

Massachusetts Port Authority Board Meeting

April 11, 2024



Public Comment

Chair's Comments

CEO Report
Interim CEO Ed Freni

Massport Goals – FY 2024

1. Ensure safe and secure facilities
2. Generate economic impact for the Commonwealth
3. Enhance the customer experience
4. Improve financial and operational performance
5. Embed DE&I into our organizational DNA
6. Advance our environmental leadership
7. Bring about digital transformation
8. Maintain strong relationships with business partners, customers, stakeholders, elected officials, surrounding communities and employees

Secretary Monica Tibbitts-Nutt was Massport's special guest at our Women's History Month Celebration



Last week, TSA opened its new, modern checkpoint in Terminal E

New “E3” Checkpoint

- Located in the new Terminal E wing
- Seven screening lanes with state-of-the-art computed tomography (CT) scanners
- The E2 checkpoint will serve as an overflow checkpoint during heavy volume periods
- TSA is expected to screen more than one million passengers at the Terminal E checkpoint this summer



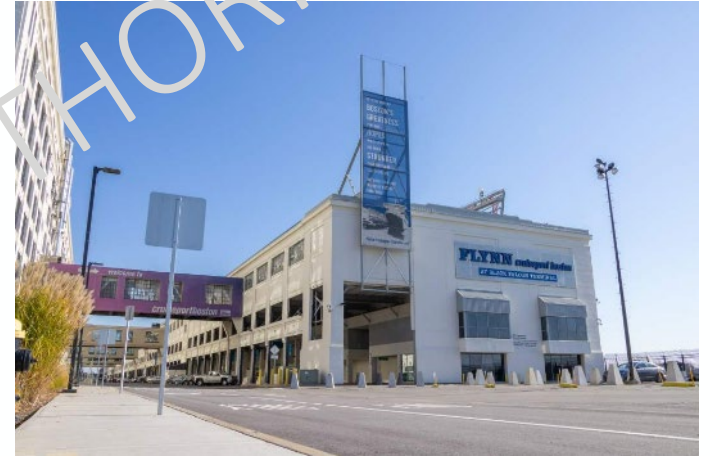
In anticipation of the 2024 cruise season, Massport reviewed safety and security procedures with our cruise industry partners

Highlights

- Presented 2024 cruise season schedule
- Provided an overview of terminal security practices and reviewed the Flynn Cruiseport Boston Emergency Action Plan (EAP)
- Discussed safety considerations for curbside, terminal, and pier operations
- Reviewed reporting procedures and expected first responder actions for a variety of emergency incidents
- Reinforced reporting protocols which are critical to keeping employees, tenants, and guests safe, i.e., *See Something, Say Something*
- Familiarized partners with the locations of emergency exits, muster points, and terminal building evacuation procedures

Next Steps

- Massport to provide additional training opportunities will be offered for cruise stakeholders including CPR, AED, Stop the Bleed, and fire prevention/suppression



Massport participated in the Governor's Conference on Travel and Tourism



The Chase Sapphire Lounge at Logan Airport was named the Best Airport Lounge Experience of 2024 by Airport Experience News



Chase Sapphire Lounge by
The Club – BOS
2024 Best Airport Lounge Experience



Two Massport projects were recently recognized for engineering excellence



Logan Airport Terminal B to C Connector
Gold Finalist Award



Conley Berths 11 & 12 Backlands Reclamation Project *Silver Award*



Financial Performance: February 2024

Activity Highlights

- Logan served 2.7M passengers
- Conley Terminal processed 11,700 containers
- Real Estate revenues exceeded plan by \$0.9M
- Expenses were \$2.9M above budget

Financial Results

Revenues	\$94M
Expenses	<u>(\$82M)</u>
Contribution	\$12M

February net contribution will be used to fund the FY24-28 Capital Program including Net Zero initiatives and HOV enhancements

FAA announced \$22.1M of Airport Infrastructure Grants for Logan Airport

- \$12.8M for Rehabilitation of Taxiway B North
- \$7.5M to upgrade electrical circuitry and lighting for Runway 4R-22L
- \$1.8M for other miscellaneous airfield upgrades
- Funding is from the FAA Airport Infrastructure Grant program
 - \$15B 5-year program (FY22-FY26) funded by the BIL
 - Grants are formula driven



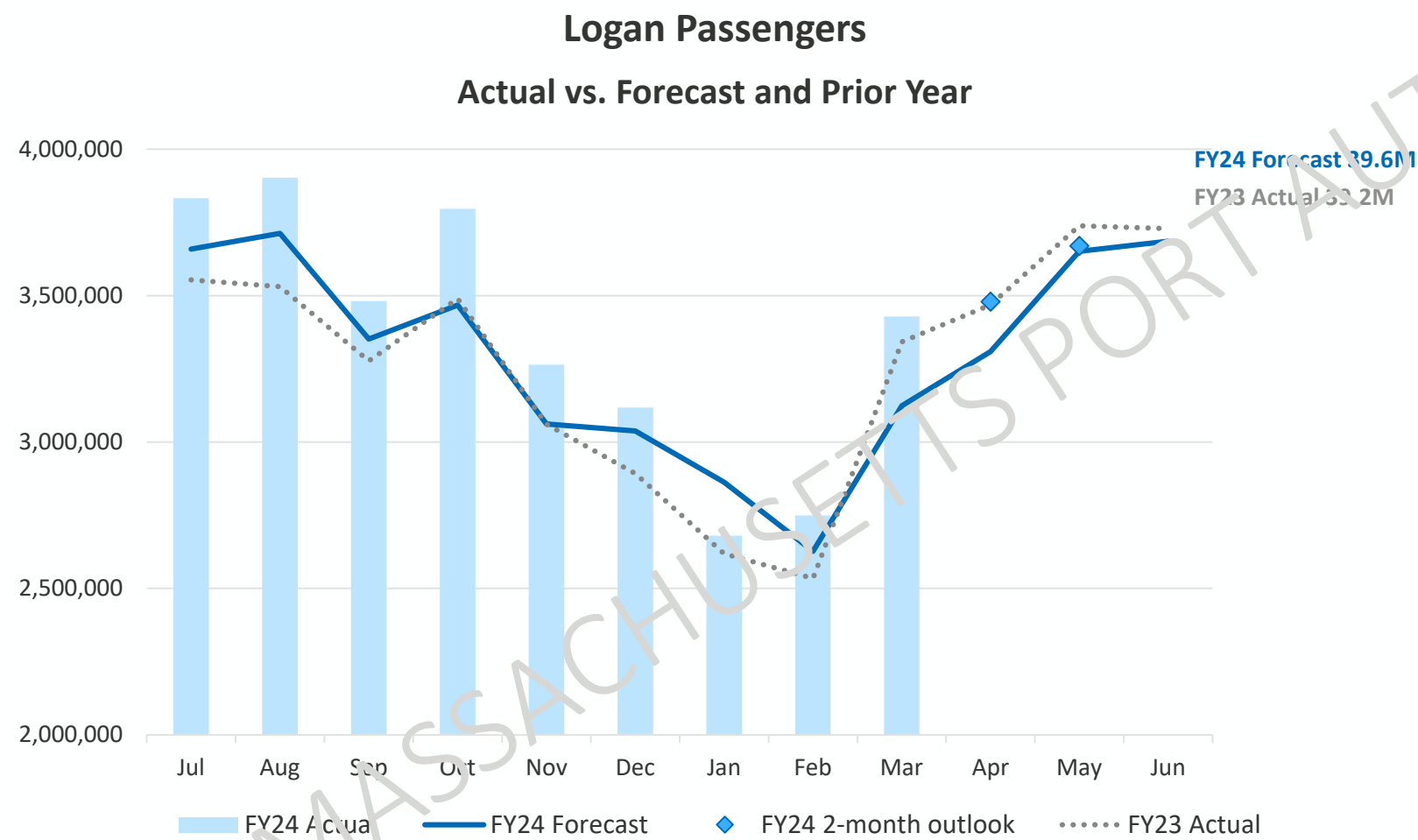
Federal Aviation
Administration

Bipartisan Infrastructure Law - Airport Infrastructure

**BUILDING BETTER
AIRPORTS ACROSS AMERICA**

\$15B

Logan passenger activity is exceeding forecast as the economy continues to outperform prior expectations



Passenger Activity vs Forecast

- March: +10%
- FYTD: +5%

Outlook

- Summer demand looking strong
- Business travel back but below pre-pandemic levels
- Airlines face aircraft supply challenges: delayed aircraft deliveries and P&W GTF engine recall; pilot shortage mitigating
- FAA faces air traffic controller shortages
- Economy likely to avert a recession in 2024 but growth expected to slow

Massport began testing renewable diesel in on-airport shuttle and Logan Express buses

Renewable Diesel (RD)

- Made from renewable sources such as waste agricultural products and waste oils/fats
- Can be produced, delivered and stored in existing petroleum diesel infrastructure and is considered a “drop-in” fuel
- Significantly less GHG emissions compared to fossil diesel

RD Pilot Extension

- Massport extended the renewable diesel pilot to four buses
 - Route 22 on-airport shuttle bus
 - Route 33 on-airport shuttle bus
 - Braintree Logan Express bus
 - Woburn Logan Express bus



