

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
Anthony G. Bouscaren
Andrea N. Planzer
Jeanette D. Topham

AIRPORT COMMISSION MEETING

January 13, 2015

The meeting was called to order at 5:00 pm by Chairman Daniel W. Drake with the following Commissioners present: Arthur D. Gasbarro, Vice Chair, Anthony G. Bouscaren, Jeanette D. Topham, and Andrea N. Planzer.

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

Airport employees present were: Thomas Rafter, Airport Manager, Jamie Miller, Business and Finance Manager, David Sylvia, Training and Compliance Officer, Lara Hanson, FBO Operations Superintendent, and Janine Torres, Office Manager.

Mr. Drake announced the meeting was being recorded.

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

Ms. Bouscaren made a **Motion** to approve the 11/18/14 Minutes. **Second** by Ms. Planzer and **Passed** unanimously.

Mr. Gasbarro made a **Motion** to approve the 11/25/14 Minutes. **Second** by Mr. Bouscaren and **Passed** unanimously.

Ms. Planzer made a **Motion** to approve the 12/19/14 Minutes. **Second** by Mr. Gasbarro and **Passed** unanimously.

Ms. Topham made a **Motion** to ratify and the 12/17/14 and 1/7/15 Warrants. **Second** by Mr. Bouscaren and **Passed** unanimously.

Public Comment

None

Pending Contracts and Leases

Mr. Rafter presented the following Leases and Contracts:

- **Aviation Ground Equipment:** \$41,275 contract to purchase one Ground Power Unit (GPU).
- **O Byrne Painting & Contracting:** \$22,800 contract to resurfacing the majority of the 1st floor in the ARFF Building due to water damage. Partial insurance claim resulting in actual cost to Airport of approximately \$12,000.

- **Kevin Conrad Heating & Cooling, Inc.:** \$15,700 contract to complete the replacement of the HVAC Coil in ARFF Building. Original Contract of (\$31,000) had expired prior to work completion.
- **Cooper Crouse Hinds:** \$75,000 3-year contract for airfield lighting supplies.

Mr. Bouscaren made a **Motion** to approve the four contracts. **Second** by Ms. Topham and **Passed** unanimously.

Pending Matters

042214-2 Formerly Used Defense Site (FUDS) Status

Mr. Rafter stated that a letter was sent to the Army Corps of Engineers (ACE) as well as the affected tenants requesting ACE meet with the Airport and the tenants at the site to identify specifically what items need to be relocated.

Finance

011315-1 FY 15 Quarterly Update – 2nd Qtr.

Mr. Rafter presented the FY15 2nd Quarter update noting the fuel revolver graph has since been updated and will be forwarded to the Commissioners. Mr. Rafter reported Expenses are up slightly, Revenue is up significantly, and Debt Service is down noting overall the Airport is doing much better than last year at this time. The Quarterly update will be presented to the Board of Selectmen on Wednesday, February 4, 2015.

011315-2 General Fund Repayment Proposal

Mr. Rafter presented a General Fund (GF) Repayment Proposal (Proposal) drafted by the TON Finance Director showing the total owed by the Airport to the GF is \$4.6M. The Proposal suggests a 20-year payback schedule of \$135K the first year and \$230K for the remaining years; and 20% of the Certified Retained Earnings to be reserved annually.

Discussion led to several recommended edits:

- Add item 4) - Each payment would be subject to the vote of the Airport Commission (or as an alternative, a third party, i.e. the Finance Committee).
- Item 1) - Strike the wording “to be recorded in account #65482-59991” and replace with use the wording “to be recorded in a dedicated account”.

Mr. Rafter added the Airport may need to get State approval because of M.G.L. Chapter 90.

Mr. Rafter will continue to work with Brian Turbitt, Director of Municipal Finance, to draft alternative options for the Commission to review at the next meeting.

101414-3 FY16 Budget Final Review and Approval

Mr. Rafter reported the following revisions to the FY16 Budget:

- Barnstable County Retirement System line item has been reduced slightly.
- Reclassification of automated self-inspection software.
- Indirect Costs have been separated into separate line items.
- Repayment amount to General Fund will be reviewed.
- Budget reflects \$700,000 Passenger Facility Charge (PFC) revenue; however, due to the drop in enplanements, Ms. Miller has done a PFC analysis showing a projection of \$647,000. Mr. Rafter suggests revising that budget line to reflect the projection.

