



Niagara Frontier Transportation Authority  
Serving Buffalo Niagara

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January 29, 2016

Ms. Karen McCarthy  
Clerk  
Erie County Legislature  
25 Delaware Avenue  
Buffalo, New York 14202

**Re: NFTA Board Minutes**

Dear Ms. McCarthy:

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 December 21, 2015.

Very truly yours,

David J. State  
General Counsel

DJS:lf

Enclosure

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY  
 NIAGARA FRONTIER TRANSIT METRO SYSTEM, INC.  
 REGULAR BOARD MEETING  
 DECEMBER 21, 2015 12:30 PM  
 MINUTES**

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<b>1. REGULAR BOARD MEETING - December 21, 2015 - AGENDA</b>	
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1. CALL TO ORDER

A. Meeting Called to Order

Vice Chairman Sloma called the meeting to order at approximately 12:32 p.m.

B. Approval of Minutes of the NFTA Regular Board Meeting held on November 23, 2015

It was moved by Commissioner Hughes, seconded by Commissioner Gurney that the Minutes of the November 23, 2015 Regular Meeting of the Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc., be accepted and approved.

AYES: SLOMA, DEMAKOS, BAYNES, GURNEY, HUGHES,  
WILCOX

NOES: NONE

**C. Executive Director Report**

Executive Director Kimberley Minkel presented a year end synopsis to the Board which included the first international flight with Sunwing Airlines at BNIA providing service to Cancun, Mexico and Punta Cana and the Dominican Republic. Completion of our Aviation Strategic Plan and the NFIA Master Plan. A new enplanement record was set at NFIA and the one millionth passenger was welcomed in September. Both airports were awarded the Balchen-Post award for snow removal.

Metro opened the new Niagara Street Transit Hub and is preparing for operation of twenty new CNG buses which will be fueled at our refurbished Frontier Station using our new CNG fueling station. Eleven new rebuild rail cars are in service and we completed our Canalside/Cobblestone study for rail expansion. Ridership increased by over 6.7% on both bus and rail and four labor contracts were settled this year. Public safety continues to improve with a focus on community policing which includes the use of body cameras and the use of Narcan which is used for drug overdoses.

The Authority focused on customer service and community service which included a new custom service center, installation of a new interactive voice response in our call center and a lactation room at BNIA. The NFTA received the benefit of over 4500 volunteer hours from our hospitality ambassadors and 1500 hours from our Paws of Love volunteers that equates to over 10,000 hours in dog time.

Regarding community service the Authority invested in historic and public art using our Cold Spring Wall in Buffalo and the Albright Knox art display at BNIA. A "Beat the Train down Main" event was held to highlight the Hunter's Hope Foundation. The Transit Authority Police Department worked on our homeless outreach program, saved lives by administering Narcan and Chief Gast and the department received the Matt Urban Hope award for their work with the homeless. Traffic reporter Dave Cash received an Emmy and Metro received an ITS award for our new Traveler Information System.

The Executive Director acknowledged the Authority as a regional asset providing services that support our mission of providing safe, efficient and professional transportation services that enhance the quality of life in our region consistent with the needs of our customers and praised our employees who go above and beyond to provide these services.

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

NOVEMBER 2015 NFTA/METRO PERFORMANCE  
(\$000's)

	BUDGET	ACTUAL	VARIANCE
<b>NET SURPLUS/(DEFICIT)</b>	<b>(301)</b>	<b>138</b>	<b>439</b>
Revenues and Operating Assistance			(253)
Expenses			284
Non-Operating/Capital			408
			<b>439</b>
<b>OPER REVENUES &amp; ASST</b>	<b>17,381</b>	<b>17,128</b>	<b>(253)</b>
Metro Passenger Fares			(88)
BNIA Rental Income - increased compensatory airline billings due to rebillings adjustment and higher overnight gate parking fees			211
BNIA Resales & Rebillings - adjustment to electric usage billings due to prior period overbillings to terminal tenants			(303)
Erie County Sales Tax			(114)
Mortgage Tax			84
Federal - PM - reprogramming of federal funds			(49)
All Other			7
			<b>(253)</b>
<b>TOTAL OPER EXPENSES</b>	<b>15,533</b>	<b>15,249</b>	<b>(284)</b>
Personnel Services			
Metro - higher than anticipated vacancies, partially offset by higher overtime and health insurance costs			(154)
BNIA - timing in payment of health insurance stipend			36
NFIA - decreased overtime			(16)
Central Admin - higher engineering and Metro support overtime, MIS and engineering consultant fees, partially offset by vacancies in Executive, Public Affairs and Metro support branches and lower police overtime			34
All Other			(3)
			<b>(102)</b>
Metro Transit Fuel/Power - lower diesel, gasoline and rail traction costs			(85)
Utilities			
Metro - lower electric and water billings, partially offset by higher gas billings			(14)
Transportation Centers - lower electric and gas billings at MTC			(13)
BNIA - lower electric and gas billings			(30)
All Other			(10)
			<b>(68)</b>
Insurance & Injuries			
Metro - lower claim loss reserve appropriations			(46)
All Other			(10)
			<b>(56)</b>
All Other			26
			<b>(284)</b>
<b>NON-OPERATING/CAPITAL</b>	<b>(2,149)</b>	<b>(1,741)</b>	<b>408</b>
Capital			
Metro			508
BNIA			20
Property Development			37
All Other			6
			<b>571</b>
Non-Operating			
Metro MRF Reserve Funding/Other			(190)
BNIA Operating Expense Reserve			22
All Other			5
			<b>(163)</b>
			<b>408</b>

