

PEASE DEVELOPMENT AUTHORITY
Monday, June 15, 2015

BOARD AGENDA

Time: 8:00 a.m.
Place: 55 International Drive, Pease International Tradeport
Portsmouth, New Hampshire

AGENDA

- I. Call to Order (Bald)
- II. Acceptance of Minutes: May 21, 2015*
- III. Public Comment
- IV. Old Business
- V. Finance
 - A. Financial Reports
 1. Operating Results for Ten Month Period Ending April 30, 2015*
 2. Nine Month Cash Flow Projections to February 29, 2016*
 - B. Approvals
 1. PDA Golf Course – Tractor* (Lamson)
 2. PDA Golf Course Sweeper/Vacuum* (Preston)
 3. Information Technology Upgrade* (Bohenko)
 4. Proposed FY 2016 Operating and Maintenance (O&M) Budget and FY 2017 – FY 2018 O&M Forecast* (Torr)
- VI. Leases
 - A. Approvals
 1. Lonza Biologics, Inc. - Land Use Controls Interpretation* (Loughlin)
 2. Lonza Biologics, Inc. - Concept Plan* (Allard)
 3. Galileo RMF, LLC – 139 Flightline Road Concept Plan* (Bohenko)
 4. Redhook Ale Brewery – 1 Redhook Way Concept Plan* (Lamson)
- VII. Contracts/Agreements
 - A. Approvals
 1. Hoyle Tanner & Associates – Contract Change Order* (Loughlin)
- VIII. Executive Director's Reports/Approval
 - A. Reports
 1. 25 Year Pease Economic Impact*
 2. Golf Course Operations
 3. Airport Operations
 - a. Skyhaven Airport
 - b. PSM
 - c. Noise Line Report*
 - B. Approvals
 1. Bills for Legal Services* (Preston)

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

Thursday, May 21, 2015

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

I. Call to Order

Chairman Bald called the meeting order at 8:05 a.m. in the Board conference room, 55 International Drive, Pease International Tradeport, Portsmouth, New Hampshire.

II. Acceptance of Board Meeting Minutes: April 16, 2015

Director Allard moved and Director Preston seconded that **The Pease Development Authority Board of Directors hereby accept the Minutes of the April 16, 2015 Board meeting.** Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

III. Public Comment

Tom Carroll, Portsmouth, NH, made comments regarding: his tribute to the late Chairman Nickless; welcome to the new Chairman of the Board, George Bald; the Board's actions regarding the scrap metal operations at the Market Street Terminal; the removal of the scrap metal piles and the views to the river; development of the gateway to the City; and continued success of the Terminal's operations.

Gary Arber, General Counsel of Planesense, Inc., made comments regarding: aviation employment at the Tradeport; Planesense's support of the Coastal Aviation Services proposal; Planesense's growing fixed wing operations; helicopter noise issues in Portsmouth and concerns that helicopter complaints will affect fixed wing operations; airport's importance to local community and economy; PDA's Airport Minimum Standards; need for compromise between helicopter operations and surrounding communities; and the need for the Board to support aviation services and work to create a good atmosphere and trust between airport businesses and local communities.

IV. Old Business

No old business was brought before the Board.

V. Airport Committee Report

Director Preston, Airport Committee Chair, reported that the Committee met on May 11, 2015 to review a proposal by Coastal Aviation Services to sell Robinson Helicopters at the Portsmouth International Airport at Pease. Members of the public voiced their concerns regarding helicopter noise related to Seacoast Helicopter's touring business. Director Preston informed the Board that Coastal Aviation's proposal met PDA's Airport Minimum Standards and the Committee voted to recommend the proposal to the Board.

A. Approvals

1. Coastal Aviation Services

Director Allard moved and Director Torr seconded that **In accordance with the recommendation of the Pease Development Authority's Airport Committee, the Board of Directors finds that Coastal Aviation Service's application to provide Limited Service Specialty General Aviation Commercial Operations for the purpose of the sale of Robinson Helicopters at Portsmouth International Airport at Pease meets PDA's Minimum Standards dated November 13, 1997, all in accordance with the memorandum of Kim W. Hopper, Airport Manager, dated May 13, 2015 attached hereto.** Discussion: Director Bohenko expressed his concerns regarding the proposal and felt that despite his efforts to reach out, there has been a lack of cooperation between Seacoast Helicopters and the City of Portsmouth (the "City"). Director Bohenko noted that in the spirit of cooperation and compromise, instead of voting against the proposal, he will abstain from the vote; and will continue to reach out to Seacoast Helicopters to work on the noise issues.

Director Lamson reported that due to the public benefit transfer of Pease Air Base from the US Air Force, PDA must follow FAA regulations, but she does not agree with the helicopter operations. People expressed their concerns about the touring helicopters and noise issues at the Committee meeting. Since PDA must follow FAA regulations, and due to her ongoing concerns, instead of voting no, she will abstain from the vote.

Director Torr noted that PDA has been very successful on landside development; but airside development has moved slowly. He felt that the helicopter operation is a step forward in aviation activities and that there has been cooperation between Seacoast Helicopters and the PDA. There should be cooperation between the communities and aviation activities at Pease. PDA represents the State of New Hampshire and the aviation activities benefit the State, therefore, Director Torr will support the motion.

Director Bohenko noted that he not only represents the Board, he represents the City and as the City's representative, he has reached out to Seacoast Helicopters. There needs to be more activity at the airport, but more cooperation is needed between aviation activities and local communities. Director Bohenko noted that Seacoast Helicopters has a right to operate, but local community residents' concerns need to be considered. Director Bohenko hopes his abstention will be taken as a sign of cooperation and provide an opportunity to move forward.

Director Allard reported that at the Committee meeting Bruce Cultrera of Coastal Aviation Services and Seacoast Helicopters reported that the proposal is to sell helicopters. Mr. Cultrera represented that most of the sales will be out of state with the new helicopters tested between Portsmouth and Keene. Director Allard reported that the public was concerned about the noise produced by the touring helicopters' operations and that Seacoast Helicopters is being blamed for all helicopter noise whether it is from Seacoast Helicopter operations or another operation. The communities should be pleased with the tourist activities and that people want to visit the area for various reasons including the helicopter tours. Director Allard noted that as a business man he is aware of the difficulties of operating a business and dealing with customer complaints. Director Allard will support the motion.

Director Loughlin informed the Board that he had concerns about noise in the early years of the airside development at Pease. Noise studies were performed and voluntary noise restrictions were adopted. Director Loughlin initially voted against the helicopter operations and that as a Portsmouth resident, he is aware of the helicopter noise. The Coastal Aviation proposal is different from the touring operations and is part of the business activity at an airport. The request to sell helicopters at an aircraft related operations is a natural progression in the business. Director Loughlin will support the motion.

Director Lamson noted that through the years PDA staff have worked with Newington regarding the noise problems on the Great Bay side of airport and commended the staff for their efforts Disposition: Resolved by roll call vote: 5 votes for; 2 abstentions (Directors Bohenko and Lamson); motion carried.

VI. Finance Report

Irv Canner, PDA Director of Finance, reported that the Finance Committee met on May 18, 2015 to review the status of PDA's finances and review two requests for capital purchases.

A. Financial Reports

1. Operating Results for Nine Month Period Ending March 31, 2015

Mr. Canner reported on the status of PDA FY 2015 finances for the nine month period ending March 31, 2015 including operating revenues and expenses. Operating revenues are approximately 1.4% under budget. With the exception of utilities, all operating expenses still continue to be under budget by approximately \$600,000. Electricity costs are over budget due to increased consumption. Employee numbers are increasing as the Golf Course and Division of Ports and Harbors start to hire seasonal employees. PDA currently employs 127 people.

Mr. Canner reviewed the status of PDA accounts receivables and accounts payable. Since June 30, 2014, PDA's unrestricted cash balance was reduced by approximately \$500,000 due to capital expenditures at the Tradeport and Skyhaven Airport. Approximately \$5.5 million was spent on new capital projects. PDA paid down debt of \$1 million. PDA continues to monitor the cash balances for the Division of Ports and Harbors ("DPH") with a current unrestricted cash balance of approximately \$365,000. The accounts receivables balance of approximately \$1.7 million includes grant funds and non-grant funds. The GSA lease for 31/32 Rochester Avenue was signed and the outstanding accounts receivable balance for the six month period ending March 31, 2015 was paid in full.

The Business Units' analysis showed that enplanements at the Portsmouth International Airport at Pease have exceeded 10,000 as of March 31st. Mr. Canner reviewed operating income for the different units and how the individual unit balances affected the total operating income. Fuel sales at Skyhaven Airport continue to be below budget for the year. Since FY 09, PDA has spent approximately \$2.1 million in support of Skyhaven Airport. PDA spent approximately \$375,000 on snow removal and has applied to FEMA for reimbursement of costs for the January, 2015 storm. The Golf Course has opened for the season. As of March 31st, the Golf Course has a net operating loss of approximately \$14,000, which is typical for the early season. As of April 30th, the bar and grill sales are 26% ahead of the same period last year and simulator revenues have increased by 3% due, in part, to the increased number of functions. As of April 30th, 1,800 rounds of golf were played. Mr. Canner reviewed DPH's unrestricted funds balances and net position, including an operating income balance of approximately \$134,000. The Market Street operations continue to support the other DPH facilities.

Director Bohenko questioned how the "Balsams Bill" recently signed by Governor Hassan would help Pease Tradeport. Chairman Bald explained that the State has helped other businesses including Pease through the Business Finance Authority and the Governor used Pease as an example as to how the funding works. The Balsams hotel is located in an unincorporated town and cannot obtain bonding. The bill allows the County to act as a government body and obtain bonding.

2. Nine Month Cash Flow Projections to January 31, 2016

Mr. Canner reported on PDA's nine month cash flow projections through January 31, 2016 including the sources of funds, long term debt and the use of the revolving line of credit. PDA continues to work on paying off its fixed debt with the Provident Bank. Non-grant funded projects during the subsequent nine month period including the proposed Golf Course clubhouse expansion, the Airport Terminal roof, and Airport Terminal bathroom are projected to cost approximately \$3.1 million. Mr. Canner reviewed the current costs of capital and interest rates.

Director Allard commended Mr. Canner on detailed information provided regularly to the Board and the Finance Committee. Director Bohenko reported that he is confident that Mr. Canner will keep the Board and Finance Committee apprised of the financial position of the Division of Ports and Harbor. Director Lamson also commended Mr. Canner for his detailed reporting.

3. Revolving Loan Fund – EDA Semi-Annual Report – March 31, 2015

In accordance with the Economic Development Administration (“EDA”) Revolving Loan Fund (RLF) requirements, Mr. Canner reported that the semi-annual report was filed with EDA. Since inception 85 loans were made at a value of approximately \$3.7 million; 175 jobs were saved and 84 new jobs were created. The current total loan portfolio ratio is below 75% threshold due to loan inactivity due to reduced fishing activity. The RLF Committee will write off one outstanding loan due to non-payment. If the loan ratio is not brought up to 75% or above within a year, the EDA may sequester funds until such time as the funds are needed. As of March 31st, there were 25 loans outstanding equal to approximately \$837,000 and a cash balance of approximately \$316,000. The fund is audited annually in the A-133 audit conducted by PDA’s external auditors for compliance.

Chairman Bald confirmed that the reduced loan activity is due in part to reduce fishing activity brought about by stricter fishing regulations.

4. PDA’s External Audit

Mr. Canner reported that PDA’s external audit to be conducted by Berry Dunn McNeill and Parker, LLC will begin on June 22, 2015. Physical inventories of the various businesses and fuel tanks will be conducted on June 30, 2015.

B. Approvals

1. Golf Course – Walking Greens Mowers

Director Lamson moved and Director Loughlin seconded that **In accordance with the recommendation of the Pease Development Authority (“PDA”) Finance Committee, the PDA Board of Directors hereby authorizes the Executive Director to enter into a contract with Turf Products Corp. (“Turf”) of Enfield, CT, to purchase two walking greens mowers for use by the Pease Golf Course in a total amount not to exceed \$23,671.25; all in accordance with the memorandum from Scott DeVito, PGA General Manager, dated May 4, 2015 attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.**

2. Greenman-Pedersen, Inc. – PSM Terminal Bathroom Renovations

Director Bohenko moved and Director Loughlin seconded that **In accordance with the recommendation of the Pease Development Authority Finance Committee, the PDA of Directors authorizes the Executive Director to:**

- a. enter into a contract with Greenman-Pederson, Inc. of Portsmouth, NH (PDA’s architectural engineering consultant) in an amount not to exceed \$39,850 for the provision of architectural and engineering services for the design, bidding, and construction oversight of the improvements to the bathrooms located at the Portsmouth International Airport at Pease Terminal; and**
- b. authorize a contingency fund of \$8,000 for advertising, reimbursables, and other contingency;**

all in accordance with the memorandum of Maria J. Stowell, P.E., Manager - Engineering dated May 14, 2015 attached hereto. Discussion: Director Preston expressed his concern about the high percentage of design costs to the overall project budget. Director Bohenko agreed that the design cost is high and questioned the need for the \$8,000 contingency. Maria Stowell, PDA Manager – Engineering, explained that the contingency covers advertising costs, bid process fees, and permits. Chairman Bald confirmed that the design costs would be the same if the project cost more and asked if there was something unusual about the project. Ms. Stowell reported that rehabilitation work is more expensive than building new. The engineers are concerned about the quality of the as-built plans which may cause more field work if the plans are not accurate. Mechanical/electrical and plumbing work involves a higher degree of permitting at higher costs.. The project will be an “actual cost” project instead of a “not to exceed” project, which may result in lower costs. Staff also questioned the initial costs. Director Bohenko confirmed that \$47,000 will be budgeted for the design portion of the project. Director Preston asked if the project is needed at this time. David Mullen, PDA Executive Director, reported on the current problems due to inadequate bathrooms at the Terminal. Director Bohenko and Preston reiterated their concerns over the high price. Disposition: Resolved by unanimous vote; motion carried.

VII. Licenses/Easements/Options/Rights of Way

A. Approvals

1. Skyhaven Airport – New England Aerobatic Club – Right of Entry

Director Torr moved and Director Preston seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Right of Entry with IAC Chapter 35 - New England Aerobatic Club from April 1, 2015 through December 31, 2015, for the purpose of conducting airplane aerobatic practice sessions at Skyhaven Airport; on substantially the same terms and conditions set forth in the Right of Entry, dated April 23, 2015 and attached hereto.** Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

VIII. Leases

A. Reports

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

1. Two International Group, LLC

Two International Group, LLC entered into subleases at 2 International Drive with Advanced Patient Advocacy, LLC for 5,489 square feet for a term of four months. Director Lamson approved the subleases.

2. 119 International Drive, LLC

119 International Drive, LLC entered into subleases with: a) Good Measures, LLC for 4,314 square feet for a term of one year; and b) US Govt – FEMA Finance for 17,515 square feet for a term of 6 months. Director Lamson approved the subleases.

B. Approvals

1. Lonza Biologics, Inc. – Sprung Structure Extension

Director Loughlin moved and Director Lamson seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into an extension to the “Agreement to Extend the**

Term for the Use of the Sprung Structure and for the Creation of the Park Area" dated May 2, 2000 (attached hereto) with Lonza Biologics, Inc. for the purpose of extending the term of the Agreement through May 1, 2020. All other terms and conditions of the Agreement shall remain in full force and effect. Discussion: In response to Director Allard, Mr. Mullen explained that a sprung structure is a temporary fabric structure adjacent to the Lonza building used for recreational purposes. **Disposition:** Resolved by unanimous vote; motion carried.

2. Lonza Biologics, Inc. – Concept Plan Approval

Director Preston moved and withdrew that **The Pease Development Authority Board of Directors hereby approves of the Concept Plan submitted by Lonza Biologics, Inc. ("Lonza") attached hereto for the premises located at 101 International Drive; on all terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated May ___ 2015 attached hereto. Discussion** Ms. Stowell reported that staff is not seeking approval at this meeting. Lonza needs to do a 60,000 square foot expansion in the facility to accommodate a project and includes utility work which needs site review approval. A variance for the size of the tanks and a parking waiver will also be needed. Lonza was not able to provide the concept plan to be reviewed in time for presentation at this Board meeting. Due to Lonza's timeline and to keep Lonza on track to meet the City's Board of Adjustment's schedule, staff is asking that the Board hold a special Board meeting on June 15, 2015 after the Finance Committee meeting. Attorney Hinchee reported that PDA advised Lonza to go ahead with its filings to the City as the Board had previously approved the construction of the shell space. The current project is for support structures that will meet their customer's needs. PDA Board will meet before Lonza goes to the Board of Adjustment.

IX. Signs

A. Reports

1. Newmarket International – 75 New Hampshire Avenue

In accordance with the "Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs", Mr. Mullen reported that PDA approved of the modification to Newmarket International's signs to change the company's logo to Newmarket's new logo and name. Director Loughlin approved the sign modifications.

B. Approvals

1. 25, 29 Retail, LLC

Director Lamson moved and Director Allard seconded that **The Pease Development Authority Board of Directors hereby approves of the proposed sign for 25, 29 Retail, LLC at 25 New Hampshire Avenue; all in accordance with the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated May 13, 2015 and attached hereto. Discussion:** None. **Disposition:** Resolved by unanimous vote; motion carried.

X. Contracts/Agreements

A. Reports

1. Airport Perimeter Fence Repairs

In accordance with the "Delegation to Executive Director: Consent, Approval and Execution of Documents and Expenditures for Emergency Repairs", Mr. Mullen reported that PDA entered into a contract with Four Seasons Fence to make emergency repairs to the Airport's perimeter fence. The expenditure of \$11,900 was approved by Vice-Chairman Loughlin.

XI. Executive Director's Reports/Approvals

A. Reports

1. Directors' Reappointment

Mr. Mullen reported that Director Lamson was reappointed to the Board of Directors by the Town of Newington for a three year term to expire on March 31, 2018; and Director Loughlin was reappointed to the Board by the City of Portsmouth and the Town of Newington for a three year term to expire on March 31, 2018.

2. Golf Course Operations

Scott DeVito, PGA General Manager, reported on the activities at the Golf Course. As of May 1, the entire course is open. Summer programs are ongoing, including "Tenants' Tuesdays", "Women's Wednesdays", and the "Nine & Dine" program. Membership renewal has increased. In response to Director Allard, Mr. DeVito reported that the event tent provided was not the correct tent. Mr. DeVito is working with Marshall's Rental to rectify the matter.

3. Airport Operations

Bill Hopper, Airport Manager, reported on aviation activities.

a) Skyhaven Airport ("DAW")

A ribbon cutting ceremony for the newly expanded runway and the new approach lighting system was held at Skyhaven on May 16th. The Wings and Wheels event in support of Jerry's Food Pantry will be held on June 13th.

b) Portsmouth International Airport at Pease ("PSM")

As of April 30, 2015, enplanements have exceeded 16,000. Enplanements consist of troop flights and Allegiant Airline passenger service. Dan Fortman and Mr. Hopper met with Allegiant representatives. Allegiant is happy with its PSM operations and may consider expanding flights. Allegiant will take a hiatus from August 17 to October 2nd. The Punta Gorda, FL route ended on May 2nd. The drainage/ASR program on the runway is near completion. The Noise Compatibility meeting will be held on May 21st at 6:30 p.m.

c) Noise Line Log

Mr. Hopper reported that the PDA Noise Line received a total of 14 inquiries in April. A total of thirteen inquiries (11 from one person) dealt with helicopter activity in Portsmouth. One call dealt with fixed wing activity in Brentwood and spoke in support of the helicopter activity.

Director Lamson commended Sandy McDonough, Airport Community Liaison, for her work on the noise line.

B. Approvals

1. Bills for Legal Services

Director Allard 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 \$609.00 for legal services rendered to the Pease Development Authority by:**

1. **Sheehan Phinney Bass + Green
Through March 31, 2015** \$ 609.00

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

XII. **Division of Ports and Harbors**

A. **Division Director's Reports**

1. **Port Advisory Council**

Geno Marconi, Division Director, reported that the Port Advisory Committee met on May 20, 2015. The Committee has reviewed the commercial mooring permit process. The Committee agreed that even though there are a few flaws, the process works and no changes are recommended. Council member Chris Snow has reviewed the complaints received regarding moorings. Mr. Snow spoke with the people who complained. Mr. Snow is satisfied that DPH is dealing with the mooring permit matter in an adequate manner.

The Council also reviewed the NOAA grant issued by Congress in February, 2014. New Hampshire was to receive approximately \$1.1 million to aid commercial fishing activities and help offset the cuts to the fishing industry and should have been put in Fish and Game budget. Mr. Marconi was notified on May 20th that the money had been put into the budget. The fishing industry overall is in trouble due to the fishing regulations. Mr. Marconi reviewed the fishing regulations, the limitations, and the monitoring of fishing catches. The commercial fishermen are very concerned about the regulations. In response to Director Torr, Mr. Marconi reported that the Government is still discussing the possibility of a government buyout. Mr. Marconi reported on the problems that the small boat fleets are incurring due to the fishing regulations.

B. **Approvals**

1. **Pda 700 – Final Fixed Text**

Director Torr moved and Director Preston seconded that **In accordance with the provisions of RSA 12-G:42, XI, the PDA Board of Directors hereby approves of and adopts the Final Proposal - Fixed Text for readoption with amendments to Administrative Rules Pda 700, as attached hereto, and authorizes the Division Director to take any necessary or recommended action in accordance with RSA 541-A, in furtherance of this matter.** Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

2. **TIGER 2015 Application – Consultants**

Director Loughlin moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby authorizes the Division Director to request that the Capital Budget Overview Committee ("CBOC") release \$115,500.00 from the Port Expansion Fund for consulting and inspection services related to the Transportation Investment Generating Economic Recovery ("TIGER 2015") Grant Application;**

Further, subject to CBOC approval, the Board of Directors hereby authorizes the Executive Director to enter into two contracts with Appledore Marine Engineering, Inc. ("Appledore"), PDA's marine engineering services consultant as follows:

- a. **one contract in a total amount not to exceed \$6,000 for consulting services for the review and preparation of the TIGER 2015 Grant Application; and**
- b. **one contract in a total amount of \$109,500 for routine inspection of the Main Wharf related to the TIGER 2015 Grant Application;**

all in accordance with the memorandum of Geno J. Marconi, Division Director, dated May 13, 2015 attached hereto Discussion: Mr. Marconi explained that the inspection is an underwater inspection and will provide DPH with information regarding the condition of the pipe pilings and to determine what repairs are needed. The inspection contract will not be executed until DPH is awarded the TIGER grant. The grant of \$13.2 million is for the expansion of the main pier; fix any pilings; and to cover the pier bridge. The phased-in project would take one year. DPH needs to contribute \$5 million for a total project cost of \$18.2 million.

Mr. Marconi reported Cianbro Corp. held a reception for all parties involved in the construction of the Long Bridge replacement. The project is going very well. Disposition: Resolved by unanimous vote; motion carried.

3. Truck Scale Permanent Installation

Director Bohenko moved and Director Torr seconded that The Pease Development Authority Board of Directors hereby authorizes the Division Director to request that the Capital Budget Overview Committee ("CBOC") release \$40,000.00 from the Harbor Dredging and Pier Maintenance fund for the permanent installation of the truck scale at the Market Street Terminal.

Further, subject to the approval of funds by the CBOC, the Board authorizes the Executive Director to enter into a Contract with Northeast Scale Company, Inc. for the permanent installation of the truck scale; all in accordance with the memorandum of Geno Marconi, Division Director dated May 13, 2015 attached hereto.

In accordance with the provisions of RSA 12:G:8, VIII, the Board justifies the waiver of the RFP requirement for the purchase and installation of the truck scale based on the following:

1. Northeast Scale Company performed the temporary installation of the new truck scale and the work proposed herein is part of the overall project.

Note: 5 Affirmative roll call votes required. Discussion: Mr. Marconi reported that the projected cost is an estimate and the final cost may be less than \$40,000. Disposition: Resolved by unanimous roll call vote; motion carried.

4. Concession Transfer – Rye Harbor Marine Facility

Director Preston moved and Director Loughlin seconded that The Pease Development Authority Board of Directors hereby approves of and authorizes:

- a. the sale of the Cap'n Sav's Charters lobster and shellfish storage building (Unit 3) located at the Rye Harbor Marine Facility to Rye Harbor Lobster Pound; and
- b. the assignment of the Cap'n Sav's Charter Right of Entry to the Rye Harbor Lobster Pound;

all in accordance with the memorandum of Geno Marconi, Division Director, dated May 14, 2015 attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

5. Liberty Marine Transportation – ROE

Director Allard moved and Director Lamson seconded that The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute to Right of Entry with Liberty Marine

Transportation for the purpose of using the landing facilities for boat launching and hauling services at the Rye Harbor and Hampton Harbor Marine Facilities; all otherwise in accordance with the terms and conditions set forth in the memorandum of Geno Marconi, Division Director, dated May 14, 2015 attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

6. Bills for Legal Services

Director Loughlin moved and Director Allard seconded that The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of 290.00 for legal services rendered to the Division of Ports and Harbors by:

1. Sheehan Phinney Bass + Green
Through March 31, 2015 \$290.00

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

XIII. Special Events Report

1. St. Charles Children's Home – 5k Road Race

Marie Aleksy, PDA Paralegal, reported that St. Charles Children's Home will sponsor a 5k road race on Monday, September 7, 2015. Funds raised will be used to support the Home's programs.

XIV. New Business

No new business was brought before the Board.

XV. Upcoming Meetings

Finance Committee Meeting	June 15, 2015 @ 8:00 a.m.
Board Meeting – Special	June 15, 2015 @ 8:30 a.m.
Board Meeting - Regular	June 18, 2015 @ 8:00 a.m.

Attorney Hinchee advised the Board that the purpose the special meeting is to allow staff time to review the Lonza concept plans before the Board votes on the plan. Only four Board members need to be present for a quorum. Director Loughlin asked if the authority could be delegated to the staff. Attorney Hinchee advised that the staff has concerns because a variance is needed. The definition of "underground storage tank" also needs to be interpreted by the Board as the 1990 PDA land use controls interpretation dealt with petroleum only. Ms. Stowell reported that the proposed use of the underground tanks is for materials other than petroleum which would turn to gas if the tanks leaked. Mr. Mullen reviewed Lonza's option of the premises located at 70 Corporate Drive and Lonza's other locations.

XVI. Directors' Comments

Director Bohenko asked Chairman Bald why the Department of Resources and Economic Development ("DRED") would aid Rand-Whitney in relocating its operations from Portsmouth to Seabrook. Chairman Bald, former DRED Commissioner, explained the DRED would not approach a company to relocate, but that DRED would help a company find a suitable New Hampshire location if a company reached out to DRED.

Director Bohenko recognized Geno Marconi for his efforts in managing the DPH budget and noted that it may be a difficult summer for the DPH facilities as services may need to be reduced due to budget restrictions. Director Bohenko felt it is important to have good staff to manage the situation caused by cash flow issues at the Market Street Terminal and that Mr. Marconi is taking a proactive approach to manage the facilities.

XVII. Non-Public Session

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

1. NHRSA 91-A:3, Paragraph II(d) for the purpose of discussing the acquisition, sale or lease of property. Note: Roll call vote required. Discussion: None. **Disposition:** Resolved by unanimous roll call vote; motion carried. The Board entered into Non-Public session at 9:47 a.m. The Board returned to public session at 10:47 a.m.

XVIII. Adjournment

Director Allard moved and Director Torr seconded to **adjourn the Board meeting.** **Discussion:** None. **Disposition:** Resolved by unanimous vote; motion carried. Meeting adjourned at 10:47 a.m.

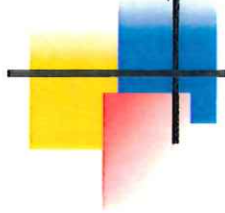
XIX. Press Questions

No members of the press attended the meeting.

Respectfully submitted,



David R. Mullen
Executive Director/Secretary



FY 2015 FINANCIAL REPORT FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015



**BOARD OF DIRECTORS MEETING
JUNE 15, 2015**



CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES

FOR THE TEN MONTH PERIOD ENDING

APRIL 30, 2015 AND 2014

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	\$ VARIANCE	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT YEAR BUDGET
OPERATING REVENUES <i>(PAGE #3)</i>	<u>11,245</u>	<u>11,273</u>	<u>(28)</u>	<u>10,610</u>	<u>635</u>	<u>13,903</u>
OPERATING EXPENSES						
PERSONNEL SERVICES AND BENEFITS <i>(PAGE #4 AND #5)</i>	4,743	4,876	(133)	4,746	(3)	5,851
BUILDINGS AND FACILITIES MAINTENANCE	1,978	2,149	(171)	1,720	258	2,464
GENERAL AND ADMINISTRATIVE	586	638	(52)	1,072	(486)	766
UTILITIES <i>(PAGE #6)</i>	743	680	63	701	42	825
PROFESSIONAL SERVICES <i>(PAGE #6)</i>	171	276	(105)	164	7	321
MARKETING AND PROMOTION	220	347	(127)	212	8	416
ALL OTHER <i>(PAGE #6)</i>	<u>924</u>	<u>1,018</u>	<u>(94)</u>	<u>899</u>	<u>25</u>	<u>1,301</u>
OPERATING INCOME	<u>1,880</u>	<u>1,289</u>	<u>591</u>	<u>1,096</u>	<u>784</u>	<u>1,959</u>
NONOPERATING (INCOME) AND EXPENSE <i>(PAGE #7)</i>	109	77	32	102	7	92
DEPRECIATION	<u>5,187</u>	<u>5,304</u>	<u>(117)</u>	<u>4,990</u>	<u>197</u>	<u>6,364</u>
NET OPERATING INCOME	<u>(3,416)</u>	<u>(4,092)</u>	<u>676</u>	<u>(3,996)</u>	<u>580</u>	<u>(4,497)</u>

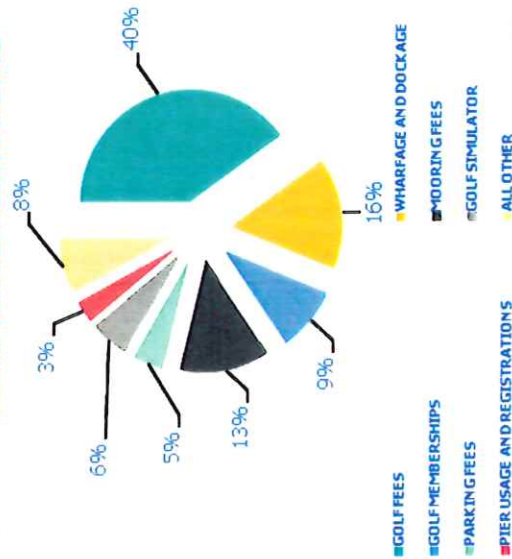
FY 2015 BUDGET VARIANCE ANALYSIS

- **OPERATING REVENUES- LOWER BY 0.2%**
- LOWER THAN ANTICIPATED RENTAL INCOME OFFSET BY:
 - INCREASED GOLF FEES- DUE TO INCREASE IN ROUNDS PLAYED DUE TO COURSE RENOVATIONS.
 - HAMPTON HARBOR AND PORTSMOUTH FISH PIER FUEL SALES ARE LESS THAN BUDGETED.
 - INCREASED CONCESSION REVENUES FROM HIGHER GRILL 28 SALES.
- **OPERATING COSTS- LOWER BY 6.2%**
- PRIMARILY TIMING DIFFERENCES ASSOCIATED WITH VENDOR BILLINGS FROM SNOW SEASON.
- INDIRECT LABOR ALLOCATION TO BUILDINGS AND FACILITIES NOT BUDGETED.
- **NONOPERATING (INCOME) AND EXPENSES**
- INCREASED SHORT TERM BORROWINGS TO SUPPORT CONSTRUCTION RELATED ACTIVITIES- PSM AND SKYHAVEN

CONSOLIDATED OPERATING REVENUES FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015 AND 2014

(\$ 000's)

FEE REVENUES YEAR TO DATE



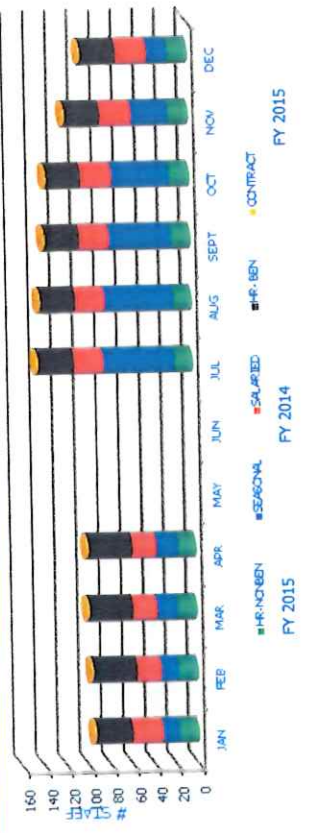
	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	\$ VARIANCE	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT YEAR BUDGET
RENTAL OF FACILITIES	7,680	7,783	(103)	7,516	164	9,233
FEE REVENUES (SEE CHART)	2,140	1,840	300	1,710	430	2,567
FUEL SALES (SEE CHART)	758	865	(107)	771	(13)	1,085
CONCESSION REVENUE	236	165	71	179	57	214
GOLF MERCHANDISE	152	101	51	99	53	175
ALL OTHER- NET	279	519	(240)	335	(56)	629
	11,245	11,273	(28)	10,610	635	13,903

	SALES	COGS	NET MARGIN
SKYHAVEN AIRPORT	53	48	5
PORTSMOUTH FISH PIER	435	386	49
RYE HARBOR	148	131	17
HAMPTON HARBOR	122	109	13
	758	674	84

CONSOLIDATED PERSONNEL SERVICES FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015

STAFF ANALYSIS

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	\$ VARIANCE	PRIOR YEAR TO DATE ACTUAL	SAL	HR/ BEN	HR/ NON	SE	CON	APR MONTH END	MAR MONTH END	FEB MONTH END
WAGES												
BENEFITED	3,008	3,027	(19)	2,811	6	-	1	14	-	21	11	8
NONBENEFITED	559	532	27	555	3	1	-	-	-	4	4	4
OVERTIME	231	172	59	189	3	8	4	2	-	17	17	17
ACCRUED VACATION AND SICK	4	-	4	-	-	-	2	1	-	3	3	3
	3,802	3,731	71	3,555	1	15	-	2	-	18	28	28
TRANSFER OUT	(664)	(627)	(37)	(356)	1	1	-	-	-	2	2	2
	3,138	3,104	34	3,199								
FRINGE BENEFITS												
HEALTH INSUR	791	1,010	(219)	824	2	1	-	-	-	3	3	3
RETIREMENT	344	475	(131)	347	3	1	-	-	-	4	4	4
FICA	278	287	(9)	260	2	3	-	1	1	6	6	6
DENTAL	56	76	(20)	52								
ALL OTHER	168	92	76	91								
	1,637	1,940	(303)	1,574								
TRANSFER OUT	(32)	(168)	136	(27)								
	1,605	1,772	(167)	1,547								
	4,743	4,876	(133)	4,746	22	40	17	20	2	101	101	98

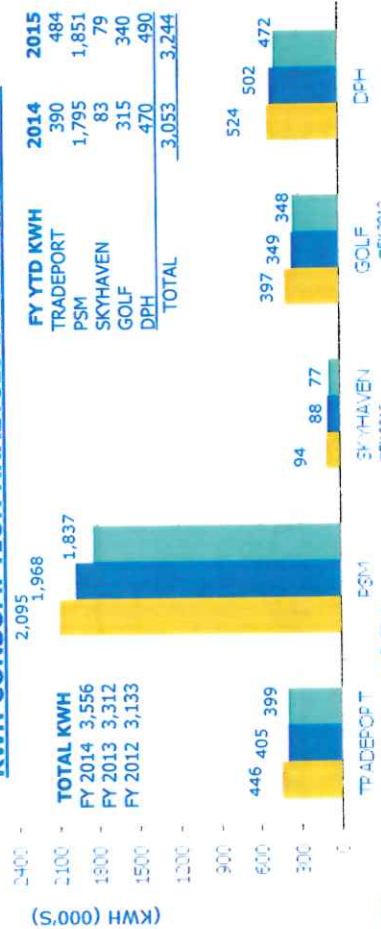


CONSOLIDATED OTHER OPERATING EXPENSES FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015

(\$ 000's)

UTILITIES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	PRIOR YEAR TO DATE ACTUAL	CURRENT YEAR BUDGET	PROFESSIONAL SERVICES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	PRIOR YEAR TO DATE ACTUAL	CURRENT YEAR BUDGET
ELECTRICITY	405	323	354	412	LEGAL	14	92	27	110
WASTE DISPOSAL	87	143	140	171	INFORMATION TECHNOLOGY	88	61	75	74
NATURAL GAS AND OIL	103	113	100	122	AUDIT	55	52	44	62
PROPANE	53	53	59	62	ALL OTHER- NET	<u>14</u>	<u>71</u>	<u>18</u>	<u>75</u>
WATER	<u>95</u>	<u>48</u>	<u>48</u>	<u>58</u>		<u>171</u>	<u>276</u>	<u>164</u>	<u>321</u>
	743	680	701	825					

KWH CONSUMPTION ANALYSIS BY BUSINESS UNIT



NOTE: PSNH INCREASED USAGE CHARGE FROM 7.1 CENTS/ KWH TO 9.5 CENTS/ KWH IN JANUARY 2013. PDA CURRENTLY HAS OUTSOURCED ACTIVITY AT A RATE OF 6.9 CENTS/ KWH FOR THE 15 MONTH PERIOD JULY 1, 2013 THROUGH SEPTEMBER 30, 2014. COMMENCING NOVEMBER 1, 2014 THE PDA HAS LOCKED INTO A FIXED RATE OF 9.7 CENTS/ KWH FOR A 26 MONTH PERIOD THROUGH NOVEMBER 2016.

