

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
July 11, 2017

The meeting was called to order at 5:02 pm by Chairman Daniel Drake with the following Commissioners present: Vice Chair Arthur Gasbarro, Andrea Planzer and Jeanette Topham. Commissioner Anthony Bouscaren was absent.

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, David Sylvia, Safety & Compliance Officer and Janine Torres, Office Manager.

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

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

Mr. Drake asked for comments or corrections to the June 13, 2017 and June 27, 2017 Meeting Minutes. Ms. Topham made a **Motion** to approve as drafted, **Second** by Ms. Planzer and **Passed** unanimously.

Mr. Gasbarro made a **Motion** to ratify the Warrants of June 21, 2017 and June 30, 2017. **Second** by Ms. Topham and **Passed** unanimously.

Pending Leases/Contracts – Mr. Rafter presented the following Contracts:

- An \$800 Contract Amendment to **Lakes Region Environmental Contractors** – to cover replacement parts needed for the fuel farm.
- **Transportation Security Clearing House** – A \$10,000 two-year Contract for security vetting services for Airport ID badges.
- **Anderson & Kreiger LLP** – An engagement letter for legal services through 2018.

Mr. Gasbarro made a **Motion** to approve the Contract Amendment with Lakes Region, the Contract with Transportation Security Clearing House and the Engagement Letter with Anderson & Kreiger, LLP. **Second** by Ms. Topham and **Passed** unanimously.

Public Comment

None

Pending Matters – Mr. Rafter reported:

- **042214-2 Formerly Used Defense Site (FUDS) Status** – The Airport has reviewed a draft final determination from the Army Corps of Engineers (ACE) that the FUDS site is clean. Language is being drafted to include in the Bunker Lease RFP to address the issue pending receipt of the final document from ACE which is not expected until September or October
- **011315-2 General Fund Repayment Proposal and Discussion of In-Kind Services** – A response from the Federal Aviation Administration (FAA) was expected last week. Mr. Rafter reached out again to the Compliance Officer, Jorge Pantelli, but has not received a response.
- **061317-2 Brookfield Asset Bridgetown, LLC Sublease to FedEx Corp.** – Mr. Rafter reported the executed Recognition, Non-Disturbance and Attornment Agreement (RNDA) between the Airport, Brookfield Asset Bridgetown, LLC (Brookfield) and FedEx is still being withheld until the revised sub-lease document is received. Brookfield reported today that FedEx has agreed to the lease modifications but the executed documents have not yet been received.

Mr. Rafter noted that with the help of the Tax Assessor, Deborah Dilworth, the Hangar 1 lease parcel will be carved out of the Map and Parcel for 14 Airport Road to allow for a separate address of 12 Airport Road. This was necessary to enable Verizon to install a circuit for the hanger tenant without coming through the Airport Terminal Telco Room.

071117-1 Election of Officers

Chairman – One nomination by Ms. Topham for Dan Drake. **Vice Chair** – One nomination by Ms. Planzer for Arthur Gasbarro. Both nominations were accepted by the candidates and approved unanimously.

122215-1 Air Service Update

071117-2 Part 135 Scheduled Service Operators - Mr. Rafter reported Airport Counsel agrees with the Airport's interpretation of scheduled service and have notified the operator of the required fees. Airport Counsel will continue to review our Rates & Charges, Minimum Standards and Rules & Regulations to ensure all three documents are consistent.

Mr. Rafter also shared three documents with the Commission related to loss of air service to small communities: The U.S. Department of Transportation's "Report of the Working Group On Improving Air Service to Small Communities" which focuses mostly on essential air service, pilot shortage and federal funding issues; a similar document from the Regional Air Cargo Carriers Association's Blog "Payload Connector" which offers a broader perspective; and a handout from the Regional Airline Association with statistics on reduced scheduled service specifically on Massachusetts Airports.

071117-3 Preliminary FY17 Year End Results – Mr. Rafter handed out a preliminary FY2017 Profit and Loss snapshot comparing Income and Expenses to FY16. Revenue was up 19% noting the increase was due to the lowering of the Fuel Revolver Cap which allowed for additional revenue to flow automatically into the Operating Budget, and Operating Expenses were up 2% over FY16.

