

**PEASE DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS' MEETING
MINUTES**

Thursday, June 16, 2022

Presiding: Stephen M. Duprey, Chairman
 Present: Neil Levesque, Vice Chair; Thomas G. Ferrini, Treasurer; Erik Anderson; Margaret F. Lamson; and Susan B. Parker
 Attended via Zoom: Steve Fournier was located in Keene, NH (alone in a room)
 Attending: Paul E. Brean, Pease Development Authority (“PDA”) Executive Director; Anthony I. Blenkinsop, Deputy Director / General Counsel; Maria Stowell Engineering Manager; Suzy Anzalone, Finance Director; Geno Marconi, Division of Ports and Harbors (“DPH”) Director; Scott DeVito, Pease Golf Course General Manager; Greg Siegenthaler, IT Director; Andrew Pomeroy, Manager, Aviation Planning & Regulatory Compliance; Chasen Congreves, Manager of Airport Administration and Raeline A. O’Neil, Legal Executive Assistant

I. Call to Order / Roll Call:

Chairman Duprey (“Duprey”) called the roll with all physically present with the exception of Steve Fournier who attended the meeting via Zoom as he was located in Keene, NH (alone in a room) for a conference; the meeting commenced at **9:06 a.m.**

Director Lamson (“Lamson”) indicated she was asked to hand out a letter from the Town of Rye to the Board members.

II. Acceptance of Meeting Minutes: Board of Directors’ Meeting of May 19, 2022

Director Parker **moved** the **motion** and Director Anderson **seconded** to approve the minutes of the Pease Development Authority Board of Directors meeting dated Thursday, May 19, 2022.

Discussion: Both Chairman Duprey and Vice Chair Levesque abstained from voting on the minutes as they were not in attendance at the May meeting.

Disposition: Resolved by **unanimous** roll call (5–0) vote for; motion **carried**.

III. Public Comment:

Duprey requested speakers to keep public comments to three minutes.

Eric Robinson – East West Aeronautical (“EWA”) – stated EWA is ready to present its plans to the Board for the North Forty for cargo. Plans will show considerations made of environmental and noise concerns. EWA asked if the Board is considering extension of the option agreement of the North Forty, that it be postponed until EWA has an opportunity to present its plan. Scott Webster spoke to a written request to staff to meet and review what it is planned.

Mike Lehrman – Deferred to Phil Winslow

Phil Winslow – Vice Chair of the Board of Selectman in Rye – stated Rye is directly under the flight path of Runway 34 used by 80% of all flights (take off / landing) at Pease. Regardless of the stage level of the aircraft, any incoming night flights disturb the sleep of residents. While PDA has authority over Pease and Rye Harbor, Rye does not have representation on the PDA Board which makes decisions which affect its quality of life. The only opportunity for input that Rye has impacting its 5,500 constituents is to speak at Board at public comment meetings and make submissions in writing regarding concerns. Support nighttime military flights but do not support nighttime flights for the financial benefit of developers. Spoke to the letter Director Lamson passed out to the Board at the onset of the meeting which represents concerns regarding noise, environmental impact, infrastructure. (**NOTE:** The letter presented was dated April 11, 2022.)

Roger Groux – Chairman of the Port Advisory Council (“PAC”) –spoke to the support by PAC of the request for an additional employee, Deputy Director Ports and Harbors. There have been three major bridge reconstructions, the turning basin project, supporting several projects associated with the Portsmouth Naval Shipyard and improvements at the State pier. The Director is overwhelmed and the Division of Ports and Harbors has a relatively small staff. At the PAC meeting of June 15th, 2022, a motion was made to support the request, which passed 5-0 with one abstention regarding the position. DPH is looking to continue to improve the deep water access and the amount of cargo which is put through and asked the Board to strongly consider the needed position.

Sylvia Cheever – Rye Harbor Lobster Pound (“RHLP”) – spoke to misunderstandings and misconceptions of RHLP, as well as changes that have occurred at Rye Harbor concerning parking. Stated RHLP is a lobster pound and have been supporting the local fishing and boating industry since 1996. While they serve lobster related products, it is not a restaurant. Have all federal state, local licenses and documentation. Have been at Rye Harbor for 25 years without violations; RHLP did concessions in the RoE which was taken away in 2017 (**NOTE:** provided copies of the RoE, other documentation and information regarding police detail to Board for its review.) Since COVID evolution of parking flows at Rye Harbor has been painful, but necessary. RHLP spoke to the new traffic flow will help to alleviate some of the concerns regarding the monitoring / controlling of incoming traffic; elimination of the flex parking entirely and different management for parking would be beneficial to all. The evolution of the mooring issue for RHLP occurred when Arthur Splaine sold RHLP the shack in 2015, Splaine retained the mooring but permission was received to continue operations as a lobster pound as long as continued support of the local lobstermen. Have large holding tanks in the shacks to hold lobsters; if RHLP had a boat it would lobster off the boat too (on waiting list for 10 years for a mooring). Have always had seating and would love to be able to have one picnic table (eliminated other seating to have more space in front of the shack to allow for waiting). Spoke of Rye Harborside having seating around its building; would be nice to put picnic tables back as it is a controlled area. Have put in two trash receptacles up front and would love to have a designated place for people to go instead of wondering around (used to have picnic tables). In conclusion RHLP wants to continue to be part of the local community and to support the local fishing / boating industries and to continue its services. The only remaining provision keeping them from opening is the police detail. Have tried to obtain local / state policing services (documentation in the packet). Local police cannot provide services unless they receive approval from PDA regarding the directive on the services; RHLP would like to know what it can do to support that. Requested RHLP be allowed to provide an

employee to address concerns for the detail. Would like to address any outstanding concerns which initiated the idea of a police detail so it can open.

IV. Old Business:

A. Approval:

1. Aviation Avenue Group LLC - Option Agreement Extension and Amendment

Director Levesque **moved** the **motion** and Director Ferrini **seconded** that **the Pease Development Authority (“PDA”) Board of Directors consents to the six (6) month extension of the Option Agreement with Aviation Avenue Group LLC, dated February 1, 2022, and approves of and authorizes the Executive Director to amend the Option Agreement substantially in accordance with the draft Amended Option Agreement attached hereto and with the memorandum from Paul E. Brean, Executive Director, dated June 9, 2022.**

Director Ferrini made a motion to amend the Option Agreement before the Board with “Amended Option Agreement 2” which provides additional language that is not in the motion before the Board and stated “WHEREAS, AAG previously obtained this Option Agreement for potential development, but voluntarily no longer seeks development of a commercial air cargo transport facility as a primary use,” and additional language (tracked on page 2) “... PDA Land Use Controls; but, excluding a commercial air cargo transport facility as a primary use given AAG’s voluntary action as set forth in the recitals”. Anthony I. Blenkinsop, Deputy Director / General Counsel affirmed the added language presented.

Director Ferrini **moved** a **motion** to substitute the “Amended Option Agreement 2” and would ask for a second for discussion purposes; Director Anderson **seconded** the motion.

