NFTA
Niagara Frontier Transportation Authority
Serving Buffalo Niagara

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June 26, 2014

Mr. Robert M. Graber
Clerk
Erie County Legislature
25 Delaware Avenue
Buffalo, New York 14202

Re: NFTA Board Minutes

Dear Mr. Graber:

Enclosed for your information and files please find a copy of the Minutes from the Niagara Frontier Transportation Authority's Regular Board Meeting held on May 22, 2014.

Very truly yours,

David J. State
General Counsel

DJS:lf

Enclosure

NIAGARA FRONTIER TRANSPORTATION AUTHORITY
NIAGARA FRONTIER TRANSIT METRO SYSTEM, INC.
REGULAR BOARD MEETING
MAY 22, 2014 12:30 PM
MINUTES

1. CALL TO ORDER

A. Meeting Called to Order

Chairman Zemsky called the meeting to order at approximately 12:34 p.m.

B. Approval of Minutes of the NFTA Annual Board Meeting held on April 24, 2014

It was moved by Commissioner Hughes, seconded by Commissioner Hicks, that the Minutes of the April 24, 2014 Annual Meeting of the Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc., be accepted and approved.

AYES: ZEMSKY, SLOMA, GURNEY, ANSARI, HICKS, HUGHES, PERRY

NOES: NONE

C. Executive Director Report

Executive Director Kimberley Minkel updated the Board on the results of the Scenario Planning Process from the One Region Forward initiative which is a collaborative effort to promote sustainable forms of development in Erie and Niagara counties. Hal Morse from GBNRTC will present the alternative results generated from this initiative. She informed the Board that the delayed 5307 portion of Federal funding has now been released by both the DOL and FTA. The Executive Director also informed the Board that she was invited to speak at the Congress for the New Urbanism seminar which will be held in Buffalo on June 4th to discuss the transit renaissance movement worldwide. She also provided two handouts regarding recent studies indicating the driving boom was over including an article by the Rockefeller Foundation indicating that one of the top three criteria for Millennials is access to high quality transportation and would impact their decision of where to live.

2. **NFTA CORPORATE REPORT**
   A. Audit and Governance Committee Report
   B. Consolidated Financial
   C. Corporate Resolutions

Corporate Resolutions

i. Niagara Frontier Transportation Authority, Acceptance of Corporate Resolutions 2. C. (1) through 2. C. (3)

1. Authorization for Standard Commercial Photography Filing Fee

2. Authorization for Procurement, Road Salt, NFTA and Metro

3. Authorization for Agreements, Bank of America Merrill Lynch; RBC Capital Markets and Siebert Brandford Shank & Co., LLC, Refunding of Certain Outstanding Airport Debt

CORPORATE:

2. C. (i) Niagara Frontier Transportation Authority, Acceptance of Corporate Resolutions 2. C. (1) through 2. C. (3)

The Executive Director advised that Items 2. C. (1) through 2. C. (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 Sloma, seconded by Commissioner Gurney that the following Resolution be adopted:

> "**RESOLVED**, that the Resolutions of the Niagara Frontier Transportation Authority, identified as numbers 2. C. (1) through 2. C. (3) and dated May 22, 2014 as set forth herein, be and hereby are accepted and approved in their entirety."

AYES: **ZEMSKY, SLOMA, GURNEY, ANSARI, HICKS, HUGHES, PERRY**

NOES: **NONE**

ADOPTED

CORPORATE:

2. C. (1) Authorization for Standard Commercial Photography Filming Fee

RECOMMENDATION: Staff recommends that the Board reapprove a standard commercial photography/filming fee of $75 per hour to be applied when a production company or photographer is on NFTA property and requires NFTA personnel to be present at the location. In addition, staff recommends the Board approve the institution of a non-refundable application fee of $100 to cover the administrative involvement of processing the application.

INFORMATION: The hourly rate of $75 per hour was established to cover salary and benefits based on the highest anticipated hourly cost.

There will be a one-hour minimum charge per NFTA person on location and the final cost for each person will be based on 15-minute intervals.

FUNDING: No funding is required.

> "**RESOLVED,** that the Board hereby establishes a Standard Commercial Photography Filming Fee of $75 per hour, per NFTA employee to be applicable to production crews when filming or taking photos while on NFTA property and establish a $100.00 application fee as described hereinabove."

CORPORATE:

2. C. (2) Authorization for Procurement, Road Salt, NFTA and Metro

RECOMMENDATION: Staff recommends that the Board grant approval to participate in the NYS OGS Procurement Services Group Road Salt Bid for the procurement of approximately 3,730.00 tons of bulk road salt for the winter season of 2014/2015.

INFORMATION: NYS OGS requires a commitment to participate before the bid for road salt is issued. Staff considers the NYS OGS Group Bid to be most advantageous to the Authority based upon historical price data.

FUNDING: Funding is included in the operating budgets of NFTA and Metro.

"**RESOLVED,** that the Board hereby authorizes participation in the NYS OGS Procurement Services Group Road Salt Bid for the procurement of approximately 3,730 tons of bulk road salt as described hereinabove; and

BE IT FURTHER RESOLVED, that the Procurement Manager is authorized to issue Purchase Orders for the procurement of approximately 3,730 tons of bulk road salt to the successful bidder on the NYS OGS Procurement Services Group Salt Bid for the 2014/2015 winter season; and

BE IT FURTHER RESOLVED, that said Purchase Orders 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 he is hereby authorized to make payments under said Purchase Orders, upon certification by the respective facilities managers, or their designees, that such payments are in order."

CORPORATE:

2. C. (3) Authorization for Agreements, Bank of America Merrill Lynch; RBC Capital Markets and Siebert Brandford Shank & Co., LLC, Refunding of Certain Outstanding Airport Debt

RECOMMENDATION: Staff recommends that the Board authorize Agreements with Bank of America Merrill Lynch as senior manager and RBC Capital Markets and Siebert Brandford Shank & Co., L.L.C. as co-managers for the refunding of Series 1998, 1999A, and 1999B Airport Revenue Bonds based on proposals submitted in response to the request for proposals.

INFORMATION: Fourteen Underwriting firms submitted proposals that were reviewed by a team consisting of the Chief Financial Officer, Director of Aviation, Manager of Procurement, Manager of Aviation Administration and Finance, and Manager of Financial Planning & Analysis.

The proposals were rated on:

- NPV savings and Fee.
- Technical Criteria.
- Qualifications and experience in providing the required financing.

Based on the proposals and presentations, Bank of America Merrill Lynch was the highest rated firm using the established scoring method. Bank of America Merrill Lynch's selection was based on their municipal market leadership as a senior manager of Airport Revenues Bonds, experience, willingness to commit capital, and combination of NPV savings and Fee.

In addition, the team determined that RBC Capital Markets, the second highest rated firm, and Siebert Brandford Shank & Co., L.L.C., the third highest rated firm, should be appointed co-managers to broaden the pool of potential investors. Both firms have extensive underwriting experience of Airport Revenue Bonds, and the proven marketing and distribution capabilities to achieve the lowest cost of capital for BNIA. Siebert Brandford Shank & Co., L.L.C., is a NYS Certified minority-owned and women-owned firm.

This refunding is anticipated to result in NPV savings in excess of $11 million (12.38%) over the remaining term of the bonds through year 2029.

FUNDING: Funding will be provided for out of the bond issuance costs.

"**RESOLVED,** that the Board hereby authorizes Agreements with Bank of America Merrill Lynch, RBC Capital Markets and Siebert Brandford Shank & Co., LLC for airport revenue bonds as described hereinabove; and

BE IT FURTHER RESOLVED, that the Executive Director, her designee and/or the Chairman, be and are hereby authorized to execute Agreements with Bank of America Merrill Lynch, RBC Capital Markets and Siebert Brandford Shank & Co., LLC for airport revenue bonds as described hereinabove; and

BE IT FURTHER RESOLVED, that said Agreement shall include such additional 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 he is hereby authorized to make payments under said Agreements upon certification by the Chief Financial Officer, that such payments are in order."

