

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

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Commissioners
Arthur D. Gasbarro, Chairman
Andrea N. Planzer, Vice Chair
Anthony G. Bouscaren
Jeanette D. Topham
Philip Marks III

AIRPORT COMMISSION MEETING
March 14, 2023

The meeting was called to order at 5:00 pm by Chairman Arthur Gasbarro with the following Commissioners present: Jeanette Topham and Philip Marks III.

This meeting was conducted remotely by video conference via Zoom app and posted after the meeting on the Town of Nantucket YouTube Channel.

Airport employees present were: Noah Karberg, Airport Manager, Preston Harimon, Assistant Airport Manager, Boyana Stoykova-Nelson, Office Manager, and Jamie Sandsbury, Business and Finance Manager.

Also present: Philip Cox, CHA Companies, and Joseph Sullivan, CHA Companies.

Mr. Gasbarro read the Town's virtual meeting statement.

Mr. Gasbarro announced the meeting was being audio and video recorded.

Mr. Gasbarro asked for comments on the Agenda; hearing none, the Agenda was adopted.

Mr. Gasbarro asked for comments and concerns on the 02/14/23 Draft minutes; hearing none, the 02/14/23 Draft Minutes were adopted by unanimous consent.

Ms. Topham made a **Motion** to ratify the 02/22/23 and 03/08/23 Warrants. **Second** by Mr. Marks and **Passed** by the following roll call vote:

Ms. Topham - Aye
Mr. Gasbarro - Aye
Mr. Marks - Aye

Public Comment

None.

021423-02 Lawrence Lynch Corporation Taxiway Echo Price Adjustment Request.

Mr. Karberg drafted and submitted a letter to the FAA requesting a review of the previous eligibility determination and consider the phase change and related repayment requests as a change order. Mr. Karberg has not heard back but will continue to track.

031423-01 Crew Quarters: Invited comments from Nobadeer Farm Meeting House Association.

Mr. Gasbarro acknowledged the receipt of the several letters of concern from the Nobadeer Farm Meeting Association and residents. Mr. Gasbarro explained that all comments will be taken under advisement.

Mr. Karberg reiterated that the airport has received six (6) or seven (7) letters regarding the Crew Quarters Plans from leadership and residents of the Nobadeer Farm Meeting House Association. The Airport has invited Mr. Geoffrey Keeler, Association President, to the meeting to address the Commission with his concerns.

Mr. Gasbarro open the floor for public comments.

Mr. Michael Freedman, homeowner of Park Circle, expressed concerns regarding the density of the project, the location, and the buffer area. Mr. Freedman echoed comments made in Mr. Geoffrey Keeler's letter and asked for the project to be pushed farther north away from Park Circle to help reduce the amount of traffic and congestion that will be introduced to the area. Mr. Freedman asked how far along the plans are and when the starting day would be.

Ms. Katy Perales, homeowner of Park circle, commented that her family has strong concerns about the location and suggested to the Airport Commission to consider amending the location of the dormitory, keeping the trees as a visual and sound buffer between Park Circle and the dormitory, and to keep the bike paths in place. Ms. Perales requested a timeline of the project and to be included in future communication.

Ms. Janine McMullen, resident of Park Circle, agreed with the other residents' comments and added that the main concern is the foot and bicycle traffic in that area, because the bike path is highly populated and used during the summer months. Ms. McMullen asked the commission whether there has been contact made with the Nantucket New School and Strong Wings Adventure School.

Mr. Gasbarro responded that he was not aware of any conversations with the New School and Strong Wings Adventure School and added that the airport hasn't reached that point of the project yet.

Mr. Cox, CHA Companies, the Owner's Project Manager (OPM) for the airport, added that the project is in a very early stage of the planning process. Mr. Cox explained that the airport would like to take input from the residents and will keep in mind the concerns as the airport goes through the planning process.

Mr. Gasbarro assured residents that this is a long-term project, and the airport wants to be a good neighbor. Mr. Gasbarro added that the Commission welcomes residents' input and that this is the planning process, and nothing is set in stone. Mr. Gasbarro explained that the Commission will communicate with the President of the Nobadeer Farm Meeting House Association and all residents will get updates and information on the project.

