

**NIAGARA FRONTIER TRANSPORTATION AUTHORITY
NIAGARA FRONTIER TRANSIT METRO SYSTEM, INC.
REGULAR BOARD MEETING
JUNE 26, 2024, 12:30 PM**

1. REGULAR BOARD MEETING - JUNE 26, 2024 - AGENDA

- A. Call to Order
- B. Approval of Minutes
- C. Executive Director's Report

2. NFTA CORPORATE REPORT

- A. Audit, Governance and Finance Committee Report (Chair)
- B. Consolidated Financials (John Cox)
- C. Corporate Resolutions (Kim Minkel)
 - 1. Approval of Financial Statements for Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc. for Fiscal Year Ending March 31, 2024
 - 2. Authorization for NYSDOT Section 5311 Operating Assistance Federal Fiscal Year 2023, NFTA
 - 3. Authorization for Procurement, Carahsoft, Splunk Software, NFTA
 - 4. Authorization for Procurement, Zunesis, Network Switches, NFTA
 - 5. Authorization for Procurement, ComSource, Software Subscription License, NFTA
 - 6. Authorization for Collective Bargaining Agreement, Teamsters Local 264- Airport Supervisors, NFTA
 - 7. Adoption of Amended Drug and Alcohol Policy, Niagara Frontier Transportation Authority
 - 8. Authorization for Agreement, EVERFI, Inc., Workplace Training Software, NFTA
 - 9. Authorization for Agreement, Cintas Corporation, Uniform Rental, NFTA and Metro
 - 10. Authorization for Lease Agreement, Pharmacy Prep, Inc., 247 Cayuga Road, NFTA

3. AVIATION BUSINESS GROUP REPORT

- A. Aviation Committee Report (Adam Perry)
- B. Financial and Business Update (Lee Weitz)
- C. Aviation Resolutions (Kim Minkel)
 - 1. Authorization to Award, Woodsmith Fence Corp., Security Fence Replacement, BNIA
 - 2. Authorization to Adopt the Federal Aviation Administration Title VI Plan and Authorize the Submission to the FAA, NFIA
 - 3. Authorization for Amendment, Smarte Carte, Inc., Self-Service Baggage Cart Units, BNIA and NFIA

The Niagara Frontier Transportation Authority is a multimodal entity encompassing a skilled and dedicated work force. We are firmly committed to providing safe, efficient, professional and sustainable transportation services that enhance the quality of life throughout the Buffalo Niagara region in a manner consistent with the needs of our customers.

4. SURFACE TRANSPORTATION BUSINESS GROUP REPORT

- A. Surface Transportation Committee Report (Rev. Mark Blue)
- B. Financial and Business Update (James Morrell)
- C. Surface Transportation Resolutions (Kim Minkel)
 - 1. Authorization for Amendment, Buffalo Niagara Medical Campus, Inc., ITS4US Deployment Program, NFTA
 - 2. Authorization to Negotiate Agreement, ETC Institute, On-Board Survey, GBNRTC

5. GENERAL COUNSEL REPORT (David State)

6. EXECUTIVE SESSION

7. ADJOURNMENT

The Niagara Frontier Transportation Authority is a multimodal entity encompassing a skilled and dedicated work force. We are firmly committed to providing safe, efficient, professional and sustainable transportation services that enhance the quality of life throughout the Buffalo Niagara region in a manner consistent with the needs of our customers.

1. CALL TO ORDER

A. Meeting Called to Order

The Chair called the meeting to order at approximately 12:___p.m.

B. Approval of Attendance and Minutes of the NFTA Regular Board Meeting on May 23, 2024

It was moved by Commissioner _____, seconded by Commissioner _____, that the Attendance and Minutes of the May 23, 2024 Regular Meeting of the Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc., be accepted and approved.

AYES:

NOES:

ADOPTED

C. Executive Director Report:

- 2. NFTA CORPORATE REPORT**
 - A. Audit, Governance and Finance Committee Report
 - B. Consolidated Financial
 - C. Corporate Resolutions

MAY 2024 NFTA/METRO PERFORMANCE
(\$000's)

	BUDGET	ACTUAL	VARIANCE
NET SURPLUS/(DEFICIT)	(1,292)	1,051	2,343
Revenues and Operating Assistance			373
Expenses			1,920
Non-Operating/Capital			50
			2,343
OPER REVENUES & ASST	23,080	23,453	373
Metro Passenger Fares			390
BNIA Airport Fees & Services - lower compensatory billings based on decreased direct expenses			(237)
BNIA Concessions/Commissions - higher auto rental, ride share and food/meals/retail revenues			141
Erie County Sales Tax			151
All Other			(72)
			373
TOTAL OPER EXPENSES	22,422	20,502	(1,920)
Personnel Services			
Metro - vacancies and lower fringe benefit costs, partially offset by higher overtime, instruction and student operator labor		(636)	
BNIA - vacancies and lower fringe benefit costs and overtime		(95)	
Central Admin - vacancies and lower fringe benefit costs		(91)	
All Other		(15)	(836)
Maintenance & Repairs			
Metro - lower revenue vehicle maintenance, facility, environmental and rail contract costs		(239)	
BNIA - lower materials/supplies/service, automotive and landscaping expenses		(126)	
NFIA - lower materials/supplies/service and janitorial expenses		(23)	
All Other		(15)	(403)
Metro Transit Fuel/Power - lower diesel, gasoline, CNG and rail traction costs			(134)
Utilities			
Metro - lower electric, gas and water billings		(86)	
All Other		(9)	(95)
General Business/Other			
Metro - lower outside service costs, rent, advertising and fare collection expenses		(175)	
BNIA - lower outside service costs and general office expenses		(30)	
Central Admin - lower outside service costs		(44)	
All Other		(11)	(260)
All Other			(192)
			(1,920)
NON-OPERATING/CAPITAL	(1,950)	(1,900)	50
Capital			
Metro		(88)	
BNIA		(163)	
All Other		(12)	(263)
Non-Operating			
Metro Interest Income		250	
BNIA Operating Expense Reserve		63	313
			50

NFTA/METRO
KEY ITEM REPORT
MAY 2024

(\$000 Omitted)

	May 2024	May 2024		
<u>MONTH ACTUAL TO BUDGET</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>
Operating Revenues	10,661	10,756	95	0.9%
Operating Assistance	12,419	12,697	278	2.2%
Total Oper. Revenues & Assistance	23,080	23,453	373	1.6%
Personnel Services	16,212	15,376	(836)	-5.2%
Maintenance & Repairs	2,445	2,042	(403)	-16.5%
Transit Fuel/Power	490	356	(134)	-27.3%
Utilities	461	367	(95)	-20.6%
Insurance & Injuries	721	692	(29)	-4.0%
Safety & Security	1,442	1,403	(39)	-2.7%
Operations & Technology	927	929	2	0.2%
General Business/Other	3,639	3,378	(260)	-7.2%
Other	(3,915)	(4,041)	(127)	-3.2%
Total Operating Expenses	22,422	20,502	(1,920)	-8.6%
Operating Income/(Loss)	658	2,951	2,293	348.6%
Non-Operating/Capital	(1,950)	(1,900)	50	2.6%
Net Surplus/(Deficit)	(1,292)	1,051	2,343	181.3%

NFTA/METRO YEAR TO DATE MAY 2024 PERFORMANCE
(\$000's)

	BUDGET	ACTUAL	VARIANCE
NET SURPLUS/(DEFICIT)	268	3,458	3,190
Revenues and Operating Assistance			48
Expenses			3,152
Non-Operating/Capital			(11)
			3,190
OPER REVENUES & ASST	46,899	46,947	48
Metro Passenger Fares			534
BNIA Airport Fees & Services - lower compensatory billings based on decreased direct expenses			(315)
Mortgage Tax			(290)
All Other			119
			48
TOTAL OPERATING EXPENSES	43,165	40,013	(3,152)
Personnel Services			
Metro - vacancies and lower fringe benefit costs, partially offset by higher overtime, instruction and student operator labor		(1,444)	
BNIA - vacancies and lower fringe benefit costs and overtime		(166)	
Central Admin - vacancies and lower fringe benefit costs		(74)	
All Other		(19)	(1,704)
Maintenance & Repairs			
Metro - lower revenue vehicle maintenance, facility, environmental and rail contract costs		(312)	
BNIA - lower materials/supplies/service, baggage maintenance, automotive and janitorial expenses		(211)	
All Other		(24)	(547)
Metro Transit Fuel/Power - lower diesel, gasoline, CNG and rail traction costs			(220)
Utilities			
Metro - lower electric, gas and water billings		(103)	
BNIA - lower electric, gas and water billings		(47)	
All Other		(13)	(163)
General Business/Other			
Metro - lower rent, advertising, training and fare collection expenses		(221)	
BNIA - lower outside/professional service costs, training and general office expenses		(75)	
NFIA - lower outside service costs, travel/training and general office expenses		(18)	
All Other		(10)	(324)
All Other			(194)
			(3,152)
NON-OPERATING/CAPITAL	(3,465)	(3,476)	(11)
Capital			
Metro		(247)	
BNIA		(161)	
Central Admin		(88)	
All Other		20	(476)
Non-Operating			
Metro Interest Income		361	
BNIA Operating Expense Reserve		104	465
			(11)

NFTA/METRO
KEY ITEM REPORT
MAY YTD 2024

(\$000 Omitted)

	May 2024	May 2024		
<u>YTD ACTUAL TO BUDGET</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>Variance</u>	<u>%</u>
Operating Revenues	21,779	21,526	(253)	-1.2%
Operating Assistance	25,120	25,421	302	1.2%
Total Oper. Revenues & Assistance	46,899	46,947	48	0.1%
Personnel Services	31,711	30,007	(1,704)	-5.4%
Maintenance & Repairs	4,434	3,887	(547)	-12.3%
Transit Fuel/Power	906	686	(220)	-24.3%
Utilities	875	712	(163)	-18.6%
Insurance & Injuries	1,441	1,404	(37)	-2.6%
Safety & Security	2,862	2,793	(69)	-2.4%
Operations & Technology	1,848	2,024	176	9.5%
General Business/Other	7,021	6,698	(324)	-4.6%
Other	(7,933)	(8,198)	(264)	-3.3%
Total Operating Expenses	43,165	40,013	(3,152)	-7.3%
Operating Income/(Loss)	3,733	6,934	3,200	85.7%
Non-Operating/Capital	(3,465)	(3,476)	(11)	-0.3%
Net Surplus/(Deficit)	268	3,458	3,190	1188.2%

NFTA/METRO
BUSINESS CENTERS
NET SURPLUS/(DEFICIT)
MAY YTD 2024

(\$000 Omitted)

	May 2024	May 2024		
	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>Variance</u>	<u>%</u>
NFTA				
BNIA	3,797	3,582	(216)	-5.7%
NFIA	(680)	(588)	92	13.6%
Transportation Centers	(398)	(398)	0	0.0%
Property Development	467	543	76	16.3%
NFTA Total	3,186	3,139	(47)	-1.5%
 Metro	 (2,918)	 319	 3,237	 110.9%
 NFTA/Metro	 268	 3,458	 3,190	 1188.2%

MAY NFTA/METRO PERFORMANCE
FYE 2025 vs. FYE 2024
(\$000's)

	May 2023 Actual	May 2024 Actual	VARIANCE
NET SURPLUS/(DEFICIT)	1,910	1,051	(859)
Revenues and Operating Assistance			913
Expenses			(1,233)
Non-Operating/Capital			(539)
			(859)
OPER REVENUES & ASST	22,540	23,453	913
Metro Passenger Fares			264
BNIA Concessions/Commissions - higher parking lot/ramp, auto rental, ride share and food/meals revenues			467
Erie County Sales Tax			182
State - STOA			564
Federal - FAA COVID Relief			(549)
All Other			(15)
			913
TOTAL OPERATING EXPENSES	19,268	20,502	1,233
Personnel Services			
Metro - increased contractual salaries, overtime, student operator labor and fringe benefit costs		283	
BNIA - increased contractual salaries and fringe benefit costs		43	
Central Admin - increased contractual and non-represented salaries, and higher police and MIS overtime		366	
All Other		2	693
Maintenance & Repairs			
Metro - lower revenue vehicle maintenance, environmental and rail contract costs		(110)	
BNIA - higher facility maintenance, baggage maintenance, major repairs, janitorial, environmental and landscaping expenses		442	
NFIA - lower materials/supplies/service, janitorial and environmental expenses		(42)	
All Other		(10)	280
Insurance & Injuries			
Metro - lower claim loss reserve appropriations		(139)	
BNIA - higher claim loss reserves and insurance premiums		15	
All Other		17	(106)
General Business/Other			
Metro - higher support labor, outside service costs and general office expenses		130	
BNIA - higher outside service costs (parking lot/ramp management fees)		95	
Central Admin - timing of MIS/technology expenses and contracts in FYE25 and higher outside service costs and general office expenses		310	
All Other		(6)	529
All Other			(162)
			1,233
NON-OPERATING/CAPITAL	(1,361)	(1,900)	(539)
Capital			
Metro		(302)	
BNIA		(79)	
Transportation Centers		19	
All Other		2	(360)
Non-Operating			
Metro Interest Income		310	
Metro Reserves Funding		(1,162)	
BNIA Net Bond Debt Service		918	
NFIA Seneca Proceeds		(83)	
NFTA SIF/Other Reserve Funding		(178)	
All Other		16	(179)
			(539)

NFTA/METRO
KEY ITEM REPORT
FYE 2025 vs. FYE 2024
MAY

(\$000 Omitted)

	May 2023	May 2024		
<u>MONTH PRIOR YEAR COMPARISON</u>	<u>Actual</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>
Operating Revenues	9,952	10,756	804	8.1%
Operating Assistance	12,588	12,697	109	0.9%
Total Oper. Revenues & Assistance	22,540	23,453	913	4.0%
Personnel Services	14,683	15,376	693	4.7%
Maintenance & Repairs	1,762	2,042	280	15.9%
Transit Fuel/Power	396	356	(39)	-10.0%
Utilities	321	367	46	14.3%
Insurance & Injuries	798	692	(106)	-13.3%
Safety & Security	1,416	1,403	(13)	-0.9%
Operations & Technology	0	929	929	n/a
General Business/Other	2,849	3,378	529	18.6%
Other	(2,956)	(4,041)	(1,085)	-36.7%
Total Operating Expenses	19,268	20,502	1,233	6.4%
Operating Income/(Loss)	3,271	2,951	(321)	-9.8%
Non-Operating/Capital	(1,361)	(1,900)	(539)	-39.6%
Net Surplus/(Deficit)	1,910	1,051	(859)	-45.0%

NFTA/METRO YEAR TO DATE MAY PERFORMANCE
FYE 2025 vs. FYE 2024
(\$000's)

	May 2023 YTD Actual	May 2024 YTD Actual	VARIANCE
NET SURPLUS/(DEFICIT)	6,155	3,458	(2,697)
Revenues and Operating Assistance			1,221
Expenses			(2,743)
Non-Operating/Capital			(1,175)
			(2,697)
OPER REVENUES & ASST	45,726	46,947	1,221
Metro Passenger Fares			384
BNIA Concessions/Commissions - increased parking lot/ramp, auto rental, ride share and food/meals revenues			519
Erie County Sales Tax			320
State - STOA			1,127
Federal - FAA COVID Relief			(1,098)
All Other			(31)
			1,221
TOTAL OPERATING EXPENSES	37,271	40,013	2,743
Personnel Services			
Metro - increased contractual salaries, overtime, student operator labor and fringe benefit costs		861	
BNIA - increased contractual salaries and fringe benefit costs		103	
Central Admin - increased contractual and non-represented salaries, and higher engineering and MIS overtime		827	
All Other		21	1,812
Maintenance & Repairs			
Metro - higher revenue vehicle maintenance costs		52	
BNIA - higher facility maintenance, baggage maintenance, major repairs, janitorial, environmental and landscaping expenses		599	
Property Development - lower service costs at 247 Cayuga and 485 Cayuga		(84)	
All Other		3	571
Insurance & Injuries			
Metro - higher insurance premiums		118	
BNIA - higher claim loss reserves and insurance premiums		30	
Central Admin - higher police insurance premiums		17	
All Other		18	183
General Business/Other			
Metro - higher support labor and outside service costs		206	
BNIA - higher outside service costs (parking lot/ramp management fees)		114	
Central Admin - timing of MIS/technology expenses and contracts in FYE25 and higher outside service costs and general office expenses		293	
All Other		(5)	608
All Other			(431)
			2,743
NON-OPERATING/CAPITAL	(2,301)	(3,476)	(1,175)
Capital			
Metro		(392)	
Transportation Centers		16	
Property Development		34	
Central Admin		(182)	
All Other		9	(515)
Non-Operating			
Metro Interest Income		349	
Metro Reserves Funding		(2,325)	
BNIA Net Bond Debt Service		1,835	
NFIA Seneca Proceeds		(167)	
NFTA SIF/Other Reserve Funding		(357)	
All Other		5	(660)
			(1,175)

NFTA/METRO
KEY ITEM REPORT
FYE 2025 vs. FYE 2024
MAY YTD

(\$000 Omitted)

	May 2023	May 2024		
	Prior	Current		
<u>YTD PRIOR YEAR COMPARISON</u>	<u>YTD Actual</u>	<u>YTD Actual</u>	<u>Variance</u>	<u>%</u>
Operating Revenues	20,234	21,526	1,292	6.4%
Operating Assistance	25,492	25,421	(71)	-0.3%
Total Oper. Revenues & Assistance	45,726	46,947	1,221	2.7%
Personnel Services	28,195	30,007	1,812	6.4%
Maintenance & Repairs	3,316	3,887	571	17.2%
Transit Fuel/Power	756	686	(70)	-9.2%
Utilities	675	712	37	5.5%
Insurance & Injuries	1,221	1,404	183	15.0%
Safety & Security	2,823	2,793	(30)	-1.1%
Operations & Technology	0	2,024	2,024	n/a
General Business/Other	6,089	6,698	608	10.0%
Other	(5,804)	(8,198)	(2,393)	-41.2%
Total Operating Expenses	37,271	40,013	2,743	7.4%
Operating Income/(Loss)	8,456	6,934	(1,522)	-18.0%
Non-Operating/Capital	(2,301)	(3,476)	(1,175)	-51.1%
Net Surplus/(Deficit)	6,155	3,458	(2,697)	-43.8%

Corporate Resolutions

1. Approval of Financial Statements for Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc. for Fiscal Year Ending March 31, 2024
2. Authorization for NYSDOT Section 5311 Operating Assistance Federal Fiscal Year 2023, NFTA
3. Authorization for Procurement, Carahsoft, Splunk Software, NFTA
4. Authorization for Procurement, Zunesis, Network Switches, NFTA
5. Authorization for Procurement, ComSource, Software Subscription License, NFTA
6. Authorization for Collective Bargaining Agreement, Teamsters Local 264 - Airport Supervisors, NFTA
7. Adoption of Amended Drug and Alcohol Policy, Niagara Frontier Transportation Authority
8. Authorization for Agreement, EVERFI, Inc., Workplace Training Software, NFTA
9. Authorization for Agreement, Cintas Corporation, Uniform Rental, NFTA and Metro
10. Authorization for Lease Agreement, Pharmacy Prep, Inc., 247 Cayuga Road, NFTA

CORPORATE:

2. C. (1) **Approval of Financial Statements for Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc. for Fiscal Year Ending March 31, 2024**

RECOMMENDATION: Staff recommends the Board approve the Authority’s financial statements for fiscal year ending March 31, 2024.

INFORMATION: The New York State Public Authorities Accountability Act requires that all financial reports completed pursuant to Section 2800 of the New York Public Authorities Law (NYPAL) be approved by the Board and certified by the Chief Executive Officer and Chief Financial Officer of the Authority.

FUNDING: No funding is required.

“**RESOLVED**, that the Board hereby approves, and authorizes the Authority’s Executive Director and Chief Financial Officer to certify the financial statements, for fiscal year ending March 31, 2024, as required by the NYPAL.”

DRAFT

**NIAGARA FRONTIER
TRANSPORTATION AUTHORITY
(A Component Unit of the State of New York)**

FINANCIAL STATEMENTS

MARCH 31, 2024

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

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INDEPENDENT AUDITORS' REPORT

The Board of Commissioners
Niagara Frontier Transportation Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Niagara Frontier Transportation Authority (the Authority) (a component unit of the State of New York), a business-type activity, as of and for the years ended March 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of March 31, 2024 and 2023, and the changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

GAAP requires that management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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Additional Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The additional information on pages 37 through 39 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2024 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

June 26, 2024

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MANAGEMENT'S CERTIFICATION OF THE FINANCIAL STATEMENTS

Management certifies that, based on our knowledge, the information provided herein is accurate, correct, and does not contain any untrue statement of material fact; does not omit any material fact, which, if omitted, would cause the financial statements to be misleading in light of the circumstances under which such statements are made; and fairly presents, in all material respects, the financial position, changes in financial position, and cash flows of the Authority as of, and for, the period presented in the financial statements.

NIAGARA FRONTIER TRANSPORTATION AUTHORITY

Kimberley A. Minkel
Executive Director

John T. Cox
Chief Financial Officer

Christopher S. Ruminski
Director of Internal Audit and
Corporate Compliance

June 26, 2024

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Niagara Frontier Transportation Authority's (the Authority) internal control over financial reporting is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable financial statements in accordance with accounting principles generally accepted in the United States of America. An entity's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenses of the entity are being made only in accordance with authorizations of management and those charged with governance; and (3) provide reasonable assurance regarding prevention, or timely detection and correction, of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

Management is responsible for establishing and maintaining effective internal control over financial reporting. Management assessed the effectiveness of the Authority's internal control over financial reporting as of March 31, 2024, based on the framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control – Integrated Framework*. Based on that assessment, management concluded that, as of March 31, 2024, the Authority's internal control over financial reporting is effective based on the criteria established in *Internal Control – Integrated Framework*.

NIAGARA FRONTIER TRANSPORTATION AUTHORITY

Kimberley A. Minkel
Executive Director

John T. Cox
Chief Financial Officer

Christopher S. Ruminski
Director of Internal Audit and
Corporate Compliance

June 26, 2024

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Management's Discussion and Analysis

For the Years Ended March 31, 2024, 2023 and 2022
(Unaudited)

This management's discussion and analysis (MD&A) of the Niagara Frontier Transportation Authority (the Authority) provides an introduction and overview to the Authority's financial activities as of and for the years ended March 31, 2024, 2023, and 2022, which should be read in conjunction with the Authority's financial statements and notes to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Authority's financial statements. It begins by presenting and explaining the financial statements. These statements have been prepared according to accounting principles generally accepted in the United States of America (GAAP). Revenues and expenses are recorded using the accrual basis of accounting, meaning that they are recorded by the Authority as earned/incurred, regardless of when cash is received or paid.

The financial statements of the Authority encompass the activity of the NFTA, which includes aviation operations and property management, and Niagara Frontier Transit Metro System, Inc. (Metro), which primarily provides surface transportation.

Effective April 1, 2022, the Authority adopted GASB Statement No. 87, *Leases* (GASB 87). The statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

The *Balance Sheets* present information on the Authority's assets and deferred outflows of resources less liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the Authority's financial position is strengthening or weakening.

The *Statements of Revenues, Expenses and Changes in Net Position* show the results of the Authority's operations during the year and reflect both operating and non-operating activities. Changes in net position reflect the operational impact of the current year's activities on the financial position of the Authority.

The *Statements of Cash Flows* provide an analysis of the sources and uses of cash. The cash flows statements show net cash provided or used in operating, non-capital financing, capital and related financing, and investing activities.

The notes to the financial statements include additional information which provides a further understanding of the financial statements.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Management's Discussion and Analysis

For the Years Ended March 31, 2024, 2023 and 2022
(Unaudited)

FINANCIAL HIGHLIGHTS

Summarized Balance Sheets

(in thousands)	March 31,		
	2024	2023	2022
Current assets	\$ 289,967	\$ 279,247	\$ 260,548
Restricted assets	116,148	102,466	88,080
Other assets	25,774	39,070	-
Capital assets, net	707,404	645,470	633,526
Deferred outflows of resources related to pensions and OPEB	91,611	110,625	126,015
Total assets and deferred outflows of resources	\$ 1,230,904	\$ 1,176,878	\$ 1,108,169
Current liabilities	\$ 93,022	\$ 91,169	\$ 76,446
Noncurrent liabilities	627,515	658,723	775,951
Deferred inflows of resources related to leases, pensions, and OPEB	237,649	260,082	129,347
Total liabilities and deferred inflows of resources	958,186	1,009,974	981,744
Net position:			
Net investment in capital assets	600,606	522,119	493,798
Restricted	116,148	102,466	88,080
Unrestricted	(444,036)	(457,681)	(455,453)
Total net position	272,718	166,904	126,425
Total liabilities, deferred inflows of resources, and net position	\$ 1,230,904	\$ 1,176,878	\$ 1,108,169

The changes in total net position over time serve as a useful indicator of the Authority's financial position. Net investment in capital assets represents the Authority's net capital assets, offset by any payables or debt outstanding used to finance the capital asset purchases. Restricted net assets consist primarily of cash and investments restricted in accordance with bonding requirements or assets whose use is limited to specific purposes in accordance with various agreements. Unrestricted net position deficits of \$444.0 million, \$457.7 million, and \$455.5 million at March 31, 2024, 2023, and 2022 result primarily from the accrual of other postemployment benefits. As a result of the Authority's activities, March 31, 2024 net position increased \$105.8 million from March 31, 2023, and March 31, 2023 net position increased \$40.5 million from March 31, 2022.

Current assets increased \$10.7 million from March 31, 2023 to March 31, 2024, primarily due to an increase in unrestricted cash. Restricted assets increased \$13.7 million from March 31, 2023 to March 31, 2024, due to the continued strategic increase of reserves in the Metro 88c special assistance fund and the Buffalo Niagara International Airport (BNIA) and Niagara Falls International Airport (NFIA) passenger facility charges fund. Other assets decreased \$13.3 million primarily due to a \$7.9 million decrease in net pension assets. Deferred outflows of resources decreased \$19.0 million due to changes in assumptions related to the Authority's other postemployment benefits (OPEB) plan.

Current assets increased \$18.7 million from March 31, 2022 to March 31, 2023 primarily due to an increase in unrestricted cash and current portion of leases receivable recognized for the first time resulting from the adoption of GASB 87 in 2023. Restricted assets increased \$14.4 million from March 31, 2022 to March 31, 2023 due to the strategic building up of reserves in the Metro 88c special assistance fund and the BNIA and NFIA passenger facility charges fund. Other assets increased \$39.1 million primarily due to \$31.2 million in noncurrent leases receivable recognized for the first time resulting from the adoption of GASB 87 in 2023.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Management's Discussion and Analysis

For the Years Ended March 31, 2024, 2023 and 2022 (Unaudited)

Deferred outflows of resources decreased \$15.4 million due to changes in assumptions and differences between the projected and actual investment earnings related to certain pension and OPEB plans as well as amounts recognized for payments made subsequent to the respective plans' measurement dates.

Current liabilities increased \$1.9 million from March 31, 2023 to March 31, 2024 and \$14.7 million from March 31, 2022 to March 31, 2023 resulting from normal operations and timing of payments.

Principal payments on debt along with decreases in self-insured claims of \$3.1 million and other postemployment benefits of \$43.2 million were partially offset by an increase in net pension liabilities of \$32.4 million for overall decrease in noncurrent liabilities of \$31.2 million at March 31, 2024 compared to March 31, 2023. Deferred inflows of resources decreased \$22.4 million primarily as a result of differences between projected and actual earnings on investments related to the Authority's pension plans.

Principal payments on debt and decreases in self-insured claims of \$4.6 million, net pension liabilities of \$5.0 million, and other postemployment benefits of \$91.8 million resulted in an overall decrease in noncurrent liabilities of \$117.2 million at March 31, 2023 compared to March 31, 2022. Deferred inflows of resources increased \$130.7 million primarily as a result of changes in assumptions related to the Authority's OPEB plans and will be amortized against expenses over the next six years.

Refer to the Capital Assets and Debt Administration sections of this MD&A for further details.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Management's Discussion and Analysis

For the Years Ended March 31, 2024, 2023 and 2022
(Unaudited)

Summarized Statements of Revenues, Expenses and Changes in Net Position

(in thousands)	Years ended March 31,		
	2024	2023	2022
Operating revenues:			
Fares	\$ 27,693	\$ 25,640	\$ 23,435
Concessions and commissions	34,605	31,242	22,819
Rental income	20,468	19,798	19,319
Airport fees and services	20,727	20,470	20,528
Other operating revenues	5,926	6,315	5,391
Total operating revenues	109,419	103,465	91,492
Operating expenses:			
Salaries and employee benefits	145,028	125,586	121,622
Other postemployment benefits	9,065	26,634	41,253
Depreciation and amortization	55,874	53,929	53,669
Maintenance and repairs	24,272	22,973	21,153
Transit fuel and power	3,903	4,961	3,412
Utilities	4,653	5,657	5,890
Insurance and injuries	7,885	5,700	5,301
Other operating expenses	26,772	21,683	18,723
Total operating expenses	277,452	267,123	271,023
Operating loss	(168,033)	(163,658)	(179,531)
Non-operating revenues, net	160,847	146,166	218,781
Change in net position before capital contributions	(7,186)	(17,492)	39,250
Capital contributions	113,000	57,231	27,917
Change in net position	105,814	39,739	67,167
Net position – beginning of year	166,904	126,425	59,258
Cumulative effect of a change in accounting principle	-	740	-
Net position – end of year	\$ 272,718	\$ 166,904	\$ 126,425

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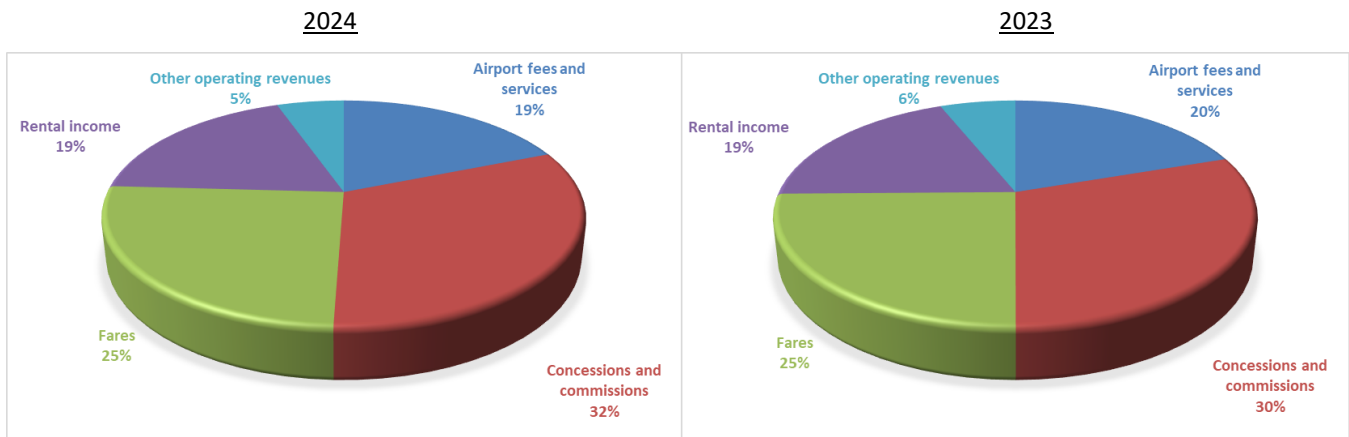
NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Management's Discussion and Analysis

For the Years Ended March 31, 2024, 2023 and 2022
(Unaudited)

Summary of Revenues, Expenses and Changes in Net Position

The charts below summarize operating revenues by source.



Operating revenues increased \$6.0 million, or 5.8%, from 2023 to 2024. Fare revenue increased \$2.1 million due to increased ridership as the region continues to recover from the COVID-19 pandemic. Concessions and commissions in 2024 were \$3.4 million higher than 2023, due to an increase in parking, auto rental, food, and retail revenues at the airports as enplanements increased approximately 10.7% from 2023 at BNIA, as air travel continues to rebound from the impact of the COVID-19 pandemic.

Operating revenues increased \$12.0 million, or 13.1%, from 2022 to 2023. Fare revenue increased \$2.2 million due to increased ridership as the region continues to recover from the COVID-19 pandemic. Concessions and commissions in 2023 were \$8.4 million higher than 2022, due to an increase in parking, auto rental, food, and retail revenues at the airports as enplanements increased approximately 26% from 2022 at BNIA and 17% at NFIA, as air travel continues to rebound from the impact of the COVID-19 pandemic. Additionally, hourly parking rates at BNIA were increased approximately 27% in September 2022. This was the first parking rate increase at BNIA in nine years.

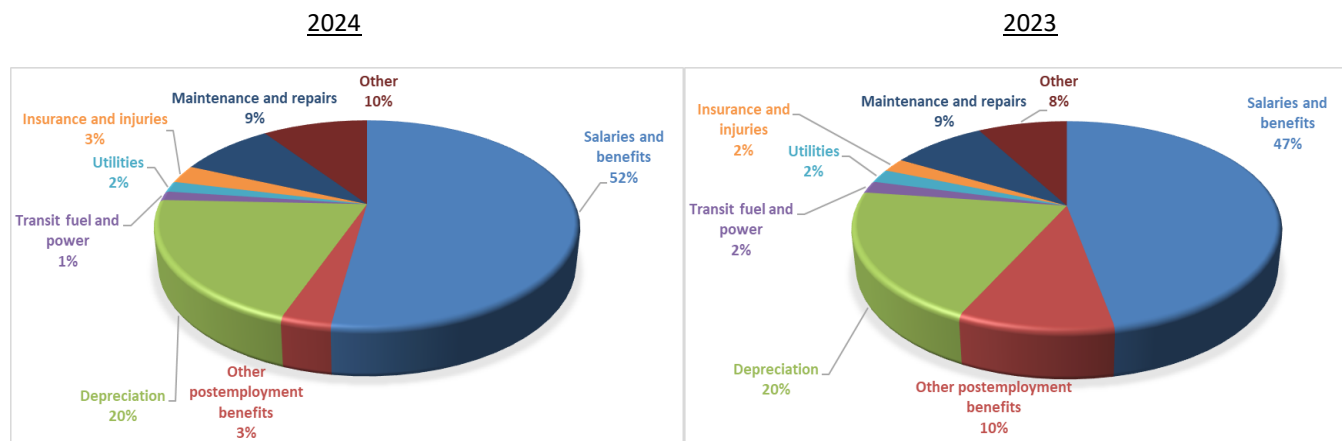
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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Management's Discussion and Analysis

For the Years Ended March 31, 2024, 2023 and 2022
(Unaudited)

The charts below summarize operating expenses by category.



Operating expenses for 2024 of \$277.5 million were \$10.4 million higher than 2023. Salaries and employee benefits increased \$19.4 million, or 15.5%, primarily due to increased pension expense, contractual wage increases, and fewer vacant positions. Other postemployment benefits decreased \$17.6 million from 2023 relating to the actuarially calculated postemployment health insurance costs. Depreciation and amortization expense, which varies from year to year based on the timing of asset purchases and estimated useful lives, increased by \$1.9 million from 2023 to 2024. Transit fuel and power costs decreased \$1.1 million due to lower diesel and compressed natural gas fuel prices in 2024. Other operating expenses increased \$5.1 million primarily due to higher professional service contracts, security costs, and parking management costs related to higher BNIA parking revenue.

