

PORT OF OSWEGO AUTHORITY
Regular Monthly Board Meeting
Monday, May 19, 2025

CALL TO ORDER: Mrs. Cosemento called the meeting to order at approximately 4:48 PM.

PRESENT: Constance Cosemento - Vice Chairperson, Stan Delia, Dr. John Kares Smith, Kathleen Macey, and Thomas Schneider - Interim Executive Director.

ALSO PRESENT: Pat McMahon - Supervisor of Development & Maintenance, James Metcalf - citizen, observing, and Kimberly Natoli - Port Employee.

PRESENT ON ZOOM: Francis Enwright – Chairperson.

ABSENT: Diane Zeller

Motion 05-19-2501:

A motion was made by Mr. Delia to enter into Executive Session for discussion of customers at 4:49 PM. Motion was seconded by Dr. Kares Smith. Motion passed. 5-Aye, 0-Nay, unanimous.

- Motion amended and was made by Mr. Delia to invite/include James Metcalf into Executive Session at 4:50 PM. Motion was seconded by Ms. Macey. Motion passed. 5-Aye, 0-Nay, unanimous.

Motion 05-19-2502:

A motion was made by Mr. Delia to resume the regular monthly meeting at 5:09 PM. Motion was seconded by Ms. Macey. Motion passed. 5-Aye, 0-Nay, unanimous.

APPROVAL OF MINUTES

Motion 05-19-2503:

A motion was made by Dr. Kares Smith to approve the minutes of the April 21, 2025 Regular Monthly Meeting at 5:10 PM. Motion was seconded by Ms. Macey. Motion passed. 5-Aye, 0-Nay, unanimous.

ADMINISTRATIVE OPERATIONAL REPORT

Mr. Schneider, Interim Executive Director, presented the Administrative Operational Report to the Board and addressed any questions or comments at 5:11 PM.

Report Topics:

Monthly operations update – April 2025

Update on projects:

- Operations Monthly Report – included; this report originates from the Port's Scale's Office, provided by employee George Lloyd, that shows the volume of trucks, railcars, and vessels within any given month. The Port's three (3) current commodities are that are transloaded and warehoused:
 - ✓ **aluminum**
 - ✓ **grain**
 - ✓ **potash**

In reviewing the April 2025 totals we note 113% volume increase over April 2024 and a 16% volume increase over March 2025, which are not seen in the financials at this point. This is due to recently establishing an invoice process with the primary customer that the Port has been handling the ingots with. There are some receivables reported, only receivable reported what has been billed, and still working on building the billings, including trackmobile time.

- Aluminum Vessel/Barge – first aluminum vessel is scheduled to arrive on May 27th or May 28th; one of the customer's carrying aluminum on the barge has requested pricing on placing the product in the Foreign Trade Zone (FTZ), and the Port will be working with the consultant, Mohawk Global, on this.
- Grain – the relationship with the Port's grain customer, The DeLong Co., Inc. is strong. He and Mr. Patrick McMahon traveled to Geneva, NY for a meeting with them; still at the point of emptying soybeans into the railcars for them.
- Rail – challenging and managing; ingots and rock cars arriving at the Port. Grain cars still being loaded out in railcars. When grain cars are done, the silo will be cleaned out and opened up for corn.
- Potash Vessel – first potash vessel was in the Port on April 28th, with another arriving the end of May due to timing of loading in Thunder Bay and the Canadian wildfires.
- Marina – busy getting boats in the water, activity on the west-side, and the newly-refurbished crane is holding up well.
- Tennent – meeting with USGS; they have gotten their priority elevated at their location.
- Breakwall Repair Project – is in the beginning stages; multiple projects.
- Warehouse Modernization Grant – Port Infrastructure Development Program (PIDP), progressing with this, but at a pace where the Port is not spending money that is not available in advance of not knowing whether or not matching funds can be obtained.
- Still Watch Vessel – abandoned vessel still sits at the Port's dock. Mr. McMahon and the Port's contractor moved the vessel from the Marina wall to the southern portion of the wharf inside the fence area. The vessel is being checked on, but there is not a plan in place for what to do with the vessel.

