

**Massachusetts Port Authority
Board Meeting**

April 13, 2023



Public Session

MASSACHUSETTS PORT AUTHORITY



Chairman's Comments

Report of the CEO
Lisa Wieland

Joel Barrera was recognized on the historic first-time list of the Get Konnected! Most Influential Men of Color in Boston



- Joel was honored as one of “25 Legends, Leaders and Pioneers”
- Other individuals named to the Influential Men of Color list include:
 - Henry Louis Gates
 - Greg Janey
 - Corey Thomas

Massport Goals – FY 2023

- **Ensure safe, secure and healthy facilities**
- Generate economic impact for the Commonwealth
- Enhance the customer experience
- Improve financial and operational performance
- Embed DE&I into our organizational DNA
- Advance our environmental leadership
- Bring about digital transformation
- Maintain strong relationships with business partners, customers, stakeholders, elected officials, surrounding communities and employees

CDC facilitated an Infectious Disease Response Exercise at Logan Airport

- Massport, first responders, city/state/federal health officials, and regional hospitals discussed response and management of a suspected contagion at Logan Airport
- Critical Objectives
 - Review notification sequencing, communication flow, decision making based on available facts, EMS/triage considerations, and mitigation measures based on established plans and protocols
- Highlights and Key Takeaways
 - Experience with past events and current plans provide guidance on notifications and information sharing
 - Participants discussed a variety of considerations including domestic vs international flight concerns, how the Sumner Tunnel closure may impact EMS transportation, and how to deal with other exposed passengers
 - Intelligence will drive the situation



Massport Care Team members attended a critical family assistance training in March

The National Transportation Safety Board (NTSB) provided a two-day Family Assistance Operations Workshop in Rhode Island

- Select Massport Care Team members participated with airport and airline representatives across Massachusetts, Rhode Island, and Connecticut
- An overview was provided on the role NTSB will play during a crisis/disaster, support provided by their Family Assistance Coordination Teams, and the importance of collaboration throughout the duration and recovery from the incident
- Workshop focused on case studies from previous aircraft accidents, discussion of lessons learned, and recommended best practices for providing effective family assistance operations

Massport's new Care Team Lead attended the NTSB Family Assistance Operations Course at the Training Center in Virginia

- NTSB Transportation Disaster Assistance specialists, clinicians and other professionals presented on a variety of disaster response scenarios
- Training covered aspects of supervising, maintaining, and enhancing a successful program
- Discussed ways organizations involved in accident response can most effectively support the family assistance efforts



NTSB | Training Center

In person - TDA301 Transportation Disaster Response - Family Assistance

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JetBlue announced new services from Worcester Regional Airport to Florida

Worcester Regional Airport Daily Nonstop Flights



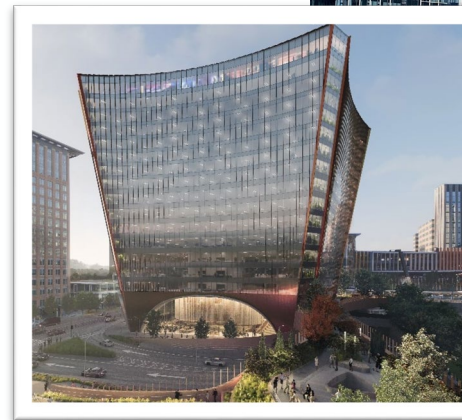
New Services:

- JetBlue Orlando (effective 6/15/23)
- JetBlue Fort Myers (seasonal service, effective 1/4/24)



10 World Trade is the first Boston project to achieve SITES pre-certification; SITES promotes mental restoration and physical activity in outdoor spaces

- SITES rating system evaluates a project's sustainability in the planning, design, construction, and management of landscapes and other outdoor/public spaces
- Gold SITES recognizes 10 World Trade for:
 - Regionally sourced building materials
 - Low-maintenance, drought-resistant plantings that promote biodiversity and attract pollinator species
 - A landscape design that reduces the urban heat island effect and achieves an irrigation water savings of more than 75%
 - A landscaped pedestrian bridge from WTC Avenue to Congress Street to promote accessibility
 - A Great Hall plaza and upper and lower triangle spaces to support mental restoration, physical activity and social connections
- Project will also attain certifications for LEED Gold, WELL Gold (health), and Platinum for both WiredScore (digital connectivity) and SmartScore (digital technology)



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Massport implemented real time bus tracking for Logan Airport shuttles and LEX buses - available to passengers on digital signage, the website and mobile platforms

1 **BAGGAGE CLAIM** 11:45 AM

New York - LGA 12:27 PM
Delta 5622 *Now 12:11 PM*

Chicago - O'Hare 12:32 PM
Delta 2493 *On Time*

Washington - DCA 12:40 PM
Delta 5736 *On Time*

Next On-Airport Shuttle

ROUTE 11	All Terminals	A B C E	19 mins
ROUTE 22	Rental Car Center and Subway		4 mins
ROUTE 88	Economy Garage and Subway		5 mins
ROUTE 66	Water Transportation and Subway		11 mins

NO WEAPONS

UP TO \$10,000 FINE AND SUBJECT TO ARREST

TERMINAL A boston logan

1 **BAGGAGE CLAIM** 8:44 AM

New York - LGA 8:20 AM
Delta 5590 *Arrived*

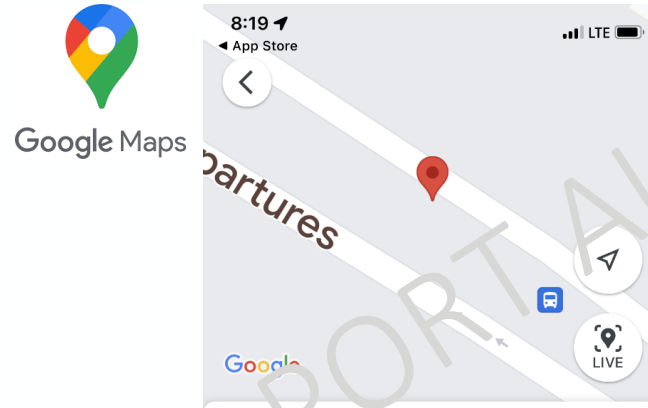
New York - LGA 9:22 AM
Delta 5832 *On Time*

Next Logan Express

	Backbay	15 mins
	Braintree	15 mins
	Frammingham	15 mins
	Peabody	30 mins
	Woburn	15 mins

Oversite Baggage Pick-Up at Carousel 1A, across from carousels 1-2. Golf Clubs / Car Seats / Large packages

TERMINAL A boston logan



Terminal E - Arrivals

More Info Directions Save

88	66	11
88	Economy Parking	3 min
Scheduled · 8:22 AM ·		
66	Water Transportation Dock	5 min
Scheduled · 8:24 AM ·		
88	Economy Parking	9 min
Scheduled · 8:28 AM ·		
66	Water Transportation Dock	17 min
Scheduled · 8:36 AM ·		



