

# NANTUCKET MEMORIAL AIRPORT COMMISSION

February 12, 2013

## AGENDA

1. Review and Approve:
  - a. Agenda
  - b. 1/22/13 Minutes
  - c. Ratify 2/6/13 Warrant
2. Public Comment
3. Pending Leases/Contracts as Set Forth on Exhibit 1, Which Exhibit is Herein Incorporated by Reference
4. Nantucket Flying Association & Youth Camp Update
5. Pending Matters
  - a. **120412-3** Existing Bunker Lease Review
6. Finance/Budget
  - a. **112012-1** FY2014 Budget
  - b. **021213-1** 2013 Fee Structure
7. GA/Administration Building Project Update
  - a. Discussion for Approval of Takeover Agreement
8. **021213-2** FAA Matters
  - a. Workgroup Meeting 2/14/13
  - b. Supplemental Agreement to the Other Transactional Agreement (OTA) - ATCT
9. Manager's Report
  - a. Other Project Updates
  - b. RFP/Bid Status
  - c. Operations Update
  - d. Request for Travel
10. Sub-Committee Reports
11. Commissioner's Comments
12. Public Comment
13. Executive Session – G.L. c.30A, §21(a) (2), (3)
  - a. Review ES 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.

**Public Safety Facility**

1<sup>st</sup> Floor Meeting Room

4 Fairgrounds Road

**5:00 PM**

EXHIBIT 1  
PENDING LEASES/CONTRACTS/AGREEMENTS  
February 12, 2013

| Type of Agreement/Description | With                     | Amount   | Other Information   | Source of Funding |
|-------------------------------|--------------------------|----------|---|-------------------|
| Service Contract              | Frank Balester           | \$450.00 | Welding Services to temporarily repair runway sweeper/snow blower               | Operating Budget  |
| PFC Consulting Services       | McFarland-Johnson        | \$35,000 | Prepare FAA PFC Application   | Operating Budget  |
|                               |                          |          | Prepare/Submit Quarterly Reports  |                   |
|                               |                          |          | Exp 1/31/2015   |                   |
| Service Contract              | Safety-Kleen Systems Inc | \$240.51 | Amendment to Emergency Spill Contract for \$7,159.49 to cover SSA Surcharge Fee | Operating Budget  |

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

Thomas M. Rafter, Airport Manager  
Phone: (508) 325-5300  
Fax: (508) 325-5306



*Commissioners*  
Daniel W. Drake, Chairman  
Arthur D. Gasbarro, Vice Chair  
David C. Gray, Sr.  
Sonny Raichlen  
Jeannette Topham

**DRAFT**

**AIRPORT COMMISSION MEETING**  
**January 22, 2013**

The meeting was called to order at 5:03 PM by Chairman Daniel W. Drake with the following Commissioners present, Vice Chair Arthur D. Gasbarro, David C. Gray, Sr., and Jeanette Topham. Commissioner Sonny Raichlen was absent.

The meeting took place in the conference room at the Airport's Snow Removal Equipment Building, 13 New South (Bunker) Rd.

Mr. Drake announced the meeting was being recorded.

Airport employees present were Thomas M. Rafter, Airport Manager, David Sylvia, Training and Noise Coordinator, Ashley Christ, Business Manager, Debra Crooks, Finance Assistant and Janine Torres, Office Manager.

Jack Dolan from Town Counsel's Office was also present.

The Commission **M/S/P** Unanimously approval of the Agenda noting the only item for Executive Session would be the strategy session in preparation for union negotiations.

The Commission **M/S/P** Unanimously approval of the 1/8/13 minutes with the correction to the last sentence of the first paragraph under GA/Administration Building Project Update on page 3 to insert the word "added" after Mr. Drake.

The Commission **M/S/P** approval of the 1/15/13 minutes with Mr. Gray abstaining.

The Commission **M/S/P** Unanimously approval of the 1/23/13 Warrant.

**Public Comment**

None.

**Pending Leases and Contracts**

Mr. Rafter presented one (1) contract and one (1) Lease Agreement.

- Mr. Rafter reported the Contract to **McFarland-Johnson, Inc.**, to provide consulting services to prepare the FAA PFC application as well as provide two years of required reporting in the amount of \$35K, had not yet been returned by the consulting firm.

- Mr. Rafter reported a Lease to **Harbor Fuel Oil Corporation (HFOC)** awarding a one acre parcel for a maximum twenty (20) years adjacent to their existing parcel is the result from a 2010 RFP which after consulting Legal Counsel, could move forward.

The Commission discussed the HFOC Lease briefly seeking clarification on some language in the Lease pertaining to the term “mechanics lien” in §7.1 and the airspace height limitation of 45 feet mean ground level in §7.3(c).

Mr. Dolan clarified “mechanics” lien as a generic term and simply means a lien put in place by someone wrking on the building or providing materials for that work. .

Mr. Rafter explained the 45 feet pertains to FAA Part 77 Surfaces which are imaginary surfaces that extend beyond runways and taxiways to protect avigation and aviation.

The Commission **M/S/P** Unanimously approval of the Lease with **HFOC**.

After brief discussion the Commission **M/S/P** Unanimously to approve the **McFarland-Johnson, Inc.** contract subject to receiving the signed document exactly as presented without any changes.

#### **Pending Matters**

**121812-OB1 FAA CIP Projects** – Mr. Rafter reported status quo. Only the Master Plan and widening of Taxiway D will be supported by the FAA this year.

**120412-3 Existing Bunker Lease Review** – Mr. Rafter reported meeting with Legal Counsel to review unresolved issues with Leases pertaining to the Bunker Area. Legal Counsel made several recommendations to clear up the issues. The first is to have up-to-date appraisals on several parcels. Counsel also recommended removing the Participation Clause from the Bunker Area non-aeronautical leases, explaining the difficulty in implementing without set parameters. There are too many different types of business coupled with different lot sizes. It is recommended to establish the minimum rate for each parcel based on the appraised value.

Discussion moved to how this would affect existing Leases. Mr. Rafter explained it would require an amendment to the existing lease to remove the participation clause and possibly increase their rate depending on the result of the appraisal. Mr. Drake asked about the issue of sub-letting. Mr. Rafter reported it was discussed with Counsel and a plan was established to address but did not bring his notes with him and couldn't recall it off hand.

After brief discussion the Commission **M/S/P** Unanimously to remove the Participation Clause from non-aeronautical Bunker leases and move forward to obtain appraisals for 13 parcels in question.

#### **Finance/Budget**

Mr. Rafter reviewed the 2<sup>nd</sup> Quarter Actuals from FY13 noting the difficulty comparing Revenue to FY12 due to the past practice of combining all credit card revenue under fuel in FY12. Mr. Rafter also noted looking at the total Revenue, FY12 is substantially higher because \$5.5M was removed in FY13 and moved to the Fuel Revolver. Expenses are down. The 2<sup>nd</sup> Quarter deficit prior to adding in debt service is \$95K. After debt service, deficit is \$668K. The General Fund subsidy of \$1,061M creates a surplus of \$392K. The Fuel Revolver has a surplus is \$1,354M.

Brief discussion took place varying from FBO software to credit card processing charges.

Mr. Drake suggested the Fuel Gallons graph on the report reflect only the 6 months (two quarters) of the report.

#### **112012-1 FY2014 Budget Forecast**

Mr. Rafter reviewed the FY14 Budget Report to be presented to the BOS Wednesday night noting it is based on numbers provided by the Finance Department, not the Budget approved by the Commission. Another 2 to 3 weeks are needed to reconcile the debt service. Mr. Rafter pointed out the revenue initiatives could add up to an additional \$500K, should they all be instituted.

Discussion moved to the comment made by the Dept. of Revenue during the 1/15/13 meeting questioning the need for a fuel revolver, more so the application of the revolver as to when it kicks in; first or after the operating budget has been spent.

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

**Approval of Surety Takeover Agreement** - Mr. Drake reported the Takeover Agreement had not yet been prepared. Mr. Rafter reported Surety is contesting the answers provided to their questions. Mr. Josefek, our OPM, today responded to Counsel refuting Surety's claim that Brite-Lite Electric still had open issues. Counsel was preparing the response to Surety.

Mr. Rafter reported an agreement with the OPM, Architectural Consulting Group (ACG), was reached for their services from January through the project's completion and Counsel was drafting the Amendment.

Mr. Drake noted a special meeting may have to be called to vote on the Takeover Agreement as well as the ACG Amendment

#### **O12313-1 Consideration of Carbon Neutral Proposal**

Mr. Rafter shared the RFP for the Carbon Neutral Proposal. Proposals are due February 8<sup>th</sup>. Met with Mr. Gasbarro and Lauren Sinatra of the Energy Office and each will be working on a section of the Proposal. Mr. Rafter delegated several pieces to Airport Staff to gather data. The Commission will be able to review the Proposal prior to submitting it.

Mr. Gasbarro made a motion that the Commission issue a Resolution of Support for the Proposal to the Airport Carbon Neutral Program. Mr. Gray seconded for discussion. Mr. Gasbarro pointed out Item B2 of the RFP which indicated proof of commitment to the program by airport leadership. A resolution would contribute to this should there not be a formal vote by the Commission prior to the proposal deadline. Mr. Gray agreed.