CORPORATE 2. C. (3)

RFP 4363 Refunding of Outstanding Debt

5/23/2014

RFP DOCUMENTS REQUIRED (Completed by Procurement)	B of A Merril Lynch NYC	RBC NYC	SBS NYC	Academy Securities NYC	BMO NYC	Citi NYC	Jefferies 1st Nia NYC	JP Morgan NYC	Morgan Stanley NYC
Cover Letter	x	x	x	x	x	x	x	x	x
Response to Section C	x	x	x	x	x	x	x	x	x
Response to Section D and/or E	x	x	x	x	x	x	x	x	x
Description of services	x	x	x	x	x	x	x	x	x
Mgmt & Staff Qualifications	x	x	x	x	x	x	x	x	x
References	x	x	x	x	x	x	x	x	x
Non-Collusive Cert	x	x	x	x	x	x	x	x	x
Disclosure of Prior Non-rep Determinations	x	x	x	x	x	x	x	x	x
Proposer's Affirmation and Cert	x	x	x	x	x	x	x	x	x
Fee	x	x	x	x	x	x	x	x	x
	COMPETITIVE RANGE								
SELECTION CRITERIA (Completed by Team)	(Rate on a scale of 1 - 10, with 10 being the highest) Team Consensus								
NPV savings and price. 50%	9.00	9.60	8.00	4.20	8.20	7.40	7.20	7.60	8.00
Technical Criteria: terms and conditions of the financing, quality of service, ease and speed of execution, depth of resources. 30%	9.00	8.00	8.00	2.00	5.00	7.00	6.00	7.00	7.00
Qualifications and experience in providing the required financing. 20%	9.00	8.00	8.00	2.00	1.00	9.00	6.00	9.00	7.00
TOTAL	9.00	8.80	8.00	3.10	5.80	7.60	6.60	7.70	7.50
Cost Proposals									
Spread to MMD	1.18%	1.04%	1.13%	1.55%	1.22%	1.33%	1.31%	1.30%	1.28%
Projected NPV Savings	$11,813,395	$12,898,840	$11,609,964	$735,674	$11,438,839	$10,268,641	$10,425,650	$10,645,000	$11,234,000
Fee	$2.32	$2.44	$4.92		$3.16	$3.29	$4.66	$3.30	$2.92

RFP 4363 Refunding of Outstanding Debt

RFP DOCUMENTS REQUIRED (Completed by Procurement)	Ramirez NYC	Raymond James FL	Rooseveldt & Cross NYC	US Bancorp Minneapolis	Wells Fargo San Fran
Cover Letter	x	x	x	x	x
Response to Section C	x	x	x	x	x
Response to Section D and/or E	x	x	x	x	x
Description of services	x	x	x	x	x
Mgmt & Staff Qualifications	x	x	x	x	x
References	x	x	x	x	x
Non-Collusive Cert	x	x	x	x	x
Disclosure of Prior Non-rep Determinations	x	x	x	x	x
Proposer's Affirmation and Cert	x	x	x	x	x
Fee	x	x	x	x	x
SELECTION CRITERIA (Completed by Team)					
NPV savings and price. 50%	8.60	7.80	6.80	8.40	8.00
Technical Criteria: terms and conditions of the financing, quality of service, ease and speed of execution, depth of resources. 30%	3.00	5.00	2.00	5.00	5.00
Qualifications and experience in providing the required financing. 20%	4.00	4.00	1.00	4.00	6.00
TOTAL	6.00	6.20	4.20	6.50	6.70
Cost Proposals					
Spread to MMD	1.21%	1.30%	1.37%	1.08%	1.26%
Projected NPV Savings	$10,994,312	$14,409,312	$9,023,855	$11,610,000	$11,296,058
Fee	$2.43	$4.48	$4.67	$4.18	$3.18

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. (2)

1. Authorization for Amendment of Airline Incentive Program, BNIA

2. Authorization for Agreement, Victor Liberator Time Systems, Inc., Revenue Control Equipment, BNIA

AVIATION:

3. D. (i) Niagara Frontier Transportation Authority, Acceptance of Aviation Resolutions 3. D. (1) through 3. D. (2)

The Executive Director advised that Items 3. D. (1) through 3. D. (2) 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 Hughes seconded by Commissioner Hicks, 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. (2) and dated May 22, 2014 as set forth herein, be and hereby are accepted and approved in their entirety."

AYES: **ZEMSKY, SLOMA, GURNEY, ANSARI, HICKS, HUGHES, PERRY**

NOES: **NONE**

ADOPTED

AVIATION:

3. D. (1) **Authorization for Amendment of Airline Incentive Program, BNIA**

RECOMMENDATION: Staff recommends that the Board amend the Incentive Program for Buffalo Niagara International Airport (BNIA) to be effective June 1, 2014 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 attached amended Incentive Program will offer incentives to new entrant or incumbent air carriers in the form of matching advertising incentives to newly defined domestic and international destinations, waivers of landing fees for 12 months to targeted domestic destinations and 36 months for targeted international destinations, and gate use fee waivers for a not to exceed period of 12 months for new entrant domestic air carrier service and 36 months for new entrant international air carrier service. 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 an amendment of the Incentive Program at the Buffalo Niagara International Airport effective June 1, 2014 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 the 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. <u>Non-Stop Destination Based Incentives</u>

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 eleven following destinations:

Destination	Destination Limit	Duration of Incentive
1. Los Angeles, CA – LAX (Los Angeles), BUR (Burbank), SNA (Orange County), LGB (Long Beach), and ONT (Ontario)	$50,000 per carrier	Twelve months

2. San Francisco, CA – OAK (Oakland), SFO (San Francisco), and SJC (San Jose)	$50,000 per carrier	Twelve months
3. DEN (Denver)	$50,000 per carrier	Twelve months
4. ALB (Albany)	$50,000 per carrier	Twelve months
5. Dallas, TX – DFW (Dallas/Ft Worth) and DAL (Love Field)	$50,000 per carrier	Twelve months
6. Houston, TX – IAH (Intercontinental) and HOU (Hobby)	$50,000 per carrier	Twelve months
7. Caribbean	$75,000 per carrier	Twelve months
8. Central and South America	$75,000 per carrier	Twelve months
9. British Isles (UK/Ireland)	$100,000 per carrier	Twelve months
10. Mediterranean	$100,000 per carrier	Twelve months
11. Western Europe	$100,000 per carrier	Twelve months
12. Eastern Europe	$100,000 per carrier	Twelve months

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 "Buffalo Niagara 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 BNIA 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 thirty-six (36) 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 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 domestic air carrier service, and for a not to exceed period of thirty-six (36) consecutive months for new entrant international air carrier service, 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 one flight 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. (2) **Authorization for Agreement, Victor Liberator Time Systems, Inc., Revenue Control Equipment, BNIA**

RECOMMENDATION: Staff recommends that the Board approve the replacement of revenue control equipment used in the parking operations of the Long Term Parking Lot and the Economy Parking Lot at the Buffalo Niagara International Airport (BNIA) from Victor Liberator Time System Inc. at a cost of $327,290.00. Victor Liberator Time System, Inc. is the exclusive distributor for McGann software and Amano equipment within Western New York.

INFORMATION: BNIA parking operations generate approximately $17 million in revenues annually. BNIA utilizes McGann software and Amano equipment to control, calculate, and record parking revenues. The current equipment has exceeded its useful life due to age, use and weather elements. The equipment scheduled to be replaced was originally purchased during years 2000 and 2001. Recently, it was determined that some of this original equipment would no longer be supported with its use of Microsoft Windows XP which requires immediate upgrading at additional cost, or alternatively, our proposed planned equipment replacement.

Standard Parking, Incorporated (the BNIA Parking Manager) provided consulting services with aviation staff to identify and formulate a plan for the replacement of the parking revenue control equipment. Based upon consultation with corporate staff from Standard Parking, Incorporated who has a significant presence and experience in over 60 airports across the country, it was determined to maintain the current McGann software and Amano equipment due to:

- Past reliability and durability of the product,
- Ability to salvage recently replaced equipment and hardware including fee computers, PCI (credit card) compliance equipment, frequent parker software, and electrical and communication infrastructure. This will result in the avoidance of replacing 50% of the gross revenue control equipment cost,
- No significant fluctuations in price compared to other manufacturers,
- Easier and more seamless replacement which can be scheduled in phases without compromising operations had the entire system had to be replaced simultaneously, and
- All revenue/control software and hardware is proprietary regardless of the manufacturer selected.

This procurement represents the second of three scheduled phases to replace the entire revenue control system in all parking areas. Staff recommends approval for the second phase representing the complete replacement of revenue control equipment in the Long Term Parking Lot and the Economy Parking Lot including ticket dispensers, ExpressParc pay credit card stations, gates, fee computers, ticket readers and validators, and AVI readers at a cost of $327,290.00. Standard Parking staff was successful in negotiating a $60,000 cost savings for BNIA during the first phase of equipment replacement earlier this year and was able to maintain the same equipment price levels during this second phase.

