



Town of Nantucket

Capital Program Committee

September 28, 2023 Minutes

Staff:	Libby Gibson, Town Manager, Susan Carmel, Assistant Finance Director, Noah Karberg, Nantucket Memorial Airport Manager
Attending Members:	Stephen Welch - <i>Chair</i> , Peter (PJ) Kaizer – <i>Vice Chair</i> , Christy Kickham – <i>Secretary</i> , Howard Matz, Brooke Mohr – Select Board Representative, Jill Vieth, Finance Committee Representative, Barry Rector, NP&EDC Representative
Absent Members:	-
Documents Used:	RORI Spreadsheet

Chair Welch called to order at 1:00 p.m. and made the audio/visual announcements.

I. APPROVAL OF AGENDA

Motion:	Motion to Approve, as submitted.
Roll-Call Vote:	Carried 7:0//Welch, Kaizer, Kickham, Matz, Mohr, Rector, Vieth (Aye)

II. PUBLIC COMMENT

Welch called for public comment. (None)

III. FY25 CAPITAL REQUESTS AND OUT-YEAR DISCUSSION: NANTUCKET MEMORIAL AIRPORT

Discussion:	Noah Karberg, Airport Manager, provided a brief overview of each of the requests as outlined below and responded to questions: Ramp High Mast Lights Replacement: - The project involves replacing ramp lights with an estimated cost of \$700,000. - This is an Airport Improvement Program project, eligible for 90% Federal funding, 5% State funding, and 5% local share. - High mast lights, illuminating the airport's south ramp and adjacent fuel farm facilities, are past their required lifetime. - The project proposes replacing 10 existing apron lights with new poles, fixtures, and bases. - The project will incorporate Dark Skies compliance measures, focusing on reducing light pollution. - Features under consideration include shorter poles, more pronounced shielding, less obtrusive pointing, individual circuits, and pilot control lighting. - The new lights are most likely to be LED. - Existing airfield lighting operates on a Pilot Controlled Lighting (PCL) circuit, allowing pilots to control the lights. - New lights may integrate with the PCL system or have individual control through an advanced lighting management system. - Light orientation will be southeast, with adjustments based on seasonal usage and volume to enhance dark sky compliance. Groundwater & Soil Investigation/PFAS Phase 2: - Requesting \$4 million for Groundwater & Soil Investigation/PFAS Phase 2. - The funds are for continuing PFAS management and mitigation efforts. - Phase 2 involves completing site characterization at the airport.
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- Additional investigation activities will continue over the next year.
- Sampling will be adaptive, with results guiding subsequent sampling rounds.
- Previous work included collecting 500-600 water samples and 400 soil samples.
- Constructed 10,000 feet of new water main and connected 25 residences.
- Installed 21-22 point-of-entry treatment systems.
- Incurred administrative, legal, and filter material expenses.
- Ongoing assessments and evaluations are part of each project.
- Public access to documents and meeting transcripts is available on the website.
- The \$4 million estimate covers the next three years of phased requirements.
- Funds will be used for investigation, monitoring, consultant fees, project reviews, and remediation documentation.
- Immediate availability of funds is necessary for urgent connections and projects.
- Quarterly sampling may require quick action and funding.
- Spending will be as needed, with short-term borrowing to cover deficits.
- Long-term borrowing is avoided for non-revenue generating projects.
- \$2.4 million is devoted to Licensed Site Professional (LSP) services.
- LSPs are specialized consultants authorized by the state to act in place of Mass DEP.
- The \$2.4 million estimate is based on the previous three years' burn rate.
- Typically, spring and fall sampling are conducted each year, with fall sampling being more substantial.
- Annual sampling costs have ranged from \$400,000 to \$900,000, depending on the scope of the investigation.
- A 20% contingency is added, bringing the total to \$2.9 million.
- Additional general consultant services are estimated at \$900,000.
- Each project involves additional work for sampling, handling, analyzing, storing, or remediating soil.
- The \$900,000 estimate is based on the Capital Improvement Program submitted to the FAA, including a contingency.
- The total estimate for all services and contingencies is \$4 million.
- The upfront authorization is needed to cover potential unknowns and provide flexibility.
- Current position is under a regulatory decree by the state DEP.
- Responses to DEP requirements must be timely, without waiting for an Annual Town Meeting (ATM) cycle.
- Immediate action is needed when community members' homes exceed the 20 parts per trillion threshold.
- Previous delays caused significant issues, including a loss of compatibility with neighbors.
- Immediate availability of the \$4 million is crucial to avoid repeating past mistakes.
- The funding is needed now to comply with regulatory requirements and address community needs promptly.

