

**Commonwealth Of Massachusetts
County Of Dukes County, S.S.
MARTHA'S VINEYARD AIRPORT COMMISSION MEETING**

**October 15, 2008 5:30PM
Martha's Vineyard Airport**

Notice of Such Meeting having been Posted as Required by Law.

Present: Airport Commissioners: Chair Frank Gildea, Fred Condon,
John Coskie, James Craig, Connie Teixeira

Airport Staff: Sean Flynn - Manager,
Deborah Potter - Assistant Manager,

Others: Joan Aimes,
W. Tisb. BOS Jeffrey 'Skipper' Manter, Richard Knabel,
Diane Powers
MVTV – Gimili Glavin
Marni Lipke - Recorder

1. Call to Order

The meeting was called to order at 5:42PM.

2. Subcommittee Reports

Finance Subcommittee – no report.

Personnel Subcommittee – no report.

Land Use Subcommittee – met twice and worked on a series of non-compliance issues particularly with repeat offenders leading to the recommendation for some unfortunate actions discussed and voted below.

Public Relations Subcommittee – no report.

3. West Tisbury Board of Selectmen

- Skip Manter as Chair of the Selectmen expressed a strong opinion against advertising, particularly the LCD monitors with news and commercials, emphasizing the quieter less electronic nature of the Island which could not be priced.
- Richard Knopf seconded Mr. Manter's opinion and emphasized the wish not to perpetuate the same atmosphere as East Hampton. He reported the same opinions from Chilmark and Aquinnah. In addition he reminded the Martha's Vineyard Airport Commission (MVAC) that all signs had to be permitted by West Tisbury.
- The Commissioners and Airport Management stressed:
 - that the MVAC welcomed all input from Town Boards and citizenry, particularly as this was before rather than after the fact,
 - that this was only one of a number of possible revenue streams,

MARTHA'S VINEYARD AIRPORT COMMISSION MEETING
October 15, 2008

2

- that looking at all possible revenue streams was a requirement of the Federal Aviation Administration (FAA),
- that the Airport was in good financial shape and was not a burden to the Island taxpayers partly through careful and forward looking financial planning,
- that FAA grants had remained stable while capital improvement costs had risen exponentially
 - in addition to the added price of working on the Island,
- that no decisions had been made and there would be further intense scrutiny.
- The discussion included:
 - sign permit parameters,
 - continued opposition and public relations,
 - other increases in revenues including raises in ramp fees, fuel prices, Business Park rents, etc.
 - the success and / or complaints on video advertising in the Steamship Authority Terminals,
 - the mistaken conception that the advertising was geared to bring more private jets to the Island or to expand the Airport,
 - public ownership and stake in both the Airport and Steamship Authority.

4. Fire & Ice Sublet (Vote) (See documents on file.)

Mr. Clark of Fire & Ice was an exemplary tenant responding swiftly to requests, requesting prior permission to sublet, etc. The requested sublet involved no retail (except an occasional visit with a client to show a piece in storage) and no refinishing, simply storage. On the recommendation of the Land Use Sub-Committee:

• MR. JOHN COSKIE MOVED TO APPROVE THE SUB LEASE TO THE MIDDLE BAY OF THE BUILDING A TO RICK LEE AS REQUESTED BY JOHN CLARKE OF FIRE & ICE LLC; MR. JAMES CRAIG SECONDED; MOTION PASSED UNANIMOUSLY: 5 AYES, 0 NAYS, 0 ABSTENTIONS.

5. Big Foot, LLC Landscape Plan (Vote) (See documents on file.)

Damage to the buffer had resulted in storm waters problems, erosion, and silt and debris in the drainage system.

