

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  
David C. Gray, Sr.  
Sonny Raichlen  
Jeannette Topham

**AIRPORT COMMISSION MEETING**  
**February 26, 2013**

The meeting was called to order at 5:00 PM by Chairman Daniel W. Drake with the following Commissioners present, David C. Gray, Sr., Sonny Raichlen and Jeanette Topham.

Vice Chair Arthur D. Gasbarro was participating remotely by phone due to geographical distance.

The meeting took place in the 1<sup>st</sup> Floor meeting room at the Public Safety Facility, 4 Fairgrounds Rd.

Mr. Drake announced the meeting was being recorded.

Airport employees present were Thomas M. Rafter, Airport Manager, David Sylvia, Training and Compliance Officer, Ashley Christ, Business Manager, Noah Karberg, Environmental Coordinator and Janine Torres, Office Manager.

The Commission **M/S/P** Unanimously by a roll call vote approval of the Agenda:

Chairman Drake – Aye  
Vice Chair Gasbarro – Aye  
David C. Gray, Sr. – Aye  
Sonny Raichlen – Aye  
Jeanette Topham - Aye

The Commission **M/S/P** Unanimously by roll call vote approval of the 2/7/13 Minutes:

Chairman Drake – Aye  
Vice Chair Gasbarro – Aye  
David C. Gray, Sr. – Aye  
Sonny Raichlen – Aye  
Jeanette Topham - Aye

The Commission **M/S/P** Unanimously by roll call vote approval of the 2/12/13 Minutes:

Chairman Drake – Aye  
Vice Chair Gasbarro – Aye  
David C. Gray, Sr. – Aye  
Sonny Raichlen – Aye  
Jeanette Topham - Aye

The Commission **M/S/P** Unanimously by roll call vote to ratify the 2/20/13 Warrant:

Chairman Drake – Aye  
Vice Chair Gasbarro – Aye  
David C. Gray, Sr. – Aye  
Sonny Raichlen – Aye  
Jeanette Topham - Aye

Approval of the 3/6/13 Warrant was deferred to the next meeting due to not being reviewed yet by several Commissioners.

### **Public Comment**

None.

### **Pending Leases and Contracts**

Mr. Rafter presented three (3) contracts for approval:

- **Lakes Region Environmental Contractors, Inc.** – Amendment 2 to extend the contract for the Fuel Farm Annual Inspection to March 31, 2013.
- **Division 15 HVAC, Inc.** - a one-time contract for a not to exceed amount of \$26,200.00 to repair the HVAC system in the terminal restaurant.
- **Frank Balester** – a three year contract not to exceed \$24,000.00 for welding services.

The Commission **M/S/P** Unanimously by roll call vote to approve all three contracts:

Chairman Drake – Aye  
Vice Chair Gasbarro – Aye  
David C. Gray, Sr. – Aye  
Sonny Raichlen – Aye  
Jeanette Topham - Aye

### **Pending Matters**

**120412-3 Existing Bunker Lease Review** – Mr. Rafter reported amendments are in progress to the two Bunker Leases which were affected by the percentage rent clause.

Mr. Rafter also reported the Proposals received for the Bunker Lease RFP are under review.

### **Finance/Budget**

**022613-1 Powers & Sullivan FY12 Financials** – Mr. Rafter answered several questions from Ms. Topham:

- Pg. 14 – Custodial Credit Risk Deposits – Has there been an issue with the co-mingling of funds between Airport and other Town accounts? – Per FAA regulation, we are not permitted to co-mingle funds with other Town accounts.
- Pg. 15 – Custodial Credit Risk Investments – Should the Airport have a policy on investment credit risk? - The Airport will mirror any policy regarding credit risk the Town develops. Mr. Drake added the same holds true for interest rate risk.
- Pg. 17 – Is the construction in progress the GA building? – Yes and also the R/W 33 extension project.
- Pg. 23 – What are compensated absences? – Most likely paid and bought back sick and vacation days. Will verify and notify if different.

