

Town of Nantucket
NANTUCKET MEMORIAL AIRPORT
14 Airport Road
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Commissioners
Sheila O'Brien Egan, Acting Chair
Carl D. England, Jr.
Arthur D. Gasbarro
David C. Gray, Sr.

AIRPORT COMMISSION MEETING

September 27, 2011

The meeting was called to order at 5:00 PM by Vice Chair Sheila O'Brien Egan with the following Commissioners present: Carl D. England, Jr., Arthur D. Gasbarro and David C. Gray, Sr.

Also present were Al Peterson, Airport Manager, Jeff Marks, Airfield Supervisor, Tina Smith, Finance Director, David Sylvia, Training/Compliance/Noise Coordinator and Janine Torres, Administrative Assistant to the Airport Manager.

Sheila O'Brien Egan introduced herself as acting Chair for this meeting citing the resignation of Foley Vaughan and announced that the Board of Selectman have posted the commission seat opening until October 5th.

Arthur Gasbarro requested the first order of business should be the approval of the Agenda noting its length and felt comfortable with holding off several Agenda items until the next meeting. Mr. Peterson noted several people traveled here for specific agenda items and should have the opportunity to speak. Acting Chair Egan noted the decision be would be made as each agenda item was reached.

Upon a motion to approve the August 31, 2011 regular Minutes, Commissioner Gray requested the following be added to the minutes based on Mr. Peterson's reply that there were no, non-union stipends: "In 2010, 11 non-union employees received \$1,000 each with Mr. Peterson receiving an additional \$1,000." Mr. Peterson noted that wasn't said in the meeting. Commissioner Gray concurred, but would like it added for the record. It was agreed to hold these minutes until the next meeting.

The Commission **M/S/P** approval of the September 15, 2011 Open Session minutes with Acting Chair Egan abstaining; and unanimously approving the August 31, 2011 Executive Session Minutes.

Acting Chair Egan announced there was no October 12th Warrant needing approval.

Acting Chair Egan opened the meeting to public comments announcing she would allow another public comment at the end of the meeting.

Public Comment

Jeanette Topham asked if the Commission was going to discuss the Attorney Generals (AG) meeting as mentioned in the September 15th meeting minutes. Commissioner Gasbarro noted Mr. Vaughan did read a statement but there was nothing further to discuss until the AG submits their full report.

John McGuinn introduced himself as a full-time resident and frequent user of the airport. Noted his astonishment of the terminal project being completed on time and under budget as well as his pleasure in the good service he receives at the airport. Recognizes process issues are important but feels results outweigh the process. He encourages unity among the parties while the final report from the AG office is received.

Paul Patten proposed there should be an investigation into the elimination of the security guards in 2008. Mr. Patten had requested a copy of the agreement with the Union as well as the notice to the affected employees and has not yet received anything. Acting Chair Egan responded he would have the documents by Monday.

David Graham introduced himself as a retired member of the Massachusetts Aeronautics Commission (MAC) which he held several positions for 30 years. In his experience, he has found Nantucket Airport to be one of the best run airports in all of Massachusetts. Mr. Graham alluded to the Economic Study performed by MAC which found Nantucket Airport to be one of the highest ranked economic assets to the State, as well as to the Cape and Nantucket itself. Mr. Graham hopes that the Commission would continue in the same direction.

George Williams, resident, pilot and user and past tenant of the airport, supports the manager for an exceedingly well run airport. Mr. Williams added as a past selectman in his hometown, went through a similar experience where they decided to forego procurement and use a local contractor. They also got into trouble for avoiding the public bidding process, but in the end, were given high praise. The project ended up costing about 50% less and better quality using local people.

Dennis Egan, resident, agrees Mr. Peterson has done a great job, but feels he should be removed from his position for breaking the rules and giving the Town a black eye.

Ted Taylor, resident, sees the situation as a witch hunt and encourages the Commission not to give into the media. Mr. Taylor feels the airport has been managed very well despite the mistakes that may have been made.

Bill Richardson, Plymouth based pilot and airport engineer, acknowledges Mr. Peterson to be one of the best manager's he has worked with for his passionate devotion to the airport and his dedication to detail.

Peggy Silverstein, resident, very knowledgeable about the project under Mr. Peterson's supervision and is thrilled the island has someone with excellent business skills and a passion for the island and aviation running the airport. Ms. Silverstein expressed her disappointment with the media and their distortion of the facts and one sided reporting. Ms. Silverstein feels strongly there is a conflict of interest with a commission member for bad past, personal experiences to which is now using their position as a vehicle for vendetta.

