

MASSACHUSETTS PORT AUTHORITY  
MINUTES FOR THE MEETING  
HELD ON OCTOBER 10, 2024 AT 9:00 A.M.  
LOGAN OFFICE CENTER  
ONE HARBORSIDE DRIVE, EAST BOSTON, MA

The meeting of the Members of the Massachusetts Port Authority was held on October 10, 2024. The following Members participated in person: Chair Patricia Jacobs presided, Pamela D. Everhart, Lewis Evangelidis and Sean O'Brien. Member John Nucci and Member Fields participated remotely. Richard Davey, Chief Executive Officer and Executive Director, Catherine McDonald, Interim Chief of Staff and Chief Legal Counsel participated remotely, John Prankevicius, Director of Administration and Finance and Secretary-Treasurer, Edward Freni, Director of Aviation, Hank Shaw, Chief Security Officer, Lauren Gleason, Port Director, Luciana Burdi, Director Capital Programs & Environmental Affairs, Kwang Chen, Chief Information Officer, Alaina Coppola, Director, Community Relations and Government Affairs, Andrew Hargens, Chief Development Officer, Dan Gallagher, Director of Aviation Business and Finance, and Ann Buckley, Assistant Secretary-Treasurer were in attendance.

The meeting commenced at 9:10 A.M.

Public Comment

Mr. Emmanuel Guercy, Mr. Leonardo Perez and Mr. Aaron Wyatt, aviation service company employees and members of Local 32 BJ SEIU, spoke about the importance of their work for safety and security and efficiency at Logan Airport and some of the working conditions they faced carrying out their work including not having consistent job training, not being able to take time off from work, about the high cost of rent and other living expenses and the lack of adequate hourly pay and earned time off for vacation and personal reasons.

Ms. Roxana Rivera, assistant to the President of the SEIU, thanked the Board for listening to the members of SEIU concerns and left 500 postcards from other members of Local 32 BJ SEIU expressing their need for regular annual raises.

Ratification and Approval of Minutes

September 19, 2024 Board Meeting Minutes and May 29, 2024 Special Board Meeting Minutes

Upon a motion duly made and seconded, it was

VOTED:

To ratify and approve the minutes of the September 19, 2024 Board Meeting and of the May 29, 2024 Special Board Meeting.

Members Jacobs, Everhart, Nucci, O'Brien, Evangelidis, and Fields voted Yes.

### Chair's Comments

Chair Jacobs referenced the severe impacts of the recent destructive hurricanes in Florida offering solace for Massport staff and employees with family connections to the area.

Mr. Davey stated that the Board Meeting will commence in public session and following public session the Board will go into executive session and not reconvene.

### REPORT OF THE CEO

Mr. Davey presented information on Massport's 2024 goals, on Massport completing an important runway safety project at Worcester Regional Airport in September, on kicking off a Customer Service Data Assessment with Boston Consulting Group (BCG), on the Sumner Tunnel restoration project being substantially complete and the tunnel being no longer closed on weekends, on financial performance for August 2024, on Logan serving an estimated 12M passengers in Q1 FY25, approximately 6% better than forecast, on Josiane Martinez, Founder and CEO of Archipelago Strategies Group, joining Massport for a fireside chat to celebrate Hispanic Heritage Month, on Massport hosting a special art exhibit at Worcester Regional Airport for Hispanic Heritage Month, on Massport being proud to partner with the East Boston YMCA as it celebrates 25 years of serving residents of East Boston and nearby communities, on Massport women joining other women from the Logan community and the Girl Scouts for an United Airlines' Girls in Aviation Day at Logan Airport, on Anna Tenaglia being selected as a 2024 Women in Public Finance Honoree, and on Massport launching an Employee Climate Survey as part of Massport's ongoing People Strategy to enhance employee satisfaction.

### Director of Aviation Presentation

Mr. Freni presented information on Logan setting new monthly records for passenger activity since May, on Delta airlines expanding services from Logan Airport for the 2025 spring and summer travel season as it is increasing its Boston market share, on Frontier launching new nonstop services from Logan to Florida this winter, on Worcester Regional Airport passenger volume being down in September as airlines adjust schedules for the soft shoulder season, and on Hanscom Field activity increasing 2% in September compared to last year.

