

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

Thursday, December 15, 2016

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

I. Call to Order

Chairman Bald called the meeting to order at 10:08 a.m. in the Board conference room at 55 International Drive, Pease International Tradeport, Portsmouth, New Hampshire.

II. Acceptance of Meeting Minutes: November 17, 2016

Director Bohenko moved and Director Allard seconded that **The Pease Development Authority Board of Directors hereby accept the Minutes of the November 17, 2016 Board meeting.** Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

III. Employee Recognitions

David Mullen, PDA Executive Director, and Tanya Coppeta, PDA Employee Relations Manager, recognized the following PDA employees for their years of service:

25 Years

Jessica Patterson, IT Administrator, was awarded a certificate of service and \$250.

20 Years

Mark Gardner, Deputy General Counsel was awarded a certificate of service, \$100 and his name will be engraved on the PDA plaque for long term employees.

15 Years

Dave Curtis, Airport Maintenance, and Jim Thurlow, Airport Maintenance/Skyhaven Airport, were each awarded a certificate of service and \$50

10 Years

Ed Pottberg, Airport Security Coordinator, was awarded a clock.

IV. Public Comment

Marcus Ebert, of Royal Technology Group (“RTG”), made comments about the use of Hangar 227 by RTG and the status of lease negotiations for the hangar.

V. **Old Business**

1. **Release of Non-Public Minutes**

Director Loughlin moved and Director Torr seconded that **Having determined that pursuant to NH RSA 91-A:3 the divulgence of a portion of the non-public minutes of October 20, 2016 related to Spyglass Development, LLC will not: a) likely affect adversely the reputation of any person other than a member of the body or agency itself; or b) render the proposed action ineffective; or c) pertain to terrorism, the PDA Board of Directors hereby determines to release said minutes to the public.** Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

2. **Spyglass Development, LLC – 30 New Hampshire Avenue**

Director Allard moved and Director Lamson seconded that **The Pease Development Authority Board of Directors resolves as follows:**

to direct the Executive Director to suspend negotiations with Spyglass Development LLC with respect to the Letter of Intent dated October 14, 2016 for the premises located at 30 New Hampshire Avenue and, without waiving any existing terms and conditions, permit the Lease Agreement to expire by its terms on July 31, 2022. Director Bohenko moved and Director Allard seconded that **the Board suspend the rules to allow for public comments from representatives of Spyglass Development regarding the pending motion.** Discussion on the motion to suspend rules: None. Disposition: Resolved by unanimous vote; motion carried.

Discussion on main motion: Rob Ciandella, Attorney for Spyglass Development LLC (Spyglass) asked that the Board not pass the motion as presented. Atty. Ciandella reviewed the history of the Spyglass lease at 30 New Hampshire Avenue, the Letter of Intent (“LOI”) for an expansion of the premises dated October 14, 2016, and the status of negotiations. Atty. Ciandella stated that if the Board does not continue negotiations, then Spyglass will sue the PDA. Atty. Ciandella reviewed the reasons Spyglass believes negotiations should continue, including:

- To pass the motion would be an institutional mistake by the PDA;
- No emergency need for the building and parking lot by PDA
- A Letter of Intent dated October 14, 2016 regarding expansion of the building is still pending
- PDA’s need for parking is based on future possibilities
- Spyglass should be allowed to draft a plan that would accommodate PDA’s future plans for the premises as well as the needs of Spyglass’s tenant (Flex Energy)
- No negotiations have taken place since October, 2016 as ordered by the Board
- PDA will lose rental revenues and incur legal fees to defend the resulting litigation

Atty. Ciandella reviewed the aviation activities at the Tradeport since 1993 and current activity at other area airports. Atty. Ciandella noted that no parking studies, airport growth studies, or alternative plan studies have been done to justify the basis of PDA’s stated need for parking. Atty. Ciandella reviewed the materials provided to Spyglass regarding PDA’s need for parking. Atty. Ciandella noted that the premises are located in the Airport Business Commercial Zone while other areas considered for parking are located in the Airport Zone and questioned why the premises would be considered for airport use when it is zoned as business/commercial. Atty. Ciandella requested that the Board either ratify the October 14, 2016 LOI or, in the alternative, consider following motion that Atty. Ciandella read into the record.

