,808,851
TOTAL OPERATING REVENUES & ASSISTANCE	126,522,646	128,373,415	129,205,836	131,593,191	133,596,799
OPERATING EXPENSES (Excluding Depreciation)					
Personnel Services	85,989,488	89,970,801	94,226,420	98,749,288	103,489,254
Maintenance & Repairs	6,753,986	7,186,241	7,646,161	8,135,515	8,656,188
Transit Fuel/Power	8,620,332	9,413,403	10,279,436	11,225,144	12,257,857
Utilities	2,462,780	2,536,663	2,612,763	2,691,146	2,771,881
Insurance & Injuries	3,018,635	3,109,194	3,202,470	3,298,544	3,397,500
Safety & Security	5,020,689	5,196,413	5,378,288	5,566,528	5,761,358
General Business/Other	11,224,441	11,662,194	12,117,020	12,589,584	13,080,577
Administrative Cost Reallocation	3,712,681	3,855,328	4,003,568	4,157,648	4,317,820
Costs Transferred to Capital Projects	(10,155)	(10,510)	(10,878)	(11,259)	(11,653)
Inter Division Reimbursement	0	0	0	0	0
TOTAL OPERATING EXPENSES	126,792,877	132,919,725	139,455,248	146,402,137	153,720,780
OPERATING INCOME/(LOSS)	(270,231)	(4,546,310)	(10,249,410)	(14,808,946)	(20,123,981)
NON-OPERATING ITEMS					
Interest Income	12,000	30,000	33,000	36,000	39,000
Debt Service	(309,524)	(309,524)	(309,524)	(309,524)	(309,524)
Debt Service - Rail projects	0	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
Intercompany Transfer	<u>(700,000)</u>	<u>(725,200)</u>	<u>(750,582)</u>	<u>(776,852)</u>	<u>(804,042)</u>
TOTAL NON-OPERATING ITEMS	(997,524)	(3,504,724)	(3,527,108)	(3,550,376)	(3,574,566)
NET INCOME/(LOSS)	(1,267,755)	(8,051,034)	(13,776,518)	(18,359,322)	(23,698,547)
LESS: DIRECT CAPITAL	2,050,903	4,942,140	2,358,517	3,724,876	107,802
LESS: INDIRECT CAPITAL	382,228	216,366	947,134	49,388	54,690
NET SURPLUS/(DEFICIT)	(3,700,885)	(13,209,540)	(17,082,167)	(22,133,586)	(23,861,039)

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
SURFACE TRANSPORTATION GROUP
TRANSPO CENTERS FINANCIAL STATEMENT
FYE 2012 - FYE 2016**

	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
OPERATING REVENUES					
Rental Income	1,705,388	1,761,666	1,819,801	1,879,854	1,941,889
Concessions/Commissions	67,730	71,591	75,671	79,985	84,544
Retail Sales	0	0	0	0	0
Resales & Rebillings	4,500	4,500	4,500	4,500	4,500
Other Operating Revenues	0	0	0	0	0
TOTAL OPERATING REVENUES	1,777,618	1,837,756	1,899,972	1,964,339	2,030,933
OPERATING EXPENSES (Excluding Depreciation)					
Personnel Services	1,403,234	1,457,960	1,514,821	1,573,899	1,635,281
Maintenance & Repairs	188,170	198,143	207,654	217,621	228,067
Utilities	508,217	523,464	539,167	555,342	572,003
Insurance & Injuries	25,884	27,877	28,881	29,920	30,997
Safety & Security	463,953	480,191	496,998	514,393	532,397
General Business/Other	892,900	922,366	952,804	984,246	1,016,726
Administrative Cost Reallocation	383,771	398,516	413,839	429,766	446,323
Costs Transferred to Capital Projects	0	0	0	0	0
Inter Division Reimbursement	<u>-1,186,527</u>	<u>-1,232,802</u>	<u>-1,280,881</u>	<u>-1,330,835</u>	<u>-1,382,738</u>
TOTAL OPERATING EXPENSES	<u>2,679,602</u>	<u>2,775,715</u>	<u>2,873,293</u>	<u>2,974,353</u>	<u>3,079,056</u>
OPERATING INCOME/(LOSS)	(901,984)	(937,959)	(973,311)	(1,010,014)	(1,048,123)
NON-OPERATING ITEMS					
Interest Income	0	0	0	0	0
Debt Service - Noresco	(64,037)	(64,037)	(64,037)	(64,037)	(64,037)
Intercompany Transfer	<u>700,000</u>	<u>723,800</u>	<u>748,409</u>	<u>773,855</u>	<u>800,940</u>
TOTAL NON-OPERATING ITEMS	635,963	659,763	684,372	709,818	736,907
NET INCOME/(LOSS)	<u>(266,021)</u>	<u>(278,196)</u>	<u>(288,939)</u>	<u>(300,196)</u>	<u>(311,216)</u>
LESS: DIRECT CAPITAL	563,040	2,010,355	1,448,583	478,680	416,942
LESS: INDIRECT CAPITAL	<u>39,510</u>	<u>22,365</u>	<u>97,903</u>	<u>5,105</u>	<u>5,653</u>
NET SURPLUS/(DEFICIT)	<u>(868,571)</u>	<u>(2,310,916)</u>	<u>(1,835,425)</u>	<u>(783,981)</u>	<u>(733,811)</u>

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
AIRPORT BUSINESS GROUP
BNIA FINANCIAL STATEMENT
FYE 2012 - FYE 2016**

	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
OPERATING REVENUES					
Airport Fees & Services	16,458,838	17,330,944	18,277,213	18,927,882	21,193,550
Rental Income	9,069,111	9,477,221	9,905,591	10,356,296	10,829,579
Concessions/Commissions	28,472,979	29,042,439	29,623,287	30,215,753	30,820,068
Resales & Rebillings	1,416,042	1,458,523	1,502,279	1,547,347	1,593,768
Other Operating Revenues	3,077,145	3,169,459	3,264,543	3,362,479	3,463,354
Airline Billing To Meet 1.25 Coverage	0	0	0	0	0
TOTAL OPERATING REVENUES	58,493,913	60,478,586	62,572,914	64,409,758	67,900,318
OPERATING EXPENSES (Excluding Depreciation)					
Personnel Services	13,148,336	13,661,121	14,193,905	14,747,467	15,322,618
Maintenance & Repairs	8,747,324	9,377,131	10,052,285	10,776,049	11,551,925
Utilities	2,675,230	2,755,487	2,838,152	2,923,296	3,010,995
Insurance & Injuries	494,368	509,197	524,473	540,207	556,413
Safety & Security	5,417,739	5,607,360	5,803,617	6,006,744	6,216,980
General Business/Other	6,385,625	6,685,749	6,999,980	7,328,979	7,673,441
Administrative Cost Reallocation	2,870,034	2,980,304	3,094,900	3,214,009	3,337,828
Costs Transferred to Capital Projects	-91,921	-95,506	-99,231	-103,101	-107,122
Inter Division Reimbursement	-1,768,642	-1,837,619	-1,909,286	-1,983,748	-2,061,115
TOTAL OPERATING EXPENSES	37,878,091	39,643,225	41,498,794	43,449,903	45,501,864
OPERATING INCOME/(LOSS)	20,615,822	20,835,361	21,074,120	20,959,855	22,398,354
NON-OPERATING ITEMS					
Bond Debt Service	(14,152,999)	(14,183,729)	(14,201,127)	(14,219,195)	(14,216,793)
Operating Expense Reserve & R&R Rsv	(294,202)	(287,650)	(302,224)	(317,623)	(333,898)
NFIA Contribution(Excluding Debt Service)	(1,670,091)	(1,934,885)	(2,230,094)	(2,086,971)	(3,919,804)
NFIA Contribution - Debt Service	(2,092,371)	(2,150,000)	(2,150,000)	(1,792,000)	0
ADF NFIA Debt Service Funding	1,000,000	1,000,000	1,000,000	1,000,000	0
Debt Service - Glycol Collection	(300,415)	(300,417)	(294,733)	(288,597)	(287,064)
Debt Service - Noresco	(273,133)	(272,981)	(272,975)	(272,969)	(272,961)
Interest Income	250,000	500,000	1,000,000	1,500,000	2,000,000
Entitlements	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
PFC	2,691,920	2,700,000	2,700,000	2,700,000	2,700,000
TOTAL NON-OPERATING ITEMS	(13,841,291)	(13,929,662)	(13,751,153)	(12,777,355)	(13,330,520)
NET INCOME/(LOSS)	6,774,531	6,905,699	7,322,967	8,182,500	9,067,834
LESS: DIRECT CAPITAL	0	194,700	1,167,350	1,037,000	738,000
LESS: INDIRECT CAPITAL	295,476	167,258	732,168	38,179	42,277
NET SURPLUS/(DEFICIT)	6,479,056	6,543,741	5,423,448	7,107,322	8,287,556

