MEMBERS IN THE BOARDROOM:

Commissioner Peter Demakos (Vice Chair)  
Commissioner Adam Perry  
Kimberley Minkel (Executive Director)  
David State (General Counsel)  
John Cox (Chief Financial Officer)  
William Vanecek (Director, Aviation)  
Tom George (Director, Public Transit)  
Helen Tederous (Director, Public Affairs)  

MEMBERS ON THE PHONE:

Chair Sister Denise Roche  
Commissioner LaVonne Ansari  
Commissioner Bonita Durand  
Commissioner Margo Downey  
Commissioner Philip Wilcox  
Commissioner Joan Aul  
Commissioner Charles Gurney  
Karen Novo (Director, Human Resources)  
George Gast (Chief of Police)  
John Schaefer (Director, Engineering)  
Darren Kempner (Manager, Government Affairs)  
Lyle Death (Director, HSEQ)  
Steve Duquette (Chief Information Officer)  

COMMISSIONER DEMAKOS: This is the regularly scheduled monthly board meeting of the NFTA, May 28th, 2020. Before we officially begin, we need a roll call of commissioners to determine if we have a quorum, so, David, if you could please call the roll.

MR. STATE: Good afternoon, commissioners. We need
six for a quorum, so I'll go alphabetical.

   Commissioner Aul?

COMMISSIONER AUL: Here.

MR. STATE: Commissioner Ansari?

COMMISSIONER ANSARI: Here.

MR. STATE: Commissioner Baynes?

   Commissioner Demakos?

COMMISSIONER DEMAKOS: Here.

MR. STATE: Commissioner Downey?

COMMISSIONER DOWNEY: Here.

MR. STATE: Commissioner Durand?

   Commissioner Gurney?

COMMISSIONER GURNEY: Here.

MR. STATE: Commissioner Hicks?

   Commissioner Hughes?

   Commissioner Perry?

COMMISSIONER PERRY: Present.

MR. STATE: Chair Sister Denise?

CHAIR SISTER ROCHE: Here.

MR. STATE: And Commissioner Wilcox?

COMMISSIONER WILCOX: Present.

MR. STATE: Thank you. Yeah, we do have a quorum.

COMMISSIONER DEMAKOS: All right. Thanks, David.
As vice chair and the presiding officer, I call the meeting of May 28th, 2020 to order. Since I am physically present in the board room and the chair is participating by teleconference, I have agreed to serve as chair for the meeting. So I ask for a unanimous consent to serve as the chairman pro tem for the meeting of May 28th, 2020. Hearing no objection, I will serve as the chairman pro tem for this meeting.

The first order of business is the approval of minutes from the April 23rd, 2020 annual meeting. Do I have a motion to approve the minutes from the April 23rd, 2020 meeting?

COMMISSIONER PERRY: So moved.
COMMISSIONER DEMAKOS: Mr. Perry. 
Second?
COMMISSIONER GURNEY: Sam. Second.
COMMISSIONER DEMAKOS: Okay. Motion pass -- we don't need an all in favor, right?
MR. STATE: Just a verbal --
COMMISSIONER DEMAKOS: Yeah. Verbal agreement. All in favor?
COMMISSIONER PERRY: Aye.
UNIDENTIFIABLE COMMISSIONERS: Aye.
COMMISSIONER DEMAKOS: Motion passes.
MR. STATE: Yes.
COMMISSIONER DEMAKOS: Before I turn the meeting over to Kim for the executive director's report, there are a few comments. Today's meeting, unfortunately, again is structured differently than normal. Kim has mentioned that we are livestreaming it. The meeting is being recorded here at the boardroom. Only essential NFTA staff are participating in person, the public is not allowed, and we are keeping a safe distance. And again this month there are no committee meetings, only this board meeting. The information has been distributed to all the board and committee members. Any questions or comments, feel free to interject; however, please put your phones on mute unless you're speaking. And then when asked for a motion and second on resolutions, please state your name. We've combined the resolutions into three groups, so we only have to do three roll calls.

Unfortunately, the situation continues to
affect every part of our normal lives, but
continuing, our foremost concern is the health
and safety of our sixteen hundred plus employees.
And later Kim will be presenting the measures the
NFTA is continuing to implement to keep them
safe. Our team members continue to be out on the
front lines with many of them leaving their
families at home, providing our community with
reliable and efficient transportation services.
So, again, thank you to everyone on the NFTA team
for helping our community to get through this
crisis.

And now I would like to turn it over to Kim
for the executive director's report.

MS. MINKEL: Thank you, Peter.

A couple things for the board. The first I
want to mention that the ABO has granted an
extension for the completion of the board's
self-evaluation. So in consultation with the
chair and the vice chair of the board, we've
received the completion of the evaluation, but
the discussion of that evaluation will be done at
a future meeting in time to meet the deadline.
So that will be done at a later date to be determined.

I also wanted to advise the board and I'm pleased to announce that Lieutenant Matt Gallivan has been awarded the Erie County Law Enforcement Community Service Award for 2020. Matt was to be honored on May 21st of this year at a banquet which regrettably had to be cancelled, but Matt will be honored at the next banquet, which will be held in May of 2021. Matt's award will be documented on the foundation's website as a 2020 award recipient, and we're certainly proud and our congratulations go out to Lieutenant Gallivan on a well-deserved honor.

And at the end of this meeting, we will provide an update on the COVID-19 impacts, but to date, by way of information for the board, we've had sixty-five employees who have self-quarantined for COVID-19. Of those, eleven have been confirmed cases of the virus. Ten of the eleven have recovered and are returning to work. And so certainly our thoughts and prayers are with those dealing with this awful virus and its affect on
so many people during this difficult time. But I want to express my sincere appreciation to our entire NFTA and our Metro team for their hard work, dedication and perseverance. And the board, I want to thank you for your continued support during this difficult time, so thank you.

COMMISSIONER DEMAKOS: Thank you. Okay.

MS. MINKEL: And that concludes my report.

COMMISSIONER DEMAKOS: Okay. Thanks, Kim.

The NFTA corporate report?

MS. MINKEL: The financials?

MR. COX: The financials, yes. Thank you.

Good afternoon, commissioners. If you please refer to page six and seven of your booklet. For the month of April, 2020, we had a positive variance to the budget of eight hundred and fifty thousand dollars. Total operating revenues and assistance were below budget by two hundred and eighty-nine thousand or one point four percent. And this is primarily due to -- we had -- for the month of April, we did not collect any Metro passenger fares and that was to allow for additional distancing on our buses. And
that's approximately three million dollars a month that we didn't collect. In response to the fiscal challenges that the state is facing, we did reduce our STOA by about twenty-five percent. We still are waiting for more information as far as how much of that will go down. We've heard between twenty and fifty percent reduction, but of course it's also dependent on actions taken at the federal level. And that's about -- approximately one point two million dollars negative to budget.

Now, at the BNIA airport, our revenues were on average lower on a monthly basis, thirty-nine percent below to budget, and that's approximately two point two million dollars. And at Niagara Falls International Airport, our revenues were eighty-three percent below budget, and that's approximately one hundred and ninety thousand dollars.

Now, it was partially offset by the CARES Act funding which was -- has really become a lifeline for us. We applied about seven million dollars of that that we received from FTA and
also FAA.

On the total operating expense side, we were below budget by one million fifty-seven thousand dollars or six percent, and that's primarily due to lower expenses across the board. And that's due from reductions of the costs via delayed purchases and other cost-saving measures that we put into place beginning with the month of April.

Now, just to put it in perspective, the CARES Act assistance for both Metro and the two airports as I said before has been a lifeline. Without that being available to us, for this month, if it was just our normal revenues, we would have recognized an approximately six point two million dollar negative variance to budget and an approximately five million dollar deficit in the month of April, instead of the eight hundred and fifty thousand dollar positive variance that we saw in the month of April. So you can see just how devastating this has been to our revenues and how challenging it has become and how important the CARES Act assistance has been to us to allow us to continue our
COMMISSIONER DEMAKOS: John, does that amount of money, is it -- what was the total amount, how much have we used and how much can we still use?

MR. COX: The total amount on the Metro side was sixty-one point three million dollars, and so we've used -- for this month we used approximately three million dollars of that so far. And on the airport side, for both airports, it's about twenty-three and a half million dollars, approximately.

MS. MINKEL: And so later today when we do the PowerPoint presentation, we're going to do a forecast looking ahead as to how long we think we have money for.

COMMISSIONER DEMAKOS: Great. Thank you.