Discussion: Duprey indicated the purpose of the substitution is to align with the revised plans from the group that has the Option to make clear its intention is not an air cargo facility but the amendment is consistent with PDA’s purpose and FAA directive “22”. Blenkinsop affirmed and indicated PDA is subject to FAA grant assurances; Grant Assurance 22 references economic non-discrimination and means we cannot discriminate against allowed aeronautical uses and the amendments make clear that developer is voluntarily saying it is not making it a condition of granting an extension or requiring it and voluntarily saying it is not exercising the options for development of a commercial air cargo transport facility as a primary use. Blenkinsop stated the developer will have to bring a proposal back to the Board and there may be some aspects of the proposal that brings things in and out by planes; an outright prohibition of any transportation by air to the airport would be inappropriate. The developer is representing it is not exercising the Option to develop the location as a primary use for an air cargo facility. Duprey again asked if the substituted motion is adopted, PDA would not run afoul with FAA grant assurances that doesn’t allow PDA to prohibit air uses; Blenkinsop affirmed.

Ferrini indicated the motion to substitute has been seconded, clarified and spoken to and would be voting on the substance and needs to be voted on for purposes of discussion.

Disposition: Resolved by **roll call** vote (7-0) for; motion **carried**. Both Directors Lamson and Parker (“Parker”) assented to the motion ***for discussion purposes only***.

Discussion: Director Anderson indicated he was comfortable with the substitution, believes the language presented addresses the compromises.

Lamson indicated she and Parker were directed by the Town of Newington Select Board to make a proposed amendment regarding the Amended Option Agreement, as follows:

“For consideration for removal of this agreement shall not under any circumstance pursue, explore, allow or in any way develop the property or permit through any sublease or other agreement or any tenant of the property to pursue, explore, allow or in any way develop the property for the purpose of domestic or international air cargo services at Pease International Airport. Air Cargo shall be construed broadly and shall include all forms of cargo transportation by plane.”

Duprey indicated that Director Lamson **moved** a **motion** to amend and Director Parker **seconded** as read above.

Discussion: Lamson indicated the motion was provided to both she and Parker at the Newington Board of Selectmen’s meeting on June 13, 2022 at the direction of the Town of Newington and Greenland.

Anderson indicated he did not support the motion (overreach) and would not be supporting the amended version proposed by Lamson.

Duprey indicated he would not be supporting the amendment presented by Lamson. The motion is problematic with respect to compliance with Grant Assurance 22. There is no proposal before the Board, there is no idea of what might be proposed by this Option holder or ones in the future. Making this blanket prohibition would be premature. As he reads the proposed amendment by Lamson, if there were a patient at Portsmouth Hospital in need of a heart transplant and the heart needed to be flown in from Denver, it would qualify as air cargo. He is cognizant of the concerns of the neighborhoods but PDA not only represents this area, it exists for the economic benefit of the entire state and believes this would be a mistake as a policy decision and he will vote no.

Disposition: Duprey stated the vote is with respect to the proposed amendment presented by Director Lamson to the Amended Option Agreement and **seconded** by Director Parker; resolved by **roll call** vote (2-5) for; motion **failed**.

	Yes	No
Anderson		X
Duprey		X
Ferrini		X
Fournier		X
Lamson	X	
Levesque		X
Parker	X	

Disposition: Duprey stated the vote is with respect to the motion **moved** by Director Ferrini for substitution and **seconded** by Director Anderson of the Amended Option Agreement 2 which was provided and displayed on the screen which included the language about the current option holder and

what is intended they do with the property. Blenkinsop affirmed and stated the vote would be to amend the option and extend consistent with draft Amended Option Agreement 2.

This motion was resolved by **roll call** vote (5-2) for; motion **carried**.

	Yes	No
Anderson	X	
Duprey	X	
Ferrini	X	
Fournier	X	
Lamson		X
Levesque	X	
Parker		X

2. North Forty Group LLC – Option Agreement Extension and Amendment

Director Fournier **moved** the **motion** and Director Levesque **seconded** that **the Pease Development Authority (“PDA”) Board of Directors consents to the six (6) month extension of the Option Agreement with North Forty Group LLC, dated February 1, 2022, and approves of and authorizes the Executive Director to amend the Option Agreement substantially in accordance with the draft Amended Option Agreement attached hereto and with the memorandum from Paul E. Brean, Executive Director, dated June 9, 2022.**

Discussion: Director Ferrini proposed the substitution as made in the previous procedure by substituting an Amended Option Agreement 2 for consideration by the Board. Ferrini again addressed the language that is not in the motion with essentially the same language and stated “WHEREAS, North Forty previously obtained this Option Agreement for potential development, but voluntarily no longer seeks development of a commercial air cargo transport facility as a primary use,” and additional language (tracked on page 2) “... PDA Land Use Controls; but, excluding a commercial air cargo transport facility as a primary use given North Forty’s voluntary action as set forth in the recitals”. The motion is to substitute Amended Option Agreement 2 for purposes of discussion.

Director Ferrini **moved** a **motion** to substitute the Amended Option Agreement with Amended Option Agreement 2 and Director Levesque **seconded** the motion for discussion purposes.

Duprey indicated the vote would be for the substitution of the Amended Option Agreement 2 for discussion purposes.

Disposition: Resolved by **roll call** vote (7-0) for; motion **carried**. Both Directors Lamson and Parker (“Parker”) assented to the motion **for discussion purposes only**.

Duprey indicated that Lamson would like to offer an amendment.

Lamson indicated she and Parker were directed by the Town of Newington Select Board to make a proposed amendment regarding the Amended Option Agreement, as follows:

“The North Forty for consideration for removal of this agreement shall not under any circumstance pursue, explore, allow or in any way develop the property or permit through any sublease or other agreement of any tenant of the property to pursue, explore, allow or in any way develop the property for the purpose of domestic or international air cargo services at Pease International Airport. Air Cargo shall be construed broadly and shall include all forms of cargo transportation by plane.”

Duprey indicated that Director Lamson **moved** a **motion** to amend and Director Parker **seconded** as read above.

Discussion: None. **Disposition:** Duprey stated the vote is with respect to the proposed amendment presented by Director Lamson to the Amended Option Agreement and **seconded** by Director Parker; resolved by **roll call** vote (2-5) for; motion **failed**.

	Yes	No
Anderson		X
Duprey		X
Ferrini		X
Fournier		X
Lamson	X	
Levesque		X
Parker	X	

Disposition: Duprey stated the vote is with respect to the **motion moved** by Director Ferrini for substitution and **seconded** by Director Levesque for the extension of the option agreement pursuant to the new language added and included in Amended Option Agreement 2; this motion was resolved by **roll call** vote (5-2) for; motion **carried**.

	Yes	No
Anderson	X	
Duprey	X	
Ferrini	X	
Fournier	X	
Lamson		X
Levesque	X	
Parker		X

Anderson stated in relation to Hangar 227 Option, part of the original proposal made by the developer was the creation of a new maintenance facility for PDA and asked that it be addressed for clarity. Executive Director Paul Brean (“Brean”) stated the developer continues to involve the 7 Lee Street parcel which is remaining in the option and the current maintenance facility is still a consideration for the future development. Brean indicated Hangar 227 is current cold storage for snow equipment and the 7 Lee Street is the maintenance facility. The 7 Lee Street facility is still being considered for future development.

