

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

Monday, June 15, 2015

Presiding: George M. Bald, Chairman
Present: Robert A. Allard, Treasurer; John P. Bohenko; Margaret F. Lamson; Peter J. Loughlin, Vice Chairman; Robert F. Preston and Franklin G. Torr
Attending: David R. Mullen, PDA Executive Director; Lynn Marie Hinchee, PDA General Counsel; PDA staff members; and members of the public.

I. Call to Order

Chairman Bald called the meeting to order at 8:08 a.m. in the Board conference room at 55 International Drive, Pease International Tradeport, Portsmouth, New Hampshire.

II. Acceptance of Board Meeting Minutes: May 21, 2015

Director Lamson moved and Director Allard seconded that **The Pease Development Authority Board of Directors hereby accept the Minutes of the May 21, 2015 Board meeting.** Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

III. Public Comment

There were no comments from the public.

IV. Old Business

No old business was brought before the Board.

V. Finance

A. Financial Reports

1. Operating Results for the Ten Month Period Ending April 30, 2015

Mr. Canner reported on the status of PDA FY 2015 finances for the ten month period ending April 30, 2015, including operating revenues and expenses. Operating revenues are slightly under budget and operating expenses are under budget by approximately 6.2%. At the fiscal year end, operating revenues are expected to be in line with the budget and operating expenses will be below budget by approximately 5% due, in part, to under spending in the legal and marketing accounts. Operating income year to date is approximately \$1.8 million and will be used to fund capital improvements and debt services. Mr. Canner reviewed the variances in budget items including: fee revenues; fuel sales at Skyhaven Airport and Division of Ports and Harbors; increased personnel due to seasonal hiring; increased electricity consumption; and reduced costs of professional services. The Balance Sheet shows that the debt structure has reduced since June 30, 2014. The fixed debt with the Provident Bank was paid in full. Mr. Canner reviewed how PDA will use the Provident line of credit to finance ongoing projects Mr. Canner reviewed the variances in cash balances and capital improvement projects costs. Since its transfer to PDA, PDA has funded approximately \$2 million to Skyhaven Airport and expects to receive \$600,000 in FAA grant funds by August 1, 2015.

A review of the Business Units Analysis showed that rounds of golf played at the Golf Course have increased by 32% and bar and grill sales have increased by 26% from the same period last year. Simulators' revenues also exceeded last season's revenues. The Division of Ports and Harbors ("DPH") operating revenue is approximately \$153,000 in excess of operating expenses and its deficit is being reduced.

2. Nine Month Cash Flow Projections to February 29, 2016

Mr. Canner reviewed PDA cash flow projections for the nine month period ending February 29, 2016. PDA expects to spend approximately \$3.2 million in non-grant funded projects and \$2.3 million in grant related projects. Mr. Canner reviewed the debt structure and funding plan for the projects through the use of the revolving line of credit. Non-grant funded projects include bathroom and roof renovations at the Airport Terminal and street lighting. Mr. Canner reviewed the debt structure as of May 30, 2015. Director Lamson asked if the GSA account payable affected the financial statement. Mr. Canner reported that in April, 2015, GSA signed a lease retroactive to October, 2014 and has paid six months' rent and will be billed in arrears on July 1 for the April – June rent.

A. Approvals

1. PDA Golf Course – Tractor

Lynn Hinchee, General Counsel, reported that due to discrepancies in the bid specifications, the item is removed from the Agenda and will be presented at the August Board meeting.

2. PDA Golf Course Sweeper/Vacuum

Director Preston moved and Director Allard seconded that **The PDA Board of Directors hereby authorizes the Executive Director to enter into a contract with AOK Turf Equipment, Inc. of Coventry, RI, to purchase a multi-function sweeper/vacuum for use by the Pease Golf Course in a total amount not to exceed \$33,295.00; all in accordance with the memorandum from Scott DeVito, PGA General Manager, dated June 11, 2015 attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.**

3. Information Technology Upgrade

Director Bohenko moved and Director Lamson seconded that **The PDA Board of Directors hereby authorizes the Executive Director to enter into a contract with SHI International Corp. (“SHI”) of Somerset, NJ, to purchase Microsoft Office 2013, a computer software application upgrade, in a total amount not to exceed \$17,485.00; all in accordance with the memorandum from Irv Canner, Director of Finance, dated June 8, 2015 attached hereto.**

