

MINUTES

The monthly business meeting of the Nashua Airport Authority (NAA) was held at Daniel Webster College, 20 University Drive, Eaton Richmond Center, Room 100, on Wednesday May 18, 2016.

Chairman Rosenblum called the meeting to order at 6:01 pm.

ROLL CALL

Present: Chairman Rosenblum
Vice Chairman Cushing-Adams
Treasurer Mahoney
Secretary Scheifele
Director Stephens

Chairman Rosenblum opened the meeting by expressing appreciation for the letters and comments recently received. He said that the airport authority has a responsibility to operate the airport responsibly and relies on the help of the tenants and users of the airport. He expressed the desire for a 3, 5 and 10 year plans for the growth of the airport and that we currently have 100 empty tie-downs.

He then announced he is going to deviate from the agenda to allow the Powerpoint presentation by Director Stephens and Public Input would be allowed after the presentation.

MOTION BY Vice Chairman Cushing-Adams to untable the lease policy discussion.

SECONDED BY Secretary Scheifele

MOTION PASSED (16-032)

LEASE POLICY COMMITTEE

Director Stephens gave a presentation (attached) on the lease practices historically conducted by the Airport Authority, and to recommend formation of a Lease Policy Committee. The key points of the presentation were:

- Half of the existing 48 leases would expire by the year 2027 (in eleven years). Of these, 5 will expire in 6 years, and another 6 would expire in 8 years.
- The majority of the leases are for a term of 40 years and a rate of \$0.05 per square foot per year with an escalation every 2 years based on the CPI-W index. The current escalated rate for these leases is \$0.122 per square foot per year.
- In 2004 the NAA granted all Lease Agreements an additional 20 year option, with terms to be negotiated. These terms have not been defined.
- A Lease Policy was recommended to communicate terms for new/extended leases, standardize leases for everyone, and ensure a rapid approval process. Many benchmark airports have a published Lease Policy. No change to existing Lease Agreements was to be proposed.
- All Lease Agreements since 2003 have doubled the rate to \$0.10 per square foot per year, for a total of 6 agreements. The CPI-W adjusted rate for these leases is \$0.232 per square foot per year.
- The current lease practice, as historically exhibited in all leases since 2003, include rates that are double what the majority of leases currently are paying. These most recent Lease Agreements

establish the current rate of \$0.232 per square foot per year, which will be in effect for new leases and when existing leases are extended.

- All NAA land leases have been for land only. There is no historical precedence for leasing land with improvements.
- The NAA operating expenses and development plans do not require double lease rates to support them. An estimated 25% increase in lease rates would most likely be sufficient to fund the NAA budget.
- A Lease Policy Committee (LPC) would provide the resources to analyze the NAA funding needs over the next decade and formulate lease terms to meet them. An LPC would involve the aviation community with evaluation of NAA budgetary needs, enable public debate, communicate lease terms, and obtain consensus with Lessors and the City.

Director Stephens asked the board and the meeting attendees if they would prefer to do nothing and continue with a 100% rate increase as shown with the most recent (current) policy, or work to evaluate future NAA financial needs and formulate a Lease Policy that supported development with a reduced rate around 25%?

Several comments were provided by the attendees. The most prominent, shared opinions were:

- The current Lease Agreements have served their purpose well and do not need to be changed.
- The NAA Board of Directors has the authority and resources to enact a Lease Policy, and a Committee is not needed or desired.

Director Stephens concluded his presentation with a summation that the Board was capable of publishing a Lease Policy without forming a committee, and any potential issue over rates were already resolved with support of the current lease practices (at double existing rates).

There was no motion to form a LPC and no vote.

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MOTION BY Secretary Scheifele to approve the NAA meeting minutes for March and April, 2016.

SECONDED BY Director Stephens

MOTION PASSED (16-033)

TREASURERS REPORT – March 2016

Treasurer Mahoney pointed out that April saw expenses \$6,296 lower than expected, coupled with a projected \$4,148 shortfall, and an income loss of \$3,386 under budget, the month ended with a surplus of approximately \$10,400. Treasurer Mahoney attributed the better than planned performance on lower than expected labor and benefits expenses.

MOTION BY Treasurer Mahoney to accept the March 2016 Treasurers Report pending audit.

SECONDED BY Vice Chairman Cushing-Adams

MOTION CARRIED (16-034)

COMMUNICATIONS

NAA-16-006 – Thank you email from Mr. Larry Hersh for hearing their presentation on the placement of a sculpture.

NAA-16-007 – Letter from Farrell Woods regarding the establishment of a Lease Policy

Both communications were accepted and placed on file.

There were a number of communications received after the cutoff concerning the Lease Policy committee. These communications will be presented at the June Board meeting.

REPORTS

TOWER REPORT

Airport Manager Bourque reported that April 2016 saw an increase of 1181 over the same period last year which is 29% increase. Year to date, we are up 38% over last year. Jet operations in April were higher than usual.