The Pease Development Authority Board of Directors hereby moves to direct the Executive Director to conduct a study of projected aviation growth and associated aviation related

parking requirements and to study what alternatives exist for satisfying those projected aviation parking related needs. The study shall be based on professional evaluations of projected aviation activity at Pease and projected parking capacity and rental car activity, in light of the emerging robotic automobile industry. Further, the Executive Director is directed to present the results of the study to the Board at a regularly scheduled meeting. The Board will take this study under advisement to allow interested parties to review and comment on the study. Contemporaneously, the Executive Director is directed to negotiate with Spyglass Development, LLC to fully explore options which may exist either in the terms of the business deal or in the configuration of parcels and buildings on the ground, to accommodate any aviation related parking need established by the study which will be presented to the Board of Directors which cannot be satisfied by alternative sites at Pease. If the Board adopts the study and its findings, the Executive Director will present the Board with a revised Letter of Intent reflecting the accommodations for aviation related parking needs.

In response to Director Bohenko, Atty. Ciandella confirmed that Spyglass would be willing to work with PDA on the construction of a parking deck at a future time. Lynn Hinchee, PDA Deputy Director/General Counsel, spoke of her concerns regarding the proposed motion which had not been reviewed by Staff beforehand and Atty. Ciandella's representation that there would be no alternatives to the actions proposed in the motion. Issues of the negotiation include the difference between no alternatives and the right of the Board as airport proprietor to have a preference. The Spyglass motion would undo the Board's right to make a determination in the best interest of the airport. If negotiations continue, a new LOI would have to be drafted to deal with various issues proposed in the previous LOI including the altered rental structure. All issues should be considered in negotiations including costs associated with parking. The motion presented by Spyglass was not presented to Staff beforehand and the Staff should be allowed time to fully review it.

Chairman Bald felt that there is a general misunderstanding of the difficulties in redeveloping a military facility into a business facility and PDA's mission to develop Tradeport business over the years. Chairman Bald reviewed the history of the businesses at 30 New Hampshire. Chairman Bald felt that the parties should take the time to review negotiations and consider all options regarding use of the building and PDA's needs for parking in support of the airport and find a solution for PDA needs and Spyglass's need. Director Lamson felt that the issue is long range planning needs. Director Bohenko considered taking a recess to allow the attorneys time to review the motion. Director Loughlin stated his support for additional parking studies and his concerns with preserving flexibility of the use of the premises by PDA; and that the matter should be continued for one month to give Staff time to review the issues.

Director Bohenko felt that the Board needs to get a better understanding of aviation growth and options for parking. Director Torr questioned whether Spyglass has explored the option of relocation Flex Energy to its other site at 166 Corporate Drive or another site that would accommodate FlexEnergy's needs. The Board and Staff continued to discuss whether PDA's proposed motion should be tabled until the January, 2017 Board meeting and if Spyglass's motion should be used as a template. Chairman Bald confirmed with Mr. Mullen that Staff understands the Board's policy. Mr. Mullen noted that the parties are looking for options satisfactory to both sides

Director Loughlin felt that decisions cannot be made on possible and presently unknown future aviation activity. Parking is critical to the growth of the airport. PDA must balance the interests of future airport development with the needs of landside development. Director Bohenko asked if the Spyglass motion could be expanded to include a parking deck and require Spyglass to look at alternate locations for Flex Energy. Attorney Hinchee informed the Board that the most compelling concern of the Spyglass motion is that it requires Staff to show that nothing else will work or will satisfy Spyglass. In its

governmental capacity as a Board and a landlord, the Board has the right to determine what is best for PDA and look at various options. Director Lamson asked if there would be any issues with TSA if a parking deck was built near the airport. Director Bohenko withdrew his request to use the motion as a template and requested that the Board be provided with an outline of topics to be discussed with Spyglass. Attorney Hinchee confirmed that Staff will work with Spyglass's counsel to set the meeting agenda and provide the Board with the outline.

