

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

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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
May 14, 2013

The meeting was called to order at 5:00 PM by Chairman Daniel W. Drake with the following Commissioners present, Vice Chair Arthur D. Gasbarro, Sonny Raichlen., and Jeanette Topham.

Commissioner David C. Gray, Sr. was absent.

The meeting took place in the 1st 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, Noah Karberg, Environmental Coordinator and Janine Torres, Office Manager.

The Commission M/S/P Unanimously approval of the Agenda.

The Commission M/S/P Unanimously approval of the 4/23/13 Minutes.

The Commission M/S/P Unanimously to ratify the Warrant of 5/1/13.

The Commission M/S/P Unanimously approval of the 5/15/13 Warrant.

Public Comment

None.

021213-1 Public Hearing – 2013 Rates & Charges

At 5:05 PM Chairman Drake opened the Public Hearing and read an opening statement after which the audience was invited to comment.

Several island residents who are also pilots, Steve Drabkin, Carl England and Andrea Planzer all spoke against landing fees for general aviation (GA) single engine or twin engines less than 6,000 lbs. noting all other New England airports, except for Logan do not charge a landing fee. Ms. Planzer added the Aircraft Owners & Pilots Association (AOPA) was aware of the fee change and can generate a negative publicity for Nantucket among GA Pilots.

Mr. Drabkin also pointed out the jump from a single engine aircraft at \$5 to a multi engine starting at \$30 was extreme. He suggested single engine and multi engine aircraft less than 6,000 lbs should be exempt.

Herb Cabral, a pilot for Island Airlines and Ocean Wings Air Charter, felt the scheduled airline landing fee for a Caravan aircraft should be the same as the 402 aircraft because they are both used for the same purpose carrying the same amount of passengers.

Bob Walsh, a resident and owner of an air charter business, Nantucket Express, noted White Plains charges a ramp fee which also serves as an overnight fee.

At 5:18 PM Chairman Drake closed the Public Hearing and asked for Commissioner's comments.

Mr. Gasbarro believed the Caravan is charged more than a 402 because it weighs more; and is supportive of waiving the landing fee for General Aviation tenants. Mr. Gasbarro would like to further explore the multi engine less than 6,000 lbs. landing fee.

Ms. Topham commented the Airport must be fiscally responsible to ensure payback to the Town.

Mr. Drake read an e-mail received from AOPA to Chris McLaughlin, President of the Nantucket Flying Association, which confirmed airports have the right to charge landing or other fees to plan for upcoming capital development or to repay past subsidies from a general fund; but also noted in most cases, were charged to transient operators only.

Mr. Drake commented he was also sympathetic to locally based aircraft as well as any flight training operations, whether locally based or not.

The Commission **M/S/P** Unanimously to adopt the 2013 Rates & Charges as proposed with two provisions: 1) that locally based aircraft as well as any flight training operations are exempt from a landing fee, and 2) the landing fee for the Caravan under Airlines/Air Charter/Air Taxi category be re-visited at a later date.

Mr. Rafter asked for clarification on the multi-engine, less than 6,000 lbs, landing fee. Mr. Drake noted the motion adopted keeps the fee in place and any change will be addressed through the Master Plan Process.

Pending Leases and Contracts

Mr. Rafter presented one (1) Lease and five (5) contracts for approval:

- **Toscana Corp.** – An amended agreement to the 2010 Lease removing the Participation Clause as voted on 1/22/13. Mr. Rafter added this was the first of two existing Bunker Leases requiring an amendment.
- **Division 15 HVAC, Inc.** – An amendment to their contract to repair the restaurant HVAC extending the expiration date to May 1, 2013 to May 31, 2013 is needed due to the delay in finishing the project.
- **URS Corp.** – A service contract for \$3,900 to perform an independent fee estimate for consulting services for the Master Plan & Sustainability project.
- **Franklin Paint Company** – A \$3,278.60 supply contract for purchase paint needed for airfield markings.
- **Sherwin Industries** – A \$21,200 supply contract for the purchase of reflective glass beads to add to the airfield markings paint.
- **Nantucket Surveyors, LLC** – A service contract for \$9,600 to survey and stake 13 lease parcels in the Bunker area.