Operating expenses for 2023 of \$267.1 million were \$3.9 million lower than 2022. Salaries and employee benefits increased \$4.0 million, or 3.3%, primarily due to contractual wage increases and fewer vacant positions. Other postemployment benefits decreased \$14.6 million from 2022 relating to the actuarially calculated postemployment health insurance costs. Depreciation and amortization expense, which varies from year to year based on the timing of asset purchases and estimated useful lives, increased by \$0.3 million from 2022 to 2023. Transit fuel and power costs increased \$1.5 million due to higher diesel and compressed natural gas fuel prices in 2023. Other operating expenses increased \$3.0 million primarily due to higher parking management costs related to higher BNIA parking revenue.

Net non-operating revenues for 2024 increased \$14.7 million compared to 2023, from \$146.2 million to \$160.9 million, due to a \$7.4 million increase in New York State Transit Operating Assistance and a \$6.4 million increase in interest income due to higher rates.

Net non-operating revenues for 2023 decreased \$72.6 million compared to 2022, from \$218.8 million to \$146.2 million, due to a \$75.7 million decrease in government assistance, mostly due to no further federal funds appropriated by Congress to the Authority to address the impact of the COVID-19 pandemic.

Capital contributions fluctuate depending on the timing of capital projects and vehicle and equipment purchases.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Management's Discussion and Analysis

For the Years Ended March 31, 2024, 2023 and 2022
(Unaudited)

CAPITAL ASSETS

Net capital assets totaled \$707.4 million at March 31, 2024, representing a 9.6% increase from March 31, 2023, as investment in capital exceeded depreciation and dispositions by \$61.9 million in 2024. Capital asset additions totaling \$124.9 million include \$34.0 million for BNIA Runway 05-23 rehabilitation and construction, \$35.4 million for diesel and electric buses and charging infrastructure, and \$1.5 million for paratransit vehicles.

Net capital assets totaled \$645.5 million at March 31, 2023, representing a 1.7% increase from March 31, 2022, as investment in capital exceeded depreciation and dispositions by \$10.5 million in 2023 and the impact of GASB 87 created an additional \$1.5 million in net right-to-use lease assets as of the beginning of the year. Capital asset additions totaling \$64.4 million include \$36.6 million for rail extension and station construction in the former DL&W train shed, \$7.2 million for bus purchases, and \$5.0 million for the rehabilitation and reconstruction of NFIA taxiway "D."

DEBT ADMINISTRATION

Long-term debt at March 31, 2024 totaled \$106.8 million, which is a decrease of \$16.6 million from 2023 and results from debt service payments net of premium amortization.

Long-term debt at March 31, 2023 totaled \$123.4 million, which is a decrease of \$17.9 million from 2022 and results from debt service payments net of premium amortization.

FACTORS IMPACTING THE AUTHORITY'S FUTURE

Surface Transportation

Historically, approximately 25% of Metro's revenues are derived from fare collection and advertising, while 75% are from outside government assistance. New York State is the Authority's largest investor, usually providing almost 50% of total assistance while approximately 30% comes from local sources and 20% from the federal government. Any changes in these funding sources can have a significant impact on Authority operations.

The impact of efforts to minimize the spread of COVID-19 resulted in an approximately 50% erosion in ridership during 2021. There has been a long-term impact from the pandemic on ridership and it will take years to return to pre-COVID-19 ridership levels. Metro has been awarded and spent COVID relief funds from the federal government to support operations with the drop in business activity.

As part of the Authority's 2023-2033 Roadmap, Metro concentrated on revenue generation, cost control, increasing organizational liquidity, technological improvements, operational changes such as implementation of a new fare box collection system, providing more flexible fare structures, and continuing to engage with the public regularly through social media, the Citizens Advisory Committee, Accessibility Advisory Committee, workforce development, and many other means.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Management's Discussion and Analysis

For the Years Ended March 31, 2024, 2023 and 2022
(Unaudited)

Metro-owned property along the Metro Rail corridor and property adjacent to Metro Rail has seen significant development in the recent years, including the Metro Rail Allen-Medical Campus Station which is located on the Buffalo Niagara Medical Campus (BNMC). The Allen-Medical Campus Metro Rail Station will continue to play a prominent role in meeting the mobility needs of BNMC employees, patients, visitors, and neighborhood residents well into the future. In June 2024 the City of Buffalo, in partnership with the NFTA, issued a Request for Proposals from development teams for an equitable transit-oriented development at and around the NFTA-Metro Rail Lasalle station. Responses are due in September 2024. The NFTA and the City of Buffalo own adjoining parcels at the site.

In February 2018, the Authority started the environmental review process for extending Metro Rail from its current terminus at the University Station along the preferred Niagara Falls Boulevard route alternative through the University at Buffalo North Campus in the Town of Amherst as approved by the Authority Board of Commissioners and recommended by our Alternatives Analysis Study. The Amherst-Buffalo Metro Rail Corridor contains 20% of all regional jobs and more than 10% of all regional residents. The proposed project would more than double ridership, link all three University at Buffalo Campuses with a one-seat Metro Rail ride, provide a seamless connection between the region's largest concentration of housing to significant employment, health care, education, and recreation destinations, and generate billions in direct, indirect, and induced economic impact throughout the Corridor. The Authority has \$31 million under contract with New York State Department of Transportation to complete the environmental process for the project, project development, and some preliminary engineering. The order of magnitude estimate of project construction is approximately \$1.5 billion, with up to 50% of project costs planned to come from the Federal Capital Investment Grant (CIG) Program and the remainder from a mix of state, local, and/or private sector sources.

In 2019, the Authority started construction on an extension of NFTA-Metro Rail revenue service into the former DL&W train shed which is owned by the Authority. The project, which is scheduled to be completed in 2024, involves construction of a new Metro Rail Station on the first floor of the facility and will open up development opportunities on the first and second floor. In July 2020, the Authority executed a pre-development agreement with Savarino Companies, a private sector developer, for development of the first and second floor space. In April 2022, New York State announced an appropriation of \$30 million to rehabilitate the core and shell of the train shed in order to facilitate private sector development and the NFTA will complete design of development improvements in 2024.

Aviation

Together, BNIA and NFIA historically have served approximately 5 million passengers per year as the only commercial service airports serving Erie and Niagara counties. Additionally, the airports have been a convenient and less costly option for nearby Canadian travelers. As approximately 30% of BNIA and 88% of NFIA passenger traffic originates from Canada, any closure of the United States and Canada border, such as the COVID-19 closure in 2021 and 2022, has a significant negative impact on enplanements. Also, fluctuations in the exchange rate of the Canadian dollar have an impact on enplanements. During 2024, approximately 4.8 million passengers were served by the two airports.

In 2015, an overall aviation strategic plan identified critical issues relating to the two airports and established goals to enhance air cargo development, enhance and maintain air service to Canadian travelers, maintain the quality of overall customer service, and improve the financial sustainability of BNIA and NFIA. The NFTA is in the process of updating that plan.

A two-year, \$72.2 million passenger terminal and baggage claim expansion and renovation project at BNIA began in 2019 and was completed in 2022. The project improves overall airport security, expands and modernizes the baggage claim area, improves passenger flow to and from all boarding areas, including international boarding areas, expands the terminal for additional concessions and amenities, and adds new curb space at both ends of the BNIA terminal.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Management's Discussion and Analysis

For the Years Ended March 31, 2024, 2023 and 2022
(Unaudited)

In 2023, the NFTA began construction related to the rehabilitation of the main runway at BNIA. The project, currently broken into two phases, is budgeted to cost approximately \$92.2 million. Construction of the first phase of the project is primarily funded by the Federal Aviation Administration.

CONTACT FOR THE AUTHORITY'S FINANCIAL MANAGEMENT

This report is designed to provide a general overview of the finances of the Authority for interested parties. Questions concerning any information within this report or requests for additional information should be addressed to John T. Cox, Chief Financial Officer, 181 Ellicott Street, Buffalo, New York 14203.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Balance Sheets (In thousands)

March 31,	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 144,885	\$ 131,480
Investments	79,375	75,941
Accounts and other receivables	12,891	17,335
Grants receivable	35,381	37,866
Leases receivable	9,493	9,261
Materials and supplies inventory	6,166	5,616
Prepaid expenses and other	1,776	1,748
	<u>289,967</u>	<u>279,247</u>
Restricted assets:		
Cash and cash equivalents	77,106	64,278
Investments	39,042	38,188
	<u>116,148</u>	<u>102,466</u>
Leases receivable	25,774	31,202
Net pension assets	-	7,868
Capital assets, net (Note 4)	707,404	645,470
	<u>733,178</u>	<u>684,540</u>
Total assets	1,139,293	1,066,253
Deferred outflows of resources:		
Deferred outflows of resources related to pensions	29,171	29,769
Deferred outflows of resources related to OPEB	62,440	80,856
Total deferred outflows of resources	91,611	110,625
Total assets and deferred outflows of resources	\$ 1,230,904	\$ 1,176,878
Liabilities		
Current liabilities:		
Current portion of long-term debt	\$ 14,904	\$ 15,568
Accounts payable and accrued expenses	41,299	40,234
Other current liabilities	36,819	35,367
	<u>93,022</u>	<u>91,169</u>
Noncurrent liabilities:		
Long-term debt	91,894	107,783
Self-insured claims	32,494	35,580
Net pension liabilities	44,071	11,689
Total OPEB liability	458,809	502,015
Other noncurrent liabilities	247	1,656
	<u>627,515</u>	<u>658,723</u>
Total liabilities	720,537	749,892
Deferred inflows of resources:		
Deferred inflows of resources related to leases	34,019	39,396
Deferred inflows of resources related to pensions	2,944	38,860
Deferred inflows of resources related to OPEB	200,686	181,826
Total deferred inflows of resources	237,649	260,082
Net position:		
Net investment in capital assets	600,606	522,119
Restricted	116,148	102,466
Unrestricted (deficit)	(444,036)	(457,681)
Total net position	272,718	166,904
Total liabilities, deferred inflows of resources, and net position	\$ 1,230,904	\$ 1,176,878

See accompanying notes.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Statements of Revenues, Expenses and Changes in Net Position (In thousands)

For the years ended March 31,	2024	2023
Operating revenues:		
Fares	\$ 27,693	\$ 25,640
Concessions and commissions	34,605	31,242
Rental income	20,468	19,798
Airport fees and services	20,727	20,470
Other operating revenues	5,926	6,315
Total operating revenues	109,419	103,465
Operating expenses:		
Salaries and employee benefits	145,028	125,586
Other postemployment benefits	9,065	26,634
Depreciation and amortization	55,874	53,929
Maintenance and repairs	24,272	22,973
Transit fuel and power	3,903	4,961
Utilities	4,653	5,657
Insurance and injuries	7,885	5,700
Other	26,772	21,683
Total operating expenses	277,452	267,123
Operating loss	(168,033)	(163,658)
Non-operating revenues (expenses):		
Government assistance	143,158	135,751
Passenger facility charges	9,561	8,714
Interest income, net	7,250	394
Other non-operating revenues, net	878	1,307
Total non-operating net revenues	160,847	146,166
Change in net position before capital contributions	(7,186)	(17,492)
Capital contributions	113,000	57,231
Change in net position	105,814	39,739
Net position - beginning of year	166,904	127,165
Net position - end of year	\$ 272,718	\$ 166,904

See accompanying notes.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Statements of Cash Flows (In thousands)

For the years ended March 31,	2024	2023
Operating activities:		
Cash collected from customers	\$ 101,891	\$ 92,859
Cash paid for employee wages and benefits	(155,967)	(149,299)
Cash paid to vendors and suppliers	(60,936)	(46,966)
Cash paid for insurance and injuries	(10,971)	(10,260)
Net operating activities	(125,983)	(113,666)
Non-capital financing activities:		
Government assistance	143,158	135,751
Capital and related financing activities:		
Repayments of long-term debt	(16,553)	(17,962)
Proceeds from long-term debt	-	94
Lease principal received	10,405	9,625
Other liabilities	83	9
Interest received on leases	1,423	1,606
Interest paid	(3,585)	(4,077)
Mortgage recording tax	2,565	7,298
Capital grants and contributions	115,483	126,888
Additions to capital assets, net	(116,120)	(67,097)
Passenger facility charges	9,561	8,714
Other	671	1,343
Net capital and related financing activities	3,933	66,441
Investing activities:		
Proceeds from (purchases of) investments, net	(4,288)	(79,027)
Interest income	9,413	2,865
Net investing activities	5,125	(76,162)
Net change in cash and cash equivalents	26,233	12,364
Cash and cash equivalents, beginning of year	195,758	183,394
Cash and cash equivalents, end of year	\$ 221,991	\$ 195,758
Reconciliation to Balance Sheet		
Cash and cash equivalents:		
Unrestricted	\$ 144,885	\$ 131,480
Restricted	77,106	64,278
Total cash and cash equivalents	\$ 221,991	\$ 195,758
Reconciliation of operating loss to net operating activities:		
Operating loss	\$ (168,033)	\$ (163,658)
Adjustments to reconcile operating loss to net operating activities:		
Depreciation and amortization	55,874	53,929
Net pension activity	4,932	(6,622)
Other postemployment benefits, net	(5,930)	8,712
Changes in assets and liabilities:		
Accounts and other receivables	4,444	(2,122)
Leases receivable, net	(10,588)	(10,078)
Materials and supplies inventory	(550)	(48)
Prepaid expenses and other	(28)	247
Accounts payable and accrued expenses	(411)	8,905
Other current liabilities	(1,198)	1,596
Self-insured claims	(3,086)	(4,560)
Other noncurrent liabilities	(1,409)	33
Net operating activities	\$ (125,983)	\$ (113,666)

See accompanying notes.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(1) Financial Reporting Entity

The Niagara Frontier Transportation Authority (the Authority) was created by an Act of the New York State Legislature in 1967 to promote the development and improvement of transportation and related services within the Niagara Frontier transportation district. As a multi-modal transportation authority, the Authority operates a number of transportation related business centers including aviation, surface transportation, and property management. The Authority is included in the financial statements of the State of New York (the State) as an enterprise fund.

The Niagara Frontier Transit Metro System, Inc. (Metro) was created in 1974 to provide mass transportation services to the Niagara Frontier. Although Metro is a separate legal entity, the Authority maintains financial and governance responsibility over its operations.

The Board of Commissioners (the Board) of the Authority, including Metro, consists of 12 members appointed by the Governor of the State, including one member recommended by the Erie County Executive, one by the Erie County Legislature, and one by the Authority's largest labor organization. All appointments are made with the consent of the New York State Senate. The Board governs and sets policy for the Authority. The Executive Director is responsible for day-to-day management of the Authority.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation and Measurement Focus

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Authority reports as a special purpose government engaged in business-type activities, using the economic resources measurement focus and the accrual basis of accounting. All assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses are accounted for through a single enterprise fund with revenues recorded when earned and expenses recorded at the time liabilities are incurred. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the provider have been satisfied.

The Authority's policy for defining operating activities in the statements of revenues, expenses and changes in net position are those that generally result from exchange transactions such as payments received for services and payments made to purchase goods and services. Certain other transactions, including government grants, passenger facilities charges, and interest, are reported as non-operating activities.

Authority Operations

The Authority operates three strategic business centers within NFTA and Metro:

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

NFTA Operations

Aviation

The Authority operates the Buffalo Niagara International Airport (BNIA) and the Niagara Falls International Airport (NFIA). BNIA is Western New York's primary passenger and cargo airport, while NFIA is a commercial, primary small-hub airport and serves as a joint-use military facility with the Niagara Falls Air Reserve Station.

Property Management

The property management department manages real estate owned by the Authority, including certain rail rights of way and non-public transportation assets, such as industrial distribution warehouses and associated office space for lease.

Metro Operations

Surface Transportation

Metro operates the surface transportation business unit responsible for all ground-based transportation services provided by the Authority. Such services include public fixed-route bus and rail routes, paratransit and other non-traditional transit services, and intracity bus terminals in Buffalo and Niagara Falls.

Metro also provides a 6.4 mile light rail rapid transit (LRRT) system in the City of Buffalo between downtown Buffalo and the State University of New York at Buffalo's South Campus.

The Metropolitan Transportation Center, located in downtown Buffalo, serves intercity and NFTA-Metro passengers and contains the offices of the Authority. The Niagara Falls Transit Center and the Portage Road Transit Center in Niagara Falls serve NFTA-Metro customers in Niagara County.

The majority of Metro operations employees are members of the Amalgamated Transit Union Local 1342 (ATU). Five other labor unions represent a small percentage of remaining employees. The current ATU contract expires July 31, 2025.

(b) Cash and Cash Equivalents

Cash and cash equivalents principally include cash on hand, money market funds, and certificates of deposit with original maturities of three months or less.

(c) Receivables

Accounts receivable are stated at the amount management expects to collect on outstanding balances and consist primarily of amounts due from services related to the Authority's operations and advertising. Management provides for probable uncollectible amounts based on collection history and aging of accounts. Balances outstanding after reasonable collection efforts are written off through a charge to an allowance for bad debts and a credit to accounts receivable.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

Grants receivable are stated at the amount management expects to collect on outstanding balances and consists primarily of amounts due from Federal, State, and local governments related to grant expenses incurred.

Leases receivable are stated at the present value of lease payments expected to be received during the lease term. Corresponding deferred inflows of resources are also reported and revenue is recognized over the lease term.

(d) Materials and Supplies Inventory

Materials and supplies inventory is valued based on the weighted average cost method or net realizable value.

(e) Restricted Assets

Certain cash deposits and investments are classified as restricted assets in accordance with bonding requirements or because their use is legally limited to specific purposes such as airport capital expansion and operations or the LRRT system. The Authority's policy is to use restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

(f) Investments

The Authority's investment policies comply with the New York State Comptroller's guidelines for Public Authorities. Investments consist primarily of certificates of deposits with original maturities greater than three months and obligations of the U.S. Government reported at fair value.

(g) Capital Assets

The Authority's policy is to capitalize assets that cost at least \$5,000 and have estimated useful lives of two years or more. Capital assets are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization is computed on the straight-line method over the estimated useful lives of the assets. Maintenance and repairs are charged to operations as incurred; significant improvements are capitalized.

The estimated useful lives on principal classes of capital assets are as follows:

	Estimated Useful Life (Years)
Improvements	10 - 25
LRRT system	10 - 45
Buildings	10 - 45
Metropolitan transportation centers	25
Motor buses	12
Equipment and other	2 - 10

(h) Other Current Liabilities

Advances

The Authority administers the funding of regional transportation improvement projects on behalf of the Federal Highway Administration (FHWA) for the Niagara International Transportation Technology Coalition (NITTEC). At March 31, 2024 and 2023, net advance payments provided by the FHWA for regional construction projects authorized by NITTEC and the FHWA are held by the Authority and included in restricted cash and other current liabilities on the accompanying balance sheet and totaled \$5,288,000 and \$5,205,000.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

Mortgage Recording Tax Revenue

As required by New York State legislation, the Authority receives a percentage of mortgage recording taxes collected by Erie County and Niagara County. Receipts are recorded as other current liabilities until all eligibility requirements are met.

(i) Bond Issuance Costs and Premiums

Bond issuance costs, with the exception of prepaid insurance, are expensed as incurred. Premiums received upon the issuance of debt are included with the debt liability and amortized against interest expense over the life of the related obligation.

(j) Self-Insured Claims

The Authority is self-insured for property damage, environmental claims, personal injury liability, and workers' compensation claims. An estimate of the liability is made by the Authority based primarily on information available from third-party administrator claims, actuarial studies, and in-house and outside legal counsel.

(k) Pensions

The Authority has elected to participate in the New York State and Local Retirement System, including the Employees' Retirement System (ERS) and the Police and Fire Retirement System (PFRS). The Authority provides retirement benefits to substantially all employees through various defined benefit retirement plans or other agreements (Note 8). For ERS and PFRS, the Authority recognizes its proportionate share of the net pension position, deferred outflows and deferred inflows of resources, pension expense, and information about and changes in the fiduciary net position on the same basis as reported by ERS and PFRS. ERS and PFRS recognize benefit payments when due and payable in accordance with benefit terms; investment assets are reported at fair value.

(l) Other Postemployment Benefits (OPEB)

In addition to providing pension benefits, the Authority provides OPEB in the form of health insurance coverage to retired employees (Note 9). Substantially all employees become eligible for these benefits when they reach normal retirement age with a minimum of ten years of service.

(m) Other Noncurrent Liabilities

Other noncurrent liabilities consist primarily of amounts due to the New York State and Local Retirement System pursuant to the New York State Pension Contribution Stabilization Program (Note 8).

(n) Net Position

Net position consists of the following components:

- *Net investment in capital assets* – consists of net capital assets reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – consists of restricted assets reduced by related liabilities and deferred inflows of resources. Restrictions are imposed by external organizations such as federal or state laws or by the terms of the Authority's bonds.
- *Unrestricted* – net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not meet the definition of the above restrictions and are available for general use of the Authority.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(o) Revenue Recognition

The Authority's principal sources of operating revenues are fares, airport fees and services, rental income, and concessions and commissions. Operating revenues from fares represent surface transportation services and are generated from cash and various fare media including tickets and passes which are recognized as income as they are used. On November 1, 2023, the Authority introduced MetGo smart cards, an account-based system that eliminates the need for cash. Operating revenues from airport fees and services include landing and terminal ramp fees. Rental income includes building and ground space rented to airlines and air cargo carriers, among others. Operating revenues from concessions and commissions include parking fees and rental of retail space. These sources of operating revenues are recognized upon provision of services. Commissions from auto rental companies are recognized based upon a monthly percentage of revenues earned during the contractual year with an annual adjustment for any minimum annual guaranteed fees.

In April and July 2020, the Authority was awarded funding of \$61,909,000 from the Federal Transit Administration (FTA) and \$23,538,000 from the Federal Aviation Administration (FAA) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act to support costs to operate, maintain, and manage the Authority's services. The grants provide funding for eligible costs beginning January 20, 2020.

In April and May 2021, the Authority was awarded funding of \$43,183,000 from the FTA and \$7,900,000 from the FAA under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) to support costs to prevent, prepare for, and respond to coronavirus, including operating expenses. The CRRSA grant also provides funding for eligible costs beginning January 20, 2020. Amounts totaling \$1,000,000 and \$5,500,000 are recognized as capital contributions in the accompanying statements of revenues, expenses and changes in net position for the years ended March 31, 2024 and 2023, respectively.

In March 2021 the American Rescue Plan Act (ARPA) was passed by the United States Congress and signed into law by President Biden. Through ARPA, the FTA allocated \$79,413,000 through the Section 5307 program to NFTA-Metro and \$20,053,000 was allocated from the FAA. Amounts totaling \$9,323,000 and \$7,965,000 are recognized as capital contributions in the accompany statements of revenue, expenses and changes in net position for the years ended March 31, 2024 and 2023, respectively.

The Authority also receives operating assistance and capital contributions pursuant to various federal, state, and local government contracts and grant agreements. Operating assistance and capital contributions are recorded as revenue based on annual appropriations or when expenditures have been incurred in compliance with grant requirements. Government assistance and capital contributions represent 67% and 63% of total revenue for the years ended March 31, 2024 and 2023, respectively. A significant decrease in this funding may negatively impact future operations of the Authority.

(p) Taxes

As a public benefit entity, the Authority is exempt from federal and state income tax, as well as state and local property and sales taxes, with the exception of certain agreements for payments made in lieu of taxes.

(q) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(r) Administrative Services

In accordance with agreements between the Authority and the New York State Department of Transportation, the Authority functions as the “host agency” for the Greater Buffalo Niagara Regional Transportation Council (GBNRTC), the designated Metropolitan Planning Organization (MPO) for the metro region including Erie and Niagara counties, and NITTEC, a regional traffic operations center. As the host agency for both organizations, the Authority provides certain administrative responsibilities relating to grants management and accounting functions; however, the Authority has no budgetary oversight and no responsibility for operations, deficits, or debts. Consequently, the Authority’s financial statements do not include the assets, liabilities, revenues, or expenses of GBNRTC or NITTEC. The Authority administered reimbursement grants totaling \$10,667,000 and \$7,501,000 for GBNRTC and NITTEC combined for the years ended March 31, 2024 and 2023, respectively.

(3) Cash Deposits and Investments

The Authority has a written investment policy which is in compliance with the Authority’s enabling legislation under Sections 1299-E and 2925(3)(f) of the New York State Public Authorities Law. Further, pursuant to collateralizing its investments, the Authority is subject to General Municipal Law Section 10, *Deposit of Public Money*, whereby all cash, cash equivalents, and investments are fully insured by the Federal Deposit Insurance Corporation (FDIC) and/or are fully collateralized with U.S. government obligations held in the name of the Authority. Investments consist of certificates of deposit and U.S. Treasury notes purchased directly by the Authority.

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the Authority will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. At March 31, 2024 and 2023, the Authority’s bank deposits were fully insured by FDIC or collateralized in accordance with the above requirements.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In order to limit its exposure, the Authority limits the maturity dates of its investments.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(4) Capital Assets (in thousands)

	April 1, 2023	Additions	Reclassifications and Disposals	March 31, 2024
Non-depreciable and non-amortizable capital assets:				
Land	\$ 64,538	\$ -	\$ -	\$ 64,538
Construction in progress	68,566	117,298	(107,286)	78,578
Total non-depreciable and non-amortizable assets	133,104	117,298	(107,286)	143,116
Depreciable capital assets:				
Land improvements	350,183	3,906	33,453	387,542
LRRT system	707,905	453	11,969	720,327
Airport buildings	360,645	2,500	(2,240)	360,905
Metropolitan transportation centers	23,324	29	91	23,444
Motor buses	170,578	27	17,284	187,889
Equipment, buildings, and other	172,791	-	16,233	189,024
Total depreciable capital assets	1,785,426	6,915	76,790	1,869,131
Accumulated depreciation:				
Land improvements	(280,659)	(10,716)	2,740	(288,635)
LRRT system	(532,174)	(16,998)	152	(549,020)
Airport buildings	(186,440)	(10,417)	859	(195,998)
Metropolitan transportation centers	(17,785)	(409)	75	(18,119)
Motor buses	(123,490)	(9,034)	12,893	(119,631)
Equipment, buildings, and other	(133,752)	(7,857)	6,711	(134,898)
Total accumulated depreciation	(1,274,300)	(55,431)	23,430	(1,306,301)
Total depreciable capital assets, net	511,126	(48,516)	100,220	562,830
Right-to-use assets:				
Buildings	1,686	-	-	1,686
Subscriptions	-	661	-	661
Accumulated amortization	(446)	(443)	-	(889)
Total right-to-use assets, net	1,240	218	-	1,458
Total capital assets, net	\$ 645,470	\$ 69,000	\$ (7,066)	\$ 707,404

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

	April 1, 2022	Additions	Reclassifications and Disposals	March 31, 2023
Non-depreciable and non-amortizable capital assets:				
Land	\$ 64,538	\$ -	\$ -	\$ 64,538
Construction in progress	67,634	62,942	(62,010)	68,566
Total non-depreciable and non-amortizable assets	132,172	62,942	(62,010)	133,104
Depreciable capital assets:				
Land improvements	342,609	810	6,764	350,183
LRRT system	665,965	198	41,742	707,905
Airport buildings	359,419	231	995	360,645
Metropolitan transportation centers	23,126	198	-	23,324
Motor buses	172,334	-	(1,756)	170,578
Equipment, buildings, and other	171,054	37	1,700	172,791
Total depreciable capital assets	1,734,507	1,474	49,445	1,785,426
Accumulated depreciation:				
Land improvements	(270,388)	(10,320)	49	(280,659)
LRRT system	(517,784)	(14,716)	326	(532,174)
Airport buildings	(175,345)	(11,095)	-	(186,440)
Metropolitan transportation centers	(17,373)	(412)	-	(17,785)
Motor buses	(123,752)	(9,857)	10,119	(123,490)
Equipment, buildings, and other	(128,511)	(7,306)	2,065	(133,752)
Total accumulated depreciation	(1,233,153)	(53,706)	12,559	(1,274,300)
Total depreciable capital assets, net	501,354	(52,232)	62,004	511,126
Right-to-use assets:				
Buildings	1,686	-	-	1,686
Accumulated amortization	(223)	(223)	-	(446)
Total right-to-use assets, net	1,463	(223)	-	1,240
Total capital assets, net	\$ 634,989	\$ 10,487	\$ (6)	\$ 645,470

The Authority, as lessor, has entered into non-cancelable leases for various buildings and airport concessions with options to extend through 2052. Corresponding rental income recognized during fiscal year 2024 and 2023 totaled \$10,734,000 and \$10,716,000 and interest on the leases receivable totaled \$1,215,000 and \$1,530,000 at rates of 4.6% and 3.6%, respectively.

Rental income is derived primarily from airport operations. At March 31, 2024 and 2023, net airport capital assets totaled \$279,200,000 and \$261,100,000, of which approximately 25% is leased to third parties (based on square footage).

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(5) Long-Term Debt (in thousands)

	2024	2023
(a) Airport Revenue Bonds 2019:		
Series A, maturing April 1, 2039 with variable annual principal payments commencing April 1, 2020, bearing interest at 5.0% (including unamortized premium of \$3,660 and \$4,620 at March 31, 2024 and 2023)	\$ 59,980	\$ 67,815
(b) Airport Revenue Bonds 2014:		
Series A, maturing April 1, 2029 with variable annual principal payments commencing April 1, 2015, bearing interest at 3.0% to 5.0% (including unamortized premium of \$1,039 and \$1,495 at March 31, 2024 and 2023)	37,464	43,415
(c) New York State, non-interest bearing	3,380	3,380
(d) Financed motor bus purchases, monthly payments with fixed interest rates ranging from 1.5% to 7.8%, maturing through 2032, secured by related equipment	4,447	7,439
(e) Buildings and concessions leases and software subscription, monthly payments with fixed interest rates at 3.6% to 4.55%, maturing through 2038	1,527	1,302
	106,798	123,351
	14,904	15,568
Less current portion	\$ 91,894	\$ 107,783

- (a) On February 26, 2019, the Authority issued \$81,920,000 Series 2019A Airport Revenue Bonds at a premium of \$10,111,000. These bonds were issued to provide financing for certain capital improvements at BNIA and to refund outstanding Series 2004A and 2004C bonds in the amounts of \$24,350,000 and \$3,825,000, respectively.
- (b) On September 3, 2014, the Authority issued \$65,340,000 Series 2014A and \$12,430,000 Series 2014B Airport Revenue Bonds at a premium of \$9,336,000. These bonds were issued to refund outstanding Series 1999A, 1999B, and 1998 bonds in the amounts of \$61,525,000, \$13,775,000, and \$13,485,000, respectively.
- (c) The State Legislature passed a law in 1994 that granted the Authority immediate relief from the repayment covenant for a non-interest-bearing loan totaling \$3,380,000. The law provides in pertinent part that repayment of the loan would be deferred for a two-year period, which expired on May 12, 1996. The Director of the Budget has been granted the discretion to either enter into an agreement with the Authority setting forth a schedule for reimbursement without interest or waive the requirement for reimbursement in whole or in part. No decision has been made to date. Maturities for this loan have been included in the category of loans and capital leases for long-term debt maturities for 2032 due to the uncertainty of repayment.

The Airport Revenue Bonds from 2019 and 2014 are payable from and secured by a lien against net revenues derived from the operations of the BNIA. Payment of scheduled bond principal and interest payments are also guaranteed by municipal bond insurance policies maintained by the Authority. The bonds are special limited obligations of the Authority. They are neither general obligations of the Authority nor a debt of the State or any political subdivision.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

Changes in long-term debt for the year ended March 31, 2024 and 2023 were as follows (in thousands):

	2024	2023
Balance, beginning of year	\$ 123,351	\$ 141,219
Less repayment of long-term debt including premium amortization	16,553	17,868
Balance, end of year	106,798	123,351
Less current portion	14,904	15,568
Noncurrent portion	\$ 91,894	\$ 107,783

Required principal and interest payments for long-term debt, including unamortized premiums, are as follows (in thousands):

	Loans		Serial Bonds			Leases/ Subscriptions	
	Principal	Interest	Principal	Unamortized Premium	Interest	Principal	Interest
Years ending March 31,							
2025	\$ 1,583	\$ 226	\$ 12,950	\$ 1,162	\$ 4,457	\$ 371	\$ 57
2026	685	183	8,235	1,046	3,933	381	40
2027	257	160	8,450	937	3,518	52	25
2028	278	139	8,870	832	3,093	42	23
2029	300	117	9,315	722	2,646	45	22
2030-2034	4,724	207	20,920	-	8,268	278	80
2035-2039	-	-	19,500	-	3,659	358	23
2040	-	-	4,505	-	113	-	-
	<u>\$ 7,827</u>	<u>\$ 1,032</u>	<u>\$ 92,745</u>	<u>\$ 4,699</u>	<u>\$ 29,687</u>	<u>\$ 1,527</u>	<u>\$ 270</u>

At March 31, 2024 and 2023, the Authority was in compliance with all loan and bond covenants.

(6) Passenger Facility Charges

In 1992, the FAA approved the Authority's application to impose collection of Passenger Facility Charges (PFC) at the BNIA, and in 2018, the FAA approved collection of such charges at NFIA. PFCs, which are restricted for certain FAA-approved projects at the BNIA and NFIA, are included in non-operating revenues and totaled \$9,561,000 and \$8,714,000 for the years ended March 31, 2024 and 2023, respectively.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(7) Government Assistance

Operations are subsidized by payments from the FTA under Sections 5307 and 5311 of the Urban Mass Transportation Administration (UMTA) Act; the State and Erie and Niagara Counties (pursuant to State transportation laws); and the Buffalo & Fort Erie Public Bridge Authority. Assistance recognized as revenue for the year ended March 31, 2024 and 2023 was as follows (in thousands):

	2024	2023
Metro:		
FTA:		
Sections 5307 and 5311 assistance	\$ 19,470	\$ 19,088
CRSSA and ARP Acts	-	596
Total Federal	19,470	19,684
State:		
Statewide transit operating assistance program	74,000	64,066
Section 18b assistance	4,100	4,100
Section 5307 capital maintenance match	2,424	2,376
Total State	80,524	70,542
Erie County:		
Mortgage recording tax (section 88a)	9,244	11,810
Section 18b matching funds	3,657	3,657
Sales tax receipts	27,000	26,840
Total Erie County	39,901	42,307
Niagara County:		
Mortgage recording tax	2,047	2,016
Section 18b matching funds	443	443
Total Niagara County	2,490	2,459
Buffalo and Fort Erie Public Bridge Authority	200	200
	142,585	135,192
NFTA:		
Other	573	559
	\$ 143,158	\$ 135,751

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(8) Pensions

(a) *New York State Retirement System*

The Authority participates in ERS and PFRS (the Systems), which are cost-sharing, multiple-employer, public employee retirement systems that provide retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law (NYSRSSL) governs obligations of employers and employees to contribute and provide benefits to employees. The benefits to employees are guaranteed under the State constitution. The Authority's election to participate in the State plans is irrevocable.

As set forth in NYSRSSL, the Comptroller of the State (the Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller adopts and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody and control of its funds. The Systems issue publicly available financial reports that include financial statements and required supplementary information. Those reports may be obtained from the New York State and Local Retirement System at www.osc.state.ny.us/retire.

Benefits: The Systems provide retirement, disability, and death benefits for eligible members, including automatic cost of living adjustments. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, an age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

Contribution requirements: No employee contributions are required for those whose service began prior to July 27, 1976. The Systems require employee contributions of 3% of salary for the first 10 years of service for those employees who joined the Systems on or after July 27, 1976 through December 31, 2009. Participants whose service began on or after January 1, 2010 through March 31, 2012 are required to contribute 3% of their salary for the entire length of service. Employees who joined on or after April 1, 2012 contribute based on annual wages at a rate of 3% to 6% each year, based on their level of compensation. The Comptroller annually certifies the rates used, expressed as a percentage of the wages of participants, to compute the contributions required to be made by the Authority to the pension accumulation fund. For payments made in fiscal year 2024, rates ranged from 9.5% - 19.9% for ERS (8.2% - 17.5% for 2023) and 9.9% - 31.4% for PFRS (9.6% - 29.9% for 2023).