### Director of Maritime Presentation

Ms. Gleason presented information on the U.S. Maritime Alliance (USMX) and the International Longshoremen's Association (ILA) agreeing to resume work after a 3-day strike, on Conley Terminal handling 16 vessels in September and over 11,000 containers, on Maritime returning to Europe and Asia this fall to engage with incumbent and target ocean carriers and seeking additional services and diversified carrier offerings, on Flynn Cruiseport Boston continuing to see high passenger counts during the summer travel season, welcoming 39 vessels and 130,000+ passengers in July and August, and on Flynn Cruiseport Boston having three consecutive record

passenger months in July, August and September with volume higher by more than 50% over 2023.

## STRATEGIC PLAN

### Ground Transportation Update

Mr. Barrera presented information on Massport recently conducting a Logan Airport Passenger Ground Survey to better understand passenger profiles and ground access choices, on structural changes in the industry over the past decade modifying how passengers get to the airport, on nearly 80% of Logan's passengers traveling for leisure purposes, a significant increase from 63% pre-COVID (2019), on Logan's passenger base being high income, skewing female, and two-thirds being residents, on while Logan served the New England region and parts of New York, almost half of Logan passengers are originating from cities and towns inside I-95/Rt. 128, on Massport exceeding its HOV target (37.5%) with 43% of passengers using transit or traveling in groups on commercial modes, on Massport and partners investing in expanded transit options to move more passengers in fewer vehicles, since the 2022 survey, on transit mode share being higher than ever, but private vehicle pick up/drop off and Ride Apps remaining a challenge to manage, on transit use being the highest from the outlying regions, on business and leisure travelers making different choices on how to get to Logan, on Massport advancing additional HOV/transit investments and welcoming new service, and on survey data informing the strategic planning process.

## SAFETY AND SECURITY/COMMITTEE CHAIR O'BRIEN

### Training Update

Mr. Shaw presented information on Massport successfully completing the BOS Operation Ready 2024 exercise, and on a preview on the Boston Logan full-scale active shooter exercise.

## HUMAN RESOURCES, DIVERSITY, AND COMPENSATION/COMMITTEE CHAIR JACOBS

## COMMUNITY OUTREACH/COMMITTEE CHAIR NUCCI

## REAL ESTATE AND STRATEGIC INITIATIVES/COMMITTEE CHAIR FIELDS

### East Boston Pier 1 License Amendment

Mr. Hargens presented information on the Tall Ship, in year 4, becoming a must-see entertainment and community venue, on the Tall Ship offering a dynamic mix of entertainment and community-centric programs, on NYHG (Navy Yard Hospitality Group) originally proposing its Pier 1 as a year-round public waterfront amenity, and on continued good community relations being a NYHG priority.

Upon a motion duly made and seconded, it was

VOTED:

WHEREAS, the Authority and NYHG Tall Ship, LLC and Tall Ship Restaurant, LLC (collectively, “NYHG”) entered into a license (the “License”) pursuant to which NYHG has operated The Tall Ship on Pier 1 in East Boston as a public venue for three successful spring/summer/fall seasons. The venue includes a 245-foot sailing vessel berthed at the pier converted into an outdoor food and beverage venue, shipping containers converted to food/beverage/retail stations, a stage for live music and dance performances, an on-site valet parking operation, and a water shuttle service to landings throughout Boston Harbor; and

WHEREAS, the License provided that one of the permitted uses was an outdoor ice skating rink concept; and

WHEREAS, NYHG has explored options to add an outdoor ice skating rink on an unused portion of the pier included in the License and adjacent to The Tall Ship; and

WHEREAS, NYHG has developed an outdoor skating facility concept (“Skating Facility”) consisting of an ice hockey rink, a skating loop, locker rooms, concessions, and other amenities; and

WHEREAS, NYHG plans to begin building these facilities in the fall of 2024 to be completed in the summer of 2025; and

WHEREAS, Additionally, NYHG is interested in utilizing the Skating Facility during warmer months for activities including roller blading/skating, box lacrosse and movie nights; and

WHEREAS, NYHG will be responsible for all operations and maintenance of the Skating Facility; and

WHEREAS, in light of the additional costs NYHG expects to incur to create the Skating Facility, it has requested a license extension to December 31, 2035 to enable them to finance the planned capital investment; and

WHEREAS, staff recommends an amendment to the License to extend the term from March 31, 2027 through December 31, 2035 and to add the Skating Facility concept including the above described warmer month activities to the License.