Mr. Drake preferred reviewing the Proposal in its entirety first. Mr. Gasbarro withdrew his motion when Mr. Drake indicated this topic would be added to the special meeting agenda.

#### **Manager's Report**

##### **Projects Update**

- Kobo Utility started the fence portion of the 6/24 HIRLS project.
- Will be getting comments back to Jacobs on the Master Plan scope. A meeting with the Advisory Committee will be planned for February.

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

- Preparing a response to UPS' Proposal for 143 Old South Rd
- The RFP to Lease Bunker Parcels deadline has been pushed back to February 22<sup>nd</sup> pending the appraisals.

- The Gift Shop RFP is due 2/7/13.
- The RFP for HVAC work in the restaurant is due 2/8/13.
- An Article has been drafted for ATM to seek approval for ten year concession leases in the terminal.
- Another ATM Article is being drafted as a result of the DOR meeting to cover the unexpected expenditures associated with the NetJets Fuel spill last October. This Article will hopefully include allowing the reimbursement from the insurance company to go back into the line items as opposed to revenue and therefore not usable until Free Cash next year is certified.

### **Operations Update**

- The FAA called today requesting a meeting with their internal work group to presumably discuss projects like the control tower and parallel taxiway as well as recent changes to Airport Management and Commission. Mr. Drake asked Ms. Torres to check with the FAA on their willingness to have a public meeting should more than two Commissioners want to attend. Of the three dates and locations proposed by the FAA, the consensus was 2/13/13 in Hyannis.
- Mr. Rafter commended the Maintenance and Operations staff on their work during the two snow events. Mr. Rafter observed the Airport could use more equipment especially when a breakdown occurs.
- Ms. Torres will be attending a three day Procurement class in Hyannis next week.
- The FAA has tentatively scheduled the Part 139 inspection for mid-May, but we will ask if they can reschedule due to fire training that is already scheduled.
- Mr. Rafter met with Tradewind Aviation to discuss their operations . A very open discussion took place. It may require a change to the Airport's Minimum Standards to allow them to continue operating through the FBO, but they are willing to pay for the services they receive.

### **Statistics**

Mr. Sylvia reported:

- Operations were 125,960 through December. Up 9.59% over last year to date. Operations for December were 7309 compared to 8,238 of December 2011.
- Enplanements through December were 175,420. Down 2.22% from last year to date.
- Freight through December was 2,467,240 lbs. Up 13.94% from last year.
- There were two Noise complaints for December making a total 172 for the year.

### **Sub-Committee Reports**

Mr. Drake noted the Finance Committee met earlier in the day. Mr. Raichlen was not in attendance but Ms. Topham sat in. The reports presented tonight under the budget discussion were reviewed.

Mr. Gasbarro reported the Environmental Sub-Committee was scheduled to meet 1/24/13 at 10:00 AM to further discuss the Carbon Neutral Proposal.

### **Commissioner's Comments**

Mr. Gray reported hearing concerns about the sidewalk in front of the restaurant is uneven causing a dip and is problematic for walkers, wheelchairs and strollers to maneuver. Additionally, there are bricks missing in the crosswalks.

Mr. Gasbarro noted in the Powers & Sullivan Management Letter, as part of the Audit Committee packet, was a draft response from the Town Finance Dept. which in one response noted that MUNIS was not appropriate for use in specialized businesses. This comes after a year of being told the Airport should only use MUNIS.

Ms. Topham asked about the light over the exit in the parking lot. Mr. Rafter responded the Airport is obtaining prices to get that work done.

Mr. Gray noted the MOU signed with the Town regarding procurement was only temporary and will have to be reviewed at some point. Mr. Rafter added the Town was required to submit a report to the Attorney General's Office regarding the Airport's procurement and we were asked to produce that report.

### **Public Comment**

None.

The Commission **M/S/P** to convene into Executive Session, not to reconvene in Open Session to conduct a strategy session in preparation for negotiations with union personnel, by the following roll call vote.

Mr. Drake – Aye  
Mr. Gasbarro – Aye  
Mr. Gray – Aye  
Ms. Topham – Aye

Meeting adjourned at 6:21 PM

Respectfully Submitted,

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Janine M. Torres, Recorder

### Master List of Documents

1/22/13 Agenda, including Exhibit 1  
1/8/13 Draft Minutes  
1/15/13 Draft Minutes  
McFarland-Johnson Inc. Contract for PFC Consulting Services  
Harbor Fuel Oil Corporation Lease for 1 Acre in the Bunker Area  
FY2014 Approved Budget  
FY2014 Budget Forecast for BOS Presentation  
2<sup>nd</sup> Quarter FY2013 Update for BOS Presentation  
MassDOT RFP Carbon Neutral Airport Program  
December 2012 Airport Statistics



**AGREEMENT BETWEEN  
THE TOWN OF NANTUCKET  
NANTUCKET MEMORIAL AIRPORT  
AND  
FRANK BALESTER**



This AGREEMENT, effective the \_\_\_\_\_, 2013, made by and between the TOWN OF NANTUCKET, acting by and through its Airport Commission, (hereinafter, the "AIRPORT") and Frank Balester, 36 Skyline Drive, Nantucket, MA 02554 (hereinafter, the "CONTRACTOR").

A. Whereas, the AIRPORT desires to engage the CONTRACTOR as an independent contractor to perform the services set forth on EXHIBIT A, attached hereto (the "Services");

B. Whereas, the CONTRACTOR agrees to accept the engagement by the AIRPORT in accordance with the terms set forth herein;

NOW, THEREFORE, the parties, in consideration of the mutual covenants contained herein, agree as follows:

1. The AIRPORT hereby retains the CONTRACTOR to perform the Services and the CONTRACTOR agrees to perform the Services as provided herein. Any written or other materials or intellectual property produced by the CONTRACTOR for the AIRPORT hereunder shall be the property of the AIRPORT and, upon the expiration or termination of this Agreement the CONTRACTOR shall deliver copies of the originals of all such materials, as well as notes, work papers and the like, to the AIRPORT.

2. The term of this Agreement will commence on January 25, 2013 and terminate on January 31, 2013, or when the performance of the Services has been completed in a manner reasonably satisfactory to the AIRPORT. The AIRPORT shall have the right to terminate this Agreement at any time and for any reason upon written notice given to the CONTRACTOR.

3. The CONTRACTOR will perform the Services in a first class, professional manner and in compliance with all applicable federal, state and local laws, regulations and ordinances. The CONTRACTOR shall be subject to the administrative supervision of the Board of Selectmen, or its designee, who shall be responsible for scheduling the work to be done by the CONTRACTOR on a daily or other basis. The CONTRACTOR shall perform the Services in cooperation with AIRPORT personnel as appropriate.

4. The AIRPORT will pay the CONTRACTOR compensation in the amount Not To Exceed \$450.00 as payment in full for the Services. This agreement may be subject to budgetary limits and, in such case, the AIRPORT shall not be obligated to pay the CONTRACTOR any amount of fees or expense in excess of \$450.00 without the express prior written approval of the Airport Commission.



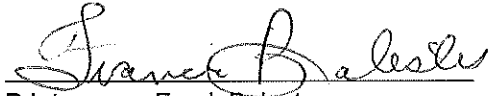
5. The parties acknowledge that the CONTRACTOR is an independent contractor and not an employee of the AIRPORT. The CONTRACTOR shall not be entitled to any employment fringe benefits to which AIRPORT employees are entitled.

6. To the extent permitted by the CONTRACTOR'S professional liabilities and/or liability insurance, the CONTRACTOR agrees to indemnify and hold harmless the TOWN OF NANTUCKET and its agents, officers and employees from any losses, claims or costs, of whatever kind or nature, suffered by the TOWN OF NANTUCKET or any third party which result from, or are related to, the performance (or failure to perform) by the CONTRACTOR of Services pursuant to this Agreement. The CONTRACTOR shall obtain and maintain such polices of insurance, written by companies licensed to do business in Massachusetts, as may be set forth on Exhibit A and shall add the TOWN OF NANTUCKET/NANTUCKET MEMORIAL AIRPORT as an additional insured thereunder.

IN WITNESS THEREOF:

CONTRACTOR

NANTUCKET MEMORIAL AIRPORT COMMISSION:



Print name: Frank Balester

Title: Sole Proprietor

\_\_\_\_\_  
Daniel W. Drake, Chairman

\_\_\_\_\_

Date: 1/25/13

FEIN/SSN: 368-42-4164

Department Org./Obj. Code: **65482-52405** PO # \_\_\_\_\_

As to the Availability of Funds:

\_\_\_\_\_

## EXHIBIT A

1. Description of Services: Emergency welding on runway snow blower blade in preparation Of expected snow the evening of 1/25/13 after damage to same blower occurred during 1/22/13 storm to allow snow removal along runways pursuant to FAA standards to allow airfield to remain open or only closed for minimal amount of time.
2. Other payment terms: 100% payment upon completion of work, submission of CONTRACTOR'S invoice and approval of invoice by the AIRPORT.
3. Insurance Required (if any):
  - (a) Workers' Compensation, covering the obligations of the CONTRACTOR in accordance with applicable Workers' Compensation or Benefits laws.
  - (b) Commercial General Liability Insurance on an occurrence basis with a combined single limit of not less than \$1 million. Coverage is to include premises and operations, coverage for liability of subcontractors. The policy shall contain an endorsement stating that the aggregate limits will apply separately to the work being performed under this Agreement.
  - (c) Automobile Liability Insurance of not less than \$1 million combined single limit covering owned, hired and non-hired vehicle use.

