

PEASE DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS' MEETING
MINUTES

Thursday, August 19, 2021

Presiding: Kevin H. Smith, Chairman (via Zoom)
Present: Neil Levesque, Vice Chair; Erik Anderson; Steve Fournier; Margaret F. Lamson; and Susan B. Parker
Absent: Thomas G. Ferrini, Treasurer, was unable to attend the meeting
Attending: Paul E. Brean, Pease Development Authority ("PDA") Executive Director; Anthony I. Blenkinsop, Deputy Director /General Counsel; Maria Stowell Engineering Manager; Suzy Anzalone, Finance Director; Geno Marconi, Division of Ports and Harbors ("DPH") Director; Scott DeVito, Pease Golf Course General Manager; Greg Siegenthaler PDA, IT Director; Andrew Pomeroy, Manager, Aviation Planning & Regulatory Compliance and Raeline A. O'Neil, Legal Executive Assistant.

AGENDA

I. Call to Order:

Chairman Smith ("Smith") called the meeting to order at **8:36 a.m.** Smith noted for the record that he was unable to attend the meeting in person due to a work conflict that required him to be in Londonderry.

II. Non-public Session:

Director Levesque moved the motion and Director Fournier 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:

1. Dismissal, Promotion, or Compensation of any Public Employee [NH RSA 91-A:3, II (a)];
2. Sale / Lease of Property [NH RSA 91-A:3, II (d)]; and
3. Consideration of Legal Advice provided by Legal Counsel [NH RSA 91-A:3, II (l)].

Discussion: None. Disposition: Resolved by unanimous (6-0) roll call vote for; motion carried.

The non-public discussions commenced at **8:38 a.m.**

Director Fournier moved the motion and Director Lamson seconded that the Board of Directors return to public session at **10:06 a.m.** and the meeting commenced at **10:12 a.m.**

III. Vote of Confidentiality:

Director Fournier moved the motion and Director Lamson seconded that resolved, pursuant to NH RSA 91-A:3, 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 August 19, 2021, meeting related to Dismissal, Promotion, or Compensation of any Public Employee; Sale / Lease of Property; and the consideration of legal advice from legal counsel are matters which, if disclosed publically, would disclose confidential information and would render the proposed actions ineffective and further 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 (6-0) roll call vote for; motion carried.

IV. Acceptance of Meeting Minutes: Board of Directors' Meeting of June 17, 2021

Director Anderson moved the motion and Director Lamson seconded to approve the minutes of the Pease Development Authority Board of Directors meeting dated Thursday, June 17, 2021.

Discussion: None. Disposition: Resolved by unanimous (6-0) roll call vote for; motion carried.

V. Public Comment:

Adam Baker ("Baker"), owner of Vintage Fish Company located at Rye Harbor; has a fishing charter company and a bait and tackle shop including small gifts and souvenirs. He has submitted several letters / e-mails addressing concerns regarding parking, traffic and access to his building at Rye Harbor. Baker indicated the traffic that visits the business to the side of him is overwhelming and has blocked access to his business; his revenue has fallen this year. Baker asked how to make this equal and fair for all [businesses at Rye Harbor]. Offered to answer any questions of the Board and to provide additional information.

Lamson indicated she was down to Rye Harbor recently and observed the line from the business in question resulting with the inability to get into Baker's business; Baker affirmed that the patrons from the Rye Harbor Lobster Pound ("RHLP") order food, then stand in front of his building and also sit on his stoop and eat their food which is affecting his business. Baker further indicated that the traffic is unbelievable; he has tried to come up with a solution to the problem but he has been unable to. He has considered maybe the flow of traffic and the increased use over the design of the harbor (apprx. 30 year old design) needs to be modified. Currently there is only so much space allocated for each entity and he wonders if instead of having an in /out from the same driveway to make them separate and move the ticket booths to a central location. The best way to address the concerns may be through an engineering solution so that it is fair and equal to all. Baker indicated that his business is on the verge of crumbling this year; provides rental rods for kids 12 and under to get a rod for free and go on jetty and fish as a way to encourage kids' interest in the industry.

Parker asked Baker the estimated percentage drop in his business; Baker indicated a 40% loss from last year.

Anderson indicated Baker has a different customer base than neighbors and asked if it were really traffic flow as Baker's clientele may come in with a boat etc. Baker indicated that his business and RHLP complement each other and try to work with each other (some of his customers come from RHLP). RHLP can take up all of the parking and there needs to be equality and separation; Baker has tried to be a good neighbor but there has to be a better way to make this equal for all. Last year, in an effort to gain more business, he asked about adding to his RoE and was denied (wanted to add prepackaged food – steak tips, chicken etc.) but because RoE indicates it is used for ticket sales, tackle and bait his request was denied. RHLP has outgrown the facility with what it is doing. Baker informed the Board that a couple of weeks ago a couple people parked in a RHLP parking spot and then pulled out a camping picnic table to put beside the vehicle so they could eat. Baker indicated the traffic flow is too heavy for the facility and he has witnessed three to four accidents a year.

