MEETING POSTING

TOWN OF NANTUCKET
Pursuant to MGL Chapter 30A, § 18-25
All meeting notices and agenda must be filed and time stamped with the Town Clerk's Office and posted at least 48 hours prior to the meeting (excluding Saturdays, Sundays and Holidays)

Committee/Board/s	FINANCE COMMITTEE
Day, Date, and Time	TUESDAY, MAY 13, 2025 @ 4:00 PM
Location / Address	REMOTE PARTICIPATION VIA ZOOM **The meeting will be aired at a later time on the Town's Government TV YouTube Channel** https://www.youtube.com/channel/UC-sgxA1fdoxteLNzRAUHIxA
Signature of Chair or Authorized Person	STEVEN HUNTER
WARNING:	**IF THERE IS NO QUORUM OF MEMBERS PRESENT, OR IF MEETING POSTING IS NOT IN COMPLIANCE WITH THE OML STATUTE, NO MEETING MAY BE HELD!**

AGENDA

Please list below the topics the chair reasonably anticipates will be discussed at the meeting

Join Zoom Meeting
https://us06web.zoom.us/j/86181645575?pwd=dCuioO6A4OIC5C9oNNMAT9F9Oxvbzt.1

Meeting ID: 861 8164 5575
Passcode: 687139

1. Call to Order
2. Approval of Agenda
3. Public Comment
4. Review and Approval of Finance Committee meeting minutes for the following dates, votes may be taken:
   - April 10th, 2025
   - May 1st, 2025
5. Review and Discussion of Airport Fuel Revolver Increase
6. Annual Town Meeting Debrief
7. Committee Reports
8. Other Business
9. Adjournment

Town of Nantucket
Finance Committee
April 10th, 2025 – Minutes

REMOTE PARTICIPATION VIA ZOOM

Staff:	Libby Gibson, Town Manager, Rick Sears, Assistant Town Manager, Brian E. Turbitt, Finance Director, Steven Hunter, Financial Analyst,
Attending Members:	Denice Kronau, Chair, Peter Schaeffer, Joseph Wright, Jill Vieth, Joanna Roche, Rob Giacchetti
Absent Members:	Stephen Maury, Jeremy Bloomer, Chris Glowacki

Approval of Agenda, Public Comment and Approval of Minutes

- Denice Kronau calls the meeting to order and asks for approval of the agenda.
- Motion to approve the agenda is made by Peter, seconded by Jill. **Roll call vote: Rob Aye, Peter Aye, Joe Aye, Jill Aye, Denice Aye. Passes Unanimously.**
- Denice Kronau opens public comment for any item not on the agenda, noting no hands raised for public comment.
- Denice Kronau reads through the minutes from various dates, noting small changes such as Joanna's recusal and corrections in wording.
- Motion to approve the minutes with the noted changes is made by Jill, seconded by Peter. **Roll call vote: Rob Aye, Joe Aye, Jill Aye, Peter Aye, Joanna Aye, Denice Aye. Passes Unanimously.**

Town Council Study Committee Discussion

- Denice Kronau introduces the discussion of the non-binding sense of meeting question directing the Town Council Study committee to propose charter revision regarding establishing a Town Council.
- Joe Grause explains the committee's work over the past 18 months, including reviewing various forms of government and the process of converting to a Town Council- Town Manager form of government.
- Joe Grause mentions the draft charters for the town and county are nearly complete and will be reviewed by KP Law after town meeting.
- Joe Grause explains the vote is to gauge the residents' reaction to the idea of converting to a town council.

Questions and Clarifications on Town Council Proposal

- Joe Grause provides details on the proposed Town Council structure, with nine members on three-year rolling terms.
- Joe Grause explains the proposed stipends for town council members, with regular members earning $40,000 and the president/chairperson earning $50,000.
- Joanna Roche asks Joe Grause for his perspective on the pros and cons of the proposed town council, to which Joe responds with efficiency and effectiveness as the main pro and the removal of direct democracy as the con.