V. **Employee Recognition:**

Brean indicated that Tanya Coppeta, Employee Relations Manager; Scott DeVito (“DeVito”) General Manager and EJ Chea (“Chea”) Head Superintendent of Pease Golf Course were to speak to

employee recognition. Chea indicated Bea Reno (“Reno”) has been at PGC for over 30 years and previously worked as an Air Force employee; this will be her 37th season at PGC. She is retiring this year.

Director Levesque recognized that Executive Councilor Janet Stevens was in the audience at the Board meeting; she represents one-fifth of the entire State of NH.

VI. Finance:

A. Executive Summary

Finance Director Suzy Anzalone (“Anzalone”) spoke to the Financial Report and stated operating revenues continue to trend favorably by 18.4%; nothing new to report on revenue underruns or overruns. The consolidated operating expenses are performing favorably by 9.5%. The different business units are performing favorably with nothing new to discuss. Anzalone indicated a majority of the restricted assets are made of up the Revolving Loan Fund (“RLF”) with 23 loans outstanding which brings the capital utilization rate to just about 95% of available funds. Most all of the funds have been loaned out and hopefully as the loans are paid back we can provide additional loans.

Anzalone spoke to a decrease in unrestricted cash balances over the next nine months which is mainly a result of internally funded capital expenditures. Further, Anzalone indicated it is not anticipated PDA will need to draw on its line of credit during this time period.

Anderson asked due to the fluctuation in current interest rates, whether there would be a change in the interest rates for the RLF which were reduced during COVID. Anzalone indicated nothing has been proposed at this time, although it could be a consideration. Not sure if existing loans would want to be changed but going forward that could be a consideration. Anzalone indicated currently the income being brought in is covering expenses.

Duprey asked of the average maturity of loans in the RLF and asked if there was enough maturity; Anzalone stated there are enough older loans and most loans are for 10 years.

B. Reports:

1. **FY2022 Financial Report for the Ten Month Period Ending April 30, 2022**
2. **Cash Flow Projections for the Nine Month Period Ending February 28, 2023**

C. Approval:

1. **Proposed FY 2023 Operating and Maintenance Budget and FY 2024 - FY2026 Forecast**

Anzalone spoke to the process in putting the Operating and Maintenance (“O&M”) budget together. The executive overview proposes an increase of 8.6% in operating revenues from the FY22 budget with drivers to the increase being golf, facilities rental and proposing a \$0.01 increase to fuel flowage. Anticipates an increase to operating expenses of 11.7% with drivers being to wages (spoke of succession planning, wage study and increase to full/part-time seasonal wages).

Lamson asked of the number of seasonal employees; Brean indicated roughly 60 in the summer and 40 in the winter; cumulative for PDA and DPH.

Ferrini asked of the proposed increases in salary is it anticipated it will help with employee retention; Anzalone affirmed. Brean also indicated with potential increases it will help to retain employees rather than having them leave for other business opportunities.

Parker asked if FICA rates have increased; Anzalone indicated they have stayed the same (7.65%).

Duprey asked how far along PDA with its comp/wage study; Brean stated it is 95% complete and the next step is to bring it to the Executive Committee. Brean commended Coppeta on the work she has done regarding this study as she has done comparisons between public, private, State of NH, airports and ports and harbors so it will be a comprehensive study. Duprey further asked if PDA were confident with rate increases, keeping PDA competitive within expectations needed from the comp/wage study; Brean affirmed. Duprey stated PDA wouldn't want to come in over budget after the wage study has been completed.

Anderson commended Anzalone for the comprehensive financial information provided.

Anzalone indicated that most of the tenants will be increased to the 3% cap for rate increases due to inflation.

Parker asked of some of the forecasts that do not appear on the O&M budget; Anzalone spoke of between and 18 to 25% decrease in consumption for fuel at the harbors and Skyhaven. PDA has kept the consumption of fuel flowage flat with an increase to the rate of \$0.01.

Anzalone stated all the expenses associated with utilities have been increased. Regarding electricity, the supply portion contract will end as of October 31st. Most all further expenses are inflationary driven (i.e.; supplies; consumables; contractor services). Anzalone did indicate that some line items were reduced such as dredging at harbors, marketing promotion.

The overview shows some budget issues that are inconclusive at this time (inflationary increases, labor costs and electricity supply). Anzalone also spoke to the financial aspect of GASB87 (lease accounting standard) which will mean a non-cash adjustment to revenue. While the same amount of cash will be brought in, it will be necessary to amortize revenue straight line over the value of the leases.

Anderson stated over the last four months there have been purchases of various pieces of equipment and asked how those played into the budget; Anzalone stated the purchases were part of the Capital Budget. Anzalone stated the last page of the presentation indicates where PDA anticipates our case balances will be and the dollar value of both grant and non-grant funded capital projects. Any cash margins earned will be used towards non-granted funded capital expenditures.

Also discussed were some key operational activities and initiatives on how PDA is maintaining efficiencies, safety and long term success for the Tradeport.

Anzalone stated with respect to electricity, when the contract ends at the end of October (current rate of \$0.0767/kw hrs.), PDA will not be looking to enter into a long term contract at that time. Anzalone indicated she has contacted the State to see if PDA can piggyback on its contract when renewed because the State would receive a better rate when it purchases in bulk. Anzalone stated she calculated a 49% increase in just the supply portion in the budget.

Parker spoke of her concerns with the anticipated utility increase and wondered if there is anything that could be done. Duprey stated the best option would be piggybacking off the State of NH for the better bulk rate. Anzalone stated the State was going to float for a while, which is what PDA will do. Anzalone has provided the necessary information to the individual who handles the utility for the State.

Anzalone stated that the Portsmouth Fish Pier is going to be in full service for the fiscal year and will monitor the impact on fuel sales for the Division of Ports and Harbors (“DPH”). Duprey inquired of the main increases in overall revenue for DPH are primarily coming from fuel sales; Anzalone affirmed. Further she indicated there are funding revenues but the fuel sales are indicated by revenue and costs. Brean also indicated that this fiscal year, DPH will be impacted by the Market Street terminal rehabilitation construction project.

Lastly, Anzalone stated a portion of the capital expenditures are self-funded so despite some increases in expenses PDA still has a health cash margin which will be used to reinvest in the airport, Tradeport and Golf Course..