Lamson indicated that she witnessed a couple of motorcycles who parked in one of the other businesses parking spots in order to go to RHLP to get food (no one from RHLP told them they had to move the motorcycles).

Baker indicated while the parking spots were a good idea, they don't align with the buildings; need to inform/educate the public that the spots are allocated for the business at the harbor. Baker indicated he does not know of a solution (mentioned potentially having DPH employee asking cars as they pull in where they are going) because if individual business owners approach patrons using its parking spot to visit another establishment, then the business owners look bad.

Smith asked how long the issue of having trouble accessing Baker's business; Baker responded a couple of years. Baker indicated he bought his building in 2017, renovated / opened in 2018; it has become more of an issue since last year. Baker stated he feels bad for DPH personnel as customers are abusive to them. Smith thanked Baker for coming in and sharing the information with the Board; assured him the Board is aware of what is going on with traffic and is sympathetic to everyone who is trying to do business there. Smith indicated that Marconi has been directed to come up with both short term and long term solutions to the problems (empowering him to fix on a short term basis as well as long term looking at the entire site) in an effort to make it more feasible for all of the activities at the location. Baker said he recently overheard a boater who came into the harbor with his family and had them stay on the boat so he could grab a few items from the tackle shop. This made Baker aware that his tackle shop is the only one in the area, there is a need for the service he provides and he can be reached by water (needs to be reached by land as well).

Sue Reynolds ("Reynolds), who manages Rye Harborside ("RH"), RH offers burgers, hot dogs etc. and agreed with Baker's comments. Reynolds indicated parking is not the only issue but that RHLP's business has outgrown the shack; COVID actually helped RHLP's business. Reynolds said that RHLP has a facility problem as it doesn't have the space for seating or for the things they are trying to do / could do, somewhere else. Reynolds stated in May she was approached and told she could solve the problem by selling RH; Reynolds was insulted as she has been running it for 20 years (she doesn't own it) - they [RHLP] needs more space.

Levesque indicated there are multiple issues regarding Rye Harbor and he agrees with Baker's comments on looking at the engineering of the entire facility and at there are other issues that Marconi will need to address as well. Levesque stated and that there are a lot of businesses at Rye Harbor that have grown and expanded which have to be reviewed.

Reynolds agreed that businesses have expanded but as businesses expand it is not that they necessarily stay on the site or eat on the site in that expansion. Also, Baker indicated he wants to serve food; he is not the only person utilizing a shack who wants to serve food. Reynolds indicated that there is someone who has operated a lobster pound in the past that wants to open and sell food to do the same thing as RHLP, this business actually has the moorings in the harbor and pays the pier use fees.

Brad Cook (“Cook”), a member of the DPH Port Advisory Council, said the recreational piers at Hampton and Rye are his designated areas of responsibility. Cook provided a brief history of both his business and the two harbors. Cook spoke of the last 38 years during which the Rye Harbor has been transformed by DPH from a decaying crumbling facility to the current superior, albeit small, working port with modern commercial facilities. Originally there were only two passenger vessel shacks along the driveway area which were no more than homeowner type sheds purchased at Home Depot / Grossmans. The shacks were put there so individual business personnel could get out of inclement weather, have an indoor phone line and ticket sales. In the mid-80s, one of the charter operators was also a lobsterman, set up a small tank in his shack in order to sell some of his catch. There were no objections raised because the lobsterman had his passenger charter business and was using the shack to sell some of his lobsters to his charter patrons on a cash and carry basis (no food prep / cooking and no trash generated). All of the RoEs at that time were passenger vessels first and they maintained / paid mooring permit fees and pier use fees. Rye is a small harbor that provides direct ocean access which is being utilized to the maximum extent possible; during the summer months the facility is crowded both on land and in the water. Cook has observed several items that are or should be cause for concern; RHLP patrons are not paying the \$5 fee to gain entrance to the large parking lot. As a means to avoid paying the fee, the patrons park in spaces with signage indicated for the other RoE holders and when asked to move the response from the patrons is often a refusal and laced with obscenities towards DPH personnel who are trying to effect the change. Since RHLP is operating as a restaurant there are daily instances in which its delivery trucks violate the fire lane restrictions and block the public’s access to the other businesses. The operation has put up tables and chairs out front of the business and has no connection whatsoever to the water borne activities to the harbor. Cook asked what is to stop one of the other RoEs to put up a KFC. Cook spoke of the other Rye Harbor RoE entity(ies) that have indicated a desire to sell food, as well as a couple of RoE holders at Hampton Harbor (how things are handled at Rye Harbor going forward will end up setting the tone for the future).

Smith thanked Cook for attending the meeting and for providing the information and history.

