



BARNSTABLE MUNICIPAL AIRPORT
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Frank Sanchez, Airport Manager

BARNSTABLE MUNICIPAL AIRPORT COMMISSION
MINUTES OF THE REGULAR SESSION
TUESDAY, January 20, 2009

Barnstable Municipal
Airport Commission:

Daniel W. Santos, P.E.
Chairman

John T. Griffin, Jr.,
Vice Chairman

Robert L. O'Brien,
Commissioner, Clerk

Donald E. Megathlin,
Commissioner

Michael A. Dunning,
Commissioner

Ronald Persuitte,
Commissioner

Timothy R. Luzietti,
Commissioner

Commissioners Present:

Daniel W. Santos P.E, Chairman, John T. Griffin, Jr., Vice Chairman, Michael A. Dunning, Donald E. Megathlin, and Ronald Persuitte. The meeting was held at the Barnstable Municipal Airport in the Gourley Conference Room, 480 Barnstable Rd., Hyannis, MA.

Yarmouth Representative Present:

Robert Howard

Airport Staff Present:

Frank Sanchez, Airport Manager, Suzanne Kennedy, Executive Assistant to the Airport Manager, Christina Lounsbury, Noise Abatement Specialist

Public Members:

Bill Richardson, and Dave Chamberlain, Jacobs Engineering; James Kubat, AECOM; Leah Curtis, Town of Barnstable Councilors, David Still II, Barnstable Patriot; James Castiglia, Rectrix; and Scott LaForge, Island Airlines.

Call To Order:

Chairman Santos called the regular meeting of the Barnstable Municipal Airport Commission to order at 6:01 p.m. Attendance roll call was taken.

Minutes of the previous meetings:

Chairman Santos moved to approve the minutes of the December 16, 2008 Airport Commission Meeting. This was seconded and unanimously approved.

Public Comment:

None

Commissioners Response to Public Comment:

None

Correspondence and Communications from Staff:

None

Reports from Subcommittees

Finance Subcommittee (Commissioners Megathlin, Dunning, Persuitte)

The Finance subcommittee met on Tuesday, January 6, 2009. The following items were discussed:

- Island Airlines request for a discounted jet fuel bulk rate. The Subcommittee was sympathetic to the economic reasons that Island Airlines presented, but regrettably denied the request.

- Consumer Facility Charges – this would be an add-on to rental car contracts and should generate approximately \$100,000 per year.
 - Fiscal Year 2010 Budget was tabled, but was submitted to the Town of Barnstable
 - Passenger Facility Charges were discussed for a possible future implementation
 - Detailed review by the Finance Subcommittee of the Proforma will begin on Friday, January 23, 2009.

Real Estate & Contracts Subcommittee: (Commissioners Dunning, Megathlin, Persuitte)

The Real Estate subcommittee met on Tuesday, January 6, 2009. The following items were discussed:

- Rectrix request for ramp space was tabled until the February 2009 subcommittee meeting.
- Griffin Avionics ramp lease request was being reviewed by the Town Attorney.
- Mr. Farrell, Hyannis Air Service, passed out a cost analysis for the lease extension and construction improvement request.
- The FAA is still updating the language in the OTA-Control Tower Project contract.
- Mildred's property was discussed.

Environmental Subcommittee (Commissioners Griffin, O'Brien, Luzietti, Santos)

The Environmental subcommittee did not meet during January 2009.

Planning and Development Subcommittee: (Commissioners O'Brien, Griffin, Luzietti, Santos)

The Planning & Development subcommittee did not meet during January 2009.