CONSOLIDATED NONOPERATING (INCOME) EXPENSE FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	PRIOR YEAR TO DATE ACTUAL	CURRENT YEAR BUDGET	
INTEREST EXPENSE	113	82	109	99	
INTEREST INCOME AND OTHER	(3)	(5)	(5)	(7)	
(GAIN) / LOSS ON SALE OF ASSETS	(1)	-	(2)	-	
	<u>109</u>	<u>77</u>	<u>102</u>	<u>92</u>	

	YEAR TO DATE	FISCAL BUDGET
PROVIDENT BANK	87	68
CITY OF PORTSMOUTH	26	31
TOTAL	<u>113</u>	<u>99</u>

NOTE:
1. SEE PAGE #15 FOR FURTHER INFORMATION REGARDING THE PDA CURRENT DEBT STRUCTURE AND CURRENT INTEREST RATES.

CONSOLIDATED STATEMENT OF NET POSITION

(\$ 000's)

	APR 30		JUN 30		CASH AND INVESTMENTS AT APRIL 30, 2015	
	2015	2014	2015	2014	UNRESTRICTED	RESTRICTED
ASSETS						
<u>CURRENT ASSETS</u>						
CASH AND INVESTMENTS	1,278	1,444	3,024	3,630		
ACCOUNTS RECEIVABLE- NET	1,856	2,035	597	544	671	-
INVENTORIES	299	360	2,200	2,000	12	-
PREPAID INSURANCE	<u>162</u>	<u>174</u>			48	-
TOTAL CURRENT ASSETS	3,595	4,013			<u>5</u>	<u>736</u>
<u>RESTRICTED ASSETS</u>						
CASH AND INVESTMENTS	802	703	<u>1,571</u>	<u>2,307</u>		
ACCOUNTS RECEIVABLES	<u>838</u>	<u>936</u>	7,392	8,481	85	-
TOTAL RESTRICTED ASSETS	1,640	1,639			336	-
<u>CAPITAL ASSETS</u>						
LAND	7,521	7,499	70,852	69,972	-	418
CONSTRUCTION IN PROCESS (PAGES #10-#14)	10,986	7,261	1,152	1,136	-	283
OTHER CAPITAL ASSETS- NET	<u>56,116</u>	<u>59,519</u>	181	443	-	43
TOTAL CAPITAL ASSETS	74,623	74,279	68	59	-	58
TOTAL ASSETS	79,858	79,931	72,466	71,450	1,278	802
LIABILITIES						
ACCOUNTS PAYABLE AND ACCRUED EXPENSE						
UNEARNED REVENUE						
REVOLVING DEMAND NOTE						
LONG TERM LIABILITIES (PAGE #15)						
DUE WITHIN 1 YEAR			419	642		
DUE IN MORE THAN 1 YEAR			1,152	1,665		
TOTAL LIABILITIES			<u>1,571</u>	<u>2,307</u>		
<u>NET POSITION</u>			7,392	8,481		
NET INVESTMENT IN CAPITAL ASSETS			70,852	69,972		
RESTRICTED FOR:						
REVOLVING LOAN FUND			1,152	1,136		
HARBOR DREDGING AND PIER MAINTENANCE			181	443		
FOREIGN TRADE ZONE			68	59		
UNRESTRICTED			213	(160)		
TOTAL NET POSITION			72,466	71,450		
PEASE DEVELOPMENT AUTHORITY						
GENERAL OPERATING						
TENANT ESCROW						
PCA MARKETING						
ALL OTHER						
DIVISION OF PORTS AND HARBOR						
GENERAL OPERATING						
HARBOR MANAGEMENT						
HARBOR DREDGING AND PIER MAINTENANCE						
REVOLVING LOAN- FISHERY FUND						
REVOLVING LOAN- FISHERY FUND (SEQUESTERED)						
FOREIGN TRADE ZONE						
ALL OTHER						
TOTAL						

SUMMARY OF INTERGOVERNMENTAL RECEIVABLES AS OF APRIL 30, 2015

(\$ 000's)

PROJECT NAME	APPROVAL		TOTAL PROJECT	GRANT AWARD	EXPENDED TO DATE	PDA SHARE	RECEIVED TO DATE	BALANCE DUE PDA	AMOUNT SUBMITTED
	DATE								
TRADEPORT MULTI-USE PATH	11-20-08		802	642	1,170	(234)	550	386	63
TRADEPORT BUILDING DEMO AT 80 ROCHESTER	12-21-11		800	400	759	(380)	291	88	-
PSM NOISE EXPOSURE MAP UPDATE (FAA #52)	05-31-12		162	150	161	(12)	149	-	-
PSM PAVEMENT AND DRAINAGE RESTORATION (FAA #54)	07-03-12		105	97	99	(8)	91	-	-
PSM AIRPORT MARKING AND SIGNAGE (FAA #55)	08-28-12		448	414	410	(31)	346	33	-
PSM RUNWAY DEMAND LENGTH ANALYSIS	04-16-13		78	74	76	(4)	64	8	-
PSM ASR CONSTRUCTION PROJECT	04-16-13		3,461	3,288	1,724	(231)	1,493	-	-
PSM PAVEMENT AND DRAINAGE	11-06-13		1,310	1,244	1,140	(153)	987	-	-
PSM OBSTRUCTION REMOVAL / PERMITTING AND DESIGN			-	-	2	(2)	-	-	-
PSM RUNWAY 16-34 PRE-DESIGN			-	-	2	(2)	-	-	-
PSM OBSTRUCTION MITIGATION DESIGN (FAA #49)	05-23-11		318	318	258	-	244	14	-
SKYHAVEN RUNWAY 15-33 R,M,L & S (SBG 05-2012)	06-18-14		3,790	3,601	2,915	(146)	2,158	611	597
SKYHAVEN TAXILANE PAVEMENT AND DRAINAGE			-	-	11	(11)	-	-	-
SKYHAVEN RUNWAY DESIGN AND RECON (SBG 04-2012)	09-04-13		567	539	499	(24)	467	8	-
DPH RYE FLOATING DOCK REPLACEMENT			-	-	78	(76)	2	-	-
DPH FEMA CAMERA INSTALLATION AT NEWCASTLE PIER			-	-	25	4	-	21	21
DPH FACILITY SECURITY OFFICER TRAINING			-	-	15	-	-	15	15
DPH SEABROOK / HAMPTON DREDGING			-	-	1,668	(324)	1,344	-	-
DPH SOUTH ACCESS BRIDGE REPLACEMENT			-	-	384	-	384	-	-
DPH HAMPTON HARBOR PIER RENOVATIONS			-	-	1,583	(70)	1,513	-	-
DPH WATER QUALITY IMPROVEMENT - 555 MARKET STREET			-	-	1,919	(921)	998	-	-
								1,184	696

SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF APRIL 30, 2015

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-14	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 04-30-15
PORTSMOUTH AIRPORT					
OBSTRUCTION MITIGATION DESIGN (FAA #49)	238	21	-	21	259
NOISE EXPOSURE MAP UPDATE (FAA #52)	148	13	161	(148)	-
PAVEMENT AND DRAINAGE RESTORATION (FAA #54)	-	2	2	-	-
RUNWAY DEMAND AND LENGTH ANALYSIS (SBG 1601)	70	6	-	6	76
ASR CONSTRUCTION PROJECT (SBG 1602)	1,089	635	-	635	1,724
AIRFIELD MARKING AND SIGNAGE (FAA #55)	8	2	10	(8)	-
PAVEMENT AND DRAINAGE RESTORATION (SBG 1603)	596	544	-	544	1,140
PSM OBSTRUCTION PERMITTING AND DESIGN	2	-	-	-	2
JFE RUNWAY 16-34 PRE-DESIGN	2	-	-	-	2
AIRPORT OPERATIONS SOFTWARE / SERVER	5	20	25	(5)	-
TSA FACILITIES PROJECT	55	3	58	(55)	-
2015 CHEVY K2500 PICK-UP TRUCK	-	41	41	-	-
	<u>2,213</u>	<u>1,287</u>	<u>297</u>	<u>990</u>	<u>3,203</u>

SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF APRIL 30, 2015

(CONTINUED):

(\$ 000's)

<u>PROJECT NAME</u>	BALANCE AT 06-30-14	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE 04-30-15
SKYHAVEN AIRPORT					
RUNWAY DESIGN AND RECONSTRUCTION (SBG 04-2012)	485	14	-	14	499
TAXILANE PAVEMENT AND DRAINAGE (SBG05-2012)	-	11	-	11	11
RUNWAY 15-33 RECONSTRUCT-MARKING AND SIGNAGE (SBG 05-2012)	-	<u>3,217</u>	-	<u>3,217</u>	<u>3,217</u>
	<u>485</u>	<u>3,242</u>	-	<u>3,242</u>	<u>3,727</u>
MAINTENANCE	-	-	-	-	-
ADMINISTRATION	-	-	-	-	-
COMPUTER SERVER UPGRADE	-	<u>62</u>	<u>62</u>	-	-

SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF APRIL 30, 2015

(CONTINUED):

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-14	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 04-30-15
GOLF COURSE					
COURSE IRRIGATION / DRAINAGE IMPROVEMENTS	1	10	11	(1)	-
PARKING LOT RENOVATIONS	18	2	20	(18)	-
CLUBHOUSE EXPANSION (DESIGN ONLY)	7	17	-	17	24
PATIO EXPANSION	13	15	28	(13)	-
SIMULATOR EQUIPMENT	-	7	7	-	-
TURBO 27 TOW BEHIND MOWER	-	7	7	-	-
2 H25 ALL WEATHER HD TELEVISIONS	-	7	7	-	-
DIGITAL DINING SOFTWARE	-	11	11	-	-
GOLF WEBSITE UPGRADE	-	1	-	1	1
	<u>39</u>	<u>77</u>	<u>91</u>	<u>(14)</u>	<u>25</u>

SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF APRIL 30, 2015

(CONTINUED):

(\$ 000's)

<u>PROJECT NAME</u>	BALANCE AT 06-30-14	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 04-30-15
TRADEPORT					
MULTI-USE PATH	633	531	1,164	(633)	-
LAND IMPROVEMENT AND BUILDING DEMO (80 ROCHESTER)	6	4	10	(6)	-
ROUNDABOUT- BUILDING #90	8	-	-	-	8
ROOF RENOVATIONS- 55 INTERNATIONAL DRIVE	24	150	174	(24)	-
CORPORATE DRIVE RIGHT TURN LANE	-	2	2	-	-
	671	687	1,350	(663)	8

SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF APRIL 30, 2015

(CONTINUED):

(\$ 000's)

<u>PROJECT NAME</u>	BALANCE AT 06-30-14	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 04-30-15
DIVISION OF PORTS AND HARBORS					
WATER QUALITY IMPROVEMENT	1,870	52	-	52	1,922
HAMPTON HARBOR DESIGN AND RENOVATIONS	1,583	-	-	-	1,583
RYE FLOATING DOCK REPLACEMENT	15	1	-	1	16
SOUTH ACCESS BRIDGE REPLACEMENT	384	-	-	-	384
CAMERAS- NEWCASTLE PIER	-	25	-	25	25
MARKET STREET TRUCK SCALE REPLACEMENT	-	78	-	78	78
FACILITY SECURITY OFFICER TRAINING	-	15	-	15	15
	<u>3,852</u>	<u>171</u>	<u>-</u>	<u>171</u>	<u>4,023</u>
TOTAL	<u>7,260</u>	<u>5,526</u>	<u>1,800</u>	<u>3,726</u>	<u>10,986</u>

LONG TERM LIABILITIES AS OF APRIL 30, 2015

(\$ 000's)

SCHEDULE OF DEBT SERVICE REPAYMENT

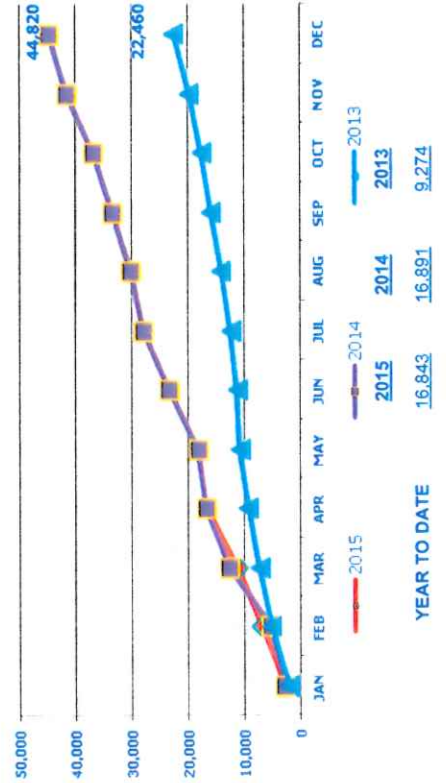
DEBT HOLDER / INTEREST RATE	CURRENT PORTION	LONG TERM PORTION	TOTAL AMOUNT DUE	FISCAL YEAR	THE PROVIDENT BANK @ 3.46%	THE PROVIDENT BANK @ 3.11%	CITY OF PORTS NH @ 4.50%	TOTAL DEBT
PROVIDENT BANK @ 3.46%	-	-	-	2015	209	291	116	616
PROVIDENT BANK @ 3.11%	290	687	977	2016	142	302	116	560
CITY OF PORTSMOUTH- WATER POLLUTION CONTROL NOTE @ 4.50%	116	465	581	2017	-	309	116	425
				2018	-	317	116	433
				2019	-	-	116	116
				2020	-	-	117	117
					351	1,219	697	2,267
TENANT ADVANCES (LONZA)	13	=	13	PAID IN FY 2015	(351)	(242)	(116)	(709)
TOTAL	419	1,152	1,571	TOTAL	=	977	581	1,558

STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015 PORTSMOUTH AIRPORT

(\$ 000's)

	YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO DATE ACTUAL	FISCAL YEAR BUDGET	YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO DATE ACTUAL	FISCAL YEAR BUDGET
OPERATING REVENUES	<u>671</u>	<u>614</u>	<u>614</u>	<u>865</u>				
FACILITIES RENT	435	451	451	560				
CARGO AND HANGARS	128	111	111	154				
CONCESSION REVENUES	13	5	5	4				
FEE REVENUES	41	1	1	97				
ALL OTHER	54	46	46	50				
	<u>671</u>	<u>614</u>	<u>614</u>	<u>865</u>				
OPERATING EXPENSES								
PERSONNEL SERVICES AND BENEFITS	710	692	692	916				
BUILDINGS AND FACILITIES MAINTENANCE	1,068	816	816	1,362				
GENERAL AND ADMINISTRATIVE	146	148	148	180				
UTILITIES	289	282	282	335				
PROFESSIONAL SERVICES	-	-	-	-				
MARKETING AND PROMOTION	13	15	15	23				
ALL OTHER	-	-	-	-				
	<u>2,226</u>	<u>1,953</u>	<u>1,953</u>	<u>2,816</u>				
OPERATING INCOME	<u>(1,555)</u>	<u>(1,339)</u>	<u>(1,339)</u>	<u>(1,951)</u>				
NONOPERATING (INCOME) AND EXPENSE	-	-	-	-				
DEPRECIATION AND AMORTIZATION	3,203	3,184	3,184	4,060				
NET OPERATING INCOME	<u>(4,758)</u>	<u>(4,523)</u>	<u>(4,523)</u>	<u>(6,011)</u>				

ENPLACEMENT DATA



STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015 SKYHAVEN AIRPORT

(\$ 000's)

	YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	FISCAL YEAR BUDGET
OPERATING REVENUES	<u>162</u>	<u>226</u>	<u>(64)</u>	<u>262</u>
CARGO AND HANGARS	109	122		140
FUEL SALES	53	104		120
ALL OTHER	-	-		2
	<u>162</u>	<u>226</u>		<u>262</u>
OPERATING EXPENSES				
PERSONNEL SERVICES AND BENEFITS	46	42	4	39
BUILDINGS AND FACILITIES MAINTENANCE	100	79	21	96
GENERAL AND ADMINISTRATIVE	29	36	(7)	38
UTILITIES	29	32	(3)	29
PROFESSIONAL SERVICES	5	5	-	6
MARKETING AND PROMOTION	-	-	-	-
ALL OTHER- FUEL	48	82	(34)	90
	<u>257</u>	<u>276</u>	<u>(19)</u>	<u>298</u>
OPERATING INCOME	<u>(95)</u>	<u>(50)</u>	<u>(45)</u>	<u>(36)</u>
NONOPERATING (INCOME) AND EXPENSE	-	-	-	-
DEPRECIATION AND AMORTIZATION	194	205	(11)	275
NET OPERATING INCOME	<u>(289)</u>	<u>(255)</u>	<u>(34)</u>	<u>(311)</u>

	YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YTD AVE PRICE
GALLONS OF FUEL SOLD			
FY 2015	1,425	10,138	\$ 5.21
FY 2014	1,954	18,684	\$ 5.56

	OPERA	CAPITAL EXPEND	DEBT REPAY	GRANT FUNDS	TOTAL
NET CASH FLOW					
FY 2015	(95)	(3,242)	-	2,223	(1,114)
FY 2014	(68)	(557)	-	450	(175)
FY 2013	(81)	(106)	-	-	(187)
FY 2009- FY 2012	(418)	(419)	(100)	318	(619)
	<u>(662)</u>	<u>(4,324)</u>	<u>(100)</u>	<u>2,991</u>	<u>(2,095)</u>

(\$,000 \$)

(\$,000 \$)

STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015 TRADEPORT

(\$ 000's)

	YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	FISCAL YEAR BUDGET
OPERATING REVENUES	6,576	6,522	54	7,887
RENTAL OF FACILITIES	6,512	6,459		7,827
INTEREST INCOME ON LOANS	64	63		60
	<u>6,576</u>	<u>6,522</u>		<u>7,887</u>
OPERATING EXPENSES				
PERSONNEL SERVICES AND BENEFITS	-	-	-	-
BUILDINGS AND FACILITIES MAINTENANCE	280	263	17	364
GENERAL AND ADMINISTRATIVE	44	519	(475)	64
UTILITIES	129	146	(17)	175
PROFESSIONAL SERVICES	-	9	(9)	10
MARKETING AND PROMOTION	-	20	(20)	20
ALL OTHER	62	61	1	120
	<u>515</u>	<u>1,018</u>	<u>(503)</u>	<u>753</u>
OPERATING INCOME	6,061	5,504	557	7,134
NONOPERATING (INCOME) AND EXPENSE	(1)	(3)	2	(3)
DEPRECIATION AND AMORTIZATION	835	798	37	1,017
NET OPERATING INCOME	5,227	4,709	518	6,120

STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015 GOLF COURSE

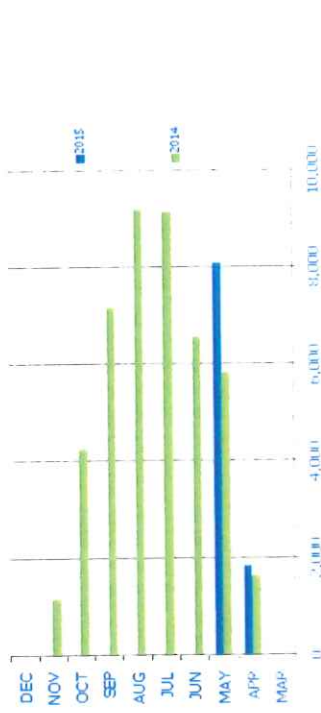
(\$ 000's)

	YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	FISCAL YEAR BUDGET	OPERATING REVENUES	YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	FISCAL YEAR BUDGET		
OPERATING REVENUES	<u>1,567</u>	<u>1,135</u>	<u>432</u>	<u>1,899</u>	CONCESSION REVENUES	214	172	205		
OPERATING EXPENSES					FEE REVENUES					
PERSONNEL SERVICES AND BENEFITS	747	693	54	827	GOLF FEES	846	571	1,033		
BUILDINGS AND FACILITIES MAINTENANCE	290	249	41	319	MEMBERSHIPS	225	153	335		
GENERAL AND ADMINISTRATIVE	127	114	13	156	SIMULATOR	118	114	115		
UTILITIES	157	105	52	125	GOLF LESSONS	<u>11</u>	<u>8</u>	<u>16</u>		
PROFESSIONAL SERVICES	9	8	1	10		<u>1,200</u>	<u>846</u>	<u>1,499</u>		
MARKETING AND PROMOTION	49	33	16	54	MERCHANDISE AND OTHER	153	117	195		
ALL OTHER	188	139	49	203		<u>1,567</u>	<u>1,135</u>	<u>1,899</u>		
	<u>1,567</u>	<u>1,341</u>	<u>226</u>	<u>1,694</u>						
OPERATING INCOME	-	(206)	206	205	BUSINESS UNIT ANALYSIS	PRO SHOP	COURSE OPERA	FOOD / BEV	SIM	TOTAL
NONOPERATING (INCOME) AND EXPENSE	(1)	(2)	1	(1)	OPERATING REVENUES	152	1,083	214	118	1,567
DEPRECIATION AND AMORTIZATION	327	234	93	313	OPERATING EXPENSES (EXCLUDING DEPRECIATION)	170	1,209	159	29	1,567
NET OPERATING INCOME	<u>(326)</u>	<u>(438)</u>	<u>112</u>	<u>(107)</u>	NET OPERATING INCOME	(18)	(126)	55	89	-

KEY GOLF COURSE BENCHMARKING DATA AS OF MAY 31, 2015



ROUNDS OF GOLF PLAYED

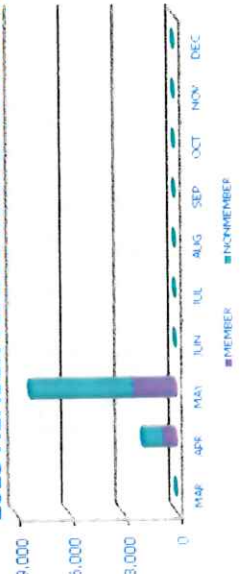


MONTH	2012 SEASON	2013 SEASON	2014 SEASON	2015 (YTD) SEASON
DEC	0	0	0	0
NOV	0	0	0	0
OCT	0	0	0	0
SEP	0	0	0	0
AUG	0	0	0	0
JUL	0	0	0	0
JUN	0	0	0	0
MAY	0	0	0	0
APR	0	0	0	0
MAR	0	0	0	0
TOTAL	51,001	32,728	44,942	9,926

RAIN DAYS

48 49 58 21

2015 MEMBER VERSUS NONMEMBER ROUNDS



2015 YTD ROUNDS
MEMBER 3,323
NONMEMBER 6,603
TOTAL 9,926

2014 YTD ROUNDS
MEMBER 3,114
NONMEMBER 4,353
TOTAL 7,467

MONTH	FY 2015	FY 2014
JULY	\$ -	\$ 285
AUGUST	-	35
SEPTEMBER	-	20
OCTOBER	2,102	1,883
NOVEMBER	12,929	12,839
DECEMBER	16,600	17,141
JANUARY	25,580	24,680
FEBRUARY	21,984	23,438
MARCH	25,425	26,047
APRIL	13,439	8,206
MAY	-	196
JUNE	-	240
TOTAL	\$ 118,059	\$ 115,010

MONTH	FY 2015	FY 2014
JULY	\$ -	\$ 285
AUGUST	-	35
SEPTEMBER	-	20
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NOVEMBER	12,929	12,839
DECEMBER	16,600	17,141
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JUNE	-	240
TOTAL	\$ 118,059	\$ 115,010

MONTH	FY 2015	FY 2014
JULY	\$ 164,577	\$ 134,339
AUGUST	168,895	126,688
SEPTEMBER	157,632	106,735
OCTOBER	113,012	84,490
NOVEMBER	72,858	67,358
DECEMBER	95,487	68,224
JANUARY	71,415	61,398
FEBRUARY	67,945	59,814
MARCH	84,329	68,207
APRIL	97,307	86,823
MAY	160,133	124,765
JUNE	-	123,880
TOTAL	\$ 1,253,590	\$ 1,112,721

MONTH	FY 2015	FY 2014
JULY	\$ 164,577	\$ 134,339
AUGUST	168,895	126,688
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APRIL	97,307	86,823
MAY	160,133	124,765
JUNE	-	123,880
TOTAL	\$ 1,253,590	\$ 1,112,721

STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015 PORT AUTHORITY OF NEW HAMPSHIRE (UNRESTRICTED)

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	FISCAL YEAR BUDGET	OPERATING REVENUES	YEAR TO DATE ACTUAL	YEAR TO DATE BUD	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	FISCAL YEAR BUDGET
OPERATING REVENUES	2,140	2,230	1,983	157	2,816	FACILITY RENTALS	482	369	370	112	538
OPERATING EXPENSES						CONCESSION REVENUE	9	4	3	6	5
PERSONNEL SERVICES AND BENEFITS	946	1,092	914	32	1,311	FEE REVENUE					
BUILDINGS AND FAC AND MAINTENANCE	178	235	267	(89)	272	MOORING FEES	277	293	288	(11)	350
GENERAL AND ADMINISTRATIVE	85	99	95	(10)	119	PARKING	97	112	108	(11)	150
UTILITIES	135	139	135	-	166	REGISTRATIONS	106	165	126	(20)	165
PROFESSIONAL SERVICES	15	15	15	-	18	WHARF / DOCK	341	144	255	86	190
MARKETING AND PROMOTION	2	2	-	1	2	FUEL SALES	705	766	667	38	965
ALL OTHER - FUEL	626	698	617	9	888	ALL OTHER	123	377	166	(43)	453
	1,987	2,280	2,044	(57)	2,776	TOTAL	2,140	2,230	1,983	157	2,816
OPERATING INCOME	153	(50)	(61)	214	40	BUSINESS UNIT ANALYSIS					
NONOPERATING (INCOME) AND EXPENSE	-	-	-	-	-	OPERATING REVENUES	179	240	458	863	383
DEPRECIATION AND AMORTIZATION	504	459	450	54	550	OPERATING EXPENSES (EXCLUDING DEPRECIATION)	254	204	485	404	360
NET OP INCOME	(351)	(509)	(511)	160	(510)	NET OP INC	(75)	36	(27)	459	(263)
						MARKET STREET					
						HARBOR MANAG					
						ADMIN					

STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015 PORT AUTHORITY OF NEW HAMPSHIRE (RESTRICTED)

(\$ 000's)

	YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	FISCAL YEAR BUDGET	FOREIGN TRADE ZONE	YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	FISCAL YEAR BUDGET
HARBOR DREDGING									
OPERATING REVENUES	83	91	(8)	122	OPERATING REVENUES	15	5	10	15
OPERATING EXPENSES					OPERATING EXPENSES				
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	PERSONNEL SERVICES AND BENEFITS	-	-	-	-
BUILDINGS AND FACILITIES MAINTENANCE	21	-	21	-	BUILDINGS AND FACILITIES MAINTENANCE	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	-	-	-	GENERAL AND ADMINISTRATIVE	1	1	-	1
UTILITIES	-	-	-	(5)	UTILITIES	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	PROFESSIONAL SERVICES	-	-	-	-
MARKETING AND PROMOTION	-	-	-	-	MARKETING AND PROMOTION	6	7	(1)	9
ALL OTHER	-	-	-	-	ALL OTHER	-	-	-	-
	21	-	21	(5)		7	8	(1)	10
OPERATING INCOME	62	91	(29)	127	OPERATING INCOME	8	(3)	11	5
NONOPERATING (INCOME) AND EXPENSE	-	-	-	-	NONOPERATING (INCOME) AND EXPENSE	-	-	-	-
DEPRECIATION AND AMORTIZATION	11	11	-	13	DEPRECIATION AND AMORTIZATION	-	-	-	-
NET OPERATING INCOME	51	80	(29)	114	NET OPERATING INCOME	8	(3)	11	5

STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2015 PORT AUTHORITY OF NEW HAMPSHIRE (RESTRICTED)

(CONTINUED)

(\$ 000's)

	YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	FISCAL YEAR BUDGET	
REVOLVING LOAN FUND					REVOLVING LOAN FUND RECONCILIATION
OPERATING REVENUES	30	33	(3)	39	BALANCE, AT 04-30-2015
OPERATING EXPENSES					BALANCE, AT 06-30-2014
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	BALANCE, AT 06-30-2013
BUILDINGS AND FACILITIES MAINTENANCE	-	-	-	-	
GENERAL AND ADMINISTRATIVE	-	-	-	-	
UTILITIES	-	-	-	-	
PROFESSIONAL SERVICES	14	19	(5)	25	
MARKETING AND PROMOTION	-	-	-	-	
ALL OTHER	-	-	-	-	
OPERATING INCOME	16	14	2	14	
NONOPERATING (INCOME) AND EXPENSE	-	-	-	-	
DEPRECIATION AND AMORTIZATION	-	-	-	-	
NET OPERATING INCOME	16	14	2	14	
					CASH BALANCES
					GENERAL FUNDS
					RESTRICTED FUNDS
					LOANS OUTSTANDING
					CURRENT
					LONG TERM
					CAPITAL UTILIZATION RATE
					FUND DEFICIENCY

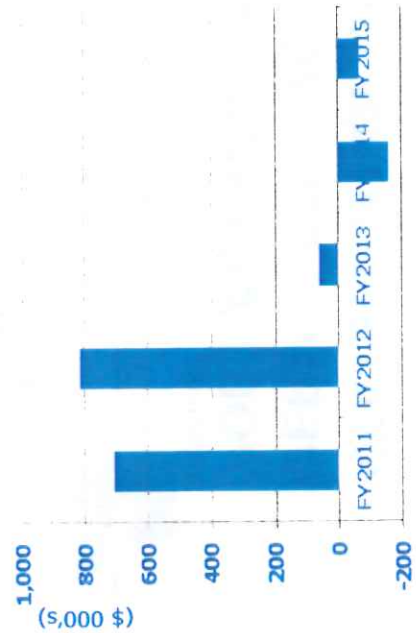
PORT AUTHORITY OF NEW HAMPSHIRE STATEMENT OF NET POSITION - UNRESTRICTED FUNDS

(\$ 000's)

DISCUSSION AND ANALYSIS

- CONTINUED FINANCIAL OBLIGATION TO SUPPORT UNREIMBURSED CAPITAL PROJECTS HAS DETERIORATED FINANCIAL STRUCTURE AND MAY REQUIRE REDUCTION IN SERVICES.
- \$ 1.9 MILLION IN STORM WATER MANAGEMENT SYSTEM MODIFICATION AND IMPROVEMENT PROJECT COSTS IN PAST THREE FISCAL YEARS. THE PIER EXPANSION FUND HAS PROVIDED \$1.0 MILLION IN MONIES WHILE \$0.9 MILLION HAS BEEN ABSORBED BY UNRESTRICTED FUND BALANCES.

NET UNRESTRICTED POSITION



	APR 30 2015	JUN 30 2014
ASSETS		
<u>CURRENT ASSETS</u>		
CASH AND INVESTMENTS	542	413
ACCOUNTS RECEIVABLE- NET	53	271
INVENTORIES (FUEL)	40	88
PREPAID INSURANCE	2	14
TOTAL CURRENT ASSETS	637	786
<u>CAPITAL ASSETS</u>		
LAND	377	377
CONSTRUCTION IN PROCESS	2,562	3,450
OTHER CAPITAL ASSETS- NET	7,637	8,141
TOTAL CAPITAL ASSETS	11,576	11,968
TOTAL ASSETS	12,213	12,754
LIABILITIES		
ACCOUNTS PAYABLE AND ACCRUED EXPENSE	398	694
UNEARNED REVENUE	290	254
TOTAL LIABILITIES	688	948
<u>NET POSITION</u>		
NET INVESTMENT IN CAPITAL ASSETS	11,576	11,968
RESTRICTED FOR:		
UNRESTRICTED	(51)	(162)
TOTAL NET POSITION	11,525	11,806

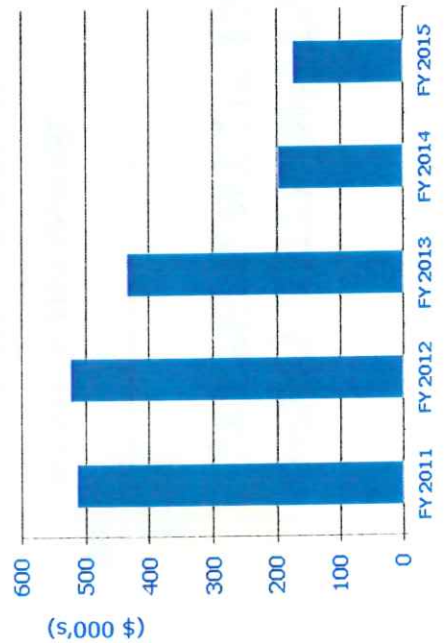
PORT AUTHORITY OF NEW HAMPSHIRE STATEMENT OF NET POSITION- HARBOR DREDGING

(\$ 000's)

DISCUSSION AND ANALYSIS

- CONTINUED FINANCIAL OBLIGATION TO SUPPORT UNREIMBURSED CAPITAL PROJECTS FOR PORT OPERATIONS.
- - FY 2011- HAMPTON HARBOR \$140
 - FY 2012- SEABROOK / HAMPTON \$200
 - FY 2013- TURNING BASIN \$90
 - FY 2014- TURNING BASIN \$98
 - FY 2015
 - GROUND TRUCK SCALE \$80
 - GENERAL PIER REPAIRS \$50
 - SEABROOK / HAMPTON \$13

NET RESTRICTED POSITION



	APR 30 2015	JUN 30 2014	APR 30 2015	JUN 30 2014
ASSETS				
<u>RESTRICTED ASSETS</u>				
CASH AND INVESTMENTS	418	443		
ACCOUNTS RECEIVABLES	<u>1</u>	Z		
TOTAL RESTRICTED ASSETS	419	450		
<u>CAPITAL ASSETS</u>				
LAND	-	-		
CONSTRUCTION IN PROCESS	461	401		
OTHER CAPITAL ASSETS- NET	<u>202</u>	<u>212</u>		
TOTAL CAPITAL ASSETS	663	613		
TOTAL ASSETS	1,082	1,063		
<u>LIABILITIES</u>				
ACCOUNTS PAYABLE AND ACCRUED EXPENSE	238			
TOTAL LIABILITIES	238	253		
<u>NET POSITION</u>				
NET INVESTMENT IN CAPITAL ASSETS	663	613		
RESTRICTED FOR:				
HARBOR DREDGING AND PIER MAINTENANCE	181	197		
TOTAL NET POSITION	844	810		

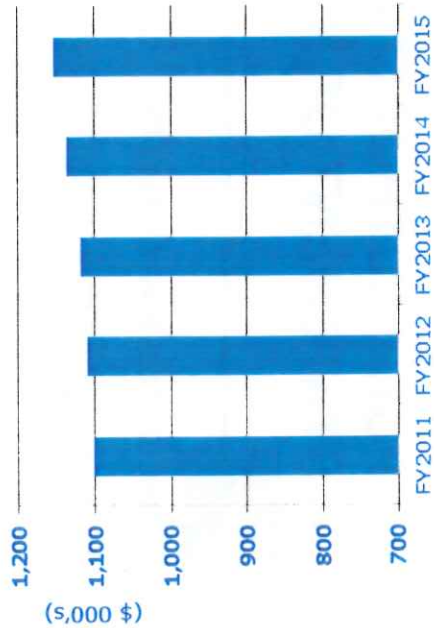
PORT AUTHORITY OF NEW HAMPSHIRE STATEMENT OF NET POSITION- REVOLVING LOAN FUND

(\$ 000's)

DISCUSSION AND ANALYSIS

- STEADY STATE WITH NO INDICATION OF ANY FINANCIAL CHALLENGES RELATIVE TO THE FUND BALANCE.
- CURRENT ECONOMIC ENVIRONMENT DOES HOWEVER CHALLENGE THE DEMAND FOR FUTURE LOANS.