Mr. Rafter is scheduled to present the FY16 Budget to the Board of Selectmen on January 21, 2015 and to FinCom, January 26, 2015.

Mr. Rafter reported that the FY16 cap on the Revolving Fuel Fund was being increased to \$5.5 million noting this increase could have a negative impact on the Operating Budget. After discussing with Mr. Turbitt, Mr. Rafter would prefer to see the cap remain at \$5.3. Mr. Rafter noted lowering the cap requires Annual Town Meeting approval, and raising the cap requires approval from Board of Selectmen and FinCom. Mr. Rafter recommended the average number of fuel sold over the last 12 months should be reviewed to give an indication of what might be the best recommendation.

After further discussion, Mr. Gasbarro made a **Motion** to approve the proposed FY 2016 Budget with an adjustment of the PFC Revenue down to \$647,000 as explained by Mr. Rafter, to move the \$135,000 from the Transfer of General Fund line item to the Contingency Reserve Expense or another dedicated account, and to clarify the Revolving Fund Cap amount. **Second** by Ms. Planzer and **Passed** unanimously.

011315-2 Draft FY14 Audited Financials

Mr. Rafter presented the draft of the FY14 Audited Financial Reports noting a decrease to Net Position by \$1M from FY13.

022613-2 Master Plan and Sustainability Program Update

Mr. Rafter reported the Advisory Committee met on Thursday, December 18, 2014 and shared the voting results matrix for projects ranging from 0 to 5, 6 to 10 and 11 to 20 years out. Projects will need to be prioritized to determine goals and objectives.

A meeting is scheduled for Wednesday, January 14, 2015 with Jacobs Engineering to begin the financial feasibility portion of the Master Plan and review first draft of the Airport Layout Plan (ALP). Information will be sent out to the Commission for review. The two documents the FAA must approve are the Aviation Forecast and the Airport Layout Plan (ALP).

During discussion Mr. Gasbarro recalled the Coastal Management Initiative was reduced to \$10K and suggested the Fly Friendly Mitigation Measures at \$25K was too high as well. Mr. Rafter concurred and will instruct Jacobs to edit.

012213-1 Carbon Neutral Program Update

Mr. Rafter reported there are concerns over mitigation requirements necessary for the solar portion of the program. Mr. Karberg, Environmental Coordinator, was meeting with the Nantucket Land Bank along with Honeywell's sub-consultant VHB, to see if the Land Bank would be amenable to land mitigation. Cost for mitigation needs to be considered even with a favorable outcome.

011315-1 Air Traffic Control Tower (ATCT) Modernization Project Update

Mr. Rafter reported the procurement has been temporarily cancelled due to FAA concerns regarding the scheduling, permitting, and the duration of the mobile tower on the commercial ramp. The filed sub-bids were returned unopened to the bidders. The project will be re-bid with a construction start date of October.

Mr. Rafter is working with Brian Turbitt to determine if a separate Article at Town Meeting will be needed or if an additional \$825,000 can be appropriated through an existing Article.

Manager's Report

Other Project Updates – Mr. Rafter reported:

- **GA/Admin Building Update** – Funding balance is being finalized in order to draft a letter to the Surety to expedite the final pay requisition and project close-out.
- **Brush Cutting** of 36 acres, in lieu of a controlled burn, is complete.

- **Airport Rescue and Fire Fighting (ARFF) Building** - The floor resurfacing project is to begin soon; and there are issues with heating, a foam tank leak, and a broken air compressor.
- **Security Project** – The installation of the commercial ramp light pole is about 2 weeks out.
- **Website** – The transition to the new website should be accomplished by mid-February.

RFP/RFQ Update - Mr. Rafter reported:

- Sun Island Road parcels preliminary review indicates there are 4½ to 5 acres available. Mr. Rafter will speak with Planning and Land Use Service (PLUS) regarding language that will need to be used in terms of permitting that will be required.
- Aircraft tug bid documents are in process.

Operations – Mr. Rafter reported:

- Letters have been sent to Massachusetts Legislators encouraging them to support the Passenger Facility Charges (PFC) changes and the Airport Improvement Plan (AIP) authorization.
- Airport related Warrant Articles for the Annual Town Meeting include the standard financial articles, Air Traffic Control Tower, Carbon Neutral, Fuel Revolver, Union Agreement, long term lease authorization for the Airport Gas parcel, zoning, pending real estate transaction and some Citizen Articles.
- Consultant, Don Jacobs has sent surveys to other Airports requesting information on classifying their job descriptions.
- Airport Certification Inspection – Part 139 is scheduled for June 10-12, 2015.
- There was a leak in the terminal Fire Suppression System due to the freeze and is being repaired.
- Internal Rates and Charges Workshop on Friday, January 16, 2015, 12:00-3:00pm.