In accordance with the provisions of RSA 12:G:8, VIII, the Board justifies the waiver of the RFP requirement for the purchase of the software program based on the following:

- 1. SHI is a vendor selected by the State of New Hampshire in accordance with its procurement regulations.**

Note: Roll call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

4. Proposed FY 2016 Operating and Maintenance (O & M) Budget and FY 2017 – FY 2018 O & M Forecast

Director Torr moved and Director Preston seconded that **The Pease Development Authority Board of Directors approves of and accepts the proposed FY2016 Operations and Maintenance (“O&M”) Budget and FY 2017 - FY 2018 O&M Forecast in substantially the same form as attached hereto. Discussion: Mr.**

Canner reviewed the budget process, the various components and planning assumptions used to create the proposed O & M budget including:

- Differences in current legal services fees and projected legal fees for outside counsel fees related to long term lease revisions
- Division of Ports and Harbors future revenues
- Fuel sales revenues and the affect of fishing industry regulations and fuel price increase on revenue
- Collaborative budget process and how CPI affects future revenue assumptions
- Revenue increments
- Variance in expenses and efforts to maintain increases in expenses to no more than 2.5%
- Overspending of net operating income for capital improvement projects from 2010 through 2015
- Review of business units to grow revenues and reduce expenses
- Budget planning assumptions, including labor costs
- Skyhaven Airport hangar revenues and anticipated annual losses
- Skyhaven Airport operations and maintenance costs; affect of grant funds on cash flow
- Pease Golf Course revenues and expenses; net cash flow and impact of capital improvements
- Reduction of Tradeport operating income due to use of funds to support other areas, such as airports and administrative costs
- Impact of net cash flow on business units
- Management of PDA debt (excluding COP waste management) to zero debt in 2016 and 2017
- FAA/State/and Military funding of Airport Improvements resulting in a cost to PDA of approximately \$600,000

Chairman Bald asked if PDA sought to obtain grants to improve lighting and reduce electricity costs, would the budget allow for such projects. David Mullen, Executive Director, reported that PDA has checked on replacement of lights at the Airport with LED lighting. FAA has not approved the use of the lights for the runway. Director Allard has found that upfront costs for LED lighting are very expensive and the return on the investment was small. Mr. Mullen reported that the payback analysis for PDA has shown that it would be a three year return. Mr. Canner reported that PDA has aggressively shopped its electric supplier contracts. Chairman Bald informed the Board that the State has grant programs for various types of entities to make electrical improvements.

Director Preston asked if PDA can spend funds to maintain the Golf Course under FAA regulations. Attorney Hinchee advised the Board that PDA has taken the position that PDA can spend money to maintain an existing asset that is providing revenue. PDA believes that FAA transferred the Golf Course to PDA to generate revenue for the Airport and that the Golf Course will not continue to generate revenue if it is not maintained. Maintenance includes replacing capital equipment when equipment becomes non-operational or obsolete. PDA is unique in that the Golf Course was transferred with the Airport.

Director Preston asked if PDA has determined if the Golf Course as a standalone business could pay for improvements to the clubhouse kitchen. Mr. Canner reported that golf course revenues would support the Golf Course for a period of time, but would be insufficient on its own to pay for future improvements including the anticipated irrigation upgrade in 2022. Director Preston felt if the Golf Course was generating enough gross revenues that it should start contributing to its capital investments. Attorney Hinchee informed the Board that PDA has been advised that if PDA took 100% of the Golf Course revenue going forward and amortized the capital improvements, the question would be how many years would it take before PDA realizes any revenue from the Golf Course. Director Preston felt that PDA should make the improvements to maintain the Golf Course and that monies spent have been in the best interest of the PDA. PDA has an obligation to maintain a positive asset.

Director Bohenko confirmed that an analysis of Golf Course revenues spent in support of the Tradeport during the early development of the Tradeport was done.

Director Loughlin felt that rounds of golf played have increased due to improvements to the clubhouse and the pleasant atmosphere of the Golf Course facility. The improvements need to be made to maintain the Golf Course.