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
AIRPORT BUSINESS GROUP
NFIA FINANCIAL STATEMENT
FYE 2012 - FYE 2016**

	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
OPERATING REVENUES					
Airport Fees & Services	48,750	99,207	145,503	160,054	176,059
Rental Income	141,267	184,309	224,147	238,938	254,979
Concessions/Commissions	853,714	1,088,565	1,188,236	1,489,261	1,628,443
Resales & Rebillings	16,476	16,476	16,476	16,476	16,476
Other Operating Revenues	<u>87,000</u>	<u>89,960</u>	<u>93,044</u>	<u>96,259</u>	<u>99,612</u>
TOTAL OPERATING REVENUES	1,147,207	1,478,517	1,667,406	2,000,988	2,175,569
OPERATING EXPENSES (Excluding Depreciation)					
Personnel Services	1,445,919	1,677,264	1,742,677	1,810,642	1,881,257
Maintenance & Repairs	900,060	872,760	898,943	925,911	953,689
Utilities	383,285	394,763	406,606	418,804	431,369
Insurance & Injuries	108,421	111,874	115,024	118,475	122,029
Safety & Security	339,000	350,865	363,145	375,855	389,010
General Business/Other	588,484	629,382	668,589	711,153	754,970
Administrative Cost Reallocation	<u>654,842</u>	<u>880,002</u>	<u>706,149</u>	<u>733,325</u>	<u>761,576</u>
TOTAL OPERATING EXPENSES	4,419,971	4,716,710	4,899,133	5,094,165	5,293,900
OPERATING INCOME/(LOSS)	(3,272,764)	(3,238,193)	(3,231,727)	(3,093,177)	(3,118,331)
NON-OPERATING ITEMS					
Debt Service	(2,092,371)	(2,150,000)	(2,150,000)	(1,792,000)	0
BNIA Contribution(Excluding Debt Service)	1,670,091	1,934,885	2,230,094	2,086,971	3,919,804
BNIA Contribution - Debt Service	<u>2,092,371</u>	<u>2,150,000</u>	<u>2,150,000</u>	<u>1,792,000</u>	<u>0</u>
TOTAL NON-OPERATING ITEMS	1,670,091	1,934,885	2,230,094	2,086,971	3,919,804
NET INCOME/(LOSS)	(1,602,673)	(1,303,308)	(1,001,633)	(1,006,206)	801,473
LESS: DIRECT CAPITAL	0	593,414	1,061,405	1,072,053	4,711,630
LESS: INDIRECT CAPITAL	67,417	38,163	167,055	8,711	9,646
NET SURPLUS/(DEFICIT)	(1,670,091)	(1,934,884)	(2,230,093)	(2,086,970)	(3,919,803)

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
PROPERTY DEVELOPMENT FINANCIAL STATEMENT
FYE 2012 - FYE 2016**

	FYE 12 BUDGET	FYE 13 PROJ	FYE 14 PROJ	FYE 15 PROJ	FYE 16 PROJ
OPERATING REVENUES					
Boat Harbor Fees	973,000	986,622	1,000,435	1,014,441	1,028,643
Rental Income	2,787,523	2,871,149	2,957,283	3,046,002	3,137,382
Concessions/Commissions	68,000	67,980	70,019	72,120	74,284
Retail Sales	275,000	284,900	295,156	305,782	316,790
Resales & Rebillings	300,855	309,881	319,177	328,752	338,615
Other Operating Revenues	0	0	0	0	0
TOTAL OPERATING REVENUES	4,402,378	4,520,531	4,642,071	4,767,097	4,895,713
OPERATING EXPENSES (Excluding Depreciation)					
Personnel Services	655,959	681,541	708,122	735,738	764,432
Maintenance & Repairs	432,750	443,569	454,658	466,024	477,675
Utilities	638,794	657,958	677,697	698,027	718,968
Insurance & Injuries	144,314	148,643	153,103	157,696	162,427
Safety & Security	80,238	83,046	85,953	88,961	92,075
General Business/Other	734,476	765,324	797,468	830,961	865,862
Administrative Cost Reallocation	1,061,274	1,102,050	1,144,425	1,188,469	1,234,254
Costs Transferred to Capital Projects	0	0	0	0	0
Inter Division Reimbursement	0	0	0	0	0
TOTAL OPERATING EXPENSES	3,747,805	3,882,132	4,021,424	4,165,877	4,315,693
OPERATING INCOME/(LOSS)	<u>654,573</u>	<u>638,400</u>	<u>620,646</u>	<u>601,220</u>	<u>580,021</u>
NON-OPERATING ITEMS					
Property Management Debt Service	(268,000)	(270,000)	(270,000)	(270,000)	(270,000)
Property Acquisition/Sale	0	0	0	0	0
TOTAL NON-OPERATING ITEMS	<u>(268,000)</u>	<u>(270,000)</u>	<u>(270,000)</u>	<u>(270,000)</u>	<u>(270,000)</u>
NET INCOME/(LOSS)	386,573	368,400	350,646	331,220	310,021
LESS: DIRECT CAPITAL	518,821	646,742	593,059	165,000	10,000
LESS: INDIRECT CAPITAL	<u>109,260</u>	<u>61,848</u>	<u>270,739</u>	<u>14,118</u>	<u>15,633</u>
NET SURPLUS/(DEFICIT)	<u>(239,509)</u>	<u>(340,191)</u>	<u>(513,152)</u>	<u>152,102</u>	<u>284,387</u>

CORPORATE:

2. C. (2) **Adoption of Revised Operating and Capital Budgets, Niagara Frontier Transportation Authority and NFT Metro System, Inc., Fiscal Year 2011-2012**

RECOMMENDATION: The Audit and Governance Committee has reviewed this item and recommends that the Board adopt the revised Operating and Capital Budgets for the NFTA and NFT Metro System, Inc. for the Fiscal Year ending March 31, 2012. The consolidated budget for FYE'12 is \$192.7 million.

INFORMATION: On December 20, 2010, the Board passed the Budget for 2011-2012. We have updated the budget assumptions noted below based on more current information and we are presenting a revised balanced budget.

Revenues are increasing \$1,533,388.00 primarily due to increased Metro passenger fares, BNIA and NFIA Revenues, all based on more recent trends.

Operating assistance is increasing \$605,650.00 due to higher mortgage recording tax, based on more recent trends.

Expenses are increasing \$2,326,836.00 primarily the result of higher transit fuel expenses (3.10/gal diesel fuel FYE'12 budget), increased Metro salaries reflecting restored service levels and higher NFIA salaries based on increased business activity, partially offset by lower health insurance costs, based on recent trends and includes LMHF-GHI consolidation savings.

Metro Capital will be reduced \$187,798.00 based on updated funding levels.

The Operating Budget approved in December froze non-represented salaries and continues with the revised budget.

Whereupon, it was moved by Commissioner Eagan, seconded by Commissioner Helfer, that the following Resolution be adopted:

"RESOLVED, that the Revised Operating and Capital Budgets of the NFTA and NFT Metro System, Inc., for the fiscal year ending March 31, 2012, be and are hereby adopted as provided herein."

**AYES: SLOMA, LEWIN, CROCE, EAGAN, GRANTO, HELFER,
PERRY**

NOES: NONE

ADOPTED

- 3. AVIATION BUSINESS GROUP REPORT**
- A. Aviation Committee Report
 - B. Financial Update
 - C. Business Update
 - D. Resolutions

Aviation Resolutions

- i. Niagara Frontier Transportation Authority, Acceptance of Aviation Resolutions 3. D. (1) through 3. D. (4)
1. Authorization for Supplemental Agreement No. 1, Lakestone Development, Inc., BNIA
2. Approval of Landing Fee Tariff, BNIA
3. Authorization of Airline Incentive Program, BNIA
4. Authorization of Airline Incentive Program, NFIA

AVIATION:

3. D. (i) **Niagara Frontier Transportation Authority,**
Acceptance of Aviation Resolutions 3. D. (1) through 3. D. (4)

The Executive Director advised that Items 3. D. (1) through 3. D. (4) have been discussed with the Board of Commissioners of the NFTA, and the Board is unanimously in favor of all subject Resolutions.

