

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 11, 2013

The meeting was called to order at 5:30 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 1st Floor meeting room at the Public Safety Facility, 4 Fairgrounds Rd.

Airport employees present were Thomas M. Rafter, Airport Manager, Noah Karberg, Environmental Coordinator, Ashley Christ, Business Manager and Janine Torres, Office Manager.

Mr. Drake announced the meeting was being recorded.

The Commission **M/S/P** Unanimously approval of the Agenda.

The Commission **M/S/P** Unanimously approval of the 5/28/13 Minutes.

The Commission **M/S/P** Unanimously approval of the 6/7/13 Minutes noting a correction to the date was required.

The Commission **M/S/P** Unanimously to ratify the Warrant of 6/5/13.

Public Comment

None.

Pending Leases and Contracts

Mr. Rafter presented two (2) Leases and three (3) contracts for approval:

- **United Airlines, Inc.** – A seasonal airline Lease, \$14,920 in rental income, \$1,500 Business Fee plus Landing Fees.
- **Tradewind Aviation.** – An Operating Agreement for FBO Facility Use, minimum \$6,000 in Building Use Fees, \$1,500 Business Fee plus Landing Fees. Mr. Rafter added there are possibilities of more FBO facility use agreements.
- **Jacobs Engineering Group Inc.** – Professional Services Contract for Design and Construction Services for Taxiway Delta project, \$136,711.

- **Burke & Lamb, PC** – Contract for CPA Services, \$15,000.00. Expiring 6/30/2014. Mr. Rafter commented CPA services are needed to assist in preparing for the audit as well as assist in preparing required FAA reports.
- **Franklin Paint Company** – Paint eradication supplies. \$1,059.90, Expiring 6/30/2013.

The Commission M/S/P Unanimously to approve the leases and contracts presented on Exhibit 1.

Pending Matters

120412-3 Existing Bunker Lease Review – Mr. Rafter reported the Amendment for the Atlantic Aeolus Lease is still pending; the survey work to stake several lots has begun and the environmental assessment are complete.

021213-2 Supplemental Agreement to the Other Transactional Agreement (OTA) – ATCT

Mr. Rafter reported FAA Regional Administrator, Mary Walsh briefed the Commission at the June 11, 2013 meeting that their final report on the control tower structure should arrive by the end of June. Receiving this news postponed Mr. Rafter’s intent to draft a letter to the FAA recommending abandoning the idea of raising the tower and focus on rehabbing the existing structure only.

061113-1 Bunker Area Environmental Permit Review – Mr. Rafter shared a letter sent to Mass Natural Heritage to notify them of recent and future land clearing needs in the Bunker Area. A response has not yet been received.

042312-3 FY2013 Budget Update – Mr. Rafter reviewed the FY 2013 update as of May 31, 2013. Budget surplus prior to Debt Service is \$735K; and budget deficit after Debt Service is \$163K. Mr. Rafter pointed out these figures includes the fuel revolver actual revenue (\$6,145M) and expense (\$4,337M). Mr. Rafter reported discussions are taking place with the Finance Department (FD) regarding the use of the excess funds in the fuel revolver, not only for the \$572K in excess revenue, but the \$1,236M of unspent expenses. The FD has reported we can only use the excess revenue. The FD has been asked to clarify with the Dept. of Revenue (DOR): 1) if the Airport can use the unspent expenses towards the Operating Budget deficit, and/or 2) can the Airport apply other fuel expenses such as truck leasing costs to the revolver.

Brief discussion took place involving the purpose of and future need of the fuel revolver.

It was also noted the most recent borrowing cycle has yet to be completed which is why there are no Issuance Costs or Bonds Cost in the Debt Service Actual column.

Mr. Rafter announced his next scheduled presentation to the Board of Selectman is July 24, 2013.

GA/Administration Building Project Update

Mr. Rafter reported National Grid has indicated the week of June 24th for the transformer replacement.

Mr. Rafter reported Town Counsel is in receipt of a letter from Surety’s Attorney indicating their interpretation of liquidated damages and expressing concerns over schedule delays due to unresolved issues. A conference call is scheduled with Town Counsel to draft a response.

A meeting took place with Signet and Brite Lite regarding data connections not included in the original scope. Brite Lite will be submitting a change order for Signet’s price on the work.

Mr. Rafter reported the site plan has not yet been updated with the grading plan provided by Nantucket Surveyors. Jacobs has been given the grading plan and will incorporate it into the site plan.

Mr. Gasbarro pointed out the Owner's Project Manager's (OPM) "Comments and Concerns" noted in their May Construction Summary Report and questioned if and how they were being addressed. Mr. Rafter will follow up.

Mr. Gasbarro asked if the OPM was providing their take on a project schedule. Mr. Rafter noted not until we know a firm date on the permanent power installation.

022613-2 Master Plan Update

Mr. Rafter reported Jacobs will be delivering the Grant Applications and Jacobs's contracts on June 13th.

Mr. Drake added Mary Walsh expressed her satisfaction with the negotiations with Jacobs on their fee proposal.