NET RESTRICTED POSITION



	APR 30 2015	APR 30 2015	JUN 30 2014	JUN 30 2014
ASSETS				
<u>RESTRICTED ASSETS</u>				
CASH AND INVESTMENTS	326		201	
ACCOUNTS RECEIVABLES	828		936	
TOTAL RESTRICTED ASSETS	1,154		1,137	
TOTAL ASSETS	1,154		1,137	
LIABILITIES				
ACCOUNTS PAYABLE AND ACCRUED EXPENSE		2		1
TOTAL LIABILITIES		2		1
NET POSITION				
NET INVESTMENT IN CAPITAL ASSETS				-
RESTRICTED FOR: REVOLVING LOAN FUND		1,152		1,136
TOTAL NET POSITION		1,154		1,136

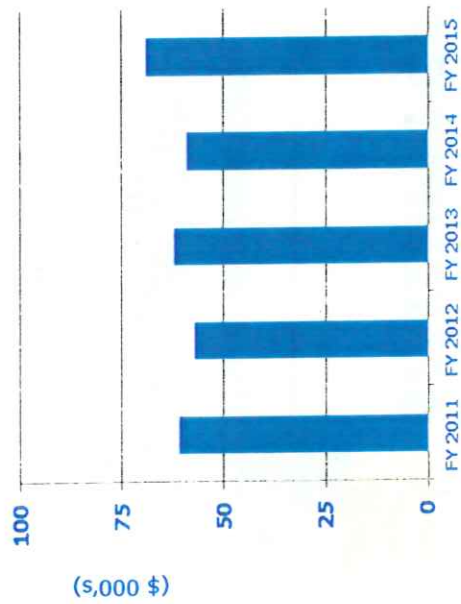
PORT AUTHORITY OF NEW HAMPSHIRE STATEMENT OF NET POSITION- FOREIGN TRADE ZONE

(\$ 000's)

DISCUSSION AND ANALYSIS

- STEADY STATE WITH NO INDICATION OF FINANCIAL CHALLENGES.

NET RESTRICTED POSITION



	APR 30 2015	JUN 30 2014	APR 30 2015	JUN 30 2014
ASSETS				
<u>RESTRICTED ASSETS</u>				
CASH AND INVESTMENTS	58	59		
ACCOUNTS RECEIVABLES	10	-		
TOTAL RESTRICTED ASSETS	68	59		
<u>CAPITAL ASSETS</u>				
LAND	-	-		
CONSTRUCTION IN PROCESS	-	-		
OTHER CAPITAL ASSETS- NET	-	-		
TOTAL CAPITAL ASSETS	-	-		
TOTAL ASSETS	68	59		
LIABILITIES				
ACCOUNTS PAYABLE AND ACCRUED EXPENSE	-	-		
UNEARNED REVENUE	-	-		
TOTAL LIABILITIES	-	-		
<u>NET POSITION</u>				
NET INVESTMENT IN CAPITAL ASSETS RESTRICTED FOR:				
FOREIGN TRADE ZONE	68	59		
TOTAL NET POSITION	68	59		

PEASE DEVELOPMENT AUTHORITY STATEMENT OF NET POSITION

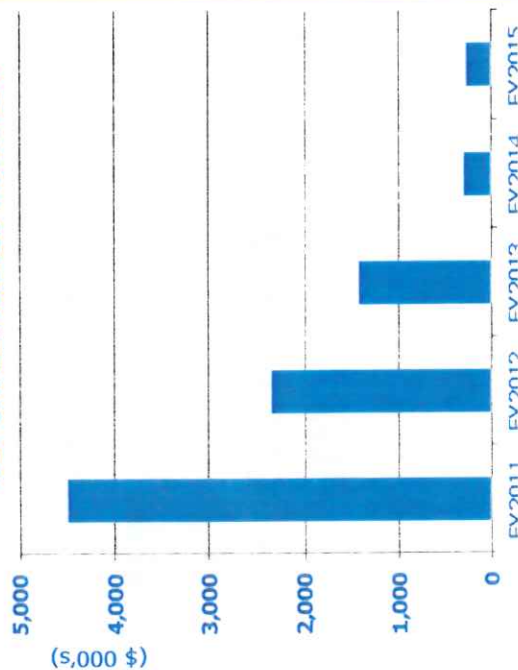
(EXCLUDING PORT AUTHORITY OF NEW HAMPSHIRE)

(\$ 000's)

DISCUSSION AND ANALYSIS

- CONTINUED FINANCIAL OBLIGATION TO SUPPORT NONGRANT RELATED CAPITAL PROJECTS AND DEBT REPAYMENT.
- GSA RECEIVABLE STATUS (\$385) / PRIOR PERIOD WRITE-OFF (\$1,200) CONTINUES TO IMPACT CASH FLOW PROJECTIONS.
- REVENUE ESCALATION / CPI HAS BEEN EXCEEDED BY COST ESCALATION RELATIVE TO LABOR AND FRINGE BENEFITS.

NET UNRESTRICTED POSITION



	APR 30 2015	JUN 30 2014	APR 30 2015	JUN 30 2014
ASSETS				
<u>CURRENT ASSETS</u>				
CASH AND INVESTMENTS	736	1,031		
ACCOUNTS RECEIVABLE-NET	1,803	1,757		
INVENTORIES	259	272		
PREPAID INSURANCE	160	160		
TOTAL CURRENT ASSETS	<u>2,958</u>	<u>3,220</u>		
<u>RESTRICTED ASSETS</u>				
CASH AND INVESTMENTS	-	-		
ACCOUNTS RECEIVABLES	-	-		
TOTAL RESTRICTED ASSETS	-	-		
<u>CAPITAL ASSETS</u>				
LAND	7,144	7,122		
CONSTRUCTION IN PROCESS	6,963	3,410		
OTHER CAPITAL ASSETS-NET	<u>48,277</u>	<u>51,166</u>		
TOTAL CAPITAL ASSETS	<u>62,384</u>	<u>61,698</u>		
TOTAL ASSETS	65,342	64,918		
LIABILITIES				
ACCOUNTS PAYABLE AND ACCRUED EXPENSE	2,386	2,682		
UNEARNED REVENUE	307	290		
REVOLVING DEMAND NOTE	2,200	2,000		
LONG TERM LIABILITIES				
DUE WITHIN 1 YEAR	419	642		
DUE IN MORE THAN 1 YEAR	1,152	1,665		
TOTAL LIABILITIES	<u>1,571</u>	<u>2,307</u>		
NET POSITION	6,464	7,279		
NET INVESTMENT IN CAPITAL ASSETS	58,614	57,391		
RESTRICTED FOR: REVOLVING LOAN FUND	-	-		
HARBOR DREDGING AND PIER MAINTENANCE	-	-		
FOREIGN TRADE ZONE	-	-		
UNRESTRICTED	264	248		
TOTAL NET POSITION	58,878	57,639		

CASH FLOW PROJECTIONS FOR THE NINE MONTH PERIOD ENDING FEBRUARY 29, 2016

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)



**BOARD OF DIRECTORS MEETING
JUNE 15, 2015**

PEASE DEVELOPMENT AUTHORITY CASH FLOW SUMMARY OVERVIEW JUNE 1, 2015 TO FEBRUARY 29, 2016

(\$ 000's)

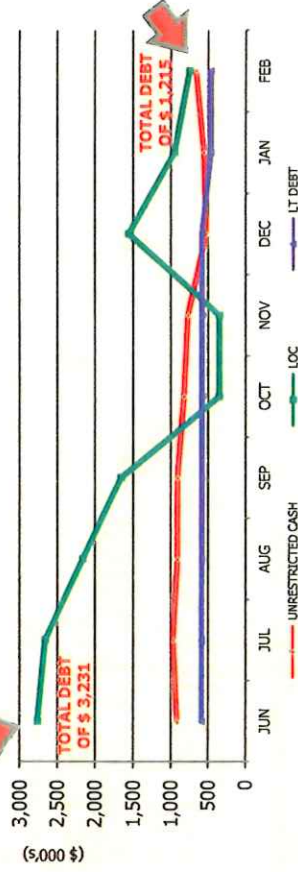
	AMOUNT
OPENING FUND BALANCE	1,028
SOURCES OF FUNDS	
TRADEPORT RELATED BILLINGS	6,565
FEDERAL / STATE GRANT AWARDS	2,005
GOLF COURSE FEE AND CONCESSION REVENUES	1,355
PORTSMOUTH AIRPORT	420
SKYHAVEN AIRPORT HANGAR AND FUEL REVENUES	170
MUNICIPAL SERVICE FEE (COP)- NET	86
EXTERNAL BANK WORKING CAPITAL- NET	(1,250)
	<u>9,351</u>
USES OF FUNDS	
EMPLOYEE WAGES AND BENEFITS	3,771
CAPITAL EXPENDITURES- NON GRANT RELATED	2,320
CAPITAL EXPENDITURES- GRANT RELATED	2,259
OPERATING EXPENSES	1,250
LONG TERM DEBT RETIREMENT	116
	<u>9,716</u>
NET CASH FLOW	(365)
CLOSING FUND BALANCE	663

DISCUSSION

THE PDA WILL CONTINUE TO NEED TO FURTHER UTILIZE IT'S SHORT TERM LINE OF CREDIT WITH THE PROVIDENT BANK TO PRIMARILY FINANCE PROJECTED GRANT RELATED CAPITAL EXPENDITURES.

CURRENT SENSITIVITIES TOWARD FUTURE PROJECTIONS INCLUDE 1) RECEIPT OF FEDERAL / STATE GRANT AWARDS, 2) ACCURACY OF CAPITAL EXPENDITURE FORECAST AND 3) TRADEPORT REVENUE STREAMS .

PROJECTED CASH AND DEBT BALANCES



TOTAL FUND BALANCES	BALANCE AT 05-31-2015	BALANCE AT 06-30-2014
PDA UNRESTRICTED	1,028	957
PDA DESIGNATED	65	75
DPH UNRESTRICTED	305	296
DPH DESIGNATED	120	117
DPH RESTRICTED	848	703
TOTAL	2,366	2,148

PEASE DEVELOPMENT AUTHORITY STATEMENT OF CASH FLOW JUNE 1, 2015 TO FEBRUARY 29, 2016

(\$ 000'S)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
OPENING FUND BALANCE	<u>1,028</u>	<u>912</u>	<u>962</u>	<u>907</u>	<u>907</u>	<u>825</u>	<u>773</u>	<u>527</u>	<u>558</u>	<u>1,028</u>
SOURCES OF FUNDS										
GRANT AWARDS (SEE PAGE #8)	-	60	183	-	991	149	50	542	30	2,005
TRADEPORT RELATED BILLINGS	715	850	700	735	715	725	700	700	725	6,565
MUNICIPAL SERVICE FEE (COP)	208	355	205	208	355	205	208	355	205	2,304
GOLF COURSE	225	225	240	215	175	175	50	25	25	1,355
PORTSMOUTH AIRPORT	45	50	45	45	50	45	45	50	45	420
SKYHAVEN AIRPORT	20	22	22	22	20	18	16	15	15	170
WORKING CAPITAL RLOC- NET	750	(100)	(500)	(500)	(1,300)	-	1,200	(600)	(200)	(1,250)
	<u>1,963</u>	<u>1,462</u>	<u>895</u>	<u>725</u>	<u>1,006</u>	<u>1,317</u>	<u>2,269</u>	<u>1,087</u>	<u>845</u>	<u>11,569</u>
USE OF FUNDS										
EMPLOYEE WAGES AND BENEFITS	400	426	415	405	475	405	410	415	420	3,771
CAPITAL- NONGRANT (SEE PAGES #5-#7)	128	165	140	130	398	309	585	340	125	2,320
CAPITAL- GRANT RELATED (SEE PAGE #4)	318	701	285	75	95	545	75	75	90	2,259
OPERATING EXPENSES	145	120	110	115	120	110	315	110	105	1,250
MUNICIPAL SERVICE FEE (COP)	1,088	-	-	-	-	-	1,130	-	-	2,218
LONG TERM DEBT RETIREMENT (SEE PAGES #9-#10)	-	-	-	-	-	-	-	116	-	116
	<u>2,079</u>	<u>1,412</u>	<u>950</u>	<u>725</u>	<u>1,088</u>	<u>1,369</u>	<u>2,515</u>	<u>1,056</u>	<u>740</u>	<u>11,934</u>
NET CASH FLOW	(116)	50	(55)	-	(82)	(52)	(246)	31	105	(365)
CLOSING FUND BALANCE	<u>912</u>	<u>962</u>	<u>907</u>	<u>907</u>	<u>825</u>	<u>773</u>	<u>527</u>	<u>558</u>	<u>663</u>	<u>663</u>

PEASE DEVELOPMENT AUTHORITY PROJECTED CAPITAL EXPENDITURES JUNE 1, 2015 TO FEBRUARY 29, 2016

(\$ 000's)

	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	TOTAL
<u>GRANT REIMBURSEMENT</u>										
PORTSMOUTH AIRPORT										
OBSTRUCTION MITIGATION- PHASE I	20	26	-	-	-	-	-	-	-	46
OBSTRUCTION MITIGATION- PHASE II	-	-	30	30	50	30	30	50	50	270
SNOW REMOVAL EQUIPMENT **	-	-	15	-	-	465	-	-	-	480
IDENTIFICATION MANAGEMENT SYSTEM**	-	100	40	35	30	30	25	-	-	260
ASR CONSTRUCTION (SBG 1602)	105	-	-	-	-	-	-	-	-	105
PAVEMENT AND DRAINAGE (SBG 1603)	61	-	-	-	-	-	-	-	-	61
SKYHAVEN AIRPORT										
RUNWAY DESIGN AND RECON	7	-	-	-	-	-	-	-	-	7
RUNWAY CONSTRUCTION	100	500	200	-	-	-	-	-	-	800
TAXILANE PAVEMENTS (DESIGN) **	-	-	-	10	15	20	20	25	40	130
TRADEPORT										
MULTI USE PATH (GRAFTON DRIVE SECTION ONLY)	25	40	-	-	-	-	-	-	-	65
MULTI USE PATH (ROUTE #33)	-	35	-	-	-	-	-	-	-	35
TOTAL GRANT	318	701	285	75	95	545	75	75	90	2,259

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY PROJECTED CAPITAL EXPENDITURES JUNE 1, 2015 TO FEBRUARY 29, 2016

(\$ 000's)

(CONTINUED):

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<u>NONGRANT REIMBURSEMENT</u>										
TRADEPORT										
TERMINAL SIGN GUIDES (ROADWAYS) **	-	-	-	-	-	-	25	50	-	75
AIRPORT HIGHWAY SIGNAGE **	-	-	-	-	25	75	-	-	-	100
AIRPORT ENTRANCE SIGN- EXETER STREET**	30	20	-	-	-	-	-	-	-	50
STORM WATER TREATMENT **	-	-	-	50	-	-	-	-	-	50
NORTH ENTRANCE WELCOME SIGN **	30	-	-	-	-	-	-	-	-	30
BUILDING DEM- 53 DURHAM **	-	-	-	-	-	-	50	-	-	50
UNDERGROUND STREET LIGHTING **	-	25	100	-	-	-	-	-	-	125
SIDEWALKS- PEDESTRIAN FACILITIES**	-	-	-	-	50	25	-	-	-	75
DRAINAGE DITCHES **	-	-	-	20	-	-	-	-	-	20
SURFACE TRANSPORTATION PLAN **	-	-	-	-	-	25	-	-	-	25
WASTE WATER TREATMENT PLANT STUDY	3	5	-	-	-	-	-	-	-	8
	<u>63</u>	<u>50</u>	<u>100</u>	<u>70</u>	<u>75</u>	<u>125</u>	<u>75</u>	<u>50</u>	-	<u>608</u>

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY PROJECTED CAPITAL EXPENDITURES JUNE 1, 2015 TO FEBRUARY 29, 2016

(CONTINUED):

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<u>NONGRANT REIMBURSEMENT</u>										
SKYHAVEN AIRPORT										
HANGAR I RENOVATIONS (DESIGN) ** (1)	-	-	-	10	15	-	-	-	-	25
ADMINISTRATION										
COMPUTERS / PRINTERS / SOFTWARE / SERVERS / TELECOMMUNICATIONS **	20	-	-	20	-	-	60	-	-	100
GOLF COURSE										
KITCHEN MODIFICATIONS **	-	-	-	-	-	50	150	-	-	200
TRACTOR **	-	35	-	-	-	-	-	-	-	35
FUEL TANK PAD **	-	-	-	-	50	-	-	-	-	50
CLUBHOUSE FACILITY EXPANSION	45	15	-	-	-	-	-	-	-	60
SWEEPER / VACUUM ***	-	35	-	-	-	-	-	-	-	35
	<u>45</u>	<u>85</u>	<u>-</u>	<u>-</u>	<u>50</u>	<u>50</u>	<u>150</u>	<u>-</u>	<u>-</u>	<u>380</u>

NOTE:
 ** PENDING BOARD APPROVAL
 1) INELIGIBLE GRANT EXPENSE OF \$25

PEASE DEVELOPMENT AUTHORITY PROJECTED CAPITAL EXPENDITURES JUNE 1, 2015 TO FEBRUARY 29, 2016

(\$ 000'S)

(CONTINUED):

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<u>NONGRANT REIMBURSEMENT</u> (CONTINUED):										
PORTSMOUTH AIRPORT										
BATHROOM RENOVATIONS **	-	30	10	15	100	45	-	-	-	200
AIRFIELD RUNWAY RELAMPING (LEED) **	-	-	-	-	78	-	-	-	-	78
ROOF REPLACEMENT TERMINAL BUILDING **	-	-	-	-	-	-	50	200	50	300
REROOFING OF HUT # 7 AND #8 **	-	-	-	-	50	-	-	-	-	50
SECURITY ACCESS SYSTEM REPLACEMENT**	-	-	-	-	-	50	-	-	-	50
NEW SECURITY DOORS- P1**	-	-	-	-	-	10	-	-	-	10
	<u>128</u>	<u>165</u>	<u>140</u>	<u>130</u>	<u>398</u>	<u>309</u>	<u>585</u>	<u>340</u>	<u>125</u>	<u>688</u>
MAINTENANCE										
HVAC SYSTEM UPGRADE- 7 LEE STREET **	-	-	15	-	-	-	-	40	-	55
VEHICLE FLEET- DUMP BODY **	-	-	-	-	30	-	-	-	-	30
OVERHEAD DOOR- INCINERATOR PLANT **	-	-	-	-	-	7	-	-	-	7
LOADER PLOW- ARTIC **	-	-	-	-	-	22	-	-	-	22
FORKLIFT REPLACEMENT **	-	-	-	15	-	-	-	-	-	15
BUILDING INFRASTRUCTURE **	-	-	-	-	-	-	50	-	-	50
75 ROCHESTER- FIRE ALARM **	-	-	15	-	-	-	-	-	75	90
SIDEWALK PLOW / SWEEPER**	-	-	-	-	-	-	200	-	-	200
VEHICLE FLEET REPLACEMENT **	-	-	-	-	-	-	-	50	-	50
	<u>128</u>	<u>165</u>	<u>140</u>	<u>130</u>	<u>398</u>	<u>309</u>	<u>585</u>	<u>340</u>	<u>125</u>	<u>2,320</u>
TOTAL NONGRANT										

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY PROJECTED RECEIPT GRANT AWARDS JUNE 1, 2015 TO FEBRUARY 29, 2016

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
PORTSMOUTH AIRPORT										
OBSTRUCTION MITIGATION- PHASE I	-	-	20	-	-	26	-	-	-	46
OBSTRUCTION MITIGATION- PHASE II	-	-	-	-	30	30	50	30	30	170
SNOW REMOVAL EQUIPMENT **	-	-	-	-	-	-	-	450	-	450
IDENTIFICATION MANAGEMENT SYSTEM**	-	-	-	-	95	38	-	62	-	195
ASR CONSTRUCTION (SBG 1602)	-	-	100	-	-	-	-	-	-	100
PAVEMENT AND DRAINAGE (SBG 1603)	-	-	58	-	-	-	-	-	-	58
SKYHAVEN AIRPORT										
RUNWAY REHAB DESIGN AND RECON	-	-	5	-	-	-	-	-	-	5
RUNWAY CONSTRUCTION	-	-	-	-	800	55	-	-	-	855
TRADEPORT										
MULTI USE PATH (GRAFTON DRIVE SECTION ONLY)	-	60	-	-	33	-	-	-	-	93
MULTI USE PATH (ROUTE #33)	=	=	=	=	33	=	=	=	=	33
TOTAL GRANT	=	60	183	=	991	149	50	542	30	2,005

PEASE DEVELOPMENT AUTHORITY
SCHEDULED OF LONG TERM DEBT RETIREMENT *(PRINCIPAL + INTEREST)*
JUNE 1, 2015 TO FEBRUARY 29, 2016 *(\$ 000's)*

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
CITY OF PORTSMOUTH- WASTE WATER TREATMENT PLANT	-	-	-	-	-	-	-	116	-	116
	=	=	=	=	=	=	=	<u>116</u>	=	<u>116</u>

MOTION

Director Lamson:

The PDA Board of Directors hereby authorizes the Executive Director to enter into a contract with MB Tractor of Plaistow, NH, to purchase a diesel tractor for use by the Pease Golf Course in a total amount not to exceed \$22,600.00; all in accordance with the memorandum from Scott DeVito, PGA General Manager, dated June 11, 2015 attached hereto.

N:\RESOLVES\GolfTractor0615.wpd

MEMORANDUM

To: David R. Mullen, Executive Director
From: Scott DeVito, PGA General Manager
Date: June 11, 2015
Subject: Request to purchase a Diesel Tractor

This is a request to purchase a diesel tractor. The diesel tractor purchase is included FY2016 Golf Course capital budget. We are seeking early approval to have the equipment in place for the fall golf course aerification process. Suppliers have estimated a 10 week delivery period once order is place. The purchase will be billed after July 1, 2015 to stay in the FY2016 CIP schedule.

The new tractor will replace the 2000 John Deer 5300 (which will be used through the end of the year and then evaluated for sale or disposal before the start of next season).

The equipment was advertised May 26 & 27 in both the Manchester Union Leader and the Fosters. Three companies requested the RFP. Responses were opened on Thursday, June 11, 2015 at the PDA.

MB Tractor of Plaistow, NH returned the lowest qualified bid of \$22,600.00. The pricing includes delivery to the Golf Course Maintenance Department.

At the June 15th meeting, please ask the Board approve the purchase of the diesel tractor from MB Tractor. Thank you for your consideration in this matter.

MOTION

Director Preston:

The PDA Board of Directors hereby authorizes the Executive Director to enter into a contract with AOK Turf Equipment, Inc. of Coventry, RI, to purchase a multi-function sweeper/vacuum for use by the Pease Golf Course in a total amount not to exceed \$33,295.00; all in accordance with the memorandum from Scott DeVito, PGA General Manager, dated June 11, 2015 attached hereto.

N:\RESOLVES\GolfSweeper0615.wpd

MEMORANDUM

To: David R. Mullen, Executive Director

From: Scott DeVito, PGA General Manager

Date: June 11, 2015

Subject: Request to purchase a Multi-Function Sweeper/Vacuum

This is a request to purchase a multi-function sweeper/vacuum. The purchase has been proposed as part of the FY2016 golf course capital budget. We are seeking early approval to have the equipment in place for the fall golf course aerification process. Suppliers have estimated a 10 week delivery period once order is placed. Billing would not occur until after July 1, 2015 to stay in the FY2016 CIP schedule.

The new multi-function sweeper/vacuum will replace the 2003 Jacobsen sweeper (which will be used through the end of the year and then sold).

The equipment was advertised on May 26 & 27 in both the Manchester Union Leader and the Fosters. One company requested the RFP. The bid was opened on Thursday, June 11, 2015 at the PDA.

AOK Turf Equipment, Inc. of Coventry, RI returned the lowest qualified bid of \$33,295.00. The pricing includes delivery to the Golf Course Maintenance department

At the June 15th meeting, please ask the Board to approve the purchase of the multi-function sweeper/vacuum. Thank you for your consideration in this matter.

MOTION

Director Bohenko:

The PDA Board of Directors hereby authorizes the Executive Director to enter into a contract with SHI International Corp. ("SHI") of Somerset, NJ, to purchase Microsoft Office 2013, a computer software application upgrade, in a total amount not to exceed \$17,485.00; all in accordance with the memorandum from Irv Canner, Director of Finance, dated June 8, 2015 attached hereto.

In accordance with the provisions of RSA 12:G:8, VIII, the Board justifies the waiver of the RFP requirement for the purchase of the software program based on the following:

1. SHI is a vendor selected by the State of New Hampshire in accordance with its procurement regulations.

Note: Roll call vote required.

N:\RESOLVES\ITUpgrade0615.wpd



PEASE
INTERNATIONAL

55 International Drive, Portsmouth, NH 03801

DEVELOPMENT
AUTHORITY

Date: June 8, 2015

To: Dave Mullen- Executive Director

From: Irv Canner- Director of Finance

RE: Desktop Software Upgrade

Consistent with our Information Technology Capital Improvement Plan we need to move forward to upgrade our application software from Microsoft Office 2007 to Microsoft Office 2013. The primary justification for the upgrade is directed toward operating efficiencies when integrating our new version of Microsoft Exchange as well as with the Great Plains software. At present, we have experienced a series of incompatibilities between various applications such as Excel and Outlook and at times that has resulted in delays, system crashes, lost data and or corrupted software.

Our most recent upgrade from Microsoft Office 2003 to Microsoft Office 2007 occurred in August 2009 and the justification at the time paralleled our current status as well as the fact that we incurred the inability to exchange documents with various outside stakeholders.

The cost of the upgrade has been projected not to exceed \$17,485.00 and we have selected a State of New Hampshire approved vendor, SHI International Corp. (SHI) to purchase the software from. SHI was founded in 1989 and is a \$5 billion global provider of information technology products and services. Here too, SHI was recently acknowledged as the largest Minority / Women Owned Business Enterprise in the United States.

Accordingly, it is requested that we bring this capital budget funding request forward for approval at the scheduled June 15, 2015 Board of Directors meeting. At your convenience, I would be pleased to address any questions or need for supplemental information that you might have.

○○○○ TAKING YOU THERE

ph: 603-433-6088

fax: 603-427-0433

www.peasedev.org

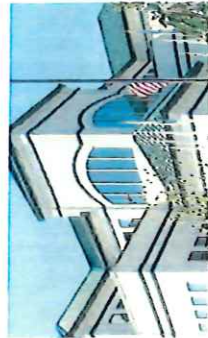
MOTION

Director Torr:

The Pease Development Authority Board of Directors approves of and accepts the proposed FY2016 Operations and Maintenance ("O&M") Budget and FY 2017 – FY 2018 O&M Forecast in substantially the same form as attached hereto.

N:\RESOLVES\BudgetOM0615.wpd

PEASE DEVELOPMENT AUTHORITY PROPOSED FY 2016 OPERATING BUDGET AND FY 2017 - FY 2018 FORECAST



PEASE DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
JUNE 15, 2015

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EXECUTIVE OVERVIEW

- THE PDA OPERATES WITHIN ITS OWN REVENUE STREAMS AND DERIVES NO FUNDING FROM THE STATE OTHER THAN FOR CAPITAL IMPROVEMENTS AT THE DIVISION OF PORTS AND HARBORS.

\$ (000's)

- COMPARING OUR PROPOSED FY 2016 BUDGET TO OUR PROJECTED FY 2015 YEAR END ESTIMATE, OPERATING REVENUES ARE PROJECTED TO INCREASE BY 2.5% (\$339) WHILE BUDGETED EXPENSES ARE ESTIMATED TO INCREASE BY 2.6% (\$443). THE PRIMARY VARIANCES INCLUDE:

	<u>\$ CHANGE</u>	<u>% CHANGE</u>
◦ REVENUES		
• FACILITIES RENTAL	\$ 225	2.5%
• GOLF COURSE FEES, MEMBERSHIPS AND MERCHANDISE	140	8.6
• FUEL SALES	65	6.3
• GRILL 28 FEE REVENUES	21	8.4
• WHARFAGE AND DOCKAGE	(100)	(28.7)
• ALL OTHER- NET	(12)	-
◦ EXPENSES		
• PROFESSIONAL SERVICES (PRIMARY LEGAL)	169	93.6%
• DEPRECIATION	75	1.3
• MARKETING AND PROMOTION	59	22.8
• GENERAL AND ADMINISTRATIVE	58	8.4
• FUEL PROCUREMENT	56	5.8
• LABOR AND FRINGE BENEFITS	19	0.3
• UTILITIES	11	1.3
• INTEREST EXPENSE	(46)	(38.7)
• ALL OTHER- NET	42	-

- THERE IS POTENTIAL FOR SEVERAL OPERATING BUDGET ISSUES THAT NEED TO BE FURTHER VETTED INCLUDING:

- EXTENSION OF TRADEPORT LEASE AGREEMENTS- FAA APPROVAL
- REMEDIATION ACTIVITIES- MARKET STREET WATER QUALITY
- REPLACEMENT REVENUES DUE TO STATE OF MAINE DOT CONTRACT EXPIRATION (DECEMBER 31, 2017)
- ENVIRONMENTAL PROTECTION AGENCY MUNICIPAL SEWER SYSTEM (MS4) REGULATORY COMPLIANCE- PEASE TRADEPORT
- PSM RUNWAY RECONSTRUCTION COST SHARING- FAA NEW ENGLAND REGION
- GRILL 28 LEASE- POTENTIAL EARLY TERMINATION
- WORKERS COMPENSATION SETTLEMENT AGREEMENT- DPH

EXECUTIVE OVERVIEW

(CONTINUED)

- KEY OPERATIONAL ACTIVITIES AND INITIATIVES TO BE UNDERTAKEN:
 - MAINTAINING AND EXPANDING CURRENT COMMERCIAL AIRLINE SERVICES
 - SUCCESSION PLANNING MODELING
 - REGULATORY COMPLIANCE- STORMWATER MANAGEMENT AND REMEDIATION
 - BUILDING AND LAND LEASE NEGOTIATIONS
 - ACHIEVEMENT OF ANNUAL 10,000 ENPLANEMENTS (PSM)
 - TRANSPORTATION TRAFFIC FLOW STUDY UPDATE
 - CONTINUED USE OF JOB COSTING- GREAT PLAINS SOFTWARE
 - DEVELOPMENT OF AN INTERNAL STUDY FOR PARKING LOT MAINTENANCE AND RENOVATIONS
 - DEVELOPMENT OF A PREVENTIVE MAINTENANCE WORK SCHEDULE- GENERATORS
 - SERVICE CONTRACT RENEGOTIATIONS INCLUDE:
 - ▲ TELECOMMUNICATIONS
 - ▲ INFORMATION TECHNOLOGY



FUNDING IMPLICATIONS

- NET OPERATING INCOME LEVELS WILL BE SUFFICIENT TO MEET PROPOSED NON-GRANT RELATED CAPITAL PROJECTS AND LONG TERM DEBT SERVICE LEVELS.

	FY 2010 TO FY 2014	FY 2015 ESTIMATE	FY 2016 BUDGET	FY 2017 FORECAST	FY 2018 FORECAST
NET OPERATING INCOME (PDA ONLY)	15,342	2,211	2,120	2,266	2,239
PROPOSED NON-GRANT CAPITAL PROJECTS (1)	(10,367)	(415)	(2,086)	(943)	(1,802)
DEBT SERVICE LEVELS (COP + PROVIDENT)	(17,799)	(2,307)	(116)	(116)	(116)
CHANGES IN WORKING CAPITAL- NET	1,986	(215)	90	(100)	25
NET FUNDING (SHORTFALL)	(10,838)	(726)	8	1,107	346

NOTE: 1) MARCH 19, 2015 CAPITAL IMPROVEMENT PLAN PRESENTATION TO BOARD OF DIRECTORS AS MODIFIED (SEE PAGE #53)

KEY PLANNING ASSUMPTIONS

STAFFING, WAGE AND BENEFIT ESCALATION

- NO INCREMENTAL PERMANENT STAFFING IS PROPOSED FROM CURRENT AUTHORIZED LEVELS.
- EMPLOYEE ANNUAL SALARY MERIT INCREASES CAPPED AT 2.00% FOR ALL ELIGIBLE EMPLOYEES.
- FRINGE BENEFIT RATES HAVE YET TO BE FORMALLY ESTABLISHED BY THE STATE. FOR BUDGETING PURPOSES, SUBJECT TO CHANGE, THE FOLLOWING RATES, AS A PERCENTAGE OF ELIGIBLE WAGES, WERE UTILIZED:

	FY 2014 (ACTUAL)	FY 2015 (ESTIMATE)	FY 2016 BUDGET	FY 2017 FORECAST	FY 2018 FORECAST
HEALTH INSURANCE	33.3%	28.5%	27.5%	27.5%	27.5%
RETIREMENT					
GROUP I	12.1	12.1	12.5	12.5	13.2
GROUP II (POLICE)	25.4	25.4	26.4	26.4	28.0
DENTAL	0.2	0.2	0.2	0.2	0.2
LIFE INSURANCE	0.8	1.0	1.0	1.0	1.0

KEY PLANNING ASSUMPTIONS (CONTINUED)

STAFFING, WAGE AND BENEFIT ESCALATION (CONTINUED)

- POTENTIAL IMPACT OF THE AFFORDABLE CARE ACT TO THE PDA IS CURRENTLY UNDER REVIEW. THE PROPOSED BUDGET HAS NOT INCORPORATED ANY INCREMENTAL FUNDING. AT THIS TIME WE ARE WORKING JOINTLY WITH THE STATE'S DIVISION OF RISK MANAGEMENT IN MONITORING THE LABOR HOURS BEING INCURRED BY OUR PART TIME WORK FORCE SUCH THAT ELIGIBILITY TO BENEFITS IS LIMITED.
- REQUESTED BUDGET DOES NOT MAKE ANY PROVISIONS FOR POSSIBLE CHANGES IN THE MINIMUM HOURLY WAGE. PRIMARY IMPACT TOWARD SEASONAL EMPLOYEES WOULD BE AT THE GOLF COURSE AND PORT FACILITIES.

KEY PLANNING ASSUMPTIONS (CONTINUED)

PORTSMOUTH INTERNATIONAL AIRPORT

- WILL CONTINUE TO BE A "NO FEE" AIRPORT RELATIVE TO PASSENGER PARKING, FACILITIES FEES, WAIVING OF LANDING, FUEL FLOWAGE FEES, ETC.
- CONTINUED MARKETING FINANCIAL COMMITMENT TO ATTRACT NEW AIRLINE(S) AND CONTINUATION OF CONSULTANT CONTRACT (DAN FORTNAM).
- ANNUAL PSM ENPLANEMENTS ARE PROJECTED TO EXCEED 10,000.
- POTENTIAL DELAY IN RECONSTRUCTION OF RUNWAY 16-34 PROJECT AND CAPITAL COST SHARING OF RENOVATIONS WITH FAA AND OR NATIONAL GUARD. POTENTIAL IMPACT TOWARD INCREMENTAL MAINTENANCE COSTS. CURRENT RUNWAY MEASURES 11,321 SQUARE FEET.
- FUEL FARM AGREEMENT WITH PORT CITY AIR WILL BE RENEGOTIATED UPON EXPIRATION OF CURRENT AGREEMENT AT JULY 31, 2015.




KEY PLANNING ASSUMPTIONS (CONTINUED)

SKYHAVEN AIRPORT

- NO CHANGES IN CURRENT SKYHAVEN AIRPORT HANGAR AND OR TIE DOWN RATES.
- BUDGETING FOR 100% OCCUPANCY OF PLANE HANGARS.
- HAVE NOT INCORPORATED ANY INCREMENTAL REVENUES THAT MAY COME FROM CURRENT DISCUSSIONS SURROUNDING A FLIGHT SCHOOL.

KEY PLANNING ASSUMPTIONS (CONTINUED)

TRADEPORT

- CURRENT ELECTRICITY SUPPLY RATE (\$0.097) WHICH COMMENCED SEPTEMBER 1, 2014 IS SCHEDULED TO EXPIRE NOVEMBER 30, 2016. FUTURE YEAR ELECTRICITY CONSUMPTION PROJECTED AT APPROXIMATELY 3.4 MILLION KWH. 
- DEPARTMENT OF STATE FUNDING- REVENUE STREAM COMMENCING OF OCTOBER 2014, AT THE NET RATE OF \$5.75 / PER SQUARE FOOT FOR THE NEXT 60 MONTHS. FOR THE SUBSEQUENT FIVE YEAR PERIOD, COMMENCING OCTOBER 2019, THE NET RATE WILL INCREASE 4.3% TO \$6.00 PER SQUARE FOOT.
- LONZA'S CURRENT ANNUAL "IRON PARCEL" \$ 50,000 OPTION, SCHEDULED TO EXPIRE IN FY 2015, WILL CONTINUED THROUGH JUNE 30, 2018.
- LONZA FUNDING- BUILDING A (101 INTERNATIONAL)- CURRENT LEASE AGREEMENT EXPIRES ON JUNE 30, 2016. HAVE ASSUMED GENERAL ESCALATION TO APPROXIMATELY \$535,000 IN BUILDING RENT.
- GREAT BAY COMMUNITY COLLEGE
 - TEN YEAR CPI ADJUSTMENT TO GROUND RENT- JULY 1, 2018
 - BALANCE OF OPTION AGREEMENT PAYMENT- JUNE 17, 2018
- PEASE REHAB, LLC
 - LAND OPTION NOT EXTENDED PAST FY 2016
 - CASH COLLATERAL PLEDGE AND SECURITY AGREEMENT- FIVE YEAR TRUE-UP (NEURO-REHAB ASSOCIATES)
- ANNUAL FUNDING SUPPORT TO COAST TROLLEY REMAINS AT \$120,000.

KEY PLANNING ASSUMPTIONS (CONTINUED)

GOLF COURSE



- THERE MAY BE ONGOING DISCUSSIONS TOWARD POSSIBLE CAPITAL IMPROVEMENTS (UNBUDGETED) TO THE KITCHEN FACILITIES DURING FY 2016.

