

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

Thursday, December 19, 2019

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

AGENDA

I. Call to Order:

Chairman Smith (“Smith”) called the meeting to order at **10:03** a.m. in the Board conference room on the Pease International Tradeport at 55 International Drive, Portsmouth, New Hampshire.

II. Acceptance of Meeting Minutes: November 21, 2019

Director Lamson moved the motion and Director Allard seconded that **the Pease Development Authority Board of Directors hereby accept the minutes of the November 21, 2019 Board meeting.**

III. Employee Recognitions

Director Lamson (Lamson) asked if she would be able to take a photo of one of the employees who would be receiving a recognition.

Tanya Coppeta (Coppeta), PDA Employee Relations Manager, recognized PDA employees for their years of service. There are two individuals who have reached ten (10) years and Coppeta stated that they would receive a personalized clock. The first individual Coppeta recognized was Mike Mates who started in 2009 as a Staff Engineer and who has been an important part in the completion of many projects. He is now the project manager running the PSM terminal expansion and runway projects. The second individual Coppeta recognized was Fran Frank who started at PDA in 2009 as an Equipment Manager, quickly moved to snow patrol, and in 2017 he became the Airport Maintenance Manager. His department produces an incredible amount of work and his patience and dedication to Pease are unquestioned. Lamson takes photo of Frank with Executive Director Mullen (Mullen) and Coppeta. Lamson stated that Frank did a wonderful job when he was with the Town of Newington as he is doing here at Pease.

Coppeta recognized PDA employees who have reached twenty (20) years and stated that they would receive \$100 and their name on the PDA wall of fame plaque of service. The first individual Coppeta recognized was KC Conley who started with PDA in 1999 as a mechanic and is now the Equipment Manager and oversees approximately 100 pieces of equipment from weedwackers to

million dollar snow removal equipment. He also co-manages the Airport Maintenance Department and the word is he can fix or rig just about anything. The last individual that Coppeta spoke of was Marie Alekski who started in 1997 and worked in a paralegal role throughout her years at PDA. She retired from that role in 2017 just shy of reaching her 20th year of service. However, PDA had a difficult time replacing her that PDA asked her to return earlier this year to help select and train her replacement. During that time she reached her twenty years of service.

IV. Public Comment:

There was no public comment.

V. Committee Meetings:

A. Approvals:

1. Residential Housing Committee Report

Director Loughlin moved the motion and Director Lamson seconded that in accordance with the provisions of Article III, Section 3.9 of the Pease Development Authority By-Laws, the Pease Development Authority (“PDA”) Board of Directors, at its October 18, 2018 meeting designated an Ad-Hoc Advisory Committee to be known as the Residential Housing Study Committee (“Committee”) to investigate, review and advise the Pease Development Authority with respect to the feasibility of permitting a residential use at Pease International Tradeport and to perform such other functions and duties as may be delegated to it from time to time by Chairman Smith;

This Committee was established on December 20, 2018 and met seven times during the 2019 calendar year. During these meetings there was a bus tour of the PDA facility; discussions on parcels of interest and with developers at PDA; evaluation of zoning options; considerations of residential uses as accessory versus permitted; and a detailed review of the challenges to establishing a residential housing use at Pease;

At its November 21, 2019 meeting the Committee voted to accept and finalize a report on its work as written and to present the final report to the PDA Board of Directors at the December 19, 2019 meeting; and

The PDA Board of Directors hereby accepts the Residential Housing Study Committee final report dated December 11, 2019, as presented, and takes the following action:

1. Authorize the Executive Director to disseminate the report as he deems most appropriate, including but not limited to placement on the PDA’s website;
2. Provide copies of the final report to the City of Portsmouth and Town of Newington for them to dispense as they see fit; and
3. Extend the gratitude and appreciation of the Pease Development Authority Board of Directors to all of the Ad Hoc Committee members who took time out of their schedules to carefully review and contemplate the feasibility of permitting a residential housing use at the Pease International Tradeport.