Town Council - Discussion on Time Commitment and Candidate Recruitment

- Rob Giacchetti asks about the expected time commitment from town council members and the structure of their representation.
- Joe Grause explains that town councilors are expected to commit a significant amount of time, similar to Select Board members, and that they will likely be at-large representatives.
- Rob inquires about the potential impact of the time commitment on the pool of candidates, to which Joe Grause responds that the town has historically had a good number of candidates for Select Board positions.
- Peter Schaeffer asks about the transition from the existing Select Board to the new town council, and Joe Grause explains the parallel process and timeline.

Technical Amendment Article 13 – Appropriation: Our Island Home Funding and Financial Implications of the Project

- Brian Turbitt presents the technical amendment for Article 13, detailing the proposed funding sources, including transfers from Sewer retained earnings and retained earnings in Our Island Home.
- Brian explains the proposed borrowing authorization of $116,307,502 and the impact on the average year-round single-family home tax rate.
- Peter Schaeffer highlights the contingencies included in the budget, such as tariffs and cost overruns.
- Joanna Roche asks about the potential impact of fundraising and the potential sale of the previous Our Island Home property, to which Jon Lemieux and John Giorgio provide detailed explanations.

Article 13 - Concerns and Questions on Project Timeline and Material Sourcing

- Joanna Roche questions the timeline for project start and the potential impact of tariffs on material costs.
- Jon Lemieux explains the construction risk contract and the guaranteed maximum price, assuring that the project will not exceed the budget.
- Jack Dankert discusses the pre-planning and pre-fabrication of modular housing to mitigate potential delays.
- Peter Schaeffer makes a motion to postpone the vote to a future date when more committee members are present, which is seconded by Rob Giacchetti. **Roll call vote: Joanna Aye, Joe Aye, Jill Aye, Rob Aye, Peter Aye, Denice Aye. Passes Unanimously.**

Scheduling of Future Meetings and Next Steps

- The committee discusses the scheduling of future meetings, with a tentative plan to meet on May 1 at 3:00 PM for the Finance Committee and 4:00 PM for the Moderator's conference.
- Denice Kronau emphasizes the importance of having a full committee present for future discussions on the project.

Coastal Resiliency Advisory Committee Update and Motion to Adjourn

- Joanna Roche mentions a letter was sent from the Coastal Resiliency Advisory Committee to Brian, Libby, and the Select Board regarding cost-saving measures for coastal resiliency projects.
- Joanna asks Denice to forward the letter to the rest of the group, which Denice agrees to do.
- Motion to Adjourn, made by Peter, seconded by Rob. **Roll call vote: Joanna Aye, Joe Aye, Jill Aye, Rob Aye, Peter Aye, Denice Aye. Passes Unanimously.**

Town of Nantucket
Finance Committee
May 1st, 2025 – Minutes

REMOTE PARTICIPATION VIA ZOOM

Staff:	Libby Gibson, Town Manager, Rick Sears, Assistant Town Manager, Brian E. Turbitt, Finance Director, Steven Hunter, Financial Analyst, Leslie Snell, Planning Director, Megan Trudel, Deputy Director of Planning
Attending Members:	Denice Kronau, Chair, Peter Schaeffer, Joseph Wright, Jill Vieth, Joanna Roche, Rob Giacchetti, Stephen Maury, Jeremy Bloomer, Chris Glowacki
Absent Members:	

Approval of Agenda and Public Comments

- Denice Kronau opens the meeting and requests approval of the agenda.
- Motion to approve the agenda is made by Peter, seconded by Stephen. **Roll call vote: Joe Aye, Stephen Aye, Peter Aye, Jeremy Aye, Rob Aye, Chris Aye, Joanna Aye, Denice Aye. Passes Unanimously.**
- Denice Kronau opens the meeting for public comments but notes no one has raised their hand.

