



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.