**EXHIBIT B**

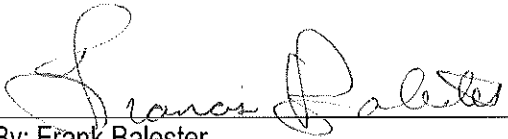
**TAX COMPLIANCE CERTIFICATION**

Pursuant to M.G.L. 62C, §49A, I certify under the penalties of perjury that, to the best of my knowledge and belief, I am in compliance with all laws of the Commonwealth relating to taxes, reporting of employees and contractors, and withholding and remitting child support.

368-42-4164

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Federal Employer Identification Number



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By: Frank Balester

1/25/13

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Date:



**AGREEMENT BETWEEN  
THE TOWN OF NANTUCKET, MASSACHUSETTS  
AND  
McFARLAND-JOHNSON, INC.**



THIS AGREEMENT made effective \_\_\_\_\_, 2013, by and between the **TOWN OF NANTUCKET, MASSACHUSETTS**, a municipal corporation, acting by and through its Nantucket Airport Commission, with offices at 14 Airport Road, Nantucket, Massachusetts 02554 (hereinafter called the "AIRPORT"), and \_\_\_\_\_ whose principal office address and state of incorporation are as set forth on Exhibit A (hereinafter called the "CONTRACTOR").

**RECITALS:**

WHEREAS, the AIRPORT desires to retain the CONTRACTOR to provide certain services for the AIRPORT as described, below, and the CONTRACTOR is willing to accept such engagement, all on the terms hereinafter set forth,

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**ARTICLE 1 - ENGAGEMENT OF THE CONTRACTOR**

- 1.1 The AIRPORT hereby engages the CONTRACTOR, and the CONTRACTOR hereby accepts the engagement, to perform certain services for the AIRPORT, as described in Article 2.
- 1.2 In the performance of any service under this Agreement, the CONTRACTOR acts at all times as an independent contractor. There is no relationship of employment or agency between the AIRPORT, on the one hand, and the CONTRACTOR on the other, and the AIRPORT shall not have or exercise any control or direction over the method by which the CONTRACTOR performs its work or functions aside from such control or directions which are consistent with the independent contractor relationship contemplated in the Agreement.

**ARTICLE 2 - SERVICES OF THE CONTRACTOR**

- 2.1 The CONTRACTOR will perform the services described in the Scope of Services set forth on Exhibit A (the "Work").
- 2.2 The CONTRACTOR shall report, and be responsible, to the AIRPORT and its designee (if any) as set forth on Exhibit A.
- 2.3 There shall be no amendment to the Scope of Services or Work provided for in this Agreement without the written approval of the AIRPORT. The AIRPORT shall be under no obligation to pay for any services performed by the CONTRACTOR which are not explicitly agreed to by the AIRPORT in writing.

- 2.4 The CONTRACTOR represents and warrants to the AIRPORT that the CONTRACTOR (including all of its personnel, whether employees, agents or independent contractors) will be qualified and duly licensed (if necessary) to perform the services required by this Agreement and further agrees to perform services in a professional manner adhering to a reasonable standard of care and in accordance with all applicable local, state or federal ordinances, laws, rules and regulations. The CONTRACTOR will obtain any and all permits, bonds and other items required for the proper and legal performance of the work.
- 2.5 The CONTRACTOR represents and warrants to the AIRPORT that it is not a party to any agreement, contract or understanding which would in any way restrict or prohibit it from undertaking or performing its obligations hereunder in accordance with the terms and conditions of this Agreement.
- 2.6 All written materials and any other documents (whether in the form of "hard" copies, graphics, magnetic media or otherwise) which are produced by the CONTRACTOR pursuant to this Agreement shall be deemed to be "work for hire" and shall be and become the property of the AIRPORT under applicable law or, to the extent that the "work for hire" doctrine does not apply, CONTRACTOR hereby grants to the AIRPORT a perpetual, royalty-free exclusive license in such items. The AIRPORT acknowledges that such materials are being prepared with respect to the specific project contemplated hereby and that any reuse of such materials by the AIRPORT in connection with any other project shall be at the AIRPORT's sole risk unless otherwise agreed to by the CONTRACTOR in writing.

### **ARTICLE 3 - PERIOD OF SERVICES**

- 3.1 Unless otherwise provided on Exhibit A, the term of this Agreement shall commence on the date hereof and continue until the Work is completed to the AIRPORT's reasonable satisfaction.
- 3.2 The CONTRACTOR shall proceed with the Work promptly after receiving authorization to proceed and will diligently and faithfully prosecute the Work to completion in accordance with the provisions hereof. In any event, the Work shall be completed no later than the date set forth on Exhibit A. The CONTRACTOR acknowledges that time is of the essence of this Agreement.
- 3.3 If the CONTRACTOR is delayed in the performance of any of its obligations under this Agreement by the occurrence of an event which may not reasonably be anticipated or avoided or is otherwise beyond its control such as fire or other casualty, abnormal adverse weather conditions, acts of God (collectively, "Unavoidable Events") which materially and adversely affect its ability to perform the Work, then the time for the CONTRACTOR to perform the Work shall be extended for such time as the AIRPORT shall reasonably determine is necessary to permit the CONTRACTOR to perform in light of the effects of the Unavoidable Event.

If an Unavoidable Event occurs which makes the performance of the Agreement impossible without the expenditure of additional AIRPORT funds, the AIRPORT may, at its option, elect to terminate this Agreement upon thirty (30) days written notice.

## **ARTICLE 4 - PAYMENTS TO THE CONTRACTOR**

- 4.1 The compensation to due to the CONTRACTOR shall be paid in the amounts, and in the manner, set forth on Exhibit B, attached hereto.
- 4.2 The CONTRACTOR will bill the AIRPORT at the completion of the work unless otherwise provided on Exhibit B, with one or more invoices broken down to show the quantity of work performed and the percentage of the entire project completed, categories and amount of reimbursable expenses (if any), and provide such supporting data as may be required by the AIRPORT.
- 4.3 The AIRPORT will pay the CONTRACTOR upon review and approval of such invoices by the AIRPORT or its designee.
- 4.4 This project may be subject to budgetary restrictions which may limit the total amount of funds available for the work. Accordingly, unless otherwise stated on Exhibit B, the AIRPORT will not be obligated to pay any amount in excess of the maximum project amount without the express written approval of the AIRPORT.
- 4.5 The CONTRACTOR and its consultants shall not be compensated for any services involved in preparing changes that are required for additional work that should have been anticipated by the designer in the preparation of the documents, as reasonably determined by the AIRPORT.

## **ARTICLE 5 - TERMINATION**

- 5.1 This Agreement may be terminated, with cause, by either the AIRPORT or CONTRACTOR, upon written notice given by the non-defaulting party. For the purposes of this provision, "cause" shall include the failure of a party to fulfill its material duties hereunder in a timely and proper manner.
- 5.2 The AIRPORT shall have the right to terminate this Agreement for its convenience upon ten (10) days written notice.
- 5.3 Following termination of this Agreement, the parties shall be relieved of all further obligations hereunder except:
  - (a) the AIRPORT shall remain liable for payments for the services and/or expenses of CONTRACTOR accrued prior to the effective date of the notice of termination in compliance with this Agreement (less all costs reasonably incurred by the AIRPORT as a result of the CONTRACTOR's default, if any), as determined by the AIRPORT but for no other amounts including, without limitation, claims for lost profits on work not performed; and
  - (b) the CONTRACTOR shall remain liable for any damages, expenses or liabilities arising under this Agreement (including its indemnity obligations) with respect to work performed pursuant to the Agreement.

## ARTICLE 6 - INSURANCE AND INDEMNIFICATION

- 6.1 The CONTRACTOR agrees to indemnify and save the Town of Nantucket/Nantucket Memorial Airport harmless from any and all manner of suits, claims, or demands arising out of any negligent acts, errors and omissions by CONTRACTOR (including all its employees, agents and independent contractors) in performing the Work, or any breach of the terms of this Agreement by such CONTRACTOR and shall reimburse the Town of Nantucket for any and all costs, damages and expenses, including reasonable attorney's fees, which the Town of Nantucket pays or becomes obligated to pay, by reason of such activities, or breach. The provisions of this Section 6.1 shall be in addition to, and shall not be construed as a limitation on, any other legal rights of the Town of Nantucket with respect to the CONTRACTOR, in connection with this Agreement.
- 6.2 Before commencing work, the CONTRACTOR shall obtain and maintain, at its expense and from insurance companies of a Best Rating of A or better which are licensed to do business in the Commonwealth of Massachusetts, insurance as set forth below. If the CONTRACTOR is permitted to sub-contract a material portion of the Work, or is otherwise identifying a third party to perform services for the Town of Nantucket, the CONTRACTOR shall assure that such sub-contractor or other third party also has such insurance.
- (a) Workers' Compensation, covering the obligations of the CONTRACTOR in accordance with applicable Workers' Compensation or Benefits laws.
  - (b) Commercial General Liability Insurance on an occurrence basis with a combined single limit of not less than \$1 million. Coverage is to include premises and operations, coverage for liability of subcontractors. The policy shall contain an endorsement stating that the aggregate limits will apply separately to the work being performed under this Agreement.
  - (c) Automobile Liability Insurance of not less than \$1 million combined single limit covering owned, hired and non-hired vehicle use.
  - (d) Errors and Omissions Insurance of not less than \$2 million per claim.
  - (e) Such additional insurance as may be required to be carried by the CONTRACTOR by law.
  - (f) Such additional insurance as the AIRPORT may reasonably require as set forth on Exhibit A.

