

MASSACHUSETTS PORT AUTHORITY
MINUTES OF THE ANNUAL MEETING HELD ON
JULY 19, 2018 AT 9:00 A.M.
ONE HARBORSIDE DRIVE, EAST BOSTON, MA

The annual meeting of the Members of the Massachusetts Port Authority was held at One Harborside Drive, East Boston, Massachusetts on July 19, 2018. Chairman Lewis G. Evangelidis presided. L. Duane Jackson, Patricia A. Jacobs, John A. Nucci (by telephone), Sean M. O'Brien, Stephanie L. Pollack, Laura Sen, Thomas P. Glynn, CEO and Executive Director, Ashley Stolba, Assistant Chief of Staff, Michelle Kalowski, Acting Chief Legal Counsel, John P. Prankevicius, Director of Administration and Finance and Secretary-Treasurer, Edward C. Freni, Director of Aviation, Lisa Wieland, Port Director, Houssam H. Sleiman, Director, Capital Programs & Environmental Affairs, Andrew Hargens, Acting Chief Development Officer, Francis Anglin, Director, Information Technology, George Naccara, Chief Security Officer, Kelly Strong, Director of Labor Relations/Labor Counsel, Brian Day, Deputy Director of Labor Relations/Labor Counsel, Flavio Leo, Director Strategic & Business Planning, Major Frank McGinn, Troop F Commander, and Michael A. Grieco, Assistant Secretary-Treasurer were in attendance.

The meeting commenced at 9:05 A.M.

Mr. Evangelidis stated that Mr. Nucci is participating by telephone.

Mr. Nucci thanked the Members and staff for their support following his successful surgery and he stated that he looked forward to seeing everyone soon.

Public Comment

There were no requests to speak during the Public Comment Period.

Ratification and approval of the minutes of the June 21, 2018 Board Meeting

Upon a motion duly made and seconded, it was

VOTED:

To ratify and approve the minutes of the June 21, 2018 Board Meeting.

Members Evangelidis, Jackson, Jacobs, Nucci (by telephone), O'Brien, and Sen voted Yes.

Chairman's Comments

Report of the CEO

Ms. Pollack joined the meeting at 9:20 A.M.

Mr. Glynn presented information on Mr. Nucci's organ donor public education efforts, on the retirement of Major Frank McGinn as Troop F Commander and the naming of Major Chuck Atchison as his successor, on the price of oil and the variability of airfare prices, on Travel & Leisure magazine naming Boston one of the best cities in America, on examples of infrastructure investments at some airports, on the busiest twenty-one day period of TSA passenger screening, on JetBlue's announcement of new nonstop service to Havana, on the Brazilian Flag Raising Event in Terminal E, on Logan Airport being named one of the top ten airports for fastest wi-fi download speed, on the schedule for the Commonwealth Avenue Bridge replacement project, on the Worcester Airport emergency drill, on a new Fly Worcester Airport ad, on a Boston 25 Worcester Airport video, on the State's Economic Development Bill to fund Flynn Cruiseport improvements, on the growth in passengers and ship calls at the Flynn Cruiseport, on the projected new state tax revenue to be generated if the Flynn Cruiseport expansion is accelerated, on the start of the improvement dredging project, on the past and current condition of the former Coastal Oil site, on the issuance of the MMT Parcel 5 RFP, on the ICA Watershed ribbon cutting event, on the passing of Dick Meyer the Authority's former Director of Labor Relations and Risk Management, on a former company at Logan that was ordered by the Massachusetts Attorney General to pay restitution for violations of state wage and hour laws, on the number of guns confiscated at TSA checkpoints in 2017, on a progress report of the reduction in Troop F overtime, and on the number of incidents per day and arrests per month reported at each State Police Station. Mr. Freni presented information on the June Logan passenger increase of 8.2% over June 2017 noting that the June total was the highest passenger volume month ever at Logan, and on the Emirates A380 test run at Logan.

Strategic Plan Implementation

Trade Policy

Ms. Wieland presented information on the recent tariff announcements and the implications for the Port of Boston ("Boston"), on the financial challenges of the proposed tariffs on shipping lines, on the approximate amount of Boston import and export business subject to the tariffs, and on the impact on Boston exports of China's ban on waste-paper and scrap.

Technology Presentation Update

Mr. Anglin noted that a consultant team has been selected for the “All-in-One” app project.

Mr. Anglin introduced Heidi Halsey, the Authority’s consultant for the parking reservation study and survey project who presented information on the project objective, on some key parking highlights, on some of her research findings on Logan parkers, on some services surveyed in her research, on her online reservation and loyalty program findings, on an overview of comparable airport programs and benefits, and on some recommendations.

Human Resources and Compensation Committee

Election of Chair

Ms. Pollack, Human Resources and Compensation Committee Chair, requested nominations for Chair of the Authority. In accordance with the Authority’s by-laws, as the incumbent Chair, Mr. Evangelidis is automatically nominated. There were no other nominations.

Upon a motion duly made and seconded, it was

VOTED:

In accordance with the provisions of the Enabling Act, Lew Evangelidis is hereby elected to serve as Chair.

