



FINANCE SUBCOMMITTEE MEETING MINUTES
Tuesday, February 1st, 2022
Airport Conference Room 8:30 a.m.
Via Zoom Virtual Meeting

Call Meeting to Order:

8:31 a.m.

Commissioner's Present: (Roll Call)

Norman E. Weill, Commissioner
Bradley J. Bailey, Commissioner

Commissioner's Absent:

John G. Flores, Commissioner

Airport Staff:

Katie R. Servis, Airport Manager
Matthew T. Elia, Assistant Airport Manager
Mary McDonald, Financial Analyst

Public Members:

John T. Griffin

Minutes of the January 4th, 2021 Finance Subcommittee meeting were unanimously approved by roll call vote.

Commissioner Weill Yes Commissioner Bailey Yes

OLD BUSINESS

There was no old business to discuss.

FIN0222-1 Review and Approve Airport Management's Suggested Modified/Updated Airport Rates & Charges for FY2022

- Manager Servis stated additional updates are necessary as we plan for FY2023 Operating Budget. We will be reassessing our airport rates and charges which were last updated on October 1st, 2017. Our rates and charges are woefully low in comparison to other nearby airports.
- The increases are deemed appropriate and necessary to portray standard rates to be charged or to bring rates up in small incremental stages
- The new proposed rates & charges will not been included in the FY22 Budget.
- The suggest modifications will go to the Finance Subcommittee, the Full Commission then the Town Council for approval.
- After being approved by the Full Commission there will be a three weeks comment period.
- Once the modified rates are approved by the Full Commission, a public hearing will be held so that tenants and airport users have the ability to comment; the schedule will be as follows:
 - February 15, 2022 – Airport Full Commission Meeting Review and Approval of the Revised Rates
 - Notification sent via email and mailed letter to tenants and airport users of the proposed changes.



- The Tenant comment Period will be from 2/15/2022 – 3/8/2022 (3 week open comment period)
- Airport Management Presents Proposed Changes based on Tenant Comment 3/15/2022 – Airport Commission Meeting.
- Commissioner Weill asked if Management has talked to the tenants or if this will come as a surprise to them. Manager Servis stated there has not been a prior discussion with tenants. However, this is a typical practice and they have been through the process before.
- Commissioner Weill also asked if the Federal Aviation Administration will have any input on the changes to the Airports Rates and Charges. Manager Servis stated they do not; they will approve them if we go through the process of public meeting and public comment period.
- Some of the changes will include:
 - Business Operator Permit (through the fence operation) fee proposed increase from \$1,500.00 to \$1,725.00. Also, we have added other features such as percentage of gross revenue.
 - Conference room hourly rate proposed increase \$30.00 to \$35.00; daily rate \$200.00 to \$230.00. This increase is based on other town entities fees.
 - Landing Fee proposed increases:
 - 6,000 – 12,499 increased from 2.25 to \$2.35
 - 12,500 -19,999 increased \$2.75 to \$ 3.10.
 - 20,000 – 29,999 increase \$3.25 to \$3.45
 - 30,000 will remain at \$3.75.
 - Overnight Parking 12,499 and under increase \$8.00 to \$15.00.
 - T-Hangar increase for new tenants \$300.00 to \$550.00 Existent tenants will be increased in increments.
 - Terminal Counter and Office Space Leases increase from 36 cents a square foot to 38 cent – 48 cents square foot and CPI increases depending on lease.
 - Passenger facility rate now is \$2.00. Will continue to maintain this rate.
 - Jet Fuel we have designed to get rid of the flat rate of 2.35 gallon as it is currently. This will give us the flexibility to increase over holiday weekends and other occasions..
 - Mogas & Diesel increase from 25 cent markup to 75 cent markup.
 - Freight woefully under used. We are going to leave as is.
 - Lease application fee is being eliminated.
 - FBO fees leave at \$20.00 until FBO has been renovated and then we will reassess.
 - Security/ID Fees we expense out about \$ 30,000.00 yearly. We are proposing increasing fees. We have added a new \$10.00 charge for Vehicle sticker permit. We will revisit this once we change over to digital system.
 - Advertising- we have taken this over.
 - Rental cars fees on rate & charges fee will be eliminated.