The equipment will be provided by Victor Liberator Time System, Inc. who is the exclusive distributor of this equipment in Western New York. Last year, before BNIA embarked on this revenue control equipment replacement project, aviation staff consulted with the NFTA Internal Audit Department who concurred with the decision to not change hardware/software vendors (McGann software and Amano equipment together with local distributorship Victor Liberator Time System, Inc.) based upon our joint review of sole source procurement guidelines.

FUNDING: Funding is provided by 100% Airport Development funds.

"**RESOLVED,** that the Board hereby authorizes an Agreement with Victor Liberator Time Systems, Inc. for revenue control equipment at the Buffalo Niagara International Airport as described above at a cost of $327,290.00; and

BE IT FURTHER RESOLVED, that the Executive Director, her designee and/or the Chairman, be and are hereby authorized to execute an Agreement with Victor Liberator Time Systems, Inc. for revenue control equipment at the Buffalo Niagara International Airport at a cost of $327,290.00 as described above; and

BE IT FURTHER RESOLVED, that said Agreement shall include such additional 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 he is hereby authorized to make payments under said Agreement upon certification by the Director, Aviation, that such payments are in order."

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. (4)

1. Authorization for Implementation of Public Hearing Process for Proposed Service Adjustments

2. Authorization for Summer College/University Transit Pass Program

3. Authorization for Extension of Lease Agreement, Main-Court, LLC, 438 Main Street, GBNRTC

4. Authorization for Procurement, Kirk's Automotive, Inc.; Elreg Distributors, Ltd.; J&N Auto Electric, Inc.; D&W Diesel, Inc.; Prevost Car, Inc.; New Flyer Industries Canada, LLC, Inventory Alternator and Starter Parts, Metro

SURFACE:

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

The Executive Director advised that Items 4. D. (1) through 4. 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 Hughes, seconded by Commissioner Gurney, 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. (4) and dated May 22, 2014 as set forth herein, be and hereby are accepted and approved in their entirety."

AYES: **ZEMSKY*, SLOMA, GURNEY, ANSARI, HICKS, HUGHES, PERRY***

ABSTENTION: **PERRY** [*Item 4. D. 2 only] and **ZEMSKY** [*Item 4. D. 2 only]

NOES: **NONE**

ADOPTED

SURFACE:

4. D. (1) Authorization for Implementation of Public Hearing Process for Proposed Service Adjustments

RECOMMENDATION: Staff recommends that the Board authorize staff to conduct a public hearing to solicit public comments on the following service adjustments.

INFORMATION: Staff continues to evaluate existing service in an effort to improve route productivity. The evaluation process includes using the Board-approved NFTA Metro *Service Delivery and Evaluation Guidelines*. The assessment identified two routes (Route 27 and 57) as underperforming. NFTA has tried several strategies to improve performance on these routes; however ridership and productivity continued to drop.

These strategies involved reducing revenue hours as well as an outreach campaign to major employers along the routes in an effort to increase ridership and secure additional funding to offset expenses. Staff also engaged Niagara County elected officials regarding continued ridership decline and need for funding with respect to Route 57 Tonawandas.

As a result of continued unsuccessful efforts to improve productivity, staff proposes eliminating Route 27 and replacing Route 57 with a new service model employing a pilot program using a flexible service approach. The following proposed service adjustments will result in a more efficient and sustainable Metro system.

- Replace existing Route 57 Tonawandas with a Fixed Route Flex Service Pilot
- Eliminate Route 27 Wende

In order to comply with NFTA's Policy regarding public engagement and conducting a Title VI analysis on major service adjustments, staff is recommending that two (2) public hearings be advertised and conducted during the week of June 22, 2014 to receive comments on proposed service adjustments. In addition, staff is requesting the Board also approve the Title VI Service Analysis that was completed on the proposed service adjustments. Based on the findings of the Title VI Analysis, the proposed changes to Route 27 and Route 57 do not result in any disparate impacts.

Hearings will be held in Erie County and in Niagara County. Dates and times of the hearings are as follows:

June 25, 2014	Cheektowaga Central School	6:00 PM
June 26, 2014	Niagara County	6:00 PM

Comments will also be solicited on Metro's website, and written comments will be accepted. Staff will report the results of the public hearing process to the Board in July 2014.

FUNDING: No funding is required.

> "**RESOLVED**, that the Board hereby authorizes implementation of the public hearing process for proposed service adjustments, as set forth above, and

BE IT FURTHER RESOLVED, that the Board hereby approves the Title VI Service Analysis; 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 for the holding of public hearings as set forth above."

Niagara Frontier Transportation Authority

Proposed Service Change Title VI Compliance Review

May2014

Submitted by: TMD Transportation Management & Design, Incorporated

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1. Purpose

The Federal Transit Administration (FTA) Office of Civil Rights conducts periodic reviews of sub recipients, such as Niagara Frontier Transportation Authority (NFTA), to determine whether they are honoring their commitment to Title VI of the Civil Rights Act (49 USC 5332).

Title VI of the Civil Rights Act of 1964 ensures that "no person in the United States shall, on the basis of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."NFTA Metro, as a sub recipient has committed to the FTA's Title VI objectives set forth in Circular 4702.1B ensuring that FTA-assisted benefits and related services are made available and are equitably distributed without regard to race, color or national origin.

This analysis was conducted in compliance with 49 CFR Section 21.5 (b) (7) Appendix C to 49 CFR Part 21 and Chapter Five of the FTA's Circular 4702.1B that was issued on October 1, 2012. As required by these FTA requirements, NFTA Metro evaluated its proposed service changes to comply with Title VI requirements and to receive financial assistance from the FTA.

2. Background

NFTA Metro operates bus and rail service on Local, School, Metrolink, and Express routes which predominantly serve the City of Buffalo, as well as the surrounding suburban ring cities and towns in Erie and Niagara Counties. The NFTA MetroRail system consists of one 6-mile long line with 15 stations, linking University at Buffalo, South Campus to downtown Buffalo.

The NFTA Metro network has evolved through many incremental changesover the last 50 years, including a combination of new suburban coverage inherited from private transit systems and historic urban transit corridors. Each year NFTA Metro conducts an assessment of existing transit service and completes an in-depth review of performance metrics identified in the Board-approved NFTA Metro *Service Delivery and Evaluation Guidelines*. A review of the NFTA Metro fixed route service using performance measure tools identified two routes (Route 27 and 57) that were underperforming.

3. Definition of Title VI and Environmental Justice Impact Policies

3.1 Major Service Change

Title VI policies require review of any service reductions or additions considered by the agency to be a "major service change." NFTA Metro defines a major service change as the substantial reduction of the amount of service on a bus route, representing more than 25 percent of the route service hours. Any changes in transit fares or fare structure are also considered a major change requiring review.

3.2 Title VI Disparate Impact Policy

A "disparate impact" refers to a neutral policy or practice that disproportionately affects members of a group identified by race, color, or national origin, where NFTA's policy or practice lacks a substantial legitimate justification and where there exists one or more alternatives that would serve the same legitimate objectives but with less disproportionate effect on the basis of race, color, or national origin.

NFTAMetro defines the threshold for a "disparate impact" as any major service change that results in a percentage difference above twenty percent (20%)between the minority population affected by the service change and the minority population of the overall service area.

3.3 Environmental Justice Disproportionate Burden Policy

A "disproportionate burden" refers to a neutral policy or practice that adversely affects low-incomepopulations more than non-low-income populations[1].

NFTAMetro defines the threshold for a "disproportionate burden" as any major service change that results in a percentage difference above twenty percent (20%)between the low-income population affected by the service change and the low-income population of the overall service area.

4. Process and Methodology

This*Title VI Proposed Service Change Compliance Review*followed several steps to evaluate the proposed service changes to comply with Title VI requirements:

- **Step 1:**Review proposed service changes to identify route changes classified as a "major service change."
- **Step 2:**Group "major service changes" by day type (weekday, Saturday, or Sunday) and by service change type (i.e. route discontinuation).
- **Step 3:**Analyze 2010 U.S. Census demographic and 2013 On-Board Survey data by day type and by service change type.
- **Step 4:** Evaluate (by service change type and day type) effects of the "major service changes" on minority and low-income populations and riders.If the percentage difference is above twenty percent (20%)between the minority population affected by the service change and the minority population of the overall service areaa "disparate impact" exists. If the percentage difference is above twenty percent (20%)between the low-income population affected by the service change and the low-income population of the overall service areaa "disproportionate burden" exists.
- **Step 5:**If a "disparate impact" or "disproportionate burden" exists, identify service alternatives to avoid, minimize, or mitigate the potential impact.

