



PORT OF ALBANY

ALBANY PORT DISTRICT COMMISSION MEETING

May 27, 2020
12:00 P.M.

Pursuant to the Governor's Executive Order No. 202.1, issued March 12, 2020, Article 7 of the Public Officers Law related to public body meetings is suspended and the May 27, 2020 APDC Board of Commissioners meeting will be held remotely. Commissioners and APDC staff are authorized to attend the meeting by conference call. Specified APDC staff will meet in person to facilitate the meeting. In accordance with the Executive Order the meeting will be available for public viewing via on-line live video transmission and recorded, as public in-person access to the meeting is not permitted.

AGENDA

- 1) **Approval of Minutes from the April 22, 2020 Commission meeting (Attached)**
- (Chairperson intro and discussion of minutes by Board)
- 2) **Financial Update (by CFO Stuto)**
- 3) **CEO Update (by CEO Hendrick)**
- 4) **Real Property/Development Update (by Director Daly)**
- 5) **80 Smith Blvd (Resolution 15-2020) (by Counsel Jordan)**
- 6) **Maritime Business Assessment (by Manager Vasil)**
- Tonnage/Longshore Labor Report (Attached)
- 7) **Other Business (by Chairperson)**
- 8) **Enter Executive Session¹**
- 9) **Exit Executive Session**

10) Next Meeting: June 22, 2020 (by Chairperson)

¹ Only if necessary (and if approved by a majority vote of the Commission), to discuss:

- a. matters which will imperil the public safety if disclosed;
- b. any matter which may disclose the identity of a law enforcement agent or informer;
- c. information relating to current or future investigation or prosecution of a criminal offense which would imperil effective law enforcement if disclosed;
- d. discussions regarding proposed, pending or current litigation;
- e. collective negotiations pursuant to article fourteen of the civil service law;
- f. the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation;
- g. the preparation, grading or administration of examinations; and
- h. the proposed acquisition, sale or lease of real property or the proposed acquisition of securities, or sale or exchange of securities held by such public body, but only when publicity would substantially affect the value thereof.

DRAFT



ALBANY PORT DISTRICT COMMISSION MINUTES OF A REGULAR MEETING

April 22, 2020

Due to the pandemic the April 22, 2020 Board of Commissioners meeting was held remotely pursuant to the Governor's Executive Order No. 202.1, issued March 12, 2020, which suspended Article 7 of the Public Officers Law related to public body meetings. Prior to the meeting being called to order General Counsel Jordan noted that the meeting was being recorded and transmitted via on-line video. For the recording he stated that in attendance were Chairperson Steffens and Commissioners Cinquanti and Coffey. Also present were CEO Hendrick, General Counsel Jordan, Economic Development and Procurement Director Daly, CFO Stuto, Maritime Business Development Manager Vasil, Director of Security Williams and Deputy Director of Security Teller.

Chairperson Steffens called the meeting to order and introduced the minutes of the March 24, 2020 Commission meeting. No changes were made to the minutes. Chairperson Steffens called for a motion to approve the minutes of said meeting. A motion was made by Commissioner Cinquanti, seconded by Commissioner Coffey and passed unanimously.

FINANCE COMMITTEE / FINANCIAL UPDATE

Commissioner Coffey noted that the Finance Committee met prior to the full Board meeting. The Committee reviewed the Financial Statements for the quarter ending March 31, 2020 and the projections for the remainder of the year. CFO Stuto reported that revenues are currently expected to be within \$30,000 of the budget and expenses are forecasted to come in under budget by approximately \$500,000, due to unfilled positions and curtailed spending in light of COVID -19 uncertainties. The first quarter Budget Goal status was also reviewed, noting that this was the first time the goals were reported on and that the management team will continue to monitor and report quarterly. Staff has been in contact with all Port tenants regarding pandemic related business issues and only one tenant has requested a rent modification.

The Committee conducted its annual review of the Committee Charter and did not make any changes upon consultation with staff. The Committee also conducted its annual review of the Investment Policy and did not make any changes upon consultation with staff.

