

MASSACHUSETTS PORT AUTHORITY
MINUTES FOR THE REMOTE MEETING
HELD ON JANUARY 16, 2025 AT 9:00 A.M.

The meeting of the Members of the Massachusetts Port Authority was held on January 16, 2025. The following Members participated remotely pursuant to Chapter 2 of the Acts of 2023: Chair Patricia Jacobs presided, John Nucci, Sean O'Brien, Lewis Evangelidis, Pamela Everhart and Monica Tibbits-Nutt. Richard Davey, Chief Executive Officer and Executive Director, Faye Boardman, Chief of Staff, Edward Freni, Director of Aviation, Catherine McDonald, Chief Legal Counsel, John Prankevicius, Director of Administration and Finance and Secretary-Treasurer, Hank Shaw, Chief Security Officer, Lauren Gleason, Port Director, Luciana Burdi, Director - Capital Programs & Environmental Affairs, Jarret Wright, Acting 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 9:00 A.M.

Public Comment

Lara Sullivan and Alex Chatfield stated their strong opposition and concerns regarding environmental impacts from the North Airfield Hangar Development at Hanscom Field.

Ms. Everhart left the meeting at 9:05 A.M.

Ratification and Approval of the Minutes of the November 21, 2024 Board Meeting

Upon a motion duly made and seconded, it was

VOTED:

To ratify and approve the minutes of the November 21, 2024 Board Meeting.

Members Jacobs, Nucci, O'Brien, Evangelidis, and Tibbits-Nutt voted Yes.

Ms. Everhart rejoined the meeting at 9:15 A.M.

Chair's Comments

Report of the CEO

Mr. Davey noted the meeting would start in public session, then move to executive session and that the Authority will not reconvene after executive session.

Mr. Davey presented information on Massport being recovered and back as returning to passenger levels in 2024, on Massport investing in safety, security and emergency preparedness as a top priority, on advanced commercial real estate projects, supporting maritime, being in a challenging market, on Massport investing in HOV options to move more people in fewer

vehicles, on Massport making solid progress on its Net Zero 2031 commitment, on Massport maintaining strong financials enabling reinvestment in transportation infrastructure, on Massport strengthening its relationships with neighboring communities, on Massport investing in its greatest asset – its people, on 2025 priorities, on Massport moving forward with the Strategic Plan initiative, and on Massport Police Officer Matthew Flynn being honored with the Hanna Award Medal of Honor.

Director of Aviation Presentation

Mr. Freni presented information on Major Dante DeMarco being selected as new commanding officer for Massachusetts State Police, Troop F, on the holiday travel period at Logan Airport being especially strong, on Logan Airport ending CY24 with 43.5M passengers – the highest ever, on Massport celebrating its 43 millionth passenger with Delta Airlines, on JetBlue boosting transatlantic and North American services from Logan Airport, on Winter/Spring Break marketing campaigns for Logan Airport, on Worcester Regional Airport ending CY24 with more than 229,000 passengers – the highest in 34 years, on Massport hosting a Scouting America Aviation Exploration program for middle school students at Worcester Regional Airport, on Winter/Spring Break marketing campaigns for Worcester Regional Airport, and on Hanscom Field total operations declining by 3% in CY24.

Director of Maritime Presentation

Ms. Gleason presented information on Conley Terminal handling 32 vessels and processing over 23,000 containers in November and December, bringing the total for 2024 to more than 139,000 containers, on the International Longshoremen's Association (ILA) and the U.S. Maritime Alliance (USMX) reaching a tentative deal to avoid a work stoppage on January 8, and on Flynn Cruiseport Boston celebrating a record-breaking season with significant infrastructure and sustainability investment announcements.