Mr. Gasbarro recommended the Airport replace any wooden stakes used in the surveying with galvanized posts.

The Commission **M/S/P** Unanimously to approve the six (6) pending Leases and Contracts as shown on Exhibit 1.

Mr. Christopher Skehel, owner of Crosswinds Restaurant, asked to speak in regards to the conflicting language in the Airport restaurant and gift shop in regards to food items sold.

Mr. Drake remarked the Commission will work through Mr. Rafter for an update on the situation.

Pending Matters

120412-3 Existing Bunker Lease Review – Mr. Rafter reported one more Lease needs to be amended.

021213-2 Supplemental Agreement to the Other Transactional Agreement (OTA) – ATCT

Mr. Rafter reported the FAA has requested additional historical structural drawings which need to be retrieved from the archives.

051413-1 Special Events Discussion

Mr. Rafter presented a Draft Airport Standard Instruction, #675-01 “Special Events Permit Procedures” which included an Events Permit Application.

Mr. Rafter noted discussion with other Town Departments which agreed that for events on Airport property, the Airport will approve first before any other required Town permit is applied for and needs to modify the draft procedure accordingly.

Ms. Topham recommended adding to all lease documents. Mr. Rafter noted the leases already states the tenant must abide by all Airport Rules, Regulations and Policies. A policy will be established for special events.

Mr. Gasbarro suggests language for maximum number of guests allowed. Mr. Rafter will add language to the procedure noting the Airport’s authority to limit the number of guests.

Mr. Gasbarro suggests expanding on “mechanism on cost recovery” listed under Purpose. Mr. Rafter will add specific costs associated with items under Airport Services Requested on the Application.

The Commission **M/S/P** Unanimously to adopt Airport Standard Instruction #675-01 “Special Events Permit Procedures” noting the amendments to the maximum number of guests allowed and listing the associated cost reimbursements.

Discussion moved to the planned Wine Festival event at the Ocean Wings Hangar. Mr. Drake remarked Town permits were applied for and approved without the Airport being made aware of the event.

Mr. Rafter added since learning of the event, Ocean Wings has been extremely cooperative in providing information.

Herb Cabral, from Ocean Wings, apologized for any confusion, having held Wine Festival events for the past several years adding having an application to complete would be very helpful.

Mr. Cabral added Ocean Wings has never charged for use of their hangar for events and considers the space donation a community benefit.

Mr. Drake commented he felt comfortable with Mr. Rafter's remarks on Ocean Wings planning for the event.

Mr. Raichlen interjected, having attended last year's event, noting security was lax and witnessed people wandering around the ramp with little security containing the crowd around the hangar.

Mr. Cabral noted a police officer has been hired and will add more SIDA badge personnel to ensure compliance. Mr. Rafter added the Airport will provide a barricade to assist in crowd control.

Discussion turned to who the event coordinator is for this event. Mr. Cabral was informed as the tenant Ocean Wings will be held responsible.

Discussion moved to setting a maximum number of guests. Mr. Rafter will work with Mr. Cabral.

The Commission **M/S/P** Unanimously to allow Ocean Wings to hold the Wine Festival Event on May 17th in their hangar subject to Mr. Rafter approving the application form.

The Commission tabled the request for Ocean Wings July 20, 2013 hangar event instructing Ocean Wings to utilize the Event Application procedure.

051413-3 Draft Policy Manual

Mr. Rafter presented a sample format for a Policy Manual that would eventually incorporate all types of polices, employee and Commission and will be built as polices are developed and approved.

When asked by Mr. Gasbarro, Mr. Rafter indicated existing polices would be migrated into the manual, and if updating was necessary, be brought to the Commission for formal acceptance.

Brief discussion took place on the how some polices may overlap bur overall the Commission agreed with the format presented.