The Authority participates in the New York State Pension Contribution Stabilization Program (the Program), an optional program which establishes a graded contribution rate system that enables the Authority to pay a portion of its annual contributions over time and more accurately predict pension costs. At March 31, 2024 and 2023, \$247,000 and \$1,656,000 is due to the Systems pursuant to the Authority's participation in the Program which is included in other noncurrent liabilities in the accompanying balance sheets.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

Net Pension Position, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

At March 31, 2024, the Authority reported liabilities of \$18,064,000 and \$17,679,000 for its proportionate shares of the ERS and PFRS net pension positions, respectively. At March 31, 2023, the Authority reported an asset of \$6,558,000 and a liability of \$1,698,000 for its proportionate shares of the ERS and PFRS net pension positions, respectively.

The total pension liability at the March 31, 2023 measurement date was determined by an actuarial valuation as of April 1, 2022, with update procedures applied to roll forward the total pension liability to March 31, 2023 (measurement date of March 31, 2022 with an actuarial valuation as of April 1, 2021 for the March 31, 2023 net pension position). The Authority's proportion of the net pension position was based on the ratio of its actuarially determined employer contribution to ERS's and PFRS's total actuarially determined employer contributions for the fiscal year ended on the measurement date. At the March 31, 2023 measurement date, the Authority's proportion was 0.0842365% for ERS and 0.3208288% for PFRS, increases of 0.0040144 and 0.0219894 from their respective proportions measured as of March 31, 2022.

For the years ended March 31, 2024 and 2023, the Authority recognized related pension expense of \$11,695,409 and \$1,766,000, respectively, and reported deferred outflows and deferred inflows of resources as follows (in thousands):

	2024			
	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,924	\$ (507)	\$ 1,728	\$ -
Changes of assumptions	8,773	(97)	8,615	-
Net difference between projected and actual earnings on pension plan investments	-	(106)	31	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions	1,067	(339)	566	(1,895)
Authority contributions subsequent to the measurement date	3,662	-	2,805	-
	<u>\$ 15,426</u>	<u>\$ (1,049)</u>	<u>\$ 13,745</u>	<u>\$ (1,895)</u>

	2023			
	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 497	\$ (644)	\$ 915	\$ -
Changes of assumptions	10,945	(185)	10,160	-
Net difference between projected and actual earnings on pension plan investments	-	(21,474)	-	(14,264)
Changes in proportion and differences between Authority contributions and proportionate share of contributions	901	(499)	448	(1,794)
Authority contributions subsequent to the measurement date	3,174	-	2,729	-
	<u>\$ 15,517</u>	<u>\$ (22,802)</u>	<u>\$ 14,252</u>	<u>\$ (16,058)</u>

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

Authority contributions subsequent to the measurement date will be recognized as an addition to (a reduction of) the net pension asset (liability) in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Years Ending March 31,	ERS	PFRS
2025	\$ 2,588	\$ 1,570
2026	(773)	(728)
2027	3,862	4,993
2028	5,038	3,001
2029	-	209
	<u>\$ 10,715</u>	<u>\$ 9,045</u>

Actuarial Assumptions

The actuarial assumptions used in the April 1, 2022 valuation, with update procedures used to roll forward the total pension liability to March 31, 2023, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020. These assumptions are:

Inflation - 2.9% (2.7% for 2023)

Salary increases - 4.4% (ERS), 6.2% (PFRS)

Cost of living adjustments - 1.5% annually (1.4% for 2023)

Investment rate of return - 5.9% compounded annually, net of investment expense, including inflation

Mortality - Society of Actuaries' Scale MP-2021 (Scale MP-2020 for 2023)

Discount rate - 5.9%

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Investment Asset Allocation

Best estimates of arithmetic real rates of return (net of the long-term inflation assumption) for each major asset class and the Systems' target asset allocations as of the valuation date are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	32%	4.3%
International equities	15%	6.9%
Private equities	10%	7.5%
Real estate equities	9%	4.6%
Domestic fixed income securities	23%	1.5%
Short-term	1%	-
Other	10%	5.4%-5.8%
	<u>100%</u>	

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

Discount Rate

The discount rate projection of cash flows assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Authority's proportionate share of its net pension asset (liability) for ERS and PFRS as of March 31, 2024 calculated using the discount rate of 5.9% and the impact of using a discount rate that is 1% lower and 1% higher (in thousands):

	1.0% Lower Discount Rate (4.9%)	Current Discount Rate (5.9%)	1.0% Higher Discount Rate (6.9%)
Authority's proportionate share of the ERS net pension asset (liability)	\$ (43,652)	\$ (18,064)	\$ 3,318
Authority's proportionate share of the PFRS net pension asset (liability)	\$ (36,853)	\$ (17,679)	\$ (1,802)

(b) *Niagara Frontier Transit Metro System, Inc. Retirement Plan*

The Metro Plan is a single employer defined benefit pension plan covering certain full-time non-union employees previously employed by Metro. Participation in the Metro Plan was frozen effective January 1, 1998.

Benefits: The Metro Plan provides for retirement and death benefits for eligible members. In general, retirement benefits are determined based on an employee's individual circumstances based on age, years of credited service, and compensation.

Employees Covered by Benefit Terms: At the March 31, 2023 measurement date, the following employees were covered by the Metro Plan:

Retirees	40
Beneficiaries	10
Terminated vested	14
	<u>64</u>

Contribution requirements: The Authority pays the full cost of all benefits provided under the Metro Plan. The Authority's policy is to fund the minimum recommended contribution as actuarially determined annually. No contributions were required for 2024 and 2023.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

Net Pension Asset (Liability)

The net pension asset as of March 31, 2024 was measured as of March 31, 2023 (measured as of March 31, 2022 for March 31, 2023) based on an actuarial valuation as of the same date. Actuarial assumptions applied to all periods included in the measurement are as follows:

Actuarial Cost Method - Entry Age Normal

Mortality - Generational PUB-2010 Mortality Table for General Employees (Amount Weighted Version) projected using Scale MP-2021

Rate of Return on Plan Assets - 6.5%

Discount Rate - The Plan's fiduciary net position is projected to be available to meet all projected future benefit payments resulting in a single discount rate of 6.5%

Assumed Retirement Age - Age first eligible for unreduced benefits

Changes in the Net Pension Asset (Liability) (in thousands)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset (Liability)
Balances at March 31, 2022	\$ (3,241)	\$ 4,203	\$ 962
Changes for the year:			
Interest	(198)	-	(198)
Differences between expected and actual experience	44	-	44
Changes of assumptions	(8)	-	(8)
Employer contributions	-	-	-
Net investment income	-	517	517
Benefit payments	379	(379)	-
Administrative expense	-	(7)	(7)
Net changes	217	131	348
Balances at March 31, 2023	\$ (3,024)	\$ 4,334	\$ 1,310
Changes for the year:			
Interest	(185)	-	(185)
Differences between expected and actual experience	31	-	31
Changes of assumptions	-	-	-
Employer contributions	-	-	-
Net investment loss	-	(344)	(344)
Benefit payments	348	(348)	-
Administrative expense	-	(7)	(7)
Net changes	194	(699)	(505)
Balances at March 31, 2024	\$ (2,830)	\$ 3,635	\$ 805

The following presents the Authority's Metro Plan net pension asset (liability) as of March 31, 2024, calculated using the discount rate of 6.5% and the impact of using a discount rate that is 1% lower and 1% higher (in thousands):

	1.0% Lower Discount Rate (5.5%)	Current Discount Rate (6.5%)	1.0% Higher Discount Rate (7.5%)
Authority's Metro Plan net pension asset (liability)	\$ 629	\$ 805	\$ 962

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(c) *Amalgamated Transit Union Division 1342 Niagara Frontier Transport System Pension Fund*

All full-time Metro employees who are ATU members are covered by the Amalgamated Transit Union Division 1342 Niagara Frontier Transit System Pension Fund (the ATU Plan), a defined benefit pension plan established in accordance with an Agreement and Declaration of Trust between the ATU and Metro (the Agreement). Pursuant to the ATU Union Contract, a portion of part-time employee compensation is also contributed by Metro to the ATU Plan, although part-time employees do not participate in or benefit from the ATU Plan.

The ATU Plan is managed by four trustees: two union representatives and two management representatives. These trustees are responsible for management of investments and payments to retirees. The ATU Plan issues a publicly available financial report that includes financial statements and notes. That report may be obtained by writing to Amalgamated Transit Union Local 1342, 196 Orchard Park Road, West Seneca, New York 14224.

Funding Requirement

On a weekly basis, each eligible employee is required to contribute the greater of sixteen dollars or 5% of payroll. Metro's contribution is 11% of eligible employee wages and is determined pursuant to the collective bargaining agreement (CBA) between Metro and the ATU. Metro's contributions to the Plan recorded on the statement of revenues, expenses and changes in net position, pursuant to the CBA, totaled \$6,445,000 and \$6,279,000 for 2024 and 2023. The Agreement provides that Metro is not obligated to make any other payment to fund the benefits or to meet any expenses of administration and, in the event of termination, Metro will have no obligation for further contributions to the ATU Plan. Therefore, net pension assets and liabilities of the ATU plan are not recorded by the Authority.

(d) *Postretirement Medical Premium Stipend Plan*

The Authority's Metro retirees are provided with a monthly stipend (Stipend Plan) representing the insurance premium amount of single medical coverage if they retired prior to January 1, 2004. If they retired subsequent to January 1, 2004, Metro retirees are provided with continuation of full medical coverage as described in Note 9.

As of March 31, 2024, there are 89 retirees within Metro who retired prior to January 1, 2004. Monthly, each retiree is provided with a cash stipend equivalent to the single medical premium cost or, if enrolled in Medicare, the retiree is provided with an amount equal to the Medicare Part B premium and an additional amount ranging from \$932 to \$1,102. The retiree has the option of any combination of cash stipend and/or health insurance continuation.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

The Authority's annual pension cost and net pension obligation as of March 31, 2024 and 2023 related to the Stipend Plan was (in thousands):

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at March 31, 2022	\$ (12,108)	\$ -	\$ (12,108)
Changes for the year:			
Interest	(325)	-	(325)
Differences between expected and actual experience	528	-	528
Changes of assumptions	657	-	657
Benefit payments	1,257	-	1,257
Net changes	2,117	-	2,117
Balances at March 31, 2023	\$ (9,991)	\$ -	\$ (9,991)
Changes for the year:			
Interest	(357)	-	(357)
Differences between expected and actual experience	-	-	-
Changes of assumptions	109	-	109
Benefit payments	1,106	-	1,106
Net changes	858	-	858
Balances at March 31, 2024	\$ (9,133)	\$ -	\$ (9,133)

The net pension liability was measured as of March 31, 2024 based on an actuarial valuation as of the same date (measurement date of March 31, 2023 for the March 31, 2023 net pension liability). Actuarial methods and assumptions applied to all periods included in the measurement are as follows:

Healthcare Cost Trend – 5.6% (5.8% for 2023), ultimately declining to 3.94% in 2075

Actuarial Cost Method – Projected Unit Credit

Discount Rate – 3.96% (3.78% for 2023)

Mortality – Generational PUB-2010 Mortality Table for General Employees projected using Scale MP-2021

Inflation Rate – 2.5%

The following presents the Authority's Stipend Plan net pension liability as of March 31, 2024 calculated using the discount rate of 3.96% and the impact of using a discount rate that is 1% lower and 1% higher (in thousands):

	1.0% Lower Discount Rate (2.96%)	Current Discount Rate (3.96%)	1.0% Higher Discount Rate (4.96%)
Authority's Stipend Plan net pension liability	\$ (9,776)	\$ (9,133)	\$ (8,566)

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(9) OPEB

The Authority provides a defined benefit postemployment health care plan (the Plan) for essentially all full-time employees with a minimum of ten years of service upon retirement. Upon retirement, most Authority employees are provided a portion of medical coverage while certain employees hired prior to February 2004 are provided with continuation of full medical coverage.

At the actuarial valuation date of March 31, 2022, employees covered by the Plan include:

Active employees	1,418
Inactive employees or beneficiaries currently receiving benefits	1,167
Inactive employees entitled to but not yet receiving benefits	-
	<u>2,585</u>

Total OPEB Liability

The total OPEB liability of \$458,809,000 and \$502,015,000 was measured as of March 31, 2023 and March 31, 2022, respectively, determined by an actuarial valuation as of March 31, 2022. The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Healthcare cost trend rates – based on the Society of Actuaries Long-Term Healthcare Cost Trend Model, initially 7.5%, then decreasing slowly to an ultimate rate of 3.94% after 2075

Salary increases – 0.8%-12.4%

Mortality - Generational PUB-2010 Mortality Table for General Employees projected using Scale MP-2021

Discount rate – 3.78% based on the General Obligation 20-Year Bond rate (2.83% for 2023)

Inflation rate – 2.5%

Changes in the Total OPEB Liability (in thousands)

	Total OPEB Liability
Balance at March 31, 2022	<u>\$ (593,828)</u>
Changes for the year:	
Service cost	(32,248)
Interest	(13,294)
Differences between expected and actual experience	73,302
Changes of assumptions or other inputs	47,742
Benefit payments	16,311
Net changes	<u>91,813</u>
Balance at March 31, 2023	<u>\$ (502,015)</u>
Changes for the year:	
Service cost	(23,165)
Interest	(13,978)
Differences between expected and actual experience	-
Changes of assumptions or other inputs	64,178
Benefit payments	16,171
Net changes	<u>43,206</u>
Balance at March 31, 2024	<u>\$ (458,809)</u>

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

The following presents the sensitivity of the Authority's total OPEB liability to changes in the discount rate, including what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1% higher or lower than the current discount rate (in thousands):

	1.0% Lower Discount Rate (2.78%)	Current Discount Rate (3.78%)	1.0% Higher Discount Rate (4.78%)
Total OPEB liability	\$ (526,723)	\$ (458,809)	\$ (403,152)

The following presents the sensitivity of the Authority's total OPEB liability to changes in the healthcare cost trend rates, including what the Authority's total OPEB liability would be if it were calculated using trend rates that are 1% higher or lower than the current healthcare cost trend rates (in thousands):

	1.0% Lower (6.5%-2.94%)	Current Rate (7.5%-3.94%)	1.0% Higher (8.5%-4.94%)
Total OPEB liability	\$ (392,386)	\$ (458,809)	\$ (542,563)

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the years ended March 31, 2024 and 2023, the Authority recognized OPEB expense of \$9,065,000 and \$26,634,000, respectively, and reported deferred outflows and deferred inflows of resources as follows (in thousands):

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (100,262)	\$ -	\$ (126,701)
Changes of assumptions	40,966	(89,111)	55,317	(40,922)
Change in proportion	11,313	(11,313)	14,203	(14,203)
Benefits paid subsequent to the measurement date	10,161	-	11,336	-
	\$ 62,440	\$ (200,686)	\$ 80,856	\$ (181,826)

Benefit payments subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

Years Ending March 31,	
2025	\$ (28,078)
2026	(30,285)
2027	(30,635)
2028	(23,780)
2029	(26,460)
2030	(9,169)
	\$ (148,407)

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(10) Commitments and Contingencies

(a) Litigation and Claims

In the normal course of business, it is not uncommon for the Authority to incur litigation surrounding certain events. There are outstanding lawsuits involving substantial amounts that have been filed against the Authority. Based on the facts presently known, management and in-house legal counsel do not expect these matters to have a material adverse effect on the Authority's financial condition or results of operations.

(b) Self-Insured Claims

The Authority assumes the liability for most risks including, but not limited to, workers' compensation, health, property damage, environmental claims, and personal injury claims. The Authority has excess insurance from commercial carriers to cover claims in excess of \$1,250,000 per occurrence for workers compensation claims and limits ranging from \$50,000 to \$5,000,000 depending on the type of claim for other self-insured claims. Estimated liabilities for claims not covered by insurance have been reflected in the financial statements when it is probable that a loss has occurred and the amount can be reasonably estimated. Workers' compensation liabilities are estimated based on an actuarial valuation dated April 11, 2024. Other self-insured liabilities are estimated by the Authority based on available information. Management believes the estimated liabilities are reasonable based upon historical experience and the opinions of internal risk management administrators and legal counsel.

Changes in the reported liability claims for the year ended March 31, 2024 and 2023 are as follows (in thousands):

	2024	2023
Liability, beginning of year	\$ 35,580	\$ 40,140
Current year claims and change in estimates	4,041	3,616
Claim payments	(7,127)	(8,176)
Liability, end of year	\$ 32,494	\$ 35,580

(c) Project Commitments

As of March 31, 2024, the Authority has commenced several projects including:

- BNIA runways 5/23 Reconstruction-Design/Construction estimated at \$92,242,000 of which \$36,308,000 was expended to date
- BNIA Passenger Boarding Bridge Replacement estimated at \$19,521,000 of which \$1,044,000 was expended to date
- BNIA Terminal HVAC Replacement estimated at \$74,204,000 of which \$867,000 was expended to date
- NFIA airfield illuminated signage estimated at \$5,330,000 of which \$205,000 was expended to date
- Track bed replacement Mohawk-Eagle Design and Construction estimated at \$29,195,000 of which \$9,239,000 was expended to date
- Metro DL&W Terminal Design/Construction estimated at \$60,253,000 of which \$48,231,000 was expended to date
- Metro Electric Bus Infrastructure estimated at \$18,995,000 of which \$11,331,000 was expended to date

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

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March 31, 2024

- Metro (Bus and Rail) fare collection upgrade estimated at \$27,448,000 of which \$24,073,000 was expended to date
- Metro Bailey Corridor Bus Rapid Transit (BRT) estimated at \$105,743,000 of which \$0 was expended to date
- Metro Amherst/Buffalo LRRT Extension estimated at \$31,000,000 of which \$8,782,000 was expended to date

Funding for these projects is provided by federal and state grant awards, Passenger Facility Charges, and other local/Authority revenue sources.

(11) Segment Information – Buffalo Niagara International Airport

BNIA is Western New York's primary passenger and cargo airport. In fiscal year 1991, the Authority began the Airport Improvement Program to build a new terminal building and provide improved facilities for BNIA passengers. The Authority issued Airport Revenue Bonds (Note 5) pursuant to a Master Resolution approved by the Board of Commissioners for the construction of BNIA. The Master Resolution contains certain compliance covenants including a requirement that net airport revenues be a minimum percentage of net debt service. The bonds are payable from and are secured by a lien on net revenues derived from the operations of BNIA. The bonds are special limited obligations of the Authority. They are neither general obligations of the Authority nor a debt of the State or any political subdivision.

(a) BNIA Condensed Balance Sheet (in thousands)

	2024	2023
Assets:		
Current and other	\$ 152,400	\$ 145,797
Capital assets, net	279,246	261,062
Total assets	<u>431,646</u>	<u>406,859</u>
Deferred outflows of resources	<u>12,554</u>	<u>13,302</u>
Total assets and deferred outflows of resources	<u>\$ 444,200</u>	<u>\$ 420,161</u>
Liabilities:		
Current liabilities	\$ 19,875	\$ 24,476
Long-term liabilities	119,569	122,276
Total liabilities	<u>139,444</u>	<u>146,752</u>
Deferred inflows of resources	<u>16,744</u>	<u>35,414</u>
Net position:		
Net investment in capital assets	178,378	146,388
Restricted	76,039	66,572
Unrestricted	33,595	25,035
Total net position	<u>288,012</u>	<u>237,995</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 444,200</u>	<u>\$ 420,161</u>

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(b) BNIA Condensed Statement of Revenues, Expenses and Changes in Net Position (in thousands)

	2024	2023
Operating revenues:		
Concessions and commissions	\$ 33,378	\$ 30,039
Rental income	13,261	12,635
Airport fees and services	20,639	20,380
Other operating revenues	4,713	4,924
Total operating revenues	71,991	67,978
Operating expenses	53,068	48,365
Depreciation and amortization expense	18,381	19,006
Operating income	542	607
Non-operating revenues (expenses):		
Passenger facility charges	9,300	7,647
Interest income (expense), net	96	(1,895)
Other non-operating revenues (expenses), net	84	(1,391)
Operating transfers	(2,921)	-
Total non-operating net revenues (expenses)	6,559	4,361
Change in net position before capital contributions	7,101	4,968
Capital contributions	42,916	16,409
Change in net position	50,017	21,377
Net position – beginning of year	237,995	216,618
Net position – end of year	\$ 288,012	\$ 237,995

(c) BNIA Condensed Statement of Cash Flows (in thousands)

	2024	2023
Net operating activities	\$ 22,560	\$ 25,821
Net investing activities	2,259	(14,001)
Net capital and related financing activities	(5,456)	(1,228)
Net change in cash	19,363	10,592
Cash, beginning of year	64,767	54,175
Cash, end of year	\$ 84,130	\$ 64,767

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Notes to Financial Statements

March 31, 2024

(d) Master Resolution Covenant

As required by the Master Resolution authorizing the issuance of airport revenue bonds, the Authority charges rates, rentals, and fees at the BNIA which are sufficient to pay debt service, operating expenses, and any and all other claims and charges relating to the BNIA. In addition, net airport revenues must at all times be at least 125% of the maximum net debt service on all bonds outstanding. The Authority has the ability to bill the airlines to meet the bond covenant pursuant to the Airline Use and Lease Agreement. In lieu of billing the airlines to meet the covenant, BNIA utilized CRRSA and ARP Acts funding to make 2024 and 2023 principal and interest payments.

Airport revenues are defined in the Master Resolution as the total of all revenue from all sources collected by the Authority at the BNIA, which specifically excludes passenger facility charges and includes interest income. Passenger facility charges are not pledged as security for the Airport Revenue Bonds. Operating expenses are defined as all costs to operate and maintain the BNIA including general, administrative, and professional fee expenses allocated by the Authority. Debt service is defined as the total amount required to pay the maximum current or future year principal and interest, net of amounts available for the payment of interest as defined by the Master Resolution (in thousands).

	2024	2023
Airport revenues:		
Operating revenues	\$ 71,991	\$ 67,978
Interest income	3,321	1,701
Gross airport revenues	75,312	69,679
Operating expenses, excluding depreciation and amortization	(53,068)	(48,365)
Net airport revenues	22,244	21,314
Net debt service:		
Principal payments	12,370	11,980
Interest payments	5,118	5,692
Passenger facility charges	-	-
CRRSA and ARP Acts grant funds	(9,057)	(7,369)
Net debt service	\$ 8,431	\$ 10,303
Debt service coverage percentage	263.84%	206.87%
Minimum percentage requirement	125.00%	125.00%

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY
(A Component Unit of the State of New York)

Required Supplementary Information (Unaudited)
Schedule of the Authority's Proportionate Share of the Net Pension Position
New York State and Local Retirement System (In thousands)

As of the measurement date of March 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015
ERS									
Authority's proportion of the net pension position	0.0842365%	0.0802221%	0.0828520%	0.0863638%	0.0888401%	0.0867945%	0.0853631%	0.0878622%	0.0881407%
Authority's proportionate share of the net pension asset (liability)	\$ (18,064)	\$ 6,558	\$ (82)	\$ (22,870)	\$ (6,295)	\$ (2,801)	\$ (8,021)	\$ (14,102)	\$ (2,978)
Authority's covered payroll	\$ 28,970	\$ 26,998	\$ 27,580	\$ 26,974	\$ 26,427	\$ 25,420	\$ 24,628	\$ 24,187	\$ 24,546
Authority's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	(62.35%)	24.29%	(0.30%)	(84.79%)	(23.82%)	(11.02%)	(32.57%)	(58.30%)	(12.13%)
Plan fiduciary net position as a percentage of the total pension liability	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%
PFRS									
Authority's proportion of the net pension position	0.3208288%	0.2988394%	0.3121219%	0.2849842%	0.2973909%	0.2872086%	0.2760008%	0.2766259%	0.2697875%
Authority's proportionate share of the net pension asset (liability)	\$ (17,679)	\$ (1,698)	\$ (5,419)	\$ (15,232)	\$ (4,987)	\$ (2,903)	\$ (5,720)	\$ (8,190)	\$ (742)
Authority's covered payroll	\$ 10,684	\$ 9,689	\$ 10,089	\$ 9,600	\$ 9,723	\$ 9,311	\$ 9,078	\$ 9,675	\$ 9,124
Authority's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	(165.47%)	(17.53%)	(53.71%)	(158.67%)	(51.29%)	(31.18%)	(63.01%)	(84.65%)	(8.13%)
Plan fiduciary net position as a percentage of the total pension liability	87.43%	98.66%	95.79%	84.86%	95.09%	96.93%	93.50%	90.20%	99.00%

The following is a summary of changes of assumptions:

Inflation	2.9%	2.7%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.7%
Salary increases - ERS	4.4%	4.4%	4.4%	4.2%	4.2%	3.8%	3.8%	3.8%	4.9%
Salary increases - PFRS	6.2%	6.2%	6.2%	5.0%	5.0%	4.5%	4.5%	4.5%	6.0%
Cost of living adjustments	1.5%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	1.4%
Investment rate of return	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Discount rate	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Society of Actuaries' mortality scale	MP-2021	MP-2020	MP-2020	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014	MP-2014

Data prior to 2015 is unavailable.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY
(A Component Unit of the State of New York)

Required Supplementary Information (Unaudited)
Schedule of Authority Contributions
New York State and Local Retirement System (In thousands)

For the years ended March 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
ERS										
Contractually required contribution	\$ 3,662	\$ 3,174	\$ 4,144	\$ 3,833	\$ 3,718	\$ 3,739	\$ 3,729	\$ 3,787	\$ 4,291	\$ 4,855
Contribution in relation to the contractually required contribution	(3,662)	(3,174)	(4,144)	(3,833)	(3,718)	(3,739)	(3,729)	(3,787)	(4,291)	(4,855)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll	\$ 29,905	\$ 28,970	\$ 26,998	\$ 27,580	\$ 26,974	\$ 26,427	\$ 25,420	\$ 24,628	\$ 24,187	\$ 24,546
Contributions as a percentage of covered payroll	12.25%	10.96%	15.35%	13.90%	13.78%	14.15%	14.67%	15.38%	17.74%	19.78%
PFRS										
Contractually required contribution	\$ 2,805	\$ 2,729	\$ 2,551	\$ 2,268	\$ 2,095	\$ 2,123	\$ 2,137	\$ 2,115	\$ 1,962	\$ 2,394
Contribution in relation to the contractually required contribution	(2,805)	(2,729)	(2,551)	(2,268)	(2,095)	(2,123)	(2,137)	(2,115)	(1,962)	(2,394)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll	\$ 10,656	\$ 10,684	\$ 9,689	\$ 10,089	\$ 9,600	\$ 9,723	\$ 9,311	\$ 9,078	\$ 9,675	\$ 9,124
Contributions as a percentage of covered payroll	26.32%	25.54%	26.33%	22.48%	21.82%	21.83%	22.95%	23.30%	20.28%	26.24%

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY
(A Component Unit of the State of New York)

Required Supplementary Information (Unaudited)
Schedule of Total Pension Liability
Postretirement Medical Premium Stipend Plan (In thousands)

March 31,	2024	2023	2022	2021	2020	2019	2018	2017
Total pension liability								
Interest	\$ (357)	\$ (325)	\$ (314)	\$ (386)	\$ (553)	\$ (653)	\$ (722)	\$ (922)
Differences between expected and actual experience	-	528	832	519	604	909	(219)	1,661
Changes of assumptions	109	657	504	89	(1,063)	(61)	(366)	(1,055)
Benefit payments	1,106	1,257	1,412	1,569	1,685	1,824	1,995	2,118
	858	2,117	2,434	1,791	673	2,019	688	1,802
Total pension liability - beginning	(9,991)	(12,108)	(14,542)	(16,333)	(17,006)	(19,025)	(19,713)	(21,515)
Total pension liability - ending	\$ (9,133)	\$ (9,991)	\$ (12,108)	\$ (14,542)	\$ (16,333)	\$ (17,006)	\$ (19,025)	\$ (19,713)

The plan has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 73.

The following is a summary of changes of assumptions:

Healthcare cost trend rates	5.6% - 3.9%	5.8% - 3.9%	6.0% - 3.9%	5.1% - 4.0%	5.6% - 3.9%	5.9% - 4.9%	5.9% - 4.9%	5.9% - 4.9%
Inflation	2.5%	2.5%	2.5%	2.5%	3.0%	3.0%	3.0%	3.0%
Discount rate	3.96%	3.78%	2.83%	2.27%	2.48%	3.42%	3.61%	3.86%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2020	MP-2020	MP-2019	MP-2018	MP-2016	MP-2016

Data prior to 2017 is unavailable.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY (A Component Unit of the State of New York)

Required Supplementary Information (Unaudited) Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios (In thousands)

March 31,	2024	2023	2022	2021	2020	2019
Total OPEB liability - beginning	\$ (502,015)	\$ (593,828)	\$ (547,417)	\$ (564,836)	\$ (531,756)	\$ (486,984)
Changes for the year:						
Service cost	(23,165)	(32,248)	(29,484)	(26,857)	(25,662)	(23,590)
Interest	(13,978)	(13,294)	(13,387)	(19,055)	(18,944)	(18,267)
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	73,302	-	111,774	-	-
Changes of assumptions and other inputs	64,178	47,742	(18,766)	(63,790)	(2,443)	(15,451)
Benefit payments	16,171	16,311	15,226	15,347	13,969	12,536
Net change in total OPEB liability	43,206	91,813	(46,411)	17,419	(33,080)	(44,772)
Total OPEB liability - ending	\$ (458,809)	\$ (502,015)	\$ (593,828)	\$ (547,417)	\$ (564,836)	\$ (531,756)
Covered-employee payroll	\$ 108,646	\$ 103,448	\$ 96,473	\$ 92,325	\$ 93,017	\$ 93,017
Total OPEB liability as a percentage of covered-employee payroll	422%	485%	616%	593%	607%	572%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The following is a summary of changes of assumptions:

Healthcare cost trend rates	7.5% - 3.9%	7.5% - 3.9%	5.2% - 4.0%	5.2% - 4.0%	14.9% - 3.9%	14.9% - 3.9%
Salary increases	0.8% - 12.4%	0.8% - 12.4%	3.8% - 4.5%	3.8% - 4.5%	3.8% - 4.5%	3.8% - 4.5%
Discount rate	3.78%	2.83%	2.27%	2.48%	3.42%	3.61%
Inflation	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2020	MP-2020	MP-2016	MP-2016

Data prior to 2019 is unavailable.