Whereupon, it was moved by Commissioner Lewin, seconded by Commissioner Eagan, that the following Resolution be adopted:

“RESOLVED, that the Resolutions of the Niagara Frontier Transportation Authority, identified as numbers 3. D. (1) through 3. D. (4) and dated March 28, 2011 as set forth herein, be and hereby are accepted and approved in their entirety.”

AYES: SLOMA, LEWIN, CROCE, EAGAN, GRANTO, HELFER, PERRY

NOES: NONE

ADOPTED

AVIATION:

3. D. (1) **Authorization for Supplemental Agreement No. 1,
Lakestone Development, Inc., BNIA**

RECOMMENDATION: The Aviation Committee has reviewed this item and recommends that the Board authorize Supplemental Agreement No. 1 with Lakestone Development, Inc., Williamsville, New York in the amount of \$160,000.00 for estimated snow removal services at Buffalo Niagara International Airport (BNIA) for the 2010-2011 season.

INFORMATION: Lakestone Development, Inc. has been the snow removal contractor for airside operations at BNIA since November 1, 2004 and the snow removal contractor for landside operations since November 1, 2005. The term of the current Agreement with Lakestone Development, Inc. with renewal options expires March 31, 2013. The approved contract amount for the 2010-2011 season was \$707,795.00 and will be increased to \$867,795.00.

As of March 28, 2011, actual snow removal costs exceeded the approved contract by \$150,226.00 whereby season-to-date snowfall had exceeded the 10 year average by nearly 7%. Additionally, the relentless winter weather conditions had more snow occurrences and continuous colder temperatures which prevented significant snow and ice melt.

The cost of the snow removal is based on the contractual hourly rates for equipment and operators to plow, stack, and remove snow. BNIA anticipates the requested \$160,000.00 contract amendment will cover the current season-to-date contractual shortfall as well as estimated snow removal costs for the remainder of the 2010-2011 season.

FUNDING: Funding is available in the FYE 2011 operating budget.

“RESOLVED, that the Board hereby authorizes Supplemental Agreement No. 1 with Lakestone Development, Inc. for the provision of additional snow removal services at Buffalo Niagara International Airport; and

BE IT FURTHER RESOLVED, that the Executive Director, her designee and/or the Chairman, be and hereby are authorized to execute Supplemental Agreement No. 1 with Lakestone Development, Inc. in the amount of \$160,000.00 for the provision of additional snow removal services at Buffalo Niagara International Airport as described hereinabove; and

BE IT FURTHER RESOLVED, that said Supplemental Agreement shall include such terms, conditions and safeguards to the Authority as deemed appropriate by the General Counsel; and

**Regular Meeting
March 28, 2011**

BE IT FURTHER RESOLVED, that the Chief Financial Officer be and she is hereby authorized to make payments as set forth above upon certification by the Director, Aviation, that such payments are in order.”

AVIATION:

3. D. (2) **Approval of Landing Fee Tariff, BNIA**

RECOMMENDATION: The Aviation Committee has reviewed this item and recommends that the Board approve the landing fee tariff for signatory scheduled passenger air carriers, air cargo carriers, and charter operators at Buffalo Niagara International Airport, (BNIA), at the rate of \$4.30 per 1,000 pounds of gross Certified Landing Weight, (GCLW), and for non-signatory carriers at the rate of \$5.38 per 1,000 pounds of GCLW. The rates will be effective April 1, 2011 through March 31, 2012 and apply to aircraft weighing in excess of 12,500 pounds when used for carrying passengers or cargo for hire.

INFORMATION: The landing fee rates at BNIA are adjusted annually based on formulas included in the Use and Lease Agreement between NFTA and the airline operators. The rates consider NFTA cost center expenses and projections of aggregate landing weights for scheduled air carriers and air cargo carriers. The non-signatory rate equals 125% of the signatory airline rate to cover the additional administrative and overhead costs associated with providing services and maintaining the facilities for use by non-signatory airlines at BNIA.

In accordance with the Use and Lease Agreement, NFTA staff met with the airlines on March 9, 2011 to review the revised landing fee rate. The effective date for the tariff coincides with the new contract year dates in the Use and Lease Agreement. The new landing fee rate of \$4.30 per 1,000 pounds of gross Certified Landing Weight represents a 2.4% increase from the previous landing fee rate of \$4.20.

Further, the tariff exempts all NFTA tariff fees for organizations whose sole purpose is providing humanitarian aeronautical missions at BNIA. Organizations provide free air transportation on private aircraft for patients in need of medical care. Such services are provided to ensure that individuals have equal access to specialized medical treatment regardless of geographical distance and financial status. Volunteer pilots donate their time and financial resources to provide the free service.

FUNDING: No funding is required.

“RESOLVED, that the Board hereby establishes Landing Fee Tariffs applicable to signatory scheduled passenger and air cargo carriers at the rate of \$4.30 per 1,000 pounds of Gross Certified Landing Weight, and \$5.38 per 1,000 pounds of Gross Certified Landing Weight for non-signatory carriers for use of the facilities at the Buffalo Niagara International Airport; and

BE IT FURTHER RESOLVED, that the above stated rates shall be effective April 1, 2011 through March 31, 2012 and apply to aircraft in excess of 12,500 pounds of Gross Certified Landing Weight, when such aircraft are used for carrying passengers or cargo for hire.”

BUFFALO NIAGARA INTERNATIONAL AIRPORT

TARIFF - EFFECTIVE April 1, 2011

I. LANDING FEES

1. Scheduled passenger air carriers, air cargo carriers, and charter operators to pay \$4.30 per 1,000 lbs. of gross certificated landing weight (GCLW) for signatory carriers and \$5.38 per 1,000 of GCLW for non-signatory carriers including itinerant air carriers, air cargo carriers, and charter operators. Specialty charters, e.g., sports teams and dignitaries that are given special permission to park on the general aviation ramp/cargo ramp shall pay the landing fee set forth in this section. Any aircraft, regardless of weight, that carries passengers or cargo for hire shall pay the landing fee set forth in this section.
- *2. Other operators or aircraft, when the aircraft is not carrying passengers or cargo for hire, are to be charged as follows:

Below 4,001	lbs. GCLW	\$5.00
4,001 - 8,000	lbs. GCLW	7.00
8,001 - 12,500	lbs. GCLW	12.00
Above 12,500	lbs. GCLW	\$1.25 per 1,000 lbs./ GCLW

* Does not apply to general aviation aircraft permanently based at Buffalo Niagara International Airport provided that the aircraft is not carrying passengers or cargo for hire.

II. PUBLIC AIRCRAFT AREA PARKING FEES

1. All aircraft - first one (1) hour parking included in landing fee.
2. Parking on NFTA public use areas after one (1) hour. ♡

	8 Hours or Fraction Thereof	Each 24 Hours
Below 8,001 lbs. GCLW	\$ 9.00	\$15.00
8,001 - 12,500 lbs.	12.00	20.00
12,501 - 50,000 lbs. GCLW	20.00	35.00
Above 50,000 lbs. GCLW	30.00	45.00

III. COMMERCIAL AIR CARRIER REMAIN OVERNIGHT, (RON) PARKING FEES

1. All commercial air carriers to pay \$125.00 per 24 hours or fraction thereof.
2. Parking areas as designated by Director of Aviation.

IV. FUEL FLOWAGE FEES

**1. A charge of \$.05 per gallon will be made for all fuel delivered to the airport premises.

**2. A charge of \$.10 per gallon will be made for all aircraft lubricants delivered to the airport premises.

*** Fee does not apply to signatory Part 121 scheduled passenger air carriers operating at the Terminal Building and signatory scheduled cargo carriers.*

V. HUMANITARIAN MISSIONS

In areas designated for public aircraft parking at Buffalo Niagara International Airport, owners assume complete responsibility for their aircraft. All fees to be waived for organizations whose sole purpose is providing humanitarian aeronautical missions at Buffalo Niagara International Airport.

AVIATION:

3. D. (3) Authorization of Airline Incentive Program, BNIA

RECOMMENDATION: The Aviation Committee has reviewed this item and recommends that the Board adopt the Incentive Program for Buffalo Niagara International Airport (BNIA) to be effective April 1, 2011 through March 31, 2012 as set forth in the attachment hereto.