GA/Administration Building Project Update

Mr. Rafter presented the Change Orders he approved since the last Commission Meeting noting the majority were credits producing a net credit to the Airport in the amount of \$37,751.60.

Mr. Rafter introduced Steve Ginhardt, the on-site project manager for Fasano Acchione & Associates. Mr. Ginhardt noted he was not attending in an official capacity, but was glad to introduce himself.

Mr. Rafter gave a brief update on the status of the project indicating Grimes Construction, a local contractor, was awarded the carpentry sub-contract and is obtaining the required insurance coverage prior to beginning the work.

Regarding Change Order #10, Mr. Gasbarro commented he hoped the elimination of three catch basins from the site plan was carefully looked at and hopes not to see large puddles upon completion of the project. Mr. Rafter commented both the Architect and OPM agreed they were not needed. The eliminated catch basins have been paid for and could possibly be used elsewhere.

051413-3 Draft Fraud Risk Assessment

Mr. Rafter presented the draft of the Fraud Risk Assessment performed by the Town's Consultant, Financial Advisory Associates on three Town Departments, the DPW, Human Resources and the Airport.

Mr. Rafter noted the Airport was found to be a higher risk, but that was to be expected because we handle a higher volume of financial transactions. In reviewing the summation of Policies and Procedures, the Airport was determined to have a significant number of procedures already in place.

Mr. Gasbarro noted one deficiency was in the taxi sticker issuance which will be rectified by incorporating a numbering system.

Mr. Drake commented on the Control Activities section which includes user passwords. Mr. Rafter noted he will be presenting a policy addressing overall IT concerns in the near future.

022613-2 Master Plan

Mr. Gasbarro recused himself.

Mr. Rafter reported receiving the cost estimate from both Jacobs and the Independent Fee Estimate (IFE). Jacobs cost estimate totaled \$1,388M with Jacobs portion being \$777K. The IFE estimated a total cost of \$1,317 with consulting costs of \$706K.

Mr. Rafter reminded the Commission the initial expense in the Capital Plan was \$700K. The change in scope does quantify some increase but Mr. Rafter strongly feels the estimates are exaggerated. Mr. Rafter spoke with Jacobs over his concerns over the price, the timing in relation to the Grant Application deadline and how Jacobs managed the IFE process.

Mr. Rafter indicated what the Airport's options are:

- Negotiate with Jacobs to reduce the number of hours and thusly the cost.
- Use the Scope prepared by Jacobs and put it out as an RFP. Mr. Rafter added he has approached the FAA on this and they have agreed to extend the Grant Application deadline until July. The FAA has also indicated this will not hold up the TW Delta project.

Brief discussion took place in which Mr. Rafter indicated there are funds already in place from another FAA Grant to pay Jacobs for the work in preparing the Scope.

The Commission **M/S/P** Unanimously to pursue an RFP for Consulting Services to Construct the Airport Master Plan & Sustainability Project.

Mr. Gasbarro re-entered the meeting.

051413-4 FAA AIP Project Status & Possible Approval

Mr. Rafter repeated getting the FAA approval to proceed with the Taxiway Delta project. The project was put out to bid. The Engineers estimate was \$429K, one bid was received for \$550K and was negotiated down to \$440K. Total project cost is now at \$576K. The FAA has indicated they are satisfied with the negotiated price.

Discussion moved toward ATM authorizations for the Capital Projects. Mr. Rafter reminded the ATM authorizations were \$750K for the Master Plan and \$340K for Taxiway Delta.

Town Counsel has determined only the Sponsors share of the projects cost must be borrowed and not the entire cost of the project as previously been told. Mr. Rafter reported the amounts authorized for these two projects covers the Airport's share including the added costs.

Mr. Drake noted the Airport share of this project is 5%.

Mr. Gasbarro noted the importance of this project to enhance safety on the airfield.

The Commission **M/S/P** Unanimously to authorize Mr. Rafter to move forward with the Grant Application and awarding of the contract for the Taxiway Delta project.