- Commissioner Weill stated he thinks management has been sensitive to price increases and he appreciates this. Commissioner Bailey is in agreement as well.
- A motion was made by Commissioner Bailey and seconded by Commissioner Weill to approve and move the item to the Full Commission meeting by a roll call vote:

Commissioner Weill Yes Commissioner Bailey Yes

Action: The agenda item was moved to the *February 15th, 2022* Full Commission meeting for approval.

FIN0222-2 Review and Approve Airport Management's Suggested FY2023 Airport Operating Budget

- Airport Management has been working to develop the FY2023 Airport Operating Budget and will be seeking at the March 15th, 2022 Full Commission Meeting.
- FY22 Budget was conservative due to COVID. Manager Servis stated we are doing well without the CARES and CRRSSA Grants. Jet Fuel and Rental Car revenues are doing very well.
- Management will walk you through the proposed changes and highlights of the budget in advance of meetings with the Town of Barnstable and Town Council to develop the final version of the budget
- The FY2023 budget has increases in various sectors but most significantly in the Jet Fuel Cost Center
- Revenues will be similar other than Jet Fuel sales.
- Land lease and facility leases management have a 3% increase and CPI.
- Expenses we will be increasing \$2.7 million to cover added expenses. We will resume to 5 seasonal positions. There will be an addition of a new full time employee, health care had increase, and vehicle expense has increased, addition of Media Relations Consultant, Airline consultant and Marketing Consultant.
- Commissioner Weill commented the jet fuel business is a total different way of looking at business, as in other operating business. He commended management's efforts in lowering the cost of doing business.
- Commissioner Bailey inquired about Differed Maintenance. Manager Servis stated it is equipment purchases we deferred buying or terminal maintenance we deferred to FY23. She added we now need to address maintaining our assets.
- Manager Servis discussed the new proposed position Airfield Manager/Airfield Supervisor. Currently management spends a lot of time on these tasks which consist of overseeing Federal Aviation Administration Projects and other airfield projects. This position will attend weekly meetings and conduct Project oversight. Mathew Elia, assistant Airport Manager currently spends a lot of time on these tasks and alleviating this will allow Management to focus on other airport business initiatives.
- The position with benefits will require funding of approximately \$110,000.00. The qualified candidate will be required to have extensive Federal Aviation Administration knowledge.
- Commissioner Weill is in agreement with the added position and stated this will allows management more time for business goals. He feels both airport Manager and Airport Assistant Manager positions will benefit from the added position. Commissioner Bailey stated he was in agreement as well.



- We will see an increase in the Cares Act use due to these Projects. The Cares Act Funds have a sunset, which is June 2024.
- A motion was made by Commissioner Bailey and seconded by Commissioner Weill to approve and move the item to the Full Commission meeting by a roll call vote:

Commissioner Weil Yes Commissioner Bailey Yes

Action: The agenda item was moved to the *February 15th, 2022* Full Commission meeting for approval.

FIN0222-3 Review and Discuss Amendment #10 to the contract for On-Call Architectural Services by and between Cape Cod Gateway Airport and Fennick McCredie in the amount of \$98,964 (Ninety-Eight Thousand Nine Hundred Sixty-Four Dollars) for the Airport Aircraft Rescue and Firefighting (ARFF) Airport Operations Renovation.

- Airport Management has been working with Airport Consultant Fennick McCredie (F&M) on the development of a Scope of Work to remodel and rehabilitate the Airport Operations/Fixed Based Operation facility.
- Due to code requirements, the facilities restrooms will need to be completely remodeled and made assessable.
- With this level of work, the Airport Commission has allowed for a total remodel of the entire 1,700 square foot space this was approved at the October 19th, 2021 Airport Commission meeting to allow for better flow and organization of the space as well as clear separation between Airport Operations staff and their daily duties and the customer lounge.
- Not only will the space be upgraded to meet code requirements, but it will give the airport the opportunity to complete one of its highest priority Business Plan Goals, *Goal A - Maximize General Aviation Activity at HYA* (with emphasis on our Corporate Partners)
- Fennick McCredie is helping the airport bring this facility up to a level that is esthetically pleasing, inviting and welcoming to our customers
- The project will be funded by the CARES Act (100%), a funding source that otherwise would not be afforded to the airport through its typical federal funding sources of the Airport Improvement Program (AIP)
- CARES Act is allowing for economic incentive programs that help revitalize airports which have been hit hard by the pandemic
- It is estimated that the Fennick McCredie fees is approximately 6.5% of the estimated overall project of \$1.0 Million - 1.5 Million , the estimates are still being calculated but this is consistent with the level of work and the 1,700 square foot commercial space that will be renovated that includes:
 - New curtain walls, windows and interior walls
 - Restrooms with showers
 - Locker room
 - Storage space for ARFF equipment and suits for staff
 - Airport Operations Business Center
 - Customer lounge with mini-kitchen
 - Break room
- An Independent Fee Estimate (IFE) is not required by Federal Aviation Administration if the fee is less than \$100,000.00. Fennick McCredie numbers were originally evaluated through an Independent Fee Evaluation for the same project that was started in 2020. Airport Management is verifying with the Federal Aviation