Members Jackson, Jacobs, Nucci (by telephone), O’Brien, Pollack, and Sen voted Yes.

Member Evangelidis abstained.

Election of Vice-Chair

Mr. Evangelidis, the newly elected Authority Chair, requested nominations for Vice-Chair. The nomination of Mr. Jackson was duly made and seconded. There were no other nominations.

Upon a motion duly made and seconded, it was

VOTED:

In accordance with the provisions of the Enabling Act, Duane Jackson is hereby elected to serve as Vice-Chair.

Members Evangelidis, Jacobs, Nucci (by telephone), O’Brien, Pollack, and Sen voted Yes.

Member Jackson abstained.

Election of Officers

Upon a motion duly made and seconded, it was

VOTED:

In accordance with the provisions of the Enabling Act, John P. Prankevicius is hereby elected to serve as Secretary-Treasurer;

That Michael A. Grieco is elected to serve as Acting Secretary-Treasurer in the absence or incapacity of the Secretary-Treasurer, and, as Acting Secretary-Treasurer, he shall have the power and authority to act in lieu of the Secretary-Treasurer. As Assistant Secretary-Treasurer, he shall also have such duties as may be assigned or delegated by the Secretary-Treasurer; and

That Joseph McCann, Anna Tenaglia, Hoishan Chu, Peter Breiling and Kenneth Ciriello are elected to serve as Assistant Treasurers until the next annual meeting.

Members Evangelidis, Jackson, Jacobs, Nucci (by telephone), O'Brien, Pollack, and Sen voted Yes.

Designation of Committees, Committee Chairs and Vice-Chairs, and Committee Members

Upon a motion duly made and seconded, it was

VOTED:

In accordance with Paragraph 4 of Article III of the By-Laws, the following Committees, Committee Chairs, Vice-Chairs and members are designated:

Audit and Finance Committee

Laura Sen, Committee Chair
Sean O'Brien, Committee Vice-Chair
Stephanie Pollack, Committee Member

Facilities and Construction Committee

Pattie Jacobs, Committee Chair
Duane Jackson, Committee Vice-Chair
Lew Evangelidis, Committee Member

Real Estate and Strategic Initiatives Committee

Duane Jackson, Committee Chair
Stephanie Pollack, Vice-Chair
Pattie Jacobs, Committee Member
John Nucci, Committee Member

Human Resources and Compensation Committee

Stephanie Pollack, Committee Chair
Sean O'Brien, Committee Vice-Chair
Pattie Jacobs, Committee Member

Community Outreach Committee

John Nucci, Committee Chair
Duane Jackson, Committee Vice-Chair
Pattie Jacobs, Committee Member

Safety and Security Committee

Sean O'Brien, Committee Chair
Lew Evangelidis, Committee Vice-Chair
Laura Sen, Committee Member

In addition to the members listed above, the CEO & Executive Director, or the Chief of Staff as his designee, shall serve as a member of each Committee. Each Committee shall serve in an advisory capacity to the Members of the Authority as a whole, and shall make such recommendations as it deems appropriate to said Members. Three members of a Committee shall constitute a quorum. Committee meetings shall be held in accordance with all applicable provisions of G.L. Chapter 30A, §§18-25, the State Open Meeting Law. Terms of Reference, setting forth the purpose and responsibilities of each Committee, shall be developed by each Committee and shall be reviewed and revised from time to time as necessary and appropriate. The CEO & Executive Director shall designate appropriate staff, as necessary, to assist the Committees.

At the beginning of each meeting of the Members of the Authority, following the report of the CEO & Executive Director, each Committee Chair shall provide a brief summary of his/her Committee's activities since the previous meeting of the Members.

This vote supersedes all prior votes designating Committees or Committee Chairs.

Members Evangelidis, Jackson, Jacobs, Nucci (by telephone), O'Brien, Pollack, and Sen voted Yes.

Personnel

Mr. Glynn noted the recent retirement of Jim Doolin as Chief Development Officer after twenty-three years of service, and the upcoming departure of Kelly Strong, Director of Labor Relations, to succeed Dick Meyer as the Executive Director of the Boston Shipping Association.

Chief Development Officer – Appointment

Upon a motion duly made and seconded, it was

VOTED:

The Authority hereby appoints Andrew Hargens to the position of Chief Development Officer, level 12, at an annual salary within the established guidelines for that position as recommended by the Chief Human Resources Officer and approved by the CEO & Executive Director. This position will report directly to the CEO & Executive Director and will become effective with this Board vote.

Members Evangelidis, Jackson, Jacobs, Nucci (by telephone), O'Brien, Pollack, and Sen voted Yes.

Director of Labor Relations/Labor Counsel – Appointment

Upon a motion duly made and seconded, it was

VOTED:

The Authority hereby appoints Brian Day to the position of Director of Labor Relations/Labor Counsel, level 12, at an annual salary within the established guidelines for that position as recommended by the Chief Human Resources Officer and approved by the CEO & Executive Director. This position will report directly to the CEO & Executive Director and will become effective on August 15, 2018.