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY
(A Component Unit of the State of New York)

Additional Information Combining Balance Sheets (In thousands)

March 31,

2024

	NFTA	BNIA	Metro	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 4,256	\$ 38,746	\$ 101,883	\$ 144,885
Investments	-	12,399	66,976	79,375
Accounts and other receivables	3,250	8,017	1,624	12,891
Grants receivable	2,818	4,127	28,436	35,381
Leases receivable	2,168	6,462	863	9,493
Due to/from affiliate	(20,147)	3,945	16,202	-
Materials and supplies inventory	-	-	6,166	6,166
Prepaid expenses and other	232	1,104	440	1,776
	<u>(7,423)</u>	<u>74,800</u>	<u>222,590</u>	<u>289,967</u>
Restricted assets:				
Cash and cash equivalents	8,827	45,384	22,895	77,106
Investments	-	30,655	8,387	39,042
	<u>8,827</u>	<u>76,039</u>	<u>31,282</u>	<u>116,148</u>
Leases receivable	21,275	1,561	2,938	25,774
Net pension assets	-	-	-	-
Capital assets, net	<u>74,209</u>	<u>279,246</u>	<u>353,949</u>	<u>707,404</u>
	<u>95,484</u>	<u>280,807</u>	<u>356,887</u>	<u>733,178</u>
Total assets	<u>96,888</u>	<u>431,646</u>	<u>610,759</u>	<u>1,139,293</u>
Deferred outflows of resources:				
Deferred outflows of resources related to pensions	10,786	10,769	7,616	29,171
Deferred outflows of resources related to OPEB	7,572	1,785	53,083	62,440
Total deferred outflows of resources	<u>18,358</u>	<u>12,554</u>	<u>60,699</u>	<u>91,611</u>
Total assets and deferred outflows of resources	<u>\$ 115,246</u>	<u>\$ 444,200</u>	<u>\$ 671,458</u>	<u>\$ 1,230,904</u>
Liabilities				
Current liabilities:				
Current portion of long-term debt	\$ 410	\$ 12,971	\$ 1,523	\$ 14,904
Accounts payable and accrued expenses	15,880	6,148	19,271	41,299
Other current liabilities	5,320	756	30,743	36,819
	<u>21,610</u>	<u>19,875</u>	<u>51,537</u>	<u>93,022</u>
Noncurrent liabilities:				
Long-term debt	2,744	87,897	1,253	91,894
Self-insured claims	2,803	1,878	27,813	32,494
Net pension liabilities	13,086	13,644	17,341	44,071
Total OPEB liability	69,464	16,150	373,195	458,809
Other noncurrent liabilities	247	-	-	247
	<u>88,344</u>	<u>119,569</u>	<u>419,602</u>	<u>627,515</u>
Total liabilities	<u>109,954</u>	<u>139,444</u>	<u>471,139</u>	<u>720,537</u>
Deferred inflows of resources:				
Deferred inflows of resources related to leases	22,149	7,706	4,164	34,019
Deferred inflows of resources related to pensions	581	1,286	1,077	2,944
Deferred inflows of resources related to OPEB	38,898	7,752	154,036	200,686
Total deferred inflows of resources	<u>61,628</u>	<u>16,744</u>	<u>159,277</u>	<u>237,649</u>
Net position:				
Net investment in capital assets	71,055	178,378	351,173	600,606
Restricted	8,827	76,039	31,282	116,148
Unrestricted (deficit)	(136,218)	33,595	(341,413)	(444,036)
Total net position (deficit)	<u>(56,336)</u>	<u>288,012</u>	<u>41,042</u>	<u>272,718</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 115,246</u>	<u>\$ 444,200</u>	<u>\$ 671,458</u>	<u>\$ 1,230,904</u>

2023				
NFTA	BNIA	Metro	Total	
\$ 4,440	\$ 28,383	\$ 98,657	\$ 131,480	
-	11,803	64,138	75,941	
3,596	12,075	1,664	17,335	
2,713	2,120	33,033	37,866	
2,327	6,844	90	9,261	
(31,038)	8,294	22,744	-	
-	-	5,616	5,616	
410	180	1,158	1,748	
(17,552)	69,699	227,100	279,247	
7,777	36,384	20,117	64,278	
-	30,188	8,000	38,188	
7,777	66,572	28,117	102,466	
23,163	8,011	28	31,202	
3,336	1,515	3,017	7,868	
73,710	261,062	310,698	645,470	
100,209	270,588	313,743	684,540	
90,434	406,859	568,960	1,066,253	
11,060	10,988	7,721	29,769	
9,841	2,314	68,701	80,856	
20,901	13,302	76,422	110,625	
\$ 111,335	\$ 420,161	\$ 645,382	\$ 1,176,878	
\$ 242	\$ 12,390	\$ 2,936	\$ 15,568	
11,279	10,097	18,858	40,234	
5,236	1,989	28,142	35,367	
16,757	24,476	49,936	91,169	
2,723	102,284	2,776	107,783	
3,806	1,448	30,326	35,580	
438	873	10,378	11,689	
76,005	17,671	408,339	502,015	
1,656	-	-	1,656	
84,628	122,276	451,819	658,723	
101,385	146,752	501,755	749,892	
24,792	14,317	287	39,396	
14,774	13,892	10,194	38,860	
38,276	7,205	136,345	181,826	
77,842	35,414	146,826	260,082	
70,745	146,388	304,986	522,119	
7,777	66,572	28,117	102,466	
(146,414)	25,035	(336,302)	(457,681)	
(67,892)	237,995	(3,199)	166,904	
\$ 111,335	\$ 420,161	\$ 645,382	\$ 1,176,878	

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY
(A Component Unit of the State of New York)

Additional Information Combining Schedules of Revenues, Expenses and Changes in Net Position (In thousands)

For the years ended March 31,

2024

	NFTA	BNIA	Metro	Total
Operating revenues:				
Fares	\$ -	\$ -	\$ 27,693	\$ 27,693
Concessions and commissions	1,227	33,378	-	34,605
Rental income	7,207	13,261	-	20,468
Airport fees and services	88	20,639	-	20,727
Other operating revenues	161	4,713	1,052	5,926
Total operating revenues	8,683	71,991	28,745	109,419
Operating expenses:				
Salaries and employee benefits	15,499	23,457	106,072	145,028
Other postemployment benefits	(1,300)	101	10,264	9,065
Depreciation and amortization	5,575	18,381	31,918	55,874
Maintenance and repairs	2,288	10,380	11,604	24,272
Transit fuel and power	-	-	3,903	3,903
Utilities	947	2,129	1,577	4,653
Insurance and injuries	598	1,115	6,172	7,885
Other	11,248	7,971	7,553	26,772
Administrative cost reallocation	(18,152)	7,915	10,237	-
Total operating expenses	16,703	71,449	189,300	277,452
Operating income (loss)	(8,020)	542	(160,555)	(168,033)
Non-operating revenues (expenses):				
Government assistance	573	-	142,585	143,158
Passenger facility charges	261	9,300	-	9,561
Interest income, net	963	96	6,191	7,250
Other non-operating revenues (expenses), net	8,322	(2,837)	(4,607)	878
Total non-operating net revenues	10,119	6,559	144,169	160,847
Change in net position before capital contributions	2,099	7,101	(16,386)	(7,186)
Capital contributions	9,457	42,916	60,627	113,000
Change in net position	11,556	50,017	44,241	105,814
Net position (deficit) - beginning of year	(67,892)	237,995	(3,199)	166,904
Net position (deficit) - end of year	\$ (56,336)	\$ 288,012	\$ 41,042	\$ 272,718

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2023					
NFTA		BNIA		Metro	Total
\$	-	\$	-	\$ 25,640	\$ 25,640
	1,203		30,039	-	31,242
	7,163		12,635	-	19,798
	90		20,380	-	20,470
	178		4,924	1,213	6,315
	8,634		67,978	26,853	103,465
	9,786		20,443	95,357	125,586
	1,361		719	24,554	26,634
	5,476		19,006	29,447	53,929
	2,306		10,237	10,430	22,973
	-		-	4,961	4,961
	1,195		2,526	1,936	5,657
	725		642	4,333	5,700
	8,240		7,199	6,244	21,683
	(15,134)		6,599	8,535	-
	13,955		67,371	185,797	267,123
	(5,321)		607	(158,944)	(163,658)
	559		-	135,192	135,751
	1,067		7,647	-	8,714
	1,015		(1,895)	1,274	394
	4,853		(1,391)	(2,155)	1,307
	7,494		4,361	134,311	146,166
	2,173		4,968	(24,633)	(17,492)
	6,036		16,409	34,786	57,231
	8,209		21,377	10,153	39,739
	(76,101)		216,618	(13,352)	127,165
\$	(67,892)	\$	237,995	\$ (3,199)	\$ 166,904

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NIAGARA FRONTIER TRANSPORTATION AUTHORITY
(A Component Unit of the State of New York)

Additional Information

Buffalo Niagara International Airport - Restricted Assets (In thousands)

For the years ended March 31,	2024	2023
Cash and cash equivalents:		
Passenger facility charges	\$ 17,679	\$ 8,363
Operations and maintenance reserve	2,003	2,001
Aviation reserve	2,865	2,812
Debt service reserve	20,935	21,351
Construction fund	45	45
Operating reserve	1,857	1,812
	<u>45,384</u>	<u>36,384</u>
Investments:		
Passenger facility charges	18,735	18,036
Revenue bond reserve	3,642	4,215
Repairs and replacement reserve	750	750
Operating reserve	7,528	7,187
	<u>30,655</u>	<u>30,188</u>
Total restricted assets	<u>\$ 76,039</u>	<u>\$ 66,572</u>

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of Commissioners
Niagara Frontier Transportation Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Niagara Frontier Transportation Authority (the Authority) (a component unit of the State of New York), a business-type activity, as of and for the year ended March 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 26, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

June 26, 2024

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SECTION 2925(3)(f) OF THE NEW YORK STATE PUBLIC AUTHORITIES LAW

The Board of Commissioners
Niagara Frontier Transportation Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Niagara Frontier Transportation Authority (the Authority), a business-type activity and a component unit of the State of New York, as of and for the year ended March 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and we have issued our report thereon dated June 26, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that the Authority failed to comply with §2925(3)(f) of the New York State Public Authorities Law regarding investment guidelines during the year ended March 31, 2024. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Authority's noncompliance with the above rules and regulations.

The purpose of this report is solely to describe the scope and results of our testing. This communication is not suitable for any other purpose.

June 26, 2024

CORPORATE:

2. C. (2) **Authorization for NYSDOT Section 5311 Operating Assistance
Federal Fiscal Year 2023, NFTA**

RECOMMENDATION: Staff recommends the Board authorize the New York State Department of Transportation (NYSDOT) Section 5311 Operating Assistance (identified by Contract Number C005984) in the amount of \$81,000.00 for mass transportation services provided by NFTA-Metro that serve non-urbanized areas of Erie and Niagara counties, during 2023 Federal fiscal year (FFY).

INFORMATION: The NFTA and the State of New York have entered into an agreement which supports the operation of Metro routes in non-urbanized areas of Erie and Niagara counties and provides an allocation of Federal funding.

FUNDING: FFY 2023 Federal Section 5311 funds in the amount of \$81,000.00 will be provided to NFTA-Metro.

NYSDOT Section 5311 Operating Assistance, Contract No. C005984

<i>PIN</i>	<i>Project</i>	<i>Federal Funding</i>
5790.05.403	2023 Operating Assistance - CORE	\$7,700.00
5790.08.403	2023 Operating Assistance - CORE	\$73,300.00
Total		\$81,000.00

“RESOLVED, that the Board hereby authorizes New York State Department of Transportation Section 5311 Operating Assistance (Contract No. C005984) in the amount of \$81,000.00, as described above; and

BE IT FURTHER RESOLVED, that the Executive Director, designee and/or the Chair, be, and hereby are, authorized to execute and deliver said request for grant funds, as described above.”

CORPORATE:

2. C. (3) Authorization for Procurement, Carahsoft, Splunk Software, NFTA

RECOMMENDATION: Staff recommends the Board authorize the procurement of a one- year subscription for Splunk software and services from Carahsoft at a cost of \$237,689.76.

INFORMATION: The Authority systems generate a tremendous amount of log data every day. These log data are needed for security and performance analysis. Splunk is the tool used by the Authority for the aggregation of this log data. We have the capacity to log up to 400GB per day. This system is vital to maintain a secure environment at the Authority. This procurement is using GSA Contract 47QSWA18D008F.

FUNDING: Funding is provided by NFTA operating funds.

“RESOLVED, that the Board hereby authorizes the procurement of Splunk software and services at a total cost of \$237,689.76, as described above; and

BE IT FURTHER RESOLVED, that the Director of Procurement & Supply Chain be and is hereby authorized to issue Purchase Orders to Carahsoft for the procurement of Splunk software and services to be used as described hereinabove; and

BE IT FURTHER RESOLVED, that said Purchase Orders shall include such additional terms, conditions and safeguards to the NFTA as deemed appropriate by the General Counsel; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer, be and is hereby authorized to make payments under said Purchase Order(s) upon certification by the Chief Information Officer, that such payments are in order based upon receipt of all required supporting documentation.”

CORPORATE:

2. C. (4) **Authorization for Procurement , Zunesis, Network Switches, NFTA**

RECOMMENDATION: Staff recommends the Board authorize the purchase of 25 Cisco 9200 Network Switches from Zunesis for the total amount of \$166,972.59.

INFORMATION: The NFTA is continuing to replace network infrastructure at locations throughout the Authority. The existing network switches are approaching end-of-life, and this procurement is the third round of our lifecycle management process. This procurement will replace the final third of those devices. The equipment is being procured under GSA Agreement 47QTCA19D00MM.

FUNDING: Funding is provided for in the capital budget.

“**RESOLVED**, that the Board hereby authorizes the procurement from Zunesis of 25 Cisco 9200 Network Switches at a cost of \$166,972.59, as described above; and

BE IT FURTHER RESOLVED, that the Director of Procurement & Supply Chain, be and is hereby authorized to issue Purchase Orders with Zunesis for the procurement of the Network Switches, as described hereinabove; and

BE IT FURTHER RESOLVED, that said Purchase Orders may include such additional terms, conditions and safeguards to the NFTA as deemed appropriate by the General Counsel; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer, be and is hereby, authorized to make payments under said purchase orders, upon certification by the Chief Information Officer, that such payments are in order based upon receipt of all necessary supporting documentation.”

CORPORATE:

2. C. (5) **Authorization for Procurement, ComSource, Software Subscription License, NFTA**

RECOMMENDATION: Staff recommends the Board authorize the purchase of a three-year software subscription license from ComSource at a cost of \$54,224.78.

INFORMATION: This software is used to backup and archive copies of all the NFTA's critical system and data. This software will also allow the NFTA to maintain its functionality and add capacity. This procurement will use GSA Agreement 47QSWA18D008F.

FUNDING: Funding is provided for in the capital budget.

“RESOLVED, that the Board hereby authorizes the procurement from ComSource of a software subscription license at a cost of \$54,224.78, as described above; and

BE IT FURTHER RESOLVED, that the Director of Procurement & Supply Chain, be and is hereby authorized to issue Purchase Order(s) to ComSource for the procurement of a software subscription license as described hereinabove; and

BE IT FURTHER RESOLVED, that said Purchase Orders may include such additional terms, conditions and safeguards to the NFTA as deemed appropriate by the General Counsel; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer, be and, hereby is, authorized to make payments under said Agreement upon certification by the Chief Information Officer, that such payments are in order based upon receipt of all necessary supporting documentation.”

CORPORATE:

2. C. (6) **Authorization for Collective Bargaining Agreement, Teamsters Local 264 - Airport Supervisors, NFTA**

RECOMMENDATION: Staff recommends the Board authorize a three (3) year collective bargaining agreement between the Niagara Frontier Transportation Authority (NFTA) and the Teamsters Local 264 - Airport Supervisors for the period April 1, 2024, through March 31, 2027.

INFORMATION: Teamsters Local 264 - Airport Supervisors represents twenty-four (24) Airport Supervisors at Buffalo Niagara International Airport and Niagara Falls International Airport. Under the proposed agreement, members of this bargaining unit will receive the following wages:

Fiscal Year	Wage Increase	Est. Total Wage Exp. Increase	Increase over Status Quo
2024-2025	2.75%	\$52,805.00	\$69,658.00
2025-2026	2.25%	\$44,392.00	\$131,530.00
2026-2027	2.25%	\$45,391.00	\$185,645.00

Effective upon ratification and approval, or as soon thereafter as it may be implemented by the NFTA, there will be an increase in contribution by employees for NFTA-provided health insurance from twelve percent (12%) to thirteen percent (13%) for the monthly health insurance premium cost for either single or family coverage for the plan selected by the employee.

Effective January 1, 2026, there will be an increase in contribution by employees for NFTA-provided health insurance to fifteen percent (15%) for the monthly health insurance premium cost for either single or family coverage for the plan selected by the employee.

FUNDING: Funding for this Agreement is included in the Authority's FYE 2025 budget and the five-year plan.

“RESOLVED, that the Board hereby approves a Collective Bargaining Agreement between the NFTA and Teamsters 264-Airport Supervisors for the period April 1, 2024, through March 31, 2027, as set forth above; and

BE IT FURTHER RESOLVED, that the Board authorizes the Executive Director, designee and/or the Chair to execute and deliver a Collective Bargaining Agreement with Teamsters 264- Airport Supervisors for the period April 1, 2024, through March 31, 2027, as described above; and

BE IT FURTHER RESOLVED, that said Agreement may include such additional terms, conditions and safeguards to the Authority as deemed appropriate by the General Counsel; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer be and is hereby authorized to make payments under said Agreement upon certification by the Vice President of Human Resources and Talent Management, that such payments are in order and consistent with the terms of said Agreement.”

CORPORATE:

2. C. (7) **Adoption of Amended Drug and Alcohol Policy, Niagara Frontier Transportation Authority**

RECOMMENDATION: Staff recommends the Board amend NFTA’s current policy concerning use of drugs and alcohol in the workplace through adoption of annexed policy statement entitled: Niagara Frontier Transportation Authority, Drug and Alcohol Policy (“Policy”).

INFORMATION: The Federal Transit Administration (FTA) and Federal Motor Carrier Safety Administration (FMCSA) periodically modify and clarify the federal regulations mandating drug/alcohol testing for all safety-sensitive transit positions and the required policy elements. Additional amendments to the Policy were made to ensure compliance with New York State Labor Law §201-d regarding the off duty, off premises use of cannabis by non-safety sensitive employees. The Authority’s Policy will be revised to reflect changes including, but not limited to:

- Removal of marijuana from prohibited drugs for non-safety sensitive positions for pre-employment, random selection, return to duty, and follow up drug testing.
- Addition of Appendix as required by FTA to specify job titles whose duties require the performance of safety-sensitive functions.

Additional minor administrative or technical updates were also made to the Policy to update and clarify certain sections of the Policy, including changes necessary to address the removal of marijuana as a prohibited drug for non-safety sensitive positions.

Board adoption of the revised policy is a requirement of the Federal Regulation and will ensure NFTA’s compliance with federal regulations concerning drug and alcohol testing, thereby enhancing the safety of the workplace environment for employees and for the patrons of NFTA and NFT Metro System, Inc.

FUNDING: No funding is required.

“**RESOLVED**, that, effective June 26, 2024, the Niagara Frontier Transportation Authority, Drug and Alcohol Policy is hereby adopted as amended in the attached document.”

Niagara Frontier Transportation Authority Drug and Alcohol Policy



~~Revised May 2021~~

Revised June 2024

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1.0 POLICY

The Board of Commissioners of the Niagara Frontier Transportation Authority and its subsidiary corporation, Niagara Frontier Transit Metro System, Inc. has adopted this policy and is committed to the development, maintenance/enforcement, and implementation of a program to maintain a work environment that is free from the use of prohibited drugs and the misuse of alcohol.

This policy is intended to comply with all applicable federal regulations governing workplace anti-drug and alcohol programs in the transportation industry. The Federal Transit Administration (FTA) has published 49 CFR Part 655 "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations", and the Federal Motor Carriers Safety Administration (FMCSA) has published 40 CFR Part 382 "Controlled Substances and Alcohol use Testing", as amended, ~~that~~ each mandates ~~urine~~ drug testing and breath alcohol testing for safety-sensitive positions and prohibits performance of safety-sensitive functions when there is a positive test result. The U. S. Department of Transportation (DOT) has also published 49 CFR Part 40, as amended, that sets standards for the collection and testing of urine and breath specimens. In addition, the federal government published 49 CFR Part 29 & 49 CFR Part 32, "The Drug-Free Workplace Act of 1988," which requires the establishment of drug-free workplace policies and the reporting of certain drug-related offenses to the FTA.

1.1 Conditions of Employment for All Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc. (collectively referred to as "NFTA" or "Authority") Employees

1. All full-time, part-time, temporary, and seasonal employees of the Authority are advised that it is unlawful to use, possess, dispense, sell, distribute, or manufacture a controlled substance in the workplace, or on Authority business while away from the workplace including while operating company equipment or performing any other duties or activities on behalf of the NFTA.
2. All full-time, part-time, temporary, and seasonal employees of the Authority convicted under any criminal drug statute for a violation occurring in the workplace or on Authority business while away from the workplace must notify the Authority **IN WRITING** not later than five (5) days after such a conviction.
3. All full-time, part-time, temporary, and seasonal employees in safety sensitive positions as defined in this Policy agree to abide by the terms of DOT/~~FTA~~ drug and alcohol regulations and the Authority's policy as a necessary condition of their continued employment. Failure to do so

shall result in disciplinary action.

~~3.4.~~ All full-time, part-time, temporary and seasonal employees in non-safety sensitive positions shall abide by the terms of this Policy as a necessary condition of their continued employment. Failure to do so shall result in disciplinary action.

2.0 PURPOSE

The purpose of this policy is to assure employee fitness for duty and to protect employees, customers, and the public from risk posed by worker use of prohibited drugs or alcohol.

It is the goal of this policy to prevent substance abuse and rehabilitate rather than terminate the employment of workers. However, all persons covered by this Policy should be aware that violations of the Policy will result in discipline, up to and including termination, or in not being hired.

3.1-3.0 APPLICABILITY AND CONDITIONS OF EMPLOYMENT COVERED EMPLOYEES

A. Authority Employees in FTA Safety-Sensitive Positions (49 CFR Part 655, See Appendix I):

1. All employees of the Authority in safety-sensitive positions are required to submit to drug and alcohol tests as a condition of employment in accordance with 49 CFR Part 655 and are prohibited from performing the duties of a safety-sensitive position with prohibited drugs or prohibited levels of drug metabolites in their system, or when having consumed alcohol within four hours of reporting for duty, or having a breath alcohol concentration of 0.02 or greater while on duty. A breath alcohol concentration of 0.04 or greater is considered a positive test.
2. All employees of the Authority in safety-sensitive positions, as defined by the FTA, must submit to drug and alcohol testing procedures in accordance with 49 CFR Part 40 and 655.

Safety-sensitive Positions as Defined by the FTA

Safety-sensitive positions are those whose duties relate to the safe operation of transportation services and include, ~~but are not limited to,~~ the following:

- Operators of revenue service vehicles, whether or not the vehicle is in revenue service;
- Dispatchers, controllers, and supervisors who direct the movement of revenue service vehicles;
- Operators of non-revenue service vehicles whose operation requires a Commercial Driver's License;
- Employees involved in the maintenance (including repairs,

- overhaul, and rebuilding) of revenue service vehicles or ancillary equipment used in revenue service;
- Employees who are required to carry a firearm for security purposes (e.g., Police Officers).

B. Authority Employees in FMCSA Safety Sensitive Positions (49 CFR Part 382, See Appendix I):

1. All employees of the Authority in safety-sensitive positions are required to submit to drug and alcohol tests as a condition of employment in accordance with 49 CFR Part 382 and are prohibited from performing the duties of a safety-sensitive position with prohibited drugs or prohibited levels of drug metabolites in their system, or when having consumed alcohol within four hours of reporting for duty, or having a breath alcohol concentration of 0.02 or greater while on duty. A breath alcohol concentration of 0.04 or greater is considered a positive test.

3.2. All employees of the Authority in safety-sensitive positions, governed by the Federal Motor Carrier Safety Administration, must submit to drug and alcohol testing procedures in accordance with 49 CFR Part 40 and 382.

Safety-sensitive function means all time from the time a driver begins to work or is required to be in readiness to work until the time the driver is relieved from work and all responsibility for performing work. Safety-sensitive functions shall include:

- All time at an employer or shipper plant, terminal, facility, or other property, or on any public property, waiting to be dispatched, unless the driver has been relieved from duty by the employer;
- All time inspecting equipment as required by §392.7 and §392.8 of this subchapter or otherwise inspecting, servicing, or conditioning any commercial motor vehicle at any time;
- All time spent at the driving controls of a commercial motor vehicle in operation;
- All time, other than driving time, in or upon any commercial motor vehicle except time spent resting in a sleeper berth (a berth conforming to the requirements of §393.76 of this subchapter);
- All time loading or unloading a vehicle, supervising, or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or in giving or receiving receipts for shipments loaded or unloaded; and
- All time repairing, obtaining assistance, or remaining in attendance upon a disabled vehicle.

Performing (a safety-sensitive function) means a driver is considered to be performing a safety-sensitive function during any period in which

the driver is actually performing, ready to perform, or immediately available to perform any safety-sensitive functions. This definition applies to every person and to all employers of such persons who operate a commercial motor vehicle in commerce or every person who operates a commercial motor vehicle on any public roadway.

~~B. FTA does not mandate the drug screening and alcohol testing of employees in non-safety sensitive positions. As Authority policy, the provisions of this policy that refer to safety-sensitive employees including pre-employment, random, reasonable suspicion, return to duty and follow-up drug and alcohol testing, as well as the consequences and applicable post-test procedures, shall apply to ALL non-represented, full-time, part-time, temporary and seasonal employees of the Authority, as well as to employees represented by unions that have negotiated compliance with this policy as part of their collective bargaining agreements or past practice. All drug and/or alcohol tests for non-safety sensitive employees will be performed using Non-DOT Control Custody Forms (CCFs) and Alcohol Testing Forms (ATFs).~~

C. Non-Safety Sensitive Employees: As Authority policy, all non-represented, full-time, part-time, temporary, and seasonal employees of the Authority, as well as employees represented by unions that have negotiated compliance with this policy as part of their collective bargaining agreements or past practice, ~~as Authority policy~~ are subject to the collection and testing procedures set forth in 49 CFR Part 40 ~~and Part 655~~. All drug and/or alcohol tests for non-safety sensitive employees will be performed using Non-DOT CCFs and ATFs.

D. All employees of the Authority, whose positions require certification under Article 19-A of the New York State (NYS) Motor Vehicle and Traffic Law are prohibited from operating or having control of a bus or rail car with either prohibited drugs or controlled substances in their system, or when having consumed alcohol within six (6) hours of reporting for duty (NYS Department of Motor Vehicle and Traffic Law, Article 19-A 509 I (a), (b), and (c)).

~~This policy and its applicability will be modified as required by FTA & FMCSA statutes or regulations.~~

~~3.2 PROVISIONS FOR EMPLOYEES COVERED BY 49 CFR PART 382, CONTROLLED SUBSTANCES AND ALCOHOL USE AND TESTING—FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION (FMCSA)~~

~~Refer to Appendix E~~

4.1 ILLEGALLY USED CONTROLLED SUBSTANCES OR DRUGS PROHIBITED BEHAVIOR

~~The use of any illegal drug or any substance identified in Schedules I through V of Section 202 of the Controlled Substance Act (21 U.S.C. 812), as further defined by 21 CFR 1300.11 through 1300.15, is prohibited at all times unless a legal prescription has been written for the substance. This includes, but is not limited to marijuana, amphetamines, opiates, phencyclidine (PCP), and cocaine, as well as any drug not approved for medical use by the U.S. Drug Enforcement Administration or the U.S. Food and Drug Administration. Illegal use includes use of any illegal drug, misuse of legally prescribed drugs, use of controlled substances prescribed for another individual and use of illegally obtained prescription drugs. Safety-sensitive employees will be tested at any time while on duty for marijuana, cocaine, amphetamines, opiates, and PCP as described in this policy.~~

SAFETY SENSITIVE EMPLOYEES:

Use of illegal drugs is prohibited at all times. Prohibited drugs for **Safety-Sensitive** employees include:

- marijuana
- cocaine
- phencyclidine (PCP)
- opioids
- amphetamines

All safety sensitive employees are prohibited from performing or continuing to perform safety-sensitive functions while having an alcohol concentration of 0.04 or greater.

All safety sensitive employees are prohibited from consuming alcohol while performing safety-sensitive job functions or while on-call to perform safety-sensitive job functions. If an on-call employee has consumed alcohol, they must acknowledge the use of alcohol at the time that they are called to report for duty. If the on-call employee claims the ability to perform his or her safety-sensitive function, he or she must take an alcohol test with a result of less than 0.02 prior to performance.

All safety sensitive employees are prohibited from consuming alcohol within four (4) hours prior to the performance of safety-sensitive job functions.

All safety sensitive employees required to take a post-accident test are prohibited from consuming alcohol for eight (8) hours following involvement in an accident or until he or she submits to the post-accident drug and alcohol test, whichever occurs first.

NON-SAFETY SENSITIVE EMPLOYEES

Use of illegal drugs is prohibited at all times. Prohibited drugs for **Non-Safety Sensitive** employees for **PRE-EMPLOYMENT (section 5.1)**, **RETURN-TO-DUTY (section 5.5)**,

FOLLOW UP (section 5.6) and RANDOM (section 5.2) testing include:

- cocaine
- phencyclidine (PCP)
- opioids
- amphetamines

~~Prohibited drugs for Non-Safety Sensitive employees for~~ **are subject to POST ACCIDENT (section 5.4) and REASONABLE SUSPICION (section 5.3) testing for the following substances include:**

- marijuana
- cocaine
- phencyclidine (PCP)
- opioids
- amphetamines

All non-safety sensitive employees are prohibited from performing or continuing to perform job functions while having an alcohol concentration of 0.04 or greater.

All non-safety sensitive employees are prohibited from consuming alcohol and marijuana while performing job functions or while on-call to perform job functions. If an on-call employee has consumed alcohol and/or marijuana, they must acknowledge the use of alcohol and/or marijuana at the time that they are called to report for duty.

All non-safety sensitive employees are prohibited from consuming alcohol and/or marijuana within four (4) hours prior to the performance of job functions.

Non-safety sensitive employees are subject to post accident drug and alcohol testing and will be required to test within 8 hours of an accident for alcohol and within 32 hours of an accident for drugs.

4.2 LEGALLY USED/USE OF CONTROLLED SUBSTANCES OR DRUGS

It is the employee's responsibility to inform any treatment provider prescribing medication that they operate a public transportation vehicle (or that they have ~~has~~ a safety-sensitive job) and ask if the prescribed medication could interfere with the ability to safely perform any safety-sensitive job functions.

Article 19A (Section 509-K) states: "No driver shall operate a bus while the driver's ability or alertness is so impaired or so likely to become impaired, through fatigue, illness or any other cause, as to make it unsafe for the driver to begin or continue to operate the bus".

It is the employee's responsibility to inform the NFTA Medical Department

promptly of all new or discontinued medications.

4.3 ALCOHOL

Alcohol refers to the intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohols, including methyl or isopropyl alcohol. Alcohol use is defined as the consumption of any beverage or substance, including any medication, mouthwash, food, candy or any other mixture, preparation, or any other substance (49 CFR Part 40.3). ~~Alcohol (alcohol concentration greater or equal to 0.02) present in the body while performing any Authority business is prohibited. Safety-sensitive employees, while having an alcohol concentration of 0.04 or greater, are prohibited from performing or continuing to perform a safety-sensitive function (49 CFR 655.31(b)).~~

5.1 PRE-EMPLOYMENT TESTING

Pre-employment testing applies to all new hires, as well as to employees upon promotion or transfer to a safety-sensitive position, when that employee is not already employed in an ~~FTA-defined~~ safety-sensitive position. Before allowing an employee or applicant to perform a safety-sensitive function for the first time, the employee or applicant must take a pre-employment drug test, with a verified negative result.

When an FTA regulated safety-sensitive employee or applicant has not performed a safety-sensitive function for ninety (90) consecutive calendar days, regardless of the reason, and the employee has not been in the Authority's random selection pool during that time, the employee must take a pre-employment drug test with a verified negative result before the employee is allowed to return to work (49 CFR Part 655.41).

When an FMCSA regulated safety-sensitive employee has not performed a safety-sensitive function for thirty (30) consecutive calendar days, regardless of the reason, and the employee has not been in the Authority's random selection pool during that time, the employee must take a pre-employment drug test with a verified negative result before the employee is allowed to return to work (49 CFR Part 382.301)

When a **non-safety sensitive** employee has not performed their job function for ninety (90) consecutive calendar days and the employee has not been in the Authority's random selection pool during that time, the employee must take a pre-employment drug test with a verified negative result before the employee is allowed to return to work.

As Authority policy, ~~for pre-employment drug tests conducted prior to initial employment for any safety-sensitive or non-safety-sensitive positions, the Authority may use hair testing, as well as the collection of urine specimens to test for the prohibited drugs listed in section 4.1 of this policy. Any~~ any

applicant who tests positive on the drug test will be disqualified from consideration for employment with the Authority.

Applicants who receive a negative dilute result of a urine test must take another test immediately (49 CFR Part 40). Unless the result of the second test is a ~~verified~~ negative, the applicant will be disqualified from consideration for employment.

If an applicant/employee takes a pre-employment test and receives a verified negative result but does not begin working in, or return to, their safety-sensitive or non-safety-sensitive job within thirty (30) days from the confirmed negative result, the employee must take another non-DOT pre-employment test and receive a negative result before starting work for the Authority, or returning to or transferring to a safety-sensitive position. If more than ninety (90) days pass from the date of the confirmed negative result, the employee must take another DOT pre-employment test, with a negative result (49 CFR Parts 655.41).

If a pre-employment test is cancelled, the employee must retake and pass the test before being hired into, or returning to, a safety-sensitive or non-safety-sensitive position, or being promoted into a safety-sensitive position. ~~For cancelled tests with no medical explanation that is acceptable to the Authority's Medical Review Officer (MRO), a recollection is required under direct observation.~~ No employee will be permitted to transfer from a non-safety-sensitive position to a safety-sensitive position or return to a safety-sensitive position until the employee takes a pre-employment drug test, with a verified negative result. ~~As Authority policy, failure to report as scheduled for a required pre-employment drug test will be considered as an employee's withdrawal from employment, but will NOT constitute a refusal to test under DOT regulations.~~

When a safety-sensitive employee or applicant has previously failed or refused a DOT pre-employment test prior to initial employment, the employee must provide the Authority's Substance Abuse Program Administrator Drug and Alcohol Program Manager (DAPM) proof of having successfully completed the DOT Return-to-Duty process, a referral, evaluation and treatment plan as described in section 655.62 of subpart G (49 CFR 655.41 (a)(2)). ~~As Authority policy, any applicant who has previously failed a drug or alcohol test with another employer must demonstrate a five-year period of abstinence through documentation acceptable to the Authority's MRO or Substance Abuse Program Administrator before the employee will be considered for initial employment. For applicants that have not completed the DOT Return-to-Duty process, the DAPM can provide a list of Substance Abuse Professionals (SAP) to satisfy this DOT requirement.~~

5.2 RANDOM TESTING

~~A minimum annual rate of 50% of the total number of FTA safety-sensitive employees (or the rate set by FTA for that year for drug tests) will be randomly chosen by a computer-generated selection process, and reasonably spread over a twelve-month period for drug testing. A minimum annual rate of 10% of the total~~

number of FTA safety-sensitive employees (or the rate set by FTA for that year for alcohol tests) are

Testing rates will meet or exceed the minimum annual percentage rate set each year within each DOT agency. The current year testing rates for FTA and FMCSA can be viewed online at <http://www.transportation.gov/odapc/random-testing-rates>.

Employees are randomly chosen by a computer-generated selection process, and reasonably spread over a twelve-month period for drug and alcohol testing. The random selection process and scheduling of testing is the responsibility of the Human Resources Department. The selection of employees for random drug and alcohol testing shall be made by a scientifically valid method, such as a random number table or a computer-based random number generator that is matched with employees' Social Security numbers, payroll identification numbers, or other comparable identifying numbers. Under the selection process used, each covered employee shall have an equal chance of being tested each time selections are made ~~(49 CFR Part 655.45(e))~~. Management/Supervisors do not have discretion with the random selection process. The Authority shall ensure that the random drug and alcohol tests conducted are unannounced and unpredictable, and that the dates for administering random tests are spread reasonably throughout the calendar year. Random testing must be conducted at all times of the day when safety-sensitive functions are being performed ~~(49 CFR Part 655.45(g))~~. If the employee is performing a safety-sensitive function at the time of the notification, the Authority shall ensure that the employee stops performing the safety-sensitive function and proceeds to the testing site immediately ~~(49 CFR Part 655.45(h))~~. A safety sensitive-covered employee shall only be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions; just before the employee is to perform safety-sensitive functions; or just after the employee has ceased performing such functions. An covered employee may be randomly tested for prohibited drug use anytime while on duty ~~(CFR Part 655.45 (i))~~. Employees are notified that they have been selected for testing as close to the actual time of the collection and/or test, as is reasonably possible. The employee will only be notified after the employee has reported for work on the day the urine specimen is to be collected and/or the alcohol test is to be conducted. The Authority shall require that each covered employee who is notified of selection for random testing proceed to the test site immediately.

Discretion will be used as employees are notified that they have been selected for random testing, and employees will be provided with as much privacy as is reasonably possible. ***An employee's failure to report as directed for random testing will be treated as a refusal to take a drug and/or alcohol test.***

Refer to 49 CFR Part 655.45 or 49 CFR Part 382.305 for additional information regarding random testing.

Previously Scheduled Commitment Program

As Authority policy, this program shall be used only for members of the Amalgamated Transit Union (ATU).

Random drug and/or alcohol testing shall be initiated no later than three (3) hours before the end of an employee's shift where such an employee has provided advance verifiable documentation of the previously scheduled medical or childcare commitment for the period immediately following the employee's shift.

Medical commitment - the medical section of the required form must be completed and signed by the employee's health care professional.

Childcare commitment - the childcare section of the required form must be completed and signed by the employee's childcare provider.

The Authority's Medical Department **must** receive the **original (completed) form** with an **original signature** (no stamps) twenty-four (24) hours prior to the start of the work shift of the weekday commitment or by 12:30 pm on the Friday preceding the weekend commitment. Phone and fax numbers are required. **Copies and incomplete forms** will not be accepted. If an employee has any questions about this policy or how to obtain a form, they should call the Authority's Medical Department at 716-855-7339, [716-855-7337](tel:716-855-7337) or [Human Resources at 716-855-6500. 716-855-6592 or 716-855-7409.](tel:716-855-7409)

5.3 REASONABLE SUSPICION TESTING

Employees may be tested upon reasonable suspicion of drug and/or alcohol use based upon specific, contemporaneous, articulable observations concerning the appearance, behavior, speech and/or body odors of the employee. Reasonable Suspicion alcohol testing may be performed just before an employee performs safety-sensitive duties, during that performance, and just after an employee has performed safety-sensitive duties. [This testing applies to employees in non-safety sensitive positions.](#) The observations leading to Reasonable Suspicion alcohol testing must be made during, just preceding, or just after the period of the workday that the employee is required to be in compliance with 49 CFR Part 655 [and 49 CFR Part 382.](#) FTA regulations require only one supervisor to make the reasonable suspicion determination if a test will be performed; however, as Authority policy, when possible, two supervisors will make the reasonable suspicion determination. Any supervisor involved in making the determination of reasonable suspicion must have received at least one (1) hour of training in recognizing the symptoms and effects of prohibited drug use and at least one (1) hour of training in recognizing the symptoms and effects of prohibited alcohol use. In all cases involving reasonable suspicion, the supervisor(s) shall document their observations of the employee's behavior and factors leading to the act of reasonable suspicion. Any employee exhibiting such signs or appearing to be under the influence of drugs and/or alcohol will be removed from

the vehicle or workplace and informed that there is reasonable cause to believe that the employee has been using a prohibited drug and/or alcohol. The employee will be given the opportunity to make a verbal statement or provide appropriate medical documentation explaining why their behavior or other physical signs may be indicating that the employee appears to be under the influence of prohibited drugs and/or alcohol. The employee will then be escorted by a responsible person as determined by the supervisor(s) to a collection/test site. The employee will be required to provide a urine specimen and/or perform an alcohol test under the guidelines for drug and alcohol testing (49 CFR Part 40). Alcohol testing is only permissible just before/during/just after safety-sensitive duty. Urine collections may be performed anytime while on duty. In addition, the employee may be subject to a fitness for duty evaluation. Such an employee will only be allowed to return to work after a verified negative test result has been received by the MRO for prohibited drugs or if the employee tests negative for alcohol with a breath alcohol concentration below 0.02. If the reasonable suspicion drug and/or alcohol test(s) produces a verified negative test result(s), the employee will be made whole.

