

OGDENSBURG BRIDGE & PORT AUTHORITY

BOARD MEETING

MONDAY, DECEMBER 3, 2018

A meeting of the Board of Directors of the Ogdensburg Bridge and Port Authority was held in the Board Room of the Administration Building on Monday, December 3, 2018 at 4:00 PM.

The following were present:

Vernon D. Burns, Chairperson
Megan J. M. Whitton, Vice Chairperson
Christopher B. T. Coffin, Treasurer
David D. King, Assistant Treasurer

ALSO:

Francis P. Capello, Counsel
Wade A. Davis, Executive Director
James L. Smith, Chief Financial Officer
John A. Rishe, Director of Commercial & Industrial Development
Fariha Qudsi, Accounting Manager
Steven J. Lawrence, Director of Operations
Stephanie L. Saracco, Airport Manager

ABSENT:

Joseph I. Andriano, Secretary

- I. Board Chairperson Burns called the meeting to order at 4:00PM.
- II. Letters and Communications to the Board. There were sixteen significant letters in support of SkyWest's bid for the Essential Air Service at the Airport. There were several news articles pertaining to this issue as well.
- III. Approval of Board Minutes. On a motion by Megan J. M. Whitton, seconded by David D. King, the minutes from the November 8, 2018 and November 16, 2018 Board meetings were approved by voice vote.

- IV. Presentations and Reports: Due to time limitations on quorum, the meeting progressed directly to Business Items.
- V. Unfinished Business. Due to time limitations on quorum, the meeting progressed directly to Business Items.
- VI. Business Items.

A. General Administration

- 1. Approval of 2019-2020 Budget. The Authority's recommended annual budgets for the year ending March 31, 2020, have been prepared by staff and presented to the Board of Directors on December 3, 2018. The budgets, as prepared, are summarized below:

	Bridge & Port Authority
Revenue	8,529,312
Expense	<u>6,464,649</u>
Net Operating Profit	2,064,664
Debt Service Requirements	(1,474,451)
Cash Available for Capital	590,213
Financing / Capital Grant Income	3,849,742
Capital Grant Expenditures	(4,116,670)
Capital Expenditures	(235,000)
Net Cash Flow (Loss)	<u>188,285</u>

The annual budget is required to be submitted to the Authority Budget Office, State Comptroller (OSC), and Division of the Budget by January 1, 2019. Therefore, staff is requesting Board approval for submission of the annual budget as summarized above. Chief Financial Officer, James L. Smith stated that the biggest assumption of the budget was that the bridge tolls would be increased in the new year. He estimated that the new tolls would result in a \$500,000 to \$600,000 increase in annual revenue. He also spoke about the impact that a new Essential Air Service provider would have on the budget. If SkyWest's bid is accepted by the

FAA, the Authority would not only see a possible increase in bridge traffic, but also a significant increase in PFC's. Switching to a higher capacity plane would result in an approximate \$108,000 increase in revenue. The CFO also noted that if the State would choose to go out to bid for the salt contracts, the Authority would see more revenue and the State would save itself money at the same time. Other major budget assumptions included the anticipated rental of the two vacant spaces in the Industrial Park, a wind turbine project for 2019 of similar size/scope to the 2018 project, and that salt and fertilizer shipments would be on par with recent years. Board Chair Vernon D. Burns noted that last year's net revenue was \$0 and this year's is \$188,000. He inquired what more needs to be done to disband the Ogdensburg Border Station, Inc. Executive Director Wade A. Davis responded that a new lease needs to be negotiated with GSA for the Border Station. Once the new lease is signed between GSA and the OBPA, the process to dissolve the OBSI can commence. There was a discussion about altering the security plan for the Port with the Coast Guard. Christopher B. T. Coffin asked a question about why some of the salaries are projected to be so high. Chief Financial Officer James L. Smith replied that some individuals work a lot of overtime. Executive Director Wade A. Davis thanked James L. Smith for his hard work in preparing the budget in such a short amount of time. On a motion by Christopher B.T. Coffin, seconded by Megan J.M. Whitton, it was,

RESOLVED, that the Executive Director and/or Chief Financial Officer are hereby authorized and directed to submit the

budgets presented at the Authority Board Meeting on December 3, 2018 as summarized above for the year ending March 31, 2020, to the Authority Budget Office, Office of the State Comptroller, and Division of the Budget as required by the Public Authorities Law, General Municipal Law, and Office of the State Comptroller regulations.

