

Place: 55 International Drive –Board Conference Room

Watch Meeting Via Live Stream: [https://townhallstreams.com/towns/pease\\_dev\\_nh](https://townhallstreams.com/towns/pease_dev_nh)

**BOARD OF DIRECTORS' MEETING**

**AGENDA**

- I. Call to Order / Roll Call:**
- II. Acceptance of Meeting Minutes: Board of Directors' Meeting of May 19, 2022 \* (Parker)**
- III. Public Comment:**
- IV. Old Business:**
  - A. Approval:
    - 1. Aviation Avenue Group LLC - Option Agreement Extension and Amendment \* **(Levesque)**
    - 2. North Forty Group LLC – Option Agreement Extension and Amendment \* **(Fournier)**
- V. Employee Recognition\*:**
- VI. Finance:**
  - A. Executive Summary \*
  - B. Reports:
    - 1. FY2022 Financial Report for the Ten Month Period Ending April 30, 2022 \*
    - 2. Cash Flow Projections for the Nine Month Period Ending February 28, 2023 \*
  - C. Approvals:
    - 1. Proposed FY 2023 Operating and Maintenance Budget and FY 2024 - FY2026 Forecast \* **(Ferrini)**
- VII. Licenses/ROEs/Easements/Rights of Way:**
  - A. Reports: \*
    - 1. Harry Mudd Enterprises 2, Inc. d/b/a YAP Films – Portsmouth International Airport at Pease – Videotaping / Audio Recording Certain Scenes in Connection with the Filming of “Tao of Trek”
    - 2. Jalbert Leasing, Inc. d/b/a C & J Bus Lines – Right of Entry – 42 Durham Street
  - B. Approval:
    - 1. Enterprise Rent-A-Car Company of Boston, LLC–Concession Agreement \* **(Lamson)**

**VIII. Leases:**

A. Reports\*:

1. Sublease between 166 Corporate Drive, LLC to Lonza Biologics – 164 Corporate Drive
2. Galileo RMF LLC – Exercise of First Lease Extension Option – 139 Flightline Road
3. Delos, LLC – 115 Flightline Road - Snow Plowing Agreement

B. Approvals:

1. 68 New Hampshire Avenue LLC – Lease Amendment # 5 \* **(Anderson)**

**IX. Contracts:**

A. Reports \*:

1. Skyhaven Airport – Jacobs Engineering
2. Rye Harbor – Waterline Installation

B. Approvals:

1. Portsmouth International Airport at Pease (“PSM”) Terminal – Otis Elevator Company – Escalator Maintenance \* **(Parker)**
2. Corporate Drive – City of Portsmouth - Drainage Work \* **(Ferrini)**
3. PSM - Hi-Lite Airfield Services -Runway Rubber Removal \* **(Fournier)**
4. Retroactive Approval for Price Increase to Zero Turn Mower approved on April 21, 2022 \* **(Anderson)**

**X. Signs:**

A. Approvals:

1. Lonza – 101 International Drive \* **(Lamson)**

**XI. Executive Director:**

A. Reports:

1. Golf Course Operations \*
2. Airport Operations \*
  - a) Portsmouth International Airport at Pease (PSM)
  - b) Skyhaven Airport (DAW)
  - c) Noise Line Report
    - (i) May, 2022 \*

B. Approvals:

1. Bills for Legal Services \* **(Ferrini)**
2. Land Use Control Amendments \* **(Levesque)**
3. Fuel Flowage Fee \* **(Fournier)**
4. Assistant Port Director – Division of Ports and Harbors \* **(Anderson)**
5. Staff Engineer – Pease Development Authority \* **(Parker)**

**XII. Division of Ports and Harbors:**

A. Reports:

1. Commercial Mooring for Hire – Kittery Point Yacht Club \*
2. Commercial Mooring Transfer – Krajewski to Warpula \*
3. Commercial Mooring Transfer – Goethel to Fisher \*

4. Commercial Mooring Transfer – Worcester to Gray \*
5. Right of Entry – Andy Widen dba Ray’s Seafood (name change) \*
6. Portsmouth Fish Pier – Change Order #10 \*
7. Rye Harbor - Harbormaster Position \*
8. Board Review of Rye Harbor Right of Entry Waiver – Police Detail \*

**B. Approvals:**

1. Right of Entry - Independent Boat Haulers – Rye Harbor Marine Facility\* **(Lamson)**
2. Right of Entry – Northeast Fishery Sector XI - Portsmouth Fish Pier – Office Rental \* **(Levesque)**
3. Morton Salt – Deferment of Minimum Annual Guaranteed Revenue Payment \* **(Anderson)**

**XIII. New Business:**

**XIV. Special Event:**

**A. Report: \***

1. Veterans’ Run 5k/10k Road Race to be held on July 4, 2022

**XV. Upcoming Meetings:**

Executive Committee	TBD
Port Committee	July 7, 2022 @ 8:00 a.m.
Board of Directors	August 18, 2022 @ 8:30 a.m.

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


**XVI. Directors’ Comments:**

**XVII. Non-public Session: \* (Ferrini)**

**XVIII. Vote of Confidentiality: \* (Levesque)**

**XIX. Adjournment:**

**XX. Press Questions:**

- \* Related Materials Attached
- \*\* Related Materials Previously Sent
- \*\*\* Related Materials will be provided under separate cover
- + Materials to be distributed at Board Meeting
-  Confidential Materials



**MOTION**

Director Parker:

I make a motion to approve the minutes of the Pease Development Authority Board of Directors meeting dated Thursday, May 19, 2022.

**NOTE: Roll Call vote required.**



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

Thursday, May 19, 2022

Presiding: Thomas G. Ferrini, Treasurer – Acting Chair  
 Present: Erik Anderson; Steve Fournier; Margaret F. Lamson; and Susan B. Parker  
 Absent: Stephen M. Duprey, Chairman and Neil Levesque, Vice Chair  
 Attending: Paul E. Brean, Pease Development Authority (“PDA”) Executive Director; Anthony I. Blenkinsop, Deputy Director / General Counsel; Maria Stowell Engineering Manager; Suzy Anzalone, Finance Director; Geno Marconi, Division of Ports and Harbors (“DPH”) Director; Scott DeVito, Pease Golf Course General Manager; Greg Siegenthaler, IT Director; Andrew Pomeroy, Manager, Aviation Planning & Regulatory Compliance and Raeline A. O’Neil, Legal Executive Assistant

**AGENDA**

**I. Call to Order:**

Acting Chairman, Treasurer, Ferrini (“Ferrini”) called the roll and the meeting to order at **8:00 a.m.**

**II. Non-public Session:**

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

1. Consideration of Legal Advice provided by Legal Counsel [NH RSA 91-A:3, II (l)]; and
2. Consideration of whether to disclose minutes of Non-Public Session [NH RSA 91-A:3, II (m)].

Discussion: None. Disposition: Resolved by **unanimous** roll call vote (4-0) for; motion **carried**.

The non-public discussions commenced at **8:01 a.m.**

*Director Anderson arrived to the meeting at 8:07 a.m.*

Director Fournier **moved** the **motion** and Director Lamson **seconded** that the Board come out of Non-Public at **8:21 a.m.**

Director Parker **moved** the **motion** and Director Fournier **seconded** that the Board recess until **8:30 a.m., at which time the public session commenced.**

### III. Vote of Confidentiality:

Director Fournier moved the motion and Director Lamson seconded that be it resolved, pursuant to NH RSA 91-A:3, the Pease Development Authority Board of Directors hereby determines that the divulgence of information discussed and decisions reached in the non-public session of its May 19, 2022, meeting related to the consideration of legal advice from legal counsel and discussion of sealed meeting minutes are confidential matters which, if disclosed publically, would render the proposed actions ineffective and further agrees that the minutes of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply.

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

#### Recommendation to Unseal Non-Public Minutes of November 18, 2021 with exception:

Director Fournier moved the motion and Director Lamson seconded to unseal the Non-Public minutes of the November 18, 2021, of the Pease Development Authority meeting, with exception of the material in item number 1, as the circumstances for sealing those portions of the meeting minutes no longer apply.

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

Ferrini indicated the unsealed minutes would be placed on the website by Friday, May 20<sup>th</sup>.

Ferrini entertained a motion to take the agenda out of order to have the report from the Potential Air Cargo Development group prior to public comment. After which Ferrini indicated public comment would follow.

Director Fournier moved the motion and Director Lamson seconded to suspend the rules to bring forward agenda item *VI. A. 1. Potential Air Cargo Development – Status Update by Developers for its report.*

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

#### Old Business:

##### A. Report:

##### 1. Potential Air Cargo Development – Status Update by Developers

John Stebbins of PROCON and John Kane of Kane Company provided an update to the Board and community regarding their progress to date regarding the two option agreements (North Forty and Hangar 227 / NH Avenue / Lee Street). Spent the last four months performing due diligence on the two sites, but after speaking with various brokers discovered Air Cargo is not the right fit for both PROCON / Kane and the community regarding the two locations. Therefore, focus has pivoted and will be requesting an extension to the two Option Agreements. Anticipates being back before the

Board in June, or later, to review proposals for the two sites.

Stebbins spoke to a presentation displayed on the screen in the Board room outlining what has been done to date and next steps.

Kane indicated all of the work which has been performed over the past several months, including engaging a brokerage group, have been critical to the next step which would be working with an end user. Kane stated they are at the stage of working with a handful of potential end users that the community, Portsmouth and the developers would love to attract to the area. The developers are working on a building to accommodate one or more potential tenant(s) they are dealing with. Kane stated they have been reaching outside of the geographic area; have been dealing with brokers and directly with potential end users which has provided a lot of interest.

Stebbins spoke to additional items referenced in the presentation, the next steps of continuing with the end user / tenant discussions; stated this will be a long and public process before anything is finalized. Prior to commitments being made, will be back before PDA and ask for permission to do the work. Stebbins indicated there is still a lot of work to be completed. Stebbins again reiterated that Air Cargo does not work for PROCON / Kane for these sites as it would demand so much apron space that is not available; don't believe it is the best fit for the community.

Kane indicated that the aviation use is a very niche submarket and are focusing on aeronautical uses, besides air cargo.

Stebbins stated interest shown in aeronautical research and development, as well as manufacturing; there is a need for advanced manufacturing in the area. Stebbins indicated they will be asking the Board for a release from Hangar 227 portion of the Option Agreement maintaining the NH Avenue location and it would fit within the zoning for this location.

Kane indicated the developers have established to end users that they have great real estate, the capabilities to see it through and have put this on the map.

Stebbins indicated a request for an extension to both options for an additional six months and an amendment to each option, replace the current language which only allows for Air Cargo and distribution in order to open up other possibilities which would be allowed under zoning at the two sites. Also requesting a modification to the Option Agreement at 14 Aviation Avenue to remove Hangar 227 and the aviation component.

Ferrini thanked the developers for the update and indicated the Board would not be voting on any of option requests as this is a presentation to update the Board and the community.

Director Fournier ("Fournier") stated this was the process that was agreed to months ago. The developer has done its due diligence and returned to the Board with information. Thanked them for providing the information publically, not working within a bubble, working with the community and listening to the Board. Contrary to what has been said many times in the public and aimed toward the Executive Director that the Board was doing things behind closed doors. This information is the information we all have. The developers performed its due diligence, determined it wasn't the way to



go and then pivoted. The extension will be reviewed whenever the developers are ready to come back before the Board in the next month or so.

Director Lamson (“Lamson”) thanked the developers for the update and explained to all why this was allowed; the Tradeport was a “public benefit transfer”. It is owned by the State of NH and when a business approaches PDA we meet with them. Indicated she felt from what she has heard and the information being provided by the developers, there is still room for cargo; Kane indicated not really. Lamson reminded the developers that the North Apron abuts the oldest town forest in the United States which is located in Newington.

Kane stated they are not saying someone couldn’t do air cargo there, rather PROCON / Kane is not focused on that at all. Stebbins assured Lamson the developers are not focused on air cargo. Kane spoke to conversations had with potential end users and the impact air cargo could have on the site and community. The developers have determined it is not the highest and best use of the property for them and they are going to focus on what has just been described.

Director Anderson (“Anderson”) spoke of the elimination of the terminology of air cargo, which prior to the presentation, has caused a lot of angst and controversy among the communities. Where an end user has been kept confidential, is the current potential end user(s) planning any aeronautical activity (asked if changing air cargo language). Kane indicated activity would be de minimis; they are competing with other sites. Stebbins indicated there are two types of potential end users being discussed. The potential end users for the North Forty have to have an airside component in order to develop on that property, per FAA regulations. For the NH Avenue parcel they do not have to have aviation requirements. Anderson indicated until the end user is released then the public can have more of an understanding of what the potential activity will be; it would behoove the developers to make that known as soon as possible. Kane indicated now, everyone they are talking too, are exceedingly low impact. Anderson asked with elimination of Hangar 227, the previous proposal spoke to building a new maintenance facility for PDA. Stebbins indicated that as part of that area the developers would still maintain the option on the Lee Street garage and they would facilitate the new building for Maintenance; haven’t gotten any further with the development at this time.

Executive Director Brean (“Brean”) clarified that the correspondence received regarding the pivoting of the project and the original option agreement focused on the 11 acre NH Avenue parcel to support an aeronautical component. Brean made it clear that as part of the pivot they are taking that out of any aeronautical use to what it is zoned for now which is Commercial / Business (sic **Industrial Zone**).

Fournier indicated the presentation is an overview and the developers are asking for additional time to do its due diligence and this is not the time for us to question what will be developed. Before the Board starts to question the project, he wants to see documentation why things are being done.

Director Parker (“Parker”) asked of the timing, as she understood the first option was signed on or about February 1<sup>st</sup> and lasts for six months; Deputy Director / General Counsel Blenkinsop affirms. Parker thanked the developers for advising of the midcourse correction after finding out that the first course of direction was not 100% in the right way.

Ferrini passed the gavel to Lamson.

Being recognized, Ferrini asked if the developers are engaging in outward facing advertisement and to the extent it is available (website or trade) would it be possible to receive that information, so the Board can see where inquires have been directed. Stebbins and Kane affirmed.

Lamson passed the gavel to Ferrini to continue the meeting.

#### IV. Acceptance of Meeting Minutes: Board of Directors' Meeting of April 21, 2022

Director Anderson **moved** the **motion** and Director Lamson **seconded** to approve the minutes of the Pease Development Authority Board of Directors meeting dated Thursday, April 21, 2022.

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

Ferrini reiterated that the minutes which were unsealed were the minutes from the meeting the Board had with PROCON / Kane (on November 18, 2021) at that time and those will be available within 24 hours.

#### V. Public Comment:

Ferrini indicated the speakers are requested to keep public comments to three minutes per speaker.

***Mike Lehrman (Durham)*** – Today's update from the developers has clarified their intentions. Still concerned regarding air cargo (referenced East / West Aviation). Developers letter seeks to modify the lease options by removing exclusionary use and replacing with broad general language (i.e.; comply with underlying zoning, which includes air cargo). Developers indicated their focus is not air cargo, inquired of the removal from the option of the language regarding air cargo from the development option.

***Rick Miller (Rye Harbor)*** – Concern regarding the language of the North Forty as it is ambiguous and the potential threat to the environment / quality of life in the Seacoast with air cargo specifically. Welcomed the intent of the developers not to pursue air cargo and applauded the contacts made in an effort to draw high quality research and development in aeronautical engineering and manufacturing. Spoke to concerns regarding Eric Robinson ("Robinson"), representing East West Aeronautical ("EWA"), who is intent on proposing air cargo development on the same properties provided in the options to PROCON / Kane. Indicated through local media and publications (aeronautical / air cargo trade journals), Robinson has indicated they are moving ahead with an air cargo facility (being depicted as though a done deal). Wondered if a proposal from Robinson complicates matters.

***Eric Robinson / Scott Webster (East / West Aviation)*** – Robinson stated a proposal has not yet been submitted to PDA regarding its intent to move forward with cargo. When they do, it will address many issues. Have been working on this for over two years, know the issues and believe can provide satisfactory answers. Robinson indicated they are not developers, they are aeronautical people, who

will have a construction company answer questions (i.e.; environment, site plans, structure of the building, etc.). Moving forward on the North Forty would be their preference with Air Cargo, but are looking at an alternative site (Alpha Delta Taxiway). However, should PROCON / Kane abandon the North Forty, EWA would like to continue with North Forty. Scott Webster indicated the proposal would also contain mitigation information concerning noise, pollution, sensitivity to the surrounding forest etc. Robinson indicated all concerns can be addressed technologically, but when it comes to politics it is unclear.

*Todd Selig (Town of Durham Administrator)* – Spoke to correspondence sent from Town of Durham outlining concerns. Understood PDA has a process to follow and while the past few months have been hard on the Board, it has been difficult for the community as well. Spoke to PDA’s mission and further indicated PROCON / Kane are well-known and respected developers. Appreciated the developers indication that air cargo was not a good fit for them, or the communities; Town of Durham agrees. Stated concern continues as Robinson indicated a continued interest in air cargo. Air cargo is not a good fit for the facility or the Seacoast. Encouraged the Board to go through extraordinary lengths in the process, so any air cargo proposal is fully vetted by impartial consultants to provide confidence that such proposals would not be an issue.

*Keri Roman (Rye)* – Commented on Option Agreements and how they seem to allow developers to do their due diligence before the Directors know what is before them. Have the ability to exercise the option for a lease with little ability for the Directors / PDA to decline or get out of it. Given EWA will likely be requesting an Option Agreement, asked for a closer look at the Option Agreements and the process. Roman was generalizing all Option Agreements and not any one specific. Further, she could be reading it wrong as she is not an expert, but wanted to make sure the Board has the ability to back out of the agreement the way they think they do. Thanked the developers for listening to the community.

## VI. Old Business:

### A. Report:

#### 1. Potential Air Cargo Development – Status Update by Developers

*This item was taken out of order and heard earlier in the meeting.*

### B. Approval:

#### 1. Rye Harbor – Right of Entry Waiver for 2022 Season – Tables

Director Parker **moved** the **motion** and Director Lamson **seconded** that the Pease Development Authority (“PDA”) Board of Directors authorizes the Rye Harbor Lobster Pound (“RHLP”), as an element of the Rye Harbor Marine Facility Right-of-Entry (“RoE”) waiver granted by the PDA Board at its April 21, 2022, meeting, to utilize a standing bar directly in front of the RHLP building, as well as one (1) picnic table located directly in front of the lobster tank building, for a total seating capacity not to exceed ten (10) individuals, and further, RHLP, shall limit its table / outside food and beverage service by its employees and agents to these specific locations; all in accordance with the memorandum of Paul Brean, Executive Director, dated May 11, 2022.



Discussion: Anderson spoke of a potential motion to amend; Ferrini asked Anderson to speak to what he is referring to and it can be decided if it should be amended. Anderson indicated the seating capacity at the facility should be zero and would offer that type of language to be reflected in the motion. At the last meeting, granting the waiver, discussions concerning congestion created a variety of concerns. Even the owners of RHLP indicated they wanted maintain the fact that they have expanded from their original RoE for the type of food served, not for seating. A one year waiver was granted without consideration to seating and it is inappropriate to allow seating for restaurant style operation, which would be well beyond RHLP's RoE conditions.

Ferrini indicated that before making a motion, if Anderson were to vote against the motion he would get the result previously discussed.

Anderson indicated he would like it to be clearly specific.

Ferrini indicated he thought [an amendment] would make it less clear. The motion grants the picnic table and a seating capacity not to exceed 10 individuals. If Anderson votes against the motion, they will have the waiver, but the additional amount of use would be voted down. Blenkinsop affirmed.

Blenkinsop stated for clarity, the motion was drafted this way in an attempt to recognize the number of seats which were recognized last year (picnic table in front of one building and standing bar in front of the other). There is an additional element to make abundantly clear that table service (waiter / waitress) outside of the physical premises of the RHLP shack itself could not occur anywhere else, last year there was service at other locations within Rye Harbor Marine Facility. The drafted motion is to clarify the table seating limits and that RHLP could not provide outside table service anywhere but at their specific tables.

Ferrini indicated a "no" vote on the motion would take away those uses.

Blenkinsop indicated no table authorization provided if the motion was voted down. Further, the language in the April motion was that the Board would take up the issue of seating at this meeting. If the motion failed, there would be nothing that explicitly permits outside seating.

Ferrini asked Anderson if that answers his question; Anderson indicated it does to a point. Anderson indicated it would allow their employees to service other portions of the facility.

Lamson indicated she did not take it that way; Anderson indicated it stated in the motion that it would not be allowed but if the motion is rejected then it would be allowed.

Blenkinsop indicated outside table service has never been explicitly permitted, it has occurred; Anderson indicated the need of clarity.

Lamson indicated a year ago, when the Governor provided the waiver, the Board should have said it isn't allowed; instead the Board sat back and went along with the decision.

Fournier indicated it was not necessary to amend the motion; if the Board votes no, it is denying the tables, including picnic table. This is supposed to be a grab and go to benefit those working in the



harbor; doesn't have a problem with the standing table as they wouldn't stay around as long. Has an issue with the picnic table; thought of the stories heard over the last couple of years; this is a way to control to grab and go.

Ferrini indicated if Anderson felt a need to offer a motion in addition to the current one, it would make sense to call to question this motion, vote and if there was still a need for motion it could be offered. He would entertain an amendment but cannot double deny it.

Anderson asked if the motion is not passed what does that mean because zero is the number we want for seating.

Ferrini asked if the Board should proceed to a vote; both Fournier and Lamson affirmed.

Disposition: Resolved by vote for; motion **failed**.

Blenkinsop indicated he would send a letter to RHL P informing them the Board did not pass the motion and in turn there is no outdoor table or outdoor seating permitted this season.

Anderson questioned the last part of the motion restricting RHL P's employees from servicing other portions outside of its RoE; Blenkinsop indicated it is not an allowed use, but will make clear in the letter that is not allowed either.

Anderson indicated the specific conditions in the last motion passed at the last meeting it creates clarity that these are the terms for this year's waiver and it is not to be considered as something that will occur next year. Another detail would be RHL P's considerable expenditure required for water supply. Doesn't want this expenditure to give them some precedent to indicate they spent a lot of money to operate in 2022; there should be clarity that what is done this year, does not guarantee them rights for further operations.

Blenkinsop indicated a letter will be sent clarifying the conditions which they can operate for the 2022 season, including today's vote; the Board will be "cced". Regarding the water service, both Brean and Division of Ports and Harbors ("DPH") Director Marconi ("Marconi") have been in communications to the RoE holders and made it clear that while they may need to expend funds to connect to the Rye water service, this is at their own risk; expense for connection is not an indication that any RoE holder will be extended beyond their current expiration date (2023).

Anderson indicated it needs to be made clear, he has every expectation the Board will be dealing with this next year. This is a one year waiver and it must be fully understood.

## **VII. Committee:**

### **A. Report:**

#### **1. Capital Improvement and Land Planning Committee**

Ferrini indicated that the agenda of the meeting was before the Board and spoke to what it would be addressing and that there would be further discussions later in the Board meeting.

Lamson inquired into stormwater management; Ferrini indicated it would be before the Board later in the meeting.

### **VIII. Finance:**

#### **A. Executive Summary**

Finance Director Suzy Anzalone (“Anzalone”) reported to the Board that PDA is three-quarters of the way through its fiscal year and on a Year-to-Date (“YTD”) seeing revenues favorable to budget by approximately 19%. Anzalone spoke to various budget units running favorably, with some underruns in parking fees (although March and April were very strong months), registration fees and fuel sales at the harbor. Looking at expenses, they are trending favorably by approximately 10.5% with operating income being favorable to budget by 5.7%; leading to a strong year so far.

PDA’s current assets of \$13.7 million, made up of \$9.9 million in unrestricted cash between PDA and DPH, just under \$3 million in grant government uncollectibles and just under \$1 million in inventory and other expenses. The assets allow for a strong cash balance which reflects receipt of the ARPA grant fund of \$1.9 million received in March. As the FY23 capital expense plan is rolled out and finishing up, FY22 with the strong cash balance which includes the grant funds, it will enable PDA to move forward with some of the self-funded capital improvement projects and significantly decrease the likelihood PDA will have to draw on its Revolving Line of Credit (“RLOC”). YTD capital expenses are just under \$3 million so far.

Regarding cash flow projections PDA is anticipating \$13.4 million in cash inflow over the next nine (9) months mainly provided by operating revenues, it does include an estimated \$2.8 million in grant funds for some of the capital projects. Outflows are estimated at \$17.9 million mainly provided by operating expenses, it does include \$6.3 million in grant and non-grant funded capital expenditures.

Spoke to cash balances over the next nine (9) months with \$1.3 million going to the City of Portsmouth in June for the Municipal Services Fee and again in December; still do not anticipate a need to draw from the RLOC.

Currently working on FY23 Operating Budget, there will be some significant increases in some of PDA’s expenses (i.e.; fuel and utilities expenses which make up about 4.5% of the total operating budget, supplies etc.). Also undertaking a market study for wages and the results may be reported to the Board.

Lamson indicated she was pleased that PDA is doing a market study on wages.

#### **B. Reports:**

1. **FY2022 Financial Report for the Nine Month Period Ending March 31, 2022**
2. **Cash Flow Projections for the Nine Month Period Ending January 31, 2023**

### **IX. Licenses/ROEs/Easements/Rights of Way:**

#### **A. Reports:**

**1. Falcon Systems Transportation LLC (dba) East West Aeronautical –  
Portsmouth International Airport at Pease – Right of Entry**

Brean indicated in accordance with the “Delegation to Executive Director: Consent, Approval and Execution of License Agreements,” PDA entered into the following Right-of-Entry:

1. Name: Falcon Systems Transportation LLC (dba) East West Aeronautical  
License: Right-of-Entry for 6 months  
Location: Portsmouth International Airport at Pease  
Purpose: Survey / Site Inspection Purposes  
Term: May 9, 2022 through October 31, 2022

**X. Leases:**

**A. Approvals:**

- 1. Lonza Biologies, Inc. –Expansion to Building 101B along Lonza’s premises located at 101 International Drive**

Director Fournier **moved** the **motion** and Director Lamson **seconded** that the Pease Development Authority (“PDA”) Board of Directors hereby approves of the Lonza Biologies, Inc. (“Lonza”) Concept Plan pertaining to an approximate eighty-two hundred (8,200) square foot expansion to building 101B along Lonza’s premises located at 101 International Drive, and authorizes reimbursement by Lonza for costs associated with PDA’s third-party review of the stormwater treatment associated with the proposed concept plans; all in accordance with the terms and conditions set forth in the memorandum of Michael R. Mates, P.E., Engineering Project Manager, dated May 6, 2022.

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

Item XI. B. 4. **Portsmouth International Airport at Pease (“PSM”) Terminal – McFarland Johnson – Terminal Expansion Project** had been inadvertently taken out of order.

Director Fournier **moved** the **motion** and Director Parker **seconded** to proceed with the vote on this item.

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

**Portsmouth International Airport at Pease (“PSM”) Terminal – McFarland Johnson – Terminal Expansion Project**

Director Lamson **moved** the **motion** and Director Fournier **seconded** that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to amend PDA’s on-call contract with McFarland Johnson, Inc. of Concord, NH to provide consulting and engineering services necessary for design, bidding, and grant administration services for expansion of the Portsmouth International Airport at Pease Terminal in amount not to exceed



**\$696,300.00; all in accordance with the memorandum of Michael R. Mates, P.E., Engineering Project Manager, dated May 11, 2022.**

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

**2. 166 Corporate Drive, LLC – Lease Amendment 3**

Director Lamson moved the motion and Director Parker seconded that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into Lease Amendment No. 3 with 166 Corporate Drive, LLC for the Premises located at 164 Corporate Drive; all in accordance with the Memorandum of Paul E. Brean, Executive Director dated May 11, 2022, and upon substantially similar terms and conditions contained in draft Lease Amendment No. 3.

Discussion: Anderson asked where this was going to change from the vacancy by John Hancock to Lonza, if it were zoned for the research and development application; Blenkinsop affirmed. Further clarification that uses are permitted in certain zones and leases may only allow certain uses within the broader scope allowed by the zoning ordinance. So when Lease Amendment 2 occurred for 166 Corporate Drive, it was to permit research and development as it was allowed in the zone but not allowed specifically under the lease at the time. Where Lonza is also looking to move into 164 Corporate Drive they are looking for that same allowed use in 164 Corporate that they have in 166; simply expanding the use into the second building.

Disposition: Resolved by unanimous vote for; motion carried.

**3. 325 Corporate Drive II, LLC - Bottomline Technology – 325 Corporate Drive – Concept Approval for Parking Lot Expansion**

Director Anderson moved the motion and Director Fournier seconded that the Pease Development Authority Board of Directors hereby approves, the concept plan for 325 Corporate Drive as submitted by 325 Corporate Drive II, LLC, regarding its request for parking expansion from 414 spaces to 524 spaces; all in accordance with the memorandum of Maria Stowell, P.E., Engineering Manager, dated May 10, 2022.

Discussion: Fournier asked if the approval would be for a large parking lot that isn't needed. Maria J. Stowell ("Stowell"), Engineering Manager, indicated representatives from 325 Corporate were available to answer questions.

Patrick Crimmins ("Crimmins") from Tighe and Bond stated this is a request from the Sublessee (Bottomline) which is why it is being sought. Previously occupied about 90% of the building and occupying 100% of the parking area, pre-pandemic, with cars parking along the side, isles and landscaping resulting in a traffic safety issue. Anticipates they must be getting ready to move back into the building and assume that is why they are seeking the additional spots.

Lamson expressed concerns with a lot of pavement and when the building was built, eliminated some of the wetlands with the building position. Crimmins indicated along the roadway in the 90s there

were small wetland areas and along Grafton; since then have had a wetlands scientist walk the site and confirmed they are no wetlands at this time. Have agreed to a peer review so the Board would be comfortable with that and the applicants have agreed to pay for the peer review. If there were wetlands, would have to pay for permitting and impacts; the prime concern would be the prime wetland which is what they are staying away from that by expanding towards the back.

Anderson asked if what was there now was stormwater drainage along Corporate by the area proposing for expansion. Crimmins stated there is a stormwater detention area in the far back which would not be impacted as the intent is to keep on the left side of the building with all parking improvements being within the footprint and looking to expand closer to Grafton Drive. Anderson asked if this would be encroaching on the Natural Resource Protection Zone (“NRPZ”).

Blenkinsop indicated the expansion of the parking lot would not move into the NRPZ. The parking expansion would be if you were heading down Grafton towards Corporate on the right as you approach the intersection.

Crimmins spoke to the layouts provided in the Board packet and pointed out the various areas discussed.

Stowell indicated they are also seeking a waiver from PDA’s landscaping regulations. The location on the side of the detention area that had been discussed is basically being restriped but when they do, should put in a 12’ wide landscape island according to our rules and have asked for a waiver from that.

Ferrini asked if the waiver were included in the motion if it passed; Stowell affirmed.

Disposition: Resolved by **unanimous** vote for; motion **carried**.

## XI. Contracts:

### A. Approvals:

#### 1. Pease Golf Course – Toro Pro Core 648s Core Harvester

Director Parker **moved** the **motion** and Director Fournier **seconded** that **the Pease Development Authority (“PDA”) Board of Directors hereby authorizes the Executive Director to enter into a contract with Turf Products LLC to purchase a Toro Pro Core 648s Core Harvester for use at the PDA Golf Course for an estimated purchase price of \$34,086.18, but not to exceed a 15% increase thereof, all in accordance with the memorandum from Scott DeVito, PGA General Manager dated May 5, 2022.**

Discussion: Anderson asked in reference to this motion and subsequent ones, 3 requests for purchases for equipment and wondered how much is rolling stock. DeVito indicated the utility cart and walking mower would be replacing old equipment and the Core Harvester would be an addition. Anderson asked if DeVito expected the 15% would be necessary; DeVito indicated he anticipated the rate would increase but not sure of a specific percentage - Turf Products has been very good in trying to hold to the price.

Brean commended DeVito and Blenkinsop so PDA can continue to purchase equipment during the supply chain issue and meet our statute. There are multiple vendors from multiple industries not identifying delivery dates of products. Feel as though protections have been put in place and appreciates Blenkinsop's efforts in safeguarding PDA's fiscal responsibility to identify the necessary language.

DeVito indicated it is a process on trying to figure out how to order / obtain a piece of equipment as some of the delivery times indicate 13 months before receipt.

Anderson asked if this were the only vendor, being in Connecticut, and if PDA had the ability to deal with NH companies. DeVito indicated they are a regional supplier and we deal with the sales rep that covers NH and Maine; they are the only distributor in the northeast.

Parker asked of the purchases being made this year in comparison to the last couple of years and asked if were greater or less; DeVito indicated where have had difficulties getting equipment in place and the purchases are definitely greater than last year. Have been working to try to even things out with the anticipated dates of delivery it is pushing things out.

Brean indicated that PGC has shown fiscal responsibility during COVID; PGC has delayed several capital improvement purchases.

Disposition: Resolved by **unanimous** vote for; motion **carried**.

## 2. Pease Golf Course – Toro Walking Greens Mower

Director Anderson **moved** the **motion** and Director Lamson **seconded** that the Pease Development Authority ("PDA") Board of Directors hereby authorizes the Executive Director to enter into a contract with Turf Products LLC to purchase a Walk-Behind Greens Mower for use at the PDA Golf Course for an estimated purchase price of \$17,803.31, but not to exceed a 15% increase thereof, all in accordance with the memorandum from Scott DeVito, PGA General Manager dated May 4, 2022.

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

## 3. Pease Golf Course – Toro Diesel Utility Golf Cart

Director Fournier **moved** the **motion** and Director Lamson **seconded** that the Pease Development Authority ("PDA") Board of Directors hereby approves of and authorizes the Executive Director to enter into an agreement with Turf Products LLC of Enfield, CT for the purchase of a Toro Workman HDX Diesel Utility Golf Cart for use by the PDA Golf Maintenance Department for an estimated purchase price of \$36,936.15, with the final cost not to exceed a 15% increase of the estimated price; all in accordance with the memorandum from Scott D. DeVito, PGA General Manager, dated May 5, 2022.

In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement as the equipment will be purchased under the Government Services Administration Contract.



Discussion: Anderson asked if there had been any investigation done regarding an electric cart instead of diesel; DeVito indicated the industry is starting to switch to lithium charged items but it is not available to do this type of work at this time.

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

**4. Portsmouth International Airport at Pease (“PSM”) Terminal - McFarland Johnson – Terminal Expansion Project**

Item XI. B. 4. Was inadvertently taken out of order and was addressed after X. A. 1.

While this item had been voted on earlier and there was no discussion, Anderson asked Brean if he would explain the process for this going forward as this could potentially be an expenditure out of PDA funds even though it is associated with a FAA application. Brean indicated there is FAA grant eligibility for terminal expansion work. The PDA in its internally funded CIP has additional work in the future to continue with its design study for terminal expansion with one component being four phases. PDA has completed one phase, the second phase would be to address the baggage claim and arrivals hall area which struggles to meet some code and does not support the activity at PSM. The project is considered “shovel ready” and PDA feels the location distribution of FAA airport improvement funds will pair well for this calendar year. This could change as other airports put designs together with the grants that are out there. PDA is in good standing to receive some of the grant funding and while PDA will have to spend the design costs at some point when we choose to take on that project internally, if FAA grant funding is not received. However, this is the first step to allow PDA to “pull the ticket” for potential grant funding. By engaging McFarland Johnson with the design work, it shows the FAA we are ready to go with this potential funding project. Anderson asked if this could be reimbursed through the grant project, if awarded; Brean affirmed and indicated it is eligible funding (a percentage of approximately 90% being eligible).

Parker asked if the timing of the submittal is tied to FAA funding availability; Brean affirmed.

**XII. Signs:**

**A. Approvals:**

**1. 30 International, LLC – Revise Signage at 20 International Drive**

Director Parker **moved** the **motion** and Director Lamson **seconded** that the **Pease Development Authority Board of Directors hereby approves of the proposed sign requested by 30 International Drive, LLC to revise its ground sign at 20 International Drive; all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager dated May 9, 2022.**

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

*Director Fournier departed the meeting at 9:54 a.m. and returned at 9:54 a.m.*



## 2. International Association of Privacy Professionals – 75 Rochester Avenue

Director Anderson moved the motion and Director Lamson seconded that the Pease Development Authority Board of Directors hereby approves of the two (2) proposed signs requested by International Association of Privacy Professionals (IAPP) for 75 Rochester Avenue; all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager dated May 9, 2022.

Discussion: None. Disposition: Resolved by unanimous vote (4-0) for; motion carried

### XIII. Executive Director:

#### A. Reports:

##### 1. Golf Course Operations

Scott DeVito (“DeVito”), Pease Golf Course (“PGC”) General Manager spoke to a successful April despite the weather. PGC continues to book events for the season and two of the large pre-booked events will be held this weekend; approximately 4,500 / 5,500 tournament rounds for the season. Won’t see much in simulator revenue over the next couple of months with the golf course being open. The subscription for next season did go in and will be initiating a rate increase as of October 1 to cover the costs. Grill 28 continues steady growth through walk-ins and bookings. Working with Engineering to put together a bid packet for a couple course improvements; anticipating bid will go out in June and will bring it back before the Board in August.

Anderson asked the percentage of gross sales paid by Grill 28; DeVito indicated it is 17%.

##### 2. Airport Operations

###### a) Portsmouth International Airport at Pease (PSM)

Bran spoke to a strong April with total enplanements of 13,365; one flight short for the total record for one month. Due to resignations and staffing issues during COVID, PSM scaled back on resources and therefore commended the airport staff for their hard work.

Bran stated regarding parking revenues that 266 vehicles utilized the parking facility and have surpassed traffic done for the full year during COVID. Also, there were 1.7 million gallons of fuel dispensed. Spoke to Allegiant’s expansion to five routes over the summer to include Myrtle Beach, Nashville, and the three Florida airports. Finally, with the continued rise in jet fuel prices anticipate an impact to air travel.

###### b) Skyhaven Airport (DAW)

Bran stated that the Wings and Wheels community outreach program will be held on June 4<sup>th</sup>.

c) **April 2022 Noise Line Report**

Brean stated PSM received two noise complaints in April, 2022; one being from a Portsmouth resident and a Rye resident.

Anderson indicated that he, Directors Lamson and Parker toured PlaneSense on Wednesday, May 18<sup>th</sup>, that Director Fournier went on a different date and that it was a very impressive organization and Pease is fortunate to have that type of operation. Ferrini indicated he intended to tour as well.

Blenkinsop indicated Stowell has some information to provide to the Board regarding a Pease Wastewater Treatment Plant (“WWTP”) Update.

Stowell provided background information to the Board on the permit for the WWTP and stated the City of Portsmouth (“COP”) operates the plants under the Water / Wastewater Agreement; effluent is treated and goes through a pipe outfall to the Piscataqua River. The outfall is permitted on the same permit as the Pease Stormwater outfalls; one permit which has been a holdover from when it was established for the Air Force (wastewater / stormwater). The permit PDA has been operating under was issued in 2000, a five year permit, which prior to its expiration in 2005 both the COP and PDA submitted an application for renewal. EPA never got around to renewing the permit so during that time there have been discussions regarding whether the permit should be split; the WWTP would have a separate permit from stormwater. Also during that time there have been discussions on the type of permit the stormwater outfall should have. In 2018, PDA updated its application for an individual municipal type of stormwater permit. During this same time the COP updated its application because they did more research on the demands at Pease, in particular what Lonza would need. Part of COP’s update asked for an increase in its flow capacity from 1.2 million to 1.77 million. Recently the EPA issued a draft permit for the WWTP. The permit has been split so it only addresses the WWTP and expect the stormwater outfall permit to be coming in the next year or so. A new permit number to the WWTP has been issued but will operate the outfalls under the old permit. The flow was increased from 1.2 to 1.77 which allows for Lonza’s expansion as well as other businesses at Pease. However, before the Lonza expansion would occur there would have to be an expansion of the plant. PDA staff has met with the COP and PDA’s outside counsel regarding the draft WWTP permit. COP spoke to the requirements of the permit in many ways are similar to other WWTP. COP has submitted comments it was determined PDA did not need to submit comments; comment period ended last Monday. Stowell indicated she was not sure when the permit would be issued.

*Acting Chair Ferrini suggested a 5 minute recess where the meeting has extended past two hours. The recess commenced at 10:04 a.m. and the public session resumed at 10:10 a.m.*

**B. Approvals:**

**1. Bills for Legal Services**

Director Parker **moved** the **motion** and Director Fournier **seconded** that **the Pease Development Authority (“PDA”) Board of Directors approves of and authorizes the Executive Director to expend funds in the amount of \$13,311.00 for legal services rendered to the Pease Development Authority from Sheehan Phinney Bass & Green for March 1, 2022 – March 31, 2022 in the amount of \$725.00 (for Division of Ports and Harbors); March 1, 2022 – March 31, 2022 in the amount of**

\$812.00 (for Permit Implementation); and March 1, 2022 – March 31, 2022 in the amount of \$11,774.00 (for Tradeport General Representation) and to expend funds in the amount of \$1,298.00 for legal services rendered to the Pease Development Authority from Anderson Kreiger as outside counsel for Federal Regulatory Advice from March 1, 2022 through March 31, 2022. For a total amount of \$14,609.00 in legal services.

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

## 2. Land Use Control Amendments

Stowell proposed changes to all three Chapters of the Zoning Ordinance with the most impactful being in Chapter 300 where asking approval to convert approximately 130 acres of land to industrial zone. Currently the land, for the most part, is in the airport industrial zone, some is in airport zone and a small sliver being in the NRPZ. Stowell indicated the NRPZ location is about eight tenths of an acre which was as a result from the movement of the road when NHDOT did the roundabout on Arboretum Drive. In the industrial zone there isn't a requirement to have the airport component of use there; the industrial zone allows office, industrial and manufacturing. Pointed out to the Board that if they focused on the numbers, the acreage may not seem to add up. Stowell indicated that over the years the NRPZ has had transfers but the adjustments were not made to the acreage (i.e.; the Newington Forest and NHDOT work performed for roundabout). There has not been a survey showing metes and bounds performed on the Pease property so these are best estimates. Stowell reached out to both the Newington Town Planner and Portsmouth Planning Director and neither had any comments and thought the changes were innocuous.

Stowell spoke to changes in Chapter 400. The first group of proposals deal mostly with sidewalks and bike facilities / racks as a way to codify their requirements.

Lamson indicated she advised the Town Selectmen of the proposed changes.

Stowell indicated there are also changes in the Stormwater Management portion. As part of the CLF negotiations a few years ago, Pease is trying to treat as much stormwater as possible even on pavement that doesn't have the advanced treatment, which is required for all new pavement. The Board previously approved that anyone adding pavement for parking or traffic, the developer would need to treat new pavement and would also have to treat an equal amount of current pavement (i.e.; if adding 1,000 sq. ft. of new parking lot they would need to also treat 1,000 sq. ft. of existing parking lot). Third area of changes on Chapter 400 are modifications to Site Review approval which outlines a process for developers asking for extensions as well as procedures to be followed when Site Bonds are requested to be returned.

Stowell spoke to a technical error in Chapter 500 the Subdivision Regulations. This stated the need for a metes and bounds performed on the lot being subdivided which would be the entire PDA parcel (3,000± acre parcel) as well as the developer's parcel, so this makes a correction to clarify what is being requested.

If the Board approves of the language the next step would be to hold a public hearing and after public hearing the language would come back to the Board for a vote.



Parker asked how often the housekeeping takes place; Stowell indicated every four or five years.

Director Fournier **moved** the **motion** and Director Parker **seconded** that **the Pease Development Authority (“PDA”) Board of Directors hereby approves the draft language of the proposed amendments to the PDA Land Use Controls related to the Zoning Ordinance, Site Review Regulations, and Subdivision Regulations, and authorizes the Executive Director to schedule a public hearing before the Board on the amendments directly before the Board’s June 2022 meeting; all in accordance with the memorandum of Maria J Stowell, P.E., Manager, Engineer dated May 6, 2022.**

Discussion: Blenkinsop indicated for clarification that when reading the motion, Fournier inadvertently stated June 22 instead of 2022 and that the June meeting is scheduled for June 16<sup>th</sup>.

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

### 3. Digital Content Specialist – New Position

Director Lamson **moved** the **motion** and Director Parker **seconded** that **in accordance with the provisions of Section 3.11 of the Second Amendment to By-Laws of the Pease Development Authority, the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to create the position of Digital Content Specialist, and eliminate the Security Specialist position, and to immediately fill said new position with an appropriately qualified candidate; all in accordance with the memorandum of Chasen Congreves, Manager of Airport Administration, dated May 11, 2022.**

Discussion: Lamson affirmed that the one position would be eliminated and replace it with a digital specialist; Brean affirmed. Brean further stated the Board approved the new badging system which will reduce labor hours and will be utilizing those funds to take on the new position.

Disposition: Resolved by **unanimous** vote for; motion **carried**.

## XIV. Division of Ports and Harbors:

### A. Reports:

#### 1. Port Advisory Council Minutes of April 13, 2022

Geno Marconi (“Marconi”), Division of Ports and Harbors Director, indicated the Board had in its packet the minutes of the Port Advisory Council meeting of April 13, 2022. The minutes have been provided so the Board is aware of the Council’s activity and welcomed any comments or questions from the Board.

#### 2. Commercial Mooring for Hire – Great Bay Yacht Club

Marconi indicated that under the Code of Administration of Rules there is an ability to have a Commercial Mooring for Hire allowed and through a review process by the Harbor Master and Chief

Harbormaster to Marconi who makes a **recommendation** to the Executive Director who is allowed to sign off on this through the Delegation of Authority. Marconi did state that this entity is not the same as the Great Bay Marina.

### 3. Rye Harbor Informational Summary

Marconi indicated he was asked to pull together stats on what goes on at Rye Harbor and stated the second page of the Pier Use Permit had been inadvertently omitted but has since been provided to the Board.

Ferrini stated the information would be helpful going forward as the Board looks to work on a Master Plan at Rye Harbor.

### 4. Lakes Region Environmental Contractors – Additional Work Required at Rye Harbor Regarding Fuel Line

Marconi indicated when Lakes Region submitted its final design for the replacement fuel line, DES' reviewed the plans and requested a replacement of the sumps next to the tank and through a Delegation of Authority DPH moved ahead with the request and anticipate the project will be done by the first of the week.

### 5. Commercial Mooring Transfer – Kimball to Kimball

Marconi stated above are a number of Commercial Mooring Transfers seen this time of the year where the request is reviewed by the local Harbormaster who makes a recommendation to the Chief Harbor Master, who makes a recommendation to Marconi who reviews to make sure it is consistent with the Code of Administrative Rules. Marconi passes the request along to Brean to be signed off through the Delegation of Authority.

Marconi informed the Board that DPH had asked that the GHOST boat be removed from the property as it needed the space for its construction project. The vessel came in by water but at time of removal it would not fit through the fence so it was hoisted over the fence onto a trailer which relocated it the area of the Albacore.

Marconi indicated the paving at Rye Harbor has commenced. Ferrini asked if this area would be lined; Marconi affirmed and stated the stripping would be done internally by PDA Maintenance once the paving has been completed.

## B. Approvals:

### 1. Appledore Marine Engineers – 6 Month Contract Extension

Director Fournier **moved** the **motion** and Director Lamson **seconded** the **Pease Development Board of Directors hereby authorizes the Executive Director to extend the Division of Ports and Harbors' On-Call Marine Engineering consultant contract with Appledore Marine Engineering,**

**LLC of Portsmouth, New Hampshire, for an additional six (6) month period; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated May 6, 2022.**

Discussion: Parker asked if this had anything to do with the Master Plan that needs to be developed. Marconi indicated it did not.

Anderson indicated the original contract was done back in 2017 and asked why an extension was being requested after five years. Marconi explained that DPH has not had the time with everything going on to put together and RFQ, sit down to read the proposals, meet with individuals and score proposals. DPH is overwhelmed with work which is why he requested the six month extension.

Disposition: Resolved by **unanimous** vote for; motion **carried**.

**2. 381 Constructors – Right of Entry for use of Market St. facility (Trans Loading Equipment to/from Barges and Receiving Fuel Deliveries to Tugs)**

Director Anderson **moved** the **motion** and Director Fournier **seconded** that **the Pease Development Authority Board of Directors hereby approves of and consents to the Right of Entry (“ROE”) with 381 Constructors (“381”) for the use of the facilities at the Market Street Terminal for trans-loading equipment in association with the Portsmouth Naval Shipyard Superflood Basin Project; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated May 6, 2022.**

Discussion: Marconi indicated this is just a housekeeping item because 381 has no way of paying DPH invoices unless there is an agreement in place.

Disposition: Resolved by **unanimous** vote for; motion **carried**.

**3. US Army Corps of Engineers - Right of Entry – Hampton Harbor Marina to Facilitate the 2022 Hampton Beach Jetty Repair**

Director Lamson **moved** the **motion** and Director Anderson **seconded** that **the Pease Development Authority Board of Directors hereby approves of the issuance of a Right of Entry (“ROE”) to the US Army Corps of Engineers (“ACOE”) for the purpose of vehicle parking and for the staging of an office trailer as may be required at the Hampton Harbor Marina in connection with the 2022 Hampton Beach Jetty Repair; substantially in accordance with the draft ROE.**

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

**4. Aquatic Resource Mitigation (ARM) Fund at NH DES - Change to Wetlands Mitigation Requirements**

Director Parker **moved** the **motion** and Director Lamson **seconded** that **the Pease Development Authority (“PDA”) Board of Directors hereby authorizes the Executive Director to satisfy project mitigation permit requirements of the New Hampshire Department of Environmental Services (“NHDES”) and the U.S. Army Corps of Engineers (“ACOE”), for both the BUILD Main Pier Rehabilitation project and the Functional Replacement of the Barge Dock project (“Projects”), with the**



Division of Ports and Harbors (“DPH”) making a \$238,570.34 contribution into the Aquatic Resource Mitigation (ARM) fund at NHDES regarding the Projects, while also seeking reimbursement from the State for said contribution; all in accordance with the Memorandum of Geno Marconi, Division Director, dated May 18, 2022.

Discussion: Marconi indicated that DES’ recommended and DPH went ahead with planning a mitigation project adjacent to the John P Bohenko Park. On Monday, May 16<sup>th</sup>, were notified by the ACOE that it would not accept the mitigation project and DPH needed to have the permit three weeks prior to July 1. The only way around it is by making the contribution into the ARM fund. The money received from the State was federal money for construction and did not speak to making this payment. Therefore, he is doing some bridge funding at this time until he goes back to get original approval.

Disposition: Resolved by unanimous vote for; motion carried.

#### XV. Upcoming Meetings:

Finance Committee	June 13, 2022 @ 8:30 a.m.
Board of Directors	June 16, 2022 @ 8:30 a.m.

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

#### XVI. Directors’ Comments:

Anderson spoke to information on land appraisal and with the potential arrangement with NH ANG; Brean stated this is progressing slowing. Anderson indicated there had been some discrepancy between the appraisals and wondered where things stood.

Fournier asked if this were non-public; Brean stated the Board had approved the appraisals. Blenkinsop indicated the NHANG is interested in additional acreage on the North Forty and they had obtained appraisals and in January the Board authorized PDA to expend money on its own appraisal. At this point the ball is with the NHANG to see what it is interested in but there is no update.

Anderson asked of the discrepancy on the values of the two appraisals; Blenkinsop affirmed there are differences and that would be something that would need to be worked out and brought before the Board for approval.

Brean clarified the comments made earlier in the meeting regarding the EWA’s proposal and indicated he sent the Board a memo for clarification on meetings between staff and EWA.

Blenkinsop indicated the materials would be placed on the website.

Lamson thanked staff for their hard work and reports provided.

#### XVII. Adjournment:

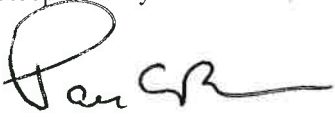
Director Lamson moved the motion and Director Anderson seconded to adjourn the Board meeting. Meeting adjourned at 10:39 a.m.



**XVIII. Press Questions:**

No comments from the press.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Paul E. Brean". The signature is fluid and cursive, with a large initial "P" and a long horizontal stroke at the end.

Paul E. Brean  
Executive Director

## MOTION

Director Levesque:

The Pease Development Authority (“PDA”) Board of Directors consents to the six (6) month extension of the Option Agreement with Aviation Avenue Group LLC, dated February 1, 2022, and approves of and authorizes the Executive Director to amend the Option Agreement substantially in accordance with the draft Amended Option Agreement attached hereto and with the memorandum from Paul E. Brean, Executive Director, dated June 9, 2022.

**NOTE: Roll Call vote required.**

## MEMORANDUM

To: Pease Development Authority Board of Directors  
From: Paul E. Brean, Executive Director *fab*  
Date: June 9, 2022  
Re: PROCON/Kane Development Update

---

Representatives of PROCON/Kane attended the May Board meeting to provide an update on the due diligence they have undertaken since entering into option agreements with the PDA earlier this year. Their update constituted a significant shift away from the prior emphasis on air cargo development. While PROCON/Kane indicated a possibility they would have more information to present at the June Board meeting, they have since informed me they are not yet in a position to present a development proposal, but remain optimistic they will be in such a position in the near future.

Also included in their May update was a request for a six month extension to their option agreements (August 1, 2022 – January 31, 2023), as well as amendments to the agreements reflective of their shift in development focus. At the Board's June meeting the request for option extensions and amendments must be voted on. The option amendments are described as follows:

1. 14 Aviation Avenue (Hangar 227), 7 Lee Street, and 100 New Hampshire Avenue Option

A. 14 Aviation Avenue (Hangar 227)

*PROCON/Kane is requesting to amend the option to remove 14 Aviation Avenue/Hangar 227 (14.8 +/- acres) from the option agreement in its entirety.*

*The 14 Aviation Avenue parcel sits in the Airport Industrial Zone and is the only aeronautically zoned portion of this option area. With removal of the aeronautically zoned parcel, PROCON/Kane is also seeking to amend its option agreement to remove any reference to development of an "Air Cargo/Distribution facility," and instead seeks non-aeronautical development consistent with the Pease Industrial Zone in which the remaining two (2) parcels sit. PROCON/Kane seeks a reduction in its option payment consistent with this 14.8 +/- acreage reduction and a refund of any option payments for the 14 Aviation Avenue parcel as of the effective date of an amendment.*

B. 7 Lee Street and 100 New Hampshire Avenue

*PROCON/Kane intends to focus its continued due diligence on development at 7 Lee Street and 100 New Hampshire Avenue (both located in the Pease Industrial Zone) that is consistent with other existing **commercial/industrial** developments within the Pease International Tradeport. Per authorization of the FAA, ground leases in non-aeronautical zones at Pease are allowed to a maximum term of 74 years, in contrast to aeronautical zones where ground leases cannot extend beyond 50 years.*

2. North Apron Option

*PROCON/Kane is requesting to amend its North Apron option agreement to replace the language concerning development of an "Air Cargo/Distribution facility," with language that permits aeronautical development consistent with PDA's Land Use Controls. This change would enable PROCON/Kane to pursue non-air cargo aeronautical development in this Airport Zone parcel. Toward that end, PROCON/Kane could pursue opportunities such as aeronautical/aerospace research, design, and development businesses/facilities and corporate hangars.*

Ultimately, these amendments will enable **PROCON/Kane** to continue with its due diligence concerning development at Pease and provide opportunities for projects that are consistent with the development history at the Pease Tradeport and Portsmouth International Airport. These changes, requested by PROCON/Kane, acknowledge community concerns that have been raised about potential air cargo operations. Draft Amended Option Agreements are attached for the Board's review.

As the Board is aware, any specific development proposal for either option area must be brought before the Board at a future meeting resulting in a public review and approval process consistent with all other developments at Pease over the past 30 years.

It should be noted that option agreements are not required to develop land at Pease. In fact, the vast majority of property at Pease has been developed without option agreements in place. Rather, option agreements provide a developer with a period of exclusivity regarding the ability to propose a project, seek concept approval, undertake land use review/approval, and negotiate a lease on a particular parcel, in exchange for the option fee paid. As such, should the option agreements not be extended, or otherwise be allowed to expire, the respective parcels will be available for any entity, including PROCON/Kane, to bring forward a specific development proposal to be reviewed consistent with PDA processes.

I will continue to keep the Board updated as things progress.

**AMENDED OPTION AGREEMENT**

OPTIONOR: Pease Development Authority ("PDA" or "Lessor"), 55 International Drive, Portsmouth, New Hampshire

OPTIONEE: Aviation Avenue Group LLC ("AAG"), 210 Commerce Way, Suite 300, Portsmouth, New Hampshire

PREMISES: The land and improvements thereon located on three-two distinct parcels located at 100 New Hampshire Avenue; and 7 Lee Street; and 14 Aviation Avenue (Hangar 227), at Pease International Tradeport, Portsmouth, New Hampshire

DATE: \_\_\_\_\_, February 1, 2022

---

This Option Agreement (the "Agreement"), when executed, shall be effective as of February 1, 2022.

WHEREAS, PDA, an agency of the State of New Hampshire established under NH RSA 12-G, is the owner of property described herein and located within both the Airport Industrial Zone and Industrial Zone of the Pease International Tradeport, Portsmouth, NH, (the "Premises"); and

WHEREAS, PDA and AAG desire to enter into this Agreement to grant AAG an option to lease the Premises from PDA pursuant to the terms and conditions set forth in this Agreement. PDA and AAG may be referred to in this Agreement as a "Party" and may be collectively referred to as the "Parties."

NOW, THEREFORE, and in consideration of the mutual covenants and agreements contained herein, the Option Payment(s) as defined below, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:



1. Option and Option Area

Following execution and subject to the terms of this Agreement, AAG shall have an exclusive right and option to lease the land and improvements thereon (the "Option") described generally as:

- 100 New Hampshire Ave (10.6 +/- acres)
- 7 Lee Street (3.6 +/- acres)
- ~~14 Aviation Avenue (14.8 +/- acres)~~

located within ~~both~~ the PDA ~~Airport Industrial and~~ Industrial Zones, all as more generally shown on the plan attached hereto and incorporated herein as Exhibit "A" (the "Option Area" or "Premises"), for ~~development of an air cargo/distribution facility~~permitted uses in the Industrial Zone consistent with PDA Land Use Controls. The Parties acknowledge that the area of the Premises as described above is subject to survey and is estimated based on the most current information available. During the Option Period and Option Extension Period(s), PDA shall continue to have control over, and use of, the Premises, including but not limited to continued operation of its Maintenance Department from the 7 Lee Street location and such other uses as PDA deems consistent with the management and operation of Portsmouth International Airport at Pease. Except as otherwise specifically set forth below, this Option does not grant to AAG a right to access, use, or occupy the Option Area prior to execution of a Lease as contemplated in Paragraph 6 below. The Option Area is subject to existing easements and rights of way of record.

2. Option Period

The "Option Period" shall be a period of six (6) months beginning on the effective date first above written.

3. Option Payment

Upon execution of this Agreement, AAG shall pay PDA an option payment, of \$49,332.50 (the "Option Payment") for the Option Period, which payment represents 10% of the 2022 annual base rent of \$493,325.00 for the Option Area, as shown on the attached Exhibit "B" (subject to a pro rata adjustment based on any change in option area).

4. Option Extension Periods and Payments

At least sixty (60) days prior to the expiration of the Option Period, AAG shall provide written notice to PDA of its request to extend the Option Period for an additional six (6) month period through January 31, 2023 (the "Option Extension Period 1"). Said notice shall be accompanied by payment in an amount representing 20% of the PDA's 2022 per acre rate established in accordance with Exhibit B. fn 1.

1. The Option Payment shall be adjusted after the PDA 2023 per acre rate is established effective January 1, 2023 and the minimum 2023 annual base rent per acre is set. See Exhibit B. The 2022 per acre rate calculation is attached hereto as Exhibit "C".