Director Ferrini **moved** the **motion** and Director Lamson **seconded** that **the Pease Development Authority Board of Directors hereby accepts and approves the proposed FY 2023 Operations and Maintenance (O&M) Budget and FY 2024 – FY 2026 O&M Forecast; all in accordance with the memorandum dated June 8, 2022 and attached documentation submitted by Suzy Anzalone, Director of Finance.**

Discussion: None. Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

VII. Licenses/ROEs/Easements/Rights of Way:

A. Reports:

1. **Harry Mudd Enterprises 2, Inc. d/b/a YAP Films – Portsmouth International Airport at Pease – Videotaping / Audio Recording Certain Scenes in Connection with the Filming of “Tao of Trek”**
2. **Jalbert Leasing, Inc. d/b/a C & J Bus Lines – Right of Entry – 42 Durham Street**

In accordance with the “Delegation to Executive Director: Consent, Approval and Execution of License Agreements,” PDA entered into the following Right-of-Entry:

1. Name: Harry Mudd Enterprises 2, Inc., d/b/a Yap Films
License: Right of Entry

Location: Portsmouth International Airport at Pease
 Purpose: For the purpose of videotaping and audio recording certain scenes in connection with the filming of “Tao of Trek”
 Term: May 22, 2022

2. Name: Jalbert Leasing, Inc. d/b/a C & J Bus Lines
 License: Right-of-Entry
 Location: 42 Durham Street
 Purpose: For the purpose of parking C & J customer vehicles on a valet basis only
 Term: May 23, 2022 through October 31, 2022

Anderson asked of the amount referenced in the Jalbert RoE with respect to the City of Portsmouth if it is a formulated calculation; Brean affirmed.

Ferrini stated should there be any approvals required with respect to Jalbert Leasing, he would abstain from participation in discussion and vote.

B. Approval:

1. Enterprise Rent-A-Car Company of Boston, LLC–Concession Agreement

Director Lamson moved the motion and Director Parker seconded that **the Pease Development Authority Board of Directors authorizes the Executive Director to finalize negotiations and enter into a Car Rental Concession Lease and Operating Agreement with Enterprise Rent-A-Car Company of Boston, LLC, substantially in accordance with the draft attached hereto, for the purpose of providing rental car services at the Portsmouth International Airport at Pease; all in accordance with the memorandum from Chasen Congreves, Manager of Airport Administration dated June 2, 2022.**

Discussion: Brean stated PSM is fortunate to have a rental car facility at the airport; it is a good amenity. Lamson affirmed it is a nice for the travelers at the airport to have the amenity.

Disposition: Resolved by unanimous roll call (7-0) vote for; motion carried.

VIII. Leases:

A. Reports:

1. **Sublease between 166 Corporate Drive, LLC to Lonza Biologics – 164 Corporate Drive**
2. **Galileo RMF LLC – Exercise of First Lease Extension Option – 139 Flightline Road**
3. **Delos, LLC – 115 Flightline Road - Snow Plowing Agreement**

In accordance with the “Delegation to Executive Director: Consent, Approval of Sub-Sublease Agreements” PDA approved the following lease option with:

- A. Tenant: Lonza Biologics
 Space: 164 & 166 Corporate Drive
 Use: Research and Development Professional and Business Office use
 Term: Ten years from October 1, 2016, plus three (3) options of two (2) years

each

The Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements also requires the consent of one member of the PDA Board of Directors. In these instances, Director Lamson was consulted and granted her consent.

- B. Tenant: Galileo RMF LLC
Space: 139 Flightline Road
Term: Exercise its First Option for an Additional Fifteen Years through July 31, 2038

- C. Tenant: Delos, LLC
Space: 115 Flightline Road
Term: PDA to perform snow plowing for the period of November 1, 2022 through April 30, 2025

Lamson inquired of Delos; Brean stated Delos is the facilities wing of PlaneSense.

B. Approval:

- 1. **68 New Hampshire Avenue LLC – Lease Amendment # 5**

Director Anderson **moved** the **motion** and Director Levesque **seconded** that **the Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into Lease Amendment No. 5 with 68 New Hampshire Ave LLC for the Premises located at 68 New Hampshire Avenue; all in accordance with the Memorandum of Paul E. Brean, Executive Director dated June 8, 2022 and upon substantially similar terms and conditions contained in draft Lease Amendment No. 5.**

Discussion: None. Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

IX. Contracts:

A. Reports:

- 1. **Skyhaven Airport – Jacobs Engineering**
- 2. **Rye Harbor – Waterline Installation**

In accordance with Article 3.9.1.1 of the PDA Bylaws, I am pleased to report the following:

- 1. Project Name: Jacobs Engineering
Board Authority: Director Ferrini
PDA Obligation: \$3,000.00
Summary: For engineering work associated with potential hangar development at Skyhaven Airport

- 2. Project Name: Mac Construction & Excavation
Board Authority: Chairman Duprey
PDA Obligation: \$9,950.00
Summary: For installation of a waterline at the Rye Harbor Marine Facility

Anderson asked why three quotes were not received for the work performed at Rye Harbor Marine Facility as this was to satisfy requirements for RoEs at the harbor and the RoE indicates utilities are responsibility of holder. Further, Anderson spoke of a policy variance and referenced Swell Oyster in Hampton Harbor being required to absorb the whole cost for its connection to its shack. Asked for further clarification / discussion regarding item 2. Brean stated that PDA / DPH staff consulted with the Town of Rye Water District regarding waterlines to various shacks. Rye Water District requested a single line installation through PDA / DPH and the shack owners could tie in from the PDA / DPH line. Mac Construction has performed work at the Harbor and were in the area; DPH was trying to get this performed as expeditiously as possible. The expense for installation will be offset by the individual shack owners as they choose to tie into the PDA / DPH line via a one time tie in fee; further the connection from the PDA / DPH line is an expense solely owed by the shack owner.

Lamson stated she is in agreement with this and the importance of the water line and the connection thereto by shack owners.

Duprey stated he understands that Swell was the only shack in Hampton which required the line. Geno Marconi (“Marconi”), Division Director of Ports and Harbor, stated Swell is not tapped into the DPH line. In Rye, PDA / DPH owns the line going into the facility from the state road; Rye Water District made it clear that it owns the water and distribution of the water. In Hampton, Aquarian Water owns the line which runs down the middle of the old Route 1A (DPH driveway) and what Swell Oyster did was the connection directly to the Aquarian line at its expense and per contract. Further, the \$3,200 expense is the amount paid directly to Mac Construction by each shack owner to tap into the PDA / DPH line. The PDA / DPH line was installed, paid upfront by PDA / DPH and will be prorated over the shacks (only 3 at this time connecting) and going forward every year anyone who remains connected will pay a fee to remain hooked into it and a new shack connection will be charged a fee moving forward to tie into the line.

Anderson stated there is no expectation the cost recovery will take place in one year; Marconi affirmed. Anderson indicated the need to monitor Rye Harbor closely as the activities associated with Rye Harbor have already “sucked a lot of air out of the room” and has the ability to continue. Further, the expenditures the facilities (shacks) are making this year on the installation of water does not guarantee the shack owner any future rights and there should be a letter reestablishing no guarantees moving forward setting PDA’s position.

Duprey indicated PDA has been emphatically clear there are no future guarantees. Marconi stated a letter had been sent to all of the shack owners explaining the plan with the water and one paragraph (in bold print) stating what Anderson has eluded to.

Ferrini indicated that once the Master Plan is completed for this facility there may no longer be RoE holders, they may be leaseholders.