AIRPORT MANAGER'S REPORT

- Wildlife activity on the airport has been light with no reported strikes.
- Our Based Aircraft Audit is complete and thank you to those who responded. The breakdown of based aircraft is as follows:
 - 184 from NHDOT's list confirmed with ASH listed as their base
 - 74 confirmed as based here but do not have ASH listed as their base
 - 19 from NHDOT's list can't be either confirmed or denied
 - 11 from NHDOT's list that are no longer based here
 - 277 based aircraft
 - 258 if you discount the 19 that can't be reconciled
- The Airport will host a Homebuilt and Experimental Fly-In on July 9 with a rain date of July 10. All types of homebuilt and experimental aircraft are welcome. This event will be open to the public to help promote the airport and general aviation. We are currently looking for volunteers.
- The Commemorative Air Force will be returning to Boire Field on June 6 and will stay for a week. Tours and flights will be conducted June 8 through June 12.
- The second Boire Field Movie Night is scheduled for August 5 at dusk. We will be screening *Star Wars: The Force Awakens*.
- Planning for Wings and Wheels has begun. We are currently soliciting for vehicles and aircraft. The date of the event is August 6. Please spread the word. We are looking for volunteers for this event.
- A tenant recently inquired about whether or not ASH tenants will be required to equip with ADS-B (Automatic Dependent Surveillance – Broadcast) Out by January 1, 2020 and our tenants will not be required to do so unless they intend to enter Class A, B or C airspace.

Chairman Rosenblum inquired as to whether or not the based aircraft count was used as the basis of the registration fee allocation, to which Manager Bourque responded that the registration fees are based on a different database used by NHDOT.

There was some discussion about two different Homebuilt Fly-ins on the schedule. Manager Bourque explained the NAA event is scheduled for July 9 from 10:00 am to 2:00 pm.

AIRPORT ENGINEER'S REPORT

Armand Dufresne presented the Engineer's report on behalf of Gale Associates.

Fence and Gate Project #1 – This project is essentially complete with some parts on order to complete the cypher locks on some of the pedestrian gates. Once all the punch list items are completed, Gale will process the required documentation and close out the project

Projects 2 & 3: Property Acquisition and Demo Projects - This project is basically complete. The site at the corner of Charron Ave. and Pine Hill Rd. has been regraded and the only remaining item is hydroseeding.

Project 4: Airport Master Plan – This project is now just waiting for funding. Upon funding, the Airport can put together a Master Plan Committee to assist with the work and offer input. Vice-Chair Cushing-Adams inquired about a Vegetation Management Plan that was listed on the Capital Improvements Committee submittals. Director Stephens explained that any vegetation management will be a very small component of the Master Plan.

Project 5: Pavement Reconstruction & Maintenance Project (Runway 32 end) – This project is also waiting for funding.

COMMITTEES

Lease Policy Committee – See above.

OLD BUSINESS

Parking Lot Leases – There was some discussion as to the status of the two parking lot leases. Secretary Scheifele explained that these are not the land leases that were discussed earlier in the evening, but rather two small, simple leases for space to park cars. Discussion centered around whether or not the completed leases needed to come back to the full Board.

MOTION BY Vice-Chair Cushing Adams to table the parking lot leases until next month.

SECONDED BY Treasurer Mahoney

MOTION PASSED (16-035) with Director Stephens dissenting.

NEW BUSINESS

Chairman Rosenblum presented an updated Communications Policy which reads:

All documents coming before the NAA for approval must be submitted to the Authority at least seven (7) days in advance of the next scheduled meeting, including a formal request for Authority action. In addition, all site plans or real estate matters must be submitted to the Authority at least ten (10) days in

advance of the next scheduled Authority meeting including copies for review.

Communications submitted for the attention of the Authority should be addressed to, "Chairman of the Nashua Airport Authority" with a c.c. to either the office manager or the airport manager. This requirement includes electronic communications.

MOTION BY Chairman Rosenblum to accept the changes to the Nashua Airport Authority Communications Policy as presented.

SECONDED BY Vice-Chair Cushing-Adams

MOTION PASSED (16-036)

Public Input

None

Directors' Comments

Vice Chairman Cushing Adams – She mentioned that Ray Grenier was in an accident with a deer at Keene Airport.

Treasurer Mahoney – Treasurer Mahoney thanked all those present for attending the meeting and for their ideas. He welcomed suggestions for increasing revenue.

Secretary Scheifele – He said that the June meeting will be held on THURSDAY, June 16.

Chairman Rosenblum – He stated he thinks the airport is at a crossroads and we need to be planning for the future. It does not help to look backwards.

MOTION BY Vice-Chairman Cushing Adams to adjourn to non-public session to discuss a personnel matter.

SECONDED BY Chairman Rosenblum.

ROLL CALL

Chairman Rosenblum - Yes
Vice Chairman Cushing-Adams - Yes
Treasurer Mahoney - Yes
Secretary Scheifele - Yes
Director Stephens - Yes

MOTION CARRIED (16-037)

MOTION BY Vice-Chairman Cushing-Adams to reenter public session and seal the minutes

SECONDED BY Secretary Scheifele

MOTION CARRIED (16-037)

MOTION BY Secretary Scheifele TO ADJOURN

SECONDED BY Director Stephens

MOTION PASSED (16-038)

The next meeting will be held on Thursday, June 16, 2016

SEE ATTACHMENT FOR ATTENDEES LIST


Secretary Robert Scheifele