Director Loughlin confirmed that the motion would be continued until January and that the parties will explore all options available to PDA and Spyglass. Director Torr expressed his concerns that PDA is being "boxed in" and that all options for use of the premises for future development in support of the airport should be explored. Director Torr expressed his strong support for the airport. Chairman Bald confirmed that the Board is not committed to any action, but will wait until January to vote to allow time to provide the Board with better information. Director Allard questioned if Spyglass has looked at other sites for relocation of Flex Energy's business.

Michael Kane, principal of Kane Company, stated that he believes the only PDA issue is the 580 parking spaces needed for airport expansion. Flex Energy has put \$3 million in infrastructure improvements in the building. Flex Energy would need to relocate, possibly out of state, if its building needs cannot be accommodated. Mr. Kane stated that Spyglass would commit to build and pay for a 580 space parking deck if Spyglass was allowed to stay at 30 New Hampshire Avenue if the parking spaces are needed in the future. All reasonable alternatives need to be explored.

Attorney Hinchee informed the Board that PDA's concerns are not solely related to parking, but to the use of the parcel and building in general. Spyglass has not provided any reasons that would preclude PDA from exploring and advising Spyglass other reasons as to why the site is uniquely suited to PDA needs. Mr. Kane felt that nothing has changed with the building structurally since the start of negotiations of the LOI. The only issue is the 580 parking spaces. He was not aware of any other concerns and asked that a study be done before forcing Flex Energy to leave.

Maria Stowell, PDA Engineer, reported that the 580 parking spaces are indicated on a plan proposed by Spyglass and are not part of PDA's plans. PDA has reviewed parking needs and developed parking plans. PDA also has building facility needs which could be alleviated by PDA using the building for PDA staff, rental car offices and other concessions. While retaining the building, PDA plans would be able to create over 600 parking spaces.

Director Lamson reviewed the history of the building's construction and the number of employees at Flex Energy. Attorney Hinchee confirmed that Spyglass built an extension on the former Air Force building that PDA improved with EDA grant funds. Mr. Mullen reviewed the ownership history of the building.

Director Bohenko moved and Director Allard moved to table the motion. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

VI. Golf Committee Report

Director Bohenko reported that the Golf Committee met on December 15, 2016. The Committee was updated on proposed clubhouse improvements. The Committee recommended that the Board approve the golf car contract, the rate increase for the use of golf cars; and the update to the tee time reservation system. Director Lamson commended Scott DeVito, PGA General Manager, and the Golf Course staff for their good work.

A. Approvals

1. Golf Cars

Director Torr moved and Director Lamson seconded that **In accordance with the recommendation of the Pease Development Authority Golf Committee, the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into a contract with Country Club Enterprises of Wareham, MA, in the amount of \$66,420 per year for a period of five (5) years (including an option to terminate the Contract at the end of four (4) years at the sole discretion of the PDA) for the lease and servicing of 90 electric golf cars as described in the memo by Scott DeVito, Golf Course General Manager, dated December 6, 2016 attached hereto.** Discussion: In response to Director Loughlin, Director Bohenko confirmed that the Golf Course staff had reviewed the staggered contract approach for the leasing of golf cars and found that the cost was higher than the proposed contracts. Disposition: Resolved by unanimous vote; motion carried.