Welch

- The town meeting procedure can be followed if there is reasonable certainty that the money will be spent or a compelling reason to have it on hand.
- Approval and authorization for funding are different from having the money sitting in an account and actually using it.

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- The committee appreciates the request for \$4 million but asks for a double-check on the possibility of tiered funding.
- Consider if \$3 million or \$3.5 million will meet the needs for the first year.
- Respond to the committee either way for further discussion.

Mill & Overlay Parking Lots and Airport Access Loop Road:

- Requesting \$400,000 for Mill & Overlay of Parking Lots and Airport Access Loop Road.
- The funding is based on recent pavement prices.
- This pavement is airport-owned and managed, and not eligible for AIP funding.
- Heavy traffic during busy weekends has led to faster degradation of the parking lot area.
- A 2-inch Mill & Overlay is planned for the parking lot.
- The project may be included in the next three-year Town Paving contract or managed through a separate bid.
- The construction estimate is \$214,000.
- Costs include \$119,000 for soft costs and \$143,000 for consultant management.
- Consultant management costs cover field engineering and resident project oversight.

Employee Housing Phase 2:

- The project involves constructing up to two duplexes, each with a two-bedroom side and a three-bedroom side.
- Original project plans were adjusted due to escalated bid prices.
- Existing \$3.8 million appropriation for a dormitory building (Orange Box on the top of the page).
- New request for the design and construction of the next phase (Orange Box on the bottom of the page).
- Requesting \$6 million based on the engineer's estimate.
- Modular construction estimated at \$4.1 million.
- Engineering, architect, and OPM fees totaling \$865,000.
- Construction subtotal with contingency approximately \$5 million.
- Consultant subtotal slightly over \$1 million.
- Since preparing the Capital packet, the STM item has been advanced in both cost and site development.
- It is now feasible to consider placing two units on the developed layout.
- Aim to discuss this development without confusing or conflating the two issues in this meeting.
- The ATM request on page five is for one structure with two dwelling units.
- One dwelling unit will have two bedrooms.
- The other dwelling unit will have three bedrooms.
- There is consideration to split this into two separate structures, each possibly containing one dwelling unit.
- The definition of a dwelling is a unit with a door to the outside, so the single structure would have a two-bedroom unit on the left and a three-bedroom unit on the right.

Bill Cox, OPM

- The project is not yet designed, and the remaining area needs to be determined based on the HDC process.
- Original plan had a small road with a dwelling unit on the north and south sides of the road.

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- Phase one includes modular housing, providing more bedrooms than initially planned.
- The current focus is on maximizing existing available space for the new dwelling unit.
- Higher costs in phase one are due to running 500 feet of new sewer line, water line, and new hydrants.
- The initial estimate provides a broad overview of the requested funds.
- Aim to achieve cost savings in phase two by leveraging infrastructure investments from phase one.
- Phase two funding will also address environmental aspects necessary for the project's overall vision.
- The project envisions eventually having 11 or 12 units on the parcel.
- Estimated construction cost is about \$1,100 per square foot.
- The design process will determine the optimal number of bedrooms.
- Modular construction aims to be cost-effective and serve as a template for future developments.
- Soft costs are expected to decrease with each phase as designs are reused.
- A large-scale development would lower costs per square foot and per bedroom, but is not feasible at this stage.
- The phased approach aims to develop the project incrementally, addressing environmental permitting requirements as needed.
- Phase one is scheduled to be completed by fall or winter of 2024.
- The design phase for phase two is planned to start in January 2024.
- Aim to complete the design and put the project out to bid by August 2024.
- The goal is to have accurate 100% cost estimates and a bid in hand by the end of August 2024.
- According to procurement regulations, appropriation and funds must be secured to execute a construction contract.

Welch

- Reviewed the concept of presenting line items by summary and detail for both the supplemental request for the Special Town Meeting (STM) for phase one and future phases.
- Highlighted the need for more detailed breakdowns, particularly for phase two.
- Driven by restrictions on use of the property, much of the discussion focused on phase one.
- Recognized the necessity for a clear narrative of the vision for the property, considering restrictions on who can stay in the units.
- Planned for emergency services and other personnel who may be allowed to reside there.
- Emphasized the need for higher dollar amounts and restrictions to necessitate a well-thought-out plan for use and agreements.
- Planned traditional development to involve planning the entire site and achieving economies of scale for costs.
- Acknowledged that staging the project in phases may lead to compounded inflationary costs over time.
- Emphasized the importance of a thorough site plan to manage costs and logistics.
- Considered construction access needs to avoid disruption for residents already living on the site.
- Requested additional information on the overall site development concept, timing, and broader view of the project.