Manager's Report

Mr. Rafter reported the following:

Projects Update

- 6/24 HIRLS project – The final inspection took place on May 3rd. There were minor punch list items to correct. The Grant closing process has begun.

RFP/Bid Status

- Still waiting to hear back from UPS regarding their new Lease.

Operations Update

- Jet Blue began service on May 16th.
- Preparing to do some taxiway painting in relation to the contracts approved.
- Coordinating with a contractor through a MassDOT program to paint the runways which will save the Airport a significant amount of time and money.
- Maintenance has been working on other airfield markings in preparation of the FAA Inspection scheduled for early June.
- A preliminary look at the Daffodil Weekend numbers indicate Operations were down 11% and fuel sales were down 48% over last year.
- Fire Training is scheduled for this week.
- A conference call took place today with Bond Counsel, Finance Advisor and the Town Treasurer regarding the new borrowings. Additional information related to ATM 2008 and 2009 borrowings for the parallel taxiway and design of 15/33 extension has been requested and is due tomorrow.
- Held a follow up meeting with Operations and FBO Staff to review some new procedures trialed over Daffodil Weekend. Issues were identified, in particular with the FBO software, new radio procedures worked well.
- A request from US Air was received in connection with their merger with American Airlines requesting letters of support in maintaining their slots out of Reagan National Airport (DCA). This could eliminate the seasonal flights between Nantucket and DCA. Letters from the Town Manager and BOS will be sought as well.

The Commission **M/S/P** Unanimously to authorize letters from both the Airport Manager and the Commission Chairman to Secretary LaHood in support of US Air maintaining their slots at DCA.

Sub-Committee Reports

Mr. Gasbarro reported the Environmental Sub-Committee met to follow up on the Carbon Neutral meeting as well as the Technical Advisory Committee meeting. A task list was created for items to be accomplished. Also discussed were in-house educational and outreach as it relates to reduced APU use.

Commissioner's Comments

Mr. Raichlen suggested as part of the budget report to report whether the Airport is on budget as opposed to reporting a percentage. Mr. Rafter agreed and noted that the last report indicated the Airport was under budget.

Mr. Drake a note received from Matt Mulcahy, Chairman of the Finance Committee, of a Committee being formed to review and make policy recommendation towards Town personnel compensation. Mr. Drake asked that this topic be placed on the next agenda in order to appoint a Commission member to this Committee.

Mr. Drake reported Town Counsel will attend the next meeting to update the Commission on a land claim matter to be held in executive session.

Public Comment

Ms. Carol Dunton suggested a discount on parking for senior citizens. Mr. Drake offered to take it under advisement.

Ms. Dunton asked for clarification on Operations in relation to the 11% drop over Daffodil Weekend. Mr. Rafter explained an Operation is either a take-off or a landing.

Having no other business the Commission **M/S/P** Unanimously to adjourn at 6:39 PM.

Respectfully Submitted,

Janine M. Torres, Recorder

Master List of Documents

5/14/13 Agenda including Exhibit 1

4/23/13 Draft Minutes

Public Hearing Opening Statement (Read)

Draft Rates and Charges

Draft Rates and Charges with Year of Last Increase (Handout)

4/29 -4/30/13 E-mail string between Thomas Blake and J. Torres re 2013 Rates & Fees

4/22/13 Letter from Dennis Smith re Landing Fees

5/5/13 Letter from New Bedford Pilot's Association re Landing Fees

5/13/13 Email from Bill Dunn Vice President AOPA re Airport Fees

Toscana Lease Agreement dated 11/1/2010

Division 15 HVAC Contract Amendment #1

URS Corp Contract

Franklin Paint Contract

Sherwin Industries Contract

Nantucket Surveyors Contract

Draft Airport Standard Instruction #675-01 Special Events Permit Procedure

Island Airlines Special Events Letter

Draft Policy Manual

GA/Admin Building Change Orders 8 through 11

Draft Fraud Risk Assessment dtd 5/15/13

Daffodil Weekend Comparison (Handout)

Draft Letter to Secretary LaHood re US Air Merger