B. Approvals:

- 1. Portsmouth International Airport at Pease (“PSM”) Terminal – Otis Elevator Company – Escalator Maintenance**

Director Parker **moved** the **motion** and Director Lamson **seconded** that **the Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with Otis Elevator Company, for maintenance / service of the escalator at Portsmouth International Airport at Pease (“PSM”) at a cost of \$605.00 per month, for a period of five (5) years; all in accordance with the memorandum of Michael R. Mates, P.E. Engineering Project Manager, dated June 7, 2022.**

In accordance with the provisions of RSA 12–G:8, VIII, the Board justifies the waiver of the RFP requirement as Otis Elevator Company is the fabricator and installer of the equipment and is the most qualified entity to perform maintenance on its equipment.

Discussion: Anderson clarified that this approval would be an authorization for approximately \$36,000 over five years.

Duprey indicated the valid justification for not bidding this out is it is always good to have the company who did the work / installation perform its maintenance.

Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

2. Corporate Drive – City of Portsmouth - Drainage Work

Director Ferrini **moved** the **motion** and Director Lamson **seconded** that **the Pease Development Authority (“PDA”) Board of Directors authorizes the Executive Director to:**

- 1. Negotiate and finalize an agreement with the City of Portsmouth to allow PDA to reimburse the City for its payments to the contractor performing the dredging and outfall improvements to the Corporate Drive drainage system outside of the right-of-way, in an amount not to exceed \$371,100.00;**
- 2. Negotiate and finalize a three party agreement with Underwood Engineers and the City of Portsmouth to provide construction inspection services in an amount not to exceed \$39,900;**
- 3. Implement a project contingency in the amount of \$40,000; and**
- 4. Execute any and all documents necessary to complete the Corporate Drive dredging and outfall improvements project.**

All in accordance with the memorandum of Jared Sheehan, Environmental Compliance Coordinator, dated June 8, 2022.

Discussion: Anderson ask of the potential cost overruns to the City of Portsmouth (“COP”) and if it were addressed in the contingency funds; if the overruns exceed the contingency how are they addressed. Brean indicated if overruns were to go over contingency PDA would work with the COP to work on a resolution. Stowell indicated they are dredging and believes the contingency would cover

items that may come up; if something were to come up over the contingency PDA would inform the Board. Brean indicated that change orders would be brought before the Board.

Parker indicated a RFP / bid process was utilized for this project and there was a very slight price difference between the two bidders.

Duprey asked if Stowell knew who may be awarded the contract; Stowell indicated there is a verification process and while the higher price was incorporated into the request, she believes the lower bidder will be awarded the contract.

Lamson stated she was pleased with the project and sees it as a step forward; Stowell indicated that the City could proceed with its repaving work on Corporate Drive

Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

3. PSM - Hi-Lite Airfield Services -Runway Rubber Removal

Director Fournier **moved** the **motion** and Director Lamson **seconded** that **the Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with Hi-Lite Airfield Services of Watertown, NY, at a cost not to exceed \$24,000.00, to perform runway rubber removal; all in accordance with the memorandum of Chasen Congreves, Manager of Airport Administration, dated June 6, 2022.**

In accordance with the provisions of RSA 12-G:8, VIII, the Board justifies the waiver of the RFP requirement as Hi-Lite Airfield Services is the only entity in the Northeast that provides this service and it was awarded the competitive bid for providing airfield maintenance services through a federal program called Sourcewell.

Discussion: Anderson asked if this would an annual expenditure; Chasen Congreves (“Congreves”), Manager of Airport Administration, indicated it would be based off the buildup of compounding rubber on the runway.

Lamson asked if a few years ago something similar was done; Andrew Pomeroy (“Pomeroy”), Manager, Aviation Planning & Regulatory Compliance, affirmed.

Anderson asked what had been done prior to this request; Pomeroy stated roughly every September a chemical solution would be utilized to break down the rubber.

Parker asked if chemicals were still being utilized; Pomeroy stated this is why this other option is being tested.

Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

4. Retroactive Approval for Price Increase to Zero Turn Mower approved on April 21, 2022

Director Anderson **moved** the **motion** and Director Ferrini **seconded** that **the Pease Development Authority Board of Directors retroactively approves of and authorizes the Executive Director to enter into a contract with United AG & Turf of Dover, NH, to purchase one (1) Zero Turn Mower, in a total amount not to exceed \$22,059.73, a \$2,437.00 increase from the purchase price authorized by the Board on April 21, 2022; all in accordance with the memorandum from Ken Conley, Fleet Manager dated June 8, 2022.**

Discussion: Anderson state the memo references United has located a mower, does this mean will we get it right away or will there still be a lead time; Brean stated the lead time will be pretty good on this item.

Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

X. Signs:

A. Approvals:

1. Lonza – 101 International Drive

Director Lamson **moved** the **motion** and Director Parker **seconded** that **the Pease Development Authority Board of Directors hereby approves of the requested change by Lonza Biologics to revise its monument sign and wall sign at 101 International Drive and refers the matter to the City of Portsmouth to review an application for variance; all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager dated June 6, 2022.**

Discussion: Duprey asked where it goes to COP and its ZBA, if COP doesn't approve the variance is it dead; a representative from Barlo Signs stated if COP denies it is dead. Stowell stated there would be an appeal process but that would be the last option.

Lamson asked of the monument sign; Stowell indicated the monument sign out front would be the same size it would be positioned perpendicular with the building. The sign attached to the building on the back side facing highway would be larger. Further it is a unique situation and Stowell doesn't see an issue with the size increase due to the overall lot size of the property.

The representative from Barlo Signs agreed it is a unique location and believes it would be a perfect fit with its size and scale to the building. Also, they would be removing the smaller sign on the back side of the building and therefore would not be counted into the calculation. The monument sign will be same size but its orientation will be modified.

Ferrini asked if the larger of the two Lonza signs would be illuminated; Stowell stated it would be lit from behind, halo lighting. The Barlo Signs asked for clarification of what sign Ferrini spoke to; Ferrini indicated the sign on the building. Barlo Signs representative indicated the sign on the building would be face lit, being the exact same on what is there currently.

Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

XI. Executive Director:

A. Reports:

1. Golf Course Operations

Scott DeVito (“DeVito”) Pease Golf Course (“PGC”) General Manager recapped that PGC hit a record high number of rounds for the months of April and May and on pace to match June from last year. That being said PGC is a little over 23,000 rounds in the calendar year and the most done in any year is 65,000 and projections indicate PGC will match or surpass that number. The course is in great shape. DeVito spoke to PGC’s retiree, Reno, stated everyone looks up to her and when it comes to striping up the fairways or the rough, Reno is the one to beat.

Brean affirmed the course at PGC is in incredible shape and staff are doing an incredible job. Further, it is nice to see the employees from the various business on the Tradeport having the ability to utilize such an amenity as PGC.

2. Airport Operations

a) Portsmouth International Airport at Pease (PSM)

Brean stated a strong May with annual enplanements of approximately 40,000 for the year which is split between troop and Allegiant activity. Allegiant passengers are utilizing the pay for parking lot with the average fare for parking being \$44/vehicle.

