

ECLEG AUG01 '16 AM 9:00

NIAGARA FRONTIER TRANSPORTATION AUTHORITY  
NIAGARA FRONTIER TRANSIT METRO SYSTEM, INC.  
REGULAR BOARD MEETING  
MAY 26, 2016 12:30 PM  
MINUTES

---

<b>1. REGULAR BOARD MEETING - May 26, 2016 - MINUTES</b> (Chairman Zemsky and Commissioner Hughes appeared via teleconference)	
A. APPROVAL OF MINUTES (April 28, 2016 Annual Meeting)	2
B. EXECUTIVE DIRECTOR'S REPORT	3
<b>2. NFTA CORPORATE REPORT</b>	
A. Audit and Governance Committee Report (Peter Demakos)	
B. Consolidated Financial (John Cox)	
C. Corporate Resolutions (Kim Minkel)	4
1) Authorization for Procurement, Road Salt, NFTA and Metro	11
2) Authorization for Lease Agreement, Zipline Golf, LLC, 247 Cayuga Road	13
3) Authorization for Lease Agreement, Mill Race Commons LLC, Port Terminal B	14
<b>3. AVIATION BUSINESS GROUP REPORT</b>	15
A. Aviation Committee Report (Adam Perry)	
B. Financial Update (Bill Vanecek)	
C. Business Update (Bill Vanecek)	
D. Aviation Resolutions (Kim Minkel)	
<b>4. SURFACE TRANSPORTATION BUSINESS GROUP REPORT</b>	17
A. Surface Transportation Committee Report (Bonita Durand)	
B. Financial Update (Tom George)	
C. Business Update (Tom George)	
D. Surface Transportation Resolutions (Kim Minkel)	
1) Ratify and Confirm Execution, Delivery and Performance of Agreement, City of Niagara Falls, Seasonal Metro Trolley Service, Metro	19
<b>5. GENERAL COUNSEL REPORT (Dave State)</b>	
<b>6. EXECUTIVE SESSION</b>	
A. Self Evaluation	
<b>7. ADJOURNMENT</b>	21

1. **CALL TO ORDER**

A. **Meeting Called to Order**

The Vice Chairman called the meeting to order at approximately 12:35 p.m.

B. **Approval of Minutes of the NFTA Annual Board Meeting held on April 28, 2016**

It was moved by Commissioner Durand, seconded by Commissioner Gurney, that the Minutes of the April 28, 2016 Annual Meeting of the Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc., be accepted and approved.

**AYES: ZEMSKY, DEMAKOS, GURNEY, DURAND, HUGHES, PERRY**

**NOES: NONE**

C. Executive Director Report

Executive Director Kimberley Minkel acknowledged the retirement of Mike Bykowski, Director of Engineering and cited his project accomplishments. She reminded the Board that the results of the self-evaluation Board performance would be discussed today in Executive Session.

She advised the Board that Jet Blue airlines would begin direct service to Los Angeles on June 16, 2016. She also informed the Board of the hiring challenges facing the Authority for new bus operators and mechanics. A comparison chart of hourly wages shows that NFTA is offering a competitive wage, however; the number of people with driver's licenses; a decrease in the unemployment rate coupled with the increased percentage in retirements is contributing to this challenge. News articles showed that at least three different agencies across the state, including Rochester, are experiencing similar problems which has resulted in cancelled service due to driver shortage.