In cases where an employee has tested positive, the employee will be allowed to return to work only if they:

- Have been cleared through a Substance Abuse Professional (SAP) interview and evaluation.
- Have successfully complied with treatment regimen as developed by SAP and treatment provider.
- Have been cleared by the Authority's Medical Review Officer, Substance Abuse Program Administrator, or other qualified medical personnel involved in the assessment/evaluation of the employee in question.
- Have a verified negative test result on a return-to-duty drug and/or alcohol test.

5.4 POST ACCIDENT TESTING

FTA regulations define an accident as an occurrence associated with the operation of a vehicle, if as a result: (1) an individual dies; or (2) an individual suffers bodily injury and immediately receives medical treatment away from the scene of the accident; or (3) with respect to an occurrence in which the public transportation vehicle involved is a bus, electric bus, van or automobile, one or more vehicles (including non-FTA funded vehicles) incurs disabling damage as the result of the occurrence and such vehicle or vehicles are transported away from the scene by a tow truck or other vehicle; or (4) with respect to an occurrence in which the public transportation vehicle involved is a rail car, trolley car, trolley bus, or vessel, the mass transit vehicle is removed from operation (49 CFR Part 655.4).

In addition, as Authority policy, non-DOT post-accident testing will be conducted when an employee has received a citation under state or local law

for a moving traffic violation arising from an accident but has not met a criterion for DOT Post-Accident testing.

As soon as practicable following an accident-involving the loss of human life, the Authority shall conduct drug and alcohol tests on each surviving covered employee operating the mass transit vehicle at the time of the accident. The Authority shall also drug and alcohol test any other safety-sensitive employees whose performance could have contributed to the accident as determined by the Authority using the best information available at the time of the decision.

As soon as practicable following an accident not involving the loss of human life, however, meeting the criteria above in which a mass transit vehicle is involved, the Authority shall drug and alcohol test each safety-sensitive employee operating the mass transit vehicle at the time of the accident unless the Authority determines, using the best information available at the time of the decision, that the safety-sensitive employee's performance can be completely discounted as a contributing factor to the accident.

The Authority shall also drug and alcohol test any other safety-sensitive employee whose performance could have contributed to the accident, as determined by the Authority using the best information available at the time of the decision. For example, in a collision between a train and a maintenance vehicle, the Train Operator, driver of the maintenance vehicle, Rail Controller and the employee who maintained the equipment may all be tested.

If an alcohol test required by this policy is not administered within two (2) hours following the accident, the Controller or Supervisor overseeing the accident shall prepare and maintain a record stating the reasons the alcohol test was not promptly administered. If an alcohol test required by this section is not administered within eight (8) hours following the accident, the Controller or Supervisor overseeing the accident shall cease attempts to administer an alcohol test and maintain the record. Records shall be submitted to FTA upon request of the Administrator (49 CFR Part 655.44).

Each safety-sensitive employee required to be drug tested under this policy is to be tested as soon as practicable but within thirty-two (32) hours of the accident. The decision not to administer a drug and/or alcohol test shall be based on the Authority's determination, using the best information available at the time of the determination that the employee's performance could not have contributed to the accident. Such a decision must be documented in detail, including the decision-making process used to reach the decision not to test. As Authority policy, the Controller or Supervisor overseeing the accident must provide the detailed documentation.

Nothing in this policy shall be construed to require the delay of necessary medical attention for the injured following an accident or to prohibit a safety-sensitive employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.

A safety-sensitive employee who is subject to post-accident testing who fails to

remain readily available for such testing, and who fails to notify the Authority or the Authority representative of their location if the employee leaves the scene of the accident prior to submission to such test, may be deemed by the Authority to have refused to submit to testing (49 CFR Part 655.44).

As Authority policy, employees required to participate in post-accident testing will be accompanied to the collection site by a Supervisor. As Authority policy, this testing applies to employees in non-safety sensitive positions where warranted under the circumstances stated in this section.

For additional guidance regarding post-accident testing, refer to **Appendix E & F** (FMCSA/~~BNIA/NFIA~~ Post-Accident Testing Decision Tree), ~~and~~ **Appendix EG** (FTA/~~NFT Metro System~~ Post-Accident Testing Decision Tree) and Appendix H (Non-DOT Post-Accident Testing Decision Tree) of this policy and bargaining agreements between each respective union and the Authority.

5.5 RETURN-TO-DUTY TESTING

Any employee who has either refused to take, or has a verified positive drug and/or alcohol test result (excluding a non-safety sensitive employee with a positive marijuana test), must report to the SAP (DOT) or Substance Abuse Counselor (non-DOT) and ultimately submit to a Return-to-Duty (Observed Collection) drug test and/or alcohol test ~~(49 CFR Part 40, subpart O)~~. If the employee is required to take a Return-to-Duty (Observed Collection) drug test, the employee will not be permitted to return to duty until a verified negative drug test result has been received from the MRO. If the employee is required to take a Return-to Duty alcohol test, the employee will not be permitted to return to duty unless the alcohol concentration is less than 0.02.

5.6 FOLLOW-UP TESTING

A safety-sensitive employee who has failed a drug and/or alcohol test and has successfully returned to duty is subject to unannounced testing (follow-up tests) pursuant to 49 CFR Part 40 Subpart O. The follow-up testing period may be extended equal to the length of "breaks in service". Follow-up alcohol testing is only permissible just before, during, and just after the performance of a safety-sensitive function.

As Authority policy, all non-safety-sensitive employees who have failed a drug and/or alcohol test (for any substance excluding marijuana) and have successfully returned to duty are subject to unannounced follow-up tests mirroring the procedures described in 49 CFR Part 40 Subpart O as ordered by a non-DOT substance abuse counselor. The follow-up testing period may be extended equal to the length of "breaks in service".

6.1 BREATH SPECIMEN COLLECTION PROCEDURES

~~In accordance with 49 CFR 40.229, a Breath Alcohol Technician (BAT) will use a~~

National Highway Traffic Safety Administration (NHTSA) approved evidential breath-testing (EBT) device to perform the initial test. Confirmatory testing will be performed and collected by a BAT using an NHTSA approved EBT device.

The BAT must prevent unauthorized personnel from entering the testing site. The only people the BAT is to treat as authorized personnel are employees being tested, BATs, Designated Engineering Representatives (DERs), and DOT agency representatives. The BAT may remove from the testing site any person who obstructs, interferes with, or causes unnecessary delay in the testing process. The BAT must not allow any person other than the employee, or a DOT agency representative, to actually witness the testing process (49 CFR Part 40.241–40.255). A BAT must avoid distraction that could compromise security. A BAT is limited to conducting an alcohol test for only one (1) employee at a time.

The BAT will take the following steps to begin all alcohol screening tests, regardless of the type of testing device being used:

- Contact the DER to determine the appropriate interval within which the DER has determined the employee is authorized to arrive when a specific time for an employee's test has been scheduled, or the collection site is at the employee's worksite, and the employee does not appear at the collection site at the scheduled time. If the employee's arrival is delayed beyond that time, the BAT must notify the DER that the employee has not reported for testing.
- Ensure that when the employee enters the alcohol testing site, the BAT will begin the alcohol testing process without undue delay. For example, the BAT must not wait because the employee says they are not ready or because an authorized Authority or employee (union) representative is delayed in arriving.
- Require that employee provide positive, photo identification upon their arrival at the testing site. The BAT may not accept faxes or photocopies of identification. Positive identification by an Authority representative (not a co-worker or another employee being tested) is also acceptable. If the employee cannot produce positive identification, the BAT must contact the DER to verify the identity of the employee.
- Complete Step 1 of the Alcohol Testing Form (ATF) and then direct the employee to complete Step 2 on the ATF and sign the certification. If the employee refuses to sign this certification, the BAT must document this refusal on the "Remarks" line of the ATF and immediately notify the DER. This will constitute a refusal to test.

The following is the procedure to be followed for an alcohol screening test using an EBT. The BAT must take the following steps:

- Select, or allow the employee to select, an individually wrapped or sealed mouthpiece from the testing materials.
- Open the individually wrapped or sealed mouthpiece in view of the employee and insert it into the device in accordance with the manufacturer's instructions.

- Instruct the employee to blow steadily and forcefully into the mouthpiece for at least six (6) seconds or until the device indicates that an adequate amount of breath has been obtained.
- Show the employee the displayed test result.
- —Check to ensure that the information has been printed correctly onto the ATF if the device is one that prints the test number, testing device name and serial number, time, and result *directly onto the ATF*.
- —Affix the printout of the information to the designated space on the ATF with tamper-evident tape or use a self-adhesive label that is tamper-evident if the device is one that prints the test number, testing device name and serial number, time, and result, *on a separate printout rather than directly onto the ATF*.

The BAT must follow these steps to begin the confirmation test process:

- Ensure that the waiting period lasts at least fifteen (15) minutes, starting with the completion of the screening test. After the waiting period has elapsed, begin the confirmation test as soon as possible, but not more than thirty (30) minutes after the completion of the screening test.
- Observe the employee during the waiting period.
- Concerning the waiting period, tell the employee:
 - Not to eat, drink, put anything (e.g., cigarette, chewing gum) into their mouth, or belch;
 - The reason for the waiting period (i.e., to prevent an accumulation of mouth alcohol from leading to an artificially high reading);
 - That following instructions concerning the waiting period is to the employee's benefit; and the confirmation test will be conducted at the end of the waiting period, even if the instructions have not been followed.
- —Begin the confirmation test procedures in 49 CFR Part 40.253, not another screening test; even if more than thirty (30) minutes have passed since the screening test result was obtained.
- Note on the "Remarks" line of the ATF the time that elapsed between the two events, and if the confirmation test could not begin within thirty (30) minutes of the screening test, the reason why.

All specimen collection and testing procedures will be conducted according to the procedures put forth in 49 CFR Part 40, as amended.

6.2 URINE SPECIMEN COLLECTION PROCEDURES

Urine specimens are obtained from employees at a "collection site". A collection site is defined as a "place designated by the employer where individuals present themselves for the purpose of providing a specimen of their urine to be analyzed for the presence of drugs".

The employee is required to provide positive identification upon their arrival at the collection site. The collector must see a photo ID issued by the Authority or a driver's license. The collector may not accept faxes or photocopies of

identification. Positive identification by an Authority representative (not a co-worker or another employee being tested) is also acceptable. If the employee cannot produce positive identification, the collector must contact the DER to verify the identity of the employee (49 CFR Part 40.61).

The collection site, in accordance with the requirements in 49 CFR Part 40, will be secured as follows:

- The location will provide a privacy enclosure for urination, a toilet, a suitable clean writing surface and a water source for hand washing.
- The collection site must be secured when it is not in use, or, if this is not possible, the site must be visually inspected prior to use for each specimen collection to ensure that unauthorized persons are not present and that there are no unobserved entrance points.
- Access to the site must be restricted during specimen collection.
- A bluing agent must be added to toilet water, and other sources of water must be turned off if they are located within the privacy enclosure when urination occurs.
- The maintenance of chain of custody of the specimen is vital. In order to decrease the likelihood of human error, and to provide for the privacy, dignity and confidentiality of employees, the procedures in 49 CFR Part 40 will be adhered to. Only laboratories certified by the DHHS will perform testing.

All testing will be conducted according to the procedures set forth in 49 CFR Part 40, as amended. This will include photo identification of the employee, intact Federal Drug Custody and Control Form with unique specimen identification numbers completed by a trained collection site person (who ensures that the Federal Custody and Control Form is completed correctly and signed and certified by the donor), and collection of the split sample specimens which are sealed and dated by the collector and then initialed by the donor.

All specimen collection and testing procedures will be conducted according to the procedures put forth in 49 CFR Part 40, as amended.

If a donor has a shy bladder, the donor has five days to obtain a medical evaluation from a provider acceptable to the MRO to determine that there is a medical explanation for the inability to provide a specimen. ~~The employee will not be permitted to return to work until the results of the evaluation are made available to the MRO. As Authority policy, the employee will be made whole if it is determined by the MRO that a valid medical reason exists for their inability to provide a sufficient amount of urine for testing.~~ An employee who was unable to provide a urine specimen due to a confirmed shy bladder may be subject to other tests, as determined by the MRO.

6.3 DILUTE SPECIMEN

If the MRO informs the Authority's DER that a negative drug test was dilute, the Authority _____ will direct the employee to take another test. When the

Authority directs the employee to take another test, the result of the second test - not that of the original test - becomes the test of record, on which the Authority will rely for purposes of a dilute specimen report from the MRO.

NOTE: For certain negative-dilute tests with a creatinine concentration greater than or equal to 2 mg/dL, but less than or equal to 5 mg/dL, a recollection is required under direct observation. If the Authority directs the employee to take another test and the employee declines to do so, the employee will be considered as having refused the test under DOT agency regulations (49 CFR Part 40.197).

As Authority policy, donors who provide a dilute specimen for a pre-employment drug test prior to initial employment must provide a second specimen. ~~(not under direct observation). If the second specimen is also dilute, the Authority will withdraw the offer of employment unless the donor can provide medical proof acceptable to the MRO that the donor has a medical condition that precludes providing a non-dilute urine specimen. Dilute results will not be recorded as a positive test under DOT Regulations.~~

6.4 COLLECTION UNDER DIRECT OBSERVATION

1. A directly observed collection procedure is the same as a routine collection procedure with the additional requirement that an observer physically watches the employee urinate into the collection container. An observed collection is required when:
 - The employee attempts to tamper with their specimen at the collection site.
 - A. The specimen temperature is outside the acceptable range;
 - B. The specimen shows signs of tampering ~ unusual color/odor/characteristic; or
 - C. The collector finds an item in the employee's pockets or wallet, which appears to be brought into the site to contaminate a specimen; or the collector notes conduct suggesting tampering.
 - The MRO orders the direct observation because:
 - A. The employee has no legitimate medical reason for certain atypical laboratory results; or
 - B. The employee has a negative-dilute test result with a creatinine concentration greater than or equal to 2 mg/dL but less than or equal to 5 mg/dL; or
 - C. The employee's positive or refusal [adulterated/substituted] test result had to be cancelled because the split specimen test could not be performed (for example, the split was not collected).
 - The test is a Follow-Up test or a Return-to-Duty test.
2. The observer must be the same identified gender as the employee and shall not be a direct supervisor or peer.

3. If the collector is not the observer, the collector must instruct the observer about the procedures for checking the employee for prosthetic or other devices designed to carry “clean” urine and urine substitutes AND for watching the employee urinate into the collection container.
4. Failure of the employee to permit any part of the direct observation procedure is a refusal to test.
5. As Authority policy, all non-safety-sensitive employees will be subject to the procedures for “Collection Under Direct Observation” as set forth herein. ~~of safety-sensitive employees shall also apply to ALL non-safety-sensitive employees including non-represented full-time, part-time, temporary, and seasonal employees of the Authority, as well as to employees represented by unions that have negotiated compliance with this policy as part of their collective bargaining agreements or past practice.~~ Non-DOT CCFs are used for all tests performed for non-safety-sensitive employees.

6.5 SPLIT SPECIMEN

When the MRO notifies an employee of a verified positive drug test result or refusal to test (because of adulteration or substitution), the employee will have seventy-two (72) hours from the time of notification to request a test of the split specimen. The request may be verbal or in writing. If a split specimen from a positive test is unsuitable or unavailable for testing when requested, the donor must have a repeat collection under direct observation (49 CFR Part 40.201(e)).

Removal of the employee from a safety-sensitive position will not be stayed pending the result of the test of the split specimen. If the result of the test of the split specimen fails to reconfirm the presence of the drugs or drug metabolites found in the primary specimen, the MRO will cancel the test and report the cancellation ~~and reasons for it to the DOT, to the~~ Authority, ~~and the employee.~~

~~If an employee has not requested a test of the split specimen within seventy-two (72) hours, the employee may present to the MRO information documenting that serious injury, illness, lack of actual notice of the verified test result, inability to contact the MRO (e.g., there was no one in the MRO's office and the answering machine was not working), or other circumstances unavoidably prevented them from making a timely request.~~

~~If the MRO concludes from the employee's information that there was a legitimate reason for the employee's failure to make contact within seventy-two (72) hours, the MRO will direct that the test of the split specimen take place. The MRO will immediately provide written notice to the laboratory that tested the primary specimen, directing the laboratory to forward the split specimen to a second DHHS-certified laboratory. The MRO will also document the date and time of the employee's request (49 CFR Part 40.171).~~

As Authority policy, the employee will be made whole for time lost from work if the result of the split specimen fails to confirm the presence of prohibited drugs, or if the result of the repeat collection taken from the split specimen is unsuitable or unavailable is negative.

6.6 MEDICAL REVIEW OFFICER AND THE VERIFICATION PROCESS

The MRO is a licensed physician responsible for receiving the laboratory results generated by the Authority's drug testing program. The MRO must possess knowledge of substance abuse disorders and have appropriate medical training to interpret and evaluate an individual's confirmed positive test result together with their medical history and any other relevant biomedical information.

The MRO has the responsibility to do the following:

- Protect the confidentiality of the drug testing information
- Act as an independent and impartial "gatekeeper" and advocate for the accuracy and integrity of the drug testing process
- Provide quality assurance review of the drug testing process for the specimens under their purview
- Determine whether there is a legitimate medical explanation for confirmed positive, adulterated, substituted, or invalid drug test results from the laboratory
- Personally contact the employee to discuss a confirmed positive, adulterated, substituted, or invalid test result from the laboratory (49 CFR Part 40.131). Notify the employee of their right to have the split specimen tested (49 CFR Part 40.153).
- Follow CCF procedures to confirm positive, adulterated, substituted, or invalid drug test results (49 CFR Part 40.129).
- Notify the DER of a verified positive result in a timely manner.
- Notify the DER when retests are required.
- If the employee provides an adequate explanation for drug results that are confirmed positive by the laboratory, notify the Drug and Alcohol Program Manager (DAPM)/DER of a verified negative result.
- Raise fitness-for-duty (NYS 19-A) considerations with the Authority's Medical Department even if there is a legitimate medical explanation and verification of a drug test to be negative (49 CFR Part 40.327).

7.1 COMPLIANCE WITH TESTING REQUIREMENTS

As Authority policy, all employees will be subject to urine drug testing and breath alcohol testing. Any safety-sensitive employee who refuses to comply with a request for testing shall be removed from duty. ~~The Authority will consider the test refusal to be a positive test,~~ and the employee will be referred to the SAP for evaluation. Failure of an employee to obtain an SAP evaluation and/or failure to follow the SAP's recommended treatment plan will be cause for termination of employment. Any safety-sensitive employee who is suspected of falsifying test results through tampering, contamination, adulteration, or substitution will be required to undergo an observed collection. Verification of these actions will result in the employee's removal from duty.

Any non-safety-sensitive employee who refuses to comply with a request for testing shall be removed from duty and the employee will be referred to a

substance abuse counselor for evaluation.

Employees who refuse to submit to alcohol and/or drug testing will be subject to the same consequences as a positive test. ~~be considered to have tested positive.~~

The definitions of the behaviors that constitute a refusal to submit to a test are:

- Failure to provide sufficient quantities of breath to be tested without a genuine inability to provide such quantities of breath as determined by a medical evaluation acceptable to the DAPM.
- Failure to provide a sufficient quantities of urine ~~specimen~~ as required by 49 CFR Part 40, without a legitimate medical explanation acceptable to the MRO.
- ~~Refusal to submit to a random (49 CFR Part 655.45), reasonable suspicion (49 CFR Part 655.43), post-accident (49 CFR Part 655.44), or a follow-up (49 CFR Part 655.47) drug and/or alcohol test. The Authority will not permit an employee who refuses to submit to such test to perform or continue to perform safety-sensitive functions. When an employee refuses to submit to a drug or alcohol test, the Authority will follow the procedures outlined in 49 CFR Part 40.~~ Failure to attempt to provide a breath or urine specimen.
- In a case where post-accident testing is required, failure to remain readily available for drug and alcohol testing. This includes an employee's failure to notify the Authority or Authority representative of their location if the employee leaves the scene of the accident prior to submission to a drug and/or alcohol test (49 CFR Part 655.44).
- Failure to permit the monitoring of specimen donation when so required (49 CFR Part 40.69(g)).
- Failure to sign the certification on Step 2 of the ATF form (49 CFR Part 40.261).
- Failure to appear for any test (except for pre-employment test) at the time specified by the Authority (49 CFR Part 40.191).
- Failure to remain at the testing site until the testing process is complete, provided that an employee who leaves the testing site before the testing process commences (see 49 CFR Parts 40.63 (c) and 40.243 (a)) for a pre-employment test is not deemed to have refused to test (CFR 49 Parts 40.191(a)(2) and 40.261(a)(2)).
- Failure to undergo a medical examination or evaluation process, as directed by the MRO as part of the verification process, or as directed by the DER under 49 CFR Part 40.193 (d). In the case of a pre-employment drug test, the employee is deemed to have refused to test on this basis only if the pre-employment test is conducted following a contingent offer of employment (49 CFR Part 40.191(a)(7)).
- Failure to undergo a medical examination or evaluation, as directed by the Authority as part of the insufficient breath procedures

- outlined at 49 CFR Part 40.265 (c), (49 CFR Part 40.261(a)(5)).
- Failure to cooperate with any part of the testing process (e.g., refusing to empty pockets when so directed by the collector, failure to wash hands after being directed to do so, behaving in a confrontational way that disrupts the collection process) (49 CFR Parts 40.191 (a)(8) and 40.261 (a) (7)).
- Failure to take a second test required by the Authority or collector (49 CFR Part 40.191(a)(6)).
- Verification by the MRO that a drug test has been adulterated or substituted (49 CFR Part 40.133).
- An admission to the collector or MRO by the employee that the employee has adulterated or substituted their specimen.
- Failure to permit an observed collection and/or failure to follow the observer's instructions to raise and lower their clothing and to turn around to permit the observer to determine if the employee has a prosthetic or other device that could be used to interfere with the collection process.
- Possession of or wearing a prosthetic or other device that could be used to interfere with the collection process.

As Authority policy, ~~all DOT the~~ conditions listed above will also apply as a refusal to take Authority-authorized non-DOT tests.

~~Refer to Sections 3.0 "Applicability and Conditions of Employment" and 4.0 "Prohibited Substances" of this policy for additional information relating to "Prohibited Conduct".~~

AS AUTHORITY POLICY, ALL EMPLOYEES WILL BE SUBJECT TO TERMINATION AS A RESULT OF:

- Refusal to comply with an SAP or NON-DOT substance abuse counselor referral after having tested positive for drugs and/or alcohol, or
- Failure of a post-accident drug and/or evidential breath alcohol test when a fatality is involved, or
- Failure to pass a drug and/or evidential breath alcohol test administered under this Drug and Alcohol Policy for a second time, or
- Failure to remain in compliance with a Continued Employment Agreement, or
- Failure to pass a drug and/or evidential breath alcohol test administered under this Drug and Alcohol Policy, from date of new hire to end of probation period.

7.2 ALCOHOL

~~As Authority policy, a~~All employees are prohibited from consuming alcohol while performing their duties, and within four (4) hours of reporting for duty. On-call employees are prohibited from consuming alcohol during their

specified on-call hours. In accordance with 49 CFR 655.33 regarding on-call employees, the Authority prohibits the consumption of alcohol for the specified on-call hours of each safety-sensitive employee who is on-call. The procedure shall include:

1. The opportunity for the safety-sensitive employee to acknowledge the use of alcohol at the time the employee is called to report to duty and the inability to perform their safety-sensitive function;
2. The requirement that the safety-sensitive employee take an alcohol test, if the safety-sensitive employee has acknowledged the use of alcohol but claims ability to perform their safety-sensitive function. No employee shall be permitted to perform or continue to perform their duties if the employee has an alcohol concentration of 0.02 or greater in their system. Any employee whose alcohol test results in a confirmed breath alcohol concentration of 0.02 or greater shall be removed from their safety-sensitive position. Any employee with a breath alcohol concentration of 0.04 or greater will be referred to and told about educational and rehabilitation programs through an SAP. An employee involved in an accident is subject to alcohol testing for a period of eight (8) hours following the accident (49 CFR Part 655).

Article 19-A of the NYS Motor Vehicle and Traffic Law prohibits employees whose positions require 19-A certification from operating or having control of a bus or rail car when having consumed alcohol within six (6) hours of reporting for duty.

Alcohol use by ~~any covered~~ all employees s required to take a post-accident alcohol test is prohibited during the eight (8) hours immediately following the accident, or until the employee undergoes a post-accident alcohol test, whichever occurs first ~~(49 CFR 655.34)~~. This includes alcohol in any form, e.g., in beverages, medication or food. Claims of ingesting alcohol in any form after an accident but before being tested will NOT be considered as a valid explanation for a positive test.

Positive Test Result for Alcohol

FTA Consequences

Following a positive drug or alcohol (BAC at or above 0.04) test result or test refusal, the employee will be immediately removed from safety-sensitive duty and referred to a Substance Abuse Professional.

Following a BAC of 0.02 or greater, but less than 0.04, the employee will be immediately removed from safety-sensitive duties until the start of the employee's next regularly scheduled duty period (but for not less than eight hours) unless a retest results in the employee's alcohol concentration being less than 0.02.

FMCSA Consequences

Following a positive drug or alcohol (BAC at or above 0.04) test result or test refusal, the employee will be immediately removed from safety-sensitive duty and referred to a Substance Abuse Professional (SAP).

Following a BAC of 0.02 or greater, but less than 0.04, the employee will be immediately removed from safety-sensitive duties until the start of the employee's next regularly scheduled duty period, but for not less than 24 hours following administration of the test.

Authority policy requires immediate removal of an employee from their workplace upon notice of a positive test result.

1. Alcohol concentration of 0.02 or greater but less than 0.04 with no fatality

- ~~For a first instance, immediate removal from safety-sensitive duties for a mandatory eight-hour waiting period without pay, unless a confirmatory test results in a concentration of less than 0.02. After the eight-hour waiting period, as Authority policy, an employee is required to be retested and referred to EAP.~~
- **As Authority policy**, for a second instance within two (2) years from the first failure of a test with an alcohol concentration of 0.02 or greater but less than 0.04 with no fatality, immediate removal from safety-sensitive duties, a mandatory five-day waiting period without pay, and referral to an **SAP non-DOT substance abuse counselor** for evaluation. The employee will not be allowed to return to duty until a Conditions for Continued Employment Agreement has been executed and the employee has been retested for alcohol with a non-DOT breath alcohol concentration test result of less than 0.02.

2. Positive alcohol test with alcohol concentration of 0.04 or greater, with no fatality:

- ~~An employee who has a verified positive alcohol test result with a breath alcohol concentration of 0.04 or greater, or refuses to submit to an alcohol test, will be removed immediately from performing the safety-sensitive function (49 CFR Parts 655.61(a)(2)(3)), be subject to a mandatory five-day waiting period without pay, and referred to and evaluated by an SAP (49 CFR Part 655.62). The employee will not be allowed to return to duty until the employee has been retested for alcohol with a breath alcohol concentration test result of less than 0.02. Employees who are being discharged must be provided contact information for qualified SAPs. In addition, as Authority policy a Conditions for Continued Employment Agreement must be executed.~~
- ~~Authority policy requires immediate removal of a non-safety-~~

~~sensitive employee from their workplace upon notice of a positive test result, a mandatory five-day waiting period without pay, and referral to and evaluation by an SAP. Employees who are being discharged must be referred to and offered evaluation by an SAP.~~

~~The breath alcohol concentration thresholds listed above govern the consequences of a positive alcohol test result for both safety-sensitive and non-safety-sensitive employees.~~

~~A donor who fails to provide enough breath for an alcohol test has five (5) days to obtain a medical evaluation from a medical provider acceptable to the DAPM. The employee will not be permitted to return to work until the results of the evaluation are made available to the DAPM. As Authority policy, the employee will be made whole if it is determined by the DAPM that a valid medical reason exists for their inability to provide enough breath for an alcohol test.~~

7.3 DRUGS

The following is a description of the consequences of a verified positive drug test result:

- Immediately after receiving notice from an MRO that an employee has a verified positive drug test result (excluding a non-safety sensitive employee with a positive marijuana test), the employee will be immediately removed from duty and referred to a Substance Abuse Professional or NON-DOT substance abuse counselor.
- —
- ~~Immediately after receiving notice from an MRO or a Consortium/Third Party Administrator (C/TPA) that a covered employee has a verified positive drug test result, FTA DOT regulations require immediate removal of the employee from performing safety-sensitive duties. A refusal to submit to a test is treated as a has the same consequences as a positive test; therefore, if an employee refuses to submit to a drug test, the Authority shall require that the covered employee cease performing a safety-sensitive function (49 CFR Part 655.61(a)(1)(3)).~~
- ~~Authority policy further requires, for the safety-sensitive employee, a mandatory five-day waiting period without pay and~~
- ~~Referral to an SAP for evaluation. The employee will not be allowed to return to duty until a Conditions for Continued Employment Agreement has been executed and a return-to-duty test has been performed with verified negative test results.~~
- ~~Authority policy requires immediate removal of a non-safety-sensitive employee from their workplace upon notice of a positive test result. The Authority policy further requires a mandatory five-day waiting period without pay and referral to an SAP for evaluation. The employee will not be allowed to return to duty until a Conditions for Continued Employment~~

~~Agreement has been executed and a return-to-duty test has been performed with verified negative test results.~~

- ~~• If a covered applicant has a verified positive pre-employment drug test result or refuses to submit to a drug test, the Authority shall advise the applicant of the resources available for evaluating and resolving problems associated with prohibited drug use (49 CFR Part 655.62).~~
- If a covered employee is discharged as a consequence of a verified positive drug test result or refusal to test, the Authority shall advise the discharged employee of the resources available for evaluating and resolving problems associated with prohibited drug use (49 CFR Part 655.62).

7.4 TREATMENT REQUIREMENTS

DOT regulations require immediate removal of the employee from performing safety-sensitive duties and referral to a Substance Abuse Professional (SAP) for evaluation upon notice of:

- A positive drug test result, ~~and/or~~
- Breath alcohol concentration of 0.04 or greater.
- A refused drug and/or alcohol test

Authority policy requires immediate removal of a non-safety-sensitive employee from their workplace and referral to a SAP-Non-DOT Substance Abuse Counselor for evaluation upon notice of:

- A positive drug test result (excluding marijuana), ~~and/or~~
- Breath alcohol concentration of 0.02 or greater.
- A refused drug and/or alcohol test

Authority policy requires a mandatory five-day waiting period without pay for all safety sensitive employees with a positive drug test result and/or breath alcohol concentration of 0.04 or greater and for any non-safety sensitive employee with a positive drug test result (excluding marijuana) and/or breath alcohol concentration of 0.04 or greater. The employee will not be allowed to return to duty until a Conditions for Continued Employment Agreement has been executed.

~~and~~ The employee will not be allowed to return to duty until they have completed the return to duty process and a return-to-duty test has been performed with verified negative test results.

Any ~~safety-sensitive~~ employee who refuses or fails to comply with the SAP's or Substance abuse counselor's requirements for treatment, after care or return-to-duty directives, will be cause for termination of employment.

~~As Authority policy, non-safety-sensitive employees also must adhere to these same guidelines. Non-safety-sensitive employees are exempt under DOT guidelines, but adherence is regulated by the Authority's policy.~~

Use of Vacation and/or Sick Leave During EAP-Sponsored Rehabilitation

The following is Authority policy and not mandated by DOT regulations:
An employee who is absent from work for an extended period of time as the result of their undergoing treatment in an EAP-sponsored rehabilitation program will be allowed to use accrued vacation and/or sick leave during this period, excluding the mandatory five-day waiting period. Employees with questions regarding this policy or who are interested in obtaining information concerning educational and rehabilitation programs related to alcohol and/or drug use/dependency should contact the EAP Office at 716- 681-4300. All inquiries are strictly confidential.

8.0 INFORMATION DISCLOSURE

Drug/alcohol testing records shall be maintained by the Authority Drug and Alcohol Program Manager and, except as provided below or by law, the results of any drug/alcohol test shall not be disclosed without express written consent of the tested employee. The Authority will strictly adhere to all drug and alcohol testing procedures of 49 CFR Part 40 and 655 regarding standards of confidentiality and release of information.

1. The employee, upon written request, is entitled to obtain copies of any records pertaining to their use of prohibited drugs or misuse of alcohol including any drug or alcohol testing records. Covered employees have the right to gain access to any pertinent records such as equipment calibration records, and records of laboratory certifications (49 CFR Part 655.73). Employees may not have access to ~~SAP~~ follow-up testing plans.
2. Records of a verified positive drug/alcohol test results shall be released to the Drug and Alcohol Program Manager, Director of Human Resources and Department Managers on a need-to-know basis.
3. Records will be released to a subsequent employer only upon receipt of a written request from the employee (49 CFR Part 655.73).
4. Records of an employee's drug/alcohol tests shall be released to the adjudicator in a grievance, lawsuit, or other proceeding initiated by or on behalf of the tested individual arising from the results of the drug/alcohol test (including, but not limited to, a Workers' Compensation, Unemployment Insurance, or other proceeding relating to a benefit sought by the safety-sensitive employee). The records will be released to the decision maker in the preceding. The information will only be released with binding stipulation from the decision maker and will make it available only to parties in the preceding.

5. Records will be released to the National Transportation Safety Board during an accident investigation (49 CFR Part 655.73).
6. Records will be released to the DOT or any DOT agency with regulatory authority over the Authority or any of its employees (49 CFR Part 655.73).
7. Records will be released if requested by a federal, state, or local safety agency with regulatory authority over the Authority or the employee.
8. If a party seeks a court order to release a specimen or part of a specimen contrary to any provision of Part 40 as amended, necessary legal steps to contest the issuance of the order will be taken.
9. The Authority shall release information regarding a safety-sensitive employee's record as directed by the specific, written consent of the employee authorizing release of the information to an identified person (49 CFR Part 655.73).

9.0 EMPLOYEE AND SUPERVISOR TRAINING

- All safety-sensitive employees are required to attend training ~~relating to alcohol misuse and prohibited~~ on the effects and consequences of prohibited drug use for a minimum of sixty (60) minutes.
- Authority policy requires all employees to attend training relating to alcohol misuse and prohibited drug use for a minimum of sixty (60) minutes.
- All Supervisors are required to attend a minimum of sixty (60) minutes of training for reasonable suspicion including the signs and symptoms of prohibited drug use and an additional sixty (60) minutes on signs and symptoms of alcohol misuse.