06:57

Terminal A

1h 15m More

Departures

Logan Express Airport Shuttle Concord Co

11 Route 11 Bus

Loop to 270 Central Ave - Chelsea Garage 4, 6 min *Delays*

55 Route 55 Bus

Loop to Conrac Rental Car Center Drop Off 3, 4 min *Delays*

66 Route 66 Bus

Loop to Water Transportation Dock 14, 19 min *Delays*

88 Route 88 Bus

Loop to Terminal E 2, 10 min

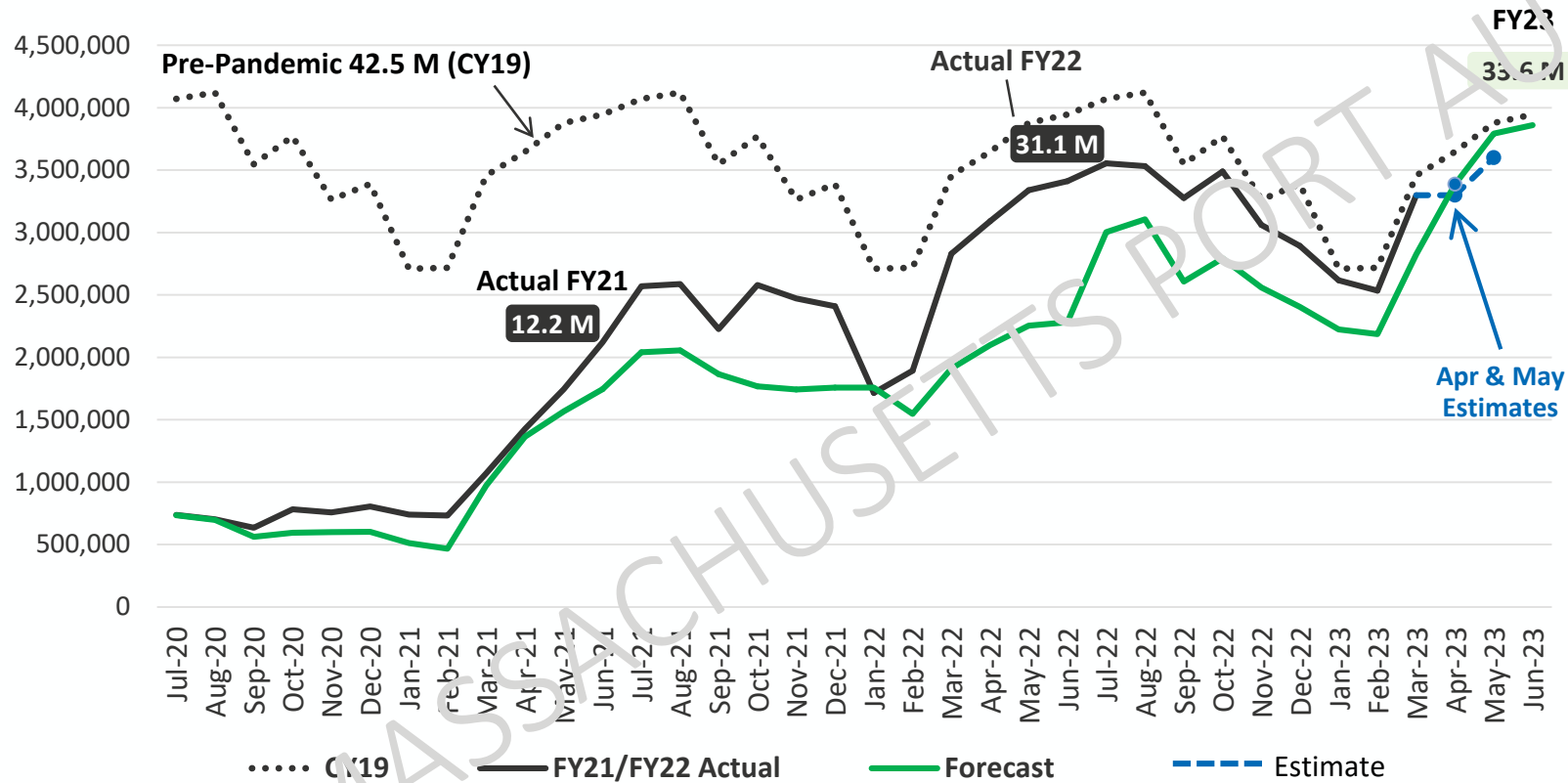
22 Route 22 Bus

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Logan's passenger volume is trending upward, but a full recovery is not expected until after FY23

Forecast of Logan Passengers FY22 to FY23



Positive Trends Continue but Headwinds Remain

- Domestic business travel appears to be ticking upward
- Airlines face supply challenges: pilot shortage and delayed aircraft deliveries
- FAA air traffic controller staffing issues causing airlines to reduce summer flight schedules
- Lifting of COVID testing requirements in the U.S. for passengers arriving from China
- Ongoing conflict in Ukraine
- Possible U.S. and global economic recession

Financial Performance: February 2023

Activity Highlights

- Logan served 2.5M passengers
- Conley Terminal processed 7,900 containers
- Real Estate revenues exceeded plan by \$0.2M
- Expenses were \$1.65M above budget

Financial Results

Revenues	\$86M
Expenses	<u>(\$72M)</u>
Contribution	\$14M

February contribution will be used to fund HOV initiatives, the FY22-24 Capital Program, and matching funds for Logan Airport BIL grants

Fitch Ratings upgraded \$115.6M of Massport's CONRAC (Rental Car Center) Bonds

Fitch cited several reasons for the upgrade including:

- The RCC's strong financial metrics driven by a solid recovery of passenger activity at Boston Logan
- Management's \$66M bond defeasance in June 2020, which lowered annual debt service by over \$3 million per year
- Boston Logan's large and resilient origin and destination (O&D) traffic base and the region's economic strengths
- A strong rental car market in Boston compared to similar airport car rental markets

FitchRatings

Fitch Upgrades Massport CONRAC Facility Bonds to 'A+': Outlook Stable

Fri 17 Mar 2023 - 3:04 P. 1E

Fitch Ratings - New York - 17 Mar 2023: Fitch Ratings has upgraded the rating of \$115.6 million of Massachusetts Port Authority's (Massport) special facilities revenue bonds (CONRAC project), series 2011B to 'A+' from 'A'. The Rating Outlook is Stable.

RATING ACTIONS

ENTITY / DEBT ↕	RATING ↕	PRIOR ↕
Massachusetts Port Authority (MA) [Airport - Car Facility Charge]		
Massachusetts Port Authority (MA) /Car Facility Charges/1 LT	LT A+ Rating Outlook Stable	Upgrade A Rating Outlook Stable

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Massport celebrated Women's History Month with special guest, Board Vice Chair Pattie Jacobs



Massport exceeded its DE&I goal for Charitable Contributions for FYTD23 Q3

Contributions

- **FY23 DE&I Goal:** Award **50%** of Massport’s Charitable Contributions Program budget to organizations that serve predominately people of color
- **FYTD23 Q3 Actual:** **62%** of funds awarded to organizations or programs that serve predominately people of color
- 37 organizations received grants totaling \$174,500
 - 20 organizations serving predominately people of color received grants totaling \$107,500
 - 15 organizations are run by or have a person of color on the executive leadership team

Funded Organizations in Q3 Meeting DE&I Goal:



Other Funded Organizations in Q3:



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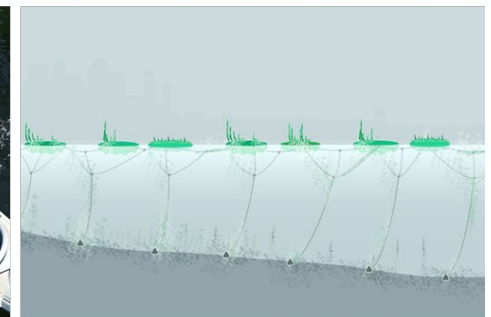
Massport recently completed a week-long test of a 100% battery electric street sweeper at Logan Airport



- The fully electric, zero emissions Boschung Urban Sweeper S2.0, was tested on the ramps, rideshare lots and terminals.
- The battery electric sweeper has an 8-10 hour runtime and can fully charge in 8 hours with a Type 1 charger; super charger with a 100 minute charge time is available for fleets with multiple vehicles
- Saves 25-30 tons of CO2 compared to a diesel vehicle
- Positive feedback from Field Maintenance

Massport is working with the Stone Living Lab to evaluate two potential locations for the Emerald Tutu along Massport properties

- Emerald Tutu concept is a modular coastal flood protection solution that is low-cost, carbon-negative, and a benefit to the coastal environment
- Benefits/Goals
 - Wave attenuation protects the shoreline
 - Mats provide habitats and act as carbon-sinks
 - Clusters feature walking paths, expanding the city's green network
- Status
 - Ongoing plant species research at Eastie Farms
 - Prototype testing upcoming in Boston Shipyard near Piers Park
 - Field Pilot Study with US Army Corps in 2024-25
- Massport and Stone Living Lab evaluating potential locations at the Boston Shipyard & Marina and along the Reserved Channel near Hank Miller Park



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We continue to showcase Massport careers on social media to attract interest and talent

 **Boston Logan International Airport**
April 6 at 3:00 PM

Go behind the scenes at BOS with Diana Teehan, Contract Services Manager at Boston Logan. In this Employee Spotlight, learn more about how Diana helps keep our facilities operating efficiently to welcome people from all over the world here to Boston.



A video thumbnail showing a woman, Diana Teehan, smiling and looking directly at the camera. She is wearing a white sweater with a dark floral pattern. The background is a blurred airport terminal with colorful lights.

During Women's History Month, the Massport SHE ERG organized a successful women's shelter drive

- Donations were collected for the St. Mary's Center for Women and Children in Dorchester, East Boston, and Roxbury
- St. Mary's is a multi-service organization supporting women, children and families who are experiencing homeless and living in poverty
- Over the month-long drive, employees donated hundreds of items including new bedding, personal hygiene products and household goods



East Boston High School hosted a Young Women's Empowerment Day

- Women from different professions were invited to meet with female students to share their experiences, offer advice and guidance, and discuss possible career paths



127th Boston Marathon

WELCOME TO BOSTON



GOOD LUCK ON RACE DAY!