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

APRIL 2016 NFTA/METRO PERFORMANCE  
(\$000's)

	BUDGET	ACTUAL	VARIANCE
<b>NET SURPLUS/(DEFICIT)</b>	<b>2,266</b>	<b>2,046</b>	<b>(220)</b>
Revenues and Operating Assistance			(454)
Expenses			264
Non-Operating/Capital			(30)
			<u>(220)</u>
<b>OPER REVENUES &amp; ASST</b>	<b>18,475</b>	<b>18,021</b>	<b>(454)</b>
Metro Passenger Fares			(152)
BNIA Concessions/Commissions - decreased parking lot/ramp revenue			(255)
NFIA Concessions/Commissions - decreased parking lot revenue			(65)
All Other			18
			<u>(454)</u>
<b>TOTAL OPER EXPENSES</b>	<b>14,761</b>	<b>14,498</b>	<b>(264)</b>
Maintenance & Repairs			
Metro - decreased facility, environmental, escalator and elevator maintenance costs		(60)	
BNIA - lower automotive, janitorial and environmental expenses		(27)	
NFIA - lower facilities maintenance costs, automotive and environmental expenses		(13)	(100)
Metro Transit Fuel/Power - lower diesel and rail traction costs			(50)
Utilities			
Metro - lower gas billings		(25)	
BNIA - lower electric and gas billings		(43)	
Property Development - lower electric, gas and water billings at 485 Cayuga		(11)	
All Other		(5)	(84)
Insurance & Injuries			
Metro - lower claim loss reserve appropriations		(48)	
All Other		(3)	(51)
All Other			21
			<u>(164)</u>
<b>NON-OPERATING/CAPITAL</b>	<b>(1,447)</b>	<b>(1,477)</b>	<b>(30)</b>
Capital			
Metro		(33)	
All Other		(2)	(35)
Non-Operating			
BNIA Net Bond Debt Service		(12)	
BNIA Operating Expense Reserve		16	
All Other		1	5
			<u>(30)</u>

**NFTA/METRO**  
**KEY ITEM REPORT**  
**APRIL 2016**

(\$000 Omitted)

<b><u>MONTH ACTUAL TO BUDGET</u></b>	<b>Apr 2016 <u>Budget</u></b>	<b>Apr 2016 <u>Actual</u></b>	<b><u>Variance</u></b>	<b><u>%</u></b>
Operating Revenues	9,305	8,810	(495)	-5.3%
Operating Assistance	9,170	9,211	42	0.5%
<b>Total Oper. Revenues &amp; Assistance</b>	<b>18,475</b>	<b>18,021</b>	<b>(454)</b>	<b>-2.5%</b>
Personnel Services	11,383	11,360	(23)	-0.2%
Maintenance & Repairs	1,351	1,251	(100)	-7.4%
Transit Fuel/Power	401	351	(50)	-12.5%
Utilities	410	326	(84)	-20.5%
Insurance & Injuries	266	215	(51)	-19.2%
Safety & Security	1,028	1,035	7	0.7%
General Business/Other	2,077	2,081	4	0.2%
Other	(2,155)	(2,121)	34	1.6%
<b>Total Operating Expenses</b>	<b>14,761</b>	<b>14,498</b>	<b>(264)</b>	<b>-1.8%</b>
<b>Operating Income/(Loss)</b>	<b>3,713</b>	<b>3,523</b>	<b>(190)</b>	<b>-5.1%</b>
<b>Non-Operating/Capital</b>	<b>(1,447)</b>	<b>(1,477)</b>	<b>(30)</b>	<b>-2.1%</b>
<b>Net Surplus/(Deficit)</b>	<b>2,266</b>	<b>2,046</b>	<b>(220)</b>	<b>-9.7%</b>

**NFTA/METRO**  
**BUSINESS CENTERS**  
**NET SURPLUS/(DEFICIT)**  
**APRIL 2016**

(\$000 Omitted)

	<b>Apr 2016 <u>Budget</u></b>	<b>Apr 2016 <u>Actual</u></b>	<b><u>Variance</u></b>	<b><u>%</u></b>
NFTA				
BNIA	799	625	(174)	-21.7%
NFIA	172	86	(86)	-50.0%
Transportation Centers	(75)	(74)	1	1.0%
Property Development	43	68	25	59.4%
<b>NFTA Total</b>	<b>938</b>	<b>705</b>	<b>(233)</b>	<b>-24.9%</b>
<b>Metro</b>	<b>1,328</b>	<b>1,341</b>	<b>13</b>	<b>1.0%</b>
<b>NFTA/Metro</b>	<b>2,266</b>	<b>2,046</b>	<b>(220)</b>	<b>-9.7%</b>

