

OGDENSBURG BRIDGE & PORT AUTHORITY
FINANCE COMMITTEE MEETING
MONDAY, APRIL 29, 2019

A meeting of the Finance Committee of the Ogdensburg Bridge and Port Authority was held in the boardroom of the Administration Building on Monday, April 29, 2019 at 3:30 PM.

The following were present:

Christopher B. T. Coffin, Committee Chair
David D. King, Member
Wade A. Davis, Executive Director
James L. Smith, Chief Financial Officer
Fariha Qudsi, Accounting Manager
John A. Rishe, Director of Commercial & Industrial Development
Stephanie L. Saracco, Airport Manager

Committee Chair Coffin called the meeting to order at 3: 30 PM.

I. Business Items

A. Referrals by Board of Directors (April 4, 2019)

1. Approval of Scope of Work with Rayanne McGee and Andrée Paige. Rayanne McGee and Andrée Paige, the Canadian team, have provided the Authority with a proposal to continue marketing the Ogdensburg International Airport for the period April 1, 2019, through March 31, 2020, for the cost of \$60,000. The approach for this Scope of Work is to recommend the communications, marketing and advertising direction, oversee organic and paid social media campaigns, provide social media monitoring and support, oversee all advertising to Canadians, maintain the OGS website, and respond to enquiries from Canadians submitted via email. Executive Director Wade A. Davis stated that since the previous Board meeting, the repayment terms had been removed from

the contract and the Authority had caught up by an additional two months. David D. King asked if the new terms would be acceptable to the Canadian Marketing Team. Executive Director Wade A. Davis replied that he had spoken with the Team and the terms are acceptable. On a motion by David D. King, seconded by Christopher B. T. Coffin, it was,

RESOLVED, that the Executive Director is hereby authorized and directed to execute an agreement with Rayanne McGee and Andrée Paige to continue marketing the Ogdensburg International Airport from April 1, 2019, through March 31, 2020, as outlined in their proposal for the cost of \$60,000.

A voice vote was called.

RESOLUTION MOVED TO FULL BOARD

2. Approval of Agreement with Advance Media. The Canadian Marketing Team works closely with and oversees the direction Advance Media takes to ensure the ads we provide to them are performing favorably for the Canadian Market. We monitor the results of these ads and switch them out to achieve maximum viewers for the OGS website. There are 2 campaigns currently running with Advance Media on 2 different platforms - Google (Paid Search) and Facebook (Sponsored Ads). Advance Media charges a monthly fee of: \$1200 USD to implement the campaigns, and provide monthly reporting statistics to the Canadian Team/OGS. The term for this agreement is April 1, 2019 through March 31, 2020. David D. King asked if this contract was a month-to-month contract or if it was yearly. He asked if there was early termination language in the contract. Executive Director Wade A. Davis stated that he would find out this information. On a motion by David D. King, seconded by Christopher B. T. Coffin, it was,

RESOLVED, that the Ogdensburg Bridge and Port Authority is hereby authorized to approve an agreement with Advance Media to implement ad campaigns for the OGS website, at a cost of \$1200 per month for the period of April 1, 2019 through March 31, 2020.

A voice vote was called.

RESOLUTION MOVED TO FULL BOARD

3. Approval of Advertising Reimbursed by SOARS Grant. The Authority was recently awarded a NY Soars grant through the NYS Department of Transportation. The grant agreement in the amount of \$68,750 was previously accepted by the Board at its April 18, 2018 Board Meeting. Staff has developed a budget for a comprehensive advertising and marketing campaign that will run from June 2019 – November 2019 to market the Ogdensburg International Airport. This was reviewed and approved by the Facilities Committee on March 14, 2019. Christopher B. T. Coffin stated that implementing this grant is the appropriate thing to do. On a motion by David D. King, seconded by Christopher B. T. Coffin, it was,

RESOLVED, that the Executive Director is hereby authorized to enter into contracts with the following companies for implementation of the NY Soars grant for advertising and marketing of the Ogdensburg International Airport:

- CTV-CJOH TV \$22,620 Can.
- WWNY/WNYF TV \$ 8,300 US
- WPBS TV \$ 6,000 US
- Spectrum Cable TV \$12,800 US
- Stephens Media Radio \$ 4,800 US
- North Country Now \$ 5,150 US
- Ottawa Citizen (PostMedia) \$ 9,750 Can.

RESOLVED, that a copy of this resolution be included with grant reimbursement submission for NY Soars grant funding.

A voice vote was called.