Discussion: Chairman Smith (Smith) made a few comments and recognized a few people. First and foremost he thanked Councilor Rebecca Perkins (of the City of Portsmouth - Perkins) for being the impetus for leading the charge to establish this Committee in the first instance. Perkins approached Smith shortly after he had been appointed as Chairman as she thought it was important to study this matter as housing remains a big issue statewide. Smith also thanked the PDA staff, especially General Counsel

Lynn Hinchee who was not at today's meeting, as there was a lot of staff time that went into the Committee through research etc. as well as their cooperation and all of the work they did to complete the report. Lastly, Smith thanked the Board for when this was discussed last December there had been some trepidation in doing so (it wasn't a unanimous vote). The report will serve as a historical document going forward; the report will show that housing has been studied in the event someone brings up housing on Pease in the future. Smith indicated that he attended a housing conference (the Governor was also in attendance) last week held at St. Anslem's that spoke to the vital issue of housing throughout New Hampshire and the lack of both market and affordable housing being available in the state at this time. Smith indicated that housing is an impediment to businesses wanting to come into the state because they also want places for employees to live. Smith expressed appreciation to everyone for all of the time and work that went to this study. Smith asked Perkins if there was anything she wanted to add. Perkins indicated nothing particular, but also wanted to echo her thanks to everyone involved and further agreed that it will be an important historical reference.

Lamson thanked Perkins too.

Disposition: Resolved by unanimous vote for; motion carried.

VI. Old Business:

A. Approval:

1. Lonza – Additional Onsite Parking Concepts

Director Allard moved the motion and Director Loughlin seconded that **the Pease Development Authority Board of Directors approves the attached parking conceptual site plan for Lonza Biologics, Inc. ("Lonza"), and authorizes the Executive Director to seek reimbursement from Lonza for the costs to PDA to obtain the required third-party review of stormwater treatment design; all in accordance with the terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated December 10, 2019.**

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

2. IAPP – 68 New Hampshire Avenue

THIS ITEM WAS PULLED FROM THE MEETING AND WILL BE PLACED ON AN UPCOMING MEETING AGENDA IN 2020.

VII. Finance:

A. Reports:

1. FY 2020 Financial Report for the Four Month Period Ending October 31, 2019

Finance Director Irving Canner (Canner) indicated that this report is a four month outlook on finances. The trends are remaining, revenue and operating expenses are lower which appears to be more of a timing issue. Closed out November books recently and see that the revenues are tighter (less than 1% under budget) and operating costs are lower by about 2.8% (this does not include the snow incurred the end of November beginning of December storm). The area received 15.5 inches of snow

and with the maintenance group tracking its impact it is anticipated that PDA incur \$115,000 in expenses (labor, chemicals, sand etc.) and will show up in December reporting.

Operating revenues have a slight underrun of \$97,000 which is associated with fuel flowage at the Fish Pier. Canner indicated that sending out January bills to include just over a 2% inflation rate increase which was consistent with the budget. The underrun under "All Other" related to the fuel purchasing.

Canner spoke to the organizational chart and staffing. He indicated that as of December 9th there were 128 employees, as of the 19th's payroll there will be 119 employees which shows the transition downward from the Port and Golf Course activities and the ramp up of seasonal snow employees. The organizational chart shows two (2) open positions and fifty-five (55) filled positions. Lamson spoke to in June having 157 employees and asked how many employees are there currently; Canner indicated 118 as of this week. Canner indicated that the open positions are Airport Administrative Manager and Equipment Operator. Transition with new employees at PDA, Chris Cooper was introduced at the November meeting and the new IT Director is Greg Siegenthaler. One of the first things Greg will be addressing is the IT assessment report from Berry Dunn.

The overrun in legal expenses are associated with the CLF follow up work that was required to be performed. Otherwise the budget is holding and no surprises are anticipated. The balance sheet remains strong; but highlights the impending need for the Revolving Line of Credit (RLOC) which will come to fruition in the next couple of months. Cash balances are up since June which comes from operating revenue less expenses. Year-to-Date PDA has spent approximately \$1.4 million in capital assets (two projects associated with the assets are the terminal project and the Barge Dock at the Port). Canner stated that the audit has been completed and the last task which needed to be completed was to upload the certified reports to the FAA. PDA has submitted the report to the state and the state builds the CAFRA report which is the overall report for all agencies.

Canner spoke to PSM enplanements of 110,754 and passengers through the terminal has exceeded 200,000. There is good activity at Skyhaven and fuel sales are up by about 35% in gallons and breaking even in terms of revenue and expenses. There is a steady state of operations at Skyhaven and there is a lot to be commended in terms of the operations employees.

Canner indicated that the golf course has been "put to bed" now but that the final numbers indicate an excess of 55,000 rounds of golf (4,000 more than 2018); Grill 28 sales are up by about 10% from last year; operating revenues up by about 19% (associated with golf fees) and a small increase in expenses by about 4%.

2. Cash Flow Projections for the Nine Month Period Ending August 31, 2020

Canner indicated the anticipated need to get into the RLOC and this need arises from expenditures for capital (terminal and runway project) and there may be a need to prioritize future expenditures. Canner indicated that the interest rate environment has decreased by about 14% from this time last year making the anticipated need to draw the money from the RLOC very favorable.

