



FINANCE SUBCOMMITTEE MEETING MINUTES
Tuesday, January 3, 2023
8:30 a.m.
Via Zoom Virtual Meeting

Call Meeting to Order:

8:30 a.m.

Commissioner's Present: (Roll Call)

Norman E. Weill, Commissioner

Bradley J. Bailey, Commissioner

John G. Flores, Commissioner

Airport Staff:

Katie R. Servis, Airport Manager

Matthew T. Elia, Assistant Airport Manager

Christopher Bostwick, Senior Project Manager

Mary McDonald, Financial Analyst

Public Members:

John T. Griffin, Cape Cod Gateway Airport

OLD BUSINESS

None

NEW BUSINESS

F0123-1 Review and Approve the Fuel Pricing Agreement by and between Cape Cod Gateway Airport and EVO-Jet Services / EVO Fuels LLC., for discount jet fuel purchases

- Manager Servis stated EVO-Jet Services / EVO Fuels LLC has requested to contract with the Airport to supply jet fuel at a discounted rate
- The Fuel Purchaser has elected to enter into the SILVER PROGRAM - Multiple Cumulative Purchases – WITH/OUT an Annual Fuel Quota Fuel Agreement. According to the existing Jet Fuel Discount Program, the SILVER PROGRAM is a ONE year program.
- Discounted prices are available and awarded only when the Gallons/Uplift (see Schedule B below - SILVER PROGRAM) is achieved

SCHEDULE B – SILVER PROGRAM			
Tier Level	Gallons/ Uplift	Discount/Gal	Waive Ramp Fees (See Published Airport Rates and Charges)
1	1-100,000	\$0.00	Yes
2	100,001 - 200,000	\$0.35	Yes
3	200,001 - 300,000	\$0.50	Yes
4	300,001 - 400,000	\$0.65	Yes
5	400,001 - 500,000	\$0.85	Yes
6	500,001 and above	TBD	Yes

Sales with approved credit card or pre-approved net 10 credit/payment plan and terms

- Additional discounts are available upon reaching each successive tier level – the more fuel purchased, the higher the Discount Rate once the tier level is reached.



- Manager Servis stated for example, for this Agreement, a Fuel Pricing Agreement with/out a Fuel Quota, if the Fuel Purchaser purchases 50,000 gallons, no Discount Rate is applied. If the Fuel Purchaser purchases 100,001 gallons within the same contract year, each gallon thereafter and up to 200,000 gallons purchased is eligible for a \$0.35 discount/gallon, the Discount Rate, (from 100,001 gallons to 200,000 gallons purchased).
- EVO has been purchasing fuel from the airport for over two years now and we had reached out to them on numerous occasions to become a discount purchaser. They reached out to us last month to do so.

Commissioner Flores asked if we have tracked the gallons EVO has purchased, and if they are recognized in the budget. Manager Servis stated we do not individually track customers who do not have an agreement or contract with the airport. The gallons purchased are recognized in the budget in the overall jet fuel sales.

- A motion was made by Commissioner Flores 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 Commissioner Flores -Yes

Action: The agenda item was moved to the *January 17, 2022* Full Commission meeting for approval

Updates:

- Monthly Financial Review
- Manager Servis review the attached FY2022 Budget Update Presentation.
 - Jet fuel sales are 97% over anticipated revenue budget
 - Fuel Sales are down 25% when compared to December of last year. Overall Fuel sales are down 45%.
 - Rental Car concessions are 97% over anticipated revenue budget.
 - Reviewed top 6 Revenue Producers Jet Fuel, Grants, Non Aero Land lease, rental car concessions, landing fees, land lease.
 - Transferred fund Balance is high due to funds transferred for Jet Fuel which will decrease once the transfer is complete.
 - Commissioner Flores asked if there is an escalation in the WS Development Lease. Manger Servis stated there is a 3% increase yearly. He also asked what percentage of retirement employees pay into. Manager Servis was unsure and will check into it and get back to the commission.
 - Enplanement and Deplanements are down. Manager Servis reported we are 50% lower than what we thought we would be. After speaking with Cape Air, they are not projecting an increase due to pilot shortage and the Ferries. In 2015-2016 we lost a lot of passengers to the Ferries.
 - Commissioner Weill stated it is a depressing slide for the start of the New Year. He also stated that the people he speaks to say it is the high cost to fly to the island. It is not necessarily our doing, it also is the airlines. Manager Servis agreed and stated we will need to look at other options if the Island flights do not pick up.
 - Commissioner Flores stated it all comes down to cost. It is cheaper to take the ferry than to fly. We have high competition
- Upcoming February/March Finance Items:
 - Land Lease (Hangar Development) – Ben deRuyter (Feb. /Mar.)-
 - We will be sending him a draft lease.
 - Draft Operating Budget (Feb.)-
 - Next month the commission will receive the draft operating budget.



- Net Jets Discount Fuel Contract (Feb.
 - We hope to sign a new contract. However, they want the same discount as Everest Fuel Management but do not want to sign a fuel agreement.
- Land Lease (Hangar Development) – AMA (Feb. /Mar.)
 - They want to develop a new lease, with the hope to tear down their existing structure and build new structure to hangar their new aircraft the Turbine Caravan. If they do this we will be selling them jet fuel.
- Land Lease – DPW – Water Department we have a meeting the end of this month (Feb. /Mar.)
- Projects Update/Status
 - Chris Bostwick stated the Replacement of T-hangar is tracking well
 - Airport Operations Renovation- is tracking well.
 - Mary Dunn Way Extension – Almost completed
 - Runway 6/24 Reconstruction Project- progressing and to include airfield sign bases are being delivered.
 - EMAS Replacement Project-Blocks are made and being stored with supplier.
- Airport Environmental Assessment Status (<https://flyhya.com/airport-info/environmental-assessment/>)
 - January 5, 2023 – Massachusetts Environmental Policy Act (MEPA) Site Visit | 11:00 am | 1st Floor Baggage Claim Area, Cape Cod Gateway Airport, 480 Barnstable Road, Hyannis, MA 02601
- Rebranding
 - Sign Replacement
 - Replacement of wooden signs – out for a bid/quotes.

Additional comments:

Commissioner Flores asked if we can put signage on the Tower. He thought it would be a good idea to place a Cape Cod Gateway sign on it. Manager Servis thought it was a great idea and will research it and get back to the commissioners.

Commissioner Weill stated the revised Budget Summary Reports with pictures and graphs are exactly what he was looking for and stated they are excellent! Commissioner Flores agreed.

Meeting was adjourned at 9:26 AM

The next Finance Subcommittee Meeting is scheduled Tuesday, February 7, 2023 @ 8:30 a.m.



Norman E. Weill, Chairman

