

Town of Nantucket
NANTUCKET MEMORIAL AIRPORT
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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
Special Meeting Minutes
January 14, 2025

The meeting was called to order at 2:00 PM by Chairman Arthur Gasbarro with the following Commissioners present: Andrea Planzer, Anthony Bouscaren, Jeanette Topham, and Philip Marks III.

Airport employees present were: Vilina R. Ilieva, Office Manager and Elizabeth Reuss, Administrative Assistant.

Others in attendance:

011425-02 Interview with Warren Smith, Candidate for Airport Manager Position

To begin the meeting, Mr. Gasbarro welcomed Mr. Smith to Nantucket and the interview. Mr. Gasbarro went on to thank Mr. Smith for going through the process of taking all the steps and having interest in this position, our Airport and our community. To conduct the interview Mr. Gasbarro will be asking Mr. Smith a few questions as well as other commissioners who may have follow-up questions.

Tell us in your own words how you feel prepared to be our next Airport Manager?

Mr. Smith thanked the commission for this amazing opportunity. Mr. Smith said he is currently the Airport Manager of the Grand Canyon National Park Airport in Grand Canyon, Arizona. A major project Mr. Smith is currently working on is a Runway Rehabilitation Project upcoming in the summer. Mr. Smith explained that on his first day he was handed a packet of outlying infractions strictly regarding pavement, from the FAA inspection the year prior. Upon learning this information, Mr. Smith got to work to arrange the plan for a Runway Rehabilitation the entire length of the runway. Within Mr. Smith's first year at Grand Canyon Airport, the Airport received zero (0) infractions from the FAA inspection. Grand Canyon National Park Airport is owned and operated by the Arizona Department of Transportation, meaning it is run by the State with its own rules and regulations. However, a challenge Mr. Smith faced when the Airport wanted to do the

work through a CMAR (Construction Manager at Risk) which is used by the Federal Highway System, but unfortunately the FAA denied it. To dispute the decision from the FAA, the Airport involved the Attorney General, but this would continue to lose time, scheduling and money if the FAA continued to say no. So, Mr. Smith made the decision to go the traditional design, bid, build to remain on schedule. Mr. Smith believes this experience will help him contribute to Nantucket Airport's Runway Rehabilitation Project.

Mr. Marks asked Mr. Smith to explain the processes more.

Mr. Smith explained the Construction Manager at Risk is a subconsultant to the Airport's consultants. The CMAR have their own set group of engineers and subs, so they will handle the smaller procurement laws based under them to complete the work. This is a more efficient process and will save money in the end.

Based on your knowledge of the Airport, what would your top three priorities be?

Mr. Smith said one of the first things he noticed when he arrived was that there are no shoulders on the taxiways or runways, which is very important to reduce FOD (Foreign Object Debris). He also noticed that the Airport has hard stands outside and would like to see jet bridges or a terminal expansion to allow passengers a place to remain indoors, especially with the knowledge of Nantucket receiving a lot of rain and wind. While working in the State of Washington, which also had hard stands, Mr. Smith has experienced that it could be miserable walking out to the aircraft when it is cold and raining. Mr. Smith could see a terminal expansion being a benefit for the Airport to allow more internal space and jet bridges.

Mr. Gasbarro informed Mr. Smith that the Airport had just finished a year and a half study for a Terminal Optimization Project. The Airport has a seasonal tent to help accommodate climate control and customer comfort. At this point the Airport has experienced PFAS challenges and currently has a geothermal system that serves the terminal, so the priority would be the geothermal system is an open loop to move some of the contamination. The hard stands are all fairly new and most of the commercial service on the North Ramp is seasonal, so the Airport is able to operate without jet bridges.

Mr. Gasbarro asked if there were any other priorities Mr. Smith would have.

