

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

Noah Karberg, Airport Manager
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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
November 14, 2023

The meeting was called to order at 5:00 pm by Chairman Arthur Gasbarro with the following Commissioners present: Andrea Planzer, Anthony, 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.

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

Also present: Philip Cox, CHA Companies, Rich Lasdin McFarland-Johnson.

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 10/10/23 Draft minutes; hearing none, the Draft Minutes were adopted by unanimous consent.

Ms. Topham – Aye
Ms. Planzer - Aye
Mr. Marks – Aye
Mr. Bouscaren - Aye
Mr. Gasbarro - Aye

Mr. Bouscaren made a **Motion** to ratify the 10/04/23, 10/25/23 and 11/08/23 Warrants **Second** by Ms. Topham and **Passed** by the following roll call vote:

Ms. Topham – Aye
Ms. Planzer - Aye
Mr. Marks – Aye
Mr. Bouscaren - Aye
Mr. Gasbarro - Aye

Public Comment:

None.

Pending Leases/Contracts Mr. Karberg presented Exhibit 1 for approval of the following contracts, leases, contract amendments.

- ➔ **A Taste of Nantucket** – License Agreement for Catering - \$1,500 Annual Business Fee
- ➔ **Island Kitchen** – License Agreement for Catering - \$1,500 Annual Business Fee
- ➔ **Bamber Trucking, Inc** – Lease Rent Amendment for hauling services at 33 Bunker Rd. - \$9,500
- ➔ **Infax, Inc.** – Contract for System Support for FIDS Screens - \$38,250.00
- ➔ **Victor-Brandon Corporation** – Contract Amendment for Relocate, Reconstruct, Mark, Light and Sign Taxiway G - \$25,837.50
- ➔ **Unifi Aviation, LLC** – Operator Lease Agreement – Ground Handling for United Airlines and Delta Airlines - \$1,500 Annual Business Fee
- ➔ **Toscana Corporation** – Lease Agreement for 79 Bunker Road - \$27,175
- ➔ **Victor-Brandon Corporation** – Lease Agreement for 77 Bunker Road - \$30,206

Ms. Topham made a **Motion** to approve the leases, contracts and contract amendments as set forth in Exhibit one (1). **Second** by Mr. Marks and **Passed** by the following roll call vote:

Ms. Planzer - Aye
Ms. Topham - Aye
Mr. Marks – Aye
Mr. Bouscaren - Aye
Mr. Gasbarro – Aye

111423-01 Annual Review of Airport Manager’s Employment Agreement -

Mr. Gasbarro provided a performance evaluation that was discussed with the Council and all other Commissioners. Mr. Gasbarro acknowledged the great work that Mr. Karberg has done for the Airport in the last year. The Commission is looking forward to continuing the positive working relationship with Mr. Karberg. This Agreement is to provide the same increase as Union and Non-Union Personnel.

Commissioner Comment:

Hearing None.

Mr. Marks made a **Motion** to approve the Manager's Employment Agreement. **Second** by Ms. Topham and **Passed** by the following roll call vote:

Ms. Planzer - Aye
Ms. Topham - Aye
Mr. Marks – Aye
Mr. Bouscaren - Aye
Mr. Gasbarro – Aye

11423-02 Declaration of Surplus Property on Bunker Road

Mr. Karberg gave an update on the declaration from the September meeting. This declaration includes additional area for now total of 28,000 square feet the Fair Market Value remains \$2,50. Per SF.

Ms. Topham made a **Motion** to declare the parcel. **Second** by Mr. Marks and **Passed** by the following roll call vote:

Ms. Planzer - Aye
Ms. Topham - Aye
Mr. Marks – Aye
Mr. Bouscaren - Aye
Mr. Gasbarro – Aye

Pending Matters

- a. **071420-03 Per-and Polyfluoroalkyl Substances (PFAS) Investigation Update**
 - i. **111423-03 Interim Status Update**
- b. **050923-01 Crew Quarters Project**
- c. **062023-06 South Apron Expansion Project**

a. 071420-03 Per-and Polyfluoroalkyl Substances (PFAS) Investigation

Ms. Woods gave an update, saying that 550 samples have been taken from 80 private wells. The Town has its second PFAS Summit, which will be held on September 12th. The Airport will participate and will present the activities and results. Weston Solutions will be on-site the week of December 4th for a temporary deep monitoring installation. Ms. Updated the Commission on the last Fuel Farm Incident on October 13th. Four (4) gallons of diesel spilled into the Fuel Farm secondary containment. The Airport is waiting for Fuel Farm contaminant samples for analysis of PFAS Volatile Organic Compounds (VOCs) and Extractable Petroleum Hydrocarbons (EPH) to see if any changes are needed to the GAC filter. The full presentation can be found in the Agenda Packet, or via the website, www.ack-pfas.com.