Report of the Director of Aviation
Ed Freni

Spring break travel resulted in strong activity at Logan Airport in March

Logan Activity - Preliminary March 2024

	Month	Prior Year	% Change Over Prior Year	FYTD 2024	FYTD 2023	% Change Over FYTD 2023
Passengers	3.4M	3.3M	2.6%	30.3M	28.3M	7.0%
Aircraft Operations	32.1K	33.1K	-2.9%	289.1K	293.1K	-1.4%

Preliminary numbers reflect estimates for incomplete reporting

Etihad launched new nonstop service to Abu Dhabi providing passengers with more service options for traveling to the UAE and beyond

- 4x weekly service began April 1
- The Boston gateway allows Etihad passengers to seamlessly connect to its interline and code-share partner, JetBlue
- Etihad reports strong passenger load factors and significant connecting passengers



JetBlue expanded its transatlantic offerings from Logan with the launch of nonstop service to Paris Charles de Gaulle

- Daily year-round service began April 3
- JetBlue hopes to tap into the demand for affordable and convenient travel options between the U.S. and Europe.
- JetBlue joins Delta Air Lines and Air France which also fly nonstop between Boston and Paris



Massport hosted a Wings for Autism Event at Logan Airport on April 6

- Largest ever Wings for Autism event at Logan Airport with more than 700 participants and 175 volunteers from Massport and the Logan Airport community
- Our airline partners, American, JetBlue, United, and Japan Airlines volunteered aircraft and staff for the event
- Since its inception, Logan Airport has hosted more than 10,000 children and family members with the help of thousands of volunteers



Worcester Regional Airport saw a 60% increase in passenger activity in March from strong leisure demand for Florida services during spring break

March 2024

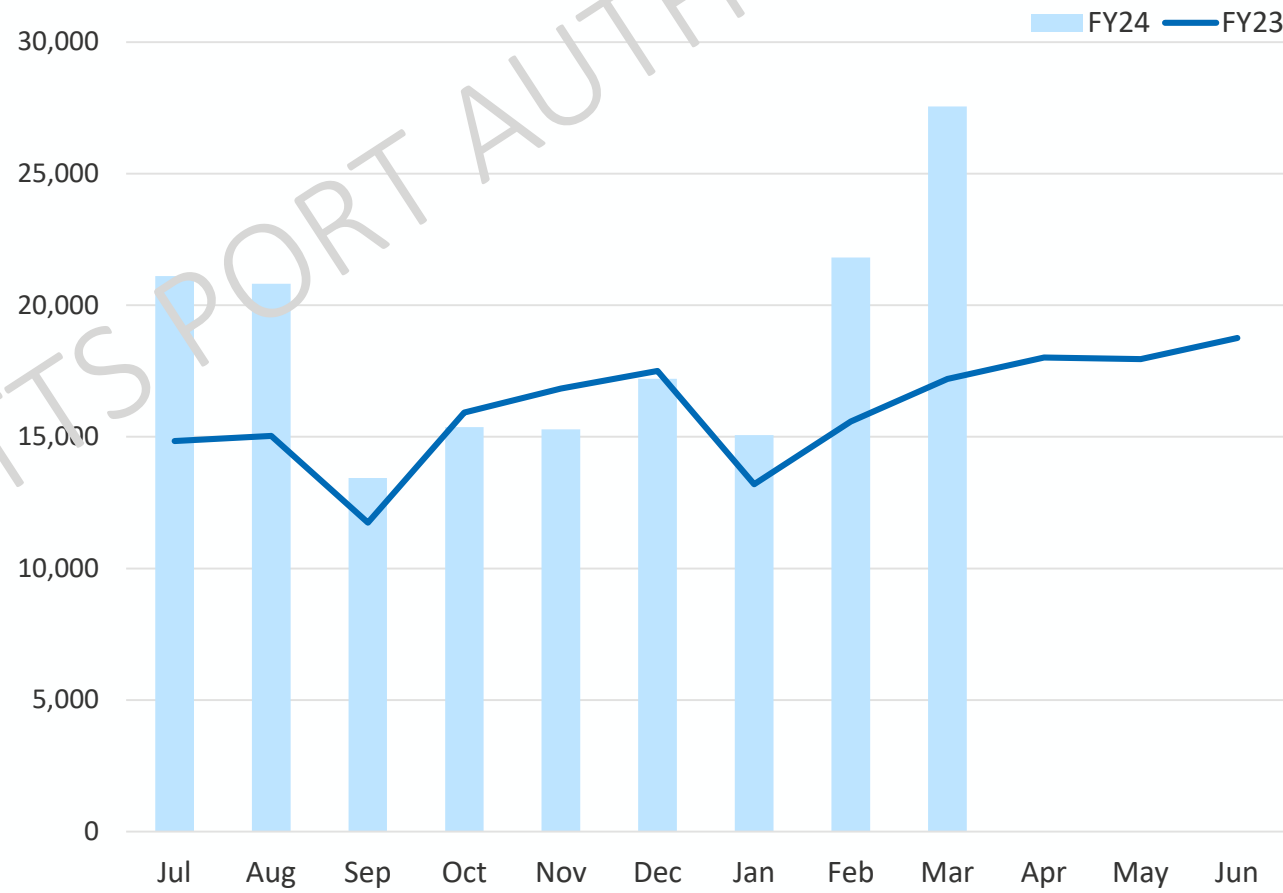
- 27,600 passengers - up 60% over 2023

FYTD 2024

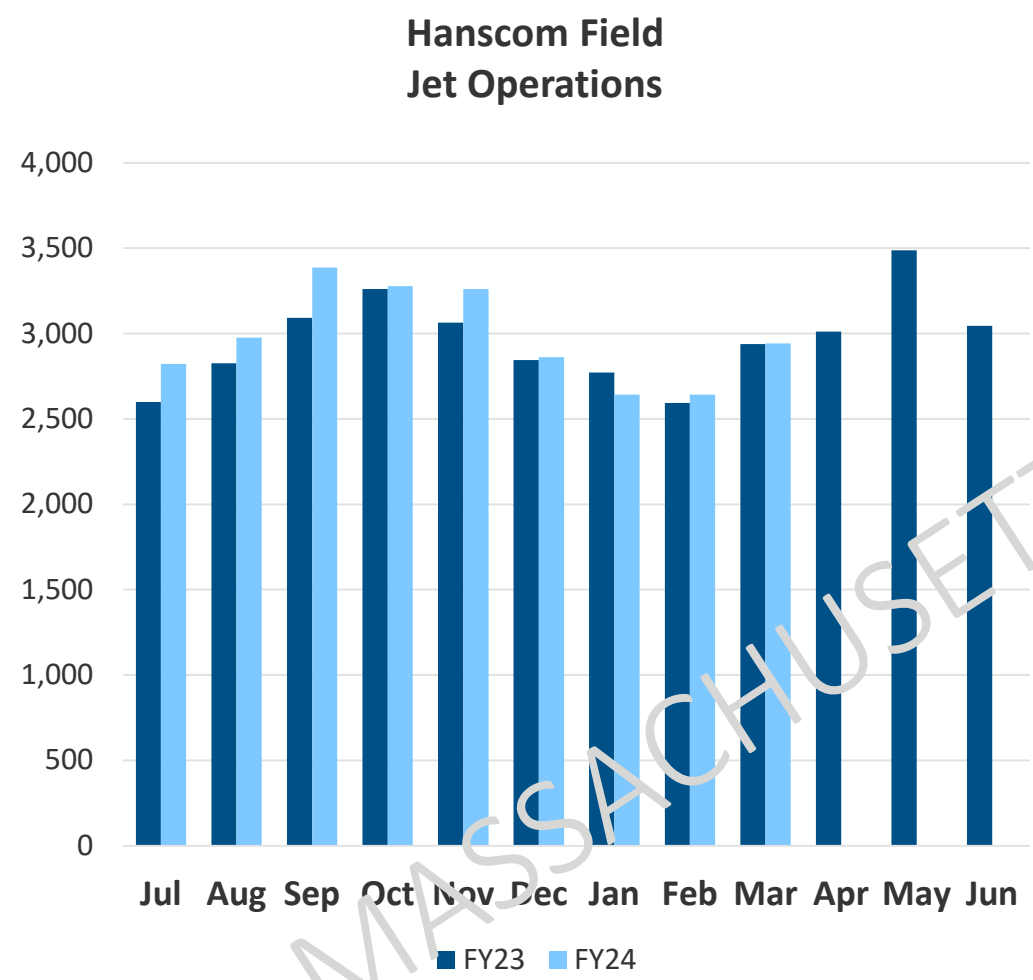
- 167,700 passengers - up 22% over FYTD 2023



Worcester Regional Airport Passengers



Hanscom Field activity for March was 13% lower than the prior year due to poor weather conditions for small single-engine aircraft



March Activity:

	Jets	All Aircraft
Operations	2,900	8,300
Chg vs 2023	0.1%	(13%)
Chg vs 2019	9%	(17%)

FYTD 2024 Activity:

	Jets	All Aircraft
Operations	26,800	89,500
Chg vs FY23	3%	(0.2%)
Chg vs FY19	17%	1%

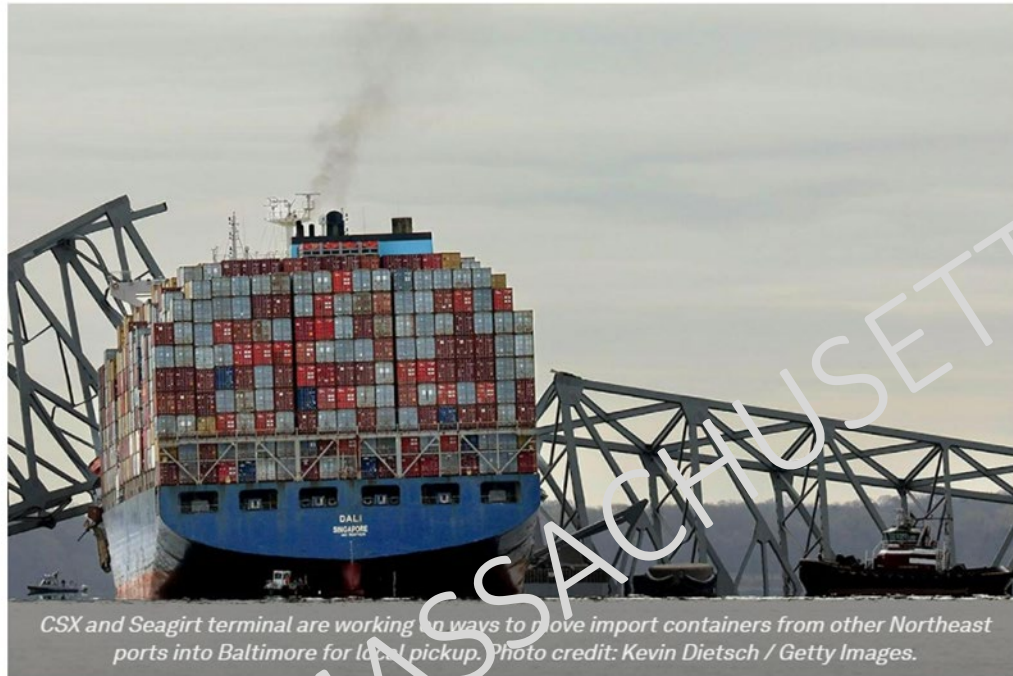


Report of the Director of Maritime
Joe Morris

Massport is monitoring the Port of Baltimore situation

Journal of Commerce

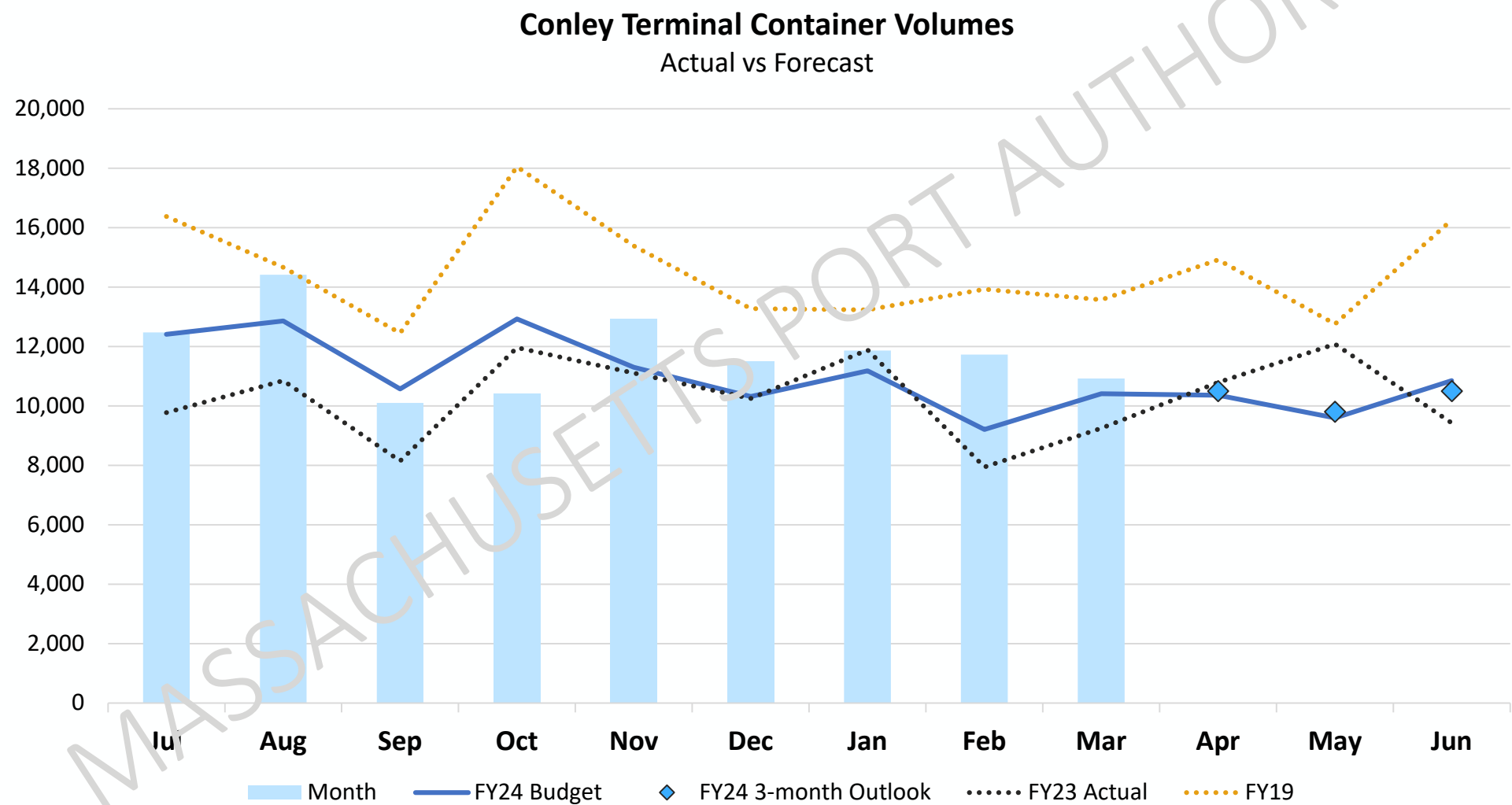
Northeast ports prepare for Baltimore-bound freight as shippers scramble



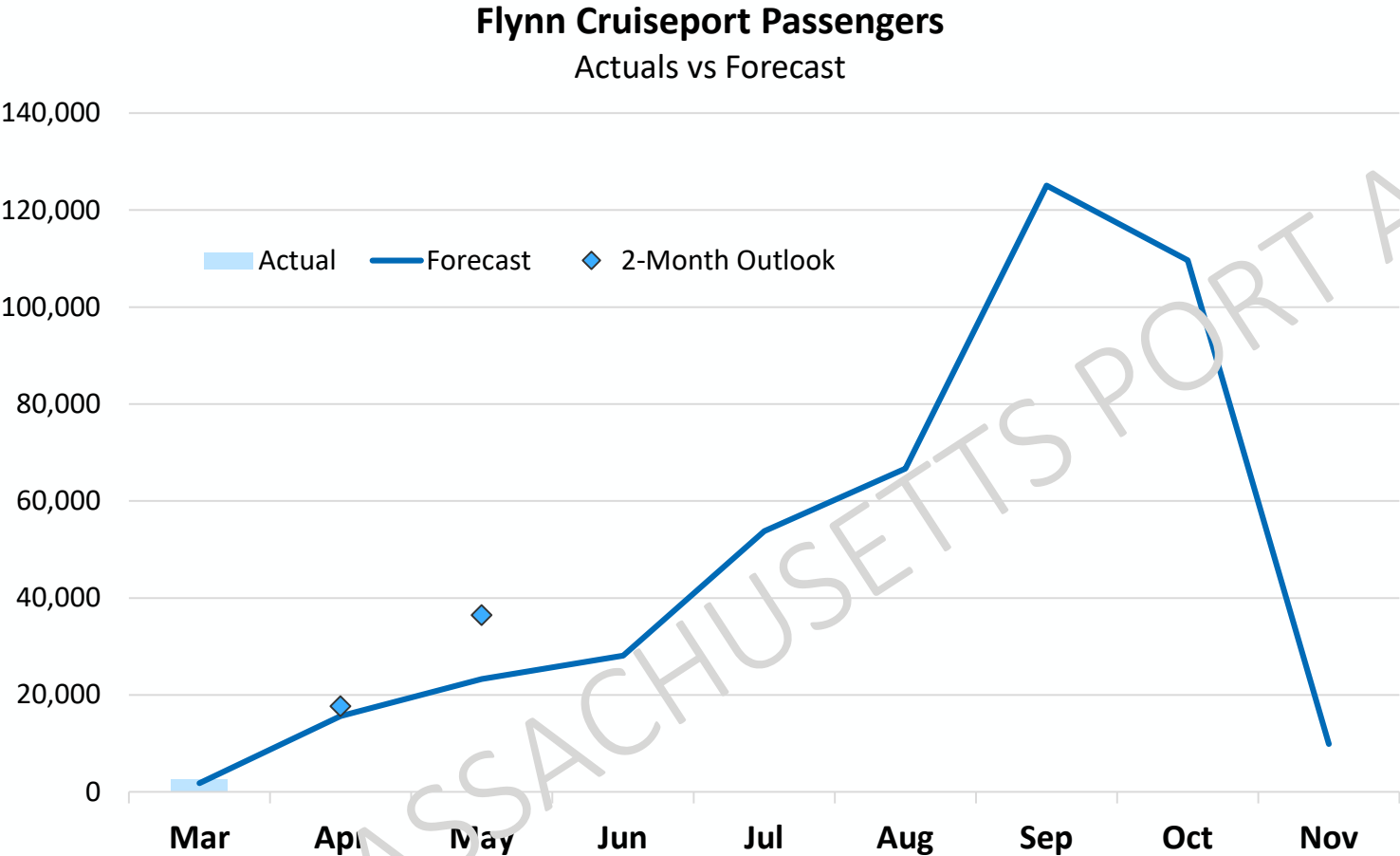
Michael Angell, Associate Editor | Mar. 27, 2024, 5:52 PM EDT