Terminal Building Committee: (Commissioners Santos, O'Brien, Megathlin)

The Terminal Building committee met Tuesday, January 20, 2009. The following items were discussed:

- Property Acquisition review. The commission hopes to have a closing on the MacGregor Property within the next 30 days. It is on schedule and the attorney is awaiting the appraisal and the review appraisal.
- The Cape Cod Commission DRI Permit Modification was reviewed. The Cape Cod Commission and the MEPA forms were submitted last week, and the consultant will work with these entities through the process of approval.
- The 60 % Terminal Design is due January 26, 2009. The committee is hoping to have a review at the February meeting. Interior finishes were discussed and will be applied to the model for the next meeting.
- The Water Department concerns to provide water service to the new building were discussed.
- Pedestrian canopy designs, preliminary color schemes, and possible locations for local artwork were reviewed.
- The project schedule updates were reviewed, and the project is still on schedule for the terminal to commence in the late fall and the access road in the June/July time frame.
- The Construction Manager at Risk negotiations will commence on Tuesday, January 27th; and hopefully a contract will be presented at the February Commission meeting.
- Commissioner Dunning suggested murals depicting history of the airport similar to the Tampa airport.

Commissioner Griffin joined the meeting at 6:22 p.m.

Unfinished Business:

None

New Business:

BMA 0109-01 –FY 2010 Operating Budget and Service Priority Packages Approval

MOTION to accept and approve the Airport Operating Budget in the amount of \$6,782,584.00 and additional Service Priority Package requests totaling \$427,500.00 for submittal as part of the Town of Barnstable Fiscal Year 2010 Budget. **SPONSOR:** Finance Subcommittee (**May be acted upon**)

Commissioner Megathlin stated that this agenda item was tabled.

BMA 0109-02 –Island Air Jet Fuel Request Denial

MOTION to deny the Island Airlines, Inc. request for a discounted Jet Fuel rate. The Airport Manager has determined that offering a fuel discount to airport tenants or corporate customers would not be in the best interest of the Barnstable Municipal Airport. **SPONSOR:** Finance Subcommittee (**May be acted upon**)

This agenda item was moved and read by Commissioner Megathlin, and seconded. Chairman Santos offered a few thoughts to the Commission as they deliberated the vote on this item. Chairman Santos reiterated Commissioner Megathlin's comments from the earlier subcommittee report that this was a significant step that Island Air had taken with this aircraft. The Commissioners are excited about it, Island Airlines is excited about it, and the community is excited about it because it shows a significant investment in our community, and it's a quieter aircraft. It was a very difficult decision that the subcommittee had before them and they considered it wisely. Chairman Santos reviewed this matter with one of the airport attorneys (Anderson & Kreiger) who is a subject matter expert in fuel issues; just as a means of helping the commissioners understand it a little better. The attorneys had a number of points that Chairman Santos would like to make because Island Airlines should be apprised of the solid reasons behind the suggestion of a denial for their request.

- If the Airport Commission offers any kind of high volume discount to this airline then the same terms must be offered to other current potential customers. If the Airport did not do that, it would be really considered discriminatory and there are requirements in the FAA Grant Assurances that the Airport provide no unjust economic discrimination, and that, clearly, would come under that. The Airport cannot discriminate against one over another.
- In addition, the Airport Commission also has Grant Assurance requirements with funding from FAA that the Airport is not allowed to provide any subsidy to an airline. This might not be considered a subsidy, but basically if the Airport is discounting the cost of fuel it is like putting cash in their pocket and the FAA would consider that a subsidy, and therefore, that is not allowed.
- Thirdly, if the Airport Commission did indeed offer a discount to Island Air and to others, if the Airport decided to go down that path, then that would significantly impact the Airport's revenue stream. The sale of Jet Fuel is a significant part of the Airport's revenue and without that, or by discounting that significantly, it would be very difficult to make ends meet and to continue the fine operations that we have at the airport.

Commissioner Dunning stated that they did consider these things at the subcommittee meeting and the members did have a hard time making the decision because they approve of what Island Air is doing in this particular case, but that for the reasons stated they felt that they were not able to comply with their desires.

Mr. Howard stated that he was pleased that the Airline had been able to purchase the caravan.

The motion was unanimously approved by verbal vote.

