

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

Thomas M. Rafter, Airport Manager
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Commissioners
Daniel W. Drake, Chairman
Arthur D. Gasbarro, Vice Chair
David C. Gray, Sr.
Sonny Raichlen
Jeannette Topham

AIRPORT COMMISSION MEETING
June 25, 2013

The meeting was called to order at 5:030 PM by Chairman Daniel W. Drake with the following Commissioners present, Vice Chair Arthur D. Gasbarro, Sonny Raichlen and Jeanette Topham.

Commissioner Davis C. Gray, Sr. was absent.

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

Airport employees present were Thomas M. Rafter, Airport Manager, Ashley Christ, Business Manager, Linda True, Receptionist, Robert Tallman, Security Coordinator, Davis Sylvia, Training and Compliance Coordinator and Janine Torres, Office Manager.

Mr. Drake announced the meeting was being recorded.

The Commission **M/S/P** Unanimously approval of the Agenda with Mr. Drake noting the Manager's evaluation will be tabled until the next meeting.

The Commission **M/S/P** Unanimously approval of the 6/11/13 Minutes.

The Commission **M/S/P** Unanimously to ratify the 6/9/13 Warrant.

The Commission **M/S/P** Unanimously to approve the Warrant of 6/26/13 noting the amount paid towards the Passur invoice was prorated to reflect the time it was inoperable.

Public Comment

None.

Pending Leases and Contracts

Mr. Rafter presented one (1) Lease and three (3) contracts for approval:

- **Hyannis Air Service, Inc.** – A one year terminal Lease for both Cape Air and Nantucket Airlines operations, \$96,460 annual rental income, \$1,500 Business Fee plus Landing Fees.
- **JMS Waterman Inc.** – A service contract to supply bottled water service for the GA pilots and passenger lounges, not to exceed \$5,000 expiring 6/30/14.
- **Victor-Brandon Corp** – A construction contract to Re-Align and Widen Taxiway D Connector, \$440,295. This contract was tabled pending the award of the FAA Grant.

- **Jacobs Engineering Group Inc.** – Professional Services Contract for orchestrate the Master Plan and Sustainability project for \$949,484.

The Commission **M/S/P** Unanimously to approve the Hyannis Air Service lease and the JMS Waterman and Jacobs Engineering contracts.

Pending Matters

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

021213-2 Supplemental Agreement to the Other Transactional Agreement (OTA) – ATCT
Mr. Rafter reported the FAA requested additional drawings of the terminal building which were provided. The FAA has indicated it will need an additional two weeks to review before submitting their report.

061113-1 Bunker Area Environmental Permit Review – Mr. Rafter indicated Natural Heritage has contacted Mr. Karberg verbally indicating no major issues regarding the clearing in the Bunker area; but are waiting for the written response. It appears the tenants should be able to utilize the property.

042312-3 FY2013 Budget Update – Mr. Rafter reviewed the FY 2013 Budget and Estimated Actual Report presented by Mr. Drake at the June 19th Board of Selectman meeting.

- Enterprise Fund:
 - Budgeted Revenue was \$8,215M; Estimated Actual is \$8,131M. These numbers include excess revenue from the Revolver, Retained Earnings and General Fund Subsidy.
 - Budgeted Expenses was \$8,215M; Estimated Actual is \$7,885M.
 - This leaves an estimated budget surplus of \$246K.
- Fuel Revolver:
 - Budgeted Fuel Sales were \$7,095K, Estimated Actual is \$7,032K
 - Budgeted Fuel Cost was \$5,573K, Estimated Actual is \$5,142K
- Estimated allowable transfer to from Fuel Revolver to Enterprise Fund is \$1,890M Excess Fuel Sales over Fuel Cost, less the difference between Budgeted Fuel Cost and Actual Fuel Cost of \$431K, leaving a net estimated excess available for transfer to the Enterprise Fund of \$1,458K.

Mr. Drake pointed out the \$431K difference in fuel cost isn't available until appropriated by Town Meeting vote. This was discussed with the Finance Dept, Town Counsel and the Dept. of Revenue.

Discussion moved to changing the structure of the Fuel Revolver. Mr. Drake agreed the Commission will review and propose how the fuel revolver should be structured seeking legislative approval if necessary. Mr. Drake added there are several options on the table: charging other fuel related costs to the revolver, credit card fees, fuel truck lease payments and fuel farm maintenance costs as an example. Due to language in the previous Town Meeting article, these costs could not be charged to the FY13 Fuel Revolver.

GA/Administration Building Project Update

Mr. Rafter reported:

- National Grid is scheduled to replace the transformer tomorrow, June 26th. This will result in a power interruption of the construction site, fuel farm and parking lot system.

- Work is progressing, the tile work is completed and working through some conflicts such as door swings.
- Continuing to work with Legal Counsel on liquidated damages
- Expect a revised completion schedule tomorrow, June 26th

022613-2 Master Plan Update

Mr. Rafter provided the final Scope of Work and reported discussions have taken place with Jacobs regarding the next steps which resulted in the need for another public outreach meeting to be held in the near future to update the Community on status of the Master Plan, duration of the project, public outreach and education including a dedicated website and social media.

