

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

Thursday, June 20, 2019

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

I. Call to Order

Chairman Smith called the meeting to order at 8:35 a.m. in the Board conference room on the Pease International Tradeport at 55 International Drive, Portsmouth, New Hampshire.

II. Acceptance of Meeting Minutes: May 16, 2019

Director Allard moved and Director Lamson seconded that **the Pease Development Authority Board of Directors hereby accepts the minutes of the May 16, 2019 Board meeting.**

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

III. Non-Public Session

Director Lamson moved and Director Torr seconded that **The Pease Development Authority Board of Directors will enter non-public session pursuant to NH RSA 91-A:3 for the purpose of discussing the following:**

1. **Personnel matters (Hiring/Firing/Compensation),**
2. **Security Matters; and**
3. **Sale or lease of property.**

Note: This motion requires 5 affirmative votes.

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

Non-Public Session started at 8:37 a.m.

Non-Public Session ended at 10:12 a.m., took a short break and resumed the public session at 10:22 a.m.

IV. Vote of Confidentiality

Director Levesque moved and Director Torr seconded that **pursuant to NH RSA 91-A:3, Paragraph III, the Pease Development Authority Board of Directors hereby determines that the divulgence of information**

discussed at the non-public session with the exception of item XI. (B)(2) of its June 20, 2019 meeting related to:

1. Personnel matters (Dismissal, promotion or compensation of public employee),
2. Security matters; and
3. Sale or Lease of Property

would, if disclosed publically, a) affect adversely the reputation of any person other than a member of the public body itself; b) render the proposed actions ineffective; c) compromise the emergency functions pertaining to security;

and agrees that the minutes of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply.

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

V. Public Comment

There was no public comment.

VI. Finance

A. Reports

1. Operating Results for Nine Month Period Ending April 30, 2019

Finance Director Irving Canner (Canner) indicated that the internal auditors, Berry Dunn, spent last week at PDA, returning on June 28th for the physical inventories and will return the first week of September to do its final work. Canner indicated that there have been no findings.

The trends that have been discussed have remained consistent and the operating revenues are up by approximately 6.7% due to changes in fee revenues (pay-for-parking, golfing by non-members and wharfage and dockage fees) and fuel sales. Of note, the pay-for-parking was supposed to commence in July of 2018 but did not start until January of 2019. Fee revenues have been offset by escalating operating costs (which is approximately 3.9% over budget) driving by consummation of services and the CLF settlement, but the fuel sales and the operating income are above projected budgeted amounts. Total number of employees on the chart indicate 146, but as of this week we are at 154 employees in this current pay period (increase include seasonal personnel). The organization chart shows one open position (indicated in red under maintenance); 62 filled positions with 51 positions here at PDA.

Director Lamson asked Airport Director Paul Brean (Brean) a question regarding the equipment operator position in maintenance. Brean's responds is that the position currently being advertised is a heavy equipment operator (snow plowing, grass maintenance etc.).

Canner indicated that the balance sheet shows the income statement as a way to explain the changes in the cash balances covering the capital expenditures (barge dock, terminal and runway at Pease, and the pay-for-parking equipment). This document shows that the reconciliation done monthly is a manner in which to gain a better understanding of changes in cash balances. PDA has not had to draw on the Revolving Line of Credit

(RLOC) of \$15 million dollars that it has through December 2022; it is not anticipated that we will have to utilize the RLOC until approximately the first quarter of next year.

For more specific information, the Portsmouth Airport increases are due to the pay-for-parking and fuel flowage fees which were two new revenue streams introduced in FY19. The month of May indicates approximately 20,000 enplanements greater than last year (50% increase from last year).

Regarding Skyhaven, Canner indicated it is holding its operating budget and its revenues are in line with the budget (within \$2,000), which displays good control of its operations.

With respect to Golf, operating revenues have increased by approximately 7% which results in an increase in the overall operating number. The operating budget is broken up to between golf, food & beverage, and the simulator. Contributing factors to the increase in the overall operating numbers is that the simulators represent about 20% of revenues and 60% of profit; and actual rounds of golf played by non-members is up about 12%.

Regarding the Port Authority, unrestricted funds shown under fee revenue indicates an increase in the wharfage and docking fees, as well as fuel sales, representing the contributing factors to the increase in revenue.

Director Lamson congratulated the Airport Director with the enplanements that we have had.

