

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

Thomas M. Rafter, A.A.E., Airport Manager
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Commissioners
Daniel W. Drake, Chairman
Arthur D. Gasbarro, Vice Chair
Andrea N. Planzer
Neil Planzer
Jeannette D. Topham

AIRPORT COMMISSION MEETING

May 6, 2014

The meeting was called to order at 2:30 PM by Chairman Daniel W. Drake with the following Commissioners present, Arthur D. Gasbarro, Vice Chair, Andrea N. Planzer, Neil Planzer and Jeanette D. Topham.

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

Airport employees present were Thomas M. Rafter, Airport Manager, Jamie Miller, Business/Finance Manager, Noah Karberg, Environmental Coordinator and Janine Torres, Office Manager.

Mr. Drake announced the meeting was being recorded.

Mr. Drake, hearing no comments on the, approved the Agenda.

Public Comment

None.

Pending Leases & Contracts

Mr. Rafter presented the **TSA Lease** extension for a three year term with a CPI increase built into the new rent amount.

Mr. Gasbarro made a **Motion** to approve the lease with TSA as described on Exhibit 1. **Second** by Ms. Topham and **Passed** unanimously without comment.

Mr. Rafter presented a Mass DOT Grant in the amount of \$4,252.88 explaining this amount covers the final invoice from the South Apron Taxiway Connector project. Ms. Topham made a **Motion** to accept the MassDOT Grant. **Second** by Mr. Gasbarro and **Passed** unanimously without comment.

050514-1 Discussion of Proposed Comments on Action of Steamship Authority to Approve Hy-Line Service Changes and Possible Action Thereon. – Mr. Drake noted this topic was prompted by the Public Notice in the newspaper by the Steamship Authority (SSA) asking for comments by May 9th on Hy-Line's request to change their service. Mr. Drake noted this subject matter is also topic on the Board of Selectman (BOS) agenda on May 7th.

Mr. Drake presented a draft letter, on behalf of the Commission, to the BOS and SSA jointly expressing concern over the SSA's consideration to allow the Hy-Line to replace its traditional ferry with a new fast ferry and the effect it may have on air travel. The letter requests the SSA postpone their decision for one year to allow the BOS, possibly in conjunction with other towns, to study the future of surface and air transportation needs and develop a transportation plan. Additionally, the letter requests the SSA Board meeting at which this decision is made, be held on Nantucket.

Mr. Drake added his opinion that the Airport Commission needs to look after the tenants of the airport on matters that will have an impact on the tenants. He believes if the SSA awards the change in Hy-Line's license allowing for increased fast ferry service, the tenants of the airport will be negatively impacted.

Mr. Drake read an excerpt from Phase 2 of the 1998 Airport Master Plan Update where the Advisory Committee discussed the diversion of SSA passengers to the high speed ferry.

Initial Commission discussion was mixed on whether the letter should be submitted as written.

Mr. Drake invited audience members to comment and introduced Mr. Rob Ranney, Nantucket's representative on the SSA Board of Governors.

Mr. Ranney noted should the Commission move forward with a letter to the SSA Board of Governors, he would be the one to deliver it. Mr. Ranney introduced Steve Sayers, General Counsel to the SSA.

Mr. Sayers explained the SSA regulates all ferry operators in excess of 40 passengers and gave a brief history of Hy-Line's licensing to date and explained the Hy-Line is grandfathered which allows them to carry a certain amount of passengers per day. Hy-Line pays a license fee to the SSA because the SSA runs the slow boat out of necessity to sustain the Island.

Mr. Drake asked how the SSA defines the revenue they're losing to the Hy-Line. Mr. Sayer explained they look at passenger revenues as one of three that define their revenue, with the others being freight and automobiles.

Mr. Drake asked if the SSA analysis considered the direct impact on enplanements. Mr. Sayer answered no.