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- Noted that retained earnings are being used, so borrowing costs are not a concern, but a more comprehensive view is required.
- Recommended to hold this specific item for more information, allowing the department head, Noah, the airport, and the commission an opportunity to determine their approach.
- Suggested interim communication to clarify details.
- Scheduled for one of the placeholder calendar items for this particular request.
- Planned the MEPA review to be completed for phase two as part of phase two soft costs.
- Requested an understanding of how the MEPA review, along with other costs and logistical matters, fit into the overall phased development.

Art Gasbarro, Chairman of the Airport Commission

- Understood that the commission can work with Noah to provide the needed information.
- Recognized the vision and strategy behind the phased approach.
- Clarified that phase one addresses seasonal workers, primarily those needed for the ramp.
- Acknowledged that phase two aims to provide the airport with flexibility, especially related to hiring.
- Committed to working on providing the requested information.
- Confirmed that interim communication and scheduling will help address any questions and concerns.

Karberg

- Indicated that the "limit of disturbance" box represents the extent of the MEPA approval and permitting.
- Clarified that this includes both the STM dormitory project and the current ATM duplex project.
- Noted that anything outside this limit of disturbance has not been approved and permitted and would need additional approval and permitting.

Grounding and Lighting Protection System Upgrades:

- Indicated that this is a self-funded project.
- Requested \$139,000 to study and design a grounding and lightning protection system for the airport.
- Noted that in the past three years, the airport has experienced multiple lightning strikes.
- Mentioned that these lightning strikes have damaged circuit boards for the fuel pumps and monitoring system, especially around the Fourth of July weekend.
- Stated that replacing these circuit boards costs \$5,000 each and takes the fuel farm system offline until repairs are made.
- Highlighted that one year, the contractor was on-site to assist with repairs.
- Consultant has initially investigated the issue, which is related to an imbalance in the grounding system.
- Aimed to determine necessary actions and design the grounding and lightning protection project.
- Emphasized the importance of the fuel farm for revenue and service, noting potential losses of \$100,000 per day if the fuel farm is down in summer.
- Acknowledged that other airport systems, such as access control doors and vehicle service gates, are also affected by lightning strikes.

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- Explained that anything with a control board or power source is susceptible to lightning damage.
- Confirmed that this project does not include AIP funding components.

Catch Basin Cleaning and Replacement:

- Requested \$400,000 for catch basin cleaning, installation, and replacement.
- Maintained a stormwater inventory and maintenance program with 300 to 400 catch basins, dry wells, and other stormwater features.
- Implemented an inspection and maintenance plan highlighting structures nearing the end of their life.
- Attached documentation in the packet shows some structures as failing or in poor condition.
- Reserved capital to replace these structures if and when they fail, with an outside contractor to excavate and replace them.
- Planned to address the car rental overflow area, which currently lacks any catch basins.
- Proposed to design and install appropriate stormwater features in this higher-than-road area based on design indications.

Paint Beads and Rubber Markings Removal:

- Requested \$421,500 for paint beads and rubber markings removal.
- Continued to meet inspection requirements through a multi-year plan.
- Rotated through runways and taxiways to remark surface painted hold markings, centerlines, taxiway edge markings, and centerlines.
- Noted that paint wears off over time due to mechanical action, driving, snow plowing, and accumulation of layers.
- Required to grind down or water blast away old paint and repaint when there are three or four layers.
- Used well-defined takeoffs from consultants to estimate the amount of each marking and line, as well as paint costs.
- Estimated costs accurately for each year based on unit quantities and application rates.
- Mentioned that in previous years, MassDOT hired a statewide contractor for this work, but funding constraints have shifted the responsibility to individual airports.
- Noted that this is not an AIP-funded project, despite being an FAA requirement, as the FAA views it as runway and taxiway maintenance, which is the airport's responsibility.