Review and Discussion of Article 24 Appropriation: Other Post-Employment Benefits Trust Fund

- Denice Kronau moves to the first item on the agenda, which is the review, discussion, and revote of Article 24 Appropriation: OPEB Trust Fund.
- Motion to reopen Article 24 (Appropriation: Other Post-Employment Benefits Trust Fund) made by Peter, seconded by Jill. **Roll call vote: Joe Aye, Stephen Aye, Peter Aye, Jeremy Aye, Jill Aye, Joanna Aye, Chris Aye, Rob Aye, Denice Aye. Passes Unanimously.**
- Brian Turbitt explains the need to reopen Article 24 due to a discrepancy in the allocation of certified free cash of $500,000 compared to what was originally voted by the Finance Committee.
- Brian Turbitt requests a motion to appropriate $500,000 from fiscal 2026 tax levy and other general revenues and to additionally appropriate $500,000 from Free Cash for the OPEB Trust Fund.

- Motion to adopt Article 24 (Appropriation: Other Post-Employment Benefits Trust Fund) made by Joe, seconded by Jill. **Roll call vote: Joe Aye, Stephen Aye, Peter Aye, Jeremy Aye, Jill Aye, Joanna Aye, Chris Aye, Rob Aye, Denice Aye. Passes Unanimously.**

Technical Amendment One on Article 13 – Appropriation: Our Island Home

- Brian Turbitt discusses the technical amendment for Article 13, which involves a total appropriation of $125,392,502, and provides the breakdown of different funding sources.
- Jill Vieth questions the allocation of funds for employee housing, and Brian Turbitt clarifies the relocation and construction details.
- Jeremy Bloomer notes the cost increase of about 20%, and Rob Giacchetti mentions the net borrowing is 10% higher due to finding funds elsewhere.
- Peter Schaeffer highlights the fixed price contract, which ensures the price will not increase if the project starts by September.

Article 13 - Discussion on Contingencies and Contracting

- Jon Lemieux explains the process of contracting and starting the project in June to ensure a September groundbreaking.
- Rob Giacchetti asks about scenarios that allow tapping into contingencies, and Jon Lemieux details the allowances and change orders.
- The discussion includes the potential use of contingency funds for winter conditions, unexpected findings, and unexpected costs for moving houses.

Discussion on Technical Amendment One on Article 13 and Voting Process

- Motion to adopt Technical Amendment One on Article 13 (Appropriation: Our Island Home) made by Peter, seconded by Chris. **Roll call vote: Joanna Nay, Jill Nay, Stephen Aye, Peter Aye, Chris Aye, Rob Aye, Jeremy Nay, Joe Nay, Denice Nay. Motion fails 4-5.**
- Denice asks John Giorgio if the Finance Committee needs to make another motion since the amendment failed. John Giorgio explains the original motion stands, just the amendment has failed, but the original motion could be reconsidered.
- The committee discusses the potential need for a motion on the original article and the process of reopening the vote.
- John Giorgio explains the procedure for reconsidering the prior vote and making a new motion.
- The committee makes the decision to leave the original motion as written but does not adopt the technical amendment to Article 13.

Technical Amendments Two and Three to Zoning Articles 32 and 33

- Megan Trudel presents Technical Amendment Two on Article 32, which involves moving one Rosemary Way to the R5 district and allowing three Rosemary Way to move to CTEC.
- Motion to support Technical Amendment Two made by the Planning Board on Article 32 (Zoning Map Change: RC-2 to R-5 or CTEC – Rosemary Way) made by Jill, seconded by Peter. **Roll call vote: Stephen Aye, Peter Aye, Rob Aye, Chris Aye, Jeremy Aye, Joe Aye, Jill Aye, Joanna Aye, Denice Aye. Passes Unanimously.**
- Megan Trudel presents Technical Amendment Three on Article 33, which changes the Planning Boards motion from supportive with some restrictions in place, to not to adopt because those restrictions could not come together.
- Stephen Maury as a citizen explains the update he presented to the Planning Board on Article 33, which involves restricting the entire site to a total of nine buildable lots with one dwelling per lot.
- Motion not to support Technical Amendment Three made by the Planning board on Article 33 (Zoning Map Change: LUG-2 to R-20 – Portion of 13 Woodland Drive) made by Denice, seconded by Joanna. **Roll call vote: Peter Aye, Rob Aye, Chris Aye, Jeremy Aye, Jill Aye, Joanna Aye, Joe Aye, Denice Aye. Passes Unanimously.**