• MR. COSKIE MOVED TO APPROVE WITH THE AMENDMENTS AND CONDITIONS THE LANDSCAPE PLAN FOR LOT 5 AS FOLLOWS:
- THE FIELD STONE RETINING WALLS ARE APPROVED; HOWEVER THE WALLS MUST NOT ENCROACH UPON THE FIVE (5) FOOT BUFFER ON EACH SIDE OF LOT 5;
- THE QUANTITY AND SIZE OF PLANS USED TO RESTORE THE BUFFER MUST BE APPROVED BY AIRPORT MANAGEMENT;

MARTHA'S VINEYARD AIRPORT COMMISSION MEETING
October 15, 2008

3

- THE TOP COAT ASPHALT LAYER ON DRIVEWAYS NEEDS TO BE COMPLETED NO LATER THAN NOVEMBER 30, 2008; MS. CONNIE TEIXEIRA SECONDED; MOTION PASSED UNANIMOUSLY: 5 AYES, 0 NAYS, 0 ABSTENTIONS.

6. Lease Compliance Issues (Votes)

The below issues constituted serious and continued violations of the Airport Business Park rules and regulations which had come repeatedly before the Land Use Sub-Committee. Evidence and documentation was provided (see documents on file).

- Cottage City, LLC (See documents on file.)

The lot had been out of compliance continually almost since the beginning and certainly since 2002, issues including, sub-leasing without approval, construction changes without approval, lack of response, use outside the building, failure to keep lot in reasonable condition, overdue wastewater fees, exceeding water limits. On the regretful recommendation of the Land Use Sub-Committee:

• MR. COSKIE MOVED TO PROCEED WITH TERMINATION OF THE LEASE WITH COTTAGE CITY DISTRIBUTORS BY FORWARDING THESE VIOLATIONS AND DEFAULTS TO THE AIRPORT'S ATTORNEY; MR. CRAIG SECONDED; MOTION PASSED: 4 AYES, 0 NAYS, 1 ABSTENTION – MR. FRED CONDON.

- DMB Realty Trust (See documents on file.)

Since January 2008 Management had observed the unapproved occupation of part of Lot 12 by Brennan and Co. trucks – this lot had been approved for parking for DMB trucks. Several notifications that the subtenant(s) needed to vacate the premises until a sublease request and sublease were sent to the Airport produce dilatory or incomplete responses. The same tenant is also a subtenant at a hangar and is well aware of the Airport regulations on subleasing.

• The MVAC and Management insistence on structure and control in the form of approved leases, subleases and building use restrictions were designed to protect the security of the Airport and the flying public. Previous violations by other tenants had lead to a hazardous waste plume currently costing the Airport substantial clean up costs. On the regretful recommendation of the Land Use Sub-Committee:

• MR. CRAIG MOVED TO FORWARD DMB REALTY TRUST VIOLATIONS AND DEFAULTS TO THE AIRPORT'S ATTORNEY FOR THE TERMINATION OF THIS LEASE; MS. TEIXEIRA SECONDED; MOTION PASSED: 5 AYES, 0 NAYS, 0 ABSTENTIONS.

- Cauzault Realty Trust (See documents on file.)

Requests since 2006 for information about an un-approved sublease have gone unanswered until very recently. The issues included requests for updated building plans, unapproved subleases and outside storage. Attorney Tomassian has been in touch and had settled some issues although the information was incomplete.

MARTHA'S VINEYARD AIRPORT COMMISSION MEETING
October 15, 2008

4

• MR. CRAIG MOVED THAT THIS MATTER AND ALL VIOLATIONS BE RESOLVED PRIOR TO THE NEXT LAND USE SUBCOMMITTEE MEETING AT WHICH TIME IF IT IS NOT RESOLVED THAT THE LAND USE SUBCOMMITTEE TAKE ACTION AND CAUZALT REALTY TRUST VIOLATIONS AND DEFAULTS BE FORWARDED TO THE AIRPORT'S ATTORNEY FOR THE TERMINATION OF THIS LEASE; MS. TEIXEIRA SECONDED; MOTION PASSED: 5 AYES, 0 NAYS, 0 ABSTENTIONS.

• Air New England

(See documents on file.)