MR. COX: And so unless there's any questions, that concludes the consolidated financials for the month of April.

COMMISSIONER DEMAKOS: Are there any questions for John on the financials?

If not, there are six corporate resolutions taken as a group. Kim?
MS. MINKEL: Thank you. So starting on page eleven of your PDF file that I sent to the board, the first corporate resolution is an authorization for agreement with HealthWorks. This is for a three-year agreement with an option for two, one-year renewals for medical testing throughout the Authority. The total cost for three years would be eighty thousand eighty-five dollars, and the cost for the two renewal years will be twenty-seven thousand three hundred and fifty-five dollars for year four and twenty-seven thousand six hundred and seventy-five dollars for year five. As part of a number of various programs that are required under OSHA, from time to time we have to do certain medical testing. For example, hepatitis applications under our blood-borne pathogens program or respirator fit testing.

So staff went out with an RFP. We received three proposals. HealthWorks was rated the highest and provides the best overall value. Empire State Development has excluded this procurement from MWBE requirements because there
are no New York State certified providers of this product. And the NFTA has excluded it from the SDVOB requirements.

The second resolution on page fourteen is an authorization for agreement with Spectrum, and this is for Internet connection. This is actually one of the ways we're saving money as we go through. If you look at all the various agreements we have in place for opportunities to save money, we've been able to determine that having this agreement with Spectrum will reduce our cost almost by fifty percent. This will be a three-year agreement at a total cost of thirty-one thousand two hundred and ten dollars and will save us more than twenty-three thousand over the term of the agreement. And this was quoted off of the OGS service contract.

The third corporate resolution on page fifteen is an authorization for agreement with Axon for body-worn cameras for our transit police. This would be a five-year contract at a cost of four hundred and forty-two thousand six hundred and fifteen dollars and seventy-five
cents. The contract will provide cameras and the necessary equipment for the storage of the images and it will help with cataloging retrieval and the sharing of the images with the appropriate agencies within Erie and Niagara Counties as we're required to do.

As a reminder to the board, our police department was actually one of the first police agencies in the area to utilize body cameras. We've been -- we've had a program in place since 2014, and we've had a model policy for body cameras used by the officers in place that many other agencies have adopted. The cameras have proved successful, but this next generation of cameras is something that we're excited about. The cameras that we have have reached their useful life, and as with all technology, it becomes somewhat antiquated.

So one of the features of the new cameras that we're recommending is that if I have multiple officers responding to a call, if the one activates his camera, the others in proximity, their cameras will activate. And the
reason why that's important, depending upon camera view, angle and the situation, in order to really get a full, complete picture as to what's occurring, multiple camera angles are very important and critical to the operation. So the idea that the additional officers' body cameras would self-activate was certainly an attractive feature of the various proposals that we reviewed.

We did receive six proposals and Axon was the most qualified based on their experience. Empire State Development has excluded this procurement from MWBE requirements because there are no New York State certified providers, and NFTA, likewise, has excluded the SDVOB requirements for this. And, finally, I wanted to mention the discovery laws and requirements have changed, and so both Buffalo and Erie County use Axon, so this will make the transferring of the data much easier going forward, so staff is recommending this agreement.

Corporate resolution eighteen (sic) is for an authorization for agreement with United
Uniform for our police officers -- I'm sorry.
This is corporate resolution number four on page eighteen. We don't have eighteen resolutions.

This would be for a three-year term with two additional one-year renewals, and the cost for each year would be held flat at forty-seven thousand one hundred dollars. We did go out with an RFP. We only received one responsive proposal. United Uniform has been the incumbent for a number of years. The established MBE, WBE and SDVOB goals are one and a half percent, one and a half percent and zero percent, respectively, and United Uniform are meeting those goals. And the NFTA has excluded this procurement from the SDVOB requirements as there are no certified providers.

Next, corporate resolution number five on page nineteen is a lease agree with Westmatic Corporation at 485 Cayuga Road. They've been a tenant of ours since 2009. Westmatic designs and manufactures large vehicle wash systems. They're looking to purchase a building at some point and to relocate, so because of that, they're only
looking for a one-year lease. This new lease would provide over thirty-four hundred square feet of office space and over fourteen thousand eight hundred square feet of light industrial space. The rent rate is a three-percent increase from the previous year, so the annual rent would go up to a hundred and fifty-one thousand three hundred and eleven dollars and sixty-six cents.

And the final corporate resolution on page twenty, corporate resolution number six. Staff is recommending a lease agreement with Evolution Dental Sciences for office space at 235 Aero Drive. They have been a tenant of ours since 2005. They're looking for a new three-year lease, which would start at the beginning of this month and take us through the end of 2023. And they would have the option to renew for two additional three-year terms with our approval. The rent will increase three percent up to seventy thousand one hundred and seventy-six dollars and ninety-six cents per year. And due to historical late rental payments, they will be required to pay the rent quarterly in advance
which they've agreed to. They've also agreed to
make improvements to the parking lot and the
driveway within the first year of the lease going
forward.

And so those are the corporate resolutions.

COMMISSIONER DEMAKOS: Okay. Thanks, Kim.

May I have a motion to approve the six
corporate resolutions that have just been
presented?

COMMISSIONER PERRY: So moved.

COMMISSIONER DEMAKOS: Commissioner Perry.

Second?

COMMISSIONER GURNEY: Second.

CHAIR SISTER ROCHE: Second.

MS. MINKEL: I'm sorry. Who seconded that? Was that
Sam?

COMMISSIONER GURNEY: Yep.

MS. MINKEL: Okay.

CHAIR SISTER ROCHE: I did. Sister.

MS. MINKEL: Okay.

CHAIR SISTER ROCHE: Well, both. And Sam.

COMMISSIONER DEMAKOS: Are there any opposed or are
there any abstentions?
All in favor?

UNIDENTIFIABLE COMMISSIONERS: Aye.

COMMISSIONER DEMAKOS: Opposed? None?

Oh, we have to do the roll. I'm sorry.

You'd think after thirty days, I'd still remember how to do this.

MR. STATE: So just a quick roll. Alphabetical.

Commissioner Aul?

COMMISSIONER AUL: Yes.

MR. STATE: Ansari?

COMMISSIONER ANSARI: Yes.

MR. STATE: Demakos?

COMMISSIONER DEMAKOS: Yes.

MR. STATE: Gurney?

COMMISSIONER GURNEY: Yes.

MR. STATE: Perry?

COMMISSIONER PERRY: Yes.

MR. STATE: Chairwoman Denise?

CHAIR SISTER ROCHE: Yes.

MR. STATE: And Commissioner Wilcox?

COMMISSIONER WILCOX: Yes.

MR. STATE: Any other commissioners --

COMMISSIONER DURAND: Durand. Yes.
MR. STATE: -- who've joined?
COMMISSIONER DURAND: Durand.
MR. STATE: Okay. Commissioner Durand?
COMMISSIONER DURAND: Yes.
MR. STATE: And you're voting in the affirmative.
Any other commissioners who've joined?
Item passes.
COMMISSIONER DEMAKOS: Okay. Thanks, David.
Next on the agenda is the aviation business
group report. Commissioner Perry?
COMMISSIONER PERRY: And if I may --
COMMISSIONER DEMAKOS: You may do anything you want.
COMMISSIONER PERRY: Almost. Within reason.
I'd like to turn it over to Mr. Vanecek to
go through the agenda, if I may.
MS. MINKEL: Just highlight.
COMMISSIONER PERRY: Yeah. Just the highlights.
Yeah. Exactly.
MR. VANECEK: There are some of these bullets --
COMMISSIONER PERRY: And, also, if I may say, Mr.
Chairman, we're going to be doing a detailed
PowerPoint which is going to cover most of the
things that would typically be in an aviation
committee meeting, so I just want Mr. Vanecek to
cover highlights that he or the executive
director think are significant.

MS. MINKEL: Yeah. One thing that I would say for
the board, as a reminder, all the -- although
we're not having the committee meetings, all of
the committee reports were sent to the board so
that you have those. Those are the performance
reports so that you can review. They're also
posted on our website and available to the
public. Some of the noteworthy things maybe are
better reported during our PowerPoint at the end.

COMMISSIONER PERRY: My thoughts exactly.

MR. VANECEK: So just quickly on the highlights.

Obviously our flight activity is much, much lower
than it has been in any time in history and our
enplanement numbers are, you know, really, really
kind of black hole.