At least sixty (60) days prior to the expiration of the Option Extension Period 1, AAG shall provide written notice to PDA of its request to extend the Option for one final six (6) month period, through July 30, 2023 (the "Final Option Extension Period"). Said notice shall be accompanied by payment in an amount representing 30% of the PDA 2022 per acre rate, subject to retroactive adjustment following establishment of the PDA 2023 per acre rate.

AAG acknowledges that any extension of the Option Period shall require consent of the PDA Board of Directors and be further subject to AAG demonstrating to PDA that it has made substantial progress with respect to the development of the Option Area, including but not limited to the development of site and subdivision plans (which may be subject to ongoing adjustment), the development of traffic, roadway, and/or noise studies as may be warranted/required, and entry into a non-binding letter of intent with the PDA prior to requesting the Final Option Extension Period. In the event the PDA Board of Directors does not consent to either the Option Extension Period 1 or the Final Option Extension Period, the accompanying Option Payment shall be returned to AAG and the Option shall be deemed to have terminated effective as of the conclusion of the then-current period.

5. Exercise of Option

The Option may be exercised by AAG at any time prior to the expiration of the Option Period, or any Option Extension Period, by providing written notice (the "Option Exercise Notice"), signed by a duly authorized representative of AAG, of such exercise to PDA (Attn: Executive Director) prior to the expiration of the Option Period, Option Extension Period 1, or the Final Option Extension Period. Notwithstanding the foregoing, AAG may not exercise the Option until a traffic impact and access study of the proposed development, conducted by a New Hampshire licensed engineer, is provided to the PDA.

6. Lease Agreement

Upon the valid exercise of the Option, AAG and PDA shall negotiate, in good faith, for a period not to exceed one hundred eighty (180) days, a Lease Agreement (the "Lease") for the Option Area, subject to any required land use review/approvals, including but not limited to subdivision and site plan approval, on terms and conditions mutually agreeable to the parties, but generally consistent with PDA ground leases at the Pease International Tradeport. In the event the Parties have not executed a Lease within one hundred eighty (180) days, continued negotiation if agreed to by the PDA may be subject to an additional payment based on a 10% increase per six (6) month period as established.

The Lease shall include, but not be limited to, the following provisions by which the Parties:

- (i) agree to an initial base term of not more than thirty (30) years, with up to ~~eight~~ **three** (38) five (5) year options, and one (1) four (4) year option, to renew (for a total potential term of ~~forty-nine~~ **seventy-four** (4974) years);
- (ii) agree to an initial base rent at the PDA annual base per acre and/or square foot



- formula, or a blended rate thereof, (consistent with zone and intended use) and subject to annual escalation, as such escalation shall be set forth in the Lease;
- (iii) agree to payment of a municipal services fee in accordance with the provisions of RSA 12-G:14 and the Municipal Services Agreement between the PDA, the Town of Newington, and the City of Portsmouth dated July 1, 1998;
  - (iv) agree that the Lease shall be triple net to the PDA and subject and subordinate to the Federal Grant Assurances established from time to time by the Federal Aviation Administration, to which PDA is subject with respect to operation of the Airport;
  - (v) agree that no rent shall be due and owing for an agreed upon period of the Lease as a construction abatement (historically the PDA has provided up to a 9 month rent abatement for construction);
  - ~~(vi) agree to permit airfield access to Hangar 229 and 53 Exeter Street, and as otherwise required for PDA's management of the Airport, over the Premises;~~
  - ~~(vii)(vi)~~ agree to make provision for the relocation of PDA Maintenance Operations from 7 Lee Street ~~and cold storage from Hangar 227~~ to new facilities designed and constructed by AAG (the "New Construction"), in an appropriate location(s) designated by the PDA, all as approved by the PDA (and FAA as may be required) and subject to all required permits/approvals, with reimbursement for approved development costs by the PDA to the Lessee, without interest, and as a percentage rent credit over no less than the first twenty (20) years of the Lease (unless another reimbursement method is agreed to), and permit continued/uninterrupted PDA use of existing facilities at said locations, without charge, until such construction of new facilities and relocation to those facilities is completed; and
  - ~~(viii)(vii)~~ agree to the demolition and removal of obsolete improvements and structures at 7 Lee Street and 14 Aviation Avenue, at AAG's sole cost and expense, subject to any required permits, within a reasonable period of time following completion of the New Construction.

#### 7. Governmental Approvals/Lease Execution

AAG shall endeavor to obtain all necessary governmental approvals as may be required for its development within one hundred and eighty (180) days of the Option Exercise Notice. PDA agrees to reasonably cooperate with AAG, at AAG's sole cost and expense, in respect to obtaining any such required approvals. In the event that all necessary governmental approvals have not been obtained within 180 days of the Option Exercise Notice and AAG continues to diligently in good faith pursue such approvals, said 180-day period shall be extended for one additional period not to exceed another one hundred and eighty (180) days. Except as otherwise specifically agreed in writing by the Parties, if a Lease has not been executed or if all necessary governmental approvals required to commence construction on the Option Area, as contemplated by AAG, have not been obtained within 180 days of the Option Exercise Notice, or the additional 180 day extension thereof, AAG shall have no further rights to the Option Area and the property shall revert to PDA. Should the then current Option Period expire during either of the one hundred eighty (180) day extensions referenced herein, the AAG shall pay PDA an Option Payment at a pro rata rate for each such day beyond the expiration at the most recent

Option Payment rate for a six (6) month period.

8. Access to Option Area and Due Diligence

Subject to the terms of this Agreement, and execution of a separate Right-of-Entry agreement substantially in the form attached hereto as **Exhibit "D"**, PDA agrees to permit AAG or its representative to access the Premises and to undertake such reasonable utility, environmental, and/or geotechnical investigations of the Option Area as AAG shall request in writing to PDA, provided that such rights may be exercised only during the time that this Agreement or the Right of Entry have not terminated. Access to areas within the building at 7 Lee Street and Hangar 227 shall require coordination with PDA staff and shall not be disruptive of regular PDA business operations.

AAG shall ensure that its agents and contractors comply with all PSM Airport and TSA security requirements and is required to inform the PDA's Airport Management Department when contractors will be on site conducting work authorized under this Option and Right of Entry. AAG acknowledges that the Premises is in the Security Identification Display Area (SIDA) at PSM. Designated representatives of AAG will be required to obtain airport SIDA badges and qualify as escorts in order for representatives, employees and agents of Lessee to gain access to and remain in the SIDA. While in the SIDA, escort procedures per the requirements of the PSM's Security Program must be met. Prior to accessing the Premises, all persons who are going to obtain a SIDA badge must undergo criminal history check, and pass a TSA security threat assessment, and attend a training class that is offered no more than two times a month and pay any applicable fees. Information regarding escort requirements can be obtained by calling the Airport Management Department at (603) 433-6536, Monday through Thursday, 8:00 a.m. to 5:00 p.m. and 8:00am to 4:00pm on Fridays. No representative, employee or agent of the AAG will be allowed in the SIDA without escorts meeting the requirements of the PSM's Security Program.

AAG is responsible for maintaining airport security requirements for SIDA badges and for facilities that provide direct or indirect access to the airfield. Any TSA fines incurred by the PDA due to AAG's actions or inaction will be fully reimbursed by the AAG.

9. Termination of Option

Notwithstanding any other provision of this Agreement, and in addition to the termination provisions provided herein, this Agreement shall terminate automatically on the failure to exercise the additional six (6) month Option Extension Period I, the six (6) month Final Option Extension Period, or to exercise the Option itself.

Upon expiration or termination of the Option without exercise of the Option Exercise Notice, AAG shall have no further right to the Option Area.

10. Federal and State Approvals

The Parties acknowledge that the Premises is subject to a 1995 Record of Decision (ROD) which identified contamination sources under the concrete slab of Hangar 227 due to

~~discharges of solvents and petroleum to the floor drain system. The ROD was amended in 2019 to address the vapor intrusion pathway (Zone 3 ROD Amendment for Vapor Intrusion). The amendment resulted in the installation of a soil vapor extraction ("SVE") treatment system and in situ enhanced bioremediation ("ISEB") treatment. The SVE operation is on-going with performance monitoring.~~

AAG understands that the Option Area is also in an Area of Special Notice ("ASN"), as identified by the U.S. Air Force, EPA and NHDES, and that any future construction plans which may be authorized under the Lease agreement requiring excavation are subject to Air Force approval prior to the excavation(s) being initiated, and construction work may also involve Air Force conducted environmental remediation. The party proposing the construction is required to have a Construction Work Plan in place and to follow the Pease Health and Safety Plan ("HASP") during all excavation activities. In addition, a Request for Construction Approval must be filed with the Air Force, through the PDA, no later than 60 days prior to the anticipated construction start date. This request must include as a minimum, a full description of the proposed construction (plans, specifications, CWP, etc.), and identify the potential for encountering contaminated soil and/or groundwater.

11. Inspection Reports

PDA shall make available information it has related to any existing conditions at the site including the location and type of utilities, underground tanks or structures, and any hazardous substances. The information is approximate and not guaranteed. AAG shall provide PDA, upon execution of this Agreement or promptly upon completion of its inspection, with a copy of any report, letter, or summary with respect to conditions found at the Premises.

12. Risk of Loss

AAG agrees that any use of the Premises/Option Area is at its sole risk and subject to the provisions of the Right of Entry between the parties (see Exhibit D) and that its signature below constitutes its agreement to assume full responsibility for any and all risks of loss or damage to property and injury or death to persons by reason of or incident to its entry or the entry by any of its employees, agents or contractors upon the premises and/or the exercise of any of the authorities granted herein. AAG expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of AAG's use of the Premises/Option Area or the conduct of activities or the performance of responsibilities under this Agreement or the Right of Entry.

13. Counterparts

This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all together will constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by facsimile or by electronic delivery in PDF format shall be sufficient to bind the Parties to the terms and conditions of this Agreement.

14. Severability

If any term of this Agreement shall become declared illegal, invalid, or unenforceable, it will not affect the validity or enforceability of any other provision of this Agreement.

15. Governing Law

This Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of New Hampshire, without reference to its choice of law principles. Each party agrees to submit to the exclusive jurisdiction of the federal and state courts sitting in the State of New Hampshire.

**EXECUTION**

IN WITNESS WHEREOF, PDA and AAG have executed this Agreement to be effective as noted above, on the \_\_\_\_ day of \_\_\_\_\_, 2022

**PEASE DEVELOPMENT AUTHORITY**

By: \_\_\_\_\_  
Paul E. Brean  
Its: Executive Director

**AVIATION AVENUE GROUP LLC**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its: \_\_\_\_\_



**EXHIBIT A**  
**OPTION AREA**



Exhibit Depicting PROCON Option 2022

DESIGNED BY: MRM    DATE: 5/25/22    SCALE: 1"=300'



**PEASE DEVELOPMENT AUTHORITY**

85 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

Field Code Changed



Exhibit Depicting PROCON Option 2021

DESIGNED BY: MDM DATE: 6/3/21 SCALE: 1"=500'



55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

**EXHIBIT B**

100 New Hampshire Ave (10.6 +/- acres)  
Industrial Zone - \$18,851/acre (2022 rate\*)  
Annual Rent - \$199,820.60

7 Lee Street (3.6 +/- acres)  
Industrial Zone - \$18,851/acre (2022 rate\*)  
Annual Rent - \$67,863.60

~~14 Aviation Avenue (14.8 +/- acres or 644,688 +/- sf)  
Airport Industrial Zone - \$35/sf  
Annual Rent - \$225,640.80~~

**Total Annual Base Rent: \$267,684.20~~493,325.00~~**

\*The per acre rate is adjusted annually effective January 1<sup>st</sup> for the following calendar year.

**EXHIBIT C**

**PEASE DEVELOPMENT AUTHORITY  
BUSINESS / COMMERCIAL ZONE PROPERTIES - JANUARY 2022**

Property Location / Description	Lessee	Monthly Lease Rate	Annual Lease Rate	Acres	Rate Per Acre
1 International Drive	Resport LLC	\$ 15,837	\$ 190,049	10.00	\$ 19,006
2 International Drive	Two International Group	9,075	108,901	5.00	21,780
101 International Drive	Lonza Biologics Inc.	30,348	364,177	19.76	18,430
183 185 International Drive	Tower Hill Development, LLC	13,164	157,967	8.80	17,951
207 International Drive	Pioneer International Dev	11,404	136,852	8.10	16,895
1 New Hampshire Avenue	One New Hampshire Ave LLC	9,050	108,597	5.40	20,111
30 New Hampshire Avenue	Spyglass Development, LLC	11,058	132,696	7.20	18,430
25-29 New Hampshire Avenue	25, 29, Retail LLC	17,043	204,514	11.10	18,425
68 New Hampshire Avenue	68 New Hampshire Ave, LLC	5,134	61,603	3.50	17,602
75-80 New Hampshire Avenue	75-80 New Hampshire	20,332	243,983	13.04	18,710
95 Corporate Drive	Redhook Craft Brewer Alliance	10,589	127,062	8.00	15,883
73 Corporate Drive	Wentworth Douglass	45,430	545,164	19.54	27,901
105 Corporate Drive	Pease Rehab, LLC	13,973	167,670	7.40	22,658
160 Corporate Drive	160 Corporate LLC	12,353	148,231	8.67	17,097
161 Corporate Drive	Martins Point Health Center	6,204	74,451	5.00	14,891
162 Corporate Drive	Kanerd Development II, LLC	13,237	158,847	10.50	15,128
164 - 166 Corporate Drive	Kanerd Development I, LLC	33,141	397,687	20.80	19,120
177 Corporate Drive	177 Pease, LLC	2,413	28,953	1.60	18,096
249 Corporate Drive	249 Corporate Drive, LLC	5,112	61,340	3.50	17,528
320 Corporate Drive	Great Bay Community College	14,862	178,338	12.80	14,027
325 Corporate Drive	325 Corporate Dr II, LLC	11,526	138,310	7.30	18,947
230 Corporate Drive	Portsmouth, LLC	7,036	84,429	5.00	16,886
231 Corporate Drive	Kingsbarn, LLC	6,051	72,608	4.20	17,288
273 Corporate Drive	273 Corporate Drive, LLC	17,061	204,733	11.20	18,280
<b>AVERAGE BLENDED RATE</b>			<b>\$ 4,088,260</b>	<b>217.41</b>	<b>\$ 18,851</b>



**EXHIBIT D**



35 International Drive, Portsmouth NH 03801

January 31, 2022

Aviation Avenue Group LLC  
Attn: John Stebbins  
210 Commerce Way  
Suite 300  
Portsmouth, New Hampshire 03801

**Re: Right of Entry — 14 Aviation Avenue (a/k/a Hangar 227), 7 Lee St., 100  
New Hampshire Ave., Pease International Tradeport, Portsmouth, NH**

Dear John:

This letter, when fully executed, will authorize Aviation Avenue Group LLC ("AAG") and or its agents and contractors to enter the premises at 14 Aviation Avenue (a k a Hangar 227), 7 Lee Street, and 100 New Hampshire Avenue, as shown on the attached **Exhibit A** (the "Premises") for the period of time running concurrent with the Option Agreement effective February 1, 2022, between AAG and the Pease Development Authority ("PDA") for the Premises, for survey site inspection purposes. Such inspection may include a review of environmental matters, including soils testing, adequacy of utility services, general site conditions, and any other similar inspection or evaluation of the Premises you deem reasonably necessary. Access to areas within buildings at 14 Aviation Avenue and 7 Lee Street shall require coordination with PDA staff and shall not be disruptive of regular PDA business operations. This Right of Entry will expire upon the termination of the referenced Option Agreement unless otherwise extended by written agreement of AAG and the PDA.

This Right of Entry is conditioned upon the following:

1. AAG providing PDA, upon execution of this letter of authorization or promptly upon completion of its inspection, with a copy of any report, letter, plan, or summary with respect to conditions found at the Premises;
2. AAG's agreement herein that any use of the Premises is at its sole risk and that its signature below constitutes its agreement to assume full responsibility for any and all risks of loss or damage to property and injury or death to persons by reason of or incident to its entry or the entry by any of its employees, agents or contractors upon the premises and or the exercise of any of the authorities granted herein. AAG expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of AAG's use of the Premises or the conduct of activities or the performance of responsibilities under this authorization.

TAKING YOU THERE

PEASE INTERNATIONAL DEVELOPMENT AUTHORITY

Page Two

January 31, 2022

**Re: Right of Entry — 14 Aviation Avenue (a/k/a Hangar 227), 7 Lee St., 100 New Hampshire Ave., Pease International Tradeport, Portsmouth, NH**

AAG further agrees to indemnify, save, hold **harmless**, and defend the PDA, its officers, board, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgments, costs and attorney's fees arising out of AAG's use of the **Premises** or any activities conducted or undertaken in connection with or pursuant to this authorization.

3. AAG and any agent or contractor of AAG **providing** PDA with satisfactory evidence of Commercial General Liability insurance to a limit of not less than Two Million Dollars (**\$2,000,000**), and Environmental Pollution Liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), both naming the PDA as an additional insured as its interests may appear. AAG and any agent or **contractor** of AAG shall provide PDA with **satisfactory** evidence of automobile liability insurance **coverage** in the amount of One Million Dollars (\$1,000,000) and workers' compensation coverage to statutory limits.

Each such policy or certificate therefor issued by the insurer shall contain: **(i)** a provision that the insurer shall have no right of subrogation against PDA; **(ii)** a provision that any liability insurance coverage required to be carried shall be primary and non-contributory with respect to any insurance carried by PDA; and, to the extent obtainable, **(iii)** an agreement by the insurer that such policy shall not be canceled without at least thirty (30) days prior written notice **by registered** mail to PDA.

4. AAG obtaining the prior written consent of the Engineering Department of the PDA before **conducting** any drilling, testpitting, borings, or other soil/ground disturbing activities on the Premises, and thereafter complying with all terms and conditions of said consent. No geotechnical exploration shall be done on the Site without proper clearance from PDA Engineering Department. No trees or vegetation may be cut without written permission from the PDA. PDA shall make available information it has related to any existing conditions at the site including the location and type of utilities, underground tanks or structures, and any hazardous substances. The information is approximate and not **guaranteed**. AAG shall have no liability or responsibility to the PDA for **environmental** impacts and damage caused by the prior use of hazardous substances on the Premises by the United States of America - Department of the Air Force ("Air Force" or "**Government**"), and/or the PDA. AAG and PDA **acknowledge** the potential **obligation** of the Air Force to indemnify PDA and AAG to the extent required by the provisions of Public Law No. 101-511 Section 8056 and/or Public Law 102-484, as amended. AAG understands that the Premises is in an Area of Special Notice ("ASN"), as **identified** by the U.S. Air Force, EPA and NHDES, and that any future **construction** plans which may be authorized under a potential Lease agreement requiring excavation are subject to Air Force approval prior to the excavation(s) being initiated, and construction work may also involve Air Force **conducted** environmental remediation.

14 Aviation Avenue is part of the Airport Security Identification Display Area ("SIDA"). Designated representatives of AAG will be required to obtain security badges and qualify as escorts in order for representatives, employees and agents of the AAG to gain access to and remain on 14

Page Three

January 31, 2022

**Re: Right of Entry — 14 Aviation Avenue (a/k/a Hangar 227), 7 Lee St., 100 New Hampshire Ave., Pease International Tradeport, Portsmouth, NH**

Aviation Avenue. While in the SIDA, escort procedures per the requirements of the Pease International Airport Security Program must be met. Prior to accessing 14 Aviation Avenue all persons providing SIDA escort must undergo verification of their criminal history for the past ten (10) years, attend a training class that is offered no more than once every two weeks and pay any applicable fees. Information regarding escort requirements can be obtained by calling the Airport Management Department at (603) 433-6536, Monday through Friday, 8:00 a.m. to 5:00 p.m. No representative, employee or agent of AAG will be allowed in the SIDA without escorts meeting the requirements of the Pease International Airport Security Program.

5. AAG's agreement to restore said Premises to its condition as the same existed prior to the commencement of any work undertaken pursuant to this Right of Entry.

6. AAG's agreement herein that this Right of Entry does not constitute a grant of an exclusive interest in the Premises, an option to lease the Premises, or an offer to lease the Premises. AAG acknowledges and agrees that, except as otherwise set forth herein, no legal obligations shall arise with respect to the Premises or lease thereof until a Lease Agreement is executed by the parties, subject to the approval of the PDA Board of Directors.

7. This Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of New Hampshire, without reference to its choice of law principles. Each party agrees to submit to the exclusive jurisdiction of the federal and state courts sitting in the State of New Hampshire.

Please indicate by your signature below AAG's consent and return the same to me with evidence of insurance as required.

Very truly yours,

Paul E. Brean  
Executive Director

Agreed and accepted this \_\_\_\_ day of \_\_\_\_\_, 2022.

**AVIATION AVENUE GROUP LLC**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its Duly Authorized: \_\_\_\_\_

Page Four  
January 31, 2022

Re: **Right of Entry — 14 Aviation Avenue (a/k/a Hangar 227), 7 Lee Street, 100 New Hampshire Ave., Pease International Tradeport, Portsmouth, NH**

**EXHIBIT "A"**

**PREMISES**






## MOTION

Director Fournier:

The Pease Development Authority (“PDA”) Board of Directors consents to the six (6) month extension of the Option Agreement with North Forty Group LLC, dated February 1, 2022, and approves of and authorizes the Executive Director to amend the Option Agreement substantially in accordance with the draft Amended Option Agreement attached hereto and with the memorandum from Paul E. Brean, Executive Director, dated June 9, 2022.

**NOTE: Roll Call vote required.**

## MEMORANDUM

To: Pease Development Authority Board of Directors  
From: Paul E. Brean, Executive Director   
Date: June 9, 2022  
Re: PROCON/Kane Development Update

---

Representatives of PROCON/Kane attended the May Board meeting to provide an update on the due diligence they have undertaken since entering into option agreements with the PDA earlier this year. Their update constituted a significant shift away from the prior emphasis on air cargo development. While PROCON/Kane indicated a possibility they would have more information to present at the June Board meeting, they have since informed me they are not yet in a position to present a development proposal, but remain optimistic they will be in such a position in the near future.

Also included in their May update was a request for a six month extension to their option agreements (August 1, 2022 – January 31, 2023), as well as amendments to the agreements reflective of their shift in development focus. At the Board's June meeting the request for option extensions and amendments must be voted on. The option amendments are described as follows:

1. 14 Aviation Avenue (Hangar 227), 7 Lee Street, and 100 New Hampshire Avenue Option

A. 14 Aviation Avenue (Hangar 227)

*PROCON/Kane is requesting to amend the option to remove 14 Aviation Avenue/Hangar 227 (14.8 +/- acres) from the option agreement in its entirety.*

*The 14 Aviation Avenue parcel sits in the Airport Industrial Zone and is the only aeronautically zoned portion of this option area. With removal of the aeronautically zoned parcel, PROCON/Kane is also seeking to amend its option agreement to remove any reference to development of an "Air Cargo/Distribution facility," and instead seeks non-aeronautical development consistent with the Pease Industrial Zone in which the remaining two (2) parcels sit. PROCON/Kane seeks a reduction in its option payment consistent with this 14.8 +/- acreage reduction and a refund of any option payments for the 14 Aviation Avenue parcel as of the effective date of an amendment.*

B. 7 Lee Street and 100 New Hampshire Avenue

*PROCON/Kane intends to focus its continued due diligence on development at 7 Lee Street and 100 New Hampshire Avenue (both located in the Pease Industrial Zone) that is consistent with other existing commercial/industrial developments within the Pease International Tradeport. Per authorization of the FAA, ground leases in non-aeronautical zones at Pease are allowed to a maximum term of 74 years, in contrast to aeronautical zones where ground leases cannot extend beyond 50 years.*

2. North Apron Option

*PROCON/Kane is requesting to amend its North Apron option agreement to replace the language concerning development of an "Air Cargo/Distribution facility," with language that permits aeronautical development consistent with PDA's Land Use Controls. This change would enable PROCON/Kane to pursue non-air cargo aeronautical development in this Airport Zone parcel. Toward that end, PROCON/Kane could pursue opportunities such as aeronautical/aerospace research, design, and development businesses/facilities and corporate hangars.*

Ultimately, these amendments will enable PROCON/Kane to continue with its due diligence concerning development at Pease and provide opportunities for projects that are consistent with the development history at the Pease Tradeport and Portsmouth International Airport. These changes, requested by PROCON/Kane, acknowledge community concerns that have been raised about potential air cargo operations. Draft Amended Option Agreements are attached for the Board's review.

As the Board is aware, any specific development proposal for either option area must be brought before the Board at a future meeting resulting in a public review and approval process consistent with all other developments at Pease over the past 30 years.

It should be noted that option agreements are not required to develop land at Pease. In fact, the vast majority of property at Pease has been developed without option agreements in place. Rather, option agreements provide a developer with a period of exclusivity regarding the ability to propose a project, seek concept approval, undertake land use review/approval, and negotiate a lease on a particular parcel, in exchange for the option fee paid. As such, should the option agreements not be extended, or otherwise be allowed to expire, the respective parcels will be available for any entity, including PROCON/Kane, to bring forward a specific development proposal to be reviewed consistent with PDA processes.

I will continue to keep the Board updated as things progress.



**AMENDED OPTION AGREEMENT**

OPTIONOR: Pease Development Authority (“PDA” or “Lessor”), 55 International Drive, Portsmouth, New Hampshire

OPTIONEE: North Forty Group LLC (“North Forty”), 210 Commerce Way, Suite 300, Portsmouth, New Hampshire

PREMISES: The land and any improvements thereon located on a portion of the North Apron at the Portsmouth International Airport at Pease.

DATE: February 1, 2022

---

This Option Agreement (the “Agreement”), when executed, shall be effective as of February 1, 2022.

WHEREAS, PDA, an agency of the State of New Hampshire established under NH RSA 12-G, is the owner of property described herein located within the Airport Zone of the Portsmouth International Tradeport, Portsmouth, NH (the “Premises”); and

WHEREAS, PDA and North Forty desire to enter into this Agreement to grant North Forty an option to lease the Premises from PDA pursuant to the option terms and conditions set forth in this Agreement. PDA and North Forty may be referred to in this Agreement as a “Party” and may be collectively referred to as the “Parties.”

NOW, THEREFORE, and in consideration of the mutual covenants and agreements contained herein, the Option Payment as defined below, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Option and Option Area

Following execution, and subject to the terms of this Agreement, North Forty shall have an exclusive right and option to lease the land and any improvements thereon (the “Option”) described generally as:



- A portion of the North Apron (19.8 +/- acres or 863,500 square feet)

located within the PDA Airport Zone, all as more generally shown on the plan attached hereto and incorporated herein as **Exhibit "A"** (the "Option Area" or "Premises"), for ~~development of an air cargo/distribution facility permitted uses within the Airport Zone~~ consistent with applicable PDA Land Use Controls. The parties acknowledge the area of the Premises is subject to survey and is estimated based on the most current information available. During the Option Period and Option Extension Periods, PDA shall continue to have control over, and use of, the Premises. Except as otherwise specifically set forth below, this Option does not grant North Forty right to access, use, or occupy the Option Area prior to execution of a Lease as contemplated in Paragraph 6 below. The Option Area is subject to existing easements and rights of way of record.

2. Option Period

The "Option Period" shall be a period of six (6) months beginning on the effective date first above written.

3. Option Payment

Upon execution of this Agreement, North Forty shall pay PDA an option payment of \$30,222.50 (the "Option Payment") for the Option Period, which payment represents 10% of the annual base rent of \$302,225.00 for the Option Area, as shown on the attached **Exhibit "B"**.

4. Option Extension Periods and Payments

At least sixty (60) days prior to the expiration of the Option Period, North Forty shall provide written notice to PDA of its request to extend the Option Period for an additional six (6) month period (the "Option Extension Period 1"), through January 31, 2023. Said notice shall be accompanied by payment of a second Option Payment to PDA for the Option Extension Period 1 in the amount of \$60,445.00, which payment represents 20% of the annual base rent of \$302,225.00.

At least sixty (60) days prior to the expiration of the Option Extension Period 1, North Forty shall provide written notice to PDA of its request to extend the Option one final six (6) month period (the "Final Option Extension Period"), through July 30, 2023. Said notice shall be accompanied by payment of a third Option Payment to PDA for the Final Option Extension Period in the amount of \$90,667.50, which payment represents 30% of the annual base rent of \$302,225.00.

North Forty acknowledges that any extension of the Option Period shall require consent of the PDA Board of Directors and be further subject to North Forty demonstrating to PDA that it has made substantial progress with respect to the development of the Option Area, including, but not limited to the development of site and subdivision plans (which may be subject to ongoing adjustment), the development of traffic, roadway, and/or noise studies as may be warranted/required, and entry into a non-binding letter of intent with the PDA prior to requesting

the Final Option Extension Period. In the event the PDA Board of Directors does not consent to either the Option Extension Period 1 or the Final Option Extension Period, the additional Option Payment for said Option Extension Period 1 or Final Option Extension Period shall be returned to North Forty and the Option shall be deemed to have terminated effective as of the conclusion of the then-current period.

5. Exercise of Option

The Option may be exercised by North Forty at any time prior to the expiration of the Option Period, or either Option Extension Period, by providing written notice (the "Option Exercise Notice"), signed by a duly authorized representative of North Forty, of such exercise to PDA (Attn: Executive Director) prior to the expiration of the Option Period or either Option Extension Period. Notwithstanding the foregoing, North Forty may not exercise the Option until a traffic impact and access study of the proposed development, conducted by a New Hampshire licensed engineer, is provided to the PDA.

6. Lease Agreement

Upon the valid exercise of the Option, North Forty and PDA shall negotiate, in good faith, for a period not to exceed one hundred eighty (180) days, a Lease Agreement (the "Lease") for the Option Area, subject to any required land use review/approvals, including but not limited to subdivision and site plan approval, on terms and conditions mutually agreeable to the parties, but generally consistent with PDA ground leases at the Pease International Tradeport. In the event the Parties have not executed a Lease within one hundred eighty (180) days, continued negotiation if agreed to by the PDA may be subject to an additional payment based on a 10% increase per six (6) month period as established.

The Lease shall include, but not be limited to, the following provisions by which the Parties:

- (i) agree to an initial base term of not more than thirty (30) years, with up to three (3) five (5) year options, and one (1) four (4) year option, to renew (for a total potential term of forty-nine (49) years);
- (ii) agree to an initial base rent at the PDA annual base per acre and/or square foot formula (consistent with zone and intended use) and subject to annual escalation, as such escalation shall be set forth in the Lease;
- (iii) agree to payment of a municipal services fee in accordance with the provisions of RSA 12-G:14 and the Municipal Services Agreement between the PDA, the Town of Newington, and the City of Portsmouth dated July 1, 1998;
- (iv) agree that the Lease shall be triple net to the PDA and subject and subordinate to the Federal Grant Assurances established from time to time by the Federal Aviation Administration, to which PDA is subject with respect to operation of the Airport;
- (v) agree that no rent shall be due and owing for an agreed upon period of the Lease as a construction abatement (historically the PDA has provided up to a 9 month rent abatement for construction);

- (vi) agree to cost share any improvements necessary to make the “preferred use apron” as depicted on Exhibit A passable by Group V aircraft; and
- (vii) agree to permit airfield access over the Premises.

7. Governmental Approvals/Lease Execution

North Forty shall endeavor to obtain all necessary governmental approvals as may be required for its development within one hundred and eighty (180) days of the Option Exercise Notice. PDA agrees to reasonably cooperate with North Forty, at North Forty’s sole cost and expense, in respect to obtaining any such required approvals. In the event that all necessary governmental approvals have not been obtained within 180 days of the Option Exercise Notice and North Forty continues to diligently in good faith pursue such approvals, said 180-day period shall be extended for one additional period not to exceed another one hundred and eighty (180) days. Except as otherwise specifically agreed in writing by the Parties, if a Lease has not been executed or if all necessary governmental approvals required to commence construction on the Option Area, as contemplated by North Forty, have not been obtained within 180 days of the Option Exercise Notice, or the additional 180 day extension thereof, North Forty shall have no further rights to the Option Area and the property shall revert to PDA. Should the then current Option Period expire during either of the one hundred eighty (180) day extensions referenced herein, the North Forty shall pay PDA an Option Payment at a pro rata rate for each such day beyond the expiration at the most recent Option Payment rate for a six (6) month period.

8. Access to Option Area and Due Diligence

Subject to the terms of this Agreement, and execution of a separate Right-of-Entry agreement substantially in the form attached hereto as **Exhibit “C”**, PDA agrees to permit North Forty or its representative to access the Premises and to undertake such reasonable utility, environmental, and/or geotechnical investigations of the Option Area as North Forty shall request in writing to PDA, provided that such rights may be exercised only during the time that this Agreement or the Right of Entry have not terminated.

North Forty shall ensure that its agents and contractors comply with all PSM Airport and TSA security requirements and is required to inform the PDA’s Airport Management Department when contractors will be on site conducting work authorized under this Option and Right of Entry. North Forty acknowledges that the Premises is in the Security Identification Display Area (SIDA) at PSM. Designated representatives of North Forty will be required to obtain airport SIDA badges and qualify as escorts in order for representatives, employees and agents of Lessee to gain access to and remain in the SIDA. While in the SIDA, escort procedures per the requirements of the PSM’s Security Program must be met. Prior to accessing the Premises, all persons who are going to obtain a SIDA badge must undergo criminal history check, and pass a TSA security threat assessment, and attend a training class that is offered no more than two times a month and pay any applicable fees. Information regarding escort requirements can be obtained by calling the Airport Management Department at (603) 433-6536, Monday through Thursday, 8:00 a.m. to 5:00 p.m. and 8:00am to 4:00pm on Fridays. No representative, employee or agent of the North Forty will be allowed in the SIDA without escorts meeting the requirements of the PSM’s Security Program.



North Forty is responsible for maintaining airport security requirements for SIDA badges and for facilities that provide direct or indirect access to the airfield. Any TSA fines incurred by the PDA due to North Forty's actions or inaction will be fully reimbursed by the North Forty.

9. Termination of Option

Notwithstanding any other provision of this Agreement, and in addition to the termination provisions provided herein, this Agreement shall terminate automatically on the failure to exercise the additional six (6) month Option Extension Period 1, the six (6) month Final Option Extension Period, or to exercise the Option itself.

Upon expiration or termination of the Option without exercise of the Option Exercise Notice, North Forty shall have no further right to the Option Area.

10. Federal and State Approvals

North Forty understands that the Option Area or related areas is in or adjacent to an Area of Special Notice ("ASN"), as identified by the U.S. Air Force, EPA and NHDES, and that any future construction plans which may be authorized under the Lease requiring excavation are subject to Air Force approval prior to the excavation(s) being initiated, and construction work may also involve Air Force conducted environmental remediation. The party proposing the construction is required to have a Construction Work Plan in place and to follow the Pease Health and Safety Plan ("HASP") during all excavation activities. In addition, a Request for Construction Approval must be filed with the Air Force, through the PDA, no later than 60 days prior to the anticipated construction start date. This request must include as a minimum, a full description of the proposed construction (plans, specifications, CWP, etc.), and identify the potential for encountering contaminated soil and/or groundwater.

11. Inspection Reports

PDA shall make available information it has related to any existing conditions at the site including the location and type of utilities, underground tanks or structures, and any hazardous substances. The information is approximate and not guaranteed. North Forty shall provide PDA, upon execution of this Agreement or promptly upon completion of its inspection, with a copy of any report, letter, or summary with respect to conditions found at the Premises.

12. Risk of Loss

North Forty agrees that any use of the Premises/Option Area is at its sole risk and subject to the provisions of the Right of Entry between the parties (see Exhibit C) and that its signature below constitutes its agreement to assume full responsibility for any and all risks of loss or damage to property and injury or death to persons by reason of or incident to its entry or the entry by any of its employees, agents or contractors upon the premises and/or the exercise of any of the authorities granted herein. North Forty expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of North Forty's use of the Premises/Option Area or the conduct of activities or the performance of



responsibilities under this Agreement or the Right of Entry.

13. Counterparts

This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all together will constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by facsimile or by electronic delivery in PDF format shall be sufficient to bind the Parties to the terms and conditions of this Agreement.

14. Severability

If any term of this Agreement shall become declared illegal, invalid, or unenforceable, it will not affect the validity or enforceability of any other provision of this Agreement.

15. Governing Law

This Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of New Hampshire, without reference to it choice of law principles. Each party agrees to submit to the exclusive jurisdiction of the federal and state courts sitting in the State of New Hampshire.

**EXECUTION**

IN WITNESS WHEREOF, PDA and North Forty have executed this Agreement to be effective as noted above, on the \_\_\_\_ day of \_\_\_\_\_, 2022

**PEASE DEVELOPMENT AUTHORITY**

By: \_\_\_\_\_  
Paul E. Brean  
Its: Executive Director

**NORTH FORTY GROUP LLC**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its: \_\_\_\_\_

# EXHIBIT A



Exhibit A

DESIGNED BY: MRM    DATE: 11/29/21    SCALE: 1"=400'

 **PEASE DEVELOPMENT AUTHORITY**

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

**EXHIBIT B**

Portion of North Apron (19.8 +/- acres or 863,500 sf)

Airport Zone - \$0.35/sf

Annual Rent - \$302,225.00

**EXHIBIT C**



55 International Drive, Portsmouth NH 03801

January 31, 2022

North Forty Group LLC  
Attn: John Stebbins  
210 Commerce Way  
Suite 300  
Portsmouth, New Hampshire 03801

**Re: Right of Entry — North Apron, Portsmouth International Airport,  
Portsmouth, NH**

Dear John:

This letter, when fully executed, will authorize North Forty Group LLC ("North Forty") and/or its agents and **contractors** to enter the premises at the North Apron of the **Portsmouth International Airport** at Pease, as shown on the attached **Exhibit A** (the "Premises") for the period of time running **concurrent** with the **Option Agreement** effective February 1, 2022, **between** North Forty and the Pease Development Authority ("PDA") for the Premises, for survey / site inspection purposes. Such **inspection** may include a review of environmental matters, including soils testing, availability/adequacy of utility services, general site conditions, and any other similar **inspection or evaluation** of the Premises you deem **reasonably** necessary. This Right of Entry will expire upon the **termination** of the referenced **Option Agreement** unless otherwise **extended** by North Forty and the PDA.

This Right of Entry is **conditioned** upon the following:

1. North Forty providing PDA, upon execution of this letter of authorization or **promptly** upon completion of its **inspection**, with a copy of any report, letter, plan, or **summary** with respect to **conditions** found at the **Premises**;
2. North Forty's agreement herein that any use of the Premises is at its sole risk and that its **signature** below constitutes its agreement to **assume full responsibility for any and all risks** of loss or **damage to property and injury or death to persons by reason of or incident to its entry** or the entry by any of its employees, agents or contractors upon the premises and/or the exercise of any of the **authorities** granted herein. North Forty expressly waives all claims against the PDA for any such loss, **damage, personal injury** or death caused by or occurring as a consequence of **North Forty's** use of the **Premises** or the conduct of activities or the **performance** of responsibilities under this **authorization**. North Forty further agrees to **indemnify**, save, hold harmless, and defend the PDA, its officers, board

○○○○ TAKING YOU THERE

Phone: 603.433.6088 Fax: 603.427.0433 www.peasedev.org



Page Two  
January 31, 2022

**Re: Right of Entry — North Apron, Portsmouth International Airport,  
Portsmouth, NH**

members, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgments, costs and attorney's fees arising out of North Forty's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

3. North Forty and any agent or contractor of North Forty providing PDA with satisfactory evidence of Commercial General Liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), and Environmental Pollution Liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), both naming the PDA as an additional insured as its interests may appear. North Forty and any agent or contractor of North Forty shall provide PDA with satisfactory evidence of automobile liability insurance coverage in the amount of One Million Dollars (\$1,000,000) and workers' compensation coverage to statutory limits.

Each such policy or certificate therefor issued by the insurer shall contain: **(i)** a provision that the insurer shall have no right of subrogation against PDA; **(ii)** a provision that any liability insurance coverage required to be carried shall be primary and non-contributory with respect to any insurance carried by PDA; and, to the extent obtainable, **(iii)** an agreement by the insurer that such policy shall not be canceled without at least thirty (30) days prior written notice by registered mail to PDA.

4. North Forty obtaining the prior written consent of the Engineering Department of the PDA before conducting any drilling, testpitting, borings, or other soil/ground disturbing activities on the Premises, and thereafter complying with all terms and conditions of said consent. No geo-technical exploration shall be done on the Site without proper clearance from PDA Engineering Department. No trees or vegetation may be cut without written permission from the PDA. PDA shall make available information it has related to any existing conditions at the site including the location and type of utilities, underground tanks or structures, and any hazardous substances. The information is approximate and not guaranteed. North Forty shall have no liability or responsibility to the PDA for environmental impacts and damage caused by the prior use of hazardous substances on the Premises by the United States of America - Department of the Air Force ("Air Force" or "Government"), and or the PDA. North Forty and PDA acknowledge the potential obligation of the Air Force to indemnify PDA and North Forty to the extent required by the provisions of Public Law No. 101-511 Section 8056 and or Public Law 102-484, as amended. North Forty understands that the Premises is in an Area of Special Notice ("ASN"), as identified by the U.S. Air Force, EPA and NHDES, and that any future construction plans which may be authorized under a potential Lease agreement requiring excavation are subject to Air Force approval prior to the excavation(s) being initiated, and construction work may also involve Air Force conducted environmental remediation.

The North Apron is part of the Airport Security Identification Display Area ("SIDA"). Designated representatives of North Forty will be required to obtain security badges and qualify as escorts in order for representatives, employees and agents of the North Forty to gain access to and remain on the Premises. While in the SIDA, escort procedures per the requirements of the Pease

Page Three

January 31, 2022

**Re: Right of Entry — North Apron, Portsmouth International Airport,  
Portsmouth, NH**

International Airport Security Program must be met. Prior to accessing the North Apron, all persons providing SIDA escort must undergo verification of their criminal history for the past ten (10) years, attend a training class that is offered no more than once every two weeks and pay any applicable fees. Information regarding escort requirements can be obtained by calling the Airport Management Department at (603) 433-6536, Monday through Friday, 8:00 a.m. to 5:00 p.m. No representative, employee or agent of North Forty will be allowed in the SIDA without escorts meeting the requirements of the Pease International Airport Security Program.

5. North Forty's agreement to restore said Premises to its condition as the same existed prior to the commencement of any work undertaken pursuant to this Right of Entry.

6. North Forty's agreement herein that this Right of Entry does not constitute a grant of an exclusive interest in the Premises, an option to lease the Premises, or an offer to lease the Premises. North Forty acknowledges and agrees that, except as otherwise set forth herein, no legal obligations shall arise with respect to the Premises or lease thereof until a Lease Agreement is executed by the parties, subject to the approval of the PDA Board of Directors.

7. This Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of New Hampshire, without reference to its choice of law principles. Each party agrees to submit to the exclusive jurisdiction of the federal and state courts sitting in the State of New Hampshire.

Please indicate by your signature below North Forty's consent and return the same to me with evidence of insurance as required.

Very truly yours,

Paul E. Brean  
Executive Director

Agreed and accepted this \_\_\_\_ day of \_\_\_\_\_, 2022.

**North Forty Group LLC**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Its Duly Authorized: \_\_\_\_\_

Re: **Right of Entry — North Apron, Portsmouth International Airport,  
Portsmouth, NH**

**EXHIBIT "A"**  
**PREMISES**



Exhibit Depicting Right of Entry at PSM North Apron


DESIGNED BY: MRM DATE: 7/7/21 SCALE: NTS



**PEASE DEVELOPMENT AUTHORITY**

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

MEMORANDUM

To: Pease Development Authority Board of Directors  
From: Paul Brean, Executive Director   
Date: June 6, 2022  
Re: Employee Recognition

\*\*\*\*\*

The following seasonal employee is to be recognized for her years of service to the Pease Development Authority at the Board Meeting on June 16, 2022:

30 years:

Bea Reno, Golf Maintenance Department



Date: June 6, 2022

To: Paul Brean, Executive Director  
From: Suzy Anzalone, Director of Finance



Subject: Executive Summary- Financial Reports

In anticipation of the upcoming June 16, 2022 Pease Development Authority Board meeting, the following is an Executive Summary of the financial results for the ten months ended April 30, 2022:

**Consolidated Results**

<b>Pease Development Authority - Consolidated</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	16,480	13,919	2,561
Operating Expenses	10,262	11,337	1,075
<b>Operating Income</b>	<b>6,218</b>	<b>2,582</b>	<b>3,636</b>
Depreciation	5,716	5,933	217
Non Oper. (Inc)/Exp	(1,973)	102	2,075
<b>Net Operating Income</b>	<b>2,476</b>	<b>(3,452)</b>	<b>5,928</b>

Year-to-date operating revenues continue to trend favorably with consolidated revenue at \$16.4 million, trending over budgeted expectations by \$2.5 million (18.4%). Positive revenue variances include golf course public play, facility rental, fuel flowage and wharfage and dockage fees. Revenue underruns consist of registration fees and fuel sales at the Harbors.

Year-to-date consolidated operating expenses total \$10.3 million and are also trending favorably by \$1.1 million (9.5%). Line items trending under budget include wages (partly due to open positions and fewer seasonal hours), facilities, airfield and equipment maintenance expenses, water, legal fees, marketing expenses and fuel purchases. Line items currently trending over budget include retirement expense, snow removal, business insurance, utility expenses (excluding water), technology expenses and audit fees.

Year-to-date consolidated Net Operating Income is \$2.5 million, which is favorable to budget by \$5.9 million.

## Business Unit Performance

### Portsmouth Airport

<b>Portsmouth Airport ( PSM) incl Security</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	1,964	1,726	238
Operating Expenses	2,481	2,654	173
<b>Operating Income</b>	<b>(517)</b>	<b>(928)</b>	<b>411</b>
Depreciation	3,783	3,870	87
Non Oper. (Inc)/Exp	(1,964)	0	1,964
<b>Net Operating Income (Loss)</b>	<b>(2,336)</b>	<b>(4,798)</b>	<b>2,463</b>

Operating revenues for the Portsmouth Airport are favorable to budget by \$238,000 (13.8%) year-to-date. April was an exceptional month for parking revenue (\$106,000) bringing that line item over budgeted projections. Fuel flowage fees and income from two six-month option agreements make up the majority of the remaining favorable results. Operating expense are favorable by \$173,000 (6.5%) as we continue to experience cost underruns in airfield and equipment maintenance costs, wages (due to open positions) and marketing. Year-to-date cost overruns include liability insurance, de-icing chemicals, technology expenses, and event expenses related to the September airshow.

### Skyhaven Airport

<b>Skyhaven ( DAW)</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	189	178	11
Operating Expenses	210	207	(3)
<b>Operating Income</b>	<b>(22)</b>	<b>(30)</b>	<b>8</b>
Depreciation	382	452	70
Non Oper. (Inc)/Exp	0	0	0
<b>Net Operating Income (Loss)</b>	<b>(404)</b>	<b>(481)</b>	<b>78</b>

Year-to-date operating results for Skyhaven show revenue trending over budget by \$11,000 driven by higher hangar fee revenue, aviation fees and fuel sales. Year-to-date expenses are slightly over budget (\$3,000).

### Tradeport

<b>Tradeport</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	9,652	7,660	1,992
Operating Expenses	357	483	126
<b>Operating Income</b>	<b>9,294</b>	<b>7,177</b>	<b>2,118</b>
Depreciation	613	638	24
Non Oper. (Inc)/Exp	0	0	0
<b>Net Operating Income</b>	<b>8,681</b>	<b>6,539</b>	<b>2,142</b>

Tradeport revenue is favorably by \$2.0 million (26.0%) as this cost center's revenue includes the sale of 30 New Hampshire Ave. In addition, facility rentals are also trending higher than budget. Year-to-date operating expenses are under budget by \$126,000 with the majority of cost underruns in outside contractor and environmental services expense.

## Golf Course

<b>Pease Golf Course</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	2,438	2,097	342
Operating Expenses	1,652	1,857	205
<b>Operating Income</b>	<b>786</b>	<b>240</b>	<b>546</b>
Depreciation	298	303	6
Non Oper. (Inc)/Exp	(0)	(0)	0
<b>Net Operating Income</b>	<b>488</b>	<b>(63)</b>	<b>552</b>

Year-to-date golf course operating revenues are higher than budget by \$342,000 (16.3%) mainly due to public play fee revenue. Operating expenses continue to trend favorably as well, with year-to-date expenditures under budget by \$205,000 (11.0%). Cost underruns include utilities, general and administrative expenses and golf cart lease expense. However, with the course now fully opened, golf cart lease payments will resume, bringing this line item closer to budget. Cost overruns mainly consist of retirement expense, wages (due to pay increases higher than budget), turf maintenance and technology expenses.

## Division of Ports and Harbors (DPH) -Unrestricted

<b>Division of Ports and Harbors (Unrestricted)</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	2,111	2,119	(9)
Operating Expenses	1,812	1,865	53
<b>Operating Income</b>	<b>299</b>	<b>254</b>	<b>45</b>
Depreciation	511	529	18
Non Oper. (Inc)/Exp	(2)	(5)	0
<b>Net Operating Income (Loss)</b>	<b>(210)</b>	<b>(270)</b>	<b>60</b>

Year-to-date results for the DPH show operating revenues slightly under budget (\$9,000). Favorable revenue line items include facility rentals and wharfage/dockage fees but are offset by lower registration fees and fuel sales. Operating expenses are also trending under budget by \$53,000 mainly caused by lower fuel purchases (due to lower fuel sales).

## Balance Sheet/Statement of Net Position

(\$ 000's)	As of 4/30/2022	As of 6/30/2021
<b>Assets</b>		
Current Assets	13,890	8,884
Restricted Assets	1,516	7,604
Capital Assets	94,521	96,350
<b>Total Assets</b>	<b>109,928</b>	<b>112,838</b>
<b>Liabilities</b>		
Current Liabilities	5,150	14,237
Non-Current Liabilities	14,555	14,558
<b>Total Liabilities</b>	<b>19,704</b>	<b>28,795</b>
<b>Net Position</b>		
Net Invest. in Cap Assets	93,579	92,492
Restricted	1,198	(4,791)
Unrestricted	(3,259)	(2,365)
<b>Total Net Position</b>	<b>91,518</b>	<b>85,336</b>

Current assets of \$13.9 million are comprised of \$9.4 million in unrestricted cash, \$3.6 million in trade and grant/government receivables and \$0.9 million in inventory and other. The strong cash balance does reflect receipt of the \$1.9 million ARPA grant in March. As a reminder, receipt of these grant funds will enable us to move forward with capital improvements and decrease the likelihood that we will need to draw on our line of credit in the near future.

Restricted assets total \$1.6 million and consist primarily of the Revolving Loan Fund which has total assets of \$1.4 million. There were 20 loans outstanding as of April 30<sup>th</sup>. As of the writing of this report, we have processed three additional loans. This brings our capital utilization rate to just over 95% of available funds.

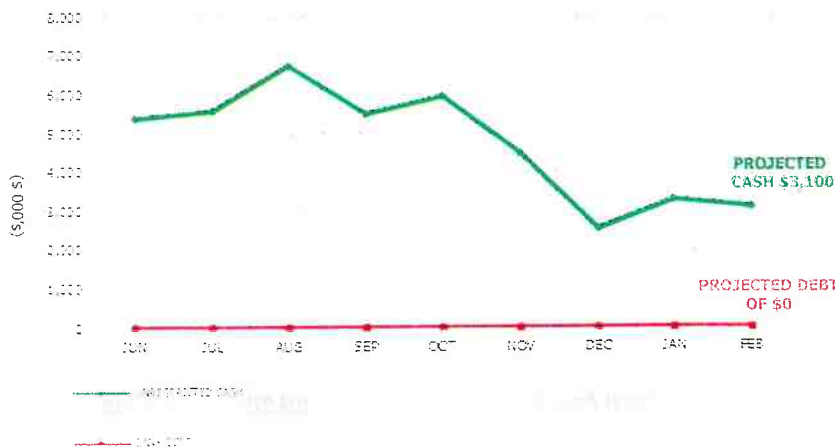
Year-to-date capital expenditures total \$3.9 million. PDA projects include PSM Terminal Expansion, Lowery Lane paving, Corporate Drive drainage improvements and various equipment purchases. DPH projects include construction at the Portsmouth Fish Pier, Barge Dock replacement, Main Pier rehabilitation, lighting improvements at Market Street Wharf and dock replacement at Hampton Harbor.

Current liabilities total \$5.1 million and are comprised of \$4.0 million in accounts payable and accrued expenses, \$0.2 million in construction project retainage and \$0.9 million in unearned revenue and other.

**Cash Flow Projections for the Nine Month Period Ending February 28, 2023**

Nine-month cash inflow projections (excluding DPH) are estimated at \$15.4 million and continue to be mainly provided by operating revenues, but also include \$2.8 million in grant funds for capital projects. Projected cash outflows are estimated at \$18.2 million, with \$10.1 million in operating expenses and municipal service fee payments and \$8.1 million in grant and non-grant funded capital expenditures. Currently, non-grant capital expenditures include \$2 million for the terminal arrivals area construction. To be conservative, we are currently classifying this as “non-grant funded” but this could change as the project moves forward. The chart below reflects the impact on operating cash based on current nine-month cash flow assumptions, and as you can see we do not anticipate the need to draw on our line of credit.

Please let me know if you have any questions or require supplemental information.