Mr. Drake reminded everyone these financials are done on an accrual basis not a cash basis so the numbers look different when produced from MUNIS.

When asked by Mr. Gray, Mr. Rafter said he was satisfied overall with the numbers.

The Commission **M/S/P** Unanimously by roll call vote to formally acknowledged receipt of the Powers & Sullivan FY 2012 financials by a roll call vote:

Chairman Drake – Aye  
Vice Chair Gasbarro – Aye  
David C. Gray, Sr. – Aye  
Sonny Raichlen – Aye  
Jeanette Topham - Aye

**112012-1 FY2014 Budget** - Mr. Rafter acknowledged Ms. Christ for her diligence in working with the Finance Department in reconciling the debt service resulting in an overall reduction of debt of \$328K. Despite the reduction, Mr. Rafter recommends still carrying the deficit of \$304K which includes carrying a \$240K Contingency Reserve for unanticipated expenses. Mr. Rafter added some unplanned expenses have already surfaced and feels more comfortable leaving the budget as is.

Mr. Rafter added the budget will be presented to the FinCom on Tuesday, March 5<sup>th</sup> at 4:30 PM in the High School cafeteria. A Reserve Fund Transfer will also be requested to cover the Taxiway Delta design work. The design work must be completed in order to apply for a grant and although Jacobs will not bill the Airport for the design work until the grant is in place, we are required to have the funds in place in order to enter into a contract for the design work.

To answer Mr. Raichlen, Mr. Rafter noted Jacobs's initial proposal was \$100K for the design and \$67 for construction oversight, but has gone back to Jacobs to trim down their expenses.

Mr. Drake added there are three Capital Items being presented: the Master Plan, Taxiway Delta Widening and new vehicles & equipment. Mr. Rafter noted the borrowing for vehicles & equipment won't be needed until the second round of borrowing.

The Commission **M/S/P** Unanimously by roll call vote to approve the FY2014 Budget as presented:

Chairman Drake – Aye  
Vice Chair Gasbarro – Aye  
David C. Gray, Sr. – Aye  
Sonny Raichlen – Aye  
Jeanette Topham - Aye

**021213-1 2013 Fee Structure** – Mr. Rafter explained in working on the Fee Structure in relation to the minimum standards, he has come across some intricacies regarding implementation and would like to meet with the Finance Sub-Committee to develop a strategy.

Mr. Drake suggested a workshop instead noting the Service Sub-Committee may want to participate. Everyone agreed.

#### **GA/Administration Building Project Update**

Mr. Rafter reported the final Takeover Agreement (Agreement) is being presented for approval noting receiving a copy of the Sureties signature this afternoon.

Mr. Rafter also reported on two meetings that took place since the last Commission meeting: The contractor did a site visit meeting with both the Architect and OPM and are seemingly anxious to get started; Jacobs and Brite Lite met on site to identify wires bundled from the old building and determine their final location which Jacobs will plot on a drawing.

Mr. Raichlen asked if the balance of the contract was being paid up front to which Mr. Rafter explained only the money withheld from Baybutt from their last two invoices with the balance to be paid as the work proceeds pursuant to the original contract.

Mr. Gray asked about the OPM services. Mr. Rafter noted we are waiting for a contract amendment from Legal Counsel for both the OPM and the Architect.

The Commission **M/S/P** Unanimously by roll call vote to approve the Takeover Agreement with the Surety Company:

Chairman Drake – Aye  
Vice Chair Gasbarro – Aye  
David C. Gray, Sr. – Aye  
Sonny Raichlen – Aye  
Jeanette Topham - Aye

Mr. Drake noted an open issue remains regarding the site work. Mr. Rafter reminded the Commission the original change order for the site work was deemed excessive and rejected by the Airport. The new GC will submit a new change order for the work. Mr. Rafter added Jacobs has finalized a drawing incorporating changes made by the subcontractor that will aide in the site work.