In April we were, year over year, down
ninety-eight percent in enplanements for April.
To put it in perspective, we had two hundred and
sixteen -- almost two hundred and seventeen
thousand people fly out of the airport in April
of '99, and in 2020 -- or, I'm sorry. In '19. And in 2020 we had just under five thousand people fly out of the airport. So that's the, that's the grim news.

We are starting to see a little bit of an uptake now, though. So these numbers reflect days when we would have -- in April when we had twenty people go out during a day. You know, if we hit a hundred, we were happy. And if you fast-forward to May and as we're trending in May, we've seen an uptake. And we actually had a day in May where we had more than a thousand people fly out of the airport. It's hovering in that six hundred to eight hundred range right now, which, again, is well below what we should be doing. If you look on a daily basis, it should be about seventy-five hundred a day going out is what generally our average is.

But, we are seeing some positive news there. We've had a couple of flights that have gone out with more than a hundred people on them. Frontier flights have been very, very full for the most part. They're flying to Orlando, so
that's really your southern destinations. But, we're now staring to see Southwest get into that range of sixty-five to seventy people on a flight whereas before they were doing four or five.

So there's little signs that people are starting to gain a little bit more confidence, I think, in flying. And, you know, it will be interesting to see what happens fast-forwarding to kind of the end of June, mid to end of June. I -- it's only my opinion, but I believe that with the school season now ending, right, with the kids at home, I think parents are going to be itching to get these kids out, they're going to be stir crazy, the parents are probably stir crazy, so I think we'll see -- I would anticipate a little bit of pick-up towards the end of June for flights out, and probably carry over into July and start seeing a little bit better opportunities.

So, again, pretty grim news that we're seeing out there. Our parking lots, same thing, really low numbers in our parking lots. And as I'll talk later, we've done some things to try to
help us save some costs on that while at the same time providing a better service for our customers as we go through. But I think the really important things are those numbers that we're seeing enplanement-wise and where we think we're going.

So unless there's other things you'd like me to touch on?

COMMISSIONER PERRY: Any questions from anybody on the phone for Mr. Vanecek on that material?

Hearing none and seeing none in the room, that will conclude this part of the aviation committee presentation. And you're going to do the resolutions now, Kim?

MS. MINKEL: Yes. There's one resolution within aviation, starting on page twenty-three. And staff is looking for an authorization for agreement with Aero Systems Engineering. This is a term consulting agreement. Aero would serve as the aviation consultant for various projects associated with our jet bridges located at both airports. The term of the agreement would be for three years with two optional one-year renewal
periods.

We did go out with an RFP. We only received one response. This is a very specialized consulting service agreement, so we're not surprised that there were not a lot of responses. But, Aero Systems has business relationships with over two hundred airports across the country providing this type of support. And so the rate that they would charge depends upon the area of specialty needed for the work, and it would range between ninety dollars per hour up to two hundred and thirty dollars per hour, with the average billing rate being just over a hundred and sixty dollars per hour.

Because of the specialized nature of the work, Empire State Development has excluded this procurement from MWBE requirements and there are no New York State certified providers of this service. And, likewise, we've excluded the procurement of the SDVOB goals because there are no certified providers.

And that's the resolution.

COMMISSIONER DEMAKOS: All right. Thanks, Kim.
May I have a motion to approve the one resolution in the aviation group report that Kim presented?

COMMISSIONER PERRY: So moved.

COMMISSIONER DEMAKOS: Commissioner Perry. Second?

CHAIR SISTER ROCHE: Second. Sister Denise.

COMMISSIONER DEMAKOS: Okay. David, if you could do the roll call, please.

MR. STATE: Commissioner Aul?

COMMISSIONER AUL: Yes.

MR. STATE: Ansari?

COMMISSIONER ANSARI: Yes.

MR. STATE: Demakos?

COMMISSIONER DEMAKOS: Yes.

MR. STATE: Durand?

COMMISSIONER DURAND: Yes.

MR. STATE: Gurney?

COMMISSIONER GURNEY: Yes.

MR. STATE: Perry?

COMMISSIONER PERRY: Aye.

MR. STATE: Sister Denise?

CHAIR SISTER ROCHE: Yes.
MR. STATE: And Commissioner Wilcox?

Commissioner Wilcox?

COMMISSIONER WILCOX: Sorry. I was on mute. Yes.

MR. STATE: Okay. Any other commissioners that have joined, wish to vote?

Thank you. Item passes.

COMMISSIONER DEMAKOS: Okay. Thanks, David.

Next on the agenda is the surface transportation business report. Commissioner Hughes I don't think is on, so we will turn it to Tom George. Tom, do you want to give a brief -- I don't know if part of your report is in that presentation.

MR. GEORGE: I do have a bulk of things I want to cover in there today. The financials were already covered to date. I do have a little bit of data that I'd like to go over, though, on ridership that is in your book.

Surprisingly on the buses for the month of April, we were down fifty-four percent in our ridership. Actually, it's very favorable relative to what we're seeing nationwide. I do want to caution, though, that that is
artificially inflated due to the fact that we're not charging fares, so there's a lot of -- there's a percentage of the ridership that's driven by the fact that it's free rather than by that would be our core ridership. If we put the fares back in, we'd see a subsequent reduction.

On the rail we're down seventy-three percent on our ridership. So by bus we're carrying about thirty-one thousand riders, and on the rail we're down to less than nine hundred. So we're down significantly on our rail.

And then on the paratransit side, we're down about seventy-five percent. We're carrying about two hundred passengers on a weekday, in that range. We did hit as high as two thirty earlier this week, but it's a far cry from the eight hundred that we normally carry.

One of the positive benefits I'll touch on briefly is that even though we have the bulk of our service out there, the fact that there's very few other vehicles on the road, our collisions are down sixty-five percent for the month to date, so that's a very positive development.
And then the only other thing I wanted to cover here was that we were able to re-engage both our accessibility advisory committee and our citizens advisory committee today. We have meetings with both of those groups virtually. We did have a bit of a reprieve. We've missed a couple AAC meetings and one citizens advisory meeting, but those will be back today so we've effectively (inaudible) which I think is important now as we're going through so many changes and they're experiencing a lot of different things.

But that's the bulk of my report, unless there's anything or anybody has any questions.

COMMISSIONER DEMAKOS: Any questions for Tom on surface transportation items?

If not, Kim, there are four resolutions in surface transportation.

MS. MINKEL: Yeah. Thank you, Peter.

Starting on page twenty-seven, staff is looking for an authorization for agreement with AT and T Network Communications for a three-year agreement with a total amount of four hundred and
sixty-eight thousand nine hundred and eighty-five dollars and nine cents.

As a reminder to the board, back in December we had brought to the board a change order for our fare collection system with Scheidt and Bachmann. We were asking Scheidt and Bachmann to include a separate cell-based fare collection data network so that it would relieve us of our cost and efforts to maintain PCI compliance. But, as part of that, we had pulled out the network communication agreement, knowing that we would be able to access the state contract pricing. That would provide a total savings of over three hundred thousand dollars. So this is for that cell service itself.

The second resolution is on page twenty-eight. It's an authorization for agreement with Conduent. This is to upgrade the hardware and software system of our OrbCAD AVL. That's the automatic vehicle locator that's in our buses and fleet. It's reached the end of its useful life on the hardware and software. So the cost to upgrade this system which is phased over
two years will be seven hundred and thirty-five thousand eight hundred and twenty-eight dollars.

I do want to point out to the board that this is a sole source based on the fact that this is proprietary equipment and systems, similar to other software agreements that we've had in place. The expenditure -- we anticipate spending three hundred thousand for this year and four hundred and thirty-five thousand for next year. And this really allows us to move our digital from radio to a cell network going forward.

On page twenty-nine is surface resolution number three. And staff is looking for an authorization for agreement with Prevost Cars as part of our hundred and twenty-five K milestone brake parts preventive maintenance initiative. The cost for brake parts as part of this initiative for our NOVA buses would be a hundred and thirty-one thousand dollars.

As a reminder to the board, this program, this K program initiative, started in 2018. We've come to the board a couple of times before. The idea is to predict and prevent, not fix as it
fails, with the intent to increase our service miles between interruptions. So as part of this program, sixteen buses would be included. Because the brake parts belong to NOVA buses, this is a sole source proprietor -- or, proprietary parts. It has been excluded by Empire State Development because there are no certified providers, and, likewise, by us for SDVOB goals.