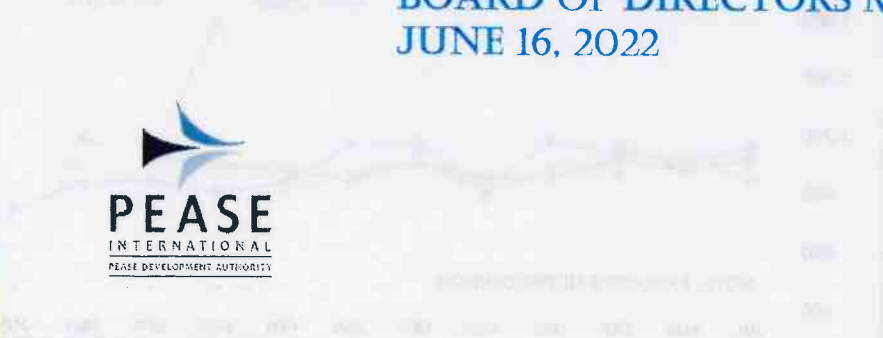


PEASE DEVELOPMENT AUTHORITY  
and Expenditures - Ten Months Ending April 30, 2022

# PEASE DEVELOPMENT AUTHORITY FY2022 FINANCIAL REPORT FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2022



BOARD OF DIRECTORS MEETING  
JUNE 16, 2022



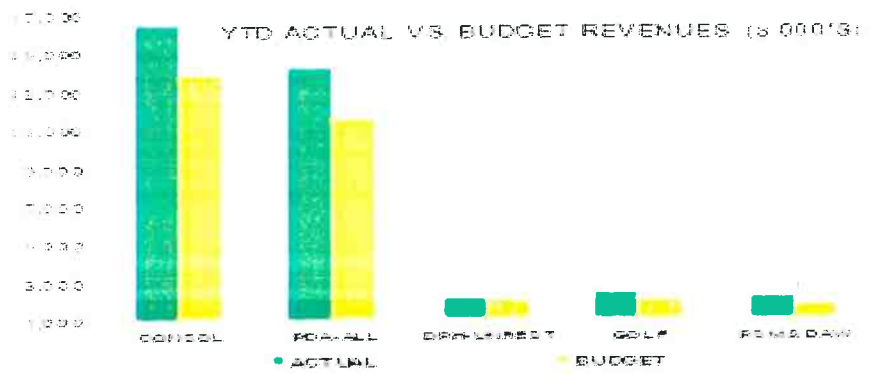
# PEASE DEVELOPMENT AUTHORITY

## Revenues and Expenditures – Ten Months Ended April 30, 2022

**Trends:**

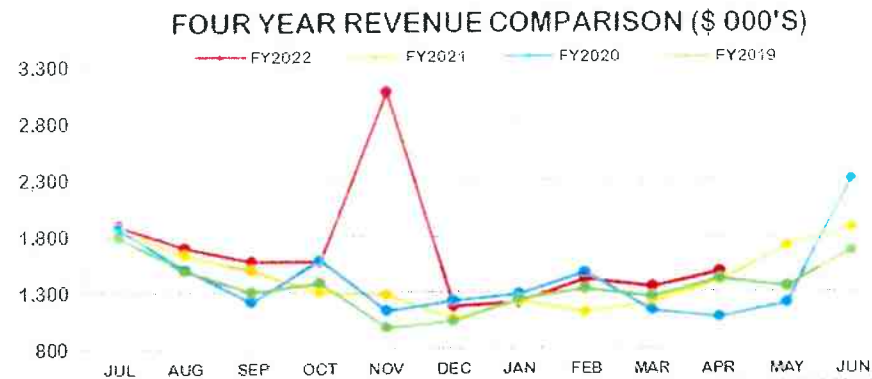
**YTD revenue higher by 18.4%:**

- Golf Fees, Facility Rental, Fuel Flowage, Wharfage/Dockage trending higher than budget
- Sale of 30 NH Ave for \$1.75M
- Offset by lower Fuel sales and Registration fees



**Trends:**

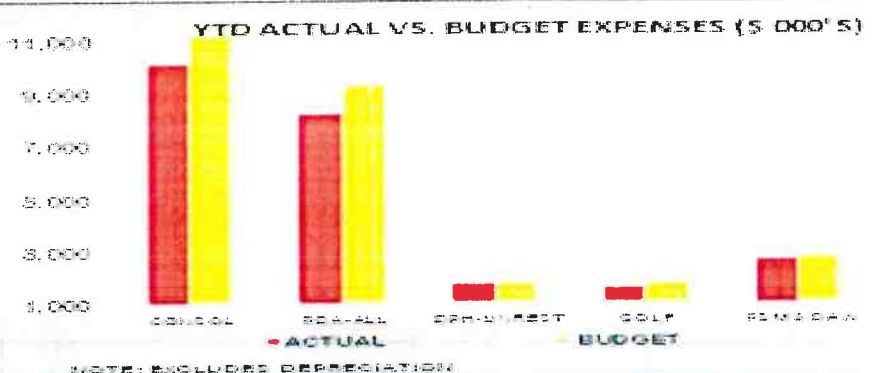
- **November 2021** includes sale of 30 NH Ave
- **July revenues** include annual rent payment-Great Bay Comm. College
- **June revenues** include increase in Golf fee revenue



**Trends:**

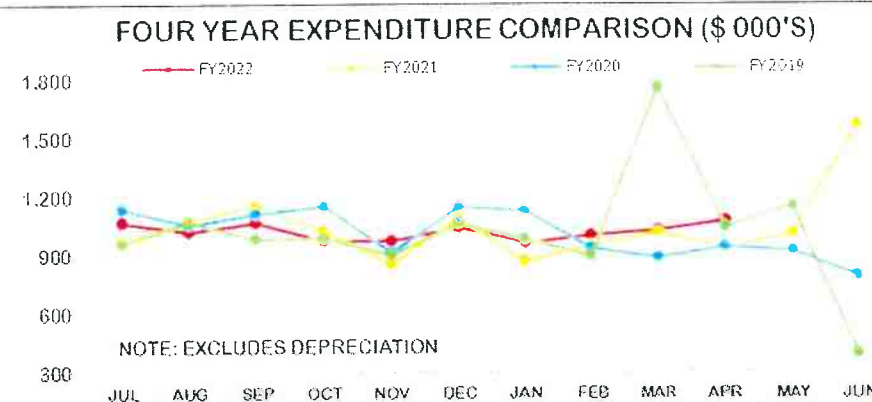
**YTD Operating Expenses lower by 9.5%:**

- Wages, Building & Facilities, General & Admin, Utilities, Professional Fees, Marketing & Fuel trending lower than budget
- Offset by cost overruns in Insurance, Retirement expense, Snow Removal, Audit Fees, Technology expenses



**Trends:**

- **March 2019**-\$800k CLF settlement
- **June 2019-June 2021** – Retirement OPEB year end adjustments



**PEASE DEVELOPMENT AUTHORITY**  
**Consolidated Statement of Revenues and Expenses**  
**For the Ten Months Ending April 30, 2022**

	Actual Apr FY 2022	Budget Apr FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL								
FACILITIES								
CARGO AND HANGARS	\$880,785	\$844,841	\$35,944	4.3%	\$8,887,065	\$8,646,532	\$240,532	2.8%
	14,139	13,756	383	2.8%	138,786	134,785	4,002	3.0%
	<u>894,924</u>	<u>858,597</u>	<u>36,327</u>	<u>4.2%</u>	<u>9,025,851</u>	<u>8,781,317</u>	<u>244,534</u>	<u>2.8%</u>
CONCESSION REVENUE	28,374	7,324	21,049	287.4%	357,985	362,215	(4,230)	(1.2%)
FEE REVENUE								
AVIATION FEES								
FUEL FLOWAGE	68,142	14,462	53,680	371.2%	483,510	438,773	44,737	10.2%
PSM TSALEO REVENUE		1,667	(1,667)	(100.0%)	16,380	16,667	(287)	(1.7%)
PSM SECURITY REVENUE	275	1,167	(892)	(76.4%)	21,485	11,667	9,818	84.2%
GOLF FEES	172,461	155,000	17,461	11.3%	1,479,523	1,090,000	389,523	35.7%
GOLF SIMULATORS	6,425		6,425	-	72,493	125,000	(52,507)	(42.0%)
GOLF MEMBERSHIPS	50,642	55,930	(5,288)	(9.5%)	303,854	309,140	(5,286)	(1.7%)
GOLF LESSONS	3,667	2,125	1,542	72.6%	26,587	21,750	4,837	22.2%
MOORING FEES	38,940	36,333	2,607	7.2%	389,401	363,333	26,068	7.2%
PARKING	111,139	8,768	102,371	1167.6%	534,182	507,150	27,032	5.3%
PIER USAGE FEES	8,959	8,417	542	6.4%	76,828	84,167	(7,339)	(8.7%)
REGISTRATIONS		18,667	(18,667)	(100.0%)	127,692	186,667	(58,975)	(31.6%)
TERMINAL FEES				-				-
WHARFAGE AND DOCKAGE	13,700	46,975	(33,275)	(70.8%)	569,000	469,747	99,253	21.1%
	<u>474,350</u>	<u>350,178</u>	<u>124,175</u>	<u>35.5%</u>	<u>4,216,519</u>	<u>3,720,728</u>	<u>495,793</u>	<u>13.3%</u>
FUEL SALES	42,033	60,959	(18,926)	(31.0%)	469,607	582,882	(113,274)	(19.4%)
INTEREST INCOME								
LOAN INTEREST								
	2,378	2,750	(372)	(13.5%)	25,721	27,500	(1,779)	(6.5%)
OTHER REVENUES								
MERCHANDISE								
ALL OTHER	27,155	23,417	3,738	16.0%	243,820	234,167	9,653	4.1%
	15,897	15,914	(17)	(0.1%)	2,140,704	210,135	1,930,569	918.7%
	<u>43,052</u>	<u>39,331</u>	<u>(3,721)</u>	<u>(9.5%)</u>	<u>2,384,524</u>	<u>444,302</u>	<u>(1,940,222)</u>	<u>(436.7%)</u>
<b>TOTAL OPERATING REVENUE</b>	<b>1,485,111</b>	<b>1,319,139</b>	<b>165,975</b>	<b>12.6%</b>	<b>16,480,207</b>	<b>13,918,944</b>	<b>2,561,265</b>	<b>18.4%</b>
<b>OPERATING EXPENSES</b>								
<b>WAGES AND FRINGE BENEFITS</b>								
<b>WAGES</b>								
BENEFITED REGULAR	327,183	341,628	14,445	4.2%	3,357,767	3,406,231	48,464	1.4%
BENEFITED OVERTIME	15,411	8,305	(7,106)	(85.6%)	206,243	215,135	8,893	4.1%
NON-BENEFITED REGULAR	81,180	31,930	(49,250)	(154.2%)	623,646	641,888	18,242	2.8%
NON-BENEFITED OVERTIME	54	1,462	1,408	96.3%	27,846	23,747	(4,099)	(17.3%)
ACCRUED VACATION BENEFITS	8,066		(8,066)	-	(29,477)		29,477	-
ACCRUED SICK TIME BENEFITS	(985)		985	-	(2,829)		2,829	-
WAGE TRANSFERS OUT				-	(3,558)		3,558	-
	<u>430,909</u>	<u>383,325</u>	<u>(47,584)</u>	<u>(12.4%)</u>	<u>4,179,638</u>	<u>4,287,001</u>	<u>107,364</u>	<u>2.5%</u>
<b>FRINGE BENEFITS</b>								
DENTAL INSURANCE	5,365	5,942	577	9.7%	54,862	59,400	4,539	7.6%
HEALTH INSURANCE	101,837	110,939	9,102	8.2%	1,038,584	1,108,656	70,072	6.3%
LIFE INSURANCE	2,470	2,473	2	0.1%	23,396	24,766	1,370	5.5%
NEW HAMPSHIRE RETIREMENT	48,111	43,317	(4,793)	(11.1%)	515,638	431,104	(84,534)	(19.6%)
POST RETIREMENT BENEFITS	9,287	10,414	1,127	10.8%	97,034	104,140	7,106	6.8%
OPEB EXPENSE				-				-
BENEFIT TRANSFERS OUT				-				-
	<u>167,070</u>	<u>173,085</u>	<u>6,014</u>	<u>3.5%</u>	<u>1,729,514</u>	<u>1,728,066</u>	<u>(1,448)</u>	<u>(0.1%)</u>
<b>TOTAL WAGES &amp; FRINGES</b>	<b>597,979</b>	<b>556,410</b>	<b>(41,570)</b>	<b>(7.5%)</b>	<b>5,909,152</b>	<b>6,015,067</b>	<b>105,916</b>	<b>1.8%</b>
<b>BUILDING AND FACILITIES</b>								
AIRFIELD MAINTENANCE		6,900	6,900	100.0%	9,263	69,000	59,737	86.6%
COVID-19		2,671	2,671	100.0%	1,548	26,707	25,158	94.2%
CHEMICALS	6,486	7,810	1,324	17.0%	82,414	78,098	(4,316)	(5.5%)
ENVIRONMENTAL TESTING	4,757	7,992	3,235	40.5%	39,246	79,917	40,671	50.9%
EQUIPMENT MAINTENANCE	27,130	28,000	869	3.1%	287,129	295,279	8,150	2.8%
FACILITIES MAINTENANCE	77,430	65,832	(11,598)	(17.6%)	600,219	658,323	58,104	8.8%
LANDSCAPING	2,150	2,293	143	6.3%	26,642	22,933	(3,708)	(16.2%)
NAVIGATION MAINTENANCE	3,497	12,833	9,336	72.8%	61,442	128,333	66,892	52.1%
OTHER EXPENSES		2,500	2,500	100.0%		25,000	25,000	100.0%
SECURITY	47,995	9,190	(38,806)	(422.3%)	165,328	171,920	6,592	3.8%
SNOW REMOVAL	39,895	14,750	(25,145)	(170.5%)	205,364	147,500	(57,864)	(39.2%)
EXPENSE TRANSFERS				-				-
WAGE TRANSFERS IN				-				-
BENEFIT TRANSFERS IN				-				-
	<u>209,340</u>	<u>160,771</u>	<u>(48,570)</u>	<u>(30.2%)</u>	<u>1,478,595</u>	<u>1,703,010</u>	<u>224,415</u>	<u>13.2%</u>



**PEASE DEVELOPMENT AUTHORITY**  
**Consolidated Statement of Revenues and Expenses**  
**For the Ten Months Ending April 30, 2022**

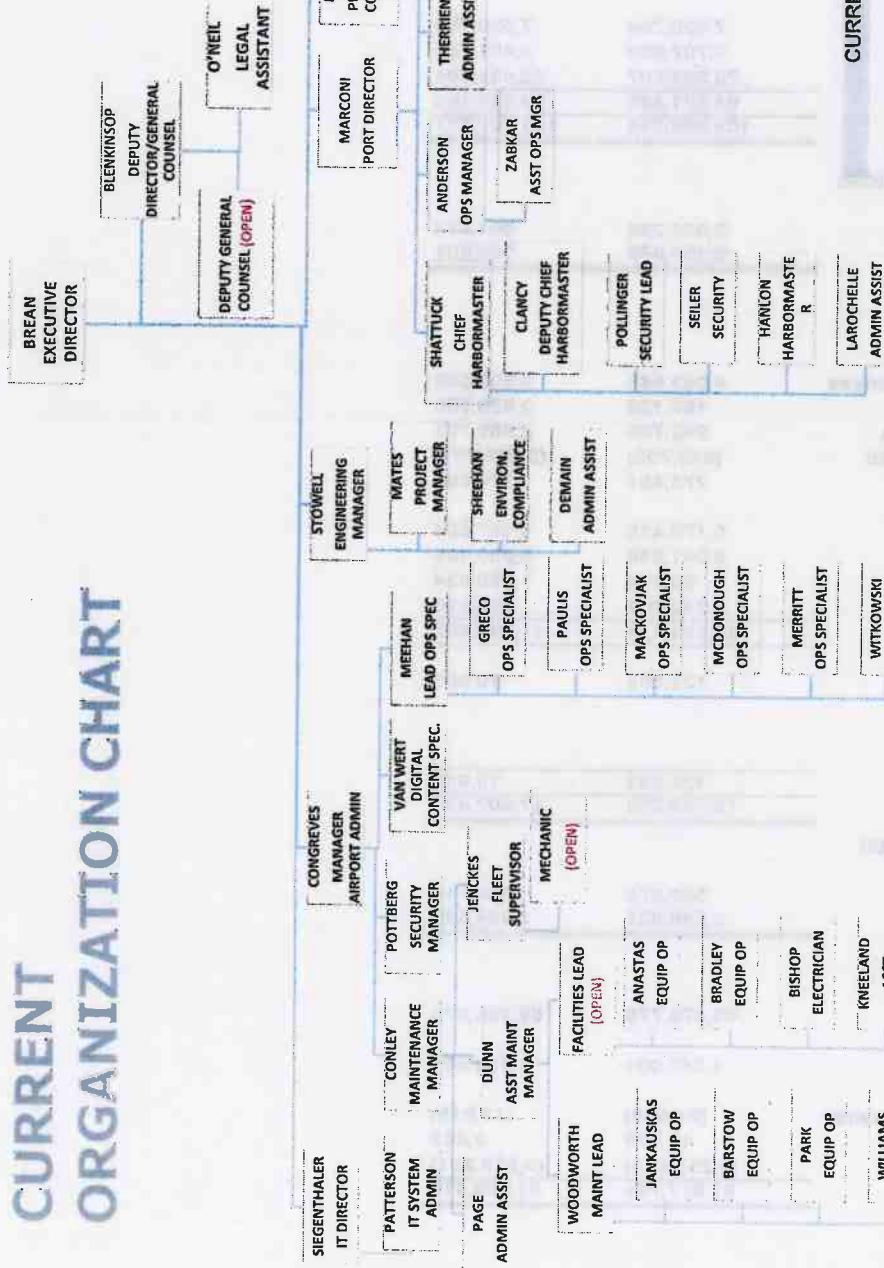
	Actual Apr FY 2022	Budget Apr FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
<b>GENERAL AND ADMINISTRATIVE</b>								
EMPLOYEE DRUG TESTS		178	178	100.0%	1,315	1,783	468	26.3%
EMPLOYER FICA	31,448	29,329	(2,118)	(7.2%)	314,786	328,373	13,587	4.1%
UNEMPLOYMENT INSURANCE		593	593	100.0%		5,934	5,934	100.0%
WORKERS COMPENSATION	6,911	5,770	(1,141)	(19.8%)	58,705	68,183	9,479	13.9%
BAD DEBT EXPENSE		83	83	100.0%		833	833	100.0%
BANK FEES	8,466	7,472	(994)	(13.3%)	68,451	74,718	6,268	8.4%
COMPUTER EXPENSES	972	8,633	7,661	88.7%	50,807	86,333	35,527	41.2%
DISCOUNTS AND LATE FEES	(509)		509	-	(2,416)		2,416	-
EQUIPMENT UNDER \$5,000	2,089	6,342	4,253	67.1%	44,272	63,167	18,895	29.9%
FEES AND LICENSES	795	4,994	4,199	84.1%	57,619	47,671	(9,948)	(20.9%)
INSURANCE	27,719	27,451	(268)	(1.0%)	275,011	254,799	(20,212)	(7.9%)
OFFICE EQUIPMENT	1,308	1,707	399	23.4%	16,149	17,071	921	5.4%
PROFESSIONAL DEVELOPMENT	2,802	5,025	2,223	44.2%	29,608	50,250	20,641	41.1%
SUPPLIES	5,589	6,586	997	15.1%	75,892	65,859	(10,032)	(15.2%)
TELEPHONES AND COMMUNICATIONS	8,984	11,782	2,798	23.7%	117,121	118,069	947	0.8%
TRAVEL AND MILEAGE	1,873	2,619	746	28.5%	25,963	26,188	225	0.9%
OTHER EXPENSES	3,790	5,242	1,452	27.7%	40,211	52,420	12,209	23.3%
	<u>102,237</u>	<u>123,806</u>	<u>21,571</u>	<u>17.4%</u>	<u>1,173,494</u>	<u>1,261,651</u>	<u>88,159</u>	<u>7.0%</u>
<b>UTILITIES</b>								
ELECTRICITY	40,986	43,692	2,706	6.2%	447,874	436,917	(10,957)	(2.5%)
ELECTRICITY TRANSFERS				-				-
HEATING OIL				-	2,672	2,435	(237)	(9.7%)
NATURAL GAS	9,023	5,416	(3,607)	(66.6%)	68,849	54,168	(14,681)	(27.1%)
NATURAL GAS TRANSFERS				-				-
PROPANE	4,782	3,176	(1,606)	(50.5%)	48,853	36,916	(11,937)	(32.3%)
WASTE REMOVAL	21,131	7,300	(13,831)	(189.5%)	86,078	73,000	(13,078)	(17.9%)
WASTE REMOVAL TRANSFERS				-				-
WATER	1,569	8,031	6,462	80.5%	26,927	108,843	81,915	75.3%
WATER TRANSFERS				-				-
	<u>77,491</u>	<u>67,615</u>	<u>(9,877)</u>	<u>(14.6%)</u>	<u>681,253</u>	<u>712,279</u>	<u>31,026</u>	<u>4.4%</u>
<b>PROFESSIONAL SERVICES</b>								
AUDIT		5,275	5,275	100.0%	63,259	52,750	(10,509)	(19.9%)
INFORMATION TECHNOLOGY	7,016	4,956	(2,060)	(41.6%)	121,918	71,244	(50,674)	(71.1%)
LEGAL	15,487	10,625	(4,862)	(45.8%)	39,002	106,250	67,249	63.3%
LEGAL PERMIT IMPLEMENT		14,583	14,583	100.0%	13,818	145,833	132,016	90.5%
ADMINISTRATIVE SERVICES	2,354	4,750	2,396	50.4%	34,470	47,500	13,030	27.4%
	<u>24,857</u>	<u>40,189</u>	<u>15,332</u>	<u>38.1%</u>	<u>272,467</u>	<u>423,577</u>	<u>151,111</u>	<u>35.7%</u>
<b>MARKETING AND PROMOTION</b>								
ADVERTISING	5,402	4,279	(1,123)	(26.2%)	23,092	50,760	27,669	54.5%
OTHER MARKETING	12,219	31,208	18,989	60.8%	71,699	312,083	240,385	77.0%
FLIGHT INCENTIVES				-				-
	<u>17,621</u>	<u>35,487</u>	<u>17,867</u>	<u>50.3%</u>	<u>94,791</u>	<u>362,843</u>	<u>268,053</u>	<u>73.9%</u>
<b>OTHER OPERATING EXPENSES</b>								
COAST TROLLEY	20,000	10,000	(10,000)	(100.0%)	100,000	100,000		-
FUEL	22,725	51,491	28,766	55.9%	334,364	474,549	140,185	29.5%
GOLF CART LEASE		10,833	10,833	100.0%	41,433	108,333	66,900	61.8%
MERCHANDISE	8,491	17,563	9,072	51.7%	176,419	175,625	(794)	(0.5%)
	<u>51,216</u>	<u>89,887</u>	<u>38,671</u>	<u>43.0%</u>	<u>652,216</u>	<u>858,507</u>	<u>206,291</u>	<u>24.0%</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>1,080,741</u>	<u>1,074,165</u>	<u>(6,576)</u>	<u>(0.6%)</u>	<u>10,261,968</u>	<u>11,336,934</u>	<u>1,074,971</u>	<u>9.5%</u>
<b>OPERATING INCOME/(LOSS)</b>	<u>404,370</u>	<u>244,974</u>	<u>159,399</u>	<u>65.1%</u>	<u>6,218,239</u>	<u>2,582,010</u>	<u>3,636,236</u>	<u>140.8%</u>
DEPRECIATION	562,076	593,160	31,084	5.2%	5,715,541	5,932,619	217,078	3.7%
AMORTIZATION				-				-
<b>NON-OPERATING (INCOME)/EXPENSES</b>								
INTEREST EXPENSE		11,250	11,250	100.0%		112,500	112,500	100.0%
INTEREST INCOME	(1,109)	(1,061)	48	(4.5%)	(9,207)	(10,613)	(1,406)	13.2%
NON-OPERATING GRANT FUNDING				-	(1,964,072)		1,964,072	-
GAIN/LOSS ON ASSETS				-				-
OTHER NON-OPERATING				-				-
	<u>(1,109)</u>	<u>10,189</u>	<u>11,298</u>	<u>110.9%</u>	<u>(1,973,279)</u>	<u>101,887</u>	<u>2,075,166</u>	<u>2036.7%</u>
<b>NET OPERATING INCOME/(LOSS)</b>	<u>(156,597)</u>	<u>(358,375)</u>	<u>201,781</u>	<u>(56.3%)</u>	<u>2,475,977</u>	<u>(3,452,496)</u>	<u>5,928,480</u>	<u>(171.7%)</u>



# CURRENT ORGANIZATION CHART

**TOTAL BENEFITED POSITIONS**

PDA	FILLED	OPEN
51	4	
DPH	10	1
TOTAL	61	5



## CURRENT STAFF ANALYSIS - FILLED POSITIONS

	Sabry/ Benefited	Hourly/ Benefited	Hourly/ Non-Benefited	Seasonal	TOTAL
MAINTENANCE	-	18	4	0	22
PSM AIRPORT SECURITY	2	9	8	-	19
PORT AUTHORITY	1	-	6	-	7
GOLF COURSE	2	8	15	2	27
FINANCE	3	4	2	47	56
ENGINEERING	3	2	-	-	4
LEGAL	1	1	-	-	2
DAW/AIRPORT	1	1	3	-	3
TECHNOLOGY	1	1	-	-	2
HUMAN RESOURCES EXECUTIVE	1	-	-	-	1
	1	-	-	-	1
<b>TOTAL</b>	<b>17</b>	<b>44</b>	<b>38</b>	<b>49</b>	<b>148</b>

**PEASE DEVELOPMENT AUTHORITY**  
**Consolidated Statement of Net Position**  
**For the Ten Months Ending April 30, 2022**

	2022	2021
	Ending	Ending
<b>ASSETS</b>		
Cash and Investments	\$9,367,523	\$4,103,512
Accounts Receivable - Net	3,657,028	2,203,044
Inventories	439,074	307,152
Prepays	308,225	261,944
	<u>13,771,850</u>	<u>6,875,652</u>
Restricted Assets		
Cash and Investments	529,594	593,642
Current Receivables	1,250	1,110
Loans Receivable - NHFL		
Due within 1 Year	118,578	89,077
Due in more than 1 Year	985,593	853,471
Total Restricted Assets	<u>1,635,014</u>	<u>1,537,299</u>
Capital Assets		
Land	7,520,786	7,520,786
Construction-in-Process	7,707,999	3,401,785
Other Capital Assets - Net	79,292,697	82,431,594
Total Capital Assets	<u>94,521,483</u>	<u>93,354,166</u>
<b>TOTAL ASSETS</b>	<u>109,928,348</u>	<u>101,767,117</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension	2,008,286	691,375
OPEB	2,193,378	558,601
	<u>4,201,664</u>	<u>1,250,000</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	4,003,588	3,332,352
Retainage	157,120	2,436,360
Accounts Payable for Capital Assets	942,705	2,989,791
Offset to Accounts Payable for Capital	(942,705)	(2,989,791)
Unearned Revenues	775,451	774,564
Long-Term Liabilities		
Net Pension Liability	6,170,435	4,197,804
Net OPEB Liability	8,041,994	5,630,108
Due within 1 Year	90,924	1,090,924
Due in more than 1 Year	342,302	434,326
	<u>19,581,814</u>	<u>17,896,437</u>
Restricted Liabilities		
Current Liabilities	122,583	10,983
Long-Term Liabilities		
Due within 1 Year		
Due in more than 1 Year		
	<u>122,583</u>	<u>10,983</u>
<b>TOTAL LIABILITIES</b>	<u>19,704,398</u>	<u>17,907,420</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension	360,975	604,714
OPEB	2,546,921	3,484,546
	<u>2,907,896</u>	<u>4,089,260</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	93,578,778	89,364,376
Restricted For:		
Revolving Loan Fishery Fund	1,247,001	1,239,801
Harbor Dredging and Pier Maintenance	(61,598)	(13,915)
Foreign Trade Zone	12,456	9,443
Unrestricted	(3,258,919)	(9,579,291)
<b>TOTAL NET POSITION</b>	<u>91,517,718</u>	<u>81,020,413</u>

**PEASE DEVELOPMENT AUTHORITY**  
**Statement of Revenues and Expenses - PORTSMOUTH AIRPORT incl Security**  
For the Ten Months Ending April 30, 2022

	Actual Apr FY 2022	Budget Apr FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL	\$53,907	\$52,287	\$1,620	3.1%	\$649,537	\$639,446	\$10,091	1.6%
CARGO AND HANGARS	\$2,475	\$2,404	\$71	3.0%	\$24,591	\$24,040	\$551	2.3%
CONCESSION REVENUE	\$3,992	\$6,833	(\$2,841)	(41.6%)	\$61,043	\$66,371	(\$5,328)	(8.0%)
FEE REVENUE	\$174,366	\$20,471	\$153,895	751.8%	\$1,038,177	\$936,306	\$101,871	10.9%
FUEL SALES								
INTEREST								
MERCHANDISE								
OTHER REVENUE	\$7,345	\$3,133	\$4,212	134.4%	\$190,534	\$59,772	\$130,762	218.8%
<b>TOTAL OPERATING REVENUES</b>	<b>242,085</b>	<b>85,128</b>	<b>156,957</b>	<b>184.4%</b>	<b>1,963,882</b>	<b>1,725,935</b>	<b>237,947</b>	<b>13.8%</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	102,268	100,807	(1,461)	(1.4%)	999,796	1,068,910	69,114	6.5%
BUILDING AND FACILITIES	76,131	73,711	(2,420)	(3.3%)	746,291	833,114	86,823	10.4%
GENERAL AND ADMINISTRATIVE	30,205	30,686	481	1.6%	337,034	301,442	(35,592)	(11.8%)
UTILITIES	31,415	31,981	566	1.8%	324,221	319,302	(4,919)	(1.5%)
PROFESSIONAL SERVICES	2,070	1,458	(612)	(42.0%)	28,891	14,583	(14,308)	(98.1%)
MARKETING AND PROMOTION	9,372	11,708	2,336	20.0%	44,716	117,083	72,367	61.8%
OTHER OPERATING EXPENSES								
<b>TOTAL OPERATING EXPENSES</b>	<b>251,461</b>	<b>250,351</b>	<b>(1,110)</b>	<b>(0.4%)</b>	<b>2,480,949</b>	<b>2,654,434</b>	<b>173,485</b>	<b>6.5%</b>
<b>OPERATING INCOME</b>	<b>(9,376)</b>	<b>(165,223)</b>	<b>155,847</b>	<b>94.3%</b>	<b>(517,067)</b>	<b>(928,499)</b>	<b>411,432</b>	<b>44.3%</b>
NON-OPERATING (INCOME) EXPENSE	0	0	0	-	(1,964,072)	0	1,964,072	-
DEPRECIATION	373,665	387,000	13,335	3.4%	3,782,917	3,870,000	87,083	2.3%
<b>NET OPERATING INCOME</b>	<b>(383,041)</b>	<b>(552,223)</b>	<b>(169,182)</b>	<b>30.6%</b>	<b>(2,335,912)</b>	<b>(4,798,499)</b>	<b>(2,462,587)</b>	<b>51.3%</b>

**PEASE DEVELOPMENT AUTHORITY**  
**Statement of Revenues and Expenses - SKYHAVEN AIRPORT**  
For the Ten Months Ending April 30, 2022

	Actual Apr FY 2022	Budget Apr FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL								
CARGO AND HANGARS	11,664	11,352	312	2.7%	114,195	110,745	3,450	3.1%
CONCESSION REVENUE					2,008		2,008	-
FEE REVENUE		667	(667)	(100.0%)	7,520	6,667	853	12.8%
FUEL SALES	6,608	4,372	2,236	51.1%	63,806	59,934	3,871	6.5%
INTEREST								
MERCHANDISE								
OTHER REVENUE	25	42	(17)	(40.0%)	1,075	417	658	158.0%
<b>TOTAL OPERATING REVENUES</b>	<b>18,297</b>	<b>16,433</b>	<b>1,865</b>	<b>11.3%</b>	<b>188,604</b>	<b>177,763</b>	<b>10,841</b>	<b>6.1%</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	4,385	4,742	358	7.5%	37,917	48,728	10,811	22.2%
BUILDING AND FACILITIES	6,680	4,050	(2,630)	(64.9%)	43,728	39,609	(4,119)	(10.4%)
GENERAL AND ADMINISTRATIVE	4,077	3,800	(278)	(7.3%)	40,329	37,584	(2,744)	(7.3%)
UTILITIES	2,353	2,749	396	14.4%	28,374	27,728	(645)	(2.3%)
PROFESSIONAL SERVICES		501	501	100.0%	3,800	5,013	1,212	24.2%
MARKETING AND PROMOTION		83	83	100.0%	1,198	833	(365)	(43.8%)
OTHER OPERATING EXPENSES	5,012	3,497	(1,515)	(43.3%)	55,017	47,947	(7,070)	(14.7%)
<b>TOTAL OPERATING EXPENSES</b>	<b>22,507</b>	<b>19,422</b>	<b>(3,084)</b>	<b>(15.9%)</b>	<b>210,363</b>	<b>207,442</b>	<b>(2,920)</b>	<b>(1.4%)</b>
<b>OPERATING INCOME</b>	<b>(4,210)</b>	<b>(2,989)</b>	<b>(1,219)</b>	<b>40.8%</b>	<b>(21,759)</b>	<b>(29,679)</b>	<b>7,921</b>	<b>(26.7%)</b>
NON-OPERATING (INCOME) EXPENSE								
DEPRECIATION	33,618	45,167	11,549	25.6%	381,810	451,667	69,857	15.5%
<b>NET OPERATING INCOME</b>	<b>(37,828)</b>	<b>(48,156)</b>	<b>10,329</b>	<b>(21.4%)</b>	<b>(403,569)</b>	<b>(481,346)</b>	<b>77,777</b>	<b>(16.2%)</b>

**PEASE DEVELOPMENT AUTHORITY**  
**Statement of Revenues and Expenses - TRADEPORT OPERATIONS**  
**For the Ten Months Ending April 30, 2022**

	Actual Apr FY 2022	Budget Apr FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL	\$775,533	\$734,849	\$40,684	5.5%	\$7,797,510	\$7,613,451	\$184,060	2.4%
CARGO AND HANGARS								
CONCESSION REVENUE								
FEE REVENUE								
FUEL SALES								
INTEREST								
MERCHANDISE								
OTHER REVENUE		4,662	(4,662)	(100.0%)	1,854,168	46,619	1,807,549	3877.3%
<b>TOTAL OPERATING REVENUES</b>	<b>775,533</b>	<b>739,511</b>	<b>36,022</b>	<b>4.9%</b>	<b>9,651,678</b>	<b>7,660,070</b>	<b>1,991,609</b>	<b>26.0%</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS								
BUILDING AND FACILITIES	9,014	22,263	13,249	59.5%	98,719	222,835	124,116	55.7%
GENERAL AND ADMINISTRATIVE	7,476	8,055	580	7.2%	72,166	74,256	2,089	2.8%
UTILITIES	9,114	8,492	(622)	(7.3%)	86,357	84,917	(1,440)	(1.7%)
PROFESSIONAL SERVICES								
MARKETING AND PROMOTION		138	138	100.0%		1,375	1,375	100.0%
OTHER OPERATING EXPENSES	20,000	10,000	(10,000)	(100.0%)	100,000	100,000	-	-
<b>TOTAL OPERATING EXPENSES</b>	<b>45,604</b>	<b>48,948</b>	<b>3,344</b>	<b>6.8%</b>	<b>357,242</b>	<b>483,383</b>	<b>126,139</b>	<b>26.1%</b>
<b>OPERATING INCOME</b>	<b>729,929</b>	<b>690,563</b>	<b>39,367</b>	<b>5.7%</b>	<b>9,294,436</b>	<b>7,176,687</b>	<b>2,117,748</b>	<b>29.5%</b>
<b>NON-OPERATING (INCOME) EXPENSE</b>								
DEPRECIATION	60,561	63,750	3,189	5.0%	613,159	637,500	24,341	3.8%
<b>NET OPERATING INCOME</b>	<b>669,368</b>	<b>626,813</b>	<b>42,555</b>	<b>6.8%</b>	<b>8,681,277</b>	<b>6,539,187</b>	<b>2,142,088</b>	<b>32.8%</b>



PEASE DEVELOPMENT AUTHORITY  
Statement of Revenues and Expenses - GOLF COURSE  
For the Ten Months Ending April 30, 2022

	Actual Apr FY 2022	Budget Apr FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL								
CARGO AND HANGARS								
CONCESSION REVENUE	24,381	241	24,140	9997.9%	291,934	293,344	(1,410)	(0.5%)
FEE REVENUE	233,196	213,055	20,141	9.5%	1,882,458	1,545,890	336,568	21.8%
FUEL SALES								
INTEREST								
MERCHANDISE	27,155	23,417	3,738	16.0%	243,820	234,167	9,653	4.1%
OTHER REVENUE	154	2,333	(2,179)	(93.4%)	20,262	23,333	(3,072)	(13.2%)
<b>TOTAL OPERATING REVENUES</b>	<b>284,886</b>	<b>239,046</b>	<b>45,840</b>	<b>19.2%</b>	<b>2,438,474</b>	<b>2,096,734</b>	<b>341,739</b>	<b>16.3%</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	105,482	70,381	(35,101)	(49.9%)	897,374	866,933	(30,441)	(3.5%)
BUILDING AND FACILITIES	20,245	24,218	3,974	16.4%	209,755	242,185	32,430	13.4%
GENERAL AND ADMINISTRATIVE	13,179	19,902	6,723	33.8%	154,254	199,037	44,783	22.5%
UTILITIES	8,604	15,128	6,524	43.1%	117,434	186,088	68,654	36.9%
PROFESSIONAL SERVICES	759	3,701	2,942	79.5%	30,182	37,012	6,830	18.5%
MARKETING AND PROMOTION	3,488	4,175	687	16.5%	25,589	41,750	16,161	38.7%
OTHER OPERATING EXPENSES	8,491	28,396	19,905	70.1%	217,852	283,958	66,106	23.3%
<b>TOTAL OPERATING EXPENSES</b>	<b>160,248</b>	<b>165,901</b>	<b>5,654</b>	<b>3.4%</b>	<b>1,652,440</b>	<b>1,856,963</b>	<b>204,523</b>	<b>11.0%</b>
<b>OPERATING INCOME</b>	<b>124,638</b>	<b>73,145</b>	<b>51,494</b>	<b>70.4%</b>	<b>786,034</b>	<b>239,771</b>	<b>546,262</b>	<b>227.8%</b>
NON-OPERATING (INCOME) EXPENSE	(8)	(9)	(1)	7.5%	(174)	(92)	82	(89.9%)
DEPRECIATION	29,563	30,333	770	2.5%	297,748	303,333	5,585	1.8%
<b>NET OPERATING INCOME</b>	<b>95,083</b>	<b>42,821</b>	<b>52,263</b>	<b>122.1%</b>	<b>488,460</b>	<b>(63,470)</b>	<b>551,929</b>	<b>(869.6%)</b>

<b>BUSINESS UNIT ANALYSIS</b>	PRO SHOP	COURSE OPERATIONS	FOOD/BEV	SIMULATOR	TOTAL
<b>OPERATING REVENUES</b>	243,820	1,817,396	304,764	72,494	2,438,474
<b>OPERATING EXPENSES*</b> *Excluding Depreciation	214,393	1,249,862	139,156	49,029	1,652,440
<b>OPERATING INCOME</b>	<b>29,427</b>	<b>567,534</b>	<b>165,608</b>	<b>23,465</b>	<b>786,034</b>

PEASE DEVELOPMENT AUTHORITY  
Statement of Revenues and Expenses - DIVISION OF PORTS AND HARBORS-UNRESTRICTED  
For the Ten Months Ending April 30, 2022

	Actual Apr FY 2022	Budget Apr FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL	\$51,345	\$57,706	(\$6,361)	(11.0%)	\$428,018	\$381,636	\$46,381	12.2%
CARGO AND HANGARS				-				-
CONCESSION REVENUE		250	(250)	(100.0%)	3,000	2,500	500	20.0%
FEE REVENUE	57,555	103,984	(46,429)	(44.6%)	1,168,018	1,111,863	56,155	5.1%
FUEL SALES	35,425	56,587	(21,162)	(37.4%)	405,802	522,947	(117,146)	(22.4%)
INTEREST				-	1,221		1,221	-
MERCHANDISE				-				-
OTHER REVENUE	7,148	7,785	(637)	(8.2%)	104,552	100,411	4,141	4.1%
<b>TOTAL OPERATING REVENUES</b>	<b>151,473</b>	<b>226,312</b>	<b>(74,839)</b>	<b>(33.1%)</b>	<b>2,110,611</b>	<b>2,119,357</b>	<b>(8,747)</b>	<b>(0.4%)</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	114,816	100,563	(14,253)	(14.2%)	1,096,432	1,087,148	(9,285)	(0.9%)
BUILDING AND FACILITIES	73,376	12,955	(60,420)	(466.4%)	203,873	129,551	(74,322)	(57.4%)
GENERAL AND ADMINISTRATIVE	5,148	10,941	5,793	52.9%	91,259	109,407	18,148	16.6%
UTILITIES	25,239	9,206	(16,033)	(174.2%)	120,634	93,647	(26,987)	(28.8%)
PROFESSIONAL SERVICES	428	1,683	1,256	74.6%	18,033	16,833	(1,199)	(7.1%)
MARKETING AND PROMOTION	948	217	(731)	(337.3%)	2,338	2,167	(171)	(7.9%)
OTHER OPERATING EXPENSES	17,713	47,994	30,281	63.1%	279,346	426,602	147,256	34.5%
<b>TOTAL OPERATING EXPENSES</b>	<b>237,668</b>	<b>183,559</b>	<b>(54,108)</b>	<b>(29.5%)</b>	<b>1,811,915</b>	<b>1,865,355</b>	<b>53,439</b>	<b>2.9%</b>
<b>OPERATING INCOME</b>	<b>(86,195)</b>	<b>42,753</b>	<b>(128,946)</b>	<b>(301.6%)</b>	<b>298,696</b>	<b>254,002</b>	<b>44,692</b>	<b>17.6%</b>
NON-OPERATING (INCOME) EXPENSE	(201)	(492)	(291)	59.2%	(2,411)	(4,917)	(2,506)	51.0%
DEPRECIATION	50,626	52,917	2,290	4.3%	511,078	529,167	18,089	3.4%
<b>NET OPERATING INCOME</b>	<b>(136,620)</b>	<b>(9,672)</b>	<b>(126,947)</b>	<b>1312.6%</b>	<b>(209,971)</b>	<b>(270,248)</b>	<b>60,275</b>	<b>(22.3%)</b>

<b>BUSINESS UNIT ANALYSIS</b>	<b>RYE HARBOR</b>	<b>HAMPTON HARBOR</b>	<b>PORTS. FISH PIER</b>	<b>MARKET ST.</b>	<b>HARBOR MGMT</b>	<b>ADMIN</b>	<b>TOTAL</b>
OPERATING REVENUES	265,350	218,043	149,584	950,274	511,439	15,921	2,110,611
OPERATING EXPENSES* *Excluding Depreciation	236,742	272,621	205,388	398,765	376,955	321,444	1,811,915
<b>OPERATING INCOME</b>	<b>28,608</b>	<b>(54,578)</b>	<b>(55,804)</b>	<b>551,509</b>	<b>134,484</b>	<b>(305,523)</b>	<b>298,696</b>

PEASE DEVELOPMENT AUTHORITY  
Statement of Revenues and Expenses - FOREIGN TRADE ZONE  
For the Ten Months Ending April 30, 2022

	Actual Apr FY 2022	Budget Apr FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL	-	-	-	-	\$12,000	\$12,000	-	-
CARGO AND HANGARS	-	-	-	-	-	-	-	-
CONCESSION REVENUE	-	-	-	-	-	-	-	-
FEE REVENUE	-	-	-	-	-	-	-	-
FUEL SALES	-	-	-	-	-	-	-	-
INTEREST	-	-	-	-	-	-	-	-
MERCHANDISE	-	-	-	-	-	-	-	-
OTHER REVENUE	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,000</b>	<b>12,000</b>	<b>-</b>	<b>-</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	-	-	-	-	-	-	-	-
BUILDING AND FACILITIES	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	83	83	100.0%	1,250	833	(417)	(50.0%)
UTILITIES	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-
MARKETING AND PROMOTION	-	-	-	-	6,202	7,969	1,767	22.2%
OTHER OPERATING EXPENSES	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING EXPENSES</b>	<b>-</b>	<b>83</b>	<b>83</b>	<b>100.0%</b>	<b>7,452</b>	<b>8,802</b>	<b>1,350</b>	<b>15.3%</b>
<b>OPERATING INCOME</b>	<b>-</b>	<b>(83)</b>	<b>83</b>	<b>(100.0%)</b>	<b>4,548</b>	<b>3,198</b>	<b>1,350</b>	<b>42.2%</b>
NON-OPERATING (INCOME) EXPENSE	0	-	0	-	(3)	-	3	-
DEPRECIATION	-	-	-	-	-	-	-	-
<b>NET OPERATING INCOME</b>	<b>0</b>	<b>(83)</b>	<b>84</b>	<b>(100.5%)</b>	<b>4,551</b>	<b>3,198</b>	<b>1,354</b>	<b>42.3%</b>

PEASE DEVELOPMENT AUTHORITY  
Statement of Revenues and Expenses - HARBOR DREDGING  
For the Ten Months Ending April 30, 2022

	Actual Apr FY 2022	Budget Apr FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL	-	-	-	-	-	-	-	-
CARGO AND HANGARS	-	-	-	-	-	-	-	-
CONCESSION REVENUE	-	-	-	-	-	-	-	-
FEE REVENUE	8,959	9,167	(208)	(2.3%)	82,482	91,667	(9,185)	(10.0%)
FUEL SALES	-	-	-	-	-	-	-	-
INTEREST	-	-	-	-	-	-	-	-
MERCHANDISE	-	-	-	-	-	-	-	-
OTHER REVENUE	1,300	750	550	73.3%	6,955	7,500	(545)	(7.3%)
<b>TOTAL OPERATING REVENUES</b>	<b>10,259</b>	<b>9,917</b>	<b>342</b>	<b>3.5%</b>	<b>89,437</b>	<b>99,167</b>	<b>(9,730)</b>	<b>(9.8%)</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	-	-	-	-	-	-	-	-
BUILDING AND FACILITIES	17,900	13,750	(4,150)	(30.2%)	120,702	137,500	16,798	12.2%
GENERAL AND ADMINISTRATIVE	400	167	(233)	(140.0%)	11,411	1,667	(9,744)	(584.6%)
UTILITIES	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-
MARKETING AND PROMOTION	-	-	-	-	-	-	-	-
OTHER OPERATING EXPENSES	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING EXPENSES</b>	<b>18,300</b>	<b>13,917</b>	<b>(4,383)</b>	<b>(31.5%)</b>	<b>132,113</b>	<b>139,167</b>	<b>7,053</b>	<b>5.1%</b>
<b>OPERATING INCOME</b>	<b>(8,041)</b>	<b>(4,000)</b>	<b>(4,041)</b>	<b>101.0%</b>	<b>(42,676)</b>	<b>(40,000)</b>	<b>(2,677)</b>	<b>6.7%</b>
NON-OPERATING (INCOME) EXPENSE	(24)	(67)	(42)	63.6%	(335)	(667)	(331)	49.7%
DEPRECIATION	5,886	6,250	364	5.8%	59,133	62,500	3,367	5.4%
<b>NET OPERATING INCOME</b>	<b>(13,903)</b>	<b>(10,183)</b>	<b>(3,719)</b>	<b>36.5%</b>	<b>(101,474)</b>	<b>(101,833)</b>	<b>358</b>	<b>(0.4%)</b>

PEASE DEVELOPMENT AUTHORITY  
Statement of Revenues and Expenses - REVOLVING LOAN FUND  
For the Ten Months Ending April 30, 2022

	Actual Apr FY 2022	Budget Apr FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL								
CARGO AND HANGARS								
CONCESSION REVENUE								
FEE REVENUE								
FUEL SALES								
INTEREST	2,378	2,750	(372)	(13.5%)	24,500	27,500	(3,000)	(10.9%)
MERCHANDISE								
OTHER REVENUE	200	42	158	380.0%	1,024	417	607	145.7%
<b>TOTAL OPERATING REVENUES</b>	<b>2,578</b>	<b>2,792</b>	<b>(213)</b>	<b>(7.6%)</b>	<b>25,524</b>	<b>27,917</b>	<b>(2,393)</b>	<b>(8.6%)</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS								
BUILDING AND FACILITIES								
GENERAL AND ADMINISTRATIVE	40	50	10	20.1%	208	500	292	58.4%
UTILITIES								
PROFESSIONAL SERVICES	3,770	2,083	(1,687)	(81.0%)	21,273	20,833	(440)	(2.1%)
MARKETING AND PROMOTION								
OTHER OPERATING EXPENSES								
<b>TOTAL OPERATING EXPENSES</b>	<b>3,810</b>	<b>2,133</b>	<b>(1,677)</b>	<b>(78.6%)</b>	<b>21,481</b>	<b>21,333</b>	<b>(148)</b>	<b>(0.7%)</b>
<b>OPERATING INCOME</b>	<b>(1,232)</b>	<b>659</b>	<b>(1,890)</b>	<b>(287.1%)</b>	<b>4,043</b>	<b>6,584</b>	<b>(2,540)</b>	<b>(38.6%)</b>
<b>NON-OPERATING (INCOME) EXPENSE</b>	<b>(32)</b>	<b>(77)</b>	<b>(45)</b>	<b>58.9%</b>	<b>(362)</b>	<b>(771)</b>	<b>(409)</b>	<b>53.1%</b>
DEPRECIATION								
<b>NET OPERATING INCOME</b>	<b>(1,200)</b>	<b>736</b>	<b>(1,935)</b>	<b>(263.2%)</b>	<b>4,405</b>	<b>7,355</b>	<b>(2,949)</b>	<b>(40.1%)</b>

REVOLVING LOAN FUND (\$ 000's)	BALANCE AT 04-30-22	BALANCE AT 06-30-2021
<b>CASH BALANCES</b>		
GENERAL FUNDS	258	225
SEQUESTERED FUNDS	-	-
	<u>258</u>	<u>225</u>
<b>LOANS OUTSTANDING (20)</b>		
CURRENT	119	98
LONG TERM	986	921
	<u>1,105</u>	<u>1,019</u>
<b>TOTAL CAPITAL BASE</b>	<u>1,363</u>	<u>1,244</u>
<b>CAPITAL UTILIZATION RATE -% *</b>	<b>81.1%</b>	<b>81.9%</b>

\*EXCLUDES SEQUESTERED FUNDS



**SUMMARY OF INTERGOVERNMENTAL RECEIVABLES  
AS OF APRIL 30, 2022**

(\$000's)

<u>BUSINESS UNIT</u>	TOTAL PROJECT	GRANT AWARD	EXPENDED TO DATE	PDA SHARE	RECEIVED TO DATE	BALANCE DUE PDA	AMOUNT SUBMITTED
PORTSMOUTH AIRPORT	30,659	24,105	27,598	(1,404)	26,461	1,693	45
SKYHAVEN AIRPORT	141	141	111	(6)	78	27	0
DIVISION OF PORTS AND HARBORS	13,253	0	6,575	(58)	5,550	912	912
	<u>44,053</u>	<u>24,246</u>	<u>34,284</u>	<u>(1,468)</u>	<u>32,089</u>	<u>2,632</u>	<u>957</u>

**SUMMARY OF CONSTRUCTION WORK IN PROCESS  
AS OF APRIL 30, 2022**

(\$000's)

<u>PROJECT NAME</u>	BALANCE AT 06-30-21	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 04-30-22
<b>PORTSMOUTH AIRPORT</b>					
TERMINAL EXPANSION (NON-GRANT)	278	732	(502)	230	508
RUNWAY 16-34 DESIGN (AIP 58)	-	-	-	-	-
RUNWAY 16-34 RECONSTRUCTION (AIP 64)	1,548	(26)	(1,556)	(1,582)	(34)
TERMINAL BUILDING EXPANSION (AIP 66)	6	4	(7)	(3)	3
TERMINAL BUILDING EXPANSION (AIP 62)	24	25	(24)	1	25
ALPHA SOUTH HOLD BAY (AIP 67)	1	7	(3)	4	5
LOUGHLIN MEMORIAL PARK	8	19	(27)	(8)	-
SNOW REMOVAL EQUIPMENT (AIP69)	2	19	-	19	21
LOWERY LANE (AIP 70)	-	312	-	312	312
PSM ACCESS CONTROL BOARD	-	75	(40)	35	35
SNOW PLOW	-	6	(6)	-	-
GATE ACCESS CONTROL	-	44	-	44	44
CORPORATE DRIVE DRAINAGE	-	75	-	75	75
PSM MOBILE RADIO PURCHASE	-	46	(19)	27	27
	<u>1,867</u>	<u>1,338</u>	<u>(2,184)</u>	<u>(846)</u>	<u>1,021</u>
<b>SKYHAVEN AIRPORT</b>					
TERMINAL APRON DESIGN (SBG 15-09)	-	<u>111</u>	-	<u>111</u>	<u>111</u>
<b>GOLF COURSE</b>					
GOLF CARTS (2)	-	30	(30)	-	-
FOLDING CHAIRS	-	7	(7)	-	-
TORO ROUGH MOWER	-	69	(69)	-	-
CONVECTION OVEN	-	10	(10)	-	-
	-	<u>116</u>	<u>(116)</u>		
<b>IT/ADMINISTRATION</b>					
POWER EDGE SERVER	-	<u>26</u>	<u>(26)</u>	-	-
<b>MAINTENANCE</b>					
LOADER TIRES	-	21	(21)	-	-
BOBCAT SKID STEER	-	80	(80)	-	-
	-	<u>101</u>	<u>(101)</u>	<u>0</u>	<u>0</u>
<b>DIVISION OF PORTS AND HARBORS (DPH)</b>					
FUNCTIONAL REPLACEMENT- BARGE DOCK	1,304	333	-	333	1,637
PFP BULKHEAD REPAIR AND CONSTRUCTION	1,826	1,089	-	1,089	2,915
MAIN PIER (BUILD GRANT)	1,284	507	-	507	1,791
MARKET ST SITE LIGHTING IMPROVEMENTS	-	157	-	157	157
SECURITY GATE - MARKET ST	-	6	(6)	-	-
SECURITY CAMERAS-PORTS FISH PIER	-	12	(12)	-	-
HAMPTON DOCK REPLACEMENT (GOFFER)	-	75	-	75	75
VIDEO RECORDER REPLACEMENT & CAMERA	-	15	(15)	-	-
	<u>4,414</u>	<u>2,194</u>	<u>(33)</u>	<u>2,161</u>	<u>6,575</u>
<b>TOTAL</b>	<u>6,281</u>	<u>3,886</u>	<u>(2,460)</u>	<u>1,426</u>	<u>7,707</u>

# CASH FLOW PROJECTIONS FOR THE NINE MONTH PERIOD ENDING FEBRUARY 28, 2023

**BOARD OF DIRECTORS MEETING  
JUNE 16, 2022**



THE PEASE INTERNATIONAL TEST EQUIPMENT AUTHORITY  
 1000 WEST 10TH AVENUE, SUITE 3000  
 DENVER, COLORADO 80202  
 TEL: 303.733.1111 FAX: 303.733.1112  
 WWW.PEASEINTERNATIONAL.COM

# PEASE DEVELOPMENT AUTHORITY CASH FLOW SUMMARY OVERVIEW JUNE 1, 2022 TO FEBRUARY 28, 2023

(EXCLUDING DIVISION OF PORTS AND HARBORS)

(\$ 000's)

(\$ 000's)

**AMOUNT**

**5,885**

**OPENING FUND BALANCE**

**SOURCES OF FUNDS**

GRANT AWARDS (SEE PAGE #9)	2,747
TRADEPORT TENANTS	7,576
MUNICIPAL SERVICE FEE (COP)	1,867
GOLF COURSE FEE AND CONCESSION REVENUES	1,656
REVOLVING LINE OF CREDIT (PROVIDENT BANK)	0
PSM AIRPORT- LEASES, FUEL FLOWAGE FEES AND PARKING	1,411
SKYHAVEN AIRPORT HANGAR AND FUEL REVENUES	134
	<b>15,391</b>

**USES OF FUNDS**

OPERATING EXPENSES	8,654
CAPITAL EXPENDITURES- NON-GRANT (SEE PAGES #5-#8)	6,634
CAPITAL EXPENDITURES- GRANT (SEE PAGE #4)	1,420
MUNICIPAL SERVICE FEE (COP)- NET	1,400
STATE OF NH- POST RETIREMENT	68
	<b>18,176</b>

**NET CASH FLOW**

**(2,785)**

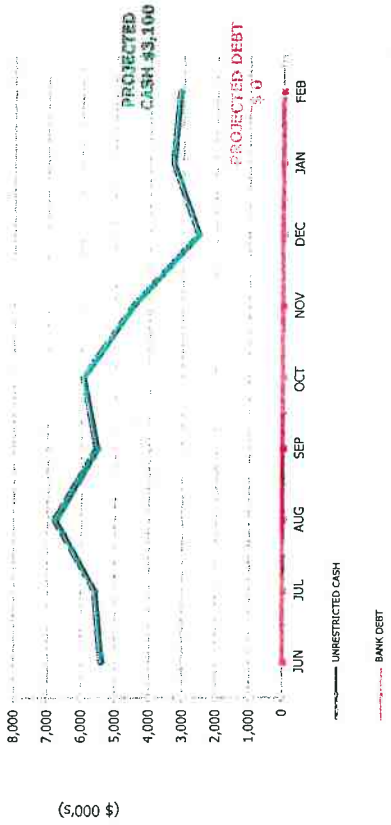
**CLOSING FUND BALANCE**

**3,100**

**DISCUSSION**

AT THIS TIME, THE PDA DOES NOT ANTICIPATE THE NEED TO UTILIZE ITS CREDIT FACILITIES WITH THE PROVIDENT BANK TO FINANCE PROJECTED NON-GRANT RELATED CAPITAL EXPENDITURES AND OR WORKING CAPITAL REQUIREMENTS. PROJECTED NON-GRANT CAPITAL EXPENDITURES DURING FY23 ARE A MAIN CONTRIBUTOR TO THE DECREASE IN CASH OVER THE NEXT NINE MONTHS.

**PROJECTED CASH AND DEBT BALANCES**



**TOTAL FUND BALANCES**

	<b>BALANCE AT 05-31-2022</b>	<b>BALANCE AT 06-30-2022</b>
UNRESTRICTED	5,885	2,469
DESIGNATED	14	14
<b>TOTAL</b>	<b>5,899</b>	<b>2,483</b>

# PEASE DEVELOPMENT AUTHORITY

## STATEMENT OF CASH FLOW (EXCLUDING THE DIVISION OF PORTS AND HARBORS)

### (UNRESTRICTED FUNDS)

(\$ 000'S)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<b>OPENING FUND BALANCE</b>	<u>5,885</u>	<u>5,393</u>	<u>5,580</u>	<u>6,758</u>	<u>5,519</u>	<u>5,937</u>	<u>4,476</u>	<u>2,521</u>	<u>3,288</u>	<u>5,885</u>
<b>SOURCES OF FUNDS</b>										
GRANT AWARDS (SEE PAGE #9)	-	-	1,430	45	300	-	-	948	24	2,747
TRADEPORT TENANTS	840	1,055	735	613	1,007	694	923	824	885	7,576
MUNICIPAL SERVICE FEE	350	135	135	350	135	135	135	355	137	1,867
GOLF COURSE	305	295	295	305	177	94	72	56	57	1,656
PORTSMOUTH AIRPORT- (PSM)	52	41	76	82	52	87	52	54	91	587
PSM PAY FOR PARKING	30	48	39	12	19	37	43	44	88	360
PSM FLOWAGE FEES	11	58	63	61	101	46	43	42	40	464
SKYHAVEN AIRPORT	16	15	16	17	13	14	15	14	14	134
EXTERNAL FINANCING- NET	-	-	-	-	-	-	-	-	-	-
	<u>1,604</u>	<u>1,647</u>	<u>2,789</u>	<u>1,485</u>	<u>1,804</u>	<u>1,107</u>	<u>1,283</u>	<u>2,337</u>	<u>1,336</u>	<u>15,391</u>
<b>USE OF FUNDS</b>										
CAPITAL- GRANT RELATED (SEE PAGE #4)	234	26	-	-	30	1,030	30	30	40	1,420
CAPITAL- NONGRANT (SEE PAGES #5-#8)	754	431	677	1,796	413	636	774	578	575	6,634
OPERATING EXPENSES	1,040	1,003	933	928	944	902	1,033	962	909	8,654
MUNICIPAL SERVICE FEE	-	-	-	-	-	-	1,400	-	-	1,400
STATE OF NH- POST RETIREMENT	68	-	-	-	-	-	-	-	-	68
	<u>2,096</u>	<u>1,460</u>	<u>1,610</u>	<u>2,724</u>	<u>1,387</u>	<u>2,568</u>	<u>3,237</u>	<u>1,570</u>	<u>1,524</u>	<u>18,176</u>
	(492)	187	1,179	(1,239)	417	(1,461)	(1,955)	767	(188)	(2,785)
<b>NET CASH FLOW</b>										
<b>CLOSING FUND BALANCE</b>	<u>5,393</u>	<u>5,580</u>	<u>6,758</u>	<u>5,519</u>	<u>5,937</u>	<u>4,476</u>	<u>2,521</u>	<u>3,288</u>	<u>3,100</u>	<u>3,100</u>



# PEASE DEVELOPMENT AUTHORITY

## CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<b><u>GRANT REIMBURSEMENT PROJECTS</u></b>										
<b><u>PORTSMOUTH AIRPORT</u></b>										
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 62- \$1.6M)	101	-	-	-	-	-	-	-	-	101
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 66- \$2.0M)	77	-	-	-	-	-	-	-	-	77
RUNWAY 16-34 RECONSTRUCTION (AIP 64)	25	25	-	-	-	-	-	-	-	50
TW A SOUTH HOLD BAY (AIP 67)	1	1	-	-	-	-	-	-	-	2
PEASE BOULEVARD-ARBORETUM AVE	-	-	-	-	30	30	30	30	40	160
LOWERY LANE PAVING	-	-	-	-	-	-	-	-	-	-
SNOW REMOVAL EQUIPMENT (AIP 69)	-	-	-	-	-	1,000	-	-	-	1,000
SNOW REMOVAL EQUIPMENT (AIP XX)	-	-	-	-	-	-	-	-	-	-
	<u>204</u>	<u>26</u>	<u>-</u>	<u>-</u>	<u>30</u>	<u>1,030</u>	<u>30</u>	<u>30</u>	<u>40</u>	<u>1,390</u>
<b><u>SKYHAVEN AIRPORT</u></b>										
TERMINAL APRON DESIGN (SBG 9)	30	-	-	-	-	-	-	-	-	30
<b>TOTAL GRANT REIMBURSEMENT PROJECTS</b>	<u>234</u>	<u>26</u>	<u>-</u>	<u>-</u>	<u>30</u>	<u>1,030</u>	<u>30</u>	<u>30</u>	<u>40</u>	<u>1,420</u>

NOTE:  
 \*\* PENDING BOARD APPROVAL

# PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)  
(CONTINUED):

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<b><u>NON-GRANT REIMBURSEMENT PROJECTS</u></b>										
<b><u>TECHNOLOGY/ADMINISTRATION</u></b>										
COMPUTERS / PRINTERS / SOFTWARE / TELECOMMUNICATIONS **	-	-	-	-	-	-	-	-	-	-
MICROSOFT SOFTWARE UPGRADES **	-	-	-	40	-	-	-	-	-	40
PAYCHEX PAYROLL KISOSKS **	-	-	-	-	5	-	-	-	-	5
TECHNOLOGY ENHANCEMENTS **	-	-	-	10	-	-	-	10	10	30
WEBSITE UPGRADES**	-	-	-	-	30	-	-	-	-	30
ADMIN ELECTRIC VEHICLE	-	-	-	26	-	-	-	-	-	26
	-	-	-	76	35	-	-	10	10	131
<b><u>GOLF COURSE</u></b>										
COURSE EQUIPMENT	80	-	-	-	-	-	-	-	45	125
PATIO UPGRADE	40	-	-	-	-	-	-	-	-	40
SIMULATOR ROOM **	-	-	25	15	-	-	-	-	-	40
CLUBHOUSE KITCHEN EQUIPMENT	10	-	10	-	-	-	-	-	-	20
VIDEO SURVEILLANCE SYSTEM**	-	15	-	-	-	10	-	-	-	25
COURSE IMPROVEMENTS**	-	-	-	10	20	40	40	-	-	110
	130	15	35	25	20	50	40	-	45	360

NOTE:  
\*\* PENDING BOARD APPROVAL

# PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(CONTINUED): (\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<b><u>NON-GRANT REIMBURSEMENT PROJECTS (CONTINUED):</u></b>										
<b><u>PORTSMOUTH AIRPORT</u></b>										
TERMINAL EXPANSION	125	50	18	-	-	-	-	-	-	193
TERMINAL CARPETING **	5	-	-	-	-	-	-	-	-	5
AIRFIELD SIGNAGE **	-	-	55	-	-	-	-	-	-	55
MOBILE RADIO UPGRADE **	-	-	-	-	50	-	-	-	-	50
FENCE CONSTRUCTION **	-	-	35	-	-	-	-	-	-	35
GENERATOR UPGRADE **	-	-	-	10	-	-	-	-	-	10
TICKETING AREA & OPERATIONS AREA UPGRADES	50	50	50	50	50	-	-	-	-	250
TAXIWAY A REPAIRS	190	-	-	-	-	-	-	-	-	190
TERMINAL ARRIVALS AREA-DESIGN	150	150	150	150	100	-	-	-	-	700
TERMINAL ARRIVALS AREA-CONSTRUCT**	-	-	-	-	-	500	500	500	500	2,000
FLIGHTLINE RD PIPE RELOCATION**	-	-	-	750	-	-	-	-	-	750
	<b>520</b>	<b>250</b>	<b>308</b>	<b>960</b>	<b>200</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>4,238</b>
<b><u>SKYHAVEN AIRPORT</u></b>										
SRE DOOR REPLACEMENT**	20	-	-	-	-	-	-	-	-	20
FUEL SYSTEM CREDIT CARD **	-	-	-	-	5	5	-	-	-	10
RENOVATION WORK-TERMINAL BLDG**	16	-	-	-	-	-	-	-	-	16
TIRES -FRONT END LOADER	-	-	-	-	-	-	-	-	-	-
LED LIGHT REPLACEMENT**	-	31	-	-	-	-	-	-	-	31
INTERIOR LIGHTING - T-HANGARS**	-	7	-	-	-	-	-	-	-	7
TOW BEHIND MOWER**	-	15	-	-	-	-	-	-	-	15
REROOF TERMINAL BUILDING **	-	15	-	-	-	-	-	-	-	15
	<b>36</b>	<b>68</b>	-	-	<b>5</b>	<b>5</b>	-	-	-	<b>114</b>

NOTE:  
\*\* PENDING BOARD APPROVAL

# PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

(CONTINUED):

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<b><u>NON-GRANT REIMBURSEMENT PROJECTS (CONTINUED):</u></b>										
<b><u>SECURITY</u></b>										
<b>PORTSMOUTH AIRPORT</b>										
CCTV SECURITY GATES	-	-	-	-	50	-	-	-	-	50
DOOR ACCESS CONTROL	-	-	-	-	-	-	-	-	-	-
REPLACE BADGING WORKSTATIONS	-	90	-	-	-	-	-	-	-	90
TRAINING VIDEO PRODUCTION	-	-	115	-	-	-	-	-	-	115
BADGE READER & MEDIA REPLACEMENT	-	-	16	-	-	-	59	-	-	75
SECURITY SYSTEM UPGRADE **	-	-	170	100	-	-	-	-	-	270
	-	90	301	100	50	-	59	-	-	600
<b><u>SECURITY</u></b>										
<b>SKYHAVEN AIRPORT</b>										
DOOR ACCESS CONTROL **	25	-	-	-	-	-	-	-	-	25
	25	-	-	-	-	-	-	-	-	25

NOTE:  
\*\* PENDING BOARD APPROVAL



**PEASE DEVELOPMENT AUTHORITY**  
**CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)**  
 (CONTINUED) (\$ 000'S)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<b>NON-GRANT REIMBURSEMENT PROJECTS (CONTINUED)</b>										
<b>TRADEPORT</b>										
STORMWATER UPGRADES	5	5	-	25	-	-	25	-	-	60
GRAFTON RD AND GOLF COURSE INTERIM**	-	-	-	-	-	-	-	10	10	20
GRAFTON RD AND AVIATION AVE**	-	-	-	-	-	-	-	10	10	20
CORPORATE DRIVE- DRAINAGE	3	3	3	500	-	-	-	-	-	509
	<u>8</u>	<u>8</u>	<u>3</u>	<u>525</u>	<u>-</u>	<u>-</u>	<u>25</u>	<u>20</u>	<u>20</u>	<u>609</u>
<b>MAINTENANCE</b>										
VEHICLE FLEET REPLACEMENT	-	-	-	60	-	81	-	48	-	189
PAINT MACHINE **	15	-	-	-	-	-	-	-	-	15
BUILDING INFRASTRUCTURE **	-	-	-	50	-	-	-	-	-	50
MOWER REPLACEMENT **	20	-	-	-	-	-	-	-	-	20
HIGH LIFT **	-	-	30	-	-	-	-	-	-	30
JOHN DEERE TRACTOR REPLACEMENT **	-	-	-	-	-	-	-	-	-	-
CRACK SEALING MACHINE	-	-	-	-	91	-	-	-	-	91
DIESEL TRACTOR/TOW BEHIND MOWER	-	-	-	-	-	-	-	-	-	-
SWPPP WASH RACK*	-	-	-	-	-	-	150	-	-	150
TOW BEHIND MOWER ATTACHMENT (DAW)	-	-	-	-	12	-	-	-	-	12
SNOW/RUBBER REMOVAL EQUIP**	-	-	-	-	-	-	-	-	-	-
	<u>35</u>	<u>-</u>	<u>30</u>	<u>110</u>	<u>103</u>	<u>81</u>	<u>150</u>	<u>48</u>	<u>-</u>	<u>557</u>
<b>TOTAL NON-GRANT REIMBURSEMENT PROJECTS</b>	<b>754</b>	<b>431</b>	<b>677</b>	<b>1,796</b>	<b>413</b>	<b>636</b>	<b>774</b>	<b>578</b>	<b>575</b>	<b>6,634</b>

NOTE:  
 \*\* PENDING BOARD APPROVAL

# PEASE DEVELOPMENT AUTHORITY RECEIPT GRANT AWARDS (EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<b><u>PORTSMOUTH AIRPORT</u></b>										
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 62-\$1.6M)	-	-	167	-	-	-	-	-	-	167
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 66-\$2.0M)	-	-	211	-	-	-	-	-	-	211
RUNWAY 16-34 RECONSTRUCTION (AIP 64)	-	-	932	-	-	-	-	-	-	932
RUNWAY- AIR NATIONAL GUARD	-	-	-	-	300	-	-	-	-	300
TW A SOUTH HOLD BAY (AIP 67)	-	-	90	-	-	-	-	-	-	90
PEASE BOULEVARD- ARBORETUM AVE	-	-	-	-	-	-	-	48	24	72
SNOW REMOVAL EQUIPMENT (AIP 69)	-	-	-	-	-	-	-	900	-	900
LOWERY LANE PAVING (AIP 70)	-	-	30	-	-	-	-	-	-	30
<b><u>SKYHAVEN AIRPORT</u></b>										
TERMINAL APRON DESIGN (SBG-9)	-	-	-	45	-	-	-	-	-	45
<b>TOTAL</b>	-	-	1,430	45	300	-	-	948	24	2,747

# PEASE DEVELOPMENT AUTHORITY CREDIT FACILITIES AND OUTSTANDING DEBT ANALYSIS

(\$ 000's)

REVOLVING LETTER OF CREDIT (RLOC) THE PROVIDENT BANK

AMOUNT OF CREDIT FACILITY 15,000

AMOUNT CURRENTLY AVAILABLE 15,000

TERM DATE 12-31-2022

PURPOSE TO FUND CAPITAL IMPROVEMENTS AND WORKING CAPITAL NEEDS.