[1]For purposes of this Environmental Justice analysis, "low-income population" is defined as follows: a low-income population is any readily identifiable group of households who live in geographic proximity and whose median household income is at or below the Department of Health and Human Services Poverty Guidelines.

5. Proposed Service Changes

NFTA Metro conducted an assessment of existing transit service using the Board-approved NFTA Metro *Service Delivery and Evaluation Guidelines*. The assessment identified two routes (Route 27 and 57) as underperforming. NFTA Metro has tried several strategies to improve performance on these routes; however ridership and productivity continued to drop. As a result, NFTA Metro proposes eliminating the service. Based on NFTA Metro's definition of a "Major Service Change" as a reduction in 25 percent or more of the vehicle revenue hours, Route 27 and 57 were assessed for possible Title VI impacts.

5.1 Effects of the Major Service Changes on Minority and Low-Income Populations and Riders

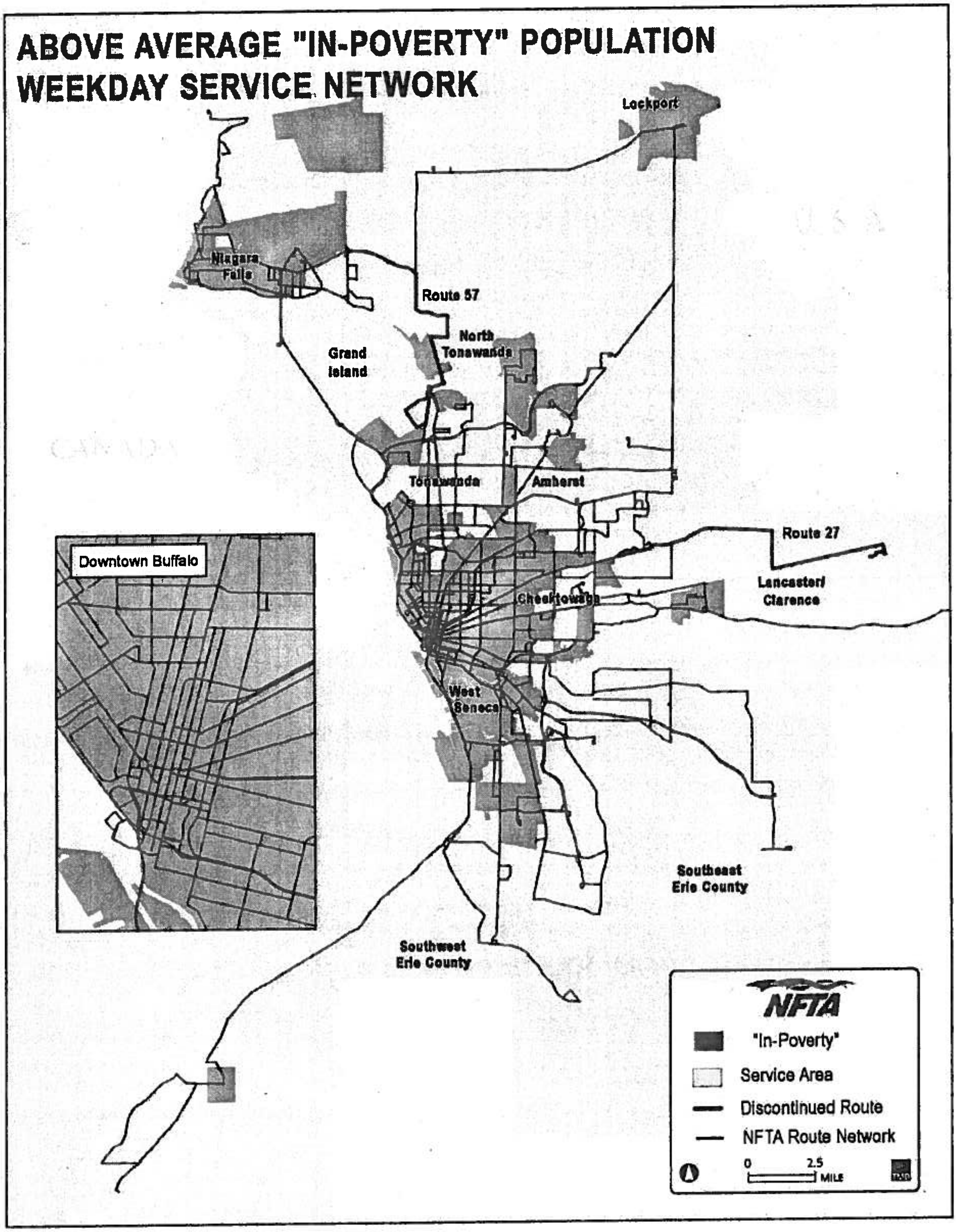
U.S. Census DemographicAnalysis

U.S. Census data was analyzedto identify any major service changes that may disproportionately affect the minority and low-income Title VI populations and riders. In order to determine any potential disproportionate effects, the minority and low-income percentages were calculated for routes crossing the defined "major service change" threshold. The most recent U.S. Census demographic data[2] was used to determine route level proportions of minority and "in poverty" populations within a half-mile catchment around the routes.

The following maps depict the current weekday network with recommended route changes, highlighting any areas where service was discontinued. The maps also provide a geographic comparison on a system level of service changes in relation to areas with higher than the service area average of Title VI and Environmental Justice (EJ) populations. The service area demographic characteristics have been expanded to the census tract level and indicate where either the total minority or "in poverty[3]" populations in the service area are greater than the network average. Saturday and Sunday service area maps are located in the appendix.

Table 1 and Table 2 below indicate any disparate impacts or disproportionate burdens on Title VI and Environmental Justice populations as a result of the implemented service reductions. Any major service change route with a higher than average minority or "in-poverty" population warrants additional review to determine possible alternatives.The proposed discontinuation of Route 27 and 57 willnot have a disparate impact to Title VI populations.

[2] 2010 U.S. Census data was used to determine both minority and low-income populations.
[3] U.S. Census defines low-income populations as "in poverty." For the definition of NFTA's service area (Erie and Niagara Counties) low-income is defined as 100% or below the poverty threshold ($25,000 household income)


ABOVE AVERAGE "IN-POVERTY" POPULATION
WEEKDAY SERVICE NETWORK
Lockport
Niagara Falls
Route 57
Grand Island
North Tonawanda
Tonawanda
Amherst
Route 27
Lancaster/ Clarence
Cheektowaga
Downtown Buffalo
West Seneca
Southeast Erie County
Southwest Erie County
NFTA
"In-Poverty"
Service Area
Discontinued Route
NFTA Route Network
0
2.5
MILE

