

Town of Nantucket
NANTUCKET MEMORIAL AIRPORT
14 Airport Road
Nantucket Island, Massachusetts 02554

Thomas M. Rafter, Airport Manager
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Commissioners
Daniel W. Drake, Chairman
Arthur D. Gasbarro, Vice Chair
Anthony G. Bouscaren
Andrea N. Planzer
Jeanette D. Topham

AIRPORT COMMISSION MEETING

January 12, 2016

The meeting was called to order at 5:00 pm by Chairman Daniel Drake with the following Commissioners present: Arthur Gasbarro, Anthony Bouscaren, Jeanette Topham and Andrea Planzer.

The meeting took place in the 1st floor Community room at the Public Safety Facility, 4 Fairgrounds Rd. Nantucket MA.

Airport employees present were: Thomas Rafter, Airport Manager, Noah Karberg, Environmental Coordinator, Janine Torres, Office Manager, and Mae Williams, Administrative Assistant.

Mr. Drake announced the meeting was being video and audio recorded.

Mr. Drake asked for comments on the Agenda. Hearing none, the Agenda was adopted.

Mr. Bouscaren made a **Motion** to approve the minutes of 12/8/15 and 12/22/15. **Second** by Ms. Planzer and **Passed** unanimously.

Ms. Topham made a **Motion** to ratify the 12/23/15 warrant and approve the 1/13/16 warrant. **Second** by Mr. Bouscaren and **Passed** unanimously.

Public Comment – None

Pending Matters

042214-2 Formerly Used Defense Site (FUDS) Status – Mr. Rafter reported the Army Corps of Engineers were on site to inspect and investigate Stockpile X. Mr. Karberg added a draft remedial report should be complete by March.

011315-2 General Fund Repayment Proposal and Discussion of In-Kind Services – Town Counsel and the Town Finance Director have revised the draft MOU agreement to reflect in-kind services to other Town Departments. It will be presented to the Finance committee on Monday, January 25, 2016, then to the Board of Selectmen on Wednesday, January 27, 2016. Once all parties agree to the terms it will be sent to Mass. Department of Revenue, MassDOT-Aeronautics for their approval.

Ms. Topham made a **Motion** to approve the Memorandum of Understanding with the Town of Nantucket for the repayment of transfers from the General Fund for Fiscal years 2012-2014 in

cash or in-kind according to the schedule in Exhibit A. **Second** by Ms. Planzer and **Passed** unanimously.

122215-2 Gift Shop Rent Abatement Request – Tenant was asked to attend the Commission meeting to discuss further the written response to the request to abate rent. The request was declined. Mr. Drake suggested, and it was agreed, to remove the topic from the agenda.

Pending Leases and Contracts

Mr. Rafter presented the following Leases and Contracts:

- **Superior Tire & Rubber Corp.** - Operating Budget purchase contract for a plow blade for Airport Loader in the amount of \$1,074.74.
- **Jacobs Engineering** – Capital Budget Contract needed to Process final payment of Airport Master Plan & Sustainability Program in the amount of \$94,433.02. 95% of this fee is covered by a Grant.
- **Anderson & Kreiger** – Operating Budget Letter of Agreement for Legal Services regarding Thompson House, Gatto & aviation related General Matters.
- **Lakes Region Environmental Contractors** – Operating Budget three (3) year contract for Annual Fuel Farm Inspections to expire 12/31/2018 in the amount of \$128,500.00.
- **Schmidt Equipment** – Capital Budget Contract to overhaul and re-pinning of 1988 Loader in the amount of \$60,000.00.
- **Maron Construction** – Insurance Claim to repair the Arrivals Vestibule damaged from February 2015 Fire Suppression pipe bursting in the amount of \$39,986.00. **PENDING**
- **Rectrix Aviation, Inc.** – 2016 Airline Lease for \$32,280.00 plus Annual Business Fee of \$1,500.00 plus Landing Fees. (Air Service Incentive Program not factored in).

Kevin Bradley, Vice-President of Operations, Rectrix Aviation requested the effective date to begin on initiation of service and FAA approval. The office space will be occupied May 1, 2016 and the ticket counter upon approval from Department of Transportation (DOT).

Mr. Gasbarro made a **Motion** to approve the Leases and Contracts on Exhibit 1 excluding Maron Construction and Rectrix Aviation. **Second** by Ms. Topham and **Passed** unanimously.

011216-1 Emily Air LLC Request for Sub-Lease to Fly Blade, Inc.