I do want to mention to the board in terms of productivity, since this initiative has been in place, to give you an example, last year our miles between -- service miles between interruptions was eighty-eight -- eight thousand eight hundred and thirty miles. The previous year before we had the program was seven thousand eight hundred and eighty-two. So as part of this program, we saw a twelve-percent increase in service miles between service interruptions. So this was an initiative that Tom and his group, Dave Rugg, have put into place. It's still early, but so far it seems to be very effective. So thank you, Tom, for putting that in place.
COMMISSIONER DEMAKOS: That's significant considering how long we keep these on the road.

MS. MINKEL: Absolutely. Absolutely. And it provides more reliability for our fleet which is an improvement for the experience of the people who use our system.

And on page thirty, the fourth and final resolution is an authorization for agreement with IBI Group. This is for NITTEC for Advanced Traffic Management Systems Crossroads. NITTEC -- we are a host agency to NITTEC, so their resolutions come before the NFTA board. The NITTEC board of directors did approve this purchase as well, and so this is an agreement with IBI Group in a lump sum amount of three hundred and ninety-five thousand dollars. IBI has proposed to -- a new Crossroads system that will migrate the current NITTEC operators to the latest IBI ATMS platform. So it's the newest and latest and greatest in terms of technology.

Once again, because this is software, it is -- IBI is the only group who can provide this proprietary software. The original contract was
procured under New York State Department of
Transportation and -- but because it is
proprietary in nature, this is sole source.
And that is the final resolution.

COMMISSIONER DEMAKOS: All right. Thanks, Kim.
May I have a motion to take the four surface
transportation resolutions, please?

COMMISSIONER PERRY: So moved.

COMMISSIONER DEMAKOS: Commissioner Perry.
Second?

COMMISSIONER DURAND: Durand. Second.

COMMISSIONER GURNEY: Second. Sam.

COMMISSIONER DEMAKOS: David, please, if you could
call the roll on the vote.

MR. STATE: Commissioner Durand was seconding the
motion.

Roll call vote. Commissioner Aul?

COMMISSIONER AUL: Yes.

MR. STATE: Ansari?

COMMISSIONER ANSARI: Yes.

MR. STATE: Demakos?

COMMISSIONER DEMAKOS: Yes.

MR. STATE: Durand?
COMMISSIONER DURAND: Yes.

MR. STATE: Gurney?

COMMISSIONER GURNEY: Yes.

MR. STATE: Perry?

COMMISSIONER PERRY: Aye.

MR. STATE: Sister Denise?

CHAIR SISTER ROCHE: Yes.

MR. STATE: And Commissioner Wilcox?

COMMISSIONER WILCOX: Yes.

MR. STATE: Item passes.

COMMISSIONER DEMAKOS: Thanks, David.

There is -- do you want to do your presentation now on the COVID response?

MS. MINKEL sure:

COMMISSIONER DEMAKOS: Okay. Thanks. I'm turning it over to Kim for her PowerPoint presentation on the COVID-19 response.

MS. MINKEL: So thank you, Peter.

And for those who are on the phone, I sent to you an e-mail that had two PDFs. We're now moving to the second PDF with the PowerPoint presentation. And before we turn it over to Bill to go over the aviation side, I'll then have Tom
talk about the surface transportation side and then myself and John Cox will talk a little bit about the financial implications for the Authority going forward.

But before I turn it over, I just wanted to mention to the board that the entire team at the NFTA has really done an incredible and outstanding job during this time. In addition to doing their regular work, there is so much additional work that needs to be done in terms of response. As we look to go forward, for example, there are a number of contingencies that we have to put in place and we have to respond to.

And I'll use surface as an example. You know, as we look at service, we look at service if it goes one way tomorrow and we look at service if we have schools operating and if we don't have schools operating. So there -- for our planning group, that requires two to three times the amount of normal work that they would do. And for our operations crews, going out and cleaning and recleaning and cleaning again has been tremendous. For those who have had the
opportunity to visit our MTC center, when I say
you can see your reflection in the floors, you
can see your reflection in the floors. They have
never looked so good.

So I just wanted to commend the entire staff
who has been working incredibly hard and
certainly it shows. And I know that the
community appreciates everything that they've
been doing and certainly I appreciate everything
that they've been doing. And with that, I'll ask
Bill to go over the aviation highlights.

MR. VANECEK: Okay. Well, thank you, Kim.

So, commissioners, I just want to give you
some insight as to what we've been doing at the
airport system to deal with the current impacts
and also give you a little insight into what we
will be doing as we start to recover from those
impacts and as we go forward.

So the items that we looked at -- it's in
the PowerPoint presentation that I would imagine
you might have up on your screens. But, you
know, the various areas are personnel, airline
operations, parking operations, food and
beverage, support services, health and safety improvements, security concerns and then financial.

So, you know, when we look over at the personnel side, a couple of things here. We've been fortunate in that our -- all who were deemed essential personnel at our airports. So almost all of our employees have been showing up for work regularly and doing their jobs. And it's important certainly in the terminal where you have a limited number of passengers, but, you know, what everybody is looking at is how clean is your facility and are you taking the necessary precautions. So they've been very, very dedicated in their work. They have demonstrated an outstanding attitude through this whole dilemma, pandemic, and, you know, so I give them a lot of credit for showing up and doing their jobs. And, you know, it's really I think a testament to how much they care about Western New York and our travelers and the NFTA.

And then kicking over to personnel that are non-NFTA personnel. Obviously all of our
concessionaires have been hit very hard by this. Some of them have chosen to close down their operations until such time as the passenger levels come up. But, we felt very strongly that we had to keep some services alive in our airport to serve the people that are coming to the airport and traveling. So Delaware North has done a good job in working with us on trying to find that right level.

As we started this operation, we said, well, we'll cut down a little bit on the hours because we don't know where this is going, and then it started getting lower and lower and lower and lower. So I'll get into a little bit more of what they're doing now going forward.

But, just to give you an idea of what else is out there. The Airport Dimensions Club, that's closed down. Standard Parking has really gone down to a bare minimum on their operations in the lots. And I'll talk a little bit more about that as I get further into this. And since we pay the expenses of Standard Parking, I have deemed no overtime is available to be paid for
that operation. It's not necessary. So until such time as we need to get to the point where we may need it to go up.

Allied Security. They're the folks that do our roadway guards and our gates -- our security gate for vehicles that are passing into. Same thing. You know, we can dictate what the terms are here, and so we've again said -- we've reduced the number of staff and we're actually saying no overtime there either. It's just not necessary at this point. We can get by with -- if there were no security guards, I'd be a little uncomfortable, but, yeah, I think you need a minimum amount. But, anyway, no overtime there.

And then Oxford Airport Technical Services. They work in our baggage screening systems. And so we've reduced their staffing levels as well and, again, the mandate is no overtime, don't bring anybody in on those because we have enough time to fix it during the day.

On the page is says enplanement levels/operations. This is an interesting page. I just touched before on how dismal April was,
down ninety-eight percent year over year of our operations. But, to give you an idea, the current enplanement levels right now have risen from five percent up -- it's going to be up a little bit more than that, I think, when we see what happens in May. But, for the May and June schedules, our flights and our seats are down by seventy percent. And we anticipate that that's in flux. That's not, that's not a number to hang your hat on because the airlines are booking flights, but if they have flights that aren't very full and that are going to similar destinations, what they're doing is cancelling one and putting them on another, another plane, so it's a little bit in flux.

July. The current posted schedule is only down about sixteen percent. I wouldn't hang my hat on that. I think you're going to see the same thing. As they get closer to those days and they start looking at their forward bookings, I would imagine that they'll start pulling flights out of that schedule for July too. And I think this is just one of these things we'll have to
stay on top of going forward month to month.

And, again, at the bottom -- the bottom line is it's consumer behavior. You know, if they start to get a little bit of confidence in that it's safe to fly again, which we are certainly trying to get that message out, but with all the cleaning routines that we're going through and the safety precautions we've put in at the airport, that's what's really going to dictate when the flights become fuller. It's all consumer behavior. So we'll see where we are in a month and hopefully we'll have a little bit better news.

So the next two pages that you see in the -- I'm not going to go through these in detail. There's a lot of information about what each individual airline is doing with respect to their operations. So I'm going to jump ahead, then, to the enplanement levels on the airline operations side. And a couple of things I want to touch on here.

We've been monitoring our parking lot inventory, you know, just to see where we are.
We don't want to fall behind the curve when it comes time to start reopening either. So there's twofold here, deal with the current situation and then as things -- as the situation starts to change for the positive, we need to make sure that we're going to be able to provide what we need to provide for from a service level.