INFORMATION: The Authority's Air Service Development Program (Program) for BNIA has dedicated staff and resources to create public and industry awareness of BNIA and its facilities. The Program is designed to increase air travel and promote competition at BNIA. The Program provides for the overall marketing of BNIA, targeting specific destinations, participation in travel and trade shows, conducting advertising campaigns and promotions, and engaging in direct sales meetings with travel agents/tour operators.

The Authority recognizes the value of new domestic and international air service at BNIA. The goal of the Authority Incentive Program is to attract new service to increase travel to and from BNIA and promote competition at BNIA. The Authority recognizes that efforts to attract new service and the success of new service may be dependent on whether or not the airport offers an Incentive Program. The Authority developed an Incentive Program that is an important piece of the Authority's Air Service Development Program. The Incentive Program will offer incentives to new entrant air carriers in the form of gate use fee waiver for a not-to-exceed period of twelve months and to both new entrant and incumbent air carriers in the form of landing fee waiver for a not-to-exceed period of twelve months for service to defined non-stop destinations not currently served at BNIA. The Authority will review the Incentive Program annually and reserves the right to amend, supplement or cancel the Incentive Program.

FUNDING: The cost of the Incentive Program will be funded using Airport Development funds.

"RESOLVED, that the Board hereby authorizes implementation of the Incentive Program at the Buffalo Niagara International Airport effective April 1, 2011 as set forth hereinabove; and

BE IT FURTHER RESOLVED, that the Executive Director, her designee and/or the Chairman, be and hereby are authorized to take such actions as required to implement the Incentive Program at Buffalo Niagara International Airport as set forth hereinabove."

BUFFALO NIAGARA INTERNATIONAL AIRPORT

INCENTIVE PROGRAM

The Authority's Air Service Development Program (Program) for Buffalo Niagara International Airport (BNIA) has dedicated staff and resources to create public and industry awareness of BNIA and its facilities. The Program is designed to increase air travel and promote competition at BNIA. The Program provides for the overall marketing of BNIA, targeting specific destinations, participation in travel and trade shows, conducting advertising campaigns and promotions, and engaging in direct sales meetings with travel agents/tour operators.

The Authority recognizes the value of new domestic and international air service at BNIA. The goal of the Authority Incentive Program is to attract new service to increase travel to and from BNIA and promote competition at BNIA. The Authority recognizes that efforts to attract new service and the success of new service may be dependent on whether or not the airport offers an Incentive Program. The Authority developed an Incentive Program that is an important piece of the Authority's Air Service Development Program. The Incentive Program will offer incentives for new entrant service and service to defined non-stop destinations not currently served at BNIA. The following air carrier Incentive Program has been developed based on the goals and objectives of the Program. The Authority will review the Incentive Program annually and reserves the right to amend, supplement or cancel the Incentive Program. The costs associated with the BNIA Incentive Program will not be included in the airline rates and charges.

I. Landing Fee Waiver Incentive

Eligibility and Benefits

The Authority will waive the landing fee set forth in the BNIA Tariff schedule for a not to exceed period of twelve (12) consecutive months for the promotion of destination based new service. The new service may be provided by an incumbent air carrier or new entrant air carrier and must be to one of the destinations identified below. The service must consist of regularly scheduled non-stop service to one of the destinations set forth below. Scheduled domestic service of six or more flights per week will be eligible for a 100% landing fee waiver to the destination. Scheduled domestic service of three to five flights per week will be eligible for a 75% landing fee waiver to the destination. Scheduled domestic service of one to two flights per week will be eligible for a 50% landing fee waiver to the destination. Scheduled international service of at least one flight per week will be eligible for a 100% landing fee waiver to the destination.

Domestic Destinations

1. LA basin -
LAX (Los Angeles), BUR (Burbank), SNA
(Orange County), LGB (Long Beach), and
ONT (Ontario)

2. San Francisco
OAK (Oakland), SFO (San Francisco),
and SJC (San Jose)

3. Houston – IAH and HOU

4. DFW (Dallas - Ft. Worth)

5. ALB (Albany)

6. SAN (San Diego)

7. SEA (Seattle)

8. RDU (Raleigh - Durham)

9. MKE (Milwaukee)

10. SLC (Salt Lake City)

11. DEN (Denver)

International Destinations

12. Caribbean

13. Central and South America

14. Europe

Duration of Incentive

Twelve months from start of
service

Twelve months from start of
service

Twelve months from start of
service

Twelve months from start of
service

Twelve months from start of
service

Twelve months from start of
service

Twelve months from start of
service

Twelve months from start of
service

Twelve months from start of
service

Twelve months from start of
service

Twelve months from start of
service

Duration of Incentive

Twelve months from start of
service

Twelve months from start of
service

Twelve months from start of
service

An air carrier will not be eligible for the landing fee waiver incentive if it had non-stop service to a listed destination and cancelled that service within the last two years of applying for the landing fee waiver incentive to the destination that was previously cancelled. The air carrier may be eligible to apply for the landing fee waiver incentive for the previously cancelled destination two years after the cancellation of the service, provided that the program is still available.

In the event that the air carrier does not comply with these minimum requirements then the new entrant shall not be entitled to receive the landing fee waiver Incentive.

The air carrier and the Authority shall execute a letter of agreement for participation in the Incentive Program that memorializes the terms and conditions of the Incentive Program. Either party may terminate the agreement upon sixty days written notice.

II. New Entrant Gate Use Fee Waiver Incentive

Eligibility and Benefits

The Authority will waive the passenger terminal gate use fee for a not to exceed period of twelve (12) consecutive months for new entrant air carrier service and thereby enhance competition and air carrier service. The New Entrant Gate Use Fee Waiver Incentive will only be available if the Authority has vacant gate positions.

The air carrier must provide regularly scheduled passenger service at BNIA from the passenger terminal building at a minimum of three flights per week. An air carrier will not be eligible for the gate use fee waiver incentive if it had regularly scheduled service at BNIA and cancelled that service within the last two years of applying for the gate use fee waiver incentive. The air carrier may be eligible to apply for the gate use fee waiver incentive two years after the cancellation of service at BNIA, provided that the program is still available. Incumbent air carriers are not eligible for the gate use fee waiver portion of the Incentive Program.

The air carrier and the Authority shall execute a letter of agreement for participation in the Incentive Program that memorializes the terms and conditions of the Incentive Program. Either party may terminate the agreement upon sixty days written notice.

AVIATION:

3. D. (4) **Authorization of Airline Incentive Program, NFIA**

RECOMMENDATION: The Aviation Committee has reviewed this item and recommends that the Board adopt the Niagara Falls International Airport (NFIA) Incentive Program to be effective April 1, 2011 through March 31, 2013 as set forth in the attachment hereto. The advertising incentives will be limited to \$200,000.00 including a maximum of \$100,000.00 for domestic destinations.

INFORMATION: The Authority's Air Service Development Program (Program) for Niagara Falls International Airport (NFIA) has dedicated staff and resources to create public and industry awareness of NFIA and its facilities. The Program is designed to increase air travel and promote competition at NFIA. The Program provides for the overall marketing of NFIA, targeting specific destinations, participation in travel and trade shows, conducting advertising campaigns and promotions, and engaging in direct sales meetings with travel agents/tour operators.

The Authority recognizes the value of new domestic and international air service at NFIA. The goal of the Authority Incentive Program is to attract new service to increase travel to and from NFIA and promote competition at NFIA. The Authority recognizes that efforts to attract new service and the success of new service may be dependent on whether or not the airport offers an Incentive Program. The Authority developed an Incentive Program that is an important piece of the Program. The Incentive Program will offer incentives for new entrant service and service to defined destinations not currently served at NFIA. The Incentive Program has been developed based on the goals and objectives of the Program.

The first part of the Incentive Program is directed at the provision of non-stop destination based service. Under this part there is a matching advertising component and a fee waiver component. The Authority will make a pool of cooperative advertising funds available for the promotion of destination based new service. Incumbent air carriers and new entrant air carriers may avail themselves this incentive. The Authority has determined that the Program marketing support funds are best utilized when done in partnership with the air carriers. This partnership effort maximizes the available funds for advertising or promotional campaigns, and creates a positive and supportive working relationship between the air carrier and the Authority. Cooperative promotional programs can be a significant factor in an air carrier's decision to serve a market. The success of new service can depend on the level of marketing support that the service receives. The advertising incentives will be limited to \$200,000.00 including a maximum of \$100,000.00 for domestic destinations. The second component of the destination-based part of the Incentive Program entails the waiver of landing fees. The landing fee waiver is available to incumbent air carriers and new entrant air carriers.