It was a productive month with respect to fuel flowage fees with just under 1 million gallons sold. Brean indicated PSM is seeing somewhat of an uptick in General Aviation with corporate tech stops which bodes well for Port City Air who is trying to win some of that business. Brean also spoke to the sale of fuel being reduced, but PSM is a highly competitive market for an aircraft operator looking to find cost savings ideas by searching for reduced fees at airports (fuel flowage fees and airport fees). Seeing the cost of Jet Fuel A doubling in price and waiting to see what the impact may be to Allegiant / commercial passengers. The load factors have been good so far for Allegiant with going out of PSM (Myrtle Beach load factor is lower than last year). Brean stated Nashville is doing well with load factors being at 85/90%; Congreves indicated that today’s flight to Nashville currently only has two seats available (flight holding 180 passengers). Brean spoke to 10 years ago being challenged for summer service and now there are five (5) destinations (Nashville; Tampa/St Pete; Punta Gorda; Orland/Sanford; and Myrtle Beach).

b) Skyhaven Airport (DAW)

Brean stated the Wings and Wheels even in June was a little clouded in, but it was good community outreach and well attended.

c) Noise Line Report

(i) May, 2022

Brean indicated there were six noise complaints in May, 2022. Two of the concerns were when Runway 34 was in use with the departure of a military C17 aircraft early in the morning and a ground

hold, more than likely by Air Traffic Control (“ATC”) which resulted in prolonged noise prior to the departure of a corporate Cessna Citation at 10:22 PM. Will work with ATC and FBO when there are ground holds for a more infield hold for those issues. There were four noise concerns received regarding Runway 16. One of the complaints was regarding a military C5 practicing multiple take off and landings in the airport pattern and three calls were concerning large military aircraft.

Anderson spoke to pay-for-parking being down from the previous month as was fuel flowage. Brean stated the reduction in pay-for-parking revenue was down from April because April is school vacation month. Regarding fuel flowage, Brean stated in prior months there had been an impact with operations in Eastern Europe. Anderson asked of PlaneSense; Brean stated PlaneSense is considered under general aviation. Anderson asked how general aviation is characterized; Brean stated anything that is not military, commercial or charter activity. Therefore, PlaneSense is included as general aviation (corporate aircraft, fractional ownership, PlaneSense, small piston flight schools; general resident who has a plane).

Parker asked if general aviation is defined by FAA; Brean affirmed. Parker indicated the regulation needs to keep up with technological developments and business model, sometimes it doesn’t.

B. Approvals:
1. Bills for Legal Services

Director Ferrini **moved** the **motion** and Director Lamson **seconded** that **the Pease Development Authority (“PDA”) Board of Directors approves of and authorizes the Executive Director to expend funds in the amount of \$17,429.00 for legal services rendered to the Pease Development Authority from Sheehan Phinney Bass & Green for the period of April 1, 2022 – April 30, 2022 in the amount of \$ 5,307.00 for Permit Implementation; April 1, 2022 – April 30, 2022 \$12,122.00 for Tradeport General Representation and to expend funds in the amount of \$472.00 for legal services rendered to the Pease Development Authority from Anderson Kreiger as outside counsel for Federal Regulatory Advice for the period of April 1, 2022 through April 30, 2022. For a total amount of \$17,901.00 in legal services.**

Discussion: None. Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

2. Land Use Control Amendments

Director Levesque **moved** the **motion** and Director Anderson **seconded** that **WHEREAS, the Pease Development Authority (“PDA”) has duly enacted a Zoning Regulation in accordance with the requirements of RSA ch. 12-G and rules adopted by the PDA for the adoption or amendment of land use controls; and**

WHEREAS, the Zoning Regulation may be amended at any time by the Board in accordance with its rules for the adoption and amendment of land use controls;

NOW, THEREFORE, following a duly noticed public hearing, the PDA does hereby resolve to amend its Zoning Regulations in effect at the Pease International Tradeport, on June 16, 2022, by adopting the language as written which by reference are incorporated into this motion; all in accordance with the memorandum of Maria J. Stowell, dated June 6, 2022.

Discussion: Duprey stated the proposal has been reviewed and public hearing has been held.

Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

3. Fuel Flowage Fee

Director Fournier **moved** the **motion** and Director Lamson **seconded** that **the Pease Development Authority Board of Directors approves of and authorizes the Executive Director to take all such action as may be required or appropriate to increase the current aviation fuel flowage fee rate by \$.01, from \$.04 to \$.05 per gallon on 100 low lead fuel and Jet A fuel, commencing July 1, 2022; all in accordance with the memorandum of Andrew Pomeroy, Manager, Aviation Planning & Regulatory Compliance, dated June 7, 2022.**

Discussion: Anderson asked of the projection of the incremental increase of \$0.01 amounting to an approximate \$100,000 in revenue; Brean stated the projection has been incorporated in the budget for the upcoming year. Anzalone stated 10,800,000 gallons has been budgeted.

Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

4. Assistant Port Director – Division of Ports and Harbors

Director Anderson **moved** the **motion** and Director Parker **seconded** that **in accordance with the provisions of Section 3.11 of the Second Amendment to By-Laws of the Pease Development Authority, the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to create the position of Assistant Director of the Division of Ports and Harbors, and to immediately fill said new position with an appropriately qualified candidate; all in accordance with the memorandum of Geno J. Marconi, Director of the Division of Ports and Harbors, dated June 7, 2022.**

Discussion: None. Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

5. Staff Engineer – Pease Development Authority

Director Parker **moved** the **motion** and Director Lamson **seconded** that **in accordance with the provisions of Section 3.11 of the Second Amendment to By-Laws of the Pease Development Authority, the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to create the position of Staff Engineer, and to immediately fill said new position with an appropriately qualified candidate; all in accordance with the memorandum of Tanya Coppeta, Human Resource Manager, dated June 8, 2022.**

Discussion: Duprey asked if this were a new position. Brean stated the position is currently staffed. PDA is in succession planning within that department with the anticipation of a retirement and would like to onboard an individual early and may look to backfill the position upon retirement.

Ferrini asked with respect to Stowell and her department, will this be enough people working in engineering? PDA is a profit making endeavor and ask to what extent Brean and staff may need more assistance. Brean stated he is looking forward to the upcoming Executive Committee meeting.

Disposition: Resolved by **unanimous** roll call (7-0) vote for; motion **carried**.

Director Fournier signed off from the meeting at 10:57 a.m.

XII. Division of Ports and Harbors:

Marconi indicated the Propeller Club of the United States is an international organization and the Propeller Club of Portsmouth was started back in the 70s to promote the development of ports and support of the United States Merchant Marine. The organization has been a very staunch supporter of all of DPH's projects and noted on the last page of the booklet handed out to the Board, the Propeller Club has referenced Pease.

Marconi indicated the Port Advisory Council minutes from the last meeting were not provided because they were not approved until June 15th, so two sets of minutes will be provided in the August agenda.

A. Reports:

1. Commercial Mooring for Hire – Kittery Point Yacht Club

Marconi indicated that under the Code of Administration of Rules there is an ability to have a Commercial Mooring for Hire allowed and through a review process by the Harbor Master and Chief Harbormaster to Marconi who makes a recommendation to the Executive Director who is allowed to sign off on this through the Delegation of Authority. Marconi did state

Blenkinsop left the meeting at 10:57 a.m. and returned at 10:59 a.m.