Attorney Hinchee reported that the FAA is not challenging monies spent on the Golf Course specifically. There is concern that Golf Course has generated approximately \$2 million in revenues and PDA has spent \$8 million for improvements leaving negative impact of \$6 million and now there is consideration of spending more money that will take three more years to recoup. Would this be a prudent business decision.

Mr. Mullen informed the Board that substantial improvements had to be made to the Golf Course. PDA must determine its wants versus its needs. Operational improvements to the kitchen at an estimated cost of about \$200,000 need to be made, but there is no justification for kitchen expansion. Mr. Mullen discussed the possible ramifications to Grill 28 operations if the kitchen expansion is not done.

Director Allard felt that investing in Golf Course as a separate entity is not a good investment; however, investing in the Golf Course as a business unit of the PDA is a good investment. The Golf Course facility is important part to attracting businesses and employees to the Tradeport. The Golf Course was given to PDA by the FAA as an overall part of the PDA and is a critical entity. PDA was also given Skyhaven Airport, which continues to operate at a loss, but PDA has turned it around to be able to manage the operational costs. PDA should do the right thing and spend the \$200,000 on the needed improvements.

In response to Chairman Bald's question, Mr. Canner reviewed the process to spend money on a capital process or consulting services, including amortization of costs, and restructure the budget to maintain cash flow and debt structure.

Director Bohenko asked if there is a process to divest PDA of the Golf Course, what would happen to the cash payment, and would the FAA allow PDA to sell the Golf Course if the cash was used for the betterment of the Tradeport.

Attorney Hinchee reported that the Board would have to determine that it is in the best interest of the PDA to sell the Golf Course. FAA has a release process that would require a cost benefit analysis that shows PDA is better off with a lump sum of revenue than a long term revenue stream. Two appraisals need to be done and the property would have to be sold at fair market value. The property would be sold with FAA restrictions regarding airport development.

Director Bohenko would like to start the process of looking at what divestiture and bringing in a lump sum of cash would mean to the Tradeport.

Director Preston disagreed with Director Bohenko and reported the Legislature has suggested selling the Golf Course with the proceeds going into the State's general fund.

Attorney Hinchee clarified that due to FAA regulations, the proceeds could not go into the State's general fund; the proceeds would have to be used for the Airport. The FAA's position is that PDA should generate whatever revenues possible without spending any money. FAA's job is to support aviation activities. The fair market value of the Golf Course needs to be determined first.

Chairman Bald requested Attorney Hinchee present a memorandum to the Board outlining the process to sell a property on the Tradeport to allow the Board to make an informed decision about selling the Golf Course.

Director Loughlin agreed with Chairman Bald's request and Director Bohenko's sentiments, but he is concerned with the valuation of the Golf Course.

Director Bohenko felt that there is a need to review the Golf Course's revenues and expenditures. Director Preston disagreed with starting the process.

Director Torr requested that the estimated costs for a market appraisal of the Golf Course be included in the memorandum. He also thanked the Chairman for allowing an open discussion about the budget.

Director Lamson felt that it was a good opportunity for the entire Board to participate in the budget discussions. Director Bohenko confirmed that the costs to appraise the Golf Course will be included in the budget. Director Bohenko stated that he is not suggesting that the Golf Course be sold, but it is an option that PDA needs to explore as part of the budget process. Disposition: Resolved by unanimous vote; motion carried.

VI. Leases

A. Approvals

1. Lonza Biologics, Inc. – Land Use Controls Interpretation

Director Loughlin moved and Director Torr seconded that **WHEREAS, the Pease Development Authority has duly enacted a zoning regulations in accordance with the requirements of RSA ch. 12-G and rules adopted by the Authority for the adoption or amendment of land use controls; and**

WHEREAS, pursuant to Part 315.01 (d) of the Authority's Zoning Regulations the PDA Board retains the power to make the final decision regarding the applicability, interpretation and enforcement of its zoning regulations and any other land use controls; and

WHEREAS Part 308 of the Authority's regulations states in part; "Above ground storage facilities shall not exceed a capacity of 2,000 gallons per facility."