Mr. Gasbarro reiterated that the location is not final and recommends taking the comments into consideration. Mr. Gasbarro believes that there is a significant buffer zone

to where the dorm is being proposed. Mr. Gasbarro clarified that this is not the location that he supports, but the proposed building is certainly not right next to the property line. Mr. Gasbarro recommended that the consultants review the plans, take the comments into consideration, and propose alternatives for April's meeting.

Ms. Janine McMullen asked if this is the only location that the airport can build this project.

Mr. Gasbarro answered that this location is the only one that has been approved by the FAA to construct the housing on.

Mr. Karberg made a clarification that the figure that was referenced in Mr. Keeler's letter does not reflect the immediate building envelope available to the Airport or the Commission's intent on the project. The figure cited in Mr. Keeler's letter was developed at the Capital Committee's request, after the Capital Committee asked the airport to show the potential full buildout of the parcel in December of 2022. Mr. Karberg explained that the airport was not permitted, and this is not what the airport could build in the next five (5) years.

Mr. Karberg shared the figure as scoped in the airport's Federal and State environmental permitting. The airport permitted two immediate building envelopes, and the limits of disturbance as shown. Mr. Karberg believes that is reasonable to ask to "flip" the two structures but only within the extent of the permitting figure, not a hypothetical full buildout. Moving outside of the limit of disturbance will likely delay this project.

Mr. Gasbarro suggested working with the OPM and engineer to configure the proposed building and site plan that is responsive to the residents' concerns. Mr. Gasbarro hopes that the airport can move forward with the project in a positive and mutually beneficial way. The airport desperately needs housing to run the operations for the benefit of the community.

Pending Leases/Contracts – Mr. Karberg presented Exhibit 1 for approval of the following loan agreement and lease agreements and recused himself from presenting Exhibit 2 based on potential conflict of interest.

- **Nantucket Historical Association** -Loan agreement for Temporary Custody of the Provincetown-Boston Airlines Plane model DC-3 hanging in the non-secure departure area of the Terminal.
- **American Airlines, Inc.** – Lease Agreement in the amount of \$ 5,023.20 for Storage of Airline Equipment on Bunker Road. Two-year agreement with two 1-year options to extend. Lease commencement date is 10/01/2023.
- **American Airlines, Inc.** – Non-signatory airline lease agreement in the amount of \$31,632 plus \$1,500 Annual Business Fee, plus landing, ramp, baggage, and Remain Overnight fees. Expires 03/31/24.
- **JetBlue Airways Corporation** – Non-signatory airline lease agreement in the amount of \$78,869 plus \$1,500 Annual Business Fee, plus landing, ramp, baggage, and Remain Overnight fees. Expires 03/31/24.

Mr. Marks made a **Motion** to approve the loan agreement and the lease agreements as set forth on Exhibit 1. **Second** by Ms. Topham and **Passed** by the following roll call vote-

Ms. Topham- Aye
Mr. Marks -Aye
Mr. Gasbarro- Aye

Pending Leases/Contracts – Mr. Harimon presented Exhibit 2 for approval the following lease amendment:

→ **Nantucket Marine Inc.** – Lease Amendment in the amount of \$1,241 to adjust land lease by 1,420 square feet. The As-built survey incorporated into the lease as part of Exhibit A. New Base rent is \$38,267 adjusted annually.

Ms. Topham made a **Motion** to approve the lease amendment as set forth on Exhibit 2. **Second** by Mr. Marks and **Passed** by the following roll call vote-

Ms. Topham- Aye
Mr. Marks -Aye
Mr. Gasbarro- Aye

Pending Matters – Mr. Karberg reported on:

091019-01 Capital Approval Process/Home Rule Petition- The airport will need to wait until after the current Annual Town Meeting (ATM) cycle.

071420-03 Per- a Polyfluoroalkyl Substances (PFAS) Investigation Update- Mr. Karberg gave an update on the PFAS Investigation Status Table. All data and reports are available via website, www.ack-pfas.com.