CONTRACTOR shall maintain such insurance during the term of Agreement and give the Town of Nantucket twenty (20) days written notice of any change or cancellation of coverage. Each insurer providing policies hereunder shall waive its rights to subrogate claims against the Town of Nantucket. The Town of Nantucket/Nantucket Memorial Airport will be added as an additional named insured with respect to each such policy and such endorsement shall be reflected on a Certificate of Insurance to be delivered to the AIRPORT upon the execution of this Agreement and at such times thereafter as the AIRPORT may reasonably request.

## **ARTICLE 7 - GENERAL PROVISIONS**

- 7.1 Upon the expiration or the termination of this Agreement for any reason, all data, drawings, specifications, reports, estimates, summaries and other work product which have been accumulated, developed or prepared by the CONTRACTOR (whether completed or in process) shall become the property of the AIRPORT and the CONTRACTOR shall immediately deliver or otherwise make available all such material to the AIRPORT.
- 7.2 Neither party may assign, transfer or otherwise dispose of this Agreement or any of its rights hereunder or otherwise delegate any of its duties hereunder without the prior written consent of the other party, and any such attempted assignment or other disposition without such consent shall be null and void and of no force and effect.
- 7.3 Except as otherwise expressly provided in this Agreement, any decision or action made by the AIRPORT relating to this Agreement, its operation, amendment or termination, shall be made by the Board, Committee or Authority of the AIRPORT specified in the initial paragraph of this Agreement, unless specifically authorized or delegated by a lawful vote of such body.
- 7.4 This Agreement, together with Exhibit A (Contractor, Scope of Work, Term), Exhibit B (Payments) and Exhibit C (Tax Compliance Certificate) and any additional exhibits referred to therein, constitute the entire agreement of AIRPORT and CONTRACTOR with respect to the matters set forth therein and may not be changed, amended, modified or terms waived except by a writing signed by AIRPORT and CONTRACTOR. If there is any conflict between a term set forth in the body of this Agreement and a term set forth on Exhibit A or Exhibit B hereto, the term set forth in the Exhibit shall govern; however, if any term or provision of any document attached hereto or incorporated by reference conflicts with a term of this Agreement (including the Exhibits listed above), the term of the Agreement shall govern. Any notices required or allowed shall be to the person's address above by certified mail, return receipt requested.
- 7.5 This Agreement is governed by the law of The Commonwealth of Massachusetts and shall be construed in accordance therewith. The parties agree that exclusive jurisdiction for any action arising out of or relating to this Agreement shall lie with the state and federal courts having jurisdiction over the county and state in which the AIRPORT is located and the parties hereby irrevocably waive, to the fullest extent permitted by law, any objection which they may now or hereafter have to the venue of any proceeding brought in such location and further irrevocably waive any claims that any such proceeding has been brought in an inconvenient forum.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first written above.

NANTUCKET MEMORIAL AIRPORT COMMISSION:

CONTRACTOR: McFarland-Johnson, Inc.

\_\_\_\_\_  
Daniel W. Drake, Chairman

Print Name:

\_\_\_\_\_

Title: \_\_\_\_\_

FEIN: \_16-0770183

**Airport:** Approved as to Funds Available

\_\_\_\_\_  
Irene Larivee, Finance Director

## CONTRACT EXHIBIT A

### CONTRACTOR, SCOPE OF WORK, TERM

1. **Name of Contractor:** McFarland Johnson, Inc.

2. **State of Incorporation:** NY

3. **Principal Office Address:**  
Metrocenter, 49 Court Street  
P.O. Box 1980  
Binghamton, NY 13902-1980

4. **Description of Services:**

#### **AIRPORT PASSENGER FACILITY CHARGE SERVICES - NANTUCKET MEMORIAL AIRPORT**

The project involves the development of a Passenger Facility Charge (PFC) program, application and reporting for projects at Nantucket Memorial Airport (ACK) for a three year period.

The PFC Application will allow ACK to impose and collect funds under the PFC Program and expend those funds for approved projects. This is the first time that PFC's will be collected at ACK. This project includes assisting the Airport by recommending a PFC program strategy, assisting with the fee amount determination, preparing the airline and public notices and chairing the airline coordination meeting, preparing the PFC application package and assisting with coordination with the Federal Aviation Administration (FAA) New England Region, and assisting with the preparation of quarterly PFC collection reports.

It is understood that McFarland Johnson's work on this project will end at the completion of the term of the Agreement as specified in Item 6, below, unless that term is revised in accordance with the Terms of this Agreement.

All work will be in accordance with 14 CFR Part 158 "Passenger Facility Charges, PFC's" and FAA policy, Orders and Advisory Circulars as of the date of this agreement.

McFarland Johnson's (the ENGINEER's) work will include the following tasks:

#### **A. Project Management**

This task includes maintaining effective communication with Nantucket Memorial Airport (SPONSOR), managing the project budget, and coordinating the timing of tasks within the project.

- Preparation of a project plan and overall project schedule.

- Ongoing project management and coordination. Management functions including internal coordination meetings, assessing scheduling milestones, and drafting miscellaneous correspondence occurs within this task.
- Attending a kick-off meeting at ACK with the SPONSOR and the ENGINEER.
- Ongoing client coordination and communication.

## **B. Selection of PFC Projects**

This task includes assisting the SPONSOR in adopting a PFC policy that will attempt to maximize the benefit of the PFC program and assisting with the selection of projects for inclusion in the PFC program.

- Review the SPONSORS goals and Capital Improvement Plan (CIP) for the next five years as well as examine projects that have been completed in previous years
- Recommend a strategy for selecting PFC Program projects.
- Provide the SPONSOR with an opinion of PFC eligibility for projects being considered for inclusion in the PFC Program.
- Assist the SPONSOR in selecting a final list of projects for the PFC Program and determining the funding method for each project (pay-as-you-go or bonded).

## **C. Determination of PFC Collection Fee**

This task includes assisting the SPONSOR in determining a PFC collection fee based on the projects selected in the previous task and project cost estimates provided by the SPONSOR.

- Prepare a list of selected projects and estimated project costs provided by the SPONSOR from the Airport's CIP or other sources.
- Obtain enplanement figures from the SPONSOR and use them to estimate PFC cash flow.
- Calculate the PFC collection fee and provide the fee and backup calculations to the SPONSOR.

## **D. Prepare Airline and Public Notices**

The task includes the preparation, review, and editing of the Airline and Public PFC notices.

- Prepare draft Airline and Public notices.

- Transmit notices to the SPONSOR and discuss comments.
- Prepare final Airline and Public notices and provide them to the SPONSOR in MS Word format.

#### **E. Prepare for and Chair Airline Consultation Meeting**

This task includes preparing a presentation and documents for the Airline Consultation Meeting, managing the meeting with the assistance of the SPONSOR, and reviewing comments received at the meeting.

- Prepare a presentation and handouts for the Airline Consultation Meeting, transmit it to the SPONSOR and the FAA for review, and finalize them.
- Prepare waiver documentation for Nonscheduled/On-Demand Air Taxi/Commercial Operators (ATCO) filing FAA Form 1800-31, explaining less than 1% of total enplanements.
- Attend the Airline Consultation Meeting and chair the discussions. It is assumed that a representative of the SPONSOR will be present and will speak on behalf of the SPONSOR.
- Document comments received at the Airline Consultation Meeting.
- Review comments received from Public input and the Airline Consultation Meeting with the SPONSOR and the FAA and agree on any changes needed in the PFC Program.

#### **F. Develop and Prepare Documents for PFC Application**

This task includes the preparation of the documents required for the PFC application and review of the documents with the SPONSOR and the FAA.

The PFC Application will be completed in accordance with 14 CFR Part 158, § 30, which contains guidance on PFC's at Non-Hub Airports. Per § 30, the following items will be included:

(1) A completed FAA Form 5500-1, PFC Application without attachments except as required below.

(2) Project information (in the form and manner prescribed by the FAA) including the project title, PFC funds sought, PFC level sought, and, if an existing Airport Improvement Program (AIP) grant already covers this project, the grant agreement number. Project information will include:

- (i) Project Objective
- (ii) Project Justification
- (iii) Project Sketch (if necessary)

(iv) Estimated Project Implementation and Completion Dates

(3) If the proposed projects are not covered by an existing AIP grant, the following will be included in addition to the information from item (2) above

(i) Additional information describing the proposed schedule for the project,

(ii) A description of how this project meets one of the PFC objectives in §158.15(a), and

(iii) A description of how this project meets the adequate justification requirement in §158.17.

(4) A copy of any comments received by the public agency during the airline consultation and public comment processes (§158.23 and §158.24) and the public agency's response to any disagreements.