A vote was called.

AYES: Christopher B. T. Coffin
Vernon D. Burns
Megan J. M. Whitton
David D. King

MOTION PASSED

2. Approval of Travel. The 2019-20 fiscal year budget includes Authority travel as outlined on the attached schedule of travel. As a best practice, this schedule for the 2019-20 fiscal year should be separately approved by the board. Vernon D. Burns asked if some travel for John A. Rishe, Director of Commercial and Industrial Development could be included in the budget. Wade A. Davis responded that the travel budget was designed to focus on Airport growth. Vernon D. Burns stated that some room for Mr. Rishe's travel could be looked at. On a motion by David D. King, seconded by Christopher B. T. Coffin, it was,

RESOLVED, that the Board of Directors of the Ogdensburg Bridge and Port Authority does hereby approve the attached schedule of travel for the 2019-20 fiscal year.

A vote was called.

AYES: Vernon D. Burns
Megan J. M. Whitton
David D. King
Christopher B. T. Coffin

MOTION PASSED

3. Approval of Support for Outside Agencies. Within the 2019-2020 budget, the agencies on the attached worksheet are consistent with the Authority's mission. The Northern Corridor Transportation Group, commonly referred to as I-98 shows potential construction of this interstate highway along the US Route 11 corridor in central St. Lawrence County with a spur to the Ogdensburg-Prescott International Bridge. Due to the tremendous potential of increasing traffic at our bridge and because of its huge transformational economic development potential, the Authority has been supporting this project for several years. This support falls clearly within the mission of the Authority.

The Chambers of Commerce in Watertown, Plattsburgh, Brockville, and Ottawa works to support cross-border merchants and businesses in surrounding communities, drawing tourists and travelers to the area and creating bridge traffic across our bridge. This is consistent with the mission of the Authority.

The Ogdensburg Expo, Seaway Festival, and other local events, draw the greatest number of visitors and tourists to the area. Support of these events as they attract business and travelers to Ogdensburg is within the mission of the Authority. Board Chair Vernon D. Burns stated that he has been a long-time proponent of the Northern Corridor Transportation Group, but that he believes the contribution should be lowered to \$5000. Megan J. M. Whitton thought that the Ogdensburg Chamber of Commerce and the St. Lawrence County Chamber of Commerce should be put back in this year's budget. The worksheet was amended to reduce the

contribution to I-98 from \$10,000 to \$5,000 and to donate \$500 each to the Ogdensburg and St. Lawrence Chambers of Commerce. On a motion by Megan J. M. Whitton, seconded by David D. King, it was,

RESOLVED, that the Executive Director and Chief Financial Officer are hereby authorized and directed to process invoices for the agencies listed on the attached worksheet during the 2019-20 fiscal year.

A vote was called.

AYES: Megan J. M. Whitton
David D. King
Christopher B. T. Coffin
Vernon D. Burns

MOTION CARRIED

4. Approval of Agreement Extension with Strategic Development. The Authority has a contract with Strategic Development Specialists, a MWBE organization, to assist the Authority with government affairs and advocacy of Authority projects, to provide information on policies and programs that may have a potential impact on the Authority, and to assist in strategic planning efforts to advance the interests of the Authority with respect to identifying and securing grants and other incentives pertaining to the Authority's priorities and programs. The Authority has negotiated to extend the current contract through December 31, 2019, at a cost of \$4,750 per month. On a motion by Christopher B. T. Coffin, seconded by Megan J. M. Whitton, it was,

RESOLVED, that the Executive Director is hereby authorized and directed to execute an agreement with Strategic Development Specialists to assist the Authority with government affairs and advocacy of Authority projects, to provide information on policies and programs that may have a potential impact on the Authority, and to assist in strategic

planning efforts to advance the interests of the Authority with respect to identifying and securing grants and other incentives pertaining to the Authority's priorities and programs for the period January 1, 2019 through December 31, 2019, for the cost of \$4,750 month.

A vote was called.

