

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

Thursday, November 21, 2019

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

I. Call to Order:

Chairman Smith (“Smith”) called the meeting to order at **9:40** a.m. in the Board conference room on the Pease International Tradeport at 55 International Drive, Portsmouth, New Hampshire.

II. Acceptance of Meeting Minutes

Director Lamson moved the motion and Director Allard seconded that **the Pease Development Authority Board of Directors hereby accept the minutes of the October 17, 2019 Board meeting.**

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

III. Public Comment:

There was no public comment.

IV. Committee Meetings:

A. Reports:

1. Residential Housing Agendas

- i. October 17, 2019 *
- ii. November 21, 2019 *

Chairman Smith (Smith) indicated that the Residential Housing Committee held its last meeting this morning and the Committee approved a final report which will be presented to the Board at its December 19, 2019 meeting.

2. Golf Committee Agenda

Director Bohenko (Bohenko) provided a report to state that the Golf Committee met on Monday (11/18) and indicated an issue that was brought up by Scott DeVito, PGA General Manager (DeVito) is the use of the electric golf carts. The Committee was informed that individual players at the golf course want to utilize a single golf cart for themselves so if there are three or four players in a group they want three or four carts. This is not sustainable in terms of the environment and this makes

less carts available for other patrons. A policy has been prepared to address this situation. This policy requires people to share a cart and will help in the operation of the golf course.

i. Approval of Golf Cart Policy

Director Bohenko moved the motion and Director Allard seconded that **in accordance with the recommendation of the Pease Golf Committee, the Pease Development Authority Board of Directors approves of, adopts and implements the “Pease Golf Course Golf Cart Policy” attached hereto; all in accordance with the memorandum from Scott D. DeVito, PGA General Manager, dated November 5, 2019.**

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

ii. Approval of Vinyl Fence Repair

Director Torr moved the motion and Director Allard seconded that **in accordance with the recommendation of the Pease Golf Committee, the Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into a contract with Chasco, Inc of Portsmouth, New Hampshire to repair the vinyl fencing area on the east side of the Pease Golf Course clubhouse in an amount not to exceed \$4,800.00; all in accordance with the memorandum of Scott D. DeVito, PGA General Manager dated November 5, 2019.**

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

3. Finance Committee Agenda

V. Finance:

A. Reports:

1. FY 2020 Financial Report for the Three Month Period Ending September 30, 2019

Finance Director Irv Canner (Canner) spoke to the Finance Committee meeting on Monday which followed the Golf Committee meeting. Canner stated that one of the things that was done was to informally introduce the new Assistant Finance Director Christine Cooper (Cooper) who joined PDA roughly a month ago. Chris is part of our succession planning and comes to PDA with 20 years experience, a Master’s Degree in Finance from Southern New Hampshire University and a CPA. Canner introduce Cooper to the Board.

Canner moved on to the Financial Report and reported that the PDA Operating Revenues are slightly below budget by 2.5% and operating expenses are below budget by about 1.8%. Canner also informed the Committee about the CPI adjustments to the Tradeport leases as \$10 million of revenues is tied up in this area and a lot of the annual adjustments are based on the CPI. The PDA budget assumed a CPI of 2% and currently the CPI is at approximately 1% meaning if this trend continues PDA will have an underrun of \$100,000. The decrease in inflation is due to lower energy and to a lesser extent food costs. Currently PDA revenues are approximately \$117,000 below budget primarily represented by the loss in fuel sales due to the temporary closure of the Portsmouth Fish Pier. Canner

indicated that a question that came up at the Finance Committee was the anticipated cost for the repairs at the Fish Pier and the Committee was informed that it will be close to \$5 million dollars; the State is stepping forward on this and the repairs should be completed in approximately twelve months.

Canner indicated that the PDA October books were closed this week and the revenue number got tighter bringing PDA to \$97,000 under budget and operating expenses stayed flat at 1.8% under.

Canner indicated that the professional services number represents legal expenses associated with the CLF settlement and some inspections and permitting that are being performed. Canner further pointed out that "all other" addresses the impact of cost of goods sold which indicates PDA is buying less fuel because we are not selling that fuel at Portsmouth Fish Pier.

Canner indicated that with the payroll run yesterday 127 checks were issued and are trending down; the high point was in June when PDA had 157 employees. We are preparing for the addition of the winter employees that typically come on in November. Canner indicated that the reason for the underrun goes to the organization chart where three open positions are indicated. Canner updated the Board that a formal offer has been made and accepted by an individual for the IT Director position.