Nancy Boliko, a new resident, described her first experience with the airport was calling the Noise Abatement officer being told the flight tracking system was down with an uncertainty of when it might be back in service. Mr. Peterson explained the system was first taken offline during the old ARFF building move and when we were ready to reconnect, was told by Passur, the company that provides the service, the CPU needed to be upgraded. The equipment has been delivered, however, we have been waiting for a Passur technician to come and install for several months. Weekly phone calls and emails have been unanswered. Payments have been stopped due to their lack of response.

Acting Chair Egan read a statement thanking Foley Vaughan for his 25 years of dedication to the airport and overall admiration of aviation.

Memorandum of Understanding (MOU)

Commissioners Gasbarro and Gray support the document as written. Acting Chair Egan recommends adding a note to item number 8 referencing the FAA's needed approval for indirect costs charged to the airport. Commissioner Gasbarro argued all parties are aware we are governed by the FAA and shouldn't be necessary to amend the document. After brief discussion and agreement the document could be amended in the future the Commission m/s/p adoption of the MOU.

Runway 15/33 Project

Mr. Peterson explained the 15/33 project was in bid in three phases due to the uncertainty of FAA funding. The FAA Grant Offer in the amount of \$4,217,525 covers two phases: Rehabilitate a portion of Runway 24 and Construct Runway 33 extension and End Safety Area. The third phase, Construct Parallel Taxi Way to Runway 33 has not been funded at this time. The project has been in our long term capital plan and environmental permit since 2004.

Mr. Peterson announced Victor Brandon Corp was the low bidder for the first two phases and accepting the grant award will allow Jacobs to move forward with the contract to Victor Brandon.

The Commission unanimously m/s/p acceptance of the FAA Grant and contract award for Phases I and II to Victor Brandon Corp.

Ascent Contract Extension

Mr. Peterson introduced Had Fuller of Ascent Aviation and explained Town Counsel has reviewed the contract extension and has cleared with the Inspector General's office the aviation use exemption from Chapter 30B procurement.

Commissioner Gasbarro suggested holding off until the meeting on the 11th wanting assurance Ascent offers the best deal.

Mr. Fuller addressed his pride in the long relationship between the airport and Ascent over the past 12 to 15 years and having personal ties to the Island, can assure that Ascent offers the best price. Ascent has agreed to carry the airport's FY 2011 balance of a half million dollars without any interruption of present deliveries or service which total close to another half million dollars. Mr. Fuller expressed his concerns over having to reschedule hundreds of boat reservations should the Commission decide to not extend the present contract.

Mr. Giorgio, Town Counsel, reported he did review the proposed extension and recommends a few changes to better protect the Town. Mr. Giorgio recommend holding till the next meeting so he can finalize his comments on the contract and formalize the extension of the past due balance.

Commissioner Gasbarro feels the Commission must provide due diligence and would ask that management provide information for the next meeting. Mr. Peterson interjected two years ago several airports ran out of low lead and several companies have pulled out of the business altogether. Nantucket has never run short of fuel and with Ascent's willingness to extend credit, recommends awarding an extension. Commissioner Gasbarro added the credit comes with a 6% finance charge.

Mr. Fuller added Exxon has just announced they will no longer be selling branded product in the U.S. and Chevron/Texaco announced last year they will no longer sell branded product. This will leave the airport with the option of buying BP, Shell or other foreign company fuel. He assures the Commission that Ascent offers the best program and while understanding the situation, considers the comments to be a slap in the face.

Mr. Giorgio noted the details can be ironed out quickly and the Commission can authorize the Chair to execute the contract subject to Town Counsel's approval. This is a standard practice.

Commissioner England suggests not waiting and awarding Ascent the contract. Commissioners Gray and Gasbarro would like to wait. Acting Chair Egan agreed to wait until the meeting on the 11th.

Information Technology/Environmental Coordinator Position

It was agreed to hold this topic until the next meeting.

Environmental Consultant Contract

Mr. Peterson announced a draft contract has been reviewed and approved as to form by Town Counsel and recommends approving the contract.

Having just been handed a copy of the draft contract, the Commission will hold off until the next meeting.

Travel Reimbursement Policy

Commissioner Gasbarro requests holding off until the next meeting however, Town Finance Director, Irene Larivee is present and cannot attend the next meeting. Ms. Larivee conveyed there is already a Travel Reimbursement Policy in place and covers all Town Departments, including Enterprise Funds and questions why the Airport should be different. Mr. Peterson feels an airport employee should not have to get permission from the Town Manager to travel. The Commission should be able to grant permission for airport employees. It was agreed to hold off until the next meeting.