Martin Riley, Hy-Line Cruises Director of Public Affairs and Business Development spoke regarding the increase in demand and necessity for a new high speed boat. Mr. Riley explained they are seeking permission from the SSA to remove their traditional ferry with a capacity of 720 passengers per trip with a new fast ferry with a capacity of 439 which includes 169 exterior seats. Mr. Riley continued by explaining the Hy-Line is not increasing its service. The Hy-Line will continue to run only nine (9) trips per day.

Mr. Drake asked if analysis was done to determine whether the approximate 70K (round trip) Hy-Line traditional ferry passengers would switch to the fast boat or switch to the SSA traditional ferry. Mr. Riley admitted that is difficult to answer but believes it would be a little of both.

Mr. Riley added their need to receive permission from the SSA is time sensitive due to the upcoming change to boat engine requirements; but would also want to participate in a transportation plan discussion.

Mr. Gasbarro asked Mr. Sayer to elaborate on certain conditions the SSA will impose on the Hy-Line when making this decision. Mr. Sayer noted the Hy-Line will be asked to not have their schedule departures less than half hour before or fifteen minutes after the SSA departures. One other condition pertains to the licensing formula for the first two years to allow Hy-Line to absorb the cost of their new vessel.

Nat Lowell, a member of the Port Council for the SSA, spoke about the importance of the fast ferries to high school sports teams as well as the need for three fast ferries for when one boat is out of service for maintenance and added he is against a transportation policy.

Mr. Planzer recommended the letter state we are working as a community to develop a positive outcome for our year round citizens and not hinder the competition of the groups involved.

Thomas Cunningham, principal of Island Airlines, Ocean Wings and Cape & Island Air Freight (IA) remarked he is regulated by the FAA and does not have the luxury of coordinating schedules with his competition.

Mr. Cunningham urged the Commission to recognize enplanements are down 30% in first quarter. IA has spent millions to upgrade their service by changing to Caravan's but cannot charge more or receive subsidies. The Caravan pays a higher landing fee than the 402, and after factoring in higher DOT fees and upcoming PFC fees combined with fewer passengers makes scheduled air carriers unsustainable. Mr. Cunningham added, now the Town is providing free parking for those who wish to take the boat while air travelers are required to pay for parking.

Mr. Planzer noted the Airport should help level the playing field and believes a transportation policy can help do that.

Mr. Drake agreed this is an important issue and warrants future discussion, perhaps through the Master Plan process, but the matter tonight is whether the Commission should submit comment to the BOS and SSA regarding the proposed new fast ferry.

Mr. Drake noted once the SSA makes their decision there's no going back. More time is needed to understand what the consequences may be and the two week time period given for public comments isn't enough time.

Discussion moved back to Mr. Drake's draft letter.

Mr. Planzer remarked the night's discussion suggests three points to the letter: to develop a transportation policy, to establish a forum for discussion and to propose a longer period for the community to comment.

Mr. Planzer would support such a letter. However if the letter suggests a boat not be built, he would be weary to support. Mr. Planzer believes this can be done in a timeframe before the new engine requirement is in effect.

Mr. Drake agreed the preamble of the letter may need revision, but notes the letter does suggest the BOS undertake to prepare and adopt a transportation policy, and the SSA postpone their decision for one year.

Discussion took place in regards to the suggested year timeframe. A year is too long for the SSA decision due to the new engine requirement and less than a year is unrealistic to develop a transportation policy.

Rick Atherton, Chair of the Board of Selectman, commented he doesn't have a good sense of the numbers for boat capacity, number of trips per day and what that means for total number of passengers and noted he would find it helpful to have a consolidated report comparing boat numbers, both fast and slow as well as enplanement numbers for future meetings.

Mr. Atherton next spoke about the subsidy from the Town to the Hy-Line as it relates to free parking noting it warrants future discussion.

Mr. Atherton added the BOS will most likely not want to delay the Public Hearing more than a week or two. He also noted he is in favor of a transportation policy but admits it isn't possible to do so within a year.