Request for Travel – Mr. Rafter asked permission to attend two upcoming conferences:

- Routes America – Denver, CO - February 1-3, 2015
- American Association of Airport Executive (AAAE) annual conference - Philadelphia, June 7-10, 2015.

Mr. Bouscaren made a **Motion** to approve travel for Mr. Rafter. **Second** by Ms. Planzer and **Passed** unanimously.

Hiring Report – Mr. Rafter announced John Davis has retired after 22 years of service leaving a custodial position available.

November Statistics

- Operations are down 16.68% over 11/2013. Year-to-date down 7.30%.
- Enplanements are down 13.31% over 11/2013. Year-to-date down 2.94%.
- Jet A Gallons sold are down 10% over 11/2013. Year-to-date up 1.14%.
- AvGas Gallons sold is up 20% over 11/2013. Year-to-date down 6.26%.
- Freight is down 13% over 11/2013. Year-to-date down 1.48%.
- Noise Complaints filed was 3.

December Statistics

- Operations are down 2.54% over 12/2013. Year-to-date down 6.84%.
- Enplanements are down 5.07% over 12/2013. Year-to-date down 3.08%.
- Jet A Gallons sold are down 15% over 12/2013. Year-to-date up .59%.

- AvGas Gallons sold are down 6% over 12/2013. Year-to-date down 6.25%.
- Freight is down 12% over 12/2013. Year-to-date down 2.86%.
- Noise Complaints filed was 4.

Sub-Committee Reports

Mr. Drake reported Long Range Plans Sub-Committee met on Wednesday, December 17, 2014 to discuss the upcoming Master Plan Advisory Group.

Commissioners Comments

Ms. Topham was asked to deliver a letter from the Commission on Disability regarding an incident that occurred at the Airport in October 2014 to a passenger needing a handicap accessible taxi.

This reminded Mr. Rafter to report that the Airport Ambassador Program has been removed from the Visitor Services Budget by the Board of Selectman.

After some discussion the date of February 24, 2014 will be the next Commission meeting.

Public Comment

None

Having no further business for Open Session, Mr. Gasbarro made a **Motion** to adjourn into Executive Session, under G.L.c.30A, §21, to review the Executive Session minutes as enumerated on the agenda; and under Clause 3, to conduct strategy session with respect to collective bargaining where if held in Open Session, may have a detrimental effect on the bargaining position of the Airport Commission, not to return to Open Session. **Second** by Mr. Bouscaren and **Passed** by the following roll call vote:

Mr. Bouscaren – Aye
 Ms. Topham – Aye
 Ms. Planzer – Aye
 Mr. Gasbarro – Aye
 Mr. Drake – Aye

Meeting adjourned at 6:35 pm.

Respectfully submitted,

Janine M. Torres, Recorder

Master List of Documents Used
 1/13/15 Agenda including Exhibit 1
 11/18/14 Draft Minutes
 11/25/14 Draft Minutes
 12/9/14 Draft Minutes
 12/17/14 Warrant Approval Sheet
 1/7/15 Warrant Approval Sheet
 Aviation Ground Equipment Contract
 O Byrne Painting & Contracting Contract
 Kevin Conrad Heating & Cooling Contract
 Cooper Crouse Hinds Contract

ACE Remedial Investigation Letter dated 12/23/14
 FY2015 2nd Qtr. Airport Enterprise Update w/revision
 Draft Proposal for Payback to GF - Handout
 FY2016 Budget – Revised 1/13/15
 Draft FY2014 Audited Financials
 1.6.15 Email Richardson to Rafter re Master Plan Priority Sheets
 Advisory Group Preference Ratings 0-5 Yrs., 6-10 Yrs., 11-20 Yrs.
 1/9/15 Email from Torres to Commission re ATCT Procurement
 PFC/AIP Letters to Sen. Warren & Rep Keating dated 1/7/15
 Airport Hiring Report dated 1/13/15
 Routes America 2015 Conference Information
 AAAE 87th Annual Conference Information
 11/2014 and 12/014 Statistics - Handout