

MINUTES

The monthly meeting of the Nashua Airport Authority was held at Daniel Webster College, in room 122 of the Eaton-Richmond Center, University Dr., at 7:00pm on Tuesday, February 15, 2005.

Chairman Dalianis called the meeting to order at 7:00pm.

ROLL CALL

Present: Chairman Dalianis
Vice Chairman Gill
Secretary Fuller (joined meeting in progress)
Treasurer Britton
Director Dresner

PUBLIC INPUT – none at this time

MINUTES – January 2005

MOTION BY Vice Chairman Gill to accept the minutes as written.
SECONDED BY Director Dresner
MOTION CARRIED.

- Sealed Minutes – July 20, 2004

MOTION BY Treasurer Britton to accept the report as written.
SECONDED BY Vice Chairman Gill
MOTION CARRIED.

TREASURER'S REPORT – January 2005

Treasurer Britton noted that we had not received our registration fees from the state of NH as yet, and that money will help offset some of the shortage in revenue.

Treasurer Britton will also be working with the accountant (EHM Financials) to change the format of the report that is presented to the Board. He would like to see YTD figures presented each month.

MOTION BY Treasurer Britton to accept the report as written pending the annual audit.
SECONDED BY Director Dresner
MOTION CARRIED.

COMMUNICATIONS – read and assigned by Secretary Fuller

NAA-05-008	Attorney Robert Backus / Release from S. Wood law suit	On File
NAA-05-009	FAA / Payment Advisory	On File
NAA-05-010	Lee Zompetti / Comments on Committee Recommendations	On File

Treasurer Britton asked if we had been released of all responsibility concerning the law suit. Manger Rankin replied that we had been released as stated in the NAA-05-008 letter.

Vice Chairman Gill inquired if the insurance company had paid the \$3000.00. Manager Rankin confirmed the payment had been made by the insurance company.

Manager Rankin explained that the insurance companies consider this a “nuisance” law suit and had decided to settle out of court.

REPORTS

Tower Report - January 2005

Manager Rankin reported that instead of one there are two windows that will need to be replaced. The cost will be approximately \$10,000.00.

Secretary Fuller inquired if there was any way that the FAA would pay for the maintenance on the tower or if that stipulation could be written into the new contract in September 2005.

Manager Rankin will write a letter to the FAA inquiring if there is a possibility of funding the maintenance for the tower.

Carol Niewola of Gale Associates responded that in her experience, the FAA will pay for 95% of the actual building of a property but will not contribute towards maintenance.

Manager Rankin informed the Board that he had assigned Craig Kalage (our intern from DWC) the task of preparing the nomination package for the Willie F. Card Contract Tower award.

Airport Manager - January 2005

Treasurer Britton inquired if the new plow would be needed next year. Manager Rankin replied that the equipment is holding up pretty well this year but a new plow will be needed next winter. This equipment is pushed by the front loader equipment.

Airport Engineer – January 2005

Carol Niewola from Gale Associates gave an overview of the five options for the runway project. (SEE ATTACHMENT (1) FOR SYNOPSIS OF OPTIONS).

Ms. Niewola answered questions from the Board on an option by option basis.

A meeting will be held shortly with the FAA and NHDOT to obtain their input and preference on which option to pursue. A public information meeting will be scheduled sometime in late March 2005.

Ms. Niewola asked that the Board members review the options and either contact her or Manager Rankin with questions, preferences and opinions.

The local share of the project (regardless of which option is selected) will be approximately \$135,000.00.

OLD BUSINESS

NEW BUSINESS

Approval of the recommendations from the User Fees and Business Development Committee.

Recommendations

A. Bonding

The Committee recommends that the NAA seek legislative authority to increase its bonding authority to \$2,000,000. This will allow the NAA to keep pace with future increases in the consumer price index.

NOTE: Motion #05-48 (Jan. 05 meeting) to allow bonding increase.

B. Capital Improvement Contribution by the City

The Committee recommends that the NAA not burden current users with the cost of CIPs, but instead ask the City to fund the local share of planned CIPs.

A discussion followed where all the members of the Board agreed they thought the City of Nashua should be contributing to the support of the airport. Secretary Fuller noted that none of the taxes paid by the airport go towards education.