VI. Old Business:

A. Approval:

1. Spyglass Development, LLC - 30 New Hampshire Avenue – Exterior Improvements

Director Parker **moved** the **motion** and Director Lamson **seconded** that **the Pease Development Authority Board of Directors hereby approves of and authorizes Spyglass Development, LLC (“Spyglass”) to make exterior improvements to Spyglass’s premises located at 30 New Hampshire Avenue, as outlined and in accordance with the terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated August 10, 2021.**

Discussion: Maria Stowell (“Stowell”), Engineering Manager, asked to make a couple of clarifications to the attached exhibits. The first exhibit attached depicting the rendering of the building; along the front of the building which shows a parking lot into a sidewalk will now have a grass strip along

the front face of the building (an improvement she wanted to point out). Stowell indicated that they are also proposing to add to the south facing windows slatted awnings which will be seen from the outside and was not included in the memo.

Lamson thanked Stowell for the additional information and for the amount of vegetation they are improving around the property.

Anderson indicated that the rendering is impressive but also asked of the proposed road that had been discussed previously; Stowell indicated that those are future plans for a possible airport access road.

Disposition: Resolved by **unanimous (6-0)** roll call vote for; motion **carried**.

VII. Finance:

Director Levesque left the meeting at 10:59 a.m. and returned at 11:01 a.m.

A. Executive Summary

Suzy Anzalone (“Anzalone”), Finance Director, spoke to the information provided in the packet and the financial report as being “mostly done” as the information was put together a couple of weeks ago. The books are kept open until the end of August as a way to capture all fiscal year activity and invoices. Anzalone also indicated that the pension liability information is not included at this time in the report as it isn’t received from the State early August (that information is being worked on now. Anzalone indicated the Board is seeing a meaningful representation of the FY21 results and the Board will see the auditors’ financial statements once they are prepared.

B. Reports:

1. FY2021 Financial Report for the Twelve Month Period Ending June 30, 2021

Anzalone indicated that for FY21 operating revenues were \$18.7 million leaving a current year favorable variance of \$2.5 million. Included in the operating revenues are \$1.6 million in CARES Act funding which is not normal so if we take this amount out PDA is still 5.5% over budget for the year. Operating expenses were \$12.3 million which were under budget by a little over 10%; and operating income is just under \$6.5 million. Pointed out that personnel services and benefits are under budget by approximately \$1.2 million which is as a result of the charge out at the end of every year to the other business units. Anzalone indicated this is the best attempt to allocating the resources to where they should be; doesn’t affect the bottom line it is just a reallocation. Anzalone spoke further to the profit and loss and the capital expenditures for the year. Regarding the Revolving Line of Credit (“RLOC”), Anzalone indicated the RLOC is currently at zero and does not anticipated a need to draw from this until later in the year.

Anzalone informed the Board that PDA spent just under \$25 million for capital projects (runway, terminal and two projects at the DPH – bulkhead repair at the Portsmouth Fish Pier and Main Pier Reconstruction) for FY21; the projects listed made up 96% of the monies spend on capital projects.

Lamson asked of the two open positions (Airport Security Specialist and Ops. Specialist) currently listed in the organizational chart; Brean indicated that the positions are open due to the impact COVID has

had on commercial operations. Brean stated that as numbers increase we will look to bring back the manpower.

Anzalone indicated that the CARES Act money is allocated under Portsmouth International Airport at Pease (“PSM”) and if that amount is removed PSM is under budget by approximately 4.5%.

Skyhaven is considered to have broken even due to the increase in fuel sales.

Lamson asked about utilities; Brean indicated that PDA does shop its utility purchase. Anzalone indicated through and RFP, PDA is currently on a fixed contract for the supply portion and once that ends she will again go through the same process to obtain a fixed cost.

Anzalone indicated that the Golf Course has had a very strong year.

With respect to DPH, Anzalone indicated it is holding its own and it is anticipated that the Portsmouth Fish Pier will open in September which will contribute to increased revenue next year.

The Revolving Loan Fund (“RLF”) is a grant received quite a few years ago in support of the local fishing industry; PDA has a capital base of approximately \$1.2 million (\$1 million - which supports 21 outstanding loans). The final submission of the semi-annual reporting has been sent to the Economic Development Administration (“EDA”) along with an official letter asking for federal release of those funds. Anzalone indicated it is anticipated the EDA will draw up an agreement of the release in the near future.

2. Cash Flow Projections for the Nine Month Period Ending April 30, 2022

Anzalone spoke to a summary looking at sources of grant funds in the amount of \$4.2 million as well as the normal rent revenues; informed the Board it is anticipated the \$1.75 million will be received shortly regarding the sale of 30 New Hampshire Avenue. Anzalone indicated that over the next nine months it is anticipated there will be \$9.2 million in capital expenditures of both grant and non-grant funded projects. It is anticipated that in the November / December time period there will be a need to draw from the RLOC to pay for some of the anticipated capital expenditures, but repayment is anticipated between 60 to 90 days from the drawn down.

Lamson asked of the information regarding construction in progress, asked specifically of runway 16-34 and whether it is all set; Brean indicated there may be a few housekeeping items but it is 99.9% complete. Brean indicated the temporary asphalt plant has been removed off the airfield.

Anzalone spoke to DPH funds dipping down in the winter, with an increase in revenue observed during the March & April time period due to receipt of mooring revenues.