Director Lamson (Lamson) inquired into the three open positions shown on the organizational chart. Canner indicated that the equipment operator will probably stay unfilled and do not anticipate filling it during this fiscal year. The IT position has been filled and the individual will start on December 9th and in fact will come in a few days before that to get acquainted with the internal operations and procedures. Canner also informed the Board that the Airport Administrative Manager position is currently in draft and should be posted the beginning of the year.

Bohenko asked that a write-up be forwarded to the Board members regarding the two new positions that have been filled (Assistant Finance Director and IT Director) to indicate the background for each of the new individuals.

Canner indicated that the last time the Board met the Certified Financials were still in draft due to the fact the auditors were awaiting legal letters and additional information on post-employment benefits. Canner indicated that all of the outstanding information has been received and the documents have been finalized and there were no changes to what was reviewed by the Board, closing out the Fiscal Year 19.

Canner further indicated that the interest rate expense is down as PDA has not had to draw from the Revolving Line of Credit due to some early delays in the terminal expansion and runway projects. However, that is rapidly changing as the projects are well underway. PDA has spent \$1.1 million in total capital expenditures for the year regarding construction projects (the terminal project and the functional replacement at the Port which makes up approximately 95% of expenditures to date).

Canner spoke to the various business units and the fact that at Portsmouth Airport has exceeded over 100,000 enplanements surpassing the last two years.

Lamson asked Canner to clarify for the general public that under RSA 12-G the tenants at PDA do not pay taxes, but rather pay a municipal fee. Lamson asked what PDA pays to Newington for the little part of police and Portsmouth with all of the services; Hinchee indicates that prior to Canner answering the question that it is necessary to understand that there are two different kinds of payments. There is a Municipal Services Fee (MSF) which is limited to the cost of services provided. Hinchee further explained that the MSF Covers the municipal portion, the school portion, and the county portion of the tax bill. Then there are those tenants, all of whom are located in Portsmouth, for the second payment who pay a Payment in Lieu of Taxes (PILOT) which is identical to what they would pay if they were owned in fee and living/operating in Portsmouth. Bohenko indicated that another way to describe inside the airport district is Ad Valorem taxes minus education. Canner indicated that the gross tax is approximately \$14.00 and then the school accounts for \$4.00 of that; Bohenko indicates the school is higher than that. Canner indicates that the net number is \$9.25 per thousand of the municipal service fee. Bohenko indicated that the taxes went down due to the revaluation; it is usually about 50/50 school versus municipal. Canner indicated that PDA is a conduit and the City bills us and PDA in turn bills tenants the total projected MSF for the current fiscal year is going to be \$3.2 million. Bohenko supplements the statement because of what Hinchee indicated and another \$3 million comes from outside the airport district bringing it to a little over \$6 million in payments to the City. Executive Director David Mullen (Mullen) indicates \$6.6 million. Canner stated that he wanted to let people know the inside of the fence area and the reduction because that side is billed without the education component and the other side includes the educational component. Lamson stated that it is important that individuals understand.

Canner gets back to the enplanements which means approximately 200,000 people have passed through the airport to date. The split is between charter and scheduled flights.

Canner indicated that Skyhaven is on budget and are up due to fuel sales (26% more than last year in terms of fuel sold). Since Skyhaven was merged with the PDA, Canner indicated just over a million dollars in operating losses have been incurred to run the airport, including capital expenditures, repaying debt and offsetting grant money; overall closing in on \$1.7 million in terms of subsidy that PDA has had to put forward on running Skyhaven.

Canner stated that the operating budget for the Tradeport is approximately \$8.99 million and indicates this is where the impact would be felt due to the CPI.

Canner indicated that at the Golf Course the operating revenues are up by \$227,000 and operating expenses are up by only \$11,000; net impact through operations and cash flow represents \$618,000 through September. Canner stated at the Finance Committee meeting there had been discussion about the profitability of the food and beverage operation; on \$112,000 of revenue they are making an operating income of \$73,000 which is a good margin in terms of success. Canner further stated that the Golf Course is looking to lock things up December 1st. Grill 28 numbers are exceeding previous years and through October it is 9% ahead of last year. Due to the good weather the simulators have not been captured as soon as they did last year due to the continued good weather. Total rounds of golf played this year are close to 54,000 versus 51,000 rounds played last year and a majority of the growth is due to non-member play.