Mr. Rafter reported use of available existing grant funds to bolster awareness of noise issues.

Anne McKinnon of Jacobs Engineering added the need to take advantage of the summer months to inform the public of the process. When asked for a timeframe, Ms. McKinnon indicated “right away” suggesting revisiting the Surfside Association and other neighborhood associations.

Mr. Drake remarked it should begin as a Town wide meeting. After brief discussion, the dates of July 15th or 16th were chosen dependent on the Community Room’s availability.

The Commission **M/S/P** Unanimously to accept the FAA Grant Offer in the amount \$881,536.00 to Update the Airport Master Plan.

062513-1 Re-Align and Widen Taxiway (Delta) Connector Update – Tabled until notification of Grant award.

062513-2 Part 139 Inspection Follow Up – Mr. Rafter shared the Letter of Correction issued by the FAA Inspector noting the letter matches the verbal report given at the June 7, 2013 debrief meeting. The majority of the items identified were corrected within a 12 hour period. A correction deadline of September 12, 2013 has been given to correct the remaining items. An extension will be requested for the repainting of the lines on Runway 15/33 to correspond with the Taxiway Delta project which will include the repainting.

062513-3 Voluntary Noise Abatement Program Discussion – Mr. Drake explained he put this on the Agenda for the purpose of having a preliminary discussion on the thought of amending the Program adding the increase commercial use of the Caravan and other single engine aircraft has brought the topic to the forefront.

Mr. Rafter added any change to the published routes requires FAA approval and can be a long and costly process. Mr. Rafter read aloud from the FAA Noise Abatement Policy, Federal Register dated July 14, 2000 which, in part, describes required procedures to amend flight routes.

Mr. Rafter added he received technical documents on the Caravan and essentially indicates the Caravan as a quiet aircraft and would be difficult to request a change based solely on this aircraft.

When discussing the Island Airlines Caravan specifically, Mr. Rafter pointed out, based on our published routes, they are already in compliance as long as they continue to climb to 2000 feet before crossing the island noting Island Airlines climbs to 2500 as requested by the Commission in 2009.

Discussion moved to continuing to work closely with the carriers and educate the public adding Mr. Karberg has already established communications with chief pilots, the tower and has been proactive in responding to callers placing noise complaints.

Mr. Rafter proposes notifying all the carriers that the Airport intends to re-visit the present incentive program and collaborate in working on voluntary changes and a program that makes sense to everyone. Mr. Drake added we must be aware of the economic issues both on the Airport and the air carriers.

Mr. Gasbarro feels there are two issues to be discussed, the over flights at certain elevation and low crosswind approaches and departures.

Mr. Drake noted this would be kept on the Agenda as a separate item to provide regular updates.

Mr. John Johnson, a West Miacomet Avenue resident, commended Mr. Karberg on his improved communications and added he felt the Caravan was not complying with 2500 feet altitude.

Mr. Chris McLaughlin, President of Nantucket Flying Association, read from Federal Aviation Regulation 135.183 pertaining to single engine aircraft ability to reach land should an engine fail. Mr. McLaughlin added all conditions such as wind are factored by the pilot and may require a lower altitude to when approaching to land to meet the minimum glide slope.

062513-4 Ratify Union Contract for July 1, 2013 – June 30, 2014 – Mr. Rafter noted a one year Memorandum of Agreement (MOA) between the Airport and the Laborers' District Council was agreed to and approved in Executive Session last March to extend the expiring agreement for one year with no cost of living adjustment. The Commission needs to ratify the MOA in Public Session. Mr. Drake added the intent going forward is to standardize all Town Union Contracts keeping in mind the different skill sets involved.

The Commission **M/S/P** Unanimously to ratify the Union Contract between the Town of Nantucket and Mass. Laborers' District Council on behalf of the Nantucket Memorial Airport Employees of the Laborers' International Union of North America for the period of July 1, 2013 through June 30, 2014.

Mr. Drake noted the Union Representative has not commented back on the final document; therefore, there is a chance that this topic may be re-opened.

062513-5 Airport Manager's Performance Evaluation – Mr. Drake reported he has not completed the evaluation and will be placed on a future agenda.

062513-6 FY2014 Compensation for Non-Union Personnel – Mr. Rafter excused himself from the table. Ms. Torres was allowed to stay for minute purposes.

Mr. Drake noted the Union employees received a cost of living increase (COLA) a in FY2013 of 2.75% while the non-union employees did not received any COLA increase. Mr. Drake recommended that the non-union employees receive the same 2.75% increase in FY2014 since the Union has agreed to no COLA for FY2014.

During discussion, it was noted there were no step increases or COL adjustments to any non-union employee in FY2013 and that non-union employees work hours were increased from 35 to 40 with no additional compensation other than longevity if earned.

Mr. Drake reminded the Commission that a Commissioner will be appointed to the Finance Committee's ADHOC Compensation Committee after July 1st.