Mr. Tom Cunningham, Managing Member of Emily Air, LLC, addressed the Commission to request a sub-lease of Hangar 1 to Fly Blade, Inc. to operate as a staging area for their Charter Service. Discussion took place regarding insurance, reporting, security, badging, FAA regulations, ramp congestion, and issues regarding circumventing FBO revenue, i.e. record keeping. Mr. Rafter clarified the difference between Airline and Air Service Providers vs. Air Carrier Providers. Discussion continued regarding alternatives on how maintain the integrity of revenue control. Mr. Gasbarro suggested Fly Blade and Mr. Cunningham present more information to the Commission of how this could work. Mr. Drake requested Fly Blade to contact Mr. Rafter to address these issues and present them to the Commission at their next meeting.

122215-1 Air Service Update – Mr. Rafter has been working closely with Legal and apprised the Commission regarding the status of Island Airlines Bankruptcy with regard to the Leasehold space.

Mr. Rafter, Mr. Drake, and Mr. Karberg attended an Air Service Forum held in Hyannis on Friday, January 8, 2016 to discuss a regional approach to improve off season service for the Cape and Islands. A Small Community Air Service Development Grant (SCASD Grant) was discussed that is designed to be used in markets that have pricing issues or limited service and that is used as a revenue guarantee to small airports. A regional approach to a SCASD Grant would enable

the Airport to partner with Hyannis to strengthen connectivity between the Island and Hyannis. Another topic of discussion was a regional approach for a more level playing field for **all** transportation.

Due to a change in Federal Aviation Administration (FAA) regulations all airlines are facing a pilot shortage. Mr. Rafter is drafting letters to our Congressional delegation to inform them how acutely this is affecting small airports.

Mr. Bouscaren made a **Motion** to give Mr. Rafter the Commissions endorsement to address the Congressional Representatives. **Second** by Ms. Topham and **Passed** unanimously.

A discussion regarding Letters to the Editor in the *Inquirer & Mirror* resulted in the review of a response letter to clarify the Airports position on some of those items and to educate the public.

Mr. Bouscaren made a **Motion** to approve the letter to the Inquirer & Mirror. **Second** by Ms. Planzer and **Passed** unanimously.

031015-1 Airline Incentive Plan Discussion – Mr. Rafter reviewed clarifications and modifications made to the existing Air Service Incentive Program that could help create more connectivity to Hyannis. Flights that qualify would be retroactive to January 1, 2016. Approval from FAA is pending.

011216-2 Review and Discussion of Proposed Solar ATM Articles – Mr. Rafter reported: Town Counsel has made a determination Article 18 of 2015 Town Meeting covers the land at the Airport for a land Lease to the Town. The Commission has the authorization to approve the specific land identified for solar use subject to Board of Selectmen and FinCom approval. There are other Town Articles needed to complete this transaction. Mr. Gasbarro made a recommendation to reconvene the Energy and Environment Sub-committee.

Manager's Report – Mr. Rafter reported:

Project Update

Air Traffic Control Tower (ATCT) current work-in-progress includes electrical, duct work, sprinkler system, and drywall installation.

- **011216-3** - A request to approve a policy to allow Mr. Rafter to approve construction Change Orders up to \$10K on the Air Traffic Control Tower project. Any proposed change orders greater than \$10K would require Commission approval.

Mr. Gasbarro made a **Motion** to approve the Policy for Addressing Change Orders for the Modernization of the Air Traffic Control Tower. **Second** by Ms. Planzer and **Passed** unanimously.

- **011216-4** – Mr. Rafter presented three Change Orders to ratify pursuant to the Policy. PCO 002 for \$1,555, PCO 003 for \$6,794, & PCO 004 for a credit of \$254.

Mr. Gasbarro made a **Motion** to ratify PCO's 002, 003, & 004. **Second** by Ms. Topham and **Passed** unanimously.

- Draft scope and proposal on Capital Improvement Projects (CIP) **Vault Room Rehabilitation, Interactive Employee Training, and Public Address/Flight**

Information Display System (FIDS) has been received by Jacobs Engineering. Questions and concerns regarding a Design/Build will be reviewed with Jacobs.

RFP/Bid Status – Mr. Rafter reported:

- Development of specs for the Fuel Farm Pipe painting project is in the works.
- Responses to the Car Rental Concession RFP's have been received and are being reviewed.
- Passenger Boarding Ramp specs are being developed.
- Specs for the HVAC/Geothermal systems servicing are being circulated to other Town Departments for inclusion of their systems.
- The Airport will be working with Lisa Balkunas to help us establish an Advertising Program.

