

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.
Andrea N. Planzer
Jeannette D. Topham

AIRPORT COMMISSION MEETING

October 22, 2013

The meeting was called to order 5:00 PM by Chairman Daniel W. Drake with the following Commissioners present, Vice Chair Arthur D. Gasbarro, David C. Gray, Sr., Andrea N. Planzer and Jeanette D. Topham.

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

Mr. Drake announced the meeting was being recorded.

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

Ms. Topham made a **Motion** to approve the 10/8/13 Minutes. **Second** by Mr. Gray and **Passed** Unanimously.

Mr. Gasbarro made a **Motion** to ratify the 10/16/13 Warrant. **Second** by Mr. Gray and **Passed** Unanimously.

Mr. Gasbarro made a **Motion** to approve the 10/23/13 Warrant. **Second** by Ms. Planzer and **Passed** Unanimously.

Public Comment

David Barrett of York Street and a Nantucket taxi cab owner and driver, had several comments:

- a bench should be placed close to the terminal entrance to allow the elderly to sit while waiting for pick up,
- there are confusing signs directing traffic noting he addressed the same concerns in a letter dated 8/29/06,
- Taxis in the queue near the construction site cannot see when taxis move in front of the terminal and suggests replacing the first few parking spaces in the parking lot to motorcycles only or replace with bicycle racks.

Mr. Drake thanked Mr. Barrett for his comments noting each concern will be looked into.

Pending Leases & Contracts

Mr. Rafter noted the **GJ Smith Lease** as well as the **Sullivan Tire Contract** are still pending and not ready to be presented.

Pending Matters

120412-3 Existing Bunker Lease Review – Mr. Rafter reported still trying to set up a meeting with Atlantic Aeolus.

021213-2 Supplemental Agreement to the Other Transactional Agreement (OTA) – ATCT – Mr. Rafter is attempting to verify the status of the funds after the Federal Government shutdown.

061113-1 Bunker Area Environmental Permit – Mr. Rafter indicated additional items were being addressed which has delayed the approval process.

062513-3 Noise Abatement – Mr. Rafter reported the Fly Friendly brochures are on display and one of the new APU signs has been installed.

070913-1 TON Memorandum of Understanding (MOU) - Still Pending

081313-5 MOU with SDO/OSD re Disadvantaged Business Enterprise (DBE) Program – Mr. Rafter reported his initial concern was that there was no cap or methodology identified for the Airport's responsibility towards the funding. MassDOT Aeronautics has agreed to pay the regional airport's portion. An amendment will be forthcoming adding this language. Mr. Rafter requested the Commission's authorization to sign the MOU subject to the amendment language presented being incorporated into the document. Mr. Gasbarro made a **Motion** to authorize Mr. Rafter to sign the MOU concerning the Disadvantaged Business Enterprise Program with the understanding an amendment is forthcoming indicating the State DOT will pay the costs related that would otherwise be chargeable to the Airport. **Second** by Mr. Gray and **Passed** Unanimously.

GA/Administration Building

Mr. Rafter reported cleaners have been on site cleaning windows, the final grading is complete, and paving may occur within the next few days. Mr. Gray added speaking with the plumber who indicated the plumbing inspection was last Friday. Ms. Topham suggested contacting the Nantucket Garden Club or other organization for assistance in floral or other plantings around the building.

Mr. Rafter presented the updated Project Change Orders (PCO) indicating there are three (3) that need to be ratified for a net increase to the project of \$4,044.10. After reviewing each, Mr. Gasbarro made a **Motion** to ratify PCO #18, 23 and 28. **Second** by Ms. Topham and **Passed** Unanimously.

Mr. Rafter presented PCO #27 for an increase of \$14,111.59 explaining it is for the site work changes of additional curbing and to remove the concrete where the old vehicle gate was located. Mr. Rafter recommended tabling this PCO until all the back-up paperwork was provided noting \$1,500 of charges had no itemized quotes. Mr. Gasbarro made a **Motion** to table the PCO as recommended pending the receipt of the missing paperwork. **Second** by Ms. Planzer and **Passed** Unanimously.