Lamson asked of capital expenditures referenced for Pease Boulevard / Arboretum Drive; Stowell indicated that is the area at the entrance to the ANG. Stowell further indicated that PDA received money to put in a right turn lane and that project will be starting soon. Lamson asked if Arboretum (West) has had any patching done; Stowell indicated she was down in that area last week and it appears as though some patching had been done. Lamson asked Anderson if he would inform City of Portsmouth Public Works Director Peter Rice that she wanted to speak with him about patching.

Anderson asked of the loss in fuel sales at the Portsmouth Fish Pier; Anzalone indicated that information could be found on page 19 of the Financial Report. Anderson indicated that there was an approximate loss of \$300,000; Anzalone affirmed and further stated what has been budgeted is based on historical information and the anticipation of fuel sales commencing in September.

Director Fournier informed Chairman Smith that he would need to leave the Board meeting in approximately 20 minutes as he had another meeting to attend.

C. Approval:

1. Service Credit Union, Establishing Account / Resolution Approval

Director Lamson moved the motion and Director Anderson seconded that the Pease Development Authority (“PDA”) Board of Directors hereby authorizes the Executive Director to execute any and all necessary documents with respect to establishing a PDA business account at the Service Credit Union (“SCU”), designate authorized signatories on the account, and adopt any required Service Credit Union account resolutions. The following appointed official and PDA employees are authorized to endorse all checks, drafts, depository agreements, and/or other related bank documents in accordance with the powers so authorized and granted:

Thomas G. Ferrini	Treasurer
Paul E. Brean	Executive Director
Anthony I. Blenkinsop	Deputy Director / General Counsel
Maria Stowell	Manager of Engineering

The authority hereby conferred upon the above named Agents shall be and remain in full force and effect until written notice of the revocation is presented.

Discussion: None. Disposition: Resolved by unanimous (6-0) roll call vote for; motion carried.

Smith asked Blenkinsop if when Fournier has to leave if there will be an issue with a quorum with Smith being on Zoom; Blenkinsop responded as long as there is a quorum (4 members) physically present it would be okay.

VIII. Licenses/ROEs/Easements/Rights of Way:

A. Reports:

1. Veterans Count Event – 120 Aviation Avenue & 2 parking lots located at Aviation Avenue & Hampton Street - Right of Entry
2. DGA Productions & MLB Network – Portsmouth International Airport at Pease (PSM) for Commercial Shoot – Right of Entry
3. US Navy – Use of North Apron for Emergency Vehicle Operating Classes (EVOC) through December 31, 2021 - Right of Entry
4. Pease Greeters – Flight Welcome Activities - Right of Entry
5. PROCON, LLC –North Apron - Right of Entry
6. PROCON, LLC – 14 Aviation Avenue (a/k/a Hangar 227) - Right of Entry
7. Herb Gillen Airshows, LLC - Air Show Parking on South Terminal Overflow Apron - Right of Entry
8. Wood Environment & Infrastructure Solutions, Inc. – 35 Airline Avenue - Right of Entry

In accordance with the “Delegation to Executive Director: Consent, Approval and Execution of License Agreements,” PDA entered into a Right-of-Entry with those referenced below:

1. Name: Veterans Count Event
License: Right-of-Entry
Location: 120 Aviation Avenue & 2 Parking lots located at Aviation Avenue & Hampton Street
Purpose: Hosting of “On the Tarmac” fundraising event and to utilize the parking lots for participant vehicle parking
Term: September 9, 2021 through September 11, 2021
2. Name: DGA Productions & MLB Network
License: Right-of-Entry
Location: Portsmouth International Airport at Pease (PSM)
Purpose: Commercial Shoot
Term: June 21, 2021 through June 23, 2021
3. Name: US Navy
License: Right-of-Entry
Location: Use of North Apron
Purpose: Emergency Vehicle Operating Classes (EVOC)
Term: July 2, 2021 through December 31, 2021
4. Name: Pease Greeters
License: Right-of-Entry
Location: Portsmouth International Airport at Pease (“PSM”)
Purpose: Enter into certain areas of the terminal building for the purpose of setting up and conducting troop flight welcome activities
Term: July 1, 2021 through December 31, 2021
5. Name: PROCON LLC
License: Right-of-Entry
Location: North Apron
Purpose: Site Inspection Purposes
Term: Through December 31, 2021

Lamson asked if the RoE for North Apron were related to Hangar 227; Brean indicated it was not, rather to see if development was feasible on that parcel. Brean indicated that the RoE is for site survey work, geo testing, utility tracing etc. for potential development of the parcel.

Anderson asked if they had a client they are representing; Brean indicated PDA has not been made aware of a specific client. Anderson indicated it is an independent assessment of the property; Brean affirmed.

6. Name: PROCON LLC
License: Right-of-Entry
Location: 14 Aviation Avenue (a/k/a Hangar 227)
Purpose: Site Inspection Purposes

Term: Through December 31, 2021

Anderson asked if PROCON has a client it is representing or is it a project of its own; Brean stated it is independent / on its own. Anderson asked what is known of that area; Brean indicated PROCON is looking at Hangar 227 at the cost of bringing the building back up to code, checking potential redevelopment or demolition. Brean indicated that this is the largest hangar on the airfield.