Mr. Gasbarro asked if there is a time for the PFAS Summit, because that will happen on the same date as the next Commission Meeting.

Ms. Woods responded that it will start on December 12th at 8:30am.

i. 111423-03 Interim Status Update

Ms. Woods gave an update that the full presentation will be presented at the December Commission Meeting.

b. 050923-01 Crew Quarters Project

Mr. Karberg reviewed the project based on the CHA Companies update for zoning and planning. The Airport submitted an application to the Planning Board by the Real Estate Council, which is already working for the Airport. Gryphon Architects provided the Airport 80% drawing for review on October 30th, and the drawings will be under review by the end of November. The next Planning Board meeting will take place on December 11th for review and approval of the special permit for this project.

The Nobadeer Farm Road is also coordinated by the Town, and it's scheduled to be paved, possibly in 2024. The Airport will meet with the DPW and Sewer Department to coordinate possibly their own electrical and sewer extensions.

c. 062023-06 Sout Apron Expansion Project

Mr. Karberg reported that the Contract will begin to mobilize in a few weeks. This project will require ninety (90) barges of materials to come over from the mainland. The Airport and their Consultants will develop and deploy a public meeting and reach out to residents.

Commissioners' Comments.

Mr. Marks asked if the Airport would move those ninety (90) barges of material during the summer.

Mr. Karberg explained that the Airport is ready to start taking delivery, transporting, and stockpiling the material on site as soon as possible. That will minimize the traffic that has to go to Nantucket during the summer.

Mr. Lasdin from McFarland-Johnson made an additional comment to Mr. Marks that The Robert B. Ours is ready to start immediately working on their badges, and they have already submitted the documents for approval, which will give them permission to start shipping materials next month. The intent is the shipping to be done in the off season. Mr. Marks is curious if the Town of Nantucket has any thoughts about the intersection on Milestone Road, which belongs to the Airport, and if that can help to make the road wider.

Mr. Karberg answered that the Plus Department reached out to the Airport asking how new rotary or new slip lane would work from Nobadeer Farm Road to Milestone Road. Mr. Karlberg has already conversation with the FAA, and they think that will be community benefit. The Airport will accommodate the land needed for rotary or slip lanes, and direct sell to the Town.

111423-03 Rates and Charges Public Hearing proposed to be scheduled for January 9, 2024

Mr. Karberg asked the Commission to open a public hearing on January 9th for Airport Rates and Charges. This has been done every year in that time frame. The Airport will prepare an informal review in December of major public hearing items.

Commissioner Comment:

None

111423-04 1st Quarter Report

Mr. Karberg reported that the Airport received the 1st Quarter FY24 financial and completed it for the Town. This report is typically presented by the SB at their request. Regarding the year-end operating status, this report is crucial.

- Revenues were down 2% in this period.
- 1st Quarter generated \$15.5 Million, or 86% of budget revenue.
- Rental income has been 12% up over that period.
- The fee income has been down 5%.
- The total expenses are up 14%.
- The actual fuel expenses are down \$1.06 Million (or 19%).
- The remaining expenses are down, which include payroll (17%) and FBO (services and maintenance).

Airport Summery Page:

Certified Retaining Earnings as of July 1, 2023, were \$9.8 Million, the fund balance at the end of the first quarter was expected to be \$8.7 Million.

Airport Revenues Page:

The revenue cap for the fuel revolver in 2024 was established at \$6.9 million, with an allocation of \$2 million from the revolver's proceeds to the Airport operating fund. With a \$2.39 million overflow from the revolver to operational, the Airport has already surpassed their revenue objective, despite the purposeful conservative fuel budget. This may still need to raise the cap in 2024; every \$0.1 million we raise the cap reduces the revenue to operations by an equal amount.

111423-05 Preliminary FY25 Operating Budget

Mr. Karberg reviewed the Operating Budget, which needs to be presented to the Town Manager, and returned it for a final adoption in December or January.

Summary:

- Revenue listed \$12.7 Million, or up \$1.2 Million.
- Expenses listed \$13.1, or up \$1.5 Million.
- Fuel Revolver cap \$6 Million.
- The ending fiscal balance is \$4.8 Million.