The second part of the Incentive Program is directed at attracting new entrant air carriers. Under this part the Authority will waive landing, terminal, and apron parking fees for new entrant air carriers for a not to exceed period of twelve months. This incentive is not dependent upon the destination of the new service.

**Regular Meeting
March 28, 2011**

The Authority will review the Incentive Program annually and reserves the right to amend, supplement or cancel the Incentive Program. The costs associated with the NFIA Incentive Program will not be included in the airline rates and charges.

FUNDING: The cost of the Incentive Program will be funded using Airport Development funds.

“RESOLVED, that the Board hereby authorizes implementation of the Incentive Program at the Niagara Falls International Airport effective April 1, 2011 as set forth hereinabove; and

BE IT FURTHER RESOLVED, that the Executive Director, her designee and/or the Chairman, be and hereby are authorized to take such actions as required to implement the Incentive Program at Niagara Falls International Airport as set forth hereinabove.”

NIAGARA FALLS INTERNATIONAL AIRPORT

INCENTIVE PROGRAM

The Authority's Air Service Development Program (Program) for Niagara Falls International Airport (NFIA) has dedicated staff and resources to create public and industry awareness of NFIA and its facilities. The Program is designed to increase air travel and promote competition at NFIA. The Program provides for the overall marketing of NFIA, targeting specific destinations, participation in travel and trade shows, conducting advertising campaigns and promotions, and engaging in direct sales meetings with travel agents/tour operators.

The Authority recognizes the value of new domestic and international air service at NFIA. The goal of the Authority Incentive Program is to attract new service to increase travel to and from NFIA and promote competition at NFIA. The Authority recognizes that efforts to attract new service and the success of new service may be dependent on whether or not the airport offers an Incentive Program. The Authority developed an Incentive Program that is an important piece of the Authority's Air Service Development Program. The Incentive Program will offer incentives for new entrant service and service to defined destinations not currently served at NFIA. The following air carrier/operator Incentive Program has been developed based on the goals and objectives of the Program. The Authority will review the Incentive Program annually and reserves the right to amend, supplement or cancel the Incentive Program. The costs associated with the NFIA Incentive Program will not be included in the airline rates and charges.

I. Non-Stop Destination Based Incentives

A. Matching Advertising Incentive

Eligibility and Benefits

The Authority will make a pool of cooperative advertising funds available for the promotion of destination based new service. The new service may be provided by an incumbent air carrier/operator or new entrant air carrier/operator. The Matching Advertising Incentive for a particular destination will no longer be available once two air carrier/operators serve the same destination. The new service must consist of non-seasonal regularly scheduled non-stop passenger or regularly scheduled non-stop public passenger charter service that operates a minimum of one flight per week to one of the twelve following destinations:

<u>Destination</u>	<u>Destination Limit</u>	<u>Duration of Incentive</u>
1. LA basin – LAX (Los Angeles), BUR (Burbank), SNA (Orange County), LGB (Long Beach), and ONT (Ontario)	\$50,000 per carrier	Twelve months from start of service
2. San Francisco – OAK (Oakland), SFO (San Francisco), and SJC (San Jose)	\$50,000 per carrier	Twelve months from start of service
3. MKE (Milwaukee)	\$50,000 per carrier	Twelve months from start of service

4. DEN (Denver)	\$50,000 per carrier	Twelve months from start of service
5. ALB (Albany)	\$50,000 per carrier	Twelve months from start of service
6. DFW (Dallas – Ft. Worth)	\$50,000 per carrier	Twelve months from start of service
7. Caribbean	\$75,000 per carrier	Twelve months from start of service
8. Central and South America	\$75,000 per carrier	Twelve months from start of service
9. British Isles (UK/Ireland)	\$100,000 per carrier	Twelve months from start of service
10. Mediterranean	\$100,000 per carrier	Twelve months from start of service
11. Western Europe	\$100,000 per carrier	Twelve months from start of service
12. Eastern Europe	\$100,000 per carrier	Twelve months from start of service

The matching advertising funds may be available to air carriers/operators that meet the eligibility requirements provided that money is available in the Authority matching advertising program fund. The Authority will set an annual cap on the matching advertising program fund. The Authority may pro rate the matching advertising funds in the event that more than one air carrier/operator applies for the same destination. The pro rated amount will be based upon the frequency of service that each air carrier/operator is offering to the same destination and the amount of money available in the matching advertising fund. The matching advertising program fund incentive shall be effective until the fund is exhausted.

An air carrier/operator will not be eligible for the matching advertising incentive if it had service to a listed destination and cancelled that service within the last two years of applying for the matching advertising incentive to the destination that was previously cancelled. The air carrier/operator may be eligible to apply for the matching advertising incentive for the previously cancelled destination two years after the cancellation of the service, provided that the program is still available.

An air carrier/operator is required to match the Authority's advertising incentive on an equal basis. The Authority will require proof of payment, subject to audit, prior to receipt of the Authority's advertising incentive. Fifty percent of eligible incentive dollars may be paid after six months of service and the remaining fifty percent at the end of the twelve month period.

Matching advertising funds may be used for advertising campaigns, radio, direct mail, internet marketing or other agreed upon promotions. The name "Niagara Falls International Airport" must be prominently mentioned in the form of media selected for the promotion.

The Authority reserves the right to review and approve the air carrier/operator advertising campaign to verify compliance with the requirements set forth herein. The air carrier/operator is responsible for the development of its advertising campaign.

The air carrier/operator and the Authority shall execute a letter of agreement for participation in the Incentive Program that memorializes the terms and conditions of the Incentive Program. Either party may terminate the agreement upon sixty days written notice.

B. Destination Based Landing Fee Waiver Incentive

Eligibility and Benefits

The Authority will waive landing fees, as set forth in the NFIA Tariff schedule, for a not to exceed period of twelve (12) consecutive months for new service to destinations identified as one through six above and for a not to exceed period of twenty-four (24) consecutive months for new service to destinations identified as seven through twelve above. The new service must consist of regularly scheduled non-stop passenger or regularly scheduled non-stop public passenger charter service that operates a minimum of one flight per week to one of the twelve destinations. In the event that the air carrier/operator does not comply with these minimum requirements then it is not entitled to receive the Landing Fee Waiver.

An air carrier/operator will not be eligible for the destination based landing fee waiver incentive if it had service to a listed destination and cancelled that service within the last two years of applying for the destination based landing fee waiver incentive to the destination that was previously cancelled. The air carrier/operator may be eligible to apply for the destination based landing fee waiver incentive for the previously cancelled destination two years after the cancellation of the service, provided that the program is still available.

The air carrier/operator and the Authority shall execute a letter of agreement for participation in the Incentive Program that memorializes the terms and conditions of the Incentive Program. Either party may terminate the agreement upon sixty days written notice.

II. New Entrant Incentive

Eligibility and Benefits

The Authority will waive landing, terminal use, and apron parking fees set forth in the NFIA Tariff schedule for a not to exceed period of twelve (12) consecutive months for new entrant air carriers/operators.

This fee waiver shall be available only to new entrant air carriers/operators that provide regularly scheduled passenger or regularly scheduled public passenger charter service that provides a minimum of one flight per week. In the event that the new entrant does not comply with these minimum requirements then the new entrant shall not be entitled to receive the New Entrant Incentive.

The air carrier/operator and the Authority shall execute a letter of agreement for participation in the Incentive Program that memorializes the terms and conditions of the Incentive Program. Either party may terminate the agreement upon sixty days written notice.

- 4. SURFACE TRANSPORTATION BUSINESS GROUP REPORT**
 - A. Surface Transportation Committee Report
 - B. Financial Update
 - C. Business Update
 - D. Resolutions

Surface Transportation Resolutions

- i. Niagara Frontier Transportation Authority, Acceptance of Surface Transportation Resolutions 4. D. (1) through 4. D. (3)
- 1. Acceptance of Bid, Janek Corporation, Dinex Multiplexing System
- 2. Acceptance of Bid, PHW Incorporated, LRV Train Control Carborne Equipment Upgrade
- 3. Acceptance of Bid, ADA Solutions, Inc., Tactile Strips and Rub-rails, NFT Metro

SURFACE:

4. D. (i) **Niagara Frontier Transportation Authority, Acceptance of
Surface Transportation Resolutions 4. D. (1) through 4. D. (3)**

The Executive Director advised that Items 4. D. (1) through 4. D. (3) have been discussed with the Board of Commissioners of the NFTA, and the Board is unanimously in favor of all subject Resolutions.