Operations – Mr. Rafter reported:

- A meeting with FinCom is scheduled for Monday, January 25, 2016 to review the revised FY17 budget to review the impact of Island Airlines bankruptcy as well as a revenue recovery plan.
- Procurement to repair our Airport Rescue Fire Fighting truck engine is under way.
- Rates & Charges will be reviewed to address Terminal User Landing Fees for the aircraft Rectrix Aviation plans to fly as well as a request to re-categorize the freight fee, and add a minimum fee for Special Event.

Statistics – Mr. Rafter reviewed the November 2015 overall statistics as well as the December Fuel & Noise Complaint statistics:

- Operations are up 3.01% from November 2014. Year-to-date up 2.15%.
- Enplanements are down 10.21% from November 2014. Year-to-date down 4.47%. Jet A gallons sold is down 36.68% from November 2014. Year-to-date up 4.59%
- Jet A gallons sold is down 12% from December 2014.
- AvGas gallons sold are up 14.20% over November 2014. Year-to-date up 5.44%.
- AvGas gallons sold are up 8% from December 2014.
- Freight is down 11.7% from November 2014. Year-to-date is down 2.61%.
- 2 Noise Complaints were filed in November 2015.
- 11 Noise Complaints were filed in December 2015.

Personnel – Jamie Sandsbury & husband as well as Noe Pineda and wife have both had baby girls. Noe's baby girl was 2016 New Year's baby. All are happy and healthy!!

Commissioners Comments'

None

Public Comment

Mr. Cunningham addressed the Commission to comment on the request made for special freight fee for dedicated charter service for newspapers. All other freight would operate as partial loads. He also offered his opinion regarding the unbalanced approach to transportation that the Town of Nantucket has taken that has created a great burden for the aviation business.

Having no further business for Open Session, Ms. Planzer made a **Motion** to go into Executive Session, under G.L. Chapter 30 A, Section 21 A, not to return to Open Session, to review Executive Session Minutes as enumerated on the Agenda; Clause 6 - to consider the purchase, exchange, lease or value of real property with respect to Exhibit A of the Airport Layout Plan and under Clauses 3 & 6 to consider the purchase, exchange, lease or value of real property and to discuss pending litigation to Gatto vs. Town. The Chair has determined that an open session may

have a detrimental effect on the negotiation/litigation position of the Airport Commission.
Second by Mr. Bouscaren and **Passed** by the following roll-call vote:

Mr. Bouscaren – Aye
Ms. Topham - Aye
Ms. Planzer - Aye
Mr. Gasbarro – Aye
Mr. Drake – Aye

Meeting adjourned at 5:37 pm

Respectfully submitted,

Mae R. Williams, Recorder

Master List of Documents Used

1/12/16 Agenda including Exhibit 1
12/8/15 Draft Minutes
12/22/15 Draft Minutes
12/23/15 Warrant Signature Sheet
1/13/16 Warrant Signature Sheet
12/14/15 email from J. Giorgio to L. Gibson re: Draft of Memorandum of Understanding (MOU) between Nantucket Board of Selectmen and Nantucket Memorial Airport Commission including attachment of revised MOU
12/23/15 Response letter to Planet ACK, Inc. re: Request for Rent Abatement Superior Tire and Rubber Corp. Contract (\$1,503.02)
Jacobs Engineering Group, Inc. Master Plan Contract (\$94,433.02)
12/23/15 Anderson & Krieger Letter of Engagement
Lakes Region Environmental Contractors, Inc. Contract (\$128,500.00)
Schmidt Equipment, Inc. (\$50,543.93)
Maron Construction Co., Inc. (39,986.00)
Air Service Incentive Program Draft
1/7/16 email string between J. Torres, T. Cunningham and M. Tomkiel Subject: Request for Sub-Lease Emily Air, LLC Hangar 1 Sub-Lease to Fly Blade request
Policy for Addressing Change Orders for Modernization of Air Traffic Control Tower (ATCT)
Maron Construction Co., Inc. PCO 002 (\$1,339.20)
Maron Construction Co., Inc. PCO 003 (\$6,794.00)
Maron Construction Co., Inc. PCO 004 (-\$254.00)
November 2015 Statistics Report includes December Fuel and Noise Complaints
Handouts
Draft letter “To the Editor” to Inquirer & Mirror from Daniel Drake, Chairman
1/6/16 email from A. Bonney to T. Rafter Subject: Cape Air Follow Up
Amended Exhibit 1 that includes Rectrix Aviation
Air Service Incentive Program Red-Line Draft
011315-2 Proposed 2016 ATM Warrant Articles and General Fund payment schedule