Revenue Items:

- Fuel sales increased by 10%.
- Rental and land income increased 18.6%.
- Auto Rental Commissions: 12.9% increase
- Airline landing fees are up 10.4%.
- Commercial Ramp Fee: 38% increase.
- Parking lot fees are 18% decline.
- Interest on investments is 2.140% up.

Expenses Items:

- Security salaries increased by 56%.
- Operations and ARFF expenses increased 11%.
- Service and Maintenance increased by 61.8%.
- Professional Services increased 18.5%.
- Police protection services increased 12%.
- Insurance and Auto Liability increased 43%.
- Debt service BAN interests increased 194%.

Personnel:

Mr. Karberg reported that he would like to develop a new position. This will be a role that will require a full-time flexible schedule to manage security roles, airline engagement, and passenger experience.

111423-06 Airport Capital Improvement Plan (CIP)

Mr. Karberg gave an update that the Airport had a meeting with the FAA, and reviewed the changes:

- 2024
 - o AIP 1: Reimbursement of SW ramp drainage and electrical structure replacement the Airport will start this work immediately and will be associated with the South Ramp project, and this is the entitlement grant to reimburse those costs.
 - o AIP 2. This is continuation of Environmental Permitting Requirements. These capital projects have long-term and expensive ongoing environmental monitoring requirements. The Airport keeps a separate grant to manage the management required by the initial grant.
 - o AIP 3. This is rehab of RW 6/24, and FAA will allow the Airport to have funds for this project and extend the useful life of the runway for future reconstruction.
- 2025

- o AIP 1. The Airport has two open planning projects Geometry and Master Plan that could direct additional capital project solutions as placeholders for that permitting or effort.
 - o AIP 2. SW Ramp high mast light replacement.
- 2027: RW24 will be able to slot the highspeed exit.
- 2028: RW 6/24 Reconstruction project for \$94 Million.

Mr. Gasbarro asked if this is the finalized CIP. Mr. Karberg answered that after FY25, it's presented like a worksheet and can be fixed.

Mr. Gasbarro mentioned that he noticed the fence replacement only occurred in FY25 and not in any of the next few years. Is it this because the Airport has done the perimeter? Mr. Karberg specified that the Airport had included in the past a section of fence for any major AIP projects each year. Mr. Lasdin added to Mr. Karberg's comment that the FAA is expecting the fence to last twenty (20) years, which is not possible because of the location which is close to the ocean. Then, unfortunately, it must be repaired with the Airport's own money. Ms. Topham asked about the Lights Project: how high and how bright they will be because people have been curious about that. Mr. Kaberg cannot answer this question yet because it has not been designed yet.

111423-07 FY25 Capital Project Update:

Mr. Karberg reported that the Airport will meet with the Capital Committee on Thursday November 16th to answer questions on FY25 Capital request. The Airport summarized the following items:

- The Airport will provide an updated Capital Request Form for the Housing Project. The Construction request for townhouse has been removed.
- A narrative response to housing questions.
- A narrative response to PFAS questions.

Modified the 2024 AIP-3 request to match the outcome of the FAA and MassDOT CIP Meetings. The Airport will request a little bit more then the previous request of \$500.00.

Manager's Report- Mr. Karberg reported on:

Project Updates – AIP

- ➔ **Taxiway Golf (TW G).** – The Project paving is complete. The markings will be in progress the second week of November and will be operational after Thanksgiving. The concrete hardstands construction is pushed to Spring.
- ➔ **Master Plan** – No update.

- ➔ **Geometry Project** – The final workshop is completed, and the preferred alternatives for stub taxiway locations have been developed.
- ➔ **Terminal Optimization** – The Airport received fee proposal documents from McFarland Johnson. The scoping documents were finalized and sent to MassDOT and FAA for comments. The Airport is working on the Independent Fee estimate required by FAA and expects that to be complete by end of November.
- ➔ **ARFF Truck – index change** – No update.
The Airport will begin formal scoping for three (3) new AIP Projects.

Project Updates – Non-AIP

- ➔ **Hangar Development** – No Update.
- ➔ **ROW** – No update.
- ➔ **Fence Relocation** – The Airport reached out to tenants and has a final workable design for a minor fence relocation in the Bunker Road area.
- ➔ **Markings** – The Airport is utilizing the Taxiway Golf Contractor to remark items on the runway that were written from the inspection. The close out letter has been sent to the inspector today.
- ➔ **Fuel Farm Loading Rack** – A periodical inspection uncovered a structural issue with spalling under the support for a concrete beam. The Airport performed an initial assessment with McFarland-Johnson to determine if the loading rack could be used to offload fuel.