STRATEGIC PLAN

Ground Transportation Update

Mr. Davey presented information on Logan Airport expecting continued growth in air passenger levels requiring ground transportation planning and investment, on Massport's strategies to promote and boost transit options being successful, on managing future growth to 53M passengers requiring strategies to move more people in fewer vehicles, on transit mode share being higher than ever, but private vehicle pick up/drop off and Ride Apps remaining a challenge, on while Logan Airport is serving the entire New England region, almost half of passengers originating from cities and towns inside I-95/Rte. 128, on without further action, 53M passengers could be adding 13,000 more vehicles to already constrained gateways, roadways and curbs, on accommodating the forecast 53M passengers requiring a multi-faceted strategy, on aside from HOV/transit, Massport investing in other ground transportation infrastructure and initiatives, and on the challenge identifying new resources to advance necessary initiatives and new ground transportation investments.

Electric Bus Procurement from the MBTA

Mr. Barrera presented information on Massport proposing to partner with the MBTA to replace on-airport shuttle buses with electric versions, on replacement of the on-airport shuttle bus fleet being consistent with Massport's goals to increase transit/HOV use and achieve Net Zero emissions by 2031, and on Board recommendations and next steps.

Upon a motion duly made and seconded, it was

VOTED:

WHEREAS, the MBTA has entered into a contract with New Flyer of America, Inc. ("New Flyer") for the procurement of new electric buses; and

WHEREAS, in furtherance of the Authority's goal to achieve net zero emissions Massport-wide by 2031 for activities under its control, staff approached the MBTA regarding the possibility of the MBTA acquiring up to fifty (50) electric buses from New Flyer on the Authority's behalf; and

WHEREAS, the MBTA has agreed to acquire up to fifty (50) electric buses from New Flyer for the Authority subject to (i) approval of the purchase by the MBTA's Board and (ii) reimbursement by the Authority of the cost of such buses; and

WHEREAS, the cost of these new buses is approximately \$1,500,000 per bus; and

WHEREAS, the upcoming FY25-27 Capital Investment Plan will include the appropriate funding required for this acquisition which will span over the two (2) fiscal years FY27 and FY28; and

WHEREAS, staff recommends that the Board authorize the negotiation, execution and delivery of an Interagency Agreement with the MBTA providing for the acquisition of up to fifty (50) new electric buses to be procured by the MBTA for the Authority's ownership and use.

NOW, THEREFORE, BE IT RESOLVED AND VOTED THAT:

The Director of Aviation or his designee and the Chief Legal Counsel or her designee 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 each hereby authorized to execute and deliver, on behalf of the Authority a new Interagency Agreement with the MBTA in connection with the acquisition of up to fifty (50) new electric buses to be procured by the MBTA for the Authority's ownership and use.

The Interagency Agreement may 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 Tibbits-Nutt voted Yes.

SAFETY AND SECURITY/COMMITTEE CHAIR O'BRIEN

HUMAN RESOURCES, DIVERSITY, AND COMPENSATION/COMMITTEE CHAIR JACOBS

COMMUNITY OUTREACH/COMMITTEE CHAIR NUCCI

REAL ESTATE AND STRATEGIC INITIATIVES/COMMITTEE CHAIR FIELDS

Development of the North Jetty and Backlands

Mr. Hargens presented information on Massport issuing an RFP for the North Jetty berth and 16-acre backlands to create a multi-use bulk marine terminal in parallel with the City of Boston's RFP for adjacent Parcel M, and on revitalizing the deep-water North Jetty berth supporting Massport's broader maritime mission and increasing the competitiveness of the Port of Boston.

AUDIT AND FINANCE/COMMITTEE CHAIR JACOBS

Rates and Charges FY25 Mid-Year Adjustments

Mr. Gallagher presented information on FY25 Board voted rates, on FY25 Terminal E Passenger Activity Performance, on FY25 Baggage and Landed Weight Performance, and on Board recommendations.

Logan Baggage Screening Facility Fee Rate Adjustment

Upon a motion duly made and seconded, it was

VOTED:

To establish on behalf of the Authority a Baggage Screening Facility Fee at Boston-Logan International Airport of \$2.35 per checked bag billable to each airline checking bags. This rate shall be effective from February 1, 2025, through June 30, 2025, or until a new rate is established.