2. Nine Month Cash Flow Projections to February 29, 2020

Canner indicated an anticipated decrease in cash balances from June 2019 to the end of February 2020. This decrease will be due primarily to the use of \$5.7 million on capital expenditures and non-related grant activity. Of this amount, \$5.2 million is related to the terminal; we will start to see expenditures going heavy in the near future regarding the terminal project. The indication under use of funds is capital non-grant funds would primarily be the airport project.

We will be making two municipal services fee payments to the City. This coming January, PDA will be making its final long-term debt payment to the City which relates to the Wastewater Treatment Facility (20 year obligation at 4.5/4.6%); estimating PDA will have no debt on the books as of January.

Subtle decrease in cost of money and operating budget projection; has assumed a 5.4% increase rate assumption to manage long-term debt.

Chairman Smith left the meeting at approximately 10:33 a.m. and returned to the meeting at approximately 10:36 a.m.

B. Approvals

1. FY 2020 Operating Budget and FY 2021 – FY 2023 Forecast

Director Torr moved and Director Allard seconded that **the Pease Development Authority Board of Directors hereby accepts the proposed FY 2020 Operations and Maintenance (O & M) Budget and FY 2021 – FY 2023 O & M Forecast; all in accordance with the documentation submitted by Irving Canner, Finance Director.**

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

VII. Licenses/ROE/Easements/Rights of Way

A. Reports

1. Enterprise Rent-A-Car of Boston LLC – 35 Airline Avenue

Executive Director Mullen indicated that Enterprise has taken a six (6) month License to operate its rental car facility located on 35 Airline Avenue.

2. Deal Rent-A-Car, LLC - Right of Entry for Terminal Space

Executive Director Mullen indicated that Deal Rent-A-Car has taken Right-of Entry for terminal space in anticipation of the Board's approval of its lease.

Director Allard inquired about this tenant and Brean responded they are a division of Key Auto here in Portsmouth.

3. New Hampshire Air National Guard – Exercise Extension of Right of Entry for Mobile Air Traffic Control Tower to March 2, 2024

Executive Director Mullen indicated that NH Air National Guard has exercised an extension on its Right of Entry for the Mobile Air Traffic Control Tower.

4. Jalbert Leasing, Inc. d/b/a C & J Bus Lines – Exercise Extension of Right of Entry through October 31, 2019

Executive Director Mullen indicated that Jalbert Leasing has exercised an extension on its Right of Entry for overflow parking on two (2) additional lots which had been utilized seasonally and now they are using throughout the year.

B. Approvals

1. Experimental Aircraft Association “EAA 225” – Right of Entry at Skyhaven Airport (DAW) through June 30, 2019 with a request of the Board to extend through December 31, 2019

Director Allard moved and Director Torr seconded that **the Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Right of Entry with New England Seacoast Region Chapter 225 of the Experimental Aircraft Association (EAA) at Skyhaven Airport for the purpose of staging and hosting EAA 225 Young Eagle Flight Rally events through December 31, 2019; all in accordance with the Right of Entry dated May 16, 2019.**

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

2. U.S. Coast Guard – Right of Entry at 14 Aviation Avenue through June 30, 2020

Director Lamson moved and Director Torr seconded that the Pease Development Authority Board of Directors hereby approves of and consents to issuing a Right of Entry (“ROE”) to the United States Coast Guard (“USCG”) for long term parking at 14 Aviation Avenue for the purpose of utilizing 75 ± designated motor vehicle parking spaces from July 22, 2019 through July 31, 2020; all in accordance with the memorandum of Paul E. Brean, Airport Director, dated June 13, 2019.

Discussion: Director Lamson indicated she was pleased as they were previously in New Castle. No further discussion. Disposition: Resolved by unanimous vote for; motion carried.

VIII. Signs

A. Approvals

1. 119 International, LLC

Director Lamson moved and Director Allard seconded that the Pease Development Authority Board of Directors hereby approves of the proposed signs for 119 International, LLC, for the premises located at 119 International Drive, 15 Rye Street and 19 Rye Street; all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated June 7, 2019.

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

IX. Leases

A. Approvals

1. B & H Airpower, L.L.C. for Hangar 5 at Skyhaven Airport (DAW)

Director Levesque moved and Director Torr seconded that the Pease Development Authority Board of Directors approves of and authorizes the Executive Director to complete negotiations and to execute a lease with B & H Airpower, L.L.C. for the purpose of storage and operation of its corporate Cessna 525 Citation Jet and BE-55 Beech Baron for the premises known as Hangar 5 located at Skyhaven Airport (DAW); substantially in accordance with the memorandum from Andrew Pomeroy, C.M. Airport Operations Manager, dated June 14, 2019.