RFP/Bid Status:

- ➔ **RFQ for Terminal Optimization Project** – The OPM is reviewing the fee proposal discussed previously.
- ➔ **RFP for 77 and 79 Bunker Road** - The Lease has been awarded, and the agreements were sent to tenants for review and signature.
- ➔ **RFP for Impound Lot** –The lease was awarded, and the Airport is finalizing the final lease drafting.
- ➔ **RFP for 33 Bunker Road** – The Airport is preparing the RFP to go out for bids.

Operations Update

- ➔ **Fuel Supply** – The Airport had a meeting with World Fuel Supply and Steamship Authority to review 2024 reservations, logistics and coordination.
- ➔ **TAC Meeting** – This Friday Airport will meet with natural Heritage.
- ➔ **RW closures** – Alternating closures for markings project, evening work, and weekends work.
- ➔ **Air Services** – JetBlue is reflected to start on May 9th; American Airlines to start on June 21st; United Airlines to start service on May 23rd; and Delta to start on May 23rd, 2024.

Mr. Karlberg reported that the statistics presentation will be changed in the winter.

Statistics – Mr. Karberg reviewed the September 2023 Statistics:

- For September, total Ops are down nearly 16.7% and YTD down 11.5%
- SW Ramp operations were down 12% in September.
- Enplanements were down 13.5% in September and down 1% YTD.

Boston Market in September down 8%:

- Cape Air down 18%.
- Jet Blue up 3%.

Charlotte in September – American did not operate.

DCA in September down 10%

- JetBlue down up8%
- American down 17%
- EWB Cape Air down 25% September
- EWR United down 24% in September
- HPN JetBlue down 5% in September
- Cape Air HYA down 42%

JFK in September down 12%

- Delta down 49%
- JetBlue down 7%

LGA in September down 15%

- Delta down 68%, JetBlue up 11%
- PHL down 5%
- ORD down 55%
- Jet A Gal sold down 15% in September and down 12% in October, YTD down 6%
- 100 LL down 12% in September, down 8% in October. YTD down 7%.
- Freight down 19% in September, down 14% YTD.
- UPS and USPS up significantly, Cape Air Freight and FedEx down.
- Noise Complains – 9 in September.

Personnel Report- Mr. Karberg welcomed Alfred Coffin for Maintenance I Technician starting November 27th.

Commissioners' Comments.

Hearing None.

Public Comments

Hearing None.

Having no further business for Open Session, Ms. Topham 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 for possible release;
Clause 3: To Discuss Strategy with Respect to the Litigation Regarding Walsh, where the Chair has Determined that an open session may have Detrimental Effect on the Litigating Position of the Airport Commission.

Clause 3: To Discuss Strategy with Respect to Litigation Regarding Donnelly's claim, where the Chair has Determined that an open session may have Detrimental Effect on the Litigating Positions of the Airport Commission.

Clause 3: To Discuss Strategy with Respect to the Litigation Regarding Zibelli's claim, where the Chair has Determined that an open session may have Detrimental Effect on the Litigating Position of the Airport Commission.

Clause 3: To Discuss Strategy with Respect to the potential Litigation Regarding TURO, where the Chair has Determined that an open session may have Detrimental Effect on the Litigating Position of the Airport Commission.

Second Mr. Bouscaren and **Passed** unanimously, by the following roll-call vote:

Ms. Planzer - Aye

Ms. Topham - Aye

Mr. Bouscaren - Aye

Mr. Marks - Aye

Mr. Gasbarro - Aye

The meeting adjourned at 6:08 pm.

Respectfully submitted,

Vilina R. Ilieva, Recorder

Master List of Documents Used:

11/14/23 Agenda including Exhibit 1

10/10/23 Draft Minutes

10/04/23, 10/25/23 and 11/08/23 Warrant Approvals

Exhibit 1

A Taste of Nantucket Catering Agreement

Island Kitchen Catering Agreement

Bamber Trucking, Inc. Lease Amendment

Infax, Inc. Contract

Victor-Brandon Corporation Contract Amendment

Unifi Aviation, LLC Lease Agreement

Toscana Corporation Lease Agreement

Victor-Brandon Corporation Lease Agreement

Declaration of Surplus Property

PFAS Investigation Status

Special Permitted Application Form to Nantucket Planning Board

1st Quarter Report

Preliminary FY25 Operating Budget

Airport Capital Improvement Plan
FY25 Capital Projects Update
September 2023 Monthly Statistics Presentation