**NFTA/METRO**  
**KEY ITEM REPORT**  
**NOVEMBER 2015**

(\$000 Omitted)

<b><u>MONTH ACTUAL TO BUDGET</u></b>	<b>Nov 2015</b>	<b>Nov 2015</b>		
	<b><u>Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance</u></b>	<b><u>%</u></b>
<b>Operating Revenues</b>	8,261	8,098	(163)	-2.0%
<b>Operating Assistance</b>	9,120	9,030	(90)	-1.0%
<b>Total Oper. Revenues &amp; Assistance</b>	17,381	17,128	(253)	-1.5%
Personnel Services	11,739	11,637	(102)	-0.9%
Maintenance & Repairs	1,883	1,893	10	0.5%
Transit Fuel/Power	443	358	(85)	-19.2%
Utilities	429	361	(68)	-15.8%
Insurance & Injuries	363	308	(56)	-15.3%
Safety & Security	1,074	1,087	13	1.2%
General Business/Other	1,822	1,870	48	2.6%
Other	(2,220)	(2,265)	(45)	-2.0%
<b>Total Operating Expenses</b>	15,533	15,249	(284)	-1.8%
<b>Operating Income/(Loss)</b>	<b>1,848</b>	<b>1,879</b>	<b>31</b>	<b>1.7%</b>
<b>Non-Operating/Capital</b>	<b>(2,149)</b>	<b>(1,741)</b>	<b>408</b>	<b>19.0%</b>
<b>Net Surplus/(Deficit)</b>	<b>(301)</b>	<b>138</b>	<b>439</b>	<b>146.0%</b>

NFTA/METRO YEAR TO DATE NOVEMBER 2015 PERFORMANCE  
(\$000's)

	BUDGET	ACTUAL	VARIANCE
<b>NET SURPLUS/(DEFICIT)</b>	<b>10,645</b>	<b>13,631</b>	<b>2,986</b>
Revenues and Operating Assistance			(204)
Expenses			2,342
Non-Operating/Capital			848
			2,986
<b>OPER REVENUES &amp; ASST</b>	<b>144,343</b>	<b>144,140</b>	<b>(204)</b>
Metro Other Operating Revenues - advertising income above minimum annual guarantee			124
Transportation Centers Rental Income - holdover rents from our MTC tenants			180
BNIA Concessions/Commissions - decreased parking lot/ramp and auto rental revenue, partially offset by higher retail stores and other miscellaneous concession revenues			(594)
BNIA Resales & Rebillings - adjustment to electric usage billings due to prior period overbillings to terminal tenants			(405)
Property Development Rental Income - increased rents from our 247 Cayuga, 485 Cayuga and Terminal A properties			286
Erie County Sales Tax			(491)
Mortgage Tax			839
Federal - PM - reprogramming of federal funds			(200)
All Other			58
			(204)
<b>TOTAL OPERATING EXPENSES</b>	<b>122,372</b>	<b>120,031</b>	<b>(2,342)</b>
Personnel Services			
Metro - higher than anticipated vacancies and lower instruction labor, partially offset by higher overtime and health insurance costs			(1,020)
BNIA - higher than anticipated vacancies and decreased overtime			(85)
Central Admin - vacancies in Executive, General Counsel, Public Affairs and Metro support branches and lower police overtime			(391)
All Other			(5)
			(1,502)
Maintenance & Repairs			
Metro - higher revenue vehicle maintenance costs, partially offset by lower facility and environmental expenses			395
Transportation Centers - increased facility maintenance costs and materials/supplies expense at MTC, partially offset by lower service costs			140
BNIA - decreased major facility repairs, automotive, environmental and landscaping expenses			(388)
Property Development - increased service costs at our 485 Cayuga Property			62
Central Admin - timing of MIS software and maintenance agreements			131
All Other - increased service costs at our 485 Cayuga Property			49
			389
Metro Transit Fuel/Power - lower diesel, gasoline and rail traction costs			(294)
Utilities			
Metro - lower electric billings, partially offset by higher gas billings			(80)
Transportation Centers - lower electric and gas billings at MTC			(63)
BNIA - lower electric, gas and telephone billings			(222)
Property Development - lower electric billings at 247 and 485 Cayuga locations			(34)
All Other - lower electric and gas billings at NFIA			(23)
			(423)
Insurance & Injuries			
Metro - lower claim loss reserve appropriations			(514)
BNIA - decreased insurance premiums and claim losses			(26)
All Other			3
			(537)
All Other			25
			(2,342)
<b>NON-OPERATING/CAPITAL</b>	<b>(11,326)</b>	<b>(10,479)</b>	<b>848</b>
Capital			
Metro			684
Property Development			(154)
Central Admin			380
All Other			(12)
			898
Non-Operating			
Metro MRF Reserve Funding/Other			(380)
BNIA Net Bond Debt Service			(48)
BNIA Operating Expense Reserve			159
BNIA - Debt Service Entitlement Applied			217
All Other			2
			(50)
			848

**NFTA/METRO**  
**KEY ITEM REPORT**  
**NOVEMBER YTD 2015**

(\$000 Omitted)