**022613-2 Master Plan** – Mr. Rafter reported participating in a conference call today with the Jacobs and their sub-consultant, InterVISTAS Consulting, to discuss the Forecast portion of the Master Plan Scope which includes air service. We need to know who our customers are, where they are coming from and going to and what that means as far as our facility needs.

Mr. Rafter also reported receiving a draft of the Scope for the Rates & Charges portion of the Master Plan adding Parsons Brinkerhoff is the sub-consultant on this. This is still under review. Mr. Karberg is working with Jacobs reviewing the Environmental Scope. A Client Group meeting is being scheduled for March 14<sup>th</sup> in Hyannis. This meeting will be attended by representatives from the FAA and DOT to review the Scope of Work.

**021213-1 FAA Matters** – Mr. Rafter reported on the FAA Work Group meeting that took place in Hyannis on February 13<sup>th</sup> which Mr. Drake and Mr. Gasbarro also attended. The FAA participants included representatives from several different Divisions including Air Traffic, Airports, Engineering, Planning and the Deputy Administrators from the New England Region.

The main topics discussed were communication improvement; CIP Projects, both past, present and future projects including the Master Plan, TW Delta and Control Tower; and Nantucket's financial reality and challenges.

Mr. Rafter questioned the Supplemental Agreement to the OTA for the Control Tower (Supplement), which was received a few days ahead of the meeting. The Supplement only extended the term of the OTA and did not address the use of funds for a Structural Analysis of the existing tower. The FAA representatives in attendance were not aware of the Supplement. Mr. Rafter did copy all in attendance with his response to the Contracting Office that issued the Supplement noting the missing language but also reaffirming items discussed in the meeting.

Mr. Drake added the FAA is expecting us to submit grant applications for TW Delta and the Master Plan as soon as possible. Additionally, due to several large projects underway at Providence, Bridgeport and Worcester, there would most likely not be any discretionary funds until 2015.

Mr. Gasbarro added the FAA group was specific in saying the present tower, while not ideal, did not compromise safety and that all options for the tower are on the table. There is no immediate need due to a safety concern. Mr. Drake added the only immediate need is the fact that the OTA expires in 2015 and; added the FAA group believed a rehab of the existing tower, without the requirement to raise it 29 feet, was most likely the best option.

**Supplemental Agreement to the Other Transactional Agreement (OTA) - ATCT** - Mr. Drake noted we have not heard back from the FAA's Contracting Office after submitting some recommended changes to the document.

### **Manager's Report**

Mr. Rafter reported:

#### **Projects Update**

- 6/24 HIRLS project – Kobo is currently installing cable along RW 6/24 and has done work on the segmented circle and wind cone. They appear to be moving at a good pace.

#### **RFP/Bid Status**

- Still waiting to hear back from UPS regarding their new Lease.
- A proposal received for the gift shop is under negotiations.
- The Commission earlier approved the Contract for the HVAC work in the restaurant.

#### **Operations Update**

- Most recent news on the Government's Sequestration indicates approximately 138 control towers will close and another 50 will have to cut back in hours of operation. The Nantucket tower is not on either list. There is potential for minor effects on Nantucket due to mandated furlough days for FAA personnel. Mr. Drake added the bigger concern is maintenance of their equipment. In some instances at least, broken or worn-out equipment will not be replaced.
- Labor negotiations: Have forwarded job descriptions and evaluation forms to Legal Counsel and am working on dates for negotiations.
- A request has been received from Toscana Corp to move a building across Airport property. The building is currently located on the Coffin property and Toscana is considering purchasing the building and moving it onto their property. It would require temporary removal of the perimeter fence as well as the removal of several trees. Mr. Karberg is checking on the environmental aspect of the tree removal. Mr. Rafter feels the Airport can most likely accommodate Toscana; however, the reason for the move is what is concerning. There is a residential development of approximately 65 homes planned for this area. Mr. Rafter plans on reaching out to Andrew Vorce to obtain more information.
- Island Airlines is putting two more Caravans in service. The ramp layout is being adjusted to accommodate them.
- The Town has adopted a set of Personnel Policies which the Town Manager anticipates the Enterprise Departments to adopt as well. Mr. Rafter has discussed this with Legal Counsel and would like the Personnel Sub-Committee to meet and discuss.
- Have received a proposed schedule from JetBlue showing a second weekend flight from NY which conflicts with their other flight. This is a major concern due to both ramp space as well as terminal space. Bob Tallman has been tasked with contacting JetBlue to resolve the issues.
- Reimbursement has been received from the NetJets incident. An Article at ATM will allow reimbursement back into the budget line items should it pass successfully.
- Maintenance employee, Kristian Kieffer, has turned in his resignation due to his decision to move off island.