So currently we had -- on May 18th, we had three hundred and sixteen customer cars that were parked, and that was up from a hundred and twenty-seven on 4/15. We are also monitoring -- skipping down a couple here. One of our big, big factors for us to regain passengers and start to see a significant upturn is the opening of the Canadian border. Right now it's tentatively scheduled for the 21st of June. I sure hope that that happens, but, you know, it's out of our control. But that is going -- that's going to go a long way when that border opens in us getting back on our feet. So we're hopeful that it will happen then, but the sooner the better.

COMMISSIONER PERRY: Bill?

MR. VANECEK: Yes, sir?
COMMISSIONER PERRY: On that, do we have any information on Canadian regulations on self-quarantine for people entering Canada?

MR. VANECEK: For people from Canada entering the U.S. or --

COMMISSIONER PERRY: Well --

MR. VANECEK: -- for us going --

COMMISSIONER PERRY: -- for a time there was a regulation in Canada that anybody entering Canada, even Canadians, were supposed to self-quarantine for fourteen days. So Canadians returning home, U.S. people going there if they were allowed to enter. Do we have any information on that, because it seems to relate to the --

MR. VANECEK: I do not.

MS. MINKEL: No. Nothing -- I know what you're referring to. To my knowledge that has not, not changed.

COMMISSIONER PERRY: Not changed?

MS. MINKEL: Right.

COMMISSIONER PERRY: Yeah. And this is -- the only reason I ask is because, is because when the
border does open under a -- if -- it would be nice to know if they're going to change that rule as well because then Canadians who are coming to our airport to travel, when they go back home --

MR. VANECEK: I'll reach out to the Peace Bridge Commission and see if I can get you an answer to that.

COMMISSIONER PERRY: Great. Thank you.

MR. VANECEK: And so, again, that's going to be really critical to us getting back to an upward trend in our passengers.

And moving ahead to the next page on this. On the concessionaires, I'd like to give you a little insight into what we did here. I mentioned earlier that we -- as traffic started going down, we started giving some relief to Delaware North for not having to keep all of their operations open. It just didn't make sense to force them to do that and pay their employees.

So as traffic started to -- customers started to fall, we started then closing our offerings at an appropriate level so that we could still have some local service. And where
we're at today is that we have the JetSet, which is a little retail shop right by the checkpoint. That opens at five a.m. We've had them put in a coffee stand there. They can get a bagel and things of that nature and take advantage of that. And they're staying open until two p.m. in the afternoon.

And then the Queen City Kitchen, which is just past our administrative offices in the airport, that's the only hot food offering that we have in the airport. And that is open at eleven a.m. and it closes at six p.m. at night. And it seems to be going okay on that end because most of the flights -- you don't have late flights going out like we used to before where they were going out at eight-thirty, nine o'clock. So it really covers I think a significant offering for our passengers to be able to get something. At least there's some offering there for them to do.

On the -- let's see. What's next? The next page is the concessions. Again, I mentioned The Club is to be determined. They're not going to
come back until they can have enough passengers in there to make it make sense. And we get that. So it doesn't make sense to have them come in and prepare food and have it go to waste and pay employees that are probably not going to see many people in The Club.

Let's see. So ramping up on -- the next slide I'd like to go to is the ramping up of support services personnel. Our plan as we start to recover, we -- and these are arbitrary, but still, we say when we get back to about twenty-five percent of our passengers flying, what do we need to do next. And my guess is at twenty-five percent, you may need to -- we'll be talking to Delaware North and saying you may need to extend your hours initially or maybe you need to open another one in the west concourse or something along those lines. And we'll do that for each of the twenty-five, fifty and seventy-five-percent recovery periods. We don't want to just jump right back in with everything at twenty-five percent. It doesn't make sense for us; it doesn't make sense for our business
partners that we work with at the airport. So those are the three milestones that we're looking at and we'll -- and if it tends to accelerate faster than that, we have the flexibility to jump back in quicker.

In our parking operations, what we have now done is we have closed all of our lots with the exception of the preferred lot and the short-term garage. We have had the airport employees which were parking over by the construction parking lot, if you will, underneath the bridge -- we used to have to shuttle those employees to the airport. So in order to save costs on shuttles, we allowed them to park in the preferred lot where they can walk to the terminal and get to their jobs.

And the same goes for the economy lots and the long-term lots. That's all shuttle driven, and that's a very expensive proposition for us to be funding those expenses. So instead we said we're going to give you the long-term parking rate in the parking garage -- in the short-term parking garage, lower and upper levels. Same in
the preferred lot. So it's ten dollars a day. And that way we don't have to shuttle. We save
those costs. And then, quite frankly, it's more convenient for our customers at this point.

We will monitor this very, very closely because the garage will fill up as things start
to recover pretty quickly. So we're probably going to open that back up when we hit about
seventy-five percent so we can make sure that we have enough to be able to accommodate the people
that are coming in that normally wouldn't park there, but we're asking them to park there now.

COMMISSIONER DEMAKOS: Excuse me, Bill. If someone needs assistance?

MR. VANECEK: We do have that. We do have that. Yeah. When they arrive at the airport, they can
call a number and we can get them in. Yes. We've made those accommodations. That's a great question, but we had thought of that and we did put that in place.

So next up on the airport parking. You know, Standard Parking is going to identify the appropriate time for their reopening. We're
going to monitor them to make sure that they're making the right decision. And really not too much more to go there. They're constantly cleaning all their parking vehicles. We put in some standards where they have to abide by -- and there's some New York State regulations too about not only the passengers that get on the van, parking shuttle, but the driver too. They all have to have masks. The only exception is if somebody is under I guess the age of two or the kids are two or three and can't, it's too uncomfortable for them or to fit correctly. I think that's about the only exception that you can have.

Then on the next, on the next slide which is the health and safety measures, a couple of things. We're playing constantly public service announcements about maintaining your distances, make sure you have a mask, you know, washing your hands regularly, et cetera. We've reduced the number of seats in the airport in each of the hold rooms. What we have done is we have used blue tape, like you would use painter's tape.
almost, and every other seat is blocked off in the terminal now. And it's surprising to me in a good way how people are complying with that, because that is something that could be easily ripped off. To date, of all the seats we have in the airport, I saw my first one yesterday that had a rip in it. But people are really doing a great job of complying with that, so we're very happy about that.

We're providing markings and stanchions in our checkpoints to encourage social distancing, so you'll see the blue tape marks every six feet. We're also -- we've installed them down in the baggage claim area as well, so that when they go there and they -- just as a reminder, you know -- and I think that's the toughest one right now for us to police. Because when somebody sees their bag coming out of the baggage claim, their initial reaction is just to go get it. Right? Walk up next to somebody and go get it. But so far they've been pretty good about not doing that. You still have a few that do it, but generally speaking it has helped in keeping the
social distancing in the baggage claim.

And then -- and of course Delaware North also -- they're only serving take-out. You can't sit down in any of their restaurants. And they have also set up the social distancing where you have to stay six feet apart as you go to get your food. And so what's happening is they're -- you'll order your food -- in the Queen City, for example -- and the retail is different. It's just a normal checkout. But, in the Queen City, you order your food and then you go sit in the hold room across from the Queen City in the United Airways -- Airlines basically waiting area, and they bring your food out to you, and you can go to your representative airline, respective gate. So that seems to be working really well from this perspective.

On the health and safety measures slide, we've installed antimicrobial stations outside of each of our bathrooms. So they're all there. When you come out, you can -- even if you've washed your hands in there, you can get the antimicrobial to further get rid of anything you
may have on your hands. We're sanitizing all the surfaces in the public areas, and that's completed every single shift.

We're also -- we've installed plexiglass dividers on all of our Authority-owned ticket counters and we've required all the airlines to put those in as well. So when you go up to a ticket counter, they all have plexiglass and it provides another barrier for safety.

And we're obviously, you know, cleaning and disinfecting all service check-in kiosks as well. I mean, that's in the, that's in the airlines areas, but we're making sure that they are wiping those down regularly. And, lastly, we've installed hand sanitizers at the entrances to the food and beverage locations as well as as you exit the checkpoint, there's stations there too to clean your hands.

Moving forward to the -- I'm not going to go through the security measures. There's really not too much to talk about there.

But, on the financial matters, you know, here's the big deal. We've got to monitor our
passenger flight activity to analyze rates and charges and calculations and really potentially monitor for potential midyear adjustments up or down.

Now, today, what we've been doing with all of our contracts at the airport is we've held fast to the terms. And some of our business partners have minimum annual guarantees that they're required to pay every single month. And until we get our hands around exactly where we're going to be financially going forward for the year -- and John is going to talk a little bit more about, you know, where we're going to be at in terms of expenses -- we're not in a position right now to do so, do any sort of reduction at this point. We've kicked around some ideas, but right now we're not committing to anything other than what the terms of the contract are still are being governed by us to be in effect.