<b><u>YTD ACTUAL TO BUDGET</u></b>	<b><u>Nov 2015</u></b> <b><u>YTD Budget</u></b>	<b><u>Nov 2015</u></b> <b><u>YTD Actual</u></b>	<b><u>Variance</u></b>	<b><u>%</u></b>
Operating Revenues	70,013	69,763	(249)	-0.4%
Operating Assistance	74,331	74,376	46	0.1%
<b>Total Oper. Revenues &amp; Assistance</b>	<b>144,343</b>	<b>144,140</b>	<b>(204)</b>	<b>-0.1%</b>
Personnel Services	93,326	91,824	(1,502)	-1.6%
Maintenance & Repairs	12,045	12,434	389	3.2%
Transit Fuel/Power	4,459	4,165	(294)	-6.6%
Utilities	3,176	2,753	(423)	-13.3%
Insurance & Injuries	2,907	2,371	(537)	-18.5%
Safety & Security	8,075	8,134	59	0.7%
General Business/Other	15,637	15,336	(302)	-1.9%
Other	(17,255)	(16,987)	267	1.5%
<b>Total Operating Expenses</b>	<b>122,372</b>	<b>120,031</b>	<b>(2,342)</b>	<b>-1.9%</b>
<b>Operating Income/(Loss)</b>	<b>21,971</b>	<b>24,109</b>	<b>2,138</b>	<b>9.7%</b>
<b>Non-Operating/Capital</b>	<b>(11,326)</b>	<b>(10,479)</b>	<b>848</b>	<b>7.5%</b>
<b>Net Surplus/(Deficit)</b>	<b>10,645</b>	<b>13,631</b>	<b>2,986</b>	<b>28.1%</b>

**NFTA/METRO**  
**BUSINESS CENTERS**  
**NET SURPLUS/(DEFICIT)**  
**NOVEMBER YTD 2015**

(\$000 Omitted)

	<b><u>Nov 2015</u></b> <b><u>YTD Budget</u></b>	<b><u>Nov 2015</u></b> <b><u>YTD Actual</u></b>	<b><u>Variance</u></b>	<b><u>%</u></b>
NFTA				
BNIA	7,125	7,693	568	8.0%
NFIA	(677)	(753)	(77)	-11.3%
Transportation Centers	(846)	(849)	(2)	-0.3%
Property Development	(75)	137	213	281.9%
<b>NFTA Total</b>	<b>5,526</b>	<b>6,228</b>	<b>702</b>	<b>12.7%</b>
<b>Metro</b>	<b>5,118</b>	<b>7,403</b>	<b>2,284</b>	<b>44.6%</b>
<b>NFTA/Metro</b>	<b>10,645</b>	<b>13,631</b>	<b>2,986</b>	<b>28.1%</b>

NOVEMBER NFTA/METRO PERFORMANCE  
 FYE 2016 vs. FYE 2015  
 (\$000's)

	Nov 2014 Actual	Nov 2015 Actual	VARIANCE
<b>NET SURPLUS/(DEFICIT)</b>	575	138	(436)
Revenues and Operating Assistance			9
Expenses			(82)
Non-Operating/Capital			(363)
			(436)
<b>OPER REVENUES &amp; ASST</b>	17,119	17,128	9
Metro Passenger Fares			(75)
BNIA Airport Fees & Services - lower compensatory billings based on decreased bond debt service costs and capital expenditures, a capped reimbursement of NFIA's net deficit, and decreased terminal ramp fees			(231)
BNIA Rental Income - increased compensatory airline billings due to lower PFC credit, higher overnight gate parking fees and rebillings adjustment in FYE16			313
BNIA Resales & Rebillings - FYE16 adjustment to electric usage billings due to prior period overbillings to terminal tenants			(297)
Mortgage Tax			120
Local - 88c Funds			(228)
State - MTOAF			(176)
State - Additional General Fund			391
State - Capital Spending			324
Federal - PM - reprogramming of federal funds			(49)
Federal - JARC			(68)
All Other			(15)
			9
<b>TOTAL OPERATING EXPENSES</b>	15,166	15,249	82
Maintenance & Repairs			
Metro - higher revenue and non-revenue vehicle maintenance costs and rail escalator maintenance expenses		129	
BNIA - timing in annual pavement maintenance program expenses, partially offset by lower automotive and snowplowing expenses		97	
NFIA - timing in annual pavement maintenance program expenses, partially offset by lower automotive and facility maintenance expenses		45	
Property Development - increased service costs at 485 Cayuga		18	
Central Admin - timing of MIS software and maintenance agreements, and higher police automotive expenses		40	
All Other		13	341
Metro Transit Fuel/Power - lower diesel, gasoline and rail traction costs			(221)
Insurance & Injuries			
Metro - lower claim loss reserve appropriations		(15)	
Central Admin - lower police claim losses		(18)	
All Other		(3)	(36)
All Other			(2)
			82
<b>NON-OPERATING/CAPITAL</b>	(1,378)	(1,741)	(363)
Capital			
Metro		(211)	
BNIA		280	
Property Development		103	
Central Admin		(70)	
All Other		(13)	89
Non-Operating			
Metro MRF Reserve Funding/Other		(461)	
BNIA Net Bond Debt Service		(127)	
BNIA - Debt Service Entitlement Applied		(25)	
BNIA - Capital Funding Reallocation		105	
NFIA Debt Service		165	
NFIA Seneca Proceeds		(117)	
All Other		8	(452)
			(363)

**NFTA/METRO**  
**KEY ITEM REPORT**  
**FYE 2016 vs. FYE 2015**  
**NOVEMBER**

(\$000 Omitted)