- Vessels that were destined for Baltimore have been re-routed to Norfolk, NY/NJ, and Philadelphia
- With on-going salvage efforts for the downed bridge, the Maryland Port Administration is working towards the full reopening of the channel
- Massport is assessing if we can provide any support to importers/exporters in the Commonwealth and New England
 - Furniture
 - Wine and spirits
 - Cruise line opportunities
 - Automobiles

Conley Terminal handled 14 vessels in March and nearly 11,000 containers



Flynn Cruiseport Boston began its 2024 season on March 29 with the return of the *Norwegian Gem* sailing to Bermuda with 2,700+ passengers



2024 Cruise Ship Schedule

Months	Home Ports	Ports-of-Call	Total
March-May	11	6	17
June-August	29	23	52
September-November	39	61	100
Total	79	90	169

Note: Cruise season began with one sailing in March and is scheduled to end with five sailings in November



Human Resources, Diversity, and Compensation

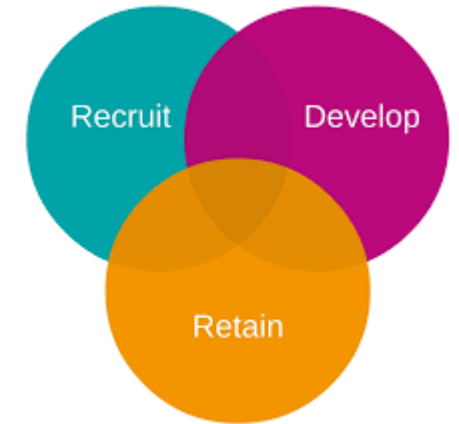
2024-2025 Workforce Diversity Business Plan

Tiffany Brown-Grier & David Gambone

April 11, 2024

Executive Summary

- Massport has a strong history of efforts to develop a diverse and inclusive workforce
 - Enhanced development programs and pipelining to attract, develop and retain diverse employees
 - Robust professional development programming to retain diverse, high-performing employees
 - Continuous employee engagement through a variety of programming to foster an inclusive workplace
- As required every two years, we assess our outreach, recruitment and other employment practices in the Workforce Diversity Business Plan; recent analysis shows our diligent efforts are working:
 - Massport meets placement goals in all 21 job groups for people of color and women
 - Massport proactively implements and enhances diversity initiatives authority wide
- Today, we request that the Board approve Massport's **2024-2025 Workforce Diversity Business Plan**



Massport implemented administrative and union pipelining strategies to enhance a diverse workforce pipeline

Pathways Program:

- Massport partners with local colleges to provide diverse talent with:
 - \$5,000 scholarships
 - 13-week summer internships
 - Employment upon graduation
 - Massport mentor relationship

Bridgewater State University

- Aviation Management



UMass Boston

- Resiliency/Environmental (Capital Programs)
- Data Analytics (Information Technology)
- Accounting/Finance (Administration & Finance)



Fitchburg State University

- Police Program/Academy



Collaboration with IBEW Local 103 Electricians Joint Apprenticeship Training Center (JATC):

- Massport hired an electrical apprentice from an impacted community (East Boston) who was accepted to the JATC
- Apprentice is a Massport employee subject to benefits/policies including those covered in collective bargaining Agreement (CBA)
- Apprentices take state test at end of program and become licensed Journeyman Electricians for the Authority



STEM/Transportation/Sustainability Initiatives:

- Diversity STEM Scholarships
- Aviation & Maritime STEM Expo



Massport has a robust professional development program and initiatives to attract, develop and retain a diverse workforce

Development Programs:

- Massport Emerging Leaders
- Massport ElevateU
- The Partnership, Inc.
- The Women's Edge- Strategies for Success
- Greater Boston Chamber of Commerce- Boston's Future Leaders
- Babson Blue Skies
- CAP Collaborative Executive Fellow



THE PARTNERSHIP, INC.
WHERE DIFFERENCES DRIVE SUCCESS®



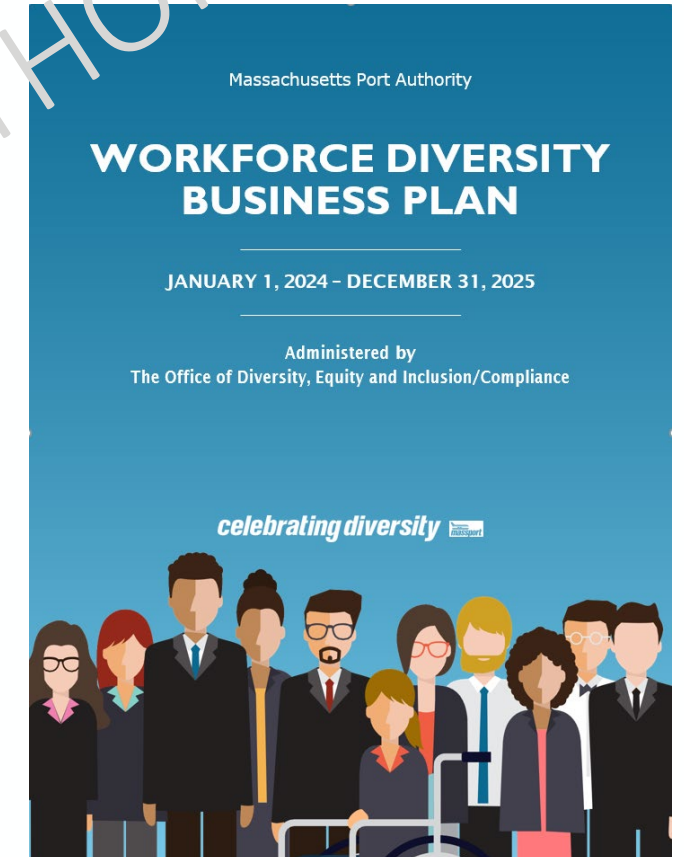
Other initiatives aim to foster a diverse and inclusive workforce

- DE&I Certificate Program
- Multicultural and Women “SHE” Employee Resource Groups
- DE&I Book and Media Club
- Cultural Awareness Speakers Program



Massport's 2024-2025 Workforce Diversity Business Plan

- Since 1976, Massport has adopted and pursued programs in furtherance of its continuing efforts to provide employment opportunities in a non-discriminatory manner, consistent with federal and state law
- The Authority's **Workforce Diversity Business Plan** outlines efforts it will take to identify and eliminate barriers to equal employment opportunity
- The Workforce Diversity Business Plan looks at 21 job groups across the Authority as mandated by US Department of Labor/Office of Federal Contract Compliance Programs
- Utilization analysis for people of color and women is one component of the plan, and one of the criteria used to assess the effectiveness of the Authority's outreach, recruitment, and other employment practices
- Affirmity, a nationally recognized expert in diversity plan preparation, analyzed the composition of each group and compared it to job market availability to determine if people of color and/or females are underutilized in any job group
- The Authority has established internal performance/tracking methods to ensure that our recruitment efforts are effective



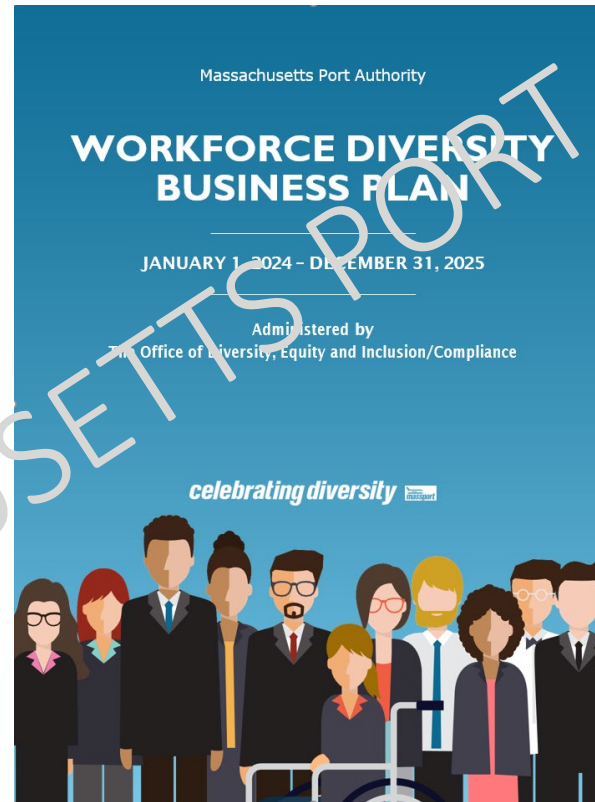
Availability analysis showed no underutilization for people of color or women