APRIL NFTA/METRO PERFORMANCE  
FYE 2017 vs. FYE 2016  
(\$000's)

	Apr 2015 Actual	Apr 2016 Actual	VARIANCE
<b>NET SURPLUS/(DEFICIT)</b>	2,798	2,046	(752)
Revenues and Operating Assistance			(503)
Expenses			138
Non-Operating/Capital			(388)
			(752)
<b>OPER REVENUES &amp; ASST</b>	18,524	18,021	(503)
Metro Passenger Fares			(203)
BNIA Concessions/Commissions - decreased parking lot/ramp revenue			(205)
State - MTOAF			(51)
State - DMTTF			375
State - Additional General Fund			(108)
State - Capital Spending			(324)
All Other			13
			(503)
<b>TOTAL OPERATING EXPENSES</b>	14,636	14,498	(138)
Metro Transit Fuel/Power - lower diesel and gasoline costs			(200)
Insurance & Injuries			
Metro - lower claim loss reserve appropriations		(83)	
All Other		10	(73)
General Business/Other			
Metro - higher support labor costs, general office and transportation expenses		71	
BNIA - increased parking management costs		11	
Central Admin - timing of annual renewal for police emergency alert app in 2016		32	
All Other		10	124
All Other			11
			(138)
<b>NON-OPERATING/CAPITAL</b>	(1,089)	(1,477)	(388)
Capital			
Metro		(42)	
BNIA		9	
All Other		2	(31)
Non-Operating			
BNIA - Debt Service Entitlement Applied		(162)	
BNIA - Capital Funding Reallocation		(186)	
All Other		(9)	(357)
			(388)

**NFTA/METRO**  
**KEY ITEM REPORT**  
**FYE 2017 vs. FYE 2016**  
**APRIL**

(\$000 Omitted)

<b><u>MONTH PRIOR YEAR COMPARISON</u></b>	<b>Apr 2015</b>	<b>Apr 2016</b>	<b>Variance</b>	<b>%</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>		
<b>Operating Revenues</b>	9,161	8,810	(351)	-3.8%
<b>Operating Assistance</b>	9,363	9,211	(151)	-1.6%
<b>Total Oper. Revenues &amp; Assistance</b>	18,524	18,021	(503)	-2.7%
Personnel Services	11,318	11,360	42	0.4%
Maintenance & Repairs	1,246	1,251	5	0.4%
Transit Fuel/Power	551	351	(200)	-36.3%
Utilities	353	326	(27)	-7.5%
Insurance & Injuries	288	215	(73)	-25.4%
Safety & Security	1,009	1,035	26	2.6%
General Business/Other	1,956	2,081	124	6.4%
Other	(2,085)	(2,121)	(36)	-1.7%
<b>Total Operating Expenses</b>	14,636	14,498	(138)	-0.9%
<b>Operating Income/(Loss)</b>	<b>3,888</b>	<b>3,523</b>	<b>(365)</b>	<b>-9.4%</b>
<b>Non-Operating/Capital</b>	<b>(1,089)</b>	<b>(1,477)</b>	<b>(388)</b>	<b>-35.6%</b>
<b>Net Surplus/(Deficit)</b>	<b>2,798</b>	<b>2,046</b>	<b>(752)</b>	<b>-26.9%</b>

**Corporate Resolutions**

- i. Niagara Frontier Transportation Authority, Acceptance of Corporate Resolutions 2. C. (1) through 2. C. (3)
  1. Authorization for Procurement, Road Salt, NFTA and Metro
  2. Authorization for Lease Agreement, Zipline Golf, LLC, 247 Cayuga Road
  3. Authorization for Lease Agreement, Mill Race Commons LLC, Port Terminal B

**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 Perry, seconded by Commissioner Durand, 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 26, 2016 as set forth herein, be and hereby are accepted and approved in their entirety.”

**AYES: ZEMSKY\*, DEMAKOS, GURNEY, DURAND, HUGHES, PERRY**

**ABSTENTION: ZEMSKY [Item 2. C. (3) Only\*]**

**NOES: NONE**

**ADOPTED**

**CORPORATE:**

2. C. (1) **Authorization for Procurement, Road Salt, NFTA and Metro**

**RECOMMENDATION:** Staff requests that the Board grant approval to participate in the NYS OGS Procurement Services Group Road Salt Bid for the procurement of approximately 4,005 tons of bulk road salt for the winter season of 2016/2017.

**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:** 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 4,005 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 4,005 tons of bulk road salt to the successful bidder on the NYS OGS Procurement Services Group Salt Bid for the 2016/2017 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.”

**Bulk Road Salt File Requirements for 2016 - 2017 Winter Season**

LOCATION	ADDRESS	2015-2016 Previous Year's Total Tons Filed	2016-2017 Total Tons To be Filed
Babcock Garage	721 New Babcock St, Bflo 14206	220	250
Cold Spring Garage	78 East Ferry Street, Bflo NY 14209	325	325
Frontier Garage (Includes 50 tons for Southpark Rail Facility)	1000 Military Rd, Bflo 14217	450	400
BNIA Maintenance	251 Cayuga Rd, Chtwga 14225	2750	2500
NFIA Maintenance	2035 Niagara Falls Blvd, N.Falls NY 14304	300	420
485 Cayuga	485 Cayuga Rd., Chtwga 14225	110	110
<b>TOTAL</b>		<b>4155</b>	<b>4005</b>

**CORPORATE:**

2. C. (2) **Authorization for Lease Agreement, Zipline Golf, LLC, 247 Cayuga Road**

**RECOMMENDATION:** Staff recommends that the Board authorize a Lease Agreement with Zipline Golf LLC (Arnold W. DeWitt, Owner) for commercial space at 247 Cayuga Road.

**INFORMATION:** Zipline Golf is a pad printing business that prints logos on golf balls. Its sales are transacted via the Internet, so there will be no retail sales at 247 Cayuga. Zipline has requested 1,080 square feet of Class B commercial space, which will primarily be used to imprint golf balls. The initial rent will be \$4.65 per square foot or \$5,022 per year subject to a 3% annual escalator. The initial three-year term will commence July 1, 2016 and expire on June 30, 2019 unless earlier terminated by the NFTA. Zipline will have the option to renew for one (1) additional two-year period with NFTA approval.

**FUNDING:** No funding is necessary.

**“RESOLVED**, that the Board hereby authorizes a Lease Agreement with Zipline Golf, LLC, for use of space at 247 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 Zipline Golf, LLC, with terms and conditions as set forth above and as negotiated; and

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

**CORPORATE:**

2. C. (3) **Authorization for Lease Agreement, Mill Race Commons LLC, Port Terminal B**

**RECOMMENDATION:** Staff recommends that the Board authorize a Lease Agreement with Mill Race Commons LLC (Joseph Petrella, President) for warehouse space at Port Terminal B.

**INFORMATION:** Mill Race Commons is in need of 3,000 square feet of space to store, and perform light maintenance on, a trolley car. The six-month term will commence June 1, 2016 and expire on November 30, 2016 unless earlier terminated by the NFTA. The rent will be \$2.50 per square foot or \$3,750 for the six-month term. ECHDC has no objections to this lease.