CEO UPDATE

CEO Hendrick updated the Board on the following:

- During the pandemic most of the staff continues to work remotely.
- The State has provided some protective gear for the Port.
- The Port is continuing to operate fully;
 - o Two ships are currently docked, one discharging pulp in Albany and one loading scrap metal for export in Rensselaer.
- Staff is communicating with all tenants on a weekly basis.
- There are weekly meetings with the Coast Guard, Maritime Administration and AAPA.
- The Port has developed a new declaration of security and how security personnel and ship crews interact when docked.
- The fuel tank that was discovered in the terminal has been removed. After it was removed staff learned that the tank had failed sometime in the past. DEC was contacted and ordered the Port to remove any contaminated soil, which was done. Clean fill and stone is being transported to the site and when that site prep is completed the fencing will be installed to enlarge the laydown space within the maritime terminal.
- The Port has had productive meeting with the EPA and DEC regarding 700 Smith Blvd and the final cleanup plan will be submitted for approval in the next month.

REAL PROPERTY/DEVELOPMENT UPDATE

Director Daly updated the Board as to the status of the maritime warehouse and that the construction project was deemed essential and could proceed as planned. The Bethlehem Planning Board continues to review the SEQRA documents regarding the expansion project. The Planning Board will meet in two weeks to review and hopefully approve the Final Generic Environmental Impact Statement. After the FGEIS is approved a Finding Statement will be drafted for the Planning Board's review and acceptance.

Director Daly stated that under the current project schedule the site plan application of the infrastructure improvements on the expansion site will occur this summer. The Port's consultants are currently engaged in the engineering for the proposed wharf, bridge and roads. Port staff continues to pursue state and federal financing and funding for the expansion project. Confidential business development and interaction continues to progress.

100 SOUTH PORT ROAD

Counsel Jordan discussed Resolution 10-2020 regarding the proposed lease of 100 South Port Road to Wm. Biers, Inc. The proposed lease area is for portions of four parcels that total 6.15 acres. The majority of the leasehold is on either side of S. Port Road at the corner of Normanskill Street at the southern entrance into the Port. The lease includes a small portion behind Mohawk Paper, adjacent to the rail tracks which is used for outdoor storage. The proposed lease is for \$12,700 per acre or \$78,000 per year, which is slightly above the appraised value, and will include

an annual increase based on the CPI. The proposal is for a 10 year lease with two 10 year extension options. The Port has leased the proposed parcels to Wm. Biers for 20 years. They are currently in good standing with the Port regarding on-time lease payments and lease requirements for the business. Chairperson Steffens called for a motion to approve Resolution 10-2020. A motion was made by Commissioner Cinquanti, seconded by Commissioner Coffey and passed unanimously.

CYBERSECURITY UPDATE

Counsel Jordan presented the quarterly cybersecurity update. Tech II has done a great job giving all Port staff the capabilities to work remotely during the pandemic. They have made themselves available all hours of the day. Tech II continues to upgrade the Port's computer and video surveillance networks. While upgrading they also test for system vulnerabilities and correcting any that are found. New software updates occur daily through patching.

They continue to make sure that the Port and staff are complying with the NYS Stop Hacks and Improve Electronic Data Security Act. The Act requires the implementation of safeguards protecting private information and broadening security breach notification requirements. As part of that initiative Tech II regularly administers online training courses for staff. Most recently all staff were required to participate in a training regarding ransomware. During the past year the Board and staff have discussed the Port's website and making sure that it is accessible to all. Counsel Jordan reported that Tech II recently finished making the website ADA compliant.

MARITIME BUSINESS ASSESSMENT

Manager Vasil provided an overview of the Ships, Barges and Tonnage Report and Longshore Hours Report for April 2020. There was an increase in vessel traffic from the same quarter in 2019 to 2020. There was also an increase in heavy lift/project cargo moves and an increase in labor hours. The roll-on / roll-off ramp will be utilized in June for a large rotor movement. The Port has seen an increase in vessel calls for scrap metal and woodpulp along with an associated increase in tonnage. The price of scrap steel is trending upward. Next month the Port will receive the first trial shipment of timber with 300 units.