071117-4 Minimum Standards Review & Discussion – Mr. Rafter presented a draft change to the Minimum Standards as they relate to air freight operations and air cargo operators noting working in conjunction with Hyannis Airport Manager, Bud Breault. The change would allow nothing larger than the size of a standard grocery bag to come through the terminal. Mr. Rafter

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prefers to allow the users to comments prior to finalizing and would like to present the draft at the Tenant Meeting scheduled for Thursday. There were no objections.

Manager's Report – Mr. Rafter reported:

Project Updates

- **Vault Room** – The installed regulators were tested by a third party and confirmed inadequate. A conference call will be scheduled with the Contractor and Manufacture to discuss next steps.
- **Interactive Employee Training (IET)** – The Part 139 training module is under final review. There were some report generating issues that have been resolved.
- **Public Address/Flight Information Display System projects (PA/FIDS)** – The FIDS portion of the project will resume next week; however, the PA System will be delayed until October due to the withdrawal of the electrical contractor.
- **Security Cameras** – Still working on gaining remote access for the authorized users.
- **North Ramp Rehab Area III** – This project was re-bid. Three bids were received with the apparent low bidder being Victor-Brandon Corp; however, the bid is still over the Annual Town Meeting appropriation and we will be seeking additional appropriation of approximately \$400K at Special Town Meeting this fall.
- **Geometry Analysis** – Project has been awarded to McFarland-Johnson and we are awaiting their schedule of work. FAA Grant award for 90% reimbursement has been received.
- **Crew Quarters Project** – Conceptual drawings and floor plans have been received from the architect. Once the site plan is received from the surveyor the land release will be submitted to FAA for approval and financial analysis will begin to determine if the project is viable.
- **Ground Service Equipment (GSE) Storage Facility** – A design scope meeting was held and are awaiting a proposal from McFarland-Johnson.
- **Restaurant Enclosure** – McFarland-Johnson was asked for a design fee and a call will be planned in the near future to discuss scope.
- **Parking Revenue Access Control System** – Most of the new equipment has been installed. It is anticipated the system will become operational the third week of July. Distribution of the system pamphlet printed by Republic parking was discussed.

RFP/Bid Status – Mr. Rafter reported the RFP's being worked on include:

- **Airport Gas** – One proposal was received and the evaluation committee is scheduled to meet on Thursday, July 13th.
- **Bunker Road RFP** has been drafted. Airport Counsel is reviewing FUDS language.
- **Sun Island Road** Land release has been received.
- **Solar Land Lease** – The evaluation committee met to review scores. The price proposals received of 23 and 28 cents per square foot were far below fair market value appraisal of \$1.95 per square foot. This equates to a revenue loss potential of approximately \$1M per year for twenty years. The FAA will not allow such a significant difference below fair market value and therefore, we are recommending rejecting both proposals.
- **Hangar 5 RFP** is being drafted to rent in as-is condition and offering rent abatement for required repairs.
- **The World Fuel Contract** to supply aviation fuel expired last month but contains a month-to-month continuation clause. While the purchase of aviation fuel is exempt from procurement under Chapter 30B, Mr. Rafter intends to put the services back out to bid in the fall.

Operations – Mr. Rafter reported:

- Holiday sales results – Film Festival sales were up 1% over last year. Gallons pumped were up 4%. For July 4th, both sales and gallons pumped were down 8%.
- July 4th beach activity control went very smoothly and clean-up was good as well.
- Mr. Drake and Mr. Rafter met with Cape Air and Dan Wolf regarding customer service issues, product quality and potential use of larger aircraft to address pilot shortage.
- A tour of the Airport was provided for the two new members of the Board of Selectman.
- Mr. Rafter spoke at the Town Association on June 27th regarding Airport activities.
- The T-Hangar tenants are considering organizing a hangar association and will present a proposal on managing the T-Hangars when they revert to Airport ownership in 2018.
- Nantucket Flying Association held its aviation camp the last week of June and a C130 flew in from RI National Guard one day as part of the camp activities.
- Working with the Control Tower and Airport Security on modifying the Security Access Display Area (SIDA) to allow for additional general aviation (GA) ramp parking.
- On Friday, July 7th, we had four JetBlue aircraft on the ground at the same time. The Airport is working with JetBlue to address this issue.
- American Airlines began service on June 23rd.
- Dates to remember
 - Triennial Exercise – Is scheduled for September 13, 2017.
 - Tenant Meeting is scheduled for July 13th at 10:30 a.m.
 - Special Town Meeting is scheduled for November 6, 2017
 - Nantucket Flying Association hosting a reception on July 19, 2017 for two individuals that are circumventing the globe in a Robinson helicopter.