AYES: David D. King
Christopher B. T. Coffin
Vernon D. Burns
Megan J. M. Whitton

MOTION CARRIED

B. Commerce Park

1. Approval of Lease Supplement No. 2 with Lincare, Inc. Staff has negotiated a lease agreement with Lincare, Inc. for 7,356 square feet of space in the First Industrial Building for a three-year period, commencing on January 1, 2019 and terminating on December 31, 2021. The monthly rate shall be \$3,377.63 for the first year. This rate is subject to a 4% annual increase. The Authority's standard mortgage subordination language has been added to the Lease. All other terms and conditions shall be the same as stipulated in the original Lease Agreement. On a motion by Megan J. M. Whitton, seconded by David D. King, it was,

RESOLVED, that the Executive Director is hereby authorized and directed to execute a supplemental lease agreement with Lincare, Inc. for 7,356 square feet of space in the First Industrial Building for the period of January 1, 2019 through December 31, 2021, at a rate of \$3,377.63 per month, subject to a 4% annual increase.

A vote was called.

AYES: Christopher B. T. Coffin
Vernon D. Burns
Megan J. M. Whitton
David D. King

MOTION CARRIED

C. Ogdensburg-Prescott International Bridge

1. Approval of Lease Agreement with Mack Global Engineering, Inc. Staff has negotiated a new lease agreement for an office in the Bridge Administration Building. The lease is with Mack Global Engineering, Inc. They will be leasing a 368 s.f. office on the 2nd floor of the BAB. The lease has a one-year term, commencing December 1, 2018 and terminating on November 30, 2019. Mack Global will pay \$12 per square foot per year for the space, which includes utilities. This equates to \$4,416 in rental income annually, or \$368 per month. On a motion by Christopher B. T. Coffin, seconded by David D. King, it was,

RESOLVED, that the Executive Director is authorized to enter into an agreement with Mack Global Engineering, Inc., for the rental of a 368 s.f. office in the Bridge Administration Building; and

BE IT FURTHER RESOLVED, the lease will be for one year, commencing December 1, 2018 and terminating on November 30, 2019. Mack Global will pay \$12 per square foot per year for the space, which includes utilities. This equates to \$4,416 in rental income annually, or \$368 per month.

A vote was called.

AYES: Vernon D. Burns
Megan J. M. Whitton
David D. King
Christopher B. T. Coffin

MOTION CARRIED

D. Port of Ogdensburg

1. Approval of Handling and Storage Agreement with Ritchie Feed & Seed.
Staff has prepared a Handling and Storage Agreement with Ritchie Feed &

Seed, Inc. This agreement shall commence on January 1, 2019, and shall terminate on December 31, 2020. The Authority agrees to provide handling and storage of grain products. These handling and storage services include: rail receiving, stockpiling, truck loading, scaling and storage. The “all in” rate for these services shall be \$7.76 per short ton, with the exception of storage, which will be billed the first day of each month at a rate of \$1.50 per short ton per month, based on the highest amount in storage during the previous month. In addition, Ritchie Feed & Seed has requested that the Authority weigh grain products as they are unloaded from the rail car and prior to putting into storage. This additional service shall be billed at \$0.50 per short ton. On a motion by David D. King, seconded by Megan J. M. Whitton, it was,

RESOLVED, that the Executive Director is hereby authorized to execute this Handling and Storage Agreement with Ritchie Feed & Seed; and be it;

FURTHER RESOLVED, that the Authority agrees to provide handling and storage of grain products. These handling and storage services include: rail receiving, stockpiling, truck loading, scaling and storage. The “all in” rate for these services shall be \$7.76 per short ton, with the exception of storage, which will be billed the first day of each month at a rate of \$1.50 per short ton per month, based on the highest amount in storage during the previous month; and be it,


FURTHER RESOLVED, that the Authority shall weigh grain products as they are unloaded from the rail car and prior to putting into storage, with this service being billed at \$0.50 per short ton.


A vote was called.

AYES: Megan J. M. Whitton
David D. King
Christopher B. T. Coffin
Vernon D. Burns

MOTION PASSED

There was a need to go into Executive Session to discuss the appointment of a corporation. ON a motion by Megan J. M. Whitton, seconded by David D. King, the meeting moved into Executive Session at 5:40 PM. On a motion by Megan J. M. Whitton, seconded by David D. King, the meeting resumed at 5:55 PM. On a motion by David D. King, seconded by Megan J. M. Whitton, the meeting adjourned at 5:55 PM.


Christopher B. T. Coffin
Assistant Secretary


Vernon D. Burns
Chairperson