

**Commonwealth Of Massachusetts
MARTHA'S VINEYARD AIRPORT COMMISSION
LAND USE SUBCOMMITTEE MINUTES**

August 6, 2020, 3:00PM

Via Zoom Meeting

Notice of Such Meeting Having Been Posted as Required by Law

Present:

Subcommittee: Chair – Geoff Wheeler; Donald Ogilvie; Kristin Zern; Norm Werthwein

Airport Staff: Kevin Brennan, Airport Properties Manager (recorder); Cindi Martin,
Airport Director; Edward Christofono, Financial Controller; Geoff Freeman,
Deputy Airport Director

Public Signed in via Zoom: Fred Bellows (Hangar C07)

Public Not Signed in: NONE

I. CALL TO ORDER by Chairperson Geoff Wheeler – 15:01hrs.

II. MINUTES: APPROVE THE MINUTES FROM THE JULY 2, 2020 LAND USE SUBCOMMITTEE MEETING

MOTION: Mr. Werthwein to approve minutes

SECOND: Ms. Zern

VOTE: Mr. Ogilvie – ABSTAIN (did not attend meeting), Ms. Zern-AYE, Mr. Werthwein-AYE, Mr. Wheeler-AYE - 3-0-1.

III. PUBLIC COMMENTS - NONE

IV. STAFF REPORTS

a. Tenant Aging Report:

Mr. Christofono reported \$68,056.15 over 90 days. Top 5 include:

1. **Delta Airlines \$23,277.29** (Amira had concerns about the invoice / contract “despite disagreement with this rate, I haven’t taken action on this invoice.”)
2. **JetBlue Airlines \$25,550.39** (Tom Kuehn thought this was paid, is following up, and some enplanement fees)
3. **Cars Unlimited \$9,990.09** (Terry from CU said a check went out on 8/3/2020, there was no mention of the two Annual Business Fees for \$3,000.00).
4. **Hertz \$10,327.47** (This is the outstanding amount after the Credits and before the rebill for actual MAG—KB spoke to John Clancy, needs invoices created a specific way to pay W&WW, should we expect April and May rents to be paid? [almost \$6k].)
5. **Cottage City Distributors, Inc. \$1,096.02** (reached out to Nick Catts, no response the last two times I reached out).

Total AR: \$244,478.54

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Over 90 Days: \$68,056.15 (credits needs to be issued and rebilled for MAG for Hertz and Avis/Budget, also there's that \$8k amount in Sprint Spectrum that has been on there for a year now, unable to determine why it is owed).

61-90 Days: \$2,007.05 (majority of this is Jet Blue Enplanements).

31-60 Days: \$67,267.52 (majority of this is JetBlue and Delta for about \$46,000).

b. Properties Manager Report:

1. 27 Airport Road – ~~330-gallon~~330-gallon oil spill continues to be addressed to the satisfaction of the Airport and our Environmental consultant's satisfaction by tenant's contractor, but no progress in more than 30 days.
2. 27 Airport Road – MV Investment Properties, LLC - 2 unapproved subtenants discovered in June. Current subleases were requested from leaseholder Malcolm Hall. Information required to review subleases has yet to be presented.
3. Property Inspections – All Edgartown inspections have been conducted. Properties in West Tisbury and 5 remaining hangar inspections to be scheduled in August.
4. Dukes County Emergency Mgt. Site – County Manager had committed to remove all property from land by July 2020. 17 vehicles remain on site.
5. Taxi Agreements – 5 Taxi companies have signed agreements for 2020-2021. Stagecoach Taxi has not submitted majority of supporting documentation, although all others have.
6. COVID-19 Lease extensions – 19 received. Expired leases with no extension received include: DMB Realty (Granite Stores), Indigo Farm, Island Propane, Landscape, Reardon (Supply New England), Island Pool & Spa, Silva/Schwab
7. FAA Field Office – Last rent payment was made for August. FAA takes over lease effective September 1, 2020.
8. Carrier Agreements – Jet Blue received, no other agreements signed yet.
9. Eastern Wind Power – Expect Signed agreement back any day.
10. ATM RFP to be issued August 17th, for January 2021 effective date. Dramatic reduction in income expected. 5 banks doing business on Island may respond.