Appendix A

Effects of Alcohol Use

Effects of Alcohol Misuse

Signs and Symptoms of Use

- Dulled mental processes/memory/concentration
- Staggering/lack of coordination
- Odor of alcohol on breath
- Possible constricted pupils
- Drowsy, sleepy, or stuporous condition
- Slowed reaction rate
- Slurred speech
- Perceptual disorder
- Inappropriate behavior - loudness, abusive language, grossly insubordinate
- Blood shot eyes, watery eyes

(Note: except for the odor, these are the general signs and symptoms of any depressant substance)

Health Effects

The chronic consumption of alcohol - average of three servings per day of beer (12 ounces), whiskey (one-ounce) or wine (six-ounce glass) over time, may result in the following health hazards:

- Decreased sexual functioning
- Dependency - up to ten percent of all people who drink alcohol become physically and/or mentally dependent on alcohol and can be termed "alcoholic"
- Fatal liver disease
- Increased cancers of the mouth, tongue, pharynx, esophagus, rectum, breast, and malignant melanoma
- Kidney disease
- Spontaneous abortion and neonatal mortality
- Birth defects
- Gastrointestinal diseases
- Pancreatitis
- Cardiovascular diseases
- Malnutrition
- Brain damage

- Accidents, murders, suicides
- Drug interaction
- Hypertension
- Arrhythmias
- Hematopoietic changes

Personal Life and Workplace Issues/Statistics

- More than 60 percent of burns, 40 percent of falls, 10 percent of boating accidents and 6 percent of private aircraft accidents are alcohol related
- Forty percent (40%) of family court cases are alcohol problem related
- The rate of separation and divorce in families with alcohol dependency problems is seven times the average
- It takes one hour for the average person (150 pounds) to process one serving of an alcoholic beverage from the body
- Impairment in coordination and judgment can be objectively measured with as little as two drinks in the body (0.030 Blood Alcohol Concentration (BAC))

A person who is legally intoxicated (BAC level of 0.08) is six (6) times more likely to have an accident than a sober person.

Methods of Intervening when an Alcohol Problem is Suspected

The following can make referrals of employees to the EAP:

- Directors, Department/Division Heads, Managers and Supervisors
- Union Executive Board Members and Stewards
- Self-referral by the employee
 - It is essential that a mechanism be available to objectively address such problems in a manner that will result in a fair and rational way of dealing with such problems.
 - The Authority, as an additional direct benefit, has made available the EAP for each employee and their family.
 - The EAP is designed to appropriately, and in a timely manner, deal with problems, which have had a negative impact on the job performance of an employee.

Appendix B

Drug Screen Cutoff Levels

Initial Screen and Confirmatory Cut off Levels

The following are the test cut off levels currently set forth in Department of Transportation Regulations 49 CFR 40.87 for the initial screen and for the confirmatory test when the initial screen is positive:

Initial Test Analyte	Initial Test Cutoff	Confirmatory Test Analyte	Confirmatory Test Cutoff Concentration
Marijuana metabolites (THCA)	50 ng/mL	THCA	15 ng/mL.
Cocaine metabolite (Benzoylecgonine)	150 ng/mL	Benzoylecgonine	100 ng/mL.
Codeine/Morphine	2000 ng/mL	Codeine Morphine	2000 ng/mL 2000 ng/mL
Hydrocodone/Hydromorphone	300 ng/mL	Hydrocodone Hydromorphone	100 ng/mL 100 ng/mL
Oxycodone/Oxymorphone	100 ng/mL	Oxycodone Oxymorphone	100 ng/mL 100 ng/mL
6-Acetylmorphine	10 ng/mL	6-Acetylmorphine	10 ng/mL
Phencyclidine	25 ng/mL	Phencyclidine	25 ng/mL
Amphetamine/Methamphetamine	500 ng/mL	Amphetamine Methamphetamine	250 ng/mL 250 ng/mL
MDMA/MDA	500 ng/mL	MDMA MDA	250 ng/mL 250 ng/mL

The above is subject to change by the Department of Transportation.

Alcohol Test Results

Positive - Alcohol concentration 0.04 or greater

Non-Negative - Alcohol concentration 0.02 or greater but less than 0.04

Negative - Alcohol concentration less than 0.02

Appendix C
Substance Abuse Program Contact Personnel
and
DHHS-Certified Laboratory

Substance Abuse Program Contact Personnel

Medical Department

HealthWorks-WNY
1900 Ridge Road
West Seneca, NY 14224
(716) 712-0670

Medical Review Officer

~~Dr David Nahin, M.D.~~
DSI i3 Screen

P.O. Box 17409
Denver, CO 80217
Tel. (877) 585-7366
Fax (855) 253-5666

Employee Assistant Program (EAP)

Child & Family Services
2495 Main Street, Suite 357
Buffalo, NY 14214
(716) 681-4300

Drug and Alcohol Program Administrator/Manager (DAPM/DER)

Medical Department
Niagara Frontier Transportation Authority
Medical Office, 4th floor
181 Ellicott Street
Buffalo, NY 14203
Phone: (716) 855-7339
Fax: (716) 855-7336

HR/Medical (Alternate DER)

Niagara Frontier Transportation Authority
Medical Office, 4th floor

181 Ellicott Street
Buffalo, NY 14203
Phone: (716) 855-7337
Fax: (716) 855-7336

The above names and titles are subject to change.

DHHS-CERTIFIED LABORATORY

The Authority currently utilizes the following laboratory for evaluation and results of the primary urine specimen:

Quest Diagnostics Incorporated
400 Egypt Road
Norristown, PA 19403
(610) 631- 4600
(877) 642-2216

The laboratory is subject to change without notice.

Appendix D Definitions

DEFINITIONS AND ABBREVIATIONS OF TESTING PERSONNEL AND EQUIPMENT

Alcohol Screening Device (ASD) - approved devices as listed on the Office of Drug and Alcohol Policy and Compliance's (ODAPC's) website.

Alcohol Testing Form (ATF) - the form utilized to document alcohol testing and results.

Breath Alcohol Technician (BAT) - a person who instructs and assists employees in the alcohol testing process and operates an evidential breath-testing device.

Chain of Custody Form (CCF) - the form used to document the handling of the urine specimen from the time the employee gives the specimen to the collector until the specimen is destroyed.

Collection site - a place designated by the employer where individuals present themselves for the purpose of providing a specimen of their urine to be analyzed for the presence of drugs.

DOT, the Department, DOT Agency - all DOT agencies, including, but not limited to, FAA, Federal Railroad Administration (FRA), FMCSA, FTA, Pipeline and Hazardous Materials Safety Administration (PHMSA), NHTSA, Office of the Secretary (OST), and any designee of a DOT agency.

Non-Negative - alcohol concentration of 0.02 or greater but less than 0.04

NFTA or Authority policy (NOT MANDATED BY FTA POLICY) - policies adopted by the Board of Commissioners of the NFTA.

Designated Employer Representative (DER) - an employee authorized by the Authority and DAPM to take immediate action(s) to remove employees from safety-sensitive duties, or cause employees **to be removed from safety-sensitive duties**, and to make required decisions in the testing and evaluation processes. The DER also receives test results and other communications for the Authority, consistent with the requirements of this process. Service agents cannot act as DERs. The DAPM is always the primary DER. The designation of any additional DERs must be documented and communicated by the DAPM.

DHHS Certified Laboratory - a laboratory certified by the DHHS, which provides positive and negative test results to the Medical Review Officer.

Evidential Breath-Testing Device (EBT) - a device approved by NHTSA for the evidential testing of breath at the .02 and .04 alcohol concentrations, placed on NHTSA's Conforming Products List (CPL) for "Evidential Breath Measurement Devices" and identified on the CPL as conforming with the model specifications available from NHTSA's Traffic Safety Program. List of approved devices as listed on ODAPC's website.

Medical Review Officer (MRO) - a licensed physician responsible for receiving laboratory results generated by an employer's drug testing program; must possess knowledge of substance abuse disorders and have appropriate medical training to interpret and evaluate an individual's confirmed positive test result together with their medical history and any other relevant biomedical information.

Mass Transit Vehicle- bus, electric bus, van, automobile, rail car, trolley car, trolley bus, or vessel.

Authority Second Chance Policy - FTA regulations require immediate removal of the employee from safety-sensitive duties should an employee's test result for drug and/or alcohol is positive. Authority policy requires removal from the workplace, a mandatory five (5) day waiting period without pay, and referral to an SAP for evaluation. The employee will not be allowed to return to duty until a Conditions for Continued Employment Agreement has been executed, and a return-to-duty test has been performed with negative test results.

Split Specimen - in drug testing, the portion of the urine specimen that is sent to a first laboratory and retained unopened, which is then transported to a second laboratory in the event that the employee requests that it be tested following a verified positive test result of the primary specimen, or a verified adulterated or substituted test result.

Substance Abuse Professional (SAP) - a person who evaluates employees who have violated a DOT drug and alcohol regulation and makes recommendations concerning education, treatment, follow-up testing, and after care. A licensed physician (medical doctor or doctor of osteopathy) or licensed or certified psychologist, social worker, employee assistance professional, state-licensed, or certified marriage and family therapist, or drug and alcohol counselor (certified by an organization listed at <https://www.transportation.gov/odapc/sap>) with knowledge of, and clinical experience in, the diagnosis and treatment of drug and alcohol related disorders.

Appendix E

Provisions for employees covered by 49 CFR Part 382, Controlled Substances and Alcohol Use and Testing - Federal Motor Carrier Safety Administration (FMCSA)

Pre-employment Testing

- Pre-employment testing shall be performed as set for in 49 CFR part 382.301.
- As Authority policy, a verified negative result of a pre-employment test is valid only for a period of thirty (30) days from the confirmation date, as determined by the MRO. If an applicant/employee takes a pre-employment test and receives a verified negative result but does not begin working in or return to their safety-sensitive job within thirty (30) days from the confirmed negative result, then the employee must take a Non-DOT pre-employment test and receive a negative result before starting work for the Authority.

Random Testing

- Testing rates will meet or exceed the minimum annual percentage rate set each year within each DOT agency. The current year testing rates for FTA and FMCSA can be viewed online at <http://www.transportation.gov/odapc/random-testing-rates>.
- ~~A minimum annual rate of 50% of safety-sensitive employees (or the rate set by FMSCA for that year for drug tests) will be randomly chosen by a computer-generated selection process, and evenly spread over a twelve-month period for drug testing.~~
- ~~A minimum annual rate of 10% of safety-sensitive employees (or the rate set by FMCSA for that year for alcohol tests) are randomly chosen by a computer-generated selection process, and evenly spread over a twelve-month period for alcohol testing.~~

Post-Accident Testing

The below **DOT/FMCSA Table** is used to determine when a DOT/FMCSA test shall be performed. This table is used only for accidents occurring on a public access road.

DOT/FMCSA Table	Citation issued to the CMV driver	Test must be performed by employer
i. Human fatality	YES	YES
	NO	YES
ii. Bodily injury with immediate medical treatment away from the scene	YES	YES
	NO	NO
iii. Disabling damage to any motor vehicle requiring tow away	YES	YES
	NO	NO

The below **Non-DOT Table** is used to determine when a **Non-DOT** test shall be performed. This table is used only for accidents occurring on Authority property with restricted public access.

Non-DOT Table	Citation issued to the CMV driver	Test must be performed by employer
i. Human fatality	YES	YES
	NO	YES
ii. Bodily injury with immediate medical treatment away from the scene	YES	YES
	NO	YES
iii. Disabling damage to any motor vehicle requiring tow away	YES	YES
	NO	YES
<u>iv. Incur Substantial Damage to any vehicle or property</u>	<u>YES</u>	<u>YES</u>
	<u>NO</u>	<u>YES</u>

NOTE: Please contact DAPM for case-by-case clarification as needed

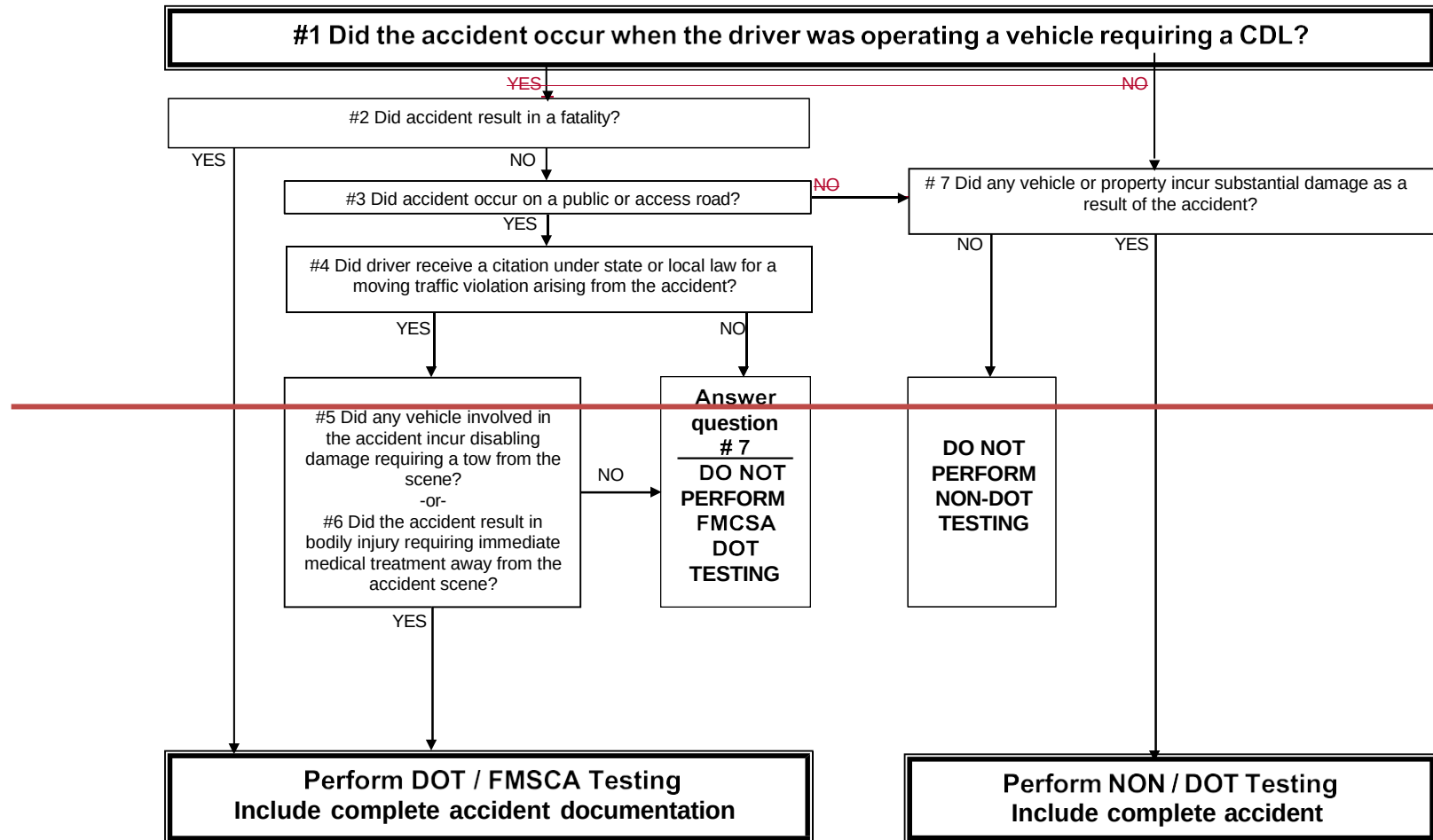
Reasonable Suspicion Testing

Reasonable suspicion testing shall be performed as set for in 49 CFR Part 382.307.

BAC 0.020-0.039 Alcohol Prohibitions

As per 49 CFR Part 382.505(a), no driver tested under the provisions of subpart C of this part who is found to have an alcohol concentration of 0.02 or greater but less than 0.04 shall perform or continue to perform safety-sensitive functions for an employer, including driving a commercial motor vehicle, nor shall an employer permit the driver to perform or continue to perform safety-sensitive functions, until the start of the driver's next regularly scheduled duty period, but not less than twenty-four (24) hours following administration of the test.

FMCSA & NFTA Policy BNIA & NFIA Post Accident Testing Decision Tree



Appendix F- FMCSA Post Accident Decision Making

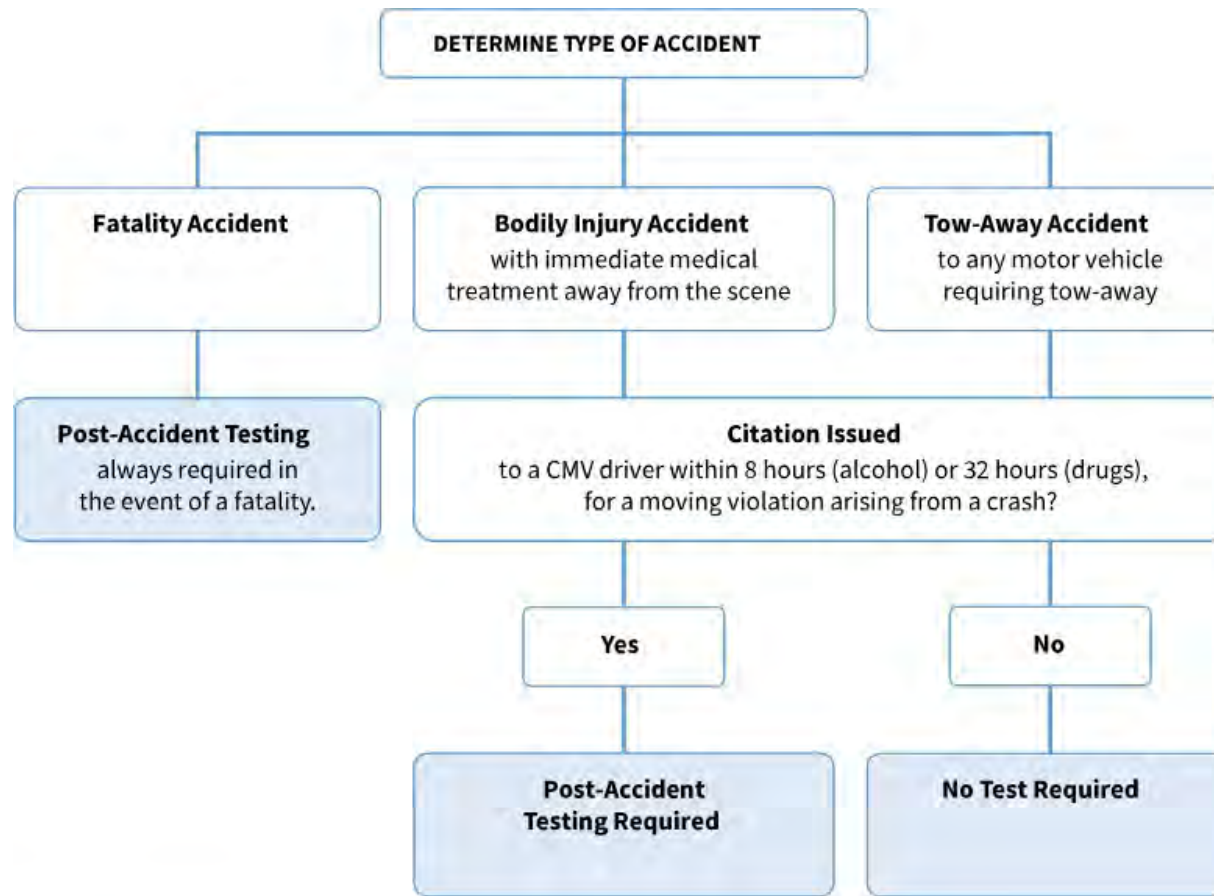
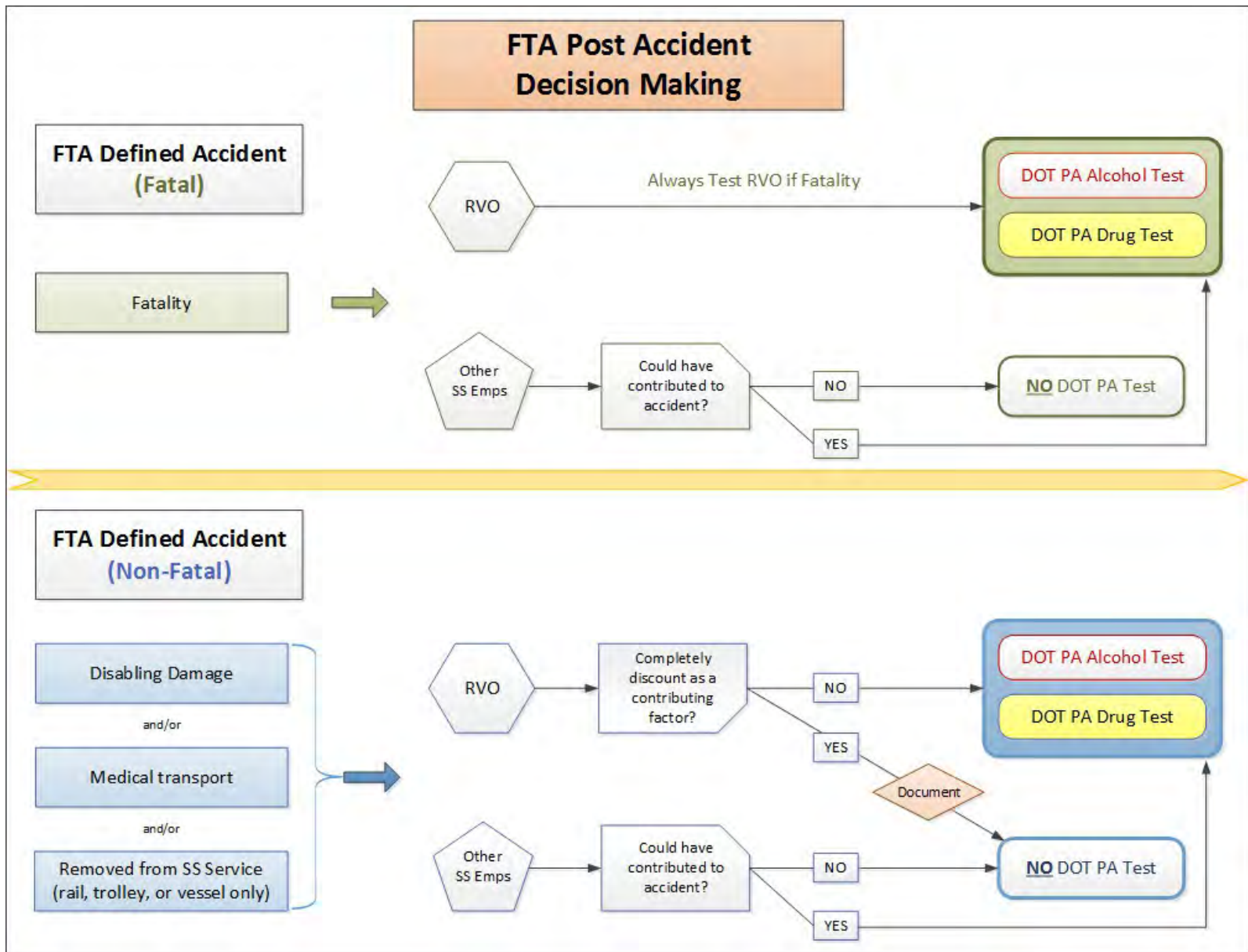
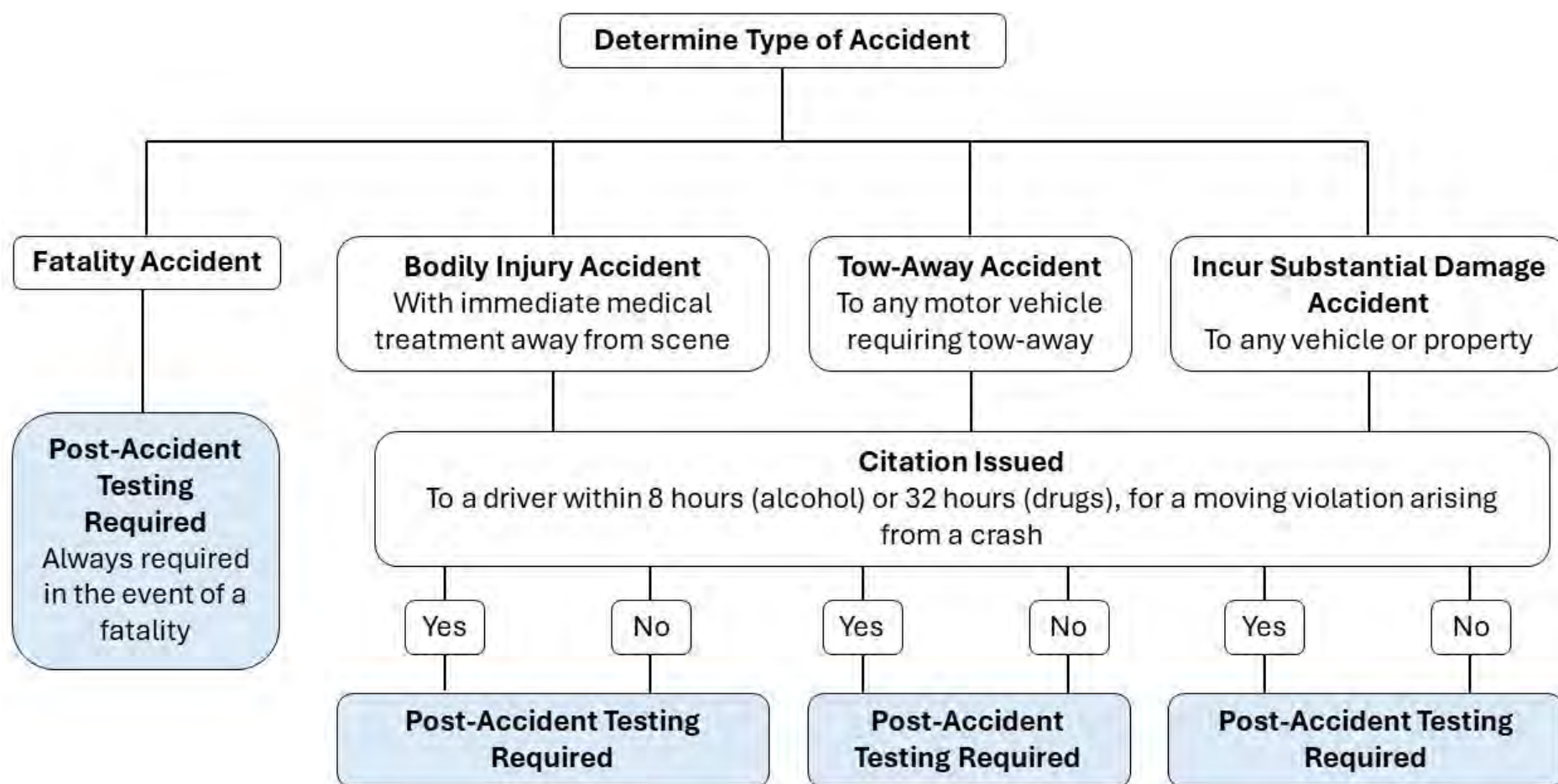


Figure 1: Post-Accident testing Flow Chart

Appendix G- FTA Post Accident Decision Making



Appendix H - Non-DOT Post Accident Decision Making



Appendix I - Job Titles whose Duties Require the Performance of Safety-Sensitive Functions

FTA Covered Safety Sensitive Positions:

ADA Controller	Metrolink Operator
Assistant Vehicle Elect. (ITS) Supr.	Night Garage Supervisor
Assistant Vehicle Maintenance Supr.	Operator
Assistant Rail Car Supervisor	Police Chief
Assistant Supervisor, Electrical Power	Police Officer
Assistant Supervisor, Systems/Facilities	Police Officer
Body Shop Supervisor	Trainee Rail Controller
Booker	Rail Supervisor
Bus Controller	Senior Clerk AAA
Bus Shelter Technician	Senior Investigator
Bus Supervisor	Senior Stock Clerk
Captain	Sign and Loop Person
Communications/Fare Coll. Supervisor	Specialist
Deputy Police Chief	Senior Bus Shelter Tech II
Detective	Stock Clerk (Bus & Rail)
Electric Power Supervisor	Supervisor, Capital Projects
Helper (Bus & Rail)	Supervisor, Systems & Facilities
Helper with Tools (Bus & Rail)	Supervisor, Storeroom
Leader	Technical Trainer/Quality Assurance
Lieutenant	Train Control Supervisor
Machine Shop Supervisor	Unit Change/Bldg. Maintenance Supervisor
Maintenance Operations Coordinator	Vault Transport Driver
Maintenance Shift Supervisor	Vehicle Electronics (ITS) Supervisor
Mechanic A	Vehicle Maintenance Supervisor
Mechanic B	
Mechanic C	

FMCSA Safety Sensitive Covered Positions:

Airfield Supervisor	Senior Airport Attendant
Airport Attendant I	Fire Chief
Airport Attendant II	Assistant Fire Chief
Airport Operations Specialist	Aircraft/Fire/Rescue Officer
Assistant Motor Equipment Supervisor	
Electrical Supervisor	
Electrician	<u>NFTA Officers:</u>
Fieldperson	Executive Director
Fuel Farm Technician	General Counsel
Groundsperson I	Chief Financial Officer
Groundsperson II	
Landscape Supervisor BNIA	
Lead Mechanic	
Maintenance Facility Supervisor	
Maintenance Supervisor, NFIA	
Mechanic	

CORPORATE:

2. C. (8) **Authorization for Agreement, EVERFI, Inc., Workplace Training Software, NFTA**

RECOMMENDATION: Staff recommends the Board authorize a three-year agreement with EVERFI, Inc. for the purchase and support of Workplace Training Software. The agreement will be effective from July 1, 2024, to June 30, 2027, for a total cost of \$68,887.72.

INFORMATION: In June 2021, the Board authorized a three-year agreement with EVERFI to provide web-based training courses for NFTA employees. The courses include New York State Sexual Harassment Prevention and Diversity and Inclusion. EVERFI's courses help bring real-world skills to NFTA employees. EVERFI will provide a web-based digital platform, training, and support for the courses. EVERFI's community engagement operating system empowers organizations to instill knowledge around critical topics in the workplace while collecting comprehensive data, insights and tracking impact across educational programs.

This is a non-competitive procurement. EVERFI has designed a web-based platform that is customized to meet NYS training requirements. The NFTA uses the past and current data provided by the EVERFI software to monitor employee trends, statistics, and past course offerings.

A price analysis was conducted, and the pricing was deemed to be fair and reasonable.

Empire State Development has deemed this procurement exempt from MWBE requirements because it is a non-competitive procurement. NFTA did not assign an SDVOB goal because this is a non-competitive procurement.

FUNDING: Funding for this procurement is provided in the NFTA operating budget.

“RESOLVED, that the Board hereby authorizes a three- year Agreement with EVERFI, Inc. for the purchase of Workplace Training Software at a cost of \$68,887.72 as described above; and

BE IT FURTHER RESOLVED, that the Executive Director, designee and/or the Chair, be and hereby are, authorized to execute and deliver said Agreement; and

BE IT FURTHER RESOLVED, that said Agreement may include such additional terms, conditions and safeguards to the NFTA as deemed appropriate by the General Counsel; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer, be, and hereby is, authorized to make payments under said Agreement upon certification by the Chief

Diversity Officer that such payments are in order based upon receipt of all necessary supporting documentation.”

CORPORATE:

2. C. (9) **Authorization for Agreement, Cintas Corporation, Uniform Rental, NFTA and Metro**

RECOMMENDATION: Staff recommends the Board approve an Agreement with Cintas Corporation (Cintas) of Mason, Ohio, for the provision of Uniform Rental Service. The term of the Agreement will be three (3) years effective August 1, 2024, with the option to renew for an additional 36.5 weeks through April 12, 2028, to be exercised at the sole discretion of the NFTA. The estimated aggregate cost for the entire term is \$95,342.06.

INFORMATION: This procurement will provide uniforms for Metro Maintenance Supervisors and NFTA Airport Mechanics. The Uniform Rental Program includes the administration and implementation of a full rental program for approximately 57 employees. The services provided include uniform rental, order processing, distributing, fittings, embroidering, laundering, alterations, repairs, and replacements.

Request for Proposal No. 240021 was issued in accordance with NFTA Procurement Guidelines. Two responsive proposals were received. The proposals were reviewed and evaluated based upon technical criteria, cost, qualifications, and experience. The evaluation team, composed of staff from Metro Bus and Rail, BNIA, NFIA, and Procurement, determined that Cintas Corporation's proposal satisfies all requirements and provides the best overall value.

Empire State Development excluded this procurement from MWBE requirements because there are no certified MWBE providers of this service. The NFTA excluded this procurement from SDVOB requirements because there are no certified SDVOB providers of this service.

FUNDING: Funding will be provided in the operating budgets.

“RESOLVED, that the Board hereby authorizes an Agreement with Cintas Corporation for uniform rental service to be used by Metro Maintenance Supervisors and Airport Mechanics with an estimated aggregate cost of \$95,342.06, as described above; and

BE IT FURTHER RESOLVED, that the Executive Director, designee and/or the Chair, be and hereby are, authorized to execute and deliver said Agreement with Cintas Corporation, as described above; and

BE IT FURTHER RESOLVED, that said Agreement may include such additional terms, conditions and safeguards to the NFTA as deemed appropriate by the General Counsel; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer, be, and hereby is, authorized to make payments under said Agreement upon certification by the Vice President, Operations that such payments are in order based upon receipt of all necessary supporting documentation.”