Report of the Director of Aviation
Ed Freni

Logan Airport passenger activity levels – March 2023

Logan Activity Summary March 2023

	2023	Prior Year 2022	% Change Over 2022	Pre Pandemic 2019	% Change Over 2019
Passengers	3.3M	2.8M	17.8%	3.5M	-5.8%
Aircraft Operations	30.8K	29.3K	5.1%	34.4K	-10.5%

On April 1, Massport hosted the 21st Wings for Autism Event at Logan Airport to kick-off World Autism Month

- Largest ever Wings for Autism event at Logan Airport with nearly 600 participants and 200 volunteers from the Massport and airport communities
- Provides children and their families an opportunity to become familiar with the airport and aircraft while walking through an authentic air travel experience
- Originally developed in 2011 by Massport in partnership with the Charles River Center, JetBlue, TSA, Massachusetts State Police and the airport community
- Since its inception, Logan Airport has hosted approximately 8,500 children and family members with the help of thousands of volunteers

“Since the day we got home from the Wings for Autism event, she began asking ... for “airplane” and “Disney”, ... So after several months of asking, I took the risk and I’m very happy to say, she made it to Disney (last week) on an airplane! please know that having the ability to do a risk free dress rehearsal for a major activity (like flying) is so unbelievably helpful and appreciated.” - A mom whose daughter and family attended the November 2022 Wings for Autism event at Logan (March 24, 2023)



Last month, airlines celebrated two international service launches and a new service announcement

Avianca

- Avianca, Mass Office of International Trade, Consul General of Colombia and Massport celebrated the relaunch of Bogota service
- Avianca also announced a **new direct service from Logan to San Salvador beginning June 1**



Porter Airlines

- Porter celebrated the start of their new daily service to Ottawa
- Ottawa was last served by Air Canada in March 2020



FAA staffing shortage causing airlines to reduce flights for spring and summer travel

- The FAA expects increased delays in the New York City area this summer compared with last year
 - Projecting a 45% rise in delays with operations growing 7%
- JetBlue is preparing to cut weekly flights in the New York City area this spring and summer in response to the air traffic controller shortage
- To avoid a repeat of summer 2022, FAA will reduce flight requirements for airlines' takeoff and landing rights to avoid congestion and mitigate disruptions and delays during peak periods
- Airlines have until April 30 to file requests to give up takeoff and landing slots; waivers would last from May 15-Sept. 15



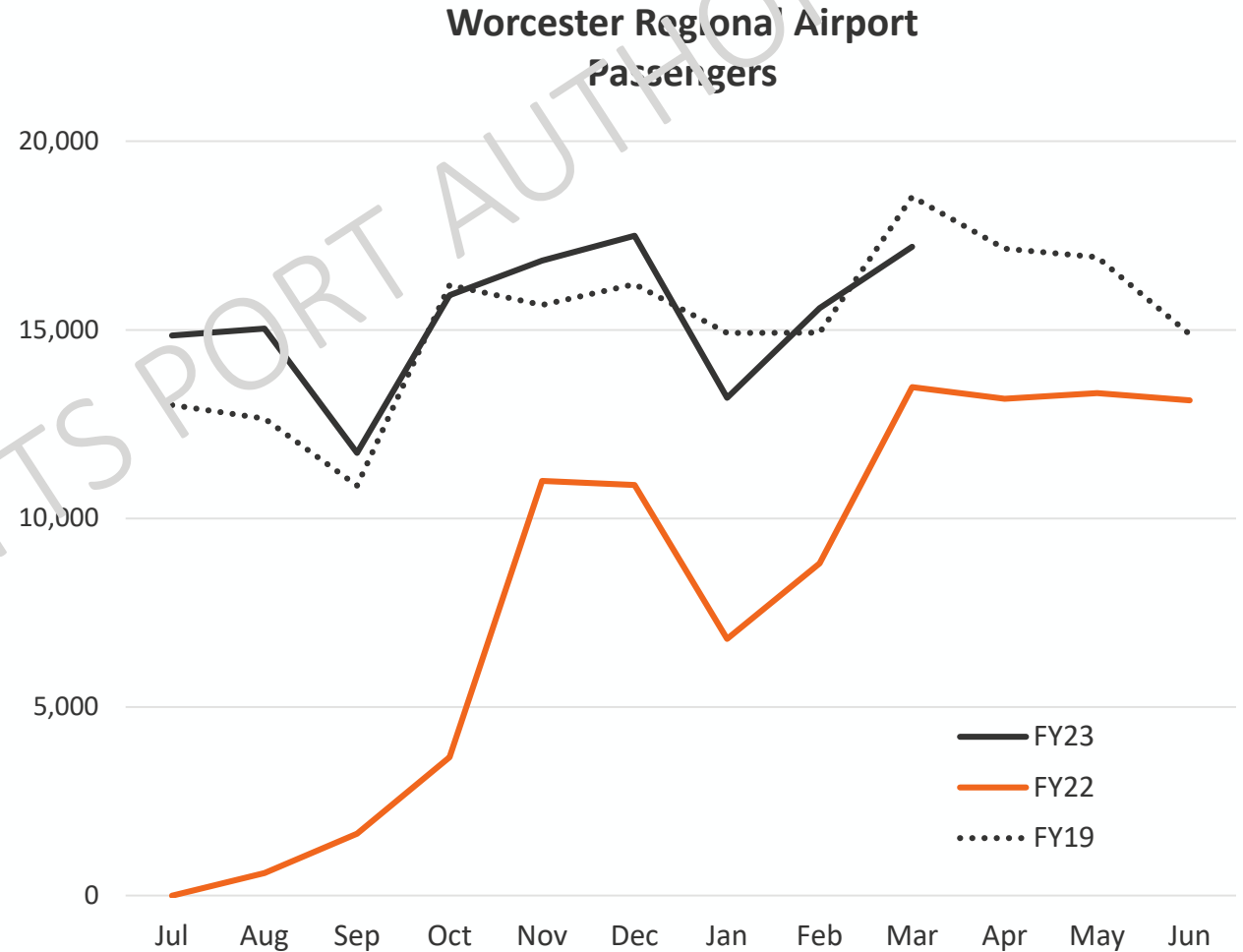
Worcester Regional Airport passenger activity levels – March 2023

March Activity:

- 17,200 passengers
 - Up 28% over March 2022
 - Down 7% over March 2019

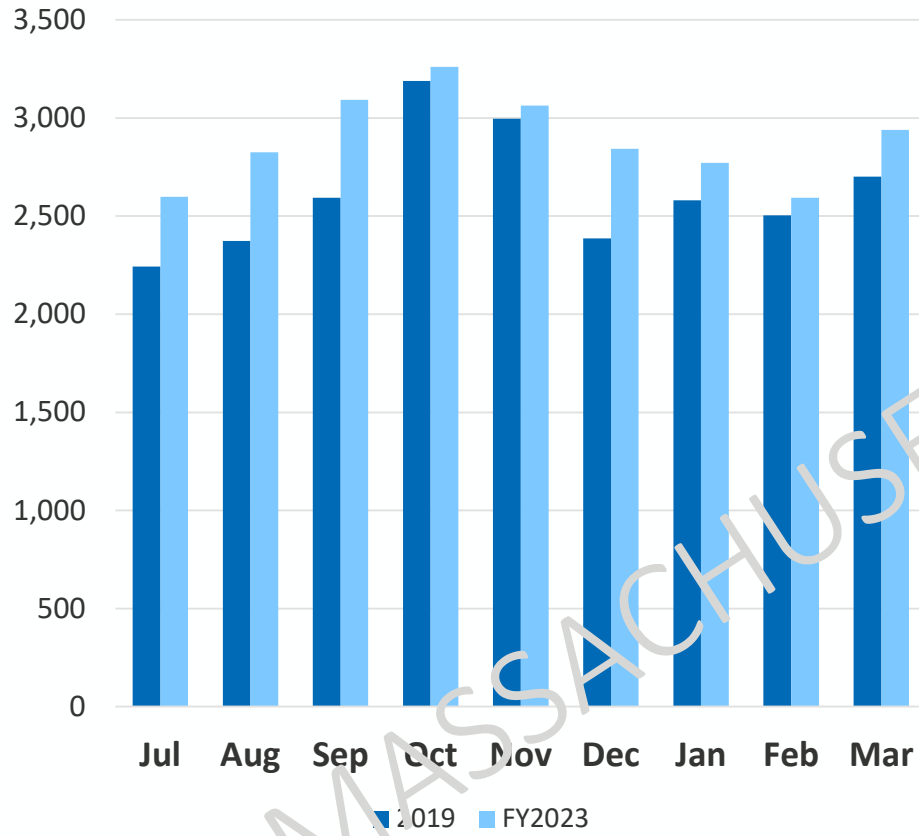
FYTD March Activity

- 137,800 passengers
 - Up 142% compared to FYTD 2022
 - Up 4% compared to FYTD 2019



Hanscom Field aircraft activity levels – March 2023

**Hanscom Field
Jet Operations**



March Activity:

	Jets	Total
Operations	2,900	9,500
Chg vs 2019	9%	(5%)
Chg vs 2022	(12%)	0%

FYTD March Activity:

	Jets	Total
Operations	26,000	89,700
Chg vs 2019	10%	(6%)
Chg vs 2022	(4%)	(1%)



MASSACHUSETTS PORT AUTHORITY

Report of the Director of Maritime
Joe Morris

In March, the U.S. Coast Guard Sector Boston hosted a regional maritime response exercise