Technical Amendments Four, Five and Six

- Libby Gibson explains Technical Amendment Four is simply to fix a date referenced in Articles 77-80, it should be March 5th, 2025, instead of March 6th, 2025.
- Motion to adopt Technical Amendment Four on Articles 77-80, made by Denice, seconded by Jeremy. **Roll call vote: Stephen Aye, Peter Aye, Rob Aye, Chris Aye, Joe Aye, Jeremy Aye, Jill Aye, Joanna Aye, Denice Aye. Passes Unanimously.**
- Libby Gibson explains Technical Amendment Five is to change the motion on Article 81 (Real Estate Lease/License of Baxter Road Property for Erosion Controls) to take no action, as the Select Board changed their motion at the most recent meeting.
- Motion to adopt Technical Amendment Five to take no action on Article 81 (Real Estate Lease/License of Baxter Road Property for Erosion Controls) made by Jill, seconded by Peter. **Roll call vote: Stephen Aye, Peter Aye, Rob Aye, Chris Aye, Joe Aye, Jeremy Aye, Joanna Aye, Jill Aye, Denice Aye. Passes Unanimously.**
- Libby Gibson explains Technical Amendment Six is to change the motion to take no action on Article 91 (Home Rule Petition: Real Estate Conveyance from Town of Nantucket to Nantucket Islands Land Bank and/or Sconset Trust, Inc.) as upon further research into the parcels listed in the Article, it does not appear entirely accurate.

- Motion to adopt Technical Amendment Six to take no action on Article 91 (Home Rule Petition: Real Estate Conveyance from Town of Nantucket to Nantucket Islands Land Bank and/or Sconset Trust, Inc.) made by Peter, seconded by Jeremy. **Roll call vote: Stephen Aye, Peter Aye, Rob Aye, Chris Aye, Joe Aye, Jeremy Aye, Joanna Aye, Jill Aye, Denice Aye. Passes Unanimously.**

Adjournment of the Meeting

- Denice confirms that all the Technical Amendments have been completed with Libby and asks for a motion to adjourn the meeting.
- Motion to Adjourn, made by Jill, seconded by Jeremy. **Roll call vote: Stephen Aye, Peter Aye, Rob Aye, Chris Aye, Joe Aye, Jeremy Aye, Joanna Aye, Jill Aye, Denice Aye. Passes Unanimously.**

Agenda Item Summary

Agenda Item #	5
Date	5/13/2025

Staff

Brian E. Turbitt, Finance Director

Subject

Increase FY25 Fuel Revolver Cap

Executive Summary

The Nantucket Memorial Airport has requested that the FY25 Fuel Revolver cap be increased from the previously increased limit of $6,000,000 to a new limit of $8,500,000 Under MGL Chapter 44 Section 53E ½ the cap on a revolving fund can be increased anytime during the fiscal year, with a vote of approval by the Finance Committee and the Select Board.

Staff Recommendation

Recommend Approval

Background/Discussion

N/A.

Impact: Environmental ☐ Fiscal ☐ Community☐ Other☐

None

Board/Commission Recommendation

N/A

Public Outreach

None

Connection to Existing Applicable Plan (i.e. Strategic Plan, Master Plan, etc.)

None

Attachments

Airport Presentation ppt

ACK Fuel Revolver

1. The Airport sells aviation fuel
2. Implemented through a "Revolving Fund"
   - Separately accounts for specific revenues that fluctuate w/ demand
   - Allows for continuous replenishment of funds
3. Requires ACK to accurately predict fuel cost and demand 15 months in advance
4. Request cap increase $6M to $8.5M

ACK Fuel Revolver

All airports rely on fuel sales as a primary revenue source.