Signatory Fuel Discount Discussion

Mr. Rafter proposed reintroducing a fuel discount program that is designed on a fair and equitable basis. He presented the first phase aimed towards signatory commercial air carriers defined as having an annual terminal lease providing year-round service. Mr. Rafter proposed a flat rate of cost plus \$1.05. Mr. Rafter indicated after discussions with Island Airlines, we can anticipate between 100,000 and 200,000 gallons of jet fuel for their fleet of Caravans. Cape Air and Nantucket Airlines would most likely purchase more Avgas as well. Mr. Rafter explained participants would be required to pay their estimated fuel costs up front and draw down their balance.

Responding to Mr. Gray, Mr. Rafter plans on introducing a fuel discount incentive for general aviation as the second phase.

Brief discussion took place on the noise abatement incentives and arbitrary fuel discounts that were previously eliminated.

Ms. Topham made a **Motion** to approve the change to the Rates and Charges allowing the Signatory Fuel Discount as defined. **Second** by Mr. Gray and **Passed** Unanimously.

Manager's Report Part 1 -Taylor Hangar

Mr. Drake suggested taking an item out of order to accommodate some audience members. There was no objection.

Mr. Rafter reminded the Commission at the last meeting he mentioned working with Ms. Planzer on several upcoming hangar issues collectively.

One issue has come to the forefront, the Taylor Family would like to assign their land lease to Marine Lumber who in turn will purchase the hangar and sublease a portion back to the Mrs. Taylor.

A draft plan was reviewed proposing alterations to both the hangar and the perimeter fence to allow an aeronautical use on one side of the hangar and non-aeronautical use of the other. Ron Foster of Marine Lumber indicated the non-aeronautical side would be for use as storage only and not freight operations. Marine Lumber would make all the necessary repairs to the hangar.

Mr. Rafter has shared the plan with the FAA Compliance who indicated some concerns concerning fair market value rates and the need for public notice.

Ms. Planzer noted it would require a change in the terms of the Lease as well for non-aeronautical use. Discussion took place on how this would be accomplished.

Mr. Rafter indicated he believes this change would be in the best interest of the Airport.

Ms. Topham made a **Motion** authorizing Mr. Rafter to continue to explore the process to transfer the Taylor Hangar Lease to Marine Lumber. **Second** by Mr. Gray and **Passed** Unanimously.

Finance

102213-1 FY 14 Quarterly Report – Mr. Rafter reviewed the detailed report of the first quarter of FY14: Revenue was \$7,357M compared to FY13 Revenue at \$6,709M, an increase of \$658K. Expenses for FY14 were \$4,982M, down \$121K from FY13 at \$5,103M. Debt Service has been lowered by nearly \$100K. Mr. Rafter pointed out the Finance Department has begun reporting the General Fund Subsidy by Quarter showing \$76,150 for the first quarter.

100813-1 FY15 Budget – Mr. Rafter began by announcing discussions have begun on the mechanism on how to pay back the General Fund explaining by leaving some level of subsidy in the budget, it makes it easier to repay.

Mr. Rafter noted the major changes in the FY15 budget are for Income, an increase in fuel sales, and for the Expenses, a significant decrease in Salaries.

Mr. Drake noted there shouldn't be any excess in the fuel sales over the revolver for the 1st Quarter of FY13. Ms. Christ would add later in the meeting that this was contributable to a MUNIS posting error.

Brief discussion took place on personnel settlements.

Mr. Rafter reported finding out yesterday the State Senate was taking a vote on a Home Rule Petition involving the Fuel Revolver to remove it from the combined cap for the Town.

Mr. Drake added waiting for Town Counsel to explain the reason why the excess funds in the Fuel Revolver can't be used at the end of the fiscal year for the Operating Budget as a safety net.

Mr. Drake also asked how the roughly \$250K excess in the fuel sales revolver can be applied to either to FY14 Fuel Revenue or applied elsewhere. Mr. Rafter added this was discussed with the Finance Department earlier who implied the fund balance would be applied to the Fuel Revolver through ATM reducing our required expenditure.

022513-2 Master Plan & Sustainability Program – Mr. Rafter noted a progress report from Jacobs through July 26th was included in the packet. Current work includes compiling of financial data, GIS and surveying work. Jacobs has been asked to present an update at the November 12th meeting.