Background

- The tabletop exercise focused on the response and management of a complex multi-pronged maritime accident
- Massport Fire Rescue and Police participated with maritime first responders from Boston Harbor
- Training involved over 200 participants from local, state and federal agencies

Critical Objectives

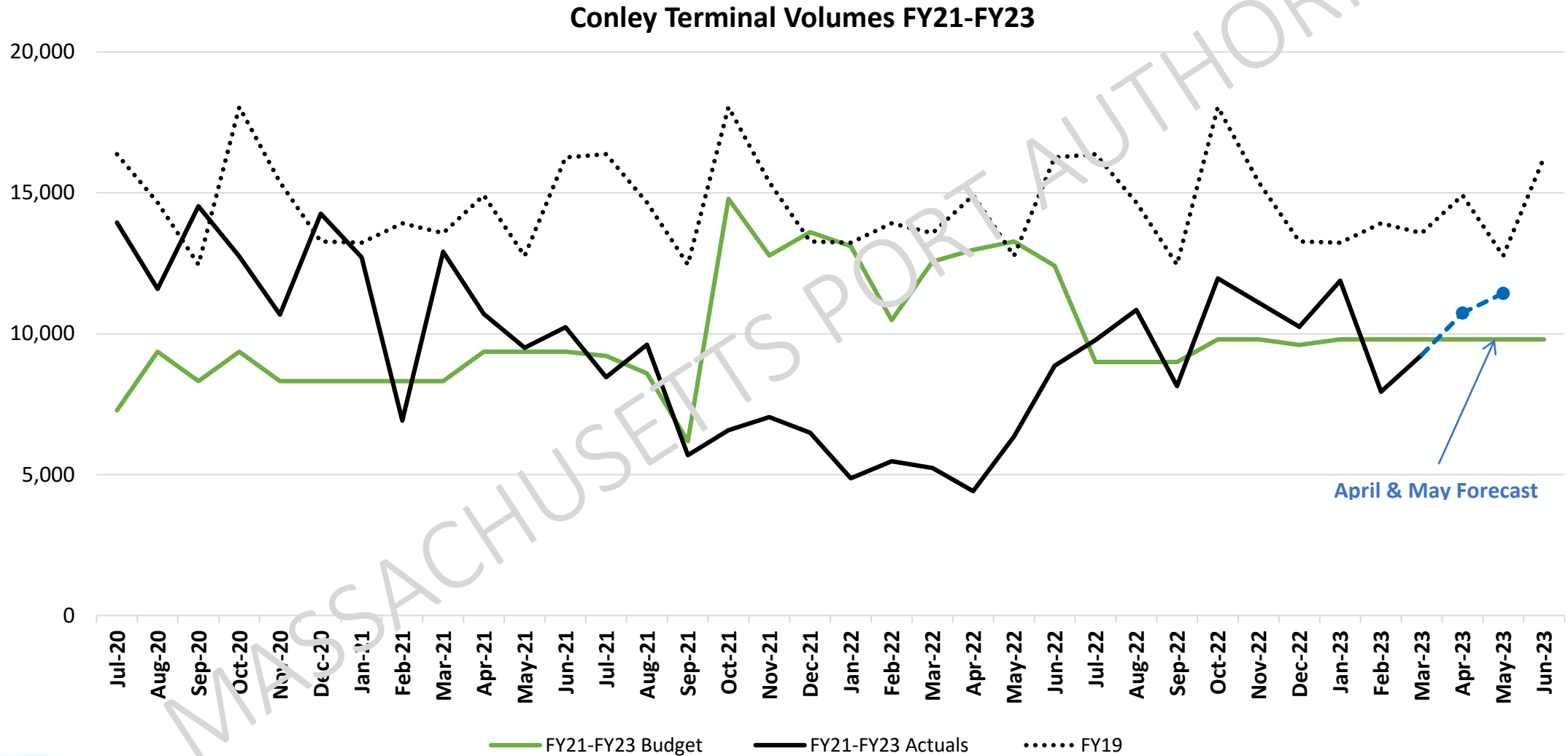
- Establish Incident Command and the Incident Command Post (ICP)
- Test effectiveness of multi-agency notification, communications, coordination, and information sharing
- Assess regional emergency response capabilities and resources needed for a significant maritime incident

Key Takeaways

- ICP coordination and management is vital to success
- Importance of communication and collaboration to managing the incident



Conley Terminal serviced 9,200 containers in March as ocean carrier services returned to weekly frequencies post-Lunar New Year



Flynn Cruiseport Boston welcomed the *Norwegian Pearl* to kick-off the 2023 season

Cruise Industry News

Number 1 in Industry Reporting

Norwegian Pearl Kicks Off Summer Program in Boston

March 31, 2023



- 2,607 guests resulting in 113% utilization
- First of 154 scheduled vessels for 2023

Months	Home Port	Port-of-Call	Total
March-May	13	3	16
June-August	22	13	35
September-November	23	80	103
Total	58	96	154

Strategic Plan

MASSACHUSETTS PORT AUTHORITY

Container Shipping Industry & the Port of Boston

Prepared for:
April 2023



Prepared By

Today's Objectives

- Provide a historical context for today's competitive environment
- Discuss today's competitive environment
- Assess the potential implications for growing the Port of Boston's container business

MASSACHUSETTS PORT AUTHORITY

Massport's container investments achieved their strategic objective: Boston remains "in the game" and has expanded its global connectivity

- Handled significantly larger (11,000 – 12,000 TEU) container ships. Without the investment, Boston's two largest container services would not be calling Boston
- Retained a global container shipping line portfolio: MSC (world's largest container shipping line), Ocean Alliance (third, fourth and sixth largest carriers)
- Recruited new carriers and services: Zim, MSC – 2 new services in 2022, COSCO – new service in 2022
- Expanded international geographic coverage for New England businesses: Southeast Asia, Indian Subcontinent

U.S. East Coast Gateway vs. Regional Container Ports

International Trade: General characteristics



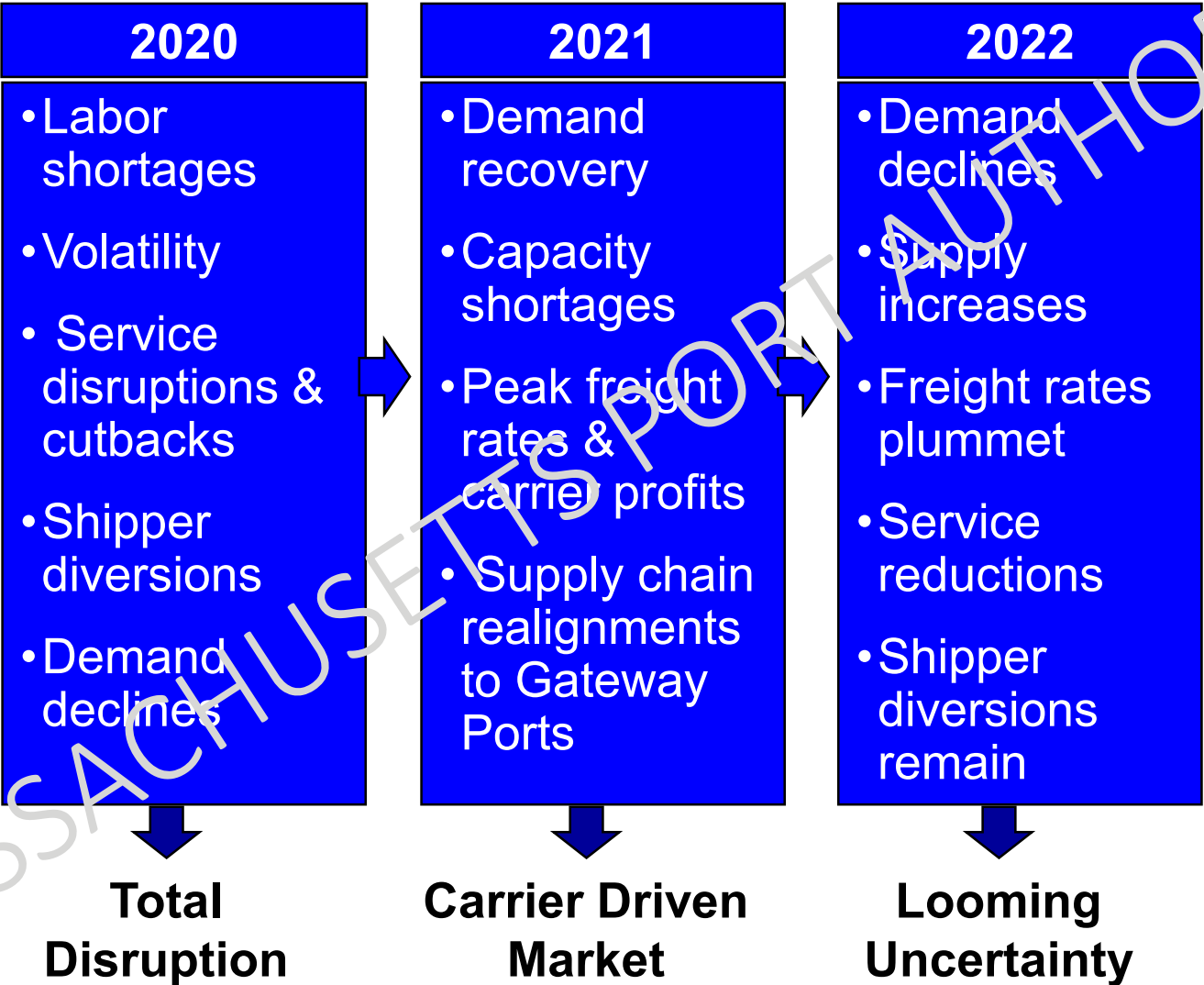
Gateway Ports (★)