Mr. Smith said PFAS would be another important priority. Mr. Smith explained that Grand Canyon Airport has started their discussion about PFAS and is working with a legal firm to go after a settlement with MMM, one of the largest suppliers of PFAS in firefighting equipment and foam. The Airport would like to utilize those funds to begin their remediation process to clean up the soil. The runoff from the runway goes to the North and the South. There is a collecting tank at the southern end of the runway that ranchers are allowed to utilize for their cattle. PFAS in that water is a big deal so the Airport is hoping to install a GAC system to clean up the water as it exits the pond.

Does Grand Canyon Airport have any residential neighbors?

Mr. Smith said the Airport is surrounded by National Forest and does have neighbors of families who have lived there for a long time. The National Park, Grand Canyon Village, is located to the North. The Airport draws water from three (3) wells, one of them being tribal owned so it can not be used unless there is an emergency and the other two (2) wells are located in town. Mr. Smith explained this is a challenge for the Airport being at 7,000 feet and having to drill 5,000 feet down to find water, which is expensive to do but so far the wells have been unaffected by PFAS.

How does Grand Canyon Airport generate revenue being a ward of the state?

Mr. Smith said it has been a struggle with the State to be for profit. The Airport does charge landing and gate fees as well as tenants who pay rent but there has been a push to try to make the Airport more self-sufficient. Mr. Smith will be meeting with the Director of ADOT about how they will try to become more self-sufficient and not have to rely on the state. The Airport's money goes towards the general fund. There is an Aeronautics fund for the whole state, however the Airport is in a budget deficit. Every January there is a State Aviation Day to go before State Legislatures to lobby and help them see the value of the Aeronautics Fund to help the Airport become more self-sufficient. Any changes for the Airport must go through legislation including establishing rates and charges.

Are you the point of contact for making recommendations to Legislature?

Mr. Smith said that he is the main point of contact and meets with the State Legal and Policy Division Team which acts as the liaisons between legislation and the Airport. There is a review every five (5) years, the most recent being last year where the State agreed to look into increasing the fuel flowage fees. In the last ten (10) to fifteen (15) years, the enplanements at the Airport have reduced due to new special flight rules of flying over the Grand Canyon being put into place. Mr. Smith explained the Airport must walk a fine line when making the decision to increase the fees and rent with hopes it does not limit the visitation of people arriving and thinking it is too expensive, but the Airport needs to be revenue generating and make a profit.

Mr. Gasbarro explained the Commission's philosophy is to absolutely remain in the black. The Airport is an Enterprise Fund of the Town which means should there be a deficit, the Airport would have to rely on the Town's General Fund. The Airport found itself in this situation under a previous regime and has been paying back the Town. The Commission has worked hard to rectify that issue and is currently in a revenue positive situation. The Airport reviews rates and charges on an annual basis, which helps fees retain a steady increase rather than a large jump. It is important to the Commission that Mr. Smith feels he could manage the finances of the Airport in a way that it will not end up in a deficit situation.

Mr. Smith said that Grand Canyon Airport also does not want to introduce a large increase to their rates and charges, so they are gradually increasing 2.5% year over year

and reevaluating every twelve (12) years. This seems to be the best approach to make sure the Airport is hitting market trends and receiving the best value without having to raise such a substantial increase in tenant rates.

Mr. Gasbarro added that the land leases at Nantucket Airport represent a significant portion of the revenue, the primary being Jet Fuel sales. There is also Rental Car Agencies, tenants, and ramp fees that contribute to the income. The Airport leases are capped at thirty (30) years by law, other lease terms vary with renewal options. The Airport has also worked very hard to put vacant or underutilized properties out to a Request for Proposal and bring in more tenants.

How would you see your interaction going with our Town Finance Director and Town Manager?