2. Golf Car Rate Increase

Director Lamson moved and Director Allard seconded that **In accordance with the recommendation of the Pease Golf Committee, the Pease Development Authority Board of Directors hereby approves of and authorizes the Pease Golf Course to implement rate increases for players' use of the Golf Cars effective March 1, 2017; all in accordance with the memorandum from Scott DeVito, PGA General Manager dated December 9, 2016 attached hereto.** Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

3. EZ Links Reservation System

Director Bohenko moved and Director Allard seconded that **In accordance with the recommendation of the Pease Development Authority Golf Committee, the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into the contract with EZLinks of Chicago, IL in an annual amount of \$9,936, and a one-time subscription fee of \$500 (a total cost of \$10,436 for the first year) for a web-based reservation/marketing system; all in accordance with the memorandum of Scott DeVito, PGA General Manager, dated December 8, 2016 attached hereto.**

In accordance with the provisions of RSA 12-G:8 VIII, the Board waives the RFP requirement based on the following reasons:

- 1. EZLinks is the successor company to Integrated Business Solutions (“IBS”), the original supplier of the software;**
- 2. EZLinks is the only company that provides software that will interface with IBS systems;**
- 3. It is cost effective to continue using the current system instead of purchasing a new system.**

Note: This motion requires 5 affirmative votes. Discussion: Disposition: Resolved by unanimous roll call vote; motion carried.

VII. Finance

A. Financial Reports

1. Operating Results for Four Month Period Ending October 31, 2016

Irv Canner, PDA Director of Finance, reported on the status of the PDA FY 2017 finances for the four month period ending October 31, 2016, including: trends in operating revenues and operating expenses; variances in rental facilities fee revenues, fuel sales, golf merchandise sales, and staffing costs. Mr. Canner reviewed the changes in the Balance Sheet due to the reduction in the number of construction projects. Mr. Canner reported on the status of the revolving line of credit (zero balance) and pension liabilities. A review of the Business Units showed that enplanements at PSM are at 58,715 as of November 30th, a 30% increase from last year. Mr. Canner reviewed Skyhaven Airport's ("DAW"); operating revenues and expenses. To date, PDA has absorbed \$1.5 million for operations and capital improvements at Skyhaven Airport. A review of the Golf Course operations for the same period last year showed increases in golf course revenues, bar and grill sales, and rounds of golf played. The Division of Ports and Harbors' ("DPH") operating revenues remains in line with the budget. Director Allard confirmed that the ME DOT contract with DPH ends in December, 2017 and that DPH is actively pursuing replacement revenues.

2. Nine Month Cash Flow Projections to August 31, 2017

Mr. Canner reviewed PDA cash flow projections for the nine month period ending August 31, 2017, including the projected ending cash balance of \$5.0 million; grant funded and non-grant funded construction expenditures. Mr. Canner reported on the effect of the changes in the Federal Reserve interest rates on PDA's revolving line of credit and borrowing costs. Mr. Canner reported on the variances in DPH cash balances. The Revolving Loan Fund is now in excess of 90% in loan coverages as loan applications have increased. The loan funds continue to be monitored to ensure that loans can continue to be made.

Director Lamson asked about the grants used for tree cutting. Ms. Stowell reviewed the FAA grants beginning in 2009 that PDA has used for obstruction study, environmental assessment, and the second phase of the obstruction study.

VIII. Leases

A. Reports

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

1. 222 International, LP

222 International, LP entered into a sublease with Technical Needs North, Inc. for 1,521 square feet at 195 New Hampshire Avenue for a base term of 5 years. Director Lamson approved the sublease.

2. 119 International Drive, LLC

119 International Drive, LLC entered into a sublease with Liberty Mutual Insurance Company for 4,966 square feet at 15 Rye Street for a base term of five years. Director Lamson approved the sublease.

3. Pioneer Aviation, LLC

Pioneer Aviation, LLC entered into a sublease with Sig Sauer, Inc. for 16,400 square feet at 125 Aviation Avenue for a base term of three years. Director Loughlin approved the sublease.