- Global Reach: all major East-West and North South trade lanes
- Infrastructure: 14,000+ TEU ships
- Carrier Portfolio: All the leading carriers on most or all trade lanes
- US Market Reach: Atlantic Coast to the Mississippi River

Regional Ports (●)

- Global Reach: selected East-West and North-South trades depending on composition of the local/regional market served
- Infrastructure: on average 8,000-14,000 TEU ships
- Carrier Portfolio: Selected global carriers/alliances and niche carriers
- US Market Reach: generally limited to truck served markets with some access to rail served markets

The pandemic wrought significant change on the USEC container shipping industry



The Container Shipping Industry Today

Global Economy

- High inflation
- Volatile energy supply & costs
- Rising interest rates
- High inventory levels
- Consumer spending shift from goods to services
- Geopolitical tensions/trade conflicts

Container Shipping Industry

- Boom to Bust
 - Volumes declining
 - Freight rates falling precipitously
 - Financial performance eroding rapidly
- Accelerating capacity surplus
- Reductions in services
- Future of the industry structure in flux
- Shifting alliance structure

Evolving Industry Structure

2M ALLIANCE*



OCEAN ALLIANCE



THE ALLIANCE



INDEPENDENT



* Operational through January 2025

Implications for the Port of Boston

Challenges

- New England remains the market
- New York is the competition
- Container shipping lines' investments in New York container terminals
- Distribution centers
- Competition for carriers' discretionary port calls

Opportunities

- Realignment of shippers' service contracts
- Container shipping capacity surpluses
- Potential for alliance restructuring
- Boston's value proposition

MASSACHUSETTS PORT AUTHORITY

THANK YOU

Conley Container Terminal Business Update

Joe Morris and Lauren Gleason

April 13, 2023



Agenda

- New England Market
- Conley Terminal Business Strategy

MASSACHUSETTS PORT AUTHORITY

Conley Container Terminal is vital to New England supply chains and supports jobs throughout the Commonwealth

Top Imports:

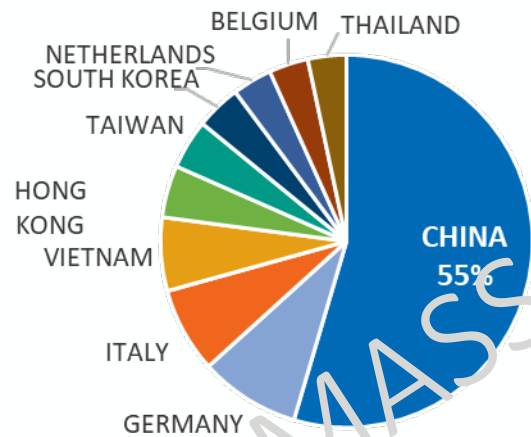
- Furniture
- Plastics and plastic goods
- Beverages, wines & spirits
- Toys, games, sports equipment
- Electric machinery, televisions
- Fish, mollusks, seafood
- Paper, paperboard, pulp

Top Exports:

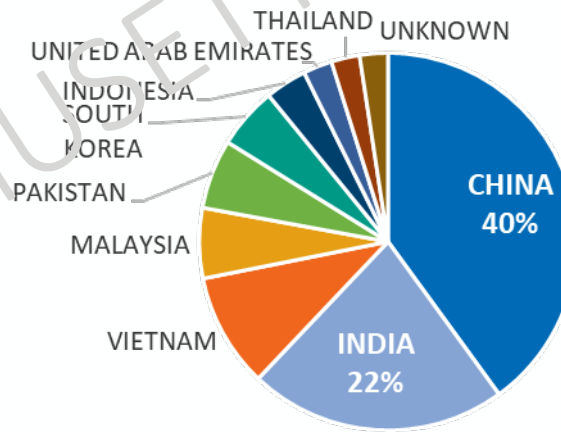
- Wood pulp, recyclables
- Wood
- Paper, paperboard, pulp
- Iron and steel
- Textile art
- Recycled plastics
- Fish, mollusks, seafood



Imports by Country of Origin

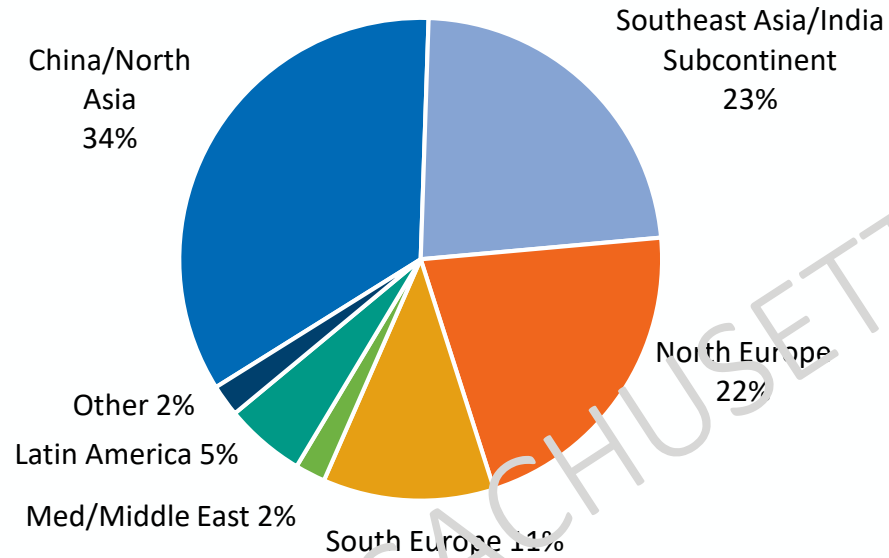


Exports by Country of Destination



Conley Terminal Modernization and harbor deepening have resulted in more global connections opening up new markets for the Commonwealth and New England

Origin and Destination of New England Cargo
Total TEUs = 535,000



Conley Terminal Market Area



How does Conley compete for container business?

1. Compete against Regional Ports for incremental calls from ocean carriers
2. Compete against Gateway Ports for New England-bound cargo

Massport's strategy for Conley builds upon the progress made, while incorporating new initiatives to expand our global service offering and grow volumes

Conley Terminal Strategic Initiatives Pre-COVID	
✓	1. Upgrade infrastructure to retain existing business and attract new services
✓	2. Increase productivity and address needs of ocean carriers
✓	3. Incent importers and exporters to ship through Conley Terminal
✓	4. Enhance marketing of Conley Terminal's value proposition to customers
✓	5. Achieve operating break even

Conley Terminal Strategic Initiatives 2023 and Beyond	
✓	1. Deliver on the value proposition consistently
✓	2. Provide diversified carrier offerings and global connectivity
	3. Expand incentive programs for importers and exporters
	4. Recapture New England market share
	5. Restructure ocean carrier contracts

#1: Conley's value proposition is aligned with ocean carrier and importer/exporter needs and expectations

INFRASTRUCTURE



Deeper harbor



Post-Panamax Berth & Cranes



Terminal landside capacity



Dedicated freight haul road



Chassis yard & availability



Density of distribution centers and warehousing

COMPETITIVE COST MODEL



Owner-Operator Model (vs. Landlord Model)