Mr. Karberg reported that the airport is still holding 540 samples taken from 80 individual wells. Activity table report update in packet.

The Task Order/Phase2 Status: Mr. Karberg reviewed the Task Order MJ-PN-11, Amendment 2. Status items are the same as last month. Work is ongoing with the Downgradient Property Status and Potentially Productive Aquifer Exclusion. Draft documents for an internal review are expected in late March of 2023.

Task Order MJ-PN-11, Amendment 3, Status:

Immediate Response Actions (IRA) Status Report #13: The results are uploaded to www.ack-pfas.com website, and Weston Solutions is confirmed for attendance in April's meeting to review the IRA update and Spring sampling protocol. Mr. Karberg reviewed the two specific technical items that are appropriate for the consultant's update: Figure 4 on page 39 Bunker source information and Figure 6 on page 43 - Shallow soil samples exceeding the S1 results and step out sampling will be required by Massachusetts Department of Environmental Protection (MassDEP) and discussed in April's meeting. The above-mentioned figures can be found on the www.ack-pfas.com website under Study Documents heading.

Madequesham Valley Road (MVR) Resident. The airport has received an estimate for connecting MVR resident to the town's water main in the amount of \$18,000. The airport staff is working to contract and procure that work.

Airport Gas Stormwater. The airport has received the As-builts for the stormwater project.

Miscellaneous- On 03/14/2023 the Environmental Protection Agency (EPA) issued a request for comment for new PFAS drinking water standards as low as four (4) parts per trillion for PFOA and PFOS. It's unknown what these standards will mean immediately for Nantucket Airport's investigation. At an industry level, it may increase the role of airports, but it could also lead to more joint remediation and other third-party sources are captured.

Mr. Marks asked if the airport could ask the consultants before April's meeting for any information with respect to the waterflows to the south and if there are any signs that the PFAS is diminishing.

Mr. Karberg responded that the consultant will be ready to address that question.

Finance – Mr. Karberg reported on:

- a. **031423-03** Final Financial Statement Audit FY2022-*pending*
- b. **031423-04** Final Passenger Facility Charge Audit FY2022-*pending*
- c. **031423-05** Budget Transfers

Mr. Karberg explained that the Massachusetts Department of Revenue was delayed in certifying Retained Earnings, which delayed the airport Finance team's ability to make informed decisions regarding budget transfers. The Budget Transfer information is included in the packet as a handout.

Retained earnings are Enterprise Fund's certified net assets available for appropriation. The airport retained earnings for Fiscal 2022 are approximately \$8.3 million. The Airport has not taken any projects to long-term borrowing in seven (7) years, and Mr. Karberg believes this is the appropriate strategy given the airport's financial opportunities again this year. Ms. Sandsbury has developed the following recommendations, which Mr. Karberg has reviewed and offered to the Commission for recommendation. I can speak to any single item in more detail, but in brief:

- ➔ Transfer approximately \$7 million of the available \$8.3 million to pay off projects instead of taking long-term borrowing.
- ➔ Reappropriate \$924,000 of unused borrowing authority into employee housing.
- ➔ Transfer \$2 million from Retained Earnings to Operating account. This includes:
- ➔ A very conservative \$1.5 million to cover costs due to inflation and outsourcing work due to low staffing.
- ➔ \$500,000 to hold for additional transfer to town repayment for a total of \$819,000 against balance as follows:
 - Regular payment of \$235k, plus
 - Payment in kind for materials of \$84k
 - \$500k additional principal.

- Payments to cover sponsor, ineligible or not-yet-reimbursed Capital project costs, as well as anticipated sponsor project costs.

Mr. Marks made a **Motion** to approve the Budget Transfers as proposed. **Second** by Ms. Topham and **Passed** by the following roll call vote-

Ms. Topham- Aye
 Mr. Marks -Aye
 Mr. Gasbarro- Aye

021423-08 Discuss in Person, Hybrid and Remote Meeting Alternatives

Mr. Gasbarro deferred the discussion to April's Commission meeting.

