



FINANCE SUBCOMMITTEE MEETING MINUTES
Tuesday, March 2, 2021
Airport Conference Room 8:30 a.m.
Via Zoom Virtual Meeting

Commissioner's Present: (Roll Call)

Norman E. Weill, Commissioner
John G. Flores, Commissioner
Bradley J. Bailey, Commissioner

Airport Staff:

Katie R. Servis, Airport Manager
Matthew T. Elia, Assistant Airport Manager
Mary McDonald, Financial Analyst (Remote)
Fidora Rodrigues, Financial Admin Assistant

Public Members:

John T. Griffin (Remote)

Minutes of the February 2nd Finance Subcommittee meeting were tabled.

OLD BUSINESS

No old business to discuss.

NEW BUSINESS

F0321-01 – Review and Discuss FY2022 Proposed Budget.

- Management presented a draft FY2022 budget for discussion prior to presentations to the Town of Barnstable and Town Council.
- Management will also be meeting with Mark Ells in March prior to Town Council to review.
- Proposed FY22 Budget is \$ 7,316,263.00, which is an overall increase of 7% over FY21.
- Commissioner Flores had some concerns about this. Manager Servis identified the changes.
- Manager Servis stated our Revenues are similar to FY21.
 - Airline, car parking , rental car revenues are still on the decline 20-30% with only marginal improvements
 - Corporate aviation revenues are slightly improving due to increased fuel sales.
 - We have some new Land and Facility leases such as HMI Parking, Hy-Line, Griffin and Hyannis Hangar.
 - Manager Servis noted that the new hangar development is not included in FY22 revenues due to the fact that there are no signed leases at this time.
 - Our fuel sales have increased overall.
- Expenses are similar to FY21 but we are adding the following:
 - Renegotiation of 3 year Union Contract
 - Asset Rehabilitation
 - New Business Plan Goals
 - Marketing Funding



- Training and Conferences to meet our business goals.
- Cares Act Funds Grant total is \$17, 971,966.00.
 - Commissioners will see an increase in reimbursement requests due to the addition of new eligible line items.
- Tier 2 requests total is currently \$0, but it will include the following projects in the future:
 - T-Hangar Replacement Project
 - Fleet Hangar Door Replacement
 - Mary Dunn Way Extension
- A motion was made by Commissioner Flores and seconded by Commissioner Bailey to approve and move the item to the March 16th, 2020 Full Commission meeting.

Action: The agenda item was moved to the March 16th, 2020 Full Commission meeting for approval

F0321-02 – Review and Discuss Modified Financial Reporting.

- During the February Finance Subcommittee meeting the commissioners requested modifications to financial reporting.
- Manager Servis prepared a FY2021 Budget Summary Report for review and comments.
 - Commissioners would like to modify the report to reflect the top 6 expenses to be added to the report.
 - The current Jet Fuel Spreadsheet they would like to leave as is, it gives a good snapshot. They would like to continue to receive the backup spreadsheets
 - The jet fuel discount sheets they would like current year (FY21) and previous year (FY20) on same page.
 - Commissioner Flores would like to see Budget and Actuals combined on a one sheet report.
- Manager Servis also reviewed budget tracking through week 35
 - Jet Fuel sales are up 29% for the month of February compared to February FY20.
 - Fuel sales overall are up 18% for FY21 (July –February 2021)
 - Operations are down 65% for month of February 2021.
 - Operations overall are down 35% compared to FY2020 (July-February 2021).
- \$1.6 Million needed to meet projected budget as of today 03/02/21, this doesn't include CARES Act funds.
- \$1.1 million expected from current “guaranteed” agreements such as land & building leases and Eversource solar revenue.
- \$285,000.00 is expected from new agreements and potential fuel sales.-
 - New agreement-parking (\$35,000.00), Jet Fuel sales (\$250,000.00).
 - This does not include the 1 million dollars from CRRSA Grant.

Action : None at this time

F0321-03 – Review and Discuss Upcoming Lease Expirations and Extensions.

- Manager Servis stated the purpose of the agenda item is so that the Finance Subcommittee is aware of current lease negotiations that will be underway.
 - Hyannis Air Service Hangar II has the option to renew by 4/30/2021 for their ground and building leases. This would extend the lease for two five year periods. The Terms and Conditions will remain the same as their current lease. With the exception of rent shall be escalated and adjusted by a Consumer



- Price Index (CPI) or flat increase yearly. The lease will also include FAA Clause, insurance requirements and additional tie-downs spots will be added.
- Hyannis Hangar LLC lease expires on 5/31/2021 for their ground lease. The lease consist of 6 tenant owed T -Hangar bays which they charge \$ 500.00 per bay. The Airport receives \$13,262 annually. If lease is not renewed the Airport has the option to request the building be removed within 120 days or the title can be vested to the Airport.
 - Car Rental Companies leases expire on 6/30/2021. The lease is for a ground lease and office space. Airport annual rent revenue received is \$121, 103.00, plus 10% car rental concessions in the amount of \$ 363,650.00 in FY20. In addition ground leases with tenant owed buildings with annual revenue of \$ 53,840.00. The Terms and Conditions for one 36 month period will remain the same as original lease except for FAA Clause, insurance updates and requirements.
 - Griffin Avionics lease expires on 1/31/2022. This is a ground and building Lease with tenant owned building. Airport annual revenue collected is \$78,000.00. If lease is not renewed the Airport has the option to request the building be removed within 120 days or the title can be vested to the Airport.
 - Hex Hanger Corp. lease expires on 8/21/2022. Ground lease with tenant owned facilities with annual revenue of \$16,850.00. Option would include two (2) five (5) year periods. The Terms and Conditions for one 36 month period will remain the same as original lease except for FAA Clause, insurance updates and requirements.
 - Pain D'Avignon Bakery lease expires on 12/30/2022. Is a ground lease with Airport owned facilities with annual revenue to the Airport of \$ 15,669.00. The term would have stipulations to revert to Airport if needed as access point.
 - Republic Parking lease expires on 12/31/2022. The Ground lease revenue to the Airport is \$50,441.00 annually plus concessions between \$70,000.00 - \$120.000.00 annually. We have two options, put lease out in an Request For Proposals (RFP) or the Airport takes over the parking facility.
 - The purpose of the agenda item is so that the Finance Subcommittee is aware of current lease negotiations that will be underway.
 - Prior to commission approval, the commission will receive a draft of each lease for review.
 - Airport management will be working with on-call attorney's from Anderson & Kreiger on each agreement
 - Airport management will present a lease to the commission that is near completion and one in which some negotiated terms have already commenced or are near final.