Statistics – Mr. Rafter reviewed the May 2017 statistics:

- Operations are down 3.4% from May 2016; and down .06% from last FYTD.
- Enplanements are down 19.53% from May 2016; and down 10.69% from last FYTD.
- Jet A Gallons are up 4% from May 2016; and up 2.26% from last FYTD.
- Jet A Gallons for June are up 4.18%.
- AvGas Gallons are up 6.53% from May 2016; and up 9.41% from last FYTD.
- AvGas Gallons for June are up .42%.
- Freight is up 18.53% from May 2016; and down 19.79% from last FYTD.
- 7 Noise Complaints was filed for May 2017.

Personnel Report

Mr. Rafter requested a change in title for Noah Karberg from Environmental Coordinator to Assistant Airport Manager citing Mr. Karberg's ability and continuing educational achievements through American Association of Airport Executives (AAAE) Certification program. So far, Mr. Karberg has obtained Airport Safety and Operations Specialists (ASOS) certification, Certified Member (CM) designation, and is nearly complete in obtaining an Accredited Airport Executive (A.A.E.) designation. Mr. Rafter added the title change would include a two-step raise, \$5,500 immediately and another \$5,500 once he reaches the A.A.E. designation.

Mr. Gasbarro made a **Motion** to approve Mr. Karberg's title change to Assistant Airport Manager and two-step salary adjustment totaling \$11,000, with the first half effective immediately and second half when he completes his airport management accreditation. **Second** by Ms. Planzer. After brief discussion, the Motion **Passed** unanimously.

Mr. Rafter also requested a performance recognition increases for the Finance Manager of 5% and a one-time payout \$3,500 for the Office Manager.

Ms. Topham made a **Motion** to approve as stated. **Second** by Ms. Planzer and **Passed** unanimously.

Commissioners Comments

Mr. Topham commented on the reported long lines through the TSA checkpoint. Mr. Rafter noted the Security Coordinator has reached out to the TSA Supervisor to come and observe the re-occurrence of long passenger screening lines. TSA did open the second screening lane 30 minutes earlier. The new screening equipment alarms frequently adding to the delay and earlier today the bag screening equipment had a failure causing all bags to be processed by hand.

Public Comment

None

Having no further business for Open Session, Mr. Gasbarro made a **Motion** to go into Executive Session, under G.L. Chapter 30A, Section 21A, not to return to Open Session, to review Executive Session Minutes as enumerated on the Agenda; Clause 3 to consider the purchase, exchange lease or value of real property with respect to Sun Island Road lots and Bunker Road lots. The Chair has determined that an open session may have a detrimental effect on the bargaining position of the Airport Commission; and to discuss strategy with respect to pending litigation related to SRE Snowblower. The Chair has determined that an open session may have a detrimental effect on the litigation position of the Airport Commission. **Second** by Ms. Planzer and **Passed** unanimously by the following roll-call vote:

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

Meeting adjourned at 5:38 pm

Respectfully submitted,

Janine M. Torres, Recorder

Master List of Documents Used

7/11/17 Agenda including Exhibit 1
6/13/17 Draft Minutes
6/27/17 Draft Minutes
6/21/17 Warrant Signature Sheet
6/30/17 Warrant Signature Sheet
Lakes Region Environmental 1/12/2016 Contract Amendment One
Transportation Security Clearing House 2017-2018 Contract
Anderson & Kreiger LLC Engagement Letter dated 6/9/17
USA/DOT Report: Working Group on Improving Air Service to Small Communities dated 5/9/17
Regional Air Cargo Carriers Association Blog Printout: Pilot Shortage, Consolidation, Aircraft Threaten
200+ Communities with Loss of Service
Regional Airline Association Analysis of Oliver Wyman Plane Stats OAG Schedule data June 2017
Profit & Loss (P&L) Snap Shot – Period 12 (Handout)
Minimum Standards Draft Section? (TBD) – Air Freight Operations
May 2017 Statistics
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Chairman Drake's letter to Nantucket islands Land Bank dated 7/5/17