- Audit – underway with Bowers CPA's and Advisors.
- Meetings – met with representatives of Fort Ontario. They have received several complaints about the adjoining overgrown bank and it impeding visibility. A cooperative plan to clear the bank would involve two New York agencies working cooperatively together for the mutual benefit of all.

DISCUSSIONS ON TOPICS FROM ADMINISTRATIVE OPERATIONAL REPORT

Mr. Schneider explained that the north warehouse (55,000 sq. ft.) is the boundary designation of the Port's FTZ. The FTZ is actually the whole Port, but the designated boundary is the 55,000 sq. ft. north warehouse noted on a map that was provided when the zone was first approved. There has been another inquiry from another customer regarding the FTZ. Mr. Schneider stated that the Port is researching on a possible boundary modification of the FTZ to utilize some of that area for storage of product.

In regards to rail operations, the local aluminum plant requested that CSX to not deliver large ingots to the Port, and to hold them in the Fulton railyard. CSX thought the Port wanted a full hold and no cars were delivered. Then rock cars started arriving in the Fulton yard, backing up cars in that railyard, that are being delivered to the Port. Mr. McMahon stated that he has directed railcars into the Port, to keep the upper lines clear; railcars were delivered overnight that were not scheduled. Mr. Schneider stated that when vessels come in, there is activity: stevedoring rates, wharfage, dockage, and the Port's handling fees. Mr. Delia inquired about rates for the potash vessel; Mr. Schneider explained that for the potash customer there is a separate contract with its own expiration date and the same holds true for the agricultural customer. It is the aluminum brokers that will have revised rates on July 1st. With the local aluminum customer, there is a separate contract with.

Regarding USGS, Mrs. Cosemento inquired if any other sites on the Great Lakes had their priorities upgraded as well, and Mr. Schneider stated that it was unknown. There is another maritime entity looking for a local location, but that entity is also federally-funded and under threat as well. Losing USGS's testing, research, and knowledge of the healthy environment of the Great Lakes would be a very large loss.

Mr. McMahon informed the Board that an Oswego High School history class that will be taking a tour of the Port on May 22nd. He will show them aluminum, soybeans, potash, and other Port operations.

Mrs. Cosemento spoke about another tour of the Port. She explained that Andy Hillman oversees the yearly meeting for Urban Forestry and that will take place in Oswego this year, on July 23rd and July 24th. They requested a tour of the Port with about 30 members during that time.

Regarding the Still Watch vessel, it would be over \$1.7 million to take the vessel out of the water according to Mr. McMahon. Salvage companies would tow the vessel away for approximately \$50,000 as long as any asbestos and lead paint is removed (the boat was commissioned in 1960). There was a delivery of wood for repairs due to damage the vessel did to the Marina wall. Mrs. Cosemento inquired if there were any options for assistance from state or federal government and there is none that they were aware of at this time. Mr. Schneider praised the actions of the United States Coast Guard (USCG), who has spent a lot of money and in bringing all parties that they could think of together, including state and local officials, and asked if anyone had a solution for the Port – no solutions. Mrs. Cosemento asked if the vessel's current location would interfere with business if ships were to arrive. Mr. Schneider said it could potentially interfere with ship loading of Dome 4.

ADMINISTRATIVE FINANCIAL REPORTS

Motion 05-19-2504:

A motion was made by Dr. Kares Smith to accept April's financial reports as presented at 5:53 PM. Motion seconded by Ms. Macey. Motion passed. 5-Aye, 0-Nay, unanimous.

Primary Financial Reports

- Cash Position
- Balance Sheet
- Profit & Loss Statement
- Marina Profit & Loss Statement

Subsidiary Financial Reports

- Monthly Bills
- Accounts Payable
- Accounts Receivable
- Grants Receivable Summary
- Loan Summary
- Schedule of Assets
- Sales Report