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

2. Deal Rent-A-Car, LLC – Car Rental Concession Lease and Operating Agreement for terminal space

Director Torr moved and Director Allard seconded that the Pease Development Authority Board of Directors authorizes the Executive Director to enter into a Car Rental Concession Lease and Operating Agreement with Deal Rent-A-Car, LLC, substantially in the form attached hereto for the purpose of providing rental car services at the Portsmouth International Airport at Pease.

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

X. Contracts/Agreements

A. Reports

1. **Purchase of Replacement Computers from Dell**
2. **Purchase of Used Greens Roller**
3. **Builder's Risk Insurance / Terminal Expansion Project**

Executive Director Mullen reported that Director Peter Loughlin authorized the purchase of replacement computers from Dell in the amount of \$6,004.36 and that Director Robert Allard authorized the purchase of a Used Greens Roller for the Golf Course in the amount of \$7,500.00. Mullen further reported with respect to the Terminal Expansion Project the purchase of Builder's Risk Insurance in the amount of \$14,641.00.

B. Approvals (LATE/NEW ITEM)

1. **Purchase of a 2020 Chevy Tahoe Replacement Vehicle for Airport Management * (Torr)**

Director Torr moved and Director Lamson seconded that the **Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to purchase a 2020 Chevrolet Tahoe from MacMulkin Chevrolet of Nashua, NH in the amount of \$37,609.00 all in accordance with the memorandum of Paul Brean, dated June 18, 2019.**

Discussion: Chairman Smith inquired to the size of the PDA fleet; how many vehicles does PDA have. Brean indicated for light equipment we have approximately 3 SUVs, 8 heavy duty pick-up trucks, and everything else is heavy equipment for maintenance. Chairman Smith asked if we lease any of the vehicles or if they are purchased. Brean responded that the PDA does not lease the vehicles and the normal lifecycle is approximately 20 years on a fleet vehicle. Brean further stated that PDA still has two 1988 Chevy trucks as part of the fleet. PDA has skilled technicians who maintain the fleet in an effort to increase the lifespan of the vehicles. Chairman Smith indicated that the Town of Londonderry has moved to leasing all of its vehicles, though the ones with extenuating lifespans Londonderry still purchases. However, if it is 10 years or less the vehicle is being leased. Brean indicated that the major issue faced by PDA is the need to equip the vehicles with packages (radios, lights etc.) so that they can operate on the airfield and most leasing companies do not want that change to the platform. No further discussion. None. Disposition: Resolved by unanimous vote for; motion carried.

XI. Executive Director's Reports/Approvals

A. Reports

1. **Golf Course Operations**

Golf Course General Manager Scott DeVito (DeVito) indicated that despite the weather, since May there have been only two days that have been missed (two leagues couldn't play). All events that have been held to date have signed up again for the 2020 season. It has been one of the busiest seasons. DeVito indicated that new technology is being added which is anticipated to be up and running by the next meeting (online store which will be live and new equipment will be installed for a livestream off the first tee which will hopefully be integrated into the website). There has been approximately 48,000 rounds played in the fiscal year and are hoping with the cooperating of the weather to get another 3,000 rounds in to go over a total of 50,000 rounds again this year.

Director Allard indicated to DeVito that he has been informed that the Blue 9 is being used as much the other 18. DeVito affirmed that statement and further stated that the event at the course today is on the Blue course; the Blue Course probably hosts about 25% of the events. At the April Golf Committee meeting last year it was determined that the Blue Course was utilized just under 33% (both revenue and rounds played on that course). Director Allard asked if that course was promoted. DeVito indicated it is a luxury having it; when there is an event, such as today, there is regular play available to walk or ride and a great tool to keep the course affordable.

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

2. Airport Operations

a) Portsmouth International Airport at Pease (PSM)

Airport Director Paul Brean indicated that May is historically a slower month but the airport was strong. Allegiant extended some of its services to Punta Gorda and Orlando. There were approximately 18,000 passengers through the terminal which equates to 8,000 enplanements with a rough distribution between charter Department of Defense flights and commercial activity. Currently above last year's numbers by about 20,000 enplanements. Fuel flowage fee and revenue parking are running strong. It has been determined that the duration time for travel in the spring decreases which is indicated by purchased parking tickets for seven (7) days in the winter and the spring parking tickets are ranging from three (3) to four (4) days.