Diversity, Equity & Inclusion/Compliance, Labor Relations and Human Resources will continue efforts to diversify the candidate pools for Authority-wide jobs:

- Conduct information sessions for employees in entry level positions to inform them about licensing requirements for positions and connect them with training resources
- Carry on outreach efforts to target diverse candidates for entry level positions that serve as feeder pools
- Develop and leverage relationships with local minority and women professional organizations to strengthen the Authority's network and cultivate a diverse talent pipeline
- Participate in diverse career fairs and advertise positions on diverse professional organization websites
- Build a future pipeline by raising awareness among young people about Massport career opportunities through events like the Aviation and Maritime STEM Expo, Junior Achievement Career Exploration Fair and other events

Requested Board Vote

Approve and adopt the 2024-2025 Workforce Diversity Business Plan



Facilities and Construction

Runway 11-29 Engineered Material Arresting System (EMAS) Replacement (W269)

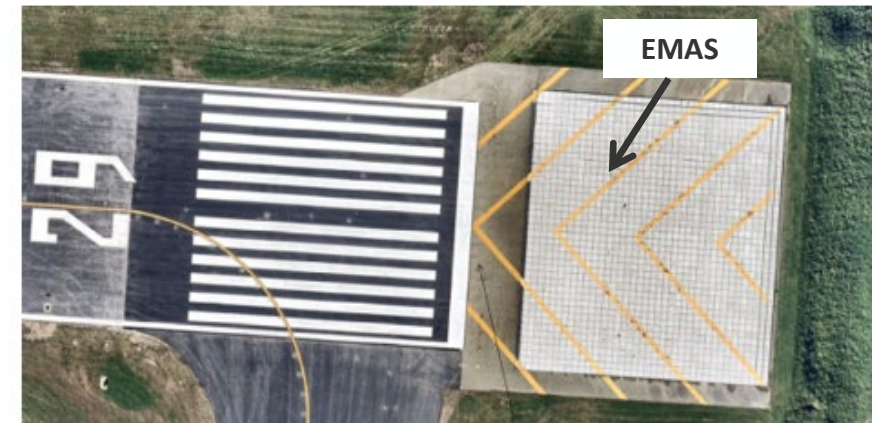
Luciana Burdi

April 11, 2024

The Runway 11-29 Engineered Material Arresting System (EMAS) Replacement project will maintain the runway safety areas at both runway ends

Project Scope:

- Replace the EMASs at the Runway 11 and Runway 29 departure ends that are nearing the end of useful life
- EMAS is a safety system consisting of lightweight concrete blocks in the runway safety area that can safely slow an aircraft in an overrun situation
- EMAS meets FAA safety standards



Runway 11-29 Engineered Material Arresting System (EMAS) Replacement



Key Conditions of Satisfaction:

- Minimize runway closures while maximizing the construction work shifts



Implementation:

- Construction is scheduled to start September 2024 for the Runway 29 end and 2025 for the Runway 11 end



Project Funding

- 90% will be funded with FAA AIP entitlement and anticipated discretionary grants

Board Recommendation:

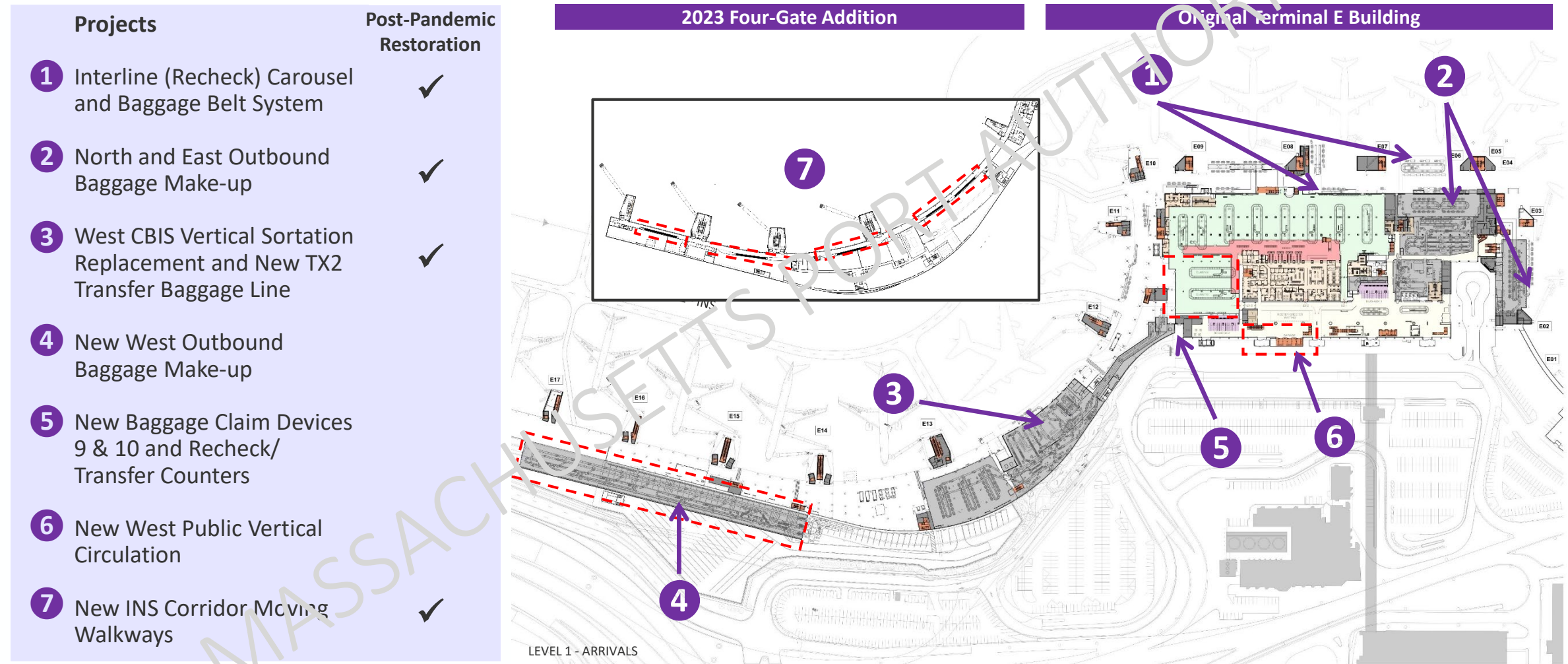
Approve a partial project budget for the not-to-exceed amount of \$12M

Terminal E Operational Improvements (L1821)

Luciana Burdi

April 11, 2024

New and restored projects to improve core passenger and baggage processing functions will enhance the Terminal E arriving passenger experience

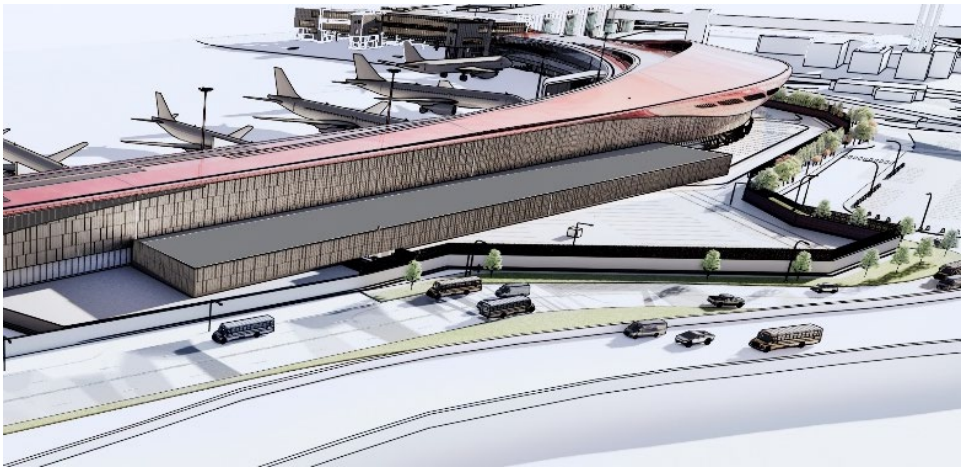


Claims 9 and 10 allow for expanded inbound baggage claim capacity to support current and projected flight schedules