INTEREST RATE ONE MONTH FHLB (CLASSIC) + 250 BASIS POINTS

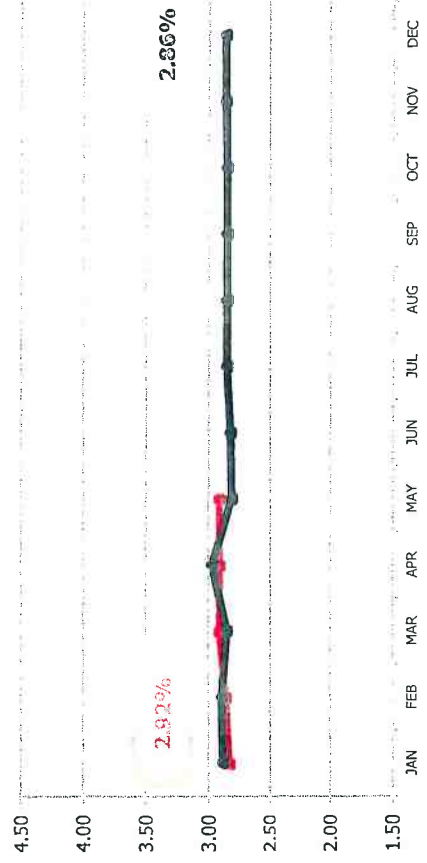
MINIMUM SIZE OF DRAWDOWN NO MINIMUM

OTHER DOES NOT CARRY THE STATE GUARANTEE

OUTSTANDING DEBT ANALYSIS	BALANCE AT 05-31-2022	BALANCE AT 06-30-2021	Maturity DATE	INTEREST RATE %
THE PROVIDENT BANK (RLOC)	-	-	12-31-2022	VARIABLE

WEIGHTED AVERAGE 2.89%

TRENDING THE ONE MONTH FHLB (CLASSIC) INTEREST RATE + MARK-UP 2022 VERSUS 2021



# DIVISION OF PORTS AND HARBORS CASH FLOW SUMMARY OVERVIEW (EXCLUDING RESTRICTED FUNDS) JUNE 1, 2022 TO FEBRUARY 28, 2023

(\$ 000's)

	<u>AMOUNT</u>
<b>OPENING FUND BALANCE</b>	<b>1,423</b>
<b>SOURCES OF FUNDS</b>	
FACILITY RENTALS AND CONCESSIONS	411
FUEL SALES	618
REGISTRATIONS / WHARFAGE	600
MOORING FEES	100
PARKING FEES	91
	<b>1,820</b>

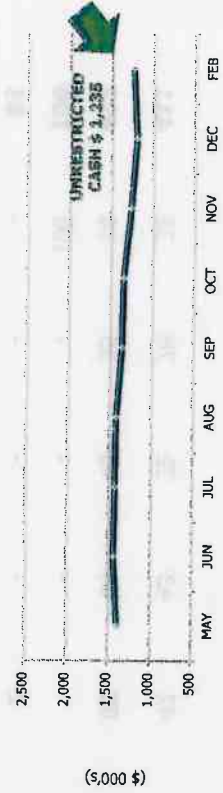
	<u>AMOUNT</u>
<b>USES OF FUNDS</b>	
PERSONNEL SERVICES AND BENEFITS	951
FUEL PROCUREMENT	550
OPERATING EXPENSES	379
CAPITAL EXPENDITURES AND OTHER	100
STATE OF NH- POST RETIREMENT	28
	<b>2,008</b>
<b>NET CASH FLOW</b>	<b>(188)</b>
<b>CLOSING FUND BALANCE</b>	<b>1,235</b>

**DISCUSSION**

CURRENT SENSITIVITIES TOWARD FUTURE PROJECTIONS INCLUDE 1) ACCURACY OF CAPITAL EXPENDITURE FORECAST AND USE OF HARBOR DREDGING AND PIER MAINTENANCE FUNDS, 2) WORKERS COMPENSATION CLAIMS, 3) FUEL CONSUMPTION AND 4) CONTINUED CONTAINMENT OF EMPLOYEE OVERTIME.

\$ 252 LOAN AMORTIZATION PERIOD AND INTEREST RATE ASSOCIATED WITH HB 25-FN-A (PISCATAQUA RIVER TURNING BASIN), HAS YET TO BE DETERMINED. LONG TERM LIABILITY.

**PROJECTED UNRESTRICTED CASH BALANCES**



<b>TOTAL FUND BALANCES</b>	<b>BALANCE AT 05/31/2022</b>	<b>BALANCE AT 06/30/21</b>
<b>UNRESTRICTED FUNDS</b>	<b>1,423</b>	<b>1,888</b>
<b>DESIGNATED FUNDS</b>	<b>160</b>	<b>153</b>
<b>RESTRICTED FUNDS:</b>		
HARBOR DREDGING	276	317
REVOLVING LOAN FUND	67	225
FOREIGN TRADE ZONE	11	8
	<b>354</b>	<b>550</b>



# DIVISION OF PORTS AND HARBORS STATEMENT OF CASH FLOW (UNRESTRICTED FUNDS)

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<b>OPENING FUND BALANCE</b>	<u>1,423</u>	<u>1,387</u>	<u>1,431</u>	<u>1,418</u>	<u>1,410</u>	<u>1,347</u>	<u>1,334</u>	<u>1,250</u>	<u>1,191</u>	<u>1,423</u>
<b><u>SOURCES OF FUNDS</u></b>										
FACILITY RENTALS AND CONCESSIONS	83	60	43	42	47	43	32	28	33	411
FUEL SALES	89	110	108	73	83	64	40	35	18	618
MOORING FEES	-	-	-	-	-	-	-	-	100	100
PARKING FEES	14	30	29	16	2	-	-	-	-	91
REGISTRATIONS / WHARFAGE	95	65	65	65	65	65	65	50	65	600
	<u>281</u>	<u>265</u>	<u>245</u>	<u>196</u>	<u>197</u>	<u>172</u>	<u>137</u>	<u>113</u>	<u>216</u>	<u>1,820</u>
<b><u>USE OF FUNDS</u></b>										
PERSONNEL SERVICES AND BENEFITS	115	89	123	101	144	91	96	96	96	951
FUEL PROCUREMENT	75	94	91	62	70	54	34	35	35	550
UTILITIES	12	9	9	10	9	9	10	10	10	88
GENERAL AND ADMINISTRATIVE	15	14	16	14	18	14	14	14	14	133
BUILDINGS AND FACILITIES	16	14	16	16	16	16	16	16	16	142
PROFESSIONAL SERVICES	5	2	2	1	2	1	1	1	1	16
CAPITAL EXPENDITURES AND OTHER	50	-	-	-	-	-	50	-	-	100
STATE OF NH- POST RETIREMENT	28	-	-	-	-	-	-	-	-	28
	<u>316</u>	<u>222</u>	<u>257</u>	<u>204</u>	<u>259</u>	<u>185</u>	<u>221</u>	<u>172</u>	<u>172</u>	<u>2,008</u>
<b>NET CASH FLOW</b>	(36)	44	(13)	(8)	(63)	(13)	(84)	(59)	44	(188)
<b>CLOSING FUND BALANCE</b>	<u>1,387</u>	<u>1,431</u>	<u>1,418</u>	<u>1,410</u>	<u>1,347</u>	<u>1,334</u>	<u>1,250</u>	<u>1,191</u>	<u>1,235</u>	<u>1,235</u>

13

# DIVISION OF PORTS AND HARBORS STATEMENT OF CASH FLOW- HARBOR DREDGING FUND (RESTRICTED FUNDS)

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<b>OPENING FUND BALANCE</b>	276	284	244	254	210	220	228	188	156	276
<b>SOURCES OF FUNDS</b>										
PIER USAGE FEES	9	9	9	9	9	9	9	9	9	81
REGISTRATIONS	1	1	1	1	1	1	1	1	1	9
FUEL FLOWAGE FEES	-	-	-	-	-	-	-	-	-	-
GRANT FUNDING	-	-	-	-	-	-	-	-	-	-
	10	10	10	10	10	10	10	10	10	90
<b>USE OF FUNDS</b>										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	50	-	2	-	2	-	40	-	94
GENERAL AND ADMINISTRATIVE	2	-	-	2	-	-	-	2	-	6
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER- (CBOC)	-	-	-	50	-	-	50	-	-	100
	2	50	-	54	-	2	50	42	-	200
<b>NET CASH FLOW</b>	8	(40)	10	(44)	10	8	(40)	(32)	10	(110)
<b>CLOSING FUND BALANCE</b>	284	244	254	210	220	228	188	156	166	166

**DIVISION OF PORTS AND HARBORS**  
**STATEMENT OF CASH FLOW- REVOLVING LOAN FUND**  
**(RESTRICTED FUNDS)**

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<b>OPENING FUND BALANCE</b>	<u>67</u>	<u>72</u>	<u>84</u>	<u>99</u>	<u>112</u>	<u>128</u>	<u>144</u>	<u>158</u>	<u>174</u>	<u>67</u>
<b><u>SOURCES OF FUNDS</u></b>										
LOAN REPAYMENTS	10	11	13	13	14	14	14	14	14	117
INTEREST INCOME-LOANS	2	2	3	3	3	3	3	3	3	25
INTEREST INCOME- FUND BALANCE	-	-	-	-	-	-	-	-	-	-
	<u>12</u>	<u>13</u>	<u>16</u>	<u>16</u>	<u>17</u>	<u>17</u>	<u>17</u>	<u>17</u>	<u>17</u>	<u>142</u>
<b><u>USE OF FUNDS</u></b>										
NEW LOANS PROJECTED	-	-	-	-	-	-	-	-	-	-
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	4	-	-	2	-	-	2	-	-	8
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	3	1	1	1	1	1	1	1	1	11
ALL OTHER	-	-	-	-	-	-	-	-	-	-
	<u>7</u>	<u>1</u>	<u>1</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>19</u>
<b>NET CASH FLOW</b>	5	12	15	13	16	16	14	16	16	123
<b>CLOSING FUND BALANCE</b>	<u>72</u>	<u>84</u>	<u>99</u>	<u>112</u>	<u>128</u>	<u>144</u>	<u>158</u>	<u>174</u>	<u>190</u>	<u>190</u>

15

**DIVISION OF PORTS AND HARBORS**  
**STATEMENT OF CASH FLOW- FOREIGN TRADE ZONE FUND**  
**(RESTRICTED FUNDS)**

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	JAN	FEB	TOTAL
<b>OPENING FUND BALANCE</b>	11	11	12	12	12	9	14	17	11
<b>SOURCES OF FUNDS</b>									
FACILITY RENTALS	-	2	-	-	-	5	5	-	12
ALL OTHER	-	-	-	-	-	-	-	-	-
	-	2	-	-	-	5	5	-	12
<b>USE OF FUNDS</b>									
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	1	-	-	1	-	1	-	3
UTILITIES	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-
ALL OTHER	-	-	-	-	2	-	1	-	3
	-	1	-	-	3	-	2	-	6
<b>NET CASH FLOW</b>	-	1	-	-	(3)	5	(2)	-	6
<b>CLOSING FUND BALANCE</b>	11	12	12	12	9	14	17	17	17



## MOTION

Director Ferrini:

The Pease Development Authority Board of Directors hereby accepts and approves the proposed FY 2023 Operations and Maintenance (O&M) Budget and FY 2024 - FY 2026 O&M Forecast; all in accordance with the memorandum dated June 8, 2022 and attached documentation submitted by Suzy Anzalone, Director of Finance, attached hereto and incorporated herein.

**NOTE: Roll Call vote required.**

**Date:** June 8, 2022

**To:** Paul Brean, Executive Director

**From:** Suzy Anzalone, Director of Finance

**Subject:** FY 2023 Operating Budget and FY 2024-FY 2026 Projection Overview

In anticipation of the upcoming June 16<sup>th</sup> Pease Development Authority Board of Director's meeting, we will be requesting approval of the FY 2023 Operating Budget and FY 2024 –FY 2026 Projection. The following is an overview of the Operating Budget process and corresponding results:

On an annual basis, the Finance Department works together with the Department Management (DM) team and the Executive Director in preparation of the annual Operating Budget. Key assumptions and financial targets are discussed with the Executive Director at the start of the process.

Using historical benchmarks, cost driver assumptions and current year-to-date information, the Director of Finance (DOF) prepares an initial forecast for the remainder of the fiscal year, as well as a proposed budget for the subsequent fiscal year and a projection for the next thirty-six months.

The DOF meets with each DM to review the initial forecast and budget. Current cost drivers such as the number of flights, cost of fuel, fee increases, staffing changes, etc. are discussed in detail relative to each business unit. The budget is then updated, and a comprehensive review is performed for reasonableness and adherence to financial targets prior to a final review with the Executive Director.

The current FY 2023 proposed budget identifies total revenues of \$18.5 million which is a \$1.5 million increase (8.6%) over the prior year budget. Main drivers of this increase include the following:

- Golf revenue increase of \$657,000 due to a projected increase in rounds played and previously approved fee increases.
- Facilities Rental increase of \$447,000 which reflects a 3% average rent increase for Building and Ground leases.
- Fuel flowage fee increase of \$98,000 for the Portsmouth Airport is associated with an increase in pricing of \$0.01 per gallon offset by a conservative decrease in consumption due to higher prices for aviation fuel.
- Concession revenue increase of \$74,000 in anticipation of increased sales volume at Grill 28 over the prior year.

Relative to operating expenses, the FY 2023 budget reflects a \$1.6 million increase (11.7%) from the FY 2022 budget. Total operating expenses, excluding depreciation of \$7.6 million, total \$15.4 million. The more significant cost drivers supporting this increase include:

- Labor cost increase of \$957,000 is driven mainly by the following factors:
  1. Estimated wage increases for the majority of our full-time staff based on the anticipated results of the wage study currently in progress.
  2. Pay increases for all part-time PDA security positions (initiated during FY22) and all part-time seasonal staff at both the Golf course and the DPH.
  3. Staffing increases for succession planning for both the PDA and the DPH.
- FICA and retirement expense increase of \$339,000 driven by the increase in payroll costs per above.
- Utilities increase of \$181,000 reflects an anticipated increase in electricity supply costs as our contract expires in October of 2022. We expect that with the rising cost of energy, entering into a long-term contract may not benefit us at this time. Some anticipated cost inflation is also reflected in water, sewer and propane expense.
- Diesel and gas increase of \$91,000 due to the significant increase in the price of fuel.
- Commercial insurance increase of 20% as we anticipate premium rates to rise in FY23.
- Inflation related increases in contractor services, supplies, equipment and other consumables.
- Marketing and promotion was decreased by \$70,000 as historical spending has been significantly lower than budget.
- Dredging decreased \$100,000 as we anticipate a decrease in out-of-pocket expenses over the prior year.

Fuel sales (as well as fuel purchases) at Skyhaven and the Harbors reflect a significant price increase, but are offset by a potential decrease in consumption.

For FY 2023 we are budgeting operating income on a cash basis (excluding depreciation) of \$3.1 million which, despite the increase in operating expenses, is only a 4.3% decrease (\$142,000) over FY22 budgeted operating income. This is still a strong margin and in any given year, these positive cash margins are used to fund capital expenditures (non-grant related) which helps minimize the need to borrow external funds.

In summary, I believe the FY 2023 proposed Operating Budget, as well as the three-year projection, represent a fair and prudent budget. The Department Management team is committed to managing and controlling expenses for their cost centers, seeking efficiencies, and researching ideas for additional revenue streams.

At your convenience, I would be pleased to address any questions or need for supplemental information that you may have.

# PEASE DEVELOPMENT AUTHORITY PROPOSED FY 2023 OPERATING BUDGET AND FY 2024 - FY 2026 PROJECTION

## RELEVANT VISIONS



PEASE DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS MEETING  
JUNE 16, 2022



# TABLE OF CONTENTS

	<u>PAGE #</u>
• EXECUTIVE OVERVIEW	3-4
• KEY PLANNING ASSUMPTIONS	5-10
• COMPOSITE BUDGET PROJECTIONS	11
• COMPOSITE OPERATING REVENUES	12-13
• STAFFING PLAN AND ORGANIZATION CHART	14-15
• COMPOSITE OPERATING EXPENSES	16-19
• ANALYSIS OF CASH AND OUTSTANDING DEBT BALANCES	20

# EXECUTIVE OVERVIEW

\$ (000's)

THE PROPOSED FY 2023 OPERATING REVENUES OF \$18,536 IS AN INCREASE OF 8.6% OR \$1,468 VERSUS THAT OF THE FY 2022 BUDGET. THE PRIMARY VARIANCES FOR THE INCREASE INCLUDE:

THE PROPOSED FY 2023 CASH OPERATING EXPENDITURES OF \$15,427 IS A INCREASE OF 11.7% OR \$1,611 VERSUS THAT OF THE FY 2022 BUDGET. THE PRIMARY VARIANCES FOR THE INCREASE INCLUDE:

	\$ CHANGE	% CHANGE
GOLF REVENUE - ALL	657	3.8
FACILITIES RENTAL	447	2.6
PSM- FUEL FLOWAGE FEES	98	0.6
CONCESSIONS	74	0.4
PSM-PAY FOR PARKING	52	0.3
DPH REVENUE-MOORINGS, PARKING, REGISTRATIONS, WHARFAGE	(11)	(0.0)
MISCELLANEOUS OTHER- NET	151	0.9
	<b>1,468</b>	<b>8.6</b>

	\$ CHANGE	% CHANGE
WAGES	957	6.9
BENEFITS AND FICA	339	2.4
UTILITIES	181	1.3
DIESEL AND GAS	91	0.7
CONTRACTOR SERVICES	70	0.5
PROPERTY INSURANCE	68	0.5
PARTS AND SUPPLIES	43	0.3
SNOW RELATED EXPENSES	35	0.3
SECURITY EXPENSES	(31)	(0.2)
MARKETING AND PROMOTION	(70)	(0.5)
DREDGING	(100)	(0.7)
MISCELLANEOUS OTHER-NET	28	0.2
	<b>1,611</b>	<b>11.7</b>

# EXECUTIVE OVERVIEW

(CONTINUED):



## THERE IS POTENTIAL FOR SEVERAL OPERATING BUDGET ISSUES THAT ARE INCONCLUSIVE AT THIS TIME WHICH INCLUDE:

- ENVIRONMENTAL COMPLIANCE PROGRAM COSTS / STORMWATER CONSULTANT (MS4)
- DPH \$252,000 DEBT REPAYMENT TO STATE OF NEW HAMPSHIRE- PISCATAQUA TURNING BASIN (HB 25-FN-A)
- INFLATIONARY RELATED INCREASES IN FUEL COSTS, SUPPLIES, UTILITIES, EQUIPMENT AND OTHER CONSUMMABLES
- POTENTIAL LABOR COST INCREASES BASED ON FY23 WAGE STUDY AND COLA ADJUSTMENT
- ELECTRICITY SUPPLY EXPENSE INCREASE DUE TO CONTRACT EXPIRATION
- FINANCIAL IMPACT OF GASB 87 (LEASE ACCOUNTING) REPORTING REQUIREMENTS



## KEY OPERATIONAL ACTIVITIES AND INITIATIVES EXPECTED TO BE UNDERTAKEN:

- MAINTAINING AND EXPANDING CURRENT COMMERCIAL AIRPORT OPERATIONS
- IMPLEMENTATION OF SECURITY INITIATIVES
- CONTINUED IMPLEMENTATION OF ASSET MANAGEMENT SYSTEM
- INCENTIVIZE TRADEPORT DEVELOPERS TO REINVEST IN CAPITAL IMPROVEMENTS AND SWPP INITIATIVES
- ELECTRICITY SUPPLY CONTRACT RENEWAL IN LATE FY23. SUPPLY RATE WILL "FLOAT" FOR MAJORITY OF FY23.
- REQUEST FOR PROPOSAL FOR AUDIT SERVICES



# KEY PLANNING ASSUMPTIONS

## STAFFING, PERSONNEL SERVICES AND BENEFIT ESCALATION

- **SUCCESSION PLANNING FOR SENIOR STAFF POSITIONS.**
- **EMPLOYEE ANNUAL SALARY MERIT INCREASE CAPPED AT 2.00% PLUS A COLA ADJUSTMENT NOT TO EXCEED 2.0% FOR ALL ELIGIBLE EMPLOYEES.**
- **FY23 WAGE STUDY IMPACT ON LABOR COSTS.**
- **POST RETIREMENT HEALTH CARE COSTS- RATE REVIEW EVERY JANUARY 1ST.**
- **THE PDA CONTINUES TO MONITOR OVERTIME COSTS WHICH IS A VARIABLE COST INFLUENCED BY SNOWFALL, AIRPORT FLIGHT SCHEDULES AND WHARFAGE AND DOCKAGE ACTIVITIES. AS A PERCENTAGE OF DIRECT PAYROLL, THE PDA / DPH AVERAGES APPROXIMATELY 8.0% ANNUALLY**

- **EMPLOYEE BENEFIT RATES HAVE YET TO BE FULLY VETTED BY THE STATE OF NEW HAMPSHIRE. FOR BUDGETING PURPOSES, THE FOLLOWING RATES, AS A PERCENTAGE OF ELIGIBLE WAGES, HAVE BEEN INCORPORATED:**

	FY 2022 FORECAST	PROPOSED FY 2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
HEALTH/DENTAL/LIFE INS	31.39%	28.43%	27.57%	27.66%	27.71%
NH RETIREMENT SYSTEM	14.57%	15.12%	16.54%	16.54%	17.34%



\$ (000's)

# KEY PLANNING ASSUMPTIONS (CONTINUED)

## PORTSMOUTH INTERNATIONAL AIRPORT

### FUEL FLOWAGE FEES:

	FY 2022 FORECAST	PROPOSED FY 2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
PROJECTED GALLONS	12,683,600	10,800,000	10,908,000	11,071,600	11,237,700
RATE PER GALLON	\$ 0.040	\$ 0.050	\$ 0.050	\$ 0.060	\$ 0.070
PROJECTED REVENUES	507	540	545	664	787

### PASSENGER PAY FOR PARKING:

	FY 2022 FORECAST	PROPOSED FY 2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
RATE PER DAY	\$ 7.00	\$ 7.00	\$ 7.00	\$ 8.00	\$ 8.00
AVAILABLE SPACES	961	961	1,211	1,211	1,211
OCCUPANCY RATE	21%	22%	18%	19%	21%
PROJECTED REVENUES	523	528	563	672	743

# KEY PLANNING ASSUMPTIONS (CONTINUED)

## PORTSMOUTH INTERNATIONAL AIRPORT (CONTINUED)

- AERONAUTICAL REVENUE FOCUSED ON FUEL FLOWAGE AND COMMERCIAL PASSENGER AUTOMOBILE PARKING REVENUE
  - CONTINUE MODEL OF NO LANDING FEE AND NO PASSENGER FACILITY CHARGES
- **CONTINUED MARKETING FINANCIAL COMMITMENT TO INCREASE PASSENGER ENPLANEMENTS AND CONTINUATION OF AIRSERVICE DEVELOPMENT CONSULTANT CONTRACT.**
- CONTINUED DEVELOPMENT OF AERONAUTICAL LEASES TO SUPPORT BASED AIRCRAFT
- MONITOR IMPACT OF **INCREASED AVIATION FUEL COSTS** AND DIRECT IMPACT TO PSM
- **LAW ENFORCEMENT OFFICER PROGRAM (LEO)** WITH CITY OF PORTSMOUTH FOR COMMERCIAL AIRLINE SECURITY REMAINS IN PLACE. ASSUMPTION OF HOURLY POLICE RATE OF \$81.00 EXCLUDING ADMINISTRATIVE AND VEHICLE EXPENSES.
- RUNWAY RECONSTRUCTION PROJECT FINALIZED AND PLACED IN SERVICE. OPERATING BUDGET REFLECTS ONGOING MAINTENANCE COSTS

# KEY PLANNING ASSUMPTIONS (CONTINUED)

## SKYHAVEN AIRPORT

- NO CHANGES IN HANGAR AND OR TIE DOWN **RENTAL RATES**.
- NO CHANGE IN CURRENT **OCCUPANCY** FOR HANGARS (33) OR TIEDOWNS (6). THERE ARE PRESENTLY NO HANGAR VACANCIES.
- MONITOR IMPACT OF **INCREASED AVIATION FUEL COSTS** AND DIRECT IMPACT TO DAW.
- **FUELING OPERATIONS** ARE EXPECTED TO GENERATE APPROXIMATELY \$56,100 IN NET CASH FLOW DURING THE 48 MONTH PERIOD ENDING JUNE 30, 2026, REPRESENTING AN APPROXIMATE 20% MARKUP.

## INTERNATIONAL TRADEPORT

- MAJORITY OF BUILDING AND OR GROUND LEASES HAVE INCORPORATED AN ANNUAL INFLATION RATE, AS MEASURED BY THE UNITED STATES DEPARTMENT OF LABOR FOR ALL URBAN CONSUMERS- BOSTON-CAMBRIDGE-NEWTON, OF **3.0%**.
- PROJECTED **NEW OR MODIFIED REVENUE STREAMS**, AS ASSOCIATED WITH EITHER BUILDING AND OR GROUND LEASES, DURING THE BUDGET PERIOD:
  - **LONZA BIOLOGICS- 70-80 CORPORATE DRIVE (25.97 ACRES +/-) FULL YEAR OF MODIFIED LEASE.**
- CURRENT **ELECTRICITY SUPPLY RATE** (\$0.0767) IS SCHEDULED TO EXPIRE ON OCTOBER 31, 2022. FUTURE FISCAL YEAR ELECTRICITY CONSUMPTION PROJECTED AT APPROXIMATELY 3.39 MILLION KWH AT \$0.1150 PER KWH (49% INCREASE) FOR SUPPLY COSTS. BUDGET IMPACT IS \$130,000.



# KEY PLANNING ASSUMPTIONS (CONTINUED)

## GOLF OPERATIONS (CONTINUED):

### ROUNDS OF GOLF PLAYED:

	ACTUAL 2021 SEASON	PROPOSED 2022 SEASON	PROJECTED 2023 SEASON	PROJECTED 2024 SEASON	PROJECTED 2025 SEASON	PROJECTED 2026 SEASON
PUBLIC PLAY	48,101	46,500	46,250	46,500	46,750	47,000
ANNUAL PASS	18,489	17,500	18,250	18,500	18,750	19,000
TOTAL ROUNDS	66,590	64,000	64,500	65,000	65,500	66,000

GRILL 28 RESTAURANT AGREEMENT AMENDMENT # 6 EXTENDS CONTRACT THROUGH OCTOBER 31, 2023 WITH NO FURTHER OPTION YEARS. PROJECTED GROSS SALES:

3,000						
2,800						
2,600						
2,400						
2,200						
2,000						
	FY 2022 FORECAST	FY 2023 PROPOSED BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION	

(5,000) \$



# KEY PLANNING ASSUMPTIONS (CONTINUED)

## DIVISION OF PORTS AND HARBORS

- **SECURITY OPERATIONS** REMAIN IN-HOUSE WITH NO INCREMENTAL STAFFING FROM CURRENT FY 2022 AUTHORIZED LEVELS.
- **OVERTIME AND SEASONAL PERSONNEL LABOR HOURS** CONTINUE TO BE ACTIVELY MANAGED. MINIMUM PAY RATE INCREASED TO \$14.00 PER HOUR FOR 2022 SEASON.
- WITH CAPITAL BUDGET OVERVIEW COMMITTEE APPROVAL, HARBOR DREDGING FUND CONTINUES TO PROVIDE ANNUAL FUNDING SUPPORT TO MEET EMERGING REPAIRS AND MAINTENANCE NEEDS.
- **FOREIGN TRADE ZONE** PROPOSES NO NEW TENANTS FROM CURRENT BASE OF THREE VENDORS.
- **PORTSMOUTH FISH PIER** IN FULL SERVICE AS OF OCTOBER 2021.
- MONITOR IMPACT OF **INCREASED FUEL COSTS** AND DIRECT IMPACT TO FUEL SALES.
- **FUELING OPERATIONS** ARE EXPECTED TO GENERATE APPROXIMATELY \$455K IN NET CASH FLOW DURING THE 48 MONTH PERIOD ENDING JUNE 30, 2026 REPRESENTING AN APPROXIMATE 15% MARK-UP.

	FY 2022 FORECAST	PROPOSED FY2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
<b>GROSS FUEL SALES</b>					
PORTSMOUTH FISH PIER	156	268	273	278	284
HAMPTON HARBOR	139	225	230	234	239
RYE HARBOR	172	238	243	248	253
	<u>467</u>	<u>731</u>	<u>746</u>	<u>760</u>	<u>776</u>

PROPOSED FY 2023 OPERATING BUDGET AND FY 2024 - FY 2026 FORECAST  
JUNE 2022

# COMPOSITE BUDGET PROJECTIONS

\$ (000's)

	FY 2022 FORECAST	PROPOSED FY2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
<b>OPERATING REVENUES (SEE PAGES #12-#13)</b>	<b>19,680</b>	<b>18,536</b>	<b>19,079</b>	<b>19,692</b>	<b>20,313</b>
<b>OPERATING EXPENSES</b>					
PERSONNEL SERVICES AND FRINGE BENEFITS (SEE PAGE #14)	7,162	8,483	9,002	9,253	9,565
BUILDING AND FACILITIES (SEE PAGE #16)	1,824	2,138	2,365	2,310	2,384
GENERAL AND ADMINISTRATIVE (SEE PAGE #17)	1,516	1,739	2,084	1,814	2,127
UTILITIES (SEE PAGE #18)	802	1031	1046	1059	1072
PROFESSIONAL SERVICES (SEE PAGE #18)	305	545	565	571	576
MARKETING AND PROMOTION (SEE PAGE #19)	140	366	371	402	408
OTHER OPERATING EXPENSES (SEE PAGE #19)	883	1,125	1,150	1,177	1,199
<b>TOTAL OPERATING EXPENSES</b>	<b>12,632</b>	<b>15,427</b>	<b>16,583</b>	<b>16,586</b>	<b>17,331</b>
<b>OPERATING INCOME</b>	<b>7,048</b>	<b>3,109</b>	<b>2,496</b>	<b>3,106</b>	<b>2,982</b>
DEPRECIATION	6,873	7,685	7,793	8,108	8,284
CARES ACT FUNDING	1,964				
INTEREST EXPENSE	0	10	12	14	17
INTEREST INCOME AND OTHER	9	9	9	9	9
<b>NET OPERATING INCOME</b>	<b>2,148</b>	<b>(4,577)</b>	<b>(5,300)</b>	<b>(5,007)</b>	<b>(5,310)</b>



# COMPOSITE OPERATING REVENUES

\$(000's)

	FY 2022 FORECAST	PROPOSED FY2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
<b>RENTAL OF FACILITIES</b>					
FACILITIES AND AIRPORT HANGARS	<u>10,770</u>	<u>10,968</u>	<u>11,338</u>	<u>11,589</u>	<u>11,878</u>
<b>FEE REVENUES</b>					
GOLF					
PUBLIC PLAY	2,250	2,284	2,330	2,376	2,424
MEMBERSHIP	405	435	444	452	462
SIMULATORS AND LESSONS	119	120	122	125	126
	<u>2,774</u>	<u>2,839</u>	<u>2,896</u>	<u>2,953</u>	<u>3,012</u>
<b>PORTSMOUTH INTERNATIONAL AIRPORT AND SKYHAVEN</b>					
PARKING	523	528	563	672	743
FUEL FLOWAGE	507	540	545	664	787
AVIATION FEES AND SECURITY BADGING	166	167	166	168	170
	<u>1,196</u>	<u>1,235</u>	<u>1,274</u>	<u>1,504</u>	<u>1,700</u>
<b>DIVISION OF PORTS AND HARBORS</b>					
WHARFAGE AND DOCKAGE	569	574	585	597	609
MOORING FEES	458	465	470	474	479
PIER USAGE, REGISTRATIONS AND BERTHING FEES	286	306	312	313	318
PARKING AND FUEL FLOWAGE	106	107	108	110	112
ALL OTHER	<u>118</u>	<u>123</u>	<u>125</u>	<u>128</u>	<u>130</u>
	<u>1,537</u>	<u>1,575</u>	<u>1,600</u>	<u>1,622</u>	<u>1,648</u>

\$ (000's)

# COMPOSITE OPERATING REVENUES (CONTINUED)

	FY 2022 FORECAST	PROPOSED FY2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
<b>FUEL SALES</b>	544	790	814	837	855
<b>CONCESSION REVENUES</b>	479	489	498	514	530
<b>INTEREST INCOME- REVOLVING LOAN FUND</b>	32	31	29	28	34
<b>OTHER REVENUES</b>					
GOLF MERCHANDISE	292	321	327	334	340
ALL OTHER	2056	288	303	311	316
	<u>2,348</u>	<u>609</u>	<u>630</u>	<u>645</u>	<u>656</u>
<b>TOTAL OPERATING REVENUES</b>	<u>19,680</u>	<u>18,536</u>	<u>19,079</u>	<u>19,692</u>	<u>20,313</u>

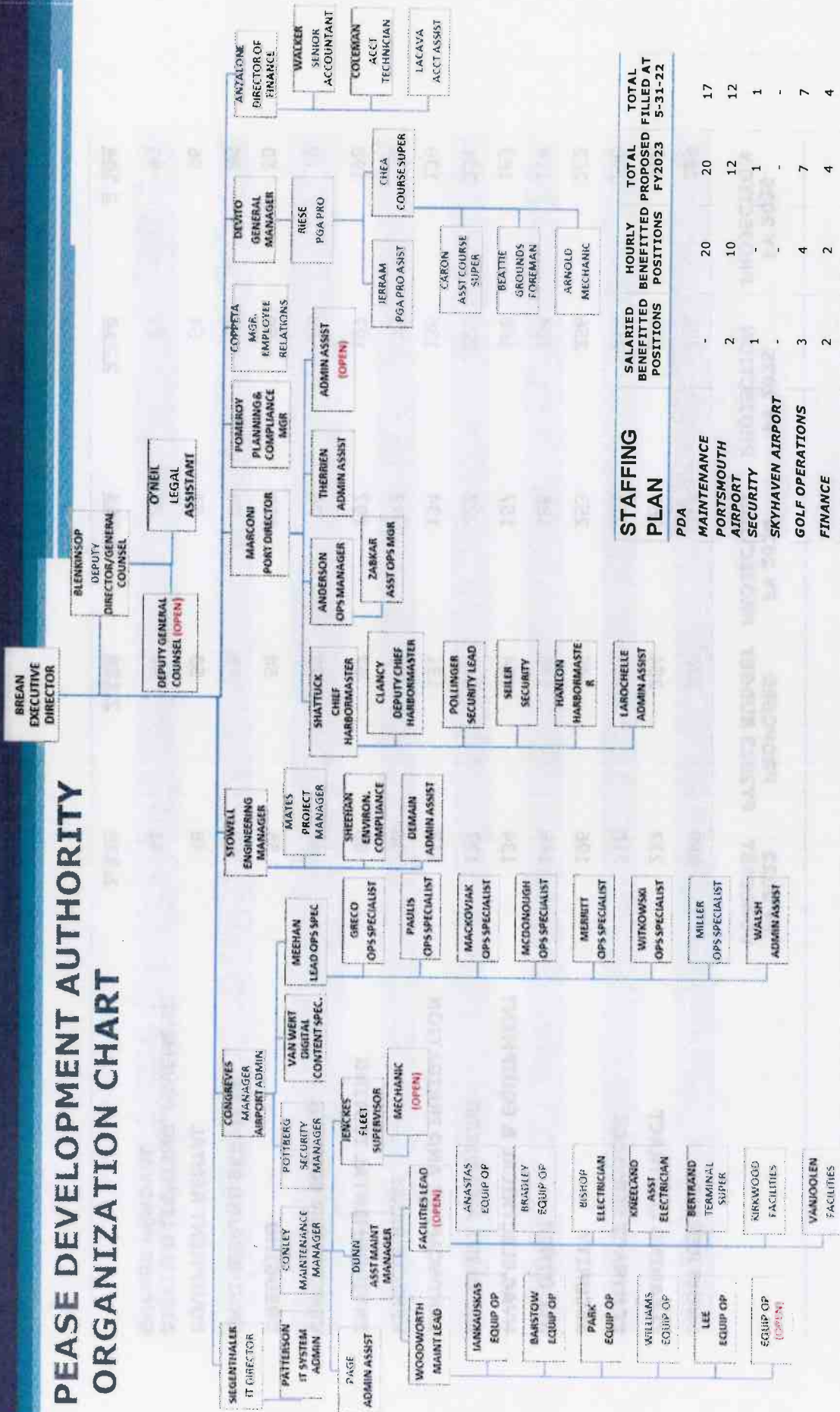


# COMPOSITE PERSONNEL SERVICES AND FRINGE BENEFITS

\$ (000's)

	FY 2022 FORECAST	PROPOSED FY2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
<b>PERSONNEL SERVICES</b>					
PERMANENT LABOR	4,048	4,882	5,156	5,309	5,466
NON-BENEFITTED LABOR	758	983	1012	1042	1073
OVERTIME	<u>273</u>	<u>277</u>	<u>318</u>	<u>312</u>	<u>312</u>
	<u>5,079</u>	<u>6,142</u>	<u>6,486</u>	<u>6,663</u>	<u>6,851</u>
<b>EMPLOYEE BENEFITS</b>					
HEALTH CARE, DENTAL, LIFE INSURANCE	1,342	1,449	1,492	1,537	1,583
RETIREMENT	741	892	1,024	1,053	1,131
	<u>2,083</u>	<u>2,341</u>	<u>2,516</u>	<u>2,590</u>	<u>2,714</u>
	<u>7,162</u>	<u>8,483</u>	<u>9,002</u>	<u>9,253</u>	<u>9,565</u>

# PEASE DEVELOPMENT AUTHORITY ORGANIZATION CHART



### STAFFING PLAN

	SALARIED BENEFITTED POSITIONS	HOURLY BENEFITTED POSITIONS	TOTAL PROPOSED FY2023	TOTAL FILLED AT 5-31-22
PDA	-	20	20	17
MAINTENANCE	2	10	12	12
PORTSMOUTH AIRPORT	1	-	1	1
SECURITY	-	-	-	-
SKYHAVEN AIRPORT	3	4	7	7
GOLF OPERATIONS	2	2	4	4
FINANCE	3	1	5	4
ENGINEERING	2	1	3	2
LEGAL	1	-	1	1
EXECUTIVE	1	-	1	1
HUMAN RESOURCES	1	-	1	1
INFORMATION TECHNOLOGY	1	1	2	2
TOTAL PDA	16	39	56	51
DIVISION OF PORTS AND HARBORS	1	10	12	10
	17	49	68	61

NOTE: EXCLUDES, NON-BENEFITTED EMPLOYEES, CONTRACT AND SEASONAL EMPLOYEES.



\$ (000's)

# COMPOSITE BUILDING AND FACILITIES

	FY 2022 FORECAST	PROPOSED FY2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
SNOW REMOVAL	269	276	273	291	289
CLEANING CONTRACT	232	254	260	265	270
CONTRACT SERVICES	210	217	211	215	220
SECURITY	196	245	253	256	262
ALL OTHER	146	146	185	164	174
HVAC,ELECTRICAL & EQUIPMENT	134	154	157	160	163
GASOLINE AND DIESEL	127	217	222	226	231
LANDSCAPING AND IRRIGATION	113	131	134	136	139
VEHICLE PARTS	66	76	72	73	75
ENVIRONMENTAL TESTING	66	97	197	197	198
VEGETATION CONTROL	61	75	76	78	79
DREDGING	58	50	100	50	50
ENGINEERING SERVICES	57	48	92	62	86
EQUIPMENT RENTAL	48	53	53	54	56
AIRFIELD LIGHTING, PAVEMENT, RUBBER REMOVAL	41	99	80	81	93
	<b>1,824</b>	<b>2,138</b>	<b>2,365</b>	<b>2,310</b>	<b>2,384</b>

# COMPOSITE GENERAL AND ADMINISTRATIVE

\$ (000's)

	FY 2022 FORECAST	PROPOSED FY2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
INSURANCE	404	459	468	478	489
FICA	388	468	490	507	521
PHONE AND INTERNET	142	159	163	171	174
SUPPLIES	92	106	108	110	112
ALL OTHER	91	96	398	79	352
BANK & CREDIT CARD FEES	85	93	94	97	99
COMPUTER EXPENSES	68	70	72	74	76
SUBSCRIPTIONS AND PUBLICATIONS	57	55	57	57	59
EQUIPMENT UNDER \$5,000	47	49	51	52	54
TRAVEL AND MILEAGE	41	58	58	60	60
POSTAGE AND PRINTING	31	35	36	36	37
TAXES IN LIEU-MUNICIPAL SERVICE FEES	30	30	31	31	32
PROFESSIONAL DEVELOPMENT	25	38	40	41	42
CLOTHING AND UNIFORMS	16	23	19	19	20
	<b>1,516</b>	<b>1,739</b>	<b>2,084</b>	<b>1,814</b>	<b>2,127</b>



# COMPOSITE UTILITIES

\$(000's)

	FY 2022 FORECAST	PROPOSED FY2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
<b>ELECTRICITY</b>	<b>530</b>	<b>663</b>	<b>670</b>	<b>676</b>	<b>681</b>
<b>WASTE DISPOSAL</b>	106	112	114	116	118
<b>WATER</b>	35	110	113	115	117
<b>NATURAL GAS</b>	71	78	80	82	84
<b>PROPANE AND HEATING OIL</b>	60	68	69	70	72
	<b>802</b>	<b>1,031</b>	<b>1,046</b>	<b>1,059</b>	<b>1,072</b>

# COMPOSITE PROFESSIONAL SERVICES

	FY 2022 FORECAST	PROPOSED FY2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
<b>LEGAL</b>	54	304	304	304	304
<b>INFORMATION TECHNOLOGY</b>	131	117	131	134	137
<b>EXTERNAL AUDIT</b>	64	77	80	82	84
<b>ALL OTHER</b>	56	47	50	51	51
	<b>305</b>	<b>545</b>	<b>565</b>	<b>571</b>	<b>576</b>

\$ (000's)

# COMPOSITE MARKETING AND PROMOTION

	FY 2022 FORECAST	PROPOSED FY2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
<b>BUSINESS DEVELOPMENT</b>	115	341	346	376	382
<b>GENERAL ADVERTISING (EMPLOYEE RECRUITMENT, REQUEST FOR PROPOSALS, ETC.)</b>	25	25	25	26	26
	<b>140</b>	<b>366</b>	<b>371</b>	<b>402</b>	<b>408</b>

# COMPOSITE OTHER OPERATING EXPENSES

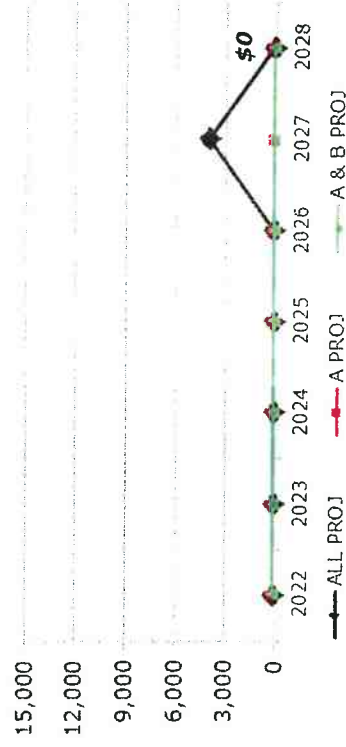
	FY 2022 FORECAST	PROPOSED FY2023 BUDGET	FY 2024 PROJECTION	FY 2025 PROJECTION	FY 2026 PROJECTION
<b>FUEL-COST OF GOODS SOLD</b>	445	669	689	708	723
<b>GOLF MERCHANDISE</b>	220	241	244	250	255
<b>COAST TROLLEY</b>	120	120	120	120	120
<b>GOLF CART LEASE</b>	98	95	97	99	101
	<b>883</b>	<b>1,125</b>	<b>1,150</b>	<b>1,177</b>	<b>1,199</b>



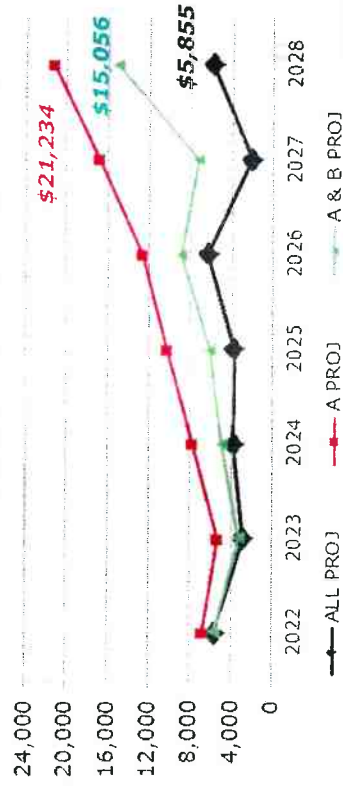
# ANALYSIS OF CASH AND OUTSTANDING DEBT BALANCES

\$ (000's)

PROJECTED DEBT OUTSTANDING



PROJECTED UNRESTRICTED CASH BALANCES



- CAPITAL EXPENDITURES PLAY A KEY ROLE IN PROJECTED OUTSTANDING DEBT, INTEREST EXPENSE AND CASH BALANCES.
- CURRENT CAPITAL IMPROVEMENT PLAN (EXCLUDING DIVISION OF PORTS AND HARBORS) HAS IDENTIFIED PROJECTS THAT TOTAL \$80,196 THROUGH FY2027
- 71% OF PROJECTS IN CAPITAL IMPROVEMENT PLAN ARE GRANT FUNDED (5% PDA MATCH).
- CAPITAL PROJECTS ARE PRIORITIZED (A,B or C) RELATIVE TO HEALTH AND SAFETY, REGULATORY OR REVENUE ENHANCEMENT OPPORTUNITIES.

	PROPOSED ALL PROJECTS	A & B PROJECTS	A PROJECTS ONLY
CAPITAL EXPENDITURES:			
GRANT FUNDED	\$56,618	\$43,618	\$17,643
INTERNALLY FUNDED	23,578	15,273	11,160
<b>TOTAL</b>	<b>80,196</b>	<b>58,891</b>	<b>28,803</b>

**MEMORANDUM**

TO: Pease Development Authority Board of Directors  
FROM: Paul E. Brean, Executive Director *Peb*  
RE: Licenses / ROEs / Easements / Rights of Way  
DATE: June 7, 2022

\*\*\*\*\*

In accordance with the "Delegation to Executive Director: Consent, Approval and Execution of License Agreements," PDA entered into the following Right-of-Entry:

1. Name: Harry Mudd Enterprises 2, Inc., d/b/a Yap Films  
License: Right of Entry  
Location: Portsmouth International Airport at Pease  
Purpose: For the purpose of videotaping and audio recording certain scenes in connection with the filming of "Tao of Trek"  
Term: May 22, 2022
  
2. Name: Jalbert Leasing, Inc. d/b/a C & J Bus Lines  
License: Right-of-Entry  
Location: 42 Durham Street  
Purpose: For the purpose of parking C & J customer vehicles on a valet basis only  
Term: May 23, 2022 through October 31, 2022

Director Fournier was consulted and granted his consent regarding this Right of Entry.





55 International Drive, Portsmouth NH 03801

May 17, 2022

Via Email: [ckim@yapfilms.com](mailto:ckim@yapfilms.com)

Chorong Kim, Associate Producer  
Harry Mudd Enterprises 2, Inc., d/b/a Yap Films  
233 Broadview Avenue  
Toronto, Ontario, Canada  
M4M 2G3

**Re: Right of Entry for Use of Filming Documentary Footage at the  
Portsmouth International Airport at Pease, Portsmouth, NH**

Dear Ms. Kim:

This Right of Entry will authorize Harry Mudd Enterprises 2 Inc, ("Harry Mudd"), 233 Broadview Avenue, Toronto, Ontario, and/or its agents or employees, to enter upon the airfield at the Portsmouth International Airport at Pease, in Portsmouth, New Hampshire (the "Premises"), only where authorized and escorted by Pease Development Authority Airport staff for the purpose of videotaping and audio recording certain scenes in connection with the filming of "Tao of Trek" (the "Program"), at its sole risk, and for no other use without the express written consent of the Pease Development Authority ("PDA"). This Right of Entry shall be valid from 8:00 a.m. on May 22, 2022 through 8:00 p.m. on May 22, 2022. The use and occupation of the Premises shall be: (a) without cost or expense to the PDA; (b) subject to the general supervision and approval of the PDA; (c) subject to such rules and regulations as the PDA may prescribe from time to time; and (d) permitted only to the extent it does not interfere with Airport operations.

1. Harry Mudd understands and acknowledges that this Right of Entry; (a) allows only temporary use of the Premises; (b) is granted on a non-exclusive basis; and (c) may be revoked at will by the PDA or terminated at will, and that PDA need not state a reason for any such revocation or termination. The use of the Premises shall be orderly and efficient, shall not constitute a nuisance, and shall not cause disruption to other Airport activities.

2. Harry Mudd's agreement herein that any use of the Premises is at its sole risk and that its signature below constitutes its agreement to assume full responsibility for any and all risk of loss or damage to property and injury or death to persons by reason of or incident to its entry or the entry by any of its employees, agents or contractors upon the premises and/or the exercise of any

 TAKING YOU THERE

Phone: 603.433.6088 Fax: 603.427.0433 [www.pease.dev.org](http://www.pease.dev.org)

May 17, 2022

Page Two

**Re: Right of Entry for Use of Filming Documentary Footage at the  
Portsmouth International Airport at Pease, Portsmouth, NH**

of the authorities granted herein. Harry Mudd expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of Harry Mudd use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. Harry Mudd further agrees to indemnify, save, hold harmless, and defend the PDA, its officers, board members, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgements, costs and attorney's fees arising out of Harry Mudd's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

3. PDA shall not be responsible for damages to property or injuries to persons which may arise from or be attributable or incident to the condition or state of repair of the Premises, or the use and occupation thereof, or for damages to the property or injuries to the person of Harry Mudd's officers, agents, servants or employees, or others who may be on the Premises at their invitation or the invitation of any one of them.

4. Harry Mudd, and any agent or contractor of Harry Mudd, shall provide PDA with satisfactory evidence of comprehensive general liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), naming the PDA as additional insured. Harry Mudd and any agent or contractor of Harry Mudd shall provide PDA with satisfactory evidence of automobile liability insurance coverage in the amount of \$1,000,000.00, and workers' compensation coverage to statutory limits.

Each such policy or certificate therefor issued by the insurer shall contain: (i) a provision that no act or omission of any employee, officer or agent of Harry Mudd which would otherwise result in forfeiture or reduction of the insurance therein provided shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained; (ii) an agreement by the insurer that such policy shall not be canceled without at least thirty (30) days prior written notice by registered mail to PDA; (iii) provide that the insurer shall have no right of subrogation against the PDA; and (iv) a provision that any liability insurance coverage required to be carried shall be primary and non-contributing with respect to any insurance carried by PDA.

5. Harry Mudd understands and acknowledges that it shall coordinate all activities on the Premises pursuant to this Right of Entry with the PDA Airport Management Department for its use of and access to the Premises to ensure not to impact airport terminal flight activity. Furthermore, Harry Mudd understands and acknowledges that it and/or its agents may need to undergo security checks in order to access some or all areas of the Premises required for activities undertaken pursuant to the Right of Entry, and that it shall abide by all requests of the PDA Airport Management Department concerning its use of the Premises.

Harry Mudd agrees to provide PDA payment in the amount of \$1,000.00 per day (minimum charge regardless of filming hours), for one (1) day of filming, as well as \$35.00 per hour for the necessary escorting by an Airport Operations Specialist assigned to the task. The \$1,000.00 per

May 17, 2022

Page Three

Re: **Right of Entry for Use of Filming Documentary Footage at the  
Portsmouth International Airport at Pease, Portsmouth, NH**

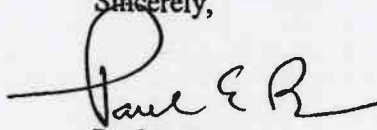
diem charge shall be due and payable in advance. The hourly charge shall be billed at the conclusion of filming and be due and payable within thirty (30) days.

6. Harry Mudd's agreement herein that this Right of Entry does not constitute a grant of an exclusive interest in the Premises, an option to lease the Premises, or an offer to lease the Premises.

7. Harry Mudd will at all times during the existence of this Right of Entry, promptly observe and comply, at its sole cost and expense, with the provisions of all applicable federal, state and local laws, rules, regulations and standards, and in particular those provisions concerning the use of the Airport facility.

Please indicate by your signature or the signature of a duly authorized representative, the consent of Harry Mudd to the terms of this Right of Entry and return the same to me, along with the required insurance certificate and per diem payment, before any work under this Right of Entry may begin.


Sincerely,



Paul E. Brean  
Executive Director

Agreed and accepted this 18 day of May, 2022

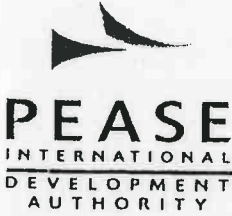
Harry Mudd Enterprise 2, Inc.