Mr. Delia reviewed the cash position, balance, and profit/loss statements ending 04/30/2025. The cash position and total savings have increased, not necessarily due to net profit but due to grant money being received. Mr. Schneider stated that he doesn't believe the Profit/Loss Statement is reflective of the activity that occurred in April if the revenue could have been captured real time. Mr. Delia went on to review that the total current asset ratio remained about the same as the previous month. Fixed assets were increased from the same time from April 2024, which was primarily because of cash position increase, grant receivables, and FEMA capital improvements. Accounts payable and total current liabilities have increased. Mr. Schneider explained that total current liabilities is primarily the accounts payable and that is up significantly from the prior year and prior month and a significant portion of that is still due to the west-pier contractor as the Port gets reimbursed and closes out the project, and there is only one more billing from New York State Department of Homeland Security and Emergency Services with who does the reimbursement. Mr. Delia described the gross profit was slightly more than the previous year. Total expenses were higher than the previous year, which Mr. Schneider explained those increases were the Port putting labor to work for the customer, who they have not billed yet; that revenue will be recaptured. In regard to the Marina, Mr. Delia pointed out that the Marina profits are consistently constant.

Chairman's Report: No report per Mr. Enwright (on Zoom).

COMMITTEE REPORTS:

Executive Committee: No meeting, no report per Mrs. Cosemento.

Audit and Finance Committee: There was no meeting per Mr. Schneider; he is requesting the Board authorize the Audit Committee Chairman to execute the Engagement Letter for Bowers CPA's and Advisors, who are currently conducting the audit.

Motion 05-19-2506:

A motion was made by Ms. Macey to authorize the Chairman of the Audit and Finance Committee to enact the Engagement Letter for Bowers CPA's and Advisors at 5:56 PM. Motion was seconded by Dr. Kares Smith. Motion passed. 5-Aye, 0-Nay, unanimous.

Governance Committee: No meeting, no report per Dr. Kares Smith.

Planning and Development Committee: No meeting per Ms. Macey, however she and Mr. Schneider will schedule a meeting to visit USGS at 17 Lake Street.

OLD BUSINESS

None.

NEW BUSINESS:

Motion 05-19-2505:

A motion was made by Mr. Delia to authorize the Interim Executive Director to donate \$10,000.00 to Harborfest, which takes place July 24-27, 2025 (Exhibit D) at 6:04 PM. Motion was seconded by Ms. Macey. Motion passed. 5-Aye, 0-Nay, unanimous.

Mr. Schneider is in support of \$10,000.00 on-going donation, and highlighted Mr. McMahon's donating his time and efforts working with the Grucci Family and assisting them throughout the weekend. Mr. Enwright mentioned that the Port has the intention of the City of Oswego to have a successful Harborfest and that the Port is a good neighbor, and wants to assist businesses.

Letter to Grant Applicants from Sean P. Duffy, Secretary of U.S. Department of Transportation (Exhibit E). Mr. Schneider wanted the Board to be aware that this letter was served to recipients of US Department of Transportation funding, and the Port is a recipient of US Department of Transportation funding, and this was a significant shift in philosophy, and he wanted the Board to be aware for a change in terms and conditions under which the Port operates that grant, which may be in turn a conflict with New York State Terms and Conditions, or statutes – the Port is monitoring.

Dr. Kares Smith shared that the Oswego Opera Corporation has its major fundraiser in June; it is typically playing golf at Battle Island.

Uniform Guidance Policy for Federal Awards is a procedural manual – the Port's was notified during a prior year's audit under a management letter comment that the Port did not have a procedural manual for federal awards; one was created to have the Board adopt.

Motion 05-19-2507:

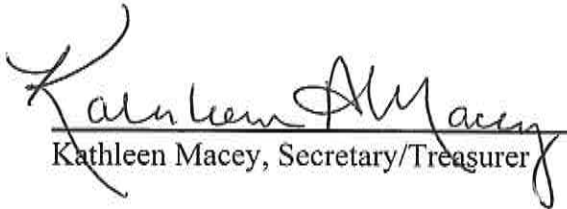
A motion was made by Dr. Kares Smith to adopt the Federal Funds Procedural Manager at 6:11 PM. Motion seconded by Mr. Delia.

The Board decided to table this vote, so that all Board members had proper time to review the document.

ADJOURNMENT

Motion 05-19-2508:

A motion was made by Ms. Macey to adjourn the regular monthly meeting at 6:14 PM. Motion seconded by Dr. Kares Smith. Motion passed. 5-Aye, 0-Nay, unanimous.


Kathleen Macey, Secretary/Treasurer


Constance Cosemento, Vice-Chairperson