And on the marketing standpoint, you know, of course for us we're not really going to do much marketing until the border crossing opens. It doesn't make sense to do so.
And that is -- you know, there's a little
bit more on monitoring what the other airports in
the state are doing, but not, not really a big
push on marketing.

I did want to circle back now just a little
bit to -- just to give you an idea of what's
happening with some of the other airports in the
country. You know, we hear ninety-eight percent
and our eyes all go like this and just -- this
came out this morning actually, and just to give
you an idea, you had El Paso was down ninety-one
point four percent in April. You had -- let's
see here. What are some of the other -- they're
all pretty big. John Wayne Orange County, which
is in California, ninety-seven percent down.
Ottawa, ninety-five to ninety-eight percent down.
Calgary down ninety-five percent. Kelowna in --
it's kind of in the west of Canada. Beautiful
city by the way. If you ever want to go for a
great vacation, go to Kelowna. They're down
ninety-sixty percent. Let's see here. You have
Saint Louis is down ninety-six percent.
Indianapolis is down ninety-seven percent.
Richmond is down ninety-six percent. Los Angeles is down ninety-six percent. So we're all -- we're not alone in this. So it's not really, it's not really anything that is -- any region is not immune from this. I hate to use that word, but they're not immune from this. Everybody is being impacted by this. So we're all in this together and we're hopeful that together we can get back a system that is vibrant like it used to be. With that, I will pass it along to the next player.

MS. MINKEL: To Tom.

COMMISSIONER DEMAKOS: Thanks. But, before we do that, any questions for Bill? A lot going on obviously.

Or, not a lot going on, then again. Yeah.

Both. Thank you.

Tom?

MR. GEORGE: Thank you. So we've established our goals. They remain basically the same as they were before. They changed a little bit. So, you know, central transportation services are really what we're all about here. It's really critical
at this point in time, as well as the safety for the riders and the operators.

So we're trying to maintain those transit levels. I talked earlier about our services. It's fairly similar to what it's been traditionally for the summer period and that's where we are today. But, we're also trying to minimize the rider density so that's why it's important to maintain the service levels we have so that we can spread out those folks, those thirty-one thousand riders we're getting daily out there (inaudible). And what we're really looking to do now is establish our policies for (inaudible) this year and maybe into next year (inaudible) operate (inaudible). And I'll talk a little bit about that.

So we're protecting the employees and the riders. Our fare suspension policy (inaudible) still in place as is the rear-door boarding, with the exception of those folks (inaudible) door. All of our operators are equipped with PPE and we are -- we do have barriers in place. We've got two types of barriers. (Inaudible) most of the
riders through the back of the bus with the rear-door boarding. And then a hundred and eight of our buses have the operator barriers in place (inaudible).

We are doing the intensive cleaning. The rail cars are getting cleaned two to three times daily. The buses are getting cleaned daily and we have done extensive deep cleaning of our bus fleet. Then we've deployed twenty-four of our paratransit operators because our ridership was down significantly there. We've deployed twenty-four of those into cleaning activities.

So as an example, here in the MTC, we've got people located downstairs. Most of those people are working out of a paratransit van. So as buses come in, we have an operator get on that bus. They'll actually wipe down the surfaces on there and try to enhance the cleaning in that. So we've invested in that period. And also put in place a requirement for most of the riders to wear masks on buses. We also (inaudible). So now we're currently only allowing a maximum of fifteen riders on the bus at any point. Fifteen
(inaudible) get people to (inaudible) the bus and then we will (inaudible).

So we did change service. On April 12th, as you're aware, we implemented the summer schedule. And then we further reduced services by eliminating routes seven, twenty-nine, fifty-four, sixty-eight and seventy-nine on May 24th. It looks like a lot of routes. It's not a lot of service. It's probably about three percent of our service (inaudible) on these routes. And these routes were all served by adjacent service. So really by doing this we didn't eliminate any service areas per se (inaudible). And that created a sense of extra capacity.

So we do have employees that have been out with COVID related issues relative to day care, Family Medical Leave Act as well as some (inaudible) issues, so that reduced the number of operators. The other challenge we have is we weren't able to train operators, so our numbers are dwindling there.

So by eliminating these routes, it created a
little additional capacity for us and now what we've implemented is a chase service. So we identify, we go through our service every day, looking for where those pass-ups are, we look at where those people needs are, and we've identified twenty-four separate runs where we then put chase buses on them. Basically, it acts in a piggyback fashion, where we'll have two buses. The first bus will go down and they'll do a stop, the next bus will go by them. We don't just follow it. We try to have it so that we can spread the load down as much as possible (inaudible). So we're doing that at all three stations.

Under communications, we're working with our (inaudible) group. A lot of different messaging. It's a lot of different (inaudible) the masks, to the rear boarding, to the essential trips, to route changes. All the (inaudible), all the tools available (inaudible) our social media presence, our website, our signage in the system. Our creative group has been doing a lot of work with us to create a lot of different signage. So
communication is an ongoing challenge. We're trying to do as best we can with that. And then we do have the citizens advisory group. We're communicating with them. We have a meeting this evening with them, a virtual meeting of course, so we're looking forward to that.

A lot of what we do is monitor, monitor the heck out of what's going on out there best as we can, right? So we've got the automatic passenger counting system. We've got supervisors going out into the system. We look at the boardings. We do a pass-up report.

As an example, on a weekly basis, we're passing on average around five hundred (inaudible), so a hundred and twenty-five trips. An average of four pass-ups on those trips. As an example, we do twenty-six hundred trips daily. So if you're talking about a hundred and twenty-five trips in a week, you're talking about maybe fifteen thousand -- so we're less than one percent of our trips we're actually experiencing pass-ups on. But, nonetheless, we're monitoring that.
We're monitoring wheelchair demand, and we're also (inaudible) best practices out there. Constantly -- constant barrage of information from every group you can imagine out there. I'm sure Bill is getting it through the aviation community. We're getting it through the public transit community. Not only that, but the health department, the CDC. All those different (inaudible) information. We're constantly trying to monitor.

And then probably our biggest challenge going forward is forecasting. What's this going to look like next week, next month, three months from now. How are we going to operate as an agency moving forward in that department. So we're looking at all kinds of trends. We're looking at things going on. But, we don't see anywhere in the country where they're way ahead of us. We don't see anybody that's way behind us. There's -- everybody is kind of in this thing together, but yet we do a lot of monitoring and forecasting.

One of the things we've been really
fortunate to do (inaudible). I wanted to highlight this a little bit. So we've been out with our fleet and our paratransit vehicles specifically, we've delivered over ten thousand meals to Buffalo school kids through the Buffalo School District, working in partnership with them as well as other communities. We also are doing the food transportation assistance for local distribution activities. We've done something for Lackawanna Second Baptist Church, True Bethel, Buffalo Mount Olive Baptist Church, FeedMore Western New York and NAACP. So we've done a lot of food distribution (inaudible) capacity and we're doing that. It's been rewarding for us and I think it's been very helpful for the community. We've also got involved in Senator Kennedy's Single Moms Club, where they did an art program. We delivered art supplies to those individuals who couldn't otherwise get the materials they need.

So here comes the fun part. What's the next steps for us as an organization? We're looking at basically three different (inaudible).
Near-term planning. So we've developed a team internally and we're meeting weekly. We're looking at everything from soup to nuts basically. We're looking at our fleet, our facilities, our policies, our procedures. We're looking for -- initially to limit our approach for reinstituting the front-door boarding. So as I said earlier, we're limiting it to fifteen people based on rear-door boarding with a portion of the bus limited. And we've got no charge for the riders, which means anybody's on and off. Anecdotally, we're hearing that people are riding for a block or two (inaudible). Let's jump on, let's go for a couple blocks. That would not occur in a normal environment. So that's created some potential challenges for us.

The operator serves as the gate-keeper for the vehicle, for the facility, for our operation. Without the operator surveys they give us for anything that (inaudible) coming (inaudible) very difficult monitoring and/or determining what's happening there. So we're really looking to assist our ridership to increase the capacity of
the vehicles. Obviously to generate fares again
would be an attractive option for us as an
agency, as well as just to keep tabs on those and
make sure we can provide the social distancing.