RESOLUTION MOVED TO FULL BOARD

B. Ogdensburg International Airport

1. SkyWest Marketing Update (EAS Reimbursable). The Essential Air Service Contract (EAS) was recently awarded to SkyWest Airlines through the U.S. Department of Transportation. Included in the USDOT grant agreement with SkyWest is \$20,000 annually to promote the service at OGS. Advertising requires advance approval from SkyWest and is reimbursable to the Authority in the amount not to exceed \$20,000.

Staff in conjunction with SkyWest has developed a budget for EAS advertising and marketing campaign that will commence in May of 2019 to promote the new service. Executive Director Wade A. Davis read some example ads. Director of Commercial & Industrial Development, John A. Rishe, asked if the SOARs grant could be used as the match for this advertising. Executive Director Wade A. Davis replied that this was not possible. On a motion by David D. King, seconded by Christopher B. T. Coffin, it was,

RESOLVED, that the Executive Director is hereby authorized to enter into contracts with the following companies for implementation of the reimbursable EAS grant for advertising and marketing of the Ogdensburg International Airport in the following not to exceed amounts:

- TV (CTV) \$ 7,900 US
 - My FM (Radio) \$ 3,700 US
 - WWNY/WNYF TV \$ 8,500 US
 - WSNN \$ 1,200 US
 - OPBA Ineligible Price-based ads \$ (1,300) US (does not require approval)
- =====
- \$20,000 SkyWest Reimbursement Eligible

A voice vote was called.

RESOLUTION MOVED TO FULL BOARD

*Administrative Note: Item removed and transitioned to SkyWest direct Pay, making a resolution unnecessary.

2. Approval of Non-Exclusive Rental Car Concession Agreement and Lease with Blevins. Staff has negotiated a non-exclusive rental car concession agreement and lease with Blevins Bros, Inc. to offer rental cars at Ogdensburg International Airport for the period April 1, 2019, through March 31, 2020 at the following rates:

Ground rental (per stall): \$35.00/month

Concession Fee: 10% of Gross receipts

* As no stalls are requested by Concessionaire due to close proximity of concessionaire's existing operations a Recovery Fee of \$10.00 per vehicle rental transaction shall be charged hereinafter referred to as "Recovery Fee"

The Authority may, in the future, charge a Customer Facility Charge on each rental, to be determined by the Airport Manager per the terms of the non-exclusive rental car concession agreement and lease. On a motion by David D. King, seconded by Christopher B. T. Coffin, it was,

RESOLVED, that the Executive Director is hereby authorized and directed to execute an non-exclusive rental car concession agreement and lease with Blevins Bros, Inc. to offer rental cars at Ogdensburg International Airport for the period April 1, 2019, through March 31, 2020 at the following rates:

- Ground rental (per stall): \$35.00/month
- Concession Fee: 10% of Gross receipts

* As no stalls are requested by Concessionaire due to close proximity of concessionaire's existing operations a Recovery Fee of \$10.00 per vehicle rental transaction shall be charged hereinafter referred to as "Recovery Fee"

And be it;

FURTHER RESOLVED, that the Authority may, in the future, charge a Customer Facility Charge on each rental, to be determined by the Airport Manager.

A voice vote was called.

RESOLUTION MOVED TO FULL BOARD

3. Approval of Non-Exclusive Rental Car Concession Agreement and Lease with Countrywide. Staff has negotiated a non-exclusive rental car concession agreement and lease with Countrywide to offer rental cars at Ogdensburg International Airport for the period April 1, 2019, through March 31, 2020 at the following rates:

Ground rental (per stall): \$35.00/month
Concession Fee: 10% of Gross receipts

The Authority may, in the future, charge a Customer Facility Charge on each rental, to be determined by the Airport Manager per the terms of the non-exclusive rental car concession agreement and lease. On a motion by David D. King, seconded by Christopher B. T. Coffin, it was,

RESOLVED, that the Executive Director is hereby authorized and directed to execute a non-exclusive rental car concession agreement and lease with Countrywide to offer rental cars at Ogdensburg International Airport for the period April 1, 2019, through March 31, 2020 at the following rates:

- Ground rental (per stall): \$35.00/month
- Concession Fee: 10% of Gross receipts

And be it;

FURTHER RESOLVED, that the Authority may in the future charge a Customer Facility Charge on each rental, to be determined by the Airport Manager.

A voice vote was called.