Port Authority had a loss of revenues due to the Fish Pier and the Port is also under budget in terms of operating income which is anticipated. Canner stated the need to remember that fuel sales is one number and the cost of goods sold is a second number and the net difference is the margin so he makes about 3% (i.e.; by losing \$200,000 in fuel sales the net impact would only be 3%).

Smith asked Canner what the admin line on the Port represented; Geno Marconi Division Director of Ports and Harbor responded that it represents his administrative staff. Canner indicated that it is not allocated across the other business units, it is isolated for people like Geno and his support staff that is what captures that. Canner indicated that there is no revenue associated with it, it could be allocated back but then it would be lost and not transparent.

Director Bohenko leaves the Board conference room at 9:59 a.m.

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

Canner indicated that PDA will be spending \$10 million and then another \$4 million on the terminal and runway renovations over the nine (9) month period. This \$14 million in capital expenditures will cause PDA to draw down on its cash balances by close to \$8 million. Some will be offset by grant monies and this is when PDA will start to draw into its RLOC. Canner has had discussions with Provident Bank on the timing of this as they are keeping this reserve on the books and they wanted a better idea of the flow which appears to be occurring by the end of the fiscal year. The cost to PDA if we borrow money today is 4.35% which is lower than last year but consistent with the drop in the federal fund rate and prime rate. Canner indicated that PDA will have the RLOC until 2022 and then will have an option of converting part of that to permanent debt or rolling it over into another RLOC. Canner explained that the debt levels will be overhead through 2026 by the time we pay off the debt which is based on a number of issues related to the capital budget forecast and there are some discretionary items that might be able to be eliminated. Canner stated that there have been discussions about prioritizing some of the capital expenditures.

Lamson stated on Monday at the Finance Committee meeting she had Canner confused about the cost of who would be taking care of the beavers. Lamson went on to state there is a contract with the USDA / WS and they would be the ones taking care of the beavers/wildlife which is why Canner did not have a response to her question at that time.

VI. Licenses/ROE/Easements/Rights of Way:

In accordance with the "Delegation to Executive Director: Consent, Approval and Execution of License Agreements," Mr. Mullen reported the following:

A. Reports:

1. Right-of-Entry – IAPP use of parking lot at Hangar 227

Mr. Mullen indicated that IAPP had been granted a Right-of-Entry to the parking lot area (northern section) located at Hangar 227 from Friday, October 18, 2019 through Thursday, October 24, 2019, for use of employee vehicle parking while restriping is being performed on its parking lot area located at 75 Rochester Avenue.

2. Right-of-Entry – 2-Way Communications Service, Inc. to determine if premises at 19 Durham Street is suitable for intended use

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

3. Right-of-Entry – NH Dept. of Environmental Services use of parking lot at 360 Corporate Drive

Mr. Mullen indicated that NH Department of Environmental Services had been granted a Right-of-Entry to enter upon the premises located at 360 Corporate Drive on November 6, 2019, for use as overflow vehicle parking as part of a training exercise.

4. Right-of-Entry – Port City Air use of parking/Staging Areas off of Grafton Drive

Mr. Mullen indicated that Port City Air had been granted a Right-of-Entry to use certain designated areas off of Grafton Drive at the Pease International Tradeport, Portsmouth, New Hampshire for the period of use from November 8, 2019, through January 15, 2020, for the purposes of parking vehicles and equipment staging related to ongoing construction work at the PCA facility at 104 Grafton Drive.

5. Right-of-Entry – Avier, LLC d/b/a Avier Flight School for Designated Portion of the Terminal Building at Skyhaven Airport

Mr. Mullen indicated that Avier, LLC, d/b/a Avier Flight School ("Avier") had been granted a Right-of-Entry to enter upon a portion of the Terminal Building at Skyhaven Airport for the purpose of utilizing an approximate 90 +/- foot area to be utilized as a classroom, allowing the flight instructor and student to discuss particular flight curriculum while on the ground at Skyhaven. The justification for waiving a conventional lease fee is that the classroom will be seldom used and the intent is to incentivize Avier to choose Skyhaven as a destination. This would increase both flight operations and fuel sales at Skyhaven.

