

Town of Nantucket
NANTUCKET MEMORIAL AIRPORT

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Nantucket Island, Massachusetts 02554

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Commissioners
Daniel W. Drake, Chairman
Arthur D. Gasbarro, Vice Chair
David C. Gray, Sr.
Andrea N. Planzer
Jeannette D. Topham

AIRPORT COMMISSION MEETING
August 13, 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, Andrea N. Planzer and Jeanette D. Topham.

David C. Gray, Sr. was absent.

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

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

In reviewing the Agenda, Mr. Drake suggested discussing item #7, Nantucket Public Schools Request for Flat Roof Building after Item #2, Public Comment. With no objections the Agenda was approved as suggested.

Mr. Drake noted the 7/23/13 Minutes are still pending.

Ms. Topham made a **Motion** to ratify the 8/7/13 Warrant. **Second** by Mr. Gasbarro and **Passed** Unanimously.

Public Comment

None.

081313-1 Nantucket Public Schools Request for Flat Roof Building – Mr. Rafter reported receiving a letter from Nantucket Public School (NPS), Superintendent, Michael Cozort, expressing interest in obtaining the flat roof building which consists of two – double wide trailers, for use as classroom room space. Mr. Cozort's letter states NPS will cover not only the cost of moving the buildings but remediation of the site as well. Mr. Rafter added this is a viable solution for both parties; and if Commission approves, will seek approval from the FAA.

Mr. Drake added the Nantucket Flying Association has previously expressed interest in the building as well but such use may be prohibited under the State Constitution prohibition against contributing to a charity, unless the Airport receives full value. He added his opinion that the building should be moved from its present location.

Mr. Chris McLaughlin, President of the NFA, commented the present location of the building would be great for any aviation use including the NFA; but admits the NFA is not yet in a financial position to pay what might be fair market value rent for that location. Mr. McLaughlin added he does not want to stand in the School's way.

Mr. Gasbarro believes planning on removing the building is premature. He believes the building is fine in its present location and should be considered for future income purposes.

Mr. Cozort spoke as to the increasing student enrollments and the need to acquire additional space. Preliminary estimate to move the building is between \$75K to \$100K. NPS will be looking at building a new school in three to five years but needs to address the space issue until then. When asked by Ms. Topham Mr. Cozort explained the building would be used for one classroom this year, but two classrooms next year.

Audience member Carol Dunton commented the school appears to have an immediate need and suggests the building could return to the airport at some time in the future.

A **Motion** was made by Mr. Gasbarro to respectfully reject the offer. Ms. Topham offered a **Second** for discussion purposes. Mr. Gasbarro suggested the decision is too rushed for the beginning of the school year compiled with the move into the new GA Building. If not an immediate need, is willing to table the motion in order to obtain more financial information regarding the needed improvements and potential income opportunities in its present location.

Mr. Cozort reported the School can make do until the building is available.

Ms. Topham and Ms. Planzer both agreed with Mr. Gasbarro in the sense that more information is needed. Mr. Drake added if the Airport keeps the building it needs to be moved from its present location to increase ramp space. Additionally, he would not want to spend the money to rehabilitate and would look to any prospective tenant to do so by some means.

Mr. Gasbarro withdrew his **Motion**. The matter was tabled until the next meeting when some financial data could be reviewed.

Pending Leases and Contracts

Mr. Rafter presented one (1) contract for approval:

- **Nantucket Auto Supply** – A three year contract for automotive parts and supplies for a not to exceed amount of \$24,500.

Mr. Gasbarro made a **Motion** to approve the three year contract with Nantucket Auto Supply for \$24,500. **Second** by Ms. Planzer. After brief discussion pertaining to the effective start date, the Motion **Passed** Unanimously.

Pending Matters

120412-3 Existing Bunker Lease Review – Mr. Rafter reported the Amendment of the Atlantic Aeolus Lease is still pending.

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

Mr. Rafter reported during a meeting yesterday with the FAA, Amy Corbett and Mary Walsh reaffirmed the FAA will be taking the lead on the project and rehabilitating the existing tower. Mr. Drake added the intention is for the balance of the Congressional earmark, approximately \$3M, be used to pay for the rehab.

Brief discussion took place regarding the Airport's need to remain involved in the process and to obtain clarification on the funding, specifically if it includes new equipment.

061113-1 Bunker Area Environmental Permit Review – Mr. Rafter indicated one of the proposed lease lots from the most recent RFP was turned 90 degrees due to some environmental concerns which are being addressed through the proper channels.

062513-3 Noise Abatement – Mr. Rafter reported educational efforts are continuing with Mr. Karberg ordering larger APU use signs. There were 29 noise complaints for the month of July with most coming from the same three people.

070913-1 Memorandum of Understanding (MOU) Update – Mr. Rafter reported not yet having a draft for review.

GA/Administration Building Project Update

Project Cost Review – Mr. Rafter presented a summary of the cost review as of July 26, 2013 which essentially shows that the additional costs associated with the project delay is being covered by the accumulating Liquidated Damages (LD). Therefore, if through legal proceedings we are not awarded the LD's, we will need additional money. Mr. Rafter suggests being prepared with an Article for Special Town Meeting (STM).

