

Property/Risk Management Committee
January 19, 2012
11:00 a.m. – 11:55 a.m.

Attendees: Committee Chair Peter Demakos
Acting Chairman Henry Sloma
Commissioner James Eagan
Commissioner Eunice Lewin
Commissioner Michael Hughes
Commissioner Kevin Helfer
Commissioner Mark Croce

Staff: Kimberley Minkel David State
Deborah Leous Ruth Keating
Christine D'Aloise Deanna Guest
Michael Bykowski George Gast
Karen Novo William Vanecek
Patrick Dalton Douglas Hartmayer

Others: Robert McCarthy, Buffalo News

Risk Management

Workers' Compensation Quarterly Review – Christine D'Aloise reviewed the information included with the agenda. The number of claims continues to trend down and the average ultimate claim cost continues to rise. A new loss control initiative being put into place is the Executive Director Monthly Injury Report meeting. Ten injuries will be chosen each month based on subjective criteria by the Workers' Compensation and Safety staff. Examples of selection criteria are: body part injured, business center investigation in need of enhancement, significant lost time anticipated as well as other unique situations that may warrant further attention. Through this process the Business Centers will become more aware of what type of workers' compensation claims are being made in their Business Center and how much it is costing them. This first meeting related to this initiative will begin this month. This is anticipated to be a good mechanism to get business center management engaged in injuries in order to allow them to better prevent injuries, spot problems and issues that are making their way into workers' compensation costs.

Property Management

Financial Performance - David State reported on the financial performance. For the month of December the trends continue to be good. For the month compared to budget the revenues are up 14.5% due to rent at 247 and 485 Cayuga Road and the Port. Operating expenses are over budget by 3.9% due to the recording of the Outer harbor Festival fees as a doubtful account expense. Year to date the net surplus is 141.6% higher than budgeted. Compared to last year at this time revenues are up 2.8%, expenses are up 10.1% and the net surplus is 37.5% higher.

Waterfront Properties – David State updated the Committee on the RFP's for the sale of property. The evaluation team is continuing their work. The proposers will be making presentations to the team soon and staff will bring their recommendation to the Board in February. The presentations will be made in Executive Session because the information could impact the value of the property. Because there were no proposals received for the property at 901 Fuhrmann Boulevard, staff will be listing that property for sale as well as lease on the website.

David State then informed the Committee that due to the increasing number of requests to have events at both the Boat Harbor and the Outer Harbor, staff is recommending issuing a Request for Proposals for an event planner. Staff would like to contract with someone who will have exclusive rights to market the property and take care of all of the paperwork for each event and will pay the Authority for that right. After further discussion, Committee members were not sure that this was necessary, but agreed that staff could issue a Request for Proposals to see what interest there is.

Four Board action items were presented to the Committee.

NRHS Lease Amendment – Authorization to enter into a lease amendment with NRHS to release .723 acres from the current lease. This property can no longer be used by NRHS as a sidetrack. The annual rent will now be \$350.

Richard Reinhart dba Mailmasters – Authorization to enter into a lease agreement with Mailmasters to continue their lease of 663 square feet at 247 Cayuga Road for another year. The lease will now expire on January 31, 2013 at a rental rate of \$6.90 per square foot.

Worms N Things – Authorization to extend Mr. Ehrig's lease for one year in anticipation of the NFTA transferring ownership of the Boat Harbor at the end of the 2012 season. The agreement will now expire on December 31, 2012. All other terms and conditions remain the same.

Luminina Corporation – Authorization of a License Agreement to accommodate the 2012 Hope Chest Dragon Boat Festival at the Boat Harbor on Saturday, June 16, 2012.

It was moved by Commissioner Eagan, seconded by Commissioner Helfer, and unanimously recommended that these four resolutions be approved by the Board.

At 11:55 a.m. the meeting was adjourned.