MOTION BY Director Dresner that the NAA ask the City Nashua to fund the local share of CIP projects.

SECONDED BY Vice Chairman Gill

MOTION CARRIED.

C. Interest Income

The Committee recommends that the NAA develop a schedule representing the earliest dates portions of the reserve fund may be required for CIPs or other uses and solicit bids from fully deposit- insured local and national institutions in order to maximize interest income. Preliminary analysis indicates the NAA could increase annual interest earned by over \$10,000.

Note: Accomplished January 2005 (Motion #05-44).

D. Land Available for Development

The Committee recommends the NAA solicit requests for proposals (“RFPs”) for the development of uses consistent with the Master Plan (and updates) for the following parcels:

a) E-1545- (lot 108) Land side, lot behind building 106 on Perimeter Road.

b) E-1446- (lot 75) Air side; lot directly South of control tower.

c) E-1484- (lot 73) Air side, second lot south of control tower.

Note: Items b and c are subject to AWAS and land development requirements.

It is also the recommendation of the Committee that the RFPs contain language requiring prospective developers to:

- 1) Offer impact fee contributions to the NAA in addition to the land lease rate, and**
- 2) Pay a monthly fee, as determined by the NAA, during each month following the award of development rights during which development does not reasonably progress.**

E. The Holden Land Acquisition

The Committee recommends the NAA solicit requests for proposals (“RFPs”) for the development of T-hangars consistent with the Master Plan (and updates) for the Holden Land.

It is also the recommendation of the Committee that the RFPs contain language requiring prospective developers to:

- 1) Offer impact fee contributions to the NAA in addition to the land lease rate, and**
- 2) Pay a monthly fee, as determined by the NAA, during each month following the award of development rights during which development does not reasonably progress.**

Treasurer Britton noted that he felt a Board decision needs to be reached before a lot can be put out for development. The Master Plan needs to be reviewed and a set policy needs to be set.

Vice Chairman Gill would like to see a committee formed to provide the guidelines to formalize the procedure that will be used in future development.

Director Dresner agreed that guidelines need to be in place before any development can be allowed.

Secretary Fuller noted that the Fees and User Development Committee had discussed this matter in length. All of the property has individual concerns that have to be addressed.

MOTION BY Secretary Fuller to form a committee of the whole Board of directors to provide guidelines concerning future development at the Nashua Airport. Items D&E to be tabled until the recommendations of the Committee are reported.

SECONDED BY Vice Chairman Gill

MOTION CARRIED.

Note: The meeting is scheduled for Monday, March 14, 2005 at 7:00pm in room 122 of the Eaton-Richmond Center.

The public is invited to attend and give input and Carol Niewola was asked to be in attendance.

F. User Fee For the Aviation Heritage Festival

The Committee recommends that the NAA engage in negotiations with the appropriate responsible party to discuss the payment of an agreed upon contribution to the NAA in order to adequately compensate the NAA for its expenses related to this activity.

MOTION BY Treasurer Britton that the NAA engage in negotiations with the appropriate responsible party from Daniel Webster College to discuss the payment of an agreed upon contribution to the Nashua Airport Authority in order to adequately compensate the Authority for the expenses related to the Aviation Heritage Festival.

SECONDED BY Director Dresner.

MOTION CARRIED.

G. Tie-Down Marketing

The Committee recommends that the NAA develop a brochure highlighting the advantages of utilizing the airport as a base. Committee members have already offered complimentary access to a database and bulk rate mailing privileges that will lower the marketing costs.

Secretary Fuller would like to see Craig Kalage develop a marketing strategy for tie-down marketing.

H. Landing Fees, Commercial Operation Fees, Tie-down Fees, Increased Fuel Flow Fees

The majority of the Committee recommends that the NAA reject the imposition of landing fees and commercial operations fees, and any increase in current user fee rates, including, but not limited to, tie-down rates and fuel flow fees for FY-2004/2005. Chairman Britton and Director Fuller are committed to balanced budgets. The goal of the committee is to raise revenue from sources other than increased user fees

The Board conducted a lengthy discussion with the general agreement that it had become clear that rate increases were necessary, whereas the current expenses were higher than the current income. Most of the fees on the airport had not increased for several years. In order to continue to provide the level of services expected at the Nashua Airport, rates have to be adjusted.

