

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

Thursday, September 21, 2023

Presiding: Stephen M. Duprey, Chairman
 Present: Neil Levesque, Vice Chair; Thomas G. Ferrini, Treasurer; Steve Fournier; Margaret F. Lamson; Susan B. Parker, and Karen Conard
 Attending: Paul E. Brean, Pease Development Authority ("PDA") Executive Director; Anthony I. Blenkinsop, Deputy Director / General Counsel; Michael R. Mates, Director of Engineering; Suzy Anzalone, Finance Director; Tracy Shattuck, Chief Harbormaster representing the Division of Ports and Harbors ("DPH"); Scott DeVito, Pease Golf Course ("PGC") General Manager; Jared Sheehan, Environmental Compliance Manager; Greg Siegenthaler, IT Director; and Raeline A. O'Neil, Executive Administrative Assistant

I. Call to Order:

Chairman Duprey ("Duprey") called the meeting to order as all Board members were present; the meeting commenced at **8:31 a.m.**

II. Acceptance of Meeting Minutes: Board of Directors' Meeting of August 17, 2023

Director Conard **moved** the **motion** and Director Lamson **seconded** to approve the minutes of the Pease Development Authority Board of Directors' meeting dated Thursday, August 17, 2023.

Discussion: None. Disposition: Resolved by **unanimous** vote for; motion **carried**.

III. Public Comment:

No one from the public spoke.

IV. Consent Agenda Items:

A. Consent Agenda Approvals:

Director Parker **moved** the **motion** and Director Fournier **seconded** the Pease Development Authority Board of Directors hereby moves that item numbers **1-7** from the consent agenda list below be approved as a single consent agenda item, and that the proposed motions included for each be incorporated into such approval as the operative motion for each item.

1. Legal Services
2. Airport Video Surveillance Storage Array Upgrade
3. Outing and Group Pricing and Booking Policy
4. Pease Golf Course Modification to Capital Improvement Plan FY2024 – FY2029
5. McFarland Johnson - Portsmouth International Airport at Pease ("PSM") - Arrivals Hall Design Contract - Amendment #1
6. New Position – Environmental Compliance Specialist
7. New Position – Greenskeeper – (Pease Golf Course)

Discussion: Lamson asked for clarification of item 2; Brean stated with the increase of video cameras at the terminal and airfield, it is for the storage of data.

Disposition: Resolved by **unanimous** vote for; motion **carried**.

V. Committees:

A. Report:

1. Golf Committee

Director Fournier, Chair of the Golf Committee, indicated the meeting was held on Monday and it was a successful meeting.

2. Finance Committee

Director Ferrini, Chair of the Finance Committee, indicated they reviewed the financial information which will be discussed later in the meeting.

VI. Finance:

A. Executive Summary *

B. Reports:

- 1. FY2024 Financial Report for the First Month Period Ending July 31, 2023 Cash Flow Projections for the Nine Month Period Ending May 31, 2024**
- 2.

Suzy Anzalone (“Anzalone”) Director of Finance spoke to the two reports and stated the consolidated operating revenues being down 2.2%; July wharfage and dockage fees were below budget. When preparing the budget, Finance seasonalizes its projections by reviewing financial information from the previous year. Further, Anzalone stated operating expenses were down 14.7%.

Anzalone spoke specifically to a couple of the line items that were over budget at the Golf Course being soil and vegetation due to the increase in fertilizer applications and the product being utilized by the golf course due to the inclement weather. Also, the purchase of paint for the runway had been purchased in July.

Anzalone indicated the lower fuel sales seen at Skyhaven was due to the fuel dispenser being down after a recent lightning strike and inclement weather. The part-time wages are trending a little higher at this location as there are new staff, with rates of pay being higher than budgeted.

Lamson asked Anzalone the status of electricity supply procurement; Anzalone stated she is currently working with EnelX, the consultant for the State of New Hampshire. EnelX is looking into obtaining options of a supplier who could provide PDA’s electricity.

