

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

Thursday, October 17, 2019

Presiding: Kevin H. Smith, Chairman
Present: Peter J. Loughlin, Vice Chairman; Robert A. Allard, Treasurer; John P. Bohenko; Margaret F. Lamson; Neil Levesque and Franklin G. Torr
Attending: David R. Mullen, Pease Development Authority (“PDA”) Executive Director; Paul E. Brean, PDA Deputy Director and Airport Director; Lynn M. Hinchee, General Counsel; PDA staff members; members of the public.

I. Call to Order:

Chairman Smith (“Smith”) called the meeting to order at 9:12 a.m. in the Board conference room on the Pease International Tradeport at 55 International Drive, Portsmouth, New Hampshire.

II. Acceptance of Meeting Minutes

Director Allard moved and Director Torr seconded that **the Pease Development Authority Board of Directors hereby accept the minutes of the September 19, 2019 Board meeting.**

Discussion: Lamson made a correction to the minutes to indicate that with respect to the Noise report at page 9, there was no July meeting, but rather it should have stated “Lamson had not been in attendance at the August meeting”.

Disposition: Resolved by unanimous vote for; motion carried.

III. Public Comment:

There was no public comment.

IV. Committee Meetings:

A. Reports:

1. Audit Committee Agenda

Director Bohenko (Bohenko) provided a report to state that the Audit Committee met on Tuesday and indicated an extensive review was done with the engaged auditors. The Committee asked a lot of questions and were well informed. Bohenko indicated that as an entity PDA is in good shape and the Finance Director has done a fabulous job. Other than that there is not a lot to report. Lamson indicated that the Audit Committee goes through the audit step-by-step and thanked the Finance Director for what he gives to PDA each month. Bohenko indicated the important part in looking at the audit would be to have people refer to the Manager’s Discussion and Analysis (MDNA) as a nice summary of what happens out at Pease; the MDNA would be an area to direct individuals to provide them with a better understanding.

V. Old Business:

A. Approval:

1. Lonza Biologics, Inc. – Second Freezer Building Concept Plan

Director Torr moved and Director Allard seconded that **the Pease Development Authority Board of Directors hereby approves of the amendment to Lonza Biologics, Inc.’s (“Lonza”) site plan for 101 International Drive to allow Lonza to expand its existing freezer building with a one-story addition of similar construction of approximately forty-nine hundred (4,900) square feet, all in accordance with the terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated October 10, 2019.**

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

VI. Finance:

A. Reports:

1. FY 2020 Financial Report for the Two Month Period Ending August 31, 2019

Finance Director Irv Canner (Canner) spoke to the first two months of the fiscal year with no real surprises. With respect to the Operating Revenue the PDA is close to budgeted amount with a slight variance and Operating Expenses are somewhat under by about 4%. Had an extensive cut-off at the end of June for the Fiscal Year audit of 2019; typically we see an underrun of expenses at this time. The primary reason for the revenue underrun is the decrease in fuel sales which is due to the condition of the Portsmouth Fish Pier and will not see fuel sales at the Pier in the immediate future. Otherwise the budget depicts consistency for the first two months. Labor costs are within budget and personnel services are slightly below budget; staffing shows 138 people as of September 30th and as of October 22nd's payroll PDA will be paying 135 individuals. We will be noticing a ramp down at the golf course of personnel and the winter personnel will be starting in roughly November. The organizational chart shows four (4) open positions; PDA has hired an Assistant Director of Finance, Chris Cooper, who has her CPA and joined PDA on Tuesday. Ms. Cooper's position is a transitional one who will shadow Ron Jodz who anticipates retiring in April 2021, and if things work out to replace Canner as the Finance Director who will retire sometime after Mr. Jodz' departure. Under Deputy Director/PSM Airport Director Paul Brean (Brean) there is an open Information Technology Director position which the PDA will be working with the technology group at Berry Dunn to assist in the selection/interview process for this position. Staffing at this time is 62 filled fulltime positions.

Operating expenses show no emerging trends in terms of budget variances, the larger variance is the fuel sold in association with the fuel sales. The balance sheet is very strong; our cash position grew which was due to the operating income which comes across from revenue and expenses (Terminal Expansion, Barge Dock and other Division of Ports and Harbors (DPH) projects), DPH projects represent approximately 90% of capital money spent to date. Have not had to process the Revolving Line of Credit (RLOC) for the past two years but anticipate with the upcoming projects it will be necessary to utilize the RLOC in approximately June to support the terminal expansion and runway.