B. Approvals:

1. VIATEQ Corporation – License for space in Airport Terminal * (Levesque)

Director Levesque moved the motion and Director Torr seconded that **the Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations and to execute a License with VIATEQ Corporation, or any other TSA designated passenger screening services provider, for a period of three (3) years effective December 1, 2019 through November 30, 2022, for the use of designated office space (utilizing a break room, an office, locker rooms and an on-site training room) at the airport terminal. This agreement will allow the airport to meet the TSA requirements to provide designated areas to store security sensitive**

information, conduct recurrent training and support employee work breaks; all in accordance with the same terms and conditions set forth in the Memorandum from Anthony I. Blenkinsop, Deputy General Counsel, dated November 20, 2019

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

Director Bohenko returns to the Board conference room at 10:06 a.m. and Director Levesque departs the Board conference room at 10:06 a.m.

VII. Leases:

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

A. Reports:

1. Sublease between 25, 29 Retail, LLC and Sleep Institute of New England, P.L.L.C.

Mr. Mullen indicated that 25, 29 Retail, LLC entered into a sublease with Sleep Institute of New England (“SINH”) for 1,342 square feet within the leased premises at 14 Manchester Square – Suite 281, for a period of sixteen (16) months, with an effective date of October 1, 2019 through January 31, 2021. SINH will use the premises for medical and related uses. Director Lamson approved the sublease.

2. Sublease between 30 International Drive, LLC and New Hampshire Prosthetics, LLC

Mr. Mullen indicated that 30 International Drive, LLC entered into a sublease with New Hampshire Prosthetics (“NHP”) for 3,269 square feet within the leased premises at 30 International Drive – Suite 201, for a period of ten (10) years, with an effective date of December 1, 2019. NHP will use the premises for professional office and related uses. Director Lamson approved the sublease.

Director Levesque returns to the Board conference room at 10:07 a.m.

VIII. Contracts/Agreements:

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

A. Approvals:

1. USDA / WS Wildlife Control Proposal at Airports

Director Allard moved the motion and Director Torr seconded that the Pease Development Authority Board of Directors authorizes the Executive Director to enter into a Cooperative Service Agreement with the United States Department of Agriculture Animal and Plant Health Inspection Service and Wildlife Services (USDA / WS), to continue its integrated wildlife control and monitoring duties at Portsmouth International Airport at Pease (PSM) and Skyhaven Airport (DAW); any taking of wildlife at Pease will be confined within the airport perimeter fence and be in compliance with

Federal and State permits, for the period of January 1, 2020, through December 31, 2020, in the amount of \$21,707.71; all in accordance with the memorandum of Andrew B. Pomeroy, Airport Operations Manager, dated November 6, 2019.

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, USDA / WS has maintained ongoing wildlife surveys, with data dating back to its first work at Pease and PDA does not want to interrupt this data stream;
2. USDA / WS conducts training classes for PDA Airport Operations Personnel on Airport Wildlife Hazard Management to meet the 14 CFR 139 requirements; and
3. USDA / WS is the FAA recognized authority for airport wildlife hazard management and training.

Discussion: None. Disposition: Resolved by roll call vote (7-0) for; motion carried.

IX. Executive Director's Reports/Approvals:

A. Reports:

1. Solar Feasibility Study

Mullen indicated that PDA had contracted with Competitive Energy Services (CES) to conduct a solar feasibility study and the Report makes clear that the potential economic outcomes of any of the project scenarios are currently too risky to warrant moving ahead. Specifically, the current one megawatt limit in New Hampshire on the ability to net meter which sends excess power back onto the electricity grid for a monetary credit, and the requirement to use Eversource (at their potentially higher supply cost rates) as the default energy supplier when net metering, make the economic downside of proceeding with a solar project too great. There be bills in Concord to change that and if that changes PDA will revisit the issue.

Lamson indicated that the report was very interesting and that this is very interesting for her Town and something to look at. Mullen indicated that all of the surrounding states do not have this net metering limitation.

Director Torr departed the meeting at 10:11 a.m. but prior to leaving wished everyone a Happy Thanksgiving.

2. Golf Course Operations

Golf Course General Manager Scott DeVito (DeVito) indicated that at this time there are 18 holes running at the course and will go through the weekend and will a few more decent days the Golf Course will probably reach 55,000 rounds played for the calendar year. Maintenance is closing out the irrigation system and when the course closes on December 1st the Maintenance Department has a lot of thermal blankets which will be placed on greens and tees to get them ready for the winter. The simulator league started about three weeks ago and there are 62 player teams and simultaneously

running a four player scramble.