B. Approvals

1. Two International Group, LLC – Lease Option

Director Loughlin moved and Director Lamson seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to execute such document necessary and desirable to grant an option to Two International Group, LLC (“TIG”) for the 11 acre parcel located at 100 New Hampshire Avenue, subject to the release of the existing option held by Client 80-R or December 31, 2016, whichever occurs first, for a period of six (6) months at a fee of \$12,100.00; with one (1) six (6) month option to extend at a fee of \$24,200.00 exercisable by mutual agreement of the parties; all on substantially the same terms and conditions set forth in the Option Agreement and Term Sheet attached hereto. Discussion:** Mr. Mullen informed the Board that the subject parcel is the last large area parcel available for development and could also be considered for use as a parking area for the Airport. Chairman Bald moved and Director Bohenko seconded to **table the motion until the January 19, 2017 Board meeting to allow Staff time to review the parking issues. Discussion on motion to table:** None. Disposition: Resolved by unanimous vote; motion to table carried.

IX. Signs

A. Reports

1. ConvenientMD – 111 New Hampshire Avenue

In accordance with the “Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs”, Mr. Mullen reported that PDA approved of the modification to the Seacoast Media Group sign to add the name of ConvenientMD, a new subtenant. Chairman Bald approved the sign modifications.

2. 119 International Drive, LLC – 15 Rye Street

In accordance with the “Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs”, Mr. Mullen reported that PDA approved of the replacement of the sign at 15 Rye Street with a slightly larger sign. Director Loughlin approved the sign modification.

X. Contracts/Agreements

A. Approvals

1. Cross Insurance – Policy Renewals

Director Lamson moved and Director Torr 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 Agency for the period of 12/31/16 through 12/31/17 in the projected amount of \$160,680.65; all in accordance with the Proposed Premium Summary attached hereto. Discussion:** None. Disposition: Resolved by unanimous vote; motion carried.

2. USDA APHIS Wildlife Control/Monitoring

Director Allard moved and Director Torr seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to execute a contract with the United States Department of Agriculture Wildlife Service (USDA WS) from January 1, 2017 through December 31, 2017, in the amount of \$18,902.09 for the purpose of providing integrated turkey, other large bird, and animal control and monitoring services at the Airfield; all in accordance with the memorandum of Andrew Pomeroy, Airport Operations Supervisor, dated December 5, 2016, and attached hereto.**

In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement based on the following reasons:

1. **PDA has a long standing relationship with USDA WS stemming back to the time PDA was formed. As a part of that ongoing relationship, the USDA WS has maintained ongoing wildlife surveys, with data dating back to its first arrival at Pease. PDA does not want to interrupt this data stream.**
2. **The USDA WS conducts training classes for PDA Airport Operations Personnel on Airport Wildlife Hazard Management, to meet FAR 139 requirements. USDA is the FAA recognized authority for such required training.**

Note: This motion requires 5 affirmative votes. Discussion: In response to Director Lamson, Andrew Pomeroy, Airport Operations Supervisor, reviewed the services and areas that are monitored under the contract. **Disposition:** Resolved by unanimous roll call vote; motion carried.

3. Holliston Sand & Gravel – Runway Sand

Director Loughlin moved 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 Holliston Sand & Gravel of Slatersville, RI, for the period of December 1, 2016 through November 30, 2017 for the purpose of providing FAA approved runway sand for the Airport runways at the price of \$99.05 per ton; in accordance with the memo from Andrew Pomeroy, Airport Operations Manager, dated November 30, 2016, attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.**

4. Cryotech Deicing Technology – Runway Deicing Liquid

Director Torr moved 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 Cryotech Deicing Technology of Fort Madison, IA, for the purpose of purchasing runway deicing liquid at a price of \$4.67 per gallon for a period of December 1, 2016 through November 30, 2017, all in accordance with the memorandum of Andrew Pomeroy, Airport Operations Manager, dated November 30, 2016, attached hereto. Discussion: In response to Director Lamson, Mr. Pomeroy confirmed that PDA has used Cryotech in the past. Disposition: Resolved by unanimous vote; motion carried.**

5. Nachurs Alpine Solutions Industrial – Runway Deicing Solid

Director Bohenko moved 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, OH, for the purpose of purchasing sodium formate based runway deicing solid at the price of \$0.599 per pound for a period of December 1, 2016 through November 30, 2017, all in accordance with the memorandum of Andrew Pomeroy, Airport Operations Manager, dated November 30, 2016, attached hereto. Discussion: Disposition: Resolved by unanimous vote; motion carried.