NOW, THEREFORE, the Authority does hereby resolve to formally adopt the following interpretation of its Zoning Regulations in effect at the Pease International Tradeport as follows;

The Authority finds and has determined that it is reasonable to establish that Part 308 only be applied to facilities that have the potential for spills; and that Part 308.02(c) be interpreted that above ground storage facilities containing petroleum products or other hazardous substances that present a spill risk shall not exceed a capacity of 2000 gallons per facility. Note: 5 Affirmative Votes are required. Discussion: Maria Stowell, Manager – Engineering, reported that Lonza is working on an interior expansion that has led to exterior renovations in its utility yard. Lonza maintains tanks for compounds and elements, such as nitrogen and carbon dioxide, that when exposed to the atmosphere turn to gas and would not spill. Staff is requesting that such tanks not be limited to the 2,000 gallon capacity. Part 308 does not apply to such tanks and it is appropriate to modify the tank capacity. Disposition: Resolved by unanimous roll call vote; motion carried

2. Lonza Biologics, Inc. – Concept Plan Approval

Director Allard moved and Director Preston seconded **The Pease Development Authority Board of Directors hereby approves of the Lonza Biologics, Inc. ("Lonza") Concept Plan for the Cell Therapy (CT) expansion project at Lonza's premises located at 101 International Drive, including:**

1. Concept plan to upgrade the site for the CT expansion project;

2. **Variance application to be referred to the City of Portsmouth's Board of Adjustment that would allow above ground storage facilities in excess of 2000 gallons, contrary to Part 308.02(c)**
3. **A second International Drive access to the site provided that the access meets the requirements of PDA's Land Use Controls and is favorably recommended by the City;**
4. **A waiver of Parts 405.03(a)(4)(b) and (c) of the PDA Site Plan Regulations, allowing Lonza to construct parking without the required landscape islands; and**
5. **Contract employee temporary parking on the Iron parcel;**

all in accordance with the terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated June 5, 2015 attached hereto. Discussion: Ms. Stowell reported that Lonza is doing work in its utility yard in support of its interior expansion project and variances for Lonza's fuel tanks that exceed 2,000 gallons are needed. Paul Fleming, of Lonza Biologics, gave a brief presentation on the building expansion needed so that the Cell and Gene Therapy project related to dry age-related macular degeneration can go forward. The current expansion will use about 20% of the building space. The second expansion for another project will use about 50% of the space. Lonza expects that both projects will add a total of 150 new jobs. Mr. Fleming gave further explanation of the CT process and the anticipated results. The CT project is in Phase 2b and the expansion will allow the project to move into third phase. The project is expected to be presented to the FDA in 2017 for approval.

Patrick Crimmins, Engineer, of Tighe & Bond, reviewed the parking located on the industrial side of the building that is buffered by a line of trees. If a parking island was put in during this phase of the expansion, it would be damaged during the second expansion. Director Loughlin expressed his concern in setting a precedent if the waiver of landscape islands is granted, but is comfortable with landscaping.

Chairman Bald noted that Lonza is very important to the Tradeport and the State. Lonza has created over 1,000 jobs. Chairman Bald and Mr. Mullen met with Lonza to review the project. Lonza's presence on the Tradeport and its work gives the Tradeport and the State attention in the biotech industry. Lonza continues to recruit UNH students to work at Lonza. Chairman Bald on behalf of the Board and the State, thanked Lonza for its business and its commitment to the Tradeport and the State. Disposition: Resolved by unanimous vote; motion carried.

3. Galileo RMF, LLC – 139 Flightline Road Concept Plan

Director Bohenko moved and Director Allard seconded that **The Pease Development Authority Board of Directors hereby approves of the Concept Plan submitted by Galileo RMF, LLC attached hereto for the premises located at 139 Flightline Road; on all terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated June 8, 2015 attached hereto.** Discussion: Ms. Stowell reported that Galileo wants to make minor changes to the building and site review approval is not required. Changes include adding a ramp to the front of the building and changing the doors. Disposition: Resolved by unanimous vote; motion carried.