- GRILL 28 GROSS SALES ARE PROJECTED AT:

- FY 2015 \$ 1,350,000 (ESTIMATED)
- FY 2016 1,450,000 (BUDGET)
- FY 2017 1,500,000 (FORECAST)
- FY 2018 1,500,000 (FORECAST)

- PHASED INCREASED TO CURRENT GOLF COURSE FEE STRUCTURE- MEMBERSHIPS, SIMULATORS AND PUBLIC PLAY. MOST RECENT INCREASE AUTHORIZED FOR THE 2015 SEASON WITH NEXT TARGETED INCREASE FOR THE 2017 SEASON.

- ROUNDS OF GOLF PLAYED ARE PROJECTED AT:

	2013 SEASON (ACTUAL)	2014 SEASON (ACTUAL)	2015 SEASON (FORECAST)	2016 SEASON (BUDGET)	2017 SEASON FORECAST	2018 SEASON FORECAST
ANNUAL PASS	12,673	15,019	20,000	20,500	20,750	21,000
PUBLIC PLAY	20,055	29,923	30,000	32,000	32,250	32,500
TOTAL	32,728	44,942	50,000	52,500	53,000	53,500
RAIN DAYS	49	58	50	50	50	50

KEY PLANNING ASSUMPTIONS (CONTINUED)

DIVISION OF PORTS AND HARBORS

- LONG TERM DISCUSSIONS RELATIVE TO REPLACEMENT REVENUES AT THE CONTRACT COMPLETION WITH THE STATE OF MAINE DEPARTMENT OF TRANSPORTATION ARE ONGOING.
- SECURITY OPERATIONS REMAIN IN-HOUSE DURING THE BUDGET PERIOD WITH NO INCREMENTAL STAFFING FROM CURRENT AUTHORIZED LEVELS.
- REDUCTION IN OVERTIME AND SEASONAL PERSONNEL LABOR HOURS.
- NO RESERVES HAVE BEEN ESTABLISHED FOR A POTENTIAL WORKERS COMPENSATION SETTLEMENT AGREEMENT.
- FUELING OPERATIONS ARE EXPECTED TO GENERATE APPROXIMATELY \$59,000 IN NET CASH FLOW PER FISCAL YEAR:

FY 2016 (\$000)	GROSS SALES	COST OF GOODS	NET MARGIN	FY 2017 (\$000)	GROSS SALES	COST OF GOODS	NET MARGIN	FY 2018 (\$000)	GROSS SALES	COST OF GOODS	NET MARGIN
PORTSMOUTH FISH PIER	645	606	39	PORTSMOUTH FISH PIER	650	611	39	PORTSMOUTH FISH PIER	650	611	39
RYE HARBOR	165	155	10	RYE HARBOR	165	155	10	RYE HARBOR	165	155	10
HAMPTON HARBOR	165	155	10	HAMPTON HARBOR	165	155	10	HAMPTON HARBOR	165	155	10
	<u>975</u>	<u>916</u>	<u>59</u>		<u>980</u>	<u>921</u>	<u>59</u>		<u>980</u>	<u>921</u>	<u>59</u>

COMPOSITE BUDGET PROJECTIONS

\$ (000's)



	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES <i>(PAGES 15-22)</i>	<u>13,198</u>	<u>13,780</u>	<u>14,119</u>	<u>14,426</u>	<u>14,638</u>
OPERATING EXPENSES					
WAGES AND BENEFITS <i>(PAGES #23-#25)</i>	5,694	5,966	5,824	5,945	6,116
BUILDING AND FACILITIES <i>(PAGE #26)</i>	2,552	2,156	2,353	2,366	2,401
GENERAL ADMINISTRATION <i>(PAGE #27)</i>	1,251	692	750	769	786
UTILITIES <i>(PAGE #28)</i>	872	831	842	866	887
PROFESSIONAL SERVICES <i>(PAGE #29)</i>	218	181	350	273	275
MARKETING AND PROMOTION <i>(PAGE #30)</i>	258	261	320	322	328
OTHER OPERATING EXPENSES <i>(PAGE #31)</i>	1,188	1,294	1,356	1,370	1,382
OPERATING INCOME	<u>12,033</u>	<u>11,381</u>	<u>11,795</u>	<u>11,911</u>	<u>12,175</u>
DEPRECIATION	1,165	2,399	2,324	2,515	2,463
INTEREST EXPENSE <i>(PAGE #32)</i>	136	119	73	66	106
INTEREST INCOME AND OTHER	(8)	(4)	(4)	(5)	(5)
NET OPERATING INCOME	<u>(4,953)</u>	<u>(3,597)</u>	<u>(3,701)</u>	<u>(3,637)</u>	<u>(4,019)</u>

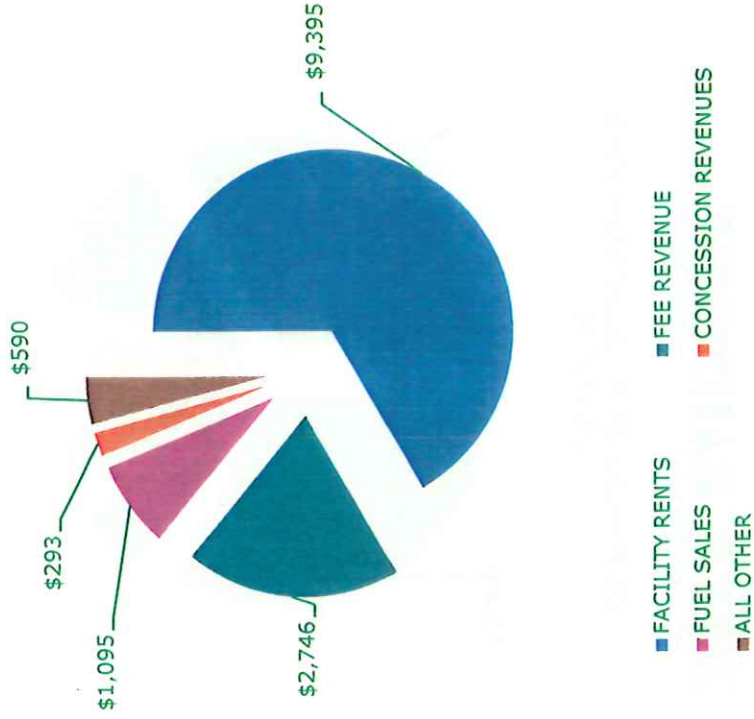
BUDGET ANALYSIS- FY 2015 ACTUAL VERSUS FY 2016 BUDGET

\$ (000's)

• COMPOSITE OPERATING REVENUES

- GENERAL **INCREASE** OF APPROXIMATELY 2.5% (\$339) FROM PROJECTED FY 2015 ACTUALS. THE PRIMARY REASONS INCLUDE:
 - FACILITIES RENTAL \$ 225
 - GOLF COURSE FEES, MEMBERSHIPS AND MERCHANDISE 140
 - FUEL SALES 65
 - GRILL 28 FEE REVENUES 21
 - WHARFAGE AND DOCKAGE (100)
 - ALL OTHER- NET (12)
- NO SIGNIFICANT VACANCIES ARE KNOWN OR HAVE BEEN PROJECTED RELATIVE TO BUILDING OR LAND RENTAL STREAMS.
- PRIMARY INCREMENTAL REVENUES HAVE BEEN CAPTURED ASSOCIATED WITH THE FURTHER DEVELOPMENT WITHIN THE TRADEPORT.
 - TOWER HILL DEVELOPMENT (183-185 INTERNATIONAL DRIVE)
 - 249 CORPORATE DRIVE LLC (KATZ DEVELOPMENT)
 - DEPARTMENT OF STATE (PASSPORT CENTER)
- CONTRACT ESCALATION, WAS PROJECTED AT 1.5% (CPI).

PORTFOLIO OF FY 2016 REVENUES (\$14,119)



BUDGET ANALYSIS- FY 2015 ACTUAL VERSUS FY 2016 BUDGET

(CONTINUED)

\$ (000's)

COMPOSITE OPERATING EXPENSES

- EXCLUDING DEPRECIATION AND NET INTEREST EXPENSE, A GENERAL **INCREASE** OF APPROXIMATELY 2.6% (\$443) FROM PROJECTED FY 2015 ACTUALS IS FORECAST. THE PRIMARY COST DRIVERS INCLUDE:

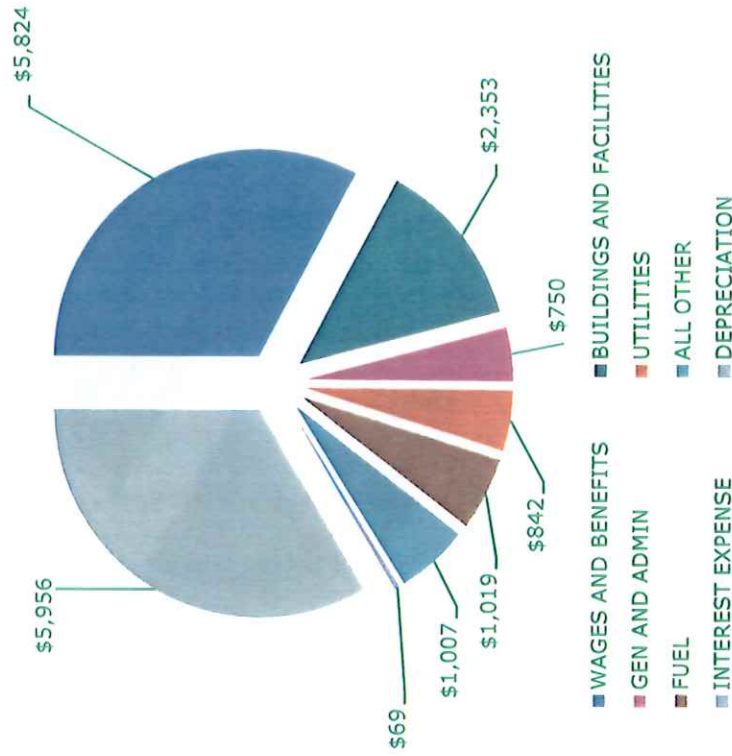
• PROFESSIONAL SERVICES (PRIMARILY LEGAL)	\$ 169
• DEPRECIATION EXPENSE	75
• MARKETING AND PROMOTION	59
• GENERAL AND ADMINISTRATIVE	58
• FUEL PROCUREMENT	56
• LABOR AND FRINGE BENEFITS	19
• UTILITIES	11
• INTEREST EXPENSE	(46)
• ALL OTHER- NET	42

NO NEW PERMANENT STAFF POSITIONS. NET DECREASE IN LABOR AND FRINGES OF \$ 19 COMPRISED OF:

• BASE LABOR	\$ 92
• TEMPORARY PERSONNEL	20
• OVERTIME	(46)
• FRINGE BENEFITS	(47)

- MARKETING AND PROMOTION EXPENSES IN SUPPORT OF MAINTAINING AND SECURING COMMERCIAL AIRLINE CARRIERS.
- GENERAL COST ESCALATION WAS PROJECTED AT 2.0%.

PORTFOLIO OF FY 2016 EXPENSES (\$17,820)



COMPOSITE OPERATING REVENUES

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
RENTAL OF FACILITIES					
FACILITIES (SEE PAGES #17-#19)	8,548	8,886	9,090	9,281	9,432
CARGO AND HANGARS (SEE PAGE #20)	277	284	305	308	312
	8,825	9,170	9,395	9,589	9,744
FEE REVENUES					
AVIATION FEES	120	151	151	151	151
FUEL FLOWAGE	39	24	24	24	24
GOLF FEES	856	1,033	1,140	1,173	1,193
GOLF SIMULATORS	115	115	116	117	118
GOLF MEMBERSHIPS	227	298	320	336	356
GOLF LESSONS	15	15	15	15	17
MOORING FEES	344	335	335	345	345
PARKING	146	144	144	144	154
PIER USAGE FEES	94	80	80	85	85
REGISTRATIONS	206	172	172	172	172
WHARFAGE AND DOCKAGE	344	351	250	275	275
	2,506	2,716	2,746	2,836	2,889

COMPOSITE OPERATING REVENUES (CONTINUED)

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
FUEL SALES <i>(SEE PAGE #21)</i>	981	1,030	1,095	1,100	1,100
CONCESSION REVENUES	230	272	293	314	315
INTEREST INCOME	38	37	35	32	30
OTHER REVENUES					
GOLF MERCHANDISE	173	175	180	185	190
ALL OTHER <i>(SEE PAGE #22)</i>	446	378	374	371	371
	619	553	554	556	561
	13,198	13,780	14,119	14,426	14,638

RENTAL OF FACILITIES

FACILITIES

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
LONZA BIOLOGICS	1,265	1,135	1,146	1,257	1,270
US DEPARTMENT OF STATE	585	504	672	672	672
222 INTERNATIONAL, LLC	502	508	523	530	530
KANERD DEVELOPMENT, LLC	479	482	482	490	501
STATE OF MAINE- DOT	-	273	468	468	195
SIG SAUER, INC	307	319	332	332	332
REDHOOK BREWERY, INC.	276	276	288	291	294
FARLEY WHITE PEASE, LLC	151	258	263	263	263
PIONEER NEW HAMPSHIRE. LLC	223	188	242	247	252
SPYGLASS DEVELOPMENT, LLC	213	221	230	239	244
75 NEW HAMPSHIRE, LLC	369	380	229	223	227
INTER ASSOC OF PRIVACY PROF	189	211	228	232	236
GRIMMEL INDUSTRIES / MORTON SALT COMPANY	254	293	225	225	225
273 CORPORATE DRIVE, LLC	178	180	183	187	190
HCA HEALTH SERVICES	176	178	183	187	190
100 INTERNATIONAL	169	171	175	179	182
RESPORT, LLC	174	174	174	174	177

RENTAL OF FACILITIES

FACILITIES (CONTINUED)

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
GREAT BAY COMMUNITY COLLEGE	166	166	166	166	200
NH RETAIL CENTER / 25,29 RETAIL	73	139	166	169	173
HODGES-PORTSMOUTH	153	155	159	162	166
119 INTERNATIONAL GROUP	149	154	155	160	163
PLANE SENSE	148	150	154	157	161
FREEDOM RING COMMUNICATIONS	142	145	146	147	148
PIONEER INTERNATIONAL	139	142	144	148	150
FISHER SCIENTIFIC INTERNATIONAL	129	137	137	137	137
TOWER HILL DEVELOPMENT LLC	41	104	136	139	142
THIRTY INTERNATIONAL	129	132	135	137	140
PEASE REHAB, LLC.	133	133	133	133	133
325 CORPORATE DRIVE	120	120	124	126	129
CASTLEROCK, INC	108	108	108	118	118
AIR CARGO / GALILEO	99	103	105	107	109
ONE NEW HAMPSHIRE	94	94	105	105	105
TWO INTERNATIONAL GROUP	91	92	95	97	98
SEACOAST NEWSPAPERS	85	85	85	93	93

RENTAL OF FACILITIES

(CONTINUED)

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
SHAINES AND MCEACHERN	79	79	81	83	84
DISCOVERY CHILD ENRICHMENT	84	79	80	81	83
PORTMARMOCK, LLC	78	78	78	78	81
PORT CITY AIR	77	77	77	77	79
KINGSBARN, LLC	61	63	72	72	72
MARTINS POINT HEALTH CENTER	66	67	64	65	67
BARNPORT LLC	60	61	61	61	61
OLD TEX MEX / CINTHESYS TEAL ESTATE MANAGEMENT, LLC	56	56	56	56	56
249 CORPORATE DRIVE	-	27	54	54	54
29 NEW HAMPSHIRE	68	11	-	-	-
C.O.L.O.R.	59	29	-	-	-
ALL OTHERS	351	349	171	156	450 (1)
	<u>8,548</u>	<u>8,886</u>	<u>9,090</u>	<u>9,281</u>	<u>9,432</u>



NOTE:
1. INCLUDES UNIDENTIFIED REVENUE TO REPLACE REVENUES ASSOCIATED WITH THE STATE OF MAINE DOT CONTRACT EXPIRATION.

RENTAL OF FACILITIES CARGO AND HANGARS

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
SKYHAVEN AIRPORT	143	130	144	144	144
PORT CITY AIR, INC	108	127	134	137	140
HANGAR FOUR CONDO ASSOCIATION-PSM	10	10	10	10	11
HANGAR THREE CONDO ASSOCIATION- PSM	6	7	7	7	7
HANGAR TWO CONDO ASSOCIATION-PSM	6	6	6	6	6
HANGAR ONE CONDO ASSOCIATION- PSM	4	4	4	4	4
	277	284	305	308	312

FUEL SALES

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
PORTSMOUTH FISH PIER	644	635	645	650	650
RYE HARBOR	188	165	165	165	165
HAMPTON HARBOR	24	165	165	165	165
SKYHAVEN AIRPORT	125	65	120	120	120
	<u>981</u>	<u>1,030</u>	<u>1,095</u>	<u>1,100</u>	<u>1,100</u>

OTHER REVENUES

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
UTILITY / SAND CHARGEBACKS	59	70	75	75	80
SECURITY AGENT CHARGEBACKS	64	60	60	65	65
LONZA "IRON PARCEL" OPTION	50	50	50	50	50
MARKET STREET- LAY DOWN (ARCHER WESTERN AND OTHERS)	42	10	-	-	-
PORTSMOUTH, RYE AND HAMPTON HARBOR- ROE	36	40	40	40	40
C&J TRAILWAYS- EXETER STREET	-	17	27	27	27
PASSENGER FEES	25	26	26	28	28
PEASE REHAB, LLC- LAND OPTION	20	20	20	-	-
ICE AND BAIT COOLER FEES	15	15	15	15	15
ALL OTHER (INCLUDING ISCO TRUE-UP of 86 IN FY 2014)	135	70	61	71	66
	446	378	374	371	371

STAFFING PLAN

	BENEFITED POSITIONS	NONBEN POSITIONS	SEASONAL FTE'S	TOTAL STAFF
PORTSMOUTH AIRPORT	11	2	2	15
SKYHAVEN AIRPORT	-	2	1	3
ENGINEERING	4	-	-	4
MAINTENANCE / RESOURCE MANAGEMENT	18	-	3	21
GOLF COURSE	6	2	9	17
EXECUTIVE DIRECTOR	3	1	-	4
LEGAL	3	-	-	3
FINANCE	5	-	-	5
DIVISION OF PORTS AND HARBORS	11	10	2	23
	61	17	17	95

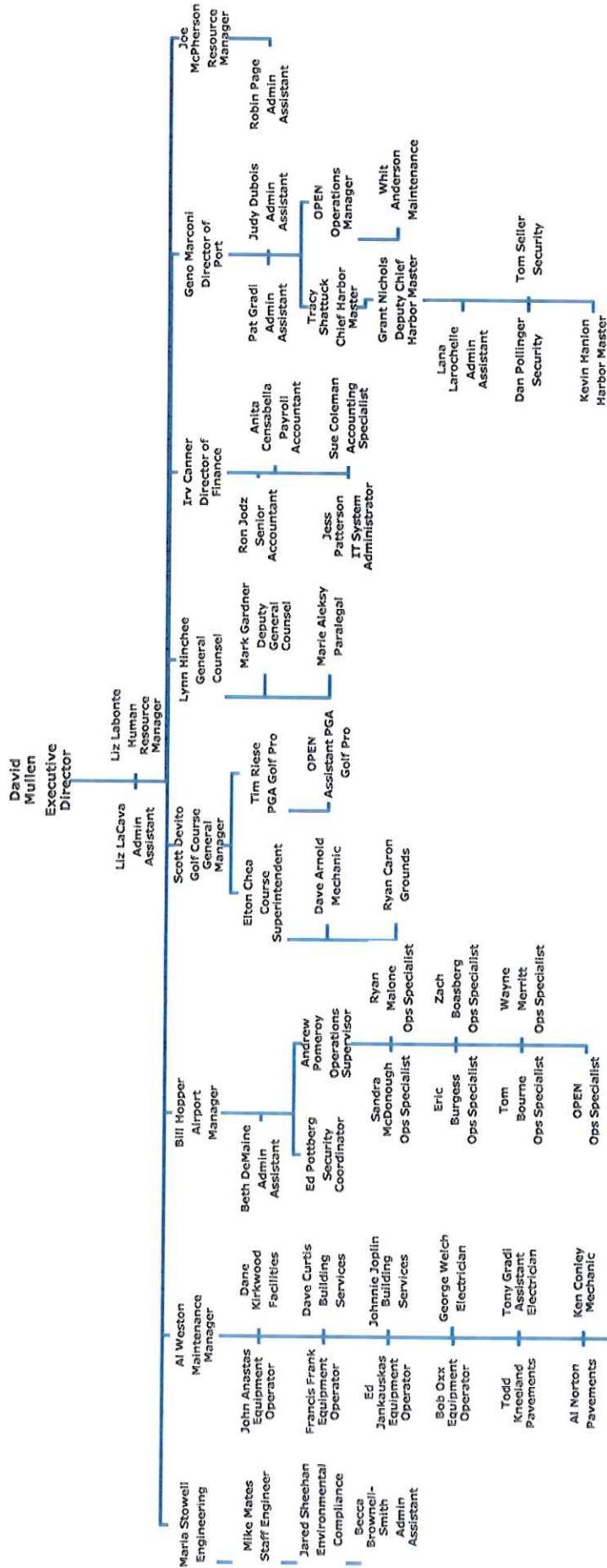
PROPOSED SEASONAL LABOR HOURLY SUPPORT:

HOURLY LABOR	GOLF	DPH	MAINT	PSM/DAW	TOTAL
2015	23,000	6,800	7,400	3,675	40,875
2016	22,500	4,000	7,500	4,500	38,500
2017	22,500	4,000	7,500	4,500	38,500
2018	22,500	4,000	7,500	4,500	38,500

FISCAL YEAR

NOTE:
 1. STAFF POSITIONS NOTED ABOVE DO NOT REFLECT INTERNAL ALLOCATIONS OF LABOR SUCH AS A) THE FINANCE GROUP SUPPORT TO ALL BUSINESS UNITS B) ENGINEERING SUPPORT TO THE GOLF COURSE OR DIVISION OF PORTS AND HARBORS, ETC.
 2. ORGANIZATION CHART APPEARS ON PAGE #24

PROJECTED ORGANIZATION CHART AT JULY 1, 2015 (BENEFITED POSITIONS ONLY)



COMPOSITE WAGES AND BENEFITS

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
WAGES					
PERMANENT LABOR	2,971	3,662	3,755	3,832	3,935
NON-BENEFITED LABOR	689	684	704	705	720
OVERTIME	<u>222</u>	<u>192</u>	<u>146</u>	<u>146</u>	<u>149</u>
	3,882	4,540	4,595	4,673	4,794
LESS TRANSFER OUT	(555)	(723)	(711)	(701)	(706)
	<u>3,327</u>	<u>3,815</u>	<u>3,894</u>	<u>3,982</u>	<u>4,098</u>
FRINGE BENEFITS					
HEALTH CARE	988	1,047	1,038	1,058	1,086
NH RETIREMENT	463	518	527	540	558
FICA	314	347	352	358	368
DENTAL	63	73	74	76	77
LIFE INSURANCE	25	37	38	38	39
WORKERS COMP / OTHER	<u>125</u>	<u>157</u>	<u>114</u>	<u>103</u>	<u>102</u>
	2,404	2,191	2,143	2,173	2,230
LESS TRANSFER OUT	(37)	(40)	(213)	(210)	(212)
	<u>2,367</u>	<u>2,151</u>	<u>1,930</u>	<u>1,963</u>	<u>2,018</u>
	<u>5,694</u>	<u>5,966</u>	<u>5,824</u>	<u>5,945</u>	<u>6,116</u>

COMPOSITE BUILDING AND FACILITIES

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
WAGE / BENEFIT TRANSFER	592	763	924	911	918
SNOW REMOVAL	341	408	364	368	374
GASOLINE	232	203	207	211	216
FACILITIES CLEANING CONTRACT	89	85	89	92	94
CHEMICALS / SOIL CONTROL	89	56	72	72	78
SECURITY	137	61	61	57	58
EQUIPMENT MAINTENANCE	74	59	61	63	64
EQUIPMENT PARTS	74	59	61	63	64
EQUIPMENT RENTAL	35	47	55	56	57
HVAC REPAIRS	62	45	51	54	52
AIRFIELD MAINTENANCE	41	34	49	65	63
LANDSCAPING / IRRIGATION	41	41	40	45	40
ENVIRONMENTAL TESTING	32	23	29	28	28
ENGINEERING SERVICES	66	18	29	29	29
ELECTRICAL PARTS	39	17	20	20	19
NAVIGATION MAINTENANCE	349	-	-	-	-
ALL OTHER	258	237	241	281	316
	<u>2,552</u>	<u>2,156</u>	<u>2,353</u>	<u>2,366</u>	<u>2,401</u>

COMPOSITE GENERAL AND ADMINISTRATIVE

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
INSURANCE	180	176	180	184	188
TELEPHONES AND COMMUNICATIONS	94	100	105	108	111
COMPUTER EXPENSES	63	45	68	67	71
BANK FEES	44	58	60	61	62
SUPPLIES	73	58	58	59	61
DUES, SUBSCRIPTIONS AND REGISTRATIONS	52	50	53	54	55
PROFESSIONAL DEVELOPMENT	48	42	49	51	50
TAXES IN LIEU- MSF	30	30	30	30	30
TRAVEL AND MILEAGE	38	22	30	30	31
POSTAGE AND PRINTING	20	18	20	21	21
EQUIPMENT UNDER \$5,000	28	16	15	18	18
OFFICE AND SAFETY EQUIPMENT	23	14	16	17	17
CLOTHING AND UNIFORMS	20	15	16	17	18
BAD DEBT EXPENSE	480	5	6	6	6
FEES AND LICENSES	6	5	6	6	6
ALL OTHER	52	38	38	40	41
	<u>1,251</u>	<u>692</u>	<u>750</u>	<u>769</u>	<u>786</u>

COMPOSITE UTILITIES

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
ELECTRICITY	454	448	508	519	531
WASTE DISPOSAL	182	107	92	97	100
NATURAL GAS	104	106	103	105	107
HEATING OIL	4	4	3	3	3
PROPANE	69	60	63	65	66
WATER	59	106	73	77	80
	<u>872</u>	<u>831</u>	<u>842</u>	<u>866</u>	<u>887</u>

COMPOSITE PROFESSIONAL SERVICES

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
LEGAL	49	21	136	111	111
INFORMATION TECHNOLOGY	92	73	77	75	77
AUDIT	56	65	65	65	65
ALL OTHER	21	22	72	22	22
	<u>218</u>	<u>181</u>	<u>350</u>	<u>273</u>	<u>275</u>

COMPOSITE MARKETING AND PROMOTION

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
ADVERTISING	22	19	20	22	22
APPRAISAL FEES	-	-	-	-	-
ALL OTHER	236	242	300	300	306
	<u>258</u>	<u>261</u>	<u>320</u>	<u>322</u>	<u>328</u>

COMPOSITE OTHER OPERATING EXPENSES

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
FUEL	901	962	1,019	1,023	1,023
GOLF MERCHANDISE	131	149	153	157	161
COAST TROLLEY	94	120	120	120	120
GOLF CART LEASE	62	63	64	70	77
	<u>1,188</u>	<u>1,294</u>	<u>1,356</u>	<u>1,370</u>	<u>1,382</u>

COMPOSITE INTEREST EXPENSE

SOURCE OF FINANCING	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
THE PROVIDENT BANK	102	88	47	45	90
CITY OF PORTSMOUTH	34	31	26	21	16
	<u>136</u>	<u>119</u>	<u>73</u>	<u>66</u>	<u>106</u>

NOTE: 1) ASSUMED COST OF CAPITAL THROUGH PROVIDENT BANK REVOLVING LINE OF CREDIT (RLOC) IS 3.5%.
 2) CURRENT \$ 5 MILLION RLOC WITH THE PROVIDENT BANK IS SCHEDULE TO MATURE ON DECEMBER 31, 2016. KEY ASSUMPTION IS THAT SUCH CREDIT FACILITY WILL BE ALLOWED TO ROLL-OVER FOR A PERIOD UP TO THREE YEARS.

BUSINESS UNIT ANALYSIS

PORTSMOUTH AIRPORT

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES (SEE PAGE # 35)	903	944	957	967	993
OPERATING EXPENSES					
WAGES AND BENEFITS	829	935	949	968	988
BUILDING AND FACILITIES	1,015	1,165	1,303	1,299	1,309
GENERAL ADMINISTRATION	177	163	168	171	175
UTILITIES	359	315	368	377	384
PROFESSIONAL SERVICES	-	-	-	-	-
MARKETING AND PROMOTION	17	15	24	24	24
OTHER OPERATING EXPENSES	-	-	-	-	-
OPERATING INCOME	2,397	2,597	2,812	2,839	2,880
DEPRECIATION	(1,494)	(1,649)	(1,855)	(1,872)	(1,887)
INTEREST EXPENSE	3,824	3,610	3,600	3,750	4,000
INTEREST INCOME AND OTHER	-	-	-	-	-
NET OPERATING INCOME	(5,319)	(5,259)	(5,455)	(5,622)	(5,887)

OPERATING REVENUES- PORTSMOUTH AIRPORT

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
RENTAL OF FACILITIES					
FACILITIES	555	560	566	574	595
CARGO AND HANGARS	134	154	161	163	168
	<u>689</u>	<u>714</u>	<u>727</u>	<u>737</u>	<u>763</u>
FEE REVENUES					
AVIATION FEES	124	150	150	150	150
FUEL FLOWAGE	24	15	15	15	15
PARKING	2	2	2	2	2
PIER USAGE FEES	-	-	-	-	-
REGISTRATIONS	-	-	-	-	-
ALL OTHER	-	-	-	-	-
	<u>150</u>	<u>167</u>	<u>167</u>	<u>167</u>	<u>167</u>
CONCESSION REVENUES					
	6	13	13	13	13
OTHER REVENUES					
ALL OTHER	58	50	50	50	50
	<u>903</u>	<u>944</u>	<u>957</u>	<u>967</u>	<u>993</u>

SKYHAVEN AIRPORT

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES (SEE PAGE #37)	<u>270</u>	<u>197</u>	<u>265</u>	<u>265</u>	<u>265</u>
OPERATING EXPENSES					
WAGES AND BENEFITS	47	47	40	41	41
BUILDING AND FACILITIES	105	117	113	108	106
GENERAL ADMINISTRATION	44	32	35	36	36
UTILITIES	37	33	37	38	39
PROFESSIONAL SERVICES	5	4	5	5	5
MARKETING AND PROMOTION	-	-	-	-	-
OTHER OPERATING EXPENSES	99	55	102	102	102
OPERATING INCOME	<u>337</u> <u>(67)</u>	<u>288</u> <u>(91)</u>	<u>332</u> <u>(67)</u>	<u>330</u> <u>(65)</u>	<u>329</u> <u>(64)</u>
DEPRECIATION	249	240	290	290	291
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME AND OTHER	-	-	-	-	-
NET OPERATING INCOME	<u>(316)</u>	<u>(331)</u>	<u>(357)</u>	<u>(355)</u>	<u>(355)</u>

OPERATING REVENUES- SKYHAVEN AIRPORT

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
RENTAL OF FACILITIES					
CARGO AND HANGARS	143	130	144	144	144
FUEL SALES	125	65	120	120	120
OTHER REVENUES					
ALL OTHER	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>
	<u>270</u>	<u>197</u>	<u>265</u>	<u>265</u>	<u>265</u>

SKYHAVEN AIRPORT- NET CASH FLOW

\$ (000's)

	PRIOR PERIODS	FY 2015 ESTIMATE	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE	TOTAL TO DATE
NET OPERATING INCOME (EXCLUDING DEPRECIATION)	(567)	(91)	(67)	(65)	(64)	(854)
CAPITAL ADDITIONS						
HEATING INSTALLATION	(14)	-	-	-	-	(14)
SEWER DESIGN AND HOOK-UP	(80)	-	-	-	-	(80)
HANGAR 1 RENOVATIONS	-	(10)	(140)	-	-	(150)
HANGAR 2 ROOF REPAIRS	(118)	-	-	-	-	(118)
HANGAR 5 ROOF REPAIRS	(25)	-	-	-	(10)	(35)
AIRFIELD RELAMPING	-	-	-	(25)	-	(25)
UNDERGROUND FUEL PIPE	(9)	-	-	(15)	-	(24)
DUPONT PROPERTY	(378)	-	-	-	-	(378)
TAXILANE PAVEMENT- DESIGN	-	-	(200)	-	-	(200)
TAXILANE PAVEMENT- CONSTRU	-	-	-	(500)	(500)	(1,000)
RUNWAY DESIGN / CONST	(458)	(4,138)	-	-	-	(4,596)
OTHER MISCELLANEOUS	=	=	=	(10)	=	(10)
	(1,082)	(4,148)	(340)	(550)	(510)	(6,630)
ALL OTHER						
DEBT REPAYMENT- STATE OF NEW HAMPSHIRE	(100)	-	-	-	-	(100)
GRANT FUNDING AWARDS	768	3,200	1,000	250	700	5,918
NET CASH FLOW	(981)	(1,039)	593	(365)	126	(1,666)

GOLF COURSE (COMPOSITE)

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES (SEE PAGE #40)	1,621	1,883	2,043	2,119	2,171
OPERATING EXPENSES					
WAGES AND BENEFITS	884	881	915	938	961
BUILDING AND FACILITIES	346	334	363	370	384
GENERAL ADMINISTRATION	155	143	155	158	165
UTILITIES	133	180	150	156	162
PROFESSIONAL SERVICES	9	9	9	9	10
MARKETING AND PROMOTION	54	56	55	56	62
OTHER OPERATING EXPENSES	190	212	218	227	239
	1,771	1,815	1,866	1,915	1,983
OPERATING INCOME	(150)	68	177	204	188
DEPRECIATION	280	369	392	392	386
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME	-	-	-	-	-
NET OPERATING INCOME	(430)	(301)	(215)	(188)	(198)

OPERATING REVENUES GOLF COURSE

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
FEE REVENUES					
GOLF FEES	856	1,033	1,140	1,173	1,193
GOLF SIMULATORS	115	115	116	117	118
GOLF MEMBERSHIPS	228	298	320	336	357
GOLF LESSONS	14	15	15	15	16
	<u>1,213</u>	<u>1,461</u>	<u>1,591</u>	<u>1,641</u>	<u>1,685</u>
CONCESSION REVENUES					
	<u>222</u>	<u>252</u>	<u>272</u>	<u>293</u>	<u>296</u>
OTHER REVENUES					
MERCHANDISE	173	175	180	185	190
ALL OTHER	13	(5)	-	-	-
	<u>186</u>	<u>170</u>	<u>180</u>	<u>185</u>	<u>190</u>
	<u>1,621</u>	<u>1,883</u>	<u>2,043</u>	<u>2,119</u>	<u>2,171</u>

GOLF COURSE- NET CASH FLOW

\$ (000's)

	FY 2010- FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE	TOTAL NINE YEAR
NET OPERATING INCOME (EXCLUDING DEPRECIATION)	552	68	177	204	188	1,189
CAPITAL ADDITIONS						
IRRIGATION IMPROVEMENTS	(3,326)	(10)	-	-	-	(3,336)
CLUBHOUSE FACILITY	(2,067)	-	-	-	-	(2,067)
PARKING LOT IMPROVEMENTS	(983)	(2)	-	-	-	(985)
COURSE EQUIPMENT	(453)	(32)	(85)	(70)	(50)	(690)
MASTER PLAN	(323)	-	-	-	-	(323)
SIMULATOR EQUIPMENT	(157)	(7)	-	-	-	(164)
KITCHEN EQUIPMENT / UPGRADES	(125)	-	(200)	-	(10)	(335)
DRIVEWAY LIGHTING	(83)	-	-	-	-	(83)
CLUBHOUSE FURNISHINGS / EQUIPMENT / LIGHTING	(60)	-	-	-	-	(60)
PATIO EXPANSION	(13)	(22)	-	-	-	(35)
FOOD AND BEVERAGE SOFTWARE	(9)	(11)	-	-	-	(20)
GOLF BAG STORAGE	(8)	-	-	-	-	(8)
CLUBHOUSE EXPANSION	(8)	(45)	(15)	-	-	(68)
FUEL TANKS-CONCRETE SURFACING	-	-	(50)	-	-	(50)
	<u>(7,615)</u>	<u>(129)</u>	<u>(350)</u>	<u>(70)</u>	<u>(60)</u>	<u>(8,224)</u>
NET CASH FLOW	<u>(7,063)</u>	<u>(61)</u>	<u>(173)</u>	<u>134</u>	<u>128</u>	<u>(7,035)</u>

GOLF COURSE- COURSE OPERATIONS

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES	1,111	1,341	1,475	1,524	1,565
OPERATING EXPENSES					
WAGES AND BENEFITS	799	829	861	883	905
BUILDING AND FACILITIES	254	241	266	271	282
GENERAL ADMINISTRATION	123	111	126	129	135
UTILITIES	49	99	73	78	83
PROFESSIONAL SERVICES	6	6	6	6	6
MARKETING AND PROMOTION	36	39	36	37	42
OTHER OPERATING EXPENSES	62	63	65	70	77
OPERATING INCOME	1,329	1,388	1,433	1,474	1,530
DEPRECIATION	(218)	(47)	42	50	35
INTEREST EXPENSE	253	340	365	365	360
INTEREST INCOME	-	-	-	-	-
NET OPERATING INCOME	(471)	(387)	(323)	(315)	(325)