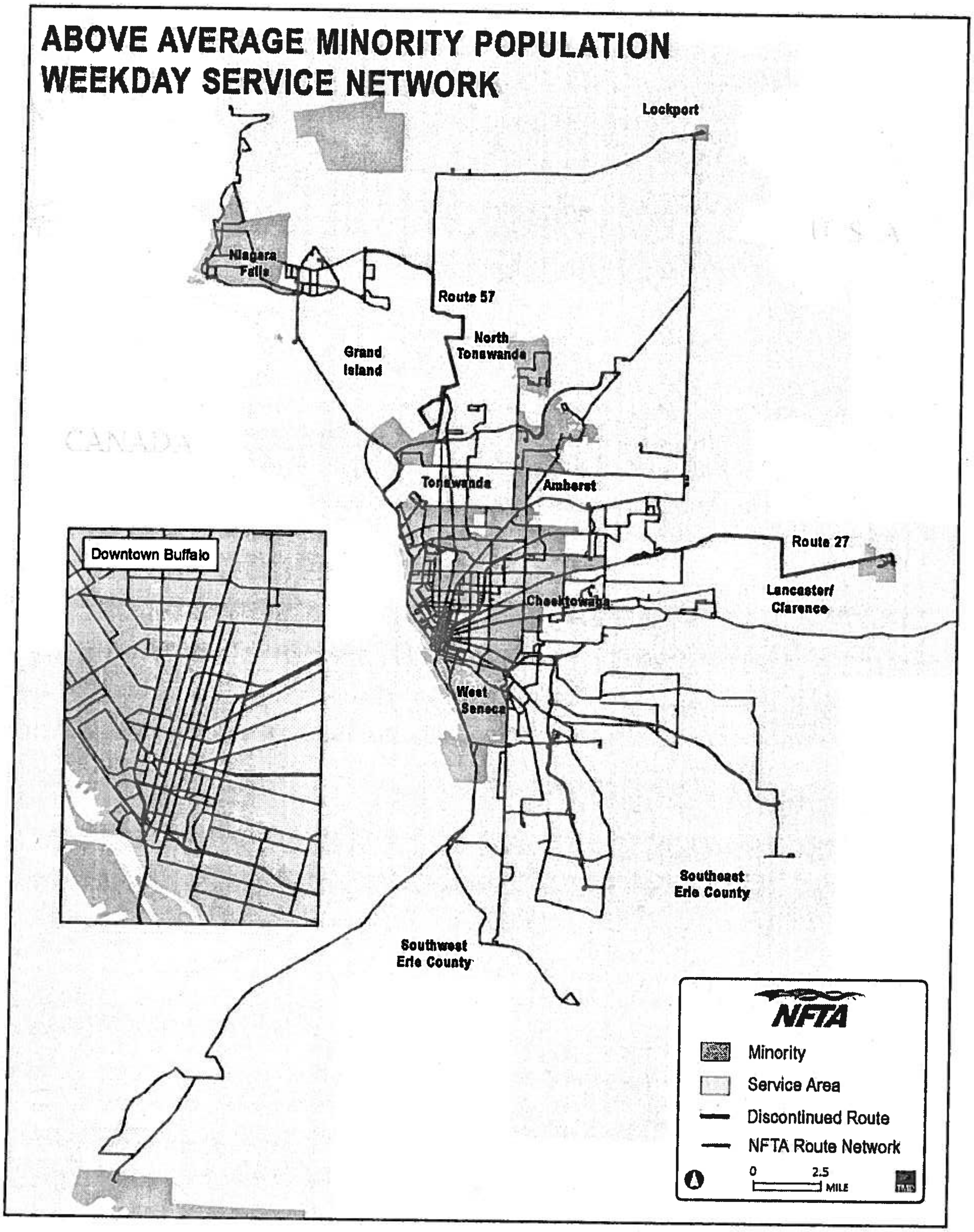

ABOVE AVERAGE MINORITY POPULATION
WEEKDAY SERVICE NETWORK
Lockport
Niagara Falls
Route 57
North Tonawanda
Grand Island
CANADA
Tonawanda
Amherst
Route 27
Lancaster/ Clarence
Cheektowaga
Downtown Buffalo
West Seneca
Southeast Erie County
Southwest Erie County
NFTA
Minority
Service Area
Discontinued Route
NFTA Route Network
0
2.5
MILE

Table 1: 2010 U.S. Census Minority Populations by Route and Service Change Type for Weekday, Saturday, & Sunday

Weekday — MINORITY POPULATION

Service Change	Route	Day	NETWORK SERVICE AREA TOTAL POPULATION	NETWORK SERVICE AREA MINORITY POPULATION	NETWORK SERVICE AREA Minority Population (% of total population)	ROUTE SERVICE AREA TOTAL POPULATION	ROUTE SERVICE AREA MINORITY POPULATION	ROUTE SERVICE AREA Minority Population (% of total population)
Route Discontinued	27	WEEKDAY	1,078,248	248,711	23.1%	55,546	4,967	8.9%
	57	WEEKDAY	1,078,248	248,711	23.1%	92,065	6,397	6.9%
Sub-Total Routes Discontinued			1,078,248	248,711	23.1%	147,611	11,364	7.7%

Saturday — MINORITY POPULATION

Service Change	Route	Day	NETWORK SERVICE AREA TOTAL POPULATION	NETWORK SERVICE AREA MINORITY POPULATION	NETWORK SERVICE AREA Minority Population (% of total population)	ROUTE SERVICE AREA TOTAL POPULATION	ROUTE SERVICE AREA MINORITY POPULATION	ROUTE SERVICE AREA Minority Population (% of total population)
Route Discontinued	27	SATURDAY	758,681	225,501	29.7%	49,147	3,953	8.0%

Sunday — MINORITY POPULATION

Service Change	Route	Day	NETWORK SERVICE AREA TOTAL POPULATION	NETWORK SERVICE AREA MINORITY POPULATION	NETWORK SERVICE AREA Minority Population (% of total population)	ROUTE SERVICE AREA TOTAL POPULATION	ROUTE SERVICE AREA MINORITY POPULATION	ROUTE SERVICE AREA Minority Population (% of total population)
Route Discontinued	27	SUNDAY	741,749	224,675	30.3%	49,147	3,953	8.0%

Table 2: 2010 U.S. Census"In-Poverty" Populations by Route and Service Change Typefor Weekday, Saturday, & Sunday

Weekday — POPULATION "IN POVERTY"

Service Change	Route	Day	NETWORK SERVICE AREA TOTAL POPULATION	NETWORK SERVICE AREA "IN POVERTY" POPULATION	NETWORK SERVICE AREA "In Poverty" Population (% of total population)	ROUTE SERVICE AREA TOTAL POPULATION	ROUTE SERVICE AREA "IN POVERTY" POPULATION	ROUTE SERVICE AREA "In Poverty" Population (% of total population)
Route Discontinued	27	WEEKDAY	1,078,248	144,147	13.4%	51,664	3,102	6.0%
	57	WEEKDAY	1,078,248	144,147	13.4%	88,626	8,601	9.7%
Sub-Total Routes Discontinued			1,078,248	144,147	13.4%	140,290	11,703	8.3%

Saturday — POPULATION "IN POVERTY"

Service Change	Route	Day	NETWORK SERVICE AREA TOTAL POPULATION	NETWORK SERVICE AREA "IN POVERTY" POPULATION	NETWORK SERVICE AREA "In Poverty" Population (% of total population)	ROUTE SERVICE AREA TOTAL POPULATION	ROUTE SERVICE AREA "IN POVERTY" POPULATION	ROUTE SERVICE AREA "In Poverty" Population (% of total population)
Route Discontinued	27	SATURDAY	758,681	123,853	16.3%	45,705	2,590	5.7%

Sunday — POPULATION "IN POVERTY"

Service Change	Route	Day	NETWORK SERVICE AREA TOTAL POPULATION	NETWORK SERVICE AREA "IN POVERTY" POPULATION	NETWORK SERVICE AREA "In Poverty" Population (% of total population)	ROUTE SERVICE AREA TOTAL POPULATION	ROUTE SERVICE AREA "IN POVERTY" POPULATION	ROUTE SERVICE AREA "In Poverty" Population (% of total population)
Route Discontinued	27	SUNDAY	741,749	122,843	16.6%	45,705	2,590	5.7%

Rider Level Analysis

While the U.S. Census data provides information for the service area population, the most recent NFTA Metro On-Board Passenger Survey (2012) provides the demographic characteristics of current weekday NFTA Metro riders.[4] Table 3 illustrates by route minority and low-income[5] riders based on NFTA Metro On-Board Passenger Survey conducted in the Fall of 2012.

Table 3: Weekday Rider Analysis by Route (2012 On-Board Survey)[6]

Service Change	Route Number	Total Ons	Minority Riders	Percent Minority	System Minority Average	"In-Poverty" Riders	Percent "In-Poverty"	System "In-Poverty" Average
Route Discontinued	27	88	77	87%	58%	24	27%	54%
	57	101	37	37%	58%	39	39%	54%
Service Change Total		189	114	60%	58%	63	33%	54%
All Routes		100,837	57,987	58%		54,264	54%	

Based on the On-Board Survey data, Route 27 carries a higher percentage of minority riders compared to the overall system average. However, since the On-Board Passenger Survey was conducted, ridership patterns on Route 27 have changed as a result of the closing of the Erie County Home and Infirmary, a major key destination along Route 27.

Although Route 27 carries a higher percentage of minority riders, disparate impacts are evaluated based on the overall service change type in order to take into account other similar service changes occurring throughout the system. The overall service change by discontinued routes, does not create a disparate impact to Title VI populations.

5.2 Alternatives Available to Riders Impacted by the Service Changes

Based on the findings of the U.S. Census and On-Board Survey analysis the proposed changes do not result in any disparate impact therefore do not require an alternatives analysis to be performed.