Commuter Book Policy

Commissioner Gasbarro reported he was satisfied with the new accounting system of keeping track of commuter tickets used.

Commission Signing Authority

Commissioner Gasbarro suggests holding off until a new member is appointed. Mr. Peterson questioned who is to sign in the meantime. Mr. Giorgio interjected any contracts over \$25K should be signed by the Commission and by vote the Commission typically authorizes the Chair to do so. It was agreed to hold off until a new member is appointed. In the meantime, all Commissioners will sign.

Solar Project Status

The Airport's consultant, Robert Patterson, was on hand to update the Commission on the solar RFP performed earlier in the year. After reviewing the technical and price proposal's, the firm of Lanco Solar, appeared to offer the most advantageous proposal. Mr. Patterson shared Lanco's price proposal of building up to a 2 MW in 500 kW increments for a lease term of twenty years. The first ten years of the proposal would sell the electricity back to the airport at zero cents per kWh and the last ten years at 7.75 cents per kWh. The first ten years will save the airport approximately \$300K per year in electricity costs. Mr. Patterson believes if the project were scheduled in the next two to three weeks, it could be finished by June in time for the next fiscal year. Mr. Patterson reviewed Lanco's project team noting the partnering with Vanesse Hangen Brustlin, Inc. (VHB) for project permitting, a company that has worked on many permitting issues on Nantucket.

Mr. Peterson added the permitting process is key to the projects timeline and added the developer is responsible for obtaining the permitting. The meter associated with the airfield lighting is the largest use of electricity so the plan is to include wiring over to the site of the new Air Traffic Control in preparation of the vault being moved across the airfield.

Mr. Peterson acknowledged there are still some technical points to iron out but asked the Commission for indication to proceed. Mr. Patterson added the RFP requires the developer to come up with \$50K of funding for permitting, legal or other technical costs in the hopes of expediting the process.

Audience member, Whitey Willauer, asked about HDC approval, interconnect agreement with NGrid, avian studies and communications with the Energy Commission. Mr. Paterson indicated he has been in touch with the Energy Commission but the remainder of the issues will be the responsibility of the developer.

It was agreed to hold this topic until the next meeting.

Manager's Report on Organizational Memberships

It was agreed to hold this topic until the next meeting.

Commission Workshops

Acting Chair Egan suggested reinstating Commission Workshop meetings for the purpose of reviewing policies, long term goals, discuss regulations and ideas.

After brief discussion it was agreed to add workshop as an agenda item and discuss in public session.

Project Updates

- A. **SW Ramp Extension** – the moth study and plant inventory have been completed. The Tribes have visited and would like to come back once earth begins to be moved.
- B. **ATCT** – The FAA Project Manager has been reassigned and we will be assigned a new project manager from the regional office. Commissioner Gasbarro asked about the evaluation report of the existing tower. Mr. Peterson was told it will come from the new project manager.
- C. **VALE – Ramp Electrification** – The FAA will not fund this project in their FY11. We did however receive DEP approval and will resubmit for funding for only the commercial ramp portion when a new FAA resolution is passed.
- D. **GA Building** – File sub bids were received. The electrical bid will be rejected for the second time. The security, low voltage and tel/data wiring will be removed from the electrical specs and re-bid. The plan is to use a State Contract for these items. The General Contract bids are due on the 29th and the general contractor has been instructed to carry a certain dollar amount for the electrical.

Noise Incentive Award Status

Mr. Peterson indicated we have been continuing to award the 15% discount on landing fees to the air taxis even though the tracking system has been down and looks to the Commission for guidance as to whether to continue to do so. Mr. Peterson added there have been noise complaints and part of the reason is during the busier months the tower was instructing planes to turn prior to reaching the shoreline. Mr. Peterson has spoken with the tower and asked if safety allows, wait longer to call the turn.

Audience member Nancy Boliko spoke in favor of discontinuing the incentives. Audience member John Johnson spoke in favor of continuing the incentives but added the Caravan should not be exempt.

After brief discussion, Mr. Peterson was instructed to write a letter to the airlines reminding them of the importance of noise abatement and thank them for their compliance.

Environmental Report

David Sylvia reported YTD Operations was 83,366, down 18.3% from the base year (1986) and down 5.72% from last year. Operations for the month of August were 16,571 compared to 17,922 last August.

Enplanements totaled 130,873, down 9.56% from the base year and 19.65% from last year. August enplanements were 31,788, down 7.54% from August 2010.