Manager's Report- Mr. Karberg reported on:

Project Updates – AIP

- ➔ **Taxiway Echo (TW E)**- The work has begun on drainage improvements to TW/E. Anticipating the work to be completed in two weeks.
- ➔ **Taxiway Golf (TW G)**. The airport issued a Notice to proceed (NTP) for 03/13/23. The week of 03/13/23 will perform the botanical survey, staking and erosion control installation. The week of 03/20/23 will begin pavement removal, excavation, and drainage installation.
- ➔ Mr. Karberg noted that the two large and active projects coincided on alternate ends of the airfield. Both projects involve a lot of oversight and coordination. Mr. Karberg recognized the staff for accomplishing the coordination.
- ➔ **Airport Master Plan Update**. The aerial survey is delayed.
- ➔ **Geometry Study** – The consultants are addressing comments received on the inventory chapter.
- ➔ **HVAC**- The contractors were unable to mobilize to the airport as planned and the next visit has been rescheduled.
- ➔ **Southwest Ramp Expansion**. – The Last item of informal scoping completed. The airport is waiting to receive the scope and fee proposal.
- ➔ **Runway 6/24**. – This project is anticipated for the calendar year 2026. The magnitude of the project will likely require the airport to obtain an Owner's Project Manager (OPM) under state procurement laws. If that is the case, the airport will need to work to issue a Request for Qualification (RFQ) for OPM in the fall of 2023.
- ➔ **Terminal Optimization**. The Airport recently received interpretation that the Terminal Optimization project may not be included in the current on-call RFQ solicitation. The airport may face a delay of three (3) months in design while the RFQ is re-advertised. Mr. Karberg doesn't believe that the delay is impactful for potential grant timing, and the airport has the benefit of the OPM already being onboard and available to assist with that process.
- ➔ **ARFF Truck – index change**. -Mr. Karberg sent the letter to FAA.

- **South Shore Fence.** This project was originally part of the project list awarded to Stantec in 2020 and will be re-awarded following the consultant selection currently underway.

Project Updates – Non-AIP

- **Crew Quarters.** The airport received a scope of work and fee proposal from McFarland-Johnson Inc. and are currently negotiating via the OPM. The OPM has raised the question if the Commission would consider a special meeting prior to April to keep the project on track for fall construction.
- **Airport Gas Stormwater Improvements.** As-builts were received and the Tenant Alteration Application is closed.
- **Town of Nantucket Surfside Area Water and Transportation Group** – The airport continues to coordinate meetings and share project updates between Town and Airport projects.

RFP/Bid Status

- **Request for Proposals (RFP) to Lease 60 & 66 Bunker Road Parcels-** The award letters sent to Nantucket Oasis and Toscana.
- **Request for Qualifications (RFQ) for Planning and Engineering Services-** The airport received one (1) proposal for planning from McFarland-Johnson Inc., and two (2) proposals for engineering from McFarland-Johnson Inc. and Burns McDonnell. The proposals are under internal review and will continue with the evaluation process.
- **Invitation for Bids (IFB) for ARFF Truck Maintenance-** Available to the public on 3/23/23 and bids are due on 04/06/23.
- **RFQ for Terminal Optimization.** A meeting is scheduled for 03/15/23 to review the process for drafting and releasing the documents.
- **RFP for lots of J and K-** The airport is in the process of completing the environmental permitting of the lots. The target date for release of the RFP is the summer of 2023.
- **General OPM/On call-** Mr. Karberg is recommending the airport to issue an RFQ for “OPM services”. When required by state law on AIP projects, the OPM costs may be AIP eligible. The OPM services are also helpful on large and complicated projects. There is expertise on structuring the RFQ that Mr. Karberg will discuss with the Town, but the envision is a combination of assigning project-by project basis, with additional time-and-materials costs for assisting with drafting scopes of services.