3. Airport Operations

a) Portsmouth International Airport at Pease (PSM)

Airport Operations Manager Andrew Pomeroy (Pomeroy) spoke to the Board as PDA Deputy Director / PSM Airport Director Paul Brean (“Brean”) was away. Pomeroy indicated that the airport has been busy and that as of the end of October there has been 103,226 enplanements which breaks down to 2,620 scheduled and 7,219 chartered for a total of 9,839 for October.

Pomeroy indicated that PCA had a record breaking October for fuel sales resulting in an estimated \$35,682.00 in fuel flowage fees for PSM. Pomeroy indicated that PCA is rehabbing hangar 229 and its solar initiative is starting at its main location/office building.

The revenue parking has been slow the last couple of months but is gearing up for the holiday season. As of October there have been 395 transaction equating to \$15,000 taken in and year-to-date there has been \$524,000 in parking revenue with 12,000 customers served, the average fare is \$44 for 6.4 days of parking.

Allegiant is currently doing four flights a week, by mid-December they will increase to six flights a week, sometime in January, when it is slow, it will drop back down to four flights a week with an increase in February to 15 flights a week. Allegiant is excited about the new Explosive Detection System (EDS) machine which will help to increase capacity to process bags quickly for loading onto the airplane which is the limiting factor to back-to-back flights.

NH Air National Guard (NHANG) has currently taken delivery of two KC-46As, training crews and flying training missions and a couple of weeks ago they performed its first fuel transfer. Crews are being sent to school so they can be qualified in the coming month and it is anticipated that the NHANG will receive two to three KC-46As a month between January and April for a total of twelve KC-46As.

The runway reconstruction project started last week with infield drainage improvements. The infield drainage improvements will be performed during November and December, shut down in the winter and will start back up again in the spring with the actual runway reconstruction which will be done in phases. Pike Industry has been setting up its staging area on the North ramp which has been boxed off with fencing and will be building an asphalt plant there to support the construction operations next year.

The terminal project is underway and the baggage system is being installed to support the new baggage screening building. The EDS machine is slated to be installed on December 2, 2019; PDA’s contractor and TSA are training people to run the machine and will be sending people off for training and shortly thereafter the machine will be up and running.

b) Skyhaven Airport (DAW)

Gearing up for winter, the hangars are full and there is an eight person waitlist which includes

the larger maintenance hangars. There is revenue coming in.

b) Noise Line Report

There was one noise inquiry from Dover which was more of an informational call concerning a Boeing E-2 Sentry (AWACS) which has a large radar disk on the top of the aircraft. The aircraft was practicing multiple approaches with one or two of them being done at a lower altitude as published.

Director Lamson indicated that she had many calls regarding the Boeing 707 which had a contraption on top of the aircraft. Pomeroy indicated that was a radar dish (AWACS plane) used for area control (intercepts and tracking of aircraft) by the Air Force. Pomeroy further indicated that the Air Force was flying training missions out of PSM for about a week with this aircraft.

B. Approvals:

1. Bills for Legal Services

Director Loughlin moved the motion and Director Lamson seconded that **the Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$20,027.00 for legal services provided by Sheehan Phinney Bass & Green, PA.**

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

X. Division of Ports and Harbors:

Geno J. Marconi (“Marconi), Division Director of the Division of Ports and Harbors (“DPH”), reported on Division activities, and the reports before the Board represent the current business at the DPH.

A. Reports:

1. Port Advisory Council Meeting Minutes of October 9, 2019

There was one action taken by the Port Advisory Council (PAC) which was to authorize Chairman Groux to send a letter to Senator Shaheen and copy the Congressional delegation supporting the inclusion of the upper most turning basin project in the next Water Resource Development Act. It had been in the prior one but it expired and while it was authorized, it was never funded. Senator Shaheen sits on the committee and she is going to introduce it to be included so the PAC wrote a letter, so too did Marconi and Marconi contacted the terminal operators up the river and suggested if they wanted to express their support for the turning basin they too should write a letter.

2. Request to Transfer of Commercial Mooring – James Willwerth to Gerald Worcester

Marconi indicated that in Hampton Willwerth sold his business to Worcester (of note is that Jerry has been Jimmy’s deck hand for a long time and Jim is retiring so Jerry bought it).

Marconi spoke to a report which was not on the agenda to indicate that Don Coker has been an

active member on the PAC for approximately 10 years. Coker's term expired recently and he has expressed to both the Governor and PAC that he does not want to be reappointed. Coker was a very vocal and outspoken member of PAC.