NOW, THEREFORE, BE IT RESOLVED AND VOTED THAT:

1. The Chief Development Officer and the Chief Legal Counsel, and their respective designees, are hereby authorized to negotiate, and the Chief Executive Officer and

- Executive Director, the Director of Administration & Finance and Secretary-Treasurer, or Assistant Secretary-Treasurer, each acting singly (each, an “Authorized Officer”), are hereby authorized to execute and deliver, on behalf of the Authority, an amendment to the License with NYHG or its nominee to (i) extend the term from March 31, 2027 through December 31, 2035; (ii) expand upon the ice skating rink use in the License to include the Skating Facility concept including activities during the warmer months such as roller blading/skating, box lacrosse and movie nights; and (iii) add such other terms and conditions, not inconsistent with this Vote, as the Authorized Officer may determine are necessary or desirable.
2. Each Authorized Officer is further authorized to execute on behalf of the Authority any and all other agreements, documents, certificates or instruments, and to take any other actions deemed necessary or desirable to effectuate this Vote as the Authorized Officer executing such agreements, documents, certificates or instruments or taking such actions, may determine are necessary or desirable, provided all such agreements, documents, instruments or actions are not inconsistent with this Vote.

Members Jacobs, Everhart, Nucci, O’Brien, Evangelidis, and Fields voted Yes.

#### Massport Marine Terminal Parcel 5 – Development Agreement Amendment

Mr. Hargens presented information on Pilot Development’s plans for Parcel 5 supporting progress on multiple maritime industrial projects well-aligned with Massport’s mission, on MMT (Massport Marine Terminal) Parcel 5A, Aquanor’s proposed state-of-the-art seafood facility, being shovel-ready, but financial and market conditions must stabilize for construction to begin, on MMT Parcel 5B being well positioned to accommodate future seafood and maritime anchor tenant facilities, and on MMT Parcel 5C including a maritime parking garage, ILA union hall, and seafood project advancing toward construction.

Upon a motion duly made and seconded, it was

#### VOTED:

WHEREAS, the Authority currently leases from the Economic Development Industrial Corporation of Boston (“EDIC”) a parcel of land in the Boston Marine Industrial Park located on Fid Kennedy Avenue, South Boston, Massachusetts, commonly known as the Massport Marine Terminal (“MMT”), pursuant to a Lease dated November 27, 1979 (as amended, the “EDIC Lease”); and

WHEREAS, at its November 15, 2018 meeting, the Members of the Authority (the “Board”) authorized the negotiation, execution and delivery on behalf of the Authority of (i) a development agreement with Pilot Development Partners, Inc. (“Pilot”); and (ii) one or more long-term ground subleases with Pilot or its nominee for the phased development of MMT Parcel 5, both substantially in accordance with the term sheet (“Term Sheet”)

presented to the Board at that time; and

WHEREAS, on April 30, 2019, Pilot Seafood Parcel 5 LLC, as designated nominee of Pilot, and the Authority entered into a development agreement for MMT Parcel 5 (as amended, the “Development Agreement”); and

WHEREAS, at subsequent meetings, the Board authorized the negotiation, execution and delivery on behalf of the Authority of an Amendment to the Development Agreement which allowed for successive extensions of the Outside Closing Date to enter into a ground sublease for MMT Parcel 5A to October 31, 2024 and a ground sublease for MMT Parcels 5B and 5C to December 31, 2024; and