Amendments to ACG/NAG Contracts – Mr. Rafter presented the necessary Amendments to the OPM and Architects contract for extending their services through the end of the construction period not exceeding a three month period. Ms. Topham made a **Motion** to approve the supplemental contracts. **Second** by Ms. Planzer and **Passed** Unanimously.

Sub-Contractor Insurance Discussion – Mr. Rafter indicated two of the sub-contractors were unable to obtain the limits of insurance required by the Contract documents. Legal Counsel has reviewed and noted they are covered under the General Contractor insurance and is a Commission decision as to waiving the requirement for them to carry the limits separately. After brief discussion, Ms. Topham made a **Motion** to allow the Sub-Contractors, Grimes Construction and LaFleur Crane Service to carry a reduced limit of coverage amount than is required under the General Construction Contract. **Second** by Mr. Gasbarro and **Passed** Unanimously.

Mr. Rafter noted a copy of the letter from Legal Counsel to the Surety formally rejecting the construction schedule, identifying what is behind schedule and demanding work is completed in a timely manner.

Mr. Rafter gave an update of the progress made since the last meeting. Hardwood floors and carpeting are being installed. The Site work is almost complete. A conduit has been run for Signet, and Signet is scheduled to connect the fiber Wednesday night. The area formally known as “the mess” has been addressed and is now properly covered. The second floor painting is complete.

Finance

072313-1 EOY FY2013 Budget Update - Mr. Rafter presented the updated FY13 EOY Update noting the Net Surplus is \$49K, down from \$122K reported at the last meeting. Mr. Rafter pointed out the bulk of the difference is the \$90K General Fund Subsidy to start the design work on the Taxiway Connector project prior to the Grant Award. It will remain a GF Subsidy on the books until the Grant funds are received and approved via Town Meeting vote, due to Fiscal Year carryover, to repay the GF.

Mr. Rafter mentioned concern over FY13 revenues not meeting FY14 projected budget by approximately \$60K. Copies of the pending Bunker Leases were delivered to Finance Department for use with DOR showing the revenue from these Leases more than makes up the shortfall. Mr. Drake added the excess fuel sales income in the fuel revolver isn't reflected in the Operating Revenue as well.

Mr. Drake reported if any adjustments are needed it will be done at 2014 Annual Town Meeting (ATM).

Mr. Gasbarro asked about the Debt Issuance Costs showing on the spreadsheet. Ms. Christ reported the issuance costs were approximately \$26K and was included in the Bond Premium line. Mr. Rafter noted working with the FD to report it separately in the future.

081313-1 TON Capital Program – Mr. Rafter reported meeting with members of the Capital Committee, Board of Selectman and Town Administration regarding long term Capital planning at which Mr. Rafter explained how airport’s work with the FAA in regards to Capital planning to meet regulatory requirements on items such as pavement maintenance and rehabilitation.

Mr. Rafter presented the draft spreadsheet presented at the meeting indicating the Airport’s Capital needs through 2024 explaining the next step is to prioritize the needs.

Forms for FY15 Capital Requests are due to the Finance Department by August 28 and will be shared with the Commission prior to that date.

A brief discussion took place on how the Master Plan process will help identify the capital needs of the future years.

Ms. Dunton as a Capital Program Committee member noted Mr. Rafter’s format was well received and the Committee is encouraging the other Town Departments to use it.

081313-2 FAA Airport Capital Improvement Plan – Mr. Rafter reported trying to coordinate a meeting date to review the 5 year CIP with the FAA and MassDOT is underway.

In reviewing the projects listed in MassDOT’s letter, Mr. Rafter indicated there will be some adjustments requested to address the badly needed north ramp rehabilitation.

Mr. Drake added in the meeting with the FAA yesterday, they encouraged additional Capital development requests now that the Master Plan process has begun.

081313-3 STM Discussion – Mr. Rafter reported the possible need for STM Articles for two items:

- Additional funding for the GA/Admin Building should the Airport not be awarded Liquidated Damages. After brief discussion, Mr. Gasbarro made a **Motion** to authorize Mr. Rafter to work with the Town to prepare a Warrant Article for additional expenditure authorization to be covered by borrowing or other sources. **Second** by Ms. Topham and **Passed** unanimously.
- The FAA intends to replace the VASI (Visual Approach Slope Indicator) lights on RW 6 to PAPI (Precision Approach Path Indicator) in the Fall and has requested the Airport front the approximate cost of \$350K for future reimbursement by the FAA. Additionally, the installation of REILS (Runway End Identifier Lights) and PAPI for Runway 33 can be completed. Mr. Rafter explained the relocation of these RW 33 lights was part of the alternate bid portion of the RW 33 Extension project that was not awarded. The FAA maintains a balance of approximately \$300K in the Reimbursable Agreement associated with RW 33; however, we have closed out the RW 33 project on the Town’s books. Mr. Rafter is exploring the mechanism used when the original ATM Article was presented for the RW 33 project. It may allow us to obtain the funds necessary by either transfer or additional borrowing to allow the project to move forward this fall. After brief discussion, Ms. Topham made the **Motion** to authorize Mr. Rafter to work with the Town to prepare a Warrant Article for an expenditure authorization of \$350K subject to the availability of FAA reimbursement. **Second** by Ms. Planzer and **Passed** unanimously.