Whereupon, it was moved by Commissioner Granto, seconded by Commissioner Helfer, that the following Resolution be adopted:

“RESOLVED, that the Resolutions of the Niagara Frontier Transportation Authority, identified as numbers 4. D. (1) through 4. D. (3) and dated March 28, 2011 as set forth herein, be and hereby are accepted and approved in their entirety.”

AYES: SLOMA, LEWIN, EAGAN, GRANTO, HELFER, PERRY

NOES: NONE

ADOPTED

SURFACE:

4. D. (1) **Acceptance of Bid, Janek Corporation,
Dinex Multiplexing System**

RECOMMENDATION: The Surface Transportation Committee has reviewed this item and recommends the Board authorize an Agreement with the Janek Corporation, Tuckerton, New Jersey, for a three-year period for the repair/recondition of Dinex Multiplexing System control components. The total estimated cost is \$138,825.00 for the period of March 31, 2011 through April 1, 2013.

INFORMATION: The Dinex Multiplexing System reduces the number of electrical wires running the length of the bus, thereby reducing the number of connector failures. Bus Maintenance requires the repair/recondition of control components of this system for the bus fleet. This procurement was advertised in accordance with NFTA procurement guidelines.

At the time of bid 158 vendors downloaded the bid. There was one responsive bidder, the Janek Corporation. The only other known manufacturer was not interested in repairing control components.

The Internal Audit Department conducted a single bid audit and determined the pricing quoted in the bid from Janek Corporation is fair and reasonable.

Name	Address	Cost			
		1st Year	2nd Year	3rd Year	Total
The Janek Corporation	Tuckerton, NJ	\$46,275.00	\$46,275.00	\$46,275.00	\$138,825.00

FUNDING: Funding for this procurement is in the 2011/2012 Inventory Account 2-00-0000-184-0010.

“RESOLVED, that the Board hereby accepts the bid submitted by Janek Corporation for the repair/recondition of Dinex Multiplexing System control components as described hereinabove; and

BE IT FURTHER RESOLVED, that the Manager, Procurement, be and she is hereby authorized to issue Purchase Orders to Janek Corporation for the repair/recondition of Dinex Multiplexing System control components in the amount of \$138,825.00 as described hereinabove; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer be and she is hereby authorized to make payments under said Purchase Orders, upon certification by the Director, Surface Transportation, or his designee, that such payments are in order.”

SURFACE:

4. D. (2) **Acceptance of Bid, PHW Incorporated, LRV Train Control Carborne Equipment Upgrade**

RECOMMENDATION: The Surface Transportation Committee has reviewed this item and recommends that the Board award the subject construction contract to PHW Incorporated, for a negotiated lump sum amount of \$2,886,076.43.

INFORMATION: The existing Carborne Train Control Equipment on board the 27 light rail vehicles (LRV) has reached the end of its useful life. The manufacturer no longer supports the equipment and parts have become obsolete or increasingly difficult to obtain.

The scope of work for the project provides for replacement of the Carborne Train Control Equipment. Included in the equipment are the following sub-systems: Automatic Train Protection (ATP), Automatic Vehicle Identification (AVI), and Vehicle to Wayside Communication (VWC). The project will be phased over two years. Phase 1 includes the design, manufacture, test, and commissioning of the prototype Carborne Train Control Equipment on a selected LRV. Phase 2 includes the manufacture, installation and commissioning of the equipment on the remaining fleet of 26 LRVs.

The project was publicly advertised in accordance with NFTA Procurement Guidelines. Five (5) sets of contract documents were distributed to potential prime bidders with one contractor submitting a bid. The single bid clause of the bid documents was enacted and negotiations with PHW Incorporated were pursued. The bid results and ensuing negotiations are summarized as follows:

Company	Total Bid Amount	Negotiated Amount
Engineer's Estimate	\$2,742,318.00	\$2,742,318.00
PHW Incorporated Pittsburgh, PA John Harrison, President	\$3,508,431.84	\$2,886,076.43

Follow up interviews were held with the other prime bidders, who failed to submit a bid, in order to determine their reasons for not bidding. The following is a summary of their responses:

- Uncapped liabilities within the terms and conditions were unacceptable.
- The level of engineering effort required was too great.
- Concerns about the coordination effort with the mid-life overhaul project.
- Unable to find suitable installation sub-contractor

Re-bidding this project to accommodate potential bidders would require compromising the FTA based terms and conditions in the bid documents. It is unlikely that a re-bid would provide a viable contractor or financial benefit.

**Regular Meeting
March 28, 2011**

The design consultant, Booz Allen, performed an investigation to determine the contractor's capability. It was determined that the single bidder, PHW Incorporated, has the knowledge, understanding, and ability to successfully accomplish the project scope of work.

An audit of the single bid was performed by the Internal Audit Department. They concur with the award recommendation.

The NFTA Affirmative Action/EEO office has been briefed on the bid results. They are currently working with the contractor to provide DBE participation.

FUNDING: Funds for the contract are found in Account No. 12-0000000-3188-29475 as follows:

Funding Source	Amount Phase 1	Amount Phase 2	Amount Total	Percentage
FTA Restricted	\$ 997,359.33	\$1,001,611.67	\$1,998,971.00	69.2%
FTA NY-90-X643/X612	\$ 354,087.67	\$ 355,597.36	\$ 709,685.03	24.6%
NYS PIN 5822.89/5823.05	\$ 44,260.75	\$ 44,449.45	\$ 88,710.20	3.1%
88C 5730.88A/5731.88H	\$ 44,260.75	\$ 44,449.45	\$ 88,710.20	3.1%
Total	\$1,439,968.50	\$1,446,107.93	\$2,886,076.43	100.0%

“RESOLVED, that the Board hereby authorizes an Agreement with PHW Incorporated for replacement of the Carborne Train Control Equipment; and

BE IT FURTHER RESOLVED, that the Executive Director, her designee and/or the Chairman, be and hereby are authorized to execute an Agreement with PHW Incorporated with terms and conditions as set forth above and as negotiated; and

BE IT FURTHER RESOLVED, that the said Agreement shall include such terms, conditions and safeguards to the Authority as deemed appropriate by the General Counsel; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer be and she is hereby authorized to make payments under said Agreement upon certification by the Director of Engineering, that such payments are in order.”

SURFACE:

4. D. (3) **Acceptance of Bid, ADA Solutions, Inc., Tactile Strips and Rub-rails, NFTA Metro**

RECOMMENDATION: The Surface Transportation Committee has reviewed this item and recommends that the Board award Bid Number 4064 to ADA Solutions, Inc. from North Billerica, Massachusetts, for a total amount of \$58,216.00. This purchase includes Tactile Strips and Rub-rails at Allen Medical, Amherst, and LaSalle underground rail stations as well as Tactile Strips for the seven aboveground rail stations. The NFTA would purchase these Tactile Strips and Rub-rails from ADA Solutions Inc. and install these items using NFTA Metro's maintenance staff.

INFORMATION: The purpose for this Americans with Disabilities Act (ADA) transit enhancement project is twofold. First, it will broaden the tactile strips to cover all of the Metro rail stations, not just those identified as ADA key stations. Additionally, it will update the older style tactile strips to meet the latest ADA standards. Secondly, by adding a one inch rub-rail to the underground stations platforms the gap will be reduced between the Light Rail Vehicle and the platform edge to conform with the updated ADA regulation that allows a maximum gap of three inches. These safety improvements will benefit not just the disabled community but all of the Metro Rail patrons. Ten responses were received for bid number 4064. ADA Solutions, Inc. was the lowest bidder as shown below:

Vendors	Bid Amount
1) ADA Solutions, Inc. North Billerica, MA	\$58,216.00
2) A.H. Harris & Sons, Inc. Newington, CT	\$64,566.90
3) Garden State Highway Prod. Vineland, NJ.	\$114,004.80
4) Allied Building Products Corp. Cheektowaga, NY	\$114,124.32
5) Upstate Steel, Inc. Buffalo, NY.	\$125,064.00
6) Garden State Highway Prod. Vineland, NJ.	\$130,939.20
7) Allied Building Products Corp. Cheektowaga, NY	\$131,139.36
8) Upstate Steel, Inc. Buffalo, NY.	\$143,409.60
9) Access Products, Inc. Buffalo, NY	\$155,070.00
10) Engineered Plastics Inc. Williamsville, NY	\$178,074.00

FUNDING: This procurement will be funded as follows: 80% FTA Grant, 10% NYS, and 10% NFTA funds.