Mr. Rafter noted speaking with the Barnstable Airport Manager, Bud Breault, who was not aware of the comment period. Mr. Breault will be mentioning it to his Finance Sub-Committee meeting tomorrow. Mr. Atherton added he would think Barnstable would be highly interested in this seeing that the bulk of their traffic is between Hyannis and Nantucket.

Discussion moved to an acceptable timeframe to extend the comment period. Mr. Sayer suggested until the next SSA Board of Governors meeting, the 3rd Tuesday of June which is being held on Nantucket; but added the Hy-Line is anxious for the SSA's decision.

Mr. Planzer made a **Motion** to request to the Steamship Authority Board of Governors to extend the comment period until Thursday, June 12th. **Second** by Ms. Topham and **Passed** unanimously.

Mr. Planzer made a **Motion** to ask the Board of Selectman to establish an ADHOC committee, recommending participation by the SSA, Hy-Line and airlines who provide service to Hyannis, with the intent to work for 6 months to present recommendation to the Board of Selectman for an overall transportation policy. **Second** by Ms. Planzer.

During discussion, Mr. Gasbarro suggested the motion may be premature and recommended waiting until the next meeting suggesting the Master Plan process may enable the Commission to refine the motion.

Mr. Planzer withdrew his **Motion**. Ms. Planzer agreed.

Mr. Planzer commented when the dialog happens, it must be broader to include parking and other ancillary fees that effect the commuter experience.

Mr. Drake commented he is troubled at the Commissions lack of action feeling the end result will be the same in 30 days. He added as a public agencies, the airport, the SSA and particularly the BOS have a fiduciary responsibility to the community to understand what is happening.

042214-2 Formerly Used Defense Site (FUDS) Status – Mr. Rafter reported on a conference call that took place with the Army Corp (Corp), the DEP and Legal Counsel. The Corp is proceeding with an RFP for a consultant to create an action plan, hopefully by year end, on the site remediation. The Corp indicated this site was not a major issue.

Mr. Rafter reported receiving testing results on the stockpile of material removed from the Bunker Rd site to inside the fence. The results indicated an elevated level of one reportable metal material. Notices are going out to the tenants within the area of concern to update them on the test results as well as the overall FUDS process.

Mr. Rafter indicated the entire process including analysis and clean up could take up to three years to complete. For this reason, Legal Counsel has recommended revoking the procurement for the two leases that have not yet been signed citing the procurement would be considered stale from the time it was first issued. Mr. Rafter added some alternative sites are being examined through the Master Plan process but this will also take time to accomplish.

Stephen Cohen, representing G.J. Smith, respects the 30B Procurement Laws as well as the public safety concerns but notes Mr. Smith's proposed lease site is outside the 2 acres of concern. Mr. Cohen requests if the Corp agrees, can private testing occur outside the two acre area.

Mr. Rafter noted the Corp when asked would not be specific on the exact location of the investigative site; and additionally, told the Airport it would risk becoming responsible for the entire site.

Mr. Cohen announced he has an email from the Corp that states the complete opposite. Mr. Cohen suggests the Corp be asked for a formal letter and on the meantime, the Commission delay any decision on the procurement.

Mr. Rafter indicated he has asked for something in writing from the Corp since the initial conference call. Mr. Cohen read aloud the email that he received earlier in the day.

The Commission asked the complete correspondence be forwarded to Mr. Rafter to follow-up with the Corp. and will wait for their response to make a decision.

Having no further business, Mr. Gasbarro made a **Motion** to adjourn. **Second** by Ms. Topham and **Passed** unanimously.

Meeting was adjourned at 4:24 p.m.

Respectfully submitted,

Janine M. Torres Recorder

Master List of Documents Used
5/6/14 Agenda including Exhibit 1
TSA Lease Amendment No. 1
MassDOT Grant Award for \$4,252.88 for AIP 58
SSA Public Notice from Inquirer & Mirror
Draft AirComm Letter to BOS/SSA Board of Governors dated 5/7/14
Draft Third Notice to Bunker Tenants re Unexploded Ordnance