BMA 0109-03 – Implementation of CFC Approval

MOTION to implement Car Facility Charge (CFC) effective September 2009 on all rental car contract transactions at the Barnstable Municipal Airport. Revenues collected from the CFCs will be used for the purpose of funding the Terminal Project costs directly related to rental car facility improvements. **SPONSOR:** Finance Subcommittee (**May be acted upon**)

This agenda item was moved and read by Commissioner Megathlin, and seconded. Commissioner Megathlin moved to amend the motion as follows:

- Strike "effective September 2009"
- Add "of up to \$2.00 per rental car agreement" after contract transactions.

The amendment to the motion was seconded and unanimously approved

The amended motion was seconded and unanimously approved.

BMA0109-04 – Airport Manager Position Discussion

Chairman Santos stated that on February 5, 2009 the Airport Commission will be interviewing the two finalists that have been recommended for the Airport Manager's position. Chairman Santos would like the Commission to

determine whether or not the position should be contractual. The position previously was considered to be a non-contractual municipal employee. The majority of other department heads within the Town are considered municipal employees. The Town Manager and the Finance Director are contractual, and Ms. Curtis stated there may be a few others. The Human Resource Department had no preference, and deferred the decision to the Airport Commission. Both the Town and employee are protected in clear terms under a contractual agreement, and it would allow flexibility to follow procedures and allow for clarity of the position duties. Chairman Santos took direction from the Commissioners to work with the Town's Human Resource Department and Airport counsel to develop a contract to be brought before the Commission for approval.

Noise Report:

There were a total of 68 complaints made by 2 noise complainants in December 2008, all from the Town of Yarmouth. Only one of the eight noise complaints were outside of the noise abatement flight path. The total quiet hour flights for December 2008 were 95 operations, reduced 24 from November 2008. There was no noise monitoring done during the colder months, it should resume in March.

Yarmouth Representative's Report:

Robert Howard asked Ms. Lounsbury if she followed-up on the reasons for flights being out of the flight path. Ms. Lounsbury replied that she would review the flight traffic 20 minutes prior to and after the flight and can listen to the voice recorder. If there is a lot of traffic, the flights need to keep a safe distance from each other and may need to extend their paths. Most of the time if they are out of the Noise Abatement Flight path, it is for a reason.

Airport Manager's Report:

Manager Sanchez reported the following:

- In December the FAA Financials were filed online with the FAA in Washington. Once the Airport gets the results from the DOR, Mark Milne, Finance Director, will review the information, and a final update will be done to the FAA Financials, and then a copy will be distributed to the Commissioners.
- While Mr. Sanchez was gone on vacation, there were three major snow events. He thanked the airport personnel for maintaining the airport in his absence. There were no problems and the airfield was open at 6:00 am.

Announcements - Commissioner's Comments:

Chairman Santos stated that he and Chip Bishop met with the Hyannis Park Civic Association on January 4, 2009. They have been the source of many noise complaints and concerns over the years. Mr. Santos and Mr. Bishop gave them a briefing of the status of the projects on the airport. It was a good discussion, and as a result he would like to form a small working group of members of the Commission, Staff, and a Town Councilor and maybe neighborhood groups to talk through some of the issues as they come up and as a means of dialogue.

On January 14, 2009 Mr. Santos met with the Hyannis Area Chamber of Commerce to brief on the status of the airport projects and future planning.

On February 5, 2009 he will be doing the same at the Cape Cod Chamber of Commerce breakfast meeting scheduled in the Airport Conference Room. Many of these leaders in the community use the airport for their businesses and their employees.

On behalf of the Barnstable Municipal Airport, Chairman Santos congratulated the new President of the United States on his inauguration, and hopes to see him here sometime in the future flying in.

The next meeting will be held on Tuesday, February 17, 2009.

Adjournment:

Upon Motion duly made and seconded, it was voted to adjourn the meeting at 6:49 p.m.

ROBERT L. O'BRIEN, CLERK