c. LUS Chairman's Report: Nothing to report

V. OLD BUSINESS

NONE

VI. NEW BUSINESS

a. AW200-Crown Castle – Request for Modifications for Subtenant ATT

Crown Castle has requested to make changes to their tower in order to increase efficiency for subtenant AT&T Tower Asset Group. The height of the tower won't change nor will the overall footprint of the leasehold. Crown Castle plans to modify the equipment by replacing six (6) antennas and six (6) TMAs while adding six (6) coax.

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According to the application, a crane will NOT be required, but a man lift will be used. This stage of work includes only a structural modification to the tower. Once approved by the MVAC, material will be gathered (8 weeks) and work will begin on the site 2 weeks later. Antenna work will be handled at a later, unknown date.

MOTION: Mr. Werthwein: recommend approval to MVAC with the following conditions:

- a. Because a crane is NOT required for this work, the Lessee is not required to submit FAA Form 7460-1. **Should a crane be required, FAA Form 7460-1 will be obtained.**
- b. Airport Director will have the right to stop construction if there are any negative impacts to air navigation or to the smooth operation of the airport,
- c. All approvals and permits required must be obtained by AT&T including Town of West Tisbury, Martha's Vineyard Commission, and others,
- d. This approval is invalid if construction does not begin within 180 days of approval.

SECOND: M. Ogilvie

VOTE: Mr. Werthwein-AYE, Ms. Zern-AYE, Mr. Wheeler-AYE, Mr. Ogilvie-AYE- Unanimously approved.

b. BP12 – DMB Realty Trust – Request for Renewal of Sublease-Martha's Vineyard Construction Company, Inc.

The leaseholder is requesting approval for the retroactive renewal of the sublease of a portion approximately 1,000SF of the building and property commencing January 1, 2015 (last sublease approved by MVAC) through May 31, 2020 (5 ½ years). Although MVAC approval is rarely for more than a 3-year sublease, this exception should be made simply to account for the time noted above when no approved sublease was in place. During that [time](#), the 10% subtenant commission fee was not paid as required by the lease.

The leaseholder requests MVAC approval of a 1-year (June 1, 2020 – May 31, 2021) sublease. The leaseholder has retroactively fulfilled the requirements of the Subtenant Lease Application process stating that nothing has changed since the 2014 lease ended. This renewal qualifies for the 10% commission.

MOTION: Mr. Werthwein: Recommend approval to MVAC with the following conditions:

- The term of the sublease shall be no longer than 1 year with no automatic renewal. No other extensions or holding over is permitted and any new sublease agreement for any subtenant requires the prior written approval of the Martha's Vineyard Airport Commission.

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- DMB Realty Trust and the subtenant agree to remain in strict compliances with all of the provisions of the Master lease, including prior approvals of future subleases.
- DMB Realty Trust abide by Article 12 2.A “the tenant shall pay the Commission as additional rent ten percent (10%) of the Tenant’s gross revenue from the services and facilities it provide to the SubleaseeSublessee,” and retroactively pay the Commission for 65 months (the period January 1, 2015 through May 31, 2020). Should executed unapproved subleases be presented to the Airport, corrections will be made to the retroactively invoiced amount.