Manageable terminal costs



Flexible ocean carrier start times



Crane productivity competitive with other East Coast ports



Fewer ancillary costs

CUSTOMER SERVICE / STAKEHOLDER ENGAGEMENT



Local/regional access to congestion-free terminal



Schedule reliability



Stable union partnership

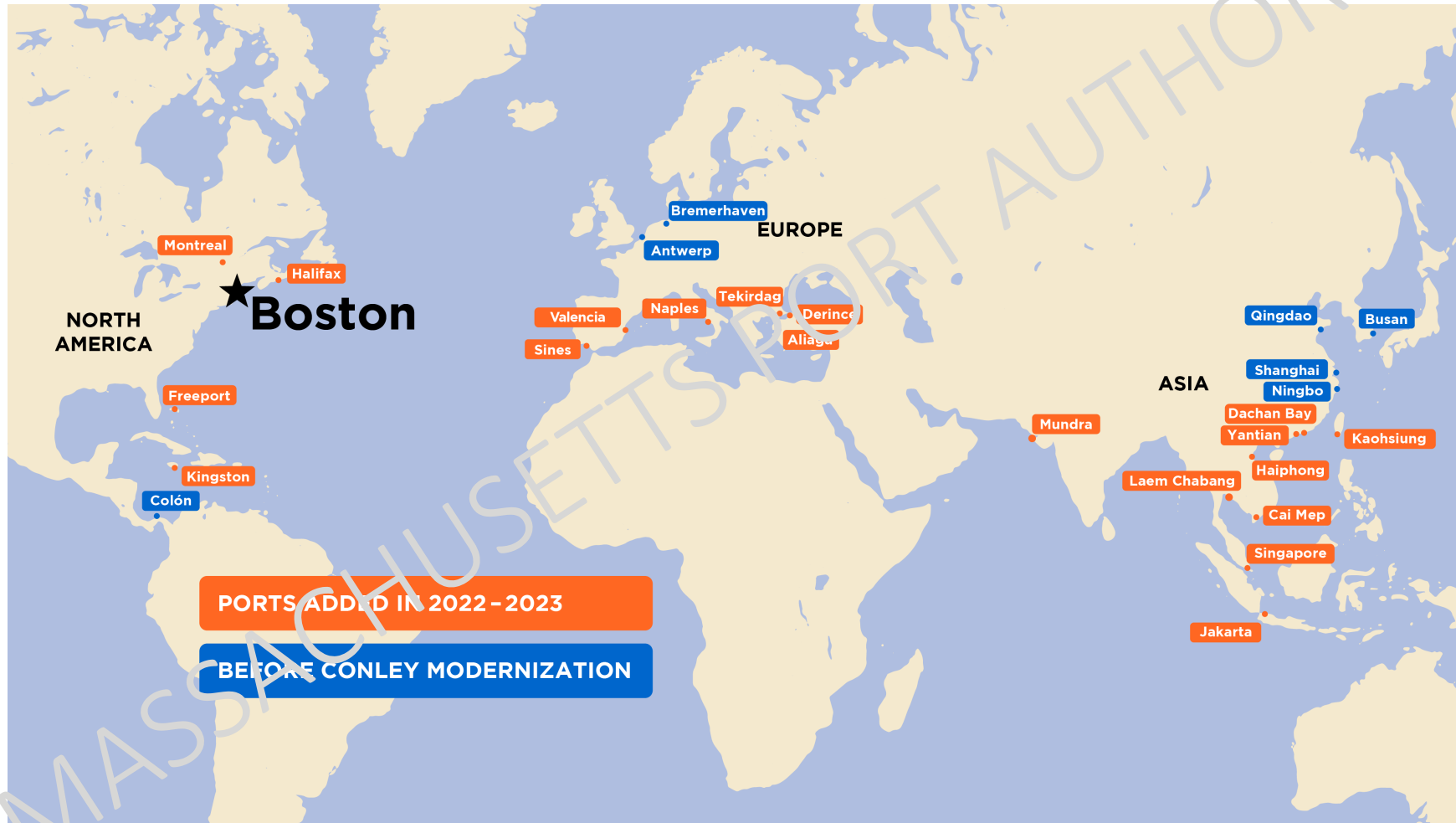


Competitive truck turn times



Ease of doing business – quick access to port leadership

#2: Conley Terminal Modernization and harbor deepening have resulted in more global connections opening up new markets for the Commonwealth and New England



Conley Terminal offers six direct services from six shipping lines, providing diverse connection options for New England shippers to over two dozen ports globally

Weekly Services:



#3: Massport's Container Incentive Program provides incentives to importers and exporters, directly influencing demand from cargo owners

“The Container Incentive Program in Boston is extremely important to shippers in New England. With other ports and warehouse expansion through the east coast, we take the incentive program into consideration with our US Supply Chain planning. **The incentive program is one of the reasons Boston wins over other east coast ports** on securing our import cargo as it drives the end cost of goods sold (COGS) down past other port initiatives”

– Conley Terminal Customer Testimonial
Seafood Industry

- Incentive Program Overview
 - \$25/container incentive payout based on volume baseline
 - Incremental volume achieved = 30,000 containers
 - Prove incremental growth year-over-year through Conley Terminal
- Importer/exporter feedback is that the program needs to be refreshed
- Maritime will propose a new container incentive program as part of the FY24 budget

Ports are investing in infrastructure and also collaborating with legislatures to offer incentives to attract more volume through their revitalized container terminals

Port of Philadelphia:

Journal of Commerce

Container incentives extended for Philadelphia port



North American ports

Michael Angell, Associate Editor | Apr 4, 2022, 5:26 PM EDT

Port of New Orleans:



Growing Louisiana Imports: Import Tax Credits

Some imports are eligible for a tax credit of up to \$50 per Twenty-foot Equivalent Unit (TEU) or \$100 per TEU if associated with a Louisiana Economic Development (LED) project. To qualify for this tax credit, tax liability in Louisiana is required along with at least 5% growth and a minimum of 10 TEUs.

Target industries include:

- Retail apparel
- Footwear
- Furniture
- Medical supplies and equipment

#4: MPA is engaging with shippers locally, regionally, and nationally as importers finalize annual service contracts, driving demand and influencing East Coast carrier deployments

Recapture Lost Cargo:

- Re-establish in-person participation at industry-related events regionally/nationally
- Utilize data to direct engagement efforts to regain lost cargo
- Engage with largest importers and exporters throughout New England region to regain cargo back through Conley Terminal
- Collaborate with ocean carriers' sales teams for joint sales calls and market research collaboration
- Leverage top global freight forwarders to influence Boston routings
- Hire Director of Maritime Business & Trade Lane Development – starting May 2023

Attract Incremental Cargo:

- Expand in-person sales calls throughout Western Massachusetts, Connecticut, and Upstate New York
- Utilize data to direct engagement efforts to attract new business
- Expand marketing efforts to Western MA, CT, and Upstate NY promoting value proposition
 - Attend more in-person events and industry trade shows, targeting the CT and NY markets
 - Host regional customer briefings in Upstate NY & CT to discuss benefits of utilizing Conley Terminal

#5: Massport will engage with ocean carriers in 2024 to negotiate new long-term terminal service agreements

- Massport will enter contract negotiations with ocean carriers to recommend revised incentive programs with the goal of expanding container volumes and global coverage
 - Current incentive programs with ocean carriers are focused on weekly vessel calls
 - New incentive programs would be more strategic, influencing long-term deployment decisions and commitment to the region
- Long-term agreements with our ocean carrier partners are critical in helping Conley compete as a Regional Gateway, assist with long-term volume/revenue projections, and solidify vessel deployment frequency

Summary

- Conley Terminal remains vital to New England supply chains as the only full-service container terminal in the region, servicing 2,500+ businesses and 15 million consumers, and supporting thousands of direct jobs
- Infrastructure investments were critical to retaining existing ocean carrier customers, attracting new services, and expanding greater global port connectivity
- To grow the business, Massport will continue to market Conley's value proposition, expand incentive offerings, explore warehousing opportunities, and restructure ocean carrier contracts

Acquisition of Enhanced Electric Hybrid Silver Line 1 Buses through Interagency Agreement with the MBTA

Joel Barrera

April 13, 2023



Massport Strategic Priorities 2025

Aviation

- Reimagined Customer Journey
- Adaptive Terminal E Use
- Terminal Connectivity
- Diversified Logan Operators/Airfield Land-Use Planning
- Asset/Area Optimization and Repurposing
- Worcester Rebound
- Hanscom Operating Break-Even

Maritime

- Full Global Connectivity & Diversified Service Mix
- Infrastructure Modernization
- Cruise Rebound
- Financially Self-Sustaining

Real Estate

- Asset Optimization and Diversification
- Expanding the *Massport Model*
- Growth and Support of Maritime Industries and the Seafood Cluster
- Public Realm and Placemaking

Authority-Wide

- Safety, Security & Health
- Financial Sustainability
- DE&I (Internally and Externally)
- Workforce Sustainability
- **Climate Action Plan**
- Technology Plan
- Operational Efficiency
- **Transportation Access and Mobility**
- Community Partnerships
- Telling our Story

Massport is partnering with the MBTA to provide new, enhanced electric Silver Line 1 (SL1) buses to serve Logan Airport

- Massport will purchase 10 new, enhanced electric buses for \$16M instead of the original plan to purchase 8, expanding the SL1 fleet
- New buses and expanded fleet will improve operational performance and enhance customer service
 - Enables data-driven decisions to optimize headways
 - Eliminates the mandatory pause at Silver Line Station to switch propulsion systems
 - Improves service reliability
 - Provides a quieter, more stable ride for passengers
- Electric-hybrid technology provides significant environmental benefits
 - Buses will run exclusively on electricity on terminal roadways
- New buses will start entering service this week

Board Note:

Authorize staff to negotiate, execute and deliver an Interagency Agreement with the MBTA to provide for the purchase of ten (10) Enhanced Electric Hybrid Silver Line Buses, in the not-to-exceed amount of \$16 million



**1.4M+ passengers
and employees used
the Silver Line 1
service in 2022**

MASSACHUSETTS PORT AUTHORITY

Real Estate and Strategic Initiatives

Massport Marine Terminal Parcel 5B Amendment

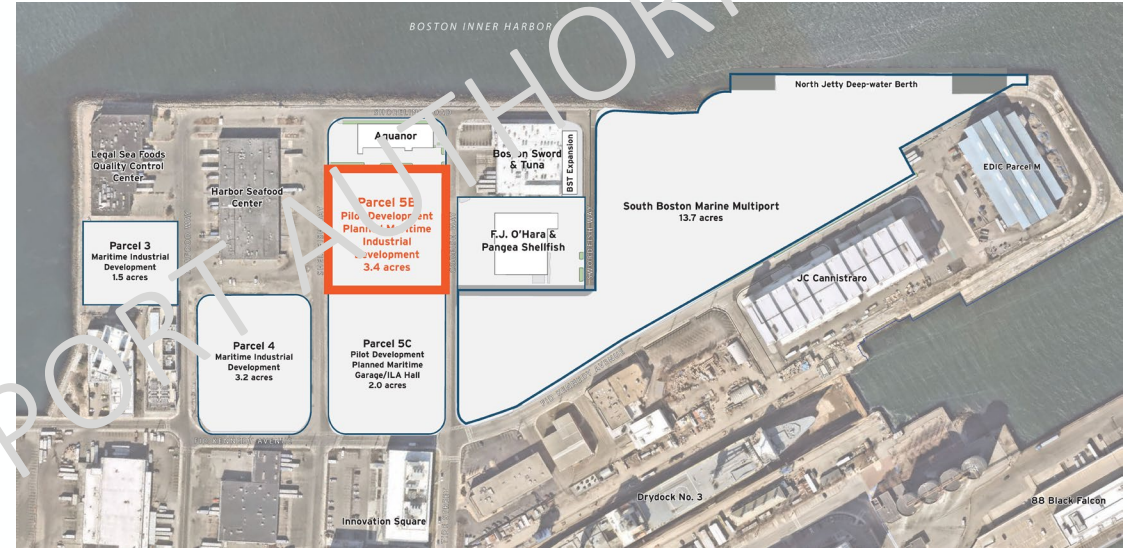
Andrew Hargens

April 13, 2023



MMT Parcel 5B – mixed-use industrial development concept

- Pilot Development is advancing a mixed-use concept, the first of its kind at the MMT
 - Upper-floor general industrial (lab/R&D) use to subsidize ground-floor maritime industrial use
 - New model for future MMT development
- Flexible upper-floor use is contingent on BPDA Marine Park Master Plan Update permitting and corresponding MMT lease amendment
 - Master Plan Update currently under DEP review, with approval expected in late 2023/early 2024
- 12-month extension will allow for Master Plan Update completion, while Parcel 5B pre-construction work advances in parallel
 - New Outside Closing Date – April 30, 2024



Massport Marine Terminal Parcel 5C Amendment

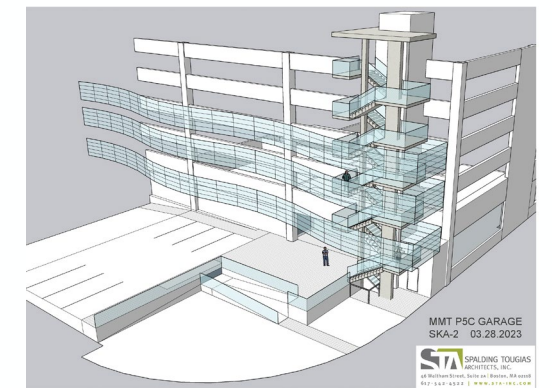
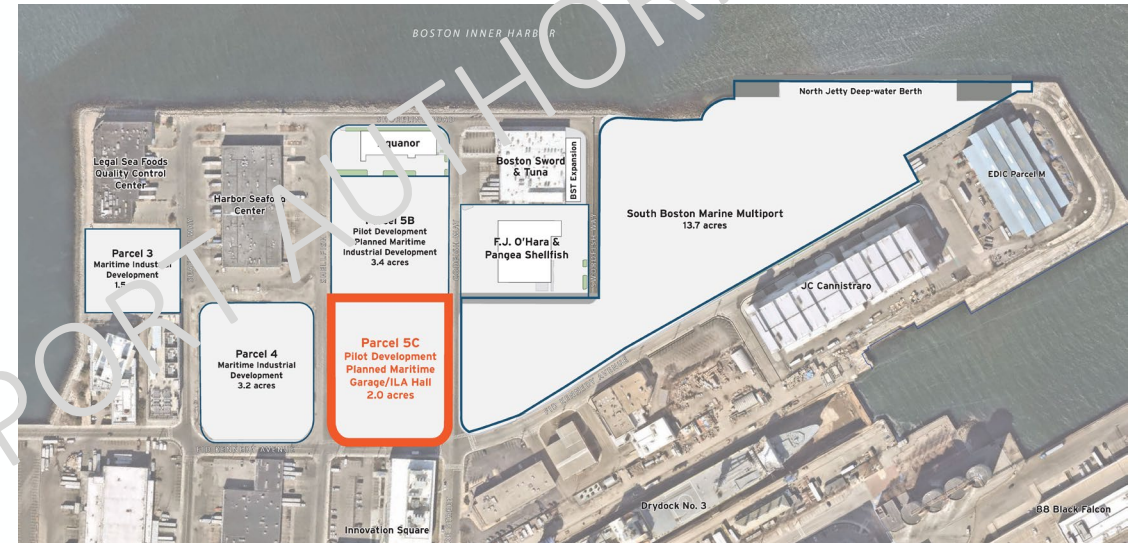
Andrew Hargens

April 13, 2023



MMT Parcel 5C – parking garage, ILA union hall, and seafood space

- Massport has identified convenient and affordable parking for seafood industry employees as essential infrastructure to support the growth of the Seafood Industry Cluster
- Pilot Development is working with Marcus Partners to advance design/permitting
 - 560 space 6-level parking garage
 - Previously contemplated for Parcel 6C, but relocated to Parcel 5C at Massport request
- On-going permitting for BPDA Marine Park Master Plan Update has delayed financing
- 18-month extension will allow time to complete financing and design/permitting and to negotiate sublease
 - New Outside Closing Date – October 31, 2024



Massport Marine Terminal Parcel 6B Amendment

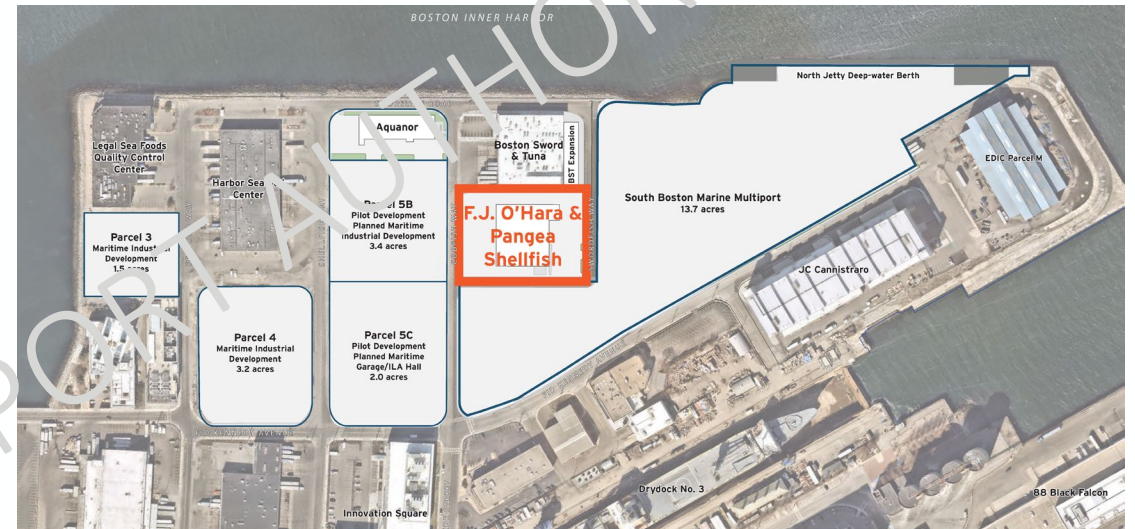
Andrew Hargens

April 13, 2023



MMT Parcel 6B – O’Hara/Pangea seafood facility

- Pilot Development and Marcus Partners collaborating to relocate F.J. O’Hara & Sons and Pangea Shellfish to a brand-new facility
 - Driven by redevelopment of 310 Northern Ave.
 - Will retain both seafood businesses in the RFMP
- On-going permitting for BPDA Marine Park Master Plan Update has delayed financing
- Amendment will allow Marcus to secure financing, mitigate future risk, and generate up to \$260,000 in revenue to Massport
 - Extend term by 6 months to June 30, 2024
 - Contingent development rights for Marcus
 - Massport to receive payments during both the extension and construction periods