The Commission **M/S/P** Unanimously to approve a 2.75% Cost of Living increase for the non-union employees effective July 1, 2013.

Mr. Rafter came back to the meeting table.

Manager's Report

Mr. Rafter reported the following:

Projects Update

- **Carbon Neutral Program** - A meeting took place in Boston on June 14th with MassDOT and Volpe at which the best approach determined would be to use a third party, Energy Services Company (ESCO) to manage the program. Mr. Rafter noted George Aronson, the Town's Energy Consultant, was a great asset to the meeting.
- We are still waiting for word on the FAA Grant for the **Taxiway Delta** project.
- **Passenger Facility Charge (PFC)** – A conference call took place with the Consultant, McFarland-Johnson to review their memo. Mr. Rafter will be preparing a recommendation to the Commission on what the PFC rate should be. The next steps will be for the Commission to agree on the rate as well as what projects that should be included for reimbursement after which a conference call will be scheduled with the FAA to discuss.

RFP/Bid Status

- The RFP for IT Services has been advertised with proposals due on July 2, 2013.
- Still negotiating the UPS Lease.
- Two RFP's are due to be written: Engineering On-Call Services and Aviation Fuel Supplier. Mr. Gasbarro commented on not wanting to be under the same time constraints with the fuel supply contract. Mr. Rafter commented he intends to have the process complete in September, well before the present contract ends in December.

Operations Update

- Mr. Rafter reviewed new personnel hired since August 2012.
- Mr. Rafter attended a Town internal workgroup meeting associated with the Ocean Wings/Community Sailing event scheduled to take place in the Ocean Wings hangar on July 20, 2013. There will be three (3) police officers on site, five (5) restrooms and have been approved for a maximum of 200 ticket holders. Mr. Gasbarro commented he is pleased that a maximum number of attendees have been set.
- Another Special Event Permit has been approved for July 24th inside the Main Terminal at Noon for a brief dedication ceremony for the Jack Adams lithograph donated to the Airport last year to which less than twenty people are expected.
- A tenant meeting was held on June 12th. No tenant concerns were raised.
- Nantucket Flying Association's Aviation Camp is underway. Mr. McLaughlin and Ms. Sanpere reported having sixteen (16) campers and provided a brief overview of the activities planned for the week.

Statistics

Mr. Sylvia reported:

- Operations for May were 10,302 compared to 7,618 in May of 2012
- Enplanements for May were 13,479, an increase of 8.87% from the prior year.
- Freight for May was 226,575 lbs, an increase of 10.02% from last year.

Sub-Committee Reports

None.

Commissioner’s Comments

Mr. Drake noted Mr. Raichlen had submitted his resignation from the Commission and thanked Mr. Raichlen for his service. Mr. Raichlen thanks Mr. Rafter and his fellow Commissioners on his experience learning how complicated running an airport was and hoped in the future the public can be educated on the complexity of such.

Mr. Drake reported attending the Zoning Board of Appeals (ZBA) hearing regarding Windmill Auto Rental’s zoning permit violation noting no one from the Zoning Office was in attendance. Mr. Drake reported after debate, the interpretation by the appeal board of the permit language “storage of vehicles” meant any vehicle, including non-owned vehicles for a fee. Mr. Drake noted a MGL provision was discovered subsequently requiring the licensing of a parking establishment which the Board of Selectman would have to formally accept before it can be constituted which the Commission could request. Mr. Drake personally felt that no more time or money should be spent on this issue.

Mr. Gasbarro added at the very least, the ZBA did find Windmill to be in violation in regard to having more than 55 vehicles stored.

Mr. Gasbarro suggested additional research to determine whether the BOS has already accepted the MGL licensing provision.

Public Comment

None.

Having no other business, the Commission **M/S/P** by the following roll call vote to enter into Executive Session, not to reconvene in Open Session to review the Executive Session minutes of 3/1/12, 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, 12/18/12, 2/26/13, 3/26/13 and 4/23/13 for possible release; and 5/28/13 for review and possible release.

- Chairman Drake – Aye
- Vice Chair Gasbarro – Aye
- Commissioner Raichlen – Aye
- Commissioner Topham – Aye

Meeting adjourned 6:31 PM.

Respectfully submitted,

Janine M. Torres, Recorder

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| Master List of Documents | June 11, 2013 Draft Minutes |
| June 25, 2013 Agenda including Exhibit 1 | Air Wisconsin 2013 Operating Agmt |
| US Airways 2013 Lease | Victor-Brandon Contract (T/W Delta) |
| JMS Waterman Inc Water Supply Contract | FY13 Budget/Estimated Actual Report |
| Jacobs Professional Services Agreement (Master Plan) | FAA Part 139 Letter of Correction |
| Master Plan Final Revised Scope of Work dtd 5/22/13 | 7/1/10 – 6/30/13 Union Contract |
| Union MOA dtd 3/26/13 | May 2013 Statistics |
| Red-Line version of Union Contract dated 7/1/13 –6/30/14 | |
| 6/25/13 Email from Steve Berardo to T. Rafter re FAA Noise Abatement Policy (read aloud) | |