B. Approvals:

1. Pda 500 - Conditional Approval Response

Director Levesque moved the motion and Director Loughlin seconded that in accordance with the provisions of RSA 541-A, the Administrative Procedure Act, the Pease Development Authority (PDA) Board of Directors hereby approves the text of the Conditional Approval Response and amending the proposed administrative rules, Pda 500 Moorings and Anchorages, consistent therewith, as conditionally approved by the Joint Legislative Committee on Administrative Rules on October 17, 2019;

Further, the PDA Board of Directors hereby authorizes the Division Director to take any necessary or recommended action in accordance with RSA 541-A, in furtherance of this matter; all in accordance with the Memorandum of Geno Marconi, Division Director, dated October 25, 2019.

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

2. Final Proposed Schedule of Fees: Commercial Piers and Associated Facilities

Director Lamson moved the motion and Director Allard seconded that in accordance with RSA 12-G:42, XI, the Pease Development Authority (PDA) Board of Directors hereby adopts the Final Proposed Schedule of Pier Use Permit Fees (attached hereto) effective January 1, 2020 and authorizes the Director of the Division of Ports and Harbors to submit the Fee schedule to the Office of Legislative Services, Administrative Rules for publishing pursuant to RSA 541-A; all in accordance with the Memorandum of Geno J. Marconi, Division Director, dated November 10, 2019.

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

3. Market Street Marine Terminal - BUILD Grant

Director Loughlin moved the motion and Director Lamson seconded that the Pease Development Authority (PDA) Board of Directors (Board) states that on July 19, 2018, the Pease Development Authority – Division of Ports and Harbors (the "Division") applied for a Better Utilizing Investments to Leverage Development (BUILD) grant through the US-DOT for the rehabilitation and modification of the Main Wharf at the Market Street Marine Terminal. On December 6, 2018, the Division received a grant award notice from US-DOT in the amount of \$7,504,854. Since that time, the Division has completed its required NEPA review, obtained approval from the Capital Budget Overview Committee for the required non-Federal match in

the amount of \$5,003,235 from the Port Expansion Fund, and worked with the US Maritime Administration (MARAD), as the grant administrator for US-DOT, to finalize a draft grant agreement in hopes of commencing work in 2020. Therefore, the PDA Board of Directors hereby authorizes the Executive Director and the Division Director to take all action(s) necessary or appropriate to:

- Complete the draft grant agreement with MARAD;
- Submit the draft grant agreement to the Office of the Attorney General for review;
- Following sign-off from the Attorney General's Office, submit the grant agreement to the Fiscal Committee and the Governor and Executive Council for consideration and approval;
- Following the foregoing approvals, execute the grant agreement with MARAD and accept the grant funds; and
- Accept and expend the BUILD grant and the non-Federal match in order to rehabilitate and modify the Main Wharf at the Market Street Marine Terminal.

All in accordance with the Memorandum of Geno J. Marconi, Division Director, dated November 7, 2019.

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

XI. New Business:

XII. Upcoming Meetings:

Board of Directors

December 19, 2019 @ TBD

Followed by the annual holiday luncheon.

XIII. Directors' Comments:

Director Bohenko indicated that he will be away for the December meeting and will be stepping down as Portsmouth City Manager soon thereafter.. Bohenko thanked the Board and staff for approximately twenty (20) years for its support and work performed for the Tradeport. Bohenko further thanked the Tradeport for the approximate \$6.6 million dollars that the City receives annually between the MSA and other revenues; has enjoyed working with the four chairs and four Executive Directors over his tenure. Bohenko recognized the legal staff and all that they do, has respected Hinchee's opinion and has enjoyed working with her. The staff are all very knowledgeable and committed to PDA. Bohenko indicated prior to his being on the Board there was some confusion on some things but since he has been on the Board everyone has held an open-mind on all projects that have been worked on and in the end have done better for the City of Portsmouth and State of New Hampshire. Bohenko also recognize Marconi for keeping the downtown port active as people like coming into town and seeing the ships and cranes working.

Lamson indicated that Bohenko came on a year after she did and stated it has been wonderful and Director Allard will affirm that Bohenko instituted the Finance Committee.

Smith thanked Bohenko for his words and service to the Board for the last 20 years. Smith further stated that having Bohenko on the Board has certainly served both the City and PDA very well in a very good partnership.

XIV. Adjournment:

Director Levesque moved the motion and Director Allard seconded to **adjourn the Board meeting**. Meeting adjourned at **10:32 a.m.**

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

XV. Press Questions:

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

Respectfully submitted,



David R. Mullen
Executive Director

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