The marketing plan is being adjusted to deal with supply chain changes due to impacts from the pandemic. FMT has added personnel to their marketing team and they and Manager Vasil are pursuing new commodities and projects, particularly from overseas. CEO Hendrick will be interviewed by the American Journal of Transportation which focuses on heavy lift and breakbulk cargo markets in the Northeast.

OTHER BUSINESS

There was no other business.

EXECUTIVE SESSION

Chairwoman Steffens called for a motion to enter into Executive Session for a discussion regarding the proposed acquisition, sale or lease of real property. A motion was made by Commissioner Cinquanti, seconded by Commissioner Coffey and passed unanimously. No action was taken in Executive Session.

MOHAWK PAPER

CEO Hendrick informed the Board that Mohawk Paper has requested a temporary deferment of 50% of their rent for three months. The pandemic has impacted their business. Chairwoman Steffens called for a motion to permit Mohawk the requested deferment. A motion was made by Commissioner Cinquanti, seconded by Commissioner Coffey and passed unanimously.

900 S. PEARL STREET

Counsel Jordan informed the Board that Patriot Tank Lines requested a 90-day extension of the due diligence period of the contract for sale of 900 S. Pearl Street until September 16, 2020. The pandemic has caused a reduction in motor and aviation fuel purchases and therefore a loss in revenue. Patriot is confident that the sale will close as agreed upon after the requested extension. Chairwoman Steffens called for a motion to extend the due diligence period as requested. A motion was made by Commissioner Cinquanti, seconded by Commissioner Coffey and passed unanimously.

NEXT MEETING

Chairperson Steffens informed all those in attendance that the **next meeting of the APDC Board of Commissioners will be held on Wednesday, April 22, 2020 at 12:30pm.** The Finance Committee will meet prior to that at 12:00noon.

Chairperson Steffens called for a motion to adjourn the meeting. A motion was made by Commissioner Coffey, seconded by Commissioner Tagliento and passed unanimously. The meeting was adjourned.

ALBANY PORT DISTRICT COMMISSION
2020 Forecast - Actual Results through April 30, 2020