Runway 6-24 Repair:

- Requested funding for repairs to Runway 6/24 Center Line.
- Identified Runway 6/24 as the main air carrier runway, running from Milestone Road to Noer Beach.
- Noted the runway was constructed with overlapping pavement joints, with one joint at the center line.
- Observed degradation at the center line joint, especially where aircraft gear tends to land.
- Proposed a mill and overlay of a three-foot-wide strip along the runway center line to extend the runway's useful life.
- Specified milling four inches of pavement and replacing it with new pavement.
- Estimated the repair cost at \$500,000.
- Planned to compete for AIP funding with the traditional 90% federal share and 5% state share.

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	Welch • Reiterated the need for a vision with both Plan A and Plan B, and a detailed articulation of the extent and scope of the phases for the housing project. • Requested a line-item summary in detail for the next meeting. • Planned to revisit the groundwater and soil investigation Phase Two, including the dollar amount for the current and upcoming fiscal year. • Considered whether any of the budget could be extended into the following year. • Asked for inclusion of out-year projections to aid in understanding the bigger picture. • Emphasized the importance of filling in future projections for all projects, even if they won't be the focus of the next meeting, for better planning and clarity.
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IV. GREEN SHEET / COMMITTEE REPORTS	
Discussion:	Mohr – Select Board • Discussed coastal resilience projects, highlighting the recent meeting with the Land Bank regarding the Washington Street project. • Noted the formation of a new committee for the Washington Street project, emphasizing the need for planning and investment in protecting critical infrastructure. • Indicated potential impacts on the finance department, with a focus on town buildings and access to downtown via Washington Street. • Acknowledged the ongoing collaboration and planning, emphasizing that the financial requirements for these projects are significant. • Stressed the importance of investment to maintain access to downtown for the next 30 years. Vieth, Finance Committee • Noted the invitation to the Collision project meeting last night. • Mentioned the current focus on the special town meeting warrant. • Indicated that there is supposed to be funding for the airport in the warrant, which hasn't been addressed yet. • Mentioned that today's meeting should be the last one until right before the special town meeting. • Planned to finish motions today, having already addressed short-term rental ones on Tuesday. • Highlighted the need to plug funding for parks and recreation, specifically for fields, emphasizing the ongoing need for more fields. • Recalled that the group endorsed funding for parks and recreation last year. Welch • Agreed that regardless of whether a recommendation is made, preparation is key. • Suggested discussing and preparing brief explanations for the rationale behind decisions as the town meeting dates approach. • Emphasized the importance of being ready to stand up and represent the rationale at town meetings. • Proposed dividing topics among members to ensure coverage and comfort with the subject matter. • Encouraged members to give brief, two-minute speeches to explain and provide information on various topics. • Recommended coordinating who will attend and speak on different subjects to ensure effective representation.

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V. GOOD OF THE ORDER

Discussion:	Welch • Addressed the intersection and collision of capital expenses. • Reflected on CapCom's progress since 2017 and assessed its process. • Conducted a "good of the order" recap to evaluate past and current practices. • Evaluated CapCom's "report card" to understand achievements and areas for improvement. • Increased the capital allocation from 1% as a recommendation. • Utilized a visual box system for task progress: half-colored for partially completed tasks and fully colored for completed or in-process tasks. • Implemented annual meetings for Select Board, FinCom, CapCom, Town Manager, and Finance Department to enhance communication and collaboration. • Provided foundational input for the annual meeting process. • Evaluated and reevaluated involvement to best serve the town. • Emphasized the importance of SIP capacity and funding analysis for deeper review and focus on capital projects. • Encouraged a shift in the perspective and paradigm of capital projects, promoting long-term planning. • Recommended semiannual project reporting to involve department heads in both front-end review and back-end evaluation. • Aimed to understand cost outcomes and provide insights for procedural improvements. • Highlighted the need for centralizing capital asset management. • Discussed the development of a robust, centrally managed director position for capital management, initiated through the Town Manager's office. • Understood that a directorship within the Finance Department is being developed for capital management. • Provided new members with historical context and the importance of recommendations. • Planned to fine-tune recommendations and potentially rework them after the budget season. • Encouraged involvement from new individuals to bring fresh energy and perspectives for the community's benefit.
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VI. DATE OF NEXT MEETING

Regular Meeting: October 5, 2023

VII. ADJOURNMENT

Motion:	Motion to adjourn at 1:39pm.
Roll-Call Vote:	Carried 7:0//Welch, Kaizer, Kickham, Matz, Mohr, Rector, Vieth (Aye)

Submitted by: Elaina Cano