RFP EVALUATION FORM

RFP NO 240021			UNIFIRST CORPORATION			CINTAS CORPORATION		
UNIFORM RENTAL PROGRAM			Buffalo, New York			Mason, Ohio		
SELECTION CRITERIA			Rate on a score of 1 - 10 with 10 being the highest					
Technical Criteria 40%: Compliance with technical specifications, project approach, method, and system proposed.			5.00			8.00		
Cost 40%			10.00			8.53		
Qualifications & Experience 20% - Demonstrated ability in the industry, depth of knowledge of key personnel in critical areas, resumes, references, past performance delivery and warranty			7.00			7.00		
TOTAL			7.40			8.01		
COST								
1. Metro Maintenance Administrative Staff & Supervisors								
Year	Time Frame	Estimated Number of Employees	Weekly Unit Cost Per Person	Total Weekly Cost	Total Annual Cost	Weekly Unit Cost Per Person	Total Weekly Cost	Total Annual Cost
Year 1	8/1/24 - 7/31 /25 (52 weeks)	47	\$7.70	\$361.90	\$18,818.80	\$ 8.80	\$ 413.60	\$ 21,507.20
Year 2	8/1/25 - 7/31 /26 (52 weeks)	47	\$7.70	\$361.90	\$18,818.80	\$ 9.02	\$ 423.94	\$ 22,044.88
Year 3	8/1/26 - 7/31/27 (52 weeks)	47	\$7.70	\$361.90	\$18,818.80	\$ 9.24	\$ 434.28	\$ 22,582.56
Year 4	8/1/27 - 4/12/28 (36.5 weeks)	47	\$7.70	\$361.90	\$13,209.35	\$ 9.46	\$ 444.62	\$ 16,228.63
TOTAL			\$30.80	\$1,447.60	\$69,665.75	\$36.52	\$1,716.44	\$82,363.27
2. Metro Electrical Maintenance Supervisors (FR)								
Year	Time Frame	Estimated Number of Employees	Weekly Unit Cost Per Person	Total Weekly Cost	Total Annual Cost	Weekly Unit Cost Per Person	Total Weekly Cost	Total Annual Cost
Year 1	8/1/24 - 7/31 /25 (52 weeks)	2	\$3.04	\$6.08	\$316.16	\$ 11.00	\$ 22.00	\$ 1,144.00
Year 2	8/1/25 - 7/31 /26 (52 weeks)	2	\$3.04	\$6.08	\$316.16	\$ 11.22	\$ 22.44	\$ 1,166.88
Year 3	8/1/26 - 7/31/27 (52 weeks)	2	\$3.04	\$6.08	\$316.16	\$ 11.44	\$ 22.88	\$ 1,189.76
Year 4	8/1/27 - 4/12/28 (36.5 weeks)	2	\$3.04	\$6.08	\$221.92	\$ 11.66	\$ 23.32	\$ 851.18
TOTAL			\$12.16	\$24.32	\$1,170.40	\$45.32	\$90.64	\$4,351.82
3. BNIA Vehicle Maintenance Employees - Coveralls								
Year	Time Frame	Number of Employees	Weekly Unit Cost Per Person	Total Weekly Cost	Total Annual Cost	Weekly Unit Cost Per Person	Total Weekly Cost	Total Annual Cost
Year 1	8/1/24 - 7/31 /25 (52 weeks)	6	\$7.15	\$42.90	\$2,230.80	\$ 4.95	\$ 29.70	\$ 1,544.40
Year 2	8/1/25 - 7/31 /26 (52 weeks)	6	\$7.15	\$42.90	\$2,230.80	\$ 5.06	\$ 30.36	\$ 1,578.72
Year 3	8/1/26 - 7/31/27 (52 weeks)	6	\$7.15	\$42.90	\$2,230.80	\$ 5.17	\$ 31.02	\$ 1,613.04
Year 4	8/1/27 - 4/12/28 (36.5 weeks)	6	\$7.15	\$42.90	\$1,565.85	\$ 5.28	\$ 31.68	\$ 1,156.32
TOTAL			\$28.60	\$171.60	\$8,258.25	\$20.46	\$122.76	\$5,892.48
4. NFIA Vehicle Maintenance Employee								
Year	Time Frame	Estimated Number of Employees	Weekly Unit Cost Per Person	Total Weekly Cost	Total Annual Cost	Weekly Unit Cost Per Person	Total Weekly Cost	Total Annual Cost
Year 1	8/1/24 - 7/31 /25 (52 weeks)	1	\$7.80	\$7.80	\$405.60	\$ 8.80	\$ 8.80	\$ 457.60
Year 2	8/1/25 - 7/31 /26 (52 weeks)	1	\$7.80	\$7.80	\$405.60	\$ 9.02	\$ 9.02	\$ 469.04
Year 3	8/1/26 - 7/31/27 (52 weeks)	1	\$7.80	\$7.80	\$405.60	\$ 9.24	\$ 9.24	\$ 480.48
Year 4	8/1/27 - 4/12/28 (36.5 weeks)	1	\$7.80	\$7.80	\$284.70	\$ 9.46	\$ 9.46	\$ 345.29
TOTAL			\$31.20	\$31.20	\$1,501.50	\$36.52	\$36.52	\$1,752.41
5. NFIA Vehicle Maintenance Employees - Coveralls								
Year	Time Frame	Estimated Number of Employees	Weekly Unit Cost Per Person	Total Weekly Cost	Total Annual Cost	Weekly Unit Cost Per Person	Total Weekly Cost	Total Annual Cost
Year 1	8/1/24 - 7/31 /25 (52 weeks)	1	\$3.90	\$3.90	\$202.80	\$ 4.95	\$ 4.95	\$ 257.40
Year 2	8/1/25 - 7/31 /26 (52 weeks)	1	\$3.90	\$3.90	\$202.80	\$ 5.06	\$ 5.06	\$ 263.12
Year 3	8/1/26 - 7/31/27 (52 weeks)	1	\$3.90	\$3.90	\$202.80	\$ 5.17	\$ 5.17	\$ 268.84
Year 4	8/1/27 - 4/12/28 (36.5 weeks)	1	\$3.90	\$3.90	\$142.35	\$ 5.28	\$ 5.28	\$ 192.72
TOTAL			\$15.60	\$15.60	\$750.75	\$20.46	\$20.46	\$982.08
GRAND TOTAL			\$118.36	\$1,690.32	\$81,346.65	\$159.28	\$1,986.82	\$95,342.06
Direct Uniform Apparel Purchase Discount %off MSRP Pricing			10%			10%		

CORPORATE:

2. C. (10) **Authorization for Lease Agreement, Pharmacy Prep, Inc., 247 Cayuga Road, NFTA**

RECOMMENDATION: Staff recommends the Board authorize a Lease Agreement with Pharmacy Prep, Inc. (“Pharmacy Prep”) for commercial office space located at 247 Cayuga Road, Cheektowaga, New York.

INFORMATION: Pharmacy Prep provides online training materials for those preparing for Pharmacy examinations in the US and Canada.

Pharmacy Prep is requesting to enter into a lease agreement for 153 square feet of Class C Office space known as suite 500 at 247 Cayuga Road. The initial term of the lease will be two (2) years commencing July 1, 2024, and ending June 30, 2026. Pharmacy Prep will have the option to renew for one (1) additional year with NFTA approval extending the lease to June 30, 2027.

Upon approval of this lease request, Pharmacy Prep will lease the following space at 247 Cayuga Road:

- 153 square feet of Class C Office space located in Suite 500, 247 Cayuga Road. The initial rental rate will be \$13.67 per square foot or \$2,091.51 annually.

Rental income for the first-year totals \$2,091.51 and is subject to a 3% annual rent escalation. The total rental income for the thirty-six (36) month lease, including the one-year renewal option will be \$6,464.25.

FUNDING: No funding is necessary.

“RESOLVED, that the Board hereby authorizes a Lease Agreement with Pharmacy Prep, Inc. for Class C Office space at 247 Cayuga Road on the terms set forth above; and

BE IT FURTHER RESOLVED, that the Executive Director, designee and/or the Chair, be, and hereby are, authorized to execute and deliver said Lease Agreement; and

BE IT FURTHER RESOLVED, that said Lease Agreement may include such additional terms, conditions and safeguards to the NFTA as deemed appropriate by the General Counsel.”

3. AVIATION BUSINESS GROUP REPORT

- A. Aviation Committee Report
- B. Financial and Business Update
- C. Resolutions

Aviation Resolutions

1. Authorization to Award, Woodsmith Fence Corp., Security Fence Replacement, BNIA
2. Authorization to Adopt the Federal Aviation Administration Title VI Plan and Authorize the Submission to the FAA, NFIA
3. Authorization for Amendment, Smarte Carte, Inc., Self-Service Baggage Cart Units, BNIA and NFIA

AVIATION:

3. C. (1) Authorization to Award, Woodsmith Fence Corp., Security Fence Replacement, BNIA

RECOMMENDATION: Staff recommends the Board award the construction contract for Buffalo Niagara International Airport (BNIA) Security Fence Replacement Project No. 12BG2251 to Woodsmith Fence Corp. (Woodsmith) for a lump sum Total Bid Price 1 (TBP1) amount of \$1,516,455.60.

INFORMATION: The project objective is to replace the existing wood perimeter security fence at the BNIA located near Cayuga Road and Genesee Street. The new 10' high chain link security fence will be compliant with FAA requirements. The project also includes the replacement of the existing non-motorized Gate No. 3 with a new motorized gate and access control.

The construction contract includes the following:

- Installation of approximately 3,000 linear feet of new chain-link security fence, wildlife skirting, and privacy slats
- Replacement of Gate 3, including motor operator and access control
- Installation of new security cameras, communications equipment, and fiber optic cable
- Installation of new electrical service

The project was bid with a base bid scope and one alternate, as described below:

- Total Bid Price 1 (TBP1) includes the base bid scope of work for replacement the perimeter security fencing and gate 3, installation of new electrical service, communications cabling and equipment, security cameras, and access control.
- Total Bid Price 2 (TBP2) is the base bid minus deduct alternate 1, which removes the gate motor operator and access control pedestals at gate 3 from the contract scope.

The project was publicly advertised in accordance with NFTA Procurement Guidelines. Contract documents were distributed to potential bidders electronically through the NFTA Engineering website and hard copies were available through the engineering department.

Bid responses are shown below:

Company	Total Base Bid (TBP1)	Alt 1 (TBP2)
Woodsmith Fence Corp. Lockport, NY Joseph T. Smith, President	\$1,516,455.60	\$1,309,455.60
Rifenburg Troy, New York Timothy Hickey, CEO	\$2,986,115.00	\$2,963,465.00

It has been determined that the low bidder, Woodsmith, has the knowledge, understanding, and ability to successfully accomplish the scope of work for this project.

The established DBE goal was 16.9%. Woodsmith identified their DBE participation as 10.7%. Upon review of the project scope and the vendor's submitted Good Faith Efforts, a waiver has been evaluated and granted.

FUNDING: The funding source for this construction work is FAA Bipartisan Infrastructure Law (BIL) Airport Infrastructure Grant (AIG) and NFTA funding.

“RESOLVED, that the Board hereby awards the subject construction contract to Woodsmith Fence Corp. for a Total Bid Price 1 amount of \$1,516,455.60, as described above; and

BE IT FURTHER RESOLVED, that the Executive Director, designee and/or the Chair be, and hereby are, authorized to execute and deliver said Agreement, as described above; and

BE IT FURTHER RESOLVED, that said Agreement may include such additional terms, conditions, and safeguards to the NFTA as deemed appropriate by the General Counsel; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer, be, and hereby is, authorized to make payments under said Agreement upon notification by the Director of Aviation that such payments are in order based upon receipt of all required supporting documentation.”

AVIATION:

3. C. (2) **Authorization to Adopt the Federal Aviation Administration Title VI Plan and Authorize the Submission to the FAA, NFIA**

RECOMMENDATION: Staff recommends the Board authorize the adoption of the Niagara Frontier Transportation Authority's (NFTA) Title VI Plan for Niagara Falls International Airport (NFIA) and the submission of the Title VI Plan to the Federal Aviation Administration (FAA).

INFORMATION: In August 2022, the FAA informed airports that recipients of federal financial assistance must comply with their statutory obligations to ensure against discrimination on the basis of race, color, national origin (including limited English proficiency), age, sex (including sexual orientation and gender identity), or creed (religion). As a recipient of FAA Airport Improvement Program (AIP) and/or Bipartisan Infrastructure Law (BIL) grants, the NFTA must commit to ensuring against discrimination in its activities as a condition of receiving AIP/BIL funding. The FAA rolled out a gradual implementation schedule for airport sponsors' submissions of their Title VI Plan based upon airport type. The plan was submitted for Buffalo Niagara International Airport (BNIA) in December 2023, and, in accordance with FAA's implementation schedule, the Title VI Plan for NFIA is due June 30, 2024.

The NFTA consistently applies for federal financial assistance from the FAA, and other agencies, for eligible projects at NFIA on an annual basis. The NFTA must therefore comply with Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the grounds of race, color, or national origin (including limited English proficiency). Further, the Airport and Airway Improvement Act of 1982 prohibits FAA funding recipients from engaging in discrimination based on sex and creed. Additionally, the Age Discrimination Act of 1975 prohibits discrimination against FAA program beneficiaries on the basis of age. Finally, 49 CFR part 21 requires the FAA to ensure that its recipients provide equal opportunity and access in all programs and activities.

To ensure compliance with Title VI and related statutes, regulations, orders and policies, the NFTA is required to have a current Title VI Plan that has been approved by the FAA. As part of its compliance efforts, the NFTA has developed a comprehensive Title VI Plan. The Title VI Plan affirms the NFTA's compliance with federal non-discrimination laws by outlining the measures the NFTA takes to ensure no discrimination occurs toward anyone using its facilities and services. Adoption and submission of the Title VI Plan will also help ensure that the NFTA continues to remain in good standing and eligible for federal funding.

FUNDING: No funding is required.

“RESOLVED, that the Board hereby adopts the NFTA's Title VI Plan for Niagara Falls International Airport, as described above; and

BE IT FURTHER RESOLVED that the Board hereby authorizes the submission of the NFTA's FAA Title VI Plan for Niagara Falls International Airport to the Federal Aviation Administration; and

BE IT FURTHER RESOLVED, that said Title VI plan shall include such additional terms, conditions and safeguards to the NFTA as deemed appropriate by General Counsel."

Title VI Plan

Niagara Falls International Airport (the “Airport”)

1. Title VI Policy Statement¹

The Niagara Frontier Transportation Authority (“NFTA” and “Airport Sponsor”) assures that no person shall on the grounds of race, color, national origin (including limited English proficiency (LEP)), sex (including sexual orientation and gender identity), creed, or age, as provided by Title VI of the Civil Rights Act of 1964, the Civil Rights Restoration Act of 1987 (PL 100.259), Section 520 of the Airport and Airway Improvement Act of 1982, and related authorities (hereafter, “Title VI and related requirements”), be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity that receives U.S. Department of Transportation (DOT) funding. Title VI also prohibits retaliation for asserting or otherwise participating in claims of discrimination.

The NFTA further assures every effort will be made to ensure nondiscrimination in all of its programs and activities, whether those programs are federally funded or not. The Airport Sponsor agrees, among other things, to understand the communities surrounding or in the flight path, as well as customers that use the Airport. Anytime communities may be impacted by programs or activities the NFTA will take action to involve them and the general public in the decision-making process.

The NFTA requires nondiscrimination assurances, as prescribed by FAA, from each tenant, contractor, and concessionaire providing an activity, service, or facility at the Airport. Assurances must be included in any related lease, contract, or franchise agreement between NFTA and each tenant, contractor, and concessionaire, as well as in any similar agreements with their own sub-tenants and sub-contractors.

Dejuan Hardy available at (716) 855-7489 and dejuan.hardy@nfta.com, is responsible for overseeing the Airport Sponsor’s compliance with Title VI and the point of contact for all Airport Title VI matters and related responsibilities, including those required by 49 CFR Part 21.

Signature

Kimberley A. Minkel
Executive Director

Effective Date

[Effective Date plus 3 years]

3-Year Expiration Date

¹ This policy statement will be translated into languages other than English, upon request and based on patron and local language demographics.

2. Administration

The Board of Commissioners has reviewed and adopted this Title VI Plan for NFTA. This plan will be updated no less than once every 3 years. The plan will not be re-adopted following minor changes, such as updating the Airport Director's, or Title VI Coordinator's name. Significant revisions to our policies or federal guidelines may warrant re-adoption by the Board and resubmittal to FAA.

In addition to the Coordinator and Airport sponsor's leadership, the following people also assist with our Title VI program requirements:

Staff Supporting Title VI Program	Airport Sponsor Program / Office
Wafa Dubashi	Senior EEO Program Coordinator
Sean Fitzpatrick	Senior DBE Compliance Specialist

As of the date of this plan, NFTA has the following pending applications for Federal financial assistance:

Federal Source	Grant Number	Amount
FAA BIL and AIP	N/A	\$2,732,659
FAA AIP	N/A	\$1,677,180

Updated information for pending and awarded grant applications will be available through the following methods:

Federal Source	Grant Award Information Available at:
FAA BIL and AIP	www.nftaengineering.com
FAA BIL and AIP	www.faa.gov/airports/aip/

3. Grant and Procurement Assurances

49 CFR § 21.7 (a)(1); 49 CFR Part 21 Appendix C (b)

NFTA will complete standard grant assurances for Title VI and related requirements, in the form prescribed by FAA. See https://www.faa.gov/airports/aip/grant_assurances/#current-assurances.

Clauses/Covenants

- a. All contracts, leases, deeds, licenses, permits, and other similar instruments, must contain the contractual requirements and clauses, in the form prescribed by FAA. See https://www.faa.gov/airports/aip/procurement/federal_contract_provisions/. Note that unlike many other clauses, Civil Rights clauses are required in all contracts. Note also special clauses that are required for certain types of contracts, such as land acquisition.
- b. NFTA requires, Civil Rights clauses to be included in solicitations and contracts for all subcontractors, subleases, and any other agreements.

Description of Oversight Methods for Subcontracts

Contractor agreement boilerplates contain clauses requiring the incorporation of the nondiscrimination provisions in each subcontract agreement. Each subcontract is reviewed by the Equal Opportunity department to verify the inclusion of nondiscrimination provisions, and random audits are conducted yearly on 10 percent of contracts. Should the Equal Opportunity department determine that a subcontract does not meet these requirements, the department will contact the contractor to discuss the discrepancies. In the event the contract continues to not comply with the established requirements, sanctions for noncompliance will be outlined and may include:

- Withholding of payments to the contractor until the contractor complies*
- Cancellation, termination or suspension of the contract*
- Or any other measure as deemed appropriate*

14.1 In all its activities within the scope of its airport program, Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

The above provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract. If the Contractor transfers its obligation to another, the transferee is obligated in the same manner as the Contractor. The above provision obligates the Contractor for the period during which the property is owned, used or possessed by the Contractor and the airport remains obligated to the Federal Aviation Administration.

14.2 The NFTA, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 USC §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, businesses will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award.

14.3 During the performance of this contract, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor"), agrees as follows:

A. Compliance with Regulations: Contractor (hereinafter includes subcontractors) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

B. Nondiscrimination: Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of

equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

C. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the Contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

D. Information and Reports: Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

E. Contractor, to the extent applicable to this Agreement and as required by law, assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, sex, age, disability or marital status be excluded from participation in any employment activities covered in 14 CFR Part 152, Subpart E. Contractor assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Contractor assures that it will require that its covered suborganizations provide assurance to Contractor that they similarly will undertake an affirmative action program and that they will require assurances from their suborganizations, to the extent required by 14 CFR Part 152, Subpart E, to the same effect.

F. Contractor, to the extent applicable to this Agreement and as required by law, agrees to comply with Section 296 and all other pertinent provisions of Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions. Contractor agrees to comply with all pertinent provisions of the Americans with Disabilities Act of 1990, P.L. 101-336, July 26, 1990, 42 USC 12101, et seq. as it applies to the concession program and Section 504 of the Rehabilitation of 1973; and all applicable regulations pursuant thereto. Contractor shall not discriminate in the use of the concession program or any access thereto if such concession program is used as a public accommodation or in connection with a public service. Contractor agrees that it is its policy not to discriminate against any employee or applicant for employment because of race, creed, color, sex national origin, age disability or marital status.

G. Sanctions for Noncompliance: In the event of Contractor's noncompliance with the non-discrimination provisions of this contract, NFTA will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- 1. Withholding payments to the Contractor under the contract until the Contractor complies; and/or**
- 2. Cancelling, terminating, or suspending a contract, in whole or in part.**

H. Incorporation of Provisions: Contractor will include the provisions of paragraphs A through H in every subcontract, including procurements of materials and leases of equipment,

unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. Contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, Contractor may request the United States to enter into the litigation to protect the interests of the United States.

14.4 Title VI List of Pertinent Nondiscrimination Acts and Authorities During the performance of this contract, Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as “Contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC §47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and licensees, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. at 74087 (2005)];

- ***Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 et seq).***

14.5 Title VI Clause for Access to Real Property - Contractor for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (a) no person on the ground of ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (b) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (c) that Contractor will use the premises in compliance with all other requirements imposed by or pursuant to the List of discrimination Acts And Authorities.

14.6 In the event of breach of any of the above nondiscrimination covenants, NFTA will have the right to terminate the Agreement and to enter or re-enter and repossess said land and the facilities thereon and hold the same as if said Agreement had never been made or issued.

14.7 Nondiscrimination on the Basis of Disability in Air Travel and Compliance with American with Disabilities Act - Contractor agrees to operate and furnish its accommodations and services in compliance with the Air Carrier Access Act of 1986, as amended, and its implementing regulations set forth in Title 14, Code of Federal Regulation, Part 382, entitled Nondiscrimination on the Basis of Disability in Air Travel, the applicable requirements of the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. 12101-12213) including the Department's ADA regulations (49 CFR parts 37 and 38), the regulations of the Department of Justice implementing titles II and III of the ADA (28 CFR parts 35 and 36), and the regulations of the Equal Employment Opportunity Commission implementing title I of the ADA (29 CFR part 1630) and Section 504 of the Rehabilitation Act of 1973, (29 U.S. C. §794 et seq.), as amended and 49 CRF Part 27, to ensure that no passengers will be discriminated on the basis of disability and will make aircraft, facilities, and services accessible and take steps to accommodate passengers with a disability as provided for in the referenced statutes and implementing regulations.

14.8 Contractor shall not discriminate in the use of the Airport and/or its services or any access thereto if the Airport and/or Contractor 's services are used as a public accommodation or in connection with a public service. Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, national origin, age, or disability.

14.9 Contractor shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than Contractor, operates any facility on the Airport providing service to the public and shall include thereon a provision granting NFTA a right to take such action as the United States may direct to enforce such covenant including, but not limited to the right to terminate this License Agreement.

14.10 In connection with this Article 14, NFTA reserves the right to take whatever action it might be entitled by law to take to enforce the provisions of this Article 14. Article 14 is

considered to be a covenant on the part of Contractor, a breach of which, continuing after notice by NFTA to cease and desist and after a determination that a violation exists, will constitute a material breach of this Agreement and will entitle NFTA, at its option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.

14.11 Contractor shall indemnify and hold harmless the Authority from any claims and demands of third persons including the United States of America resulting from Contractor's noncompliance with any of the provisions of this Article 14 and Contractor shall reimburse the Authority for any loss or expense incurred by reason of such noncompliance.

4. Title VI Coordinator Responsibilities

The Coordinator is responsible for ensuring that they and other staff supporting the Title VI are trained in Title VI requirements. Essential training topics include:

- Basic Title VI requirements
- Airport language assistance resources and practices
- Collecting and assessing demographic data
- Reporting Title VI complaints and other required FAA notifications.

See Training Section for more information for expected training for all staff.

Among other responsibilities, the Coordinator:

- Proactively ensures that the Airport Sponsor is in compliance with nondiscrimination requirements of Title VI and reports to NFTA leadership on the status of Title VI compliances.
- Responds promptly to requests by FAA for data and records and for the scheduling of compliance reviews and other FAA meetings to determine compliance with Title VI and related requirements.
- Receives discrimination complaints covered by Title VI and related requirements, and forwards them to the FAA, within 15 days of receipt, together with any actions taken to resolve the matter.
- Provides the FAA with updates regarding its response and status of early resolution efforts to complaints concerning Title VI and related requirements (49 CFR Part 21, Appendix C(b)(3)), including resolution efforts.
- Annually reviews the Airport's Title VI plan and disseminates information throughout staff and the Airport Sponsor's leadership.
- Coordinates data collection to evaluate whether racial or ethnic groups are unequally benefited or impacted by Airport programs. The data will be regularly assessed and readily available upon request (49 CFR § 21.9(b) & (c)). Data collection methods will include optional demographic questions in: Airport customer satisfaction surveys,

customer complaints, Airport event sign-in sheets, and bids/proposals for Airport contracts, and other methods described in the Airport Community Participation Plan (CPP).

- Maintains demographic data for members of appointed planning and advisory bodies for the Airport. Identifies any disparities compared to the community. Provides information to the membership selecting official/committee, particularly when vacancies occur.
- Maintains a copy of 49 CFR Part 21 for inspection by any person asking for it during normal working hours (49 CFR 21, Appendix C (b)(2)(i)).

See Notice, Compliance reviews, Audits, Lawsuits, and Other Investigations, and Complaints Sections of this Plan.

The Coordinator has requested and received access to the Title VI portion of the FAA Civil Rights Connect System (<https://faa.civilrightsconnect.com/>).

5. Notice

49 CFR Part 21 Appendix C(b)(2)(ii)

The NFTA will conspicuously display the FAA-provided Unlawful Discrimination Poster in all public areas on Airport property, including those with pedestrian activity. The Coordinator ensures that these posters are visible, accessible,² and maintained. The poster template is available at

https://www.faa.gov/about/office_org/headquarters_offices/acr/com_civ_support/non_disc_pr/ and a completed copy is attached. See Section 15 Appendix.

The NFTA has posted the above Title VI policy statement in its staff offices.

The NFTA has distributed this Title VI Plan among its employees and Airport contractors, concessionaires, lessees, and tenants. This plan is distributed by website, email, tenant, and manager meetings.

Posters are displayed in the terminal and other areas on Airport property, including the following public locations:

² For more information about website accessibility, please visit ADA.gov.

Terminal/FBO/Concessions/ Other Locations	Quantity in Pre- Security Area	Quantity in Post- Security Area	Additional Quantities
<i>Baggage Claim Area</i>	<i>2</i>		
<i>Security Checkpoint Entrance</i>	<i>1</i>		
<i>NFTA Administrative Offices</i>	<i>1</i>		
<i>International Area of Terminal Building (FIS)</i>		<i>1</i>	
<i>Rental Car Ticket Counter Area</i>	<i>1</i>		
<i>Terminal Concourse - Gate 3 Area</i>		<i>1</i>	
<i>Terminal Concourse - Gate 4 Area</i>		<i>1</i>	
<i>Terminal Concourse - Security Checkpoint Area</i>		<i>1</i>	
<i>Terminal Concourse - Gate 1&2 Area</i>		<i>1</i>	
<i>Fix Base Operator (FBO)</i>	<i>1</i>		

Outreach to Affected Communities

The NFTA's Chief Diversity Officer ensures that notices for public meetings reach all segments of the impacted community. The Title VI coordinator will identify effective media platforms to share announcement and notices. Announcements are made in social media, general circulation newspapers, community newspapers, email broadcast, and manager meetings. DeJuan Hardy contacts leaders and representatives in Affected Communities directly to confirm effective media platforms to reach all Affected Communities³ and provide important feedback on translated materials. The office maintains records of all such notices and the efforts made to reach each of the Affected Communities.

To ensure that the community is effectively informed of and able to participate in public hearings, the Public Affairs Office includes public notices translated into appropriate languages, including for any language spoken by a significant number or proportion of the Affected Community population that has limited English proficiency (LEP). Such social media postings and notices will include direction for obtaining an interpreter, free of charge, for public hearings. 28 CFR § 42.405(d). See Limited English Proficiency (LEP) Section.

6. Community Statistics

Title VI regulations require Federal grant recipients to know their community demographics. See 49 CFR § 21.9(b). By knowing this information, the NFTA will be able to identify, understand, and engage with communities. In doing so, the NFTA needs to know about communities eligible to be served, actually or potentially affected, benefited or burdened by

³ We will not subject any persons to discrimination based on race, color, national origin, age, sex, or creed. The term "protected communities" is used within this Title VI Plan to highlight the requirements of Title VI, 49 U.S.C. § 47123, the Age Discrimination Act of 1975, and in some instances, includes low-income populations under Executive Order 12898.

NFTA's Airport program.

Affected Communities⁴	Population
Niagara Falls	48,671
North Tonawanda	30,496
Grand Island	21,416
Wheatfield	18,555
Lewiston	15,905
Niagara	7,901
Cambria	5,735

(Hereafter, the above communities will be referred to collectively as “the Affected Communities”). We have identified the following facts about the Affected Communities:

Low Income Communities⁵

A low-income area is an identifiable group of persons living in geographic proximity, whose median household income is at or below the Department of Health and Human Services poverty guidelines. Pursuant to Executive Order 12898, “Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations,” NFTA is collecting information about affected and potentially affected low-income communities. According to *American Community Survey S1701: Poverty Status in the Past 12 Months*, the overall poverty level for the *Affected Communities* is approximately 10.4%. The poverty rate is high compared with the rest of Niagara County. The poverty rates for the specific Affected Communities are as follows:

Affected Communities	Poverty Rate
Niagara Falls	25.1%
Niagara	17.0%
North Tonawanda	10.8%
Wheatfield	5.5%
Lewiston	6.6%
Grand Island	4.3%
Cambria	3.8%

From the “Percent below poverty level” column from Table S1701, American Community Survey (ACS) 5-Year Estimate.

Racial and Ethnic Communities.

Demographic data for race, color, and national origin was evaluated to identify racial and ethnic communities and populations in each Affected Community. The demographic composition by

⁴ “Affected communities” means any readily identifiable group potentially impacted by an airport project or operation, such as the community immediately surrounding a project or a community in the flight path.

⁵ Low-income data must be collected to assist in our compliance with Environmental Justice requirements (not Title VI requirements). For example, this data will be utilized in our Community Participation Plan (CPP) to help ensure the meaningful involvement of low income communities in airport programs and activities.

race, color, or national origin for the specific Affected Communities are as follows⁶:

Affected Community: Niagara Falls
Total Affected Community Population: 48,671

Demographic Group within Affected Community	Number of People in Minority Group	Percent of Total Affected Community Population
White	32,007	65.76%
Black or African American	8,649	17.80%
American Indian or Alaska Native	464	1%
Asian	1,000	2%
Native Hawaiian or Other Pacific Islander	12	0%
Hispanic or Latino	3,465	7.12%
More than one	4,767	9.80%
No response / would not say	0	0%

Affected Community: Niagara
Total Affected Community Population: 7,901

Demographic Group within Affected Community	Number of People in Minority Group	Percent of Total Affected Community Population
White	6,714	85%
Black or African American	266	3.4%
American Indian or Alaska Native	180	2.3%
Asian	46	0.6%
Native Hawaiian or Other Pacific Islander	20	0.3%
Hispanic or Latino	507	6.4%
More than one	159	2%
No response / would not say	9	0.1%

Affected Community: North Tonawanda
Total Affected Community Population: 30,496

Demographic Group within Affected Community	Number of People in Minority Group	Percent of Total Affected Community Population
White	28,124	92.2%
Black or African American	647	2.1%
American Indian or Alaska Native	12	0.03%
Asian	294	0.1%
Native Hawaiian or Other Pacific Islander	0	0%
Hispanic or Latino	659	2.1%
More than one	1,056	3.5%
No response / would not say	0	0%

⁶ Recommend using demographic groups from the U.S. Census.

Affected Community: Wheatfield
Total Affected Community Population: 18,555

Demographic Group within Affected Community	Number of People in Minority Group	Percent of Total Affected Community Population
White	17,697	95.4%
Black or African American	257	1.4%
American Indian or Alaska Native	0	0%
Asian	89	0.5%
Native Hawaiian or Other Pacific Islander	0	0%
Hispanic or Latino	161	0.9%
More than one	351	1.9%
No response / would not say	0	0%

Affected Community: Lewiston
Total Affected Community Population: 15,905

Demographic Group within Affected Community	Number of People in Minority Group	Percent of Total Affected Community Population
White	14,237	89.5%
Black or African American	255	1.6%
American Indian or Alaska Native	107	0.7%
Asian	240	1.5 %
Native Hawaiian or Other Pacific Islander	0	0%
Hispanic or Latino	484	3%
More than one	579	3.6%
No response / would not say	0	0%

Affected Community: Grand Island
Total Affected Community Population: 21,416

Demographic Group within Affected Community	Number of People in Minority Group	Percent of Total Affected Community Population
White	19,128	89.3%
Black or African American	490	2.3%
American Indian or Alaska Native	13	0.1%
Asian	420	2%
Native Hawaiian or Other Pacific Islander	0	0%
Hispanic or Latino	670	3.1%
More than one	682	3.2%
No response / would not say	0	0%

Affected Community: Cambria
Total Affected Community Population: 5,735

Demographic Group within Affected Community	Number of People in	Percent of Total
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	Minority Group	Affected Community Population
White	5,511	93.1%
Black or African American	11	0.2%
American Indian or Alaska Native	0	0%
Asian	93	1.6%
Native Hawaiian or Other Pacific Islander	0	0%
Hispanic or Latino	53	0.9%
More than one	67	1.2%
No response / would not say	0	0%

Limited English Proficiency (LEP).

The goal of all language access planning and implementation is to ensure that NFTA communicates effectively with limited English proficient (LEP) individuals. Effective language access requires self-assessment and planning. The next table lists non-English languages⁷ that are spoken in LEP households in the Affected Communities. The data source is *American Community Survey B16001: Language Spoken At Home By Ability To Speak English For The Population*.

The threshold we have used for identifying the languages with significant LEP populations is the DOT LEP Policy Guidance safe harbor threshold, which is 5% or 1,000, whichever is less.⁸ The safe harbor for our community is 1,000. Please refer to the end of this document to find data for all languages in our community.

Languages Spoken by LEP Population that Meet the Safe Harbor Threshold	Number	Margin of Error
Spanish	444	+/-304
Chinese (incl. Mandarin, Cantonese)	362	+/-354
Tagalog (incl. Filipino)	13	+/-130
Vietnamese	37	+/-158
Arabic	116	+/-487
Korean	69	+/-147
French	94	+/-165
Polish	190	+/-236
Italian	302	+/-211

⁷ Recommend using language groups from the U.S. Census, and using data for the “Speak English less than ‘very well’” category for each language over the threshold.

⁸ See the DOT LEP Policy Guidance at <https://www.federalregister.gov/d/05-23972/p-133>. The safe harbor provisions apply to the translation of written documents only; however, it provides a consistent starting point for identifying significant LEP populations.

Frequency of contact with LEP individuals at the Airport and Airport-related activities (all languages):

Languages Spoken by LEP Persons	A few times a year (12 or less days a year)	Several times a month (13 to 51 days a year)	At least once a week (52 to 364 days a year)	Every day (365 days a year)
Spanish				X
Chinese (incl. Mandarin, Cantonese)			X	
Tagalog (incl. Filipino)	X			
Vietnamese	X			
Arabic		X		
Korean	X			
French		X		
Polish		X		
Italian			X	

Additional languages spoken by significant numbers of LEP persons in the Affected Communities, local schools, emergency service providers, and others, include:

Additional Languages Spoken

German
Russian
Vietnamese
Bengali

This information is updated annually⁹ through checking the following resources:

Data Sources for Languages Spoken in Affected Community	Website link to Data Source
U.S. Census Bureau	https://data.census.gov/table/ACSDT5Y2015.B16001?q=B16001&g=160XX00US3615000,3620313,3682084
Partnership For The Public Good	https://ppgbuffalo.org/buffalo-commons/library/p:1/type:fact-sheet/
LEP.gov	https://www.lep.gov/maps/lma2015/Final

Beneficiary Diversity.

Demographic information is collected from Airport customers, attendees at community meetings, and businesses seeking opportunities at the Airport, through voluntary disclosures.

⁹ Data should be kept up-to-date, but this plan does not need to be updated for incremental data changes during the Plan's 3-year period.

Description of Beneficiary Demographic Information Collection Methods

- Airport Customer Service Office conducts surveys of Airport guests for customer satisfaction with Airport concessions, restroom cleanliness, food offerings, and other elements and services. The survey includes a voluntary request for demographic information.
- Participants at small business workshops, pre-bid meetings, and other public meetings are asked to complete an anonymous survey that includes demographic information.
- Businesses that submit bids or offers are asked to complete an anonymous survey that includes demographic information, submitted through a data collection website.

Staff and Advisory Board Diversity.

Demographic information is collected from Airport program employees and members of planning and advisory boards, through voluntary disclosures.

Description of Employee and Advisory Board Demographic Information Collection Methods

- Employees are asked to submit voluntary confidential demographic information at time of hiring. Job applicants are asked to submit the same information when submitting their job application through the job application.
- Members of planning and advisory boards are asked to submit voluntary confidential demographic information at the time of assignment to a planning or advisory board.

7. Potential or Known Community Impacts

Projects or services receiving federal financial assistance have the potential to touch so many aspects of American life. Thus, in general, no NFTA activity must have a discriminatory disparate impact on the basis of race, color, national origin (including LEP), sex (including sexual orientation and gender identity), creed, or age. This means that policies or procedures that have a disparate impact would require a well-documented substantial legitimate nondiscriminatory justification, summarized below. Impacts to protected communities must be avoided or minimized to the extent possible. No project with a discriminatory impact on protected communities will be undertaken.¹⁰

The following Airport facilities are already in use or under construction and expected to be in use within the next 3 years:

Existing Airport Facilities	Affected Community Impacted by Operation of the Facility
Runway 10L/28R	Niagara Falls, Town of Niagara, Wheatfield
Runway 6/24	Niagara Falls, Town of Niagara, Wheatfield

¹⁰ In order to carry out an alternative with a discriminatory impact, the airport sponsor must demonstrate that there was a substantial legitimate justification for the decision. The sponsor must also show that alternatives with less discriminatory impacts were meaningfully considered and rejected for legitimate reasons.