<b><u>MONTH PRIOR YEAR COMPARISON</u></b>	<b>Nov 2014</b>	<b>Nov 2015</b>	<b><u>Variance</u></b>	<b><u>%</u></b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>		
<b>Operating Revenues</b>	8,369	8,098	(271)	-3.2%
<b>Operating Assistance</b>	8,750	9,030	280	3.2%
<b>Total Oper. Revenues &amp; Assistance</b>	17,119	17,128	9	0.1%
Personnel Services	11,476	11,637	161	1.4%
Maintenance & Repairs	1,552	1,893	341	21.9%
Transit Fuel/Power	579	358	(221)	-38.1%
Utilities	380	361	(18)	-4.8%
Insurance & Injuries	344	308	(36)	-10.5%
Safety & Security	1,084	1,087	3	0.3%
General Business/Other	1,822	1,870	48	2.6%
Other	(2,069)	(2,265)	(196)	-9.5%
<b>Total Operating Expenses</b>	15,166	15,249	82	0.5%
<b>Operating Income/(Loss)</b>	<b>1,953</b>	<b>1,879</b>	<b>(74)</b>	<b>-3.8%</b>
<b>Non-Operating/Capital</b>	<b>(1,378)</b>	<b>(1,741)</b>	<b>(363)</b>	<b>-26.3%</b>
<b>Net Surplus/(Deficit)</b>	<b>575</b>	<b>138</b>	<b>(436)</b>	<b>-75.9%</b>

NFTA/METRO YEAR TO DATE NOVEMBER PERFORMANCE  
 FYE 2016 vs. FYE 2015  
 (\$000's)

	Nov 2014 YTD Actual	Nov 2015 YTD Actual	VARIANCE
<b>NET SURPLUS/(DEFICIT)</b>	9,132	13,631	4,498
Revenues and Operating Assistance			2,415
Expenses			923
Non-Operating/Capital			1,160
			<u>4,498</u>
<b>OPER REVENUES &amp; ASST</b>	141,725	144,140	2,415
Metro Passenger Fares			458
Transportation Centers Rental Income - holdover rents from our MTC tenants			230
BNIA Airport Fees & Services - lower compensatory billings based on decreased expenses, bond debt service costs and capital expenditures, a capped reimbursement of NFIA's net deficit, and decreased terminal ramp fees			(613)
BNIA Rental Income - increased compensatory airline billings due to lower PFC credit, higher overnight gate parking fees and rebillings adjustment in FYE16			860
BNIA Concessions/Commissions - decreased parking lot/ramp revenue, partially offset by higher retail stores and other miscellaneous concession revenues			(287)
BNIA Resales & Rebillings - FYE16 adjustment to electric usage billings due to prior period overbillings to terminal tenants			(355)
NFIA Concessions/Commissions - increased parking lot revenue			91
Boat Harbor Fees - NFTA no longer operates this property			(1,255)
Boat Harbor Retail Sales - gasoline sales discontinued as NFTA no longer operates this property			(404)
Erie County Sales Tax			288
Mortgage Tax			1,136
Local - 88c Funds			(1,827)
State - MTOAF			(1,406)
State - Additional General Fund			3,132
State - Capital Spending			2,589
Federal - PM - reprogramming of federal funds			(200)
All Other			(3)
			<u>2,415</u>
<b>TOTAL OPERATING EXPENSES</b>	120,954	120,031	(923)
Maintenance & Repairs			
Metro - higher revenue and non-revenue vehicle maintenance costs, rail escalator maintenance and facilities expenses			540
Transportation Centers - increased facility maintenance costs and materials/supplies expense at MTC			175
BNIA - lower automotive and environmental costs			(432)
Central Admin - timing of MIS software and maintenance agreements, and higher police automotive expenses			233
All Other			(18)
			<u>499</u>
Metro Transit Fuel/Power - lower diesel, gasoline and rail traction costs			(1,106)
Utilities			
Metro - decreased electric billings, partially offset by higher gas billings			(92)
Transportation Centers - lower electric billings at MTC			(33)
BNIA - decreased electric billings			(181)
Property Development - no further utility billings at Boat Harbor			(62)
All Other			(18)
			<u>(386)</u>
General Business/Other			
Metro - higher support labor and rent expenses and Normal Communications bad debt expense in FYE16			387
Transportation Centers - increased temporary help and reserves for potential holdover rent payments in FYE16			163
NFIA - higher parking management and professional service costs			112
Property Development - no Boat Harbor temporary help costs or purchases of gasoline for sale as the property is not operated by NFTA			(749)
Central Admin - timing of MIS software and maintenance agreements			139
All Other - higher BNIA training and general office expenses			33
			<u>85</u>
All Other			(15)
			<u>(923)</u>
<b>NON-OPERATING/CAPITAL</b>	(11,639)	(10,479)	1,160
Capital			
Metro			159
BNIA			162
NFIA			(89)
Property Development			(76)
Central Admin			238
All Other			(29)
			<u>365</u>
Non-Operating			
Metro MRF Reserve Funding/Other			(897)
BNIA Net Bond Debt Service			(621)
BNIA - Debt Service Entitlement Applied			(77)
BNIA - Capital Funding Reallocation			842
BNIA - ADF Funding			(64)
NFIA Debt Service			1,276
NFIA Seneca Proceeds			367
All Other			(31)
			<u>795</u>
			<u>1,160</u>

**NFTA/METRO**  
**KEY ITEM REPORT**  
**FYE 2016 vs. FYE 2015**  
**NOVEMBER YTD**

(\$000 Omitted)