**FUNDING:** No funding is necessary.

**“RESOLVED,** that the Board hereby authorizes a Lease Agreement with Mill Race Commons LLC, for use of space at Port Terminal B 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 Mill Race Commons LLC, with terms and conditions as set forth above and as negotiated; and

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

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

**Aviation Resolutions**

1. There are no proposed resolutions at this time.

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

**Surface Transportation Resolutions**

1. Ratify and Confirm Execution, Delivery and Performance of Agreement, City of Niagara Falls, Seasonal Metro Trolley Service, Metro

**SURFACE:**

4. D. (1) **Ratify and Confirm Execution, Delivery and Performance of Agreement, City of Niagara Falls, Seasonal Metro Trolley Service, Metro**

**RECOMMENDATION:** Staff recommends that the Board ratify and confirm Metro's execution, delivery and performance of an Agreement with the City of Niagara Falls pursuant to which Metro is providing seasonal trolley service in Niagara Falls.

**INFORMATION:** For the past several years, Metro has, pursuant to an agreement with the City of Niagara Falls, provided additional seasonal, fixed route, open door trolley service from the Niagara Falls International Airport to downtown Niagara Falls using replica trolley vehicles whenever possible. There were approximately 31,745 passenger boardings in 2015. Funding for such service is provided by the City of Niagara Falls through receipts from a bed tax on each guest room located in Niagara Falls hotels.

This year, Metro is providing a similar level of service and the City of Niagara Falls has approved this service and agreed to pay Metro \$560,000.00 therefor. The term of the Agreement will commence on May 13, 2016 and will expire on October 30, 2016, unless earlier terminated by Metro on thirty (30) days' notice if the City fails to make payment when due.

- Dates of Service:
  - May 13-22 Weekends only (Fri – Sun).
  - May 27 – October 2 (daily)
  - October 7 – 30 Weekends only (Fri-Sun)

Metro provides Niagara Falls hotels with passes for their guests ("Guests"), which are used as proof of fare. The pass entitles Guests to unlimited access to the trolley service, as well as Metro's bus and rail service on the day and month for which they are validated by the Metro operator upon boarding. For audit purposes, if a Guest is provided with a pass or passes, the hotel issuing such pass shall cause a statement to be placed on that Guest's billing statement noting the date and number of passes issued.

**FUNDING:** Funding is provided in the NFTA-Metro operating budget.

Whereupon, it was moved by Commissioner Gurney, seconded by Commissioner Durand, that the following Resolution be adopted:

**"RESOLVED,** that the Board hereby ratifies and confirms Metro's execution, delivery and performance under the Agreement with the City of Niagara Falls pursuant to which Metro is providing the seasonal trolley service on the terms and conditions described above."