“RESOLVED, that the Board hereby accepts the bid from ADA Solutions, Inc. for Tactile Strips and Rub-rails as described hereinabove; and

BE IT FURTHER RESOLVED, that the Manager, Procurement, be and she is hereby authorized to issue Purchase Orders to ADA Solutions, Inc. for Tactile Strips and Rub-rails in the amount of \$58,216.00 as described hereinabove; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer be and she is hereby authorized to make payments under said Purchase Orders, upon certification by the Director, Surface Transportation, or his designee, that such payments are in order.”

BID ANALYSIS

VENDORS

BID NO. 4064
 BID FOR Tactile Warning Strips
 (Detectable Warnings) and
 Rub Rails
 DEPT. Metro Rail
 BID DATE 2/7/11 @ 1:30 pm

(1)
 A. H. Harris & Sons, Inc.
 367 Alumni Rd.
 Newington, CT 06111
 Tod Marin, Govt Acct Mgr
ADA SOLUTIONS

(2)
 Engineered Plastics Inc.
 300 International Dr.
 Williamsville, NY 14221
 Ken Lawrence, V. Pres.

(3)
 ADA Solutions, Inc.
 P.O. Box 3
 No. Billerica, MA 01862
 Helmut Klohn, Oper. Mgr.
ADA SOLUTIONS

(4)
 Access Products, Inc.
 241 Main St.
 Buffalo, NY 14203
 David Murray, V. Pres.
ACCESS TILE

ITEM #	QTY	DESCRIPTION	UNIT AMT	TOTAL	UNIT AMT	TOTAL	UNIT AMT	TOTAL	UNIT AMT	TOTAL
1	54	24" x 48" Safety Yellow sheets	\$112.00	\$6,048.00	\$251.00	\$13,554.00	\$84.00	\$4,536.00	\$197.00	\$10,638.00
2	360	24" x 60" Ocean Blue sheets	\$147.20	\$52,992.00	\$457.00	\$164,520.00	\$110.40	\$49,680.00	\$390.00	\$140,400.00
3		Adhesive and/or anchors	\$13.35	\$5,526.90	Included	\$0.00	\$40.00	\$4,000.00	\$10.08	\$4,032.00
TOTAL AMOUNT BID				\$64,566.90		\$178,074.00		\$58,216.00		\$155,079.00

Payment Terms: Net 30 2% 10days/net 30 Net 30 days Net 30
Lead Time: 45 days 30 days 4 - 5 weeks 60 days

Exceptions:
 Yellow - No rub rail
 Blue - Loose 1"x 3" x 10'
 No Rub Rail hardware
 Item 2 qty - 450 (24" x 48")

NYSCR: 1/6/11
 Buffalo News, Niagara Gazette, Challenger: 1/11/11

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P.002

VENDORS

BID NO.	4064				
BID FOR	Tactile Warning Strips (Detectable Warnings) and Rub Rails	(5)	(6)	(7)	(8)
DEPT.	Metro Rail	Upstate Steel, Inc. 1800 Dale Rd. Buffalo, NY 14225 Jon Chmielowiec, Manager	Upstate Steel, Inc. 1800 Dale Rd. Buffalo, NY 14225 Jon Chmielowiec, Manager	Allied Building Products Corp 3401 Genesee St. Cheektowaga, NY 14225 Brian McCormack	Allied Building Products Corp 3401 Genesee St. Cheektowaga, NY 14225 Brian McCormack
BID DATE	2/7/11 @ 1:30 pm	ARMOR TILE	ACCESS TILE	ARMOR TILE	ACCESS TILE

ITEM #	QTY	DESCRIPTION	UNIT AMT	TOTAL	UNIT AMT	TOTAL	UNIT AMT	TOTAL	UNIT AMT	TOTAL
1	54	24" x 48" Safety Yellow sheets	\$202.40	\$10,929.80	\$186.00	\$8,964.00	\$185.04	\$9,992.16	\$151.28	\$8,169.12
2	360	24" x 60" Ocean Blue sheets	\$368.00	\$132,480.00	\$322.50	\$116,100.00	\$336.52	\$121,147.20	\$294.32	\$105,955.20
3		Adhesive and/or anchors	No charge		No Charge		Included		Included	
TOTAL AMOUNT BID				\$143,409.80		\$125,064.00		\$131,139.36		\$114,124.32
Payment Terms:			Net 30 days		Net 30 days		Standard		Standard	
Lead Time:			30 days upon receipt of order		30 days upon receipt of order		30 days		30 days	
YSCR: 1/6/11										
Buffalo News, Niagara Gazette, Challenger: 1/11/11										

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VENDORS

P.003

BID NO.	4064
BID FOR	Tactile Warning Strips (Detectable Warnings) and Rub Rails
DEPT.	Metro Rail
BID DATE	2/7/11 @ 1:30 pm

(9)

Garden State Highway Prod.
1740 E. Oak Rd.
Vineland, NJ 08361
Sharon L. Green, Pres.

ARMOR TILE

(10)

Garden State Highway Prod.
1740 E. Oak Rd.
Vineland, NJ 08361
Sharon L. Green, Pres.

ACCESS TILE

ITEM #	QTY	DESCRIPTION	UNIT AMT	TOTAL	UNIT AMT	TOTAL	UNIT AMT	TOTAL	UNIT AMT	TOTAL
1	54	24" x 48" Safety Yellow sheets	\$184.80	\$9,979.20	\$151.20	\$8,164.80		\$0.00		\$0.00
2	360	24" x 60" Ocean Blue sheets	\$338.00	\$120,960.00	\$294.00	\$105,840.00		\$0.00		\$0.00
3		Adhesive and/or anchors	Included		Included					
TOTAL AMOUNT BID				\$130,939.20		\$114,004.80		\$0.00		\$0.00
Payment Terms:			Net 30 days		Net 30 days					
Lead Time:			30 - 45 DAYS ARO		30 - 45 DAYS ARO					

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MAR-15-2011

NYSCR: 1/6/11
Buffalo News, Niagara Gazette, Challenger: 1/11/11

Total P.003

5. PROPERTY/RISK MANAGEMENT GROUP REPORT

- A. Property/Risk Management Committee Report
- B. Financial Update
- C. Business Update
- D. Resolutions

Property/Risk Management Resolutions

- i. Niagara Frontier Transportation Authority, Acceptance of Property/Risk Management Resolutions 5. D. (1) through 5. D. (4)
1. Authorization for License Agreement, Carly's Club, a Subsidiary of Roswell Park Alliance Foundation, NFTA Boat Harbor
2. Authorization for License Agreement, Eclipse Multisport, LLC, NFTA Boat Harbor
3. Authorization for License Agreement, Buffalo Niagara Riverkeeper, NFTA Boat Harbor
4. Authorization for Amendment to Lease Agreement, United States Army Corps of Engineers, 901 Fuhrmann Boulevard
5. Authorization for Fee for Jet Ski Docks, NFTA Boat Harbor

PROPERTY:

5. D. (i) **Niagara Frontier Transportation Authority,**
Acceptance of Property Resolutions 5. D. (1) through 5. D. (4)

The Executive Director advised that Items 5. D. (1) through 5. D. (4) have been discussed with the Board of Commissioners of the NFTA, and the Board is unanimously in favor of all subject Resolutions.

Whereupon, it was moved by Commissioner Eagan, seconded by Commissioner Grant, that the following Resolution be adopted:

“RESOLVED, that the Resolutions of the Niagara Frontier Transportation Authority, identified as numbers 5. D. (1) through 5. D. (4) and dated March 28, 2011 as set forth herein, be and hereby are accepted and approved in their entirety.”

AYES: SLOMA, LEWIN, EAGAN, GRANTO, HELFER, PERRY*

ABSTENTION: [*Item 5. D. (1) and Item 5. D. (3)]

NOES: NONE

ADOPTED

PROPERTY:

5. D. (1) **Authorization for License Agreement, Carly's Club, a Subsidiary of Roswell Park Alliance Foundation, NFTA Boat Harbor**

RECOMMENDATION: The Property and Risk Management Committee has reviewed this item and recommends that the Board authorize a License Agreement with Carly's Club, a subsidiary of the Roswell Park Alliance Foundation, (Robin Hace, Carly's Club Coordinator) for use of Boat Harbor/Gallagher Beach area facilities for the 9th Annual Carly's Crossing.