4. Redhook Ale Brewery – 1 Redhook Way Concept Plan

Director Lamson moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby approves of the Concept Plan submitted by Redhook Ale Brewery for the installation of a co-generation system at the premises located at 1 Redhook Way; subject to the stipulations and all terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated June 9, 2015 attached hereto.** Discussion: Ms. Stowell informed the Board that Redhook has a pretreatment facility for brewery waste prior to sending it to the wastewater treatment plant. Methane gas is a byproduct of the pretreatment process. Instead of burning off the gas, the co-generation system will allow the gas to be captured and used to generate electricity. Disposition: Resolved by unanimous vote; motion carried.

VII. Contracts/Agreements

A. Approvals

1. Hoyle Tanner & Associates – Contract Change Order

Director Loughlin moved and Director Lamson seconded that **The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to execute Modification No. 1 for the PSM Runway Rehabilitation Project - Facility Needs Analysis contract with Hoyle, Tanner & Associates in a total amount of \$22,700; all otherwise in accordance with the memorandum of Maria J. Stowell, P.E., Manager of Engineering dated June 8, 2015 attached hereto.** Discussion: Director Lamson confirmed that this contract is part of the runway rehabilitation project. Disposition: Resolved by unanimous vote; motion carried

VIII. Executive Director's Reports/Approvals

A. Reports

1. 25 Year Pease Economic Impact

Mr. Mullen presented the economic impact report prepared by Russ Thibeau of Applied Economic Research on the economic impact of the Pease International Tradeport since its inception in 1990, including:

- 9,540 people work on the Tradeport (an increase of approximately 4,590 jobs)
- 14,400 regional jobs including Tradeport and indirect jobs were created
- Annual wages paid to Tradeport employees are approximately \$584 million (tripled since 2002)
- Regional wages including jobs supported by Tradeport activity are approximately \$725 million
- Annual Business and Meals/Rental taxes paid to the State is approximately \$16 million
- Annual PILOT revenues and Municipal Services Fees (which is equal to 13% of the City's tax base) paid to the City of Portsmouth is approximately \$6 million
- Approximately 4.5 million square feet of space is completed/under construction and approved with approximately 60 acres left for development
- Tradeport businesses include: manufacturing and technology; government services; educational facilities; health services; restaurants; hotel; and aviation and aerospace.

Mr. Mullen reported that the Spaulding Highway/Arboretum Drive entrance is expected to open in September/October, 2015. The improvements to the Dover side of the Sullivan bridge are expected to be completed in 2020.

Director Preston noted that Bill Bartlett (as state Senate President), Director Torr (as state republican Senate leader) and he (as state democratic Senate leader) worked in the State Legislature to establish the Pease Development Authority and he is extremely proud of their efforts and the Tradeport. Director Loughlin noted that Pease has had a very positive impact on the regional economy. Director Bohenko reported that there are 14,000 jobs between the Tradeport and the Portsmouth Naval Shipyard with \$1.2 billion in payroll.

Chairman Bald commented that a lot of people worked very hard to make the Tradeport happen, it took time and patience. The City of Portsmouth, particularly the school system, was deeply affected by the Air Base's closure and times were hard. The Board of Directors had a vision for the Tradeport and stayed true to the vision. Pease has received national recognition for its redevelopment. Chairman Bald thanked Director Loughlin for "being the conscience of Pease" for the landscaping. Director Loughlin is very impressed with the landscaping around the south entrance area. Director Lamson said she was very pleased with the new multi-use path and how it is being used. Chairman Bald thanked all members of the Board, past and present, for their efforts.

2. Golf Course Operations

Scott DeVito, PGA General Manager, reported on the activities at the Pease Golf Course. Two tournaments will be held bringing tournament rounds of golf played to a record high of 3,500 for the FY 2015. Staff is working on media and e-mail advertising programs. Golfing activity has been steady since the opening of the course. In response to Director Allard, Mr. DeVito informed the Board that the question of how to gain access to water sources and the use of water tanks still needs to be addressed. Director Lamson commended Mr. DeVito for being a “good ambassador” for the Golf Course. Mr. DeVito commended the golf course staff for all of their efforts.