Anzalone indicated DPH revenues are down 25% due to wharfage / dockage fees and fuel sales. This is early in the fiscal year so it isn’t anything she is concerned about at this time.

PDA finances remain strong, PDA has started a few capital budget projects and currently has no outstanding debt. Spoke to both grant and non-grant related capital expenditures and that it is PDA's expectation to see a decrease in cash flow due to the various projects.

Parker inquired of the reduction to DPH wharfage / dockage fees due to the current reconstruction at the Main Terminal Wharf ("MTW"). Anzalone indicated last year it [MTW] had been closed for some time. Further she indicated when the budget is prepared a review is done of the previous year as a means to calculate budget projections. Tracy Shattuck ("Shattuck"), Chief Harbormaster indicated there will be additional activity [at MTW] due to ships delivering salt. Brean also indicated last year MTW had heavy activity as DPH provided support to Portsmouth Naval Shipyard.

Levesque also indicated Rye Harbor hasn't been selling recreational fuel for roughly two seasons; Anzalone affirmed to indicate this could impact the fuel sales. Shattuck stated he thought work would be commencing next week to put the sump and lines in. Brean clarified to indicate recreational boats can obtain fuel from the commercial side. Levesque agreed, but indicated there are not many recreational boaters who utilize the commercial fuel area.

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

A. Report:

- 1. Lonza Biologics – 101 International Drive – Right of Entry at 55 International Drive**
- 2. American Red Cross, Northern New England Region – Right of Entry – Portion of 119 Arboretum Drive**

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: Lonza Biologics, Inc.
License: Right of Entry
Location: 55 International Drive, Portsmouth International Airport at Pease
Purpose: Company outing
Term: Thursday, September 7, 2023, at 8:00 a.m. to 5:00 p.m.
2. Name: American Red Cross, Northern New England Region
License: Right of Entry
Location: Long Term Lot B Parking Lot – Exeter Street
Purpose: The staging, loading, and unloading of vehicles, commodities, and equipment.
Term: Thursday, September 14, 2023, through October 15, 2023

Director Fournier was consulted and granted his consent regarding these Rights of Entry.

VIII. Leases:

A. Report:

- 1. Sublease between 222 International, LP and Coastal Speedpro – 200 International Drive (Suite #125)**

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

1. Tenant: Coastal Speedpro
- Space: 222 International Drive (Suite # 125)
- Use: General Office and warehouse use which must confirm to the business office / warehouse storage uses authorized by the Pease Development Authority
- Term: Ten (10) Years to commence on the earlier of substantial completion of improvements or October 1, 2023

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 this instance, Director Lamson was consulted and granted her consent.

IX. Contracts:

A. Report:

1. **Sunbelt Rentals (Light Cart) – PDA Maintenance – Airfield**
2. **Air Traffic Control Tower – Emergency Repair of HVAC**
3. **Sunbelt Rentals (Floor Scrubbing Machine) – PDA Maintenance**

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

1. Project Name: Sunbelt Rentals
Summary: One day rental of Light Cart for night work being performed on Airfield at Portsmouth International Airport at Pease
Cost: \$233.90
2. Project Name: Air Traffic Control Tower
Board Authority: Director Ferrini
Summary: Identified unworkable conditions due to heat issues which could threaten the closure of the Air Traffic Control Tower
Cost: Emergency repair under \$10,000 as performed by PDA Facility staff
3. Project Name: Sunbelt Rentals
Board Authority: Director Ferrini
Summary: One day rental of floor scrubbing machine in preparation for the triennial exercise
Cost: \$705.60

Duprey asked of the triennial exercise; Brean indicated Pease is mandated to hold an emergency preparedness exercise for an airfield incident.

X. Signs:**A. Report:****1. Two International Group - 14 Manchester Square – The Daily Press**

In accordance with the “Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs” PDA reports as follows:

1. Entity: Two International Group
- Location: 14 Manchester Square
- Summary: Modify the existing signage to reflect tenant change in concept.

The Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs also requires the consent of one member of the PDA Board of Directors. In this instance, Director Fournier was consulted regarding the sign changes.

XI. Executive Director:**A. Reports:****1. Golf Course Operations**

Scott DeVito (“DeVito”), Pease Golf Course (“PGC”) General Manager, spoke to 62,000 rounds of golf for the year, slightly under last year. DeVito also informed the Board that a portion of PGC had to be shut down during the Air Show.

There are seven (7) major events remaining for the season and the 2024 event calendar is already filled. PGC will have a wait list available should any current events cancel. A wait list will allow PGC to reach out to others who had inquired to availability. Grill 28 has already started booking for the winter season.

PGC is gearing up for the winter season with its simulators and its two-player league which commences in October.

Parker asked why golf play was suspended during the weekend of the Air Show. DeVito indicated the Blue Course was closed as it is within the “flight box”.

Levesque spoke to PGC being top notch; DeVito indicated it is through the support of the Board that PGC has taken the course to another level.

Duprey inquired into the bottle filling station(s) on the course; DeVito indicated they were installed the beginning of July and have been well received. He also spoke to working with City of Portsmouth Public Works Department regarding the installation. Brean indicated with the sustainability initiative, a counter on the bottle fillers indicate a total of 4,000 reuseable bottles filled.

2. Airport Operations

a) Portsmouth International Airport at Pease (PSM)

Brean spoke to strong enplanements in August and September and stated the annual enplanements are at 54,000, which is a strong rebound post COVID.

Revenue parking is strong due to the two (2) year round flights to southwest Florida; also, the fuel flowage consumption is strong with a lot of general aviation tech stops for corporate aircraft.

The Air Show was successful with it being a safe and secure three day event held; this was enhanced with the collaboration of police and fire departments from surrounding municipalities as well as homeland security, state and county police forces.

Brean stated the Terminal Hall project commenced last week with utility work being performed.

b) Skyhaven Airport (DAW)

Brean spoke to Skyhaven's fuel sales being down primarily due to the lightning strike and the inclement weather. Anticipate with events this fall, will see increase in fuel sales. Also, have been expending additional funds at the facilities at Skyhaven in an effort to address compliance with ADA requirements.

c) Noise Line Report (i) August 2023

Brean indicated there were nine (9) noise inquiries during the month of August, of which several were received from Salem. The other local inquires pertained to medical flights going to Portsmouth Regional Hospital. PSM did contact a pilot regarding a helicopter inquiry received and advised him of PSM's noise abatement procedures. Brean spoke to the public relations office for the NH ANG getting information out in advance which has helped to reduce inquires.

XII. Division of Ports and Harbors:

A. Reports:

Tracy Shattuck, Chief Harbormaster, was in attendance at the meeting as Director of Ports and Harbors' Geno Marconi was unable to attend the Board meeting.

- 1. Foreign Trade Zone – 2022 Report to Congress**
- 2. Port Advisory Council Meeting Minutes of June 14, 2023**

Shattuck indicated the Board had in its packet the minutes of the Port Advisory Council meeting of June 14, 2023; the minutes have been provided so the Board is aware of the Council's activity and welcomed any comments or questions from the Board.

3. Pda 600 Rules Clarification / Correction

Shattuck stated at the August Board of Directors' meeting, Leveque spoke to there being no mention of a fee for the temporary recreational use of the dockage / wharfage. DPH looked into this further and stated when the rule was enacted in 2013, a fee was never assigned. This oversight was missed by many (Office of Legislative Services, DPH etc.); back then the process was different and it does not appear this was brought before the Fiscal Committee. DPH will be requesting to set a fee for this, as there are occasions when it may be necessary to charge a fee. Looking to mirror the fee used for single use pier permit.

Duprey indicated the memorandum states DPH will research and come back with an amendment to the Pda 600 rules in the next month or so to establish an overnight fee.