Allegiant started its Savannah service on June 8th and Myrtle Beach on June 6th; 30 rental cars per flight are being rented in Portsmouth.

Frontier is suspending its Orlando service on July 6th, the market responded well to its business and it is hoped that Frontier will come back for the winter.

Overall, not just Portsmouth but nationally there is an uptick in corporate aviation activity beyond 2008 numbers, recognized by transient traffic at Portsmouth.

Terminal project has mobilized and identifying the construction area with fencing and setting up construction trailers etc.

Brean spoke to working with Director Marconi in assisting a port customer on the storage of property for overflow at two locations (port and North Apron) and the inter-department collaboration between the Port and Airport.

b) Skyhaven Airport (DAW)

There are two (2) larger aircraft leasing space at Skyhaven.

c) Noise Line Report

There were a total of nine (9) noise inquiries in May, 2019. Seven (7) were complaints about noise; five (5) inquiries (from a Portsmouth resident) were for rotor-wing aircraft and two (2) inquiries were for fixed wing

(1 of which was concerning the departure of 16 F-16's being deployed). The remaining two (2) inquires concerned different aviation issues.

Director Allard asked Brean when the terminal project would be completed; Brean consulted with Engineering Manager Maria Stowell (Stowell) who indicated end of 2020. Brean further indicated that there is no operational impact anticipated due to the project.

Director Lamson indicated a good job being performed by Brean and Stowell regarding the terminal project.

B. Approvals

1. **Personnel Policies**
 - a) **Merit and COLA Adjustments**
 - b) **Maximum Annual Leave Accrual in Twelve (12) Month Period**
 - c) **Maximum Annual Leave Accrual Carry Forward**
 - d) **Holiday Leave**
 - e) **Declination of Health Benefits**

Director Allard moved the motion as presented and Director Torr seconded that **the Pease Development Authority Board of Directors hereby adopts the following modifications to the PDA Employee Handbook, and authorizes the Executive Director to implement the same as follows:**

1. **Change Annual Leave Policy to indicate:**
 - a. **any employee currently accruing more than twenty-four (24) days per year will retain their current annual accrual rate, but will not receive any additional days for additional service years; and**
 - b. **all other benefitted employees, and any new benefitted employee, shall accrue annual leave to a maximum annual rate of twenty-four (24) days;**
2. **Change Maximum Annual Leave Policy to indicate any employee who reaches their maximum annual leave accrual during the calendar year will continue to accrue their pro-rated accrual each pay period through December 31st of such year and may use such time subject to general policies of coordination. In each instance the first payroll of the following calendar year will reflect only the maximum permitted accrual to be carried over;**
3. **Change Merit and COLA Adjustments Policy to indicate salary increases to be based on merit and funding, and shall not exceed two percent (2%) per year without the advance approval of the Executive Director. In addition, PDA will adopt an annual COLA adjustment to provide on July 1st of each year, full time benefitted PDA employees shall receive a COLA based on the U.S. Bureau of Labor Statistics Employment Cost Index for wages and salaries for state and local government workers not to exceed 1.5%;**
4. **Change Holiday Leave Policy to indicate that PDA Employees will receive eleven (11) paid holidays and two (2) floating holidays for a total of thirteen (13) holiday leave days. The floating holidays do not accrue and must be used in whole day increments during the fiscal year of July 1 to June 30; and**

5. **Adopt and implement a new policy regarding Payment for Declining Medical Coverage for PDA to pay, subject to review of implications for retiree health benefits and a statutory authority determination by the NHDOJ, to allow eligible employees who decline PDA medical benefits upon employment or at any open enrollment period and obtain such benefits from another provider said employee is compensated ten percent (10%) of the annual premium for the qualifying plan available (single, two person or family plan).**

Items 1 through 4 to become effective July 1, 2019, all in accordance with the memorandum of Lynn Marie Hinchee, Deputy Director and General Counsel, dated June 13, 2019 attached hereto. Item 5 to become effective following consultation with the NH Retirement System and NHDOJ as to authority.

Discussion: Director Lamson indicated that the presentation was well done and to the point so all Directors could understand what was presented. No further discussion. Disposition: Resolved by unanimous vote for; motion carried.