Manager's Report

Mr. Rafter reported the following:

Projects Update

- A meeting is taking place in Boston on Friday, June 14th with MassDOT and Volpe to discuss the approach to the Carbon Neutral Project. Mr. Rafter, Mr. Karberg and George Aronson, the Town's Energy Consultant, will be attending.
- The runway painting project sponsored by MassDOT is complete, however, two issues arose:
 - The design of the Runway 33 extension by Jacobs incorrectly had 18 inch wide runway edge lines as opposed to the required 36 inch wide lines. Jacobs offered an immediate solution which fell through when the contractor shipped their equipment off-island. Therefore it will be corrected as part of the Taxiway Delta Project. Jacobs is expected to incur the cost.
 - The quality of the work by the State contractor in relation to the glass bead distribution appears inadequate during night time operations. MassDOT has been notified and is planning a night time inspection.
- The Taxiway Delta Grant Applications have been submitted.
- PFC Consultant, McFarland-Johnson, has submitted a memo depicting different PFC scenarios, at several collection and payback levels ranging from \$2.00 to \$4.50. Mr. Rafter will be making a recommendation on which level Nantucket should apply for in the PFC Application to the FAA. The need for a Special Commission Meeting may be necessary to keep the PFC application process on schedule. Mr. Gasbarro made note of the enplanements reported by Reliant Air on a FAA report included in McFarland-Johnson's memo. Mr. Rafter made note Reliant is categorized as an unscheduled carrier despite other documents to the contrary. Mr. Rafter will seek clarification from FAA Flight Standards on Reliant's operating certificate.

RFP/Bid Status

- The RFP for IT Services has been advertised with proposals due on July 2, 2013.

Operations Update

- The Part 139 Certification Inspection took place June 5th through 7th. Mr. Rafter noted it was one of the more intense and thorough inspections he has witnessed. The Operations and Maintenance staff did an excellent job in preparing for and performing during the inspection. There were three areas that will be noted as discrepancies:

- Ruts deeper than 3 inches were found in the dirt within the safety area. This was corrected within 12 hours and noted by the Inspector
- Review of the training records found 2 Maintenance personnel training for snow and ice removal had lapsed by one month.
- Review of the fuel truck records indicated a fuel truck was taken out of service due to a deteriorating fuel hose and put back in service without the necessary repairs having been done. This truck had already been replaced earlier in the year.
- Ocean Wings has submitted a special event application in conjunction with Nantucket Community Sailing to hold a fundraising event on July 20th in their hangar with static display of one airplane on the ramp. The event was approved pending approved required Town of Nantucket (TON) permits. There is a Public Hearing scheduled as part of their (TON) Public Assembly Permit requirement. The TON is also putting together an internal workgroup to review the plans of this function due to the anticipated size of the event for which 275 people are expected. Discussion regarding compliance by the tenants and users prompted the need to review the Airport Rules & Regulations.
- Two meetings occurred with Island Airlines:
 - Mr. Rafter met with Tom Cunningham to discuss developing a fuel purchase incentive. Island Airlines is changing their entire fleet to five Caravans by the fall. This will reduce the number of flights due to the larger payload capacity.
 - Mr. Karberg met with Carl Vogel, Chief Pilot to review noise abatement and routes used by the Caravan. Mr. Karberg noted in reviewing past Commission Minutes, an exemption from the noise abatement routes has existed for the Caravan since 2009. Mr. Karberg presented Mr. Vogel's position on the Caravan's benefit over the 402 in regards to a lower decibel level and higher payload resulting in fewer flights pointing out the early morning newspaper flights, a high noise complaint flight, has already been eliminated. Mr. Karberg suggested a comprehensive review of the incentive program is needed. After brief discussion, it was decided the Commission would review in detail the noise abatement program the first meeting in August. In the meantime, the policy set at the May 28, 2013 Commission Meeting of no exemption for single engine commercial operators would stay in place.

Sub-Committee Reports

None.

Commissioner's Comments

Ms. Topham announced her intent to file a disclosure with the Town Clerk due to her grandson being hired as a seasonal Airport employee.

Ms. Topham shared a concern over the taxi drop off area in front of the terminal. Mr. Rafter indicated Maintenance intends to paint the pavement this area. Mr. Drake interjected he has concerns and would like to review before implemented.

Ms. Topham commented on the high remarks given by the FAA inspector on the staff. Mr. Gray and Mr. Drake remarked the same.

Mr. Gasbarro asked about the dispute between the restaurant and gift shop. Mr. Rafter had hoped they could work it out amongst themselves; but unfortunately they didn't and may have to involve legal counsel.

Mr. Gasbarro asked about HVAC in the restaurant. Mr. Rafter reported the contractor will be replacing the two thermostats which may or may not have been part of the problem. Mr. Rafter added the restaurant needs to keep outside doors closed.

Mr. Drake announced Mr. Raichlen has submitted his resignation from the Commission effective June 26, 2013 citing personal reasons. Mr. Drake believes the BOS will appoint his replacement from the current list of candidates scheduled to be appointed at the June 26th BOS meeting.

Mr. Drake warned the June 25th meeting may be long due to several topics scheduled to be discussed: PFC's, Mr. Rafter's evaluation and FY14 non-union compensation.

Mr. Drake announced Windmill Auto is scheduled for the zoning violation hearing Thursday, June 13th. Mr. Drake will plan on attending due to a conflict in Mr. Rafter's schedule.

Mr. Drake announced the MOU with the Town will be scheduled for discussion the first meeting in July.

Public Comment

None.

Having no other business, the Commission **M/S/P** Unanimously to adjourn at 6:41 PM.

Respectfully submitted,

Janine M. Torres, Recorder

Master List of Documents

June 11, 2013 Agenda including Exhibit 1

May 28, 2013 Draft Minutes

June 7, 2013 Draft Minutes

United Airlines 2013 Lease

Tradewind Aviation 2013 Operating Agreement

Jacobs Engineering Professional Services Agreement (Taxiway D Project)

Burke & Lamb PC Contract

Franklin Paint Contract

Karberg Letter to Mass Natural Heritage dtd 5.31.13

ACG April, 2013 Construction Report

ACG May, 2014 Construction Report

FY3013 Budget Update dtd a/o 5/31/13

McFarland-Johnson PFC Memo dtd 6/4/13