XI. 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 Vice Chairman and Treasurer need to be elected for 2017:

A. Vice Chairman

Director Lamson moved the motion and Director Bohenko seconded that Peter Loughlin **be elected as Vice-Chairman of the Pease Development Authority**. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

B. Treasurer

Director Loughlin moved the motion and Director Torr seconded that Robert Allard **be elected as Treasurer of the Pease Development Authority**. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

2. Committee Appointments

Chairman Bald appointed Directors to the following Committees:

Standing Committees

Executive Committee

George Bald, Chair
Peter Loughlin, Vice Chairman
Robert Allard, Treasurer
Staff Contact: Mullen/Hinchee

Marketing and Economic Development Committee

Peter Loughlin, Chair
Robert Preston
Frank Torr
Staff Contact: Mullen

Finance Committee

Robert Allard, Chair
John Bohenko
Margaret Lamson
Staff Contact: Mullen/Canner

Zoning Adjustment & Appeals Committee

Frank Torr, Chair
Peter Loughlin
George Bald
Staff Contact: Hinchee/Stowell

Airport Committee

Robert Preston, Chair
Robert Allard
Margaret Lamson
Staff Contact: Hopper/Stowell

Ad Hoc Advisory Committees

Capital Improvement and

Land Planning Committee
Peter Loughlin, Chair
Robert Allard
Frank Torr
George Bald
Staff Contact: Hinchee/Stowell

Transportation Management Committee
Margaret Lamson, Chair
John Bohenko
Frank Torr
Staff Contact: Stowell

Golf Committee
John Bohenko, Chair
Robert Allard
Robert Preston
Staff Contact: Mullen/DeVito

Port Committee
Peter Loughlin, Chair
Frank Torr
John Bohenko
Ex Officio: Chair DPH Advisory Council
Staff Contact: Mullen/Marconi

Audit Committee
John Bohenko, Chair
Peter Loughlin
Robert Preston
Staff Contact: Canner

Legal Bill Review
George Bald, Chair
Peter Loughlin
Frank Torr
Staff Contact: Hinchee

3. PDA Holiday Schedule – 2017

Chairman Bald reported that PDA employees will observe the following holidays in 2017:

New Year's Day (Observed)	Monday	January 2
Martin Luther King/Civil Rights Day (Observed)	Monday	January 16
Presidents' Day (Observed)	Monday	February 20
Memorial Day (Observed)	Monday	May 29
Independence Day	Tuesday	July 4
Labor Day	Monday	September 4
Columbus Day (Observed)	Monday	October 9
Veterans' Day (Observed)	Friday	November
Thanksgiving	Thursday	November 23
Day after Thanksgiving	Friday	November 24
Christmas Day	Monday	December 25

4. Golf Course Operations

Scott DeVito, PGA General Manager, reported on the activities at the Pease Golf Course. The Pro Shop and Titleist held golf club fitting sessions during the year which helped increase the Golf Shop merchandise sales. Staff is working with Titleist to conduct fitting sessions in 2017. The course closed for the season on December 4, 2016. Golf Course Maintenance are getting the course ready for winter. Activity has increased in the simulator rooms and membership applications are being processed for 2017.