Administration that this is still an acceptable approach. Manager Servis will verify this information for the commissioners and update them.

- A motion was made by Commissioner Bailey and seconded by Commissioner Weill to approve and move the item to the Full Commission meeting by a roll call vote:
Commissioner Bailey Yes Commissioner Weill Yes
- *Action:* The agenda item was moved to the *February 15th, 2022* Full Commission

FIN0222-4 Review and Discuss Fleet Hangar Door Replacement Project CARES2

- Airport Management has been working with Fennick McCredie (F&M) and the Federal Aviation Administration on the development of various CARES Act Projects
- The Federal Aviation Administration shared some concerns with Management on the implementation of the Fleet Hangar Door Replacement Project.
- Cares Act Projects must meet revenue guidelines for the Federal Aviation Administration. Even though the building is an airport asset, because we rent it to one entity the Federal Aviation Administration has concerns that the project may not meet grant assurances and revenue policy.
- Airport Management had our attorneys look into this and on the surface, as an airport asset, CARES Act could be used for the project because we are maintaining an asset we own. However, as we looked deeper into the lease with Cape Air, all maintenance is assumed by them. Based on the advice of our attorney's and so as to not jeopardize current or future grants, we are cancelling the project
- Management will set up a meeting with Cape Air to discuss the decision.
- A motion was made by Commissioner Weill and seconded by Commissioner Bailey to approve and move the item to the Full Commission meeting by a roll call vote:
Commissioner Weill Yes Commissioner Bailey Yes
- *Action:* The agenda item was moved to the *February 15th, 2022* Full Commission.

Updates:

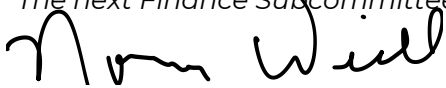
- Airport Master Plan Update
 - Complete
 - Final documentation under FAA review
- Monthly Financial Review-
 - Manager Servis will email the monthly financials later today.
- Upcoming March Finance Items:
 - Hyannis Hangar LLC (June)
 - Griffin Avionics Lease (March)
 - Griffin Avionics Attorneys are still reviewing the draft lease. So, this item was not ready for the February meeting,
- Town of Barnstable Budget
 - FY2023 Operating Budget to commence October 2021
 - Internal staff meetings completed
 - Development underway
- Airport Environmental Assessment
 - Epsilon Associates Kickoff Meeting was held
 - February 2022 start date as long as we have an approved Airport Layout Plan from the Federal Aviation Administration.



- We originally anticipated a October start but we must wait for the Federal Aviation Administration to complete the review and approval of the proposed projects and which will take 90-days
- PFOS/Public Involvement Plan & Update
 - Management met with our new consultant. To get something rolled out to the newspaper.
- Rebranding
 - Sign Replacement
 - At this point in time, staff has ordered the terminal sign replacement.
 - Staff is also getting additional quotes for the replacement of the wooden access signs with the revised stone façade signs with solar lighting.
 - We may not have quotes and graphics to share for March meeting but we will keep you in the loop.
- Dates to remember:
 - Cape Cod Gateway Airport Community Event Series
 - February 9, 2022: Chocolate & Hearts featuring Chef Stephen Coe.

Meeting Adjourned at 10:05 am

The next Finance Subcommittee Meeting is scheduled Tuesday, March 1st, 2022 @ 8:30 a.m.



Norman E. Weill, Chairman