	April 2020	Year to Date Jan-April 2020	Forecast May - Dec 2020	Forecast 2020	Budget 2020	Forecast to Budget Variance
Operating Revenue:						
Rental Income	287,617	1,153,909	2,290,316	3,444,225	3,467,431	(23,206)
Dockage Fees	16,447	124,540	160,000	284,540	255,909	28,631
Wharfage Fees:						
Calcium Chloride	-	-	-	-	-	-
Liquid Fertilizer	-	-	26,000	26,000	40,000	(14,000)
Grain			32,500	32,500	50,000	(17,500)
Heavy Lift/Project	3,739	21,994	60,000	81,994	98,957	(16,963)
Steel	6,009	15,532	70,000	85,532	101,524	(15,992)
Woodpulp	5,604	29,940	115,000	144,940	104,545	40,395
Total Wharfage Fees	15,352	67,466	303,500	370,966	395,026	(24,060)
Buckeye Revenue	50,000	50,000	100,000	150,000	150,000	-
Stevodore Fees and Services	16,667	69,367	178,733	248,100	245,000	3,100
Crane Equipment Rental	16,905	66,955	133,910	200,865	156,890	43,975
Security Fees	62,683	151,560	303,120	454,680	382,458	72,222
Other Services and Revenue	1,009	2,932	10,000	12,932	20,708	(7,776)
Total Operating Revenue	466,679	1,686,730	3,479,579	5,166,309	5,073,422	92,887
Operating Expenses:						
Payroll, Payroll Taxes and Fringe Benefits	183,106	884,188	1,464,849	2,349,038	2,569,350	(220,312)
Other Post Retirement Benefit Expense	-	-	100,000	100,000	100,000	-
Repairs, Maintenance and Utilities	21,840	64,834	200,000	264,834	265,500	(666)
Crane Parts and Repairs	-	-	55,000	55,000	55,000	-
Insurance	18,012	74,939	149,878	224,817	229,553	(4,736)
Professional and Consulting Fees	62,233	85,585	371,170	456,755	507,000	(50,245)
Service Contracts	21,165	71,324	142,647	213,971	240,000	(26,029)
Security and Safety Costs	514	11,226	122,451	133,677	137,300	(3,623)
Education and Training	-	2,190	3,000	5,190	10,000	(4,810)
Office Supplies and Expense	704	4,194	45,000	49,194	50,300	(1,106)
Advertising, Promotion and Association Dues	41	79,933	159,866	239,800	264,502	(24,702)
Contingency	-	-	-	-	180,000	(180,000)
Total Operating Expense	307,616	1,278,412	2,813,862	4,092,274	4,608,505	(516,231)
Operating Income (Expense) before other items	159,063	408,317	665,717	1,074,035	464,917	609,118
Depreciation and Other (Income) Expenses:						
Depreciation Expense	220,858	883,402	1,766,863	2,650,265	2,947,307	(297,043)
Interest Income	(57)	(6,849)	(5,000)	(11,849)	(14,400)	2,551
Interest Expense	16,553	63,651	127,302	190,952	200,738	(9,786)
Waterfront Development	18,462	18,902	230,000	248,902	269,750	(20,848)
Municipal Support	-	39,904	119,712	159,616	163,000	(3,384)
(Gain) Loss on Sale of Asset	-	-	-	-	-	-
Net Depreciation and Other (Income) Expense	255,816	999,010	2,238,877	3,237,886	3,566,395	(328,509)
Change in Net Position Before Capital Funding	(96,753)	(590,693)	(1,573,159)	(2,163,852)	(3,101,478)	937,626
Capital Grant Revenue	-	30,402	9,000,000	9,030,402	12,094,900	(3,064,498)
Change in Net Position	(96,753)	(560,291)	7,426,841	6,866,550	8,993,422	(2,126,872)

**RESOLUTION 15-2020
OF THE
ALBANY PORT DISTRICT COMMISSION**

WHEREAS, the Albany Port District Commission (the “APDC”) is a public corporation and a district corporation of the state of New York (the “State”) established pursuant to Chapter 192 of the Laws of 1925, as amended (the “Act”); and

WHEREAS, the APDC strives to responsibly and effectively manage the publicly-owned maritime Port of Albany-Rensselaer, contributing to the economy of the Capital Region and beyond while emphasizing transparency and public stewardship as prescribed in the APDC Mission Statement; and

WHEREAS, the New York State Department of Environmental Conservation has leased building space, which includes a field office that often serves as a command center, laboratory, repair center with unique lifts and garage space, vehicle fueling capabilities and parking located at 80 Smith Boulevard (aka 102 Smith Boulevard) in the Port of Albany from the APDC since the space was constructed in 2002; and

WHEREAS, in furtherance of the APDC mission, the APDC desires to enter into a lease agreement with the State of New York to continue the use and occupancy of that 21,480 square foot building and adjoining parking lots in the Port District (the “Premises”); and

WHEREAS, the APDC responded to a Request for Information issued by the State of New York regarding leased space in July of 2019 with a market lease rate value disposition; and

WHEREAS, the Premises carries a lease market value of \$384,492 per year; and

WHEREAS, the State of New York requested leasing the Parcel for 10 years to continue its current business operations located in the Port District.

NOW, THEREFORE, BE IT RESOLVED, that the APDC concludes that the disposition of the Premises to the State of New York is in the best interests of the APDC and authorizes the Chief Executive Officer to execute any documents necessary to affect the disposition of the warehouse for the terms described above at a lease rate of \$384,492.