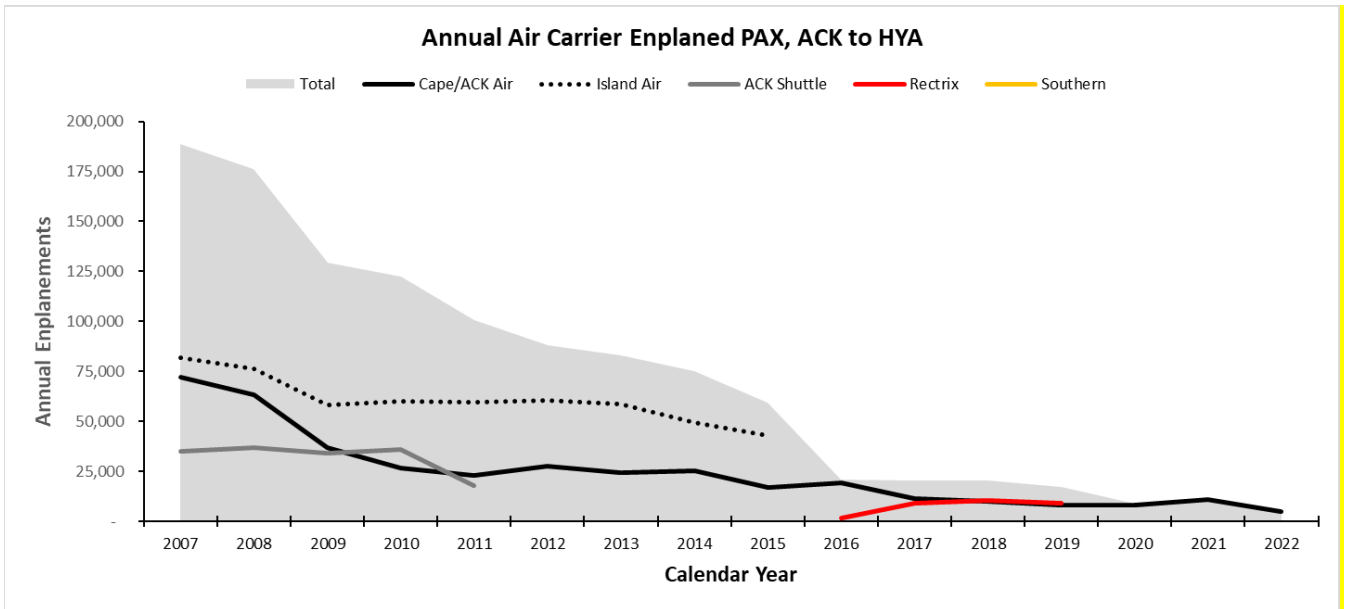
Operations Update

- Delta Kiosk replacement in the Terminal is complete.
- The airport notified safety partners that Gate 31 will temporarily replace Gate 15 for mutual aid mustering point.
- The airport’s staff performed a mock FAA inspections week to review airfield conditions and recordkeeping.

- ➔ ARFF and Wildlife recurring trainings are coming up this month.
- ➔ Ground Service Equipment (GSE) for Delta Airlines will arrive at the Daisy Way lot in early April of 2023.
- ➔ The airport is reviewing the Memorandum of Understanding (MOU) with TSA on Checked Baggage Inspection System (CBIS) remediation project. The project involves improvements to the bag belt to facilitate TSA screening and sorting operations, and the airport would own and maintain bag belt equipment.
- ➔ The airport received the draft Transportation Network Company (TNC) and Turo agreements from the airport’s counsel. The agreement is under internal review and will be presented in April/May of 2023 to the Commission.
- ➔ A preliminary meeting will be held with the Town of Nantucket to review potential impound lot in the Bunker Road area.
- ➔ Air Service Update
 - ➔ Southern Airways will not return for the 2023 season.
 - ➔ Large Air Carrier – The airport advised the carrier that accommodating a 737-700 was a difficult proposition for Nantucket Airport at this late hour in the season. The airport will be revisited in the fall of 2023.

