



# BARNSTABLE MUNICIPAL AIRPORT

BOARDMAN-POLANDO FIELD

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R.W. "Bud" Breault, Jr., Airport Manager

Frank Sanchez, Jr., Airport Manager

## BARNSTABLE MUNICIPAL AIRPORT COMMISSION

### FINANCE SUBCOMMITTEE MEETING

Thursday, September 24, 2009

Gourley Conference Room 3:00 p.m.

#### Barnstable Municipal Airport Commission

Daniel W. Santos, PE,  
Chairman

Donald E. Megathlin,  
Vice Chairman

Robert L. O'Brien,  
Clerk

Michael Dunning,  
Commissioner

John T. Griffin, Jr.,  
Commissioner

Ronald Persuitte,  
Commissioner

Timothy R. Luzietti,  
Commissioner

#### Commissioners Present:

Don Megathlin, Chairman

Ronald Persuitte

Robert O'Brien

#### Airport Staff:

Bud Breault, Jr., Airport Manager

Frank Sanchez, Asst. Airport Manager

Diane Sweeney, Principal Assistant

#### Public Members:

None

#### Agenda of the Day:

Meeting was called to order at 3:00 p.m. Roll call was taken.

By unanimous acclamation, Commissioner Megathlin was asked to continue as Chairman. Minutes of the September 1, 2009 meeting were reviewed and unanimously approved. Welcome Commissioner O'Brien to the Finance Subcommittee.

Discussions on monthly financial statements:

Revenue & Expense spreadsheets

Jet Fuel Sales

Enplanements

#### TABLED ITEMS

#### F09/09-1

Draft 5-yr CIP: Commissioner Megathlin had some concerns over what was lacking in the CIP:

1. Supplement on Active Projects
2. Fuel Farm item is not included in the MAC CIP projects list
3. EMAS retrofit \$810,000 - 2012
4. Design of ATCT and source of funds - to be determined
5. Previous finance committee allotted \$500,000 for land acquisition for Route 28 - would like this added to 2015
6. Reserve funds and surplus

DOR Certification as of July 1, 2009 is estimated to be \$8.6M. Mark Milne recommends reserving \$2M of operating and capital surplus based upon the following:

1. \$5M for extraordinary and unforeseen items including fuel cost escalation.
2. \$5M for "self-insured" items
3. \$1M for operating budget

Commissioners Persuitte and O'Brien would prefer \$3M in reserves.

The Town's position on the bonding issue is that it would like to see that the Airport's surplus and Massachusetts Aeronautical Commission funding are in place. The Airport would also need additional capital reserve as collateral.

**F09/09-2** **Proforma/Financial Analysis – Jacobs:** Tabled until next special meeting on October 8th

**F09/09-3** **Town Council Resolve:** Comments from Commissioner Megathlin provided for update.

#### **OLD BUSINESS**

**F09/09-4** **Reserve Funds:** As noted under item F09/09-1

#### **NEW BUSINESS**

**F09/09-5** **Airline business arrangements and rate settings – Jacobs Consultancy Contract:**  
Tabled until next special meeting on October 8<sup>th</sup>.

**F09/09-6** **PFC Application:** The Airport received answers to questions that were posed to Priscilla Scott of the FAA regarding PFCs with her responses noted in italics:

1. Can there be a "variable" PFC? Can we have one PFC for Air Carriers and a different PFC for Air Taxis?

*No, the level of PFC has to be the same for all those you want to collect PFC revenue from. There are some situations where the level changes from application to application. This is usually at the large and medium hub airports because of the added significant contribution criteria that projects must meet. This is not required for non-hubs such as HYA.*

2. If we implement a PFC, and it is approved by the FAA for specific purposes, does that have any affect on our future entitlement funding or our ability to seek additional FAA funding if available for other purposes?

*No, the FAA encourages airports to pursue all sources of funding. The only issue related to future funding is at the \$4.00 or \$4.50 level; an ACIP is required to ensure that an airport is able to fund any necessary airside development/reconstructions, security and safety projects in the future. There is a direct impact for large and medium hubs that collect PFC's at \$4.00 or \$4.50 that will see a reduction in the entitlement. Again, this impact does not apply to HYA.*

3. Do you know of any examples where an airport may have implemented a small PFC and they could show that reductions in enplanements were directly attributed to the PFC implementation?

*No, not in this Region, but I can ask my counterparts in our regions.*

4. Jacobs Consultancy and others feel that a \$2.00 PFC would be more applicable for what we want to accomplish with the funds generated. Do you know of other airports that may have implemented a \$1.00 PFC? Is there any relative change in the difficulty of getting approval and implementation at the reduced dollar figure?

*Yes, I checked our database and there are a hand full of airports that have or have had a \$1.00 and \$2.00 PFC. It looks like there are two nationally that currently have \$2.00 PFCs. As for increasing the PFC level in the future, it requires an application amendment process which includes additional air carrier/air taxi consultation.*

**F09/09-7** **FY2011 Budget Action Calendar.** Discussed a few specific dates.

**F09/09-8** **Community Relations Calendar:** Awarded to Chip Bishop Communications, Inc. Contract is being negotiated.

**F09/09-9** **Republic Parking:** Company would like to exercise the right of Force Majure. Airport Manager, Breault will be meeting with Republic on 9/29/09 to negotiate any revisions.

**F09/09-10** **Draft Appropriation Order and CIP for ATCT:** Draft was distributed for discussion and comment for possible Town Council Agenda item in mid-October.

*Adjournment: Voted and moved to adjourn at 4:50 p.m.*

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DONALD E. MEGATHLIN, CHAIRMAN