Logan Landing Fee Rate Adjustment

Upon a motion duly made and seconded, it was

VOTED:

To establish on behalf of the Authority in accordance with 740 CMR 21.24 a landing fee rate at Boston-Logan International Airport of \$6.10 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. This rate shall be effective from February 1, 2025, through June 30, 2025, or until a new rate is established.

On the two previous items, Members Jacobs, Everhart, Nucci, O'Brien, Evangelidis, and Tibbits-Nutt voted Yes.

MBTA Wonderland Garage License Amendment

Mr. Gallagher presented information on the Wonderland Employee Parking Program and on a Board recommendation.

Upon a motion duly made and seconded, it was

VOTED:

WHEREAS, the Authority entered into a Use and Occupancy License (the "License") for the use of 500 parking spaces in the Massachusetts Bay Transportation Authority ("MBTA") garage at Wonderland Station (the "Wonderland Garage") for employee parking for a term of one (1) year; and

WHEREAS, staff and MBTA have reached agreement on terms to extend the term of the License and make certain other changes thereto; and

WHEREAS, staff recommends that the Board vote to approve an amendment to the License with MBTA for Wonderland Garage as set forth below.

NOW, THEREFORE, BE IT RESOLVED AND VOTED THAT:

The Chief Executive Officer and Executive Director, the Director of Administration & Finance and Secretary-Treasurer, and the Assistant Secretary-Treasurer, each acting singly (each an "Authorized Officer"), are each hereby authorized to negotiate, execute, and deliver on behalf of the Authority an amendment to the License with MBTA which shall:

1. Extend the term for five (5) years to June 30, 2029;
2. Permit the Authority to operate shuttle service from Wonderland Garage to Logan Airport 24-hours a day;

3. Increase the monthly occupancy fee to \$25,000; and
4. Provide for a one-time payment to MBTA of \$200,000 representing the Authority's pro rata share of costs associated with construction of certain Wonderland Garage improvements including the busway, curb, sidewalk reconstruction, and construction of two (2) shelters.

The amendment shall contain such other terms and conditions not inconsistent with this Vote as the Authorized Officer executing such amendment deems necessary or desirable.

Members Jacobs, Everhart, Nucci, O'Brien, Evangelidis, and Tibbits-Nutt voted Yes.

Logan Airport Terminal C Lounge Lease Agreement

Mr. Gallagher presented information on Massport issuing a RFP for the design, construction and operation of a full service premium passenger lounge facility at Logan Airport Terminal C, on the RFP process, on the proposal summary, on renderings of the proposed American Express Centurion Lounge including "*The Bar*", "*The Hearth*", and "*The Rooftop Terrace*", on the American Express best and final offer, and on Board recommendation.

Upon a motion duly made and seconded, it was

VOTED:

WHEREAS, the Authority issued a Request for Proposals (the "RFP") on August 16, 2024 for proposals to design, construct, operate, and manage a full service premium passenger lounge facility (the "Premises") in approximately 20,000 square feet of space to be built in Terminal C at Boston Logan International Airport (the "Airport"); and

WHEREAS, the Premises will consist of a two-story shell space offered in its "as is" condition and the successful respondent is responsible for the design and build-out of the Premises; and

WHEREAS, staff received one proposal and, after review, including a best and final offer, the Selection Committee determined that American Express Travel Related Services Company, Inc. ("American Express") submitted a proposal that met the objectives of the RFP; and

WHEREAS, staff recommends that American Express be selected to design, build-out, lease and operate the Terminal C Lounge.

NOW, THEREFORE, BE IT RESOLVED AND VOTED THAT:

The Director of Aviation and the Chief Legal Counsel, and their designees, are hereby authorized to negotiate, on behalf of the Authority, and the Chief Executive Office 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 a lease agreement (the "Lease Agreement") with American Express on the following terms:

- a) The term shall commence on the earlier of (i) the date of beneficial occupancy or (ii) 12 months from delivery of the shell condition Premises, and shall consist of an initial term of 15 years and an option term of 10 years, to be exercised by American Express in its sole discretion.
- b) American Express shall pay the Authority \$59.5 million in recognition of the Authority's capital costs associated with the design and construction of the shell space.
- c) American Express shall pay a minimum annual guaranteed rent of \$10.3 million per year over the 25-year term, and additionally American Express shall pay percentage rent equal to 25% of gross revenues derived from the Premises.
- d) American Express intends to spend approximately \$7.5 million over the 25-year term in marketing and advertising at the Airport through the Authority's advertising concessionaire.
- e) American Express shall make a minimum capital investment of approximately \$40 million for the initial build-out, approximately \$8 million for a mid-term refurbishment, and approximately \$325,000 in annual facilities upkeep.