3. Airport Operations

Bill Hopper, Airport Manager, reported on aviation activities.

a) Skyhaven Airport (“DAW”)

The Wings and Wheels event was held on Saturday, June 13th with approximately 5,000 people attending. The proceeds will go Gerry’s Food Pantry in Rochester, New Hampshire.

b) Portsmouth International Airport at Pease (“PSM”)

Passenger enplanements have exceeded 10,000. Allegiant Airlines will begin routes to Punta Gorda, Florida in November, 2015 instead of waiting until February, 2016.

c) Noise Line Report

Mr. Hopper reported that the PDA Noise Line received a total of 25 inquiries in May. Twenty-two inquiries dealt with helicopter activities and three inquiries were related to fixed wing aircraft activity.

B. Approvals

1. Bills for Legal Services

Director Preston 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 \$9,052.87 for legal services rendered to the Pease Development Authority by:**

- | | | |
|----|------------------------------------|-------------------|
| 1. | Anderson & Kreiger, LLP | \$9,052.87 |
| | Through April 30, 2015 | |

Discussion: In response to Director Preston, Attorney Hinchee reported that the legal services that make up the bills are kept confidential to protect the attorney work product privilege. Disposition: Resolved by unanimous vote; motion carried

IX. Division of Ports and Harbors

A. Division Director’s Reports

1. Piscataqua Maritime Commission – Waiver of Wharfage & Dockage

Geno Marconi, Division Director, reported that in accordance with the “Delegation to Executive Director: Consent and Approval for Waiver of Wharfage, Dockage and Related Fees for Qualified Non-Profit

Organizations Using Facilities of the Division of Ports and Harbors”, wharfage and dockage fees for the use of the Portsmouth Commercial Fish Pier by the Piscataqua Maritime Commission during the visit of historic sailing vessels beginning July 22, 2015 were waived. Director Loughlin approved the waiver.

2. TIGER Grant Application 2015/Bridge Work

Mr. Marconi reported that for the seventh time, he submitted a TIGER grant application for \$13.26 million for the restoration, rehabilitation, and expansion of the Market Street Terminal pier. A total of four maritime applications from various areas were submitted.

Mr. Marconi reported that work on the Sarah Long Bridge replacement is going well. Cianbro Corp. is using a portion of the Market Street Terminal for staging for the bridge and for work at the Portsmouth Naval Shipyard.

B. Approvals

1. Concession Transfer

Director Allard moved and Director Loughlin seconded that **The Pease Development Authority Board of Directors hereby approves of and authorizes:**

- a. **the sale of the Rye Harbor Lobster Pound concession building located at the Rye Harbor Marine Facility from Arthur Splaine to Nathan Hanscom; and**
- b. **the assignment of the Right of Entry issued to Arthur Splaine dba Rye Harbor Lobster Pound to Nathan Hanscom dba Rye Harbor Lobster Pound;**

all in accordance with the memorandum of Geno Marconi, Division Director, dated June 9, 2015 attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried

2. Bills for Legal Services

Director Torr moved and Director Lamson seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$1,073.00 for legal services rendered to the Division of Ports and Harbors by:**

- 1. **Sheehan Phinney Bass + Green
Through April 30, 2015 \$1,073.00**

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

X. New Business

No new business was brought before the Board.

XI. Upcoming Meetings:

Chairman Bald reported that the following upcoming meetings are scheduled:

Port Committee	July 2, 2015 at Market Street Terminal
Board of Directors Meeting	August 20, 2015

All Board and Committee meetings begin at 8 a.m. unless otherwise posted. Chairman Bald reported that he will not be able to attend the August 20th Board meeting.

XII. Directors' Comments

Director Bohenko inquired about the status of PDA purchasing the Oak Street property back from the Government Services Administration ("GSA"). Attorney Hinchee reviewed the process to purchase the property and reported that PDA has explored the possibility of taking back the property through rent credits for the 31/32 Rochester Avenue premises. GSA indicated that it has no interest in selling the property. Fair market value would need to be established and PDA would have to pay fair market value.

XIII. Adjournment

Director Allard moved and Director Loughlin seconded to **adjourn the Board meeting**. Discussion: None. Disposition: Resolved by unanimous vote; motion carried. Meeting adjourned at 9:56 a.m.

XIV. Press Questions

No members of the Press attended the meeting.

Respectfully submitted,



David R. Mullen
Executive Director/Secretary