INFORMATION: Carly's Club is sponsoring their 9th Annual open water swim event, Carly's Crossing, on August 14, 2011 at NFTA's Boat Harbor/Gallagher Beach area. The one-day event attracts swimmers of all ages who raise funds through pledges for their completing various stages of the swim course.

The Roswell Park Alliance Foundation will be required to provide all appropriate insurance coverages. No additional operating costs will be incurred by the NFTA.

FUNDING: No funding is necessary.

"RESOLVED, that the Board hereby authorizes a License Agreement with Carly's Club, a subsidiary of Roswell Park Alliance Foundation, for use of NFTA facilities, as described hereinabove; and

BE IT FURTHER RESOLVED, that the Executive Director, her designee and/or the Chairman, be and hereby are authorized to execute a License Agreement with Carly's Club, a subsidiary of Roswell Park Alliance Foundation to enable them to use the facilities at the Boat Harbor on August 14, 2011 as described hereinabove; and

BE IT FURTHER RESOLVED, that said License Agreement shall include such terms, conditions and safeguards to the Authority as deemed appropriate by the General Counsel."

PROPERTY:

5. D. (2) **Authorization for License Agreement, Eclipse Multisport, LLC, NFTA Boat Harbor**

RECOMMENDATION: The Property and Risk Management Committee has reviewed this item and recommends that the Board authorize a Permit for Temporary Access to NFTA Property with Eclipse Multisport, LLC, (Dan Horan, President) for use of Gallagher Beach and a portion of the Boat Harbor property for the Nickel City Triathlon.

INFORMATION: Eclipse Multisport, LLC, in conjunction with the Buffalo Niagara Convention and Visitors Bureau, was successful in competing for the right to host the Elite National Championship race for professional triathletes. This race is part of the process for triathletes to be considered for the 2012 U.S. Olympic Team. It is anticipated that there will be between 800 to 1,200 participants at this event, which is scheduled to take place September 24 and 25, 2011.

The race organizers would like to use Gallagher Beach for the swim portion of the event and the parking and grass area of the property between Gallagher Beach and the Boat Harbor to be the start/finish line for the bike portion of the event and as a temporary storage area for the competitor's bicycles. Eclipse Multisport, LLC, will perform any necessary coordination with governmental agencies such as the Coast Guard and the Department of Health and will obtain insurance covering the NFTA. The NFTA will be featured in promotional materials for the event.

FUNDING: No funding is necessary.

“RESOLVED, that the Board hereby authorizes a License Agreement with the Eclipse Multisport, LLC for use of Boat Harbor facilities as described hereinabove; and

BE IT FURTHER RESOLVED, that the Executive Director, her designee and/or the Chairman, be and hereby are authorized to execute a License Agreement with the Eclipse Multisport, LLC with terms and conditions as set forth above and as negotiated; and

BE IT FURTHER RESOLVED, that said License Agreement shall include such terms, conditions and safeguards to the Authority as deemed appropriate by the General Counsel.”

PROPERTY:

5. D. (3) **Authorization for License Agreement, Buffalo Niagara Riverkeeper, NFTA Boat Harbor**

RECOMMENDATION: The Property and Risk Management Committee has reviewed this item and recommends that the Board authorize a Permit for Temporary Access to NFTA Property with Buffalo Niagara Riverkeeper (Diane Morgan, Director of Development) for use of Boat Harbor facilities for their Boom Days party.

INFORMATION: Buffalo Niagara Riverkeeper hosts two annual shoreline cleanups. The first will be on April 16 with over 1500 volunteers cleaning up trash at over 40 different sites throughout the Buffalo Niagara region. On the evening of April 16 Buffalo Niagara Riverkeeper would like to host a party at Dug's Dive for the volunteers and the public starting at 6:00 p.m. At 9:00 p.m. fireworks will be launched from one of the parking lot areas. They anticipate approximately 250 attendees.

This is the second time this event will be held at the Boat Harbor. Buffalo Niagara Riverkeeper will be required to provide all appropriate insurance coverages. No additional operating costs will be incurred by the NFTA.

FUNDING: No funding is necessary.

“RESOLVED, that the Board hereby authorizes a License Agreement with Buffalo Niagara Riverkeeper for use of Boat Harbor facilities as described hereinabove; and

BE IT FURTHER RESOLVED, that the Executive Director, her designee and/or the Chairman, be and hereby are authorized to execute a License Agreement with Buffalo Niagara Riverkeeper with terms and conditions as set forth above and as negotiated; and

BE IT FURTHER RESOLVED, that said License Agreement shall include such terms, conditions and safeguards to the Authority as deemed appropriate by the General Counsel.”

PROPERTY:

5. D. (4) **Authorization for Amendment to Lease Agreement, United States Army Corps of Engineers, 901 Fuhrmann Boulevard**

RECOMMENDATION: The Property and Risk Management Committee has reviewed this item and recommends that the Board authorize an Amendment to the Agreement with the U.S. Army Corps of Engineers for the use of outdoor storage space at 901 Fuhrmann Boulevard.

INFORMATION: On July 1, 2009 the NFTA entered into an agreement with the U.S. Army Corps of Engineers (Corps) to use approximately 8,000 square feet of space between Terminals A and B to store concrete stone for use in the maintenance of Federal Navigation Projects. That lease expired September 30, 2010 and in October 2010 the Board authorized a six-month extension. Due to a delay in the project implementation, the Corps has requested an additional extension of the lease until October 31, 2011. All other terms of the lease will remain the same including a rental rate of \$5,000.00 per year.

FUNDING: No funding is necessary.

“**RESOLVED**, that the Board hereby authorizes an Amendment to the Lease Agreement with the United States Army Corps of Engineers for space at 901 Fuhrmann Boulevard, as described hereinabove; and

BE IT FURTHER RESOLVED, that the Executive Director, her designee and/or the Chairman, be and hereby are authorized to execute an Amendment to the Lease Agreement with the United States Army Corps of Engineers with terms and conditions as set forth above and as negotiated; and

BE IT FURTHER RESOLVED, that said Amendment to the Lease Agreement shall include such terms, conditions and safeguards to the Authority as deemed appropriate by the General Counsel.”

PROPERTY:

5. D. (5) Authorization for Fee for Jet Ski Docks, NFTA Boat Harbor

RECOMMENDATION: The Property and Risk Management Committee has reviewed this item and recommends that the Board authorize a seasonal fee of \$450.00 for jet ski dock rentals at the Boat Harbor.

INFORMATION: The current configuration of A Dock allows for accommodation of eighteen 20-foot slips, which are sold at a price of \$668.00 each for the season. In the past four years, we have always had anywhere from four to eight slips left vacant or sold at a prorated discount, with an average uncollected annual revenue of \$16,823.00.

Western New York has a large amount of registered small craft (jet ski) type of vessels. In order to maximize the revenue potential for A Dock, staff is converting eight of the 20-foot slips into twelve new jet ski drive-on docks. The area on "A" Dock that will be converted is the northeast row closest to the restaurant and main building.

The local area price for jet ski docks is \$500.00 per season. By offering the public a seasonal price of \$450.00 per jet ski dock, we hope to attract new customers to the Harbor and we will start to see income from this portion of A Dock that historically has not sold.

FUNDING: No funding is necessary.

Whereupon, it was moved by Commissioner Helfer, seconded by Commissioner Lewin, that the following Resolution be adopted:

"RESOLVED, that the Board hereby authorizes a \$450.00 fee for seasonal jet ski dock rentals at the Boat Harbor."

AYES: SLOMA, LEWIN, EAGAN, GRANTO, HELFER, PERRY

NOES: NONE

ADOPTED

6. General Counsel Report – Vicky Brunette - None
7. Executive Session - None
8. Adjournment

At approximately 1:40 p.m., the Chairman indicated that there was no further business coming before the Board, whereupon it was moved by Commissioner Granto, seconded by Commissioner Lewin, and unanimously approved that the Regular Meeting of the Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc. be adjourned.

AYES: SLOMA, LEWIN, CROCE, EAGAN, GRANTO, HELFER, PERRY

NOES: NONE