RESOLUTION MOVED TO FULL BOARD

4. Into Plane (ITP) Fuel Discussion. Executive Director Wade A. Davis stated that the pricing will be \$175 per turn and that it is very similar in nature to the agreement with Allegiant. The document is expected for the May 2 Board meeting. Christopher B. T. Coffin asked what kind of agreement an ITP is. Wade

A. Davis replied that it outlines the fueling of the aircraft, the auditing procedures, and the safety procedures. Airport Manager Stephanie L. Saracco added that the fuel trucks have been inspected and are ready to go as soon as the agreement is in place.

C. Ogdensburg-Prescott International Bridge

1. Approval of Lease Agreement with GSA. Staff has negotiated Lease No. GS-02P-LNY00543 (Final 4/22/2019) with the General Services Administration (GSA) for the ongoing rental of the Ogdensburg Border Station, which is located at 104 Trooper Shawn W. Snow Street, Ogdensburg, NY 13669. This new agreement with the Ogdensburg Bridge & Port Authority commences April 1, 2019 and continues for a period of Twenty (20) years firm. The agreement covers 33,431 rentable square feet (RSF) of space, yielding 30,075 ANSI/BOMA office area and related space in this Authority-owned building. The building and its associated 15.9-acre site are primarily utilized by United States Customs & Border Protection to provide security at this US Port of Entry at the foot of the Ogdensburg-Prescott International Bridge. In addition, the lease also covers repairs, maintenance and operating costs associated with the VACIS building, which is owned by the United States Government, and contains 6,829 s.f. Per the terms of the agreement, Annual Shell Rent is set at \$18.50 per RSF, which is subject to a 5% increase every 5 years. Annual Operating Costs rent is set at \$11.50 per RSF, which will be adjusted annually based on increases in the Consumer Price Index. The Authority is responsible for repairs, maintenance and upkeep of this property, including a list of repairs and maintenance items that was the result of recent GSA inspection and made a part of this agreement.

Executive Director Wade A. Davis complimented Director of Commercial and Industrial Development, John A. Rishe for his commendable work on getting this lease finalized. On a motion by David D. King, seconded by Christopher B. T. Coffin, it was,

RESOLVED, that the Executive Director is authorized to enter into the above-noted agreement with the United States General Services Administration (GSA) for the rental and operation of the Ogdensburg Border Station;

RESOLVED, that the term of this agreement shall be from April 1, 2019 and terminating after a period of twenty (20) years from this date;
RESOLVED, that the annual shell rent will be set at a rate of \$18.50 per RSF on 33,431 square feet of rentable space;

RESOLVED, that the annual operating rent will be set at a rate of \$11.50 per RSF on 40,260 square feet of space.

RESOLVED, that the above-noted rental and operating rents will be adjusted according to the agreement as noted above.

A voice vote was called.

RESOLUTION MOVED TO FULL BOARD

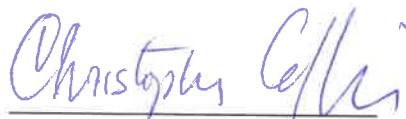
D. Accounting

1. Internal Control Audit Status/Update. Chief Financial Officer James L. Smith updated the Committee about internal controls. He stated that the Port and Bridge both keep meticulous records, so their reviews should go quite smoothly. Executive Director Wade A. Davis thanked the CFO for getting the fuel billing sorted out.
2. March 2019 Financials. Chief Financial Officer James L. Smith reported on the March Financials. Executive Director Wade A. Davis requested that the pension and OPEB be listed as separate agenda items at the Audit Committee meeting. Mr. Davis stated that this was the first time he has seen March financials before

June or July of the same year. James L. Smith thanked Fariha Qudsi, the Accounting Manager, for her work on learning how to close the general ledger and still run reports. Executive Director Wade A. Davis asked James L. Smith if he foresees and changes in the Authority's cash flow. Mr. Smith replied that he is waiting to see the impact of the toll increase and the launch of SkyWest. Mr. Smith also stated that the Authority needs to see an increase in incremental revenues without an increase in incremental costs. He also noted that the Income Statement is close to breaking even, which is an improvement from the previous year.

3. 2018-2019 Audit Update. Chief Financial Officer James L. Smith reported that the fieldwork for the audit will begin on May 20, 2019 and will last a week.
4. Accounting Performance Improvement Update. Chief Financial Officer James L. Smith provided Committee members with a first draft matrix report that detailed responsibilities and timelines. Committee Chair Christopher B. T. Coffin asked that there also be a procedure to set up a follow-up or check that tasks have been completed.

On a motion by David D. King, seconded by Christopher B. T. Coffin, the meeting adjourned at 5:00 PM.



Christopher B. T. Coffin
Finance Committee Chairperson