	Nov 2014	Nov 2015	<u>Variance</u>	<u>%</u>
	<u>Prior</u> <u>YTD Actual</u>	<u>Current</u> <u>YTD Actual</u>		
<b><u>YTD PRIOR YEAR COMPARISON</u></b>				
<b>Operating Revenues</b>	70,831	69,763	(1,068)	-1.5%
<b>Operating Assistance</b>	70,894	74,376	3,483	4.9%
<b>Total Oper. Revenues &amp; Assistance</b>	141,725	144,140	2,415	1.7%
Personnel Services	91,630	91,824	194	0.2%
Maintenance & Repairs	11,935	12,434	499	4.2%
Transit Fuel/Power	5,271	4,165	(1,106)	-21.0%
Utilities	3,139	2,753	(386)	-12.3%
Insurance & Injuries	2,430	2,371	(60)	-2.5%
Safety & Security	7,945	8,134	190	2.4%
General Business/Other	15,251	15,336	85	0.6%
Other	(16,648)	(16,987)	(339)	-2.0%
<b>Total Operating Expenses</b>	120,954	120,031	(923)	-0.8%
<b>Operating Income/(Loss)</b>	<b>20,771</b>	<b>24,109</b>	<b>3,338</b>	<b>16.1%</b>
<b>Non-Operating/Capital</b>	<b>(11,639)</b>	<b>(10,479)</b>	<b>1,160</b>	<b>10.0%</b>
<b>Net Surplus/(Deficit)</b>	<b>9,132</b>	<b>13,631</b>	<b>4,498</b>	<b>49.3%</b>

**Corporate Resolutions**

1. Adoption of Operating and Capital Budgets, Niagara Frontier Transportation Authority and NFT Metro System, Inc., Fiscal Year 2016/2017
2. Authorization for Agreement, Grove Roofing Services, Roofing Repairs, NFTA and Metro

**CORPORATE:**

2. C. (1) **Adoption of Operating and Capital Budgets, Niagara Frontier Transportation Authority and NFT Metro System, Inc., Fiscal Year 2016/2017**

**RECOMMENDATION:** Staff recommends that the Board adopt the Operating and Capital Budgets for the NFTA and NFT Metro System, Inc. for the Fiscal Year ending March 31, 2017. The consolidated budget for FYE'17 is \$220.9 million.

**INFORMATION:** The NFTA is a public benefit corporation of the State of New York created by legislation enacted under Chapter 717 of the laws of 1967. The mission of the NFTA is to provide safe, efficient and professional transportation services that enhance the quality of life in the Buffalo Niagara region in a manner, consistent with the needs of our customers. To that end and for such purpose, the NFTA operates the Niagara Falls International Airport, Buffalo Niagara International Airport, various non-transportation property assets as managed by our Property Group, Transportation Centers in the Cities of Buffalo and Niagara Falls, and through its subsidiary corporation, NFT Metro System, Inc., operates bus, paratransit and light rail transit systems in the counties served by NFTA.

The NFTA adopts an annual budget covering its operations for the Fiscal Year that begins April 1 and extends through March 31 of the following calendar year. The budget for FYE'17 is balanced as required by New York State and was prepared based on a management approach integrating financial and strategic requirements necessary for the continued operation of the Authority.

As a comparison to the current year forecast, the FYE'17 budget assumes a \$4.3 million, or 4.1%, increase in revenues from Authority operations and a \$1.0 million, or 0.9%, increase in operating assistance.

The budget assumes a \$4,097k, or 2.2%, increase in expenses for FYE'17, while providing for the continued efficient delivery of transportation services to the public and communities served by the NFTA and Metro without increasing transit fares to our customers.

Finally, the FYE'17 budget includes \$11.7 million for net debt service and operating reserves related to the Buffalo Niagara International Airport Improvement Program (AIP) project, \$2.7 million in debt service for the BNIA baggage claim expansion (re-billed to our airlines) and ARFF building construction, \$1.2 million in debt service for the glycol collection project and equipment lease financing for energy savings initiatives, and \$10.8 million in the NFTA equity share of our capital spending total of \$74.4 million estimated for FYE'17.

Included in the budget are locking-in diesel costs and allowing for cost certainty on 20% of our anticipated diesel fuel usage, decreasing our diesel fuel usage with the upcoming debut of our new compressed natural gas (CNG) fleet of buses and increases in our health insurance employee contributions from our numerous unions.

Metro includes increasing revenue reflective of higher rail core ridership based on operational and enhancement changes, as well as anticipating an increase in university pass revenue. The Surface Transportation budget includes funds for the mid-life rail rebuild project; twenty new buses; CNG fueling station/modification initiative; design of the new fare collection system and related rail station gates; ten small buses and rail fastener and pad replacement.

In the Aviation Division, Buffalo Niagara International Airport (BNIA) is assuming a 1% increase in enplanements. Airport fees and services and rental income will be higher due to the increasing cost compensatory billings to the airlines reflecting higher direct and indirect expenses and central administration capital expenditures. Rental income includes the elimination of the PFC offsetting the rental rate. Concessions/commissions are increasing 1.2% with the aforementioned 1% enplanement growth. The weak Canadian dollar has adversely affected our revenue. Concessions/commissions are forecasted to be \$744k, or 2.7%, below budget for FYE'16. Major capital projects at BNIA include runway 14-32 mill and overlay project, construction of a new ARFF facility and the level 1 baggage claim expansion.