Mr. Smith said he currently lives in a small town called Tucson, which has an average of six hundred (600) residents. The Town Hall building is located on the Airport property, so Mr. Smith attends the meetings every first Tuesday of the month to be a voice for the Airport. Mr. Smith says Grand Canyon Airport is unique because they are state run but is also involved with the Town Government and the Federal Government that owns and operates the National Park. Three (3) Government entities are involved in conglomerating together to make it affordable and feasible for residents and visitors. Mr. Smith has that experience of meeting with the Town Manager and will meet with her almost weekly to see what needs the Airport is able to accommodate for the Town with the understanding that the Airport is still bound by their state laws. Mr. Smith was nominated to be on the Sewer Board for the Town but due to State Laws that state he is not able to that due to being a State Public Servant. Mr. Smith says he enjoys to try and be for the community, which is why he likes Nantucket. Nantucket is a very tight, small community and Mr. Smith would love for his family to be raised here to be part of it. Mr. Smith explained airports are the lifeblood of a community, whenever major disasters happen the first thing that's being opened up is the Airport because supplies can be airlifted in. Running a successful Airport would be helping that community which is Mr. Smith's intent.

Mr. Bouscaren noticed that Mr. Smith had a great academic background and attended Embry-Riddle Aeronautical University. Mr. Bouscaren also noticed that Mr. Smith's first job was with a medical insurance operation and asked Mr. Smith to share some more about that.

Mr. Smith said he initially wanted to be a pharmacist. His father is a retired Pediatrician, and his grandfather was an Endodontist as well as a pilot, so medicine and aviation run in his family. Mr. Smith found pharmacy intriguing and holds a bachelor's degree in exercise sciences but felt that was not the direction he wanted to go so he went back to school to receive his second bachelor's degree from Utah Valley University. He then attended Embry-Riddle and received his Master of Business Administration and felt that he finally found what he should really be focused on. During Mr. Smith's transition into aviation he started working as a part-time operations agent at Mesa Gateway Airport and went on to become the Terminal Manager at Paine Field Airport in Washington.

Mr. Smith said a unique detail about the Paine Field terminal is it is the first privatized terminal in the country. It is not owned or operated by the Airport Authority or the Port Authority but is owned by a private entity.

How did Paine Field Airport generate revenue?

Mr. Smith said Alaska Airlines and United Airlines were the two (2) main air carriers. They generated income from concessions and parking as well.

Mr. Bouscaren asked about the size of the runway at Paine Field to accommodate those Airlines.

Mr. Smith said Paine Field is where Boeing builds all their heavy aircraft. The Airport sees a lot of Boeing 777 so the runway is 11,000 feet long to handle any aircraft.

What do you enjoy most about being an effective leader?
What do you find the most challenging?

Mr. Smith said he is a people person and enjoys building those relationships. Mr. Smith expressed he wished he had started networking sooner in his career. He truly believes in that networking to help build those relationships and to help each other in our own areas. An important aspect of Mr. Smith's management style is he wants to get to know all the employees and make sure they're all taken care of. He has an open-door policy and wants to hear each employee's strengths, weaknesses, complaints and ideas to help improve the Airport. In return Mr. Smith asks for their respect that he still has a job to do and that is his main focus. Mr. Smith feels what he finds most challenging is to put his foot down if an employee focuses more on conversation instead of working. Mr. Smith can also be very eager and must remind himself to slow down and focus on what is in progress.

How would you go about establishing a rapport with the Airport staff?

Mr. Smith said he currently holds a weekly huddle starting with his direct reports to discuss what's on the agenda for the Airport that week and month. He also asks how their home life is because if all is not well at home it will have a negative effect on their work ethic. Mr. Smith wants to make sure his employees are taken care of and help them where he can. Mr. Smith also holds a monthly full staff team meeting to build that rapport and includes group events together to help boost morale to make sure their needs are met.

What do you believe keeps the employees engaged and motivated?
How do you see yourself in that role?

Mr. Smith explained his staff are all operations agents and firefighters. To motivate them the Airport gives them a stipend for snow removal in the winter season, which helps to boost their pay. The Airport needs to be creative whether it's with the barbecue group

events or doing team building activities while making sure everyone one is included as often as possible.

How do you feel about the housing situation, and have you looked into it?