Audit and Finance

MASSACHUSETTS PORT AUTHORITY

Logan Airport

Delta Air Lines Hangar 92 and Building 94 Lease

Daniel Gallagher

April 13, 2023



Hangar 92 and Building 94 Site Location



Current Hangar 92 and Building 94

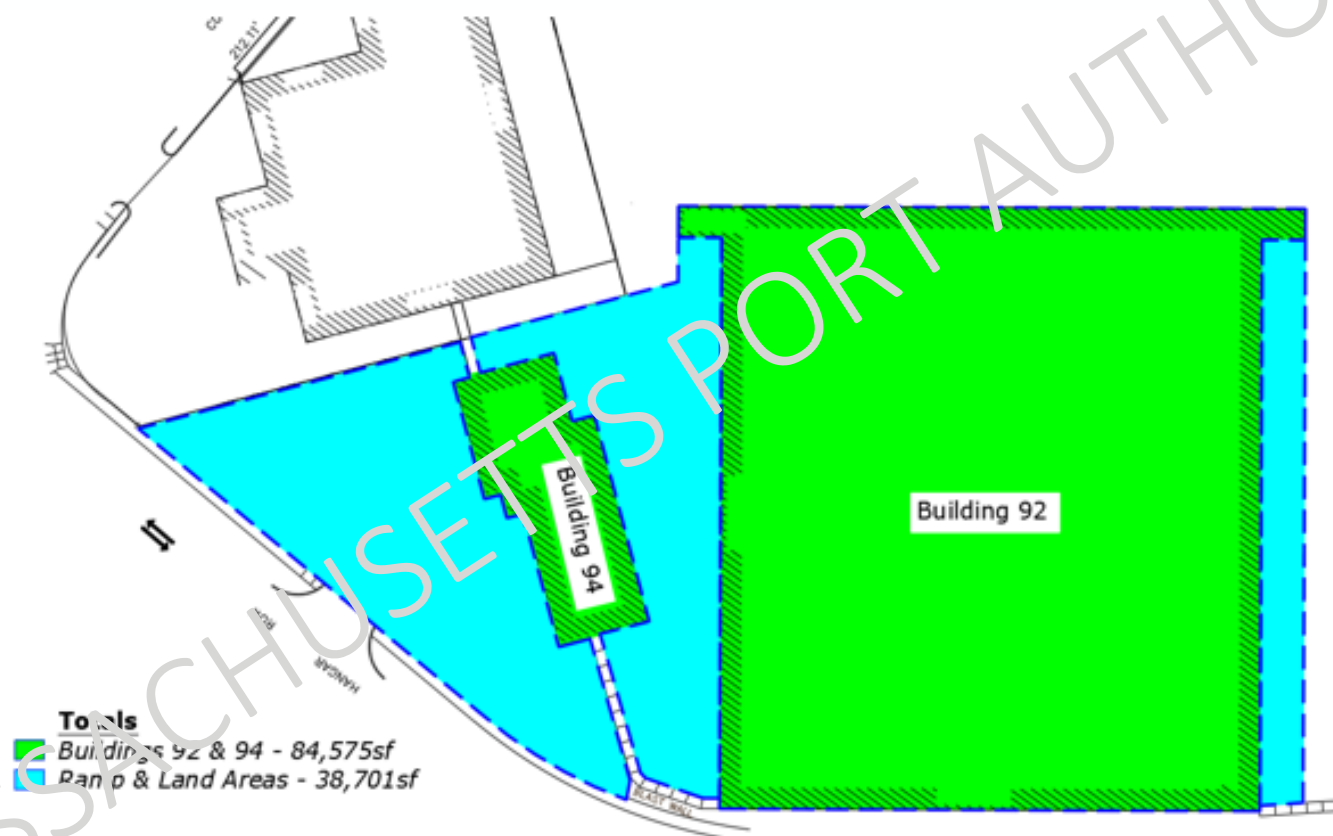
Hangar 92



Building 94



Hangar 92 and Building 94 Layout



Background

- Hangar 92 and Building 94 were originally built by United Airlines in 1997
- Based on an RFI process, Delta entered into a lease agreement for Hangar 92 and Building 94 (and adjacent ramp space) for aircraft and ground service equipment maintenance activities in April 2009
- Due to construction activities associated with the Terminal E Modernization Project, the original leasehold premises was reduced in August 2019
- The existing leased Premises include:
 - 74,026 square feet of hangar floor area
 - 10,549 square feet of mixed use/office area/storage
 - 119,191 square feet of land area
- The lease expired in March 2019 and Delta is currently on a month-to-month basis

Key Elements of Hangar 92 and Building 94 Lease

Staff recommends the revised leasehold area of Hangar 92 and Building 94 be adjusted to market rate, generating an additional \$370K in annual revenue for the Authority

Term:	Initial term of five years with one 5-year option effective May 1, 2023
Hangar and Building Rate: (per sq. foot per year)	\$29.06
Escalation Hangar Space:	Rent shall adjust annually each July 1 in an amount equal to the greater of: (i) 100% of the CPI adjustment or (ii) 3%
Land Rate: (per sq. foot per year)	\$5.69
Escalation Land Rate:	Land Area rent is subject to change, from time to time, by the Authority's Board at its sole discretion
Capital Investment:	\$1.2 million by Delta
Premises:	<ul style="list-style-type: none"> • 74,026 square feet of hangar floor area • 10,549 square feet of mixed use/office area/storage • 119,191 square feet of land area

Staff Recommendation

Staff requests the Board approve the Vote to authorize staff to negotiate, execute, and deliver a lease agreement with Delta for use and occupancy of the Premises and adjacent land area. Annual revenue in Year 1 shall be approximately \$3.1 million.

MASSACHUSETTS PORT AUTHORITY

Facilities and Construction

Runway 15R-33L Rehabilitation and Safety Project Logan Airport

Luciana Burdi

April 13, 2023



Runway 15R-33L Rehabilitation and Safety project will enhance safety and maintain critical infrastructure in a state-of-good-repair

Project Scope:

- Resurface existing asphalt pavement
- Replace electrical infrastructure, circuitry & upgrade lighting
- Improve geometry at Taxiways N and M
- Construct Taxiway T to replace portions of Taxiways F and Q



Key Conditions of Satisfaction (COS):

- August 14 runway closure date was developed with input from the FAA and airline stakeholders
- Project incorporate geometry changes identified in the FAA Runway Incursion Mitigation/Comprehensive Airfield Geometry Study

Project overview and implementation



Sustainability Components:

- Runway lighting and signage will be upgraded to energy-efficient LED
- The geometry improvements will reduce impervious surfaces by 2.3 acres
- Massport plans to seek Envision certification for the project



LED RUNWAY
EDGE LIGHT



Implementation:

- Enabling work to begin in May 2023
 - Electrical infrastructure installation
 - Geometry improvements
- Runway closure: August 14, 2023 for approx. 100 calendar days
 - Runway pavement removal and resurfacing
 - Continued electrical infrastructure installation, re-circuitry and fixture installation
 - Continued geometry improvements
 - Pavement markings
 - Commencement of pavement grooving

Board Recommendation: Approve a full project budget for the not-to-exceed amount of \$64.2M

Runway 11-29 Rehabilitation Project Worcester Regional Airport

Luciana Burdi

April 13, 2023



The Runway 11-29 Rehabilitation project will enhance the stakeholder experience and maintain critical infrastructure in a state-of-good-repair

Project Scope:

- Resurface easterly existing runway asphalt pavement
- Replace runway centerline, touchdown zone, and edge light fixtures with full length LED lighting
- Install new runway pavement sensors and temperature probe for accurate field conditions
- Pavement markings and runway grooving



Key Conditions of Satisfaction :

- Avoid impacts to commercial air carrier scheduled service
- Minimize runway closures while maximizing the construction work shifts
- Schedule construction activity after the annual FAA Part 139 Inspection

The Runway 11-29 Rehabilitation project has been phased based on expected federal funding schedule while minimizing impacts to stakeholders



Sustainability Components:

- Runway 11-29 centerline, touchdown zone, and edge lighting will be upgraded to energy-efficient LED
- Only exporting recyclable materials
- Massport plans to seek Envision certification for the project



LED RUNWAY CENTERLINE LIGHT



Implementation:

- Construction is scheduled to be phased starting August 2023 and will be finished before Thanksgiving week
- Schedule strategically minimizes impacts to airport operations and maximizes work shift activities
- 90% FAA AIP entitlement and anticipated FAA discretionary funds and 10% MPA funds

Board Recommendation:
Approve a full project budget for the not-to-exceed amount of \$13M

Assent Agenda

MASSACHUSETTS PORT AUTHORITY