SECOND: Mr. Ogilvie

VOTE;**VOTE:** Ms. Zern-AYE, Mr. Wheeler-AYE, Mr. Ogilvie-AYE, Mr. Werthwein-AYE Unanimously approved.

c. Hangar C-Hangars Unlimited – Request for Construction of C - 02-Robert Luskin

Hangars Unlimited’s Peter Rogers, on behalf of Hangar C02 Subtenant, Robert Laskin, requested permission to relocate a pass-through door and install a 12’ X 12’ garage door within the hangar door. This portion of C02 is NOT used for aircraft storage. A similar modification was approved for C07 within the last couple of years. Kent Healy submitted drawings dated 9/16/2018 and 12/11/2018, which were drawn another hangar which were set up on the reverse of this, so the drawing does not match the actual as is-C02. Staff finds this conceptual drawing acceptable. Mr. Fred Bellows, who managed similar construction of his hangar C-07 within the last couple of years, was available to respond to questions regarding the request. There were no questions.

MOTION: Ms. Zern: to recommend that the MVAC approve the request as detailed above, contingent upon the following:

- a. Ensure that no construction equipment used for these improvements will exceed the current height of the existing building,
- b. Airport Management will have the right to stop construction if there are any negative impacts to air navigation or to the smooth running of the airport,
- c. All approvals and permits required must be obtained by tenant including Town of West Tisbury, Martha’s Vineyard Commission, and others,
- d. This approval is invalid if construction does not begin within 180 days of approval.

SECOND: Mr. Werthwein

VOTE: Ms. Zern-AYE, Mr. Werthwein-AYE, Mr. Ogilvie-AYE, Mr. Wheeler AYE – 4-0-0 unanimously approved

d. BP-06- Cottage City Distributors, LLC-Request to Renew Sublease-Big Sky, Inc.

The leaseholder is requesting approval for the retroactive renewal of the sublease of approximately ~10,000SF of the building (\$6,000SF 1st floor and 4,000SF second floor)

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and property commencing October 1, 2015 (last sublease approved by MVAC) through May 31, 2020 (4 years, 7 months/55 months). During that ~~time~~time, the 10% subtenant commission fee was not paid as required by the lease.

The leaseholder requests MVAC approval of a 1-year (June 1, 2020 – May 31, 2021) sublease. Past rates are unknown as there are no subleases on file. The leaseholder has retroactively fulfilled the requirements of the Subtenant Lease Application process stating that nothing has changed since the last renewal. This renewal qualifies for the 10% commission.

MOTION: Mr. Ogilvie to recommend that the MVAC approve the sublease submitted with the following conditions:

- The term of the sublease shall be no longer than 1 year, through May 31, 2021, with no automatic renewal. No other extensions or holding over is permitted and any new sublease agreement for any subtenant requires the prior written approval of the Martha's Vineyard Airport Commission.
- Cottage City Distributors, LLC and the subtenant agree to remain in strict compliances with all-~~of~~ the provisions of the Master lease, including prior approvals of future subleases.
- Cottage City Distributors, LLC abide by Article 12 2.A "the tenant shall pay the Commission as additional rent ten percent (10%) of the Tenant's gross revenue from the services and facilities it provide to the SubleaseeSublessee;" and retroactively pay the Commission 55 months (period October 15, 2015 through May 31, 2020). Should executed unapproved subleases be presented to the Airport, corrections will be made to the retroactively invoiced amount.

SECOND: Mr. Werthwein

VOTE: Ms. Zern-AYE, Mr. Werthwein-AYE, Mr. Ogilvie-AYA, Mr. Wheeler-AYE - 4-0-0 unanimously approved.

- a. **BP06-Cottage City Distributors, LLC – Request to Renew Sublease-Val Cakes** The leaseholder is requesting retroactive approval for a sublease for Val Cakes for approximately ~732SF of the building commencing on approximately January 1, 2019 through July 31, 2020.

The leaseholder is requesting MVAC approval for a sublease for Val Cakes to two (2) years from August 1, 2020 through July 31, 2022. The leaseholder has fulfilled the requirements of the Subtenant Lease Application process. This sublease qualifies for the 10% commission. This 732SF space will be simultaneously subleased to new tenant CMW Group, Inc.