022613-2 Master Plan and Sustainability Program Update – Mr. Rafter presented the draft presentation and display boards for the Open House on August 15th asking for any additional comments in the next 24 hours.

062513-1 Re-Align and Widen Taxiway (Delta) Connector Update – Mr. Rafter reported the pre-construction meeting is scheduled for September 9th and the revised FAA Grant Application is being submitted per the FAA instructions to incorporate the cost to correct the RW 15/33 edge markings.

081313-5 MOU with SDO/OSD re Disadvantaged Business Enterprise (DBE) Program- Mr. Rafter shared and new MOU document received through MassDot to attempting to make the OSD a single point of contact in the DBE Program. In reading the document, Mr. Rafter grew concerns over the language regarding funding. The Hyannis Airport Manager shared the same concerns and refused to sign. Legal Counsel has also reviewed and has suggested some changes. Mr. Rafter asked to table the topic till the next meeting to allow discussion with MassDOT Director, Chris Willenborg, at the Open House. The Commission agreed.

Manager's Report

Projects Update

Mr. Rafter reported:

- Master Plan: Mr. Karberg is organizing noise monitoring stations at different Island locations. There's a team on the Island this week performing interviews of different organizations regarding air traffic needs and demands.
- Passenger Facility Charge (PFC): Participated in conference call with the FAA and our consultant to review the preliminary application. All FAA questions were answered. The next step is to notify the airlines and hold a consultation meeting.
- Reviewed MassDOT website on their State wide pavement evaluation showing Nantucket's page indicating its use as a valuable tool to plan pavement maintenance. When any State funded rehabilitation takes place, this website will be updated. Mr. Gasbarro pointed out the North Ramp pavement is rated in poor condition and suggests in planning its rehabilitation, to include the infrastructure for future electrification.

RFP/Bid Status

- Still working on drafting engineering and fuel supply RFP's

Operations Update

- Presented jet fuel sales comparing FY12 to FY13 as well as a day-by-day comparison of July 2012 and July 2013. FY13 was down overall by 3% from FY12.
- Reported several positive comments regarding service received have been posted on the AirNav website.
- The Airport has established a Facebook page and a Twitter Account.
- Joined Mr. Karberg in meeting with the MA Secretary of Energy, Rick Sullivan and discussed concerns regarding funding for electric vehicles and potential of conflicts of rules between sustainable/renewable energies and environmental species acts.
- Had a visit from two FAA personnel investigating two airspace review applications. One for the shooting range and the second for the Gatto land claim.

Sub-Committee Reports

Ms. Topham announced the first meeting of the Town's Personnel Compensation Committee is meeting August 14th at 4:00.

Mr. Gasbarro announced the Environmental Sub-Committee has scheduled a meeting for August 22nd at 4:00.

Commissioner's Comments

Mr. Topham shared a comment she received regarding the Leyland Cypress trees along Airport Road noting some are leaning over while others a dead.

Mr. Gasbarro suggested sharing the progress report included with the Jacobs invoices with the entire Commission.

Mr. Drake announced the Open House on August 15th has been posted as a Public Meeting.

Ms. Topham asked if the PAPI/REILS on RW 33 were included in the FAA's of the Part 139 Inspection Close-Out Report. Mr. Rafter noted they were mentioned as a recommendation but not a corrective action with a deadline to complete.

Public Comment

Ms. Dunton re-emphasized her earlier thoughts on agreeing to the Schools reuest for the flat roof building.

Mr. McLaughlin added a comment concerning the added safety provided by installing the PAPI/REILS.

Motion to adjourn by Ms. Topham followed by a **Second** from Ms. Planzer which **Passed** Unanimously.

Meeting adjourned at 6:32 PM.

Respectfully submitted,

Janine M. Torres, Recorder

Master List of Documents
August 13, 2013 Agenda including Exhibit 1
July 21, 2013 Letter from Public Schools
Nantucket Auto Supply Contract
July 2013 Noise Complaint Summary
FY13 Year End Summary
GA Building Costs Summary dated 7/26/13
Amendment 2 to Nantucket Architecture Group Contract
Amendment 4 to Architectural Consulting Group Contract
Correspondence regarding Sub-Contractor insurance requirements
Kopelman & Paige August 6, 2013 letter to Merchants Bonding Co
Updated FY 2013 EOY Presentation
Long Term Capital Needs Spreadsheet
MassDOT letter dated August 1, 2013 re CIP FY15 – 19
Open House Presentation
Open House Display Board Material
MOU from SDO/OSD re DBE Participation
Jet Fuel Sales Update dated August 13, 2013
Comments from AirNav.com