

MASSACHUSETTS PORT AUTHORITY  
MINUTES FOR THE REMOTE MEETING  
HELD ON SEPTEMBER 22, 2022 AT 9:00 A.M.

The meeting of the Members of the Massachusetts Port Authority was held on September 22, 2022. The following Members participated remotely per An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency signed into law by Governor Baker on July 16, 2022: Chairman Lewis G. Evangelidis presided, Warren Q. Fields, Patricia A. Jacobs, John A. Nucci, Sean M. O'Brien, Laura Sen, and Jamey Tesler. Lisa Wieland, Chief Executive Officer and Executive Director, Reed Passafaro, Chief of Staff, John P. Prankevicius, Director of Administration and Finance and Secretary-Treasurer, Edward C. Freni, Director of Aviation, Catherine McDonald, Chief Legal Counsel, Hank Shaw, Chief Security Officer, James Morris Acting Port Director, Luciana Burdi, Director Capital Programs & Environmental Affairs, Kwang Chen, Chief Information Officer, Alaina Coppola, Director, Community Relations and Government Affairs, and Ann Buckley, Assistant Secretary-Treasurer were in attendance.

The meeting commenced at 9:00 A.M.

Public Comment

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

Ratification and approval of the minutes of the July 21, 2022 Board Meeting

Upon a motion duly made and seconded, it was

VOTED:

To ratify and approve the minutes of the July 21, 2022 Board Meeting.

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

Chairman's Comments

Mr. Evangelidis noted that Massport October Board meeting will at Hanscom Field. Mr. Evangelidis commented that the agenda order for today's Board Meeting will start in public session, then go into executive session after Chairman's Comments and then return to public session.

Motion to Enter Executive Session

Upon a motion duly made and seconded, it was

VOTED:

That the Authority enter executive session to consider the purchase, exchange, lease or value of real property, specifically regarding the South Boston Army parcel update, South Boston Marine Multiport second amendment to term sheet, and Braintree Logan Express overflow parking agreement, since a discussion in open session may have a detrimental effect on the negotiating position of the Authority.

Furthermore, that the Authority enter executive session to discuss litigation strategy, specifically regarding the Turo litigation settlement, since a discussion in open session may have a detrimental effect on the litigating position of the authority.

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

Mr. Evangelidis stated that the Authority will reconvene after Executive Session.

The Executive Session adjourned at 10:15 A.M.

PUBLIC SESSION

Safety and Security Committee

Congressional Staff Drone Briefing

Mr. Shaw presented information on Massport providing a Drone Briefing and Logan airfield tour to staff members of the Massachusetts congressional delegation.

Joint U.S. Coast Guard – Maritime Exercise

Mr. Shaw presented information on Massport Fire-Rescue and Police participating in U.S. Coast Guard port security training.

Training Update

Mr. Shaw presented information on Massport coordinating a scenario-based training exercise with Seaport security partners.

Human Resources, Diversity, and Compensation Committee

Community Outreach Committee

CAC Update

Ms. Coppola presented an update of the CAC meeting including the Residential Sound Insulation Program.

Community Giving Update

Ms. Coppola presented information on Massport's Community Summer Jobs Program funding 280 summer jobs for local youth, on Massport awarding seven students from surrounding communities with scholarships and internship opportunities, and on employees donating to Massport's 14th Annual Backpack Project for Children.

Real Estate and Strategic Initiatives Committee

88 Black Falcon Update

Mr. Hargens presented information on 88 Black Falcon redevelopment project securing key approvals.

Facilities and Construction Committee

Audit and Finance Committee

Rates and Charges FY22 True-Up

Logan Airport Rates and Charges FY2022 True-Up

Mr. Gallagher presented information on the Fiscal Year 2022 budget and activity performance, on FY2022 costs and activity based rates, on FY2022 terminal area and airline activity true-up rates, on FY2022 rental car true-up rates and, on COVID-19 relief programs.

Logan Landing Fee

Upon a motion duly made and seconded, it was

VOTED:

To establish on behalf of the Authority in accordance with 740 CMR 21.24 and 740 CMR 21.100, Appendix C, an adjustment to the landing fee rate at Boston-Logan International Airport for the period of July 1, 2021, through June 30, 2022, which landing fee rate shall be \$5.36 per thousand pounds of certificated landed weight of the aircraft conducting the particular landing operation with a minimum landing fee of \$30.00 for fixed wing aircraft and \$30.00 for rotary wing aircraft.