2. **Engagement of PDA Deputy Executive Director/PSM Airport Director**

Director Allard moved and Directors Lamson and Levesque (simultaneously) seconded that in accordance with the provisions of Section 3.11 of the Second Amendment to By-Laws of the Pease Development Authority, the Pease Development Authority Board of Directors authorizes the Executive Director to negotiate and execute an Employment Agreement with Paul E. Brean for a five (5) year term commencing July 1, 2019, for the Position of PDA Deputy Executive Director and PSM Airport Director.

Discussion: Chairman Smith indicated that he is very happy to see the Board engaging Paul Brean in this contract and he has done yeomen's work at the airport. This puts PDA on solid footing for the future and planning for the future and through succession planning. This contract would become effective July 1, meaning that Lynn Marie Hinchee (Hinchee) would be stepping down from her role as Deputy Director while still remaining on staff as PDA General Counsel. Accolades provided to Hinchee on the job she has done at PDA as Deputy Director. She has served PDA well and as Director Lamson indicated earlier, Hinchee has always been looking out for the best interests of PDA.

Director Lamson reiterated that she is pleased as Brean sees a vision of long-range planning at the Airport and what the mission was meant to be.

No further discussion. Disposition: Resolved by unanimous vote for; motion carried.

3. **Bills for Legal Services**

- a) **Sheehan, Phinney, Bass & Green, P.A. in the amount of \$29,870.50**

Director Levesque 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 \$29,870.50 for legal services rendered to the Pease Development Authority from Sheehan, Phinney, Bass & Green.

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

XII. Division of Ports and Harbors

Geno J. Marconi, Division Director of the Division of Ports and Harbors (DPH) reported on Division activities as representing the current business at the Division of Ports and Harbors (“DPH”).

A. Reports

1. Port Advisory Council Minutes of April 10, 2019

Geno Marconi (Marconi), Division Director, reported that the Port Advisory Council met April 10, 2019 and the approved minutes are included in the agenda.

2. Les Eastman-Charter ROE, Hampton

Marconi, Division Director, reported that this is the second year that this ROE has been done. The reason behind this request is the filling in of Seabrook Harbor, and Eastman’s is on the far part of that harbor. There have been a couple of times that Eastman has been unable to get his boat into the dock to get his passengers off due to the shoaling that is going on there, cause issues trying to run a schedule with the boat. As managers of the harbor, this is a concern for navigation and a concern for safety of the boat and its passengers. This ROE is being done in advance, due to the fact that twice last summer there were times that Eastman had to utilize the dock on the Hampton side where the water was safe to bring the passengers in and discharge them while waiting for the tide to come back in to get back into sea. The Corp of Engineers will begin dredging Hampton / Seabrook Harbors in mid-October.

3. Commercial Mooring Transfers

a)	Rye Harbor	Permit No. 950	Business	Date of Approval
	Transferor:	Andrew Widden	Commercial	6/4/19
	Transferee:	Adam Baker		
b)	Seabrook Harbor	Permit No. 6933	Business	Date of Approval
	Transferor:	Norman Pike	Commercial	6/4/19
	Transferee:	Alexander Gonzalez		

Marconi indicated that Commercial Mooring Transfers that have been requested met the Code of Administration of Rules and upon review by the Harbor Master a recommendation was made to the Executive Director who signed off on these through the Delegation of Authority.

4. Portsmouth Fish Pier Sea Wall

Marconi spoke to the Board about the Portsmouth Fish Pier, an issue that has come up unexpectedly. Marconi passed out a packet of information (memo and accompanying documentation). As background information, in January of 2018, Appledore Engineering submitted a report regarding a condition survey (this survey is performed every 10 years) for each facility. The survey is performed in an effort to plan ahead; each facility is inspected to determine the condition of the property and what may need to be addressed.

The Portsmouth Fish Pier (PFP) is approximately 40 years old (built in the late 70s). The survey indicated above stated that some of the PFP facility was in either poor or fair condition. Based on the report, DPH previously came to the Board seeking permission to do a Concept Study on either rehabilitating or