Field Office	None
Maintenance Building	None
FAA Control Tower	None
Airport Passenger Terminal	Niagara Falls, Town of Niagara, Wheatfield
Old Terminal	None
Electrical Maintenance Facilities	None
Condor Hangar	None
West End Hangar Facilities	None
Calspan Air Services (FBO)	None
Fuel Farm	None
Parking Lot 1,2	Niagara Falls, Town of Niagara, Wheatfield
Parking Lot 3	Niagara Falls, Town of Niagara, Wheatfield
Cell Phone Parking Lot	None

The following Airport facility projects (including all alternatives) are in construction or expected to be in construction within the next 3 years:

Airport Facility Construction Projects	Affected Community Impacted by Construction of the Facility
FAA Control Tower Site Survey/Construction	None
Runway & Taxiway Lighting, Signage Rehabilitation	Niagara Falls, Town of Niagara, Wheatfield

We have analyzed the above existing facilities and facility construction projects for disparate impacts on the basis of race, color, or national origin (including LEP) in Affected Communities. The following have disparate impacts:

Facilities or Construction Projects with Disparate Impacts	Affected Community Impacted	Impact Can Be Eliminated?
None	None	None

8. Limited English Proficiency (LEP)

Executive Order 13166

In creating a Language Assistance Plan, the NFTA will consider the volume, proportion, or frequency of contact with LEP persons in determining the appropriate language assistance to provide.

In Community Statistics section, we identified the following languages spoken by LEP persons in Affected Communities

Language
Spanish
Chinese (incl. Mandarin, Cantonese)

Tagalog (incl. Filipino)
Vietnamese
Arabic
Korean
French
Polish
Italian
German
Russian
Vietnamese
Bengali

NFTA also collects data for languages spoken by Airport guests.¹¹ Data sources include:

Data Sources for Languages Spoken by Airport Guests	Website link to Data Source
Airport language line usage data	www.language-line.com
Assistance requests to Airport information desks	www.language-line.com

Based on the above data, the following additional languages have been identified as likely to be spoken by LEP Airport guests:

Language
German
Russian
Vietnamese
Bengali

The Title VI Coordinator will also actively engage with community educators, community groups, places of work, business groups, social groups, and the like to confirm that translation and interpretation services are accurate and effective. Additionally, the Title VI Coordinator will inform leadership and staff of the NFTA of the responsibility to provide language access. We have made the following plans to provide translation services free of charge to ensure that individuals with LEP have access to the benefits of the Airport:

Translation Services:

- All written notices contain a statement in the identified languages, when appropriate, of how to receive translated written materials.
- The following vendors have been identified for written translations:

¹¹ We aim to provide appropriate language assistance services to every LEP person encountered. This includes instances when LEP statistical data for a particular language was not available beforehand, or the safe harbor threshold for written translation was not met.

Translation Vendors	Languages
Language Line, Inc.	All above languages

- Information regarding translation services can be obtained at: Language Line, visitor center and language assistance cards given to each Airport tenant.

Location for Translation Assistance	Languages
Airport website request form	All above languages
Airport website translate view	Spanish
Visitor Center	All above languages

Interpretation Services:

- The following vendors have been identified for interpretation services:

Interpretation Vendors	Languages
Language Line, Inc.	All above languages

- Information regarding interpretation services can be obtained at: Security desks, public information counters, terminal services officers, and administrative offices.

Location for Interpretation Assistance	Languages
Airport information desks	All above languages, using Language Line, Inc.

Description of Interpretation Assistance Processes

-
- Airport Customer Service Office maintains a list of multilingual employees, the languages they speak, and their associated office telephone numbers. The list indicates whether each employee is proficient to provide interpretation and/or translation services. The list is updated annually in the Public Information Handbook and provided to all Airport employees. Generally, these employee volunteers are available to assist members of the public with verbal real-time interpretation, during normal business hours.
 - The Airport contracts with the Language Line, Inc. to provide on-demand telephone interpretation services to Airport guests. When a request for an interpreter is received, the following process is used: Airport information desk staff use I-Speak cards to identify the language spoken by the Airport guest. Staff contacts Language Line, Inc. and “parks” the request in the queue for the appropriate language. Language Line, Inc. operators will coordinate connect the requesting party to an interpreter for the duration of the call. The completed call is then logged in the Language Line Service binder. This log is kept for one year.
 - Detailed information is available in the Language Assistance plan
-

9. Transportation

49 Part CFR 21 Appendix C (a)(1)(ix)

In the Community Statistics section of this plan, we identified Affected Communities and provided demographic and related data for the community populations. The minority and disadvantaged community areas located within the Affected Communities are identified below. Other minority and disadvantaged community areas that are near the Airport but not within Affected Communities are also identified below.

The NFTA provides transit service access between the Airport and these areas.

The following chart identifies existing and planned transit services connecting the Airport employment centers with the identified minority and disadvantaged community areas.

Minority and/or Disadvantaged Community Areas	Transit Service	Planned or Existing
East Side district of City of Buffalo, NY	Fixed-route buses, Paratransit vans	Existing, Planned
West Side district of City of Buffalo, NY	Fixed-route buses, Paratransit vans	Existing, Planned

10. Minority Businesses

49 CFR 21 Appendix C (a)(1)(x)

Bids for Airport concessions and other business opportunities are solicited from area minority and woman-owned businesses through the following methods:

Airport Business Opportunity	Minority Business Outreach Methods
Conduct Environmental Assessment - Parallel Taxiway Program	Advertised through email list of local minority and woman owned businesses, company website, and State Minority and Woman Owned Business Enterprise Program Events.
Taxiway D Realignment and Extension, Environmental Assessment	Advertised through email list of local minority and woman owned businesses, company website, and State Minority and Woman Owned Business Enterprise Program Events.
Airfield Lighting and Signage, Design	Advertised through email list of local minority and woman owned businesses, company website, and State Minority and Woman Owned Business Enterprise Program Events.
Airfield Lighting and Signage, Construction	Advertised through email list of local minority and woman owned businesses, company website, and State Minority and Woman Owned Business Enterprise Program Events.
Part 77 Off-Airport Land Easements, Land Acquisition and Tree Removal within the 10L RPZ, Design	Advertised through email list of local minority and woman owned businesses, company website, and State Minority and Woman Owned Business Enterprise Program Events.

All concession and construction projects are advertised through email list of local minority and woman owned businesses, company website, and State Minority and Woman Owned Business Enterprise Program events.

Multiple outreach events are conducted annually to gain woman and minority participation on all concession and construction related projects. The following list highlights outreach events the Airport attended in 2023:

Minority Business Outreach Events

Tri State PTAC Event in Rochester, NY
APEX Accelerator
VETCON Forum in Albany, NY
Straight Talk U.S. held by SBA
MWBE Forum in Albany, NY
MWBE Training and Certification Workshop with Empire State Development, NYPA and NYS Canal Corporation

Selections are in compliance with Title VI, Part 21, and related requirements. Information on the award process and documentation for specific bid decisions is kept with Grants and the Engineering department.

11. Training

New employee orientation incorporates Title VI training. Topics include:

- Title VI and related laws prohibit discrimination on the basis of race, color, national origin (including LEP), sex (including sexual orientation and gender identity), creed, or age
- Title VI complaints must be forwarded to the Coordinator
- Protections against retaliation for filing civil rights complaints or related actions
- Title VI notices must be displayed throughout the Airport public facilities
- All contracts must include Title VI clauses
- Language interpretation and translation services
- Cultural and community relations sensitivity training
- Anti-harassment training

Refresher information is provided annually.

12. Compliance Reviews, Audits, Complaints, Lawsuits, and Other Investigations

FAA Notification. The Coordinator will notify FAA of any pending investigations and reviews, including:

- Compliance reviews or audits concerning civil rights requirements¹²
- Complaints, lawsuits, or other investigations alleging noncompliance with civil rights requirements¹³

As discussed in the Title VI Complaints Section, Title VI complaints must be forwarded to FAA contacts within 15 days of receipt. For all other civil rights investigations, NFTA must notify FAA contacts of any new investigations prior to grant execution.

At regular intervals, the Coordinator will provide FAA contacts with status updates for the investigations and reviews, until completed. For each existing investigation or review completed within 5 years of this plan, the Coordinator will also provide a statement about the outcome, unless previously provided.

13. Title VI Complaints

49 CFR 21.11; 49 CFR 21 Appendix C (b)(3); 28 CFR 42.406(d)

Scope. These procedures are for complaints of discrimination under Title VI and related laws (hereafter “Title VI Complaints.” In order to be a Title VI Complaint, the complaint must:

1. Allege discrimination on the basis of race, color, national origin (including LEP), sex (including sexual orientation and gender identity), creed, or age or violations administrative requirements under Title VI or related laws.
2. Not only be for employment matters¹⁴
3. Allege misconduct by the NFTA, including Airport employees, contractors, concessionaires, lessees, or tenants.
4. Concern an Airport facility or actions by the NFTA including Airport employees, contractors, concessionaires, lessees, or tenants.

¹² Includes any Title VI, ADA, Sec. 504, Title VII/EEO, or other civil rights program compliance review or audit to be performed on the airport sponsor or any of its sub-recipients by any State, local or Federal agency.

¹³ Includes allegations of discrimination based on race, color, national origin (including LEP), sex (including sexual orientation and gender identity), creed, or age, whether because of actions of the airport sponsor itself, or its employees, contractors, or tenants. Includes noncompliance with related administrative requirements under civil rights laws.

¹⁴ Complaints of employment discrimination must be addressed as required by EEOC and other applicable authorities with jurisdiction over employment matters. If an Airport sponsor employment activity is supported by FAA-provided financial assistance or it is alleged that the employment discrimination affects the broader airport program, complaints about that activity must also be reported to FAA.

Rights. Any person who believes that he or she has been subjected to discrimination on the basis of race, color, national origin (including LEP), sex (including sexual orientation and gender identity), creed, or age has the right to file a complaint with the NFTA. Alternatively, they can file a formal complaint with an outside agency, such as the U.S. Departments of Justice or Transportation, or the Federal Aviation Administration (FAA), or seek other legal remedies.

Receipt of Complaint. The Coordinator will log in the complaint and promptly send copies of the complaint to Human Resource Office, Equal Employment Office, and the Aviation Director.

Complaints must be filed within 180 days of the discriminatory event, must be in writing, and must be delivered to:

Dejuan Hardy, Chief Diversity Officer
181 Ellicott St., 716.855.7489, dejuan.hardy@nfta.com

If a complaint is initially made by phone, it must be supplemented with a written complaint before 180 days after the discriminatory event has passed. If a verbal complaint is received, the complainant should be given a copy of the Airport Discrimination Complaint Procedures and instructed to submit a written complaint. Accommodation will be provided upon request to individuals unable to file a written complaint due to a disability.

Initial Procedure. The Coordinator may meet with the complainant to clarify the issues, obtain additional information, and determine if informal resolution might be possible in lieu of an investigation. If successfully resolved, the Coordinator will issue a closure letter to the complainant, record the disposition in the complaints log, and report the resolution to FAA.

Discrimination Complaint Referral Procedure

Internal Complaint Referral. All Title VI complaints must be promptly forwarded to the Coordinator upon receipt.

Initial FAA Notification. A copy of each Title VI complaint will be forwarded to the FAA within 15 days of initial receipt (not the date that the Coordinator was notified). The Coordinator will forward a copy of the complaint and a statement describing all actions taken to resolve the matter, and the results thereof to the FAA Civil Rights staff. (Note: complaints based on disability do not have to be forwarded to FAA.) To transmit complaint information to the FAA, the Coordinator will upload information to the FAA Civil Rights Connect System and email designated FAA staff members. The Coordinator will also seek technical assistance from FAA, as needed, throughout complaint intake, investigation and resolution process.

Investigation Procedure

Assignment of Investigator. The Coordinator will immediately begin the investigation or designate an investigator.

Cooperation with FAA. The Coordinator will promptly investigate all Title VI complaints, including those referred by the FAA for investigation. If the FAA is investigating a complaint against NFTA, the Coordinator will avoid interfering with the FAA investigation, cooperate with the FAA when needed, and share factual information with the FAA.

Prompt Investigation. The Coordinator will make every effort to complete discrimination complaint investigations within 45 calendar days after the complaint is received. Some investigations may take longer with a justification for the delay and assurance that the investigation is being completed as quickly as possible.

Contact with Complainant. The Coordinator will meet with the complainant to clarify the issues and obtain additional information, and also speak with community members and potential witnesses, as appropriate.

Investigation Report. After completing the investigation, the Coordinator will prepare a written report.

Consultation with Legal Counsel. In each case, the Coordinator will consult with Legal Counsel regarding the investigation and the report. Airport Legal Counsel will ensure that the report is consistent with the DOT and FAA Title VI nondiscrimination requirements.

Prompt Resolution of Disputes. The Coordinator will emphasize voluntary compliance and quickly and fairly resolve disputes with complainants, or with contractors, tenants, or other persons, through negotiation, mediation or other alternative dispute resolutions.

Forwarding Report and Response to Complainant. At the completion of the investigation, the complainant and respondent will receive a letter of findings and determination of the investigation and any applicable resolution. The letter transmitting the findings and any applicable resolution will state NFTA's conclusion regarding whether unlawful discrimination occurred and will describe the complainant's appeal rights. A summary of the investigation report, any appeal, or follow-up actions will be sent to the FAA via FAA Civil Rights Connect System and email.

Appeal Rights. The complainant must be notified of their right to appeal the findings or determinations, and of the procedures and requirements for an appeal:

- The complainant may appeal in writing to the NFTA's Executive Director.
- The written appeal must be received within 30 business days after receipt of the written decision.
- The written appeal must contain all arguments, evidence, and documents supporting the basis for the appeal.
- The Executive Director will issue a final written decision in response to the appeal.

Avoiding Future Discrimination. In addition to taking action with respect to any specific instances of discrimination, the NFTA will identify and implement measures to reduce the chances of similar discrimination in the future.

Intimidation and Retaliation Prohibited. NFTA employees, contractors, and tenants will not intimidate or retaliate against a person who has filed a complaint alleging discrimination.

For information on filing a complaint with DOT/FAA, please contact Dejuan Hardy.

This complaint procedure is shared with the public through the following methods:

Website, In-person, and Other Distribution Methods

1 Airport website, Title VI page at www.buffaloairport.com/airport-info/accessibility

2 Airport Sponsor Website at www.nfta.com/eeo

14. Population / Language Data

ACS - S1701: POVERTY STATUS IN THE PAST 12 MONTHS

	Grand Island town, Erie County, New York					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population for whom poverty status is determined	21,323	±35	921	±264	4.3%	±1.2
RACE AND HISPANIC OR LATINO ORIGIN						
White alone	19,426	±523	779	±260	4.0%	±1.3
Black or African American alone	489	±229	102	±104	20.9%	±17.8
American Indian and Alaska Native alone	12	±14	0	±25	0.0%	±95.0
Asian alone	419	±205	12	±19	2.9%	±4.9
Native Hawaiian and Other Pacific Islander alone	0	±25	0	±25	-	**
Some other race alone	152	±110	0	±25	0.0%	±22.9
Two or more races	825	±362	28	±29	3.4%	±3.5
Hispanic or Latino origin (of any race)	670	±350	0	±25	0.0%	±5.8
White alone, not Hispanic or Latino	19,038	±591	779	±260	4.1%	±1.4

	Cambria town, Niagara County, New York					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population for whom poverty status is determined	5,556	±116	213	±190	3.8%	±3.4
RACE AND HISPANIC OR LATINO ORIGIN						
White alone	5,379	±164	201	±191	3.7%	±3.5
Black or African American alone	6	±8	6	±8	100.0%	±100.0
American Indian and Alaska Native alone	0	±19	0	±19	-	**
Asian alone	88	±73	6	±10	6.8%	±13.8
Native Hawaiian and Other Pacific Islander alone	0	±19	0	±19	-	**
Some other race alone	0	±19	0	±19	-	**
Two or more races	83	±80	0	±19	0.0%	±35.9
Hispanic or Latino origin (of any race)	45	±50	0	±19	0.0%	±49.0
White alone, not Hispanic or Latino	5,350	±163	201	±191	3.8%	±3.6

	Lewiston town, Niagara County, New York					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population for whom poverty status is determined	14,321	±29	1,319	±504	9.2%	±3.5
RACE AND HISPANIC OR LATINO ORIGIN						
White alone	13,330	±300	1,140	±483	8.6%	±3.6
Black or African American alone	71	±64	4	±6	5.6%	±9.9
American Indian and Alaska Native alone	89	±75	0	±21	0.0%	±34.3
Asian alone	191	±153	10	±19	5.2%	±11.2
Native Hawaiian and Other Pacific Islander alone	0	±21	0	±21	-	**
Some other race alone	0	±21	0	±21	-	**
Two or more races	640	±243	165	±162	25.8%	±23.5
Hispanic or Latino origin (of any race)	304	±197	0	±21	0.0%	±12.3
White alone, not Hispanic or Latino	13,223	±294	1,140	±483	8.6%	±3.6
	Niagara town, Niagara County, New York					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population for whom poverty status is determined	7,871	±45	1,338	±368	17.0%	±4.7
RACE AND HISPANIC OR LATINO ORIGIN						
White alone	6,755	±414	1,107	±395	16.4%	±5.4
Black or African American alone	266	±179	8	±7	3.0%	±3.5
American Indian and Alaska Native alone	180	±118	57	±82	31.7%	±35.4
Asian alone	46	±54	0	±19	0.0%	±48.5
Native Hawaiian and Other Pacific Islander alone	20	±33	20	±33	100.0%	±73.6
Some other race alone	56	±56	0	±19	0.0%	±44.0
Two or more races	548	±361	146	±121	26.6%	±10.0
Hispanic or Latino origin (of any race)	507	±364	131	±116	25.8%	±11.0
White alone, not Hispanic or Latino	6,684	±415	1,107	±395	16.6%	±5.5

	North Tonawanda city, Niagara County, New York					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population for whom poverty status is determined	30,256	±112	3,271	±619	10.8%	±2.0
RACE AND HISPANIC OR LATINO ORIGIN						
White alone	28,124	±430	2,840	±550	10.1%	±2.0
Black or African American alone	647	±286	171	±137	26.4%	±17.2
American Indian and Alaska Native alone	12	±19	0	±28	0.0%	±95.0
Asian alone	294	±138	58	±75	19.7%	±22.0
Native Hawaiian and Other Pacific Islander alone	0	±28	0	±28	-	**
Some other race alone	123	±93	5	±8	4.1%	±7.6
Two or more races	1,056	±245	197	±140	18.7%	±11.4
Hispanic or Latino origin (of any race)	659	±322	141	±141	21.4%	±22.1
White alone, not Hispanic or Latino	27,748	±496	2,704	±519	9.7%	±1.9

	Wheatfield town, Niagara County, New York					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population for whom poverty status is determined	18,248	±46	999	±405	5.5%	±2.2
RACE AND HISPANIC OR LATINO ORIGIN						
White alone	17,473	±277	978	±403	5.6%	±2.3
Black or African American alone	227	±167	2	±7	0.9%	±3.3
American Indian and Alaska Native alone	0	±21	0	±21	-	**
Asian alone	87	±70	0	±21	0.0%	±34.9
Native Hawaiian and Other Pacific Islander alone	13	±22	0	±21	0.0%	±91.2
Some other race alone	87	±83	0	±21	0.0%	±34.9
Two or more races	361	±201	19	±31	5.3%	±9.0
Hispanic or Latino origin (of any race)	157	±103	22	±36	14.0%	±21.2
White alone, not Hispanic or Latino	17,426	±285	966	±399	5.5%	±2.3

	Niagara Falls city, New York					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population for whom poverty status is determined	48,074	±117	12,046	±1,098	25.1%	±2.3
RACE AND HISPANIC OR LATINO ORIGIN						
White alone	32,007	±919	5,411	±739	16.9%	±2.2
Black or African American alone	8,649	±721	3,140	±703	36.3%	±6.5
American Indian and Alaska Native alone	464	±191	167	±102	36.0%	±19.3
Asian alone	1,000	±304	500	±283	50.0%	±20.5
Native Hawaiian and Other Pacific Islander alone	12	±19	0	±28	0.0%	±95.0
Some other race alone	1,175	±312	517	±217	44.0%	±14.8
Two or more races	4,767	±775	2,311	±556	48.5%	±8.1
Hispanic or Latino origin (of any race)	3,465	±501	1,167	±416	33.7%	±10.3
White alone, not Hispanic or Latino	30,820	±863	5,137	±729	16.7%	±2.3

**ACS - B16001: LANGUAGE SPOKEN AT HOME BY ABILITY TO SPEAK ENGLISH FOR THE POPULATION 5
YEARS AND OVER**

	Grand Island town, Erie County, New York		Niagara town, Niagara County, New York	
Label	Estimate	Margin of Error	Estimate	Margin of Error
Total:	19,589	±230	8,026	±107
Spanish or Spanish Creole:	595	±337	43	±36
Speak English less than "very well"	84	±104	11	±18
French (incl. Patois, Cajun):	113	±91	16	±21
Speak English less than "very well"	51	±64	0	±16
Italian:	53	±45	146	±93
Speak English less than "very well"	13	±21	48	±33
Polish:	134	±106	27	±30
Speak English less than "very well"	0	±21	14	±21
Chinese:	68	±66	0	±16
Speak English less than "very well"	43	±50	0	±16
Korean:	0	±21	0	±16
Speak English less than "very well"	0	±21	0	±16
Vietnamese:	0	±21	0	±16
Speak English less than "very well"	0	±21	0	±16
Tagalog:	0	±21	0	±16
Speak English less than "very well"	0	±21	0	±16
Arabic:	0	±21	13	±24
Speak English less than "very well"	0	±21	5	±9

	Cambria town, Niagara County, New York		North Tonawanda city, Niagara County, New York	
Label	Estimate	Margin of Error	Estimate	Margin of Error
Total:	5,690	±104	29,378	±302
Spanish or Spanish Creole:	0	±16	333	±149
Speak English less than "very well"	0	±16	60	±56
French (incl. Patois, Cajun):	13	±21	42	±36
Speak English less than "very well"	0	±16	10	±16
Italian:	0	±16	139	±113
Speak English less than "very well"	0	±16	45	±50
Polish:	0	±16	162	±85
Speak English less than "very well"	0	±16	58	±77
Chinese:	0	±16	176	±91
Speak English less than "very well"	0	±16	133	±69
Korean:	0	±16	10	±15
Speak English less than "very well"	0	±16	10	±15
Vietnamese:	0	±16	0	±24
Speak English less than "very well"	0	±16	0	±24
Tagalog:	0	±16	80	±104
Speak English less than "very well"	0	±16	0	±24
Arabic:	0	±16	21	±32
Speak English less than "very well"	0	±16	0	±24

	Lewiston town, Niagara County, New York		Wheatfield town, Niagara County, New York	
Label	Estimate	Margin of Error	Estimate	Margin of Error
Total:	15,448	±212	17,334	±212
Spanish or Spanish Creole:	265	±97	219	±116
Speak English less than "very well"	44	±37	51	±49
French (incl. Patois, Cajun):	87	±61	7	±17
Speak English less than "very well"	9	±15	7	±17
Italian:	168	±109	84	±62
Speak English less than "very well"	73	±64	0	±18
Polish:	88	±74	128	±111
Speak English less than "very well"	50	±44	14	±23
Chinese:	51	±57	129	±124
Speak English less than "very well"	42	±52	116	±117
Korean:	0	±18	28	±41
Speak English less than "very well"	0	±18	12	±17
Vietnamese:	0	±18	0	±18
Speak English less than "very well"	0	±18	0	±18
Tagalog:	13	±19	0	±18
Speak English less than "very well"	0	±18	0	±18
Arabic:	0	±18	0	±18
Speak English less than "very well"	0	±18	0	±18

	Niagara Falls city, New York	
Label	Estimate	Margin of Error
Total:	46,280	±326
Spanish or Spanish Creole:	545	±164
Speak English less than "very well"	194	±84
French (incl. Patois, Cajun):	138	±84
Speak English less than "very well"	17	±21
Italian:	461	±114
Speak English less than "very well"	123	±53
Polish:	97	±50
Speak English less than "very well"	54	±34
Chinese:	41	±43
Speak English less than "very well"	28	±34
Korean:	72	±53
Speak English less than "very well"	47	±44
Vietnamese:	43	±46
Speak English less than "very well"	37	±45
Tagalog:	38	±24
Speak English less than "very well"	13	±17
Arabic:	135	±118
Speak English less than "very well"	111	±105

15. Completed Unlawful Discrimination Poster

Unlawful Discrimination

It is unlawful for airport operators and their lessees, tenants, concessionaires and contractors to discriminate against any person because of race, color, national origin, sex, creed, or disability in public services and employment opportunities. Allegations of discrimination should be promptly reported to the Airport Manager or:

Federal Aviation Administration
Office of Civil Rights, ACR-1
800 Independence Avenue, S.W.
Washington, D.C. 20591

Federal regulations on unlawful discrimination are available for review in the Airport Manager's Office.

NFTA Equal Employment Opportunity Office
Dejuan Hardy
716-855-7489
181 Ellicott Street Buffalo, NY 14203

Discriminacion Ilegal

Se prohíbe a los operadores de aeropuertos y a sus arrendatarios, inquilinos, concesionarios y contratistas discriminar contra cualquier persona por motivo de raza, color, nacionalidad de origen, sexo, creencias religiosas, impedimento físico o discapacidad en lo que respecta a servicios públicos y oportunidades de empleo. Las alegaciones de discriminación deberán ser dirigidas inmediatamente al Administrador del Aeropuerto o a:

Federal Aviation Administration
Office of Civil Rights, ACR-1
800 Independence Avenue, S.W.
Washington, D.C. 20591

Los reglamentos sobre discriminación ilegal están a la disposición de los interesados para su examen en la oficina del Administrador del Aeropuerto.

NFTA Equal Employment Opportunity Office
Dejuan Hardy
716-855-7489
181 Ellicott Street Buffalo, NY 14203



U.S. Department of Transportation
Federal Aviation Administration

8800101CH

AVIATION:

3. C. (3) **Authorization for Amendment, Smarte Carte Inc., Self-Service Baggage Cart Units, BNIA and NFIA**

RECOMMENDATION: Staff recommends that the Board authorize an agreement with Smarte Carte, Inc., (Smarte Carte) White Bear Lake, Minnesota for the non-exclusive operation and management of baggage carts at the Buffalo Niagara International Airport (BNIA) and Niagara Falls International Airport (NFIA). The term of the proposed agreement is three (3) years with the option of extending for two (2) additional one-year terms at the discretion of the NFTA, effective July 1, 2024.

INFORMATION: Self-service baggage carts are used by patrons to transport luggage within the terminal building and parking lots at BNIA and NFIA. The concessionaire is required to provide cart storage racks at locations specified by aviation staff within each airport. Payment of rental fees must allow for either cash or major credit card transactions. Additionally, the concessionaire is required to provide routine maintenance and service on the carts as well as provide capital investments to accommodate operational requirements or cart replacement.

Smarte Carte is the current service provider at both airports. They have over 45 years of experience and provides this service to approximately 110 airports throughout the United States. Under terms of the proposed agreement, the rental fee per cart will increase from \$5.00 to \$6.00 in the initial term and \$7.00 in the extension terms. The current national average rental fee per cart is \$6.94. The renter will receive a \$.25 deposit upon returning their cart to a storage rack. The NFTA will receive a 5% commission on gross revenues, which results in an estimated \$8,000.00 of annual revenue to the NFTA.

Due to the lack of Airport Concession Disadvantaged Business Enterprise (ACDBE) firms providing these services, no ACDBE goal has been established for this Agreement. Although no contract specific goal has been determined, the terms of the Agreement will require Smarte Carte to annually take reasonable outreach steps to seek ACDBE participation in this opportunity and verify those good faith efforts with the NFTA.

FUNDING: No funding required.

“RESOLVED, that the Board hereby authorizes an Agreement with Smarte Carte, Inc. for the operation and management of baggage carts at the Buffalo Niagara International Airport and at the Niagara Falls International Airport as described above; and

BE IT FURTHER RESOLVED, that the Executive Director, designee and/or the Chair, be and are hereby authorized to execute and deliver an Agreement with Smarte Carte, Inc. as described above; and

BE IT FURTHER RESOLVED, that said Agreement shall include such additional terms, conditions and safeguards to the Authority as deemed appropriate by the General Counsel.”

- 4. SURFACE TRANSPORTATION BUSINESS GROUP REPORT**
 - A. Surface Transportation Committee Report
 - B. Financial and Business Update
 - C. Resolutions

Surface Transportation Resolutions

1. Authorization for Amendment, Buffalo Niagara Medical Campus, Inc., ITS4US Deployment Program, NFTA
2. Authorization to Negotiate Agreement, ETC Institute, On-Board Survey, GBNRTC

SURFACE:

4. C. (1) Authorization for Amendment, Buffalo Niagara Medical Campus, Inc., ITS4US Deployment Program, NFTA

RECOMMENDATION: Staff recommends the Board authorize an amended agreement with the Buffalo Niagara Medical Campus (BNMC), Inc. for contracted services not to exceed \$6,675,101.00 and \$687,693.00 in in-kind services provided by BNMC, to complete Phases 2 (Design) and 3 (Deployment) of the Buffalo, NY ITS4US Deployment Program.

INFORMATION: The U.S. Department of Transportation (USDOT) Complete Trip - ITS4US Deployment Program awarded \$6,666,981.00 to the NFTA to improve mobility to, from, and within the BNMC. The award focused on deploying new and advanced technologies to address existing mobility and accessibility challenges and to provide more efficient, affordable, and accessible transportation options for underserved communities that often face greater challenges accessing essential services.

In June 2022, the Board authorized an agreement with BNMC, Inc. for contracted services not to exceed \$6,441,482.00 and \$638,939.00 in in-kind services to provide design and deployment services for Phases 2 and 3 of the Buffalo, NY Complete Trip Deployment Program. Under the initial agreement, the NFTA, Greater Buffalo-Niagara Regional Transportation Council (GBNRTC) and the BNMC have been successfully executing Phase 2 tasks in close collaboration with the USDOT.

As part of the Phase 2 work, BNMC secured and evaluated bids for the purchase of a self-driving shuttle. The bids came in higher than initially budgeted. The NFTA, working with the BNMC secured \$195,017.00 in additional federal funding for an amended USDOT contract value of \$6,861,998.00.

This amended agreement will provide an additional \$233,619.00 in federal funds to BNMC to support the purchase of the self-driving shuttle, additional travel for the BNMC team, and additional funding for surveys and outreach. BNMC will provide an additional \$48,754.00 in in-kind services to support the grant contract's required non-federal match.

Initial and Amended FHWA Funding - BNMC Contract, NFTA Supported Costs, In-Kind

	BNMC Contract	NFTA	Total FHWA Funding	BNMC In-Kind
Initial	\$6,441,482.00	\$225,499.00	\$6,666,981.00	\$638,989.00
Amended	\$6,675,101.00	\$186,897.00	\$6,861,998.00	\$687,693.00
Change	\$233,619.00	(\$38,602.00)	\$195,017.00	\$48,704.00

FUNDING: Funding for this effort will be supported by a grant from the Federal Highway Administration Complete Trip - ITS4US Deployment Program Phases 2 & 3 and in-kind services provided by BNMC, Inc. as follows:

Federal Highway Administration	\$6,675,101.00
BNMC, Inc.	\$687,693.00
Total	\$7,362,794.00

“RESOLVED, that the Board hereby authorizes amending the agreement with BNMC, Inc. to provide design and deployment services for Phases 2 and 3 of the Buffalo, NY Complete Trip Deployment Program as described above; and

BE IT FURTHER RESOLVED, that the Executive Director, designee and/or the Chair, be and are hereby authorized to execute and deliver the amended agreement with BNMC, Inc. as described above; and

BE IT FURTHER RESOLVED, that said Agreement shall include such additional terms, conditions, and safeguards to the Authority as deemed appropriate by the General Counsel; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer, be and is hereby authorized to make payments under said Amended Agreement upon certification by the Executive Director, GBNRTC, that such payments are in order.”

SURFACE:

4. C. (2) **Authorization to Negotiate Agreement, ETC Institute, On-Board Survey, GBNRTC**

RECOMMENDATION: Staff recommends the Board authorize negotiation of a Consultant Services Agreement with ETC Institute in an amount not to exceed \$330,352.00 to conduct the NFTA On-Board Survey.

INFORMATION: The Greater Buffalo-Niagara Regional Transportation Council (GBNRTC) is the regional decision-making forum designated by the Governor to cooperatively develop transportation plans for Erie County and Niagara County. GBNRTC's primary focus is on formulating regional transportation policy, planning for future transportation development, and programming transportation facilities and services based on regional travel needs. As requested by the NFTA, the overall objective of this study is to conduct a comprehensive Origin/Destination (O/D) study regarding the fixed-route travel patterns and demographic characteristics of current patrons within the NFTA Metro service area.

The information gathered by the NFTA On-Board Survey will serve a variety of purposes. Uses include, but are not limited to, the support of NFTA Title VI, demographic analysis of current patrons, market share assessment, use of various fare media and transfer activity, and calibration and validation of ridership models. This information, when coupled with historical O/D data, can provide an assessment of service-area demographic shifts and trends as well as identifying untapped market areas.

Request for Proposal No. 240024 was issued in accordance with NFTA Procurement Guidelines. Two proposals were received on May 22, 2024, and were evaluated by a committee consisting of representatives from the NFTA and GBNRTC. The proposals were evaluated on the following criteria: qualifications and experience, technical criteria, and cost.

Following the evaluation and virtual interviews, ETC Institute was found to be most qualified. Costs proposal and independent cost estimate were reviewed, results indicated:

Independent Estimate	\$322,804.00
Consultant Proposal	\$330,352.00

The NFTA serves as the administrative host agency for GBNRTC, which means that the NFTA's only responsibility pertains to providing certain administrative needs of GBNRTC as agreed to by the NFTA in the Host Agency Agreement between the NFTA and NYSDOT.

The established DBE goal was 17%. ETC Institute identified their DBE as 18.16%.

FUNDING: Funding for this effort has been made available by GBNRTC through its Unified Planning Work Program funded by USDOT.

“RESOLVED, that the Board hereby authorizes an Agreement with ETC Institute for a cost not to exceed \$330,352.00 as described above; and

BE IT FURTHER RESOLVED, that the Executive Director, designee and/or the Chair, be and are hereby authorized to execute and deliver an Agreement as described above; and

BE IT FURTHER RESOLVED, that said Agreement shall include such additional terms, conditions and safeguards to the NFTA as deemed appropriate by the General Counsel; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer, be and is hereby authorized to make payments under said Agreement upon certification by the Director, Public Transit, that such payments are in order.”

RFP 240024 CONSULTANT TO PROVIDE TRANSIT SURVEY FOR GBNRTC	ETC Institute Olathe, KS	Widener-Burrows & Associates (dba/WBA Research) Lanham, MD
SELECTION CRITERIA- (Rate on a scale of 1 - 10, with 10 being the highest) Team Consensus (Completed by Team)		
Qualifications and Experience: Demonstrated ability in the industry, references, past performance, depth of knowledge of key personnel in critical areas, and organization of the team- 40%	9.00	9.00
Technical Criteria: Project approach, method, systems proposed, and compliance with technical specifications. 30%	9.00	8.00
Cost. 30%	10.00	8.37
Total	9.30	8.51
Estimated Cost	\$ 330,352.22	\$ 394,682.86

5. General Counsel Report:
6. Executive Session:
7. Adjournment

At approximately __p.m., the Chair indicated that there was no further business coming before the Board, whereupon it was moved by Commissioner __seconded by Commissioner __and unanimously approved that the Regular Meeting of the Niagara Frontier Transportation Authority and Niagara Frontier Transit Metro System, Inc. be adjourned.

AYES:

NOES: