

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

Thursday, March 16, 2017

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

**I. Call to Order**

Vice-Chairman Loughlin called the meeting to order at 8:00 a.m. in the Board conference room at 55 International Drive, Pease International Tradeport, Portsmouth, New Hampshire.

*Note: Due to Directors participating by telephone, all votes will be taken as roll call votes.*

**II. Non – Public Session**

Director Loughlin moved and Director Torr seconded that **The Pease Development Authority Board of Directors will enter non-public session pursuant to:**

1. **NHRSA 91-A:3, Paragraph II(b) for the purpose of discussing the hiring of a public employee;**
2. **NHRSA 91-A:3, Paragraph II(d) for the purpose of discussing the acquisition, sale or lease of property; and**
3. **NHRSA 91-A:3, Paragraph II(e) for consideration or negotiation of pending claims or litigation which has been threatened in writing or filed against the body or agency or any subdivision thereof, or against any member thereof because of his or her membership in such body or agency, until the claim or litigation has been fully adjudicated or otherwise settled. Note: Roll Call Vote.**

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

**III. Vote of Confidentiality**

Director Lamson moved and Director Torr seconded that **Resolved, pursuant to NH RSA 91-A:3, Paragraph III, the Pease Development Authority Board of Directors hereby determines that the divulgence of information discussed and decisions reached in the non-public session of its March 16, 2017 meeting related to:**

1. **Personnel;**
2. **Leasing of property; and**
3. **Litigation**

**would, if disclosed publically, a) render the proposed actions ineffective; and b) affect adversely the reputation of any person other than a member of the public body itself; and agrees that the minutes**

of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply. **Note: This motion requires 5 Affirmative Votes.**  
Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

**IV. Acceptance of Minutes: January 19, 2017**

Director Torr moved and Director Preston seconded that **The Pease Development Authority Board of Directors hereby accept the Minutes of the January 19, 2017 Board meeting.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

**V. Public Comments**

There were no comments from the public.

**VI. Old Business**

**A. Approvals**

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

Director Allard moved and Director Lamson seconded that **At the request of Spyglass Development, LLC, the Pease Development Authority Board of Directors hereby tables the matter for the premises located at 30 New Hampshire Avenue until the May 18, 2017 Board meeting.** **Note: Roll call vote required.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

**VII. Finance**

**A. Financial Reports**

**1. Operating Results for Seven Month Period Ending January 31, 2017**

Irv Canner, PDA Director of Finance, reported on the status of the PDA FY 2017 finances for the seven month period ending January 31, 2017, including variances in revenues and operating costs. Mr. Canner reviewed the status of PDA staffing, electricity costs and legal fees. Mr. Canner reported on the changes in the Balance Sheet for the period and the effect of the pension liabilities on PDA's net position. Mr. Canner reviewed construction activities including grant funded and non-grant funded projects. Director Lamson confirmed the funding of the Airport Obstruction program including the planned tree cutting. A review of the business units for the period showed that: PSM enplanements are just below 10,000; Skyhaven Airport's net deficit since its transfer to PDA has exceeded \$1.5 million; mooring permit fee revenues have increased; mooring permit fee revenues are on budget; and Golf Course operating revenues, simulator revenues, and bar and grill sales are ahead of the same period last year.

**2. Nine Month Cash Flow Projections to November 30, 2017**

Mr. Canner reviewed PDA cash flow projections for the nine month period ending November 30, 2017 including the effect of timing of receipt of payments for grant funded construction projects which include the NH ANG taxiway project and Skyhaven Airport taxiway project. Mr. Canner reported on the variances in the unrestricted cash balances for PDA facilities for the period. The Finance Committee will meet on April 19, 2017 to review PDA's proposed capital budget seven year forecast.

**VIII. Licenses/Easements/Rights of Way/Options**

**A. Approvals**

**1. Lonza Biologics, Inc. – 70/80 Corporate Drive ROE Extension**

Director Torr moved and Director Lamson seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to amend and execute an extension to the Right of Entry with Lonza Biologics, Inc. for the premises located at 70/80 Corporate Drive. The Right of Entry is extended from January 1, 2017 through December 31, 2017; all in accordance with the Extension of Right of Entry dated February 14, 2017 attached hereto. Note: Roll Call Vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.**

**IX. 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. 200 International. LP**

200 International, LP entered into subleases at 200 International Drive with a) Accellion, Inc. for 1,943 square feet for a base term of three years; and b) Siemens Medical Solutions USA, Inc. for 9,241 square feet for a base term of five years with two 3 year options. Director Lamson approved the subleases.