WHEREAS, over the past year, Pilot with its respective partners and prospective subtenants for MMT Parcels 5A, 5B and 5C have worked diligently and invested significant resources to advance the development of MMT Parcel 5 for maritime industrial uses including, but not limited to, seafood processing and distribution facilities, a parking garage primarily servicing maritime industry workers, and a union hall for the International Longshoremen’s Association (collectively, the “Projects”); however, high interest rates and escalating construction costs combined with general market conditions, have rendered the Projects temporarily infeasible; and

WHEREAS, Pilot has requested a further extension of the Outside Closing Date to enter into subleases for MMT Parcel 5 in order to allow time for financial markets to stabilize and general business conditions to improve to a point at which Pilot can proceed with the development of each of the Projects; and

WHEREAS, in order to allow Pilot adequate time, staff recommends that the Board authorize an extension of the Outside Closing Date to enter into one or more ground subleases for MMT Parcel 5 to June 30, 2026.

NOW, THEREFORE, BE IT RESOLVED AND VOTED THAT:

1. The Chief Development Officer and the Chief Legal Counsel, and their designees, are hereby authorized to negotiate, on behalf of the Authority, and the Chief Executive Officer and Executive Director, the Director of Administration & Finance and Secretary-Treasurer, or the Assistant Secretary-Treasurer, each acting singly, (each, an “Authorized Officer”) are hereby authorized to execute and deliver, on behalf of the Authority, an amendment to the Development Agreement (the “Amendment”) with Pilot, which extends the Outside Closing Date for delivery of one or more ground subleases with Pilot or its nominee with respect to MMT Parcel 5 to June 30, 2026. The Amendment shall contain such other terms and conditions not inconsistent with this Vote as the Authorized Officer executing the Amendment may determine are necessary or desirable.

2. Each Authorized Officer is further authorized to execute on behalf of the Authority any and all other documents, certificates or instruments, and to take any other actions deemed necessary or desirable to effectuate this Vote, provided all such documents, certificates, instruments or actions are not inconsistent with the terms set forth in this Vote. Such documents, certificates or instruments may contain such other terms and conditions not inconsistent with this Vote as the Authorized Officer executing such documents, certificates or instruments may determine are necessary or desirable.

Members Jacobs, Everhart, Nucci, O'Brien, Evangelidis, and Fields voted Yes.

#### FACILITIES AND CONSTRUCTION/CHAIR EVANGELIDIS

##### MPA L1686 Air Traffic Control Tower Improvements, Logan International Airport, East Boston, MA, Revised Partial Project Budget

Ms. Burdi presented information on the Air Traffic Control Tower (ATCT) renovation and modernization project.

Upon a motion duly made and seconded, it was

#### VOTED:

To authorize the Chief Executive Officer and Executive Director, Director of Administration & Finance and Secretary-Treasurer, or Assistant Secretary-Treasurer, each acting singly (each, an "Authorized Officer"), to take actions necessary or desirable and to execute agreements necessary or desirable in order to continue with and complete the Authority's Capital Project known as L1686 Air Traffic Control Tower Improvements (MPA L1686) subject to the following conditions: funds expended for the L1686 Air Traffic Control Tower Improvements Capital Project shall not exceed \$34,000,000.00 (the "Approved Revised Partial Project Budget"), the Director of Capital Programs and Environmental Affairs shall report back to the Board if, at any time during the life of the Project, it appears likely that the Project will exceed the Approved Revised Partial Project Budget; and the Director of Capital Programs and Environmental Affairs also shall report any material changes to the scope of the work for this Capital Project as described in the materials presented at the Board Meeting on October 10, 2024. The Chief Executive Officer and Executive Director or his designee shall obtain all necessary permits and approvals and shall conduct all required environmental reviews prior to the execution of any agreement or to the commencement of any action all as may be required by law. Any agreement arising out of this vote shall contain such other terms and conditions, not inconsistent with this vote, as the Authorized Officer executing such agreement deems necessary or desirable.

Members Jacobs, Everhart, Nucci, O'Brien, Evangelidis, and Fields voted Yes.