7. Name: Herb Gillen Airshows, LLC
License: Right-of-Entry
Location: South Terminal Overflow Apron
Purpose: Air Show Parking
Term: September 10, 2021 Through September 13, 2021

8. Name: Wood Environment & Infrastructure Solutions, Inc.
License: Right-of-Entry
Location: 35 Airline Avenue
Purpose: Utilizing 3,200 square feet within the Premises at its sole risk, for storage of well testing equipment and associated materials
Term: August 4, 2021 Through January 31, 2022

Director Fournier was consulted and granted his consent to all of the above Right of Entries.

B. Approval:

1. **US Coast Guard – Use of 75 Parking Spaces at 14 Aviation Avenue – Right of Entry**

Director Fournier moved the motion and Director Lamson 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 August 1, 2021 through September 30, 2022; all substantially in accordance with the draft Right of Entry dated August 4, 2021, attached hereto.**

Discussion: None. Disposition: Resolved by unanimous (6-0) roll call vote for; motion carried.

IX. Leases:

A. Report:

1. **Sublease between 200 International, LP to Optris Infrared Sensing, LLC**

Brean indicated that in accordance with the “Delegation to Executive Director: Consent, Approval of Sub-Sublease Agreements” PDA approved the following leases with Optris Infrared Sensing, LLC for 7,143 square feet at 200 International Drive (Suite #130) for general office use for the period of five (5) years commencing June 15, 2021.

The Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements also requires the consent of one member of the PDA Board of Directors. In these instances, Director Lamson

was consulted and granted her consent.

X. Contracts:

A. Reports:

- 1. Builder’s Risk Insurance – Policy Extension for PSM Terminal Project**
- 2. Golf Course – Convection Double Oven**

Brean reported that in accordance with Article 3.9.1.1 of the PDA Bylaws, there are two contracts to report on:

1. Project Name: Terminal Project - USI Insurance Services, LLC
PDA Obligation: \$5,087.00
Board Authority: Prior authorization to obtain Builders Risk coverage for the terminal project
Summary: Extension of Builders Risk Insurance Policy due to project not yet being complete

Brean indicated due to the extended construction at the terminal PDA, has extended the construction insurance liability for this project; Blenkinsop informed the Board that the invoice has a mistake on it and will get PDA through August 31st. However, the project is not going to be finished by August 31st so PDA is in the process of extending the Builder’s Risk through October 31st.

2. Project Name: Golf Course – Request to Purchase Double Deck Convection Oven
PDA Obligation: \$6,191.48
Board Authority: Director Ferrini
Summary: Replacement of 2010 Convection Oven

Anderson asked if this cost would be completely absorbed by PDA; Brean indicated that in the existing agreement with the vendor, PDA absorbs the cost of the equipment.

B. Approvals:

- 1. OAG Worldwide, LLC - License Agreement**

Director Lamson moved the motion and Director Fournier seconded that **the Pease Development Authority Board of Directors approves of and authorizes the Executive Director to finalize and execute a service agreement with OAG Aviation Worldwide LLC (“OAG”) in a total amount not to exceed \$5,659.50 for one year retroactive to August 1, 2021, through July 31, 2022, with two (2) one (1) year options to be exercised at the Executive Director’s discretion, for the annual hosting of a Flight Information Display System (FIDS) at Portsmouth International Airport; all in accordance with the memorandum of Kurt Miller, dated August 11, 2021**

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. OAG has direct authorized access to Allegiant Airline’s Flight Information Network;

2. Having direct access to Allegiant Flight Information Network and 900 other airlines will provide direct communications between OAG and the airlines resulting in enhanced and valuable real time information for airlines and airport passengers; and
3. OAG's direct access will provide real time flight information as well as local radar and flight information.

Discussion: Anderson asked if Allegiant absorbs any of these costs as it seems as though we are subsidizing this operation as it is an advantage to Allegiant to broadcast its services; Brean indicated Allegiant is not broadcasting its services this is an amenity to all in the terminal. Brean stated it is on the airport entity to provide it; conversely Allegiant could indicate they are helping to subsidize PDA's cash flow by the passengers utilizing the parking lot(s).

Parker asked if additional airlines come in to PSM, would there be an additional charge for that added information; Brean indicated there would not be an additional charge.

Disposition: Resolved by **unanimous** roll call vote (6-0) for; motion **carried**.

2. Bobcat of New Hampshire – Tracked Skid Steer Loader

Director Parker **moved** the **motion** and Director Fournier **seconded** that **the Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into an agreement with Bobcat of New Hampshire in a total amount not to exceed \$79,801.00 for the purchase of a Tracked Skid Steer Loader with attachments for use at Portsmouth International Airport at Pease ("PSM"); all in accordance with the memorandum of KC Conley, Fleet Manager, dated August 3, 2021.**

Discussion: None. Disposition: Resolved by **unanimous** roll call vote (6-0) for; motion **carried**.