Director Dresner commented that the Airport Manager has run the airport relatively efficiently. The current fees are well before the industry standard. Director Dresner recommends in addition to the steps that have already been taken (higher interest and fees for the Heritage Festival) fees do need to be adjusted. Expenses such as salaries, public utilities and vendor pricing continue to rise and the Authority has to adjust their rates in order to pay their bills.

Chairman Dalianis stated that he is against using our reserve account to pay monthly bills.

Secretary Fuller asked that the Board consider raising the fuel flowage for jets by 3 cents per gallon to make up the shortage in the current budget. Secretary Fuller does not want to raise prices for the general aviation user.

MOTION BY Secretary Fuller to raise the fuel flowage fees for jet fuel by 3 cents.

MOTION FAILED

MOTION WITHDRAWN

Vice Chairman Gill reviewed the prices of airports within 35 miles of Nashua. It is evident that Nashua is well below other airports in the fuel pricing. Vice Chairman Gill noted that a 2 cent increase would still keep our pricing lower than other nearby airports.

MOTION BY Vice Chairman Gill to add 2 cent fuel flowage increase to both AvGas and Jet Fuel beginning March 1, 2005, and a \$5.00 per tie-down increase to take effect July 1, 2005.
SECONDED BY Director Dresner

NOTE OF RECORD: TAPE (2) MALFUNCTIONED : DIFFICULT TO UNDERSTAND

Secretary Fuller stated that he still is in favor of charging jets additional fees such as landing fees. Secretary Fuller noted that there are jets on the field just being stored and not really producing any revenue for the airport.

Chairman Dalianis asked that this issue be clarified.

Manager Rankin explained to the Board that there are jets on the field that are here on consignment; therefore we do not receive any money from registration fees.

MOTION CARRIED.

I. NAA Construction and Operation of Rental Hangars

The Committee recommends that the NAA not engage in activities that compete with private commercial interests, including, but not limited to, hangar construction for the purpose of rental or sale.

Item I. will be addressed by the Committee of the Whole

J. Operating Cost Shortfall

The Committee recommends that any deficiency in the operating budget for this fiscal year be met by application of the reserve account.

Item J. covered under Item H.

K. Committee Continuation

The Committee recommends that the NAA authorize the continued existence of the Committee to provide research, advice and recommendations on issues the Directors may refer to the Committee.

Chairman Dalianis thanked Secretary Fuller and Treasurer Britton for their hard work on the Committee for User Fees and Business Development. Chairman Dalianis noted that a lot of good ideas had come out of the committee and several of the ideas had already been put into practice.

Director Dresner feels that the Authority should encourage working committees on a rotating basis in order to gather fresh prospective and ideas as well as to have input from the airport community at large.

Chairman Dalianis noted for record that the User Fees and Business Development would be dissolved as 2/15/05.

OTHER

PUBLIC INPUT

Mike Zompetti would like to see a part of each business meeting set aside for the general public to comment and ask questions. Mr. Zompetti noted that meetings used to have this format but it was stopped. He strongly urges the Board to consider allowing this type of interaction.

Roland Noyes informed the Board that the reason that part of the meeting had to be eliminated was due to the disrespect shown to the Board, the manner and tone that was being used when the Board was addressed.

Mr. Noyes also noted that the Holden Property should be laid out by the NAA Engineers as far as where construction could be accomplished.

Lee Zompetti stated that she would like to see a discussion category added to the agenda each month.

Treasurer Britton informed the Board of the procedures used by the Board of Alderman in reference to Public Input.

Michael Rosenblum stated that if the airport had maximized their current tie-downs, fee increases may not have been necessary.

ADJOURNMENT – 9:02pm

MOTION BY Director Dresner to adjourn.

SECONDED BY Vice Chairman Gill

MOTION CARRIED.

Respectfully submitted,

Allan Fuller
Secretary

CC: NAA
City Clerk's office

SEE ATTACHMENT FOR ATTENDEES LIST