2. Commercial Mooring Transfer – Krajewski to Warpula

3. Commercial Mooring Transfer – Goethel to Fisher

4. Commercial Mooring Transfer – Worcester to Gray

Marconi stated above are a number of Commercial Mooring Transfers and that the request is reviewed by the local Harbormaster who makes a recommendation to the Chief Harbor Master, who makes a recommendation to Marconi who reviews to make sure it is consistent with the Code of Administrative Rules. Marconi passes the request along to Brean to be signed off through the Delegation of Authority.

5. Right of Entry – Andy Widen dba Ray's Seafood (name change)

Marconi indicated the Right of Entry was a result of a charter owned by Andy Widen which changed its name.

6. Portsmouth Fish Pier – Change Order #10

Marconi indicated that Change Order #10 is a \$9,915.86 charge for three outstanding items (light fixtures; beams and fasteners; and hose enclosures). Marconi indicated that pursuant to the Board's Delegation of Authority, Brean executed the Change Order and received concurrence from the Treasurer (Ferrini).

7. Rye Harbor - Harbormaster Position

Marconi indicated the Administrative Assistant at Rye Harbor, Judy Dubois, is retiring and since the merge of PDA and DPH, the statute provided that existing State classified employee positions would remain. However, over the years through attrition if someone retired, that position would be filled by a non-classified PDA position. Marconi indicated the Administrative Assistant, until about 6 or 7 years ago, managed both Rye and Hampton but it was too much. In Hampton when brought someone new in, that individual was provided the title of Harbormaster, per statute. Marconi briefly spoke to the various position at Rye and Hampton, per their assignment, and stated this model has worked well. Will be hiring someone fulltime in Rye for that position.

Anderson indicated this position will oversee docks and piers; Marconi affirmed. Anderson asked if it would be more appropriate for one of the Harbormasters who oversees the commercial pier or the moorings have control as that is where activity occurs. Anderson indicated this position will oversee the docks that means the Harbormaster who controls the moorings doesn't control that activity. Marconi indicated there is some crossover, such as a time limitation a vessel can stay attached to a commercial pier being 30 minutes per Administrative Rules, unless prior permission of DPH. Therefore, if the administrator is doing something shore side and the Harbormaster is on the dock and someone says the vessel needs to stay an additional time period as it is waiting for a part, that decision can be made.

Levesque reaffirmed that any port employee could say you can't do this on the property, they have that authority; Marconi affirmed.

Parker asked if this were fulltime being five days a week, forty hours a week in season; Marconi stated in theory but under certain circumstances sometimes overtime cannot be avoided. Marconi indicated at this time DPH is having difficulty obtaining seasonal help. Marconi stated the fulltime person would be doing a pier use and berthing permits, inventories of fuel etc.

Anderson indicated the placement of Del Record at the facility over the last year has been a substantial positive result and he has done a tremendous job in cleaning it up; Marconi agreed.

Blenkinsop left the meeting at 11:14 a.m. and returned at 11:15 a.m.

8. Board Review of Rye Harbor Right of Entry Waiver – Police Detail

Marconi spoke to the Police Detail and the RoE for RHLP and there has been no activity as of yet as things are on hold because of the water. The report received on Wednesday indicated Rye Water District needs to sanitize and flush the line, take a water sample, send it away for testing and receive results.

Levesque asked if there are things PDA / DPH have done to comply regarding the police detail to make sure it is not holding up the ability to obtain a police detail. Marconi stated he contacted Chief Walsh to let him know about the request for a police detail. It is the Town of Rye policy they don't believe they have authority on Port property. However, after further consideration, Walsh indicated the Town of Rye entered into a Memorandum of Agreement ("MOA") with the State Parks Department and Walsh wondered if an MOA (between PDA / DPH and Town of Rye) may be utilized to indicate what can and cannot be done on the property. Marconi indicated an MOU has been provided to legal for review. Blenkinsop stated the MOA between Rye and the State Parks relies on a specific statute applicable to the Parks Department. Therefore, the MOA model provided to PDA / DPH would not apply due to the statute. Blenkinsop indicated review of alternative statutory language through RSA 12-G, might be an avenue to accomplish this. This is an item Blenkinsop is working on and if he finds something he would reach out to the Town of Rye for discussion and / or may require the review by the AG's office.

Brean further indicated that through discussions with NH State Police have been held regarding the potential need over the summer to have details at Rye Harbor and the message received is they are extremely tasked with detail requests.

Duprey asked if the enforcement is on PDA property, not Rye property; Brean affirmed. Blenkinsop stated the idea of a police detail would be on DPH (State) property. Duprey understands the obstacles and wants to make sure everything is being done from PDA / DPH end. Further, if the bulk of the activity down there is to regulate the traffic, couldn't a private security entity be hired to perform the duties. Blenkinsop stated a private entity could be hired for traffic control subject to adequate insurance provisions etc. so PDA / DPH is protected from a liability standpoint.

Brean indicated he is not clear on what RHLP has done to obtain a detail but knows from PDA circumstances there is a protocol to be followed (NH State Police, Sheriff's Office or another County's Sheriff's office). Duprey indicated someone from RHLP is in attendance and can meet today with someone on staff to answer that question and go over options.

Anderson indicated he does not believe the Board should deviate from that condition of the waiver and it should be maintained and at the obligation of RHLP.

Levesque stated if all avenues have been addressed and reviewed there may come a need for the Chairman of the Board, in consultation with Brean, to waive the waiver.

Anderson stated Brean has indicated safety is an issue and a reason why the provision was put into the waiver as a means to provide a level of safety to the patrons of the facility.

Duprey stated he is hopeful it can be resolved after discussions with RHLP on finding out what has been done to date.

Marconi spoke to observations of having a private security entity doing the detail and the comments he has received when he (in his DPH Director attire) attempts to make corrections and bring policies / requirements to patrons' attention and it goes on deaf ears. Marconi indicated the police

detail may have even come from the Governor's office.

Blenkinsop read the condition from the April meeting, "Provision, at the expense of the Right-of-Entry holder, of a police detail during hours of operation on Saturdays, Sundays, and holidays, as determined necessary by DPH and scheduled in consultation and coordination with DPH staff, subject to further review by the PDA Board at its June and August meetings".

Marconi reported last year received a refund from the Army Corp of Engineers in the amount of \$237,000 from Rye Harbor, this was due to the work from Senator Perkins-Kwoka which has allowed DPH to recoup what was paid out for the turning basin. Further, the Governor and Council has approved DPH's request for ARPA funds in the amount of \$2.7 million (\$1.2 million to replace the cross bracing and decking at the Portsmouth Fish Pier; \$1 million for terminal rehabilitation project and \$560,000 to replace the remaining floats in Hampton). Levesque stated no money was requested for Rye Harbor; Marconi indicated at the time the subject came up the request was already in process.