**2. NH Avenue Retail Center, LLC**

NH Avenue Retail Center, LLC entered into a sublease with Cubic Transportation Systems, Inc. for 1,835 square feet at 14 Manchester Square for a base term of five years. Director Lamson approved the sublease.

**3. 119 International Drive, LLC**

119 International Drive, LLC entered into a sublease with Northeast Credit Union for 4,522 square feet at 15 Rye Street for a base term of five years. Director Lamson approved the sublease.

**B. Approvals**

**1. Seacoast Helicopters. LLC – 53 Exeter Street**

Director Preston moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to complete negotiations and enter into Lease Agreement with Seacoast Helicopters, LLC for the premises located at 53 Exeter Street on substantially similar terms and conditions contained in the Memorandum of Understanding dated March 1, 2017 and the memorandum of Mark H. Gardner, Deputy General Counsel, dated March 9, 2017, both attached hereto. Note: Roll Call vote required. Discussion: Bruce Cultrera of Seacoast Helicopters, LLC reviewed the concept plans including the wetlands on site, a new access road from Exeter Street, the building plans, hangar space, taxiway areas, and the proposed expansion area. At the request of Vice-Chairman Loughlin, Maria Stowell, PDA Engineering Manager, showed the wetlands and wetlands buffer areas and reviewed how the areas will be affected. NH DES has deemed the wetlands to be minor wetlands. Director Loughlin asked where the property would be accessed if the road was not put across the wetlands. Ms. Stowell reviewed the alternate driveway location. Director Lamson asked for more explanation of the proposed expansion area. Director Preston questioned what type of drainage would be used. Director Lamson stated that she would not vote for the motion due to the impact of the noise generated by Seacoast Helicopter’s activities in the seacoast region since 2013. Disposition: Resolved by roll call vote - 5 votes for; 1 vote no (Lamson); motion carried.**

**2. Seacoast Helicopters, LLC – 53 Exeter Street Concept Plan**

Director Allard moved and Director Preston seconded that **The Pease Development Authority Board of Directors hereby approves of the following as submitted by Seacoast Helicopters, LLC for the premises located at 53 Exeter Street:**

- a. **the Concept Plan attached hereto;**
- b. **the submission of subdivision and site review applications for the proposed project;**
- c. **the proposed granting of an easement from PDA to Seacoast Helicopters, LLC for site access; and**
- d. **the submission of applications to NH Department of Environmental Services and the City of Portsmouth for impacts to the wetlands and wetland buffer;**

**all on terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated March 9, 2017 attached hereto. Note: Roll Call vote required. Discussion:** Director Lamson commended Ms. Stowell on the presentation. Director Loughlin stated that PDA is reluctant to impact wetlands and he remains concerned about the wetlands impact. Disposition: Resolved by roll call vote - 5 votes for; 1 vote no (Lamson); motion carried.

**X. Contracts/Agreements**

**A. Reports**

In accordance with Article 3.9.1.1 of the PDA Bylaws, Mr. Mullen reported that PDA entered into the following contracts:

**1. H.L. Turner Group, Inc. – Cart Path Bridge**

PDA contracted with H.L. Turner Group, Inc. for the structural engineering study and report of the condition of the wooden cart path bridge on the Golf Course Blue Course 6<sup>th</sup> hole. The expenditure of \$4,500 was approved by Vice-Chairman Loughlin. Discussion: Vice-Chairman Loughlin questioned the need for review by two structural engineers. David Mullen, PDA Executive Director, reported that due to the condition of the pilings, the bridge is in need of repairs.

**2. Verizon – GPS Fleet Tracking System**

PDA contracted with Verizon for the purchase, installation, and monthly monitoring of a GPS fleet tracking system for use on some Maintenance Department vehicles. The expenditure of \$7,724.73 was approved by Vice-Chairman Loughlin

**3. Clubhouse Dining Room Booth Seating**

PDA contracted with Carolina Custom Booth Company of High Point, NC for the purchase and installation of 5 seating booths with custom fabric from Tobey Design of Portsmouth, NH for use in the Golf Course Clubhouse dining room. The expenditure of \$9,500 (maximum) was approved by Vice-Chairman Loughlin.

**4. Global Turf Equipment, LLC – Greens Roller**

PDA contracted with Global Turf Equipment, LLC for the purchase and delivery of a used greens

roller for use at the Pease Golf Course. The expenditure of \$9,250 was approved by Vice-Chairman Loughlin.

**B. Approvals**

**1. Dan Fortnam – Consulting Contract**

Director Lamson moved and Director Preston seconded that **The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into Amendment No. 10 to extend the Consulting Agreement with Daniel Fortnam from April 1, 2017 through September 30, 2017 with one (1) option to extend through March 31, 2018 exercisable at the Executive Director's sole discretion; all in accordance with the memorandum of Andrew B. Pomeroy, Airport Operations Manager, dated March 9, 2017 attached hereto. Note: Roll Call vote required. Discussion:** Director Preston questioned the status of staffing at Airport Operations. **Disposition:** Resolved by unanimous roll call vote; motion carried.

**2. Ransom Environmental Consultants**

Director Preston moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to negotiate an extension to the on call civil and environmental engineering consulting services agreement with Ransom Environmental Consultants, Inc. for a period of three (3) years; all as set forth in the memo from Maria Stowell, P.E., Manager - Engineering, dated March 1, 2017 attached hereto. Note: Roll call vote required. Discussion:** None. **Disposition:** Resolved by unanimous roll call vote; motion carried.

**3. Portsmouth Computer Copy, Inc.**

Director Loughlin moved and Director Lamson seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into an Operating Lease Agreement with Portsmouth Computer Copy, Inc. for the provision and maintenance of three copiers to be used at PDA facilities at an annual estimated cost \$9,284.**

**The Operating Lease Agreement is for a period of three (3) years effective April 1, 2017 including one (1) option to be exercised at the sole discretion of the Executive Director to extend the Agreement for a period of three (3) years; all in accordance with the memorandum from Irv Canner, Director of Finance March 8, 2017 attached hereto. Note: Roll Call vote required. Discussion:** None. **Disposition:** Resolved by unanimous roll call vote; motion carried.

**4. Jacobs Engineering Group**

Director Torr moved and Director Preston seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to enter into a contract with Jacobs Engineering Group of Bedford, NH, in a total amount not to exceed \$11,922 to provide consulting services for the purchase of snow removal equipment at Skyhaven Airport; all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated March 6, 2017, attached hereto. Note: Roll Call vote required. Discussion:** None. **Disposition:** Resolved by unanimous roll call vote; motion carried.

**5. Airport Terminal - Seating**

Director Allard moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into a Contract with Office Interiors Limited of Dover, NH for seating at the Portsmouth International Airport at Pease Terminal in**

amount not to exceed \$38,757.00; all in accordance with the memorandum of David R. Mullen, Executive Director, dated March 10, 2017 and attached hereto.

In accordance, with the provisions of RSA 12-G:8, VIII the Board waives the RFP requirement for Office Interiors Limited based upon the following justification:

1. Office Interiors Limited is a vendor selected by the State of New Hampshire in accordance with its procurement regulations. Note: This motion requires 5 affirmative votes. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

**XI. Executive Director's Reports/Approvals**

**A. Reports**

**1. Golf Course Operations**

Scott DeVito, PGA General Manager, reported on the Golf Course activities. The driving range will open as soon as possible and the courses are expected to begin opening between April 7 – 10<sup>th</sup>. League play begins in early May with 4,000 tournament rounds scheduled for the season. The simulators remain busy and are expected to be used until the outdoor courses are open.

**2. Airport Operations**

Andrew Pomeroy, Airport Operations Manager, reported on aviation activities,

**a) Skyhaven Airport**

Snow removal operations are ongoing. PDA will replace the old snow blower. Taxiway construction is expected to begin in May. Due to the construction, the Wings and Wheels event will be postponed until Fall.

**b) PSM**

As of February 28, 2017, enplanements reached 18,621, including 10,344 Allegiant Airline passengers and 8,277 troop passengers. Allegiant Airlines added flights to Myrtle Beach, South Carolina beginning June 1<sup>st</sup> and will run on Sundays and Thursdays. Allegiant will continue its flights to Sanford, Florida throughout the year.

**c) Noise Line Report  
(1) January, 2017**

Eight inquiries were made to the Noise Line in January, 2017. Four inquiries were related to rotor wing activities and four inquiries were related to fixed wing activities including military operations.

**(2) February, 2017**

Ten inquiries were made to the Noise Line in February, 2017. Seven inquiries were related to rotor wing activities and three inquiries were related to fixed wing activities including military operations.

In response to Director Lamson, Mr. Pomeroy reviewed the flight patterns and use of Runway 16

by Seacoast Helicopters. Director Lamson reported that she took a tour of PDA snow removal equipment and commended the Maintenance Department for their work on the snow removal at the Airport.