MOTION: Mr. Ogilvie to recommend that the MVAC approve the sublease submitted with the following conditions:

- The term of the sublease shall be no longer than July 31, 2021, with no automatic renewal. No other extensions or holding over is permitted and any

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new sublease agreement for any subtenant requires the prior written approval of the Martha's Vineyard Airport Commission.

- Cottage City Distributors, LLC and the subtenant agree to remain in strict compliances with all-~~of~~ the provisions of the Master lease, including prior approvals of future subleases.
- Cottage City Distributors, LLC abide by Article 12 2.A "the tenant shall pay the Commission as additional rent ten percent (10%) of the Tenant's gross revenue from the services and facilities it provide to the [SubleaseeSublessee](#);" and retroactively pay the Commission for 19 months (period January 1, 2019 through July 31, 2020). Should an executed unapproved sublease for this period be presented to the Airport, corrections will be made to the retroactively invoices amount.

SECOND: Mr. Werthwein

VOTE: Ms. Zern-AYE, Mr. Werthwein-AYE, Mr. Ogilvie-AYA, Mr. Wheeler-AYE - 4-0-0 unanimously approved.

e. **BP06-Cottage City Distributors, LLC – Request to Renew Sublease-CWM Group, Inc.**

The leaseholder is requesting approval for a sublease for CMW Group, Inc. to sublease approximately ~732SF of the building commencing when approved through two (2) years after signing. This 732SF space is also being subleased to current tenant Val Cakes.

The leaseholder requests MVAC approval of a 2-year (effective as soon as approved) sublease. The leaseholder has fulfilled the requirements of the Subtenant Lease Application process. This sublease qualifies for the 10% commission.

MOTION: Mr. Ogilvie to recommend that the MVAC approve the sublease submitted with the following conditions:

- The term of the sublease shall be no longer than July 31, 2021, with no automatic renewal. No other extensions or holding over is permitted and any new sublease agreement for any subtenant requires the prior written approval of the Martha's Vineyard Airport Commission.
- Cottage City Distributors, LLC and the subtenant agree to remain in strict compliances with all-~~of~~ the provisions of the Master lease, including prior approvals of future subleases.
- Cottage City Distributors, LLC abide by Article 12 2.A "the tenant shall pay the Commission as additional rent ten percent (10%) of the Tenant's gross revenue from the services and facilities it provide to the [SubleaseeSublessee](#);" effective with the commencement of the sublease.

SECOND: Mr. Werthwein

VOTE: Ms. Zern-AYE, Mr. Werthwein-AYE, Mr. Ogilvie-AYA, Mr. Wheeler-AYE - 4-0-

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0 unanimously approved.

VII. ITEMS NOT REASONABLY ANTICIPATED BY CHAIR

Chairperson Wheeler summarized a letter received from Mr. Jim Eddy, BP34 - 26 East Line Road, with several requests to modify the lease he recently assumed for the premises. Mr. Wheeler stated that he believes that the MVAC should not be involved in Mr. Eddy's banking relationship(s) financing discussions. Ms. Zern stated that it was her experience that bank appraisals are often lower than FMV. Mr. Wheeler suggested that at some point in the future, MVAC may want to consider engaging a second "Airport Appraiser" in the future.

MOTION: Mr. Ogilvie to not entertain the request to make changes to the lease or conditions.

SECOND: Ms. Zern

VOTE: Mr. Ogilvie-AYE, Mr. Werthwein-AYE, Ms. Zern-AYE, Mr. Wheeler-AYE- Unanimously approved 4-0-0

Ms. Martin offered to construct a written reply to the tenant.

VIII. Next meeting – 3:00PM, Thursday, September 3, 2020

IX. ADJOURNMENT

MOTION: Ms. Zern moved to adjourn at 15:48hrs.

SECOND: Mr. Ogilvie

VOTE: Ms. Zern-AYE, Mr. Werthwein-AYE, Mr. ~~Ogilvie~~Ogilvie-AYE, Mr. Wheeler-AYE - 4-0-0 unanimously approved.