(5) If applicable, a request to exclude a class of carriers from the requirement to collect the PFC (§158.11).

(6) An Airline Competition Plan per FAR 158.19 is not required as the airport is not a Large-Hub or Medium-Hub airport.

(7) A signed statement by the SPONSOR certifying that the public agency will comply with the assurances set forth in the FAA Form 5500–1, PFC Application.

This task will include documentation regarding the status of the Airport Layout Plan, environmental, and airspace findings for the project. If these findings have not been made yet, it will be noted accordingly. This task does not include any environmental documentation, airspace analysis, or pen & ink changes to the approved Airport Layout Plan. Completion of a separate FAA Form 5500-1, Attachment G - Airport Layout Plan, Airspace, and Environmental Findings (latest edition) for each PFC project will be required.

- Prepare PFC Application documentation as described above.

**G. Coordinate Application with FAA and the SPONSOR**

This task will include reviewing the PFC Application documentation and process with the SPONSOR and the FAA.

- Provide the documentation to the SPONSOR for review and revise the documentation as required.
- Provide the documentation to the FAA for review.

## **H. Prepare Final PFC Application Package**

This task will include the preparation of the final PFC Application and supporting documentation for submission to the FAA.

- Review comments and input received from the SPONSOR, the FAA, and internal review and revise as required.
- Prepare the final PFC Application package. Provide four hard copies and one Adobe Acrobat copy to the SPONSOR.

## **I. Quarterly Reporting**

This task will include receiving monthly PFC data from the Sponsor, preparing quarterly FAA PFC Reports, and distributing copies of the reports to the SPONSOR, the FAA, and the Airlines. FAA is now typically asking Airports to enter quarterly PFC data using their System of Airports Reporting (SOAR). As part of this project, the ENGINEER will either submit the quarterly PFC reports on paper to the Airport for filing with FAA or will enter the data into SOAR.

- Notify the SPONSOR of an upcoming reporting deadline.
- Receive from SPONSOR monthly data on PFC collections, interest earnings, and disbursements.
- Prepare FAA PFC Quarterly reports and send to the SPONSOR for review.
- Distribute FAA PFC Quarterly reports to the SPONSOR, in Adobe Acrobat format, for transmittal to FAA and the airlines.

## **J. Assumptions**

- (1) All work will be in accordance with 14 CFR Part 158 "Passenger Facility Charges, PFC's" and FAA policy, Orders and Advisory Circulars as of the date of this agreement.
- (2) Public notices, advertisements and mailings will be the responsibility of and paid for by the SPONSOR.
- (3) The SPONSOR will provide project descriptions and planning level cost estimates for all proposed projects as well as communicate to the ENGINEER the project justification.
- (4) The SPONSOR will provide base mapping in AutoCAD format for use in preparing project location sketches.
- (5) The SPONSOR will make copies and provide reprographic services for the Airline Consultation Meeting and other public meetings.

(6) The SPONSOR will request that the FAA provide the ENGINEER with access to the System of Airports Reporting (SOAR) files for the Airport in order to complete the requirements under Task I.

5. **Person, Department, or Committee, if any, to whom CONTRACTOR reports (§2.2):** Thomas M. Rafter, Airport Manager
6. **Term of Agreement (§3.1):** 3 Years
7. **Completion Date (§3.2):** February 11, 2016
8. **Additional Insurance Coverage (§6.2(e)):**

## CONTRACT EXHIBIT B

### PAYMENTS

1. Lump Sum Method
  - a. **Maximum Project Amount:** \$35,000.00
  - b. **Payment Increments:** Upon submittal of itemized invoices
  - c. **Reimbursable Expenses** (if any):



**EXHIBIT C**

**TAX COMPLIANCE CERTIFICATION**

Pursuant to M.G.L. 62C, Sec.49A, the undersigned certifies under the penalties of perjury that it, to the best knowledge and belief of management, has filed all state tax returns and paid all state taxes required under law (if any, are so required).

By:

---

Name, President

---

Date

---

FEIN: 16-0770183



TOWN OF NANTUCKET  
CONTRACT AMENDMENT #1  
with  
SAFETY-KLEEN SYSTEMS, INC.

Project Name: Transportation and Disposal of Hazardous Materials Associated with the JetA Fuel Spill Accident at Nantucket Memorial Airport on October 19, 2012.

Amendment Number: One

Agreement made this \_\_\_\_\_ day of \_\_\_\_\_, 2013 by the Town of Nantucket, Nantucket Memorial Airport (hereinafter "TOWN") and Safety-Kleen Systems, Inc. (hereinafter "CONTRACTOR").

WHEREAS, on or about the 18th of December, 2012, the parties hereto entered in a written contract, copies of which are hereby incorporated by reference; and

WHEREAS, the parties hereto have mutually agreed to modify certain terms of said contract;

NOW THEREFORE, in consideration of mutual benefits, the same previous contract referred to, is hereby modified and changed in the following manner:

*Amend Article B, Item 2, Term of Agreement: Change Termination Date to January 31, 2013 (from 12/31/12).*

*Amend Article B, Item 4, Compensation Amount: Change Not to Exceed amount to \$7,400.00 (from \$7,159.49).*

HOWEVER, each and every one of the other provisions and conditions of said previous contract shall be made and remain in full force and effect, and this amendment shall change said contract only so far as specified herein. This project may be subject to budgetary limits, limiting total funds available hereunder.

THIS AMENDMENT shall be effective as of this \_\_\_\_\_ day of \_\_\_\_\_, 2013 and shall continue through the 31st day of January, 2013, unless continued by agreement of the parties in writing prior to said termination date.

IN WITNESS WHEREOF, we have hereunto joined in the Agreement as of the date first above written.

CONTRACTOR:

TOWN OF NANTUCKET/NANTUCKET MEMORIAL AIRPORT:

\_\_\_\_\_  
Safety-Kleen Systems, Inc.

\_\_\_\_\_  
Daniel W. Drake, Chairman  
\_\_\_\_\_



AGREEMENT BETWEEN  
THE TOWN OF NANTUCKET  
NANTUCKET MEMORIAL AIRPORT  
AND  
SAFETY-KLEEN SYSTEMS, INC.



This AGREEMENT, effective the December 18 2012, made by and between the TOWN OF NANTUCKET, acting by and through its Airport Commission, (hereinafter, the "AIRPORT") and Safety-Kleen Systems, Inc., 167 Mill Street, Cranston, RI 02905 (hereinafter, the "CONTRACTOR").

A. Whereas, the AIRPORT desires to engage the CONTRACTOR as an independent contractor to perform the services set forth on EXHIBIT A, attached hereto (the "Services");

B. Whereas, the CONTRACTOR agrees to accept the engagement by the AIRPORT in accordance with the terms set forth herein;

NOW, THEREFORE, the parties, in consideration of the mutual covenants contained herein, agree as follows:

1. The AIRPORT hereby retains the CONTRACTOR to perform the Services and the CONTRACTOR agrees to perform the Services as provided herein. Any written or other materials or intellectual property produced by the CONTRACTOR for the AIRPORT hereunder shall be the property of the AIRPORT and, upon the expiration or termination of this Agreement the CONTRACTOR shall deliver copies of the originals of all such materials, as well as notes, work papers and the like, to the AIRPORT.

2. The term of this Agreement will commence on October 19, 2012, and terminate on December 31, 2012, or when the performance of the Services has been completed in a manner reasonably satisfactory to the AIRPORT. The AIRPORT shall have the right to terminate this Agreement at any time and for any reason upon written notice given to the CONTRACTOR.

3. The CONTRACTOR will perform the Services in a first class, professional manner and in compliance with all applicable federal, state and local laws, regulations and ordinances. The CONTRACTOR shall be subject to the administrative supervision of the Board of Selectmen, or its designee, who shall be responsible for scheduling the work to be done by the CONTRACTOR on a daily or other basis. The CONTRACTOR shall perform the Services in cooperation with AIRPORT personnel as appropriate.

4. The AIRPORT will pay the CONTRACTOR compensation not to exceed \$7,159.49 as payment in full for the Services. This agreement may be subject to budgetary limits and, in such case, the AIRPORT shall not be obligated to pay the CONTRACTOR any amount of fees or expense in excess of \$7,200.00 without the express prior written approval of the Airport Commission.

5. The parties acknowledge that the CONTRACTOR is an independent contractor and not an employee of the AIRPORT. The CONTRACTOR shall not be entitled to any employment fringe benefits to which AIRPORT employees are entitled.

6. To the extent permitted by the CONTRACTOR'S professional liabilities and/or liability insurance, the CONTRACTOR agrees to indemnify and hold harmless the TOWN OF NANTUCKET and its agents, officers and employees from any losses, claims or costs, of whatever kind or nature, suffered by the TOWN OF NANTUCKET or any third party which result from, or are related to, the performance (or failure to perform) by the CONTRACTOR of Services pursuant to this Agreement. The CONTRACTOR shall obtain and maintain such policies of insurance, written by companies licensed to do business in Massachusetts, as may be set forth on Exhibit A and shall add the TOWN OF NANTUCKET/NANTUCKET MEMORIAL AIRPORT as an additional insured thereunder.

IN WITNESS THEREOF:

SAFETY-KLEEN SYSTEMS, INC.