5. Airport Operations

Andrew Pomeroy, Airport Operations Supervisor, reported on aviation activities.

a) PSM

As of November 30th, enplanements at PSM are at 58,715 and 117,383 passengers have gone

through the Terminal (a record number of enplanements and passengers). Allegiant Air currently has 7 flights per week and will increase service to 12 flights per week in February. The Terminal bathroom renovations were inspected and will be ready for use in the near future.

b) Skyhaven Airport

Contracts for the taxiway and drainage projects will be signed and the project will begin in Spring, 2017. With the exception of the portion PDA is required to pay, PDA will receive funding for the entire project.

c) Noise Line Report

Eleven inquiries were made to the noise line. Nine inquiries dealt with helicopter activities and 2 inquiries dealt with fixed wing military aircraft. Director Lamson commended Sandy McDonough for her work on the Noise Line. In response to Director Lamson, Mr. Pomeroy reviewed the military “touch and go” activities by the B-707 and other planes. Mr. Pomeroy reviewed the engine activities, con-trail formation, and air quality during the touch and go training.

B. Approvals

1. Bills for Legal Services

Director Loughlin 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 \$71,121.89 for legal services rendered to the Pease Development Authority by:**

1. Anderson Kreiger LLP		
Through November 30, 2016	\$3,470.50	
		\$ 3,470.50
2. Kutak Rock LLP		
Through October 31, 2016	\$ 967.05*	
	\$ 16,545.59	
Through November 30, 2016	\$ 16,052.75	
		\$33,565.39
3. Sheehan Phinney Bass + Green		
Through October 31, 2016	\$ 230.00	
	\$ 20,735.00	
Through November 30, 2016	\$ 13,121.00	
		<u>\$34,086.00</u>
	Total	<u>\$71,121.89</u>

***Note: The City of Portsmouth will pay the remaining balance. Discussion:** None. **Disposition:** Resolved by unanimous vote; motion carried.

XII. Division of Ports and Harbors

A. Reports

1. Port Advisory Council

Geno Marconi, Division Director, reported that the Port Advisory Council met on December 14,

2016. The Council reviewed the UNH Marine Department “Living Bridge” project at the Memorial Bridge in Portsmouth.

Mr. Marconi reported that for the third year the Division of Motor Vehicles (“DMV”) and the Division of Ports and Harbors (“DPH”) held a commercial licensing and permit program on December 8, 2016, to allow commercial fishermen to renew vessel registrations and fishing licenses at the DMV offices in Dover, NH instead of having to go to Concord, NH to complete the registrations. A second session will be held at the Dover DMV offices on January 19, 2017 from 8:30 a.m. – 12:30 p.m.

2. Commercial Mooring Transfer

Mr. Marconi reported that in accordance with the “Delegation to Executive Director: Consent, Approval and Execution of Mooring Permit Transfers”, commercial moorings were transferred for:

Applicant	Permit	Business	Date of Approval
Rye Harbor	No. 397	Commercial Fishing	11/10/16
Transferor:	Randell Collins		
Transferee:	Joshua Crooks		

B. Approvals

1. 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 \$90.00 for legal services rendered to the Division of Ports and Harbors by:**

- 1. Susan Marshall, Esq.
Through August 30, 2016 \$90.00**

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

XIII. New Business

No new business was brought before the Board,

XIV. Upcoming Meetings

1. 2017 Proposed Meetings Schedule

Chairman Bald presented the 2017 proposed meetings schedule and asked the Directors to let him know if any revisions need to be made. The following meetings will be held in January:

Finance Committee	January 17, 2017	8:00 a.m.
Golf Committee	January 17, 2017	8:30 a.m.
Board of Directors	January 19, 2017	8:00 a.m.

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

XV. Directors' Comments

Director Bohenko informed the Board that he will not be available for the January Finance, Golf, and Board meetings and asked to be excused. Director Allard informed the Board that he will be out of town beginning in January and also will not be available to attend the January meetings, but will participate via telephone. The January Finance Committee and Golf Committee meetings will be rescheduled. Director Torr asked that all offer good wishes to Director Preston as he recovers from surgery.

XVI. Adjournment

Director Allard moved and Director Bohenko seconded to **adjourn the Board meeting**. Discussion: None. Disposition: Resolved by unanimous vote; motion carried. Meeting adjourned at 11:58 a.m.

XVII. Press Questions

No members of the press attended the meeting.

Respectfully submitted,



David R. Mullen
Executive Director/Secretary