XI. Signs:

A. Report:

1. Global Seafood Alliance (fka Global Aquaculture Alliance) - 85 NH Avenue

Brean informed the Board that this is request is due to a company name change and the signage to reflect the same.

B. Approval:

1. Galvion - 160 Corporate Drive

Director Levesque **moved** the **motion** and Director Fournier **seconded** that **the Pease Development Authority ("PDA") Board of Directors hereby approves of the proposed new sign for Galvion, tenant of 160 Corporate, LLC, located at 160 Corporate Drive; all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated July 13, 2021,**

Discussion: None. Disposition: Resolved by **unanimous** roll call vote (6-0) for; motion **carried**.

2. PFAS Testing signage – Extension of Temporary Placement of Signage on PDA Property

Director Anderson moved the motion and Director Fournier seconded that the Pease Development Authority (“PDA”) Board of Directors hereby approves and authorizes the request for a one-month extension, through September 20, 2021, for the placement on PDA property of 24”L x 18”H lawn signs related to the CDC/ATSDR PFAS Health Study, as originally authorized by the Board at its May 20, 2021 meeting.

Discussion: Brean indicated that Andrea Amico, who is spearheading the health study at Pease, has asked for an extension of the temporary signage as the signs were late in being received / put up earlier this summer.

Disposition: Resolved by unanimous roll call vote (6-0) for; motion carried.

Director Fournier left the meeting at 11:18 a.m.

XII. Executive Director:

A. Reports:

Brean thanked Anzalone and Stowell for their continued hard work as overall PDA comprehensively had \$30 million in grant related activity (construction projects). At the onset of the terminal project, PDA believed it would draw from its RLOC for a period of 18 to 36 months. Anzalone and Stowell have worked hard to manage accounts receivable / payable for this project requiring the periods of time that the RLOC is utilized to be reduced down to 60 to 90 days, keeping interest payments down.

1. Insurance Update:

Blenkinsop provided the Board with a comprehensive review of the insurance industry as it is dire at this time. Costs for every type (casualty, cyber, liability etc.) / line of insurance is on the rise from 20 to 80%. The increase has been forecasted by Anzalone and Blenkinsop and they have found money in the budget to cover the increase; Brean wanted to inform the Board of the potential / anticipated significant increases.

Anderson asked PDA’s claim record for insurance; Blenkinsop indicated in the fall, typically the Board is provided information of PDA’s insurance history of the last couple of years. There have been some good and bad years with incidents / accidents and workers’ compensation matters. Anderson asked if we had any renewal obligations with Cross and if PDA will have an RFP for insurance solicitation; Blenkinsop indicated the upcoming renewal would be for PDA’s 2022 policy year. The policy years run from December 31 to December 30 and 2022 will be PDA’s last year working with the current agents under the RFP process which was done in 2017. The three agents PDA currently works with are Cross, Fred C. Church and USI and in the spring of 2022 PDA will go out through some sort of RFQ/RFP process to determine the agents we will work with for the 2023 policy year. Anderson indicated PDA can expect that the increases Brean spoke of will take place with the current carriers; Blenkinsop indicated typically

the workers' compensation rates are presented to the Board in roughly October and property/liability in December, it is fair to say that there will be increases to the 2022 rates.

2. Air Show Update

Brean informed the Board that past air shows have been a truly commercial endeavor with the ANG / AF; this Air Show will be different. This Air Show will be a USAF Open House and utilized as a recruiting tool / community welcoming of the KC46 fleet (this is how they are being funded so that they cannot have many commercial relationships on the air show). Brean further indicated due to COVID and the impact on the commercial side of business, PDA would not be in a position to support a commercial air show at this time. ANG / AF have a plan for a very successful event and Friday, September 10th, is limited to military personnel and their families on base and don't anticipate a large public audience attending. On Saturday (9/11) and Sunday (9/12) it is a general admission air show. Brean indicated that it is free to attend the show with limited free parking. There are some VIP amenities available for individuals to take advantage of those. Anticipated attendance on Saturday and Sunday will be between 30,000 - 40,000 people each day. The week of the Air Show they will be setting up for the event. On Friday there will be a local private event being held in the corporate hangar for Veterans Count which is a fundraising event and will commemorate the anniversary of 9-11 (tickets will be sold). PDA will be inviting its Board and stakeholders to a working lunch on Friday, September 10th, in the airport terminal building. Brean indicated that there will be light refreshments / luncheon and indicated the Board could attend that as well if it were interested. Brean further stated he anticipated the Board receiving an invite from the ANG for the Air Show but that due to COVID timing and planning of the event has been pushed back.

Lamson asked if people have to go online to reserve parking for the Air Show; Brean affirmed.

Anderson indicated at the last meeting he asked Brean for a breakdown regarding fuel flowage for PSM; Brean indicated that this information would be provided during the airport report.