NANTUCKET MEMORIAL AIRPORT COMMISSION:

See next page  
Print name: \_\_\_\_\_  
Title: \_\_\_\_\_

[Signature]  
Daniel W. Drake, Chairman  
[Signature]

Date: \_\_\_\_\_

FEIN/SSN:

Department Org./Obj. Code: **65482-52409**

PO# **13003243**

As to the Availability of Funds:

None Available

5. The parties acknowledge that the CONTRACTOR is an independent contractor and not an employee of the AIRPORT. The CONTRACTOR shall not be entitled to any employment fringe benefits to which AIRPORT employees are entitled.

6. To the extent permitted by the CONTRACTOR'S professional liabilities and/or liability insurance, the CONTRACTOR agrees to indemnify and hold harmless the TOWN OF NANTUCKET and its agents, officers and employees from any losses, claims or costs, of whatever kind or nature, suffered by the TOWN OF NANTUCKET or any third party which result from, or are related to, the performance (or failure to perform) by the CONTRACTOR of Services pursuant to this Agreement. The CONTRACTOR shall obtain and maintain such policies of insurance, written by companies licensed to do business in Massachusetts, as may be set forth on Exhibit A and shall add the TOWN OF NANTUCKET/NANTUCKET MEMORIAL AIRPORT as an additional insured thereunder.

IN WITNESS THEREOF:

SAFETY-KLEEN SYSTEMS, INC.

NANTUCKET MEMORIAL AIRPORT COMMISSION:

Print name: James T. Murray  
Title: Branch Gen. Mgr.

Daniel W. Drake, Chairman

Date: 12 / 28 / 12

FEIN/SSN:

Department Org./Obj. Code: **65482-52409**

PO# 13003243

As to the Availability of Funds:

\_\_\_\_\_

## EXHIBIT A

1. Description of Services:

**Transportation and disposal of hazardous materials associated with the JetA fuel spill accident at Nantucket Memorial Airport on October 19, 2012.**

2. Other payment terms: 100% payment upon completion of work, submission of CONTRACTOR'S invoice and approval of invoice by the AIRPORT.

3. Insurance Required (if any):

- (a) Workers' Compensation, covering the obligations of the CONTRACTOR in accordance with applicable Workers' Compensation or Benefits laws.
- (b) Commercial General Liability Insurance on an occurrence basis with a combined single limit of not less than \$1 million. Coverage is to include premises and operations, coverage for liability of subcontractors. The policy shall contain an endorsement stating that the aggregate limits will apply separately to the work being performed under this Agreement.
- (c) Automobile Liability Insurance of not less than \$1 million combined single limit covering owned, hired and non-hired vehicle use.
- (d) Such additional insurance as may be required to be carried by the CONTRACTOR by law.

EXHIBIT B

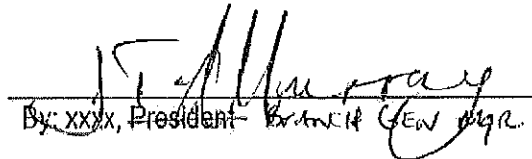
TAX COMPLIANCE CERTIFICATION

Pursuant to M.G.L. 62C, §49A, I certify under the penalties of perjury that, to the best of my knowledge and belief, I am in compliance with all laws of the Commonwealth relating to taxes, reporting of employees and contractors, and withholding and remitting child support.

396090019

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Federal Employer Identification Number

  
By: ~~xxxx~~, President - BRANCH GEN MGR.

Safety-Kleen Systems, Inc.

12-28-12

---

Date:

**ANNUAL BUSINESS / OPERATING FEE**      \$    1,500.00    Annually or any part thereof  
Entire amount to be paid in advance

**LEASE APPLICATION FEE**                    \$    1,000.00    AERONAUTICAL  
\$    3,000.00    NON - AERONAUTICAL

**TERMINAL BUILDING FEES**

**Airlines:**

|                              |    |        |                                  |            |
|------------------------------|----|--------|----------------------------------|------------|
| Counter and Office Space     | \$ | 40.00  | per square foot                  |            |
| Common Area                  | \$ | 10.00  | per square foot                  |            |
| Off-Season Equipment Storage | \$ | 100.00 | per month per piece of equipment | <b>New</b> |
| Abandoned Equipment Disposal | \$ | 500.00 | per piece of equipment           | <b>New</b> |

**Retail & Non-Aeronautical Space:**

|                          |             |                         |
|--------------------------|-------------|-------------------------|
| Counter and Office Space | Negotiated  | <b>Change from \$45</b> |
| Common Area              | \$    10.00 | per square foot         |
| Participation fee        | Negotiated  |                         |

**Display Case Fees**

|                                     |    |          |
|-------------------------------------|----|----------|
| Season 1 (May 15th - July 14th)     | \$ | 2,000.00 |
| Season 2 ( July 15th - Sept. 14th ) | \$ | 2,000.00 |
| Season 3 ( Sept 15th - May 14th )   | \$ | 1,500.00 |

**Seasonal Terminal / Ramp Access Fee**      \$    2,750.00    4 month minimum (\$11,000.) paid in advance

**LITERATURE RACK**                            \$    500.00    Annually  
\$    250.00    Summer Arrival Area (May-October)      **Reduced**

**MEETING ROOMS**

|                              |    |        |  |                            |
|------------------------------|----|--------|--|----------------------------|
| Terminal (seats 4-6)         | \$ | 150.00 | Per Hour                                 | <b>Eliminated 2 Hr Min</b> |
| Admin. Building (seats 8-10) | \$ | 300.00 | Per Hour (Audio/Visual Fee \$75.00/hour) | <b>New</b>                 |
|                              |    |        | (Video Conf. TBD)                        |                            |

**RATES FOR GROUND LEASES**

|                              |                |                                  |
|------------------------------|----------------|----------------------------------|
| Aeronautical / Noncommercial | \$0.440        | Per square foot                  |
|                              |                | Annual CPI - W    reviews        |
| Nonaeronautical / Commercial | 0.88 - minimum | Per square foot                  |
|                              |                | Annual CPI - W    reviews        |
|                              |                | Participation Fee's (Negotiated) |



## RENT-A-CAR FEES

|                          |    |          |                        |
|--------------------------|----|----------|------------------------|
| Counter and Office Space | \$ | 45.00    | per square foot        |
| Common Area              | \$ | 10.00    | per square foot        |
| Ramp Parking 1st section | \$ | 200.00   | Annually ( each spot ) |
| Remote Parking           | \$ | 1,000.00 | Annually               |
| Gross Receipts           |    | 10%      | per month              |
| Customer Facility Charge |    | \$2.00   | per day ~ per vehicle  |

## OFF AIRPORT RENT-A-CARS

|                |    |          |   |
|----------------|----|----------|---|
|                | \$ | 1,500.00 | Annually or any part thereof<br>Entire amount to be paid in advance |
| Gross Receipts |    | 10%      | per month   |

## TAXI / LIMO / CHARTER VEHICLE

|  |    |        |                        |
|--|----|--------|------------------------|
|  | \$ | 300.00 | Per Year / per vehicle |
|--|----|--------|------------------------|

## TOUR BUS PERMITS

|  |    |        |  |
|--|----|--------|--|
|  | \$ | 300.00 |  |
|--|----|--------|--|

## LIVERY / COURTESY VAN / AIRPORT ACCESS PERMIT

|  |    |        |  |
|--|----|--------|--|
|  | \$ | 300.00 |  |
|--|----|--------|--|

## SCHEDULED AIRLINE LANDING FEES

|                              |    |       |  |
|------------------------------|----|-------|--|
| Air Taxi's ( Cessna 402)     | \$ | 13.50 | Per Landing                            |
| Air Taxi's ( Cessna Caravan) | \$ | 17.00 | Per Landing                            |
| all other Airlines           |    |       | \$ 2.75 per 1000. # MAX Landing Weight |

**Added to Fee Structure**

*DOT quarterly reports required*

## FINGER PRINTS

|  |    |       |                |
|--|----|-------|----------------|
|  | \$ | 50.00 | per individual |
|--|----|-------|----------------|

## SIDA BADGE

|  |    |        |                    |
|--|----|--------|--------------------|
|  | \$ | 300.00 | refundable deposit |
|--|----|--------|--------------------|

## FREIGHT

|  |    |      |  |
|--|----|------|--|
|  | \$ | 0.03 | Per pound of gross weight (inbound only)<br><i>monthly reports required.</i> |
|--|----|------|--|

## General Aviation

### Landing and Tie Down Fees

|              |    |       |   |
|--------------|----|-------|---|
| singles      | \$ | 10.00 | per landing   |
|              | \$ | 10.00 | Over Night  |
| Multi Engine | \$ | 30.00 | for the 1st 6000 # + \$2.75 for every 1000# of<br>Aircraft MAX Landing Weight |

## VOLUMN DISCOUNTS

|          |          |                  |
|----------|----------|------------------|
| JET-FUEL | 200+ Gal | Wave Landing Fee |
| 400-LL   | 50+ gal  | Wave Landing Fee |

**Remove**

**Remove**

|                               |    |        |                   |
|-------------------------------|----|--------|-------------------|
| <b><u>Daily Ramp Fees</u></b> | \$ | 50.00  | 6,000# - 9,999#   |
|                               | \$ | 100.00 | 10,000# - 24,999# |
|                               | \$ | 300.00 | 25,000# - 49,999# |
|                               | \$ | 500.00 | 50,000 +          |

**CATERING** 25% of TOTAL invoice

**DE-ICING** \$20 per gal 10 Gallon Minimum  
 \$ 150.00 Call back fee for de-icing between 11:pm - 7:am

**LAV-CART FEE** \$ 100.00

**PRE-HEAT** \$ 25.00

**RESERVED RAMP TIE DOWN** \$ 1,500.00 GTOW (or part thereof) over 6000 #

**RESERVED GRASS TIE DOWN** \$ 900.00 plus \$100. per additional 1000 #  
 ~ includes 1 vehicle per permit

**VEHICLE PARKING** Payments due in advance for Long-Term Parkin:

Front - Terminal Section

NO Parking Overnight

\$50.. fine / max 3 nights, then tow - \$75.