The tenant having failed to exercise his option to renew since April 2004 multiple letters have noted him as a 'tenant at will' and consequently efforts to prepay rent have been refused. In March 2008 the Land Use Sub-Committee has requested without getting a response, documentation of his claim that he had asked for a lease renewal.

MR. CRAIG MOVED TO FORWARD THE AIR NEW ENGLAND / BARRY STOTT VIOLATIONS AND DEFAULTS TO THE AIRPORT'S ATTORNEY FOR THE TERMINATION OF THIS LEASE; MS. TEIXEIRA SECONDED; MOTION PASSED: 5 AYES, 0 NAYS, 0 ABSTENTIONS.

7. Old Business

• Local CIP

(See documents on file.)

This was a non-prioritized draft Airport Capital Improvement Plan (CIP) for projects not currently funded by Federal or State grants (see below: Actions). The Airport was building a Stabilization and Capital Reserve Fund (see 5/7/08 Minutes p.3 #6) and governmental funding will be applied for as appropriate. The Financial Sub-Committee would gather comments and prioritize the list which was reviewed with brief discussions on each point including the following highlights.

- Two trucks were currently being used as rolling fuel storage to compensate for lack of ferry transportation for fuel over weekends. Another 25,000 gallon fuel tank was proposed as the most appropriate way to store these necessary reserves. There was a technical discussion on tank fittings. Management considered this a priority.
- Another Management priority was a more permanent equipment storage building, the old one having some asbestos issues. The MVAC discussed equipment inventory and replacement.
- Post 9/11 the Transportation Safety Administration (TSA) has taken up increasing space inside the terminal which should be enlarged to accommodate the increased needs.
- Low on the priority is a connector road so that planes on the Southeast ramp will not have to exit the airfield to reach a taxiway.
- An automated system to increase parking fee collection would increase revenue.
- Extending and paving the road to and in the Business Park could be engineered and then paved in sections as lots were developed. The Airport road system belonged to the Airport and could not be transferred to Edgartown.

MARTHA'S VINEYARD AIRPORT COMMISSION MEETING
October 15, 2008

5

- The water main to Outerland was still the original Navy installation and should be replaced. The MVAC should seriously consider constructing a water connection between the Airport and Edgartown which would then be turned over to the Town for maintenance and operation. The MVAC noted the extremely excessive price of water from Oak Bluffs that was not even returned to Oak Bluffs for wastewater treatment (see 9/20/06 p. 2 #3).

- A component was needed to insure the continued good operations of the new wastewater treatment equipment received from the MV Hospital (see 3/21/007 Minutes p. 3).

• Advertising at the Airport (See documents on file.)

IT WAS THE CONSENSUS OF THE MVAC TO TABLE A ROUGH DRAFT OF REGULATIONS ON ADVERTISING UNTIL A FULL COMMISSION WAS PRESENT (see below: Actions). There was a discussion on the status of the advertising discussion which was currently in the concept stage and not attached to any particular company. The matter was still being discussed thoroughly in Sub-Committee and the MVAC. Eventually when the matter was better defined there would be an inclusive transparent outreach for comments and possibly a Public Hearing.

• GAAP Reports (See documents on file.)

Dukes County Treasurer Ms. Noreen Flanders has started the process of refining the software to provide the reports and compartmental reports requested by the Airport. In addition the County and Airport discussed the Auditor's non-responsiveness and delays in deliverables. As evidenced by the Fiscal Year 2007 (FY07) and FY08 reports some progress was being made, and the County was looking at other Auditors.

- The two of the three Airport issues noted in the FY07 Auditor's management letter have been resolved and the third removed from the letter. The Airport was not mentioned in the FY08 Management Letter.

- When the new hangar facility bid company withdrew from the contract (see 7/2/08 Minutes p.2 #5) the losing bid company was approached for further information which had been received and was being processed by the Land Use Sub-Committee.