- FY24 Operating Budget: $2M (18% budgeted revenue)
- FY25 Operating Budget: $2.2M (17% budgeted revenue)
- FY26 Operating Budget: $2.4M (18% budgeted revenue)

Additional revenue above budget & Fuel Revolver funds used to pay off/down BAN's/debt.

$9M + in PFAS mitigation funded by ACK stewardship of the revolver.

ACK Fuel Revolver

Myth:

1. Airport wants to sell more fuel
2. There are more private jets so fuel sales are up
3. High fuel prices cause high ticket prices
4. Jet Blue must take a lot of fuel!

Reality

1. Fuel supply is already constrained
2. There are the same #, but they fly further
3. Fuel discounted for year-round providers
4. On an aircraft basis, American takes more fuel

ACK Fuel Revolver

Statistics:

- Prior to COVID, ACK sold 1.3M gal Jet A, CAGR 4%
- Post COVID, 2.1M gal Jet A, CAGR 0% (supply issues).
- Commercial 30%, General Aviation 70%.

Planning Tools:

- General Aviation (*Commercial Aviation*):
  - **Capture Rate**: 30% (*35% JBU, 100% others*)
  - **Gal sold per arriving aircraft**: 80 *(100 JBU, 550 others*)
  - **Gal uplifted per sale**: 300 *(100 JBU, 550 others)*

ACK Fuel Revolver

Anticipated fuel purchases until end of fisical year based on last year's actuals

		# of Deliveries	Avg Gallons per load	Total Gallons	Avg Est Cost	Extended Cost
May	***Jet A***	14	9,964	139,501	$ 3.41	$ 475,859.81
	100LL	3	8,429	25,287	$ 5.63	$ 142,271.00
June	***Jet A***	40	9,781	391,258	$ 3.37	$ 1,318,962.23
	100LL	1	8,174	8,174	$ 5.62	$ 45,928.60
Total loads		58				
			Projected Fuel Purchases May - June 2025			***$ 1,983,021.64***

ACK Fuel Revolver

Suggested revolver increase to $8.5M

Total Purchases Allowed in the Fuel Revolver	$ 8,500,000
Purchases as of April 2025	$ 5,838,726
Anticipated Fuel Purchases May - June 2025	$ 1,983,022
	$ 7,821,747
Estimated fuel balance remaining in the fuel revolver for potential additional deliveries and price increases	$ 678,253

ACK Fuel Revolver

Fuel Revenue as of 03/31/2025

Revolver	$	6,000,000
Operating	$	6,803,506
	$	12,803,506

FY2025 Budget

Revolver	$	6,000,000
Operating	$	2,200,000
	$	8,200,000

Revenue shift after increase

Revolver	$	8,500,000
Operating	$	4,303,506
	$	12,803,506

Even after Fuel Revolver increase revenue would still exceed budgeted amount for FY2025

ACK Fuel Revolver

What will ACK do with any excess fund balances?

- Pay off the projects we took through CapCom/FinCom in 2025 cycle, clearing Town debt sheet.
- Build cash reserves for future Capital project needs
- Contribute to Employee Stabilization Fund
- Pay for future PFAS investigation and remediation

ATM 2025 Summary

- 104 articles
    - Therein 37 Zoning articles

- 39 articles were called.
    - **10 Zoning articles** were called, 7 out of 10 passed as recommended, 70%
        - 3 failed to pass as recommended.
        - 2 were withdrawn (and passed as recommended).
        - 2 received positive motions from the sponsor, but did not pass.
    - **29 General Bylaw articles** were called, 25 out of 29 passed as recommended, 86%
        - 3 failed to pass as recommended.
        - 4 were withdrawn (and passed as recommended).
        - 6 received positive motions from the sponsor, but did not pass.
        - 1 received positive motion from the sponsor and passed.
        - 1 was amended on Town Meeting floor and passed (it had a positive motion).

- Highest # of voters = 789 (day 2, STR debate), lowest # = 227 (end of day 2)