Signed: _____
(Assistant) Secretary

Date of Authorization: May 27, 2020
Prepared by: Patrick K. Jordan, Esq.

Ships & Barges Report

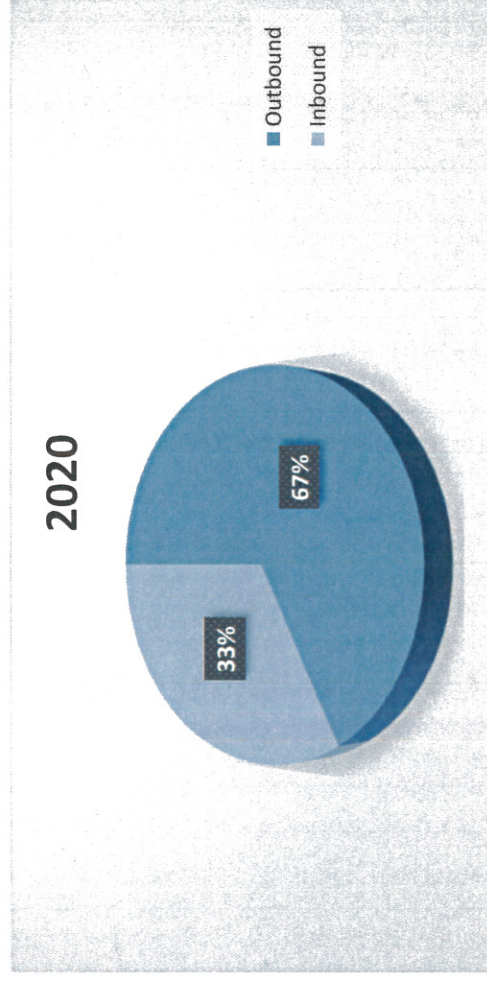
April-2020

Outbound	2019	2020	Change	Percentage
Heavy Lift/Project	0	0	0	-
Barges-Heavy Lift/Project	0	1	1	100%
Scrap Iron	0	1	1	100%
Steel	0	0	0	-
Totals	0	2	2	100%

Inbound	2019	2020	Change	Percentage
Heavy Lift/Project	0	0	0	-
Barges-Heavy Lift/Project	1	0	-1	-100%
Calcium Chloride	0	0	0	-
Molasses/Fertilizer	0	0	0	-
Steel	0	0	0	-
Urea	0	0	0	-
Wind Energy	0	0	0	-
Woodpulp	1	1	0	-
Totals	2	1	-1	-50%

Year to Date

Total	2019	2020	Change	Percentage
Heavy Lift/Project	2	2	0	0%
Barges-Heavy Lift/Project	1	4	3	300%
Calcium Chloride	0	0	0	-
Molasses/Fertilizer	0	0	0	-
Scrap Iron	1	3	2	200%
Steel	0	0	0	-
Urea	0	0	0	-
Wind Energy	0	0	0	-
Woodpulp	3	5	2	67%
Totals	7	14	7	100%



Ships & Barges

	2019	2020	Change	Percentage
Outbound	3	8	5	167%
Inbound	4	6	2	50%
Totals	7	14	7	100%

Lay Berth

	2019	2020	Change	%
	3	1	-2	-66%
	7	4	-3	-43%

April-2020

Tonnage Report - Monthly

Outbound	2019	2020	Change	Percentage
Heavy Lift/Project	0	0	0	-
Barges-Heavy Lift/Project	0	444	444	100%
Scrap Iron	0	15593	15593	100%
Steel	0	0	0	0
Totals	0	16037	16037	100%