GOLF COURSE- FOOD AND BEVERAGE

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES	<u>222</u>	<u>252</u>	<u>272</u>	<u>293</u>	<u>296</u>
OPERATING EXPENSES					
WAGES AND BENEFITS	54	14	15	16	16
BUILDING AND FACILITIES	79	81	85	86	89
GENERAL ADMINISTRATION	16	17	16	17	17
UTILITIES	81	775	72	73	75
PROFESSIONAL SERVICES	1	1	1	1	1
MARKETING AND PROMOTION	7	8	9	10	10
OTHER OPERATING EXPENSES	-	-	-	-	-
	238	198	198	203	208
OPERATING INCOME	(16)	54	74	90	88
DEPRECIATION	23	23	23	21	21
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME	-	-	-	-	-
NET OPERATING INCOME	(39)	31	51	69	67

GOLF COURSE- PRO SHOP

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES	<u>173</u>	<u>175</u>	<u>180</u>	<u>185</u>	<u>190</u>
OPERATING EXPENSES					
WAGES AND BENEFITS	12	17	17	17	18
BUILDING AND FACILITIES	6	7	7	7	7
GENERAL ADMINISTRATION	10	10	7	7	7
UTILITIES	3	3	4	4	4
PROFESSIONAL SERVICES	1	1	1	1	1
MARKETING AND PROMOTION	7	5	5	5	5
OTHER OPERATING EXPENSES	132	148	153	158	162
OPERATING INCOME	<u>171</u>	<u>191</u>	<u>194</u>	<u>199</u>	<u>204</u>
DEPRECIATION	2	(16)	(14)	(14)	(14)
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME	-	-	-	-	-
NET OPERATING INCOME	2	(16)	(14)	(14)	(14)

GOLF COURSE- SIMULATORS

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES	<u>115</u>	<u>115</u>	<u>116</u>	<u>117</u>	<u>118</u>
OPERATING EXPENSES					
WAGES AND BENEFITS	19	20	21	22	22
BUILDING AND FACILITIES	6	5	5	5	6
GENERAL ADMINISTRATION	5	5	5	5	6
UTILITIES	1	1	1	1	1
PROFESSIONAL SERVICES	1	1	1	1	1
MARKETING AND PROMOTION	3	4	5	5	5
OTHER OPERATING EXPENSES	-	-	-	-	-
	<u>35</u>	<u>36</u>	<u>38</u>	<u>39</u>	<u>41</u>
OPERATING INCOME	80	79	78	78	77
DEPRECIATION	4	6	6	6	5
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME	-	-	-	-	-
NET OPERATING INCOME	<u>76</u>	<u>73</u>	<u>72</u>	<u>72</u>	<u>72</u>

TRADEPORT

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES (SEE PAGE #47)	<u>7,631</u>	<u>7,849</u>	<u>8,058</u>	<u>8,229</u>	<u>8,357</u>
OPERATING EXPENSES					
WAGES AND BENEFITS	-	-	-	-	-
BUILDING AND FACILITIES	343	281	315	325	336
GENERAL ADMINISTRATION	528	49	55	56	58
UTILITIES	168	141	167	172	177
PROFESSIONAL SERVICES	9	-	10	10	10
MARKETING AND PROMOTION	20	-	-	-	-
OTHER OPERATING EXPENSES	94	120	120	120	120
	<u>1,162</u>	<u>591</u>	<u>667</u>	<u>683</u>	<u>701</u>
OPERATING INCOME	<u>6,469</u>	<u>7,258</u>	<u>7,391</u>	<u>7,546</u>	<u>7,656</u>
DEPRECIATION	958	941	960	951	1,000
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME AND OTHER	(3)	-	-	-	-
NET OPERATING INCOME	<u>5,514</u>	<u>6,317</u>	<u>6,431</u>	<u>6,595</u>	<u>6,656</u>

OPERATING REVENUES- TRADEPORT

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
RENTAL OF FACILITIES					
FACILITIES	7,545	7,773	7,982	8,184	8,281
INTEREST INCOME					
INTEREST INCOME	-	-	-	-	-
OTHER REVENUES					
ALL OTHER	86	76	76	75	76
	<u>7,631</u>	<u>7,849</u>	<u>8,058</u>	<u>8,229</u>	<u>8,357</u>

EXECUTIVE DIRECTOR

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES	=	=	=	=	=
OPERATING EXPENSES					
WAGES AND BENEFITS	373	392	404	412	420
BUILDING AND FACILITIES	6	5	5	5	5
GENERAL ADMINISTRATION	27	21	23	24	25
UTILITIES	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	50	-	-
MARKETING AND PROMOTION	146	174	225	225	225
OTHER OPERATING EXPENSES	-	-	-	-	-
	<u>552</u>	<u>592</u>	<u>707</u>	<u>666</u>	<u>675</u>
OPERATING INCOME	(552)	(592)	(707)	(666)	(675)
DEPRECIATION	-	-	-	-	-
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME AND OTHER	-	-	-	-	-
NET OPERATING INCOME	(552)	(592)	(707)	(666)	(675)

LEGAL

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES	=	=	=	=	=
OPERATING EXPENSES					
WAGES AND BENEFITS	470	495	423	431	475
BUILDING AND FACILITIES	-	-	-	-	-
GENERAL ADMINISTRATION	19	16	16	17	17
UTILITIES	-	-	-	-	-
PROFESSIONAL SERVICES	40	20	125	100	100
MARKETING AND PROMOTION	-	-	-	-	-
OTHER OPERATING EXPENSES	-	-	-	-	-
	<u>529</u>	<u>531</u>	<u>564</u>	<u>548</u>	<u>592</u>
OPERATING INCOME	(529)	(531)	(564)	(548)	(592)
DEPRECIATION	-	-	-	-	-
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME AND OTHER	-	-	-	-	-
NET OPERATING INCOME	(529)	(531)	(564)	(548)	(592)

ENGINEERING

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES	=	=	=	=	=
OPERATING EXPENSES					
WAGES AND BENEFITS	305	400	397	405	413
BUILDING AND FACILITIES	19	5	15	15	15
GENERAL ADMINISTRATION	14	13	13	15	14
UTILITIES	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-
MARKETING AND PROMOTION	6	4	4	4	4
OTHER OPERATING EXPENSES	-	-	-	-	-
	<u>344</u>	<u>422</u>	<u>429</u>	<u>439</u>	<u>446</u>
OPERATING INCOME	(344)	(422)	(429)	(439)	(446)
DEPRECIATION	-	-	-	-	-
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME AND OTHER	-	-	-	-	-
NET OPERATING INCOME	(344)	(422)	(429)	(439)	(446)

FINANCE

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES	=	=	=	=	=
OPERATING EXPENSES					
WAGES AND BENEFITS	362	357	437	446	455
BUILDING AND FACILITIES	3	4	4	4	4
GENERAL ADMINISTRATION	82	92	112	114	116
UTILITIES	-	-	-	-	-
PROFESSIONAL SERVICES	117	110	110	110	110
MARKETING AND PROMOTION	-	-	-	-	-
OTHER OPERATING EXPENSES	-	-	-	-	-
	<u>564</u>	<u>563</u>	<u>663</u>	<u>674</u>	<u>685</u>
OPERATING INCOME	(564)	(563)	(663)	(674)	(685)
DEPRECIATION	77	90	86	82	80
INTEREST EXPENSE	136	117	69	64	103
INTEREST INCOME AND OTHER	-	-	-	-	-
NET OPERATING INCOME	(777)	(770)	(818)	(820)	(868)

MAINTENANCE

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES	=	=	=	=	=
OPERATING EXPENSES					
WAGES AND BENEFITS	1,264	1,180	1,072	1,125	1,161
BUILDING AND FACILITIES	24	40	40	41	42
GENERAL ADMINISTRATION	56	36	42	42	43
UTILITIES	1	4	5	5	5
PROFESSIONAL SERVICES	-	-	-	-	-
MARKETING AND PROMOTION	4	2	2	2	2
OTHER OPERATING EXPENSES	-	-	-	-	-
	<u>1,349</u>	<u>1,262</u>	<u>1,161</u>	<u>1,215</u>	<u>1,253</u>
OPERATING INCOME	(1,349)	(1,262)	(1,161)	(1,215)	(1,253)
DEPRECIATION	47	40	40	39	37
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME AND OTHER	-	-	-	-	-
NET OPERATING INCOME	(1,396)	(1,302)	(1,201)	(1,254)	(1,290)

PROJECTED INTERNALLY FUNDED CAPITAL PROJECTS

\$ (000's)

	FY 2016 PROPOSED	FY 2017 ESTIMATE	FY 2018 ESTIMATE
TERMINAL RENOVATIONS (ROOF AND BATHROOMS)	480	100	-
KITCHEN MODIFICATIONS- CLUBHOUSE	200	-	-
STREET LIGHTING AND SIDEWALKS	200	-	175
SIDEWALK SWEEPER / SNOW PLOW	200	-	-
AIRPORT HIGHWAY AND DIRECTORY SIGNS	175	-	-
HANAGR I RENOVATIONS (DAW)	140	-	-
GOLF COURSE EQUIPMENT	85	70	50
FIRE ALARM UPGRADE- 75 ROCHESTER	75	-	-
VEHICLE FLEET REPLACEMENTS	50	45	42
TRADEPORT BUILDING INFRASTRUCTURE	50	50	125
STORMWATER TREATMENT	50	50	70
FUEL TANKS- CONCRETE SURFACE	50	-	-
TECHNOLOGY UPGRADES	50	46	28
CLUBHOUSE EXPANSION	15	-	-
INTERSECTION IMPROVEMENTS	-	250	1,000
OIL WATER SEPERATOR	-	50	250
ALL OTHER	466	282	62
	2,286	943	1,802

DIVISION OF PORTS AND HARBORS

UNRESTRICTED FUNDS

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES (SEE PAGE #55)	2,605	2,754	2,654	2,691	2,711
OPERATING EXPENSES					
WAGES AND BENEFITS	1,159	1,278	1,188	1,179	1,202
BUILDING AND FACILITIES	343	184	195	198	199
GENERAL ADMINISTRATION	148	123	127	130	134
UTILITIES	173	159	114	117	120
PROFESSIONAL SERVICES	17	16	18	16	18
MARKETING AND PROMOTION	3	1	2	2	2
OTHER OPERATING EXPENSES	803	907	916	921	921
OPERATING INCOME	2,646	2,688	2,560	2,563	2,596
	(41)	86	94	128	115
DEPRECIATION	540	579	576	576	576
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME AND OTHER	-	-	-	-	-
NET OPERATING INCOME	(581)	(493)	(482)	(448)	(461)

OPERATING REVENUES UNRESTRICTED FUNDS

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
RENTAL OF FACILITIES					
FACILITIES	443	538	537	538	551
FEE REVENUES					
PARKING	145	142	142	142	152
MOORING FEES	344	335	335	345	345
REGISTRATIONS	194	165	165	165	165
WHARFAGE AND DOCKAGE	344	351	250	275	275
	<u>1,027</u>	<u>993</u>	<u>892</u>	<u>927</u>	<u>937</u>
FUEL SALES					
	856	965	975	980	980
CONCESSION REVENUES					
	2	9	9	9	9
OTHER REVENUES					
ALL OTHER	277	250	241	237	234
	<u>2,605</u>	<u>2,754</u>	<u>2,654</u>	<u>2,691</u>	<u>2,711</u>

DIVISION OF PORTS AND HARBORS UNRESTRICTED FUNDS- NET CASH FLOW

\$ (000's)

	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE	FOUR YEAR TOTAL
OPENING FUND BALANCE	<u>413</u>	<u>222</u>	<u>140</u>	<u>278</u>	<u>413</u>
NET OPERATING INCOME	(493)	(482)	(448)	(461)	(1,884)
ADJUSTMENTS					
DEPRECIATION	579	576	576	576	2,307
ACCOUNTS PAYABLE- NET	<u>(144)</u>	<u>(66)</u>	<u>35</u>	<u>(16)</u>	<u>(191)</u>
FUNDS PROVIDED BY OPERATIONS	<u>(58)</u>	<u>28</u>	<u>163</u>	<u>99</u>	<u>232</u>
CAPITAL ADDITIONS					
WATER QUALITY IMPROVEMENT	(51)	(25)	(25)	(25)	(126)
SECURITY TRAINING (GRANT)	(15)	-	-	-	(15)
SECURITY CAMERA	(25)	-	-	-	(25)
HAMPTON HARBOR RENOVATIONS	-	(85)	-	-	(85)
RYE FLOATING DOCK	(1)	-	-	-	(1)
SCALE HOUSE REPLACEMENT	(78)	-	-	-	(78)
	<u>(170)</u>	<u>(110)</u>	<u>(25)</u>	<u>(25)</u>	<u>(330)</u>
OTHER REVENUES					
GRANT AWARDS	37	-	-	-	37
FEMA COST RECOVERY	-	-	-	-	-
NET CASH FLOW	<u>(191)</u>	<u>(82)</u>	<u>138</u>	<u>74</u>	<u>(61)</u>
CLOSING FUND BALANCE	<u>222</u>	<u>140</u>	<u>278</u>	<u>352</u>	<u>352</u>



DIVISION OF PORTS AND HARBORS

HARBOR DREDGING

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES (SEE PAGE #58)	<u>125</u>	<u>102</u>	<u>102</u>	<u>106</u>	<u>106</u>
OPERATING EXPENSES					
WAGES AND BENEFITS	-	-	-	-	-
BUILDING AND FACILITIES	349	21	-	-	-
GENERAL ADMINISTRATION	-	-	-	-	-
UTILITIES	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-
MARKETING AND PROMOTION	-	-	-	-	-
OTHER OPERATING EXPENSES	-	-	-	-	-
OPERATING INCOME	<u>349</u> (224)	<u>21</u> 81	<u>-</u> 102	<u>-</u> 106	<u>-</u> 106
DEPRECIATION	13	13	13	12	11
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME AND OTHER	-	-	-	-	-
NET OPERATING INCOME	<u>(237)</u>	<u>68</u>	<u>89</u>	<u>94</u>	<u>95</u>

OPERATING REVENUES HARBOR DREDGING

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
RENTAL OF FACILITIES					
FACILITIES	-	-	-	-	-
CARGO AND HANGARS	=	=	=	=	=
	=	=	=	=	=
FEE REVENUES					
FUEL FLOWAGE	9	9	9	9	9
PIER USAGE FEES	94	80	80	85	85
REGISTRATIONS	12	7	7	7	7
STATE OF NH APPROPRIATION	-	-	-	-	-
	<u>115</u>	96	96	101	104
OTHER REVENUES					
ALL OTHER	<u>10</u>	6	6	5	5
	<u>125</u>	<u>102</u>	<u>102</u>	<u>106</u>	<u>106</u>

DIVISION OF PORTS AND HARBORS HARBOR DREDGING- NET CASH FLOW

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE	FIVE YEAR TOTAL
OPENING FUND BALANCE	436	443	446	548	654	436
NET OPERATING INCOME	(237)	68	89	94	95	109
ADJUSTMENTS						
DEPRECIATION	13	13	13	12	11	62
ACCOUNTS PAYABLE- NET	244	=	=	=	=	244
FUNDS PROVIDED BY OPERATIONS	20	81	102	106	106	415
CAPITAL ADDITIONS						
HAMPTON HARBOR PIER	(13)	-	-	-	-	(13)
SOUTH ACCESS BRIDGE	(383)	-	-	-	-	(383)
MARKET STREET TRUCK SCALE	-	(78)	-	-	-	(78)
FUNDS TRANSFER						
OTHER REVENUES						
STATE OF NH REIMB	383	=	=	=	=	383
NET CASH FLOW	7	3	102	106	106	324
CLOSING FUND BALANCE	443	446	548	654	760	760

DIVISION OF PORTS AND HARBORS

FOREIGN TRADE ZONE

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES	<u>5</u>	<u>15</u>	<u>5</u>	<u>15</u>	<u>5</u>
OPERATING EXPENSES					
WAGES AND BENEFITS	-	-	-	-	-
BUILDING AND FACILITIES	-	-	-	-	-
GENERAL ADMINISTRATION	1	2	2	2	2
UTILITIES	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-
MARKETING AND PROMOTION	7	8	8	8	8
OTHER OPERATING EXPENSES	-	-	-	-	-
	<u>8</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>
OPERATING INCOME	<u>(3)</u>	<u>5</u>	<u>(5)</u>	<u>5</u>	<u>(5)</u>
DEPRECIATION	-	-	-	-	-
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME AND OTHER	-	-	-	-	-
NET OPERATING INCOME	<u>(3)</u>	<u>5</u>	<u>(5)</u>	<u>5</u>	<u>(5)</u>

DIVISION OF PORTS AND HARBORS FOREIGN TRADE ZONE- NET CASH FLOW

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE	FIVE YEAR TOTAL
OPENING FUND BALANCE	62	59	64	59	64	62
NET OPERATING INCOME	(3)	5	(5)	5	(5)	(3)
ADJUSTMENTS						
DEPRECIATION	-	-	-	-	-	-
ACCOUNTS PAYABLE- NET	=	=	=	=	=	=
FUNDS PROVIDED BY OPERATIONS	(3)	5	(5)	5	(5)	(3)
CAPITAL ADDITIONS						
	-	-	-	-	-	-
FUNDS TRANSFER						
	-	-	-	-	-	-
OTHER REVENUES						
	=	=	=	=	=	=
NET CASH FLOW	(3)	5	(5)	5	(5)	(3)
CLOSING FUND BALANCE	59	64	59	64	59	59

DIVISION OF PORTS AND HARBORS REVOLVING LOAN FUND

\$ (000's)

	FY 2014 ACTUAL	CURRENT FY 2015 FORECAST	PROPOSED FY 2016 BUDGET	FY 2017 ESTIMATE	FY 2018 ESTIMATE
OPERATING REVENUES	<u>39</u>	<u>38</u>	<u>36</u>	<u>33</u>	<u>30</u>
OPERATING EXPENSES					
WAGES AND BENEFITS	-	-	-	-	-
BUILDING AND FACILITIES	-	-	-	-	-
GENERAL ADMINISTRATION	-	-	-	-	-
UTILITIES	-	-	-	-	-
PROFESSIONAL SERVICES	21	22	22	22	22
MARKETING AND PROMOTION	-	-	-	-	-
OTHER OPERATING EXPENSES	-	-	-	-	-
OPERATING INCOME	<u>21</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>
DEPRECIATION	18	16	14	11	8
INTEREST EXPENSE	-	-	-	-	-
INTEREST INCOME AND OTHER	-	-	-	-	-
NET OPERATING INCOME	<u>18</u>	<u>16</u>	<u>14</u>	<u>11</u>	<u>9</u>

MOTION

Director Loughlin:

WHEREAS, the Pease Development Authority has duly enacted a zoning regulations in accordance with the requirements of RSA ch. 12-G and rules adopted by the Authority for the adoption or amendment of land use controls; and

WHEREAS, pursuant to Part 315.01 (d) of the Authority's Zoning Regulations the PDA Board retains the power to make the final decision regarding the applicability, interpretation and enforcement of its zoning regulations and any other land use controls; and

WHEREAS Part 308 of the Authority's regulations states in part; "Above ground storage facilities shall not exceed a capacity of 2,000 gallons per facility."

NOW, THEREFORE, the Authority does hereby resolve to formally adopt the following interpretation of its Zoning Regulations in effect at the Pease International Tradeport as follows;

The Authority finds and has determined that it is reasonable to establish that Part 308 only be applied to facilities that have the potential for spills; and that Part 308.02(c) be interpreted that above ground storage facilities containing petroleum products or other hazardous substances that present a spill risk shall not exceed a capacity of 2000 gallons per facility.

Note: 5 Affirmative Votes are required.

N:\RESOLVES\LonzaLandUseInt0615.wpd

MEMORANDUM

To: David R. Mullen, Executive Director

From: Maria J. Stowell, P.E., Manager – Engineering *Maria*

Date: June 10, 2015

Subject: PDA Land Use Controls Part 308 – Board Interpretation Request

PDA has before it a request from Lonza for conceptual approval to upgrade its facility to accommodate an increase in production capacity. The upgrade includes the addition of storage tanks which are regulated by Part 308 of the PDA Zoning Ordinance. In reviewing the request and the ordinance, staff has determined that PDA Board action is needed to interpret the intent of the regulation.

Part 308 of PDA's Zoning Regulations, titled '*Underground and Above Ground Storage Facilities*', limits the capacity of tanks that hold fuel oil and hazardous substances. For convenience purposes, this zoning regulation has been attached. Part 308.02(c) reads, "Above ground storage facilities shall not exceed a capacity of 2000 gallons per facility". We believe that this capacity limit was intended to reduce the risk of fuel spills and was imposed at a time when the Air Force was investigating the impacts of past releases of petroleum products. If this is the intent, the provision should not apply to each and every above ground storage facility. Facilities containing gases, for example, should be exempt. Since only the PDA Board can make decisions regarding the interpretation of PDA Land Use Controls, we should seek its concurrence before applying Part 308 to the Lonza proposal.

Staff proposes that Part 308 only be applied to facilities that have the potential for spills.

Proposed Interpretation: Above ground storage facilities *containing petroleum products or other hazardous substances that present a spill risk* shall not exceed a capacity of 2000 gallons per facility.

It should be noted, that neither the City of Portsmouth nor the Town of Newington regulations have a similar limitation on storage facilities; nor would this interpretation be in conflict with either local ordinance.

At the June 15th meeting, please ask the Board to concur with the interpretation of Part 308.02(c) presented in this memorandum.

N:\ENGINEER\Board Memos\2015\PDA Land Use Controls Part 308 – Board Interpretation Request 6.10.15.docx

Attachment to June 10, 2015 Memo – Maria J. Stowell, P.E. to David R. Mullen

PART 308. UNDERGROUND AND ABOVE GROUND STORAGE FACILITIES

308.01 Underground Storage Facilities

- (a) Underground storage facilities in existence as of the effective date of this rule may be continued.
- (b) Underground storage facilities no longer in use as of the effective date of this rule shall be permanently closed in accordance with the requirements of RSA Chapter 146-C and any rules enacted thereunder.
- (c) No new underground storage facilities shall be permitted, except as is required for a motor vehicle service station.
- (d) Underground storage facilities shall be operated, maintained and inspected in accordance with the requirements of RSA Chapter 146-C and any rules enacted thereunder.
- (e) All inspection results for underground storage facilities shall be reported to the Building Inspector within 10 days of inspection.

308.02 Above Ground Storage Facilities

- (a) Above ground storage facilities shall conform to the requirements of NFPA 30, Flammable and Combustible Liquids Code and other applicable requirements for storage facilities.
- (b) At a minimum, above ground storage facilities shall be diked with an impervious retention basin capable of containing 1.3 times the rated holding capacity of the facility and shall be either double-lined or vaulted.
- (c) Above ground storage facilities shall not exceed a capacity of 2,000 gallons per facility.

308.03 Aviation-related Bulk Fuel Storage Facilities

- (a) Specific dimensional requirements for aviation-related above ground bulk fuel storage facilities shall be as determined by the Board.

MOTION

Director Allard:

The Pease Development Authority Board of Directors hereby approves of the Lonza Biologics, Inc. ("Lonza") Concept Plan for the Cell Therapy (CT) expansion project at Lonza's premises located at 101 International Drive, including:

1. Concept plan to upgrade the site for the CT expansion project;
2. Variance application to be referred to the City of Portsmouth's Board of Adjustment that would allow above ground storage facilities in excess of 2000 gallons, contrary to Part 308.02(c)
3. A second International Drive access to the site provided that the access meets the requirements of PDA's Land Use Controls and is favorably recommended by the City;
4. A waiver of Parts 405.03(a)(4)(b) and (c) of the PDA Site Plan Regulations, allowing Lonza to construct parking without the required landscape islands; and
5. Contract employee temporary parking on the Iron parcel;

all in accordance with the terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager – Engineering, dated June 5, 2015 attached hereto.

N:\RESOLVES\Lonza101IntlConcept0615.wpd

MEMORANDUM

To: David Mullen, Executive Director *DM*
From: Maria J. Stowell, P.E., Engineering Manager *Maria*
Date: June 10, 2015
Subject: Lonza - CT Expansion Project

Lonza Biologics intends to expand its operations by fitting out a portion of the shell building it constructed in 2007 and is seeking concept approval. The project, known as the CT (Cell Therapy) Expansion Project involves the construction of 60,000± square feet of production space inside the building and a number of site improvements including:

- Mezzanine with cooling towers;
- Electrical components: four transformers, one control house, two generators with fuel tanks, and a duct bank system from Goose Bay Drive;
- One nitrogen tank;
- One compactor;
- New water services;
- Re-grading and paving.

Also at issue in terms of site work is the resolution of outstanding items that were to be constructed as part of previous approvals, but were either revised in response to field conditions or deferred to a later date. PDA is in possession of a \$1,000,000 bond, provided by Lonza, pending the resolution of these issues.

Finally, Lonza is requesting temporary use of the iron parcel to accommodate 109 parking spaces during the construction, which is expected to take in excess of one year.

Through its engineer, Tighe & Bond, Lonza has submitted the attached documents requesting PDA approval. Staff has studied the submittal and has identified the following concerns that the Board should consider when reviewing the proposal.

General Character of the Work

The site work being proposed is essential to support Lonza's manufacturing capabilities. The work would be situated on the industrial side of the building and is consistent with the existing yard infrastructure. If approved by PDA, the proposal will be referred to the City for site review. The site review approval process will ensure that the work is laid out in a manner that protects employees, the public, and the environment.

Fuel Storage Tanks

The attached information includes a list of seventeen storage tanks on Lonza's site, fourteen existing and three proposed. Five tanks (one brine and four wastewater tanks) are not regulated by Part 308 because they do not contain oil or a hazardous substance. Of the remaining twelve tanks, seven contain products that are gaseous at atmospheric pressure - nitrogen, carbon dioxide, oxygen and helium. If the Board accepts the interpretation to be proposed at the June 15th meeting, only the five fuel tanks associated with emergency generators need to satisfy the conditions of Part 308. Four of these exceed the 2000 gallon limit and would need a Variance to be installed or remain in place. (See list below.) Please note that two of the existing tanks are non-conforming. With PDA Board concurrence, Lonza's Variance application will be referred to the City of Portsmouth Zoning Board of Adjustment.

Emergency Generator Fuel Tanks

Tank 101A -Cold Storage Building	1200 Gallons	Installed 2013
Tank 101A -Utility Yard	2400 Gallons	Installed 2000
Tank 101B -Electrical Yard	3640 Gallons	Installed 2003
Tank 101C -Electrical Yard	3640 Gallons	Proposed
Tank 101C -Electrical Yard	3640 Gallons	Proposed

Site Work Deferred or Revised (From Previously Approved Plans)

As stated earlier, Lonza is obligated to complete certain site work items that were shown on previously approved plans, but were either deferred to facilitate future construction, or revised in response to field conditions.

Lonza's facilities were built in phases and were permitted under at least five separate site review approvals. Because Lonza intends to be conducting future construction activities on its site, it has requested that some of the impacted work be deferred. The deferred items include the reconstruction of a portion of Goose Bay Drive, Lonza's Goose Bay Drive entrance, sidewalks, and landscaping adjacent to these roadways.

Additionally, during this review it was observed that some of the work was not constructed in strict conformance with the approved plans. Items that were revised during construction include the parking and lighting layout and yard grading.

Two colored plans titled As-Built Exhibit and Site Plan Phasing Exhibit, along with the 2-page table listing 21 items describe the status of the deferred or revised work. Most of the listed items are minor in nature, and staff will be able to negotiate terms. However, two items will need Board action.

First, Lonza is asking approval to make permanent a second driveway off International Drive that was intended to be a temporary construction access. The driveway is Item 2 on the spreadsheet and it is shown in blue on the Phasing Exhibit. Staff has no objection to the request and recommends that it be included in the submission to the City.

Also, Lonza is seeking a waiver from Part 405.03(a)(4)(b) and Part 405.03(a)(4)(c) of the PDA Site Plan Regulations that define the requirements for landscape islands in parking lots. Lonza has constructed 24 parking spaces on the south side of its building without the required landscaped islands. Staff believes the waiver should be granted because this parking is located on the industrial side of the building and is not seen from the street. The parking is shown on the As-built Exhibit as

items 10 and 11. Since the condition would be a deviation from the rules, a vote of the Board is needed to waive the requirement.

Temporary Parking on Iron Parcel

Lonza's submission includes a request to use the iron parcel for the temporary parking during the CT expansion construction. The area identified would accommodate 109 spaces and uses about 1.1 acres. The iron parcel has previously been used for temporary parking with no ill effects. Staff recommends that we allow this use and invoice Lonza for the 1.1 acres during the term of the use. The recommended monthly fee is \$1,512.50(\$16,500.00/acre/year).

At the June 15th Board meeting, please ask the Board to approve the following:

1. Lonza's concept plan to upgrade its site for the CT expansion project;
2. Lonza's Variance Application to be referred to the City of Portsmouth's Board of Adjustment that would allow above ground storage facilities in excess of 2000 gallons, contrary to Part 308.02(c);
3. A second International Drive access to Lonza's site provided that the access meets the requirements of PDA's Land Use Controls and is favorably recommended by the City;
4. A waiver of Parts 405.03(a)(4)(b) and (c) of the PDA Site Plan Regulations, allowing Lonza to construct parking without the required landscape islands; and,
5. Lonza's temporary use of the iron parcel for vehicle parking to be invoiced at monthly rate of \$1,512.50

Lonza Biologics Storage Facilities located at 101 International Drive Portsmouth, NH

Location	Service	PDA Classification	Capacity	Year Installed	Equipment #	Storage Facility Description	Lonza Comments Field
101A Utility yard	Wastewater	Not Regulated	12,000 G	N/A	T-17001	Non Hazardous Material	Not Currently Used
101A Gas yard	Liquid Nitrogen	No Spill Risk	1,500 G	N/A	X-680	Cyrogenic Liquid - Gasify and Disperse	
101A Gas yard	Liquid Carbon Dioxide	No Spill Risk	3,300 G	N/A	X-695	Cyrogenic Liquid - Gasify and Disperse	
101A Cold Storage Bldg	Generator-Diesel	Regulated	1,200 G	2013	101A-EGEN-B	Double Walled Tank with Interstitial Monitoring	
101A Utility yard	Generator-Diesel	Regulated	2,400 G	2000	101A-EGEN-B	Double Walled Tank with Interstitial Monitoring	
101B Gas yard	Liquid Nitrogen	No Spill Risk	1,500 G	N/A	X-33050	Cyrogenic Liquid - Gasify and Disperse	
101B Gas yard	Liquid Carbon Dioxide	No Spill Risk	7,100 G	N/A	X33040	Cyrogenic Liquid - Gasify and Disperse	
101B Gas yard	Liquid Oxygen	No Spill Risk	5,855 G	N/A	X-33030	Cyrogenic Liquid - Gasify and Disperse	
101B Gas yard	Gaseous helium	No Spill Risk	43,535 SCF / 2,244 G	N/A	X-33060	Stored as a Gas - Disperse lighter than Air	
101B Gas yard	Brine solution	Not Regulated	9,400 G	N/A	T-30010	Saturated Salt Solution	No Significant Hazards
101B Electrical yard	Generator-Diesel	Regulated	3,640 G	2003	101B-EGEN	Double Walled Tank with Interstitial Monitoring	
101C underground	Nitrogen Wastewater	Not Regulated	50,000 G	N/A	T-33011	Spray Lined Tank	Non Hazardous
101C underground	Wastewater (not used)	Not Regulated	50,000 G	N/A	T-33012	Empty	
101C underground	Wastewater (not used)	Not Regulated	50,000 G	N/A	T-33013	Empty	
Future Storage Facilities							
101C Electrical yard	Liquid Nitrogen	No Spill Risk	3,000 G or 6,000 G	N/A	T-XXXXX	Cyrogenic Liquid - Gasify and Disperse	
101C Electrical yard	Generator-Diesel	Regulated	3,640 G	TBD	101C-EGEN	Double Walled Tank with Interstitial Monitoring	
101C Electrical yard	Generator-Diesel	Regulated	3,640 G	TBD	101C-EGEN	Double Walled Tank with Interstitial Monitoring	

NOT FOR CONSTRUCTION



**Lonza
Biologics, Inc.**

Integrated
Project
Services, Inc.

Portsmouth, New
Hampshire

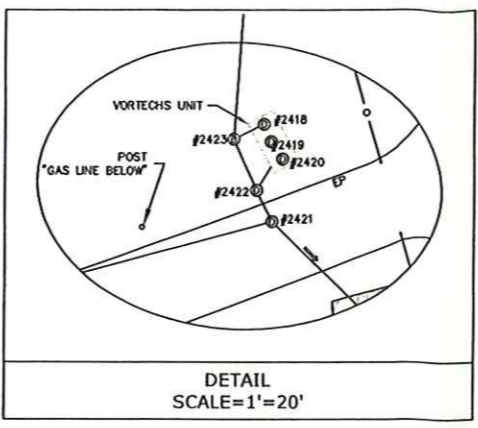
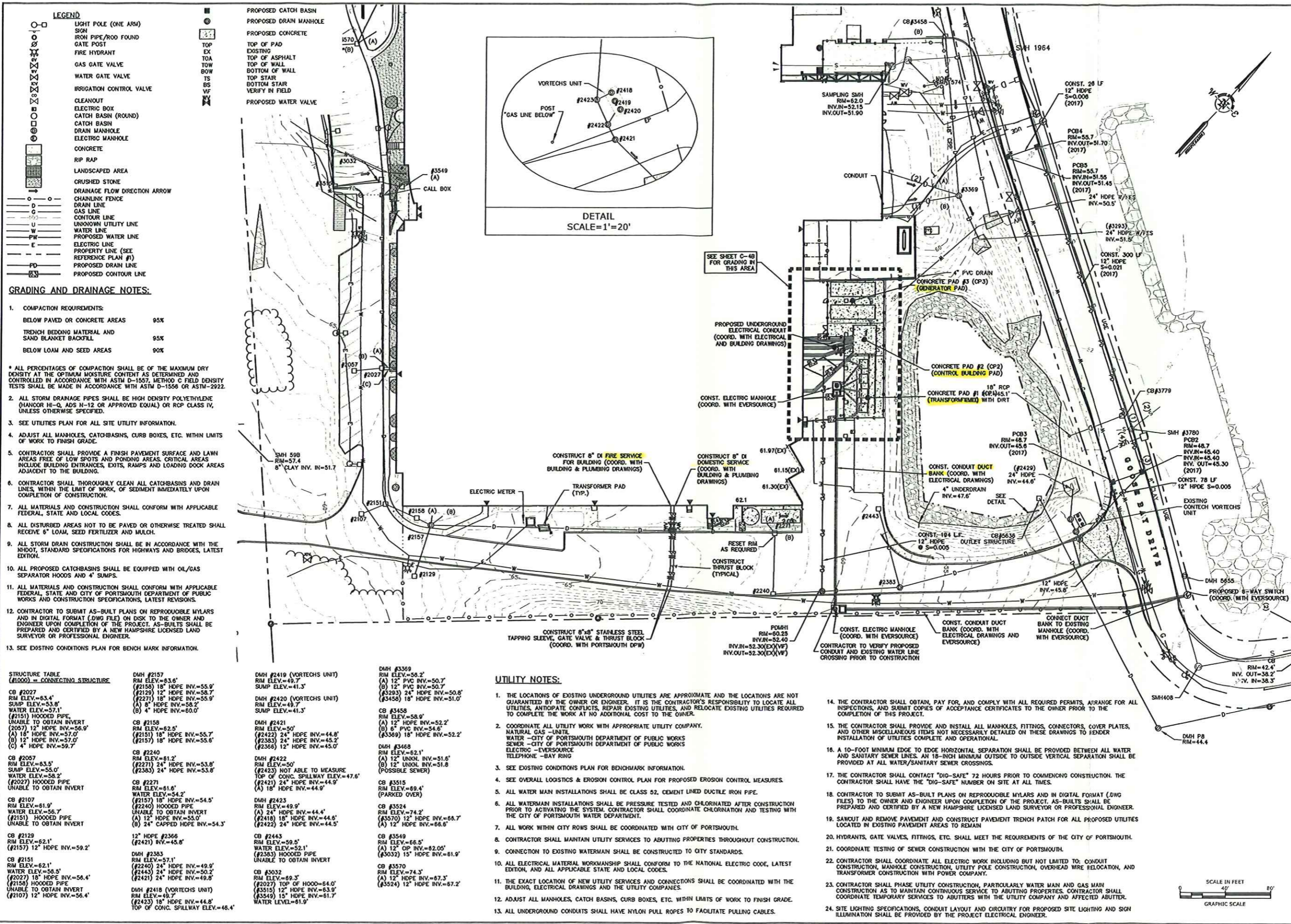
May 19, 2015

MARK	DATE	DESCRIPTION
1	6/2/15	REVISED PER FDA COMMENT

PROJECT NO.	DATE	FILE	DRAWN BY	CHECKED BY	APPROVED BY
10084	2015/05/08	10084_SITE.dwg	CHL	FMC	GMM

OVERALL GRADING,
DRAINAGE, EROSION
CONTROL & UTILITIES PLAN
SCALE: AS SHOWN

C-4A



- LEGEND**
- LIGHT POLE (ONE ARM)
 - SIGN
 - IRON PIPE/ROD FOUND
 - GATE POST
 - FIRE HYDRANT
 - GAS GATE VALVE
 - WATER GATE VALVE
 - IRRIGATION CONTROL VALVE
 - CLEANOUT
 - ELECTRIC BOX
 - CATCH BASIN (ROUND)
 - CATCH BASIN
 - DRAIN MANHOLE
 - ELECTRIC MANHOLE
 - CONCRETE
 - RIP RAP
 - LANDSCAPED AREA
 - CRUSHED STONE
 - DRAINAGE FLOW DIRECTION ARROW
 - CHAINLINK FENCE
 - DRAIN LINE
 - GAS LINE
 - CONTOUR LINE
 - UNKNOWN UTILITY LINE
 - WATER LINE
 - PROPOSED WATER LINE
 - ELECTRIC LINE
 - PROPERTY LINE (SEE REFERENCE PLAN #1)
 - PROPOSED DRAIN LINE
 - PROPOSED CONTOUR LINE

GRADING AND DRAINAGE NOTES:

1. COMPACTION REQUIREMENTS:
BELOW PAVED OR CONCRETE AREAS 95%
TRENCH BEDDING MATERIAL AND SAND BLANKET BACKFILL 95%
BELOW LOAM AND SEED AREAS 90%
2. ALL PERCENTAGES OF COMPACTION SHALL BE OF THE MAXIMUM DRY DENSITY AT THE OPTIMUM MOISTURE CONTENT AS DETERMINED AND CONTROLLED IN ACCORDANCE WITH ASTM D-1557, METHOD C FIELD DENSITY TESTS SHALL BE MADE IN ACCORDANCE WITH ASTM D-1556 OR ASTM-2922.
3. ALL STORM DRAINAGE PIPES SHALL BE HIGH DENSITY POLYETHYLENE (HANCOR HI-O, ADS N-12 OR APPROVED EQUAL) OR RCP CLASS IV, UNLESS OTHERWISE SPECIFIED.
4. SEE UTILITIES PLAN FOR ALL SITE UTILITY INFORMATION.
5. ADJUST ALL MANHOLES, CATCHBASINS, CURB BOXES, ETC. WITHIN LIMITS OF WORK TO FINISH GRADE.
6. CONTRACTOR SHALL PROVIDE A FINISH PAVEMENT SURFACE AND LAWN AREAS FREE OF LOW SPOTS AND PONDING AREAS. CRITICAL AREAS INCLUDE BUILDING ENTRANCES, EXITS, RAMPS AND LOADING DOCK AREAS ADJACENT TO THE BUILDING.
7. CONTRACTOR SHALL THOROUGHLY CLEAN ALL CATCHBASINS AND DRAIN LINES WITHIN THE LIMIT OF WORK, OF SEDIMENT IMMEDIATELY UPON COMPLETION OF CONSTRUCTION.
8. ALL MATERIALS AND CONSTRUCTION SHALL CONFORM WITH APPLICABLE FEDERAL, STATE AND LOCAL CODES.
9. ALL DISTURBED AREAS NOT TO BE PAVED OR OTHERWISE TREATED SHALL RECEIVE 6" LOAM, SEED FERTILIZER AND MULCH.
10. ALL STORM DRAIN CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE NHDOT, STANDARD SPECIFICATIONS FOR HIGHWAYS AND BRIDGES, LATEST EDITION.
11. ALL PROPOSED CATCHBASINS SHALL BE EQUIPPED WITH OIL/GAS SEPARATOR HOODS AND 4" SUMPS.
12. ALL MATERIALS AND CONSTRUCTION SHALL CONFORM WITH APPLICABLE FEDERAL, STATE AND CITY OF PORTSMOUTH DEPARTMENT OF PUBLIC WORKS AND CONSTRUCTION SPECIFICATIONS, LATEST REVISIONS.
13. CONTRACTOR TO SUBMIT AS-BUILT PLANS ON REPRODUCIBLE MYLARS AND IN DIGITAL FORMAT (DWG FILE) ON DISK TO THE OWNER AND ENGINEER UPON COMPLETION OF THE PROJECT. AS-BUILTS SHALL BE PREPARED AND CERTIFIED BY A NEW HAMPSHIRE LICENSED LAND SURVEYOR OR PROFESSIONAL ENGINEER.
14. SEE EXISTING CONDITIONS PLAN FOR BENCH MARK INFORMATION.