The Niagara Falls International Airport's (NFIA) budget includes landing fee, rental rate and parking rate increases. The NFIA budget also includes an anticipated 4% enplanement growth and a 50% partnership with acquisition of the Rainbow Industrial building. The capital budget includes funds for Taxiway (former E diagonal) rehabilitation.

The Property Development Division budget reflects higher anticipated rental revenue from our 247 Cayuga, 485 Cayuga and Terminal A properties. The budget also includes capital funds for some upgrades of these facilities.

The following are the budget assumptions and highlights, comparing the FYE'16 forecast to FYE'17 budget:

- Metro base fare remains the same at \$2.00.
- New York State Operating Assistance increasing \$1,342k, or 3.0%, FYE'16 increase – 6.1%.
- Total Federal Operating Assistance to decrease \$44k, or 0.2%, due to lower Job Access Reverse Commute (JARC) grants.
- Erie County Sales Tax is anticipated to increase \$660k or 3.4%, based on five year average annual increase and anticipated stronger Canadian dollar. The FYE'16 forecast is \$666k, or 3.3%, below budget, resulting from the weak Canadian dollar.
- Mortgage Tax is anticipated to remain consistent with our FYE'16 forecast of \$9,441k.
- BNIA is assuming a 1% increase in enplanements.
- NFTA/Metro contractual/step increases reflective of labor agreements.
- Metro fringe benefit rate - 87.1%; NFTA fringe benefit rate - 50.7%.
- NFTA/Metro health insurance costs are increasing a net \$359k, or 1.2%, based on increased union participation and a health insurance rate hike of 5.4%.
- NFTA/Metro workers' compensation costs are increasing \$782k, or 10.0%.
- NFTA/Metro maintenance and repairs are increasing \$1,269k, or 6.4%, as increasing Metro revenue vehicle maintenance costs as a result of aging fleet, higher Metro elevator repairs, rail tamping and environmental expenses.

- Lower transit fuel/power expenses of \$1,267k, or 20.2%, as we are locked in at 20% of our anticipated usage at \$2.12/gallon. The remaining 80% is subject to market conditions budgeted at \$1.90/gallon, the average cost over the previous 26 week period. Also included in the budget is lower diesel fuel usage with the anticipated debut of our CNG fleet of buses.

Whereupon, it was moved by Commissioner Demakos, seconded by Commissioner Wilcox, that the following Resolutions be adopted:

**"RESOLVED**, that the Operating and Capital Budgets of the NFTA and NFTA Metro System, Inc., for the fiscal year ending March 31, 2017, be and are hereby adopted as provided herein; and

**BE IT FURTHER RESOLVED**, that the Executive Director is authorized during the course of the 2016-17 fiscal year to establish, for non-represented employees, the appropriate salary levels consistent with the merit-based system for all new hires and to adjust, on the basis of performance, the salary level of all employees; and

**BE IT FURTHER RESOLVED**, that the Executive Director is authorized during the course of the 2016-17 fiscal year to establish, for represented employees, the appropriate step, within the budgeted salary grade, for all new hires and to adjust, on the basis of performance and as provided by collective bargaining agreements, the grade and step of all current employees."

**AYES: SLOMA, DEMAKOS, BAYNES, GURNEY, HUGHES, WILCOX**

**NOES: NONE**

**ADOPTED**

**CORPORATE:**

2. C. (2) **Authorization for Term Agreement, Grove Roofing Services, Roofing Repairs, NFTA and NFT Metro**

**RECOMMENDATION:** Staff recommends that the Board authorize a Term Agreement with Grove Roofing Services for roofing repairs at NFTA and NFT Metro facilities. The initial term of the Agreement is one year commencing January 1, 2016, with the option to renew for four (4) additional one-year periods at the sole discretion of the NFTA.

**INFORMATION:** This Agreement will provide for minor and/or emergency/exigency roofing repairs, as required, for NFTA and NFT Metro facilities. Any planned roof replacements and/or major repairs or recoating projects will be bid separately. Over the course of an average fiscal year the roofs of our various facilities require repairs that were not anticipated in an amount of approximately \$50,000. The individual repair jobs cost under \$3,000, on average.

The benefit of having a roofing term contractor is that the rate is established and will be adhered to no matter what the size of the project is or the time frame within which the work needs to be accomplished. Each project is supervised by NFTA/Metro personnel.

A Request for Proposal was publicly advertised in accordance with NFTA Procurement Guidelines. Responses were received from:

- Grove Roofing Services, Inc.  
Buffalo, NY
- Jameson Roofing Co., Inc.  
Dunkirk, NY
- Sanders & Sons, Inc.  
Buffalo, NY

The evaluation team comprised of the Manager of Facilities and Property, Manager of Rail Facilities, Facilities Manager, and Procurement Manager evaluated the proposals based on qualifications/experience and cost. The team rated Grove Roofing with the highest score; Grove also offered the lowest hourly rate. The RFP evaluation analysis is attached hereto.

**FUNDING:** Funding for repair projects will be provided out of the budgeted operating funds of the individual business centers that incur repair project costs.

Whereupon, it was moved by Commissioner Hughes, seconded by Commissioner Gurney, that the following Resolutions be adopted:

“**RESOLVED**, that the Board hereby authorizes a Term Agreement with Grove Roofing Services for roofing repairs at NFTA and NFT Metro 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 Term Agreement with Grove Roofing Services for a one-year period commencing January 1, 2016 with the option to renew for four (4) additional one year periods in the sole discretion of the NFTA and other terms and conditions as set forth above; and

**BE IT FURTHER RESOLVED**, that said Term 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 is, authorized to make payments under said Term Agreement upon receipt of reasonable documentary evidence received from the Director, Engineering and Property, that such payments are proper.”