Mr. Smith said they deal with a similar situation at the Grand Canyon. Housing is also a challenge they experience at Grand Canyon Airport, where they must provide housing with low rates for the staff as an incentive for people to come work there. The Airport is located in a very remote area where the gas station charges \$5.29 per gallon and the closest grocery store is sixty (60) miles away. Being remote has its challenges but Mr. Smith has discussed with his family that moving to Nantucket would be a step up since there is a grocery store and a hospital close by, along with many opportunities Mr. Smith sees for his children.

How many employees do you currently supervise in your organization?

Mr. Smith said he currently supervises ten (10) employees and two (2) more that were just hired. The Operations Manager handles the Part 139 operations, and the Operations Supervisor handles the firefighting side, both have three (3) to four (4) firefighters working under them. The Airport has two facilities of maintenance technicians and is working on hiring a third which is necessary to maintain the terminal.

What kind of background do you have regarding finances?

Mr. Smith explained part of his job is balancing the budget for the Airport based on what the needs are. The Business Manager also helps Mr. Smith maintain the budget and the Project Specialist helps with the day-to-day invoicing for the Airport. Mr. Smith holds a monthly budget meeting with the Business Manager and Division Finance Officer to ensure the Airport maintains the budget and the finances stay in the black as well as checking the balance sheets that are submitted to the FAA every year.

How big is the general aviation population at Grand Canyon Airport?

How could you improve the general aviation here?

Mr. Smith said the general aviation population is the second largest group, the tour operators being the first making up about 80% of the business they receive. Grand Canyon Airport typically sees more student pilots that come from Embry-Riddle doing touch-and-goes and their solo flights as well as military that come almost daily to do touch-and-goes. Mr. Smith explained the Airport's first course of action to boost general aviation was to raise the ramp and overnight parking fees. The overall concern is boosting the transient parking. Grand Canyon Airport does not have hangar space, so they are offering land leases with the intent of wanting to build a tent or hangar, which has been high in demand. The Airport is also looking into potentially installing shades on the ramp to incorporate a premium parking with the intent of installing solar panels on the shades to save the Airport money on electricity.

Can you expand on your approach to assuring regulatory compliance within your staff and organization?

Mr. Smith explained when he started at Grand Canyon Airport, there wasn't that drive and motivation to keep the staff doing what they were supposed to do. During a discussion Mr. Smith had with the Town Manager, she explained that with the previous Airport Manager, she never saw staff actually out on the airfield doing the work they were supposed to do. Since Mr. Smith arrived, she saw staff physically doing their job and more of a presence of them conducting their inspections. Starting at the Airport with a packet of that many infractions, Mr. Smith needed to understand from staff why it got to that point. From there Mr. Smith wanted to make sure the staff was doing their checks to make things safer for everyone, especially the passengers. Mr. Smith explained there is a Japanese word called "gemba" which means "go to the work". He would take daily rides into the field to do spot checks and ask the staff to show him what they were working on and give feedback where he could. It is important to be observant to ensure the work is getting done and taking action if it is not.

What is your approach to addressing non-compliance with your directives?

Mr. Smith said with non-compliance he would join that employee to observe how they are working. If the non-compliance becomes a common occurrence with no change, it is addressed with a letter of concern by sitting down with that employee to read and sign it as acknowledgment. If the employee is still not complying with these regulations, Mr. Smith would consider a better letter of correction or possibly termination. Mr. Smith explained that he is the type of manager who will fight for his staff. It is a challenge to hire new people, so he tries to look for ways to help them do their best and improve.

Do you have experience with management over union personnel?

Mr. Smith said he unfortunately does not have that experience.

Mr. Gasbarro explained that Nantucket Airport does have a union but there is also non-union personnel. Working with Labor Council staff, the Commission set forth the terms of the Collective Bargaining Agreement for the union.

Is there anything else you would like to tell the Commission that hasn't already been shared?

Mr. Smith asked the Commission how they would describe a day in the life of the Airport Manager in Nantucket.