By:   
Duly Authorized

Print Name: Elliott Halpern  
Title: \_\_\_\_\_

cc: Anthony I. Blenkinsop, Deputy Director / General Counsel  
Andrew Pomeroy, Manager, Aviation Planning & Regulatory Compliance  
Chasen Congreves, Manager of Airport Administration





55 International Drive, Portsmouth NH 03801

May 23, 2022

Mr. James Jalbert  
Jalbert Leasing, Inc. d/b/a C & J Bus Lines  
185 Grafton Drive  
Portsmouth, NH 03801

**Re: Right of Entry  
42 Durham Street, Portsmouth, NH**

Dear Mr. Jalbert:

This letter will authorize the Jalbert Leasing, Inc. d/b/a C & J Bus Lines, ("C&J"), with an address of 185 Grafton Drive, Portsmouth, NH, to enter upon and utilize vehicle parking spaces at 42 Durham Street, Portsmouth, New Hampshire, as shown on the attached Exhibit A (the "Premises") retroactive to the period commencing May 23, 2022 through October 31, 2022 (the "Term") for the purposes of parking C & J customer vehicles on a valet basis only. The privileges granted under this Right of Entry will expire on October 31, 2022.

This authorization is conditioned upon the following:

C & J's agreement herein that any use of the Premises is at its sole risk and that its signature below constitutes its agreement to assume full responsibility for any and all risk of loss or damage to property and injury or death to persons by reason of or incident to its entry or the entry by any of its employees, agents, patrons, or invitees upon the Premises and/or the exercise of any of the authorities granted herein. C & J expressly waives all claims against the Pease Development Authority for any such loss, damage, personal injury or death caused by or occurring as a consequence of C & J's and its employees, agents, patrons, or invitees use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. C & J further agrees to indemnify, save, hold harmless, and defend the Pease Development Authority, its officers, board members, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgements, costs and attorney's fees arising out of or related to C & J's, and its employees, agents, patrons, or invitees use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

TAKING YOU THERE

Phone: 603.433.6088 Fax: 603.427.0423 www.peasedev.org



Page Two

May 23, 2022

Re: **Right of Entry**  
**42 Durham Street, Portsmouth, NH**

2. C&J acknowledges and agrees that this Right of Entry: (a) allows only temporary use of the Premises; (b) is granted on a non-exclusive basis; and (c) permits the PDA to relocate the parking spaces provided to another PDA property at the Pease International Tradeport at any time subject to a 7-day advanced notice requirement. The use of the Premises shall be orderly and efficient, shall not constitute a nuisance and shall not cause disruption to other Airport activities.

3. C & J, and/or any agent of C & J, shall provide to the PDA satisfactory evidence of comprehensive general liability insurance to a limit of not less than Four Million Dollars (\$4,000,000.00) per occurrence, naming the Pease Development Authority as an additional insured; automobile liability insurance in the amount of One Million Dollars (\$1,000,000.00) and evidence of workers compensation coverage to statutory limits.

Each such policy or certificate therefor issued by the insurer shall contain: (i) a provision that no act or omission of any employee, officer or agent of C & J which would otherwise result in forfeiture or reduction of the insurance therein provided shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained; (ii) provide that the insurer shall have no right of subrogation against Pease Development Authority; and (iii) a provision that any liability insurance coverage required to be carried shall be primary and non-contributing with respect to any insurance carried by PDA. It is the intent of C & J that such policies will not be cancelled. Should a policy cancellation occur, PDA will be advised in accordance with policy provisions.

4. C & J agrees that all vehicles parked at the Premises will be driven to and from the Premises by a valet service provided by C & J at its sole expense and that its patrons will not be allowed to self-park vehicles on the Premises. *C & J shall ensure that vehicles are not left on the Premises in excess of the term limits of this Right of Entry and to assume full responsibility for the removal of vehicle(s) left on the Premises, time being of the essence.*

5. C&J's agreement that vehicles may only be parked in the areas depicted in **Exhibit A**. PDA has the right, in its sole discretion, to terminate all of or any portion of the Premises used for vehicle parking as a priority for PDA operations, and to relocate C&J to an equivalent number of spaces on other PDA property. Any vehicles left on the Premises following such termination and relocation may be removed by the PDA at the owner's expense.

6. C&J shall provide snow removal and salting, as necessary, for the Premises during the periods of use provided for under the terms of this Right of Entry. C&J or any contractor of C&J shall also obtain certification by the New Hampshire Department of Environmental Services as a Commercial Salt Applicator. Certification includes the successful completion of the Green SnoPro training program. All personnel employed in snow removal operations shall be familiar with salt reduction measures.

Page Three  
May 23, 2022

Re: **Right of Entry**  
**42 Durham Street, Portsmouth, NH**

7. C&J shall coordinate the initial snow removal with the PDA Maintenance Department. All snow removal, sanding, and salting shall be at C&J's own cost and expense.

8. PDA shall not be responsible for damages to property or injuries to persons which may arise from or be attributable or incident to the condition or state or repair of the Premises, or the use and occupation thereof, or for damages to the property or injuries to the person of C&J's patrons, officers, agents, servants or employees, or others who may be on the Premises at its invitation.

9. C&J's agreement that C&J's maintenance and management of the Premises shall be done at its own costs and expense.

10. Prior to termination of the Right of Entry, C&J shall restore the Premises to the same or better conditions than the Premises were in before its use pursuant to this Right of Entry.

11. C&J's agreement herein that this letter of authorization does not constitute a grant of an exclusive interest in the Premises, an option to lease the Premises, or an offer to lease the Premises.

12. C&J's agreement to pay PDA a \$0.35/square foot/year fee for the Premises prorated for the period of use under this Right of Entry (the "Fee"):

**42 Durham Street    0.93 acres                    \$1,181.57/mo.**

The Fee shall be payable in advance in monthly installments and pro-rated for any partial periods. Payment shall be delivered to the PDA, 55 International Drive, Portsmouth, NH, 03801.

C & J agrees to vacate the premises after receiving a 30 day notice by the PDA for the premises.

13. Municipal Services Fee. In addition to the Fee required to be paid under the terms of this ROE, C&J shall also pay to PDA, as additional rent, a municipal services fee in accordance with the Municipal Services Agreement by and between the City of Portsmouth, the Town of Newington and the PDA effective July 1, 1998. This fee is for fire, police and roadway services provided by or on behalf of PDA at the Airport. The Municipal Services Fee shall be paid in total with the first month's Fee payment.

**Municipal Services Fee    \$625.09**

Page Four  
May 23, 2022

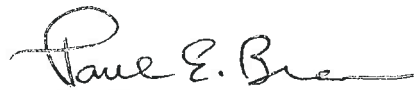
Re: **Right of Entry**  
**42 Durham Street, Portsmouth, NH**

14. C&J's agreement that it may not pave any portion of the parking lots which it has been granted the use of pursuant to this ROE.

15. C&J shall provide PDA with contact information of a local representative from the C&J, who shall be available to respond to communications concerning this ROE.

Please indicate by your signature below C&J's consent to the terms and conditions of this Right of Entry, include local contact information, and return the same to me with evidence of insurance and payment of fee as required.

Very truly yours,



Paul E. Brean  
Executive Director

Agreed and accepted this 31 day of May, 2022

**Jalbert Leasing, Inc. d/b/a C & J Bus Lines**



By: \_\_\_\_\_  
Print Name/Title Jamie Lesnak VP  
Duly Authorized

EXHIBIT A  
PREMISES



C&J Trailways Satellite Parking at 42 Durham Street

DESIGNED BY: MRM DATE: 5/23/22 SCALE: 1"=120'

 PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801



## MOTION

Director Lamson:

The Pease Development Authority Board of Directors authorizes the Executive Director to finalize negotiations and enter into a Car Rental Concession Lease and Operating Agreement with Enterprise Rent-A-Car Company of Boston, LLC, substantially in accordance with the draft attached hereto, for the purpose of providing rental car services at the Portsmouth International Airport at Pease; all in accordance with the memorandum from Chasen Congreves, Manager of Airport Administration dated June 2, 2022; attached hereto.

**NOTE: Roll Call vote required.**

N:\RESOLVES\2022\Enterprise Rent-A-Car Company of Boston 6-16-22

# Memo

**To:** Paul Brean, Executive Director *PB*  
**From:** Chasen Congreves, Manager of Airport Administration *CC*  
**Date:** 6/2/2022  
**Re:** Enterprise Lease Agreement

---

Enterprise Rent-A-Car Company of Boston, LLC ("Enterprise") has provided rental car services at the Portsmouth International Airport at Pease ("PSM") since Allegiant Airlines re-commenced air passenger service at PSM. Enterprise had provided rental car service prior to that time having assumed the National Car Rental concession agreement in 2008.

Enterprise's current agreement expires on June 30, 2022. Enterprise requested to be permitted to continue providing car rental services at PSM. As Enterprise is partnered with Allegiant Airlines, it is imperative that PSM continue to permit Enterprise to continue serving Allegiant customers flying in and out of PSM.

Enterprise and PDA have been negotiating the terms of a new agreement. Under the terms of the new agreement, Enterprise will provide PDA with the greater of a minimum annual guarantee of \$7,100.00 or 10% of its gross revenues. Enterprise will have the use of a ticket counter area consisting of 80.5 square feet in the baggage claim area of the air passenger terminal building. Outside the terminal building, Enterprise will be allocated 19 parking spaces in the short term parking lot and 20 spaces in the overflow parking lot. Furthermore, Enterprise will have the use of a 24 hour key drop box and access to an area in Lot C for the purpose of vacuuming its rental vehicles. The term of the agreement will be for three (3) years and include two (2) one (1) year options to extend upon such terms as written.

Please request approval from the Board of Directors at its June 16, 2022 meeting to enter into a Car Rental Concession Lease and Operating Agreement with Enterprise Rent-A Car Company of Boston, LCC, consistent with the terms and conditions set forth in this memorandum.

**CAR RENTAL CONCESSION LEASE AND OPERATING AGREEMENT**

**BETWEEN**

**PEASE DEVELOPMENT AUTHORITY**

**AS**

**“LESSOR”**

**AND**

**ENTERPRISE RENT-A-CAR COMPANY OF BOSTON, LLC**

**AS**

**“LESSEE”**

TABLE OF CONTENTS

<u>ARTICLE</u>	<u>PAGE</u>
LEASE .....	3
RECITALS .....	3
ARTICLE 1. LEASED PREMISES - TERMINAL COMMON USE AREAS - COMMON USE AREAS .....	5
ARTICLE 2. CONDITION OF LEASED PREMISES .....	7
ARTICLE 3. TERM.....	8
ARTICLE 4. TERMINAL AREA RENT - ANNUAL MINIMUM CONCESSION FEE - PERCENTAGE FEES & MUNICIPAL SERVICES FEE.....	9
ARTICLE 5. IMPOSITIONS .....	12
ARTICLE 6. SURRENDER OF LEASED PREMISES .....	13
ARTICLE 7. INSURANCE .....	14
ARTICLE 8. LESSOR'S RIGHT TO PERFORM LESSEE'S COVENANTS .....	17
ARTICLE 9. USE OF LEASED PREMISES.....	18
ARTICLE 10. LIENS .....	21
ARTICLE 11. REPAIRS AND MAINTENANCE .....	22
ARTICLE 12. RIGHT OF LESSOR TO INSPECT AND REPAIR .....	23
ARTICLE 13. GENERAL INDEMNIFICATION BY LESSEE .....	24
ARTICLE 14. UTILITIES .....	25
ARTICLE 15. ALTERATIONS - SIGNS .....	26
ARTICLE 16. DESTRUCTION AND RESTORATION.....	28
ARTICLE 17. DEFAULT BY LESSOR .....	31
ARTICLE 18. DEFAULT BY LESSEE.....	32
ARTICLE 19. PROHIBITION AGAINST TRANSFERS - BANKRUPTCY.....	35
ARTICLE 20. [RESERVED] .....	36
ARTICLE 21. ESTOPPEL CERTIFICATES AND FINANCIAL STATEMENTS .....	37
ARTICLE 22. INVALIDITY OF PARTICULAR PROVISIONS.....	38
ARTICLE 23. NOTICES .....	39
ARTICLE 24. QUIET ENJOYMENT .....	40
ARTICLE 25. ENVIRONMENTAL PROTECTION .....	41
ARTICLE 26. MISCELLANEOUS .....	46



**EXHIBITS TO LEASE**

**Exhibit**

- 1 - QUITCLAIM DEEDS AND EXHIBITS**
- 2 FEDERAL FACILITIES AGREEMENT**
- “A” PLANS DESIGNATING THE LEASED PREMISES**
- “B” EXAMPLE OF A 10% CONCESSION RECOVERY FEE**
- “C” [RESERVED]**
- “D” FAA REQUIREMENTS**
- “E” LIST OF ENVIRONMENTAL LAWS AND REGULATIONS**
- “F” CERTIFICATE OF CORPORATE GOOD STANDING/EXISTENCE**

## LEASE

THIS CAR RENTAL CONCESSION LEASE AND OPERATING AGREEMENT (“Lease”) is made by and between the PEASE DEVELOPMENT AUTHORITY (“Lessor”) and ENTERPRISE RENT-A-CAR COMPANY OF BOSTON, LLC (“Lessee”). (Lessor and Lessee may be referred to jointly as the “Parties.”)

## RECITALS

A. Lessor is an agency of the State of New Hampshire established pursuant to RSA ch. 12-G, “Pease Development Authority,” and is authorized to enter into this Lease pursuant to the provisions contained therein.

B. In 1992, Lessor commenced its acquisition of fee title to portions of the former Pease Air Force Base hereinafter designated Premises I and Premises II from the United States of America (“Government or Air Force”) by public benefit transfer (*i.e.* transfer without consideration) pursuant to the general authority contained in 49 U.S.C. Sections 47151-47153 and other applicable provisions of law. (Together, Premises I and Premises II constitute the entirety of the Pease International Tradeport (the “Airport” or “Pease”).) The terms of such acquisition are set forth in an Amended Application for Public Benefit Transfer executed by Lessor (“Application”) and accepted by the Air Force on April 14, 1992 (the “Acceptance”), as the same have been subsequently amended by Amendment No. 1 dated March 24, 1994 and executed June 27, 1997 (“Amendment No. 1”). (The Application, as amended by Amendment No. 1 may be referred to as the “Amended Application.”) The Amended Application was approved December 12, 1995 and confirmed March 18, 1997 and the Air Force executed an acceptance of the Amended Application on June 26, 1997 (“Acceptance II”). (The Acceptance and Acceptance II may be referred to collectively as the “Acceptances.”) In accordance with the terms of the Amended Application and Acceptances, the Lessor and Air Force entered into a Lease on April 14, 1992 for the Airport District, a Supplement No. 1 thereto dated August 4, 1992, a Supplement No. 2 thereto dated July 15, 1993, a Supplement No. 3 thereto dated June 27, 1997, and a Supplement No. 4 thereto dated October 15, 2003 (collectively the “Master Lease”). As a result of the Air Force’s conveyance of the Airport, in fee simple, to Lessor, the Master Lease is no longer in effect.

C. By Quitclaim Deed made and entered into on October 15, 2003 and Quitclaim Deed dated September 16, 2005 (the “Deeds”), the Government, acting by and through the Secretary of the Air Force did grant to PDA the land and improvements located in the City of Portsmouth, Town of Newington and Town of Greenland, as contemplated by the Master Lease, Application and Acceptances, and which deed dated September 16, 2005 included the Leased Premises. The Parties acknowledge that the Deeds impose certain requirements on Lessee with respect to leases which are addressed in the terms and conditions of this Lease. Copies of the Deeds are attached to this Lease as Exhibit 1.

D. The Parties acknowledge that a Federal Facilities Agreement (“FFA”) required under Section 120 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. 9601 *et seq.* has been entered into by the Air Force, the New

Hampshire Department of Environmental Services ("NHDES") and the United States Environmental Protection Agency ("EPA") regarding certain contamination at Pease and that this FFA also imposes certain requirements upon Lessor and Lessee which are addressed in the terms and conditions of this Lease. A copy of the FFA is attached to this Lease as Exhibit 2. Unless the context refers specifically to the document constituting Exhibit 2, the term FFA shall include any amendments to said document.

E. Lessee is a Delaware limited liability company and is registered to do business in New Hampshire with a place of business at its regional office located at 10 Navigator Road, Londonderry, NH 03053.

NOW, THEREFORE, in consideration of the covenants herein contained and other valuable consideration, the receipt of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

ARTICLE 1. LEASED PREMISES - TERMINAL COMMON USE AREAS - COMMON USE AREAS

1.1 Description of Leased Premises

Lessor, for and in consideration of the rents and covenants herein specified to be paid and performed by Lessee, hereby leases to Lessee, and Lessee hereby hires from Lessor, the following areas (excluding exterior walls, the roof over such areas and sub-floor lying beneath such areas) located within the Portsmouth International Airport at Pease, Domestic and International Air Passenger Terminal, (the "Terminal") and described generally below and more particularly on the plans attached as Exhibit A:

- The area designated "Enterprise Rent-A-Car Ticket Counter Area"

(Total square feet for the Ticket Counter area = 80.5 sq. ft. +/-)

In addition, Lessor also leases to Lessee, and Lessee hereby hires from Lessor, the following areas contiguous to the Terminal, also shown on Exhibit A:

- The area designated "Enterprise Rent-A-Car Area" consisting of a total of nineteen (19) parking spaces
- The area designated "Enterprise Rent-A-Car Overflow Parking Area" consisting of twenty (20) parking spaces (collectively the "Parking Areas")
- A 24-hour key drop box

(All of the areas described in this Section 1.1 may be referred to collectively as the "Leased Premises" or the "Premises")

- An outdoor area with access to an electrical outlet adjacent to 35 Airline Avenue for the sole purpose of vacuuming rental car vehicles.

Excluded from the Leased Premises are property or other rights obtained by a utility supplier from the Lessor pursuant to a Lease or other agreement in connection with the provision of utility lines and or utility services at the airport.

1.2. Terminal Common Use Areas

Lessee is also granted the right, in common with others, to use the lobby area shown on Exhibit A in connection with its processing of car rental passengers utilizing its services.

The foregoing area described in this section 1.2 may be referred to as the "Terminal Common Use Areas."



Lessee's use of the Terminal Common Use Areas is subject to the general direction and supervision of Lessor, and/or Lessor's designee, as Terminal manager as well as other applicable provisions of this Lease.

**1.3. Easements - Rights-of-Way**

This Lease is subject to existing easements and rights-of-way of record and to the Utility Lease and License Agreement dated July 31, 1992 by and between PDA and Public Service Company of New Hampshire ("PSNH"); to the utility Lease and License Agreement dated May 10, 1995 by and between PDA and New England Telephone and Telegraph Company ("NETEL"); to the Wastewater Disposal and Water Service Facilities Lease and License Agreement dated as of January 1, 1993 by and between PDA and the City of Portsmouth; and to the Pipeline Easement and Transfer Agreement dated August 12, 1998 by and between PDA, Portland Natural Gas Transmission System and Maritimes & Northeast Pipeline, L.L.C.

The Government reserves for the use and benefit of the public, an aviation easement and a right of way for the free and unobstructed passage of aircraft in the airspace above the surface of the Airport, together with the right to cause in such airspace such sound, vibrations, fumes, dust, fuel particles, and all other effects as may be caused by the operation of aircraft, now known or hereafter used, for the navigation through or flight in the said airspace, and for use of said airspace for landing on, taking off from, or operating on the Airport.

**1.4. General Rights of Access/Common Use Areas.**

Subject to the provisions and additional restrictions set forth in Article 9 and other pertinent provisions of this Lease, Lessee shall have in common with other authorized Airport users the right to use the entrances, exits and roadways designated by Lessor for common use at the Airport.

The rights of Lessee under this Section 1.4 shall be subordinate to Lessor's rights to manage the Airport and other common areas and roadways, which rights shall include, without limitation, the right to impose reasonable rules and regulations or to issue management directives relating to use of the Terminal Common Area, roadways and parking areas and the right to add, delete, alter or otherwise modify the designation and use of all Airport facilities and parking areas, entrances, exits, roadways and other areas of the Airport, to the extent all of the foregoing are not part of the Leased Premises; provided, however, that Lessee shall continue at all times to have reasonable access to and use of the Leased Premises.

Lessee shall comply with all federal, state and local laws, rules and regulations which apply to the conduct of the uses contemplated under this Lease, including, without limitation, rules and regulations promulgated by Lessor. Lessee shall pay to Lessor an amount equal to all fines levied by any governmental body against Lessor for any breach of applicable requirements by Lessee or any of its employees, contractors, subcontractors, agents, servants or invitees.

**END OF ARTICLE 1.**

## ARTICLE 2. CONDITION OF LEASED PREMISES

2.1. Lessee acknowledges that it has inspected the Leased Premises, including all buildings, improvements and other facilities thereon, as of the date of execution of this Lease and that it has determined that the said Leased Premises are in good and tenantable condition. Lessee accepts said Leased Premises in their present condition and without any representation or warranty by Lessor as to the condition of said Leased Premises or as to the use or occupancy which may be made thereof and without obligation on the part of the Lessor to make any alterations, repairs or additions to said Leased Premises that has not been fully set forth in this Lease. Further, Lessor shall not be responsible for any latent or other defect or change of condition in said Leased Premises, and the rent hereunder shall in no event be withheld or diminished on account of any such defect in said Leased Premises nor any such change in its condition, nor, except as provided herein, for any damage occurring thereto.

2.2. Lessee shall be responsible for the following “fit-up” work required to make these Leased Premises ready for Lessee’s intended use.

- the connection of all computer and related equipment;
- the installation of appropriate signage displaying Lessee’s logo or other appropriate signage.

All such fit-up work performed by Lessee shall comply with the provisions of this Lease applicable to Alterations.

END OF ARTICLE 2.

### ARTICLE 3. TERM

**3.1.** This Lease shall be for a base term of three (3) years ("Base Term") which term shall commence effective as of July 1, 2022 (the "Term Commencement Date") and shall expire at midnight on the day which is three (3) years from the Term Commencement Date, unless terminated earlier or extended in accordance with the provisions of this Lease. Lessor shall have two (2) options of one (1) year each to extend this Lease upon such terms and conditions as Lessor and Lessee shall mutually agree to. In no event shall the Base Term and all option periods extend beyond five (5) years from the Term Commencement Date.

**3.2.** The options granted in Section 3.1 of this Lease, if exercised, are subject to the approval of the Executive Director of Pease Development Authority. Lessee has the right, without penalty, to reject Lessor's renewal terms and conditions and to discontinue providing car rental services at the end of the initial three (3) year term of this Lease or at the end of the first option period. Lessor shall provide Lessee with proposed renewal terms and conditions ninety (90) days prior to the end of the initial three (3) year term of this Lease and, if applicable, ninety (90) days prior to the expiration of the first option period. In either event, Lessee shall have thirty (30) days thereafter to accept or reject Lessor's renewal proposal. If Lessee rejects any of Lessor's renewal proposals, Lessee will vacate the Leased Premises at the end of three (3) years or the end of the first option period, whichever is applicable.

**3.3.** The options granted hereunder may not be exercised by the Lessee if it is in default under the terms of this Agreement and such default has not been cured within any applicable cure period.

**3.4.** Unless the context clearly indicates otherwise when used in this Lease the phrase "term of this Lease" shall mean the Base Term plus any duly exercised allowable extensions thereof.

**3.5. Early Termination.** Notwithstanding the above, Lessee shall have the right to terminate the Lease with thirty (30) days written notice to Lessor in the event: a.) of a 15% or higher drop in deplanements in any month as compared to the same month in the prior year, or in the same month of 2022, or b.) the Airport no longer has any commercial air carrier service.

**END OF ARTICLE 3.**



ARTICLE 4. TERMINAL AREA RENT - ANNUAL MINIMUM CONCESSION FEE - PERCENTAGE FEES & MUNICIPAL SERVICES FEE

4.1. Subject to Section 4.3 of this Lease, Lessee shall pay to Lessor Terminal Area Rent ("Terminal Area Rent") at the following annual rates for the areas of the Leased Premises described in Section 1.1:

Years 1, 2 & 3 - \$15.00 per square foot of terminal area plus \$144.00 for each terminal parking space, \$96.00 for each overflow parking space and \$100.00 for a 24 hour key drop box. All costs subject to annual CPI\* increase not to exceed 3% year-over-year. (\*CPI for All Urban Consumers in the Boston-Cambridge-Newton area applicable to the Boston area (all items 1982-1984 = 100) published by the U.S. Department of Labor, Bureau of Labor Statistics.)

Option Years 1 & 2 - To be negotiated

4.2. The Terminal Area Rent due under Section 4.1 shall commence upon the Term Commencement Date. The annual Terminal Area Rent shall be payable in each case in equal monthly installments of one-twelfth thereof in advance on the first day of each month without offset in lawful money of the United States at the office of Lessor at the Airport or at such other address as Lessor may hereafter designate. In addition, Lessee agrees to pay when due, such other amounts that may be required to be paid as additional rent. Lessee's rent obligation for any fractional portion of a calendar month at the beginning or end of the term of this Lease shall be a similar fraction of the rental due for an entire month.

4.3. For the privilege of operating its car rental service at the Airport throughout the term of this Lease, Lessee shall pay to Lessor each year, a fee equal to a sum of money which represents the greater of the guaranteed Annual Minimum Concession Fee (which shall be deemed to include Terminal Area Rent) or the Percentage Fee applicable to Gross Revenues, as hereinafter defined.

- A. The Annual Minimum Concession Fee shall be \$7,100.00 in Years 1 through 3. Said Annual Minimum Concession Fee shall be payable in equal monthly installments of one-twelfth thereof, in advance and without demand, on the first day of each month in the fashion provided in Section 4.2 for the payment of Terminal Area Rent.
- B. The Percentage Fees to be applied to Gross Revenues, as hereinafter defined, shall be ten percent (10%). Lessee will pay the Percentage Fee on Gross Revenue on a cash basis, after final charges have been determined and rental tickets are closed. Lessee will not remit the Percentage Fee on any tickets that remain open at the end of the month.



Gross Revenues shall include the gross revenues from all sales made and services performed for cash or credit at the Airport, regardless of when or whether paid or not.

Excluded from Gross Revenues shall be sales taxes separately stated: all fuel sold, vehicle licensing fees ("VLF"); Carbon offsets, reimbursements received for payment and administration of parking and traffic violations, citations, fines, tolls, towing, and impounded fees; toll pass device rental charge, toll convenience charge; acceptance of Personal Accident Insurance ("PAI"), Supplemental Liability Protection ("SLP"), or other insurance coverage; any sums received as insurance or otherwise for damage to automobiles or other property of Lessee, or for the loss, conversion, or abandonment of such automobiles or other property of Lessee.

C. Within fifteen (15) days after the end of each three (3) month period during the term of this Lease, Lessee shall pay to Lessor a sum of money which represents the excess, if any, of the difference between the Percentage Fee and the Annual Minimum Concession Fee for the previous three (3) month period. To the extent the Lessee overpays the Percentage Fee in any given year it shall be entitled to a credit on the anniversary date of this Lease.

D. All payments of Annual Minimum Concession Fees and Percentage Fees shall be accompanied by documentation of daily Gross Revenues for the preceding month. Lessee agrees to keep in the Leased Premises or in its home office, full and complete records of all sales and services, in, upon or from the Leased Premises (including deductions or exclusions therefrom). Such records shall be retained by Lessee agency for not less than three (3) years after the expiration of the Lease. Lessor or its agents may, at reasonable times and on reasonable notice inspect and audit such records.

4.4. Concession Recovery Fee. Lessee may recover from its customers the 10% concession fee paid to Lessor at a rate of 11.11% pursuant to the formula described by way of an example as more fully set forth in Exhibit B.

4.5. [RESERVED]

4.6. All rent and fees, including the Annual Minimum Concession Fees and Percentage Fees payable hereunder, shall be net to Lessor, free and clear of any and all Impositions (as defined in Section 5.1), or expenses of any nature whatsoever in connection with the Premises. The Parties agree that, except as expressly provided herein, all costs, expenses and charges of every kind and nature relating to the Leased Premises which may be attributed to, or become due during the initial or any renewal term of this Lease, shall constitute additional rent or fees (whichever is applicable) to be paid by Lessee and, upon failure of Lessee to pay any such costs, expenses or charges, Lessor shall have the same rights and remedies as otherwise provided in this Lease for the failure of Lessee to pay such rent or fees. It is the intention of the Parties that Lessee shall in no event be entitled to any abatement or reduction in rent or fees payable hereunder, except as

expressly provided herein. Any present or future law to the contrary shall not alter the agreement of the Parties.

4.7. In addition to the fees or rent required to be paid under this Article 4, Lessee shall also pay to Lessor a municipal services fee in accordance with the Municipal Services Agreement by and between the City of Portsmouth, the Town of Newington and the Pease Development Authority effective July 1, 1998. This fee is for fire, police and roadway services provided by or on behalf of Lessor at the Airport and will be subject to increases each year only to the extent the cost to Lessor of providing such services increases. The municipal services fee shall be paid quarterly in advance at the times and in the fashion provided in Section 4.2 of this Lease.

To the extent the Leased Premises are subject to municipal taxation, and provided such municipal taxes include the costs of the provision of fire, police and roadway services, Lessee may offset against any fee paid to Lessor the portion of such municipal taxes as are attributable to fire, police and roadway services, and Lessor shall have no further obligation to provide such services. For so long as municipal taxes are imposed against the Leased Premises, or on Lessee as Lessee, for all three of fire, police and roadway services and Lessor either has no obligation to provide such services (or ceases to provide such services), the municipal services fee required to be paid under this Section 4.7 shall terminate.

In the event the Leased Premises, or any portion thereof, are removed from the Airport District, Lessee shall make payments in lieu of taxes to the appropriate municipality in accordance with the provisions of RSA 12-G:11, II (or any successor statute) regarding taxation by a municipality of property that is within the boundaries of Pease, but outside the Airport District.

4.8. Any municipal services fee or tax imposed for fire, police, and/or roadway services shall be considered an imposition under Article 5 of this Lease.

END OF ARTICLE 4.

## ARTICLE 5. IMPOSITIONS

5.1. During the term of this Lease, Lessee shall pay when due, all taxes, charges, excises, license and permit fees, assessments, and other governmental charges, general and special, ordinary and extraordinary, unforeseen, as well as foreseen, of any kind and nature whatsoever, which during the term of this Lease are assessed or imposed upon or become due and payable or a lien upon: (i) the Leased Premises or any part thereof or any personal property, equipment or other facility used in the operation thereof; or (ii) the rent or income received from subtenants or licensees; or (iii) any use or occupancy of the Leased Premises; or (iv) this transaction or any document to which Lessee is a party creating or transferring an estate or interest in the Leased Premises (all of which taxes, charges, excises, fees, assessments and other governmental charges are hereinafter collectively referred to as "Impositions"). If, by law, any such Imposition is payable, or may at the option of Lessee be paid in installments, Lessee may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same respectively become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest. Any Imposition relating to a fiscal period of the taxing authority a part of which period is included prior to the commencement of the term of this Lease, shall be prorated as between Lessor and Lessee so that Lessee shall pay only the portion thereof attributable to any period during the term of this Lease. Lessee hereby acknowledges and agrees that failure to make payment of any required municipal services fees in accordance with the provisions of Section 4.7 of this Lease shall constitute a default and breach of this Lease as set forth in Article 18.

5.2. Lessee covenants to furnish to Lessor within fourteen (14) days of receipt of a written request from Lessor, official receipts of the appropriate taxing authority, or other proof satisfactory to Lessor, evidencing the payment thereof.

5.3. Lessee shall have the right before any delinquency occurs to contest or object to the amount or validity of any such Imposition by appropriate legal proceedings. This right shall not be deemed or construed in any way as relieving, modifying or extending Lessee's covenant to pay any such Imposition at the time and in the manner in this Article, unless Lessee shall have obtained a stay of such proceedings. Lessor shall not be required to join in any such proceedings unless it shall be necessary for it to do so in order to prosecute such proceedings and Lessor shall have been fully indemnified to its satisfaction against all costs and expenses in connection therewith. Lessor shall not be subjected to any liability for the payment of any costs or expenses (including attorneys' and expert witness fees) in connection with any such proceedings brought by Lessee, and Lessee covenants to indemnify and save Lessor harmless from any such costs or expenses.

5.4. As between the Parties, Lessee alone shall have the duty of attending to, making or filing any declaration, statement or report which may be provided or required by law as the basis of or in connection with the determination, equalization, reduction or payment of any and every Imposition which is to be borne or paid or which may become payable by Lessee under the provisions of this Article, and Lessor shall not be or become responsible to Lessee therefor, nor for the contents of any such declaration, statement or report.

END OF ARTICLE 5.



## ARTICLE 6. SURRENDER OF LEASED PREMISES

6.1. On the expiration or termination of this Lease, Lessee shall surrender to Lessor the Leased Premises, including all buildings and improvements on the Leased Premises whether leased to or otherwise owned by Lessee, broom clean and in good order, condition and repair, reasonable wear and tear excepted, together with all alterations, decorations, additions and improvements that may have been made in, to or on the Leased Premises, except that Lessee shall be allowed to remove its personal property or any improvements made by Lessee at its sole expense that can be removed without damage to any buildings, facilities or other improvements to the Leased Premises. The Leased Premises, including the buildings and improvements thereon, shall be delivered free and clear of all subtenancies, liens and encumbrances, other than those, if any, permitted hereby or otherwise created or consented to by Lessor, and, if requested to do so, Lessee shall execute, acknowledge and deliver to Lessor such instruments of further assurance as in the opinion of Lessor are necessary or desirable to confirm or perfect Lessor's right, title and interest in and to the Leased Premises including said building and improvements. On or before the end of the Lease term, Lessee shall remove all of Lessee's personal and other property allowed to be removed hereunder, and all such property not removed shall be deemed abandoned by Lessee and may be utilized or disposed of by Lessor without any liability to Lessee. Lessee's obligation under this Article 6 shall survive the expiration or termination of this Lease.

END OF ARTICLE 6.



## ARTICLE 7. INSURANCE

### 7.1.

A. **Risk of Loss.** Lessee shall bear all risk of loss or damage to the Leased Premises, including any building(s), improvements, fixtures or other property thereon, arising from any causes whatsoever.

B. **Insurance.** During the entire period this Lease shall be in effect, the Lessee at its expense will carry and maintain:

(1) Personal property insurance coverage against loss or damage by fire and lightning and against loss or damage or other risks embraced by coverage of the type now known as the broad form of extended coverage (including but not limited to riot and civil commotion, vandalism, and malicious mischief and earthquake) in an amount not less than 100% of the full replacement value of the improvements and personal property on the Leased Premises. The policies of insurance carried in accordance with this Section shall contain a "Replacement Cost Endorsement." Such full replacement cost shall be determined from time to time, upon the written request of Lessor, but not more frequently than once in any twenty-four (24) consecutive calendar month period (except in the event of substantial changes or alterations to the Premises undertaken by Lessee as permitted under the provisions hereof) by written agreement of Lessor and Lessee, or if they cannot agree within thirty (30) days of such request, by an insurance consultant, appraiser, architect or contractor who shall be mutually and reasonably acceptable to Lessor and Lessee. Any such determination by a third party shall be subject to approval by Lessor and Lessee, which approval shall not be unreasonably withheld. The insurance maintained in this Section shall be adjusted to one hundred percent (100%) of the new full replacement cost consistent with the approved determination.

(2) Commercial General Liability insurance, including, but not limited to, products and completed operations liability insurance, on an "occurrence basis" against claims for "personal injury," including without limitation, bodily injury, death or property damage, occurring upon, in or about the Leased Premises, passageways, adjoining sidewalks, streets and parking areas, such insurance to afford immediate minimum protection at the time of the Term Commencement Date, and at all times during the term of this Lease, to a limit of not less than Two Million (\$2,000,000.00) Dollars with respect to damage to property, personal/bodily injury or death to any one or more persons. Such insurance shall also include coverage against liability for bodily injury or property damage arising out of the acts or omissions by or on behalf of Lessee in connection with Lessee's activities.

(3) Workers' compensation and employer's liability insurance in an amount and form which meets all applicable requirements of the labor laws of the State of New Hampshire, as amended from time to time, and which specifically covers the persons and risks involved in this Lease.

(4) Automobile liability insurance in amounts approved from time to time by Lessor, but not less than one million dollars (\$1,000,000) combined single limit for owned, hired and non-owned automobiles.

7.2. All policies of insurance required to be carried under this Article shall be effected under valid and enforceable policies, in such forms and amounts as may, from time to time, be required under this Lease, issued by insurers of recognized responsibility which are authorized to transact such insurance coverage in the State of New Hampshire, and which have been approved in writing by Lessor, which approval shall not be withheld unreasonably. The policy of insurance required in section 7.1.B. (1) shall name the Lessor as loss payee. The policies of insurance required in Sections 7.1.B. (2) and (4) shall be for the mutual benefit of Lessee and the Lessor with the Lessor named as an additional insured as its interest may appear for liabilities arising out of the conduct of the Lessee. Upon the execution of this Lease (and thereafter not less than fifteen (15) days prior to the expiration date of each policy furnished pursuant to this Article) a certificate of the insurer reasonably satisfactory to Lessor evidencing such coverage(s) shall be delivered by Lessee to Lessor.

7.3. All policies of insurance, as applicable, shall provide for loss thereunder to be adjusted and payable to Lessor or Lessee in accordance with the terms of this Lease.

7.4. Each such policy or certificate therefor issued by the insurer shall to the extent obtainable contain: (i) an agreement by the insurer that such policy shall not be canceled without at least thirty (30) days prior written notice by registered mail to Lessor, (ii) provide that the insurer shall have no right of subrogation against PDA, and (iii) provide that Lessee's insurance coverage shall be primary and non-contributing with respect to any insurance coverages carried by Lessor.

7.5. To the extent applicable, personal property insurance required to be maintained by Lessee shall have attached thereto the Lender's Loss Payable Endorsement, or its equivalent, or a loss payable clause acceptable to Lessor, for the benefit of any Mortgagee, but the right of any Mortgagee to the payment of insurance proceeds shall at all times be subject to the provisions of this Lease with respect to the application of the proceeds of such insurance.

7.6. Lessee shall observe and comply with the requirements of all policies of insurance at any time in force with respect to the Leased Premises and Lessee shall also perform and satisfy the requirements of the companies writing such policies so that at all times companies of good standing reasonably satisfactory to Lessor shall be willing to write or to continue such insurance. Lessee shall, in the event of any violations or attempted violations of the provisions of this Section 7.6 by a subtenant, take steps, immediately upon knowledge of such violation or attempted violation, to remedy or prevent the same as the case may be.

7.7. Any insurance provided for in this Lease may be effected by a policy or policies of blanket insurance or may be continued in such form until otherwise required by Lessor; provided, however, that the amount of the total insurance allocated to the Leased Premises shall be such as to furnish in protection the equivalent of separate policies in the amounts herein required, and provided further that in all other respects, any such policy or policies shall comply with the other provisions of this Lease. In any such case it shall not be necessary to deliver the

original of any such blanket policy to Lessor, but Lessee shall deliver to Lessor and to any Mortgagee a certificate in form and content acceptable to Lessor.

**7.8.** The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.

**7.9.** Over the term of this Lease and any extensions thereof, Lessor reserves the right to request increases in mandatory insurance coverage limits for each respective coverage area required under this Lease as the same may be appropriate, commercially reasonable and prudent in view of then existing conditions and circumstances. Lessor agrees to provide Lessee with a thirty (30) day written notice when making any request for an increase in required insurance coverage limits.

**END OF ARTICLE 7.**



ARTICLE 8. LESSOR'S RIGHT TO PERFORM LESSEE'S COVENANTS

8.1. If Lessee shall at any time fail to pay when due any Imposition or other charge or to pay for or maintain any of the insurance policies required under Article 7, or to make any other payment or perform any other act on Lessee's part required by this Lease, then Lessor, after ten (10) days written notice to Lessee (or, in case of any emergency, without notice, or with such notice as may be reasonable under the circumstances) and without waiving or releasing Lessee from any obligation of Lessee hereunder, may (but shall not be required to):

- (i) pay such Imposition or other charge, or
- (ii) pay for and maintain such insurance policies, or
- (iii) make such other payment or perform such other act on Lessee's part to be made or performed as provided in this Lease, and may enter upon the Leased Premises for such purpose and take all such action as may be deemed or appropriate by Lessor to correct such failure of Lessee.

8.2. All sums so paid by Lessor and all costs and expenses incurred by Lessor in connection with the performance of any such act (together with interest thereon at the rate specified in Section 26.1 from the respective date(s) of Lessor's making of each such payment or incurring of each cost or expenses) shall constitute additional rent payable by Lessee under this Lease and shall be paid by Lessee to Lessor on demand.

END OF ARTICLE 8.



## ARTICLE 9. USE OF LEASED PREMISES

9.1. The sole purpose for which Lessee may use the Leased Premises is to operate a rental car service and for no other uses without Lessor's prior written consent. Lessee shall not use, or permit to be used, the Leased Premises for any other purpose without the prior express written consent of Lessor. Lessor's consent shall be subject to the execution of an appropriate agreement which shall include a provision requiring the payment of established fees and charges that may be applicable to any such additional uses consented to by Lessor. Lessee is prohibited from any use of the Leased Premises not specifically granted in this Section 9.1.

Lessee shall have no right to conduct any commercial or other activities at the Leased Premises, other than what is expressly granted in this Section 9.1. The Parties acknowledge that among the uses not authorized at the Airport are the sale of food, beverages, consumer goods or services other than those related to or commonly provided in connection with the provision of rental car services. Vehicle fueling, washing, maintenance and overflow parking (except as authorized in this Lease) shall be prohibited on Airport property. Installation of electric vehicle charging stations on the Leased Premises, is not permitted without a separate written agreement of the Parties.

9.2. Lessee recognizes that the uses authorized in Section 9.1 are not granted on an exclusive basis and that Lessor may enter into Leases or other agreements with other tenants or users at areas of the Airport other than the Leased Premises for similar, identical, or competing uses. No provision of this Lease shall be construed as granting or authorizing the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act as the same may be amended from time to time.

9.3. Lessee agrees that it will keep the Premises in a neat, clean and orderly condition and shall be responsible for trash removal in accordance the provisions of Chapters 300 through 500 of the Pease Development Authority ("PDA") Zoning Requirements, Site Plan Review Regulations and Subdivision Regulations (collectively the "Land Use Controls") and such other rules and regulations from time to time promulgated, provided that Lessee shall not be bound by any such rules and regulations until such time as it receives a copy thereof. Lessee agrees to cause trash receptacles to be emptied and trash removed at Lessee's sole cost and expense.

9.4. Lessee warrants that prior to engaging in any permitted use, it will hold all certificates, permits, licenses or other entitlements required by federal, state or local laws in order to allow Lessee to conduct the permitted uses hereunder, and that the same are, and will be, kept current, valid and complete. Lessee further warrants that it shall at all times abide by and conform with all terms of the same and that it shall give immediate notice to Lessor of any additions, renewals, amendments, suspensions or revocations. In the use and occupation of the Leased Premises and the conduct of such business thereon, Lessee, at its sole cost and expense, shall promptly comply with all present and future laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments, courts, departments, commissions and boards, any national, state or local Board of Fire Underwriters, or any other body exercising functions similar to those of any of the foregoing.

9.5. Lessee shall have the right to contest by appropriate proceedings diligently conducted in good faith, without cost or expense to Lessor, the validity or application of any law, ordinance, order, rule, regulation or requirement of the nature referred to in this Article. If compliance with any such law, ordinance, order, rule, regulation or requirement may be delayed on the basis of an order from a court of competent jurisdiction pending the prosecution of any such proceeding without the incurrence of any lien, charge or liability of any kind against the Leased Premises or Lessee's interest therein and without subjecting Lessor to any liability, civil or criminal, for failure so to comply therewith, Lessee may delay compliance therewith consistent with such court order. Even if such lien, charge or civil liability would be incurred by reason of any such delay, Lessee may, with the prior written consent of Lessor, contest as aforesaid and delay as aforesaid, provided that such contest or delay does not subject Lessor to criminal liability, damages or expense and provided that Lessee: (i) furnishes to Lessor security, reasonably satisfactory to Lessor, against any loss or injury by reason of such contest or delay; and (ii) prosecutes the contest with due diligence.

Lessor shall not be required to join in any proceedings referred to in this Section unless the provisions of any applicable laws, rules or regulations at the time in effect shall require that such proceedings be brought by and/or in the name of Lessor and Lessor determines that such action is in its best interests, in which event Lessor shall join in the proceedings, or permit the same to be brought in its name, if Lessee shall pay all expenses in connection therewith.

9.6. All employees of Lessee at the Airport terminal, Terminal Common Use Areas and Common Use Areas shall be neatly attired and clearly identified as employees of Lessee and shall at all times visibly carry an appropriate Airport identification badge.

9.7. Responsibility for compliance with all federal, state and local laws as required by this Article rests exclusively with the Lessee. The Lessor assumes no enforcement or supervisory responsibility except with respect to matters committed to its jurisdiction and authority.

9.8. Lessee's use of the Leased Premises shall be orderly and efficient and shall not cause any disruptions to other airport activities. Lessee shall not cause or maintain any nuisance on the Leased Premises. Lessee shall conduct all of its activities hereunder in an environmentally responsible manner.

9.9. Lessee shall have the right to obtain supplies or services from suppliers, vendors or contractors of its own choice at the Leased Premises, provided that Lessor reserves the right to prohibit persons from engaging in "aeronautical activities" (as defined in Advisory Circular AC 150/5190-2A of the Federal Aviation Administration) or the provision of ground transportation services at the Airport except in accordance with concession contracts or operating agreements entered into between Lessor and said persons.

9.10. Lessee agrees to provide, throughout the term of this Lease, the following:

- A. Rental car services to the public during the hours necessary to meet normal demands of airline flight schedules. Such services will include providing one-way rentals "rent it here, leave it here" services. Lessor may require periodic reports



of Lessee which would indicate the degree of satisfactorily response to requests for such services;

- B. A sufficient number of automobiles to meet the reasonable demands of the traveling public at the Airport. Lessee shall use its best efforts to provide such automobiles of current model (and in no event older than the two previous years' model of such automobile); and they shall be maintained in first-class condition free from known mechanical defects;
- C. Personnel performing services are to be neat and courteous. Lessee shall not permit its agents, or employees so engaged, to conduct business or otherwise to behave in a loud, noisy, boisterous, offensive or objectionable manner, or to solicit business outside the space assigned in any manner, except through the use of signs approved by Lessor.
- D. An attendant for the purpose of providing rental car service for such periods during each day and on such days during each week as may be necessary to meet reasonable demands for services, or during such minimum hours as may be determined by the Lessor.
- E. Participation in a nationwide or regional car rental system; and
- F. Accept for payment of services at least two (2) major credit cards.
- G. Charge prices in accordance with its usual standards on a basis substantially similar to those charged for similar services at airports of similar size within the same general area.
- H. If electric vehicles are present in the fleet, Lessee will ensure vehicles are appropriately charged and available if inventory allows.

**9.11.** Lessee acknowledges that Lessor is subject to certain restrictions on the use of the Airport Property in accordance with Paragraph V.B of the Deed. Notwithstanding any other provision of this Lease, the Lessee shall also comply with and be subject to all other restrictions and conditions of the Deed to the extent applicable to the Leased Premises.

**END OF ARTICLE 9.**

## ARTICLE 10. LIENS

10.1. During the term of this Lease, Lessee shall not permit to remain, and shall promptly discharge, at its cost and expense, all liens, encumbrances and charges upon the Leased Premises or any part thereof; provided, that the existence of any mechanics', laborers', materialmen's, suppliers' or vendors' liens or rights thereto shall not constitute a violation of this Article if payment is not yet due under the applicable contract. Lessee shall, however, have the right to contest with due diligence the validity or amount of any lien or claimed lien, if Lessee shall give to Lessor such security as Lessor may reasonably require to insure payment thereof and prevent any sale, foreclosure or forfeiture of Lessee's interest in the Leased Premises or any portion thereof by reason of such nonpayment. On final determination of the lien or claim for lien, Lessee shall immediately pay any judgment rendered with all proper costs and charges and shall have the lien released or judgment satisfied at Lessee's own expense, and if Lessee shall fail to do so, Lessor may at its option pay any such final judgment and clear the Leased Premises therefrom. If Lessee shall fail to contest with due diligence the validity or amount of any such lien or claimed lien, or to give Lessor security as hereinabove provided, Lessor may, but shall not be required to, contest the validity or amount of any such lien or claimed lien or settle or compromise the same without inquiring into the validity of the claim or the reasonableness of the amount thereof.

10.2. Should any lien be filed against the Leased Premises or should any action of any character affecting the title thereto be commenced, Lessee shall give to Lessor written notice thereof as soon as notice of such lien or action comes to the knowledge of Lessee.

END OF ARTICLE 10.



**ARTICLE 11. REPAIRS AND MAINTENANCE**

Lessee covenants and agrees, throughout the term of this Lease, without cost to Lessor, to maintain the Leased Premises and to keep the same in good order and condition, and shall promptly at Lessee's own cost and expense, make all necessary repairs, to keep the Leased Premises and related improvements in safe, clean and sanitary condition. The obligations of Lessee to make repairs shall extend to any damage caused to the Leased Premises or Terminal Common Areas caused by Lessee or its passengers, agents, servants, contractors, suppliers or other invitees of Lessee at the Airport.

**END OF ARTICLE 11.**

## ARTICLE 12. RIGHT OF LESSOR TO INSPECT AND REPAIR

12.1. Lessee will permit Lessor and its authorized agents and representatives to enter the Leased Premises at all reasonable times and upon reasonable notice for the purpose of: (i) inspecting the same; and (ii) making any necessary repairs and performing any other work that may be necessary by reason of Lessee's failure to comply with the terms of this Lease within ten (10) days after written notice from Lessor, unless an emergency situation (as determined in Lessor's sole discretion) requires earlier action by Lessor. Nothing herein shall imply any duty upon the part of Lessor to do any such work and performance thereof by Lessor shall not constitute a waiver of Lessee's default in failing to perform the same. Lessor may during the progress of such work keep and store in or on the Leased Premises all necessary materials, tools, supplies and equipment. Lessor shall not be liable for inconvenience, annoyance, disturbance, loss of business or other damage of Lessee by reason of making such repairs or the performance of any such work, on or account of bringing materials, tools, supplies or equipment into or through the Leased Premises during the course thereof and the obligations of Lessee under this Lease shall not be affected thereby. Nothing herein shall limit the provisions of Article 8.

12.2. Lessee acknowledges that from time to time Lessor may undertake construction, repair or other activities related to the operation, maintenance and repair of the Airport which will require temporary accommodation by Lessee. Lessee agrees to accommodate Lessor in such matters, even though Lessee's own activities may be inconvenienced or partially impaired, and Lessee agrees that no liability shall attach to Lessor, its members, employees or agents by reason of such inconvenience or impairment, unless such activities of Lessor hereunder are performed in a negligent manner.

12.3. Lessee shall allow any agency of the United States, its officers, agents, employees and contractors to enter upon the Leased Premises for any purposes not inconsistent with Lessee's quiet use and enjoyment, including but not limited to the purpose of inspection. Notwithstanding the preceding sentence, in the event the Air Force (or any other agency having a right of entry under the Federal Facilities Agreement (FFA) as defined in Section 25.8) determines that immediate entry is required for safety, environmental, operations or security purposes it may effect such entry without prior notice. The Lessee shall have no claim against Lessor or against the United States or any officer, agent, employee or contractor thereof on account of any such entries.

END OF ARTICLE 12.

**ARTICLE 13. GENERAL INDEMNIFICATION BY LESSEE**

**13.1.** In addition to any other obligation of Lessee under this Lease to indemnify, defend and hold harmless Lessor, Lessee agrees to indemnify, defend and hold harmless Lessor against and from any and all claims, judgments, damages, penalties, fines, assessments, costs and expenses, liabilities and losses (including, without limitation, diminution in value of the Premises, damages for the loss or restriction on the use of the Premises, sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees) resulting or arising during the term of this Lease:

(1) from any condition of the Premises (except as otherwise set forth in Article 25), including any building structure or improvement thereon;

(2) from any breach or default on the part of Lessee in the performance of any covenant or agreement on the part of Lessee to be performed pursuant to the terms of this Lease, or from any act or omission of Lessee, or any of its agents, contractors, servants, employees, Lessees, licensees or invitees; or

(3) from any accident, injury, death, loss or damage whatsoever caused to any person or property occurring during the term of this Lease, on or about the Leased Premises (including Terminal Common Areas and Parking Areas), or upon the land, streets, curbs or parking areas adjacent thereto.

In the event that any action or proceeding is brought against Lessor by reason of any matter for which Lessee has hereby agreed to indemnify, defend, or hold harmless Lessor, Lessee, upon notice from Lessor, covenants to resist or defend such action or proceeding with counsel acceptable to Lessor.

**13.2.** The term "Person" as used in this Article and Article 25 shall include individuals, corporations, partnerships, governmental units and any other legal entity entitled to bring a claim, action or other demand or proceeding on its own behalf or on behalf of any other entity.

**END OF ARTICLE 13.**

## ARTICLE 14. UTILITIES

14.1. Lessee acknowledges that the utility lines serving the Terminal as of the Term Commencement Date are sufficient to enable Lessee to obtain, as of the date of commencement of Lessee's activities, sufficient water, electricity, gas for heating, telephone and sewer service. Lessee shall not at any time overburden or exceed the capacity of the mains, feeders, ducts, conduits, or other facilities by which such utilities are supplied to, distributed in or serve the Leased Premises. If Lessee desires to install any equipment which shall require additional utility facilities or utility facilities of a greater capacity than the facilities provided by Lessor, such installation shall be subject to Lessor's prior written approval of Lessee's plans and specifications therefor, which approval shall not be unreasonably withheld. If such installation is approved by Lessor and if Lessor agrees to provide any additional facilities to accommodate Lessee's installation, Lessee agrees to pay Lessor, in advance and on demand, the cost for providing such additional utility facilities or utility facilities of greater

Lessor also reserves the right to run such utility lines as it deems necessary in connection with the development of the Airport to, from, or through the Leased Premises, provided, however, that Lessor in exercising such reserved right shall provide reasonable prior notice and the opportunity to confer with Lessee and shall exercise reasonable efforts to avoid or minimize interference with use of the Leased Premises.

Lessor, at its sole discretion, shall have the right from time to time, to alter the method and source of supply of the above enumerated utilities to the Leased Premises and Lessee agrees to execute and deliver to Lessor such documentation as may be required to effect such alteration.

Lessor shall have the option to supply any of the above enumerated utilities to the Leased Premises. If Lessor shall elect to supply any of such utilities to the Leased Premises, Lessee will purchase its requirements for such services tendered by Lessor, and Lessee will pay Lessor, within ten (10) days after mailing by Lessor to Lessee of statements therefor, at the applicable rates determined by Lessor from time to time which Lessor agrees shall not be in excess of the public utility rates for the same service, if applicable, to other aviation tenants at the Airport. If Lessor so elects to supply any of such utilities, Lessee shall execute and deliver to Lessor, within ten (10) days after request therefor, any documentation reasonably required by Lessor to effect such change in the method of furnishing of such utilities.

14.2. Except as otherwise provided for in Section 14.1 of this Lease, Lessee shall not be charged for utilities, including heat, air conditioning, water and electricity.

14.3. All work and construction under this Article shall comply with the provisions of Article 15 of this Lease applicable to construction work.

14.4. [Omitted].

END OF ARTICLE 14.



## ARTICLE 15. ALTERATIONS - SIGNS

**15.1.** Lessee shall not place or construct any improvements, changes, structures, alterations or additions (cumulatively referred to in this Article as "Alterations") in, to or upon the Leased Premises without Lessor's written consent. Unless Lessee is subject to an earlier notice requirement under the Lessor's land use controls or other applicable requirements with respect to the information required under this section, any request for Lessor's consent shall be made upon sixty (60) days written notice and shall be accompanied by preliminary engineering or architectural plans or, if consented to by Lessor, working drawings. If Lessor grants its consent all such work shall be done at Lessee's sole cost and expense, subject, in all cases, to the following covenants:

(1) All work and Alterations shall be done in compliance with all applicable governmental regulations, codes, standards or other requirements, including fire, safety and building codes and Land Use Regulations promulgated by Lessor and with the provisions of Article 25 of this Lease. This obligation shall include compliance with all applicable provisions of the FFA (as defined in Section 25.8), including obligations imposed upon Lessor in respect to construction and construction related work.

(2) All Alterations shall be of such a character as not to materially reduce the value and usefulness of any of the buildings or other improvements below their value and usefulness immediately before such Alteration. All work performed hereunder shall be performed in a good and workmanlike manner, shall conform to drawings and specifications approved by Lessor and shall not be disruptive of the overall operation the Airport. All contractors engaged by Lessee to perform such work shall employ labor that can work in harmony with all elements of labor at the Airport.

(3) During the period of construction of any Alterations, Lessee or any contractor, subcontractor or sublessee of Lessee shall maintain or cause to be maintained the following insurance:

(i) The Commercial General Liability and automobile liability insurance provided for in Article 7.1.B.(2) and (4) shall be maintained for the limits specified thereunder and shall provide coverage for the mutual benefit of Lessor and Lessee as named insured in connection with any Alteration permitted pursuant to this Article 15;

(ii) Property and fire and any other applicable insurance provided for in Article 7 which if not then covered under the provisions of existing policies shall be covered by special endorsement thereto in respect to any Alteration, including all materials and equipment therefor incorporated in, on or about the Leased Premises (including excavations, foundations, and footings) under a broad form all risks builder's risk completed value form or equivalent thereof; and

(iii) Workers' compensation insurance covering all persons employed in connection with the work and with respect to whom death or bodily injury claims could

be asserted against Lessor, Lessee or the Leased Premises, with statutory limits as then required under the laws of the State of New Hampshire.

The provisions of all applicable Sections of Article 7 of this Lease shall apply to all insurance provided for in this Section.

(4) Lessee shall provide Lessor with MYLAR as-built drawings, along with any electronic copy, when any Alteration authorized hereunder is completed.

15.2. Lessee may erect and maintain suitable signs only within the Leased Premises and upon receiving the prior written approval of Lessor. Lessee shall submit drawings of proposed signs and information on the number, size, type, and location, all of which Lessor may review for harmony and conformity with the overall structure and architectural and aesthetic setting of the Leased Premises and the Airport as well as with Lessor's own land use control regulations and may approve or disapprove accordingly.

15.3. The Lessee, its sublessees and assignees shall not conduct any excavation, digging, drilling or other disturbance of areas denoted as "Use Restriction Zones" on Exhibit C of the Deed.

15.4. Notwithstanding any other provision of this Lease, the right of Lessee to place or construct Alterations in, to or upon the Leased Premises shall be subject to Paragraph B of the Deed.

15.5. In addition to the requirements to provide notice to Lessor under this Article 15 in respect to any Alteration, Lessee shall also provide notice to the Air Force, EPA and NHDES in the same manner and to the extent required of Lessor under the Deed and/or the FFA.

END OF ARTICLE 15.



## ARTICLE 16. DESTRUCTION AND RESTORATION

**16.1.** In the event the Terminal is damaged by fire or other casualty to the extent of fifty per cent (50%) or greater, as determined solely by Lessor, Lessor shall have the right to elect not to rebuild, in which event this Lease shall be terminated upon seven (7) days notice by Lessor to Lessee. In such event all proceeds of insurance shall be distributed in the same priority as set forth in Section 16A.1. Lessee shall not be deemed to be in default of the Lessee Service Obligations herein if Lessor terminates this Lease under this provision unless Lessor makes available within seven (7) days alternate premises suitable for Lessee's commercial passenger transportation services as reasonably determined by Lessee. In the event the Leased Premises, including improvements or facilities located on the Leased Premises, (but excluding movable trade fixtures, furniture and equipment), shall be damaged by fire or other casualty, and Lessor does not terminate this Lease in accordance with the first sentence of this Section 16.1, such damage shall be repaired by Lessee as promptly as possible and at Lessee's expense so as to restore the same as nearly as possible to the condition prior to such damage. In discharging this obligation Lessee may utilize available insurance in accordance with the provisions of Section 16.2 and Section 16.5 and shall perform such work in accordance with Section 16.6. The repair obligations of Lessee under this Section 16.1 extend to the Leased Premises only.