Levesque referred to the fact that the Chief Harbormaster and Harbormasters are governed by Pda 600 rules; Shattuck affirmed. Levesque asked if there were a mechanism on requests received to leave a boat at the dock. Shattuck indicated contact would be made with harbor personnel which would request to stay due to a need to leave the boat (i.e.; emergency of some sort – radar etc.) to request to stay at the dock and not be in everyone's way. The appropriate personnel, if approved, would indicate where the boat should be placed for a period of time. Levesque asked if there would be a journal entry of some sort and further indicated while there may not be a fee in Pda 600 rules, the rules refer to the need for the completion of an application; Shattuck affirmed. Shattuck further indicated he would check into this inquiry further and inform the Board at a later time. Levesque spoke to this further and stated if a non-exclusive use of the pier were being used on an overnight, a document would be required as no personnel can waive the rules. Shattuck affirmed and said there would also be a track of the monetary amount exchanged.

Duprey indicated the desire to find out how often a boat may have utilized this to show frequency and money collected.

Ferrini spoke to the need of DPH having documentation of a vessel in the event there may be a mishap while the vessel was docked. DPH needs to have record to properly describe the vessel and its reason for being at the dock/pier for insurance purposes.

Shattuck spoke to prep work done in advance of Hurricane Lee; FEMA was staged at the Port Authority as a precautionary measure. There were only two boats which came off moorings; they went aground with little damage.

B. Approval:

1. **Hampton Harbor Marina – Addendum #2 to Special Use Permit to Facilitate the 2023 Hampton Beach Jetty Repair**

Director Levesque **moved** the **motion** and Director Conard **seconded** that **the Pease Development Authority (“PDA”) Board of Directors hereby authorizes the Executive Director to enter into Addendum #2 regarding the previously approved Special Use Permit (“SUP”) and SUP Addendum #1 from the Department of Natural and Cultural Resources, Division of Parks and Recreation (“Division”), regarding access to Division property, by the US Army Corps of Engineers (“ACOE”) in connection with the 2023 Hampton Beach Jetty Repair; substantially in accordance with the memorandum from Geno J. Marconi, Division Director dated September**

Duprey asked if vendors are security vetted; Brean affirmed. Duprey asked how frequently the Air Shows occur; Brean stated Air Shows are one of [ANG's] largest recruiting events and PDA provides assistance as much as possible. However, Air Shows are very demanding on resources, taxing on the airfield, surrounding communities and agencies. There will be a de-brief with the local ANG and discussions will be held pertaining to the Air Show. Duprey suggested for future reference it may be appreciated, if on rehearsal day a NH School Day is incorporated which would allow students an opportunity for a better overall interaction on a smaller scale.

XVII. Non-Public Session: * (Ferrini)

1. NH RSA 91-A:3, II (a); and
2. NH RSA 91-A:3, II (l).

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

1. **Dismissal, Promotion, or Compensation of any Public Employee**
[NH RSA 91-A:3, II (a)]; and
2. **Consideration of Legal Advice provided by Legal Counsel**
[NH RSA 91-A:3, II (l)]

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

XVIII. Vote of Confidentiality: * (Fournier)

Director Fournier **moved** the **motion** and Director Lamson **seconded** that be it resolved, 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 September 21, 2023, meeting related to Dismissal, Promotion, or Compensation of any Public Employee and the consideration of legal advice from legal counsel are 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 (7-0) vote for; motion **carried**.

XIX. Adjournment:

Director Levesque **moved** the **motion** and Director Fournier **seconded** to adjourn the Board meeting. Meeting adjourned at **9:26 a.m.**

Discussion: None. Disposition: Resolved by **unanimous** vote for; motion **carried**.

XX. Press Questions:

No questions from the press.

XXI. Consultation with Counsel:

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Paul E. Brean". The signature is fluid and cursive, with a large initial "P" and "B".

Paul E. Brean
Executive Director