The Lease Agreement shall contain such other terms and conditions not inconsistent with this Vote as the Authorized Officer executing such Lease Agreement deems necessary or desirable.

Members Jacobs, Everhart, Nucci, O'Brien, Evangelidis, and Tibbits-Nutt voted Yes.

FACILITIES AND CONSTRUCTION/COMMITTEE CHAIR EVANGELIDIS

MPA L1836 - Terminal C Lounge and Upgrades, Logan International Airport, East Boston, MA, Partial Project Budget

Ms. Burdi presented information on a future American Express Lounge in Terminal C including Logan Airport's first green roof and an outdoor patio, and on project implementation and Board recommendation.

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 commence and complete the Authority's Capital Project known as the Terminal C Lounge and Upgrades (MPA

L1836) subject to the following conditions: funds expended for the L1836 Terminal C Lounge and Upgrades Capital Project shall not exceed \$75,000,000 (the “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 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 January 16, 2025. 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 Tibbits-Nutt voted Yes.

MPA L1633 – Runway 27 Safety Area Improvements, Logan International Airport, East Boston, MA, Partial Project Budget.

Ms. Burdi presented information on the Runway 27 Safety Area Improvements project enhancing the safety area consistent with FAA standards, on the project including installation of an EMAS (Engineered Materials Arresting System) on the pile supported deck, and on an FAA Airport Infrastructure Grant (AIG) funded by the Bipartisan Infrastructure Law financing 75% of project costs.

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 commence and complete the Authority’s Capital Project known as the Runway 27 Safety Area Improvements (MPA L1633) subject to the following conditions: funds expended for the L1633 Runway 27 Safety Area Improvements Capital Project shall not exceed \$110,000,000 (the “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 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 January 16, 2025. 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 Tibbits-Nutt voted Yes.

ASSENT AGENDA

Teodoro Martinez d/b/a Martinez Produce & Seafood – Fish Pier Lease Amendment

Upon a motion duly made and seconded, it was

VOTED:

WHEREAS, Massport, as landlord, and Teodoro Martinez (“Martinez”), as tenant, entered into that certain Amended and Restated Fish Processing Lease Agreement (the “Lease”) with respect to those certain premises being commonly known and numbered as Bays 25 and 27 (the “Leased Premises”) in the East Building of the Boston Fish Pier (“Fish Pier”); and

WHEREAS, since 2014, Martinez d/b/a Martinez Produce & Seafood has been a tenant in good standing in Bays 25 and 27 of the Fish Pier East Building, and is a nationwide leader in the wholesale seafood industry, with locations in Chicago and Boston; and

WHEREAS, Martinez has requested, and Massport has agreed to extend the existing expiration date of the Lease by five (5) years to December 31, 2029.

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 Lease (the "Amendment") with Martinez, which extends the expiration date of the Lease by five (5) years from December 31, 2024 to December 31, 2029 during which term, Martinez shall pay base rent as set forth in Schedule A attached hereto and incorporated herein by reference. 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 Tibbits-Nutt voted Yes.

Motion to Enter Executive Session

Upon a motion duly made and seconded, it was

VOTED:

That the Authority enter executive session to discuss strategy related to real estate and litigation.

Members Jacobs, Everhart, Nucci, O'Brien, Evangelidis, and Tibbits-Nutt voted Yes.

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

The public session adjourned at 10:44 A.M.

Ann Buckley
Assistant Secretary-Treasurer

List of Documents and Other Exhibits Used in Public Session

1. Board Book
2. PowerPoint Presentation Slides