replacing the areas of concern. However, on May 20th, Marconi received a report from DPH staff stating that it appeared as though the steel bulkhead, behind the building, was moving away from the pavement (represented by the first photo attached to the report). Marconi further indicated that Appledore Engineering and all parties have been keeping their eye on the area as the separation is progressing significantly. Marconi indicated that he has been in contact with the Department of Public Works for the State as they were the original overseers of the construction of the project; a digital copy of the as-built plans were received from the State. The plans have been reviewed and indicate that the standard construction of the wall shows that 45' in from the face of the wall there is a series of anchors, then you have 2 1/8" tie rods that go out to a beam and then you go out to the seawall. Unlike the Hampton construction where the H beam was placed on the outside of the seawall with the tie rod pulling everything together, the PFP had the H beam on the inside of the seawall and then the wall was bolted (on each side of the U was a piece of metal plate with a 1" bolt) to the H beam. The condition survey that was performed (basically an x-ray of the plate and bolt area) indicated that the sheet piles are still substantially thick and that there has been some corrosion on the outside from the marine environment. The bolts looked pretty good from the outside, but then some of the bolts were beginning to pop. Upon further inspection, it was found that the head of the bolt itself and the backing plates (which are 10' under the ground) were good. However, the inside of the bolt had corroded away which is what is letting go. The fuel system inhibited the excavation necessary to inspect the bolts. The underground fuel lines are about 6' from edge of wall and run to the tanks in the parking lot to the fuel pump on the wall. The 1" bolt holding the sheet wall together has started to corrode and with the force of the land pushing against the wall, the pressure is causing the wall to become "unzipped". The first major concern was public safety; the floating docks (fuel and area where fishermen unload and put the bait on the boats) have been removed; added signage to indicate no docking and no fuel. The second major concern was environmental impacts due to the fuel system. Service provider (Lakes Region Environmental) came and purged the fuel lines, removed the fuel, the fuel dispenser and anything dealing with the fueling system. Unfortunately, the ground has settled compressing the conduit that the lines are located in, therefore the lines cannot be removed. Anticipating that the tie backs should still be in good serviceable condition, it is now necessary to go in and inspect prior to making a final determination. Test pits are going to be dug by the contractor next Tuesday or Wednesday. The inspection of the tie back system will assist in making a determination of the next phase and what needs to be done in order to fix the wall. Based on what was done in Hampton, the size difference between the PFP wall and the Hampton wall, as well as the increased costs in steel and construction, a cautious estimate to repair the wall would be between \$1 million to \$1.3 million.

Marconi noticed that it is necessary to minimize the impacts to the industry based out of PFP. A couple of years ago DPH worked with the State Fire Marshall and the City's Fire Department and came up with a system that allows fishermen to apply for a variance to allow them to get fuel directly from a tank truck. The National Fire Prevention Code prohibits fueling over the water directly from a tank truck. However; with this situation creating a hardship to the fishing industry and as both the fishermen and DPH's preapproved fuel vendors meet stringent requirements (including Coast Guard regulations for fueling ships) direct fueling is permitted. The fishermen are working together in coordinating loading, unloading and receiving fuel. Also, there are two hoists located on the wood dock (one is near the tall ice tower and the other is at the far end of dock). An additional temporary hoist has been added approximately 60' to 70' down the dock which should be operational sometime next week.

Two critical points to be addressed are: 1) what is the fix going to be; and 2) how is it going to be paid for. The fishermen have been busy on the phone making contacts through the state for funding and in turn Marconi has been receiving calls from the Governor, State Senators, Governor's Council etc. asking what is

going on at the PFP. A copy of the memo and attachments that was distributed to the Board have been provided to these individuals too. There seems to be support in Concord to try to find some funding when a remedial plan is in place.

Director Lamson indicated it was an excellent report.

Director Levesque inquired as to when the Board will know the results of the report; Marconi responded the test pits will be dug on Tuesday and Wednesday next week and it should be shortly after the testing has been completed that a report will be received. Testing involves cleaning off of the steel, banging on it with a hammer, and inspecting it.

Director Allard asked if there are funds (\$1 million dollars) in Concord that may be available for the PFP; Marconi responds that there is the Harbor Dredge Pier Maintenance Fund and there isn't a lot of money in there as some of those funds have been encumbered (i.e.; \$132,000 was appropriated with the signing of the Army Corp of Engineers for the dredging of Hampton/Seabrook). Director Allard indicated that this was not the fund he was referring to; Canner interjected the State Appropriation Fund of \$5 million dollars; Marconi indicated the Pier Expansion fund. Marconi further stating that DPH has been awarded the BUILD Grant from USDOT but the \$5 million has been allocated as the match to that grant. This means that USDOT won't award the final grant to rehabilitate the existing dock at the marine terminal, without certifying to USDOT that DPH has the funds.