**16.2.** All insurance proceeds payable as the result of any damage to the Leased Premises shall be endorsed by Lessee and the Air Force, to the extent of its interests and shall be held by Lessor and shall be paid out from time to time as the repair/restoration work progresses as follows:

(a) Lessee shall give a written request for payment to Lessor which shall be accompanied by a verified statement from Lessee setting forth that the sum then requested either has been paid by Lessee or is justly due to contractors, subcontractors, materialmen, engineers, architects, or other persons who have rendered services or furnished materials for certain work. Such statement shall give a description of such services and materials, shall list the several amounts so paid or due to each of such persons, and shall state that no part of such expenditures has been or is being made the basis for any other request for payment. Such statement shall state also that except for the amounts listed therein, there is no outstanding indebtedness known to Lessee after due inquiry, which is then due for labor, wages, materials, supplies, or services in connection with such work which, if unpaid, might become the basis of a vendor's, mechanic's, laborer's, materialman's, or similar lien upon such work or upon the Leased Premises.

(b) Within fourteen (14) days after the receipt of such statement from Lessee, Lessor shall out of the fund held by Lessor pay to the person(s) named in such statement the respective amounts stated in such statement to be due to them, or shall pay to Lessee the amount stated in such certificate to have been paid by Lessee; provided, however, that such payments shall not exceed in amount the fair value of the relevant work as stated in such certificate. If the total insurance proceeds exceed the amount required to pay the cost of all construction when completed, Lessor shall be entitled to retain such excess.

16.3. All insurance money paid on account of any damage or destruction (less the actual cost, fees and expenses, if any, incurred by Lessor in connection with the adjustment of the loss, which costs, fees and expenses shall be paid to Lessor shall be applied, to the payment of the cost of the aforesaid restoration, repairs, replacement, rebuilding or alterations, including the cost or demolition and temporary repairs and for the protection of property pending the completion of permanent restoration, repairs, replacements, rebuilding or alterations (all of which temporary repairs, protection of property and permanent restoration, repairs, replacement, rebuilding or alterations are hereinafter collectively referred to as the “restoration”). Such insurance money shall be endorsed by Lessor, Lessee, and held and applied in accordance with the terms of this Article.

Notwithstanding any other provisions of this Lease, any insurance proceeds received by Lessor shall not be required to be paid out if at the time of the request for payment from Lessee, Lessee is in default in the performance of any term of this Lease as to which notice of default has been given and which has not been remedied within the time specified for remedying the same.

16.4. All repair/restoration work under this Article shall comply with the provisions of Article 15 of this Lease applicable to construction work.

16.5. Upon completion of the restoration, and after taking into account other applicable requirements in respect to the application of such proceeds, any balance of the insurance money held by Lessor (or by Lessee) shall be paid to Lessor or the State in their order of priority in order to reduce the outstanding amount of indebtedness, of any loan provided to Lessee by Lessor and/or the State.

16.6. Except as otherwise expressly provided in this Article, no destruction of, or damage to the Leased Premises or any part thereof by fire or any other cause shall permit Lessee to surrender this Lease or shall relieve Lessee from its obligations to pay the full Terminal Area Rent, and additional rent payable under this Lease or from any of its other obligations under this Lease, and Lessee waives any rights now or hereafter conferred upon it by statute or otherwise to quit or surrender this Lease or the Leased Premises or any suspension, diminution, abatement or reduction of rent on account of any such destruction or damage other than as allowed under this Article. Notwithstanding the preceding provision of this

Section 16.6 Lessee shall be entitled to an abatement of rent to the extent all or any portion of the Leased Premises is rendered untenable as the result of such damage or destruction.

END OF ARTICLE 16.



ARTICLE 16A.      EMINENT DOMAIN

16A.1. In the event that there is a taking by eminent domain of the whole of the Leased Premises, this Lease shall terminate and the entire damages attributable to the land area shall accrue to Lessor, and that portion of the damages attributable to the capital improvements or buildings shall be divided between Lessor and Lessee as follows:

First, to Lessee an amount equal to the unamortized balance of leasehold improvements made at Lessee's expense calculated on a straight line basis over the useful life of said improvement.

Second, to Lessor any remaining balance.

16A.2. In the event that there is a taking by eminent domain of a portion of the Leased Premises, then this Lease shall terminate as to the portion taken and the amount of the damages attributable to the area taken shall be apportioned between Lessor and Lessee in the same manner as set forth in Section 16A.1. In the event that the taking shall not be of the entire Leased Premises, but the part of the Leased Premises remaining shall not be reasonably sufficient and suitable for Lessee's use and occupancy for the purposes permitted hereunder, then Lessee may terminate this Lease forthwith. If Lessee so determines and terminates this Lease, the damages attributable for improvements made by Lessee at its expense shall be divided between Lessor and Lessee as follows: Lessee will receive that amount equal to the unamortized balance of any such improvements made by Lessee at its sole expense calculated over their useful life on a straight line basis, and Lessor will receive any balance.

In the event of such partial taking and an election by Lessee not to terminate this Lease as herein provided, the total amount of damages shall accrue to Lessor, and the rental paid by Lessee shall be reduced in the proportion which the area of the portion taken bears to the area demised under the provisions hereof.

16A.3. Notwithstanding any other provision of this Lease, in the event of a temporary taking (i.e., 6 months or less) this Lease shall not terminate but shall resume at the expiration of the period within which the taking authority exercises dominion of the area subject to the temporary taking, provided, however, that in such event Lessee shall be under no obligation to pay rent and shall be allowed to share in any damages to the extent that the award reflects the fair rental value of the property taken and such value exceeds the established rental, including all applicable charges, required to be paid by Lessee to Lessor under this Lease.

END OF ARTICLE 16A.

## ARTICLE 17. DEFAULT BY LESSOR

17.1. The occurrence of the following events shall constitute a default and breach of this Lease by Lessor:

The failure by Lessor to observe or perform any covenant required to be observed or performed by it where such failure continues for thirty (30) working days after written notice thereof by Lessee to Lessor, provided that if the default is such that the same cannot reasonably be cured within such 30-day period, Lessor shall not be deemed to be in default if it shall have commenced the cure and thereafter diligently prosecutes the same to completion.

17.2. In the event of any such default by Lessor, Lessee may elect among any of the following remedies:

1. termination of this Lease;
2. a rental abatement based on the degree of uninhabitability (as determined by agreement of the Parties) of the Leased Premises caused by Lessor's default but only for the period that such default remains in effect;
3. subject to available legal and factual defenses,
  - a decree or order of a court of competent jurisdiction compelling specific performance by Lessor of its obligations under the Lease;
  - a decree or order by a court of competent jurisdiction restraining or enjoining the breach by Lessor of any of its obligations under the Lease;
4. to the extent allowed by law, the right to undertake to cure Lessor's default, in which event Lessor shall pay Lessee the reasonable costs incurred in such undertaking, provided that such cost does not exceed the value of the rental payments to Lessor due under this Lease for any one year period.

**Notwithstanding** any other provision of this Lease, this right to undertake to cure Lessor's default shall not extend beyond the Leased Premises and shall not be exercised in any way that causes disruption or interference with the overall operation of the Airport.

END OF ARTICLE 17.

## ARTICLE 18. DEFAULT BY LESSEE

**18.1.** The occurrence of any of the following events shall constitute a default and breach of this Lease by Lessee:

A. The failure by Lessee to pay when due the ground rent or additional rent or to make any other payment required to be made by Lessee to Lessor hereunder where such failure continues for seven (7) working days after written notice thereof by Lessor to Lessee.

B. The abandonment or vacation of the Leased Premises by Lessee while in breach or default of any provision of this Lease or that lasts for 14 days or more.

C. The failure by Lessee to observe and perform any other provision of this Lease (including without limitation compliance with federal, state and local laws and regulations) to be observed or performed by Lessee, where such failure continues for thirty (30) working days after written notice thereof by Lessor to Lessee; provided that if the nature of such default is such that the same cannot reasonably be cured within such thirty-day period, Lessee shall not be deemed to be in default if Lessee shall within such period commence such cure and thereafter diligently prosecutes the same to completion.

D. The making by Lessee of any general assignment for the benefit of creditors; the filing by or against a Lessee of a petition to have Lessee adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy where possession is not restored to Lessee within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Leased Premises or of Lessee's interest in this Lease, where such seizure is not discharged within thirty (30) days.

**18.2.** In the event of any Default by Lessee, Lessor shall have the option to terminate this Lease and all rights of Lessee hereunder by giving written notice of such intention to terminate in the manner specified herein, or Lessor may elect among any one or more of the following remedies without limiting any other remedies available to Lessor:

- (1) subject to available legal and factual defenses,
  - a decree or order of a court of competent jurisdiction compelling specific performance by Lessee of its obligations under the Lease;
  - a decree or order by a court of competent jurisdiction restraining or enjoining the breach by Lessee of any of its obligations under the Lease; and
- (2) to the extent allowed by law, the right to undertake to cure Lessee's default, in which event Lessee shall pay Lessor the reasonable costs incurred in such undertaking, provided that such cost does not exceed the value of the rental payments to Lessor due under this Lease for the year in which such default occurs. Except for emergency conditions, Lessor shall provide Lessee with two (2) business days prior written notice of its intent to exercise the right to



undertake to cure Lessee's default. In the event Lessee commences to cure such default within this two (2) day period and diligently prosecutes the same to completion, Lessor shall refrain from exercising the right to undertake its own cure of Lessee's default.

In the event that Lessor shall elect to so terminate this Lease, then Lessor may recover from Lessee:

- (i) any unpaid rent up to the effective date of termination; plus
- (ii) any other amount necessary to compensate Lessor for all the detriment proximately caused by Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom including the discounted value of the rental payments to Lessor under the full term of this Lease not otherwise offset by rentals realized from a subsequent Lease with a third party, including a Lessee provided by Lessee and reasonably acceptable to Lessor; plus
- (iii) such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable New Hampshire law.

18.3. In the event of any such default by Lessee, Lessor shall also have the right, with or without terminating this Lease, to reenter the Leased Premises and remove all persons and property, with the exception of Lessee's vehicles, which shall remain Lessee's property and in Lessee's possession, from the Leased Premises to the extent allowed under New Hampshire law. Such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Lessee. Under no circumstances shall Lessor be held liable in damages or otherwise by reason of any such reentry or eviction or by reason of the exercise by Lessor of any other remedy provided in this Article. All property of Lessee which is stored by Lessor may be redeemed by Lessee within thirty (30) days after Lessor takes possession upon payment to Lessor in full of all obligations then due from Lessee to Lessor and of all costs incurred by Lessor in providing such storage. If Lessee fails to redeem such property within this thirty (30) day period, Lessor may sell the property in any reasonable manner, and shall apply the proceeds of such sale actually collected first against the costs of storage and sale and then against any other obligation due from Lessee.

18.4. In the event of the vacation or abandonment of the Leased Premises by Lessee for seven (7) days or in the event that Lessor shall elect to reenter as provided in Section 18.3 or shall take possession of the Leased Premises pursuant to any provision of New Hampshire law or pursuant to any notice provided by law, then if Lessor does not elect to terminate this Lease as provided in Section 18.2, Lessor may from time to time, without terminating this Lease, either recover all rental as it becomes due or relet the Leased Premises or any part thereof for such terms and conditions as Lessor in its sole discretion may deem advisable, including the right to make alterations and repairs to the Leased Premises. In the event that Lessor shall elect to relet, then rentals received by Lessor from such reletting shall be applied: first, to the payment of any indebtedness other than rent due hereunder from Lessee to Lessor; second, to the payment of any cost of such reletting; third, to the payment of the cost of any alterations and repairs to the Leased



Premises; fourth, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be held by Lessor and applied in payment of future rent as the same may become due and payable hereunder. Should the amount of rental received from such reletting during any month which is applied to the payment of rent be less than that required to be paid during that month by Lessee under this Lease, then Lessee shall pay such deficiency to Lessor immediately upon demand by Lessor. Such deficiency shall be calculated and paid monthly. Lessee shall also pay to Lessor, as soon as ascertained, any costs and expenses incurred by Lessor in such reletting or in making such alterations and repairs not covered by the rentals received from such reletting.

**18.5.** The various rights and remedies reserved to Lessor, including those not specifically described under this Lease, shall be cumulative, and, except as otherwise provided by New Hampshire statutory law in force and effect at the time of the execution of this Lease, Lessor may pursue any or all of such rights and remedies, whether at the same time or otherwise.

**18.6.** No delay or omission of Lessor to exercise any right or remedy shall be construed as a waiver of any such right or remedy or of any default by Lessee.

**18.7.** Notwithstanding any other provision of this Lease in the event the breach by Lessee in the reasonable opinion of Lessor affects or is likely to affect the efficient operation of the Airport or give rise to public safety concerns, in addition to any other remedy it may have under this Lease, Lessor shall also be entitled (but shall not be obligated) to take whatever actions is deemed necessary by Lessor to abate or cure such situation and Lessee shall reimburse Lessor for all costs incurred by Lessor in taking such action.

**END OF ARTICLE 18.**

## ARTICLE 19. PROHIBITION AGAINST TRANSFERS - BANKRUPTCY

19.1. Lessee shall not have the right to delegate any of its responsibilities or obligations, to assign any of its rights, or to mortgage or otherwise transfer any of its rights or interests under this Lease or to mortgage any portion of the Leased Premises.

19.2. If a petition is filed by or against Lessee for relief under Title 11 of the United States Code, as amended (the "Bankruptcy Code"), and Lessee (including for purposes of this Section Lessee's successor in bankruptcy, whether a trustee or Lessee as debtor-in-possession) assumes and proposes to assign, or proposes to assume and assign, this Lease pursuant to the provisions of the Bankruptcy Code to any person or entity who has made a bona fide offer to accept an assignment of this Lease, then notice of the proposed assignment setting forth (a) the name and address of the proposed assignee, (b) all of the terms and conditions of the offer and proposed assignment, and (c) the adequate assurance to be furnished by the proposed assignee of its future performance under the Lease, shall be given to Lessor by Lessee no later than twenty (20) days (or such other period of time as the court may allow) after Lessee has made or received such offer, but in no event later than thirty (30) days (or such other period of time as the court may allow) prior to the date on which Lessee applies to a court of competent jurisdiction for authority and approval to enter into the proposed assignment. If this Lease is assigned pursuant to the provisions of the Bankruptcy Code, Lessor may request from the assignee a guarantee similar to that requested of Lessee under Article 27. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed, without further act or documentation, to have assumed all of Lessee's obligations arising under this Lease on and after the date of such assignment. Any such assignee shall, upon demand, execute and deliver to Lessor an instrument confirming such assumption. No provision of this Lease shall be deemed a waiver of Lessor's rights or remedies under the Bankruptcy Code to oppose any assumption and/or assignment of this Lease, to require a timely performance of Lessee's obligations under this Lease, or to regain possession of the Premises if this Lease has neither been assumed nor rejected within sixty (60) days after the date of the order for relief or within such additional time as a court of competent jurisdiction may have fixed. Notwithstanding anything in this Lease to the contrary, all amounts payable by Lessee to or on behalf of Lessor under this Lease, whether or not expressly denominated as rent, shall constitute rent for the purposes of Section 502(b)(6) of the Bankruptcy Code.

END OF ARTICLE 19.

**ARTICLE 20. [RESERVED]**

**END OF ARTICLE 20.**

ARTICLE 20. [RESERVED]

ARTICLE 20. [RESERVED]

END OF ARTICLE 20.

## ARTICLE 21. ESTOPPEL CERTIFICATES AND FINANCIAL STATEMENTS

21.1. Lessor, on or before twenty (20) days following receipt of a written request from Lessee, and Lessee, on or before twenty (20) days following receipt of a written request from Lessor, shall deliver to the party making such request a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there shall have been modifications that the same is in full force and effect as modified and stating the modifications) and the date to which the rent and any other deposits or charges have been paid and stating whether or not, to the best knowledge of the party executing such certificate (based on reasonable investigation), the party requesting such statement is in default in the performance of any covenant, agreement or condition contained in this Lease and, if so, specifying each such default of which the executing party may have knowledge.

21.2. Lessee, on or before twenty (20) days following receipt of a written request from Lessor, shall deliver to Lessor its annual audited financial statements of Lessee and any parent, subsidiary, or affiliated entities as requested by Lessor

END OF ARTICLE 21.



ARTICLE 22. INVALIDITY OF PARTICULAR PROVISIONS

If any term or provision of this Lease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

END OF ARTICLE 22.

ARTICLE 23. NOTICES

Whenever Lessor or Lessee shall desire to give or serve upon the other any notice, demand, request or other communication with respect to this Lease or with respect to the Leased Premises each such notice, demand, request or other communication shall be in writing and shall not be effective for any purpose unless same shall be given or served by personal delivery to the party or parties to whom such notice, demand, request or other communication is directed or by mailing the same, in duplicate, to such party or parties by certified mail, postage prepaid, return receipt requested, addressed as follows:

If to Lessor:           Pease Development Authority  
                              55 International Drive  
                              Portsmouth, NH 03801

Attention: Executive Director

If to Lessee:           Enterprise Rent-A-Car Company of Boston, LLC  
                              10 Navigator Road  
                              Londonderry, NH 03053

Attention: Regional Vice President

With a copy to:       Enterprise Holdings  
                              600 Corporate Park Drive St. Louis, MO 63105

Attention: Director, Airport Properties & Relations

or at such other address or addresses as Lessor or Lessee may from time to time designate by notice given by certified mail.

Every notice, demand, request or communication hereunder sent by mail shall be deemed to have been given or served as of the second business day following the date of such mailing.

END OF ARTICLE 23.

ARTICLE 24. QUIET ENJOYMENT

Lessor covenants and agrees that Lessee, upon paying the rent and all other charges herein provided for and observing and keeping all covenants, agreements, and conditions of this Lease on its part to be observed and kept, shall quietly have and enjoy the Leased Premises during the term of this Lease without hindrance or molestation by anyone claiming by or through Lessor, subject, however, to the exceptions, reservations and conditions of this Lease including, but not limited to the provisions of Article 25, Environmental Protection.

END OF ARTICLE 24.

## ARTICLE 25. ENVIRONMENTAL PROTECTION

25.1. Lessee and any sublessee or assignee of Lessee shall comply with all federal, state, and local laws, regulations, and standards that are or may become applicable to Lessee's or sublessee's or assignee's activities at the Leased Premises, including but not limited to, the applicable environmental laws and regulations identified in Exhibit "E," as amended from time to time.

25.2. Lessee and any sublessee or assignee of Lessee shall be solely responsible for obtaining at their cost and expense any environmental permits required for their operations under this Lease or any Lease or assignment, independent of any existing Airport permits.

25.3. Lessee shall indemnify, defend and hold harmless Lessor and the Air Force against and from all claims, judgments, damages, penalties, fines, costs and expenses, liabilities and losses (including, without limitation, diminution in value of the Premises, damages for the loss or restriction on the use of the Premises, and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees), resulting or arising from discharges, emissions, spills, releases, storage, or disposal of any Hazardous Substances, or any other action by the Lessee, or any sublessee or assignee of the Lessee, giving rise to Lessor or Air Force liability, civil or criminal, or responsibility under federal, state or local environmental laws.

This indemnification of Lessor and Air Force by Lessee includes, without limitation, any and all claims, judgment, damages, penalties, fines, costs and expenses, liabilities and losses incurred by Lessor or Air Force in connection with any investigation of site conditions, or any remedial or removal action or other site restoration work required by any federal, state or local governmental unit or other person for or pertaining to any discharges, emissions, spills, releases, storage or disposal of Hazardous Substances arising or resulting from any act or omission of the Lessee or any sublessee or assignee of the Lessee at the Leased Premises after the Occupancy Date. "Occupancy Date" as used herein shall mean the earlier of the first day of Lessee's occupancy or use of the Leased Premises or the date of execution of this Lease. "Occupancy" or "Use" shall mean any activity or presence including preparation and construction in or upon the Leased Premises.

The provisions of this Section shall survive the expiration or termination of the Lease, and the Lessee's obligations hereunder shall apply whenever the Lessor or the Air Force incurs costs or liabilities for the Lessee's actions of the types described in this Article.

25.4. Notwithstanding any other provision of this Lease, Lessee and its sublessees and assignees do not assume any liability or responsibility for environmental impacts and damage caused by the use by the Air Force of Hazardous Substances on any portion of the Airport, including the Leased Premises. The Lessee and its sublessees and assignees have no obligation to undertake the defense, remediation and cleanup, including the liability and responsibility for the costs of damages, penalties, legal and investigative services solely arising out of any claim or action in existence now, or which may be brought in the future by any person, including governmental units against the Air Force, because of any use of, or release from, any portion of the Airport (including the Leased Premises) of any Hazardous Substances prior to the Occupancy



Date. Furthermore, the parties recognize and acknowledge the obligation of the Air Force to indemnify the Lessor and Lessee to the extent required by the provisions of Public Law No. 101-511, Section 8056.

In addition, Lessor shall indemnify, defend and hold harmless Lessee against and from any and all claims, judgments, damages, penalties, fines, costs and expenses, liabilities and losses (including, without limitation, diminution in value of the Premises, damages for the loss or restriction on the use of the Premises, and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees), resulting or arising from discharges, emissions, spills, releases, storage or disposal of Hazardous Substances, or any other action by Lessor giving rise to Lessee liability or responsibility under federal, state or local environmental laws. This provision shall survive the expiration or termination of the Lease, and the Lessor's obligations hereunder shall apply whenever the Lessee incurs costs or liabilities for the Lessor's actions of the types described in this Article.

25.5. As used in this Lease, the term "Hazardous Substances" means any hazardous or toxic substance, material or waste, oil or petroleum product, which is or becomes regulated by any local governmental authority, the State of New Hampshire or the United States Government. The term "Hazardous Substances" includes, without limitation, any material or substance which is (i) defined as a "hazardous waste," under New Hampshire RSA ch.147-A, (ii) defined as a "hazardous substance" under New Hampshire RSA ch.147-B, (iii) oil, gasoline or other petroleum product, (iv) asbestos, (v) listed under or defined as hazardous substance pursuant to Parts Env-Wm 110, 211-216, 351-353, 400-100 ("Hazardous Waste Rules") of the New Hampshire Code of Administrative Rules, (vi) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1317, (vii) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. (42 U.S.C. §6903), or (viii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 et seq. (42 U.S.C. §9601) and (ix) so defined in the regulations adopted and publications promulgated pursuant to any of such laws, or as such laws or regulations may be further amended, modified or supplemented (collectively "Hazardous Substance Laws").

As used in this Lease, the terms "release" and "storage" shall have the meanings provided in RSA 147-B:2, as amended, and the term "disposal" shall have the meaning provided in RSA 147-A:2.

25.6. Lessor's rights under this Lease specifically include the right for Lessor to inspect the Leased Premises and any buildings or other facilities thereon for compliance with environmental, safety, and occupational health laws and regulations, whether or not the Lessor is responsible for enforcing them. Such inspections are without prejudice to the right of duly constituted enforcement officials to make such inspections.

25.7. Notwithstanding any other provision of this Lease, Lessor is not responsible for any removal or containment of asbestos. If Lessee and any sublessee or assignee intend to make any improvements or repairs that require the removal of asbestos, an appropriate asbestos disposal

plan must be incorporated in the plans and specifications. The asbestos disposal plan shall identify the proposed disposal site for the asbestos. In addition, non-friable asbestos which becomes friable through or as a consequence of the activities of Lessee will be abated by Lessee at its sole cost and expense.

25.8. Lessor and Lessee acknowledge that the Airport has been identified as a National Priority List (NPL) Site under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, as amended. Lessee acknowledges that Lessor has provided it with a copy of the Pease Federal Facility Agreement (“FFA”) entered into by EPA, and the Air Force on April 24, 1991, and Modification No. I thereto, effective March 18, 1993, agrees that it will comply with the terms of the FFA to the extent the same may be applicable to the Leased Premises and that should any conflict arise between the terms of the FFA and the provisions of this Lease, the terms of the FFA will take precedence. The Lessee further agrees that the Lessor assumes no liability to the Lessee or any Lessee or assignee of Lessee should implementation of the FFA interfere with their use of the Leased Premises. The Lessee and its sublessee(s) and assignee(s) shall have no claim on account of any such interference against the Lessor or any officer, agent, employee or contractor thereof, other than for abatement of rent.

25.9. The Air Force, EPA, and NHDES and their officers, agents, employees, contractors, and subcontractors have the right, upon reasonable notice to the Lessee and any sublessee or assignee, to enter upon the Leased Premises for the purposes enumerated in this subparagraph and for such other purposes consistent with the FFA:

- (1) to conduct investigations and surveys, including, where necessary, drilling, testpitting, borings and other activities related to the Pease Installation Restoration Program (“IRP”) or the FFA;
- (2) to inspect field activities of the Air Force and its contractors and subcontractors in implementing the IRP or the FFA;
- (3) to conduct any test or survey required by the EPA or NHDES relating to the implementation of the FFA or environmental conditions at the Leased Premises or to verify any data submitted to the EPA or NHDES by the Air Force relating to such conditions;
- (4) to construct, operate, maintain or undertake any other response or remedial action as required or necessary under the IRP or the FFA, including, but not limited to monitoring wells, pumping wells and treatment facilities.

25.10. Lessee and its sublessees and assignees agree to comply with the provisions of any health or safety plan in effect under the IRP or the FFA during the course of any of the above described response or remedial actions. Any inspection, survey, investigation, or other response or remedial action will, to the extent practicable, be coordinated with representatives designated by the Lessee and any sublessee or assignee. Lessee and any sublessee or assignee shall have no claim on account of such entries against the State as defined in FFA or any officer, agent, employee, contractor, or subcontractor thereof.



25.11. Lessee further agrees that in the event of any authorized Lease or assignment of the Leased Premises, it shall provide to the Air Force, EPA and NHDES by certified mail a copy of the agreement of Lease or assignment of the Leased Premises within fourteen (14) days after the effective date of such transaction. Lessee may delete the financial terms and any other proprietary information from any Lease or assignment submitted to the above mentioned entities.

25.12. The Airport air emissions offsets and Air Force accumulation points for hazardous and other wastes will not be made available to Lessee. Lessee shall be responsible for obtaining from some other source(s) any air pollution credits that may be required to offset emissions resulting from its activities under the Lease.

25.13. Any permit required under Hazardous Substance Laws for the management of Hazardous Substances stored or generated by Lessee or any sublessee or assignee of Lessee shall be obtained by Lessee or its sublessees or assignee and shall be limited to generation and transportation. Any violation of this requirement shall be deemed a material breach of this Lease. Lessee shall provide at its own expense such hazardous waste storage facilities, complying with all laws and regulations, as it needs for management of its hazardous waste.

25.14. Lessee, and any sublessee or assignee of Lessee whose operations utilize Hazardous Substances, shall have a completed and approved plan for responding to Hazardous Substances spills prior to commencement of operations on the Leased Premises. Such plan shall be independent of, but not inconsistent with, any plan or other standard of Lessor applicable to the Airport and except for initial fire response and/or spill containment, shall not rely on use of the Airport or Lessor personnel or equipment. Should the Lessor provide any personnel or equipment, whether for initial fire response and/or spill containment or otherwise, on request of the Lessee, or because the Lessee was not, in the opinion of Lessor, conducting timely cleanup actions, the Lessee agrees to reimburse the Lessor for its costs.

25.15. Lessee, and any sublessee or assignee of Lessee, must maintain and make available to Lessor, the Air Force, EPA and NHDES all records, inspection logs, and manifests that track the generation, handling, storage, treatment and disposal of hazardous waste, as well as all other records required by applicable laws and requirements. The Lessor and the Air Force reserve the right to inspect the Leased Premises and Lessee's, its sublessee's or assignee's records for compliance with Federal, State, local laws, regulations, and other requirements relating to the generation, handling, storage, treatment and disposal of hazardous waste, as well as the discharge or release of hazardous substances. Violations may be reported by Lessor and the Air Force to appropriate regulatory agencies, as required by applicable law. The Lessee, its sublessees or assignees shall be liable for the payment of any fines and penalties which may accrue as a result of the actions of Lessee, its sublessees or assignees, respectively.

25.16. Lessee, its sublessees and assignees agree to comply with the provisions of any Wetlands Management Plan in effect at Pease. Lessee, its sublessees and assignees will minimize the destruction, loss or degradation of wetlands on the Leased Premises. Lessee, its sublessees and assignees will obtain prior written approval from Lessor and the Air Force before conducting any new construction in wetland areas. Lessee, its sublessees and assignees will obtain all necessary

permits or waivers under Section 404 of the Clean Water Act and the New Hampshire Fill and Dredge in Wetlands Act.

25.17. Prior to the development of any portion of the Leased Premises on which a wetland has been identified in the Final Supplemental Environmental Impact Statement dated August 1995 (“SEIS”), the Lessee, its sublessees and assignees, as applicable, shall, if one has not previously been completed, perform a wetland delineation.

25.18. Prior to the storage, mixing, or application of any pesticide, as that term is defined under the Federal Insecticide, Fungicide, and Rodenticide Act, the Lessee, its sublessees and assignees shall prepare a plan for storage, mixing and application of pesticides (“Pesticide Management Plan”). The Pesticide Management Plan shall be sufficient to meet all applicable Federal, State and local pesticide requirements. The Lessee, its sublessees and assignees shall store, mix and apply all pesticides within the Leased Premises only in strict compliance with the Pesticide Management Plan. The pesticides will only be applied by a licensed applicator.

25.19. The Lessee, its sublessees and assignees must notify the Lessor and the Site Manager of its intent to possess, store, or use any licensed or licensable source or byproduct materials, as those terms are defined under the Atomic Energy Act and its implementing regulations; of Lessee’s, its sublessees and assignees intent to possess, use, or store radium; and of Lessee’s, its sublessees and assignees intent to possess or use any equipment producing ionizing radiation and subject to specific licensing requirements or other individual regulations, at least sixty (60) days prior to the entry of such materials or equipment upon the Airport. Upon notification, the Lessor and the Site Manager may impose such requirements, including prohibition of possession, use, or storage, as deemed necessary to adequately protect health and human environment. Thereafter, the Lessee must notify the Lessor and the Site Manager of the presence of all licensed or licensable source or other byproduct materials, of the presence of all radium, and of the presence of all equipment producing ionizing radiation and subject to specific licensing requirements or other individual regulation; provided, however, that the Lessee, its sublessees and assignees need not make either of the above notifications to the Lessor and the Site Manager with respect to source and byproduct material which is exempt from regulation under the Atomic Energy Act. The Lessee shall not, under any circumstances, use, own, possess or allow the presence of special nuclear material on the Leased Premises.

25.20. The Lessee, its sublessees and assignees acknowledge that lead-based paint may be present in and on facilities within the Leased Premises. Prior to beginning any Alterations, other construction or construction related work, (to include paint stripping or sanding, excavating, demolition, or restoration), the Lessee, any sublessee or assignee must test any paint which would be disturbed unless a conclusive determination has been made that lead-based paint is not present. If paint is lead-based, the Lessee, any sublessee or assignee is required to handle it in accordance with the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. Section 4852(d) and all applicable Federal, State and local laws and regulations at its own expense. The Lessee is required to ensure that any lead-based paint is maintained in good condition.

END OF ARTICLE 25.



## ARTICLE 26. MISCELLANEOUS

26.1. All rent or fees and all other sums which may from time to time become due and payable by Lessee to Lessor under any of the provisions of this Lease shall be made payable to the "Pease Development Authority" and forwarded by the Lessee direct to Lessor's Executive Director at the address specified in Article 23. All such rent and other sums if not paid on the due date shall bear interest from and after the due date thereof at the higher of the then current rate applied to legal judgments by the courts of the State of New Hampshire or the rate of eighteen percent (18%) per annum; provided, however, that such interest shall in no event exceed the maximum rate permitted by law.

26.2. In all cases the language in all parts of this Lease shall be construed simply, according to its fair meaning and not strictly for or against Lessor or Lessee.

26.3. The word titles underlying the Article designations contained herein are inserted solely for convenience and under no circumstances are they or any of them to be treated or construed as any part of this instrument.

26.4. In any action or proceeding which either Party may take to enforce such Party's rights hereunder, whether prior to or after breach or termination, or to which such Party may be made a party because of any matters arising or growing out of this Lease, and due to the act or default of the other, the Party whose act or default caused the other Party, without fault to become involved in such litigation, or who shall be defeated in such litigation, agrees to pay all costs incurred by the winning or other party therein, including reasonable attorneys' fees.

26.5. If Lessee should remain in possession of the Leased Premises after the expiration of the term of this Lease and without executing a new lease, then such holding over shall be construed as a tenancy from month to month, subject to all the conditions, provisions and obligations of this Lease insofar as the same are applicable to a month to month tenancy.

26.6. The individual executing this Lease on behalf of Lessee represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said entity, and that this Lease is binding upon said entity in accordance with its terms. A Certificate of Corporate Good Standing issued by the New Hampshire Secretary of State is attached to this Lease as Exhibit F.

26.7. This Lease covers in full each and every agreement of every kind or nature whatsoever between the Parties hereto concerning the Leased Premises and all preliminary negotiations and agreements of every kind or nature whatsoever with respect to the Leased Premises; and no other person, firm or corporation has at any time had any authority from Lessor to make any representations or promises on behalf of Lessor, and Lessee expressly agrees that if any such representations or promises have been made by Lessor or others, Lessee hereby waives all right to rely thereon. No verbal agreement or implied covenant shall be held to vary the provisions hereof, any statute, law, or custom to the contrary notwithstanding. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. Lessee acknowledges that it has read this Section and

understands it to be a waiver of any right to rely on any representations or agreements not expressly set forth in this Lease.

26.8. Subject to the provisions hereof, this Lease shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and assigns, and wherever a reference in this Lease is made to either of the Parties hereto such reference shall be deemed to include, wherever applicable, also a reference to the successors and assigns of such party, as if in every case so expressed.

26.9. Nothing contained in this Lease shall be deemed or construed by the Parties hereto or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Lessor and Lessee, and neither the method of computation of rent nor any other provision contained in this Lease nor any acts of the Parties hereto shall be deemed to create any relationship between Lessor and Lessee other than the relationship of landlord and tenant.

26.10. Lessee hereby acknowledges that late payment by Lessee to Lessor of rent and other sums due under this Lease will cause Lessor to incur additional costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such additional costs include, without limitation, processing and accounting charges, and late charges which may be imposed upon Lessor by the terms of the mortgage or deed of trust covering the Premises. Therefore, if any installment of rent, fee or any other sum due from Lessee shall not be received on the date that such amount shall be due, Lessee agrees to pay, and shall pay, to Lessor a late charge equal to ten percent (10%) of the overdue amount. The Parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of late payment by Lessee. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's default with respect to such overdue amount or prevent Lessor from exercising any or all of the other rights and remedies granted under this Lease.

26.11. Each party hereto warrants to the other that it has no dealings with any real estate broker or agent in connection with the negotiation of this Lease.

26.12. This Lease shall be construed and enforced in accordance with the laws of the State of New Hampshire.

26.13. Any actions or proceedings with respect to any matters arising under or growing out of this Lease shall be instituted and prosecuted only in courts located in the State of New Hampshire. Notwithstanding any other provision of this Lease, no provision of this Lease shall be deemed to constitute or effect a waiver of the sovereign immunity of the State of New Hampshire and no provision of this Lease, other than the provisions of Article 25 in which Lessor agrees to indemnify Lessee, shall be deemed to constitute or effect a waiver of the sovereign immunity of Lessor as a body politic and corporate of the State of New Hampshire. The sovereign immunity of the State of New Hampshire is reserved to the State of New Hampshire to the fullest extent allowed under law and the sovereign immunity of Lessor is reserved to Lessor to the fullest extent allowed under law with the sole exception of Lessor's **indemnification** obligations to Lessee under Article 25, provided, however, that Lessor agrees to



waive immunity for contractual claims under this Lease to the extent permitted by New Hampshire RSA Ch. 491:8, as the same may be amended.

26.14. This instrument may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

26.15. Lessee shall faithfully observe and comply with such rules and regulations as Lessor may adopt for the operation of the Airport, which rules and regulations are reasonable and nondiscriminatory as well as all modifications thereof and additions thereto. Lessor shall not be responsible to Lessee for the violation or nonperformance by any other tenant of Lessor of any of such Rules and Regulations.

26.16. Lessee agrees to conform to such additional provisions required, from time to time, by the FAA ("FAA Requirements") or its successor with respect to the operation of the Airport, or a portion thereof. The current FAA Requirements are attached hereto as Exhibit "D" and incorporated herein by reference.

26.17. This Lease is subject and subordinate to any agreements heretofore or hereafter made between Lessor and the United States or the Air Force, the execution of which is required to enable or permit transfer of rights or property to Lessor for airport purposes or expenditure of federal grant funds for airport improvement, maintenance or development, including, without limitation, the Application and Acceptance, Master Lease and FFA. Lessee shall abide by requirements of any agreement between Lessor and the United States or the Air Force applicable to the Leased Premises or Lessee's activities at the Airport and shall consent to amendments and modifications of this Lease if required by such agreements or as a condition of Lessor's entry into such agreements.

26.18. Lessor, in its sole discretion, shall determine and may from time to time change the routes of surface ingress and egress connecting the Leased Premises. Lessor also reserves the right to further develop the Airport, or such portion of the Airport as is owned or controlled by Lessor, as it sees fit, regardless of the desires or views of Lessee and without interference or hindrance.

26.19. The Lessee herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through it, that this Lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, national origin, or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the Premises herein leased nor shall the Lessee, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, Lessees, subtenants, or vendees in the Leased Premises herein leased.

26.20. All obligations of Lessee to indemnify, defend and hold harmless Lessor and to make any monetary payment to Lessor, shall survive the termination or expiration of this Lease.

END OF ARTICLE 26.

EXECUTION

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 2022

**PEASE DEVELOPMENT AUTHORITY**

By: \_\_\_\_\_  
Paul E. Brean, Executive Director

**ENTERPRISE RENT-A-CAR  
COMPANY OF BOSTON, LLC**

By: \_\_\_\_\_  
Peter G. Dulac

Its:     Vice President / GM



STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINGHAM

On this \_\_\_\_ day of \_\_\_\_\_, 2022, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared **Paul E. Brean**, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Executive Director of the **Pease Development Authority** and on oath stated that he was authorized to execute this instrument and acknowledged it to be his free and voluntary act for the uses and purposes set forth herein.

\_\_\_\_\_  
Notary Public  
Printed Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_

STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINGHAM

On this \_\_\_\_ day of \_\_\_\_\_, 2022, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared **Peter G. Dulac**, personally known to me (or proved to me on the basis of satisfactory evidence) to be the **Vice President / GM** of Enterprise Rent-A-Car Company of Boston, LLC, and on oath stated that he was authorized to execute this instrument and acknowledged it to be his free and voluntary act for the uses and purposes set forth herein.

\_\_\_\_\_  
Notary Public  
Printed Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_

EXHIBIT 1

QUITCLAIM DEEDS AND EXHIBITS

On record at the Rockingham County Registry of Deeds

October 15, 2003, Quitclaim Deed @ Book 4227, Page 0001

September 16, 2005, Quitclaim Deed @ Book 4564, Page 0985

EXHIBIT 2

FEDERAL FACILITIES AGREEMENT

(See Exhibit F to Quitclaim Deed dated October 15, 2003)



\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EXHIBIT "A"

PLANS DESIGNATING THE LEASED PREMISES

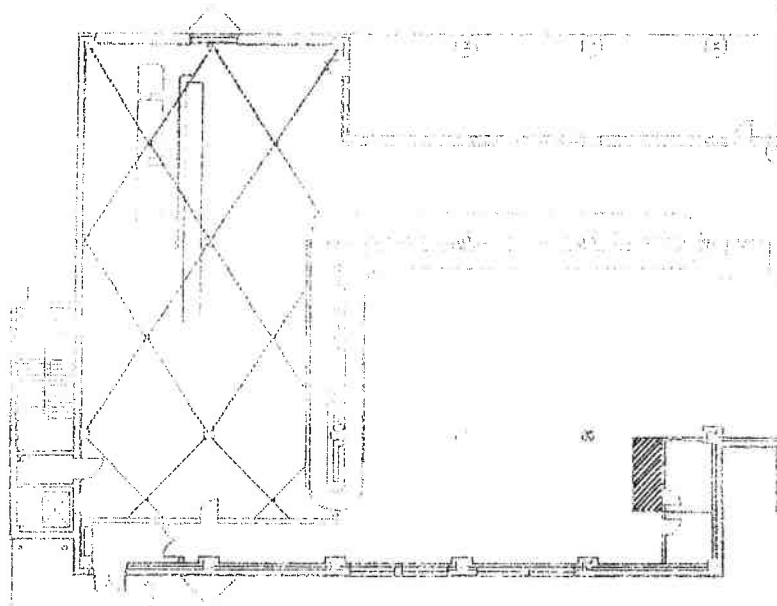


Exhibit Depicting Enterprise Kiosk Area at PSM (80.5 SF)

DESIGNED BY: MRM    DATE: 5/13/22    SCALE: NTS

 **PEASE DEVELOPMENT AUTHORITY**

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801





Exhibit Depicting Reserved Parking for Enterprise at PSM

DESIGNED BY: MRM DATE: 8/13/22 SCALE: 1"=80'

 PEASE DEVELOPMENT AUTHORITY

85 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

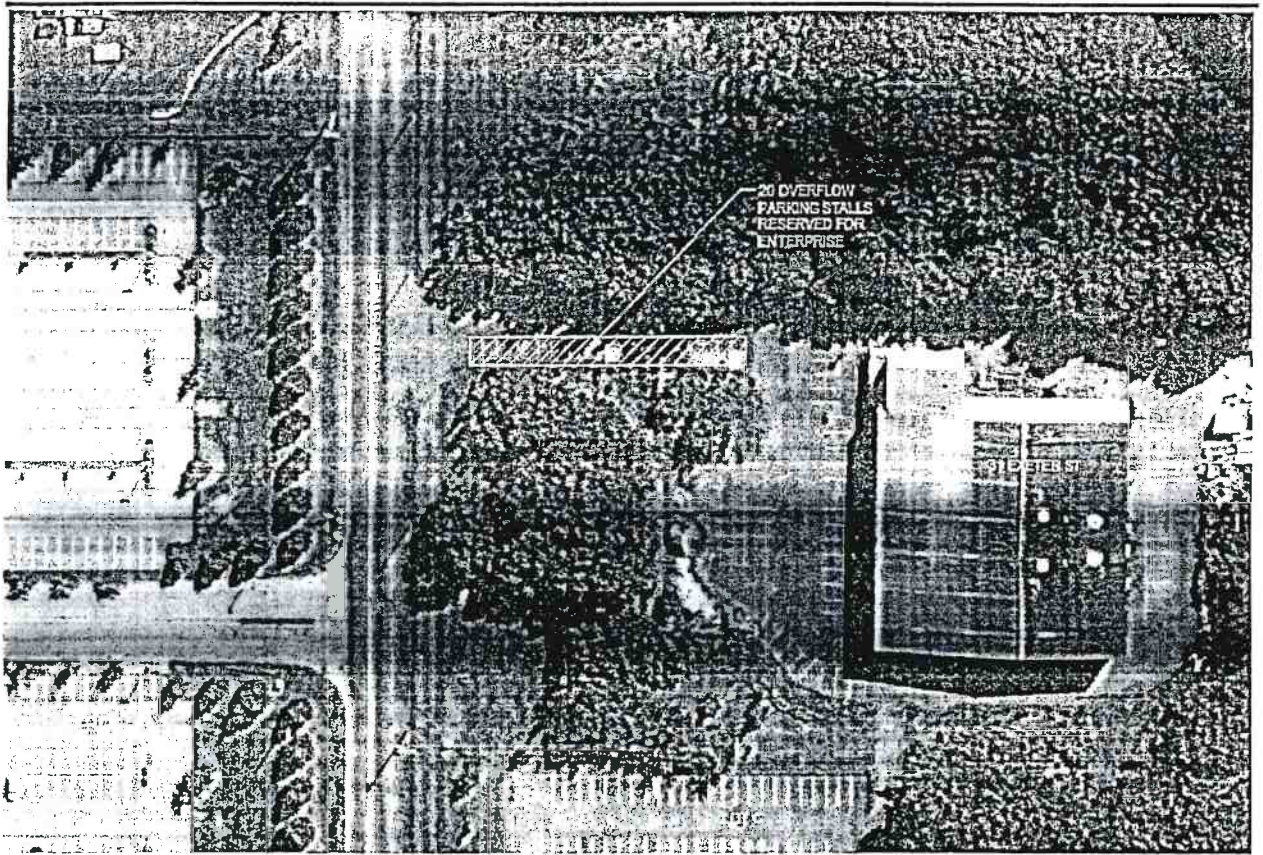


Exhibit Depicting Reserved Overflow Parking for Enterprise

DESIGNED BY: MRM    DATE: 2/15/22    SCALE: 1"=80'

 **PEASE DEVELOPMENT AUTHORITY**

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

EXHIBIT "B"

EXAMPLE OF A 10% CONCESSION RECOVERY FEE (CRF)

(Concession Fee included in Gross Revenues)

Note: The attached explanation and example was extracted from an email from Enterprise to Pease Development Authority dated May 15, 2017.

EXHIBIT "C"

[RESERVED]



## EXHIBIT "D"

### SUMMARY OF LEASE PROVISIONS REQUIRED BY THE FEDERAL AVIATION ADMINISTRATION

1. Lessee, for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby agree that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises, for a purpose for which a United States Department of Transportation ("DOT") program or activity is extended or for another purpose involving the provision of similar services or benefits, Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. (Ref Deed Paragraph VII.B.16)
2. Lessee, for himself, his personal representative, successors in interest, and assigns, as a part of the consideration hereof, does hereby agree that: (i) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities; (ii) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination; and (iii) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulation may be amended. (Ref Deed Paragraphs VII.B.16 and VII.G)
3. That in the event of breach of any of the above nondiscrimination covenants, Lessor shall have the right to terminate the Lease, and to reenter and repossess said land and the facilities thereon, and hold the same as if said Lease, had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are allowed and completed including expiration of appeal rights.
4. Lessee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED THAT the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

5. Non-compliance with Provision 4 above shall constitute a material breach of this Lease and in the event of such noncompliance Lessor shall have the right to terminate this Lease, and the estate hereby created without liability therefore or at the election of the Lessor or the United States either or both of Lessor or the United States shall have the right to judicially enforce provisions.

6. Lessee agrees that it shall insert the above five provisions in any Lease agreement, by which said Lessee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Leased Premises.

7. Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Lessee assures that it will require that its covered suborganizations provide assurance to the Lessor, that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

8. Lessor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee and without interference or hindrance.

9. Lessor reserves the right, but shall not be obligated to the Lessee to maintain and keep in repair the landing area of the airport and all publicly-owned facilities of the airport, together with the right to direct and control all activities of the Lessee in this regard.

10. This Lease shall be subordinate to the provisions and requirements of any existing or future agreement between the Lessor and the United States, relative to the development, operation or maintenance of the Airport including, but not limited to, Federal Airport Improvement Project Grant Assurances as the same are deemed by the FAA to be applicable to this Lease agreement.

11. There is hereby reserved to Lessor, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Leased Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation on the airport.

12. Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations (14 C.F.R. Part 77) in the event future construction of building is planned for the Leased Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on Leased Premises.

13. Lessee, by accepting this Lease expressly agrees for itself, its successors and assigns that it



shall not erect nor permit the erection or alteration of any structure or object nor permit the growth of any tree on the land Leased hereunder above the mean sea level elevation of forty (40') feet. In the event the aforesaid covenants are breached, Lessor reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the Lessee. (Ref Deed Paragraph VII.B.4)

14. Lessee, by accepting this Lease, agrees for itself, its successors and assigns that it will not make use of the Leased Premises in any manner which might interfere with the landing and taking off of aircraft from the airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, Lessor reserves the right to enter upon the Leased Premises, and cause the abatement of such interference at the expense of the Lessee.

15. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of the Federal Aviation Act of 1958 (49 U.S.C. 40103(E)), by an person or persons to the exclusion of others in the same class (Ref Deed, Paragraphs VII.B.2 and VII.B.3).

16. This Lease and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said airport or the exclusive or non-exclusive use of the airport by the United States during the time of war or national emergency. (Ref Deed, Paragraph VII.B.7)

14.

EXHIBIT "E"

LIST OF ENVIRONMENTAL LAWS AND REGULATIONS

- Air Quality:
- (a) Clean Air Act & Amendments, 42 U.S.C. 7401 et seq.
  - (b) 40 CFR Subchapter C
  - (c) RSA ch. 125-C, Air Pollution Control, and rules adopted thereunder
  - (d) RSA ch. 125-I, Air Toxic Control Act, and rules adopted thereunder
- Hazardous Materials:
- (a) Hazardous Materials Transportation Act, 49 U.S.C. 1801 et seq., and Department of Transportation Regulations thereunder
  - (b) Emergency Planning and Community Right-To-Know Act, 42 U.S.C. 11001 et seq.
  - (c) 49 CFR Subchapter A
  - (d) RSA ch. 277-A, Toxic Substances in the Workplace, and rules adopted thereunder
- Hazardous Waste:
- (a) Resource Conservation and Recovery Act (RCRA) of 1976 and RCRA Amendments of 1984, 42 U.S.C. 6901 et seq.
  - (b) Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended, 42 U.S.C. 9601 et seq.
  - (c) 40 CFR Parts 260-271, 300, 302
  - (d) RSA ch. 147-A, Hazardous Waste Management and rules adopted thereunder
- Water Quality:
- (a) Federal Water Pollution Control Act (Clean Water Act) and Amendments, 33 U.S.C. 1251 et seq.
  - (b) Safe Drinking Water Act, as amended, 42 U.S.C. 300f et seq.
  - (c) 40 CFR Subchapters D and N
  - (d) RSA ch. 146-A, Oil Spillage in Public Waters, and rules adopted thereunder
  - (e) RSA ch. 485, New Hampshire Safe Drinking Water Act, and rules adopted thereunder
  - (f) RSA ch. 485-A, Pollution and Waste Disposal, and rules adopted thereunder



**EXHIBIT "F"**  
**CERTIFICATE OF GOOD STANDING**

## MEMORANDUM

TO: Pease Development Authority Board of Directors  
FROM: Paul E. Brean, Executive Director *PEB*  
RE: Lease Reports  
DATE: June 7, 2022

\*\*\*\*\*


In accordance with the "Delegation to Executive Director: Consent, Approval of Sub-Sublease Agreements" PDA approved the following lease option with:

- A. Tenant: Lonza Biologics  
Space: 164 & 166 Corporate Drive  
Use: Research and Development Professional and Business Office use  
Term: Ten years from October 1, 2016, plus three (3) options of two (2) years each

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

- B. Tenant: Galileo RMF LLC  
Space: 139 Flightline Road  
Term: Exercise its First Option for an Additional Fifteen Years through July 31, 2038
- C. Tenant: Delos, LLC  
Space: 115 Flightline Road  
Term: PDA to perform snow plowing for the period of November 1, 2022 through April 30, 2025

MEMORANDUM

To: Pease Development Authority Board of Directors  
From: Paul E. Brean, Executive Director   
Date: June 7, 2022  
Re: Sublease between 166 Corporate Drive, LLC and Lonza Biologics, Inc.

In accordance with the "Delegation to Executive Director: Consent, Approval of Sub-lease Agreements" adopted by the Board on August 8, 1996, I am pleased to report that PDA has approved of a sublease between 166 Corporate Drive, LLC ("166") and Lonza Biologics, Inc. ("Lonza") at 164 Corporate Drive. The sublease is for a term of ten (10) years from the commencement date of October 1, 2016 with three (3) options to extend of two (2) years each. Lonza will use the Subleased Premises for general business offices, research and development, document storage, light industrial and assembly and related uses.

The Delegation to Executive Director: Consent, Approval of Subleases provides that;

"A Sublease Agreement subject to this delegation of authority shall not be consented to, approved or executed unless all of the following conditions are met:

1. The use of the Subleased Premises associated with the sublease is permitted under the original Lease;
2. The sublease is consistent with the terms and conditions of the original Lease;
3. The original Lease remains primarily liable to Lessor to pay rent and to perform all other obligations to be performed by Lessee under the original Lease; and
4. The proposed Sublessee is financially and operationally responsible."

Conditions one through three have been met. As to condition four, PDA relies on 166 Corporate Drive, LLC's continued primary liability for payment of rent and other obligations pursuant to the PDA/166 Corporate Drive, LLC Lease.

The Delegation to Executive Director: Consent, Approval of Sublease Agreements also requires the consent of one member of the PDA Board of Directors. In this instance, Director Lamson was consulted and granted her consent.

## NOTICE OF CONSENT

This NOTICE OF CONSENT (“Notice”) dated **May 19, 2022** is given by the PEASE DEVELOPMENT AUTHORITY (“Sublessor”) to 166 CORPORATE DRIVE, LLC (“Sublessee”). Sublessor and Sublessee may be referred to jointly as the “Parties”.

### RECITALS

A. Sublessor and Sublessee entered into a certain Sublease dated December 21, 2000, as amended by that First Amendment to Sublease dated April 2, 2001, that Lease Amendment No. 2 dated August 24, 2016, and that Lease Amendment No. 3 of near or even date herewith (the “Sublease”) for property located at 164-166 Corporate Drive, Pease International Tradeport, Portsmouth, Rockingham County, New Hampshire, consisting of 21.55 +/- acres of land, Amended and Restated Notice of Sublease of which is recorded at the Rockingham County Registry of Deeds at Book 3648, Page 1850 (the “Leased Premises”).

B. Section 19.3 of the Sublease states that Sublessor shall not unreasonably withhold its consent to sub-sublease the Leased Premises if:

1. the use of the Subleased Premises associated with the sub-sublease is permitted under the original Sublease;
2. the sub-sublease is consistent with the terms and conditions of the original Sublease;
3. the original Sublessee remains primarily liable to Sublessor to pay rent and to perform all other obligations to be performed by Sublessee under the original Sublease; and
4. the proposed sub-sublessee is financially and operationally responsible.

C. Sublessee has requested authorization to sublease the building located on the Leased Premises known as 164 Corporate Drive to Lonza Biologics, Inc. (“Lonza”), who is also the current sublessee of the building located on the leased Premises known as 166 Corporate Drive.

### TERMS AND CONDITIONS


1. Sublessor hereby consents to the sublease attached hereto as Exhibit A, with Lonza for the 164 - 166 Corporate Drive.
2. At Sublessor’s request, Sublessee shall provide Sublessor with copies of all required insurance certificates and a certificate of good standing from the jurisdiction in which Lonza is organized.



3. Sublessee hereby agrees and affirms that it shall remain primarily liable to Sublessor to pay rent and to perform all other obligations to be performed by Sublessee under the original Sublease.

IN WITNESS WHEREOF, this Notice of Consent is duly executed and delivered as of the day and year first above written.

**Pease Development Authority**

By:   
Paul E. Brean  
Its Executive Director, duly authorized

**166 Corporate Drive, LLC,  
a New Hampshire limited liability company**

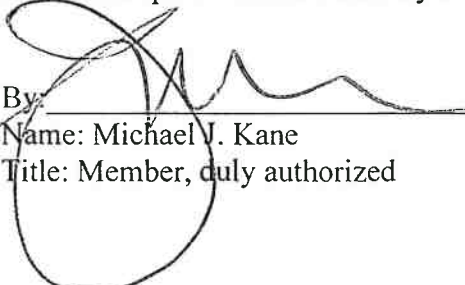
By:   
Name: Michael J. Kane  
Title: Member, duly authorized

EXHIBIT "A"

SUBLEASE

THIS SUBLEASE AGREEMENT is made this 1st day of August, 2008, between the undersigned lessor, **THE UNIVERSITY OF TEXAS AT AUSTIN**, and the undersigned lessee, **THE UNIVERSITY OF TEXAS AT AUSTIN**.

WHEREAS, the lessor owns and lawfully possesses certain real property located at **10000 N. BRIDGE STREET, AUSTIN, TEXAS 78758**, and the lessor desires to lease the same to the lessee for the purpose of **RESEARCH AND DEVELOPMENT**; and

WHEREAS, the lessee desires to lease the same for the purpose of **RESEARCH AND DEVELOPMENT**; and

WHEREAS, the lessor and the lessee have agreed upon the terms and conditions of this sublease;

IT IS AGREED that the terms and conditions of this sublease shall be as follows:

1. **LEASE TERM:** The term of this sublease shall be for a period of **THIRTY (30) MONTHS**, commencing on the date hereof and terminating on the date of the expiration of the term hereof.

2. **RENT:** The rent for this sublease shall be **ONE HUNDRED FIFTY DOLLARS (\$150.00) PER MONTH**, payable in advance on the first day of each month.

3. **USE:** The lessee shall use the premises for **RESEARCH AND DEVELOPMENT** purposes only, and shall not use the premises for any other purpose without the prior written consent of the lessor.

4. **ASSIGNMENT:** The lessee shall not assign, sublease, or otherwise dispose of the premises without the prior written consent of the lessor.

5. **MAINTENANCE:** The lessee shall be responsible for all maintenance and repairs to the premises, including but not limited to the replacement of light bulbs, the painting of walls, and the repair of any damage to the premises.

6. **LIABILITY:** The lessee shall be responsible for all liability arising out of the use of the premises, including but not limited to the liability for fire, theft, and personal injury.

7. **FORCE MAJEURE:** If the premises become unusable for a period of more than thirty (30) days due to a natural disaster or other force majeure event, the term of this sublease shall be extended for a period of thirty (30) days.

8. **ENTIRE AGREEMENT:** This sublease shall constitute the entire agreement between the parties and shall supersede all other agreements, oral or written, relating to the premises.

9. **GOVERNING LAW:** This sublease shall be governed by the laws of the State of Texas.

10. **SEVERABILITY:** If any provision of this sublease is held to be unenforceable, the remaining provisions shall remain in full force and effect.

11. **WARRANTY:** The lessor warrants that it has the right to lease the premises to the lessee for the purpose of research and development.

12. **FORCE MAJEURE:** If the premises become unusable for a period of more than thirty (30) days due to a natural disaster or other force majeure event, the term of this sublease shall be extended for a period of thirty (30) days.

13. **ENTIRE AGREEMENT:** This sublease shall constitute the entire agreement between the parties and shall supersede all other agreements, oral or written, relating to the premises.

14. **GOVERNING LAW:** This sublease shall be governed by the laws of the State of Texas.

15. **SEVERABILITY:** If any provision of this sublease is held to be unenforceable, the remaining provisions shall remain in full force and effect.

16. **WARRANTY:** The lessor warrants that it has the right to lease the premises to the lessee for the purpose of research and development.

**LEASE AGREEMENT  
BASIC LEASE INFORMATION**

LANDLORD: KANERD DEVELOPMENT, LLC

TENANT: LONZA BIOLOGICS, INC.

BUILDING: The building located at:  
166 Corporate Drive, Pease International Tradeport  
(the "Tradeport") Portsmouth, New Hampshire,  
consisting of One Hundred Two Thousand Four  
Hundred (102,400 RSF) rentable square feet shown  
as Building "A1" on the site plan (the "Site Plan")  
entitled "Site Plan for Flextronics International, 164  
& 166 Corporate Drive, County of Rockingham,  
Portsmouth, NH" prepared by Millette, Sprague &  
Colwell, Inc. dated August 14, 2000 (the "Building").  
The Building is located on the parcel of land (the  
"Land") located at the Tradeport described in Exhibit  
A attached hereto.

PREMISES : The Building together with parking for a minimum of  
408 parking spaces in the parking lot serving the  
Land, which spaces Landlord reserves the right to  
relocate from time to time, and vehicular and  
pedestrian access to and from the Building and the  
parking spaces (together the "Premises")  
The Premises are commonly known as 166  
Corporate Drive, Portsmouth, New Hampshire.

TERM COMMENCEMENT DATE: October 1, 2016

RENT COMMENCEMENT DATE: October 1, 2016

LEASE EXPIRATION DATE: 11:59 p.m. on September 30, 2026, being the date  
immediately preceding the One Hundred Twenty  
(120) month anniversary of the Term Commencement  
Date.

BASE TERM: Ten (10) years from the Term Commencement Date.

EXTENSION TERMS: Three (3) options of two (2) years each. Tenant to  
provide Landlord with a minimum of nine (9)  
months advance prior written notice. The Renewal

MAY 9 2022

Galileo RMF LLC.  
139 Flightline Rd  
Portsmouth, NH 03801  
603-314-5000

Paul Brean  
Pease Development Authority  
55 International Dr, Portsmouth, NH 03801

## Option Notice

Dear Mr. Brean,

Galileo RMF LLC. on this day, May 9, 2022, hereby excersises its first option to extend the base lease by a period of 15 years (May 15, 2023 to May 14, 2038) under the terms of Article 3.1 of the base lease commencing May 15, 1998 at 139 Flightline Rd, Portsmouth, NH 03801.

Our understanding is that the base lease commencement date of May 15, 1998 stands as the trigger date for the 2 Extension Terms, 15 year and 10 year acordingly, as there have been no updates to Article 3.1 in any subsiquent paperwork. As we have also see a date of August 1 as a "official" commencement date could you please verify if this is the case or not.

If you could please kindly confirm reciept of above and notify us if there is anything else that needs to be done to confirm the 15 year Extension Term.

  
Ryan FitzSimons

Galileo RMF LLC.  
C: 603-491-3523  
E: rfitzsims@gigundagroup.com

Option Notice Galileo RMF LLC at 139 Flightline 5-9-2022



May 23, 2022

Ryan FitzSimons  
Galileo RMF, LLC  
139 Flightline Road  
Portsmouth, NH 03801

RE: Sublease Between Pease Development Authority & Galileo RMF LLC  
by Virtue of an Assignment from Air Cargo at Pease, LLC

Dear Ryan:

This letter will serve to confirm that in accordance with Article 3, Section 3.1 of the Sublease, Galileo RMF, LLC has requested, twelve months in advance of its expiration, to exercise its first option for an additional fifteen (15) years.

You inquired whether the August 1 date or the May 15 date would be the "official" commencement date. The lease states, "This Sublease shall be effective as of May 15, 1998... which term shall commence upon the earlier to occur of the following events (i) occupancy of all or any portion of the Facility; or (ii) August 1, 1998. The earlier to occur of events (i) or (ii) described in the preceding sentence shall constitute the Term Commencement Date ("Term Commencement Date")" and I understand that date to be August 1<sup>st</sup>. As such, the Base Term of the Sublease shall now extend through July 31, 2038, consistent with the terms and conditions of the lease.

Sincerely,



Anthony I. Blenkinsop  
Deputy Director / General Counsel

cc: Paul E. Brean, Executive Director  
Suzy Anzalone, Director of Finance

# Memo

**To:** Chasen Congreves, Manager of Airport Administration

**From:** John Meehan, Lead Airport Operations Specialist 

**Date:** 6/8/2022

**Re:** Delos, LLC (PlaneSense) Snow Removal Agreement

---

This past winter season, the Pease Development Authority (“PDA”) and Delos, LLC (“Delos”), which operates at the Portsmouth International Airport at Pease as PlaneSense, agreed to a short-term contract whereby the PDA performed snow plowing and removal services on the Delos ramp. This agreement made sense to both parties as the PDA already plows around this area. The agreement worked well and PDA and Delos have agreed to a snow removal services agreement to begin this fall/winter whereby the PDA will provide snow removal services for Delos’s ramp area as designated by their lease agreement.

The agreement shall commence on the first plowable event following the effective date of this agreement or November 1, 2022, whichever occurs first, and terminate on April 30, 2025. The price per year for said snow removal services will be Thirty Six Thousand Three Hundred Eighty Dollars (\$36,380.00), not contingent on the number of plowable events and will be paid in six (6) equal monthly installments on the first of each month, November through April each contract year. The annual cost is subject to CPI adjustments, not to exceed 3% a year.

## AGREEMENT

THIS AGREEMENT, made effective this \_\_\_\_ day of \_\_\_\_\_, 2022, by and between the PEASE DEVELOPMENT AUTHORITY, an agency of the State of New Hampshire established pursuant to N.H. RSA 12-G:1 et. seq. with a principal place of business at 55 International Drive, Pease International Tradeport, Portsmouth, New Hampshire 03801 ("PDA") and Delos, LLC, with a principal place of business at 115 Flightline Road, Portsmouth, New Hampshire 03801 ("Delos").

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1) The PDA will furnish snow plowing services on the ramp area of Delos's leasehold premises at the Portsmouth International Airport at Pease, as designated on the attached Exhibit A (the "Premises"), in a manner consistent with its provision of snow plowing services on other ramp and apron areas at the airport under PDA control. All PDA snow plowing shall be performed by plow trucks; no shovel or hand clearing of snow shall be performed by the PDA on the Premises. The PDA is not responsible for the plowing of snow within ten (10) feet +/- of any building or equipment on the Premises.

2) The PDA will commence work when snow on the Premises exceeds one (1) inch in depth. Delos shall be responsible for the removal of its equipment and personnel from the Premises prior to plowing operations on the Premises commencing.

3) This Agreement shall commence on the first plowable event following the effective date of this Agreement or November 1, 2022, whichever occurs first, and terminate on April 30, 2025.

4) Delos shall pay to the PDA the total sum of Thirty six thousand three hundred eighty Dollars (\$36,380.00) each year (winter seasons 2022-23, 2023-24, and 2024-25) for the work to be performed under this Agreement, regardless of the number of plowable snow events, payable in six (6) equal monthly installments on the first of each month, in advance, November 1<sup>st</sup> through April 1<sup>st</sup> each year this Agreement is in effect.

4.1 All costs subject to annual CPI\* increase not to exceed 3% year-over-year. (\*CPI for All Urban Consumers in the Boston-Cambridge-Newton area applicable to the Boston area (all items 1982-1984 = 100) published by the U.S. Department of Labor, Bureau of Labor Statistics.)

5) Delos's signature below constitutes its agreement to assume full responsibility for any and all risk of loss or damage to property and injury or death to persons by reason of or incident to PDA's entry, or the entry by any of its employees, agents or contractors, upon the Premises pursuant to this Agreement, and/or the exercise of any of the authorities granted herein. Delos expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of PDA performance of the plowing of the Premises, or the conduct of activities or the performance of responsibilities under this Agreement. Delos further agrees to indemnify, save, hold harmless, and defend the PDA, its officers, board members, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgements, costs and attorney's fees arising out of PDA's snow plowing of the Premises, or any activities conducted or undertaken in connection with or pursuant to this Agreement. This provision shall survive termination of this Agreement.

6) This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.



7) This Agreement is executed in a number of counterparts, each of which is an original and constitutes the entire agreement between the parties. This Agreement shall be construed according to the laws of the State of New Hampshire. No portion of this Agreement shall be understood to waive the sovereign immunity of the State. This Agreement shall not be amended or modified except by an agreement in writing signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Contract, effective on the date first above written.

**PEASE DEVELOPMENT AUTHORITY**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Paul E. Brean, Executive Director

**DELOS, LLC.**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Print: \_\_\_\_\_

**EXHIBIT A**



Exhibit A

DESIGNED BY: MRM    DATE: 8/27/21    SCALE: 1"=200'

## MOTION

Director Anderson:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into Lease Amendment No. 5 with 68 New Hampshire Ave LLC for the Premises located at 68 New Hampshire Avenue; all in accordance with the Memorandum of Paul E. Brean, Executive Director dated June 8, 2022 and upon substantially similar terms and conditions contained in draft Lease Amendment No. 5, attached hereto.

**NOTE: Roll Call vote required.**

## MEMORANDUM

To: Pease Development Authority Board of Directors

From: Paul Brean, Executive Director 

Date: June 8, 2022

Re: 68 New Hampshire Ave LLC

---

The Pease Development Authority leases the property located at 68 New Hampshire Avenue to 68 New Hampshire Ave LLC. The lease has been in place since September 9, 1998. Until recently, the property at 68 New Hampshire Avenue was leased by Cinthesys Real Estate Management, LLC, the owner of the building on the parcel. On December 21, 2021, Cinthesys sold its building and assigned all its rights and obligations under the sublease to 68 New Hampshire Ave LLC. Lonza is interested in leasing this space from 68 New Hampshire Ave LLC and has requested to be permitted to include "research and development" as an allowed use at 68 New Hampshire Avenue. Research and development laboratories are a permitted use in the Business/Commercial zone.

With the foregoing in mind, at the Board's June 16, 2022, meeting I respectfully request authority to enter in Lease Amendment No. 5 regarding the Lease between the PDA and 68 New Hampshire Ave LLC, consistent with the draft attached hereto.

P:\BOARDMTG\2022\Memo to Board re-68 NH Ave LLC Amd 5 re- Lonza



## LEASE AMENDMENT NO. 5

**Lessor:** Pease Development Authority ("Lessor" or "PDA")  
**Lessee:** 68 New Hampshire Ave LLC ("Lessee")  
**Premises:** 68 New Hampshire Avenue - Pease International Tradeport  
Portsmouth, New Hampshire  
**Lease Date:** September 9, 1998

---

This Lease Amendment No. 5 effective \_\_\_\_\_ by and between the above referenced Lessor and Lessee:

**WHEREAS**, TACP Group, Inc. ("TACP") as Sublessee and Pease Development Authority, as Sublessor entered into a certain Sublease dated September 9, 1998, as amended by Sublease Amendment No. 1 effective November 1, 1999 (the "Sublease") for property located at 68 New Hampshire Avenue, Pease International Tradeport, consisting of 152,250 square feet (approximately 3.5 acres), Statutory Notice of Sublease of which is recorded at the Rockingham County Registry of Deeds at Book 3356, Page 1523 (the "Property") as assigned to Londavia, Inc. by Assignment and Assumption Agreement dated April 18, 2001 and recorded at the Rockingham County Registry of Deeds at Book 3569, Page 666, and subsequently assumed by AmSafe Bridport, Inc. with respect to land and improvements thereon situated at 68 New Hampshire Avenue, Portsmouth, New Hampshire;

**WHEREAS**, Aftermarket Spares & Services, LLC, successor in interest to all of the rights and obligations of AmSafe Bridport, Inc., including all of the rights and obligations under the Sublease, assigned to 68 NH Ave, LLC all of the obligations of Aftermarket Spares & Services, LLC under the Sublease by Assignment and Assumption Agreement dated December 19, 2013 and recorded in the Rockingham County Registry of Deeds at Book 5503, Page 1385;

**WHEREAS**, 68 NH, LLC assigned to Old Tex Mex, LLC a New Hampshire limited liability company with a principal place of business at 3510 Lafayette Rd., Ste 4, Portsmouth NH 03801, all its rights and obligations under the Sublease pursuant to an Assignment and Assumption Agreement dated August 21, 2014;

**WHEREAS**, effective August 21, 2014, Old Tex Mex, LLC and Pease Development Authority amended the sublease pursuant to Sublease Amendment No. 2 to include an increase in the size of the premises from 3.5 acres to 5.02 acres, and to amend the use of the leased premises;

**WHEREAS**, by Quitclaim Deed (and Exhibits A-G, inclusive) made and entered into on October 15, 2003 and Quitclaim Deed dated September 16, 2005 (the "Deeds"), the government, acting by and through the Secretary of the Air Force did grant to PDA the land and improvements located in the City of Portsmouth, Town of Newington and Town of Greenland, as contemplated by the Master Lease, Application and Acceptances, which Deed included the Premises. In

accordance with the provisions of Article 3, Section 3.1 of the Sublease and the Deeds, the sublease is now a direct lease, (the "Lease");

**WHEREAS**, effective May 1, 2015, Old Tex Mex, LLC and Pease Development Authority amended the sublease pursuant to Lease Amendment No. 3 to modify the Lease to reflect a conditional increase in the term of the lease, subject to the Lessee constructing, during the initial base term of the Lease, a new building or an increase in the square footage of the existing Facility, as defined in Article 2A of the Lease, of not less than 5,000 square feet;

**WHEREAS**, Old Tex Mex, LLC assigned all its rights and obligations under the Sublease to Cinthesys Real Estate Management, LLC, a New Hampshire limited liability company ("Cinthesys") pursuant to an Assignment and Assumption of Sublease dated May 4, 2015. Subject to the terms and conditions of the Lease, Cinthesys leased the entirety of the Premises to IPSUMM, Inc. ("IPSUMM"), a Delaware corporation with a principal place of business at 5 Fanaras Drive, Salisbury, MA 01952;

**WHEREAS**, effective April 1, 2016 Cinthesys and Pease Development Authority amended the sublease pursuant to Lease Amendment No. 4 to modify the Lease by deleting and replacing Article 7, Insurance;

**WHEREAS**, Cinthesys assigned all its rights and obligations under the Sublease to 68 New Hampshire Ave LLC, pursuant to an Assignment and Assumption of Sublease dated December 21, 2021;

**WHEREAS**, LESSEE has requested and LESSOR has agreed to make certain amendments to the Lease;

**NOW, THEREFORE**, Lessor and Lessee agree for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, that the Lease be amended as set forth below:

1. Article 9, Use of Leased Premises, Section 9.1, as amended by Lease Amendment No. 2, is deleted in its entirety and replaced with the following language:

9.1 The purposes for which Lessee may use the Leased Premises are business and professional offices and customary accessory uses thereto, to include, but not limited to, off-street parking and loading, employee day care, recreational facilities, and research and development laboratories and such further accessory uses as are consistent therewith and for no other uses without Lessor's prior written consent. Lessee shall not use, or permit to be used, the Leased Premises for any other purpose without the prior express written consent of Lessor. Lessor's consent shall be subject to the execution of an appropriate agreement which shall include a provision requiring the payment of established fees and charges that may be applicable to any such additional uses consented to by Lessor. Lessee is prohibited from any use of the Leased Premises not specifically granted in this Section 9.1.

2. All other terms and conditions of the Lease shall remain in full force and effect and shall continue to be binding upon Lessor and Lessee.

WITNESS WHEREOF, Lessor and Lessee have executed this Lease Amendment No. 5 made effective \_\_\_\_\_, 2022.

Lessee: **68 New Hampshire Ave LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Lessor: **PEASE DEVELOPMENT AUTHORITY**

By: \_\_\_\_\_

Name: **Paul E. Brean**

Its: **Executive Director**

(REMAINING PAGE HAS BEEN LEFT BLANK)

STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINGHAM, ss.

On this \_\_ day of \_\_\_\_\_ 2022, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared **Paul E. Brean**, personally known to me (or proved to me on the basis of satisfactory evidence) to be the **Executive Director** of the **Pease Development Authority** and on oath stated that he was authorized to execute this instrument and acknowledged it to be his free and voluntary act for the uses and purposes set forth herein.

\_\_\_\_\_  
Notary Public in and for said County and State  
Printed Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_

STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINHSM ss.

On this \_\_ day of \_\_\_\_\_, 2022, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the \_\_\_\_\_ of **68 New Hampshire Ave LLC** and on oath stated that he was authorized to execute this instrument and acknowledged it to be his free and voluntary act for the uses and purposes set forth herein.

\_\_\_\_\_  
Notary Public in and for said County and State  
Printed Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_



**MEMORANDUM**

TO: Pease Development Authority Board of Directors  
FROM: Paul E. Brean, Executive Director  
RE: Contract Reports  
DATE: June 7, 2022



\*\*\*\*\*

In accordance with Article 3.9.1.1 of the PDA Bylaws, I am pleased to report the following:

1. Project Name: Jacobs Engineering  
Board Authority: Director Ferrini  
PDA Obligation: \$3,000.00  
Summary: For engineering work associated with potential hangar development at Skyhaven Airport
  
2. Project Name: Mac Construction & Excavation  
Board Authority: Chairman Duprey  
PDA Obligation: \$9,950.00  
Summary: For installation of a waterline at the Rye Harbor Marine Facility

Exhibit A - Attachment 6  
Scope of Work & Fee Proposal

Skyhaven Airport Hangar Planning  
for  
THE PEASE DEVELOPMENT AUTHORITY  
PORTSMOUTH INTERNATIONAL AIRPORT

---

I. GENERAL

The Pease Development Authority (the Owner) has received an expression of interest from a private developer to construct a hangar in the former location of Hangar #1. The apron in this area was funded with AIP funds. An estimate must be prepared representing the value of the remaining useful life of the pavement and infrastructure that will need to be returned to the FAA.

For the proposed project, Jacobs Engineering Group Inc., hereinafter referred to as the "Engineer", agrees to perform the following scope of services associated with the above referenced Project in accordance with the Master Services Agreement dated 6/9/2021.

II. ARTICLE B1 – DESIGN

A. DESIGN

The Engineer will prepare a preliminary layout of the proposed hangar located southwest of Hangar #2. The developer has provided estimated hangar dimensions for this purpose. The Engineer will provide a sketch of the assumed hangar location.

B. ESTIMATE

The Engineer will prepare and submit an estimate of construction costs paid for under SBG 15-07-2016 in the proposed hangar area. The Engineer will compile an additional estimate upon receipt of the developer's final plans, if required.

C. MEETINGS

The Engineer anticipates one (1) meeting with NHDOT to review the scope of the project and to obtain the required approvals.

III. ARTICLE B2 – PROJECT ADMINISTRATION

The Engineer shall complete additional tasks associated with overseeing the overall execution of the project. The specific items of work shall include:

A. The Engineer shall prepare invoices on a monthly basis as required for the duration of this project. Two (2) invoices assumed.

B. The Engineer shall prepare the project scope and fee.

C. The Engineer shall perform quality review of all documents prior to distribution.

COST: This work will be billed at the hourly rates agreed upon in the Master Services Agreement on a cost-plus fixed fee basis. The budget for this work shall be approximately 25 hours at a cost not to exceed \$3,000.00.

Additional tasks completed outside of or in addition to this proposed scope of work will be billed at the agreed upon hourly rates on a cost-plus fixed fee basis. Pease Development Authority shall be notified should any tasks fall outside of the above scope of work or if the total costs will be exceeded prior to completing any additional tasks.

Sincerely,

John Pelletier

Digitally signed by John Pelletier  
DN: C=US, E=john.pelletier@jacobs.com,  
O=Jacobs, CN=John Pelletier  
Reason: I am the author of this document  
Date: 2022.05.09 10:49:06-04'00'

John Pelletier, P.E.  
Project Manager  
Jacobs Engineering Group, Inc.

AUTHORIZATION TO PROCEED

Accepted by: , Date: 5/10/2022  
Pease Development Authority

Proposal  
**MAC**

**Construction & Excavation**  
90 Lovering Rd. North Hampton, NH 03862 (603) 997-1026

**Client:** Pease Development Authority

**Proposed Project:** Rye Harbor Water

**Address:** Ocean Blvd, Rye, NH

<b>Project Scope: Main</b>	\$9,950
Furnish and install (1) 1.5" curb assembly and tee	
Furnish and install (1) 1" curb assembly	
Furnish and install (1) 150' main from existing curb stop east down edge of road (No asphalt cutting or repairs assumed)	
<b>Services (per lateral, per occurrence)</b>	\$3,150
Furnish and install 30' laterals to service up to (2) seasonal shacks	
Clean up workspace, no landscaping or patio repairs included	
All blow offs, shut offs and meters by others	

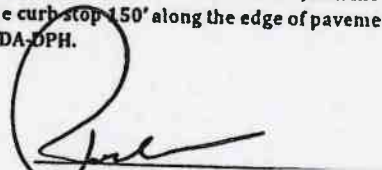
**NOTE:** 150' main  
Main and laterals will be considered seasonal and installed at a depth of 2" below surface

No excavation below/through water  
No excavating through ledge, or rocks greater than .25yd<sup>3</sup>  
All applicable fees, bonds and permits associated with project to be obtained and paid by other  
Blasting work by others, mat handling, pea stone, and blasted material handling to be billed (T&M)  
Site improvements by others or at additional charge (Asphalt, curbing, pads, fencing, signs and line striping, loaming, seeding, planting)  
Pricing assumes all utilities located within 18" accuracy on plan & in field  
No work included for relocating/repairing unmarked/identified utilities  
No handling of buried waste, stumps, spoils, hazardous materials  
Pricing assumes excavated spoils suitable for backfill  
No site protection included (i.e. Fencing)  
Contractor to call in DigSafe for excavation in any areas  
Pricing reflects 10% discount based on no retained funds and payment received within 30 days of submitted invoices

In coordination with the Pease Development Authority Division of Ports and Harbors, and the Rye Water District, MAC Construction will install a 1" water line from the curb stop 150' along the edge of pavement. Additionally, install two (2) lineal lines as coordinated with the PDA-DPH.

  
MAC Construction & Excavation LLC

6/7/22  
Date

  
Pease Development Authority

6/7/2022  
Date



## MOTION

Director Parker:

The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with Otis Elevator Company, for maintenance / service of the escalator at Portsmouth International Airport at Pease ("PSM") at a cost of \$605.00 per month, for a period of five (5) years; all in accordance with the memorandum of Michael R. Mates, P.E. Engineering Project Manager, dated June 7, 2022; attached hereto.

In accordance with the provisions of RSA 12-G:8, VIII, the Board justifies the waiver of the RFP requirement as Otis Elevator Company is the fabricator and installer of the equipment and is the most qualified entity to perform maintenance on its equipment.

**Note: This motion requires 5 affirmative votes.  
Roll Call vote required.**

N:\RESOLVES\2022\Airport - Escalator Maintenance Service 6-16-2022.docx

---

## MEMORANDUM

To: Paul Brean, Executive Director *PB*  
From: Michael R. Mates, P.E., Engineering Project Manager *MRM*  
Date: June 7, 2022  
Subject: Otis Contract

Upon opening of the new PSM terminal expansion, a new escalator was put into service to help manage the flow of passengers from the main level down to baggage claim on the lower level. Like all mechanical equipment, the escalator needs regular preventative maintenance to ensure it works reliably. Otis Elevator Company built and installed this escalator. The service contract includes regularly scheduled inspections/maintenance and 24 hour emergency service. The contract is for \$605 monthly or \$7,260 annually and is for a term of five years. There is a price adjustment clause in the contract which stipulates the cost may be increased or decreased each year based on labor costs under the International Union of Elevator Contractors contract. The price adjustment is capped at three percent.

As part of this request, we will need to waive the Request for Proposal Process. It is in the best interest of the PDA to hire Otis as they recently fabricated and installed the escalator and are the most qualified professionals to perform maintenance on this equipment.

At next week's Board meeting, please ask the Board of Directors to authorize you to finalize and enter into a contract with Otis Elevator Company in the amount of \$605 per month for a term of five years for the provision of preventative maintenance services for the escalator. In doing so, the Board will need to waive its Request for Proposal Process.

N:\ENGINEER\Board Memos\2022\OTIS Contract.docx

## MOTION

Director Ferrini:

The Pease Development Authority (“PDA”) Board of Directors authorizes the Executive Director to:

1. Negotiate and finalize an agreement with the City of Portsmouth to allow PDA to reimburse the City for its payments to the contractor performing the dredging and outfall improvements to the Corporate Drive drainage system outside of the right-of-way, in an amount not to exceed \$371,100.00;
2. Negotiate and finalize a three party agreement with Underwood Engineers and the City of Portsmouth to provide construction inspection services in an amount not to exceed \$39,900;
3. Implement a project contingency in the amount of \$40,000; and
4. Execute any and all documents necessary to complete the Corporate Drive dredging and outfall improvements project.

All in accordance with the memorandum of Jared Sheehan, Environmental Compliance Coordinator, dated June 8, 2022, attached hereto.

**NOTE: Roll Call vote required.**

N:\RESOLVES\2022\Corporate Drive - Drainage Work with COP 6-16-22.docx

## MEMORANDUM

To: Paul E. Brean, Executive Director *PEB*  
From: Jared Sheehan, Environmental Compliance Coordinator *JMS*  
Date: June 8, 2022  
Subject: Corporate Drive Improvements - Drainage Work

As reported to the Board in March, work on the Corporate Drive roadway improvements project is progressing. This first phase of the project, designed by Underwood Engineers ("Underwood") and funded by PDA, is to conduct wetland dredging and channel reconstruction at three drainage outfall locations along Corporate Drive outside of the right of way. This includes the construction of plunge pools and check dams to limit the amount of siltation and improve surface water quality. NHDES approved the wetland application for this project on May 6, 2022 under wetland permit #2021-03770. The attached figure indicates the location of the three outfalls.

On June 8, 2022, the City of Portsmouth opened sealed bids for the dredging and outfall work. Two bids were received with the following results:

Bidder	Price
HL Patten Construction	\$ 370,275.00
Northeast Earth Mechanics	\$ 371,100.00

As of the date of this memo, the bids have not been vetted and the lowest responsive and responsible bidder is not yet determined. The very narrow range in bid prices speaks well to the quality of the contract documents and the basis of the pricing.

In addition to the dredging and outfall improvements costs, the total project will include the cost for Underwood to provide construction inspection services. The inspection services will be billed at the actual cost not to exceed \$39,900. A project contingency is also in order to address any unforeseen circumstances, and it is estimated \$40,000 is an appropriate amount.

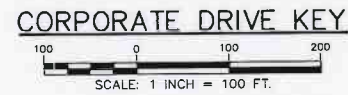
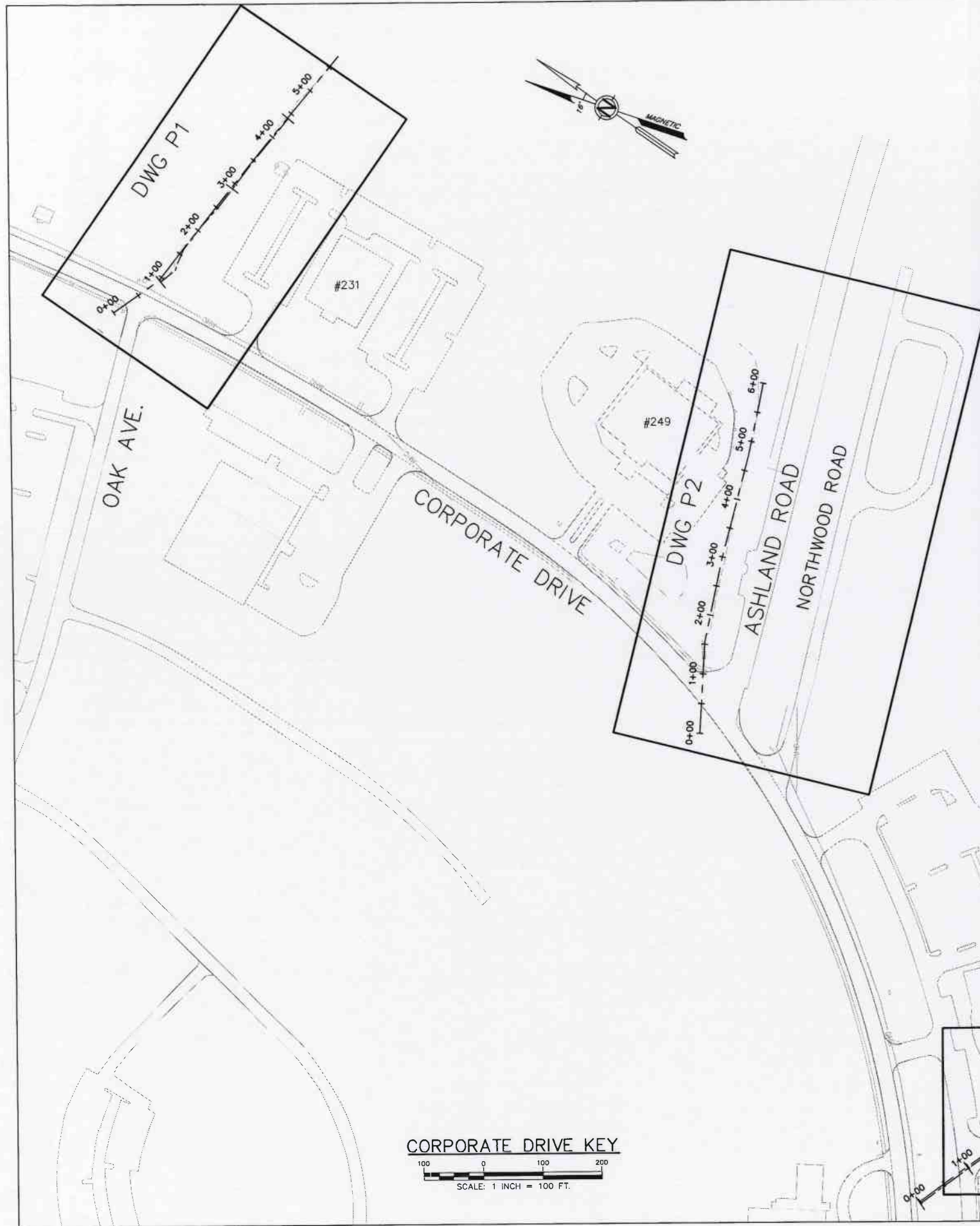
If approved by the Board, staff will coordinate with the City of Portsmouth to prepare project agreements. To facilitate the dredging and outfall improvements, the City will enter into a contract with the selected bidder. PDA will agree to reimburse the City for all contract costs. With regard to the engineering services, the existing three party (PDA/City/Underwood) agreement for design services will be amended.



At next week's meeting, please seek PDA Board approval to:

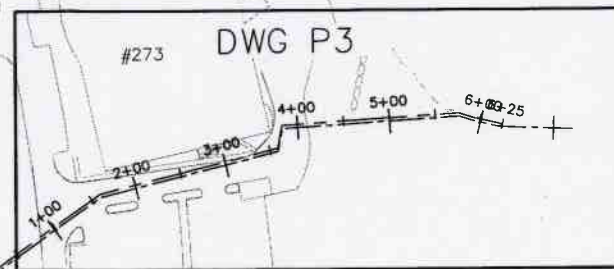
1. Enter into an agreement with the City of Portsmouth to allow PDA to reimburse the City for its payments to the contractor performing the dredging and outfall improvements to the Corporate Drive drainage system;
2. Amend the three party agreement with Underwood Engineers and the City of Portsmouth to provide construction inspection services in the amount of the actual cost not to exceed \$39,900;
3. Authorize a project contingency in the amount of \$40,000; and,
4. Execute any and all documents necessary to complete the Corporate Drive dredging and outfall improvements project.

As stated, the dredging and outfall work is Phase 1 of the Corporate Drive project with Phase 2 being the roadway improvements funded by the City. As to schedule, we anticipate that dredging will begin later this summer. The City funded work will begin later this year or early next year.



### Excavation and Embankment

STATION	Fill Area (SF)	Cut Area (SF)	Fill Area (SF)	Cut Area (SF)	ITEM 203.1: Common Excavation (CY)	ITEM 203.4: Muck/Unsuitable Material Excavation (F) (CY)	ITEM 203.6: Embankment In Place (F) (CY)	ITEM 646.412: Turf Establishment with mulch, tackifiers and humus (F) (SY)	ITEM 646.512: Turf Establishment with mulch, tackifiers and loam (F) (SY)	
	Wetland	Wetland	Upland	Upland				Wetland	Upland	
<b>OUTFALL 1</b>										
1+00	0	41.72	0	0	0	11	0	16	0	
1+50	3.65	25.42	0	0	0	47	3	111	74	
2+00	6.89	8.91	0	0	0	17	10	111	60	
2+50	14.57	2.09	0.82	0	0	4	21	111	59	
3+00	7.96	13.94	7.58	0	0	26	28	111	80	
3+50	0.95	25.99	4.72	0	0	48	13	111	56	
4+00	4.4	12.47	0	0	0	23	5	111	67	
4+50	0	0	0	0	0	0	4	111	67	
Plunge Pool					0	181	83	793	465	
<b>OUTFALL 2</b>										
1+50	0	24.94	0	3.44	1	6	0	0	0	
2+00	0	30.95	0	1.38	3	57	0	111	111	
2+50	0	17.96	0	0.13	0	33	0	111	91	
3+00	4.35	7.4	0	0	0	14	4	111	55	
3+15	0	17.91	0	0	0	10	1	33	16	
3+50	0	9.1	0	0	0	12	0	78	38	
Plunge Pool					4	142	5	444	311	
<b>OUTFALL 3</b>										
5+75	0	31.84	0	0	0	12	0	22	1	
6+00	0	37.08	0	0	0	69	0	111	23	
6+25	0	36.82	0	0	0	68	0	111	24	
Plunge Pool					0	160	0	244	48	
					Sub-Total	4	483	89	1482	824
					Invasive Species Management	400				
					Rounding	21	42	11	168	126
					<b>Total</b>	<b>425</b>	<b>525</b>	<b>100</b>	<b>1650</b>	<b>950</b>



ISSUE FOR APPROVAL

DATE 12/23/21 BY BTJ

CONSTRUCTION DATE 4/1/22 BY BTJ

RECORD DRAWING DATE 4/1/22 BY BTJ

APPROVAL

MAH BTJ

DESIGNED BY BTJ

CHECKED BY BTJ

APPROVED BY BTJ

DATE 4/1/22

BOOK NO. 2893

PROJECT NO. 2104-DISE

DWG. ID AS SHOWN

SCALE

REVISIONS

NO.

**UNDERWOOD**  
engineers

25 Vaughan Mall, Portsmouth, N.H. 03801  
Tel. 603-436-6192 Fax. 603-431-4733

DRAWING KEY PLAN

CORPORATE DRIVE

DREDGING & OUTFALL IMPROVEMENTS

CITY OF PORTSMOUTH, NEW HAMPSHIRE

DWG NO G2

SHEET 4 OF 8

## MOTION

Director Fournier:

The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with Hi-Lite Airfield Services of Watertown, NY, at a cost not to exceed \$24,000.00, to perform runway rubber removal; all in accordance with the memorandum of Chasen Congreves, Manager of Airport Administration, dated June 6, 2022; attached hereto.

In accordance with the provisions of RSA 12-G:8, VIII, the Board justifies the waiver of the RFP requirement as Hi-Lite Airfield Services is the only entity in the Northeast that provides this service and it was awarded the competitive bid for providing airfield maintenance services through a federal program called Sourcewell.

**Note: This motion requires 5 affirmative votes.  
Roll Call vote required.**

N:\RESOLVES\2022\Airport - Runway Rubber Removal 6-16-2022.docx



# Memo

**To:** Paul E. Brean, Executive Director *PEB*

**From:** Chasen Congreves, Manager of Airport Administration *CCG*

**Date:** 6/6/2022

**Re:** Runway Rubber Removal

---

The Pease Development Authority (“PDA”) coordinates an annual runway rubber removal program that focuses on removing compounding rubber in the touchdown zone of Runway 16/34. The touchdown zone that receives the most rubber contaminate is approximately 3,000 sq. ft. on each end and approximately 50 sq ft wide. We are seeking approximately 300,000 sq. ft. of rubber removal this year. This practice is necessary to provide a safe and efficient operation of aircraft performing runway operations. The build-up of rubber on the runway can lead to deficiencies in traction that could lead to potential loss of control for aircraft landing or taking off. In order to provide better friction, the airport removes rubber build-up at least once a year. As such, the PDA requires an agreement with a vendor that provides the necessary tools to remove this rubber.

With the foregoing in mind, I am requesting authorization to negotiate and enter into a contract with Hi-Lite Airfield Services of Watertown, NY to perform rubber removal services utilizing an environmentally friendly initiative known as water blasting. This practice is performed using high-pressure water blasting that deteriorates the grip that the rubber has on the runway and collects it for proper disposal. Hi-Lite Airfield Services is one of the very few programs in the nation, and the only program in the Northeast, that is committed to providing maintenance initiatives to airports such as water blasting for rubber or paint removal. Hi-Lite Airfield Services was awarded the competitive bid for providing airfield maintenance services through a federal program called Sourcewell, and has provided the competitive pricing for rubber removal at the program rate. As such, I am also requesting authority to waive the bid requirement. The cost for the service is \$24,000. Please reference the attached quote.

At the June 16, 2022, PDA Board of Director’s meeting, please request authority from the Board to waive the formal RFP process and to finalize and enter into a contract with Hi-Lite Airfield Services to perform our annual runway rubber removal practice as described herein.





**Quotation**

Quote #: 18-13679  
Project Reference: 2022 Rubber Removal  
County: Rockingham  
Portsmouth, NH

Bid Date: 06/01/22  
Completion Date: 08/26/22

Item#	Description	Qty	Unit	\$ / Unit	Price
1	Rubber Removal	300,000	SF	\$0.08	\$24,000.00
<b>Total:</b>					<b>\$24,000.00</b>

**Project Description:**  
Rubber Removal at Portsmouth International Airport at Pease

**Remarks:**  
Price Includes (1) Mobilization  
\*\*\*Any additional mobilizations will be charged at \$2500 per occurrence\*\*\*  
Owner to Provide Maintenance and Protection of Traffic  
Owner to Provide Adequate on-Site Water Supply  
Owner to Provide Disposal of Solid and Liquid Waste  
\*\*\* Price Is Based on Per Unit Quantity \*\*\*  
\*\*\*\* Payment/Performance Bonds are NOT Included \*\*\*\*  
\*\*\*\* Special Notice: Hi-Lite Will Not Require Any Local Union Assistance, Take On Any Local Union, or Be Back Charged For the Same. \*\*\*\*

**Note: This Quote/Proposal is Only Valid in its Entirety And Prices Are Valid for (30) Days From Bid Date. If you need further information please contact: Logan Marolf, Northeast/North Central Regional Estimator, (315) 583-6111 x246 or [logan.marolf@hi-lite.com](mailto:logan.marolf@hi-lite.com).**

HI-LITE AIRFIELD SERVICES, LLC  
PO Box 597  
20128 NYS Route 12F  
Watertown, NY 13601  
(315) 583-6111  
[www.hi-lite.com](http://www.hi-lite.com)

## MOTION

Director Anderson:



The Pease Development Authority Board of Directors retroactively approves of and authorizes the Executive Director to enter into a contract with United AG & Turf of Dover, NH, to purchase one (1) Zero Turn Mower, in a total amount not to exceed \$22,059.73, a \$2,437.00 increase from the purchase price authorized by the Board on April 21, 2022; all in accordance with the memorandum from Ken Conley, Fleet Manager dated June 8, 2022; attached hereto.

**NOTE: Roll Call vote required.**

N:\RESOLVES\2022\Mower - Zero Turn 6-16-22



## Memorandum

**To:** Paul Brean, Executive Director   
**From:** Ken Conley-Fleet Manager   
**Date:** 6/8/2022  
**Subj:** Equipment Replacement, Zero turn mower

On April 21, 2022, the PDA Board of Directors approved the purchase of one zero turn diesel mower; a Diesel Tractor with Tow-Behind Mower; and a Tow-Behind Mower attachment. United Ag & Turf was the lowest qualified bidder of all the John Deere pieces of equipment and a notice to proceed was provided for all items for a total cost not to exceed \$162,731.06. Shortly after PDA's order was submitted, John Deere corporate made the decision, due to supply chain problems, to halt production of the 997 Zero turn mower until spring 2024 in order to shift resources towards large farm equipment prioritizing food production.

In an effort to uphold its contract with PDA and deliver the equipment upon the required time frame, United AG & Turf reached out to all dealers in the northeast and procured the last 997 mower available. However, the 997 mower that was available came equipped with a more expensive option mower deck, bringing the mower deck price to \$22,059.73 from the Board approved \$19,586.73, a price difference of \$2,473. After working with United AG & Turf, it agreed to maintain the Board approved total for all pieces of equipment of \$162,731.06. Specifically, United AG & Turf discounted the difference across the larger 6110M tractor and the Tow-behind mower attachment (details below) in order to remain within the previously approved, not to exceed, expenditure total.

This has been brought to the Board's attention in the interest of full disclosure as these purchases have gone outside the customary standard procurement process, but remain within the approved total expenditures of these items. However, while the total approved expenditure has remained the same, this is to request the Board's retroactive approval to exceed the original approved pricing of the Zero Turn Mower from \$19,586.73 to 22,059.73.

ORIGINAL APPROVED EXPENDITURE AT APRIL 21, 2022 MEETING: \$162,731.06

**United Ag & Turf Initial Pricing:**

**Diesel Tractor with Tow-Behind Mower**

(grouped together for a total amount not to exceed \$131,815.61 - savings of \$1,447.70)

John Deere 6110M Cab Tractor	\$ 98,268.87
John Deere R20 Flex Wing Rotary cutter	<u>\$ 32,099.04</u>
Total	<b>\$130,367.91</b>

**Tow-Behind Mower attachment**

(a total amount not to exceed \$11,328.72

John Deere HX10 Rotary Cutter	<b>\$ 11,328.72</b>
-------------------------------	---------------------

**Zero Turn Mower**

(in a total amount not to exceed \$19,586.73)

John Deere Z997R Diesel	<u><b>\$ 19,586.73</b></u>
-------------------------	----------------------------

TOTAL	<b>\$161,283.36</b>
-------	---------------------

**United Ag & Turf - Revised Pricing:**

**Diesel Tractor with Tow-Behind Mower**

(grouped together for a total amount not to exceed \$131,815.61 - savings of \$2,429.16)

John Deere 6110M Cab Tractor	\$ 97,287.41
John Deere R20 Flex Wing Rotary cutter	<u>\$ 32,099.04</u>
Total:	<b>\$129,386.45</b>

**Tow-Behind Mower attachment**

(a total amount not to exceed \$11,328.72 – savings of \$43.84)

John Deere HX10 Rotary Cutter	<b>\$ 11,284.88</b>
-------------------------------	---------------------

**Zero Turn Mower**

(in a total amount not to exceed \$19,586.73)

John Deere Z997R Diesel	<u><b>\$ 22,059.73</b></u>
-------------------------	----------------------------

TOTAL	<b>\$162,731.06</b>
-------	---------------------



## MOTION

Director Lamson:

The Pease Development Authority Board of Directors hereby approves of the requested change by Lonza Biologics to revise its monument sign and wall sign at 101 International Drive and refers the matter to the City of Portsmouth to review an application for variance; all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager dated June 6, 2022; attached hereto.

**NOTE: Roll Call vote required.**

**MEMORANDUM**

To: Paul Brean, Executive Director *Paul Brean*  
 From: Maria J. Stowell, P.E., Engineering Manager *Maria*  
 Date: June 6, 2022  
 Subject: Signage for 101 International Drive

Lonza is requesting approval to revise its signage at 101 International Drive. Currently, Lonza has three signs identifying its building: a monument sign at the main 101 International Drive driveway; a wall sign that faces International Drive; and, a wall sign that faces the Spaulding Turnpike. Lonza is requesting approval to replace two of these, the monument sign and the Turnpike facing wall sign.

The proposed monument sign is similar in size and shape to the existing sign, however, the placement will be modified to be perpendicular to the street and the sign will be double faced. The current sign is single faced and set at an angle facing the street and driveway.

The proposed wall sign would be located at the opposite end of the building from the current sign location. The proposed sign is 46.5 feet wide by 8 feet high (372 square feet) while the existing is 21.33 feet by 3.67 feet (78.22 square feet).

As to lot signage area calculation, the following illustrates the existing lot signage and the impact of the proposal.

Sign Location	Sign Area: Existing	Sign Area: Proposed	Notes
Monument Sign	40.00 SF	37.28 SF	Slight Reorientation in Same Location
International Dr. Wall Sign	78.22 SF	78.22 SF	No Change
Spaulding Tpk. Wall Sign	78.22 SF	372.00 SF	Larger Sign, New Location
<b>Total Area</b>	<b>196.44 SF</b>	<b>487.50 SF</b>	Variance Required

The total proposed sign area would be more than the 200 square foot maximum allowed for this single lot. A variance would be required to install the signs as proposed.

Staff recommends approval of the Lonza sign request and believes it should be referred to the City of Portsmouth to review an application for variance. The circumstances giving rise to the variance request are unique to the Lonza facility. These circumstances include the lot size and the building size. The Lonza lot is 46 acres. The building dimensions adequately accommodate this larger sign. No other development on Pease compares in magnitude with this facility. The attachments depict the sign proposals. Please note sheet "Item B Elevation" that shows the larger sign in proportion to the building mass.

At next week's meeting, please ask the Board of Directors to approve Lonza's sign request as proposed.

N:\ENGINEER\Board Memos\2022\Lonza Sign.docx





SCALE: 3/4" = 1'-0"



EXISTING SIGN



**BARLO**



**SCOPE OF WORK**

REMOVE & DISPOSE (1) EXISTING SINGLE FACE MONUMENT SIGN  
 MANUFACTURE & INSTALL (1) 6'7" X 11'4" X 2'4" S/F MONUMENT SIGN. BACKER IS CAMBRIAN BLACK GRANITE AND BASE IS CALEDONIA GRANITE. "LONZA" COPY ARE FACE-LIT CHANNEL LETTERS W/ RACEWAY HOUSING POWER SUPPLIES ATTACHED TO BACK OF GRANITE. ADDRESS IS A FABRICATED ALUMINUM CABINET WITH ACRYLIC PUSH THRU COPY. POWER IS SELF CONTAINED.  
 INSTALL PERPENDICULAR TO THE ROAD IN SAME GENERAL DIRECTION.

**SITE SURVEY REQUIRED**

**CABINET/RACKER**  
 THICKER THERMAL TOP/BOTTOM - ROCK FACE SIDES/TOP  
 - CAMBRIAN BLACK GRANITE  
 BASE: THERMAL TOP/BOTTOM - ROCK FACE SIDES - CALEDONIA GRANITE  
**CHANNEL LETTERS - "LONZA"**  
 FACE: PTM White  
 TRIM: N/A  
 NETWORK: 3" PTM MEDIUM GREY BEA  
 BACKING: 3" X 5" PTM BLACK  
**ILLUMINATION:** HALO-LIT White LED

TOTAL SQUARE FEET: N/A  
 EXISTING: 10000 FEET N/A

**Site electrical**

ELECTRICAL WORK BY:  BARLO  OTHERS  
 New  Existing  
 CIRCUITS REQ: 1 AMPS; 20 VOLTS; 120  
 CIRCUITS REQ: 0 AMPS; 0 VOLTS; 0  
 UL REQ:  YES  NO LOCATION:  WET  DAMP  DRY SERVICE SWITCH:  YES  NO  
 TIME CLOCK REQ:  YES  NO PHOTO EYE REQ:  YES  NO



PROPOSED SIGN TO BE INSTALLED

**LONZA BIOLOGICS**  
 101 INTERNATIONAL DRIVE  
 PORTSMOUTH, NH 03801-2846  
 DESIGNER: CB  
 SALES REP: HARM  
 PM: BC  
 01/20/2022

**ITEM A2**

**SHEET 2.0**





INTERNATIONAL  
101 INTERNATIONAL DRIVE  
PORTSMOUTH, NH 03801-2846  
PHONE: 603-883-8888  
WWW.BARLOSIGNS.COM

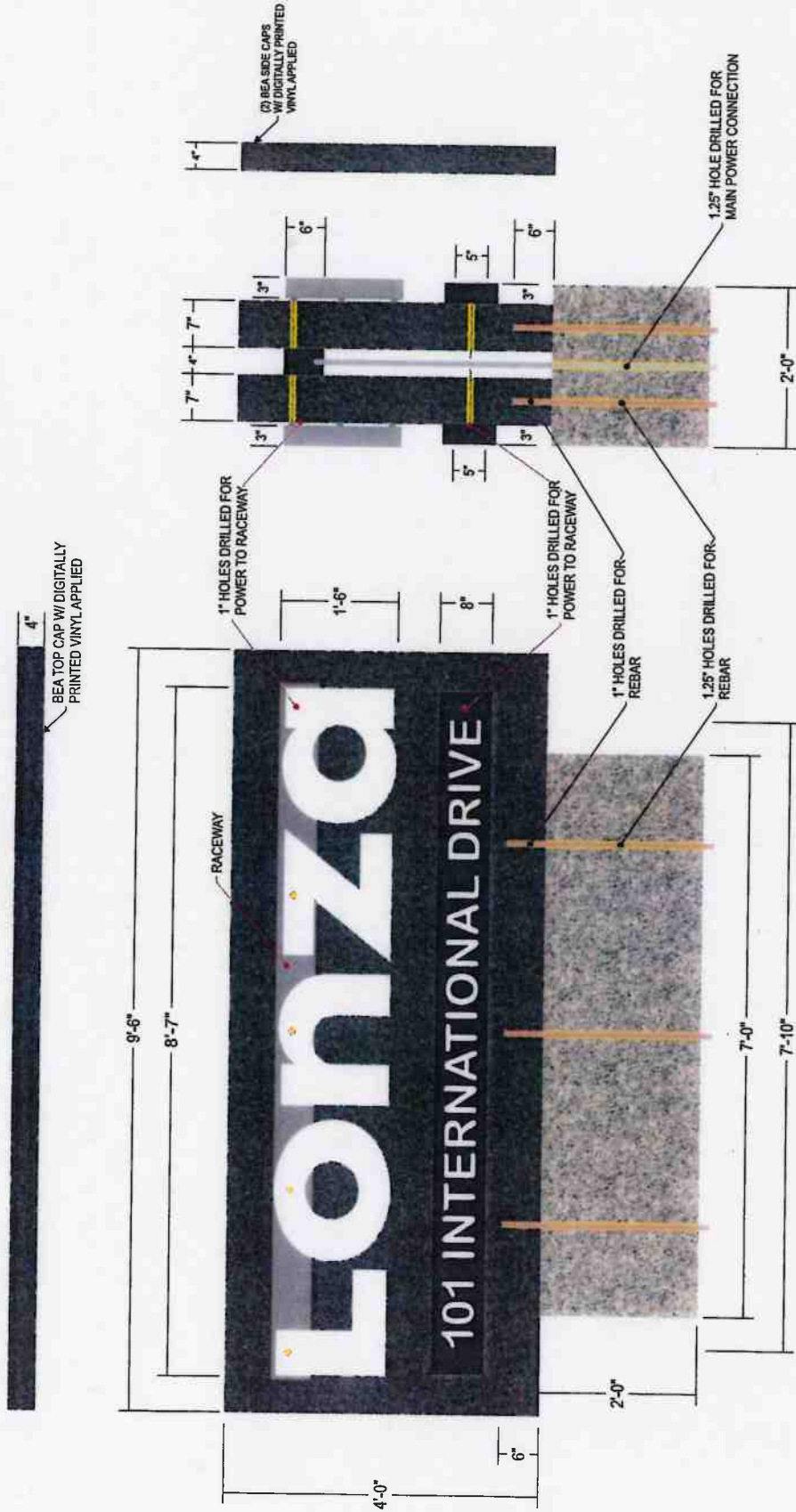
Client: LONZA BIOLOGICS  
Design: CB  
Sales: PM  
Updating: PM  
Production: BC

Date: 09/29/2022  
Date: 09/29/2022  
Date: 09/29/2022  
Date: 09/29/2022

**LONZA BIOLOGICS**  
101 INTERNATIONAL DRIVE  
PORTSMOUTH, NH 03801-2846  
DESIGNER: CB  
SALES REP: HMM  
PM: BC  
01/20/2022

**ITEM A2**

**SHEET 2.1**





FRONT ELEVATION PHOTO Scale: 1/16" = 1'-0"



**EXISTING  
NO CHANGE**

RACEWAY TO CONCEAL STRIPE ON BUILDING FOR BETTER LETTER VISIBILITY; VERIFY WIDTH OF STRIPE FOR CORRECT RACEWAY SIZE

**ITEM A** one set face-lit ncls mounted on raceway  
78.2 sq ft  
SCALE: 1/4" = 1'-0"

**W.O.#:**

<b>SCOPE OF WORK - BARLO</b>	
PG 1:	REMOVE EXISTING LETTERS & SCRAP
<b>SCOPE OF WORK - BARLOWICK</b>	
PG 1:	ITEM A FACE-LIT LETTERS ON RACEWAY
PG 2:	ITEM B FACE-LIT LETTERS ON RACEWAY
PG 3:	ITEM C RETROFIT ALUM FACE TO SIGN ADD FACE-LIT NEON LETTERS
PG 4:	ITEM D 1ST SURFACE WINDOW VINYL
PG 5:	ITEM E DIF PAN SIGN MTD BETWEEN EXISTING POSTS
PG 6:	ITEM F 1ST SURFACE WINDOW VINYL
PG 6:	ITEM G REMOVE EXISTING LETTERS; STORAGE TBD

**SCOPE OF WORK - SIGN/SIDE**

<b>GENERAL NOTES</b>	
<b>LETTERS</b>	
Returns:	5-G BLACK
Face:	WHITE PLEX
Trim:	2" WHITE
Neon:	6500 WHITE
Raceway:	FTM BUILDING FMS (TBD)

**SIGN DISPOSITION**

<input type="checkbox"/>	Store for Barlo	<input type="checkbox"/>	Leave @ Site	<input type="checkbox"/>	Dispose
<input type="checkbox"/>	Store for Customer	<input type="checkbox"/>	Chargeable	<input type="checkbox"/>	N/A

**ALL COLORS ARE FOR REPRESENTATION ONLY  
SEE ACTUAL SAMPLES FOR COLOR MATCH  
ALL FINISHES TO BE SMOOTH UNLESS OTHERWISE NOTED**

<b>UL Underwriters Laboratories Inc.®</b>	
<b>GENERAL INFO.</b>	
Qty:	Sq. Ft: 78.2
CF	D/F
ILL	Non-ILL

ELECTRIC		Existing	Required
Circuits			
Amp			
Voltage			
M.L.			
STEEL		Existing	Required
Size			
Length			
W. Thickness			
Stub Length			
W. Thickness			
PLATE	W	L	TH
BUSSETS	W	L	TH
ANCHOR BOLTS	L	HOOK	dia

**CONCRETE BASE**

Depth	Width	Length
		Yds.

**MATERIAL OPTIONS & ESTIMATE**

<b>BARLO:</b>	
<b>MATERIAL OPTIONS &amp; ESTIMATE</b>	
<b>BARLOWICK:</b>	

**ITEM & TIME SUMMARY**

0-As/Eng.	5-Neon
1-Pan/Min.	6-Finish
2-Let. Fab.	7-Asst.
3-Screen	8-Instal.
4-Mec. Fsh.	9-Misc.

**BARLO SIGNS**  
154 Greeley St., Hudson, NH 03851  
(603) 882-2638 Fax (603) 882-7880

File Name: LONZA (2-11) 04-0118  
B-04-01-18 SHEET 1 OF 6

Job Name:	LONZA BIOLOGICS
Location:	101 INTERNATIONAL DR., PORTSMOUTH, NH
Client:	DM
Landmark:	2/11/04

Date Released for production:	By:	To Show To Mes
Desc:	Description	
Engineer:	Production:	Estimating:
Check By:	Survey:	Sal:

Type:	Face Mat	Mat:	Thickness:	Mat Size:	Box Depth:
Face Mat:	Interior	Face-Lit	Return Mat:	Depth:	Drain Hole:
Face Mat:	PLEX	Th: 3/16"	063 ALUM	5"	N
Whyer Size:	2"	Back Mat:	063 ALUM	Mean Rows:	MIN: 15
Trans. Location:	SCWY 30MA 30MA	Wiring:	1/4 DX 1/2 Light	Wireway	N/A
Housings:	Glass	Pl's	3/8" Backs: N/A	Map	Not Set

**UL Underwriters Laboratories Inc.®**

St. Pt: 78.2

CF D/F ILL Non-ILL



BARLO



INTERNATIONAL

Client: Date:  
Design: CJS Date: 01/20/2022  
Sales: Date:  
Upgrading: Date:  
Production: Date:

DESIGNER: CB  
SALES REP: HARN  
PM: BC

01/20/2022  
PORTSMOUTH, NH 03801-2846

LONZA BIOLOGICS  
101 INTERNATIONAL DRIVE

ITEM B  
ELEVATION

SHEET 6.0

BARLO SIGNS INTERNATIONAL, INCORPORATED SCALE: 1/32"=1'-0"



PROPOSED SIGN, - 8' x 46' 6"  
TOTAL SQ. FT. 372 SQ. FT.

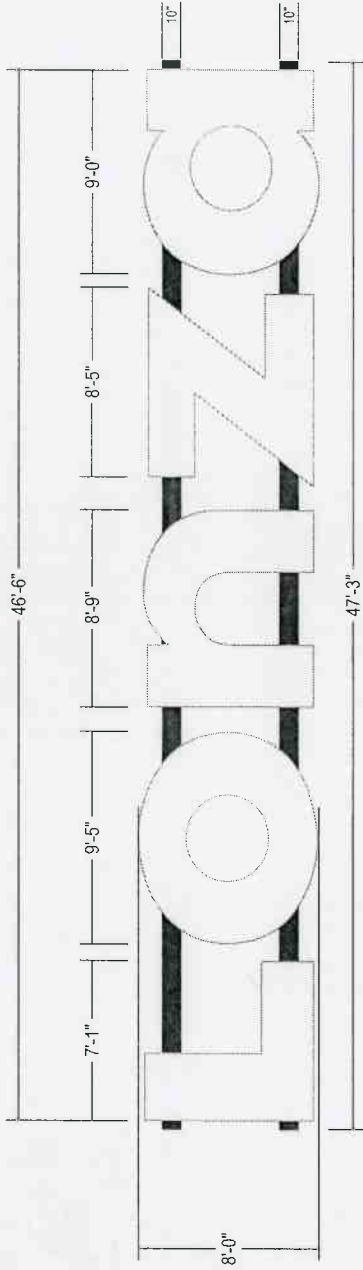
EXISTING SIGN - 44" x 23' 6"  
TO BE REMOVED BY BARLO.  
EXISTING SQ. FT. 78.22 TOTAL



FILE NAME: Lonza\_Biologics\_Portsmouth NH\_220108043\_3

DATE: 01/20/22 JOB #:

SCALE: 3/16" = 1'-0"



BARLO



INTERNATIONAL  
PROJECT APPROVAL

Client: \_\_\_\_\_ Date: \_\_\_\_\_  
Design: CJB Date: 07/05/00  
Sales: \_\_\_\_\_ Date: \_\_\_\_\_  
Upgrading: \_\_\_\_\_ Date: \_\_\_\_\_  
Production: \_\_\_\_\_ Date: \_\_\_\_\_

DESIGNER: CB  
SALES REP: HARN  
PM: BC  
01/20/2022

LONZA BIOLOGICS  
101 INTERNATIONAL DRIVE  
PORTSMOUTH, NH 03801-2846

ITEM **B**

SHEET 4.0

**SCOPE OF WORK**

MANUFACTURE & INSTALL (1) 8' X 46' 6" FACELIT LED ILLUMINATED CHANNEL LETTERS MOUNTED ON RACEWAYS.