Statistics – Mr. Karberg reviewed the January 2023 Statistics:

- ➔ Operations are up 12 % from January 2022 and down 10.68% FYTD.
- ➔ Enplanements are down 10.80% from January 2022 and are up 2.54% FYTD.
- ➔ Jet A Gallons are down 8 % from January 2022 and are down 0.82% FYTD.
- ➔ Jet A Gallons are down 10.16 % from February 2022.
- ➔ AvGas Gallons are up 34% from January 2022.
- ➔ AvGas Gallons are down 11% from February 2022.
- ➔ Freight is up 6.43% from January 2022.
- ➔ 0 Noise complaints were filed for January 2023 as expected.



Mr. Karberg reviewed the graphic included in the packet. The ACK-HYA market has been in free fall since 2007, which is as far back as the airport has reliable data. This is a market choice and regulatory issue. Mr. Karberg explained that the market is only served by one carrier, less than daily service, and the market is non-responsive to airport economic incentives. Airport fees represent \$6 per enplaned passenger for Cape Air on a \$109-119 ticket. The is very low for the industry. Mr. Karberg believes that investing in electrification might be a solution – future eVTOL/electric aircraft routes where Operations and Maintenance is 25% cost of piston engine.

Mr. Karberg proposed another solution to set incentives toward year-round regional jet service.

Mr. Gasbarro requested to add this item to a future agenda and discuss alternatives with the Commission as a whole.

Personnel Report- Mr. Karberg reported on:

- John Grangrade, Maintenance Superintendent has informed the airport of his resignation effective in early May. Mr. Grangrade has worked at the airport for 34 years and is long valued member of the team. His absence will leave us a big hole to fill, but I hope you can join me over the next 2 months and celebrate his tenure and role here.
- Aiofe Varian has accepted an Operations Specialist Position.
- Vilina Ilieva will join the airport as a Town transfer on 03/20/23 to fill the administrative assistant position.
- New Seasonal Kelly Paradis, who may be recognized from the Cape Air Counter, will join FBO on 04/03/23.
- Sergio Rivera, a returning seasonal ramp employee, will rejoin ACK on 03/06/23.
- The Airport made an offer to a very strong Operations candidate who could not find housing and has declined the offer.
- The Maintenance Mechanic and two (2) Operations specialist positions are unfilled.
- Tim Mooney is retiring as Operation Specialist in May of 2023.
- Strain on our ability to accomplish projects and tasks.
- Environmental Coordination position will be advertised in Spring of 2023.

11. Commissioner's Comments

12. Public Comment

Having no further business for Open Session, Mr. Marks made a **Motion** to go into Executive Session, under G.L. Chapter 30A, Section 21A, not to return to Open Session, to review Executive Session Minutes as enumerated on the Agenda; Clause 3: To discuss strategy with respect to collective bargaining. Clause 3: To discuss strategy with respect to the litigation regarding Walsh. Clause 3: To discuss strategy with respect to the litigation regarding potential claim for damages in re: 3&5 Evergreen Road where the Chair has determined that an open session may have detrimental effect on the litigating position of the Airport Commission. **Second** Ms. Topham and **Passed** unanimously, by the following roll-call vote:

Ms. Topham- Aye
Mr. Bouscaren
Mr. Gasbarro- Aye

The meeting adjourned at 6:10 pm.

Respectfully submitted,

Boyana Stoykova-Nelson, Recorder

Master List of Documents Used

03/14/23 Agenda including Exhibit 1 (Handout) and Exhibit 2
02/14/23 Draft Minutes
02/22/23 Warrant Approvals
03/08/23 Warrant Approvals
Crew Quarters Nobadeer Farm meeting House letter 2.24.23
10 A Park Circle Homeowners' letter
18 B Park Circle Homeowners' letter (handout)
1 B Park Circle Homeowners' letter (handout)
14 A Park Circle Homeowners' Letter (handout)
16 B Park Circle Homeowners' Letter (handout)
Nantucket Historical Association Loan Agreement
American Airlines, Inc. Storage Agreement (handout)
American Airlines, Inc. Airline Lease Agreement (handout)
JetBlue Airways Corporation Airline Lease Agreement
Nantucket Marine Inc. Amendment No.2
PFAS Investigation Status Table
Budget Transfers (handout)
January 2023 Monthly Statistics Presentation
Annual Enplaned Passengers ACK-HYA