Action – None at this time.

Updates taken out of order:

Updates:

- Airport Finances Update
 - CRRSA Grant Update
- CARES Act Projects:
 - Replacement of T-hangar amendment was approved January 2021 by commission. Project completion date February 2022.



- Fleet Hangar Door Replacement amendment was approved by the Commission in January 2021. Project completion date by December 2021.
- Mary Dunn Way Extension is underway and with amendment to come. Management is working with Airport Solutions Group to move forward. Expected start date is early next year.
- Airport Master Plan Update
 - Katie stated this project is starting to come to a close.
 - On January 26, 2021 3rd PAG meeting completed.
 - Live public meeting scheduled for March 22 @ 6PM – live on Zoom Webinar and possibly Facebook
 - Please visit our website for documentation details available to the public
 - Coordination with both Town of Barnstable and Yarmouth
- Airport Environmental Assessment
 - Post master plan update planning process with Environmental Assessment.
 - This is an 18-24 month process
 - Airport Manager is crafting an RFP to seek proposals from highly qualified firms with previous experience in environmental impact analyses of proposed airport actions that are subject to Federal Aviation Administration (FAA) decision. This includes but is not limited to:
 - National Environmental Policy Act (NEPA) environmental impact analyses;
 - Massachusetts Environmental Policy Act (M.G.L. c. 30 § 61 et seq. (1972)) (MEPA) reviews of environmental impacts of development projects and other activities that require one or more state agency action;
 - Cape Cod Commission (CCC) Developments of Regional Impact (DRI) for projects likely to have effects in more than one town; and
 - Other assessments, and special purpose environmental laws and regulations associated with proposed airport actions that are subject to Federal Aviation Administration (FAA) decision.
 - The project is to be funded in part by the FAA and the Massachusetts Department of Transportation (MassDOT) Aeronautics Division. All work is required to comply with FAA, State and Local requirements and regulations.
- Airport Tree Clearing Project
 - Spring reseeding late April 2021 on the condition of:
 - Temperature monitoring and a stretch of good weather with temperatures over 45 degrees
 - Management is reaching out to Northern Tree to schedule April reseeding and replanting plan.
 - Airport Maintenance site prep in March 2021 (rock removal, rough cut, prep for April seed)
 - Press release
- PFOS/Public Involvement Plan & Update
 - Post mitigation monitoring
 - Meeting on 1/27/2021 with DEP identified additional testing and sampling to identify existing plume and future plume based on ground water and PFAS movement
- ARFF/SRE Roof Replacement Update – Completed
- Airport Rates & Charges Update (2021 review post-COVID19)
 - FY2022 effort



- Rebranding & Website Upgrade
 - Terminal name to celebrate 90th Anniversary for Boardman/Polando Flight (date?)
 - Website modifications – starting in March (after March 20 due to funding being released by Town Council)
 - Town Council approval received 2/18/2021
 - Sign plan modifications underway.
 - SOW form on-call MJ, to revamp language on signs that are easy to read and not cluttered
 - The Quotient Group will design signs
 - Trying to reused existing signs by updating face of signs (reusing posts and sign face if possible to reduce cost)
 - Adding solar lighting to illuminate signs
- MCI Drill September 2021-Tri annual this drill is held every 3 years.

EXECUTIVE SESSION:

Chairman Weill moved to go into Executive Session pursuant to G.L. c. 30A, § 21(a)(3) to discuss strategy with respect to municipal T-hangar lease agreements as a discussion in open session may be detrimental to the bargaining position of the Airport Commission. The meeting will reconvene in open session after the Executive Session

Motion was seconded by Commissioner Bailey and a roll call vote was taken to go into executive session at 9:51 AM.

Commissioner Weill yes Commissioner Flores yes Commissioner Bailey yes

The Finance Subcommittee voted to reconvene in open session at 9:59AM. A roll call vote was taken.

Commissioner Weill yes Commissioner Flores yes Commissioner Bailey yes

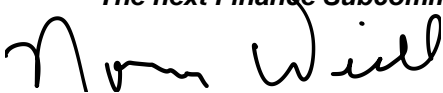
F0321-04 – Review and Discuss Management’s Proposal for Lease Rates Post T-Hangar Construction by and between the Airport and the Six Municipal Hangar Lessors.

- This agenda item was to review and discuss management’s proposed lease rates post t-hangar construction.
- A motion was made by Commissioner Flores and seconded by Commissioner Bailey to approve and move the item to the March 16th, 2020 Full Commission meeting.

Action: Based on executive session review and discussion the agenda item was moved to the March 16th, 2021 for the Full Commission meeting for approval

Meeting Adjourned: 10:03 am

The next Finance Subcommittee Meeting is scheduled Tuesday, April 6th, 2021 @ 8:30 a.m.



Norman E. Weill, Chairman