**AYES: SLOMA, DEMAKOS, BAYNES, GURNEY, HUGHES, WILCOX**

**NOES: NONE**

**ADOPTED**



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

**Aviation Resolutions**

1. Authorization for Agreement, ComputerSearch Time and Parking Systems, Replacement of Revenue Control Equipment and Message Signs, BNIA

**AVIATION:**

3. D. (1) **Authorization for Agreement, ComputerSearch Time and Parking Systems, Replacement of Revenue Control Equipment and Message Signs, BNIA**

**RECOMMENDATION:** Staff recommends that the Board approve the replacement of revenue control equipment and message signs used in the parking operations at the Buffalo Niagara International Airport (BNIA) from ComputerSearch Time and Parking Systems (successor to Victor Liberator Time System Inc.) at a cost of \$383,681.00. ComputerSearch Time and Parking Systems is the exclusive distributor for McGann software and Amano equipment within Western New York.

**INFORMATION:** BNIA parking operations generate approximately \$16.5 million in revenues annually. BNIA utilizes McGann software and Amano equipment to control, calculate, and record parking revenues as well as to provide messages/information to parking patrons. The current equipment has exceeded its useful life due to age, use and weather elements. The equipment scheduled to be replaced was originally purchased approximately 15 years ago.

SP Plus (previously Standard Parking, Incorporated) 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 SP Plus, 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 needed to be replaced simultaneously, and
- All revenue/control software and hardware is proprietary regardless of the manufacturer selected.

This procurement represents the final phase of the three year program to replace the entire revenue control system in all parking areas. Staff recommends approval for the third phase including replacement of the counter systems and reader controllers in all lots, replacement of parking gates and AVI readers for employee entry/exit operation stations, and replacement of all exit plaza message signs as well as two Genesee Street overhead signs.

The equipment will be provided by ComputerSearch Time and Parking Systems who is the exclusive distributor of this equipment in Western New York at a cost of \$383,681.00. Two years ago, 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 ComputerSearch Time and Parking Systems) based upon our joint review of sole source procurement guidelines.

**FUNDING:** 100% Airport Development funds.

Whereupon, it was moved by Commissioner Baynes, seconded by Commissioner Wilcox, that the following Resolutions be adopted:

**“RESOLVED**, that the Board hereby authorizes an Agreement with ComputerSearch and Time Parking Systems for the replacement of revenue control equipment and message signs used in the parking operations at the Buffalo Niagara International Airport at a cost of \$383,681.00; and

**BE IT FURTHER RESOLVED**, that the Executive Director, her designee and/or the Chairman, be and are hereby authorized to execute and deliver an Agreement with ComputerSearch and Time Parking Systems for the replacement of revenue control equipment and message signs used in the parking operations at the Buffalo Niagara International Airport 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 based upon receipt of all required supporting documentation.”

**AYES: SLOMA, DEMAKOS, BAYNES, GURNEY, HUGHES, WILCOX**

**NOES: NONE**

**ADOPTED**

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. Authorization for Agreement, ALP Steel Corporation, Walk-Off Grates and Support Beams, Metro
2. Authorization for Agreement, DCB Elevator Co., Inc., Escalator Rebuild 2016, LRRT
3. Authorization for Enhancement of Agreements, College/University Transit Pass Program, 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 Wilcox, seconded by Commissioner Hughes, 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 December 21, 2015 as set forth herein, be and hereby are accepted and approved in their entirety.”

**AYES: SLOMA, DEMAKOS, BAYNES\*, GURNEY, HUGHES, WILCOX**

**ABSTENTION: BAYNES [Item 4. D. (1) Only\*]**

**NOES: NONE**

**ADOPTED**

**SURFACE:**

4. D. (1) **Authorization for Agreement, ALP Steel Corporation, Walk-Off Grates and Support Bases, Metro**

**RECOMMENDATION:** Staff recommends that the Board award the subject contract to ALP Steel Corp. for a lump sum bid amount of \$457,000.00.

**INFORMATION:** The scope of work for this project is to replace walk off grates and support bases at the seventeen (17) entrances to the seven LRRT underground stations. The Allen Medical Campus Station grates and frames will be replaced during the construction of UB Medical School Project with the same grates specified in this request.

An investigation was made into the types of grates and traction surfaces available. A sandblasted finish and the applied SlipNOT coating to the grates were examined. It was determined that the SlipNOT coating provided significant improvement to slip resistance over sandblasting, thereby justifying the additional cost of the coating. The selected grates are stainless steel and conform to ADA specifications.

The Request for Proposals (RFP) for the project was advertised three times. ALP Steel Corp. was the sole proposer for the third advertised RFP.