[4] The 2012 On-Board Survey was conducted during the weekday only and is not representative of weekend service; as a result U.S. Census data was used as the main data source in determining disparate impacts.
[5] Based on the poverty guidelines established by the U.S. Department of Health and Human Services (HHS), the poverty level in 2012 was set to $23,050 for a family of four. The survey identifies household incomes of riders below $25,000, the most comparable to the HHS 2012 threshold.
[6] Route Service Area populations highlighted in **RED** indicate route populations comprised of 20 percent or more of the systemwide average minority or low-income populations.

6. Transit Service Analysis Public Outreach Activities

NFTA Metro determined that a major outreach effort was necessary in order to fully educate and inform NFTA Metrooperators, stakeholders, and Buffalo residents, particularly current transit users and to take comment and feedback. The purpose of the outreach effort was twofold; NFTA Metro needed to share upcoming service changesand also wanted to provide a forum for public comment and feedback.

NFTA Metro will host two (2) outreach meetingseach in both Erie and Niagara Counties to provide a convenient forum for public discourse. The following is a summary of the planned outreach efforts:

- June: NFTA Board Meeting will address changes to current network
- June 25/26: Public Meetings/Open Houses in Erie/Niagara Counties
- June 26 – July24: Public hearing comment period
- July: NFTA Board Meeting will address comments and feedback
- July 26 – August 31: Full implementation notice of September service changes
- September: Service changes implemented

7. Conclusion

In order to develop a more efficient and effective transit network, NFTA Metro evaluates existing transit service using the Board-approved NFTA Metro *Service Delivery and Evaluation Guidelines*. The assessment identified two routes (Route 27 and 57) as underperforming. NFTA has tried several strategies to improve performance on these routes; however ridership and productivity continued to drop. As a result, NFTA proposes eliminating Route 27 and Route 57. Based on the findings of the U.S. Census and On-Board Survey analysis the proposed changes to Route 27 and Route 57do not result in any disparate impact.

SURFACE:

4. D. (2) **Authorization for Summer College/University Transit Pass Program**

RECOMMENDATIONS: Staff recommends authorization for the sale of discounted summer transit passes to students of current participants in Metro's College/University Transit Pass program. The eligible colleges, offering summer classes, include Buffalo State, Canisius and Erie Community College.

INFORMATION: The Board has previously approved College/University Transit Pass Agreements with Buffalo State, Canisius and Erie Community College that entitles all registered undergraduate students unlimited access to regular Metro fixed route service. The expansion of the program is proposed in order to enhance the value of the College/University Transit Pass Program for participating schools and increase revenue for Metro.

In order to accommodate requests for discounted summer passes from current participants of Metro's College University Transit Pass Program, Metro has developed a one year pilot program to enhance the current CRAM (college riders accessing Metro) Pass Program with a summer CRAM pass. This pilot program will provide students of Buffalo State, Canisius and Erie Community College enrolled in summer classes the opportunity to purchase student passes at the same discounted rate of $60 as the summer youth pass. The passes will provide access to Metro bus and rail from June 1 through August 22, 2014.

Summer passes are non-transferable and will include the full names of students on the front of all passes. Valid student photo college ID will be required for use with summer passes.

FUNDING: No funding is required.

> "**RESOLVED,** that the Board hereby authorizes the sale of discounted summer transit passes to students of current participants in Metro's College/University Transit Pass Program who are offering summer classes including Buffalo State, Canisius and Erie Community College as described hereinabove."

SURFACE:

4. D. (3) Authorization for Extension of Lease Agreement, Main-Court LLC, 438 Main Street, GBNRTC

RECOMMENDATION: Staff recommends that the Board authorize execution of a five-year extension to the Greater Buffalo Niagara Regional Transportation Council (GBNRTC) lease with Main-Court LLC for space occupied at 438 Main Street, Suite 503, Buffalo, NY 14202

INFORMATION: The Greater Buffalo-Niagara Regional Transportation Council (GBNRTC) currently leases 5,775 square feet of space through May 31, 2014. A proposed lease extension with the property owner includes terms for a reduction in rental costs for the same space, with a reasonable annual cost escalation. Terms are:

Year 1: $92,400.00

Year 2: $93,843.75

Year 3: $95,287.50

Year 4: $96,731.25

Year 5: $98,175.00

The proposal includes requested improvements and maintenance items at no additional cost. The term of the lease extension would be June 1, 2014 through May 31, 2019.

FUNDING: As host agency, GBNRTC contracts are administered by NFTA. Funding is provided by the Federal Highway Administration and Federal Transit Administration as allocated on an annual basis to metropolitan planning organizations.

> "**RESOLVED**, that the Board hereby authorizes a five-year extension to the Lease Agreement with Main-Court LLC for office space occupied by GBNRTC at 438 Main Street, 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 extension to the Lease Agreement with Main-Court LLC for a five-year term commencing June 1, 2014 and ending May 31, 2019 with terms and conditions as set forth above and as negotiated; and
>
> **BE IT FURTHER RESOLVED,** that said Lease Agreement shall include such terms, conditions and safeguards to the Authority as deemed appropriate by the General Counsel."

SURFACE:

4. D. (4) **Authorization for Procurement, Kirk's Automotive, Inc.; Elreg Distributors, Ltd.; J&N Auto Electric, Inc.; D&W Diesel, Inc.; Prevost Car, Inc.; New Flyer Industries Canada, LLC, Inventory Alternator and Starter Parts, Metro**

RECOMMENDATION: Staff recommends the Board authorize the procurement of alternator and starter parts by the suppliers listed below. The estimated total cost is $264,062.11 for the period May 1, 2013 through April 30, 2016.

Kirk's Automotive Inc. Detroit, MI	$142,714.56
Elreg Distributors Ltd. Burlington, Ontario, Canada	$68,662.71
J&N Auto Electric, Inc. Cincinnati, OH	$34,191.26
D&W Diesel, Inc. Auburn, NY	$5,880.55
Prevost Car (US) Inc. Elgin, IL	$1,007.49
New Flyer Industries Canada, LLC Winnipeg, Manitoba, Canada	$11,605.55

INFORMATION: Bus Maintenance requires replacement alternator and starter parts for the maintenance and repair of the heavy-duty transit bus fleet. The NFTA formally advertised Bid No. 4265 for alternator and starter parts. See the attached bid analysis.

FUNDING: Funding is provided in Inventory Account Number 2-00-0000-184-0010.

"**RESOLVED,** that the Board hereby authorizes the procurement of inventory alternator and starter parts from the above suppliers at an estimated cost of $264,062.11 as described above; and

BE IT FURTHER RESOLVED, that the Manager, Procurement, be and she is hereby authorized to issue Purchase Orders to the above suppliers for the procurement of inventory alternator and starter parts as described hereinabove; and

BE IT FURTHER RESOLVED, that said Purchase Orders shall include such additional 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 he is hereby authorized to make payments under said Purchase Order upon certification by the Director, Public Transit, that such payments are in order."