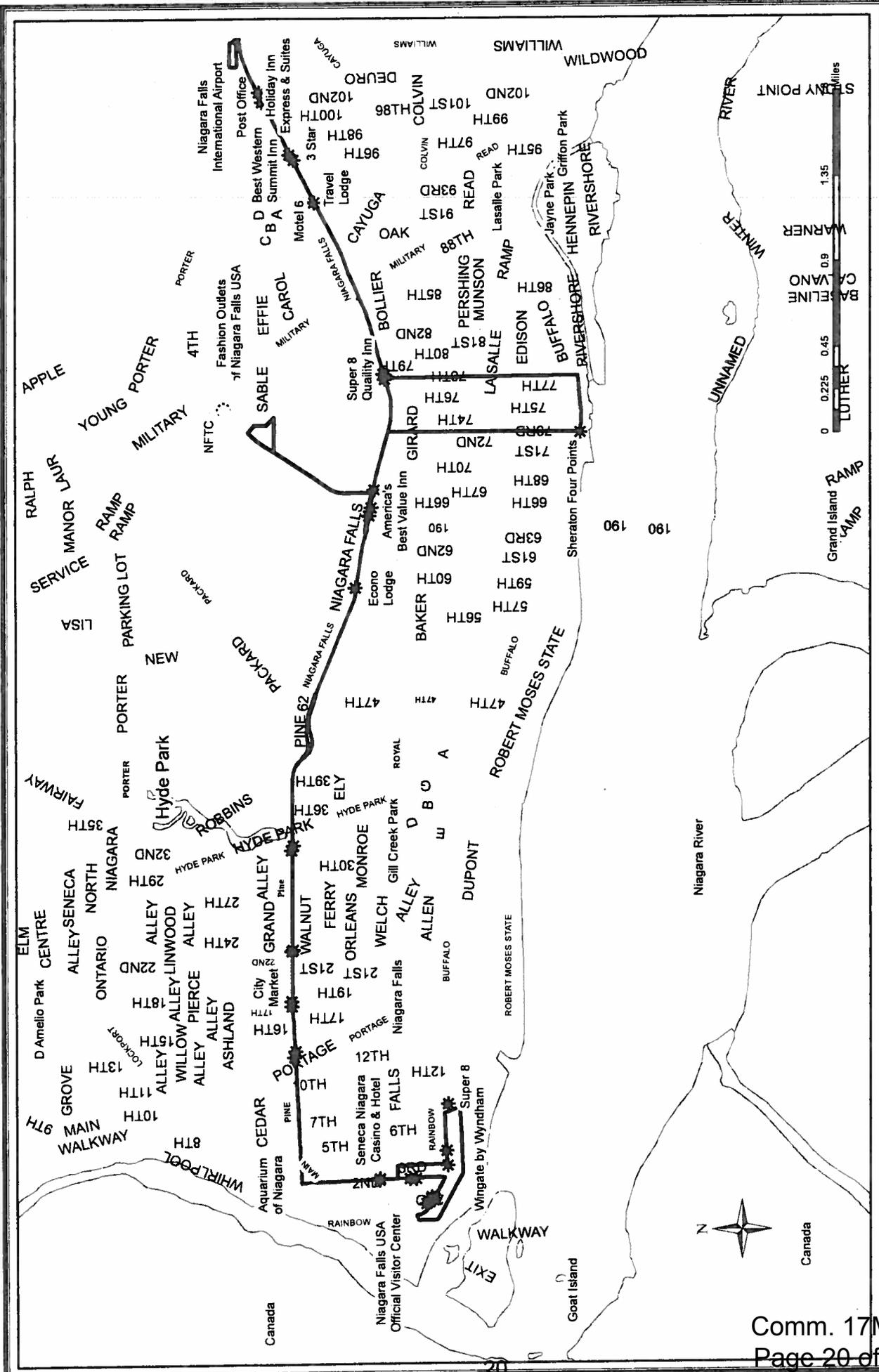
**AYES: ZEMSKY, DEMAKOS, GURNEY, DURAND, HUGHES, PERRY**

**NOES: NONE**

**ADOPTED**

SURFACE 4. D. (1)

# "EXHIBIT A"



NFTA Service Planning Department  
 May 2016  
 Source: NFTA Data  
 Created in ArcGIS 10.2.1 Using Arc Map

## Niagara Falls Trolley 2016



6. General Counsel Report - Written

7. Executive Session

At approximately 1:02 p.m., it was moved by Commissioner Durand, seconded by Commissioner Perry, that the Commissioners convene in Executive Session to discuss the Board's self-evaluation.

Following discussion, at approximately 1:07 p.m., it was moved by Commissioner Gurney, seconded by Commissioner Perry, that the Executive Session be adjourned and that the Board resume the Regular Session.

**AYES: ZEMSKY, DEMAKOS, GURNEY, DURAND, HUGHES,  
PERRY**

**NOES: NONE**

8. Adjournment

At approximately 1:09 p.m., the Vice Chairman indicated that there was no further business coming before the Board, whereupon it was moved by Commissioner Durand, seconded by Commissioner Gurney, and unanimously approved that the Regular Meeting of the Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc. be adjourned.

**AYES: ZEMSKY, DEMAKOS, GURNEY, DURAND, HUGHES,  
PERRY**

**NOES: NONE**