UTILITY NOTES:

1. THE LOCATIONS OF EXISTING UNDERGROUND UTILITIES ARE APPROXIMATE AND THE LOCATIONS ARE NOT GUARANTEED BY THE OWNER OR ENGINEER. IT IS THE CONTRACTOR'S RESPONSIBILITY TO LOCATE ALL UTILITIES, ANTICIPATE CONFLICTS, REPAIR EXISTING UTILITIES, AND RELOCATE EXISTING UTILITIES REQUIRED TO COMPLETE THE WORK AT NO ADDITIONAL COST TO THE OWNER.
2. COORDINATE ALL UTILITY WORK WITH APPROPRIATE UTILITY COMPANY.
NATURAL GAS - UNITS
WATER - CITY OF PORTSMOUTH DEPARTMENT OF PUBLIC WORKS
SEWER - CITY OF PORTSMOUTH DEPARTMENT OF PUBLIC WORKS
ELECTRIC - EVERSOURCE
TELEPHONE - BAY RING
3. SEE EXISTING CONDITIONS PLAN FOR BENCHMARK INFORMATION.
4. SEE OVERALL LOGISTICS & EROSION CONTROL PLAN FOR PROPOSED EROSION CONTROL MEASURES.
5. ALL WATER MAIN INSTALLATIONS SHALL BE CLASS S2, CEMENT LINED DUCTILE IRON PIPE.
6. ALL WATER MAIN INSTALLATIONS SHALL BE PRESSURE TESTED AND CHLORINATED AFTER CONSTRUCTION PRIOR TO ACTIVATING THE SYSTEM. CONTRACTOR SHALL COORDINATE CHLORINATION AND TESTING WITH THE CITY OF PORTSMOUTH WATER DEPARTMENT.
7. ALL WORK WITHIN CITY ROWS SHALL BE COORDINATED WITH CITY OF PORTSMOUTH.
8. CONTRACTOR SHALL MAINTAIN UTILITY SERVICES TO ADJUTING PROPERTIES THROUGHOUT CONSTRUCTION.
9. CONNECTION TO EXISTING WATERMAIN SHALL BE CONSTRUCTED TO CITY STANDARDS.
10. ALL ELECTRICAL MATERIAL WORKMANSHIP SHALL CONFORM TO THE NATIONAL ELECTRIC CODE, LATEST EDITION, AND ALL APPLICABLE STATE AND LOCAL CODES.
11. THE EXACT LOCATION OF NEW UTILITY SERVICES AND CONNECTIONS SHALL BE COORDINATED WITH THE BUILDING, ELECTRICAL DRAWINGS AND THE UTILITY COMPANIES.
12. ADJUST ALL MANHOLES, CATCH BASINS, CURB BOXES, ETC. WITHIN LIMITS OF WORK TO FINISH GRADE.
13. ALL UNDERGROUND CONDUITS SHALL HAVE NYLON PULL ROPES TO FACILITATE PULLING CABLES.

STRUCTURE TABLE
(#1000) = CONNECTING STRUCTURE

CB #2027 RM ELEV.=83.4' SUMP ELEV.=53.9' WATER ELEV.=57.1' (#2151) HOODED PIPE, UNABLE TO OBTAIN INVERT (2057) 12" HDPE INV.=56.9' (A) 16" HDPE INV.=57.0' (B) 12" HDPE INV.=57.0' (C) 4" HDPE INV.=59.7'	DMH #2157 RM ELEV.=83.6' (#2158) 18" HDPE INV.=55.9' (#2211) 18" HDPE INV.=58.7' (#2212) 18" HDPE INV.=55.9' (A) 8" HDPE INV.=58.2' (B) 4" HDPE INV.=60.0'	DMH #2419 (VORTECHS UNIT) RM ELEV.=49.7' SUMP ELEV.=41.3'	DMH #2420 (VORTECHS UNIT) RM ELEV.=49.7' SUMP ELEV.=41.3'	DMH #2421 RM ELEV.=50' (#2422) 24" HDPE INV.=44.8' (#2383) 24" HDPE INV.=45.2' (#2385) 12" HDPE INV.=45.0'	DMH #2422 RM ELEV.=50' (#2423) NOT ABLE TO MEASURE TOP OF CONC. SPILLWAY ELEV.=47.6' (#2421) 24" HDPE INV.=44.9' (A) 18" HDPE INV.=44.9'	DMH #2423 RM ELEV.=49.9' (A) 24" HDPE INV.=44.4' (#2418) 18" HDPE INV.=44.6' (#2422) 24" HDPE INV.=44.5'	DMH #2443 RM ELEV.=59.5' WATER ELEV.=52.1' (#2385) HOODED PIPE UNABLE TO OBTAIN INVERT	DMH #2418 (VORTECHS UNIT) RM ELEV.=49.7' (#2423) 18" HDPE INV.=44.8' (#2422) 24" HDPE INV.=44.5' TOP OF CONC. SPILLWAY ELEV.=46.4'
--	--	---	---	--	---	--	--	--

PLOT DATE: Tuesday, June 02, 2015 10:15 AM BY: GWH
 SAVE DATE: June 2, 2015 9:55 AM BY: GWH
 FULL LOCATION: P:\10084\10084.dwg - LONZA, PORTSMOUTH, NH\DWG-CON\DESIGN\08084_SITE.dwg LAYOUT: C-4A OVERALL GRADE

**Lonza
Biologics, Inc.**

Integrated
Project
Services, Inc.

Portsmouth, New
Hampshire

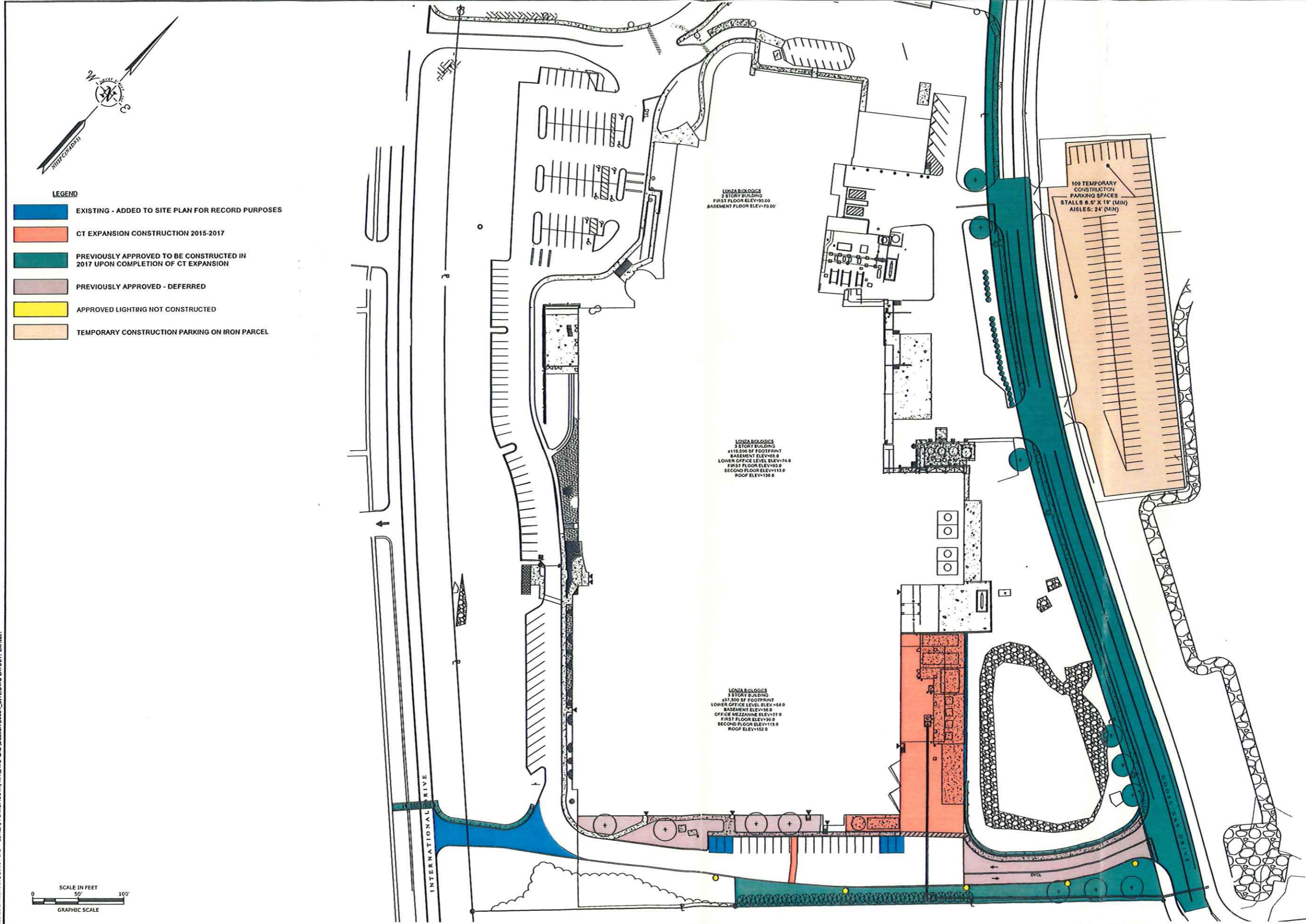
May 8, 2015

MARK	DATE	DESCRIPTION
2	6/2/2015	REVISED PER POA COMMENT
1	5/19/15	REVISED PER POA COMMENT

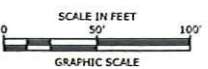
PROJECT NO: 10084
DATE: 2015/05/08
FILE: 10084_SITE.dwg
DRAWN BY: CHL
CHECKED: PMC
APPROVED: GMM

**SITE PLAN
PHASING EXHIBIT**

SCALE: AS SHOWN



- LEGEND**
- EXISTING - ADDED TO SITE PLAN FOR RECORD PURPOSES
 - CT EXPANSION CONSTRUCTION 2015-2017
 - PREVIOUSLY APPROVED TO BE CONSTRUCTED IN 2017 UPON COMPLETION OF CT EXPANSION
 - PREVIOUSLY APPROVED - DEFERRED
 - APPROVED LIGHTING NOT CONSTRUCTED
 - TEMPORARY CONSTRUCTION PARKING ON IRON PARCEL



PLOT DATE: Thursday, May 14, 2015 BY: GWH
 FILE DATE: Jun 2, 2015 10:38 AM BY: GWH
 FILE LOCATION: P:\33384\15 - LONZA, PORTSMOUTH, NH\DWG-CAD\DESIGN\10084_SITE.DWG LAYOUT: EXHIBIT



DEPICTION OF
MEZZANINE WITH
COOLING TOWERS

		Request for waiver from landscape island requirement in Section 405.03 (a) (4) b ^{b & c} of Site Plan Regulations	Seek Board approval.
11	Three (3) parking spaces constructed were not included in previous approval in lieu of approved curbed island.		
12	Previously approved crosswalk was not constructed.	Request to delay until fitout has been completed.	2017
13	Previously approved painted lane lines, Directional arrows and stop bar and legend were not constructed.	Request to delay until fitout has been completed.	2017
14	Previously approved guardrail along driveway from Goose Bay Drive was not constructed.	Installation will be at the end of project. 2017	
15	Previously approved concrete sidewalk along driveway from Goose Bay drive was not constructed.	Request to Delay until Goose Bay is Reconstructed.	2017
16	Previously approved reconstruction of access drive from Goose Bay Drive was not constructed.	Request to Delay until Goose Bay is Reconstructed.	2017
17	Previously approved concrete sidewalk along Goose Bay Drive was not constructed.	Request to Delay until Goose Bay is Reconstructed.	2017
18	Previously approved reconstruction of Goose Bay Drive was not constructed.	Request to Delay until Goose Bay is Reconstructed.	2017
19	Crushed Stone landscaped areas constructed were not included in previous approval in lieu of approved loam and seed.	Request to delay until fitout has been completed.	
20	Retaining wall constructed was not included in previous approval.	Retaining wall was installed in 2007:	
21	Concrete sidewalk and paver area constructed was not included in previous approval.	N/A	Ricci approval via PDA

Hand written notes added by MJS.

PDA will consider a request to postpone work on Goose Bay Drive beyond 2017, if Lonza has commenced work on the Option Lot (Iron parcel).

MOTION

Director Bohenko:

The Pease Development Authority Board of Directors hereby approves of the Concept Plan submitted by Galileo RMF, LLC attached hereto for the premises located at 139 Flightline Road; on all terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager – Engineering, dated June 8, 2015 attached hereto.

N:\RESOLVES\GalileoConcept0615.wpd

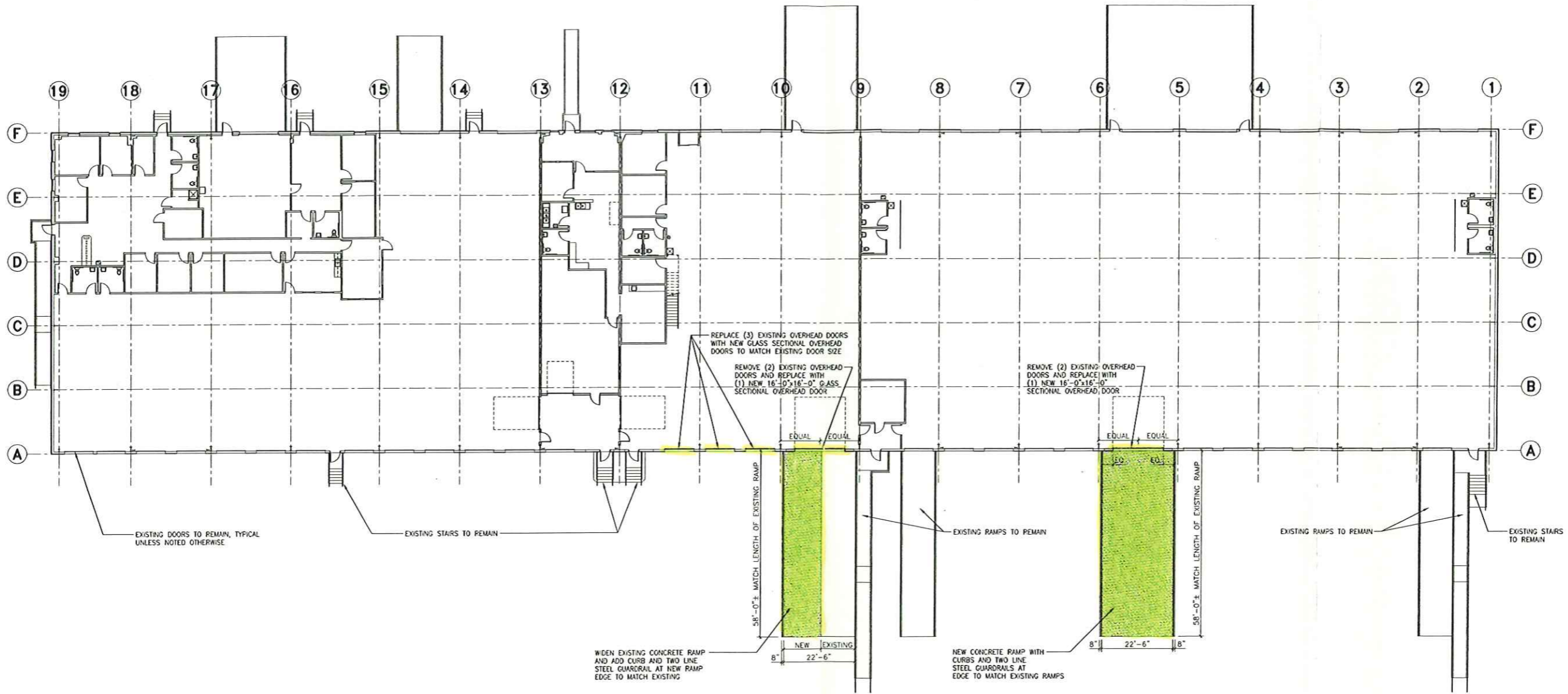
MEMORANDUM

To: David R. Mullen, Executive Director *DRM*
From: Maria Stowell, Engineering Manager *Maria*
Date: June 8, 2015
Subject: Improvements at 139 Flightline Road

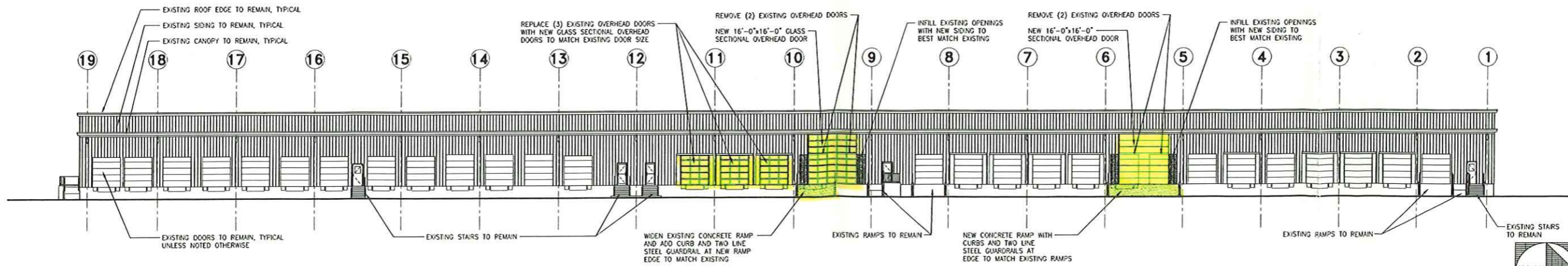
Galileo RMF, LLC is seeking to construct improvements at their site located at 139 Flightline Road. Attached is a drawing depicting these improvements. As you can see, they are proposing to replace seven overhead doors, construct one new concrete ramp and expand one existing concrete ramp. These improvements are being performed as general maintenance and to support the operations of the company. They are minor in nature and they will be handled administratively. Therefore, no site review process will be conducted.

At next week's meeting, please ask the Board to approve these improvements as shown on drawing A1 by Udelsman Associates.

N:\ENGINEER\Board Memos\2015\Gigunda.docx



1 FLOOR PLAN



2 EAST ELEVATION

REV. NO.	REVISIONS	DATE

PROJECT: 139 FLIGHTLINE ROAD
 PORTSMOUTH, NEW HAMPSHIRE
 SUBJECT: NEW RAMPS AND OVERHEAD DOORS
 SCALE: 1/16" = 1'-0"
 DATE: 06/04/15

U
 UDELSMAN
 ASSOCIATES
 ARCHITECTURE • PLANNING • DESIGN
 161 FEDERAL HILL ROAD
 HOLLIS, NEW HAMPSHIRE 03049
 603-465-6960 FAX 465-6961

PROJECT NO.: 1613
 SHEET NO.: A1

MOTION

Director Lamson:

The Pease Development Authority Board of Directors hereby approves of the Concept Plan submitted by Redhook Ale Brewery for the installation of a co-generation system at the premises located at 1 Redhook Way; subject to the stipulations and all terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager – Engineering, dated June 9, 2015 attached hereto.

N:\RESOLVES\RedhookConcept0615.wpd

MEMORANDUM

To: David R. Mullen, Executive Director *DM*

From: Maria J. Stowell, P.E., Engineering Manager *Maria*

Date: June 9, 2015

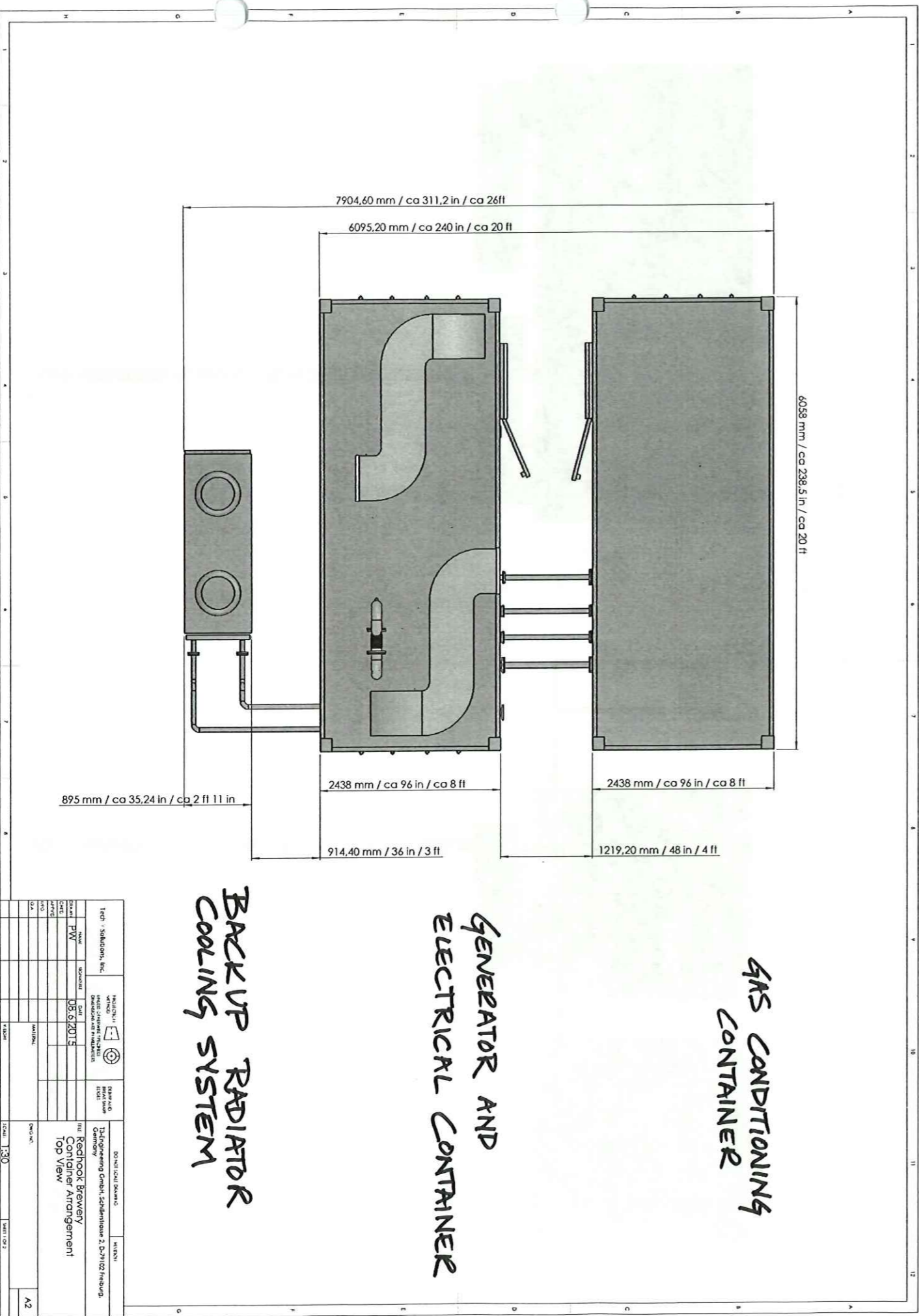
Subject: Co-generation Project - 1 Redhook Way

Redhook Brewery (Redhook) located at 1 Redhook Way is requesting approval to install a co-generation system to utilize the methane gas byproduct from its wastewater plant to produce electricity. Redhook is requesting approval to construct a 22-foot by 24-foot concrete pad located in the northeast corner of the property adjacent to the biogas flare. The concrete pad will support two containers each measuring 20-feet long by 8-feet wide with a height of 9.5-feet. The first container will condition the methane gas to remove sulfides while the second container will house a generator and electrical equipment to convert the conditioned methane into electricity. The second container will have a 5-inch steel exhaust stack measuring 22.5-feet tall to handle the exhaust from the generator along with ductwork that increase the overall height of the container to approximately 12-feet. The decibel level for the generator is rated at 70 dba and Redhook has proposed to insulate the interior of this container with R30 insulation in order to decrease the decibel level of the generator. The closest property boundary is approximately 200-feet to the east of the proposed co-gen location. The electricity produced by the co-generation system will power some of the operations conducted at the Redhook wastewater plant and increase Redhook's sustainability.

After reviewing the proposed location and speaking to staff at Redhook, PDA staff recommends that you seek Board approval contingent upon the following stipulations:

1. Redhook shall comply with all environmental rules associated with the installation, monitoring and operation of the generator and associated fuel treatment system, piping, and wiring.
2. Redhook shall procure all required permits.
3. If the noise level of the generator is determined to be excessive (greater than 60 dba at the property line) by a future development to the east of Redhook, then Redhook will need to address the noise level with additional alternatives to mitigate the sound.

At this month's board meeting, please ask the Board to approve the request by Redhook to install the generator as described. If approve, site review would be processed administratively because there would be no impact on traffic, safety, or intensity of use.



REV	NO.	DESCRIPTION	DATE	BY	CHECKED
1	1	ISSUED FOR CONSTRUCTION	05.01.2015	PW	
2	2	REVISION			
3	3	REVISION			
4	4	REVISION			
5	5	REVISION			
6	6	REVISION			
7	7	REVISION			
8	8	REVISION			
9	9	REVISION			
10	10	REVISION			

PROJECT: Redbrook Brewery
 CLIENT: Redbrook Brewery
 DRAWING NO.: 1.030
 SCALE: 1:30
 SHEET NO.: A2

MOTION

Director Loughlin:

The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to execute Modification No. 1 for the PSM Runway Rehabilitation Project – Facility Needs Analysis contract with Hoyle, Tanner & Associates in a total amount of \$22,700; all otherwise in accordance with the memorandum of Maria J. Stowell, P.E., Manager of Engineering dated June 8, 2015 attached hereto.

N:\RESOLVES\HoyleTanner0615.wpd

MEMORANDUM

To: David R. Mullen, Executive Director *DM*

From: Maria J. Stowell, P.E., Engineering Manager *MJ Stowell*

Date: June 8, 2015

Subject: PSM Runway Rehabilitation Project - Facility Needs Analysis Contract CO #1

In late 2013, PDA contracted with Hoyle, Tanner, and Associates, Inc. (HTA) to conduct a Facility Needs Analysis (FNA) for Portsmouth International Airport (PSM). The FNA is a prerequisite to designing the runway rehabilitation and is a planning level study to determine the justified runway dimensional and structural parameters (length, width, pavement depth, etc.). These parameters will then become the basis of design for the runway rehabilitation. The FNA is being funded through the FAA/NHDOT State Block Grant Program with FAA contributing 90% and DOT contributing 5% toward the project cost.

Using narrowly defined FAA criteria, the FNA determined that a runway length of 7,774 feet would adequately support the anticipated civilian operations of the airport. (A portion of the Executive Summary is attached.) This determination provoked a wide range of questions and concerns among airport stakeholders because it does not consider PSM's military use. None of the stakeholders wanted to reduce the runway length from its current 11,318 feet. However, FAA made clear its position that it could not fund any work beyond what is necessary to support civilian uses (7,774 feet), and that PDA and NHANG needed to negotiate a means of paying for the balance of the work if we wished to maintain the airport for continued military use.

The FNA results gave rise to a number of follow up meetings to discuss cost sharing for the runway rehabilitation project. The meetings included representatives from FAA, NHDOT, NHANG, PDA and HTA. To facilitate the discussions, HTA provided additional work that included runway layout planning, geometric design, cost estimation, economic analysis, attendance at added meetings, and supplementary report writing. This work is not part of the original scope and is not eligible for FAA/NHDOT reimbursement because military operations lie outside FAA's purview. The attached Contract Modification details the work and associated costs, which total \$22,700.

At the June 15th meeting, please ask the Board to approve payment to Hoyle, Tanner & Associates in the amount of \$22,700 to cover work associated with the PSM Facility Needs Analysis. As a result of this work, NHANG has agreed to contribute to the cost of the runway rehabilitation project.

MODIFICATION NO. 1
to
AIRPORT PROJECT CONTRACT
between
PEASE DEVELOPMENT AUTHORITY
PORTSMOUTH INTERNATIONAL AIRPORT AT PEASE
and
HOYLE, TANNER & ASSOCIATES, INC.
for
CONDUCT FACILITY NEEDS ANALYSIS

Original Maximum Amount: \$74,500.00 Modified Maximum Amount: \$97,200.00

Federal Project No.: SBG 16-01-2013 Project Contract No. 062852

WHEREAS, the Pease Development Authority (hereinafter referred to as the "PDA") has determined it to be in the interest of the PDA that the Airport Project Contract (hereinafter referred to as the "Agreement") between the PDA and Hoyle, Tanner & Associates, Inc. (hereinafter referred to as the "Consultant"), accepted by said Consultant on the 26th day of September, 2013, to be modified as hereinafter provided.

NOW THEREFORE, WITNESSETH:

That in consideration of the benefits to accrue to the parties hereto, the Sponsor, on the one part, and the Consultant, on the other part, do hereby mutually agree modification to this project as follows:

1. The Expiration Date of the Agreement shall remain as the date of expiration of G & C Funds, August 31, 2016.
2. The scope of services to be provided by the Consultant specified in the Agreement shall be modified to include additional work as described on the attached Modification No. 1 to Exhibit "A", Attachment 1(a), Scope of Services.
3. The Maximum Amount of the Agreement shall be increased by: \$22,700.00, from \$74,500.00 to \$97,200.00, as detailed on the attached Modification No. 1 to Exhibit "A", Attachment 1(b), Estimate of Engineering Costs.

MODIFICATION NO. 1

TO EXHIBIT "A", Attachment 1(a)

SCOPE OF SERVICES

**CONDUCT FACILITY NEEDS ANALYSIS
NHDOT SBG No. 16-01-2013**

**PEASE DEVELOPMENT AUTHORITY
Portsmouth International Airport at Pease
Portsmouth, New Hampshire**

I. MODIFICATION DESCRIPTION

This modification increases the budget to add additional effort associated with Task 3 and 4 including additional planning and design effort, and coordination efforts for the project. This work can be generally summarized as additional technical planning and design services such as runway layout planning, geometric design, cost estimating, economic analysis; additional attendance at coordination meetings with PDA, FAA, NHDOT, and NH ANG; and additional report writing in support of out of scope requests by PDA, FAA, and NH ANG to analyze in more detail which agency would be responsible for cost sharing on the future Runway Rehabilitation Project. This additional effort was deemed necessary to facilitate on-going and future discussions regarding the programming, planning, and funding of this critical infrastructure project.

II. SCOPE OF ADDITIONAL SERVICES

The CONSULTANT will provide the following services for the above-described project

TASK 3 OF ORIGINAL SCOPE

3. Task – Runway Demand and Length Analysis

Original Task 3.5 is shown below in italics with out of scope assumption in underline:

Develop a hypothetical airport sketch of entire affected airport and infrastructure based on runway length, width, and design as determined from tasks 3.1-3.4. This task shall not include any alternative analysis or pre-design, and will only include broad assumptions regarding runway ends, taxiway modifications, ILS systems, etc. This effort is to support quantity take off (QTO) and cost estimating work contained in Task 4.

Amended Task 3.5a now includes the following additional task

Task 3.5a Complete one extra runway length scenario (a length that would meet NH ANG standards) as outlined in *Air National Guard Handbook 32-1084 Facility Space Standards, 1 November, 2013*, and *Unified Facilities Criteria (UFC) 3-260-02 Pavement Design for Airfields*. Additionally, complete a second extra runway length scenario which FAA requested (to increase from 7300' to 7774' to tie into existing stub Taxiway Charlie). During the course of this project, FAA

NH ANG. It was determined that this level of detail would be required to provide PDA, FAA, NHDOT, and NHANG more dependable cost estimates to facilitate negotiations for project funding and allow each agency to track a more accurate programing of project details.

Justification for Additional Work:

As stated in above in amended Task 3.5a, there was an increased emphasis on an iterative alternative analysis required to facilitate a discussion of inter-federal-agency funding.

Original Task 4.13 is shown below in italics:

Lifecycle Costs: Crack repair over 20 years, runway only

Amended Task 4.13a now includes the following additional work:

Complete two (2) additional 20-YR life cycle analysis for four (4) Runway length scenarios, versus the originally scoped two (2). Additionally, interview PDA maintenance staff and input actual current day maintenance costs for activities such as snow removal, grass mowing, fleet maintenance.

Justification for Additional Work:

In order to better analyze and appreciate the cost of Runway Rehabilitation both in present day, and 20 years in the future, this task was expanded beyond a simple cost escalation analysis. The original task was to look at basic maintenance costs for tasks such as Runway marking, rubber removal, lighting system replacement. It was determined that a more in-depth analysis that would involve interviewing PDA maintenance staff and inputting actual current day maintenance costs would be more appropriate, and additional maintenance costs such as snow removal, grass mowing, fleet maintenance ,etc. were added to the analysis. Additionally, this 20-YR life cycle analysis was completed for four (4) Runway length scenarios, versus the originally scoped two (2).

New Task 4.19

At a meeting of 10/15/14 at PDA preliminary cost estimates and associated CAD drawings were presented to PDA, FAA, NHDOT, and NH ANG. At this meeting numerous questions were asked of PDA by FAA and NH ANG which required follow up and official responses. The general nature of these inquiries ranged from technical questions about runway layout, pavement design, and navigational aid requirements. Many of these questions were presented to the PDA in the form of requests to modify the analysis, and Hoyle Tanner provided this service for the PDA.