Enplanements are currently 20% ahead of last year and the corresponding income associated with the airport are due to the enplanements (i.e.; rental vehicles, parking, fuel flowage etc.); pay-for-parking and fuel flowage were two new revenue streams that commenced last fiscal year. Skyhaven is about 20% ahead of gallons sold in fuel sales which is a good indication of activities at the airport. The first time since 2017 the year-to-date income versus expenses indicates Skyhaven broke even.

DPH indicates a major source of revenue but the operating income number is what provides the net cash flow to cover the debt and other expenses such as administrative costs, maintenance costs, legal services, engineering costs etc. The consumption of electricity is pretty steady and later this fall will review the energy contract and that we put out to bid periodically.

Golf Course continues having a good season; for the first two months there has been an increase in revenues with expenses staying flat. This is associated with the golf fees of non-member play and year-to-date the rounds of golf played were this season were up 5%. Grill 28 is about 10% ahead of last year; stated that PDA has a percentage relationship as a source of revenue from Grill 28 too.

DPH unrestricted funds are under budget due to loss of fuel sales representing the sales at the Portsmouth Fish Pier. DPH makes 5 to 6% for each fuel sale so while there is a decrease in fuel budgeted sales the net – net to the bottom line is about 6% of that.

2. Cash Flow Projections for the Nine Month Period Ending June 30, 2020

The current PDA cash balance will drop by about 90% by the end of June. The chart indicates the need to access the RLOC in April which will put PDA at threshold. This decrease is due to capital expenditures for grant and non-grant related activities which will be spent on the terminal expansion and the runway. As long as the schedule and budgets hold anticipate being into the RLOC between \$13 - \$15 million dollars when both these projects are done.

The monthly cash flow is tapered to indicate when will have to dip into the RLOC which is represented by the sources of external financing. Some of the operating expenses on use of funds are associated with the insurance monies in the month of December; PDA pays an annual premium instead of prorating it and in March is the CLF obligation. With respect to interest rate environment the chart shows a decrease and it indicates if we borrowed today it would be at 4.58% which is consistent and the interest rate is lower than it was last year at this time.

The unrestricted cash balances at DPH are drifting down; the next couple of months will be the recognition of the mooring fees that come in which shows in the months of January, February and March. The consistency is typical when looking back to previous years. Spoke to the cash balances regarding restricted funds (RLF and Harbor Dredging). Notes to mention is that as the RLF cash balance gets higher and higher comes the idea of potentially sequestering money because there isn't enough loan activity. However, last month the RLF Committee approved a loan which will be paid out soon. Harbor dredging fund has been a resource of DPH

to seek approval from the CBOC on utilizing CBOC funding for renovations and repairs at the various marinas.

Brean indicated to the Chairman and the Board that there were five (5) trees down at the Golf Course due to the storm last evening; asked if EJ Chea who is representing the Golf Course could provide the presentation so he could return back to the course as soon as possible.

The Board, as a whole, voted to suspend the rules and move the report regarding the Golf Course up in the agenda;

Discussion: Chairman Smith asked to be able to do the approval regarding VI (B)(1) which would conclude the Finance section of the Board meeting. Disposition: Resolved by unanimous vote (7 - 0) for; motion carried.

B. Approvals:

1. Certified Annual Financial Statements and the Uniform Guidance Audit of Federal Awards

Director Bohenko moved and Director Torr seconded that **in accordance with the recommendation of the Pease Development Authority Audit Committee, the Pease Development Authority (PDA) Board of Directors accepts receipt of the Certified Annual Financial Statements for the years ended June 30, 2018 and 2019 and the Uniform Guidance Audit of Federal Awards for the year ended June 30, 2019, both attached in draft form; all as otherwise prepared and submitted by PDA's independent auditor Berry, Dunn, McNeill and Parker, LLC.**

Whereas the final Annual Financial Statement is subject to receipt of an audit letter from the law firm of Kutak Rock and the receipt of the final actuarial report as prepared by Segal Consulting for the State of New Hampshire, the Board of Directors further authorizes the Executive Director to forward the Certified Financial Statements to the State of New Hampshire when final for inclusion in the Comprehensive Annual Financial Report.

Discussion: Bohenko again stated that Tuesday the Audit Committee met and had an in-depth discussion with the auditors and the Committee was satisfied and supported this motion. Lamson indicated that as a Finance Committee member it is really important to have an Audit Committee and the Audit Committee has done an outstanding job and is pleased.

Disposition: Resolved by unanimous vote for; motion carried.

Golf Course Report:

Golf Course General Manager Scott DeVito was unable to attend the Board meeting so Head Superintendent EJ Chea ("Chea") informed the Board that the Golf Course took a hit last night from the storm but nothing major. Had a few trees that came down and fell in a good direction; it could have been worse, there is a big clean up ahead.

In the process of wrapping up the 2019 golf season; some of the highlights being 10,000 rounds for both the months of July in August which is an all-time record for the two months combined; course held up well, weather was good and rounds were up. The pay-now-play now has commenced and so far 22 people have taken advantage of this opportunity; this allows them to pay for next year's membership now, golf for the remainder of this season and members for next season. This number continues to increase (year-to-year) with more individuals taking advantage of the opportunity. Last major event for permit holders was last week which was a Gold Ball event; this weekend there is a college tournament hosted by Great Bay Community College which is the last event on the books this year. Currently anticipate the end of season being Sunday, December 1st, if the weather allows. Transitioning to winter staffing and winter projects. The Simulator Room has been upgraded (new software, courses, projectors and screens) and is ready to go and the simulator league starts at the end of the month. The previously approved fairway aerator has allowed for the continued aeration of fairways and tees in-house by staff (which was a service previously contracted out). Before the winter staff will be attempting to renovate one or two more bunkers (7 bunkers already done by in-house staff) before the winter.

Bohenko commented on the success of the simulators and the money invested has a very quick payback. This not only keeps individuals involved with the golf course in the winter but helps the restaurant side. It should be noted that it is not just a summer season activity as have incorporated leagues with the simulator etc. and it should be commended.

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

In accordance with the "Delegation to Executive Director: Consent, Approval and Execution of License Agreements," Mr. Mullen reported the following:

A. Reports:

1. Right-of-Entry – NH Employment Security use of 360 Corporate Drive and 100 New Hampshire Avenue for overflow parking

Mr. Mullen indicated that NH Employment Security had been granted a Right-of-Entry to use the premises 360 Corporate Drive and 100 New Hampshire Avenue for overflow parking associated with a employment fair which was held at the Great Bay Community College.

2. Right-of-Entry – NECI use of 360 Corporate Drive for overflow parking

Mr. Mullen indicated that New England Control Inc. (NECI) is a new tenant at 200 International Drive and has been granted a Right-of-Entry to use the premises at 360 Corporate Drive for overflow parking associated with a Grand Opening and an employment fair the second day (October 16th and 17th).

B. Approvals:

1. Jalbert Leasing, Inc. dba C & J Bus Lines – Parking License (4 lots)

Director Allard moved and Director Torr seconded that **the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a License with Jalbert Leasing, Inc. d/b/a C & J Bus Lines (“C & J”) of Portsmouth, NH for the purpose of satellite parking of C & J customer vehicles. The License is effective from November 1, 2019 through October 31, 2020; all in accordance with the License.**

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

2. Lonza Biologics - Parking License for 55 International Drive

Director Lamson moved and Director Torr seconded that **the Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations and to execute Amendment No. 8 to the Parking License Agreement with Lonza Biologics, Inc. for parking spaces located at 55 International Drive. The License Amendment is extended from November 1, 2019 through October 31, 2020; all in accordance with License Agreement Amendment No. 8.**

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

3. VMD Systems Integrators, Inc. – License for space in Airport Terminal

Director Levesque moved and Director Allard seconded that **the Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations and to execute a License with VMD Systems Integrators, Inc. for a period of three (3) years effective November 1, 2019 through October 31, 2022, for the use of designated office space (utilizing a break room, an office, locker rooms and an on-site training room) at the airport terminal. This agreement will allow the airport to meet the TSA requirements to provide designated areas to store security sensitive information, conduct recurrent training and support employee work breaks; all in accordance with the same terms and conditions set forth in the Memorandum from Paul E. Brean, Airport Director, dated October 2, 2019.**

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

VIII. Leases:

In accordance with the “Delegation to Executive Director: Consent, Approval of Sub-lease Agreements,” Mr. Mullen reported on the following subleases:

A. Reports:

- 1. Sublease between 222 International, Limited Partnership and Speedpro Imaging of Portsmouth**

Mr. Mullen indicated that 222 International, Limited Partnership entered into a sublease

with Speedpro Imaging of Portsmouth (“Speedpro”) for 7,437 square feet within the leased premises at 222 New Hampshire Avenue, for a period of ten (10) years, with an effective date of November 1, 2019. Speedpro will use the premises for general office, warehouse and related uses. Director Allard approved the sublease.

IX. Contracts/Agreements:

In accordance with Article 3.9.1.1 of the PDA Bylaws, Mr. Mullen reported as follows:

A. Reports:

1. Environmental Contract Report regarding Permit Implementation

Mr. Mullen indicated that this report states there were three (3) expenditures to Ransom totaling \$5,106.80 which is part of the environmental work being done related to the CLF settlement and PDA’s pending ms4 application.

B. Approvals:

1. VHB - Transportation Planning and Engineering Services

Director Torr moved and Director Loughlin seconded that **the PDA Board of Directors hereby authorizes the Executive Director to enter into a contract with Vanasse Hangen, Brustlin, Inc. (“VHB”) to provide transportation planning and engineering services to Pease Development Authority for three (3) years with two (2) one (1) year options to extend, subject to the approval of the Executive Director; all in accordance with the memorandum from Maria J. Stowell, P.E., Engineering Manager, dated October 3, 2019.**

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

2. Chadwick Baross, Inc. - Snow Plow / Box Blade

Director Allard moved and Director Lamson seconded that **the Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into a contract with Chadwick - Baross Inc. of Concord, NH, for the purchase of one (1) twenty-six (26) foot (Artic) sectional pusher plow in an amount not to exceed \$24,950.00; all in accordance with the memorandum from Ken Conley – Fleet Manager, dated October 8, 2019.**

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

3. Fred C. Church, Inc. – PDA Worker’s Compensation Coverage

Director Loughlin moved and Director Torr seconded that **the Pease Development Authority Board of Directors authorizes the Executive Director to accept and bind Workers Compensation insurance coverage for the Pease Development Authority to be provided by MEMIC and brokered by Fred C. Church Insurance, Inc. (“Church”) for the period of 12/31/19 through 12/31/20 in the projected amount of \$62,189.00; all in**

accordance with the Insurance Proposal prepared by Church and the memorandum of Anthony I. Blenkinsop, Deputy General Counsel, dated October 8, 2019.

Discussion: Bohenko commended management in the decrease in experience modification from 1.08 to .90.

Disposition: Resolved by unanimous vote for; motion carried.

4. Terminal Expansion Project Cost Update

Director Bohenko moved and Director Allard seconded that **the Pease Development Authority Board of Directors approves of and authorizes additional funding for the terminal expansion project outlined below and further authorizes the Executive Director to execute all necessary documents to effectuate the following;**

1. Award a contract to the lowest qualified passenger boarding bridge bidder in an amount not to exceed \$876,360;
2. Increase the construction contract with Hutter Construction in an estimated amount of \$234,661.30 to add dynamic glass, and to do necessary fit up for the Explosive Detection System (EDS) equipment;
3. Increase the construction administration contract with McFarland Johnson in the amount of \$78,100 for related design and construction administration services; and,
4. Add a project contingency in the amount of \$475,000, which will allow PDA staff to proceed with construction in the event of unforeseen conditions or other changes that would impact contract amounts;

all in accordance with the memorandum of Maria J. Stowell, P.E., Manager, Engineering, dated October 16, 2019.

Discussion: Maria Stowell (Stowell) provided further explanation as to the items requested. Early last year the terminal project was brought before the Board with a budget of approximately \$19 million. Since then circumstances have changed and things that have been made clearer which have impacted the cost. The Passenger Boarding Bridge (PBB) work had been bid in early last year but there was some delay in awarding the contracts as PDA was waiting to hear from FAA on funding; also if some of the money was spent too early then it wouldn't be available for FAA funding. Due to the FAA funding delay, the PBB bids expired resulting in the need to rebid resulting in the cost increase. Stowell further stated that Brean informed the Board at the August meeting of the TSA notification concerning the Early Detection System (EDS) so fit-up and redesign needed to be done associated with receipt of this new piece of equipment. Next was discussion of the dynamic glass / curtain wall for the terminal. During design there was discussion concerning the glass being on the west side of the building resulting in heat gain in the summer. The solution was to add "fins" on the outside of the building which helps to shade the sun and

limit the solar gain. Upon further reflection regarding the fins, there was discussion on maintenance of the fins (snow, ice, birds' nests, cleaning etc.) which brought the discussion to dynamic glass. Dynamic glass is not new, it is proven and it is believed it will work at PSM. A film is placed on the glass and when you apply a low voltage electrical current the glass tints making it darker in the summer and lighter on cloudy days when you want it. Stowell displays a diagram to the Board showing the impact to the look of the building. Research has been done by both PDA and its consultants and this is what is being recommended to the Board which would be an upcharge to the cost of the building but recommend worth doing. Previously the \$19 million budget did not include a contingency amount and as things move along there may be additional unforeseen conditions which warrant the need for funding. Therefore, requesting a contingency of just under 5% which is a reasonable amount and consistent with industry standards.

Bohenko agreed that the contingency amount is standard. Director Allard (Allard) asked if the photo was from the runway perspective and Stowell indicated it was. Lamson indicated we want a quality airport and want people to come and go. Lamson further asked Smith to relay this information to the Governor so he understands what PDA is doing by keeping him onboard. Smith indicated he would be seeing the Governor later in the day and would be happy to relay the information. Smith indicated he would concur about the contingency as being an appropriate amount.

Disposition: Resolved by unanimous vote for; motion carried.

X. Executive Director's Reports/Approvals:

A. Reports:

1. Golf Course Operations

This item was moved and addressed at the beginning of the Board meeting.

2. Airport Operations

a) Portsmouth International Airport at Pease (PSM)

(i) Dan Fortnam – Exercise of Option to Consulting Agreement

PDA Deputy Director / PSM Airport Director Paul Brean ("Brean") informed the Board that there have been more troop activity in the terminal this month. Slow on the commercial side (approx. 1,300 passengers on Allegiant) and heavy troop activity (apprx. 3,700) for a total of approx. 5,000 enplanements and are at about 95,000 enplanements for the years. Tremendous volume on the military side regarding fuel flowage for the C-17s and KC-135 activity as other squadrons are using PSM as a tech stop.

September parking was down in the passenger parking lot with 289 transactions. The airport has passed the revenue goal for parking with approximately 12,000 customers parked at the revenue lot and have paid for the investment and a little more.

Brean followed up with the Chairman from the last meeting and to indicate that Fleet Manager Ken Conley did call around to three local vendors regarding buses. Unfortunately the

ADA buses have quite a bit of unique up-fitting. However, all three vendors, especially Hilltop, were very intrigued of the potential tax credits and would keep us in mind for future with any leftover stock and would reach out.

PSM Airport Operations Manager Andrew Pomeroy went down to Allegiant's annual conference. Allegiant was excited to hear about the new EDS equipment, indicated that the lack of this equipment and the current screening of baggage manually is the only thing that currently restricts them from adding more flight capacity back-to-back.

The Airport Joint Use Agreement (AJUA) with the Air Force is still outstanding (since last September). PDA is in negotiations and believe we have amicable terms (PSM takes on the maintenance of the airfield, taxiways and runways and Air Force takes on Air Traffic Control and ARF Fire Rescue) which are the same as before. These terms have been strengthened up concerning notice periods and hope that this will be executed shortly.

PCA has its Hangar 229 rehab under the universal lease agreement where they have committed to putting capital funding into rehabbing the facility for aviation use and the building is being brought back to life. PCA also has a solar initiative at its FBO facility

b) Skyhaven Airport (DAW)

Brean indicated that there is not a lot going on at Skyhaven but the fact that the hangar has been rented out and fuel is flowing it could balance out up there.

c) Noise Line Report

Brean stated that there were a total of twelve (12) noise inquiries in September which were related to fixed-wing military jets flying between 12:30 a.m. and 7:00 a.m. due to storms throughout the country. Eleven (11) inquires were concerning 6 F-16s (2 calls from Eliot, ME; 5 calls from Rye, NH; 2 from Newington, NH and 2 from Portsmouth, NH). The F-16s had not been scheduled to arrive in PSM, but rather were diverted to PSM due to unforeseen circumstances. The last inquiry was from a Newington residence concerning two C-17's arriving and departing during the early morning hours.

Lamson asked Brean if there were F-16s flying over the Bay on Sunday; Brean affirmed. Brean further stated that looking at the forecast there may an increase in military activity in the coming months; Brean clarified to indicate more transports.

Allard asked if the ANG still has two of the 46A planes; Brean affirmed and further stated the ANG is supposed to receive another one next month and scheduled for one a month. Allard asked if they were being flown; Brean indicated they are not flying at this time. Brean indicated that this was planned for training purposes.

Allard asked about helicopter activity; Brean indicated the helicopters are in the hanger but hasn't received an official word about cease of operations but have not seen much rotorcraft activity.

Levesque departed the room at 9:56 a.m. and returned at 9:57 a.m.

B. Approvals:

1. Bills for Legal Services

Director Bohenko moved and Director Torr seconded that **the Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$5,695.78 for legal services to the Pease Development Authority from Kutak Rock (August 1, 2019 – August 31, 2019).**

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

2. Manager Airport Administration

Director Lamson moved and Director Torr 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 and add a full-time, benefited, exempt position of Manager of Airport Administration; and to fill said position with an appropriately qualified candidate; all in accordance with a memorandum from Paul E. Brean, PDA Deputy Director/PSM Airport Director, dated October 9, 2019.** (NOTE: Scribner's error as the date of the memorandum should be September 23, 2019.).

Discussion: Bohenko asked for a briefing on the rationale of the position. Brean indicated that the succession plan calls for Brean shadowing Mullen as the Deputy Director. Mid-year 2020 Mullen will retire and Brean to take on the Executive Director's role and will not be backfilling the Airport Director's role as there are candidates in place who are able to lead their units. Believe that there is a missing component in relation to the daily administration such as payroll, direct oversight of staffing. As Mullen was to commercial property development Brean will be to airport development, he will be a strong Executive Director with an airport background. Brean will need a point person at the airport to handle the day-to-day operations. Lamson indicates that in order for the airport to be run effectively an administrator is needed.

Disposition: Resolved by unanimous vote for; motion carried.

XI. Division of Ports and Harbors:

Geno J. Marconi ("Marconi), Division Director of the Division of Ports and Harbors ("DPH"), reported on Division activities, and the reports before the Board represent the current business at the DPH.

A. Reports:

1. PDA Port Committee Minutes of April 4, 2019

Marconi indicated that the Committee met on October 2nd (NOTE: Marconi incorrectly stated the date as the Committee met on October 3rd) and approved the minutes.

Marconi asked Loughlin, Chair of the Port Committee, if he would like Marconi to update the Board of the meeting a couple of weeks ago; Loughlin affirmed. Marconi indicated that he updated the Committee regarding construction projects.

First, the Legislature in its budget negotiations included \$3.25 million for the replacement of the seawall at the Portsmouth Fish Pier and in the approval section Marconi will be seeking approval for the proposal for Appledore Marine Engineering to go into the design and permitting for the replacement of that wall,

Second was the BUILD grant for the rehabilitation and modification of the existing main ship dock. Myrad cannot finalize the grant award until the NEPA review is completed; drafts have been going back and forth between DPH (with assistance from Deputy General Counsel Blenkinsop) and Myrad; and

Third was the functional replacement for what was lost during the Sarah Long Bridge replacement. DPH is on standby with this for now as the project proceeded based on a concept that NHDOT had done back in 2014. DPH has reached the 65% design and estimating that the 2020 costs have increased by approximately 40%. DOT is reviewing the plans and hope to have word from them to proceed to final design.

2. Port Advisory Council Minutes of June 12, 2019

Lamson asked Marconi what a “windmill ship” is that is referenced in the minutes. Marconi indicated that it is a heavy list ship that brought in the components for the windmill project being done in Antrim.

3. Granite State Minerals – License Extension – 2nd of Four One (1) year Options

This is a letter from Granite State Minerals exercising the second of four (4) one (1) year options to extend its license.

4. Isle of Shoals Steamship Company/City of Portsmouth – Parking Agreement

This is to use ISSCOs parking lot in the winter for parking for people downtown. This has been very successful and they wish to continue.

Smith left the meeting at 10:03 a.m. and returned at 10:06 a.m.

B. Approvals:

1. Appledore Marine Engineering Proposal for Seawall Repair at Portsmouth Commercial Fish Pier

Director Levesque moved and Director Lamsom seconded that **the Pease Development Authority Board of Directors hereby authorizes the Executive Director to agree to and execute the Proposal dated October 8, 2019, submitted to the Division of Ports and Harbors (“DPH”) by Appledore Marine Engineering, LLC (“AME”) of Portsmouth, New Hampshire, for engineering and construction services related to the replacement of the seawall at the Portsmouth Commercial Fish Pier, in an amount not to exceed \$324,046.00; funding of this proposal to be provided through general funds of the State of New Hampshire; all in accordance with the Memorandum of Geno Marconi, Division Director, dated October 8, 2019.**

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

2. Pepperrell Cove Marine Services, Inc. Contract for Mooring Removal and Re-installation work in Hampton and Seabrook Harbors

Director Loughlin moved and Director Torr seconded that **the Pease Development Board of Directors ratifies execution of and approves the Agreement entered into by the Executive Director with Pepperrell Cove Marine Services, Inc. to perform mooring removal and re-installation work in Hampton and Seabrook Harbors for the purpose of facilitating the dredging work in connection with the Hampton/ Seabrook Harbor dredge project, all in accordance with the memorandum of Geno J. Marconi, Division of Ports and Harbors Director, dated October 9, 2019.**

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

XII. Non-Public Session

Director Torr moved and Director Loughlin 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. Security Matters; and**
- 2. Sale or Lease of Property**

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

Non-Public Session started at 10:10 a.m.

Bohenko left the meeting at 10:26 a.m. for a phone call and returned to the room at 10:29 a.m.

XIII. Adjourn from Non-Public Session/Return to Public Session:

Director Loughlin moved and Director Allard seconded that to **adjourn the Non-Public Session Board meeting was adjourned at 10:32 a.m. and returned back into public session**

at 10:33 a.m.

Director Levesque departed the meeting at 10:34 a.m.

XIV. Vote of Confidentiality:

Director Allard moved and Director Lamson seconded that **Resolved, pursuant to NH RSA 91-A:3, Paragraph III, the Pease Development Authority Board of Directors hereby determines that the divulgence of information discussed at the non-public session related to Security matters would, if disclosed publically, compromise the emergency functions pertaining to security; and 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 roll call vote (6-0 – Director Levesque had already departed the meeting) for; motion carried.

XV. New Business:

XVI. Upcoming Meetings:

Golf Committee	November 18, 2019 @ 8:30 a.m.
Finance Committee	November 18, 2019 @ 9:00 a.m.
Board of Directors	November 21, 2019 @ 8:00 a.m.

All Meetings begin at 8:00 a.m. unless otherwise posted.

XVII. Directors' Comments:

Lamson asked Smith when he speaks with the Governor next to do something about the roundabout (on Arboretum) as it is a mess. Smith asked Lamson if she hasn't received any calls from DOT regarding the roundabout; Lamson affirms. Lamson further states that it is a liability for Newington to ask staff to do it; Smith indicated Newington shouldn't be doing it. Smith did indicate that he brought the roundabout to the Commissioner's attention previously and she thought in the map of who is responsible for what it stated PDA was responsible for the roundabout. Hichee indicated she was unaware of any map but would check with engineering staff to see if one exists as PDA sold the property to DOT; Hinchee does not know of any contractor agreement with them. Hinchee further indicated that she does not remember the Board taking responsibility of the roundabout. Lamson indicated that the only thing that the Transportation Committee did was approve of the roundabout being done, that was all. Bohenko indicated that the City of Portsmouth (COP) had a similar issue on one of the state projects

(down by Tuscan Kitchen) and COP decided to do it; Hinchee indicated it is non-airport and not PDA property.

XVIII. Adjournment:

Director Loughlin moved and Director Allard seconded to **adjourn the Board meeting**. Meeting adjourned at **10:40 a.m.**

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

XIX. Press Questions:

There were no questions from the press who attended the meeting.

Respectfully submitted,



David R. Mullen
Executive Director

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