ALL Vehicles

\$ 20.00

per night

\$ 200.00

per month

\$ 1,000.00

per 6 month agreement ( Nov - April )

\$ 1,500.00

per 6 month agreement (May - Oct )

(vehicle over 8,000 # check with office)

\$ 2,000.00

Annually

Accommodation for year-round residents, from October 15 to May 15, will be charged \$20 for 4 consecutive nights, regardless of one night or three nights, if they register with proof of residency in the FBO prior to departure.

**GENERAL HANGAR RENT SCHEDULE**

|                        | <u>ACK</u> | <u>HANGAR # 4</u>  | <u>ACK</u> | <u>HANGAR # 2 &amp; 3</u> |
|------------------------|------------|--------------------|------------|---------------------------|
|                        |            | (non-heated)       |            | (heated)                  |
| Jet & Multi Turbo Prop | \$         | 150.00 daily       | \$         | 180.00 daily              |
|                        | \$         | 1,500.00 Per Month | \$         | 1,800.00 Per Month        |
| Single Turbo Prop      | \$         | 90.00 daily        | \$         | 120.00 daily              |
|                        | \$         | 900.00 monthly     | \$         | 1,200.00 monthly          |
| Multi Engine Piston    | \$         | 60.00 daily        | \$         | 80.00 daily               |
|                        | \$         | 600.00 monthly     | \$         | 800.00 monthly            |
| Single Piston          | \$         | 50.00 daily        | \$         | 60.00 daily               |
|                        | \$         | 300.00 monthly     | \$         | 400.00 monthly            |

**PHOTO SHOOTS**

\$ 300.00

1 man escort - minimum

\$ 100.00

each additional hour / max 4 hours

| Revenue Initiatives       | FY 13        | FY 14         | PFC @ \$2<br>Full Year | PFC @ \$3<br>Full Year |
|---------------------------|--------------|---------------|------------------------|------------------------|
| Passenger Facility Charge |              | \$ 148,000.00 | \$ 300,000.00          | \$ 450,000.00          |
| Bunker Road Lots          | \$ 28,500.00 | \$ 114,000.00 | \$ 114,000.00          | \$ 114,000.00          |
| Fuel Incentive Removal    | \$ 16,650.00 | \$ 37,000.00  | \$ 37,000.00           | \$ 37,000.00           |
| Fuel                      | \$ 11,500.00 | \$ 50,000.00  | \$ 50,000.00           | \$ 50,000.00           |
|                           | \$ 56,650.00 | \$ 349,000.00 | \$ 501,000.00          | \$ 651,000.00          |

021213-2



U.S. Department  
of Transportation  
**Federal Aviation  
Administration**

600 Independence Ave, SW  
Washington, D.C., 20591

January 25, 2013

Mr. Tom Rafter  
Airport Manager  
Nantucket Memorial Airport  
14 Airport Road  
Nantucket, MA 02554

Subject: Supplemental Agreement to the Other Transaction Agreement (OTA) Between the Federal Aviation Administration (FAA) and Nantucket Memorial Airport Commission (Airport)

Dear Mr. Rafter:

Attached you will find a copy of the Supplemental Agreement to the OTA between the Federal Aviation Administration and Nantucket Memorial Airport Commission (Airport), for your review and signature.

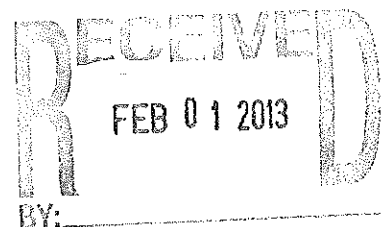
Please return a signed copy of the Supplemental Agreement to the undersigned, at your earliest convenience.

Should you have questions regarding this agreement, please contact the undersigned.

Sincerely,

A handwritten signature in black ink that reads "Donald L. Richardson, Sr." in a cursive style.

Donald L. Richardson, Sr.  
Contracting Officer



**SUPPLEMENTAL AGREEMENT NO. 1**

**TO THE**

**OTHER TRANSACTION AGREEMENT (OTA)**

**BETWEEN THE**

**FEDERAL AVIATION ADMINISTRATION (FAA)**

**AND**

**NANTUCKET MEMORIAL AIRPORT COMMISSION (AIRPORT)**

This Supplemental Agreement to OTA number DTFAWA-08-A-00005, is entered into by and between the Federal Aviation Administration, an agency of the United States of America (FAA), and the Nantucket Memorial Airport Commission (Airport).

Whereas, OTA number DTFAWA-08-A-00005, dated September 23, 2008, provided federal funding sufficient for the design, construction, environmental due diligence and remediation efforts, equipment installation, and siting activities related to the existing and the construction of a proposed replacement ATCT; and,

Whereas, siting issues were apparent from the time siting studies started and, 2 out of 3 sites (Sites 1 & 8) evaluated between 2009 and 2010 were deemed not suitable for construction of a new control tower. Whereas, the remaining one site (Site 2) was problematic for safety of FAA personnel, controller operations, security, and would add substantial cost to the Sponsor's project; and,

Whereas the Sponsor was willing to examine whether modernization at the existing location was feasible and could be considered under the congressional funding; and on June 14, 2010 the Airport Manager requested by letter that FAA evaluate refurbishment of the existing ATCT, rather than the replacement thereof;

Whereas, the Sponsor completed their parts of the Siting Study which resulted in a siting study briefing in November 2011; and,

Whereas, the results of the studies presented to FAA management and Airport personnel did not result in an approved siting report; and,

Whereas FAA investment analysis dated July 2, 2012 determined that significant modernization of the existing ATCT was the preferred recommendation by FAA decision makers and,

Whereas for modernization to proceed, a Supplemental Agreement 1 is required to capture remaining work requirements and initiate modernization studies, designs, required to meet FAA requirements:

Now therefore, the parties, FAA and Airport agree to the following changes to OTA number DTFAWA-08-A-00005:

**ARTICLE 2. SCOPE** is amended by adding the following:

**d. Roles and Responsibilities:**

1. The Authority shall design, construct and equip a fully modernized ATCT at or adjacent to the existing Airport ATCT for FAA Airport Traffic Control operations including access, utilities, and other related work if necessary. The replacement ATCT or the improvements to the existing ATCT, including all Authority furnished equipment, shall be owned, operated, and maintained by the Authority. Maintenance at all times shall comply with any and all maintenance guidelines set forth by any and all applicable statutes, regulations, FAA Advisory Circulars, and FAA Orders.
8. The Airport agrees to develop a revised Airport Layout Plan/Master Plan (ALP) and determine if the current ATCT height is a restriction to planned future development of the Airport. Development and approval of the ALP is expected to take approximately 9 months.
9. The Airport agrees to report its findings to the FAA about the ATCT height determination with respect to its existing location. If the existing location remains viable, a revised siting plan will be completed to include the determination that the current location is the preferred site. As a result of this determination, the Airport shall provide either of the following:
  - a. A proposal for a complete Modernization project to raise the ATCT cab floor to address all facility shortfalls and meet new requirements, or
  - b. A proposal for a complete Modernization project that will address all identified facility deficiencies without raising the ATCT cab floor. It is understood that the funds originally placed under OTA number DTFAWA-08-A-00005 will be available for this purpose.
10. The Authority agrees to coordinate with the Airport District Office (ADO) on options for obtaining entitlement funding to support or supplement the funds placed under this Agreement to complete the ATCT Raise and/or Modernization project.
11. Independent of completion of the ALP / ATCT height determination, the Authority agrees to enter into a contract with a Structural Engineering firm to perform a preliminary evaluation to determine if raising (elevating) the ATCT cab floor elevation by approximately 29 feet is feasible, and offer a "rough order of magnitude" cost estimate to address the structural analysis/conceptual design/flexibility for raising the existing ATCT cab.
12. The Authority agrees to submit its designs for modernization to the FAA for approval.

13. FAA will review and provide comments for the Authority's design activities to ensure the design meets FAA specifications and requirements.
14. The Authority will incorporate comments from each FAA submittal to ensure FAA requirements and specifications are met.
15. FAA agrees to review such modernization designs and provide feedback to the Authority in a timely manner. Once FAA has approved said designs, FAA will provide oversight during the construction phases to ensure construction requirements are met. The Authority will provide FAA access for onsite inspections of contractors work where necessary.
16. The OTA and this Supplemental Agreement thereto shall be separate and distinct from any other associated agreements entered into between the Authority and the FAA for the construction or modernization of the ATCT facility. Other types of associated agreements may include: reimbursable between the Authority and the FAA for the review of the Airport Sponsor-provided ATCT construction plans and specifications by FAA, for the temporary provision of air traffic services from remote location while construction is on-going (i.e. mobile ATCT); or any other as the need arises.