ALP Steel Corp. will provide the following:

- create shop drawings and installation drawings for each location
- order the necessary materials and manufacture the frames
- purchase floor grate Model # KD98 from Kadee Industries Inc.
- measure opening dimensions at each location
- remove existing grates and frames
- install new frames and grates

Description	Sandblasting	SlipNOT Coating
Summer Best Grating	\$23,800.00	\$23,800.00
Utica Grating	\$47,600.00	\$47,600.00
Delavan Grating	\$67,300.00	\$67,300.00
Humboldt Grating	\$54,400.00	\$54,400.00
Amherst Grating	\$59,800.00	\$59,800.00
LaSalle Grating	\$76,900.00	\$76,900.00
University Grating	\$42,200.00	\$42,200.00
Grating Surface Preparation	\$25,000.00	\$85,000.00
<b>TOTAL</b>	<b>\$397,000.00</b>	<b>\$457,000.00</b>

**FUNDING:** This amount is contained in the Rail Facilities capital project, 12-0000000-3209-2-9325, funding is shown below:

**Regular Meeting  
December 21, 2015**

FTA	28.0%	\$128,000
NYS DOT	3.5%	\$16,000
88C Match	16.6%	\$76,000
NFTA	51.9%	\$237,000
TOTAL		\$457,000

**“RESOLVED**, that the Board hereby authorizes an Agreement with ALP Steel Corporation for walk-off grates and support bases as described above and for a lump sum amount of \$457,000.00; 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 ALP Steel Corporation 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, Engineering, that such payments are in order.”

**SURFACE:**

4. D. (2) **Authorization for Agreement, DCB Elevator Co., Inc., Escalator Rebuild 2016, LRRT**

**RECOMMENDATION:** Staff recommends that the Board award the subject construction contract to DCB Elevator Co., Inc. for the lump sum amount of \$417,900.00.

**INFORMATION:** The project scope of work is to rebuild escalator Nos. 1, 2, and 3 at Allen Medical Campus Station. The work includes the replacement of the rotating components of the escalators, such as, step chain, handrail, roller guides, etc. The steps will be refurbished to current standards and all safety devices will be replaced. The area will be cleaned and the existing trusses re-used. The existing controllers and wiring will be re-used. At the completion of the work, the units will be inspected and tested.

The project was publicly advertised in accordance with the NFTA Procurement Guidelines. Contract documents were distributed to four potential bidders. Bids were received on December 1, 2015 from three contractors. The bid results are shown below:

<b>Bidder</b>	<b>Bid Amount</b>
DCB Elevator Co., Inc. Lewiston, NY Daniel Brockway, Vice President	\$417,900.00
Schindler Elevator Corp. Williamsville, NY Perter Hall, District Manager	\$810,000.00
Bison Elevator Services, Inc. Buffalo, NY Randall J. Pawlik, President	\$870,000.00

A detailed bid evaluation was performed and it was concluded that DCB Elevator Co., Inc. has the knowledge, understanding, ability, and resources to successfully accomplish the project work.

The NFTA Affirmative Action/EEO office has been briefed on the bid results and concurs with the recommendation for Board approval. DCB Elevator Co., Inc. is a DBE firm and will provide 100% DBE participation for this contract.

**FUNDING:** Funding source for this project is in Account No. 12-0000000-3188-2-9107 and is as follows:

FTA NY-90-X698	\$ 334,320.00
NYS PIN 5T1819	\$ 41,790.00
88C PIN 5733.88J	<u>\$ 41,790.00</u>
<b>Total</b>	<b>\$ 417,900.00</b>

**“RESOLVED**, that the Board hereby authorizes an Agreement with DCB Elevator Co., Inc. for the escalator rebuild project as described above and for a lump sum cost of \$417,900.00; 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 DCB Elevator Co., Inc. 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, Engineering, that such payments are in order based upon receipt of all required support documentation.”

**SURFACE:**

4. D. (3) **Authorization for Enhancement of Agreements, College/University Transit Pass Program, Metro**

**RECOMMENDATION:** Staff recommends authorization for the sale of discounted summer transit passes to students of participants in Metro's College/University Transit Pass Program. The currently eligible colleges, offering summer classes, include Buffalo State, Canisius and Erie County 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. The Program expansion will also provide discount transit access for students enrolled in summer classes.

In order to accommodate requests for discounted summer passes from participants of Metro's College University Transit Pass Program, Metro has developed a program to enhance the current CRAM (college riders accessing Metro) Pass Program with a summer CRAM pass. This 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 go pass for youth. The passes will provide access to Metro bus and rail during the summer months.

Summer passes are non-transferable and will require valid student photo college ID for use with summer passes.

**FUNDING:** No funding is required.

**"RESOLVED,** that the Board hereby authorizes the enhancements to the existing service and agreements regarding the College/University Transit Pass Program as described above; and

**BE IT FURTHER RESOLVED,** that the Executive Director, her designee and/or the Chairman, be and are hereby authorized to execute any documents necessary to facilitate the enhancements to the existing service and agreements regarding the College/University Transit Pass Program as described above; and

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

6. General Counsel Report – Written

7. Executive Session

At approximately 12:55 p.m., it was moved by Commissioner Hughes, seconded by Commissioner Wilcox, that the Commissioners convene in Executive Session to discuss matters regarding the land transfer to Erie Canal Harbor Development Corporation and the property adjacent to the Niagara Falls International Airport.

Following discussion, at approximately 1:20 p.m., it was moved by Commissioner Hughes, seconded by Commissioner Gurney, that the Executive Session be adjourned and that the Board resume the Regular Session.

**AYES: SLOMA, DEMAKOS, BAYNES, GURNEY, HUGHES,  
WILCOX**

**NOES: NONE**

8. Adjournment

At approximately 1:22 p.m., the Chairman indicated that there was no further business coming before the Board, whereupon it was moved by Commissioner Demakos, seconded by Commissioner Baynes, and unanimously approved that the Regular Meeting of the Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc. be adjourned.

**AYES: SLOMA, DEMAKOS, BAYNES, GURNEY, HUGHES,  
WILCOX**

**NOES: NONE**