3. Golf Course Operations:

Scott DeVito ("DeVito"), Pease Golf Course ("PGC") General Manager, indicated that due to the great weather in June, PGC set a course record of just under 12,000 rounds; in July had 13 out of 15 rain days that significantly impacted rounds played which put the course at just under 1,000 rounds from last year - just under 13,000 rounds. DeVito indicated that there was one day, due to weather, that the course was restricted to walking only on the 18 holes. DeVito stated had the renovations performed in 2013 not been done, he doesn't know if the course would have been able to open (lower 9) during the month of July.

DeVito indicated that the rough mower still has not shipped and there is no indication when that may be in. DeVito is working with Anzalone to do bidding for some of the equipment earlier to take into consideration the lead time to receive the product. Normally get things done in during the March / April timeframe (last quarter of the fiscal year) but will start the process earlier.

DeVito indicated that maintenance has started the aeration on the course and during the next couple of weeks a discount is offered to the players during the recovery period.

Anderson asked DeVito of the course's water usage to date; DeVito indicated that due to the weather he does not anticipate going over the allocated amount before charges are applied. DeVito indicated that currently the course has utilized under 9 [million] and typically things significantly drop off mid-September so he does not anticipate going over the allocated consumption amount.

4. Airport Operations

a) Portsmouth International Airport at Pease (PSM)

In July, PSM recognized 8,767 total in enplanements and Brean informed the Board that this outpaced enplanements in July of 2018. Brean indicated that troop flights are back up and running and that PCA has additional contracts with other troop movement companies resulting in an increase in terminal activity.

Brean further indicated that the ATC traffic (operations around the airport coming and going) is up 35% from last year - indicating that PSM is trending in the right direction. Brean also informed the Board the revenues for pay for parking during the months of June and July were up. While PSM is still under budget with its revenue parking, Brean stated he is confident that Allegiant is dedicated to PSM which has been recognized by seasonal routes of Nashville and Tampa / St. Pete and he has been advised that Tampa / St. Pete flights will return in February - Punta Gorda and Sanford / Orlando flights will continue.

Brean indicated with the \$0.01 increase to the fuel flowage fee which was approved by the Board and became effective July 1, PCA sold 1.2 million gallons of fuel which equates to approximately \$46,000 in a fuel flowage fee (30% from commercial – PlaneSense & Allegiant and 70% being DOD and Civil Airline Reserve Fleet).

Brean indicated that there has been increased activity of C5 and C17s in the air pattern as Westover, MA is doing its runway reconstruction this year so Massachusetts ANG has been running out of PSM.

b) Skyhaven Airport (DAW)

Not much going on at Skyhaven; working on master plan, some repaving projects (ramp and apron) as well as internal data terminal work to bring things up-to-speed.

c) Noise Line Report (i) June & July 2021

Brean indicated overall there were 8 noise inquires and there was only one inquiry that could be tied to PSM on June 16th with the other 7 being general military related that PSM doesn't believe were based at PSM. Brean indicated it is believed they were Vermont National Guard operations which are loud and can be in the Portsmouth airspace in no time. Brean indicated that Operation Specialist / Community Liaison Sandra McDonough is thorough with all noise inquires and she does a great job handling inquires.

B. Approvals:
1. Bills for Legal Services

Director Levesque moved the motion and Director Anderson seconded that the Pease Development Authority (“PDA”) Board of Directors approves of and authorizes the Executive Director to expend funds in the amount of \$14,081.00 for legal services rendered to the Pease Development Authority from Sheehan Phinney Bass & Green on May 1, 2021 – May 31, 2021 in the amount of \$232.00 (for Tradeport General Representation); May 1, 2021 – May 31, 2021 in the amount of \$6,322.00 (in support of MS4 and CLF settlement implementation); May 1, 2021 – May 31, 2021 in the amount of \$1,691.00 (in support of Ports and Harbors); June 1, 2021 – June 30, 2021 in the amount of \$4,408.00 (in support of MS4 and CLF settlement implementation); June 1, 2021 – June 30, 2021 in the amount of \$1,428.00 (in support of Ports and Harbors for a total of \$14,081.00.

Discussion: None. Disposition: Resolved by unanimous roll call vote (5-0) for; motion carried.

Director Anderson left the meeting at 11:39 a.m. and returned at 11:41 a.m.

2. Gate 13 – Secured Area Requirements

Director Lamson moved the motion and Director Levesque seconded that the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into a contract with Honeywell International of Westbrook, ME to expend an amount not to exceed \$76,820 for the purchase and installation of dual authenticity card access inside the airport terminal building and at the security gates.

In accordance with the provisions of RSA 12–G:8, VIII, the Board justifies the waiver of the RFP requirement to allow PDA to contract with Honeywell for this security upgrade as Honeywell is the provider of the airport's primary access control system, which is a proprietary closed system.

Discussion: None. Disposition: Resolved by unanimous roll call vote (5-0) for; motion carried.

XIII. Division of Ports and Harbors:

Director Marconi provided a handout to the Board members which indicated the 2021 Fuel Flow Fees for the four different locations (PFP, Hampton, Rye and Main Wharf).

A. Reports:
1. Port Committee Meeting Minutes of October 3, 2019

Geno Marconi (Marconi), Division Director, reported that these minutes were pre-COVID, the Port Committee met on July 15, 2021 and approved the meeting minutes of the October 3, 2019.

2. Camera and NRV Replacement at Rye Harbor Marine Facility

Marconi spoke of the need to replace cameras and server equipment at the harbor and these purchases were approved by Executive Director Brean and Director Ferrini.

3. Commercial Mooring Transfer – Walsh to Riley

Marconi indicated the Commercial Mooring Transfer is allowable when the Code of Administration of Rules is met and upon review by the Chief Harbor Master and a recommendation from Marconi provided to the Executive Director who signed off on this through the Delegation of Authority.

4. Commercial Mooring for Hire – Esther’s Marina

Marconi indicated the Commercial Mooring for Hire is allowable when the Code of Administrative Rules is met and upon review by the Chief Harbor Master and a recommendation from Marconi provided to the Executive Director who signed off on this through the Delegation of Authority.

5. Commercial Mooring Transfer – Eastman III to McLaughlin

Marconi indicated the Commercial Mooring Transfer is allowable when the Code of Administration of Rules is met and upon review by the Chief Harbor Master and a recommendation from Marconi provided to the Executive Director who signed off on this through the Delegation of Authority.

6. Commercial Mooring Transfer – Redican to Collins

Marconi indicated the Commercial Mooring Transfer is allowable when the Code of Administration of Rules is met and upon review by the Chief Harbor Master and a recommendation from Marconi provided to the Executive Director who signed off on this through the Delegation of Authority.

Marconi indicated that Brean had asked him to prepare a report of bulk fuel sales covering the time period from January to July 2021 for the locations of Portsmouth Fish Pier, Rye Harbor, Hampton Harbor and Market Street Wharf. Further, Marconi indicated that the report contained gallons sold and the sales (DPH receives \$0.10/gal.) for the fuel flow sold off the truck. Marconi informed the Board that it is against the National Fire Prevention Code to fuel directly over water from a tank truck so after working with the Fire Marshall, individual vessels apply for a variance from the Code. This variance is also incorporated with the local Fire Department; the first thing that has to be done is to receive permission from DPH to receive fuel from its facility. DPH has a long list of requirements to be met and requires under 33 CFR they meet Coast Guard requirements as if it were putting fuel on a large ship; Marconi’s report also indicated the various types of fuel provided from each location. Marconi indicated that DES was at PFP this morning for an inspection and it is hoped the fuel system will be up / running by Labor Day.

B. Approval:

1. Winter Boat Storage Final Proposed Fee Amendment

Director Anderson moved the motion and Director Lamson seconded that **the Pease Development Board of Directors hereby approves of and adopts the Winter Boat Storage Final Proposed Fee Amendment at a rate of \$18 per foot effective November 1, 2021; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated July 26, 2021.**

Discussion: Anderson asked where the fee will be doubled, what would the revenue generated be; Marconi was unsure but Anzalone stated the revenue would be approximately \$18,000. Marconi indicated

someone did approach him about the fee change and he reviewed notes and it is comparable to a private entity. Anderson made a statement that DPH storage is usually full; Marconi indicated that DPH has a wait list.

Disposition: Resolved by **unanimous** roll call vote (5-0) for; motion **carried**.

XIV. New Business:

XV. Special Event: *

Brean indicated that the upcoming events will be held during the months of August and September as indicated below.

1. Cisco Brewers Portsmouth (a/k/a Redhook) will be hosting the following upcoming events:
 - August 22nd – Food Truck Fest
 - September 25th – Potential Concert
 - September 26th – Lumberjack Competition
 - October 9th – Brewfest
 - October 16th – NH Rocks Concert
2. Sabine Strong - Right of Entry for Use of Portion of Arboretum Drive for a 3.3 mile Road Race held on Sunday August 15, 2021; and
3. Foxpoint Sunset Race – Right of Entry for Use of Portion of Arboretum Drive for a 5/10k to be held on September 25th.

XVI. Upcoming Meetings:

Golf Committee	September 13, 2021 @ 8:30 a.m.
Finance Committee	September 13, 2021 @ 9:00 a.m.
Board of Directors	September 16, 2021 @ 8:30 a.m.

All Meetings begin at 8:30 a.m. unless otherwise posted.

XVII. Directors' Comments:

Anderson asked if there was an update regarding the Kane / Bottomline parking lot expansion; Brean indicated the property holder is doing some engineering review from its end to see if it is feasible but other than that there is nothing to report at this time.

XVIII. Adjournment:

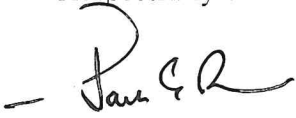
Director Levesque **moved** the **motion** and Director Parker **seconded to adjourn the Board meeting**. Meeting adjourned at **11:54 a.m.**

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

XIX. Press Questions:

No members of the press were at the meeting.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Paul E. Brean". The signature is written in a cursive style with a large initial "P" and "B".

Paul E. Brean
Executive Director