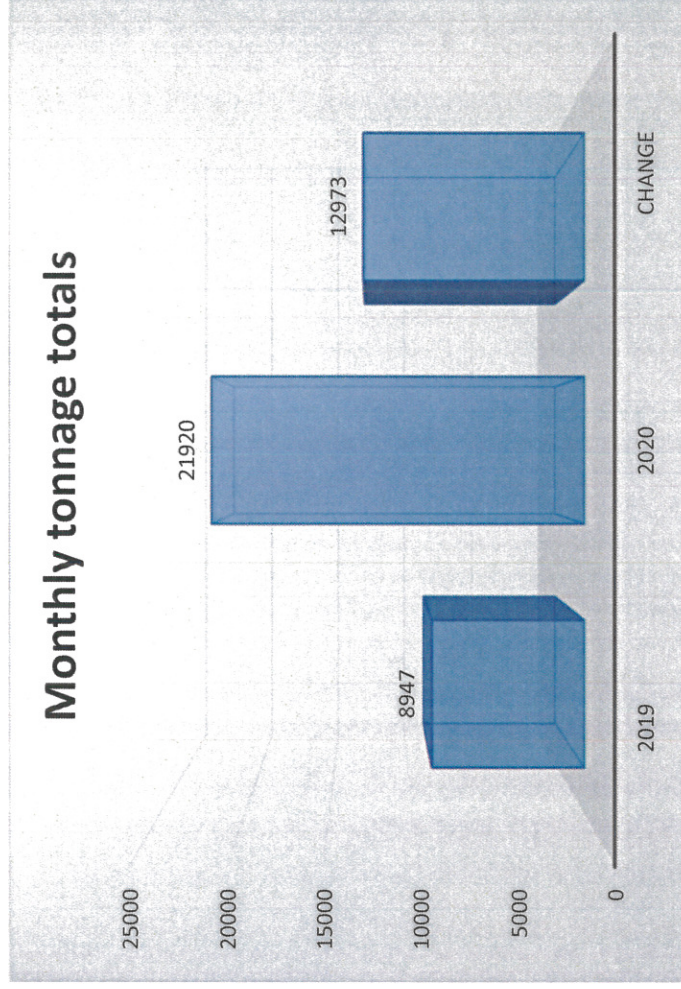
April- 2019-2020 Totals

Total	2019	2020	Change	Percentage
Heavy Lift/Project	0	0	0	-
Barges-Heavy Lift/Project	267	444	177	66%
Calcium Chloride	0	0	0	-
Molasses/Fertilizer	0	0	0	-
Scrap Iron	0	15593	15593	100%
Steel	0	0	0	-
Urea	0	0	0	-
Wind Energy	0	0	0	-
Woodpulp	8680	5883	-2797	-32%
Totals	8947	21920	12973	145%

Tonnage Report Monthly

Total	2019	2020	Change	Percentage
Outbound	0	16037	16037	100%
Inbound	8947	5883	-3064	-34%
Totals	8947	21920	12973	145%

Inbound	2019	2020	Change	Percentage
Heavy Lift/Project	0	0	0	-
Barges-Heavy Lift/Project	267	0	-267	100%
Calcium Chloride	0	0	0	-
Molasses/Fertilizer	0	0	0	-
Steel	0	0	0	-
Urea	0	0	0	-
Wind Energy	0	0	0	-
Woodpulp	8680	5883	-2797	-32%
Totals	8947	5883	-3064	-34%



April-2020 Tonnage Report - Year to Date

Outbound	2019	2020	Change	Percentage
Heavy Lift/Project	855	485	-370	-43%
Barges-Heavy Lift/Project	0	1328	1328	100%
Scrap Iron	26347	71131	44784	170%
Steel	0	0	0	-
Totals	27202	72944	45742	168%