We're looking at provisions for vehicles and
stations. You'll see a photograph over here to
the right. That's an operator barrier. We have
over three hundred buses that do not have
barriers. This barrier here was developed by our
staff internally. Materials for this barrier is
over a hundred dollars. Total all in we're about
a hundred and fifty to two hundred dollars
apiece. As an example, we went out to our
suppliers, and the quotes we got for operator
barriers with a twelve-week lead time was over
five thousand dollars. So we bought the
materials. We're fabricating these. If we had
the ability, we probably could go in business to
sell them, but we're not in that practice. We
anticipate having all of our buses equipped by
the end of June with operator barriers. That's
just tremendous regard for the people we have
working in bus maintenance all the way from the
body shop to the managers.

Operating procedures. Vehicle capacity is a big issue for us. As I said, we're fifteen now. We see a lot of agencies moving with the doors upwards to twenty people (inaudible). Social distancing is not possible on our vehicles. Our vehicles are not twelve feet wide (inaudible). We've recently seen (inaudible) adopt a policy where they tried for six, but they identified three. We require everyone to wear a mask. We're looking at that as a policy moving forward with the reopening.

Reallocation of services. The chase bus, how long can we keep that going, what does our service and our (inaudible) look like and how much capacity do we have. And then the PPE requirements moving forward.

I also wanted to note that we've worked with our mobile ticketing app provider Token Transit and we've adopted a thirty-one-day pass -- or, a thirty-day pass it is, and they'll now have that available. So we're trying to create more products for people to do touchless boarding to
get home. So that's (inaudible).

Mid-term planning. When does school return? And when it does, what does that do for us? We're talking about twenty thousand daily rides for school kids traditionally. We have social distancing requirements. What will those look like in the future? So how do we do that? How are we going to accommodate? What are the capacities of the system? What's our base ridership? Right now we're at fifty-four percent lost, so we're running about -- over forty percent. We start changing fares, that will go down. The economy opens back up, that will go back up. What's the magic number? Where are we going to land? And especially where are we going to land in September when schools are back (inaudible). And school based demand (inaudible). We provide specials for the schools. We may have to look to have them put more specials in place in order to take those peak loadings off of the system, so we'll be talking about that. And then at the end of the day, do we get hit with another spike, what are
our available resources? Financially (inaudible) address that.

Another thing that's really critical is provisions for rider confidence. What are the community expectations for a clean bus and cleanliness. They talk about the task force. We're moving forward putting into place some trial runs of hand sanitizer on the vehicles. Those will be going out shortly. We've got a number of different products we're going to try out and see where those work so we can do a full deployment.

And what are the standards for cleanliness. We're doing all this work I talked about, but how are we documenting it and how are we communicating that to our public. Recently we adopted a policy where our escalators and elevators are all on our website (inaudible) envision something like for the future for how often a bus or how often a facility is cleaned and how we document that. And then we're pushing very hard on the MetGo project to expedite that as quickly as possible because that will create a
broad base of touchless options for people to pay fares so we're moving forward with that.

And then continuing on. When school returns, safety and confidence of the workforce. When we start opening the door back up, we've got to work with the community. My expectation or desire is that (inaudible) to Metro (inaudible). Not a place where, eh, it might be clean, but, no, there's a confidence level that it's safe (inaudible) towards that as an approach and we've got a clear information exchange and adopted our best practice. And last but not least, we've got to do training and potentially reallocation of resources for training of our cleaners and training of our staff and everyone to know what we're doing. And we have to collaborate with organized labor on this because they're a key partner in this process, so we'll be working closely with them.

And that's all I had if there's any questions.

COMMISSIONER DEMAKOS: Yes, Commissioner Perry?
COMMISSIONER PERRY: So are we making an effort to
look a little more broadly about the impact on transit usage long-term on various facilities that have figured into various projections? Just one example. Just about every major educational publication that I read, all the major ones, say they there's going to be a significant change in physical attendance, not just for a few months, but forever. So if we're -- if we've made certain assumptions on rail expansion and other things based on ridership, and maybe this isn't the time, but at some point do we start looking at those projections as to how they may have affected assumptions that we've made for our financing and many other things to try to make guesses about the long-term, because these are all guesses that we're making. So is that part of the process now or is that contemplated in the future? How does that --

MR. GEORGE: It's part of the process right now.

COMMISSIONER PERRY: Okay.

MR. GEORGE: So what we've done in planning, as an example, is we (inaudible) that we think our ridership will rebound. Not really. Don't want
to say what that number is because it's going to change tomorrow and change the (inaudible) pick a number. And that number is less than where we were (inaudible), significantly less. What does service look like when that number is less? We've got less revenue, less ridership. Someday we'll rebound and we won't have the social distancing requirement that we have today. We've got to get there.

So there's the period of, let's say, next July, July of 2021. Then there's a period of us getting there. So we're looking at a number of different models. We're looking at a model for the fall, we're looking at a model for the winter and we're looking at a model for the spring of 2021 when we go into a new fiscal year, and we think there may be some normalization. But right now we're not forecasting a full recovery of ridership. People working from home -- we've talked about it before. One day a month of people working from home is a four-percent ridership decrease. So, you know, you start looking at some of these numbers. We are
(inaudible) we've got numbers, but those numbers will change. They may change drastically; they may not change that much at all. But, that's the process we're looking to do. So we envision our service looking very different. As an example, we had an express lane we were looking to move forward. That has been put on the shelf. That express lane may look totally different in today's environment than what we thought it would look like months ago.

COMMISSIONER PERRY: Wow. Thank you.

MR. GEORGE: It's a dynamic time. Like I equate it to a tightrope, balancing between so many different factors, and I don't feel (inaudible) is very long, so it's a really challenging time.

COMMISSIONER DEMAKOS: Any other questions?

Thanks, Tom.

Kim, you and John are going to go over the next part of this, fiscal impact?

MS. MINKEL: Yes. So for those on the phone, this is the last two pages of your PowerPoint presentation that I sent you. And before I turn it over to John to go through some of the
financials, a couple of things that I wanted to mention to the board.

First off, we're very fortunate that early on both the airports and transit were considered in the CARES Act funding. John had mentioned earlier what the deficit would have been for us just for this month alone had we not had access to the CARES Act funding. So that's been really critical and, quite frankly, a lifesaver for our operations. However, when that funding came out, that was very early on when the extent of the pandemic was less known, including the impact on our operations. Not just for us here in Western New York, but collectively throughout the nation. And so now as time goes on, we expect that the lasting impacts of this pandemic are going to be felt more longer term, not just this year, but into next year and maybe even beyond next year.

Last month I had mentioned to the board that the CARES funding that we received, while significant and we're appreciative, only provided funding for five months' worth of operating expenses for both surface and aviation. So like
other airports and transit systems throughout the nation, we will be advocating for additional funding from the federal government to help sustain the critical services going forward for the rest of this year and into next year. Because we do expect that we're not going to be back to normal for quite some time.

However, when I mentioned that the CARES funding only provides for five months' worth of operating expenses, we still are receiving some other additional operating and revenue. So I'm going to ask John to talk about our April variances and some of the forecasts, some of the assumptions that we have looking throughout the rest of this fiscal year and what the deficits will look like both within aviation and surface.

So, John, if you want to --

MR. COX: Yes. Thank you, Kim.

Good afternoon, commissioners, again. Now, on the first page, we're talking -- we did basically a guesstimate based on how April went and our latest information and assumptions about what might happen over the remainder of the year,
you know, with the caveat that things may--you
know, this is worst-case scenario, but also
things might stay this way, things may get
better, they may get better for a little bit and
then go back to being challenging again. We just
don't know what's going to happen over the course
of the year.

But, we're looking, based on our
guesstimates, up to possibly sixty-eight point
seven million dollars in losses. We're assuming
a reduction in ridership. And due to the
suspension of fares, that over the course of the
year, we could actually see as much as
twenty-nine million dollars losses in our Metro
fare revenue. And just to--what's happened,
just to give you some additional information,
with those suspensions, that's about three
million dollars a month. So we're at least--
not--it looks like we're not going to be--you
know, we haven't charged fares for April, we
haven't charged them for May, so that's six
million. And it doesn't look like it will be--
we're not going to be charging in July, so that's
now nine million dollars in fares that we won't be collecting over the course of the fiscal year until we -- you know, the suspension is no longer in place. It will be approximately three million dollars a month.

Also, not just from our revenue side, but also from the assistance side where we're seeing some challenges there too. The state petroleum business tax which is a source of much of the funding from our state operating assistance, and also the rental car fees, which is another source of not only state assistance, but it's also being used to support some of our capital assistance that we receive. That is also in jeopardy. We could see reductions in STOA and our state capital assistance, anywhere from twenty-five to fifty percent.