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

Logan Terminal Building Rental Rates

Upon a motion duly made and seconded, it was

VOTED:

To establish on behalf of the Authority an adjustment to the terminal building rates and passenger fees for Boston-Logan International Airport for the period of July 1, 2021, through June 30, 2022, which shall be as follows:

<u>A. Building Rates:</u>	<u>Rate</u>
Terminal A	\$168.55 per square foot per year
Terminal B	\$157.75 per square foot per year
Terminal B BHS Facility	\$ 11.14 per square foot per year
Terminal C - Main Terminal	\$228.01 per square foot per year
Terminal C - Upper Piers	\$133.05 per square foot per year
Terminal C - Lower Piers	\$ 71.79 per square foot per year
Terminal C - Pier A Upper Pier	\$121.35 per square foot per year
Terminal C - Pier A Lower Pier	\$115.99 per square foot per year
Terminal E - Type 1 Space	\$118.50 per square foot per year
Terminal E - Type 2 Space	\$121.50 per square foot per year
Terminal E - Type 3 Space	\$132.00 per square foot per year
Amelia Earhart (Regional Carrier Facility)	\$ 76.78 per square foot per year

  

<u>B. Passenger Fees:</u>	<u>Terminal E Common Use Facilities</u>
Inbound International	\$20.78 per passenger
Outbound	\$ 7.03 per passenger
Inbound Non-FIS/Domestic	\$20.78 per passenger
Check in Fee	\$13.39 per passenger

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

Logan Baggage Screening Facility Fee

Upon a motion duly made and seconded, it was

VOTED:

To establish on behalf of the Authority an adjustment to the Baggage Screening Facility Fee at Boston-Logan International Airport which Baggage Screening Facility Fee shall be \$1.83 per checked bag for the period July 1, 2021, through June 30, 2022.

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

Logan Rental Car Center Rental Rates

Upon a motion duly made and seconded, it was

VOTED:

To establish on behalf of the Authority an adjustment to the following facility rates and fees for the Rental Car Center at Boston Logan Airport effective from July 1, 2021, through June 30, 2022.

<u>A. Facility Rates</u>	<u>Rate</u>
Customer Service Center Facility Rent	\$218.82 per square foot per year
Garage Facility Rent (Levels 1-3)	\$2.47 per square foot per year
Garage Facility Rent (Roof Level)	\$1.23 per square foot per year
Quick Turn Around Facility Rent	\$5.09 per square foot per year
<u>B. Fees</u>	<u>Rate</u>
Common Airport Transit System Fee (“CATS”)	\$5.60 per rental car transaction
Rental Car Center Facility Access Fee (“FAC”)	\$2.50 per rental car transaction

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

Logan Airport Delta Terminal E Lease Agreement

Mr. Gallagher presented information on the Logan Airport Delta Terminal E Lease Agreement.

Upon a motion duly made and seconded, it was

VOTED:

To authorize the Director of Aviation and the Chief Legal Counsel or their designees to negotiate and to authorize the Chief Executive Officer and Executive Director, the Secretary-Treasurer and Assistant Secretary-Treasurer, each acting singly (each, an “Authorized Officer”), to execute and deliver on behalf of the Authority a lease agreement (the “Lease”) with Delta Air Lines, Inc. (“Delta”) for support space and club space in Terminal E at Boston-Logan International Airport on the following terms and conditions:

Initial Term and Option Term:

- Initial Term: Commencement Date - March 1, 2022
- Initial Term: Termination Date - August 31, 2024
- Option Term: One (1) five (5) year option term commencing on September 1, 2024 and ending on August 31, 2029 (co-terminus with Delta’s lease with Massport for its use and occupancy of space in Terminal A)

Premises:

- Support Space - 7,083 sf
- Club Space - 21,000 sf

Rent Commencement:

- Support Space - March 1, 2022
- Club Space - Earlier of (i) Club Occupancy Date; or (ii) August 1, 2023

Rent:

- Support Space - Terminal E: Type II, Board approved rate
- Club Space
  - Terminal E: Type I, Board approved rate
  - Facilities Rent:
    - Delta shall pay Massport an amount equal to Massport’s capital investment costs associated with the Delta club space including financing and coverage. Estimated annual payment is \$817,571.96 (\$38.93 per square foot per year) includes 1.25 coverage
- Total Estimated Base Rent (utilizing FY2023 Rates):
  - Support Space Rent: \$953,018
  - Club Space Rent: \$2,762,550
- Common Use Facilities Fees: any other fees and charges relating to Delta’s use of the Common Use Facilities including, but not be limited to, common use counter and bag room fees, common use bridge and holdroom charges, common use terminal equipment (“C.U.T.E.”) fees and passenger fees

The terms of the Lease shall contain such other terms and conditions as the Authorized Officer executing in accordance with this vote deems necessary or desirable.



Turo Pilot Operating Agreement

Mr. Gallagher presented information on the Turo Pilot Operating Agreement Terms (Peer-to-Peer Car Sharing) and Turo Agreements at other airports.

Upon a motion duly made and seconded, it was

VOTED:

WHEREAS, Massport filed a suit against Turo, Inc., et al in 2019 to enjoin Turo's commercial operations at Logan Airport in the absence of an agreement with Massport. The preliminary injunction was granted in January 2020; and

WHEREAS, Massport and Turo have engaged in settlement discussions and have reached a preliminary agreement, subject to the Board's approval; and

WHEREAS, the settlement includes, subject to Board approval, a one-year Pilot Agreement with Turo.