Mr. Gasbarro explained that some of the day-to-day tasks include continuously checking on whatever has come up while not in the office, current Airport Projects, and any scheduled meetings with staff, tenants, stakeholders, etc. The calendar for the Airport Manager can fill up very quickly and there needs to be a balance of managing that time, especially during the Summer when business picks up. The Airport has an amazing staff, so delegation is also important in the Manager's role to make sure nothing is missed, and

the manager is not taking everything on themselves. The Airport's Assistant Manager, Preston Harimon, can be a very collaborative asset to the Airport Manager and has an extraordinary modern institutional knowledge as a former Operations Superintendent. Mr. Gasbarro explained he tries to step back and observe, as Mr. Smith mentioned, and saw a team that steps up and helps each other. Mr. Gasbarro explained that the Airport Manager would also be interacting with Town Officials, consultants, engineers and ensuring environmental compliance. The media can also contribute to the day-to-day tasks when attention is attracted for simply being an Airport on Nantucket. Nantucket has two (2) local media outlets, and it is important to maintain those relationships.

Mr. Bouscaren informed Mr. Smith of a few controversies involving the Airport. In 2019, the Airport was ordered by the Massachusetts Department of Environmental Protection to conduct a PFAS investigation and test all the wells located at the Airport, as well as the private wells of residents surrounding the Airport. The Airport invested in installing a new water line for the residents affected and is continuing a long-term program to keep testing these wells. The Airport has also expanded the South Ramp and has agreed to build a Sound Attenuation Wall. The Airport has tried to remain transparent to the public by providing the water sampling, maps, and reports of the PFAS investigation through the Airport PFAS website.

Mr. Gasbarro added that the Airport is involved with the Multidistrict Litigation, along with many other Airports and entities. The Airport is also finishing up the Master Plan process which involves removing a section from the south end of the runway and adding it to the north end due to erosion on the beach. In the summer, the number of operations combined with the change in fleet mix bringing in the larger commercial aircraft, has been a challenge. The South Ramp Expansion was built to accommodate and park the larger aircraft like Golf Streams and Globals. JetBlue is also transitioning to the Airbus A220, so the hard stands were upgraded to accommodate them. A challenge on the North Ramp is the commercial service load factor for the larger airlines is increasing during the season and is essentially maxed out. If a flight is cancelled due to mechanical or fog it can create a lot of issues. Nantucket is known as the Grey Lady because of how foggy it can be. The wind affects the boats the most, but the fog will affect the Airport as a transportation alternative.

Do you have any questions for the Commission?

Mr. Smith asked what the Airport's budget was year-round.

Mr. Gasbarro said the budget is around \$14 Million and the Airport uses a Fuel Revolver to buy the fuel and keep funds separate. Managing the fuel deliveries is where the boats are involved and making sure to start the season with enough fuel. The Airport has had to impose sale restrictions in the past, but the main goal is to have enough fuel to ensure pilots get as much fuel as they need and the Airport continues to profit from the sales. The Fuel Farm can hold 120,000 gallons (which is limited to 85% capacity) to accommodate the increase in deliveries during the summer, which could be as many as thirteen (13) deliveries per week.

Another topic Mr. Smith wanted to touch on again was housing for himself and family.

Mr. Gasbarro informed him there is currently a house that is available through June 15th and that Airport staff and Commission are working on an alternative for after then. The Commission understands this adds some uncertainty and the candidate that is hired needs to be happy where they are. The Commission is also working on a Housing Production Plan. Currently under construction is a modular dorm style housing, located on Nobadeer Farm Road. It will contain eight (8) dorm rooms (each having its own bathroom), a common living area, and a kitchen. There is also a Housing Manager's Apartment to oversee the building. On the same property, the Airport has plans for a duplex townhouse which could be suitable for the Manager and also an employee the Manager feels has the most need.

Commission Comments:

Mr. Gasbarro said the Commission appreciates Mr. Smith coming for this interview to meet and discuss the position. The Commission will discuss this further during the Commission Meeting later in the day and will be in touch as soon as possible.

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

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

Meeting adjourned

Respectfully submitted,

Elizabeth Reuss, Recorder

Master List of Documents Used

- 1/14/25 Special Meeting Agenda