If you go to the chart below, you'll see our passenger fares and other operating revenues. We originally had it budgeted at about thirty-six point seven million dollars. Our April variance was ninety-seven percent. Now, there was a slight mitigating factor there, and part of that
is our -- because we get a hundred percent, you
know, no fares charged, that three-percent
increase is from other revenue sources such as
our -- as advertising revenue. And so for the
year, because of that slight mitigation from the
forecast, we're looking at twenty-seven million
point six as our forecast variance there,
negative variance.

State transit operating assistance, we had
budgeted -- and this was originally what was in
the budget that was passed, was sixty-one point
one million dollars. And we're assuming some
reduction there. Our variance would put it down
about twenty-three percent, but we're assuming in
our forecast a twenty-five-percent reduction,
which would be a reduction of fifteen point three
million dollars.

Our Erie County sales tax, we typically
bring -- we had it budgeted approximately
twenty-two point four million. We saw a variance
for the month of April in our sales tax receipts,
or a portion of sales tax of a little over
thirty-six percent on an annual basis. That
would translate to a loss of eight point one
million dollars -- or, not a loss, but a variance
in that revenue.

And our mortgage recording tax, which is
approximately eleven point five million dollars,
is held up actually for the month of April, but
that's because typically there's a lag in
mortgage tax which is your transactions. But,
usually there's a period from when the deal is
struck until the closing happens and then until
the taxes flow through. But, with anticipating
additional reductions that are probably going to
happen throughout the rest of the year, we
assumed a twenty-five-percent reduction there.
And that is two point nine million.

And we assumed a reduction in our capital
funding, again, because of those challenges from
much of the revenue sources for that funding.
About fourteen point eight million dollars. And
that brings you to that total that I mentioned of
sixty-eight point seven million dollars. And
that's, you know, offset against a CARES Act
allocation of approximately sixty-one point three
million dollars. And as Kim stated, this is just one year that we're looking at. These impacts could certainly continue on into fiscal year '22 and beyond.

COMMISSIONER DEMAKOS: John, you mentioned capital, capital funding. I think we mentioned this at the last meeting. The projects that have already been started, baggage claim, renovation, things like that, those have already been funded and bonded and whatever, we have that money available, so none of those will cease to continue, right?

MR. COX: That's correct, yes. And this is -- just to clarify. This is for this year's budget year. As far as additional capital funding, the airport project is fully -- we went out and bonded all of the expenses associated with that. That's in escrow and that's available (inaudible) the project.

MS. MINKEL: But to be clear, there have been projects that I brought to the board that the board has awarded that were PFC based, passenger facility charge -- and we'll talk about
that in the next slide -- that we've put on hold, because we're not collecting that PFC and I don't -- I'm nervous about starting a project --

MR. DEMAKOS: I agree. Without being able to commit, you can't start a project.

MS. MINKEL: Right. Right.

COMMISSIONER PERRY: Maybe this should wait for those slides. But, also, Governor Cuomo in his press conference, I think it was yesterday, talked about these big, massive projects, big, giant capital projects in the New York City/New Jersey area. And I know you've mentioned at a prior meeting that we're getting all our projects so that they can be shovel-ready to present at our airport and surface.

But, specifically now, since the discussion is that, you know, maybe we should do that trillion dollar or two trillion dollar infrastructure, nationwide infrastructure, it seems like now is the time to even focus on that even more to cover the projects that the board has approved, but even larger, more extensive projects, and also to deal with some of the
changes that need to be made in service based on a change of ridership going forward, to modernize and so forth. It just seems like a great opportunity, because I just -- it appears that the governor is predicting and a lot of people are predicting that there's got to be a huge engineering and construction program nationwide, and we should be getting -- you know, based on prior stimulus programs and so forth, it just seems like everything we've ever wanted or need to do, we can get that funded.

MS. MINKEL: I agree. And staff is gearing up so that we have everything ready, so when that moment hits, we're ready to go and we will be the first.

COMMISSIONER PERRY: Good.

MR. COX: Okay. With that, I'll continue on to the aviation side. So on the aviation side, again, we took -- came up with a forecast of what the variances we would expect, potential losses over the course of the year. And, again, these are just guesstimates based on current information and the amount of visibility we have. On the
aviation side, we could see losses of nearly thirty-five point -- thirty-five point nine million dollars. As Kim mentioned, one of the major sources of supporting our capital projects at the airports is passenger facility charges. And we would be looking at eight million dollars in potential losses there.

If we drop down to the bottom slides, you can see what we had budgeted as far as airport fees, services and rental income. That's about thirty-five million. Our April variance was nine point three percent, and we're forecasting a negative variance there of about three point three million. This is all of your -- essentially the -- pretty much the regular fees and services and charges that we have. As far as at the airport, it would be your parking -- or, I'm sorry. Not parking. Your rental, your various charges to the airlines, rental for spaces in the terminal.

And if we go down to concessions and commissions, which is your parking, your sales at your various restaurants and various businesses
throughout the airport terminal, you're looking at about thirty -- budgeted thirty-one and a half million dollars. We had an April variance there of about seventy-eight point four percent, and we're forecasting a negative variance there of twenty-four point eight million.

And on the passenger facilities charges, we typically see anywhere from ten to eleven million there. We had budgeted ten point four million. And you can see how much during the month of April that the drop-off in passengers we're talking about. Because this is that four dollar and fifty cent charge that you get, and you can see it's down for the month of April by ninety-five percent. And we're looking at -- so we forecasted a negative variance there of seven point eight million dollars.

So, again, you know, as we had mentioned, the lifeline and how critical the CARES Act allocation was, twenty-three and a half million dollars. And they're talking, again, you know, as we talked about Metro, this extending beyond this fiscal year. They're talking -- I've read
anywhere -- predictions of as far as how long it's going to take to get back to where we were before the start as far as enplanements, anywhere from three to even as far as five years out. So I think that we'll see the effects of this unfortunately for multiple years going out into the future.

And, you know, of course, one of the things that could make that change and be much shorter is whether there's a -- they come up with a viable treatment or there's a vaccine that's developed, whenever that is, at the end of the year or somewhere in the future. These numbers could all change and of course we'll consider that. But, this is, you know, where we are now and we just have to keep -- as more information becomes available, adjust this and keep, you know, tight reins over this and come back to you every month and give you updates as far as where we're at.

MS. MINKEL: So in terms of combined, Metro and aviation overall, on the Authority, even with the CARES Act funding, if these forecasts are
correct, we're falling in with just under a twenty million dollar deficit for the year. Nineteen point eight million. I understand that in the next round of funding, what's being debated, there is funding available or a request for transit, so certainly we're advocating for that transit component. There's nothing in for aviation at the moment. But, trade groups that we belong to are advocating for that. We will certainly be advocating for it because not only do we need to get through this year, but next year as well.

COMMISSIONER DEMAKOS: I don't know how anyone could have anticipated a drop in every market site. You know, there's ups and downs in different, you know --

MS. MINKEL: I know.

COMMISSIONER DEMAKOS: Are there any questions for John or Kim as far as the financial impact and the concerns going forward on our, on our negative variance?

I guess there's no need for -- is there a general counsel's report?
MR. STATE: No report today, Chair.

CHAIRMAN DEMAKOS: Okay. And no -- from what I understand, no need for an executive session?

Okay. So in closing, you know, again, I'd like to thank the entire NFTA organization for, you know, their help and support through this unprecedented time. I mean, obviously the numbers are difficult, but obviously the health and well-being of our team is always a priority. You know, we're going to face some challenges under uncertain parameters. I mean, it's like you're lost without a map. Eventually, we'll be able to figure it out, but even, you know, long-term it's something that no one could have ever anticipated and, you know, we'll need everybody's support going forward. So to everyone from the drivers, maintenance and cleaning, administrative staff, police and fire, on behalf of the board and the entire Western New York community, I'd like to thank everyone for their service -- continued service and dedication.

So if there are no other comments, I'd like
to ask for a motion to adjourn.

COMMISSIONER PERRY: So moved.

COMMISSIONER DEMAKOS: Second?

COMMISSIONER DURAND: Durand. Second.

MS. MINKEL: Durand.

COMMISSIONER DEMAKOS: Durand.

And I don't think we need a roll call on this, David. Do we?

MR. STATE: Correct. We do not.

COMMISSIONER DEMAKOS: Okay. Thank you, everyone, for participating, and be safe out there.

* * * * *
STATE OF NEW YORK

SS:

COUNTY OF NIAGARA

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