**ARTICLE 3 – EFFECTIVE DATE AND TERM** is amended as follows:

This supplemental agreement is effective upon execution by both Parties. This supplemental agreement will remain in effect until September 30, 2017, or until the Agreement is concluded in accordance with Article 14, unless earlier terminated by the parties as provided herein.

**ARTICLE 4 – SCHEDULE** is amended with the following:

The Authority agrees to fulfill the additional responsibilities stated in Article 2, new paragraphs d 8-11 for the ATCT within 360 days from the effective date of this Supplemental Agreement.

The Authority that the ATCT shall be ready for operations within three (3) years after the effective date of this Supplemental Agreement, subject to obtaining timely approval: (a) by the FAA of its modernization plans, Airport Layout Plan and air space determination; (b) by other federal agencies of permits and plans required for construction; (c) by State agencies of permits required for design and construction of the ATCT; and (d) of all applicable environmental documents. The FAA Engineering Support will approve the modernization plans.

The Authority agrees to use its best efforts to obtain timely FAA and other federal approvals and County and State approvals, as required. However, unreasonable or unforeseen failure or delay by the FAA or other federal agencies to issue approvals or permits will be considered an excusable delay. Further, delays caused by litigation or bid protests or other circumstances beyond the control of the Authority also will be considered excusable. Such an excusable delay will entitle the Authority to an extension of the 3-year completion schedule and will not be considered a breach of this Agreement.

**ARTICLE 8 - POINTS OF CONTACT, is hereby replaced in its entirety with the following:**

**FAA Parties**

**For the FAA regarding this Agreement:**

Name: Donald L. Richardson, Sr., AAQ-230  
Contracting Officer  
Terminal & En Route Contracts Group  
Phone: 202-385-8415  
donald.richardson@faa.gov

Address: Federal Aviation Administration  
600 Independence Avenue S.W.  
FOB10B, 4W41HS  
Washington, DC 20591

**For the Federal Aviation Administration regarding overall project lead:**

Name: Mario Beauchamp  
Acting, Terminal Planning Account Manager & Service Area Lead

Phone: 202-385-8765

Address: Federal Aviation Administration  
600 Independence Avenue S.W.  
FOB10B, 5W42FS  
Washington, DC 20591

**For the Federal Aviation Administration regarding overall technical and project implementation:**

Name: Steven Duckett  
Program Implementation Manager  
Address: Federal Aviation Administration  
Southern Regional Headquarters  
ATO-T-Planning  
1701 Columbia Ave.  
College Park, GA 30337  
Phone: 404-389-8208

**Non-FAA Party:**

For the Authority:



Lead Contact regarding this agreement:

Name: E. Foley Vaughan  
Chairman, Nantucket Memorial Airport Commission

Address: Nantucket Memorial Airport  
14 Airport Rd.  
Unit 1  
Nantucket, MA 02554  
Phone: 508-325-5300

For Program Issues regarding this agreement:

Name: Bill Payne  
William E. Payne & Associates, Inc.

Address: 12150 E. Briarwood Avenue, Suite 120  
Englewood, Colorado 80112  
Phone: 303-790-9019

**ARTICLE 25. OTHER TERMS AND CONDITIONS is hereby inserted with the following:**

All other terms and conditions of OTA number DTFAWA-08-A-00005 remain unchanged and in full force and effect.

**AGREED:**

**Nantucket Memorial Airport Commission**

**Federal Aviation Administration**

\_\_\_\_\_  
Official: Daniel W. Drake  
Title: Chairman

\_\_\_\_\_  
Donald L. Richardson, Sr.  
Contracting Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Witness: \_\_\_\_\_

## General Information

Join the American Association of Airport Executives (AAAE) and Airports Council International- North America (ACI-NA) March 20-21, 2013, in Washington, D.C. for the Washington Legislative Conference to discuss airport and aviation priorities for the first session of the 113th Congress.

The AA AE/ACI-NA Washington Legislative Conference will provide airport executives, operators and commissioners the opportunity to discuss the way forward on critical airport issues in today's tough political environment. The conference will address crucial policy issues facing airports and the aviation industry and how best to make the industry's voice heard in the halls of Congress.

With key retirements and election results shuffling committee rosters and leadership positions in the House and the Senate, the AA AE/ACI-NA Washington Legislative Conference will be one of the first opportunities for airport executives, operators, board members and commissioners to discuss the aviation and airport agenda for 2013. Come hear how airport and aviation priorities will fit in with the multitude of other issues on the plate of the 113th Congress.

The Washington Court Hotel is the host for the 2013 Conference. Its Capitol Hill location has unparalleled access to the United States Senate and the Capitol Building which are both just steps away.

We will once again start the conference on Wednesday afternoon with a luncheon during which the key policy issues to be covered will be discussed. The rest of the afternoon will be devoted to Hill meetings.

On Thursday, attendees will hear from key Members of Congress, Administration officials and Hill staff about what the airport industry can expect in the year ahead from Washington. There will also be ample time on Wednesday afternoon for attendees to visit with their congressional delegations.

Registration for the conference includes: one continental breakfast; two lunches; conference reception on March 21; beverage breaks and all handout materials. Dress for the conference is business attire. Registration confirmation will be e-mailed to all attendees. Registration fees do not include tickets to the ACI-NA Commissioners Committee Leadership Reception (location TBA).

## Registration

To register as an attendee for the AA AE/ACI-NA Washington Legislative Conference, you may you may register online or download a registration form and fax it to ACI-NA to (202) 478-0889 or scan and email to [meetings@aci-na.org](mailto:meetings@aci-na.org).

**NOTE:** Registration is being managed by ACI-NA. For additional registration information, contact the ACI-NA Meetings Department at (202) 293-8500 or [meetings@aci-na.org](mailto:meetings@aci-na.org).

**NOTE:** For online registration, if you do not have an ACI-NA website login username and password, you will need to create an account to proceed with online registration.

### REGISTRATION FEES *(in U.S. funds drawn on a U.S. bank)*

(includes the welcome reception, one continental breakfast, two lunches, breaks and all handout materials.)

|                       | On/before<br>February 26, 2013 | After<br>February 26, 2013 |
|-----------------------|--------------------------------|----------------------------|
| AAAE or ACI-NA Member | \$600                          | \$650                      |
| Non-Member            | \$825                          | \$875                      |

**Accredited Airport Executives** - This course is worth 6 credits in the AA AE Continuing Airport Management Education Unit (CEU) program.

**PAYMENT:** Full payment must accompany registration forms in order to complete a registration. Registrations will be processed at the registration rate available when payment is received. Credit card payment must be included for online and faxed registrations. Check payment will only be accepted with mailed forms and onsite registration forms. The card holder's signature above authorizes ACI-NA to charge the credit card the total correct amount due and acknowledges there are no refunds after, **Tuesday, February 26, 2013.**

**CONFIRMATION OF REGISTRATION:** Confirmation of registration will be emailed to conference attendees using the email address (es) provided above. If confirmation is not received within two weeks after sending in your registration form, please email [meetings@aci-na.org](mailto:meetings@aci-na.org). Non-receipt of confirmation before the conference is not justification for seeking a refund.

**CANCELLATION/REFUND POLICY:** Registrations and cancellations must be submitted in writing, please email [meetings@aci-na.org](mailto:meetings@aci-na.org). Cancellation requests received by **Tuesday, February 26, 2013** are subject to a \$100 processing fee and will be processed after the meeting takes place. **There will be no refunds after this date.** Substitutions will be honored at any time and all no-shows will be billed. **NOTE:** ACI-NA reserves the right to cancel this program if the number of registrants is insufficient. In that event, we will notify all registrants and refund the registration fee in full. However, any costs incurred by the registrant, such as hotel cancellation or airline penalties, are the responsibility of the registrant.

**NOTE:** ACI-NA and AA AE reserves the right to cancel this program if the number of registrants is insufficient. In that event, we will notify all registrants and refund the registration fee in full. However, any costs incurred by the registrant, such as hotel cancellation or airline penalties, are the responsibility of the registrant.

## Hotel

A block of rooms is being held at the [Washington Court Hotel](#), 525 New Jersey Ave., NW, Washington, DC 20001. For hotel reservations, please call the Washington Court Hotel directly at (202) 628-2100 or (800) 321-3010. Be sure to identify yourself as being with the ACI-NA/AAAE Legislative Conference to receive the special group rate of \$299 USD single/double occupancy plus applicable tax. **The last day to receive this rate is Tuesday, February 26, 2013.** Rooms may sell out before this date. Make your reservations early!

**NOTE:** The conference begins at noon on Wednesday, March 20th. **If you are coming in early, please note the conference hotel is sold out on Tuesday, March 19th.** Be advised you will need to make accommodation arrangements for that one night at a nearby hotel. Rates and room availability are subject to change at any time.

Hotels nearby include: [The Liaison Capital Hill](#), [Phoenix Park Hotel](#) and [Hvatt Regency Washington](#).