5 Original Terminal E Building

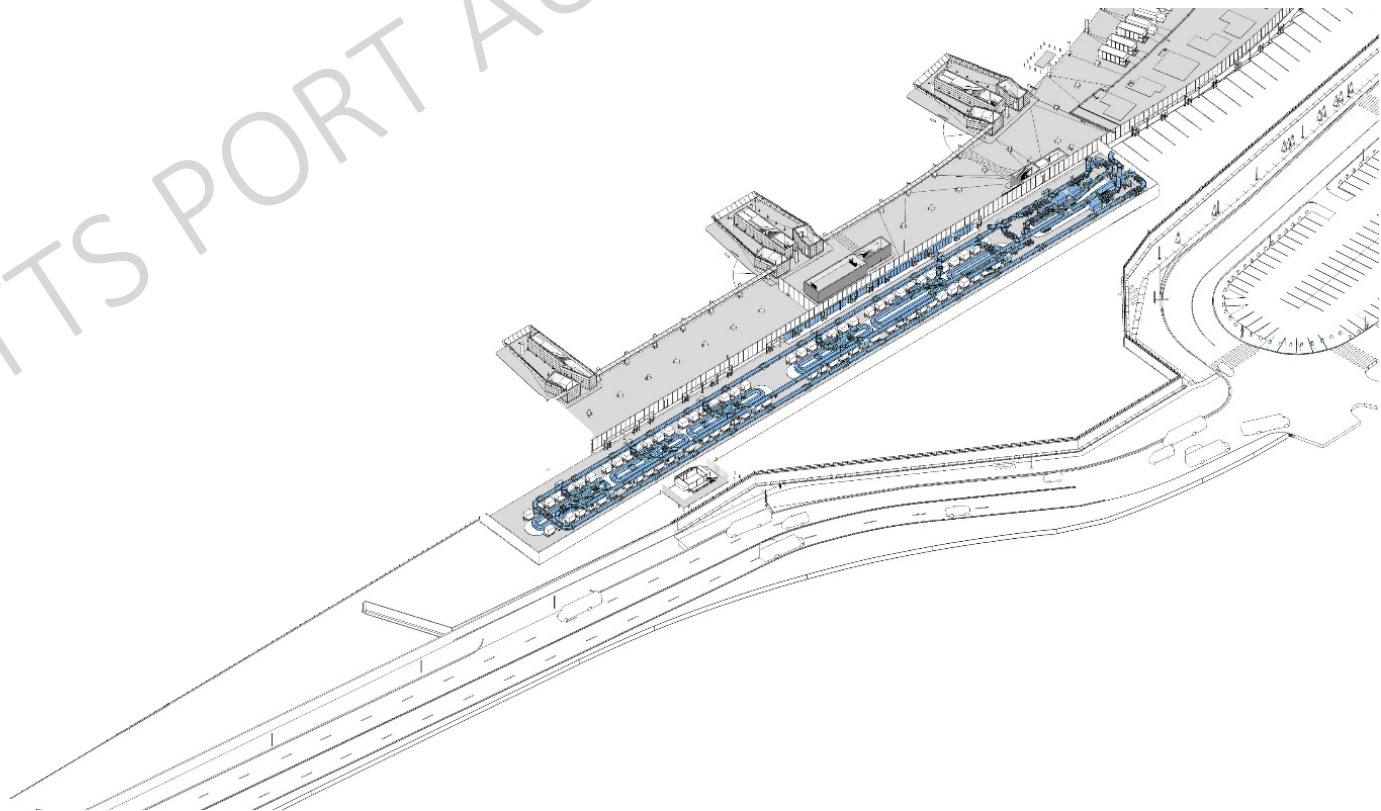


New South-West bag building allows for expanded outbound baggage capacity



4

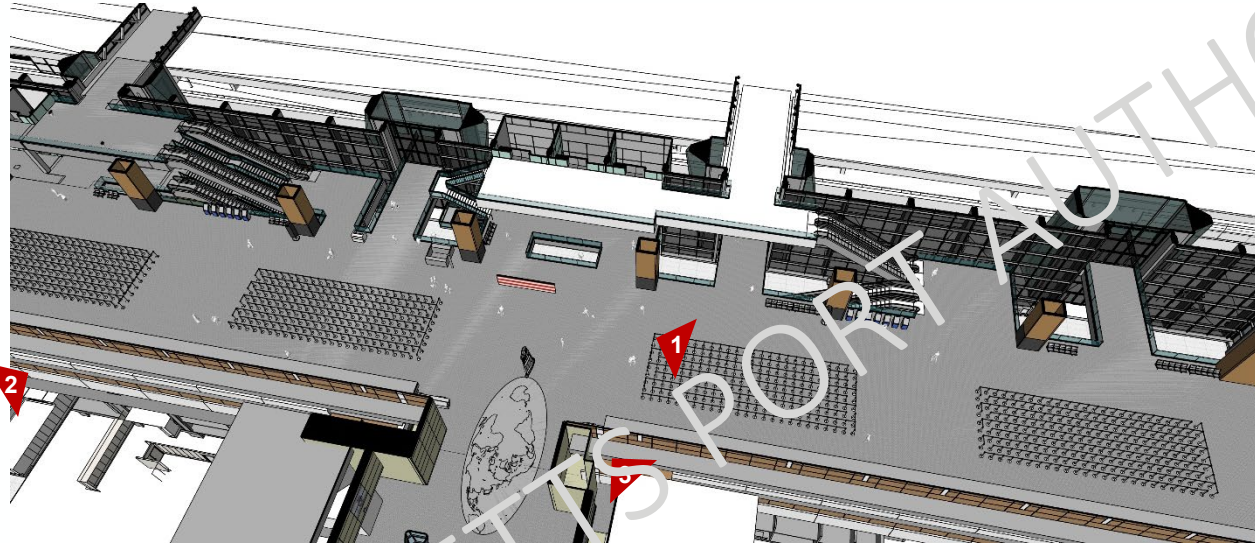
2023 Four-Gate Addition



New vertical circulation will improve passenger access to parking facilities and terminals

6

Original Terminal E
Building



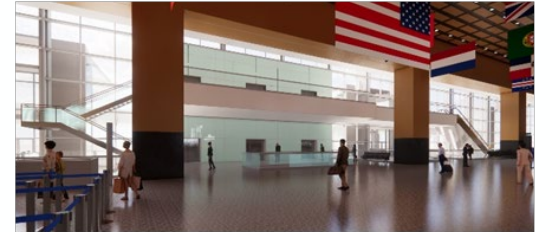
DEPARTURES AND BRIDGE LEVEL



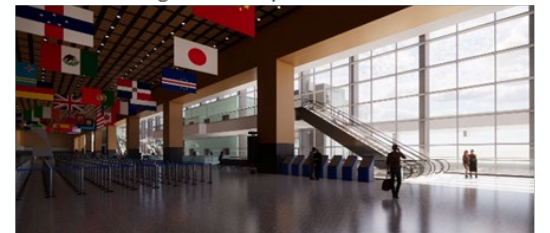
ARRIVALS LEVEL



1. View of escalators at departures & bridge levels



2. View looking east at departures level



3. View looking west at escalators on departures level



4. View of elevators at arrivals level

Terminal E Operational Improvements (L1821)

Board Recommendation:

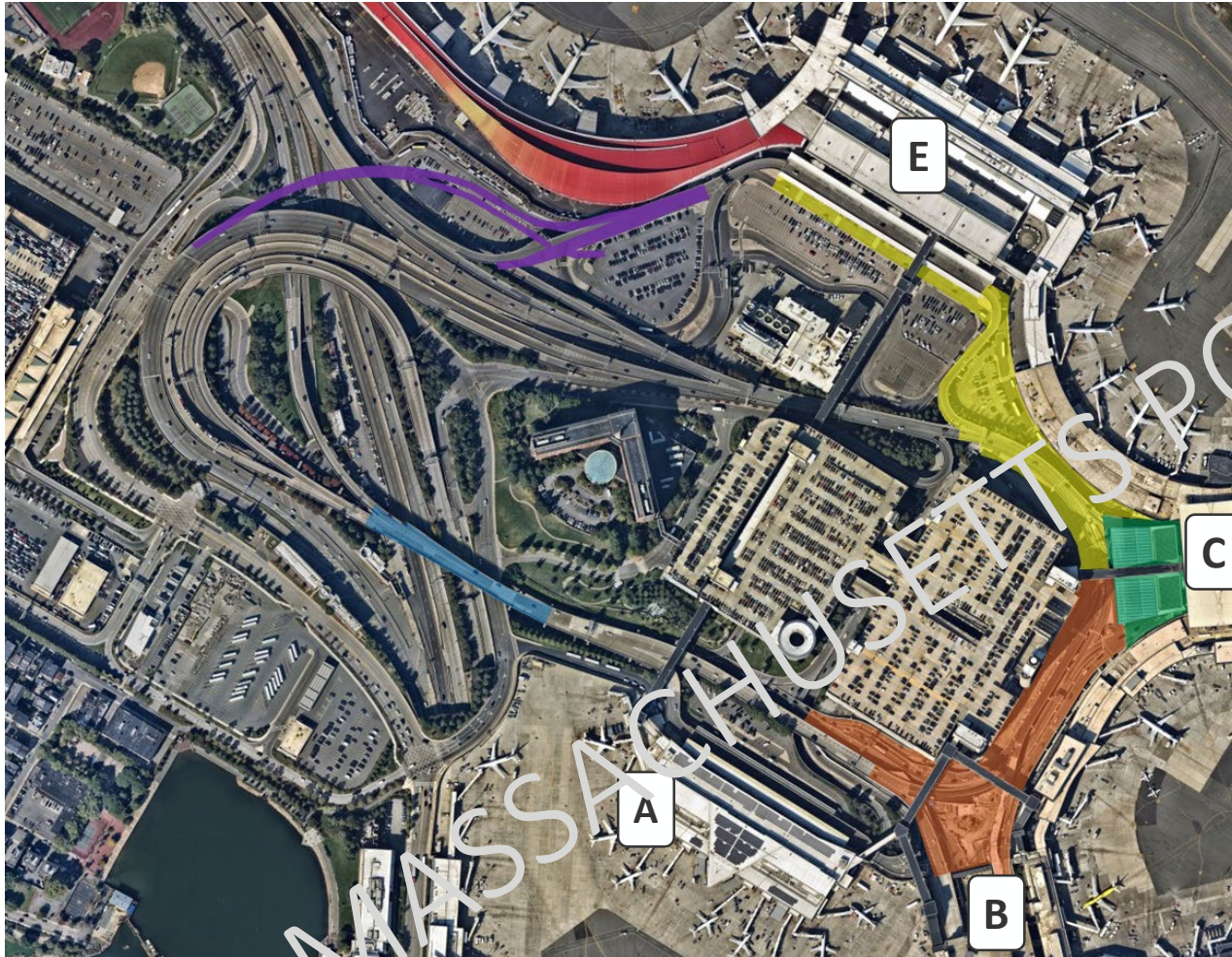
Approve a partial project budget for the not-to-exceed amount of \$50M