**B. Approvals**

**1. Allegiant Airlines – Marketing**

Director Preston moved and Director Torr seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to reallocate \$25,000 from PDA’s joint marketing fund to PDA’s independent marketing fund and to expend said funds for the purpose of promoting Allegiant Airline’s air passenger service to Myrtle Beach; all in accordance with the memorandum of Mark H. Gardner, Deputy General Counsel, dated March 10, 2017 attached hereto. Note: Roll Call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.**

**2. 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 \$81,387.13 for legal services rendered to the Pease Development Authority by:**

<b>Anderson Kreiger</b>		
Through 12/31/16	\$ 2,078.49	
Through 01/31/17	<u>\$ 346.50</u>	
		\$ 2,424.99
<b>Kutak Rock LLP</b>		
Through 12/31/16	\$ 6,182.64	
Through 01/31/17	<u>\$ 14,837.50</u>	
		\$21,020.14
<b>Sheehan Phinney Bass + Green</b>		
Through 12/31/16	\$ 29,696.00	
Through 01/31/17	\$ 27,782.00	
Through 01/31/17	<u>\$ 464.00</u>	
		<u>\$57,942.00</u>
	<b>Total</b>	<b><u>\$81,387.13</u></b>

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

**XII. Division of Ports and Harbors**

**A. Reports**

**1. Port Advisory Council**

Tracey Shattuck, Chief Harbormaster, reported that the Port Advisory Council met on March 8, 2017. The Council was briefed on the status of the Long bridge replacement project; the Division’s activities regarding prospective tenants; and the completion of the Sagamore Creek dredge project.

**2. Commercial Mooring Permit Transfer**

Chief Harbormaster Shattuck reported that in accordance with the “Delegation to Executive

Director: Consent, Approval and Execution of Mooring Permit Transfers", commercial moorings were transferred for:

<u>Applicant</u>	<u>Permit</u>	<u>Business</u>	<u>Date of Approval</u>
Seabrook Harbor Transferor: Transferee:	No. 389 Charles Felch, Jr. Charles Felch, III	Commercial Fishing	03/06/17

**B. Approvals**

**1. Charter Boats and Concession ROES**

Director Torr moved and Director Preston seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute:**

**1. Rights of Entry for charter boat operations at the Hampton Harbor Marine Facility with:**

- a) **Jah Reel Fishing Charters;**
- b) **Due East Fishing Charters;**
- c) **Central NH Guides; and**

**2. Extensions of Rights of Entry for the Rye Harbor and Hampton Harbor marine facilities' charter boat operations and retail operations for the businesses listed;**

**on the terms and conditions set forth in the memorandum from Geno J. Marconi, Division Director, dated March 1, 2017 attached hereto. Note: Roll call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.**

**2. Shoals Marine Laboratory – Burge Wharf ROE**

Director Lamson moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute Amendment No. 9 to Right of Entry for Non-Exclusive Use of Parcel A-2 and Burge Wharf by Cornell University - Shoals Marine Lab for the purpose of extending the Right of Entry for a period of two (2) years from April 1, 2017 through March 31, 2019; all in accordance with the terms and conditions contained in the memorandum of Geno J. Marconi, Division Director, dated March 3, 2017 attached hereto. Note: Roll call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.**

**XIII. Special Events**

**A. Report**

Marie Aleksy, PDA paralegal, reported on the following special events:

**1. American Lung Association Cycle The Seacoast**

On Sunday, May 7, 2017, the American Lung Association will hold the "Cycle the Seacoast" bike rally. Funds raised will be used to support the American Lung Association's programs.



**2. Runner's Alley/Redhook Ale Brewery 5K**

On Sunday, May 28, 2017, Redhook Ale Brewery and Runner's Alley will host a 5k road race. Funds raised will be used to support the Krempels Brain Injury Foundation's programs.

**XIV. New Business**

No new business was brought before the Board.

**XV. Upcoming Meetings**

Vice-Chairman Loughlin announced the following meetings will be held:

Port Committee	April 6, 2017 at 55 Market Street
Audit Committee	April 19, 2017 at 8:00 a.m.
Finance Committee	April 19, 2017 at 8:30 a.m.
Board of Directors	April 20, 2017

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

**XVI. Directors' Comments**

None.

**XVII. Adjournment**

Director Torr moved and Director Lamson seconded to **adjourn the Board meeting**. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried. Meeting adjourned at 10:37 a.m.

**XVIII. Press Questions**

No members of the press attended the meeting.

Respectfully submitted,



David R. Mullen  
Executive Director/Secretary