Reviewing the Port and the restricted funds the chart shows that it is very consistent with in terms of getting its mooring permit revenues during the January/February timeframe.

3. **Revolving Loan Fund**

Canner stated that one loan had closed in the month of August through November to Gerald Worcester for the purchase of a vessel together with all gear, equipment licenses, permits and accessories in the amount of \$97,500.00. There are no other known new loans, only two anticipated; currently there are twenty-two (22) participants in the amount of \$1.1 million. Canner stated this information because if PDA cannot maintain enough cash in the borrowing element the funds could get sequestered.

Lamson asked if the IT Director had started; Canner affirmed and indicated he started about two or three weeks ago. Canner further informed the Board that Siegenthaler has been taking tours, been in touch with personnel, reviewing the assessment report prepared by Berry Dunn and has made a positive impact on the PDA organization in a very short period of time. Lamson stated that Director Bohenko had requested background information for this meeting. Smith asked Lamson if she would like to see Siegenthaler's CV; Lamson indicated she did not need to see that. Paul Brean (Brean) indicated to the Board that Siegenthaler had a pre-booked holiday vacation to visit family in Wisconsin which was why he was not able to attend the meeting. Smith asked to be provided with the phonetic spelling of Siegenthaler's name.

VIII. **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 - Jalbert Leasing, Inc. d/b/a C & J Bus Lines – 100 New Hampshire Avenue**

Mr. Mullen indicated that Jalbert Leasing had been granted a Right-of-Entry to enter upon and utilize a 3.78 +/- acre parking area situated at 100 New Hampshire Avenue, Portsmouth, New Hampshire for the period commencing February 22, 2020 through midnight May 3, 2020 (72 days) for the purposes of parking C & J customer vehicles on a valet basis only.

2. **Right-of-Entry - 2-Way Communications Service, Inc. - 19 Durham Street**

Mr. Mullen indicated that 2-Way Communications Service, Inc. had been granted a Right-of-Entry to enter upon the premises located at 19 Durham Street from December 1, 2019 through December 31, 2019 for inspection purposes to determine if the Premises is suitable for 2-Way's intended use and have agreed to extend another thirty (30) days and will report when it is finalized.

B. Approvals:

1. NH DOT – Portsmouth Transportation Center Extension of Right-of-Entry

Director Levesque moved the motion and Director Allard seconded that **the Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into an Extension of the Right-of-Entry with the New Hampshire Department of Transportation for the Portsmouth Transportation Center and associated parking facility located at Pease International Tradeport for a period of one (1) year; all in accordance with the draft Extension of Right-of-Entry.**

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

2. Skyhaven Flying Club – Flight Simulator ROE

Director Lamson moved the motion and Director Loughlin seconded that **the Pease Development Authority Board of Directors hereby authorizes the Executive Director to a one year extension of the Right-of-Entry with the Skyhaven Flying Club, Inc. for the purposes of operating a flight simulator retroactively effective from October 1, 2019 through September 30, 2020; all in accordance with and the memorandum of Paul E. Brean, PDA Deputy Director/PSM Airport Director, dated December 12, 2019.**

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

IX. Leases:

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

A. Reports:

1. Exercise of First Renewal Option - Rochester Electronics (1635 Realty, LLC) – 20 Durham Street

Mr. Mullen indicated that 1635 Realty, LLC (Rochester Electronics) has exercised its first renewal for property located at 20 Durham Street and the lease has been extended through October 31, 2025.

B. Approvals:

1. Lease for 2-Way Communications Service, Inc. –19 Durham Street

Director Loughlin moved the motion and Director Allard seconded that **the Pease Development Authority (“PDA”) Board of Directors hereby approves and authorizes the Executive Director to complete negotiations with 2-Way Communications Service, Inc. and to execute a Lease for the premises located at 19 Durham Street; all as otherwise on terms and conditions substantially similar to those set forth in the Letter of Intent from David R. Mullen, Executive Director, dated December 10, 2019.**

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

X. Contracts/Agreements:

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

A. Reports:

1. Jones Snow Plowing Services - Snow Removal Services for the Division of Ports and Harbors facilities

Mr. Mullen indicated that the terms of the contract for snow removal services for the facilities for the Division of Ports and Harbors, the Pease Development Authority has exercised its fourth and final option to extend the term of the contract for the season of December 1, 2019 through April 30, 2020.

B. Approvals:

1. Read Custom Soils - Runway Sand

Director Allard moved the motion and Director Louglin seconded that **the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a contract with Read Custom Soils, for the purpose of providing FAA approved runway sand for the Airport runways at the price of \$89.00 per ton for the period of January 1, 2020 through December 31, 2020; in accordance with the memo from Sandra McDonough, Airport Operations Specialist, dated December 12, 2019.**

Discussion: Lamson asked Brean if the price per ton had increased from last year; Brean indicated the pricing has actually gone down and that this is a new local vendor Brean indicated that PDA will see a cost savings overall from the former supplier by approximately \$30. Lamson indicates she may be thinking of the deicing; Brean stated that he believed that went up \$0.02.

Disposition: Resolved by unanimous vote for; motion carried.

2. Nachurs Alpine Solutions Industrial - Runway Deicing Liquid

Director Lamson moved the motion and Director Allard seconded that **the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a contract with Nachurs Alpine Solutions Industrial of Marion, Ohio, for the purpose of purchasing potassium acetate based runway deicing liquid at a price of \$4.51 per gallon for a period of January 1, 2020 through December 31, 2020; all in accordance with the memorandum of Sandra McDonough, Airport Operations Specialist, dated December 12, 2019.**

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

3. Nachurs Alpine Solutions Industrial - Runway Deicing Solid

Director Levesque moved the motion and Director Loughlin seconded that **the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a contract with Nachurs Alpine Solutions Industrial of Marion, Ohio, for the purpose of purchasing sodium formate based runway deicing solid at the price of \$0.76 per pound for a period of January 1, 2020 through December 31, 2020; all in accordance with the memorandum of Sandra McDonough, Airport Operations Specialist, dated December 12, 2019.**

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

4. Cross Insurance – PDA Insurance

Director Allard moved the motion and Director Loughlin seconded that **the Pease Development Authority Board of Directors authorizes the Executive Director to accept and bind insurance coverages for the Pease Development Authority to be provided by Cross Insurance, Inc. as outlined on the schedule attached hereto, in the projected total premium amount of \$117,687.31 for the period of 12/31/19 through 12/31/20, in accordance with the memorandum of Anthony I. Blenkinsop, Deputy General Counsel, dated December 10, 2019.**

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

5. USI-New England, Inc. – PDA Insurance

Director Lamson moved the motion and Director Allard seconded that **the Pease Development Authority Board of Directors authorizes the Executive Director to accept and bind the property insurance coverage with USI – New England, Inc. as outlined on the schedule attached hereto, in the projected total premium amount of \$97,303.00 for the period of 12/31/19 through 12/31/20, in accordance with the memorandum of Anthony I. Blenkinsop, Deputy General Counsel, dated December 12, 2019.**

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

6. Pike Industries – Change Order for LED Runway Lights

Director Loughlin moved the motion and Director Allard seconded that **the Pease Development Authority ("PDA") Board of Directors hereby authorizes the Executive Director to execute a change order to the construction contract with Pike Industries ("Pike") (PDA's selected contractor for the Runway Reconstruction Project) to provide LED runway lights in an estimated amount of \$68,700.00; all in accordance with the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated December 10, 2019.**

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

XI. Signs:

In accordance with the “Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs” Mr. Mullen reported as follows:

A. Reports:

1. 130 International Drive – Milliken

Mullen indicated that PDA has approved a minor signage change request to change existing signage at property located at 130 International Drive to replace the Andover Healthcare monument sign and the signage on the metal canopy to read Milliken; the monument signage will be the same footprint and signage over the door will be in the same location but smaller in size; this change is to reflect a change in tenancy.

B. Approvals:

1. Portsmouth International Airport - Wayfinding Signs

Director Allard moved the motion and Director Loughlin seconded that **the Pease Development Authority Board of Directors hereby approves of the proposed design of the wayfinding signs for the Portsmouth International Airport at Pease (PSM); all in accordance with the memorandum of Paul Brean, PDA Deputy Director/PSM Airport Director dated December 11, 2019.**

Discussion: Smith asked if there will be space on the sign if another commercial airline starts doing business at PSM; Brean indicates that the sign is being fabricated in order to adapt another logo and it may not be the same size to make it easy for additions or deletions. Director Allard (Allard) asked how many signs there will be; Mullen indicated six (6).

Disposition: Resolved by unanimous vote for; motion carried.

XII. Executive Director’s Reports/Approvals:

A. Reports:

1. Elections:

Mr. Mullen informed the Board that in accordance with Article III, Section 3.4 of the PDA By-Laws the election of officers. Pursuant to Section 3.6 the officers to be elected are Vice Chairman and Treasurer of the Board, both of whom will serve for the term of one year or the next annual meeting whichever occurs first.

A. Vice-Chair:

Smith asks for a motion for a motion of a Vice-Chairman.

Director Lamson moved the motion and Director Allard seconded that **Director Loughlin be elected as Vice-Chairman of the Pease Development Authority.**

Discussion: None. Disposition: Resolved by roll call (5 -0) vote for; motion carried.

B. Treasurer:

Smith asks for a motion for a motion of a Treasurer.

Director Lamson moved the motion and Director Levesque seconded **that Director Allard be elected as Treasurer of the Pease Development Authority.**

Discussion: None. Disposition: Resolved by roll call (5 - 0) vote for; motion carried.

2. Committee Appointments:

Mr. Mullen informed the Board that in accordance with Article III, Section 3.4 and 3.9.4 of the PDA By-Laws the appointment of the Chairman of Director to committees.

Chairman Smith appointed Directors to the following Committees:

Standing Committees

Executive Committee

Kevin H. Smith, **Chair**
Peter J. Loughlin, Vice Chairman
Robert A. Allard, Treasurer
Staff Contact: Mullen/Hinchee

Marketing and Economic Development Committee

Peter Loughlin, **Chair**
Neil Levesque
Frank Torr
Staff Contact: Mullen

Finance Committee

Robert A. Allard, **Chair (Treasurer)**
Margaret Lamson
Neil Levesque
Staff Contact: Mullen/Canner

Zoning Adjustment & Appeals Committee

Frank Torr, **Chair**
Peter Loughlin
Kevin H. Smith
Staff Contact: Hinchee/Stowell

Airport Committee

Kevin H. Smith, **Chair**
Robert Allard
Margaret Lamson
Staff Contact: Brean/Stowell

Ad Hoc Advisory Committees

Capital Improvement and Land Planning Committee

Peter Loughlin, **Chair**
 Robert Allard
 Frank Torr
 Neil Levesque
 Staff Contact: Hinchee/Stowell

Transportation Management Committee

Margaret Lamson, **Chair**
 John P. Bohenko, City of Portsmouth
 Frank Torr
 Staff Contact: Stowell

Golf Committee

John P. Bohenko, **Chair**
 Robert Allard
 Franklin Torr
 Staff Contact: Mullen/DeVito

Port Committee

Peter Loughlin, **Chair**
 Frank Torr
 Neil Levesque
 Ex Officio: Chair DPH Advisory Council
 Staff Contact: Mullen/Marconi

Audit Committee

Peter Loughlin, **Chair**
 Kevin Smith
 John P. Bohenko
 Staff Contact: Canner

Legal Bill Review

Kevin H. Smith, **Chair**
 Peter Loughlin
 Frank Torr
 Staff Contact: Hinchee

Notes: Executive Committee must have Board Chairman as Executive Committee Chair and Board Vice-Chair as Executive Committee Vice-Chair. Finance Committee must have Board Treasurer as Chairman of Finance Committee. Other than that, each Committee must have a minimum of three Directors appointed to each Committee with a Chairman selected from such appointees; appointments to Committees are at sole discretion of Board Chairman.

Smith indicated that Director Bohenko is retiring and that he has made some changes to the Committees listed above. *This list will be updated once the City of Portsmouth appoints a new individual to the Board.*

3. PDA Holiday Schedule – 2020

New Year’s Day		Wednesday	01/01/20
Martin Luther King/Civil Rights Day		Monday	01/20/20
Presidents’ Day		Monday	02/17/20
Memorial Day		Monday	05/25/20
Independence Day	Observed	Friday	07/03/20
Labor Day		Monday	09/07/20
Columbus Day		Monday	10/12/20
Veterans’ Day		Wednesday	11/11/20
Thanksgiving		Thursday	11/26/20
Day after Thanksgiving		Friday	11/27/20
Christmas Day		Friday	12/25/20

Smith also indicated that as of July 1st fulltime employees accrue and are entitled to two floating holidays (to be used by June 30th) at employee's choice.

4. Golf Course Operations:

Golf Course General Manager Scott DeVito (DeVito) indicated that the last day of play was Sunday, December 1st and ended the season with 55,321 rounds of golf played (second time in the past five years that 55,000 has been broken in a calendar year). During the storms the maintenance department was able to get back out and finish the winterization of the golf course. Prepping for next year and at this time there are 43 golf outings pre-booked, 7 golf leagues pre-booked and are working with Grill 28 coordinator to do follow-up thank you letters to those who were at the course this year.

5. Airport Operations:

a) Portsmouth International Airport at Pease (PSM)

Brean, PDA Deputy Director / PSM Airport Director, spoke to the Board regarding an energetic November at PSM with a lot going on. Brean also indicated that on Friday (12/20) PSM will be celebrating its 250,000 passenger through the terminal for the year and should end the year with approximately 115,000/120,000 FAA enplanements. The AIP funding number is 10,000 so PSM will definitely break that this year. Brean also thanked the Board for the support in bringing the terminal facility up to what the passengers need and are demanding. Brean made the comparison for the Board that in 2012 PSM handled 5,000 passengers through the terminal and now in 2019 PSM has seen 250,000 passengers through the terminal (this is individuals coming off the aircraft this figure does not include those individuals picking up passengers or who are greeters).

PCA's fuel flowage for November was robust which provided PDA with a fuel flowage fee of \$12,000.

Terminal parking was implemented this year and anticipate closing out the year at \$550,000 (had budgeted for \$350,000) and anticipate next year will surpass this year's total. There were over 12,000 customers who parked in terminal parking; average stay is approximately 6.5 days for the travelers using the terminal parking which equates to \$44/customer.

Brean indicated that winter ops had two challenging storms and had seasonal operators on at the time and were able to stay open and operational during the storm.

Brean also stated that there is a new Triple Crown winner in New England. Specifically PCA's team received Allegiant's Triple Crown award which after performing a comprehensive audit of PCA presented an award that recognizes underwing safety, service and quality. Another factor which plays into this award is customer feedback and PSM is the only station in its network to receive 100% in all three categories.

NH Air National Guard (NHANG) will host an Open House on September 11, 2020¹. The Open House will be at the base and showcase what is going on at the Guard, the Thunderbirds have been booked to perform as well.

PCA has been rehabbing Hangar 229 and it is coming along, they have finished one piece of its solar initiative at 104 Grafton Drive so that building is running off of solar electricity.

Brean indicated that Maria Stowell's team is working diligently with the runway reconstruction project and are mobilizing the infield work at this time with water mitigation work being performed. The terminal project is moving ahead and the baggage screening project is underway and is set to go live on New Year's Eve and TSA will be in the room that has been building for the new x-ray machine.

b) Skyhaven Airport (DAW)

Brean indicated that there has been an uptick in fuel sales at Skyhaven and are working to get expenses down (LED light conversion; watching labor hours etc.)

c) Noise Line Report

Brean stated that Portsmouth International Airport at Pease received two noise inquiries in November concerning fixed wing aircraft. One inquiry was from a resident in Dover, NH concerning a C-17, a large military cargo aircraft. The caller was concerned that the aircraft was flying too low. The second inquiry was from a resident of Eliot, ME concerning a small single engine aircraft that appeared to be flying low and circling this individual's property.

B. Approvals:

1. Bills for Legal Services

Director Loughlin moved the motion and Director Lamson seconded that **the Pease Development Authority Board of Directors authorizes the Executive Director to expend funds up to \$40,376.75 for legal services rendered to the Pease Development Authority.**

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

2. Annual Leave Buy Back

Director Levesque moved the motion and Director Loughlin seconded that **the Pease Development Authority Board of Directors hereby authorizes the Executive Director to conduct a voluntary 2019 annual leave buy-back program for qualified PDA employees on the terms and conditions set forth in the memorandum from David R. Mullen, Executive Director, dated December 10, 2019.**

Discussion: Mullen indicated that this was done last year and it is helpful to employees;

¹ Brean incorrectly stated that the date of the NH ANG Open House would be September 11, 2020, when in fact the date is September 11, 2021.

Mullen further indicated that the employee still needs to have a 40 hour bank of time after making the request of the buy back. A previous Chairman wanted to make sure that people were able to take vacation when they needed which was how the requirement of the employee to have 40 hours after the buy back.

Disposition: Resolved by unanimous vote for; motion carried.

3. Land Use Controls

Director Levesque moved the motion and Director Allard seconded that **the Pease Development Authority (“PDA”) Board of Directors hereby approves of and authorizes the Executive Director to direct PDA staff to begin drafting proposed amendments to the PDA Land Use Controls related to the construction and post-construction stormwater program and the illicit discharge detection and elimination program, and to consult with the planning departments of both Newington and Portsmouth with regard to the proposed programs’ language; all in accordance with the memorandum of Maria J Stowell, P.E., Manager, Engineer dated December 12, 2019.**

Discussion: Director Loughlin (Loughlin) asked what does this mean on a day-to-day basis. Maria Stowell (Stowell) indicated that on a day-to-day basis it will codify the practices that PDA has currently for construction and post-construction. At this time when a project goes through site plan there is an erosion control plan and there are measures during construction but these amendments will codify them.

Disposition: Resolved by unanimous vote for; motion carried.

XIII. 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. Port Advisory Council – Meeting Minutes of November 13, 2019

Donald Coker who had had been on the PAC for the past ten years has indicated that he does not want to be reappointed and has written a letter to the Governor to indicate the same. Coker attended the meeting last Wednesday evening and Chairman Groux presented Coker with a plaque recognizing him for his service.

2. Right-of-Entry – Heidi and Elisabeth Fisheries - Exercise First Extension at the Portsmouth Fish Pier

Marconi indicated that in accordance with the terms of the Right-of-Entry agreement for use of the cooler and office space for its operations at the Portsmouth Commercial Fish Pier at Pierce Island, Heidi & Elisabeth Fisheries (one of the last ground fishing vessels operating at the Fish Pier) has

exercised its first of two options to renew the agreement. The Agreement is hereby extended to December 31, 2020.

Marconi provided the Board with an update on the wall reconstruction at the Fish Pier to indicate that the wetlands application has been submitted and that Appledore has performed some geotechnical test borings to see where the refusal is when driving the pilings. The preliminary designs have been started and thinks that DPH may be able to go out to bid on this project in the Spring.

DPH continues to work with NHDOT on the functional replacement at the Marine Terminal and have been looking at design changes that could be done in an effort to provide some cost savings because cost of construction has gone up considerably. Considerations are being made to increasing the size of the deck planks in order to lengthening the spacing between the pilings which would reduce the number of pilings (structural considerations such as this to reduce the costs).

Working with MARAD to finalize the agreement for the BUILD grant.

The dredging has been completed in the Hampton/Seabrook Harbor and are awaiting the Corps of Engineers to conduct the post-dredge conditions survey to make sure it meets the requirements of the contract. After the Corps states that the condition survey is okay then the DPH contractor can put all of the moorings back.

The legislature appropriated \$634,000+ for the state's anchorage at Rye Harbor and a wetlands application has also been submitted for this. Contained within the Board agenda is an approval as the Corps recently indicated that the EPA wants sampling done of the state's dredge material. In the past because the channel and the federal anchorage about the small state anchorage it has been assumed that the sampling would be the same. However, the EPA has now indicated the need for three samples in this area but not sure on the range of the sampling. DPH spoke with its environmental consultants who provided a contract for a range of sampling (i.e.; high end - boring samples, as well as a low end - grab samples). Therefore, the approval is to authorize DPH to expend the money if asked to perform the full boat to do the core sampling and the testing of the sampling materials. Director Levesque (Levesque) asked when the Rye Harbor Dredging be done; Marconi indicated that if all goes accordingly construction will begin in late October and the dredge window is November 15th to March 15th. Marconi indicated that the difference between Rye Harbor and Hampton Harbor is that Hampton is all sand and it is pumped out onto the beach for beach nourishment but Rye has a different type of material and it has to be brought to a disposal site in Arundel which is 22 miles away which increases the project due to transportation costs. The Corp of Engineers submitted an application for approval of a disposal site east of Duck Island for the turning basin project which would only be 12 miles. So if EPA could approve this prior to the Rye Harbor dredging being performed, and authorize the Corp to utilize that disposal site, it would reduce the transportation costs considerably.

Senator Shaheen sits on the Transportation Committee and she is working to get the upper most turning basin in the Piscataqua River included in the next Water Resource Development Act; it had been included in the previous act but it expired. Marconi indicated because it is included in the act it is identified as a major project of importance but it still needs to be funded by Congress.

There is a salt ship due in to terminal on December 31st.

B. Approvals:

1. Final Adoption of Pda 501-511 and Pda 513-515 Administrative Rules

Director Lamson moved the motion and Director Allard seconded that **in accordance with the provisions of 12-G:42 X (c), the Pease Development Authority (PDA) Board of Directors hereby approves of the Final Adoption of Administrative Rules Chapter Pda 501 - 511 and Pda 513 - 515, as attached hereto, and authorizes the Division Director of Ports and Harbors to take any necessary or recommended action in accordance with RSA 541-A:14, in furtherance of this matter; all in accordance with the Memorandum of Geno J. Marconi, Division Director, dated December 6, 2019.**

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

2. Right-of-Entry Extension - Riverside and Pickering Marine Contractors at Market Street Terminal for Buoy Project

Director Allard moved the motion and Director Levesque seconded that **reported to the Pease Development Authority Board of Directors at its meeting on May 16, 2019 was a Right-of-Entry requested by Riverside & Pickering Marine Contractors for use of ½ (one-half) acre of laydown area and non-exclusive use of the Barge Dock at the Market Street Terminal for the “Buoy Project”; which Right-of-Entry was extended by the Board on September 19, 2019 through December 31, 2019; based on project review and unforeseen circumstances Riverside & Pickering Marine Contractors are requesting another extension of the Right-of-Entry through June 30, 2020.**

The Pease Development Authority Board of Directors hereby approves of and consents to the second extension of the Riverside & Pickering Marine Contractors Right-of-Entry to allow more time for completion of their project; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated December 10, 2019.