Terminal E Roadways and Curb (L1860)

Luciana Burdi

April 11, 2024

The Terminal E Roadways and Curb project is part of Massport's ongoing program to improve the Logan Airport terminal roadway system



Today's Board Vote:



Terminal E Roadways and Curb

Completed Projects:



Terminal B – C Roadway Improvements (2023)



Terminal C Canopy and Upper Deck (2021)

Potential Future Projects:



Terminal E Exit Roadways



Terminal A Entrance Roadway

The Terminal E Roadways and Curb project addresses specific challenges in the roadway system between Terminals C and E

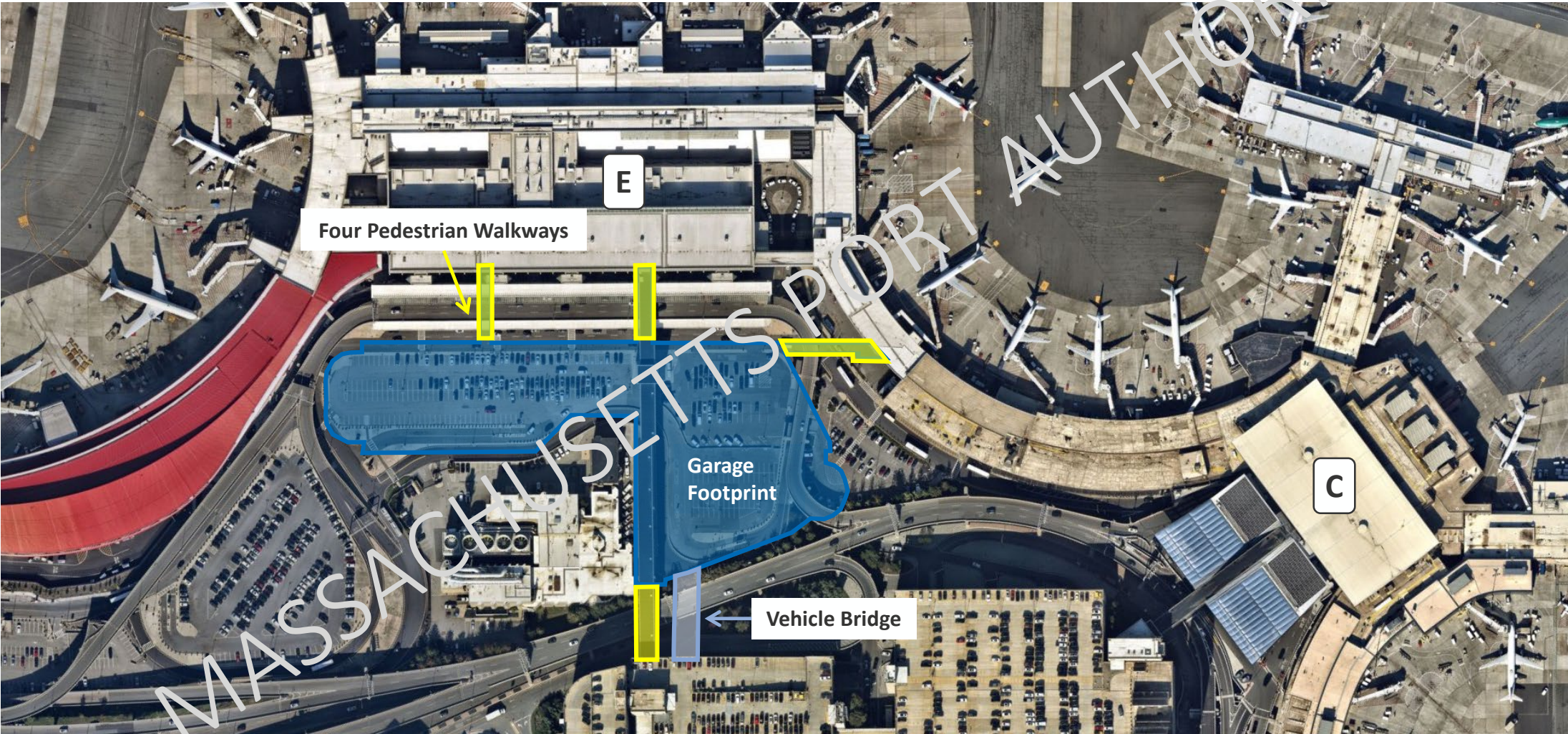
Challenges:

1. Terminal E curbs are regularly at capacity
2. Weave condition on the roadway between Terminals C and E causes traffic congestion
3. Existing Terminal E entrance roadways conflict with the footprint of the new garage

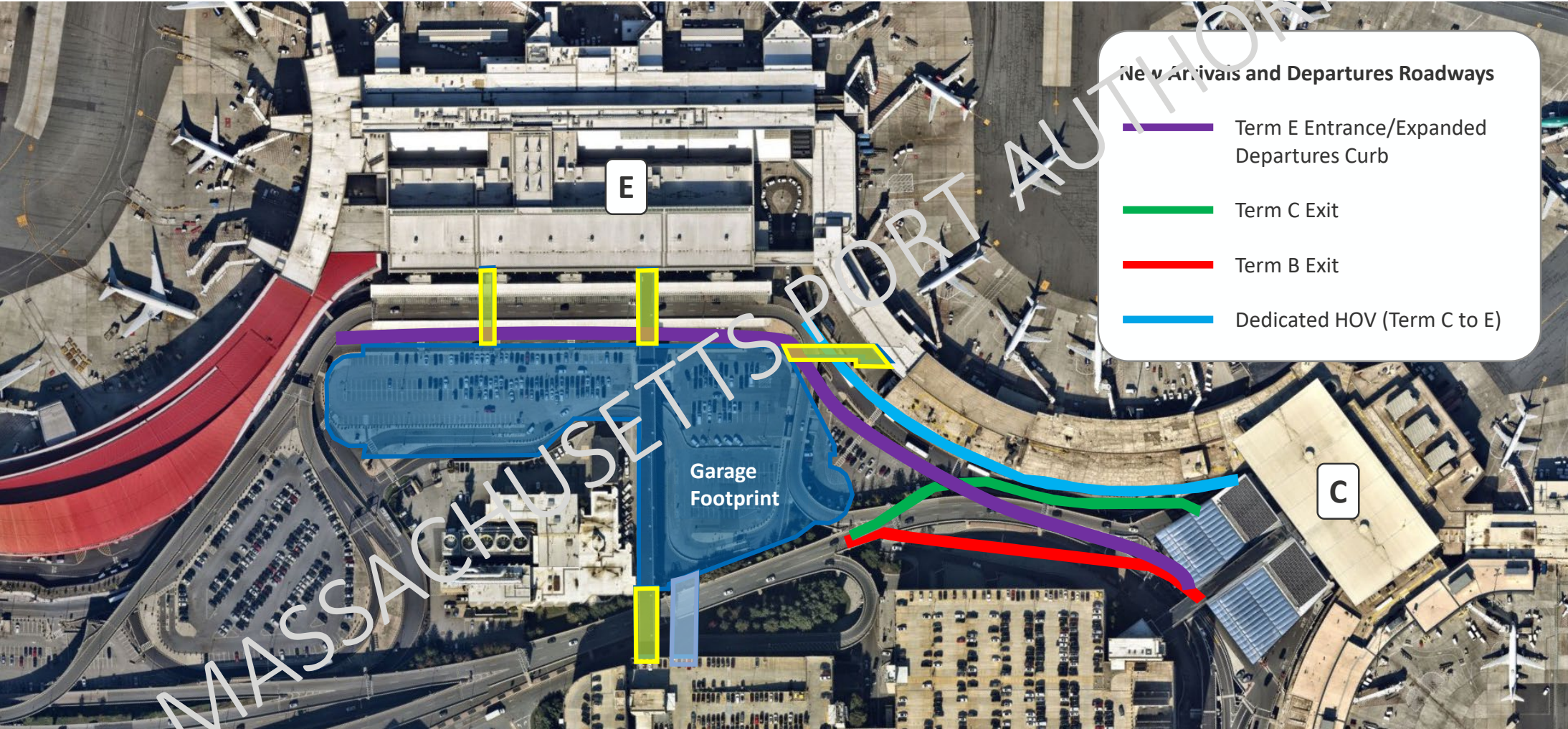
Solutions:

- Construct a departures deck extension with new lanes and curb
- Provide a new dedicated HOV departures roadway from Terminal C to E
- Rework curb assignments, crosswalk layout and curb widths to improve passenger flow
- Demolish Terminal C to E arrivals and departures roadways
- Build new dedicated arrivals and departures roadways for Terminals C and E to separate traffic flows
- Demolish Terminal E entrance roadways on the arrivals and departures levels

New Terminal E Garage and Walkways

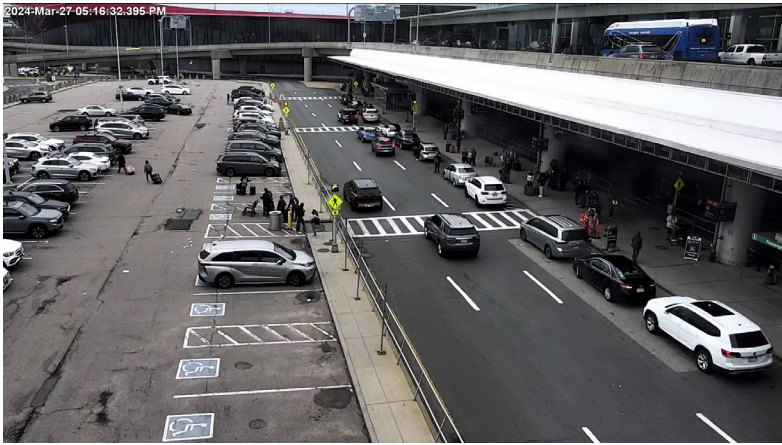


New Terminal E Garage and New Roadways

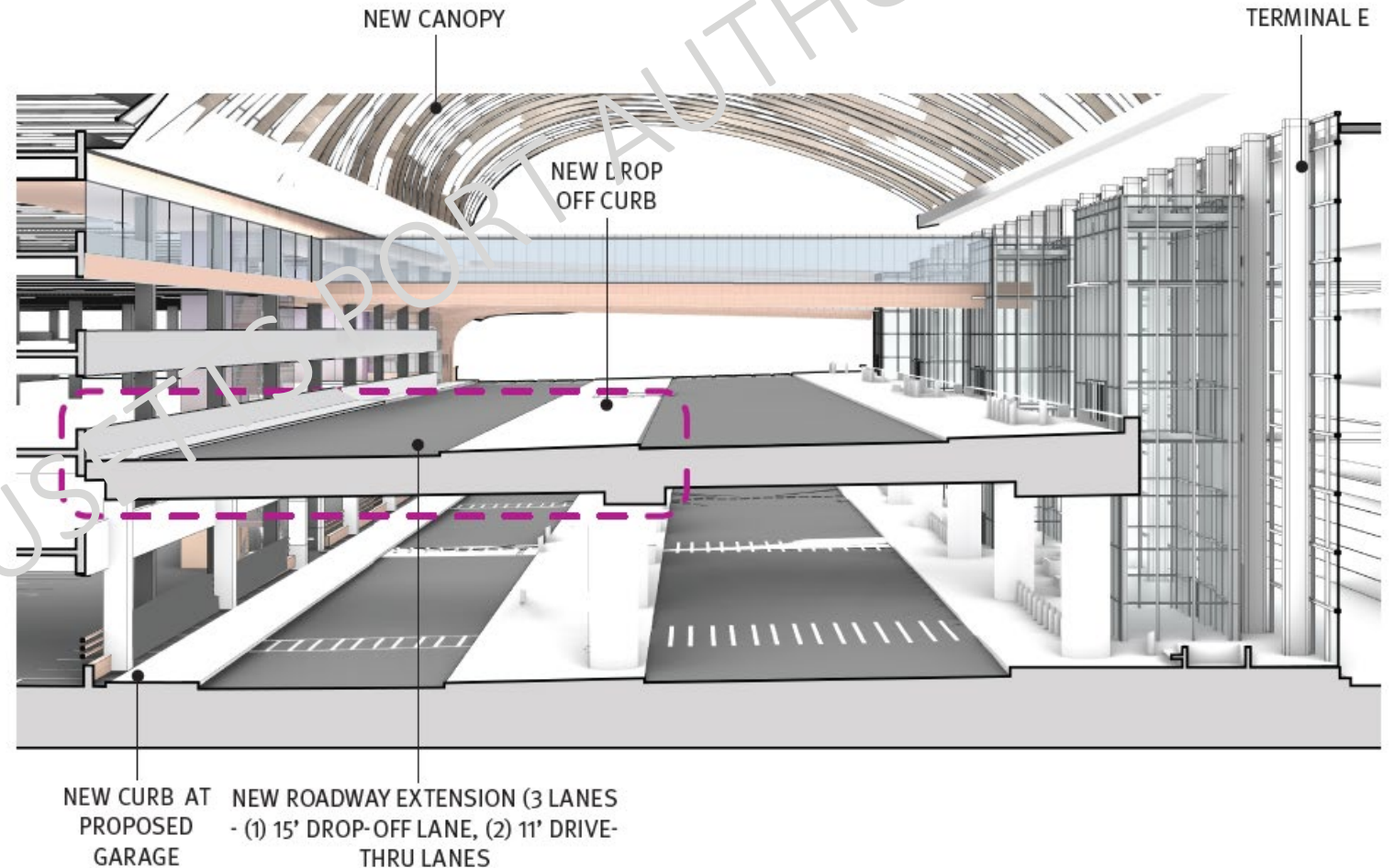


New Terminal E Departures Curb

- Existing condition with departures curb at terminal only



- Project will extend the departures deck over the outer arrivals curb



Terminal E Roadways and Curb (L1860)

Board Recommendation:

Approve a partial project budget for the not-to-exceed amount of \$30M

Audit and Finance

MBTA Silver Line Interagency Agreement

John Prankevicius

April 11, 2024

Continuation of MBTA Silver Line Interagency Agreements

- The Silver Line 1 (SL1) bus serves all the terminals at Logan Airport
- In 2001, Massport and the MBTA entered into an Interagency Agreement regarding the acquisition, operation and maintenance of eight SL1 buses
- In 2004, Massport and the MBTA entered into an Interagency Operations & Maintenance Agreement (O&M Agreement) detailing the shared operational and maintenance costs, the shared capital costs and the shared revenue for the eight SL1 buses serving Logan Airport
- The 2004 O&M Agreement has been extended and amended several times
- Massport and the MBTA have agreed to enter into a consolidated Silver Line Agreement detailing Massport's acquisition of ten new SL1 buses (replacing the original eight and adding two additional buses to improve service)



The MBTA Silver Line Interagency Agreement will support Massport's HOV and Net Zero goals to increase SL1 capacity and enable electric bus operations at Logan terminals

- Continues partnership with the MBTA for the provision of this critical HOV service to Logan Airport - 1.5 million Logan riders in 2023 and nearly 2 million riders prior to COVID
- Increases fleet size from eight to ten buses, to enable improved services, and allocates acquisition and operation costs
- Introduces new enhanced electric hybrid buses that can run entirely on electric power while operating in the Logan terminal areas
- Establishes new design standards for the SL1 buses
- Allocates operation and maintenance costs to run the SL1 service, including paratransit services
- Establishes performance standards and other obligations



MBTA Silver Line Agreement – Continuation of Shared Costs

Capital Budget

	Amount (in millions)
Ten new Silver Line buses	\$19.9 *

Operating Budget

	Amount (in millions)
Fiscal Year 2023 operating expenses	\$3.6
Estimated inflation 10% + paratransit reimbursement	\$0.4
Increase in annual expenses for operating two additional buses	\$1.0
Contingency for future inflation and service hour growth	\$1.0
Total annual operating expenses	\$6.0
Total expenses for six-year term	\$36.0

* Board previously approved \$16.0 million for eight SL1 buses

Next Steps

Authorize execution of a new Interagency Agreement with the MBTA for the SL1 service which continues the terms and conditions of the prior Interagency Agreements and provides for a new term of six years and:

- (i) the expenditure of \$19.9 million for the acquisition of the ten new Enhanced DEH SL1 buses;
- (ii) the continuation of Massport's payments for its share of the operating and maintenance costs which during this new term are estimated to be \$36 million; and
- (iii) the continuation of Massport's obligation for its share of the costs for the mid-life rebuild of the new SL1 buses

Assent Agenda