- Energy initiatives: We are anticipating the announcement of the winning Carbon Neutral Proposal next week; and, the lighting fixture upgrades is due to begin next week.
- Mr. Rafter is still working on the Minimum Standards.

Mr. Gray asked for an update on B&K Noise Desk. Mr. Rafter responded B&K has not yet provided an update on the FAA feed and doesn't feel the Airport can afford it this year. Mr. Drake asked if it could be postponed until July. Mr. Rafter agreed to ask and relook at the FY14 budget to see if the extra expense would be covered.

### **Statistics Report**

Mr. Rafter explained he has been working with Mr. Sylvia to change the format of the reports and add additional information the Commission should find helpful and informative:

- Operations through January were 6,645, down 5.6% from last year. Mr. Rafter reviewed new slides comparing Operations over the last three years as well as individual Itinerant Operations comparing air carrier, air taxi and GA and military operations.
- Enplanements through January were 6,183, down 8.11% from last year. Mr. Rafter reviewed a new graph showing Enplanements by destination.
- Freight for January was 140,018 lbs, up 24.47% from last year.

Mr. Drake would like the reports based on fiscal year instead of calendar year.

### **Sub-Committee Reports**

None.

### **Commissioner's Comments**

Mr. Gasbarro reported the Coffin subdivision was approved in 2008 and the former Commission Chair, Foley Vaughan did submit a letter of disapproval to the Planning Board which is filed as part of the decision of the special permit.

Mr. Drake remarked at the last Commission Meeting there was frustration expressed over timing of information coming from the Finance Department and wanted to set the record straight that the information was received within the timeframe given by the FD.

### **Public Comment**

None.

Having no other business for Open Session, the Commission **M/S/P** Unanimously by roll call vote to convene into Executive Session, not to reconvene in Open Session for the purpose of reviewing Executive Session Minutes of 3/1/12, 3/13/12, 3/27/12, 4/3/12, 4/19/12, 4/26/12, 5/8/12, 5/22/12, 6/12/12, 6/26/12, 7/10/12, 7/24/12, 8/28/12, 9/18/12, 9/25/12, 10/30/12, 11/6/12, 12/4/12, 12/11/12 and 12/18/12 for possible release; and 1/22/13 for review and possible release:

- Chairman Drake – Aye
- Vice Chair Gasbarro – Aye
- David C. Gray, Sr. – Aye
- Sonny Raichlen – Aye
- Jeanette Topham - Aye

Meeting adjourned at 6:05 PM

Respectfully Submitted,

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Janine M. Torres, Recorder

Master List of Documents

2/26/13 Agenda, including Exhibit 1

2/7/13 Draft Minutes

2/12/13 Draft Minutes

Lakes Region Environmental Contractors, Inc. Contract Amendment #2

Division 15 HVAC, Inc. Contract

Frank Balester Contract

Powers & Sullivan Report on Examination of Financial Statements for FY ending 6/30/12 & 6/30/11

Revised FY2014 Budget

2/22/13 Email from Rick Holland re Final Takeover Agreement

Takeover Agreement

January 2012 Statistic Report