BID 4265 ALTERNATOR AND STARTER PARTS

* low bid is highlighted

Stock Code	Description	North American Bus Delaware, OH	New Flyer Canada Winnipeg, Manitoba Canada	Muncie Transit Muncie, IN	Prevost Car (US) Elgin, IL	J&N Auto Electric Cincinnati, OH	Kirks Automotive Detroit, MI	D&W Diesel Auburn, NY	Elreg Dist. Burlington, Ont Canada
35816	STATOR ;ALTERNATOR, BELT DRIVE	$22,018.62	$29,923.27	$22,020.61	$23,118.75	$21,076.14	$15,244.71	$18,867.05	$16,176.67
44016	EQUALIZER ;BATTERY, 100 AMP	$15,695.98	$11,605.55	$18,741.41	$14,015.40	$17,084.60	$27,953.74	$20,241.20	$0.00
44818	REGULATOR, 24 VOLT	$1,461.41	$1,986.56	$1,461.73	$1,271.62	$1,399.22	$1,080.21	$1,124.78	$1,101.97
45724	PLATE ;RETAINER, BEARING, DRIVE END	$71.57	$0.00	$71.24	$75.19	$68.57	$52.74	$61.49	$14.44
49957	COIL ;FIELD, ALTERNATOR, 24 VOLT	$5,316.53	$7,464.03	$5,284.26	$5,583.08	$5,090.13	$3,383.66	$2,963.86	$2,550.61
51193	ROTOR ;ALTERNATOR, PULLEY DRIVEN, 50 DN	$1,424.65	$1,809.17	$1,406.90	$1,453.32	$1,363.93	$1,734.43	$1,221.09	$1,535.88
52548	ROTOR ;ALTERNATOR, GEAR DRIVEN, 50DN	$0.00	$0.00	$0.00	$701.38	$1,253.41	$821.57	$0.00	$513.41
52555	This Delco part # is NLA per Delco	$0.00	$0.00	$0.00		$996.11	$1,004.14	$0.00	$898.70
52597	FRAME ;DIODE, ALTERNATOR, 50DN	$2,485.83	$3,378.94	$2,486.34	$2,661.95	$2,386.00	$943.29	$759.53	$877.99
52605	FRAME ;DRIVE END, ALTERNATOR, 50DN	$0.00	$0.00	$0.00	$0.00	$724.62	$730.29	$0.00	$258.47
53595	KIT ;STARTER REBUILD, MAJOR	$0.00	$0.00	$130,049.62	$0.00	$0.00	$62,835.00	$0.00	$35,405.28
53629	KIT ;STARTER REBUILD, MAJOR	$0.00	$0.00	$37,157.03	$0.00	$0.00	$18,561.43	$0.00	$10,645.71
53645	KIT ;STARTER REBUILD, MAJOR	$0.00	$0.00	$29,725.63	$0.00	$0.00	$14,362.29	$0.00	$8,441.03
58560	PLATE ;RETAINER, BEARING, D.E., OUTSIDE	$1,589.01	$2,017.86	$1,592.12	$1,382.44	$1,521.72	$730.29	$1,334.20	$574.77
59139	FRAME ;DRIVE END, BELT DRIVE 50 DN	$1,036.61	$1,409.09	$1,036.87	$1,057.53	$992.46	$576.11	$509.33	$504.41
61531	REGULATOR, VOLTAGE	$3,597.97	$0.00	$3,598.83	$3,130.68	$3,444.55	$4,153.50	$3,083.72	$3,700.66
63248	REGULATOR ;VOLTAGE	$18,268.32	$16,984.01	$20,523.63	$21,810.11	$15,940.18	$17,724.64	$16,196.54	$17,841.73
65649	KIT, REBUILD ALTERNATOR, BELT DRIVE, 50DN	$42,927.06	$53,691.12	$42,935.52	$0.00	$41,097.74	$17,709.43	$22,651.20	$17,938.49
71894	PULLEY ;ALTERNATOR	$729.54	$1,005.48	$818.81	$827.54	$604.70	$778.97	$711.61	$676.98
72553	KIT ;BEARING	$2,183.31	$3,236.86	$2,250.81	$2,859.10	$1,739.78	$2,069.14	$2,047.07	$1,947.43
72678	HARNESS ;REGULATOR NIEHOFF	$818.33	$1,385.68	$1,050.15	$928.29	$678.45	$827.66	$798.31	$785.57
73007	BRUSH ;INCLUDING SPRING, BOOSTER PUMP, 2	$0.00	$314.03	$0.00	$305.61	$0.00	$284.00	$0.00	$294.32
74187	STUD ;ALTERNATOR	$708.17	$1,007.19	$1,166.50	$803.52	$587.73	$721.16	$691.30	$708.43
74195	COIL ;FIELD WITH 16 PAN SCREWS 6-32X.375	$3,785.95	$4,695.73	$4,295.80	$4,294.13	$3,138.16	$4,174.80	$3,692.59	$3,512.31
74203	STATOR ;ADE NIEHOFF ALTERNATOR	$3,193.62	$3,960.90	$3,639.43	$3,621.94	$2,647.13	$3,347.14	$3,114.50	$2,962.93
74211	STATOR ;DE FOR NIEHOFF ALTERNATOR	$3,234.03	$4,010.96	$3,684.93	$3,667.84	$2,680.71	$3,554.06	$3,153.93	$3,000.42
75549	SEAL ;ALTERNATOR	$0.00	$1,237.95	$1,059.36	$1,007.49	$0.00	$0.00	$0.00	$0.00
77420	COIL ;FIELD CONNECTOR	$1,043.17	$1,095.43	$1,182.71	$1,270.98	$864.93	$1,174.54	$1,017.77	$968.00
77438	HARNESS ;WIRING REGULATOR NIEHOFF	$1,049.43	$0.00	$0.00	$1,058.21	$870.11	$1,150.20	$1,023.76	$1,007.53
79327	HOUSING ;ANTI-DRIVE END	$673.27	$742.32	$763.48	$763.64	$558.15	$392.53	$656.70	$624.74
79335	GUARD ;FAN, 6 PT	$773.74	$1,030.78	$885.01	$1,054.06	$641.51	$1,144.11	$754.75	$718.00
79343	HOUSING ;DRIVE END, DE	$4,581.96	$4,419.89	$5,011.92	$5,196.58	$3,797.88	$4,313.62	$4,468.24	$4,251.01
1013652	ASBLY, TERMINAL STUD, ALTERNATOR, 50DN	$419.05	$562.05	$445.89	$440.50	$401.18	$80.64	$359.54	$72.21
1013740	NUT, PULLEY, ROTOR SHAFT/BELT DRIVEN	$110.38	$143.01	$110.72	$96.43	$106.38	$36.51	$95.61	$122.30
9800016	BRUSH ;BLOWER MOTOR	$107,747.75	$117,581.22	$8,016.16	$0.00	$0.00	$12,887.72	$0.00	$7,201.11
9800068	ARMATURE ;STARTER; 42 MT	$2,811.31	$3,821.68	$2,813.05	$0.00	$2,699.04	$2,008.29	$2,416.29	$1,525.17
9800222	SEAL, BELT DRIVEN ALTERNATOR	$607.63	$715.12	$562.99	$489.69	$538.13	$374.27	$483.54	$496.18
9800224	GASKET, BELT DRIVEN ALTERNATOR	$429.13	$547.53	$470.66	$375.34	$413.66	$82.16	$60.67	$57.39
9800226	COLLAR, ALTERNATOR, BELT DIVEN	$701.86	$893.37	$786.30	$612.63	$673.83	$595.89	$605.20	$778.63
9800302	REGULATOR, VOLTAGE, 24 VOLT	$14,614.05	$19,865.60	$14,615.09	$12,716.29	$13,992.17	$8,367.86	$11,247.77	$11,019.70
9800334	ARMATURE ;STARTER, 41MT, 24 VOLT	$2,909.91	$3,639.64	$2,910.63	$0.00	$2,792.82	$1,387.54	$816.20	$915.10
9810004	ALTERNATOR ;50DN, BELT DRIVE, 24 VOLT	$308,147.31	$0.00	$308,146.66	$122,546.29	$111,085.13	$98,629.14	$125,654.10	$115,010.45
	TOTAL		$11,605.55		$1,007.49	$34,191.27	$142,714.55	$5,880.54	$68,662.71

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. (3)

1. Authorization for Agreement, Aon Risk Services Northeast, Inc., Insurance Broker Services

2. Authorization for Lease Agreement, American Custodial, 485 Cayuga Road

3. Authorization for License Agreement, Great Lakes Water Sport Institute, Inc., Adaptive Water Skiing Class, Boat Harbor/Gallagher Beach

PROPERTY:

5. D. (i) Niagara Frontier Transportation Authority, Acceptance of Property Resolutions 5. D. (1) through 5. D. (3)

The Executive Director advised that Items 5. D. (1) through 5. 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 Sloma, seconded by Commissioner Hicks, 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. (3) and dated May 22, 2014 as set forth herein, be and hereby are accepted and approved in their entirety."

AYES: **ZEMSKY, SLOMA, GURNEY, ANSARI, HICKS, HUGHES, PERRY***

ABSTENTION: **PERRY** [*Item 5. D. 1 only]

NOES: **NONE**

ADOPTED

PROPERTY:

5. D. (1) Authorization for Agreement, Aon Risk Services Northeast, Inc., Insurance Broker Services

RECOMMENDATION: Staff recommends that the Board approve a seven-year Agreement with Aon Risk Services Northeast, Inc. (Aon) as the NFTA's sole insurance broker for property and casualty insurance services effective July 1, 2014. The estimated annual cost is $125,000 for each of the seven years of the contract. The Agreement is for a three year term and may be renewed annually for an additional four contract years. The cost of services for the seven year period July 1, 2014 – June 30, 2021 at a total cost not-to-exceed $875,000.

INFORMATION: The NFTA/Metro currently utilize a single broker, Aon for the placement of all of its property and casualty insurance, as well as for ancillary Risk Management resources. The insurance broker is responsible for soliciting the insurance markets, making recommendations on insurance carrier placements and policies, and placing the annual insurance program with chosen carriers for the Authority.