Members Evangelidis, Jackson, Jacobs, Nucci (by telephone), O'Brien, Pollack, and Sen voted Yes.

Community Outreach Committee

Massport CAC Update

Mr. Leo presented information on the MCAC's request for a report on "Fly Quiet" Programs at peer airports, and on the Authority's engagement of the firm, HMMH, to produce the report. Mr. Leo also provided an update on the RNAV Study.

Mr. Nucci left the meeting by telephone at 10:45 A.M.

Strategic Plan Implementation (continued)

J.D. Power

Mr. Freni presented information on the overall satisfaction improvement for Logan in the 2018 J.D. Power Mega Airport Rankings. Mr. Freni introduced Mr. John Connors from Boathouse, the Authority's marketing and advertising agency. Mr. Connors presented information on Boathouse's creative messaging concept and the topics designed to highlight public awareness of the positive things happening at Logan for leisure and business travelers, on the media inventory and creative placement locations at Logan, and on examples of some digital billboard ads and shuttle bus displays.

Safety and Security Committee

Tabletop Airside Evacuation Drill

Mr. Naccara presented information on the recent airside evacuation drill and safe holding area tabletop exercise held at Terminal A. Mr. Naccara noted that there were about one hundred and twenty participants including the State Police, Fire Rescue, Aviation Operations as well as many others.

Real Estate and Strategic Initiatives Committee

Hotel Name Change

Mr. Hargens noted that due to a potential trademark issue with Fidelity's Seaport Hotel name, Omni has proposed that its new hotel be named the Boston Omni Hotel at the Seaport.

Facilities and Construction Committee

Construction Progress Report

Mr. Sleiman presented information on some capital program statistics, on the elements, costs, and status of the Conley Terminal Revitalization and Modernization Project, and on the Terminal B Optimization Project including gate assignments, the new "Great Space", some interior renderings, some opening dates for the project, and some terminal themed exhibits.

Audit and Finance Committee

Overtime Review

Mr. Prankevicius noted that Ernst & Young has been engaged by the Authority to work with Internal Audit to perform an assessment of Authority overtime that is expected to be completed in September. Mr. Prankevicius also noted that Authority staff is continuing its internal review of overtime by department and that review is also expected to be completed in September.

Conley Terminal Cranes RFI

Mr. Prankevicius noted that the goal of the RFI for the three Conley Cranes was to select a strategic partner to finance and procure the cranes while allowing the Authority to maintain control of operations at Conley Terminal. Mr. Prankevicius noted that since none of the responses received met all of the Authority's goals and objectives, staff is evaluating traditional financing and procurement options for the new cranes.

TACA International Airlines Operating Agreement

Upon a motion duly made and seconded, it was

VOTED:

To authorize the CEO & Executive Director, Secretary-Treasurer or Assistant Secretary-Treasurer to execute on behalf of the Authority, conditional upon receipt of all required documentation, an agreement with TACA International Airlines, S.A., a/k/a TACA International Airlines S.A., Inc. or to take such other action as may be deemed appropriate to allow TACA International Airlines, S.A., a/k/a TACA International Airlines S.A., Inc. to conduct operations at Logan International Airport. TACA International Airlines, S.A., a/k/a TACA International Airlines S.A., Inc. will pay all applicable fees established by the Authority for use of airport premises, including, but not restricted to, landing fees, parking fees, rental charges for terminal or other space at the Airport, and such other charges and fees as the Authority has established or may establish from time to time. Before the agreement is executed, or TACA International Airlines, S.A., a/k/a TACA International Airlines S.A., Inc. is otherwise authorized to commence operations, TACA International Airlines, S.A., a/k/a TACA International Airlines S.A., Inc. shall have valid and current certifications and authorizations from all state, federal and other governmental regulatory bodies for the aircraft used and the aircraft operation conducted, and the operating agreement shall be subject to cancellation or termination by the Authority. The agreement shall contain such other terms and conditions as the person executing in accordance with this vote deems necessary or desirable.

Members Evangelidis, Jackson, Jacobs, O'Brien, and Pollack voted Yes.

Member Sen was out of the room.

Motion to Enter Executive Session

Upon a motion duly made and seconded, it was

VOTED:

That the Authority enter executive session to discuss litigation strategy and to consider the purchase, exchange, lease or value of real property, specifically regarding the Massport Marine Terminal Parcel 5, and to consider the purchase, exchange, lease or value of real property, specifically regarding Parcel A-2, and the Omni Hotel Project, since a discussion in open session may have a detrimental effect on the negotiating position of the Authority; and

That the Authority enter executive session to discuss the deployment of security personnel or devices, or strategies with respect thereto.

Members Evangelidis, Jackson, Jacobs, O'Brien, Pollack, and Sen voted Yes.

Mr. Evangelidis stated that the Authority will not reconvene after Executive Session.

The public session adjourned at 11:30 A.M.

Michael A. Grieco
Assistant Secretary-Treasurer

List of Documents and Other Exhibits Used in Public Session

1. Board Book
2. PowerPoint Presentation Slides