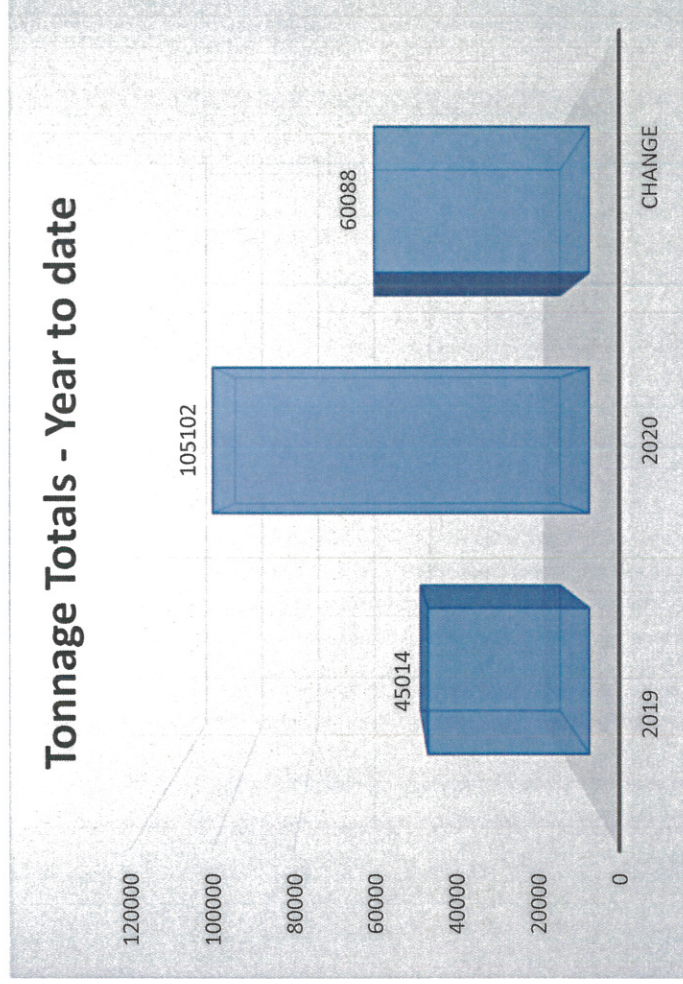
Year to Date

Total	2019	2020	Change	Percentage
Heavy Lift/Project	855	1213	358	42%
Barges-Heavy Lift/Project	267	1328	1061	397%
Calcium Chloride	0	0	0	-
Molasses/Fertilizer	0	0	0	-
Scrap Iron	26347	71131	44784	170%
Steel	0	0	0	-
Urea	0	0	0	-
Wind Energy	0	0	0	-
Woodpulp	17545	31430	13885	79%
Totals	45014	105102	60088	133%

Tonnage Report Year to Date

Total	2019	2020	Change	Percentage
Outbound	27202	72944	45742	168%
Inbound	17812	32158	14346	81%
Totals	45014	105102	60088	133%

Inbound	2019	2020	Change	Percentage
Heavy Lift/Project	0	728	728	100%
Barges-Heavy Lift/Project	267	0	-267	-100%
Calcium Chloride	0	0	0	-
Molasses/Fertilizer	0	0	0	-
Steel	0	0	0	-
Urea	0	0	0	-
Wind Energy	0	0	0	-
Woodpulp	17545	31430	13885	79%
Totals	17812	32158	14346	81%



LONGSHORE HOURS

2019-2020 Comparison

	2019	2020
January	1253.0	2709.5
February	3589.0	3317.5
March	2729.0	3214.0
April	2541.0	2531.0
May		
June		
July		
August		
September		
October		
November		
December		
Total:	10112.0	11772.0

2016-2017-2018-2019-2020 Comparison

	2016	2017	2018	2019	2020
January	2130.5	5265.0	1431.0	1253.0	2709.5
February	4010.0	4591.0	2739.0	3589.0	3317.5
March	3663.0	6166.0	2237.5	2729.0	3214
April	2509.5	9438.0	3757.0	2541.0	2531
May	2470.0	6549.5	12123.5	3749.0	
June	2975.0	6939.0	7848.5	3470.0	
July	2929.0	5437.0	3960.5	2048.5	
August	3829.5	2992.0	6113.5	1205.0	
September	4309.0	3604.5	4905.0	2771.5	
October	5153.5	2738.0	5663.0	2163.0	
November	4146.0	6133.5	2926.5	1696.0	
December	6474.0	2133.5	4480.0	2850.5	
Total:	44599.0	61987.0	58185.0	30065.5	11772