Marconi had slides displayed to show the Board in Hampton the replacement of the floats along the bulkhead where the commercial fishing activity takes place (changed from concrete so they can be removed in winter to prevent damage). Showed the recent pavement and indicated the striping and directional markers of the pavement will be performed shortly. Spoke to a photo of the Portsmouth Fish Pier showing the location where the seawall was replaced, new hoists, replaced fuel system, new floating docks and ladders. The appropriation for this project was \$3.25 million and believes there is approximately \$176,000 remaining. Lastly, spoke to the Marine Terminal on Market Street and the replacement of the 600' dock and the various tasks that will be performed.

Duprey asked when the Marine Terminal is complete what the useful life would be; Marconi stated 50+ years.

Marconi also spoke to a functional replacement being provided by NH DOT due to the loss of a dock by DPH due the Sarah Long Bridge construction. The original estimate for the project was \$19 million and now it has increased to \$34 million. DOT wants to go out to bid on this project in September. This would entail a 140' extension on the Main Wharf and various other work to the area.

Anderson asked of the \$176,000 funds remaining from the Portsmouth Fish Pier, would those funds go back to State or can they be retained by DPH for other improvements at the Portsmouth Fish Pier. Marconi indicated if he identifies some work that needs to be done he can go to the Capital Budget Overview Committee and have them move the money. Anderson also asked of the ARPA funds received if those would be used to reinforcing the pier; Marconi provided an overview of the work Anderson spoke of.

Groux, PAC Chairman, spoke to the increased activity of PAC an item he wanted to mention was an upcoming Off Shore Wind project (Tri-State Project between Maine, NH and Massachusetts) which is scheduled to go out to bid in the third quarter of 2024. Marconi spoke to the logistics of the project.

Levesque asked if at a Board meeting in the fall the Board could be provided a briefing of the upcoming Off Shore Wind project.

B. Approvals:

1. Right of Entry - Independent Boat Haulers – Rye Harbor Marine Facility

Director Lamson moved the motion and Director Anderson seconded that the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a Right of Entry with Independent Boat Haulers, Inc. for the purpose of using the Rye Harbor Marine Facility for three (3) years, commencing July 1, 2022, through June 30, 2025, on substantially the same terms and conditions set forth in the memorandum from Geno J. Marconi, Director of the Division of Ports and Harbors, dated May 26, 2022.

Discussion: None. Disposition: Resolved by unanimous roll call (6-0) vote for; motion carried.

2. Right of Entry – Northeast Fishery Sector XI - Portsmouth Fish Pier – Office Rental

Director Levesque moved the motion and Director Parker seconded that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to finalize and enter into a Right of Entry with the Northeast Fishery Sector XI for two (2) years, commencing July 1, 2022, with two (2) options of one (1) year each subject to the approval of the Executive Director, for office space located at the Portsmouth Fish Pier on substantially the same terms and conditions set forth in the memorandum from Geno J. Marconi, Director of the Division of Ports and Harbors, dated May 26, 2022.

Discussion: Anderson recommended this entity which oversees fishing activity and the revenue generated is from fishing boats and the attrition in the NH industry is severe. Previously there were 30 boats which generated revenue for this Sector where now there are two and looking to recommend this RoE fee be reduced. Marconi indicated one of the largest ground fishing vessels that goes through the Sector is not ground fishing this year, instead they are lobstering; the Sector is down. Marconi indicated he could review the costs associated with the office space held by the Sector at the facility.

Director Ferrini moved a motion and Director Parker seconded to table the motion made by Director Levesque.

Disposition: Resolved by unanimous vote for; motion carried.

3. Morton Salt – Deferment of Minimum Annual Guaranteed Revenue Payment

Director Anderson moved the motion and Director Lamson seconded that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to defer payment of the \$59,382.67 balance of the 2021-2022 minimum guaranteed payment required under Article 4.1d of the License and Operating Agreement with Morton Salt, Inc. (the “Agreement”), and add said balance to the 2022 – 2023 minimum guaranteed payment under the Agreement; all in accordance with the memorandum from Geno J. Marconi, Director of the Division of Ports and Harbors, dated June 6, 2022.

Discussion: None. Disposition: Resolved by **unanimous** roll call (6-0) vote for; motion **carried**.

XIII. New Business:

XIV. Special Event:

A. Report:

1. Veterans' Run 5k/10k Road Race to be held on July 4, 2022

This is a charitable event holding the Pack and Boots road race on July 4th in collaboration with the Portsmouth Police Department.

XV. Upcoming Meetings:

Executive Committee	TBD
Port Committee	July 7, 2022 @ 8:00 a.m.
Board of Directors	August 18, 2022 @ 8:30 a.m.

All Meetings begin at 8:30 a.m. unless otherwise posted.

XVI. Directors' Comments:

Duprey brought to Brean's attention a website called AirPower History Tour that is advertising an Airshow at the Million Air Terminal on September 8th through 11th, 2022. Brean indicated Pomeroy has had discussions with this entity and received a response which stated it working with an individual at the NH Air Guard; PDA is working with them so if they do put forth a proposal they know what needs to be done to include the airport sponsor.

Anderson asked of an update of the Million Air wetland application for its facility. Stowell stated indicated that no permits have been issued. Further, the record had been left open for 30 days after the hearing (which is now closed) and then there is a 45 day from that period.

Duprey spoke to a decision by DES which may be subject to appeals; Blenkinsop affirmed but doesn't believe the permit will be stayed pending an appeal.

XVII. Non-public Session:

Director Ferrini **moved** the **motion** and Director Anderson **seconded** that **the Pease Development Authority Board of Directors will enter non-public session pursuant to NH RSA 91-A:3 for the purpose of discussing:**

- 1. Confidential Airport Security Matters [NH RSA 91-A:3, II (i) and (j)] and**
- 2. Consideration of Legal Advice [NH RSA 91-A:3, II (l)].**

Discussion: None. Disposition: Resolved by **unanimous** roll call (6-0) vote for; motion **carried**.

The Board entered a non-public meeting at approximately 11:46 a.m.

Director Ferrini **moved** the **motion** and Director Lamson **seconded** that the Board come out of Non-Public at **11:56** a.m.

XVIII. Vote of Confidentiality:

Director Levesque **moved** the **motion** and Director Lamson **seconded** that pursuant to NH RSA 91-A:3, the Pease Development Authority Board of Directors hereby determines that the divulgence of information discussed and decisions reached in the non-public session of its June 16, 2022, meeting related to the consideration of legal advice from legal counsel and discussion of confidential airport security matters are confidential matters which, if disclosed publically, would render the proposed actions ineffective and further agrees that the minutes of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply.

Discussion: None. Disposition: Resolved by **unanimous** roll call (6-0) vote for; motion **carried**.

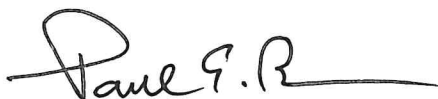
XIX. Adjournment:

Director Ferrini **moved** the **motion** and Director Lamson **seconded** to adjourn the Board meeting. Meeting adjourned at **11:59** a.m.

XX. Press Questions:

No comments from the press.

Respectfully submitted,



Paul E. Brean
Executive Director