A request for proposal was developed to outline the necessary service above. On February 5, 2014 the NFTA released a Request for Proposal for Insurance Brokerage Services. Five proposals were received from:

Aon Risk Service, Northeast, Inc. – New York, New York
E.G. Bowman Co., Inc. – New York, New York
Lawley – Buffalo, New York
Marsh – Buffalo, New York
Willis of New York, Inc. – Buffalo, New York

An NFTA review team consisting of staff from the Risk Management, Claims, Workers' Compensation, Safety and Procurement Departments evaluated the proposals based on qualifications and experience, technical criteria, and compensation as reflected in the attachment. The three top proposers, Aon, Marsh, and Willis of New York, Inc. made presentations to the internal selection committee who rated Aon Risk Services Northeast as the firm best suited to meet the Authority's needs at this time.

The term of the proposed agreement is for three years with four one-year renewals at the NFTA's option. The total fee for this service is not to exceed $875,000 which represents a per year fee of $125,000 for each of the seven years beginning 7/1/14 and ending on 6/30/2021.

Aon was ranked highest by the team based upon the evaluation criteria. Aon is highly qualified and capable of performing the required services and has performed similar services for the Authority over the past five years in a commendable manner. In addition, Aon will be placing 25% of its annual fee at risk based upon successful completion of mutually agreed upon performance measures.

FUNDING: Funding is included in the proposed FY 2014-2015 Operating Budget of the NFTA under various business center account numbers for both annual broker services and annual insurance costs.

"**RESOLVED,** that the Board hereby authorizes an Agreement with Aon Risk Services, Northeast, Inc. as the NFTA's sole insurance broker for property and casualty insurance as described above; and

BE IT FURTHER RESOLVED, that the Board hereby authorizes the Executive Director, her designee and/or the Chairman, to execute an Agreement with Aon Risk Services, Northeast, Inc. as the NFTA's sole insurance broker for property and casualty insurance for a three year period at a total cost not to exceed $875,000 commencing July 1, 2014 through June 20, 2021; and

BE IT FURTHER RESOLVED, that said Agreement shall include four additional one-year renewal options at the sole discretion of the Authority with the fee schedule as set forth above and upon terms and conditions as negotiated; and

BE IT FURTHER RESOLVED, that said Agreement and any renewals 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 he is hereby authorized to make payments for broker services and related insurance purchases under said Agreement upon certification by the Director, Risk Management, that such payments are in order."

RFP 4358

Insurance Brokerage Services

RFP DOCUMENTS REQUIRED (Completed by Procurement)		AON NYC	Marsh Buffalo, NY	Willis Buffalo, NY	egBowman NYC	Lawley Buffalo, NY
Cover Letter		x	x	x	x	x
Description of Services		x	x	x	x	x
Qualifications		x	x	x	x	x
Non-collusive Cert		x	x	x	x	x
Disclosure of Non-responsibility		x	x	x	x	x
Resumes		x	x	x	x	x
References		x	x	x	x	x
Cost Proposal		x	x	x	x	x
SELECTION CRITERIA (Completed by Team)		(rate on a score of 1 -10, with 10 being the highest)				
Qualifications and Experience - dedicated resources, references. 40%		8.00	8.00	8.00	2.00	4.00
Technical Criteria - project approach, methods, compliance with requirements. 30%		8.00	7.00	9.00	2.00	4.00
Cost, at risk fee. 30%		10.00	4.87	7.61	6.14	7.14
RATING		8.60	6.76	8.18	3.24	4.94
		COMPETITIVE RANGE				
Cost Proposals						
Annual Brokerage Fee	yr 1	$75,000	$158,000	$160,000	$150,000	$150,000
	yr 2	$75,000	$161,160	$160,000	$165,000	$150,000
	yr 3	$75,000	$164,383	$160,000	$181,500	$150,000
	yr 4	$75,000	$167,670	$160,000	$199,650	$150,000
	yr 5	$75,000	$171,024	$160,000	$219,615	$150,000
	yr 6	$75,000	$174,444	$160,000	$241,575	$150,000
	yr 7	$75,000	$177,934	$160,000	$265,735	$150,000
Annual Risk Control Fee	yr 1	$50,000	$45,000	$30,000	included	$25,000
(based on 200 hrs/yr)	yr 2	$50,000	$45,000	$30,000		$25,000
	yr 3	$50,000	$45,000	$30,000		$25,000
	yr 4	$50,000	$45,000	$30,000		$25,000
	yr 5	$50,000	$45,000	$30,000		$25,000
	yr 6	$50,000	$45,000	$30,000		$25,000
	yr 7	$50,000	$45,000	$30,000		$25,000
	TOTAL	$875,000	$1,489,615	$1,150,000	$1,423,075	$1,225,000
Hourly Risk Control Fee	yr 1	$250	$225	$150	$175	$100
	yr 2	$250	$225	$150	$180	$100

Insurance Brokerage Services

RFP DOCUMENTS REQUIRED (Completed by Procurement)	AON NYC	Marsh Buffalo, NY	Willis Buffalo, NY	egBowman NYC	Lawley Buffalo, NY
yr 3	$250	$225	$150	$185	$100
yr 4	$250	$225	$150	$191	$100
yr 5	$250	$225	$150	$196	$100
yr 6	$250	$225	$150	$201	$100
yr 7	$250	$225	$150	$207	$100
At Risk Performance Fee	25%	15%	25%	25%	25%

PROPERTY:

5. D. (2) Authorization for Lease Agreement, American Custodial, 485 Cayuga Road

RECOMMENDATION: Staff recommends that the Board authorize a lease agreement with American Custodial (Thomas Danni, Owner) for space at 485 Cayuga Road.

INFORMATION: This lease is for 3,880 square feet of unimproved warehouse space in Hangar Bay 2 at 485 Cayuga Road. American Custodial will use the space as a work area for their custodial equipment. This is a 42 month lease commencing July 1, 2014 and ending December 31, 2017. The rental rate is $1,100 per month for the first 12 months, $1,155 per month for months 13 through 24, and $1,212.75 per month for months 25 through 42.

As per NFTA's Agreement with Hunt Real Estate for services at 485 Cayuga Road, a 5% real estate commission will be paid for this lease.

FUNDING: The real estate commission will be paid from Property Management's Consultant Services operating account (Account No. 08-0099-571-9900).

> "**RESOLVED**, that the Board hereby authorizes a Lease Agreement with American Custodial for use of space at 485 Cayuga Road 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 Lease Agreement with American Custodial as set forth above and as negotiated; and
>
> **BE IT FURTHER RESOLVED**, that said Lease 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, Great Lakes Water Sport Institute, Inc., Adaptive Water Skiing Class, Boat Harbor/Gallagher Beach

RECOMMENDATION: Staff recommends that the Board authorize a License Agreement with Great Lakes Water Sport Institute Inc. for four adaptive water skiing clinics at Gallagher Beach.

INFORMATION: Great Lakes Water Sport Institute is a New York not-for-profit corporation that offers classes to teach individuals who might not normally have a chance to water ski due to disabilities or other issues. The classes are scheduled for June 29, July 27, August 24, and September 7, 2014. This is the fourth year Great Lakes will be offering these classes at the Boat Harbor.

Great Lakes Water Sport Institute Inc. 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 the Great Lakes Water Sport Institute, Inc., for use of the Boat Harbor/Gallagher Beach area facilities for adaptive water skiing classes, 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 Great Lakes Water Sport Institute, Inc., 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."

6. General Counsel Report - Written

7. Executive Session

At approximately 1:05 p.m., it was moved by Commissioner Sloma, seconded by Commissioner Hughes, that the Commissioners convene in Executive Session to discuss Board evaluations.

Following discussion, at approximately 1:22 p.m., it was moved by Commissioner Sloma, seconded by Commissioner Hughes, that the Executive Session be adjourned and that the Board resume the Regular Session.

AYES: **ZEMSKY, SLOMA, GURNEY, ANSARI, HICKS, HUGHES, PERRY**

NOES: **NONE**

8. Adjournment

At approximately 1:25 p.m., the Chairman indicated that there was no further business coming before the Board, whereupon it was moved by Commissioner Sloma, seconded by Commissioner Hughes, and unanimously approved that the Regular Meeting of the Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc. be adjourned.

AYES: **ZEMSKY, SLOMA, GURNEY, ANSARI, HICKS, HUGHES**

NOES: **NONE**