The Advisory Group participants are nearly finalized and the first meeting is being planned for November 12th.

062513-1 Re-Align & Widen Taxiway (Juliet) Connector Update – Mr. Rafter reported the work is complete and the FAA/DOT final inspection is in the process of being scheduled.

Manager's Report Part II

Other Project Updates

- Passenger Facility Charge (PFC) – The FAA has approved moving forward with the User consultation meeting.
- RW 6 PAPI/REILS – The FAA has scheduled the work to take place the week of December 2nd. Noting this is during Christmas Stroll, the contractor is being instructed that no runway closures will be allowed during that weekend.
- RW PAPI/REILS – The FAA has not yet sent back response to our comments on the Reimbursable Agreement.

RFP/BID Status

- The Fuel Supply RFP and Engineering RFQ are still in process.
- The Town has a new Chief Procurement Officer, Heidi Bauer. The Airport will invite her to visit the Airport.
- The Carbon Neutral RFP is complete and will be advertised beginning October 30th with Proposals due back on January 3, 2014.

Operations Report

- Tenant meeting is scheduled for October 24th
- MassDOT may have funding available for apron rehabilitation. Jacobs has been asked to identify our priority areas.
- ARFF Training took place today.
- Annual Driver Training is taking place tomorrow.
- Have been reviewing different Automated Self Inspection Software and have chosen the preferred system.
- Operations will be converting to digital NOTAMS (Notice to Airmen System).
- An unexploded ordinance was found in the Bunker area. The State Police responded and detonated. A clause needs to be added to the Bunker Leases as well as notification to current tenants to address any future issues.

Statistics – Mr. Sylvia reported:

- Operations for September were 13,170. Down from September 2012 at 13,598.
- Enplanements for September were 20,330. Up 4.53% over September 2012.
- Freight for September was 197,415 lbs. Down 9.94% from September 2012.

Mr. Drake asked that the Enplanement Report be included in the BOS presentation scheduled for tomorrow night.

Sub-Committee Reports

Ms. Topham reported on the TON Personnel Compensation Committee's meeting which mostly discussed housing both in the public and private sector. Mr. Rafter added the question was raised as to if there were any Airport housing stipends to which the answer was no. The next meeting is scheduled for November 14th.

Commissioner Comments

Mr. Gray expressed concern over the corroding housing of the ARFF Building generator.

Mr. Drake asked if any feedback been received from the Town Auditors. Mr. Rafter answered no.

Public Comments

Ms. Christ asked if we should report three or six years of enplanement to the BOS. Mr. Drake responded six.

At 6:15 PM, Mr. Gasbarro made a **Motion** to enter into Executive Session, not to reconvene to Open Session to review Executive Session minutes of 8/28/12, 9/18/12, 12/4/12, 12/11/12, 2/26/13, 4/23/13, 5/28/13 and 8/27/13 for possible release; and 9/10/13, 9/24/13, 10/8/13 for review and possible release, and to discuss strategy with respect to threatened litigation with respect to completion of the GA Building. The Chair has determined that an open session may have a detrimental effect on the litigation position of the Airport Commission. **Second** by Ms. Topham and **Passed** by the following roll-call vote:

Chairman Drake – Aye
Vice Chair Gasbarro – Aye
Mr. Gray – Aye
Ms. Topham – Aye
Ms. Planzer – Aye

Meeting adjourned at 6:18 PM.

Respectfully submitted,

Janine M. Torres
Recorder

Master List of Documents

10/22/13 Agenda including Exhibit 1

10/8/13 Draft Minutes

Sullivan Tire Contract

10/13/13 email from DOT (Alicia Murphy) to Tom Rafter re UCP MOU

SDO/OSD MOU

GA Building Change Order Log dated 10/17/13

FA&A Change Order #18

FA&A Change Order #23

FA&A Change Order #28

FA&A Change Order #27

Draft Amended 2013 Airport Rates & Charges

FY14 Quarterly Update as of 9/30/13

FY15 Preliminary Budget

Jacobs Master Plan Progress Report 6/29/13 – 7/26/13

Comm of Mass House Bill No 3626 (Fuel Revolver) dated 6/21/13

October Statistics