NOW, THEREFORE, BE IT RESOLVED:

The Chief Executive Officer and Executive Director ("CEO"), the Director of Administration and Finance/Secretary-Treasurer, and the Assistant Secretary-Treasurer, each acting singly (each an "Authorized Officer"), subject to the Board's approval of the settlement agreement, are each hereby authorized to execute and deliver on behalf of the Authority a Peer-to-Peer Car Sharing Pilot Agreement (the "Agreement") with Turo which shall include:

1. A term of one (1) year with operations to commence on or about January 1, 2023 and terminating December 31, 2023.
2. Payment by Turo to the Authority of a license fee in the amount of \$400,000 for the use of twenty (20) designated parking spaces in the Economy Parking Garage, or such other location designated by the Authority, and 10% of gross revenue.

The Agreement shall be substantially consistent with this Vote and shall contain such other terms and conditions not inconsistent with this Vote as the Authorized Officer executing such amendment may determine are necessary or desirable.

Each Authorized Officer is further authorized to execute and deliver on behalf of the Authority any and all other related documents, certificates, instruments or agreements, and to take any other actions deemed necessary or desirable to effectuate the Agreement provided all such documents, certificates, instruments, agreements or actions are substantially consistent with this vote. Any such other related documents, certificates, instruments or agreements arising out of this Vote shall contain such other terms and conditions not inconsistent with this vote as the Authorized Officer deems necessary or desirable.

### Report of the CEO

Ms. Wieland presented information on Massport welcoming President Biden to Massport's event to thank federal and state leaders for securing critical infrastructure funding supporting the Massachusetts economy, on the tremendous effort on a compressed schedule transforming the active construction site into a venue for a Presidential visit, on the Port Security Grant Program (PSGP) awarding Massport \$1.17M, on U.S. Coast Guard Sector Boston hosting Deputy Secretary of the Department of Transportation Polly Trottenberg, on JetBlue beginning nonstop service from BOS to London's Gatwick and Heathrow Airports, on Logan's Terminal B to C Connector officially opening to passengers, on 88% of Logan Airport's concessions opening including additional re-openings in Terminal E, on Logan Airport cited as one of the top 10 U.S. airports with convenient and affordable transit options, on response to air travel disruptions, the U.S. DOT creating an Airline Customer Service Dashboard and proposing new regulations for passenger compensation, on Delta Air Lines naming Worcester Regional Airport "Station of the Month", on Massport earning its 21<sup>st</sup> consecutive GFOA (Government Financial Officers Association) Certificate of Achievement for Excellence in Financial Reporting, on FY2022 financial performance, on financial performance for July, on after a solid summer season, Massport expecting to see a typical drop-off in passenger activity in the fall, on the FAA recommending Massport for excellent work and attention to Disadvantaged Business Enterprise Program requirements during its compliance review, on CEO Lisa Wieland speaking to the Columbus Partnership about Massport's experience in role in building an inclusive economy, on Massport relaunching the Back Bay Logan Express service on October 3, 2022, on Massport promoting the recent MassCEC (Massachusetts Clean Energy Center) grant to facilitate the ride-for-hire industry's transition to EV (Electric Vehicle) use at Logan Airport, on Uber offering an all electric ride option at Logan Airport, on the Inflation Reduction Act of 2022 investing \$370B to address climate change and boost energy production benefitting airports and ports, on staff evaluating several system consolidations to create an ERP (Enterprise Resource Planning), on Massport hosting the annual Eastie Pride Day at Piers Park, on Massport supporting the 9<sup>th</sup> annual Boston Seafood Festival at the Fish Pier to help celebrate maritime heritage and today's thriving processing industry, and on Chronical featuring the historic Boston Fish Pier.

### Director of Aviation Presentation

Mr. Freni presented information on a confluence of factors leading to a challenging 2022 summer air travel season, on Logan Airport's passenger demand concentrating in heavily traveled, congested airspace regions, on Logan's top destinations subject to the highest delays and cancellation rates this summer, on an example of a single flight delay interrupting downstream flights, on airlines responding with a number of actions to mitigate delays and cancellations, on Massport supporting its partners and shared customers this summer and continuing to do so, and on Logan Airport passenger activity levels for July, August and calendar year-to-date.

Director of Maritime Presentation

Mr. Morris presented information on the 39<sup>th</sup> Annual Quest for Quality awards voting the Port of Boston and Conley Terminal top Northeast Port, on MSC Tampa marking the arrival of the Santana Service to Conley Terminal, on Conley Terminal finishing August with its strongest month since March 2021, on Massport hosting an event in September to celebrate a modernized Conley Terminal and thanking Massport's Federal, State, and Local leaders for their support, on Flynn Cruiseport Boston welcoming over 112,000 passengers through August as passenger capacity nearly reached full capacity, and on Flynn Cruiseport Boston ending August on a strong note welcoming the Celebrity Summit as its newest homeport vessel.

The meeting adjourned at 11:15 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