Director Lamson asked about the location of the bait container. Marconi referenced an area on Exhibit 2 where the bait container is located.

Director Allard asked if the wall was moving. Marconi affirmed and further stated that the photo indicated as Exhibit 4 was taken on June 13th.

Director Levesque indicated that he viewed the area with Marconi on the 14th and it was much worse than depicted in the photo.

Director Allard indicated that the photos look horrific and is wondering what the fear is at this time. Marconi indicated that there is a concern about collapse and DPH is trying to see what can be done to stabilize so it does not progress. A couple of contractors have presented a different options to sure up the wall. The good news, from the investigation performed by Appledore, is the steel is good (the sheet piles are 45' long and are deep into the ground) so the strength of the steel is good. The steel is not allowing the wall to fall over (not saying that it won't fall over). DPH is looking at the options and focusing on having the pits dug to investigate the overall condition of the wall. Director Allard indicated that this looks like a pretty serious situation and doesn't think DPH wants to wait another year and a half to see what happens with the wall.

Marconi further indicated that the anchors for the tie back system are under the building.

Director Allard asked the length of the bolt which was shown to the Board. Marconi referenced a large mounted plan he brought but could not find the precise measurement of the bolt.

Director Levesque asked for confirmation that the property is owned by the State, Marconi affirms. Marconi further indicated that in 2002 the legislature turned the management of these properties over to DPH.

Director Allard further asked who is responsible for it, the State. Marconi indicates that when the transfer was occurring he made a comment to the Legislature that DPH had no problem managing the property but, “don’t give me a sinking ship without money to fix it”.

Marconi indicated that he has talked with Senator Martha Fuller Clark, Senator D’Allesandro (Chairman of the Finance Committee), Councilor Prescott and a couple Executive Councilors. The Governor has been provided with the report. He also knows that the fishermen have been making phone calls as well.

Director Allard indicated that he would think that the Governor, who is interested in selling the golf course, would be interested in the safety of the pier and Director Lamson affirmed.

Director Levesque indicated we have to wait to see the results of the test pits next week. Director Allard stated that if you are looking for a \$1 million dollars you can’t find that quickly.

Hinchee stated that Marconi has faced this issue before when it is necessary to look to the state for capital commitment; she reminds the Board that based on Federal Law and statute, PDA cannot contribute to any Port projects. There is an educational process and wanted to provide the Board with this information as they will undoubtedly be receiving calls regarding this matter.

Chariman Smith indicated that the next Board meeting is not until August and requested Marconi to keep the Board informed after the test pits have been dug and there is additional information. Marconi indicated he hopes to have that information within two weeks and will forward it to Director Mullen in an effort to keep the Board informed.

XIII. New Business

No new business.

XIV. Upcoming Meetings

Residential Housing Committee	July 18, 2019 @ 9:00 a.m.
Golf Committee	August 12, 2019 @ 8:00 a.m.
Finance Committee	August 12, 2019 @ 8:30 a.m.
Board of Directors	August 15, 2019 @ 8:00 a.m.

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

XV. Directors’ Comments

Director Lamson indicated what a pleasure it was working with Stowell and the Engineering Department staff. Lamson invited the Board and public to view Sam Rowes Hill off Arboretum and extended a thank you to Lou Pickering who did the landscaping design; she further stated it shows how the Town of Newington and a government agency can work together on a project. Town of Newington’s responsibility is to water and monitor all 63 plantings. The Town has put up posts for a deer fence around the perimeter to keep the wildlife away from the vegetation. Stowell also extended thanks to Jared Sheehan from the Engineering Department

who worked with the landscaper to put it all in, as well as the Board who appropriated the money for the project.

Director Lamson reminded the Board that the Noise Compatibility meeting will be held tonight at 6:30 p.m. and that a report will be presented by Paul Brean and Sandy McDonough.

Director Torr asked if it would be possible to have future agendas printed double sided in an effort to save paper. Chairman Smith asked if there were any objections to double siding the agendas and no objections were received.

Chairman Smith complimented Raeline O'Neil since she has been in this position and stated that she is incredibly efficient in her communications and getting items to the Board in a timely manner; she has done a great job. Director Lamson affirmed to indicate an excellent job with the packets.

XVI. Adjournment

Director Torr moved and Director Allard seconded to **adjourn the Board meeting**.

Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried. Meeting adjourned at **11:32 a.m.**

XVII. Press Questions

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

Respectfully submitted,



David R. Mullen
Executive Director