This new task was to revise the FAA/AIP QTO and estimate and 20-YR life cycle cost analysis to incorporate comments received from NH ANG at 10/15/14 meeting.

New Task 4.20

As a result of attending three additional meetings with NH ANG, Hoyle Tanner was asked by PDA and NH ANG to share information and data collected from the study. The NH ANG required this technical information to perform a project Economic Analysis of their own to determine their runway length need and ability to fund a portion of the project.

EXHIBIT A, Attachment 1 (b)
 ESTIMATE OF ENGINEERING COST
 for
 CONDUCT FACILITY NEEDS ANALYSIS
 at
 PORTSMOUTH INTERNATIONAL AIRPORT AT PEASE
 for
 PEASE DEVELOPMENT AUTHORITY
 PORTSMOUTH, NEW HAMPSHIRE

SBG 16-01-2013
 Hoyle, Tanner Project No. 062852

	Original Contract Amount	Out of Scope Items (Mod 1)	Total (Original + Mod 1)	
ARTICLE 1a - PROJECT ADMINISTRATION - NHAV	\$ 8,100	\$ -	\$ 8,100	Lump Sum
ARTICLE 1b - PROJECT ADMINISTRATION - FLAV	\$ 3,200	\$ -	\$ 3,200	Lump Sum
ARTICLE 2a - CIVILIAN AVIATION DEMAND FORECASTS - NHAV	\$ 3,500	\$ -	\$ 3,500	Actual Cost NTE plus Fixed Fee
ARTICLE 2b - CIVILIAN AVIATION DEMAND FORECASTS - FLAV	\$ 4,500	\$ -	\$ 4,500	Actual Cost NTE plus Fixed Fee
ARTICLE 3a - RUNWAY DEMAND AND LENGTH ANALYSIS - NHAV	\$ 18,200	\$ 11,500	\$ 29,700	Actual Cost NTE plus Fixed Fee
ARTICLE 3b - RUNWAY DEMAND AND LENGTH ANALYSIS - FLAV	\$ 14,400	\$ -	\$ 14,400	Actual Cost NTE plus Fixed Fee
ARTICLE 4a - COST ESTIMATING - NHAV	\$ 12,600	\$ 11,200	\$ 23,800	Actual Cost NTE plus Fixed Fee
ARTICLE 4b - COST ESTIMATING - FLAV	\$ 2,600	\$ -	\$ 2,600	Actual Cost NTE plus Fixed Fee
ARTICLE 5a - PROJECT CLOSEOUT - NHAV	\$ 6,500	\$ -	\$ 6,500	Lump Sum
ARTICLE 5b - PROJECT CLOSEOUT - FLAV	\$ 900	\$ -	\$ 900	Lump Sum
TOTAL PROJECT	\$ 74,500	\$ 22,700	\$ 97,200	

Please Development Authority

MODIFICATION NO. 1: ARTICLE 4b - COST ESTIMATING

CONDUCT FACILITY NEEDS ANALYSIS
 SBG 16-01-3013
 Hoyle, Tanner Project No. 062852

Task	Description	ESTIMATED HOURS BY LABOR CLASSIFICATION							TOTAL HOURS	TOTAL LABOR COST
		Principal \$50.00 /HR	Project Manager \$46.00 /HR	Staff Engineer \$35.00 /HR	Airport Planner \$36.00 /HR	CAD Tech \$34.00 /HR	Admin Support \$23.00 /HR			
4.1a	OTO / Cost estimate for four (4) RW lengths instead of original (2). In addition the level of complexity for estimating each RW length was increased from original planning level effort, to a preliminary design effort to allow the PDA to respond to technical inquiries from FAA, NHDOT, and NH ANG. It was determined that this level of detail would be required to provide PDA, FAA, NHDOT, and NHANG more dependable cost estimates to facilitate negotiations for project funding and allow each agency to carry a more accurate programming of project details.	2	8	8		2	1		21	\$839.00
4.13a	Interview PDA maintenance staff and input actual current dsy maintenance costs for activities such as snow removal, grass mowing, fleet maintenance. Complete two (2) additional 20-YR life cycle analysis for four (4) RW length scenarios, versus the originally scoped two (2).	4	16	14		2	1		37	\$1,517.00
4.19	Revise the FAA/AIP OTO and estimate and 20-YR life cycle cost analysis to incorporate comments received from NH ANG at 10/15/14 meeting.	2	8	8					18	\$748.00
4.20	Provide NH ANG with electronic files of all engineering estimating to facilitate an Economic Analysis to be completed by NH ANG. Hoyle Tanner was also available to NH ANG to answer questions on technical approach, life cycle cost assumptions, FAA item numbering, etc. and participated in up to six separate telecons, and approximately twelve emails, which all necessitated research, delivery of archived project details, and advice to NH ANG.	4	8			1	1		14	\$625.00
TOTAL HOURS		12	40	30	0	5	3	3	90	\$2,890.00
TOTAL DIRECT LABOR		\$600.00	\$1,840.00	\$1,050.00	\$0.00	\$170.00	\$69.00			\$3,729.00

REIMBURSABLE EXPENSES:
 Travel (Auto Mileage, tolls, etc.) \$0.00
 Postage & Communications \$0.00
 Printing \$0.00
 Other \$0.00

SUBTOTAL: \$0.00

SUBCONSULTANTS:

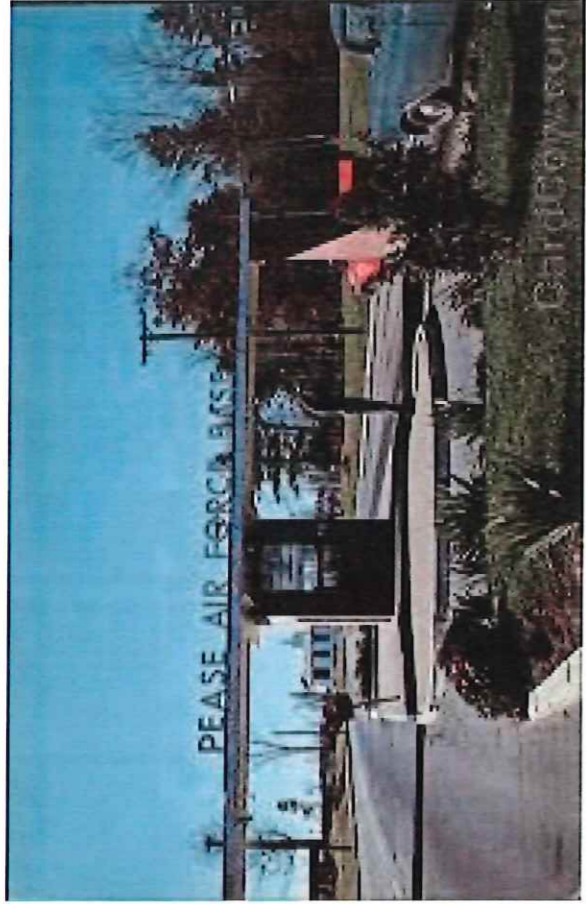
SUBTOTAL: \$0.00

DIRECT LABOR OVERHEAD 173% \$3,729.00
 \$6,451.17
 \$10,180.17

REIMBURSABLE EXPENSES \$0.00
 SUBCONSULTANTS \$0.00
 PROFIT / FIXED FEE 10% \$1,018.00
 ESTIMATED TOTAL COST \$11,198.17
 USE: ACTUAL COST NOT TO EXCEED PLUS FIXED FEE \$11,200

Hoyle, Tanner & Associates, Inc.

150 Dow Street, Manchester, NH 03101



***From Ghost Town
to
Economic Engine
Pease 25 Years After
Its Closing***



***Applied Economic Research
Laconia, New Hampshire
June 2015***

Ghost Town to Economic Engine.....

Pease 25 Years After Its Closing

In December of 1988 the United States Commission on Base Realignment and Closure recommended the closing of 86 US military installations. The first major installation slated for closure on the list was the 35 year old, 4,255 acre Pease Air Force Base in Portsmouth New Hampshire. Prior to its closing in 1991 the base had 3,700 military personnel and employed about 400 civilians. At the time of the closure one of the last military personnel commented "it feels like a ghost town. It's dead."

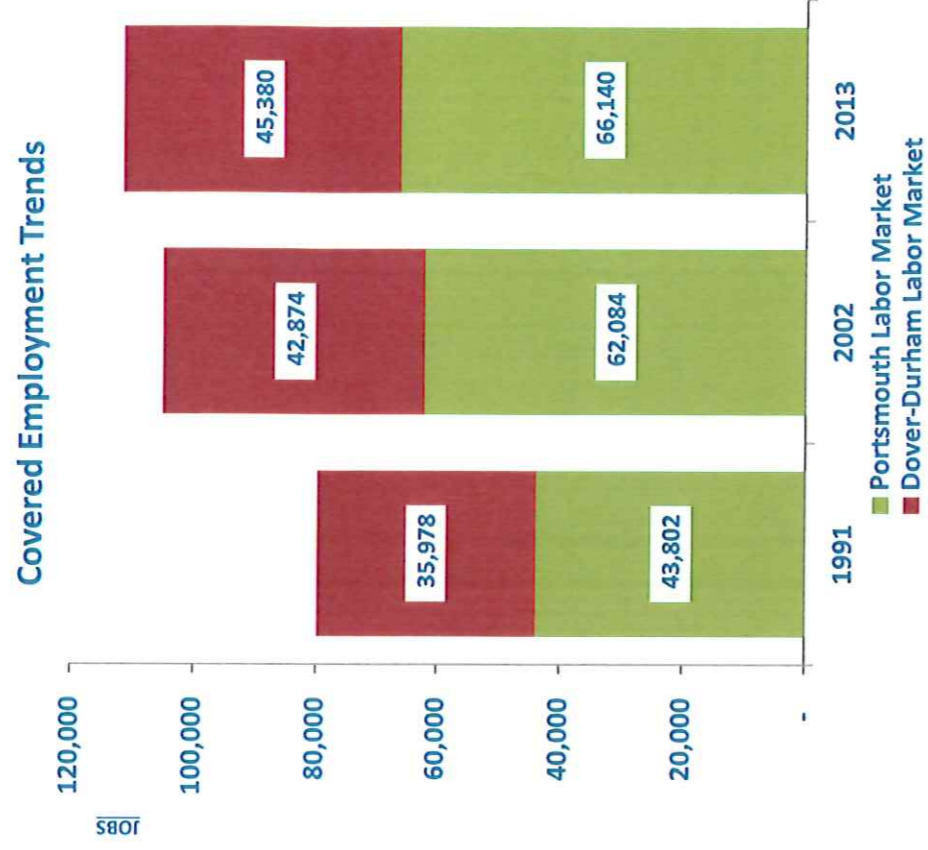
Today the redevelopment of Pease is recognized as a nationally prominent success story and is home to more than 250 companies. Pease today, under the guidance of the Pease Development Authority, stands as the principal economic engine in New Hampshire's prosperous Seacoast region, a major local and state tax generator, a model of how the public and private sectors can cooperate to their mutual benefit and the home to an amazingly diverse mix of well-paid manufacturing, education, and service employers.

This report was prepared by Applied Economic Research at the request of the Pease Development Authority. It examines the performance and impact of Pease on the major local and regional economies. The major observations are:

- The Seacoast economy has outperformed the New Hampshire economy in both the short and long term, due in no small part to the success of Pease—the economy has added nearly 32,000 jobs since Pease closed and its 2015 unemployment rate is under 4 percent;
- Driven by activity at Pease, the pace of job growth in Portsmouth (71%) has been more than twice as fast as that of New Hampshire since Pease closed;
- There are now just under 10,000 jobs at the Tradeport, supporting a total regional job impact of over 14,000 jobs;
- Wages paid by Tradeport employers total an estimated \$584 million;
- Regional wages, including jobs off the Tradeport supported by Tradeport activity, total over \$725 million;
- The Tradeport generates an estimated \$16 million annually in Business and Meals/Rental taxes to the State;
- There is nearly 4.5 million square feet of existing and approved building space at Pease—the equivalent of nearly 100 football fields;
- Total PILOT Revenues and Municipal Service Fees total over \$6 million annually.

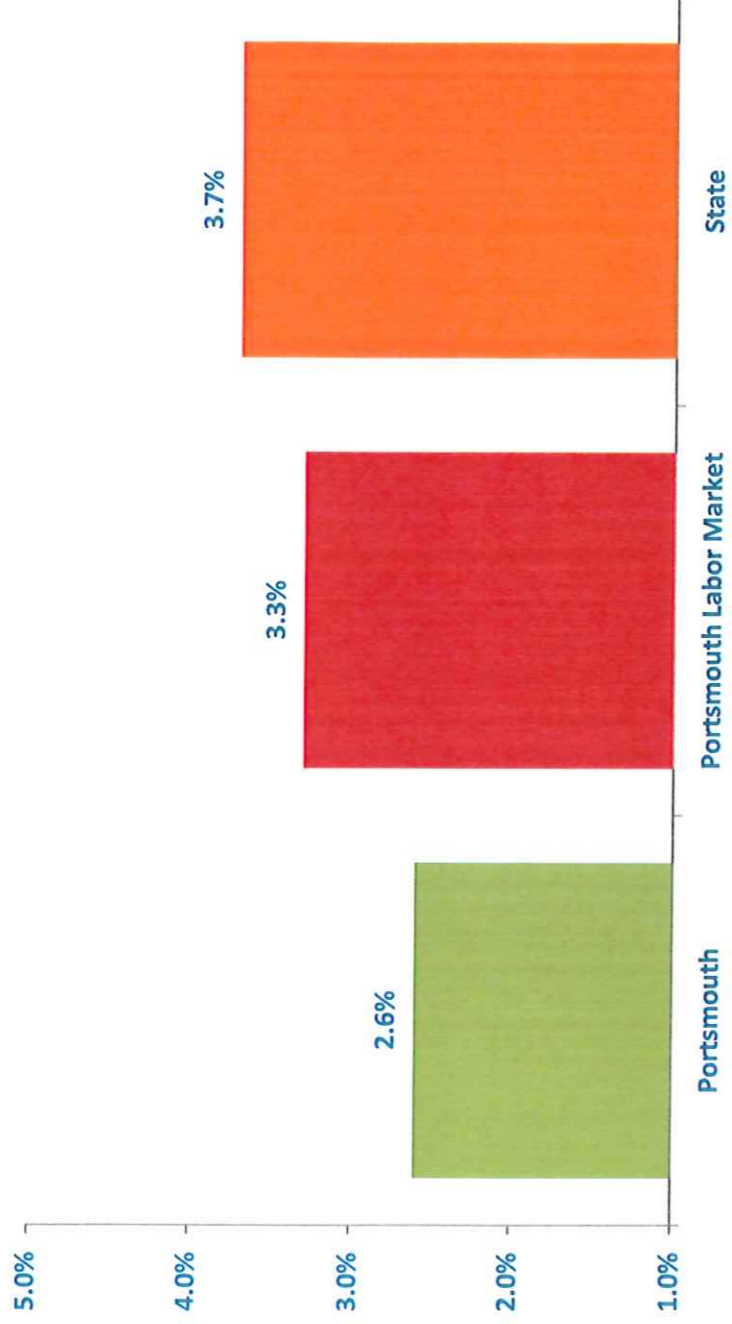
Region Experiences Strong Job Growth During Pease's Development Era

- **Portsmouth Labor Market Adds 22,338 jobs;**
- **Combined Portsmouth and Dover Labor Markets Add 31,740 jobs.**



Unemployment Rate Is Low

May 2015

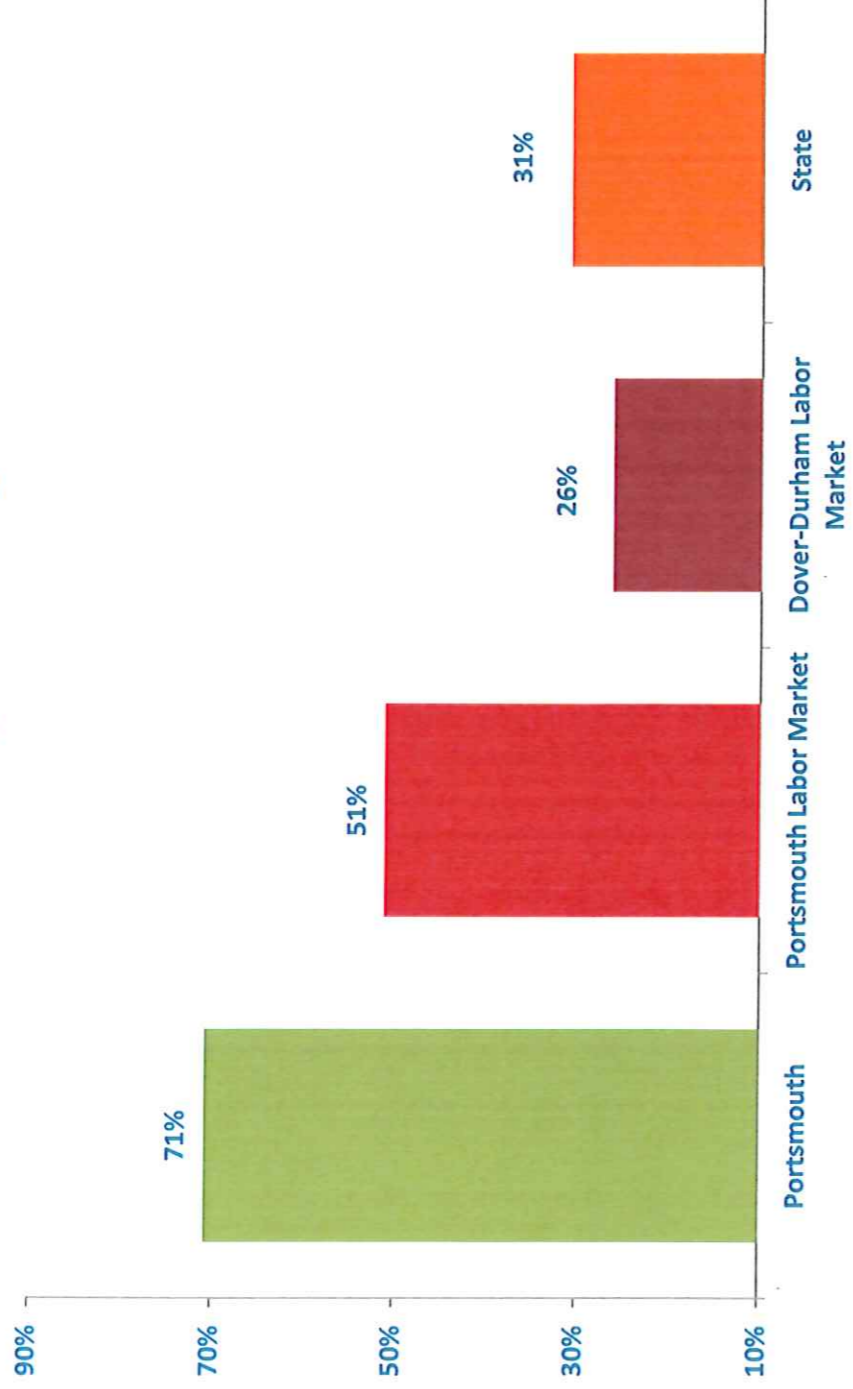


NOTE: Portsmouth Labor Market includes Brentwood, Epping, Exeter, Greenland, Hampton, New Castle, Newfields, Newington, Newmarket, North Hampton, Portsmouth, Rye and Stratham (per NH Employment Security Commission).

Applied Economic Research
Pease Tradeport Economic Impact 2015

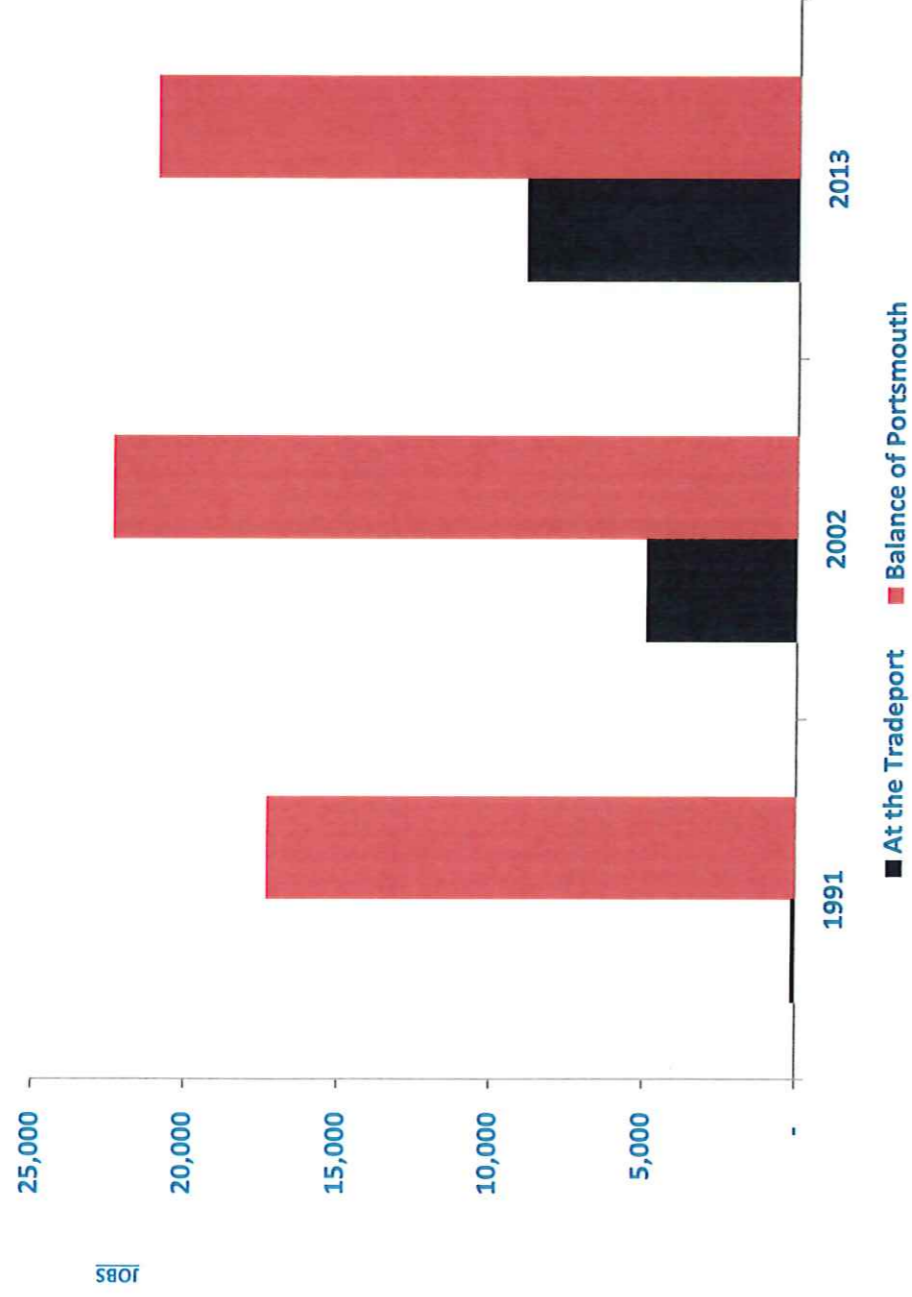
Portsmouth and Its Labor Market Register the Strongest Job Growth—Portsmouth Adding Jobs at More Than Twice the State Rate

Comparative Employment Change 1991-2013



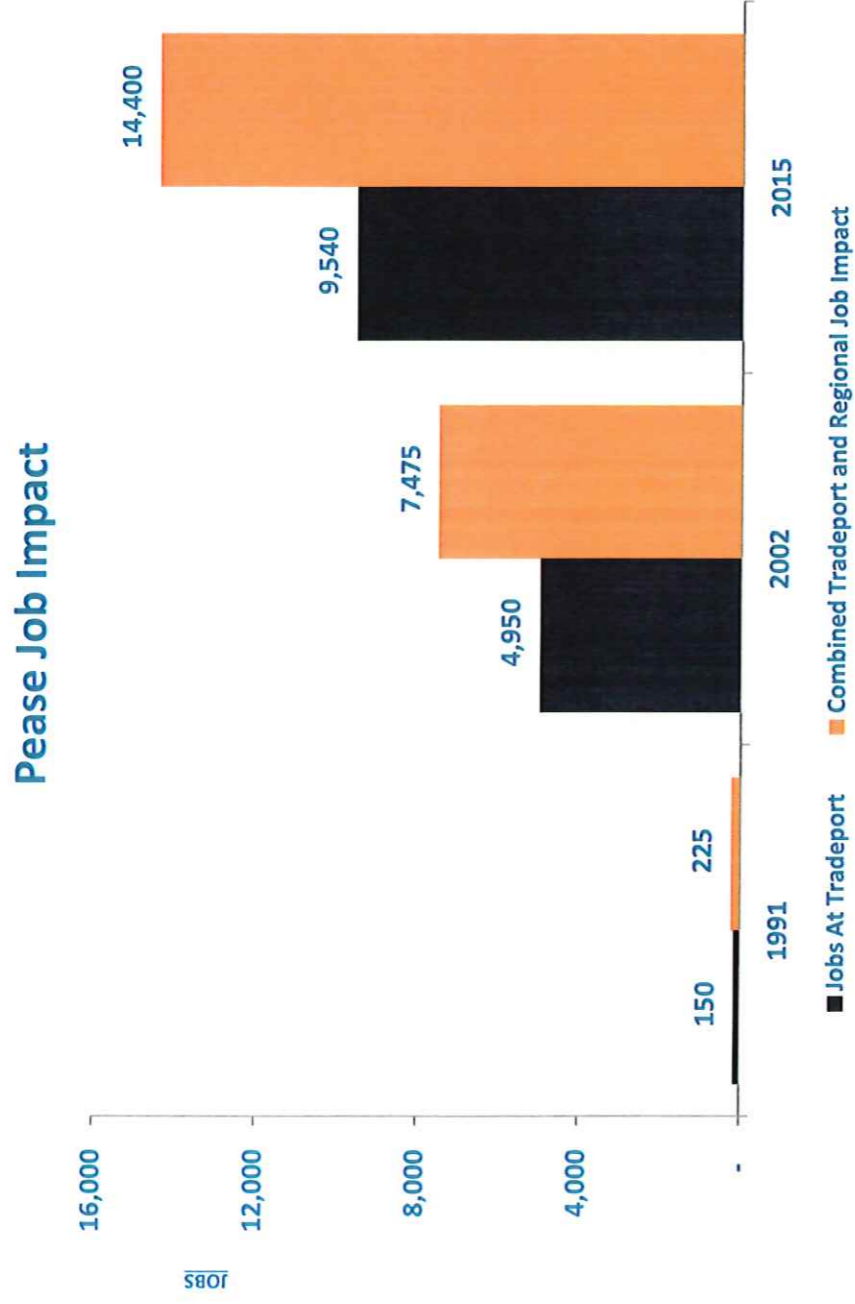
Applied Economic Research
Pease Tradeport Economic Impact 2015

Pease is Dominant Job Growth Generator in the City of Portsmouth



Applied Economic Research
Pease Tradeport Economic Impact 2015

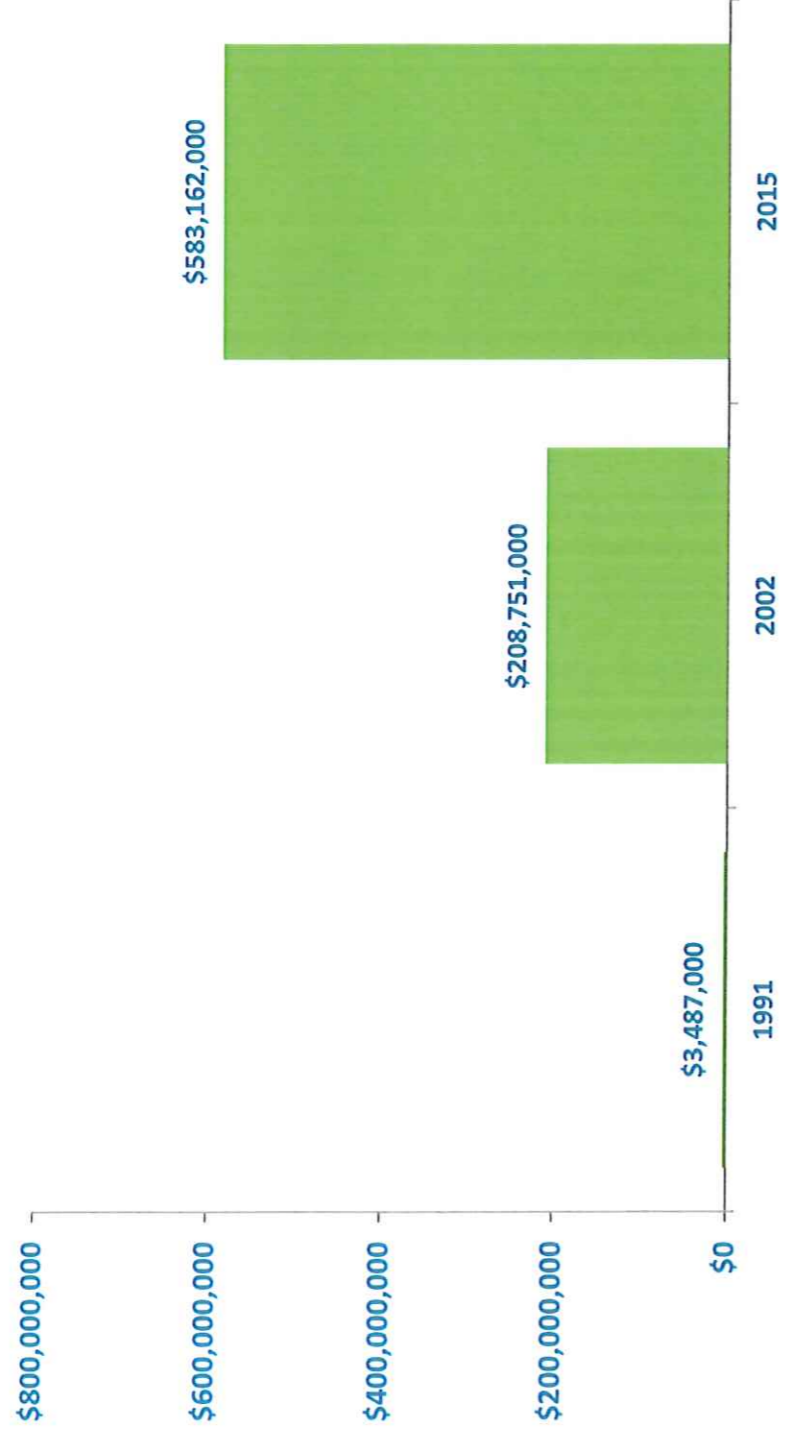
9,540 Jobs at Tradeport +1,750 Projected; 14,400 Regional Jobs Including Supported Off-Tradeport Jobs



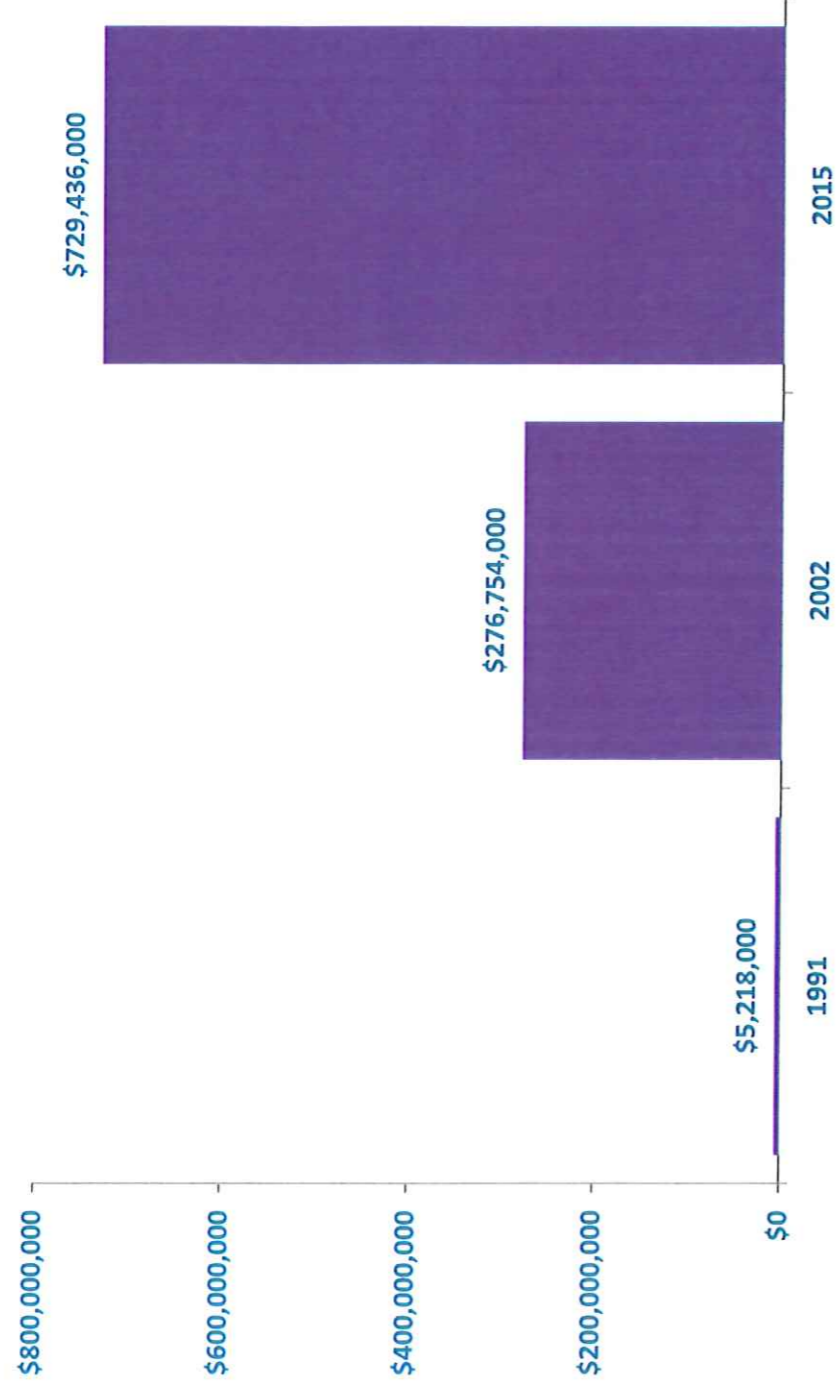
250 +/- Occupants: Tradeport Houses Diversity of Users, Large and Small

- **Manufacturing, Technology:** Sig Sauer, Lonza Biologics, Redhook Ale Brewery, Bottom Line Technologies, etc.;
- **Government:** Air National Guard, US Department of State Passport and Visa Center, etc.;
- **Educational:** Great Bay Community College, Southern New Hampshire University, University of New Hampshire, Franklin Pierce University and Granite State College;
- **Services:** John Hancock, HCA Health Services, Northeast Rehabilitation Hospital, Sun Life Financial, Marriot Residence Inn, Pierce Atwood, Five Restaurants and Food Court and Pease Golf Course, etc.;
- **Aviation/Aerospace:** PlaneSense, Seacoast Helicopters, Seacoast Aviation, Port City Air, etc.