Discussion: Loughlin asked Marconi to explain what the Buoy project is. Marconi stated that this is an R & D project which is an offshore buoy and as the buoy goes up and down in the swells of the ocean there is a piston and a diaphragm inside that produces pneumatic pressure that turns the turbine to produce electricity. The reason for the extension was originally they were going to launch the buoy and due to the fact that the buoy draws forty feet (40’) of water when it is floating, there is only twenty-two feet (22’) of water at the Barge Dock. Therefore, it is necessary to bring it around the face of the pier and then have a barge and have the buoy outside the barge so it would be in forty feet (40’) of water. When DPH was consulted it recommended some changes because it wasn’t adequate enough for being out in the tidal current. DPH provided information it had received when DPH had been thinking of expanding the port as Appledore had placed current meters along the face of the pier and received tide/current calculations for that location. After receiving the information, adjustments were required to the mooring and the barge plans and how it was going to be executed. Allard asked if this was going to create electricity; Marconi affirmed. Allard also asked where the electricity would go out to; Marconi indicated it wasn’t going anywhere. Marconi explained that the electricity will not be going anywhere but rather there is a bank of batteries in the buoy to see if the technology would produce electricity (the buoy is water tight). Allard asked how it would get from the buoy to wherever

it is supposed to go; Marconi indicated that if it gets to the point to indicate it would produce electricity a wire would have to be run to the shore. Marconi indicated it is similar to the offshore wind generators which have to come ashore with a cable eventually. Allard asked how much electricity the buoy could produce; Marconi indicated that this is a research and development project. Marconi further indicated that once the buoy is deployed the University of New Hampshire offshore ocean engineering will be involved in monitoring the buoy. Originally it was going to go into the UNH aquaculture project site south of the Isles of Shoals, but because the anchoring system had to be changed so it was larger they are now going to be adjacent to UNH's project but it will be in its own permanent site which has also delayed to the project as permits needed to be in place.

Lamson asked Marconi if in association with the Eversource project is it one of DPH's boats with an orange flag that comes down the river early in the morning to check on things; Marconi indicated it is not one of DPH's boats and thought it may be a DES boat instead.

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

3. Rye Harbor Dredge Sample

Director Levesque moved the motion and Director Lamson seconded that **The Pease Development Board of Directors ("PDA") authorize the Executive Director to enter into a contract with Ransom Engineering, Division of Ports and Harbors ("Division") Environmental Engineering contractors, for the purpose of sediment sampling in the Rye Harbor state anchorage site in preparation for the 2020-2021 Rye Harbor dredging project , in an amount not to exceed \$131,075.00 from the Harbor Dredging and Pier Maintenance ("HDPM") account, subject to approval of the Capital Budget Overview Committee ("CBOC"); all in accordance with a memorandum of Geno J. Marconi, Division Director, dated December 11, 2019.**

Discussion: Loughlin asked if this was the extra sampling that was just discussed; Marconi affirmed.

Disposition: Resolved by unanimous vote for; motion carried.

XIV. New Business:

XV. Upcoming Meetings:

Chairman Smith presented the 2020 proposed meetings schedule and asked the Directors and staff if anyone would object to the meetings starting at 8:30 a.m.; no one had an issue.

Board of Directors

January 16, 2020 @ 8:30 a.m.

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

XVI. Directors' Comments:

Lamson thanked the staff for all of the great work that they have done and wishes everyone all the best in the New Year.

Chairman Smith too wished everyone a very Merry Christmas and Happy Holidays and reminded everyone that the employee holiday luncheon is at 11:30 a.m. at the Golf Course Clubhouse.

XVII. Adjournment:

Director Allard moved the motion and Director Levesque seconded **to adjourn the Board meeting**. Meeting adjourned at **11:15 a.m.**

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

XVIII. Press Questions:

No members of the press attended the meeting.

Respectfully submitted,



David R. Mullen
Executive Director/Secretary

- * Related Materials Attached
- ** Related Materials Previously Sent
- *** Related Materials will be provided under separate cover
- + Materials to be distributed at Board Meeting
-  Confidential Materials