9. Airport Manager's Update

Mr. Flynn and Assistant Airport Manager Ms. Deborah Potter traveled to Florida for the National Business Aircraft Association (NBAA) Convention and meeting where they met with the Airport Fuel Vendor and expressed their displeasure on the fuel truck maintenance. The trucks will be replaced. They also met with a company on installing a computer system to transmit data from the fuel farm to be integrated with the point of sale and inventory systems at relatively reasonable costs hopefully in the short term.

- The FAA inspection of the airfield went well and The Airport did not receive a letter of correction although there were some good suggestions for improvements that were already being looked at. Congratulations were extended to the entire staff.

MARTHA'S VINEYARD AIRPORT COMMISSION MEETING
October 15, 2008

6

- The fuel provider inspector also gave the Airport a clean bill of sale.
- The next step in the ongoing PCE hazardous waste treatment process was to dig up the site again and install a permanent leaching field.
- The Airport staff sent their profound condolences to the family of Dave Willy who was a part of the Airport family. The investigation of the crash of the Cape Air 402 would be a long term process. Chair Frank Gildea praised the Airport Management which had been highly commended by the crash inspectors.

10. Executive Session

MS. TEIXEIRA MOVED TO GO INTO EXEC SESSION NOT TO RETURN FOR THE PURPOSES OF DISCUSSING LITIGATION AND TO INVITE AIRPORT MANAGER SEAN FLYNN AND ASSISTANT AIRPORT MANAGER DEBORAH POTTER TO BE PRESENT THROUGHOUT; MR. CRAIG SECONDED; MOTION PASSED UNANIMOUSLY: MR. COSKIE YES, MR. GILDEA YES, MS. TEIXEIRA YES, MR. CRAIG YES, MR. FRED CONDON YES.

11. Adjournment

ON A MOTION DULY MADE AND SECONDED THE MEETING ADJOURNED: MR. COSKIE YES, MR. GILDEA YES, MS. TEIXEIRA YES, MR. CRAIG YES, MR. FRED CONDON YES.

Appendix A: Tasks

- Frank / Sean – Inform the W. Tisb. Selectmen whenever advertising is on the agenda.
- All – send Management comments and additions to the CIP
- All – review advertising regulation draft for next meeting.
- Land Use – research applicability of West Tisbury sign regulations.

11/08 Agenda

- Minutes: 4/29/08, 5/7/08 & Exec. Sess, 6/18/08 & Exec. Sess., 6/24/08 & Exec. Sess., 7/2/08, 8/20/08 Notes, 9/3/08, 9/17/08, 10/15/08
- Monthly statistics report

From previous meetings or ongoing

- Review of EdMar Sightseeing
- Sean - Ask MVTV re: standing order and bill for CD/DVD of MVAC meetings.
- Inform Commissioners when background information is available at the Airport.
- It is the responsibility of the Commissioners to view background information once it has been made available.
- Lease renewals 6 mos. to 1 year before lease ends.
- Require a deposit if tenant has repeated lease violations
- Facilitate a Tenant's Association

MARTHA'S VINEYARD AIRPORT COMMISSION MEETING
October 15, 2008

7

Appendix B: Documents on file:

Agenda 10/15/08
Sign-in Sheet 5/4/05
MVAC Monthly Operational Update March 2008 (2 p.)
MV Airport Staff Summary re: Fire & Ice Sublease Approval re: Richard Lee 10/15/08
 Fire & Ice letter of tenant review request 10/3/08
 Agreement of Sublease (10 p.)
MV Airport Staff Summary re: Big Foot LLC (Bruno's Rolloff) Lot 5 Landscape Plan Requests
 Bruno's cover letter re: violations of the buffer zone 9/23/08 10/15/08
 Landscape Plan
MV Airport Staff Summary re: Cottage City Distributors Lot 6 Recommendation for Termination
 4 photos 9/12/08 (3 p.) 10/15/08
 4 photos 10/3/08
 4 photos 10/15/08
Cini letter re: Lease Violations, Lot 6 MV Airport Business Park – 10/25/04
MVY Airport letter re: violation of lease (2 p.) 8/7/08
Estoppel Certificate, Consent to Lease Assignment, Approval and Agreement (4 p.) 10/4/06
MVY Airport letter re: inspection and concern/non compliance issues 9/13/06
Letter re: inspection issues or violations (2 p.) 11/4/04
Letter re: inspection conditions, issues or violations 11/20/03
Letter re: receipt of note dated March 1, 2002 3/13/02
The use of the second floor... 11/30/00
Commission uses reasonable efforts in such alteration... (3 p.).
MV Airport Staff Summary re: DMB Realty Trust Lot 11 Recommendation for Termination
 MVY Airport letter re: original requests of March 10, 2008 9/5/08 (3 p.) 10/15/08
 MVY Airport letter re: DMB Realty Trust in violation of lease (2 p.) 8/7/08
 MVY Airport letter re: receipt of two letters 3/28/08
 MVY Airport letter re: receipt of fax 2/26/08
 DMB Realty Trust fax re: declining retail sales 1/14/08
 Granite Stores Of M.V. Inc. Fax Cover Sheet 1/23/08
 MVY Airport letter re: Article 12.2 of your lease 1/14/08
 D. If Tenant does not comply...(6 p.)
MV Airport Staff Summary re: Cauzault Realty Trust Lot 37 Recommendation for Termination
 MVY Airport letter re: original requests of August 13, 2008 (2 p.) 9/5/08 (3 p.) 10/15/08
 MVY Airport letter re: Cazeault Realty Trust violation of lease (2 p.) 8/7/08
 Certified Mail Receipt 8/8/09 / Domestic Return Receipt 8/11/08
 MV Airport Memo re: Lot 37 Cazeault Roofing 3/20/08

**MARTHA'S VINEYARD AIRPORT COMMISSION MEETING
October 15, 2008**

8

Appendix B: Documents on file *continued*:

- MV Airport Staff Summary re: Cauzault Realty Trust Lot 37 *continued*
- Cazeault letter re: A review of your records (2 p.) 2/6/08
- MVY Airport letter re: your prompt response to the discrepancies 3/1/07
- Cazeault letter re: your letter dated 10/11/06 11/15/06
- MVY Airport letter re: visual inspection of exterior concerns (2 p.) 10/11/06
- MVY Airport letter re: unresolved non-compliant issues 2/6/08
- A. 12.2 Transfer. Tenant shall not...(3 p.)
- MV Airport Staff Summary re: Air New England/Barry Stott Recommendation for Termination
- MVY Airport letter re: in receipt of your email (March 6, 2008 3/13/08 (2 p.) 10/15/08
- MVY Airport letter re: please find enclosed check 1/30/08
- MVY Airport letter re: please find enclosed check 6/1/07
- MVY Airport letter re: enclosed check 6/14/06
- MVY Airport letter re: please find enclosed check 2/8/05
- MVAC Meeting minutes excerpt (2 p.) 2/4/04
- MVY Capital Improvement Program Draft
- MVY Airport Martha's Vineyard Project Description and Scope of Work (13 p.)
- Guidelines Regulating Advertising at the Martha's Vineyard Airport Facilities (8 p.) 9/18/08
- Draft
- Draft County of Dukes County, Massachusetts Report on Examination of Basic Financial Statements Fiscal Year ended June 30, 2008 (49 p. including cover) 10/31/08
- Draft County of Dukes County, Massachusetts Report on Examination of Basic Financial Statements Fiscal Year ended June 30, 2007 (46 p. including cover) 8/15/08
- Draft County of Dukes County, Massachusetts Reports on Federal Award Programs Year ended June 30, 2007 (10 p. including cover) 8/15/08
- Draft County of Dukes County, Massachusetts Management Letter June 30, 2007 (11 p. including covers) 8/15/08

These Minutes approved as written December 17, 2008