AUDIT AND FINANCE/COMMITTEE CHAIR JACOBS

Worcester Regional Airport Goddard Memorial Drive Land Conveyance

Mr. Gallagher presented information on the conveyance of a 1.1 acre parcel at Worcester Regional Airport to Prematech, LLC, located adjacent to the airport.

Upon a motion duly made and seconded, it was

VOTED:

WHEREAS, Prematech, LLC (“Prematech”) is a woman-owned machining and grinding company located adjacent to the Worcester Regional Airport (the “Airport”) at 160 Goddard Memorial Drive which land Prematech leases from the City of Worcester; and

WHEREAS, Prematech seeks to purchase a vacant parcel of airport property located at the Airport from the Authority; and

WHEREAS, the vacant parcel contains approximately 1.1 acres of land, is located at the southeastern edge of the Airport property, has no direct access to the airfield, is outside the Runway Protection Zone, and the nearest boundary of the parcel is 800 feet southeast of Runway 33 and 58-60 feet below the Runway 33 end; and

WHEREAS, the parcel is not suitable for the Airport’s aviation development purposes; and

WHEREAS, an appraisal for the parcel by the Authority yielded a fair market value price of Two Hundred Thousand Dollars (\$200,000.00) and the FAA has provided a Land Release Authorization approving the disposal of the parcel on June 17, 2024; and

WHEREAS, in the opinion of the Authority, the parcel is not needed for purposes under the Enabling Act and is not necessary for the efficient operation of the Airport and the proceeds of the sale of the parcel shall be disposed of as provided in the Enabling Act and consistent with the Authority’s FAA grant assurances; and

WHEREAS, the deed conveying the parcel shall contain an aviation easement protecting the right of flight and navigable air space and preventing incompatible land uses.

NOW, THEREFORE, BE IT RESOLVED AND VOTED:

1. To authorize (i) the Airport Director and the Chief Legal Counsel, or their designees, each acting singly, to negotiate the terms of a purchase and sale agreement with Prematech, and (ii) the Chief Executive Officer and Executive Director, Director of Administration & Finance and Secretary-Treasurer, or the Assistant Secretary-Treasurer, each acting singly (each an “Authorized Officer”), to take such actions as



- may be required to convey the parcel, including the execution of a purchase and sale agreement, and to deliver thereafter a deed of the parcel to Prematech in accordance with the terms of the purchase and sale agreement for the fair market value of Two Hundred Thousand Dollars (\$200,000.00) and on such other terms and conditions, not inconsistent with this Vote, as the Authorized Officer may determine are necessary or desirable.
2. Each Authorized Officer is further authorized to execute and deliver on behalf of the Authority any and all other related documents, certificates or instruments, and to take any other actions deemed necessary or desirable to effectuate the purchase of the parcel, provided that all such documents, certificates, instruments or actions are not inconsistent with this Vote.

Members Jacobs, Everhart, Nucci, O'Brien, Evangelidis, and Fields voted Yes.

FY24 Authority-wide Audited Financial Statements

Mr. Prankevicius presented information on FY24 Financial Statement highlights, on FY24 Operating Revenues being \$1.15 billion, the highest revenue performance of record, on FY24 Operating Expenses being \$947 million, an 11% increase as new services and activity being added to keep pace with business demand, on Operating Income improving to \$201 million, or 18% of revenue, on earnings transferring to capital budget to fund FY24-28 CIP (Capital Investment Plan), on Authority-wide balance sheet improving 15%, as net position increases by \$480 million, on the Authority's cash liquidity position improving 10% from higher business activity, increased collections, and cost controls, and on EY, and their WBE partner KVM, issuing a clean (unmodified) audit opinion.

Motion to Enter Executive Session

Upon a motion duly made and seconded, it was

VOTED:

That the Authority enter executive session to discuss a litigation update.

Members Jacobs, Everhart, Nucci, O'Brien, Evangelidis, and Fields voted Yes

Ms. Jacobs stated that the Authority will not reconvene after Executive Session.

The public session adjourned at 11:09 A.M.



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Ann Buckley  
Assistant Secretary-Treasurer

List of Documents and Other Exhibits Used in Public Session

1. Board Book
2. PowerPoint Presentation Slides