Nearly \$600 Million in Wages Paid at the Tradeport— Nearly Triple the 2002 Figure

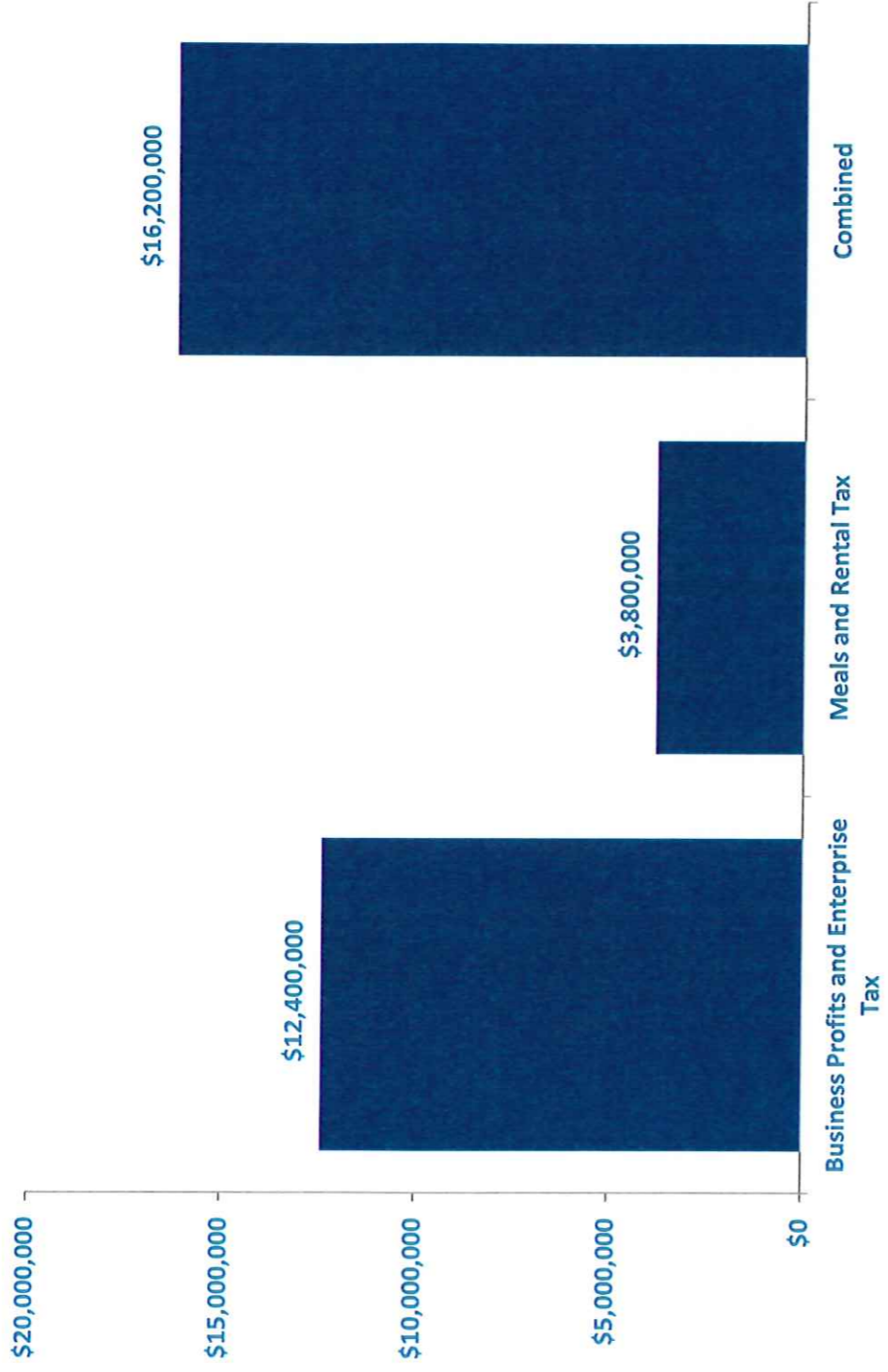


Combined Regional Wage Impact is in Excess of \$725 million

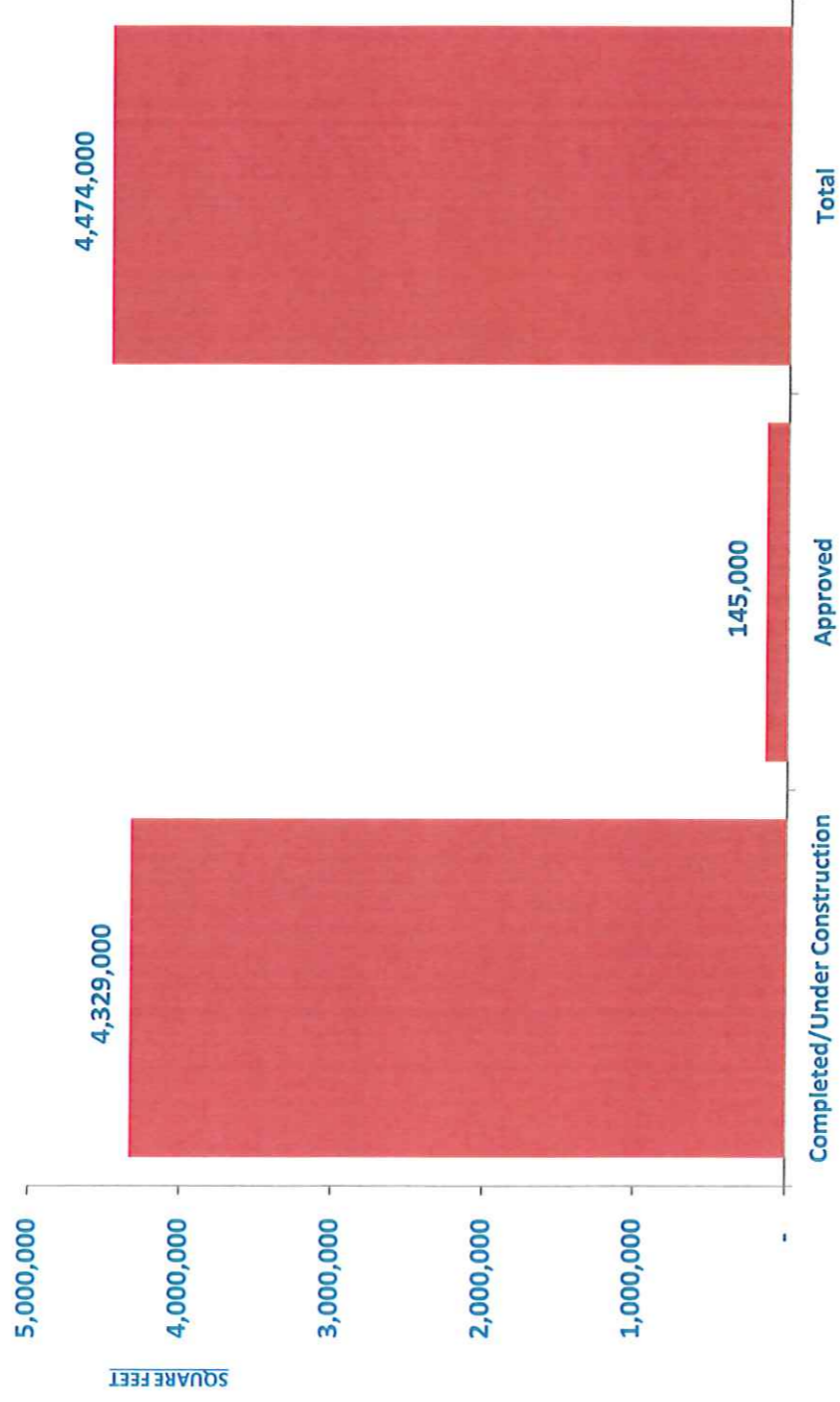


Applied Economic Research
Pease Tradeport Economic Impact 2015

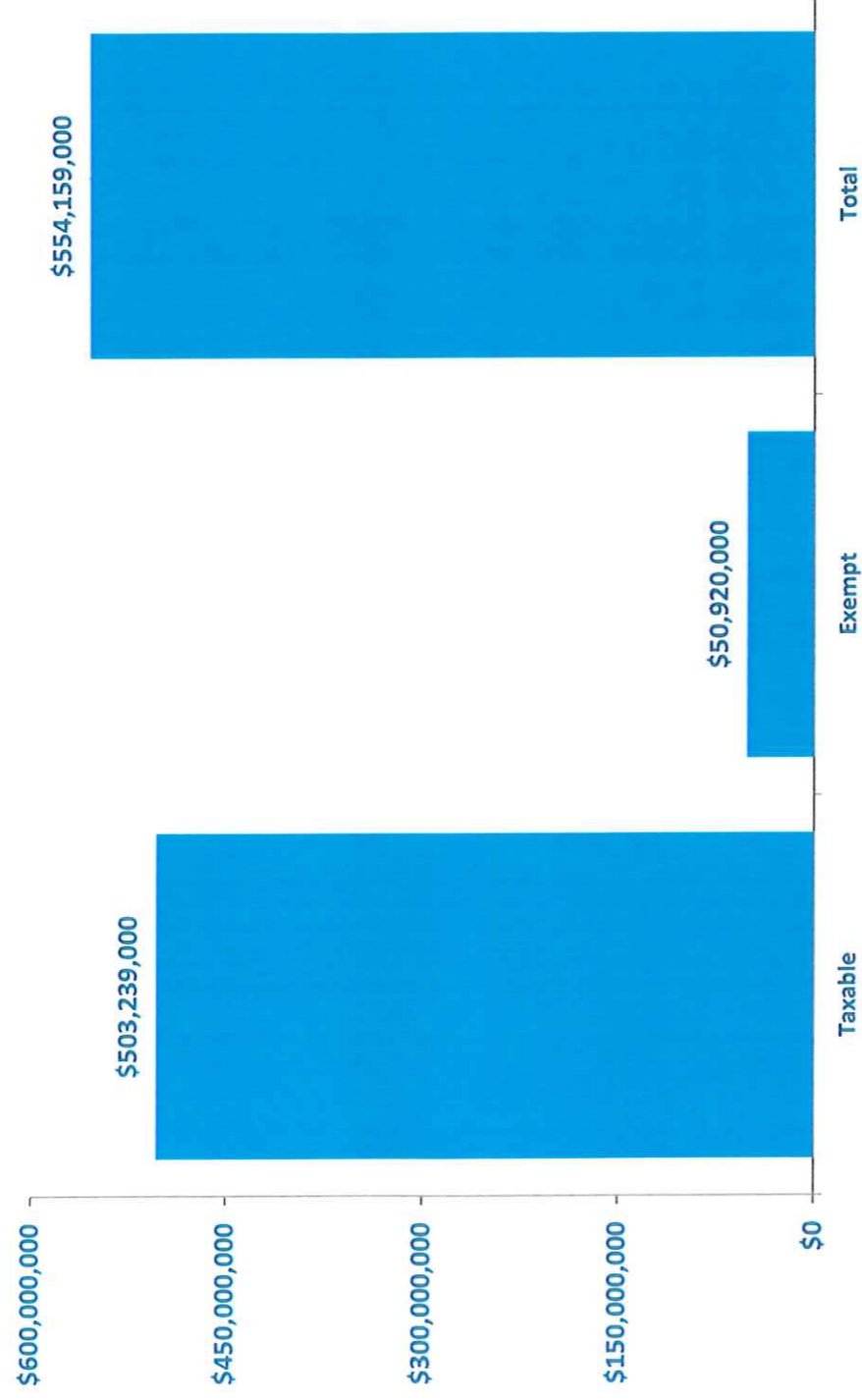
Tradeport Generates Over \$16 Million Annually in Business and Meals/Rental Taxes to the State of New Hampshire



Pease Has Nearly 4.5 Million Square Feet of Space Completed, Under Construction and Approved

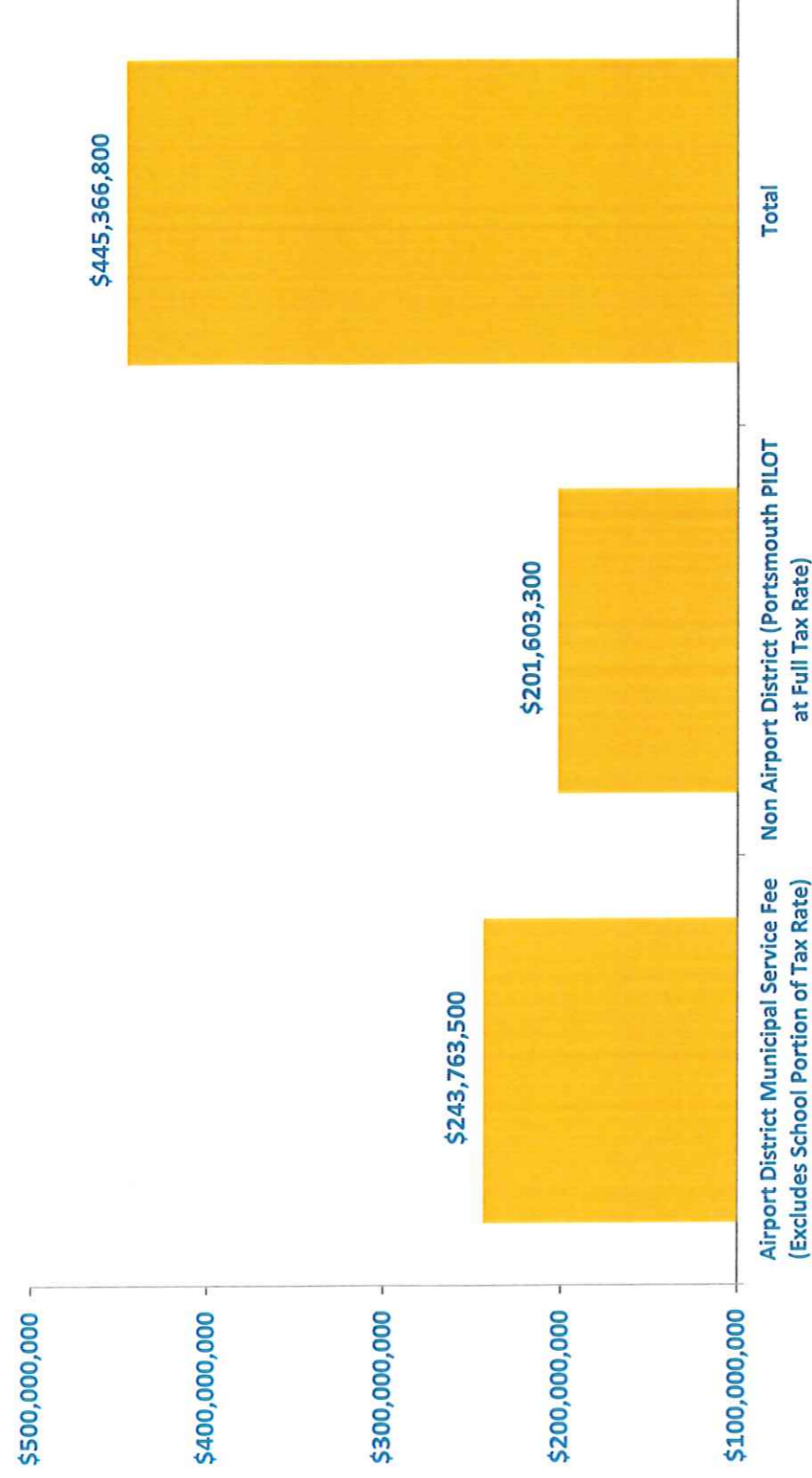


Total Taxable and Exempt Real Estate Investment at Pease Now Exceeds One-Half Billion Dollars at Market Value



Source: City of Portsmouth Assessor's Office Assessed Value Equalized to Market Value Based on 2014 Portsmouth Equalization Rate (88.5%)

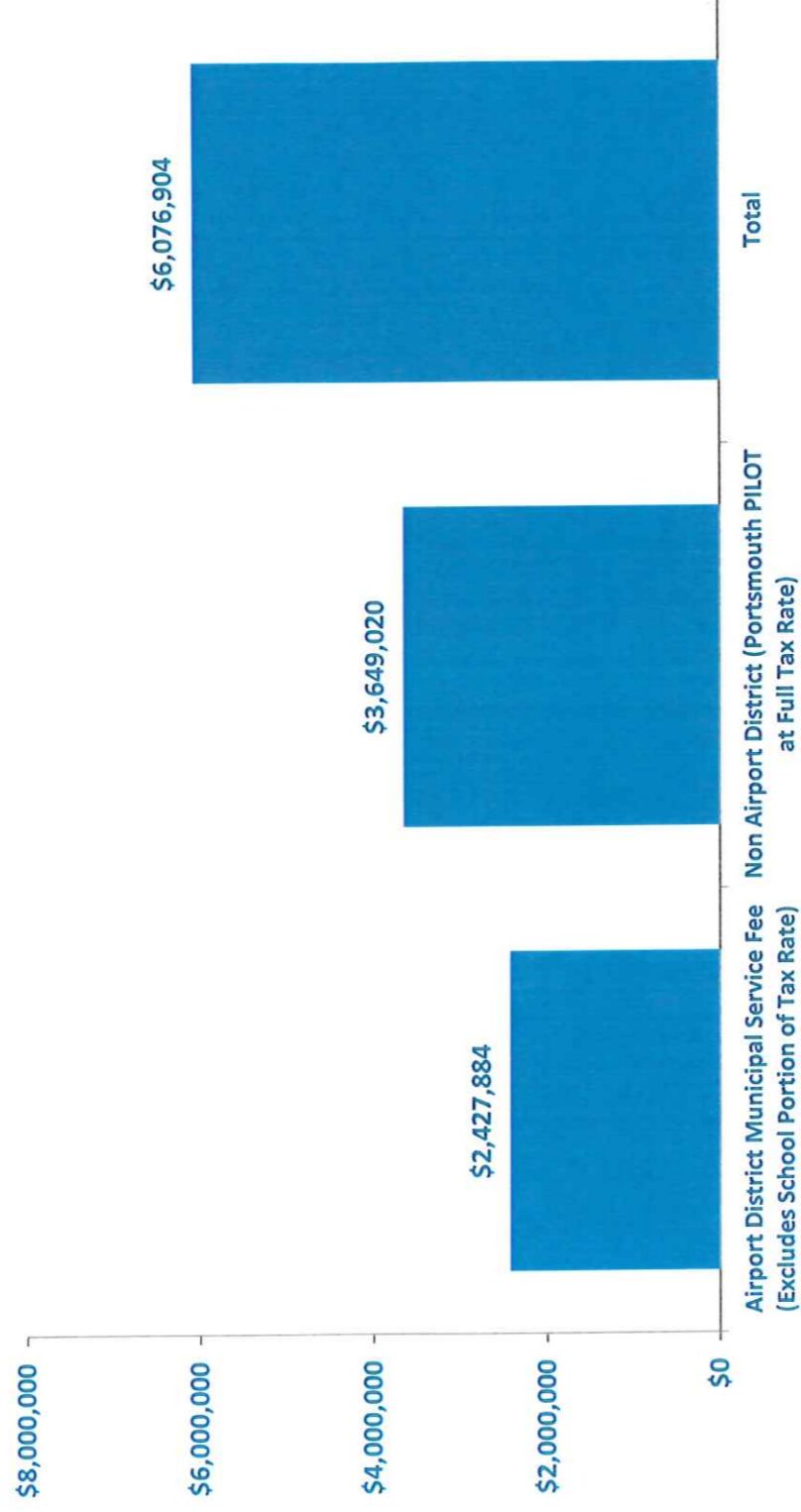
Taxable Assessed Value at Pease Is Now In Excess of \$445 million



Source: City of Portsmouth Assessor's Office

Applied Economic Research
Pease Tradeport Economic Impact 2015

Annual PILOT Revenues and Municipal Service Fees Total Over \$6 million



NOTE: "Airport District Municipal Service Fees" are paid to Portsmouth to reimburse the cost of services provided by Portsmouth to properties in Newington. These fees exclude the school portion of the tax rate.

Memorandum

To: Kim W. Hopper, A.A.E., Airport Manager

From: Sandra McDonough, Airport Operations/Community Liaison SM

Date: 6/9/2015

Subj: Noise Report for May 2015

For the calendar month of May 2015, we received a total of 25 inquiries.

Out of the 25 inquiries, 22 of them helicopter related.. All but one of the 22 helicopter inquiries pertained to based helicopters(Seacoast Helicopters). Of the 3 fixed wing related inquiries, 2 were non-based, government owned aircraft and one was an unknown piston aircraft.

The 25 inquiries were generated by 12 callers, with one caller emailing ten times. Portsmouth had 21 inquiries followed by Eliot with 2 and both Durham and Rye with one.

The PDA website's online noise form was back in service on May 15, 2015. Although it was out of service for about 2 weeks, the public could call the dedicated noise line to voice a concern.

One caller, who inquired about a non-based helicopter, complimented Seacoast Helicopters for their efforts to avoid the neighborhood just south of the airport. He even asked for an email address so that he could thank them.

Attached is the Noise Report for May 2015.

PDA Noise Report Log

For the Period: 05/01/15 to 05/31/15

#	Date	Time	Caller Information	Type	Aircraft	Narratives	Follow Up
1	5/5/2015	15:37	ID Number 157 Ruth Street Portsmouth, NH	ON	Robinson Helicopter	"Yes hi this XXX. I'm calling to complain about the red helicopter. The stuff started about, I don't know, about 40 minutes ago. It is now almost 3:45 and he has already made three passes over the house. I don't care what anybody says, if he's 500 ft., I don't believe it. And like I said 3 passes already back and forth over the house. I mean, last time he was directly over the driveway. So I know, I got a good look at him and it was the red helicopter. I don't know if you ever got the chance. You said you were going to come down during a busy time and get an idea of what this guy is doing. Today would have been a good day. There is your info so do with it with whatever you do and I'll talk to you later. Bye-bye."	Returned the call on 5/6. McDonough informed the caller that Seacoast Helicopters was in the area at that time but remained above 1000ft. McDonough also verified his altitude with ATC.
2	5/10/2015	9:30	ID number 48 Mechanic Street Portsmouth, NH	ON	Robinson Helicopter	It's about 9:30 AM and I just want to report that red helicopter has gone over our house in the last five minutes about 3-4 times. It's not just going in one direction and doing a big circle. It's coming back around in the downtown South End area. Please report this.	McDonough spoke with caller 5/11. Seacoast Helicopters confirmed that they had a tour at that time and followed FAA regulations.
3	5/10/2015	9:45	ID number 70 Mark Street Portsmouth, NH	ON	Robinson Helicopter	I'd like to issue a noise complaint about the red helicopter circling the neighborhood this morning. It's loud, very annoying and ruining a beautiful day, as usual. I also want to mention that your on-line complaint tool is not working. I got on to e-mail to info@peasecv.org to register the issue. I filled out the form, hit submit and received an error message. It would be great if you could fix that. Thank you, bye.	McDonough left a message on 5/11. No response. McDonough notified IT the online access to the complaint line was inop. The phone line solely dedicated to noise was always accessible. Normal. At no time did the phone line go down. The noise form on the PDA website was back up on 5/15.
4	5/14/2015	16:42	ID Number 13 Whitmore Rd Portsmouth, NH	ON	R44	I just had a good size helicopter with a white top and I think green or dark bottom come off your runway and flew over my house at 4:42 on Thursday, May 14. Thank you.	McDonough spoke with ATC 5/15. ATC directed the helicopter to depart, then turn directly west to provide appropriate spacing for a PC12 in the pattern. McDonough informed the caller with the information she received from the Tower. The caller expressed his appreciation for the effort Seacoast Helicopter's makes to avoid the noise sensitive neighborhood just south of the airfield.
5	5/16/2015	10:40	ID Number 125 New Castle Avenue Portsmouth, NH	ON	Robinson Helicopter	Emailed. 3 loud helicopter passes in past 10 minutes this morning.	McDonough returned call 5/18. Caller inquired about receiving data from the noise calls. McDonough informed her she could have a copy of the report. Caller does not want them at this time.

Tuesday, June 09, 2015

Page 1 of 5

TYPE KEY: AR=AM RUN-UP, PR=PM RUN-UP, MX=MAINTENANCE APU/GPU, ON=OVERFLIGHT NOISE, OL=OVERFLIGHT LOW, TGL=TOUCH AND GO LANDINGS, C=CIVILIAN, M=MILITARY, T=TRANSIENT, GPU=GROUND POWER UNIT, APU=AUXILIARY POWER UNIT, W=WEB REPORT

PDA Noise Report Log

For the Period: 05/01/15 to 05/31/15

#	Date	Time	Caller Information	Type	Aircraft	Narratives	Follow Up
6	5/16/2015	10:56	ID Number 3 Woodbury Avenue Portsmouth, NH	ON	Robinson Helicopter	I have a complaint about the red helicopter. If it's flying at 1,000 feet, it would shock me. It has gone over my house three times already. It was flying very low. I don't know if they have a new pattern (inaudible). It is the weekend and people try to do things around the house and relax. Nobody needs to listen to that all day long. I don't know how many more trips they are going to be taking around here but it's annoying. I understand the guy is trying to make a living but we would like to live our life too without listening to that all the time. Could someone give me a call. Thanks a lot.	Returned call 5/18. Seacoast Helicopters are following FAA regulations and the airport cannot control where the helicopter flies after leaving the airport.
7	5/16/2015	11:59	ID Number 70 Mark St Portsmouth, NH	ON	Robinson Helicopter	"Helicopter circling over my house. Invasion of my privacy. Harassment!!"	Returned call 5/18. Caller is wanting Seacoast to vary the tours but ultimately wants him to be unable to fly over Portsmouth.
8	5/16/2015	13:00	ID Number 165 Laurel Lane Eliot, Maine	ON	F-18	I believe perhaps this extreme sound impact we've experienced over the past 2 days could be attributable to F-18 activity. The result is ground shaking, physical impact on my property. What is the standard for jet flight path into and out of Pease and is it being followed?	McDonough left message on 5/18. No response.
9	5/21/2015	15:02	ID Number 14 Deer Meadow Rd. Durham, NH	ON	C5	At approximately 2:55 pm, there were a couple of passes of a large aircraft - not sure what it was, probably a cargo plane - over our house. It was huge and it was very low over our house. It was hard to estimate the distance. It was very low both times. Usually the approaches to the airport aren't at such a shallow depth. So it was very loud and I would appreciate a call. Thank you.	McDonough returned the call 5/22. Caller was informed that the aircraft he was referring to was a C5 from Westover. The aircraft is very large and has a very distinct noise so it may have appeared lower than it was. ATC indicated it flew normal approaches to the airport.
10	5/21/2015	15:42	ID Number 68 Miller Avenue Portsmouth, NH	ON	Robinson Helicopter	NOISE COMPLAINT 5/21/15 3:38 pm - Red helicopter directly over my house, direction E	Caller has indicated in the past that a call back is unnecessary.
11	5/21/2015	15:44	ID Number 68 Miller Avenue Portsmouth, NH	ON	Robinson Helicopters	4/30/15 4:16 pm I see that this is working again, so I will have to "catch up".	Caller has indicated in the past that a call back is unnecessary.

Tuesday, June 09, 2015

Page 2 of 5

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PDA Noise Report Log

For the Period: 05/01/15 to 05/31/15

#	Date	Time	Caller Information	Type	Aircraft	Narratives	Follow Up
12	5/21/2015	15:45	ID Number 68 Miller Avenue Portsmouth, NH	ON	Robinson Helicopter	NOISE COMPLAINT 4/22/15 4:30 pm- Red helicopter directly over my house, direction NE	Caller has indicated in the past that a call back is unnecessary.
13	5/21/2015	15:46	ID Number 68 Miller Avenue Portsmouth, NH	ON	Robinson Helicopter	NOISE COMPLAINT 5/2/15 3:31 pm - Red helicopter over Little Harbor	Caller has indicated in the past that a call back is unnecessary.
14	5/21/2015	15:47	ID Number 68 Miller Avenue Portsmouth, NH	ON	Robinson Helicopter	NOISE COMPLAINT 5/2/15 3:43 pm- Red helicopter over Little Harbor again	Caller has indicated in the past that a call back is unnecessary.
15	5/21/2015	15:48	ID Number 68 Miller Avenue Portsmouth, NH	ON	Robinson Helicopters	NOISE COMPLAINT 5/2/15 4:16 pm- Red helicopter directly over my house, direction N, circling over Market Square	Caller has indicated in the past that a call back is unnecessary.
16	5/21/2015	15:49	ID Number 68 Miller Avenue Portsmouth, NH	ON	Robinson Helicopter	NOISE COMPLAINT 5/10/15 9:31 am- Red helicopter directly over my house, direction N, circling Market Square	Caller has indicated in the past that a call back is unnecessary.
17	5/21/2015	15:50	ID Number 68 Miller Avenue Portsmouth, NH	ON	Robinson Helicopter	NOISE COMPLAINT 5/12/15 1:18 pm- Red helicopter over Market Square, direction E	Caller has indicated in the past that a call back is unnecessary.

Tuesday, June 09, 2015

Page 3 of 5

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PDA Noise Report Log

For the Period: 05/01/15 to 05/31/15

#	Date	Time	Caller Information	Type	Aircraft	Narratives	Follow Up
18	5/22/2015	17:09	ID Number 166 Harbor View Rye, NH	ON	Robinson Helicopter	We live in Rye, NH. It seems that the flight path for the helicopters that are supposed to be staying at a certain height are changing quite markedly. They used to be higher up and further up the channel of the Piscataqua River. Now they're going directly over people's homes. It is quite disruptive and they are not anywhere near 100'. You can tell that quite easily. If you'd like to call me you may. My residence is Harbor View in Rye. This has been going on for the last couple of months since they fired up the helicopters again and they've changed their paths. If you need to call me, please do. Thank you.	McDonough returned the call 5/23. McDonough informed the caller that Seacoast helicopters flies their tours at 1,000 feet. McDonough mentioned that the helicopters may not be related to helicopters that are flying out of Portsmouth.
19	5/23/2015	10:00	ID Number 125 New Castle Avenue Portsmouth, NH	ON	Robinson Helicopter	Helicopter noise over neighborhood excessive today. Between 10:00 am and 5:30 pm, I was disturbed by a minimum of 12 helicopter passes. [Was not home the entire day, so there was probably even more helicopter traffic than I observed.]	McDonough left a message 5/25. No response.
20	5/25/2015	18:14	ID Number 13 Whitmer Portsmouth, NH		Piston aircraft	It's Monday the 25th at 6:09 and a small white aircraft took off from the runway and flew right over my house.	McDonough returned the call 5/29. McDonough waited to hear back from ATC before returning the call. McDonough did not have any information to report because the aircraft did not have a flight plan and the Air traffic Control Manager was on vacation.
21	5/27/2015	17:10	ID Number 75 Mark Street Portsmouth, NH	ON	Robinson Helicopters	Emailed. More buzzing over the Middle School which is still full of kids. Banked to create more noise.	McDonough left a message on 5/28. No response.
22	5/27/2015	17:10	ID Number 68 Miller Avenue Portsmouth, NH	ON	Robinson Helicopter	Emailed. NOISE COMPLAINT - Red helicopter directly over my house, direction E.	Caller has indicated in the past that a call back is unnecessary.

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PDA Noise Report Log

For the Period: 05/01/15 to 05/31/15

#	Date	Time	Caller Information	Type	Aircraft	Narratives	Follow Up
23	5/28/2015	9:04	ID Number 56 Beech Road Eliot, ME	ON	Robinson Helicopter	Emailed. That darn red helicopter is on it's 5th flight over my house. I work from home and this is annoying. I believe they are practicing landing at the Eliot airport but since this guy has gotten into the helicopter business, he has been flying over our house all the time. Go four somewhere else, there is nothing to see in Eliot.	Returned call 5/28. Caller wants Seacoast helicopters to fly somewhere other than The airport near her house. Caller says there is nothing to see in Eliot.
24	5/28/2015	11:31	Number 75 Mark Street Portsmouth, NH	ON	Robinson Helicopter	Three loud passes over the Middle School with a steep bank on one for maximum noise. Emailed. Don't fly over populated areas or schools. Change you flight pattern, it's the same every time.	Left message 5/29. No response.
25	5/30/2015	17:48	ID Number 68 Miller Avenue Portsmouth, NH	ON	Robinson Helicopter	Emailed. NOISE COMPLAINT - Red helicopter flying low over Dennett St., direction SW	Caller has indicated in the past that a call back is unnecessary.

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MOTION

Director Preston:

The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$9,052.87 for legal services rendered to the Pease Development Authority by:

1. Anderson & Kreiger, LLP \$9,052.87
Through April 30, 2015

N:\RESOLVES\Legalservices0615.wpd

**ANDERSON
KREIGER**

Anderson & Kreiger LLP
One Canal Park, Suite 200
Cambridge, MA 02141
(617) 621-6500
EIN: 04-2988950

May 18, 2015

Pease Development Authority
Lynn Marie Hinchee, General Counsel
360 Corporate Drive
Portsmouth, NH 03801

Reference # 112580 / 1047-4136

In Reference To: Federal Regulatory Advice

Payments


2/18/2015	Payment	ck#014833	513.83
3/23/2015	Payment	ck#015134	95.00
Sub-total Payments:			<u>608.83</u>

Total Current Billing:	<u>9,052.87</u>
Previous Balance Due:	0.00
Total Now Due:	<u>9,052.87</u>

PLEASE NOTE: ALL BALANCES DUE WITHIN 30 DAYS

MEMORANDUM

To: Pease Development Authority Board of Directors

From: David R. Mullen, Executive Director 

Date: June 15, 2015

Re: Waiver of Wharfage and Dockage Fees

In accordance with the "Delegation to Executive Director: Consent and Approval for the Waiver of Wharfage, Dockage and Related Fees for Qualified Non-profit Organizations Using Facilities of the Division of Ports and Harbors adopted by the Board on June 27, 2002, I am advising the Board of the waiver of the wharfage and dockage fees in connection with the visit of thistoric sailing vessels, that will be berthed at the Portsmouth Commercial Fish Pier and open for visits by the public on July 22 - 26, 2015.

The Delegation to Executive Director: Consent and Approval for the Waiver of Wharfage, Dockage and Related Fees for Qualified Non-profit Organizations Using Facilities of the Division of Ports and Harbors provides that:

"A request for the waiver of wharfage, dockage and related fees submitted for consideration in connection with this delegation of authority shall not be consented to, approved or executed unless all of the following conditions are met:

1. The submission of satisfactory proof, if requested, that the organization seeking the waiver of fees is a non-profit organization;
2. That the use of the facilities of the Division of Ports and Harbors will not interfere with or preclude revenue generating operations during the same time period as the non-profit organization's event is scheduled to take place;
3. That the proposed use is beneficial to the economy, environment and quality of life for the seacoast region and the State; and
4. The consent of one member of the Board of Directors is sought in advance of issuing the waiver.

Conditions one through three have been met. Condition four of the Delegation to Executive Director: Consent and Approval for the Waiver of Wharfage, Dockage and Related Fees for Qualified Non-profit Organizations Using Facilities of the Division of Ports and Harbors requires the consent of one member of the PDA Board of Directors. In this instance, Director Loughlin was consulted and granted his consent.

P:\PortAuthority\PMCSAILS\TallshipsWaiver0615.wpd

PISCATAQUA MARITIME COMMISSION
Po Box 545
Portsmouth, NH 03802-0545

15 May 2015

Mr. Geno Marconi
Director
Division of Ports and Harbors
555 Market Street
Portsmouth NH 03801

Dear Mr. Marconi:

The Piscataqua Maritime Commission (PMC) requests a right of entry (ROE) for the Commercial Fish Pier on Peirce Island for the purpose of hosting a public Tall Ships event 22-26 July, 2015

The PMC is a 501C3 non-profit organization dedicated to the education and promotion of the public regarding the rich and varied Maritime History of the Piscataqua River Basin through education programs and projects. The most visible work of the Commission is recruiting and hosting visits of sailing Tall Ships. The PMC is proud to inform you that we have secured a visit from the Andalucía.

In the interests of conducting an historical community and regional event, the PMC would request a waiver of wharfage and dockage fees relative to the visit of the above vessels. The PMC would also agree to comply with all other terms and conditions deemed appropriate by the PDA.

Respectfully Submitted,

Chad Chadwick
Chairman
Piscataqua Maritime Commission
Portsmouth NH
(603) 379-2147
achad21396@hotmail.com

MOTION

Director Allard:


The Pease Development Authority Board of Directors hereby approves of and authorizes:

- a. the sale of the Rye Harbor Lobster Pound concession building located at the Rye Harbor Marine Facility from Arthur Splaine to Nathan Hanscom; and
- b. the assignment of the Right of Entry issued to Arthur Splaine dba Rye Harbor Lobster Pound to Nathan Hanscom dba Rye Harbor Lobster Pound;

all in accordance with the memorandum of Geno Marconi, Division Director, dated June 9, 2015 attached hereto.

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TO: Pease Development Authority
Board of Directors

FROM: Geno J. Marconi, Director, Port Director 

DATE: June 09, 2015

SUBJECT: Rye Concession Transfer

The Division has received a request from Arthur Splaine, d.b.a. "Rye Harbor Lobster Pound", to transfer his Right of Entry (ROE) for his concession building located at the Rye Harbor Marine Facility to Nathan Hanscom, d.b.a. "Rye Harbor Lobster Pound", for the purpose of retail sales of live lobsters and shellfish associated with his fishing business. Mr. Splaine is selling the building to Mr. Hanscom. Attached is a lot map showing the location.

The Division has reviewed the request and recommends to the PDA Board of Directors, the approval of the transfer of the ROE from Mr. Splaine to Mr. Hanscom.

May 11, 2015

Mr. Nate Hanscom
91 Gulf Road
Derry, NH 03038-5933

I, Arthur Splaine, have sold the property at 1870 Ocean Boulevard,
noted as Map/Parcel #012091004000 (2014 tax bill # 003159-003228) on the Town of Rye,
NH Real Estate bill to Nate Hanscom.

Agreed to:



Arthur Splaine

81 Cable Road
Rye, NH 03870



Nate Hanscom

91 Gulf Road
Derry, NH 03038



Google earth



MOTION

Director Torr:

The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$1,073.00 for legal services rendered to the Division of Ports and Harbors by:

- | | |
|---|------------|
| 1. Sheehan Phinney Bass + Green
Through April 30, 2015 | \$1,073.00 |
|---|------------|

N:\RESOLVES\LegalServicesDPH0615.wpd

SHEEHAN PHINNEY BASS + GREEN,
PROFESSIONAL ASSOCIATION
1000 ELM STREET
P.O. BOX 3701
MANCHESTER, NH 03105-3701

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Regulatory Issues Relatng to Port Operations

CLIENT/CASE NO. 14713-16200
BILLING ATTORNEY: Robert P Cheney

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$1,073.00
TOTAL EXPENSES:	\$0.00

TOTAL THIS BILL:	\$1,073.00

PREVIOUS BALANCE:	\$290.00

TOTAL BALANCE DUE:	\$1,363.00

PAYMENT DUE 30 DAYS FROM INVOICE DATE

Please return this page with your remittance and
please reference the client/case number on all
related correspondence.

AMOUNT PAID... \$ _____