Freight YTD is 1,519,396 lbs, down 28% from the base year and up 19.65% from last year.

Noise Complaints for August were 28 of the 65 YTD, down 78% from base year and up 16% from last year representing 1% of total operations.

Operations Report

Mr. Peterson reported the IFB to replace the perimeter fence vehicle gates has been completed and will be meeting with the low bidder this week. The goal is to standardize our vehicle gates to sliding gates that will have a discreet clicker on the motorized gates enhancing security by allowing us to know who and when the gates are accessed.

Today the airport successfully completed its mandatory triennial emergency drill incorporating, State and local police, Fire, EMS, hospital, FAA and NTSB.

The airport has converted to an automated time clock system and after some bugs were worked out seems to be working well.

Mr. Peterson apologized for the recent procurement issues and its impact on the employee's morale. Mr. Peterson stresses the tone must be brought down and cooperation between all the parties must occur. Any errors made were errors in judgment and not intentional disregard for the law. He notes there have been over \$35 million of good contracts handled through the airport's consultant. He recommends the Airport hire a contract administrator and purchasing agent that will go through the State's Procurement class and work closely with Diane O'Neil. It is strongly felt that communication is vital and best served if this person is located at the airport. Acting Chair Egan suggests this be discussed at the next meeting.

Meeting Schedule and Venue

Acting Chair Egan suggests adopting the schedule as presented and notes the Community Meeting Room as already been reserved for these dates.

Public Comment

Peter Farrell of Cape Air/Nantucket Airlines indicated Ascent has been one of their fuel vendors for several years and offers their recommendation. He also added their cooperation with and support of airport management.

Bruce King asked the status of the forensic report. Town Manager Libby Gibson reported the due date on the RFP responses is within the next three weeks and once started will take several months to complete.

Bruce King added as a 'Sconset resident often in the flight path of departing planes, is not bothered by airplane noise.

Commissioner's Comments

Commissioner Gray asked Peter Farrell for his comments on noise abatement. Mr. Farrell responded Cape Air pilots care about this community and will cooperate to their fullest.

Commissioner Gray asked Mr. Peterson if the parking lot system issues are mostly mechanical or user errors. Mr. Peterson responded both. The new traffic attendant position as well as the replacement of the Building Technician will continue to alleviate the issues.

Commissioner Gray suggested a stop sign is needed for vehicles exiting the parking lot. Mr. Peterson is having merge signs installed.

Acting Chair asked for any additional comments from the audience.

Myles Reis, speaking as a 30 year pilot, feels the noise abatement incentive program must be kept in place as to not undo years of hard work.

Mr. Reis also commented as a past Airport Commissioner noting the airport is the only gateway the Town owns and has undergone vast improvements. Having worked with several commissioners and managers over the years, feels Mr. Peterson has done an excellent job in running the airport.

Whitey Willauer, speaking as a citizen, asked what the process is at the airport for hiring/firing and does the Commission have the final say. Mr. Peterson said under Chapter 90, the airport manager is the executive responsible for hiring and firing of personnel. Mr. Willauer added the Selectman have veto power of the Town Manager's personnel decisions. Mr. Giorgio concurred under Chapter 90 this responsibility is delegated to the airport manager.

It was **m/s/p** by the following vote to enter into executive session, not to reconvene into open session, to conduct strategy session for preparation of contract negotiations for the airport manager, Al Peterson:

Acting Chair Egan – Aye
Commissioner Gray – Aye
Commissioner Gasbarro – Aye
Commissioner England – Aye

Meeting adjourned 6:39 PM

Respectfully submitted,

Janine M. Torres, Recorder

Master Documents Used
Agenda
August 31, 2011 Minutes
September 15, 2011 Minutes
August 31, 2011 Executive Session Minutes
Memorandum of Understanding among BOS, Town Manager, Airport Commission
FAA Grant Offer RW 15/33 Project, Phase I and II
Jacobs Recommendation Letter re Bid Award RW 15/33 Project Phase I and II
Ascent Aviation Group Fuel Supply Contract Extension Request
Page 1 - January 10, 2005 Commission Minutes
Draft Contract with Margaret R. Fantozzi
Town of Nantucket Travel Reimbursement Policy
Draft Letter of Authorization for Commission Singing Authority
Lanco Solar RFP Price Proposal
W. Robert Patterson & Associates PV Solar Project (Handout)
Lanco Solar Letter dtd 9/27/11 (Handout)
Manager's Report on Organizational Memberships
Environmental Report (Power Point)
Proposed Meeting Schedule
Executive Session Agenda
Al Peterson's Contract dtd 7/1/2010