**SITE SURVEY REQUIRED**

**MFG. SPECIFICATIONS - CHANNEL LETTERS**

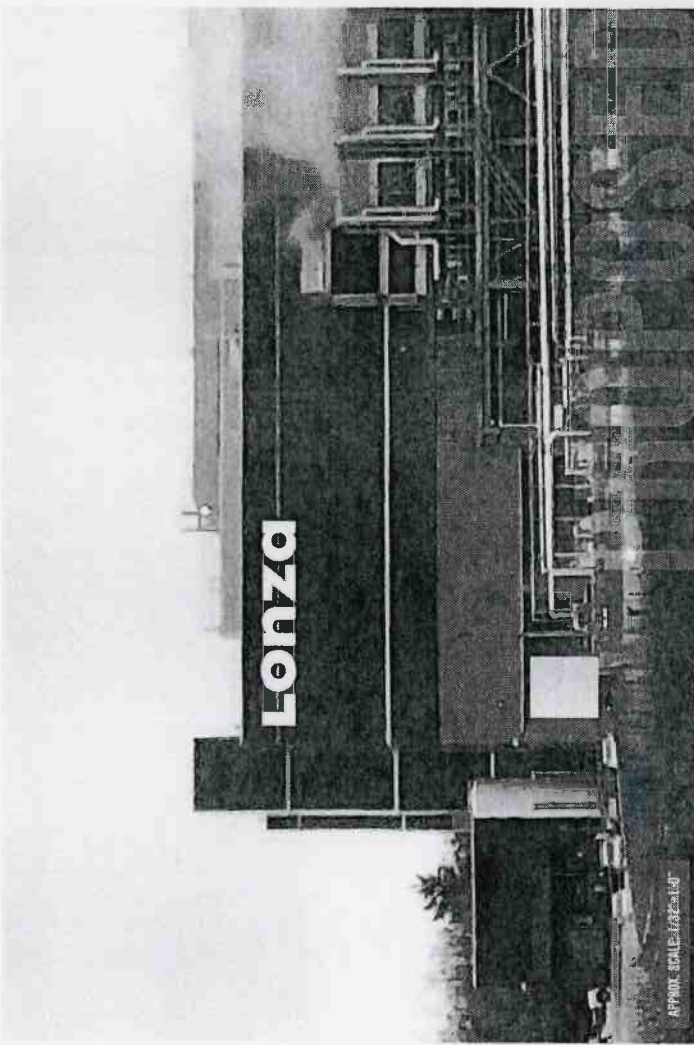
LETTERS  
FACE: 3/16" POLYCARBONATE  
TRIM: 3" WHITE METAL RETAINER  
RETURNS: HERON BLUE BEA 7"  
RACEWAYS: 10" HERON BLUE BEA  
ILLUMINATION: White LED

**TOTAL SQUARE FEET: 372 NEW**  
**EXISTING SQUARE FEET: --**

VARiances REQUIRED:

**Site electrical**  
ELECTRICAL WORK BY:  BARLO  OTHERS:  
 New    CIRCUITS REQ: 1    AMPS: 20    VOLTS: 120  
 Existing    CIRCUITS REQ: \_\_\_\_\_    AMPS: \_\_\_\_\_    VOLTS: \_\_\_\_\_  
UL REQ:  YES  NO    LOCATION:  WET  DAMP  DRY    SERVICE SWITCH:  YES  NO  
TIME CLOCK REQ:  YES  NO    PHOTO EYE REQ:  YES  NO

Barlo International is not responsible for the accuracy of the information provided in this drawing. The user of this drawing is responsible for the accuracy of the information provided in this drawing. Barlo International is not responsible for the accuracy of the information provided in this drawing. The user of this drawing is responsible for the accuracy of the information provided in this drawing.



APPENDIX: 1/24/2010

FILE NAME: Lonza Biologics - Portsmouth NH - 220108243-3

QUANTITY: 324



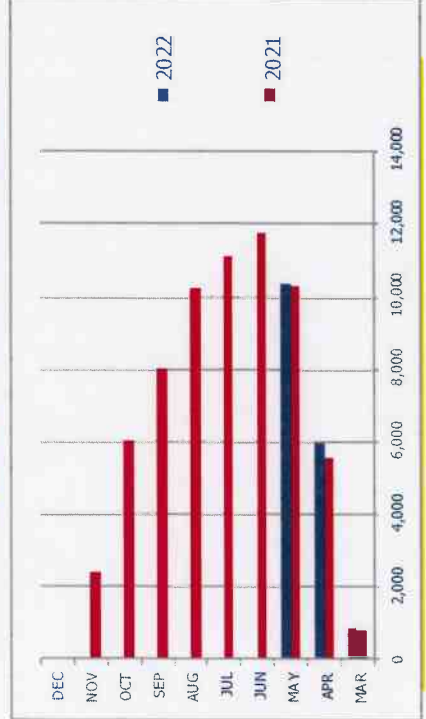
# KEY GOLF COURSE BENCHMARKING DATA



## GOLF SIMULATOR REVENUES

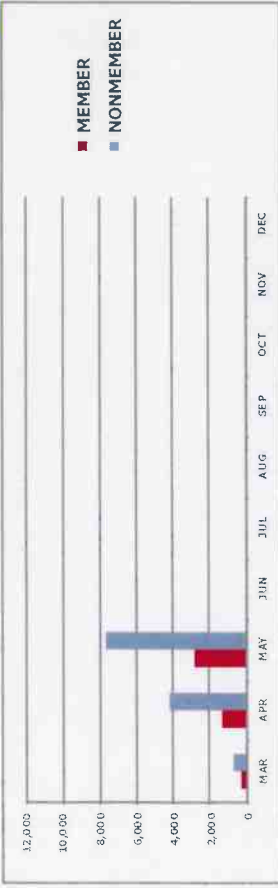
	FY 2022	FY 2021
JULY	\$1,158	\$ -
AUGUST	\$915	598
SEPTEMBER	\$326	314
OCTOBER	\$4,244	4,017
NOVEMBER	\$14,746	12,553
DECEMBER	\$23,112	23,708
JANUARY	\$24,253	30,626
FEBRUARY	\$26,680	23,001
MARCH	<b>\$23,360</b>	18,258
APRIL	\$4,429	1,032
MAY	\$135	1,062
JUNE	-	214
<b>TOTAL</b>	<b>\$123,358</b>	<b>\$115,383</b>

## ROUNDS OF GOLF PLAYED (SEASON)



	2022 SEASON	2021 SEASON
ROUNDS PLAYED	16,747	66,590
RAIN DAYS	14	49

## 2022 MEMBER / NONMEMBER ROUNDS (SEASON)



	2022 ROUNDS-SEASON	2021 ROUNDS-SEASON
MEMBER	4,187	18,489
NONMEMBER	12,560	48,101
<b>TOTAL</b>	<b>16,747</b>	<b>66,590</b>

## GRILL 28 GROSS SALES

	FY 2022	FY 2021
JULY	\$262,957	\$204,042
AUGUST	270,631	225,471
SEPTEMBER	235,234	191,445
OCTOBER	191,416	138,156
NOVEMBER	119,952	85,187
DECEMBER	138,710	71,183
JANUARY	94,159	77,694
FEBRUARY	109,814	74,967
MARCH	150,980	105,988
APRIL	190,483	134,812
MAY	284,835	238,596
JUNE	-	307,875
<b>TOTAL</b>	<b>\$2,097,126</b>	<b>\$1,855,416</b>

## CLUB/ COURSE FUNCTIONS

	FY 2022 YTD	FY 2021 YTD
GROUPS 12-40	47,023	28,364
TOURNAMENT PLAY	150,521	143,681
LEAGUES	81,414	68,928
FOOD AND ROOM FEES	<b>196,425</b>	<b>76,493</b>

# AIRPORT REPORT PERIOD ENDING MAY 2022



<b>MAY ENPLANEMENTS</b>	2022
Scheduled Enplanements	3,295
Chartered Enplanements	2,634
<b>Total Enplanements</b>	<b>5,929</b>
<b>2022 Enplanements YTD</b>	<b>39,858</b>

**REVENUE PARKING** \$44,912  
1023 Transactions @ \$43.90

**FUEL FLOWAGE FEES** \$38,991.18  
Total Gallons 974,779.4  
CRAF and DOD 67%  
Commercial 8%  
General Aviation 25%



**Allegiant**  
PSM-MYR June 4<sup>th</sup>  
PSM-BNA June 16<sup>th</sup>  
Five Destinations for Summer 2022

**"Jet fuel prices double ahead of busy summer travel season"**

The price of jet fuel is twice as much as it was last year, according to federal data. The exorbitant cost of plane tickets was reflected in the Consumer Price Index earlier this month. Airline fares jumped a whopping 33% last month compared to the previous April.

## Memorandum

**To:** John Meehan, Lead Airport Operations Specialist

**From:** Sandy McDonough, Airport Community Liaison

**Date:** 6/8/2022

**Subj:** Noise Report for May 2022

---

The Portsmouth International Airport at Pease received six noise complaints in May, 2022.

Of the six noise complaints, two concerns were received when Runway 34 was in use.

- On May 7, 2022 a Greenland resident reported his windows rattled when a military C17 departed at 1:00 AM.
- On May 18, 2022, a Portsmouth resident reported a prolonged noise of 10 minutes before a Cessna Citation departed at 10:22 PM.

The last four noise concerns were received when Runway 16 was in use.

- On May 24, 2022, a resident of Durham reported a military aircraft flying low over Durham Point when coming in for landing. The aircraft was a Military C5 practicing multiple take off and landings in the airport pattern. Due to the large size of the aircraft, the C5 gives the appearance of flying low even when in the appropriate pattern.
- On May 26, 2022, three calls were received from a resident in Newmarket concerning large military aircraft, identified as a C5 and KC46A, flying over her house. She was concerned with the level of noise and that it was too windy for the aircraft to be flying.

**MOTION**

Director Ferrini:

The Pease Development Authority (“PDA”) Board of Directors approves of and authorizes the Executive Director to:

1. Expend funds in the amount of **\$17,429.00** for legal services rendered to the Pease Development Authority from:

**Sheehan Phinney Bass & Green**

April 1, 2022 – April 30, 2022 (for Permit Implementation)	\$ 5,307.00
---	-------------

April 1, 2022 – April 30, 2022 (for Tradeport General Representation)	\$12,122.00
--	-------------

Total	<b><u>\$17,429.00</u></b>
-------	---------------------------

2. Expend funds in the amount of **\$472.00** for legal services rendered to the Pease Development Authority from **Anderson Kreiger** as outside counsel for Federal Regulatory Advice from April 1, 2022 through April 30, 2022.

**For a total amount of \$17,901.00 in legal services**

**NOTE: Roll Call vote required.**



SHEEHAN PHINNEY BASS & GREEN PA  
1000 ELM STREET  
P.O. BOX 3701  
MANCHESTER, NH 03105-3701

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Permit Implementation  
-----

CLIENT/CASE NO. 14713-19658  
BILLING ATTORNEY: Lynn J. Preston

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$5,307.00
TOTAL EXPENSES:	\$0.00
	-----
TOTAL THIS BILL:	\$5,307.00
	-----
PREVIOUS BALANCE:	\$812.00
	-----
TOTAL BALANCE DUE:	\$6,119.00
	-----

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... \$ \_\_\_\_\_

To pay by CREDIT CARD, please visit [www.sheehan.com](http://www.sheehan.com), scroll to the bottom and click " ClientPay " or contact our office directly.

SHEEHAN PHINNEY BASS & GREEN PA  
1000 ELM STREET  
P.O. BOX 3701  
MANCHESTER, NH 03105-3701

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Trade Port - General Representation  
-----

CLIENT/CASE NO. 14713-10167  
BILLING ATTORNEY: Lynn J. Preston  
Invoice Number: 375261

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$12,122.00
TOTAL EXPENSES:	\$0.00
	-----
TOTAL THIS BILL:	\$12,122.00
	-----
PREVIOUS BALANCE:	\$11,774.00
	-----
TOTAL BALANCE DUE:	\$23,896.00
	-----

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... \$ \_\_\_\_\_

To pay by CREDIT CARD, please visit [www.sheehan.com](http://www.sheehan.com), scroll to the bottom and click " ClientPay " or contact our office directly.

# ANDERSON KREIGER

50 Milk Street, 21st Floor  
Boston, MA 02109  
(617) 621-6500  
EIN: 04-2988950

May 19, 2022

Pease Development Authority  
Anthony Blenkinsop, Deputy Director/General Counsel  
55 International Drive  
Portsmouth, NH 03801

Reference # 142423 / 1047-4136

In Reference To: Federal Regulatory Advice

## Professional Services

	<u>Hours</u>	<u>Amount</u>	
<b>Attorney/Paralegal Summary</b>			
Name	Hours	Rate	Amount
David S. Mackey	0.80	590.00	472.00

## Payments

05/10/2022	Payment	CK#035405	1,770.00
Sub-total Payments:			<u>\$1,770.00</u>

Total Current Billing:	<u>\$472.00</u>
Previous Balance Due:	<u>\$1,298.00</u>
<b>Total Now Due:</b>	<b><u>\$1,770.00</u></b>

**PLEASE NOTE: ALL BALANCES DUE WITHIN 30 DAYS**

## MOTION

Director Levesque:

WHEREAS, the Pease Development Authority (“PDA”) has duly enacted a Zoning Regulation in accordance with the requirements of RSA ch. 12-G and rules adopted by the PDA for the adoption or amendment of land use controls; and

WHEREAS, the Zoning Regulation may be amended at any time by the Board in accordance with its rules for the adoption and amendment of land use controls;

NOW, THEREFORE, following a duly noticed public hearing, the PDA does hereby resolve to amend its Zoning Regulations in effect at the Pease International Tradeport, on June 16, 2022, by adopting the language as written which by reference are incorporated into this motion; all in accordance with the memorandum of Maria J. Stowell, dated June 6, 2022, attached hereto.

**Note: Roll Call vote required  
5 Affirmative Votes Required.**

N:\RESOLVES\2022\Land Use Control Amds. 6-16-22.docx





DEVELOPMENT  
AUTHORITY

55 International Drive Portsmouth, NH 03801

## MEMORANDUM

To: Paul E. Brean, Executive Director *EB*  
From: Maria J. Stowell, P.E., Engineering Manager *Maria*  
Date: June 6, 2022  
Subject: Land Use Control Amendments – Final Vote

Last month, the PDA Board voted to hold a public hearing concerning the adoption of amendments to the Land Use Controls. The public hearing is scheduled for 8:00 a.m. on June 16<sup>th</sup>, immediately preceding the Board meeting. In brief summary, the amendments address:

1. In Chapter 300, Zoning Ordinance, rezoning approximately 130 acres of land to bring it into the Industrial zone. In round numbers, the 130 acres is comprised of 117 acres from the Airport Industrial Zone, 12 acres from the Airport Zone and 1 acre from the Natural Resource Protection Zone.
2. In Chapter 400, Site Review Regulations -
  - a. Clarifying and providing greater detail on requirements for pedestrian and bicycle facilities;
  - b. Specifying circumstances where advanced stormwater treatment upgrades are required;
  - c. Outlining conditions for requests to extend the time period that site review approval remains in effect; and,
  - d. Outlining requirements for completion of a project and bond release.
3. In Chapter 500, Subdivision Regulations, correcting a technical error related to boundary survey requirements.

To date, the amendments have been discussed publicly at two Board meetings and at a Capital Improvements and Land Planning Committee meeting, a notice of PDA's intention to amend the Land Use Controls along with a summary of the changes has been published in the newspaper and posted online and in municipal buildings in Portsmouth, Newington and Greenland, and the amendments have been reviewed by the Portsmouth and Newington planners. With this outreach effort, there has been no expression of interest from the public.

Based on prior experience, I do not expect that there will be much if any public comment at the hearing next week. Should this be the case, the Board may want to vote on their adoption on the same day as the hearing. The Board may vote to accept, reject, or modify the amendment proposal.

I have attached the draft language along with the proposed zoning map to tis memo. This information, as well as the maps and tracked changes version of the language that were included with last month's Board material, will be available for public viewing at the hearing.

Please include an item on the June Board meeting agenda that will allow the Board to vote on the Land Use Control if conditions warrant such vote.

N:\ENGINEER\Board Memos\2022\Amend LUCs final.docx

## PROPOSED LAND USE CONTROL AMENDMENTS

May 4, 2022

### 1. PART 302 DEFINITIONS

- a. **Add Definition** and renumber remaining paragraphs "302.05. "Advanced stormwater treatment" means stormwater best management practices (such as those from the New Hampshire Stormwater Manual, as amended) for treatment of impervious surfaces that reduce runoff volume or provide superior stormwater management and pollutant removal through measures including, but not limited to, bioretention, bioswales, tree planters, gravel wetlands and/or infiltration/filtration systems (e.g. porous pavements, subsurface infiltration, sand filters, infiltration trenches)."
- b. **Add Definition** and renumber remaining paragraphs "302.32 "Impervious surface" means any surface that prevents or significantly impedes the infiltration of water into the underlying soil. This can include, but is not limited to: roads, driveways, structures, artificial turf, and compacted gravel or soil.

### 2. PART 303 ZONING DISTRICTS AND PERMITTED USES

- a. 303.01 Zoning map. Refer to attachment showing expansion of Industrial Zone.
- b. 303.02 Airport Zone
  - i. 303.02(a) **Delete "792 acres" Replace with "813 acres"**
  - ii. 303.02(a) **Delete "**. The Airport Zone also includes the North Apron, the terminal overflow parking area and the parcel bounded on the north by the NH Air National Guard cantonment area; on the west by the Airport Zone (aircraft parking limit); on the south by the Airport Industrial and Industrial Zones and on the east by the Business Commercial Zone." **Replace with "up to the south edge of the Taxiway Juliet pavement; and then turning and being bordered on the south by the Airport Industrial Zone and the Industrial Zone to a point approximately 390 feet west of the centerline of NH Avenue; on the east from said point along a line approximately 625 feet and then turning and following a line approximately 390 feet to the center line of NH Avenue, then following NH Ave to the intersection with Exeter Street, then following Exeter Street approximately 590 feet to a point, then turning and following a line approximately 694 feet to the NH Air National Guard cantonment boundary; then following the NH Air National Guard cantonment boundary back to the aircraft parking limit line and the point of beginning; the Airport Zone also includes the North Apron."**
- c. 303.03 Airport Industrial Zone
  - i. 303.03(a) **Delete "448 acres" Replace with "333 acres"**
  - ii. 303.03(a)(2) **Delete in its entirety and replace with "In the area geographically situated in the Town of Newington, bounded on the north by the Newington Town Forest; on the east by the Industrial Zone; on the south by the NH Air**

National Guard cantonment area to the North Apron, and turning and following the North Apron boundary to its intersection with the aircraft parking limit; and on the west by the Airport Zone.”

- d. 303.04 Industrial Zone
  - i. 303.04(a) **Delete** “333 acres” **Replace with** “432 acres”
  - ii. 303.04(a)(2) **Delete in its entirety and replace with** “In the area geographically situated in the Town of Newington, bounded on the north by the boundary of the PDA land at its border with land of NHDOT and then Arboretum Drive, and then along Arboretum Drive to the Newington Town Forest; on the west by the Newington Town Forest, the Airport Industrial Zone, and the NH Air National Guard cantonment area to the intersection with Pease Boulevard; on the south by Pease Boulevard; and on the east by Spaulding Turnpike.”
- e. 303.06 Natural Resource Protection Zone
  - i. 303.06(a) **Delete** “781 acres” **Replace with** “698 acres”
  - ii. 303.06(a) **Delete** “To the north, it includes the area between the former Pease Air Force Base perimeter and the Airport Industrial and Airport Zones; to the west, the area between the Airport Zone and McIntyre Road to former Base perimeter then southerly along the former base perimeter; to the south, the area between the former Base perimeter and Airport, Airport Industrial, Industrial, and Business/Commercial Zones; and to the east the area between the former Base perimeter boundary and the Business/Commercial Zone up to the wastewater treatment facility.”
  - iii. **Add** 303.06(a) “(1) The Natural Resource Protection Zone includes the land bounded by the Business Commercial Zone beginning near the wastewater treatment plant, then the Industrial, Airport Industrial, and Airport Zones ending at Arboretum Drive and Short Street and the perimeter of the Pease Development Authority land back to the point of beginning.
  - iv. **Add** 303.06(a) “(2) The Natural Resource Protection Zone also includes a northeastern parcel bounded by the perimeter of the Pease Development Authority land and the Industrial Zone.

### 3. PART 405 SITE PLANNING STANDARDS

- a. 405.02 Vehicular and Pedestrian Circulation
  - i. 405.02(g) **Delete** “Sloped” New provision will read “Granite curbing shall be installed where accessways meet public streets.”
  - ii. 405.02(j) **Delete and replace with** 405.02 (j) “All development shall provide for a system of pedestrian access that connects the major building entrances/exits, parking areas, and sidewalks within and adjacent to the property.”
  - iii. **Add** 405.02 (j) “(1) Pedestrian pathways shall be easily accessible to all users and shall comply at a minimum with ICC/ANSI 117.1, latest edition.”
  - iv. **Add** 405.02(j) “(2) Sidewalks conforming to this Part shall be provided in the public right of way along the entire parcel frontage. Sidewalks within the right



of way shall be of Portland Cement Concrete and shall be fiber reinforced. Welded wire fabric is prohibited."

- v. **Add 405.02(j)** "(3) Sidewalks within the lot lines of the site shall be surfaced with Portland Cement Concrete or other hard surface approved by the Board."
- vi. **Add 405.02(j)** "(4) Sidewalks shall be at least five 5 feet wide."
- vii. **Add 405.02** "(l) The site plan shall accommodate use by bicycles (including bicycle racks). Bicycle facilities shall be designed in accordance with AASHTO guide for the Development of Bicycle Facilities, as amended."

b. 405.07 Stormwater Management

- i. 405.07(a) **Delete and replace with** "All stormwater runoff in contact with developed areas shall be treated by the use of advanced stormwater treatment to minimize off-site discharge of pollutants to ground and surface waters by minimizing the volume and rate of stormwater runoff, the amount of erosion, and the export of sediment from the site."
- ii. 405.07(b) **Delete and replace with** "The quantity of impervious surface shall be minimized to the greatest extent practical."
- iii. 405.07(c) **Delete and replace with** "For any development proposing to add impervious surface for the purpose of vehicle parking and/or traffic circulation at a site that does not conform with the requirements of Part 405.07(a), all new impervious area, as well as at least an equal amount of existing impervious area shall be provided with advanced stormwater treatment."
- iv. **Add 405.07** "(e) All stormwater catch basins shall have deep sumps (four feet) and shall have hoods on outlet pipes."

4. PART 407 PROCEDURES FOLLOWING SITE REVIEW APPROVAL

a. 407.01 Approval Time Period

- i. 407.01(a) **Add** "The Board may, for good cause shown, extend such period by as much as one year if requested and acted upon prior to the expiration date."
- ii. **Add 407.01** "(b) An applicant may request, in writing, additional one-year extensions. Requests for extensions shall be evaluated by the Building Inspector who at his/her discretion shall either forward the request to the Board for action, or first require technical review to make a recommendation to the Board. The Building Inspector or the Board may, if deemed necessary, require a public hearing(s) conducted during technical review, Board review, or both."
- iii. **Add 407.01** "(c) A time extension may be granted if determined that no change has taken place that would affect the currently approved site plan in regard to, but not limited to:
  - (1) Traffic flow, volume, or congestion;
  - (2) Pedestrian safety;
  - (3) Drainage;
  - (4) Water availability;
  - (5) Sewer capacity;
  - (6) Design standards;



- (7) Landscape elements;
- (8) Zoning compliance.”

5. Part 408 CERTIFICATE OF OCCUPANCY

**Delete in its entirety and replace with “PART 408 PROJECT INSPECTION AND COMPLETION”**

a. **Add “408.01 Final Inspection Notification**

The applicant shall notify the PDA Building Inspector when the project is ready for final inspection and request a release of any posted security. The notification shall be accompanied by a letter signed and stamped by a Professional Engineer stating that construction of the site work has been completed in conformance with the approved plans.”

b. **Add “408.02 As Built Plan**

Upon the completion of the project, the applicant/ developer shall submit an as-built plan of the development on mylar and in digital format (AutoCAD.dwg) to the PDA. The as- built plan shall include all surface and subsurface features, easements, licenses, rights-of-way, and maintenance agreements. As-builts shall be prepared and stamped by a New Hampshire licensed land surveyor. The PDA may, in its discretion, waive the requirement for an as- built plan for minor projects.”

c. **Add “408.03 Release of Security**

Upon receipt of request for release of security, the PDA Building Inspector will inspect the site to determine conformance with the site plan approval. For conforming work, the Building Inspector will coordinate the security release. If work is found to be not in conformance, the applicant will be provided with a list of outstanding items and an estimated cost to complete the items. PDA will coordinate a security reduction to the estimated amount. Only one security reduction is permitted.

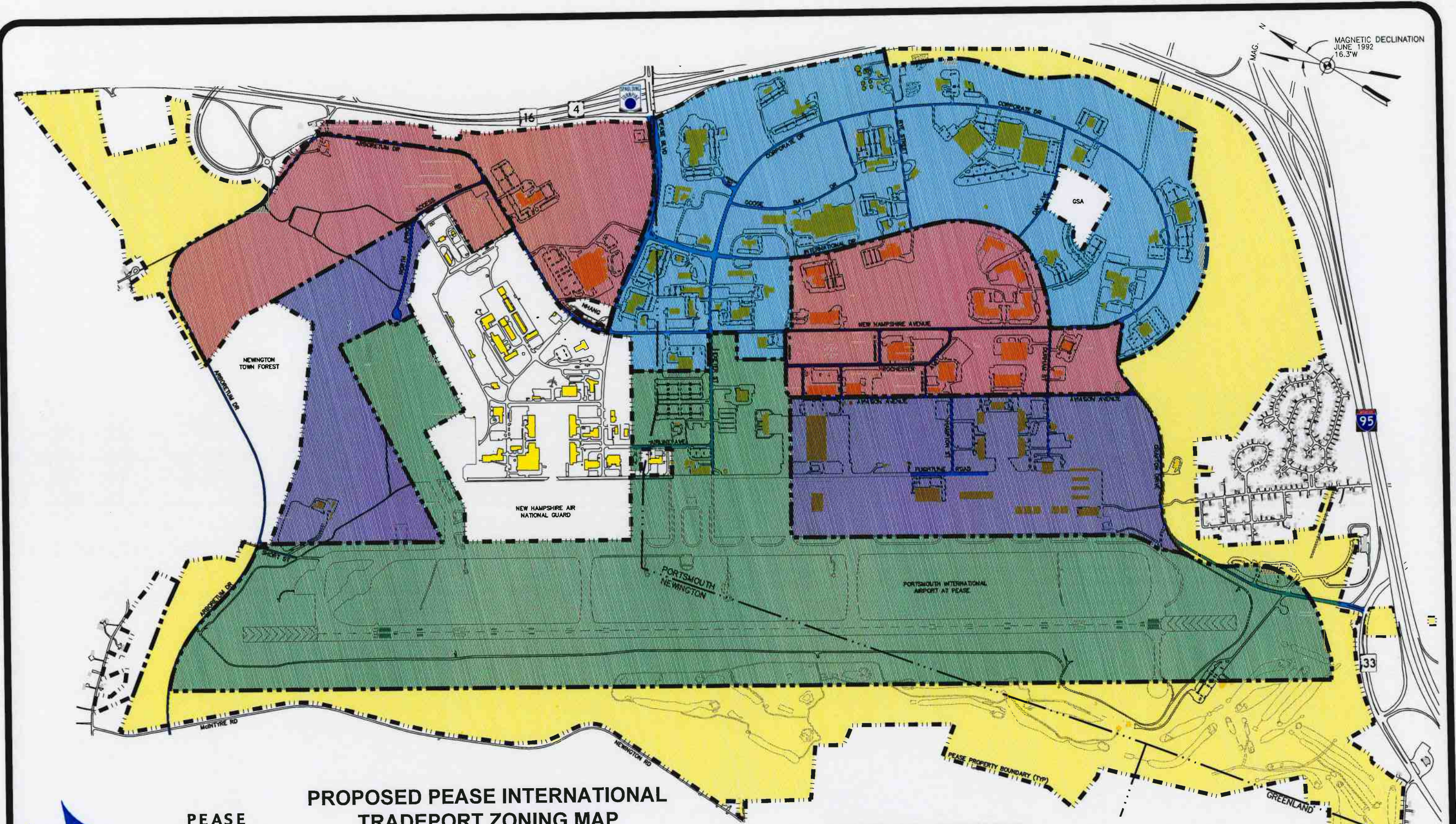
The PDA Building Inspector may release the security only after receipt of the as-built plan, the engineer’s certification, a final inspection by the PDA Building Inspector, the issuance of a Certificate of Occupancy by the applicable municipal building inspector, and completion of all required conditions of the approved site plans and site review agreement.”

6. PART SUBDIVISION APPLICATION REQUIREMENTS

- a. Part 502.03(a)(7) **Add “Where lots are being subdivided from the unsubdivided Pease lot, which property lines are, in general, comprised of the outermost boundaries of the parcels acquired by the Pease Development Authority pursuant to the Surplus Property Act, plats need not include the dimensions and bearings of the existing Pease property lines.”**

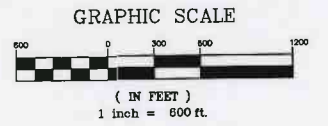


MAGNETIC DECLINATION  
 JUNE 1992  
 16.3°W



## PROPOSED PEASE INTERNATIONAL TRADEPORT ZONING MAP

**PEASE DEVELOPMENT AUTHORITY**  
 55 INTERNATIONAL DRIVE  
 PORTSMOUTH, NH 03801  
 Date: 1/7/16 Scale: 1"=600'



- PEASE INTERNATIONAL TRADEPORT ZONES
- AIRPORT
  - AIRPORT INDUSTRIAL
  - INDUSTRIAL
  - BUSINESS/COMMERCIAL
  - NATURAL RESOURCE PROTECTION
  - PROPERTY BOUNDARY
  - ZONE BOUNDARY
  - TOWN BOUNDARY





## MOTION

Director Fournier:

The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to take all such action as may be required or appropriate to increase the current aviation fuel flowage fee rate by \$.01, from \$.04 to \$.05 per gallon on 100 low lead fuel and Jet A fuel, commencing July 1, 2022; all in accordance with the memorandum of Andrew Pomeroy, Manager, Aviation Planning & Regulatory Compliance, dated June 7, 2022, attached hereto.

**NOTE: Roll Call vote required.**

**To:** Paul E. Brean, Executive Director 

**From:** Andrew Pomeroy, Manager, Aviation Planning & Regulatory Compliance 

**Date:** 6/7/2022

**Subj:** Aviation Fuel Flowage Fee Increase

---

On July 1, 2018, Portsmouth International Airport at Pease (“PSM”) implemented an aviation fuel flowage fee of 2 cents per gallon on Jet A and 100LL fuel sales. That amount increased to 3 cents in July, 2020. At its June, 2021 meeting the Board approved an increase to the fuel flowage fee by 1 cent to 4 cents per gallon. PSM continues to recognize a significant increase in operating expenses associated with maintenance and security requirements to maintain airport certification. Additionally, capital expenditures have also been committed to address increased aviation activity, as well as deterioration of primary airfield asphalts. It is my **recommendation** the fuel flowage fee for both Jet A and 100LL fuel be increased to 5 cents per gallon effective July 1, 2022, to support additional aeronautical revenue.

Fuel flowage fees are one of the few FAA approved revenue sources for airports throughout the country with a national average of 10-11 cents per gallon. The table below is a survey of similar airports in the Northeast comparing fuel prices and associated fuel flowage fees. Neighboring airports average 9 cents a gallon for a flowage fee. With a proposed 1 cent increase PSM will remain well below this average and extremely competitive with surrounding airports.

In considering this increase, considerable attention should be given to the fact PSM is the only airport in the survey that does not charge landing fees to aircraft operators. Although landing fees are the most significant contributor to aeronautical revenue at airports, PSM must be conscientious to the fact ninety percent (90%) of PSM traffic can choose to use an alternative airport. A minimal increase to fuel flowage fee will safeguard operators seeking better value at alternative airports.

It is my **recommendation** that you request the Board to authorize increasing the fuel flowage fee 1 cent per gallon to 5 cents on both 100 low lead fuel and Jet A fuel. This fee will commence on July 1, 2021, and will be collected on a monthly basis directly from our Fixed Based Operator, and authorized self-fueling tenants.



Airport	100 LL	Jet A	Fee	Fee
PSM	\$7.70	\$7.95	\$0.04/gal Avgas	\$0.04/gal Jet A
MHT	\$8.17	\$8.57	2.56% FBO Sales	2.56% FBO Sales
BED	\$8.99	\$10.65	\$0.11/gal Avgas	\$0.20/gal Jet A
ORH	\$6.79	\$7.29	\$0.05/gal Avgas	\$0.11/gal Jet A
PVD**	\$7.89	\$10.99	\$0.02 w/ 37.5 million gallon MAG**	10% FBO Sales
BVY	\$7.88	\$7.63	\$0.10/gal Avgas	\$0.10/gal Jet A
BGR*	\$7.56	\$6.39	No Fee	No Fee
PWM	\$6.69	\$6.18	% FBO Sales	% FBO Sales

\*BGR Airport runs FBO and sells the fuel

\*\* Minimum Annual Guarantee sales. Sponsor owned fuel dispensing consortium

## MOTION

Director Anderson:

In accordance with the provisions of Section 3.11 of the Second Amendment to By-Laws of the Pease Development Authority, the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to create the position of Assistant Director of the Division of Ports and Harbors, and to immediately fill said new position with an appropriately qualified candidate; all in accordance with the memorandum of Geno J. Marconi, Director of the Division of Ports and Harbors, dated June 7, 2022; attached hereto.

**NOTE: Roll Call vote required.**

N:\RESOLVES\2022\Asst Port Director 06-16-2022.docx



36 Airline Ave., Portsmouth, NH 03801  
603.433.6536

Memorandum

*Lab*

**To:** Paul Brean, Executive Director  
**From:** Geno Marconi, Director, Ports and Harbors  
**CC:** Tanya Coppeta, Human Resources  
**Date:** 06/07/2022  
**Subj:** DPH position: Assistant Director, Ports and Harbors

---

I would like to formally request the addition of one full-time, benefited Assistant Port Director position to our staff.

The Division of Ports and Harbors (DPH) is committed to providing the highest standard of safety, security and customer service to residents and users of New Hampshire waterways. Increased operations, regulatory requirements, construction projects and security directives, as well as staff succession planning have revealed the need for additional staff to ensure DPH continues to offer the highest quality customer service and safety to the boating public, currently and into the future.

Federal and State land and marine security regulations and directives as a response to the September 11, 2001 terrorist attacks have and will continue to be implemented across the state, including its waterways. Additionally, increased natural disasters impacting coastal regions have had significant impacts on maritime resources. This has resulted in the need for a larger security presence and increased emergency preparedness activities at the Division of Ports and Harbors.

There are several capital improvement projects pending or in progress at DPH, including the rehabilitation of the Market Street Terminal, Portsmouth Fish Pier, and future improvements to Hampton and Rye harbor facilities. Current daily operations cannot be allowed to deteriorate due to lack of staff to oversee these projects.

The Port Director oversees a myriad of duties and special projects, including day-to-day administration, operations, budgeting, oversight of marine construction projects, and supervision of the division's employees. These responsibilities require specialized skills and training, effective relationships with all involved stakeholders, as well as extensive institutional and historical knowledge. The Assistant Director will work closely with the Port Director on these varied and important tasks and responsibilities. As such, the Assistant Director would likely be in a position to assume the Director's position upon his future

retirement. As such, we would like to hire an Assistant Port Director as soon as possible to support a successful transition.

This position will report to the Port Director. It is a salaried, exempt position with a salary range of \$85,000-\$105,000 per year. Please see the attached job description for duties and responsibilities.

At the June 16, 2022 meeting of the Board, please request authorization to add a full-time benefited position to create the Assistant Director of Ports and Harbors.

Thank you for your consideration.





## Pease Development Authority Job Description

Job Title: Assistant Director-Ports and Harbors  
Department: Division of Ports and Harbors  
Reports to: Director, Ports and Harbors  
Creation Date: June 2022  
Status: **Exempt (salaried)**  
Employee Type: Regular Full Time

---

### **Job Summary**

The Assistant Director of Ports and Harbors is responsible for assisting in the safe and efficient operation for the Ports of NH, and the strategic development of the Division of Ports and Harbors (DPH).

### **Essential Duties and Responsibilities**

- Recommends and assists in the implementation of policies, programs and procedures ensuring effective Port administration and operations.
- Ensures compliance with all rules and laws.
- Assists in **overseeing sound fiscal management** of the division.
- Assists in **Port development by developing and recommending long-range plans** and strategies for infrastructure improvements, capital projects, and ongoing **maintenance and repairs**.
- Assists in developing and adhering to departmental budget.
- Assists in overseeing routine Port operations and administration: Dredging, commercial and property management leases and contracts, permitting and placement of moorings and aids to navigation in state tidal waters and licensing of harbor, river, and docking pilots.
- Under the direction of the Port Director, works with appropriate agencies and organizations on funding and regulatory matters.
- Under the guidance of the Port Director, interprets and enforces the policies, rules and regulations of the Port harbors.
- Actively markets and promotes the Port.
- Coaches, mentors, motivates, counsels and reviews performance for all direct reports; ensures employee safety is maintained at all times, all accidents are investigated promptly and corrective actions are put in place for all accidents and near misses.

### **Additional Duties**

- Assists in the coordination of the Revolving Loan Fund for the commercial fishing industry.
- Assists in the development and oversight of the Port Emergency Plan, and responds to emergencies as they arise.

- Performs other duties as assigned by the Port Director.

---

### **Essential Behavior Requirements**

These behaviors are based on PDA cultures and values critical to support the mission of the organization.

**Service Quality:** Exceed the customer's (both internal and external) needs in every interaction.

**Teamwork:** Ability to demonstrate cooperative spirit and capacity to work well as a team member.

**Problem Solving:** Recognize and define problems; analyze relevant information; encourage alternative solutions and plans to resolve situations; seek additional assistance when needed.

**Communication:** Actively listen to customers (includes coworkers, public, BOD, etc.) empathizes (sees the situation from the customer's perspective) and work together to solve the problem through affective communication.

---

### Choose an item. **Minimum Qualifications**

#### **Education and/or Experience**

Bachelor's degree in Business Administration, Public Administration, or other relevant field and a minimum of 5-7 years experience in the management and operation of a harbor, marina, municipal waterfront or similar public works program or equivalent combination of education and experience.

---

#### **Knowledge/Skills/Abilities**

- Ability to apply principles of logical or scientific thinking to a wide range of intellectual and practical problems. Ability to deal with nonverbal symbolism (formulas, scientific equations, graphs, maps, etc.,) in its most difficult phases.
- Extensive working knowledge of environmental and maritime rules and laws pertaining to the operation of a port.
- Solid working knowledge of business management practices including municipal finance and accounting practices, financial planning and budgeting principles, debt issuance and long-term financing alternatives.
- Strong working knowledge of principles and practices of boating safety and marina management, marine construction and engineering methods, and maintenance and operation of marina equipment and facilities.
- Knowledge of lease administration practices and requirements, commercial development and concession operation practices.
- Excellent verbal, written, and presentation skills sufficient to prepare reports, reviews and presentations for a variety of audiences.
- Ability to establish and maintain effective working relationships with all levels of personnel and the ability to tactfully deal with individuals in difficult situations.
- Ability to evaluate, plan and integrate data to formulate solutions, strategies or policies.
- Working knowledge of a variety of computer software applications including word processing, spreadsheets, and database software.

### Certificates, Licenses, Registrations

None required.

### Physical Demands

How much on-the-job time is spent in following physical activities? Show the amount of time (in %) by checking the appropriate boxes below.

Condition	None	Less than 33%	33% - 66%	Over 66%
Stand	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Walk	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Sit	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Use Hands to finger, handle or feel	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Reach with hands and arms	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Climb or balance	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Stoop, kneel, crouch, or crawl	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Talk or hear	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Taste or smell	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>

Does this job require that weight be lifted or force be exerted? If so, how much and how often? Check the appropriate boxes below representing % of time spent.

Condition	None	Less than 33%	33% - 66%	Over 66%
Up to 10 lbs	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Up to 25 lbs	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Up to 50 lbs	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Up to 100 lbs	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
More than 100 lbs	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Work Environment

How much exposure to the following environmental conditions does this job require? Show the amount of time (in %) by checking the appropriate boxes below.

Condition	None	Less than 33%	33% - 66%	Over 66%
Wet or humid conditions (non-weather)	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Work near moving mechanical parts	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Work in high or precarious places	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Fumes or airborne particles	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Toxic or caustic chemicals	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Outdoor weather conditions	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Extreme cold (non-weather)	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extreme heat (non-weather)	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk of electrical shock	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>

Work with explosives	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk of radiation	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vibration	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>

How much noise is typical for the work environment of this job? Check the appropriate level below.

- Very quiet (examples: forest trail, isolation booth for hearing test)
- Quiet (examples: library, private office)
- Moderate noises (examples: business office with computers and printers, light traffic)
- X Loud (examples: metal can manufacturing department, large earth-moving equipment)
- Very loud (examples: jack hammer work, front row at rock concert)

*The above statements are intended to describe the general nature and level of work being performed by individuals assigned to this position. They are not intended to be an exhaustive list of all duties, responsibilities, and skills required of personnel so classified.*



## MOTION

Director Parker:

In accordance with the provisions of Section 3.11 of the Second Amendment to By-Laws of the Pease Development Authority, the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to create the position of Staff Engineer, and to immediately fill said new position with an appropriately qualified candidate; all in accordance with the memorandum of Tanya Coppeta, Human Resource Manager, dated June 8, 2022; attached hereto.

**NOTE: Roll Call vote required.**

N:\RESOLVES\2022\Staff Engineer 06-16-2022.docx



55 International Drive Portsmouth NH 03801

## Memorandum

To: Paul Brean, PDA Executive Director *PB*  
From: Tanya Coppeta, Employee Relations Manager *TC*  
Date: June 8, 2022  
Subject: Staff Engineer Position  
CC: Maria Stowell, P. E., Engineering Manager

---

As an organization, the Pease Development Authority (PDA) has been proactive in engaging in succession planning for key positions throughout the organization. This has been especially important over recent years with the retirement of long-time PDA employees. PDA's Engineering Manager is anticipated to retire within the year. Given the Engineering Manager's enormous amount of institutional knowledge and history at the PDA, it is critically important to ensure engineering staff is best positioned for this transition.

PDA's Engineering Department, a department of four (one Engineering Manager, one Project Manager/Staff Engineer, one Environmental Coordinator, and one Engineering Admin), is responsible for many key areas of PDA operations and projects. This includes development and review of design documents for many ongoing Tradeport construction projects, permitting, environmental compliance reporting, grant management, and overseeing tenant construction projects. Increased environmental and building regulations require more time and staff resources for every project.

With the foregoing in mind, PDA would like to hire a Staff Engineer in anticipation of the current Manager's retirement. The new hire will begin learning PDA's Engineering practices and projects, and building relationships with staff and tenants while leveraging current staff to absorb this knowledge as well. As noted, this model has recently been successful in our Airport Maintenance, Finance and Executive departments, leading to smooth leadership transitions.

We are not asking to create a new position. With the anticipated retirement, the Engineering Manager position will be filled by promoting within the department and the Staff Engineer will replace that supporting role. We are asking that in the interim, the PDA maintain a fifth, transitional position in the department.

We anticipate recruiting to fill this position beginning in June of 2022, with a target hire date as soon as practical after that.



55 International Drive Portsmouth NH 03801

At the June 16, 2022 meeting of the Board of Directors, please request authorization to hire a full-time, benefited Staff Engineer. This position is exempt, and will report to the Engineering Manager. The attached job description provides detailed information on essential duties and responsibilities of the position.

Thank you for your consideration.



## Pease Development Authority Job Description

Job Title: Staff Engineer  
Department: Engineering  
Reports to: Engineering Manager  
Revision Date: June, 2022  
Status: **Exempt (salaried)**  
Employee Type: Regular Full Time

---

### **Job Summary**

The Staff Engineer provides support to the Pease Development Authority (PDA) and all associated facilities on engineering and environmental issues and construction projects and contracts.

### **Essential Duties and Responsibilities**

- Develop conceptual and final design parameters for PDA sponsored construction projects. Provide direction to professional consulting firms and review and oversee project specifications and contracts.
- Manage PDA construction contracts including but not limited to: landside infrastructure improvements (such as sidewalk construction, intersection improvements, signage, lighting and landscaping projects); demolition projects; golf course, airport and port construction projects.
- Review and make recommendations on proposals submitted by tenants. Monitor tenant construction and operational activities to ensure compliance with regulations.
- Provide engineering support and technical advice regarding design, construction, or program modifications and structural repairs.

### **Additional Duties**

- Create and maintain databases for properties, land, utilities, infrastructure, and lease and grant obligations.
- Implement and manage development plans such as surface transportation, ADA compliance, energy efficiency programs, etc.
- Assist clients by providing infrastructure information, researching and providing environmental reports and explaining any processes and requirements.
- Manage programs related to federal grant obligations (example: DBE, Prompt Payment)



- Conduct required studies and file required reports in a timely manner to the appropriate regulatory agency.
- Perform other duties as assigned.

---

### **Essential Behavior Requirements**

**These behaviors are based on PDA cultures and values critical to support the mission of the organization.**

**Service Quality:** Exceed the customer's (both internal and external) needs in every interaction.

**Teamwork:** Ability to demonstrate cooperative spirit and capacity to work well as a team member.

**Problem Solving:** Recognize and define problems; analyze relevant information; encourage alternative solutions and plans to resolve situations; seeks additional assistance when needed.

**Communication:** Actively listens to customers (includes coworkers and the public) empathizes (sees the situation from the customer's perspective) and works together to solve the problem through effective communication.

---

### **Supervisory Responsibilities**

Does this job have supervisory responsibilities?

No

### **Minimum Qualifications**

#### **Education and/or Experience**

- Bachelor's degree (B.S.) in one of the major fields of Engineering (preferably Civil or Environmental), minimum of six years of directly related experience, experience in the public sector a plus or equivalent combination of education and experience.

#### **Knowledge/Skills/Abilities**

- Knowledge of land development programs, procedures, laws and regulations.
- Ability to apply principles of logical or scientific thinking to a wide range of intellectual and practical problems. Ability to understand formulas, scientific equations, graphs, etc.
- Extensive knowledge of project permitting and approval processes.
- Solid experience in project planning and design, project bidding, contract administration, and fundamentals of construction practices.
- Strong computer skills to include MS Office products and AutoCAD. ( GIS and survey experience a plus)
- Ability to make public presentations to PDA Board of Directors, senior management, and approval boards.
- Excellent organizational abilities with high attention to detail.

#### **Certificates, Licenses, Registrations**

- Licensed Professional Engineer in the State of NH

**Physical Demands**

How much on-the-job time is spent in following physical activities? Show the amount of time (in %) by checking the appropriate boxes below.

Condition	None	Less than 33%	33% - 66%	Over 66%
Stand	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Walk	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Sit	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Use Hands to finger, handle or feel	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Reach with hands and arms	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Climb or balance	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Stoop, kneel, crouch, or crawl	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Talk or hear	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X
Taste or smell	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>

Does this job require that weight be lifted or force be exerted? If so, how much and how often? Check the appropriate boxes below representing % of time spent.

Condition	None	Less than 33%	33% - 66%	Over 66%
Up to 10 lbs	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Up to 25 lbs	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Up to 50 lbs	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Up to 100 lbs	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
More than 100 lbs	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Work Environment**

How much exposure to the following environmental conditions does this job require? Show the amount of time (in %) by checking the appropriate boxes below.

Condition	None	Less than 33%	33% - 66%	Over 66%
Wet or humid conditions (non-weather)	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Work near moving mechanical parts	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Work in high or precarious places	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Fumes or airborne particles	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Toxic or caustic chemicals	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Outdoor weather conditions	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Extreme cold (non-weather)	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extreme heat (non-weather)	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk of electrical shock	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Work with explosives	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk of radiation	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vibration	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>

How much noise is typical for the work environment of this job? Check the appropriate level below.

- Very quiet (examples: forest trail, isolation booth for hearing test)
- Quiet (examples: library, private office)
- X Moderate noises (examples: business office with computers and printers, light traffic)
- Loud (examples: metal can manufacturing department, large earth-moving equipment)
- Very loud (examples: jack hammer work, front row at rock concert)

*The above statements are intended to describe the general nature and level of work being performed by individuals assigned to this position. They are not intended to be an exhaustive list of all duties, responsibilities, and skills required of personnel so classified.*



**PEASE**  
INTERNATIONAL  
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

TO: Paul Brean, Executive Director, PDA *Peb*  
FROM: Geno J. Marconi, Director, DPH *W*  
DATE: May 12, 2022  
RE: Commercial Mooring For Hire

The Pease Development Authority, Division of Ports and Harbors has received a request for a commercial mooring for hire from Kittery Point Yacht Club.

I have reviewed the attached paperwork and concur with the local Harbormaster and Chief Harbormaster that the request meets all the requirements of the PDA-DPH Code of Administrative Rules regarding commercial moorings for hire. Therefore, I am requesting approval of the application.

If you have any questions or need further information, please let me know.

○○○○ TAKING YOU THERE

ph: 603-436-8500 fax: 603-436-2780 www.peasedev.org



Division of Ports & Harbors  
Memorandum

To: Captain Geno J. Marconi  
From: Tracy R. Shattuck, Chief H/M *TR*  
Re: Kittery Point Yacht Club Commercial Mooring for Hire  
Date: May 12, 2022

---

Attached is an initial application for a Commercial Mooring for Hire in the Goat Island back channel mooring field. Kittery Point Yacht Club (KPYC) was on the waitlist and was offered a mooring permit as next on the list. KPYP already holds Commercial Moorings for Hire and is on several waitlists in an effort to expand the business. All of the required documentation is already on file.

I recommend approval of the application as it meets all criteria for a Commercial for Hire mooring permit.





**PEASE**

INTERNATIONAL

PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

TO: Paul Brean, Executive Director, PDA   
FROM: Geno J. Marconi, Director, DPH   
DATE: May 17, 2022  
RE: Commercial Mooring Transfer

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #7775, from Matthew Krajewski to David Warpula.

I have reviewed the attached paperwork and concur with the local Harbormaster and Chief Harbormaster that the request meets all the requirements of the PDA-DPH Code of Administrative Rules regarding commercial mooring transfers. Therefore, I am requesting approval of the transfer.

If you have any questions or need further information, please let me know.

David Warpula  
PH 603-436-8500  
DWarpula@pease.com

Division of Ports & Harbors  
Memorandum

To: Capt. Geno J. Marconi  
From: Chief H/M Tracy R. Shattuck *TRS*  
Re: Commercial Transfer  
Date: May 17, 2022

---

Matther Krajewski and David Warpula are requesting the transfer of a Mooring Permit (#1581) in the Hampton Harbor area 3 mooring field. Attached is documentation of David Warpula's commercial enterprise in the form of lobster license. Also attached is the transfer request and bill of sale from Krajewski. David Warpula has asserted that he understands that the mooring must remain in commercial use.

I have reviewed this application and I believe that it is in compliance with the administrative rules.

I recommend that permit #7775 be transferred to:

David Warpula  
615 Ocean Blvd #3  
Hampton, NH



**PEASE**  
INTERNATIONAL  
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

TO: Paul Brean, Executive Director, PDA  
FROM: Geno J. Marconi, Director, DPH  
DATE: May 17, 2022  
RE: Commercial Mooring Transfer

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #1581, from David Goethel to Derek Fisher.

I have reviewed the attached paperwork and concur with the local Harbormaster and Chief Harbormaster that the request meets all the requirements of the PDA-DPH Code of Administrative Rules regarding commercial mooring transfers. Therefore, I am requesting approval of the transfer.

If you have any questions or need further information, please let me know.



Division of Ports & Harbors  
Memorandum

To: Capt. Geno J. Marconi  
From: Chief H/M Tracy R. Shattuck *TCS*  
Re: Commercial Transfer  
Date: May 17, 2022

---

David Goethel and Derek Fisher of Fisher Lobster, LLC are requesting the transfer of a Mooring Permit (#1581) in the Hampton Harbor mooring field. Attached is documentation of Derek Fisher's commercial enterprise in the form of lobster license. Also attached is the transfer request and bill of sale from Goethel. Derek Fisher has asserted that he understands that the mooring must remain in commercial use.

I have reviewed this application and I believe that it is in compliance with the administrative rules.

I recommend that permit #1581 be transferred to:

Derek Fisher  
48 Polly Ann Park  
Dover, NH



**PEASE**

INTERNATIONAL

PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

TO: Paul Brean, Executive Director, PDA *Paul Brean*  
FROM: Geno J. Marconi, Director, DPH *Geno J. Marconi*  
DATE: May 26, 2022  
RE: Commercial Mooring Transfer

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #7922, from Gerald Worcester to Shean Gray.

I have reviewed the attached paperwork and concur with the local Harbormaster and Chief Harbormaster that the request meets all the requirements of the PDA-DPH Code of Administrative Rules regarding commercial mooring transfers. Therefore, I am requesting approval of the transfer.

If you have any questions or need further information, please let me know.

Division of Ports & Harbors  
Memorandum

To: Capt. Geno J. Marconi  
From: Chief H/M Tracy R. Shattuck *TRS*  
Re: Commercial Transfer  
Date: May, 25, 2022

---

Gerald Worcester and Shean Gray are requesting the transfer of a Mooring Permit (#7922) in the Seabrook Harbor mooring field. Attached is documentation of Shean Gray's commercial enterprise in the form of his fishing license. Also attached is the transfer request and bill of sale from Worcester. Shean Gray has asserted that he understands that the mooring must remain in commercial use.

I have reviewed this application and I believe that it is in compliance with the administrative rules.

I recommend that permit #7922 be transferred to:

Shean Gray  
25 Freshet Rd  
Madbury, NH 03823



**PEASE**

INTERNATIONAL

PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

**PEASE DEVELOPMENT AUTHORITY  
DIVISION OF PORTS AND HARBORS**

**RIGHT OF ENTRY**

Pease Development Authority, Division of Ports and Harbors ("PDA-DPH") with an address of 555 Market St., Portsmouth, NH 03801 under authority set forth in NH RSA 12-G, grants a Right of Entry ("ROE") **Andy Widen dba Ray's Seafood ("Ray's") of 1677 Ocean Blvd. Rye, NH 03870** to use property of the State of New Hampshire, Rye Harbor Marine Facility, 1870 Ocean Blvd. Hampton, NH 03870 (the "Premises") pursuant to the terms of this Right of Entry and for the following purposes and for no other uses unless expressly authorized:

**PREMISES:** Rye Harbor Marine Facility

**PURPOSE OF ROE:** Charter Boat Operations & Customer Parking

**PERIOD OF USE:** June 1, 2022 through June 30, 2023

**PARKING FEE:** \$5.00 per car through June 30, 2022

The ROE is given subject to the following conditions:

1. The term of this ROE shall be from June 1, 2022 through June 30, 2023. Requests for extension or renewal shall be submitted to the DPH Director in writing by **May 1, 2023**.
2. **Ray's** customers shall have nonexclusive use of parking spaces situated at the Premises parking lot. PDA-DPH will charge customers a \$5.00 parking fee per car for any vehicle using the Marine Facility parking lot. Parking fees are subject to change during the term of this ROE in accordance with Administrative Rules PART Pda 610.
3. **Ray's** shall obtain a separate Pier Use Permit in connection with its charter operation which allows nonexclusive access to the Premises pier, in accordance with N.H. Administrative Rules Part Pda 600.

○○○○ TAKING YOU THERE

ph: 603-436-8500 fax: 603-436-2780 www.peasedev.org



4. Ray's shall be familiar with and follow Administrative Rules CHAPTER 600. The Rules are available from PDA-DPH upon request or can be viewed on the Divisions web site, [www.nortofnh.org](http://www.nortofnh.org).
5. In accordance with Administrative Rule Pda 603.11 (a), Ray's acknowledges that camping or sleeping on state-owned commercial piers and associated facilities is prohibited.
6. In accordance with Administrative Rule Pda 603.11 (b), Ray's acknowledges the service and consumption of alcohol is prohibited unless permission has been granted with the terms of a written contractual agreement with PDA-DPH.
7. The scheduling of departures and arrivals in connection with any activity allowed under this ROE will not interfere with the scheduled use of common areas or adjoining areas by other entities which have actively conducted business at the Premises and have been previously issued an ROE(s) by PDA-DPH.
8. Ray's shall indemnify, defend (with counsel acceptable to the State of New Hampshire and PDA-DPH) and hold the State of New Hampshire and PDA-DPH harmless against and from any and all claims, judgments, damages, penalties, fines, assessments, costs and expenses, liabilities and losses (including without limitation, sums paid in settlement of claims, attorney's fees, consultant's fees and experts' fees) resulting or arising during the term of this ROE:
  - A. From any condition of the Premises including any building structure or improvements thereon for which Ray's has taken possession of hereunder;
  - B. From any breach or default on the part of Ray's to be performed pursuant to the terms of this ROE, or from any act or omission of Ray's, or any of its agents, contractors, servants, employees, licensees or invitees; or
  - C. From any accident, injury, death, loss or damage whatsoever caused to any person or property occurring during the term of this ROE, on or about the areas (including, but not limited to piers, docks, gangways, ticket office and parking areas) arising out of or incidental to the use, management or control of the area(s) and activities which are the subject of this ROE.
9. On or before the effective date of this ROE, Ray's and any agent, contractor, or vendor of Ray's shall provide PDA-DPH with proof of required insurance coverage as outlined in Exhibit A.
10. Notwithstanding the foregoing, no provision of this ROE shall be deemed to constitute or effect a waiver of the sovereign immunity of the State of New Hampshire and no provision of this ROE shall be deemed to constitute or effect a waiver of the sovereign immunity of PDA-DPH as a body politic and corporate of the State of New Hampshire. The sovereign immunity of the State of New Hampshire is reserved to the State of New

Hampshire to the fullest extent allowed under law and the sovereign immunity of PDA-DPH is reserved to it to the fullest extent allowed under law subject, however to contractual claims arising under this ROE to the extent such are permitted by New Hampshire NH RSA Ch. 491:8 as the same may be amended.

11. Ray's will obtain advance approval for all signs and advertisements posted on the Premises. In all cases, the decision of PDA-DPH shall be final.
12. Ray's may terminate this ROE by giving PDA-DPH a thirty (30) day notice in writing. The provisions of paragraph 8 shall survive termination.
13. PDA-DPH reserves the right to terminate this ROE upon thirty (30) days' notice for, including, but not limited to, violations of any Administrative Rules or policies of the PDA-DPH. The provisions of paragraph 8 shall survive termination.
14. PDA-DPH may terminate this ROE by giving Ray's thirty (30) days advanced written notice of termination in the event of the failure of Ray's to perform, keep or observe any of the conditions of the ROE and the failure of Ray's to correct the default or breach within the time specified by PDA-DPH. The provisions of paragraph 8 shall survive termination.
15. This ROE may be terminated immediately by PDA-DPH in the event Ray's fails to provide proof of insurance coverage or engages in any activity which is deemed by PDA-DPH in its sole discretion to compromise public safety or health. The provisions of paragraph 8 shall survive termination.
16. In the performance of this ROE, Ray's is in all respects an independent contractor and is neither an agent nor employee of the State of New Hampshire or PDA-DPH and that the State of New Hampshire and PDA-DPH shall, at no time, be legally responsible for any negligence or willful acts on the part of Ray's or any of its officers, employees, agents or members resulting in either personal or property damage to any individual, firm or corporation. Neither Ray's nor any of its officers, employees, agents or members shall have the authority to bind the State of New Hampshire or PDA-DPH nor are they entitled to any of the benefits, Worker's Compensation or emoluments provided by the State of New Hampshire or PDA-DPH to its employees. Ray's agrees to hold the State of New Hampshire and PDA-DPH harmless against liability for loss or damage to its equipment or supplies or equipment rented or leased by the Ray's from others from any cause whatsoever, while they are located on state property either during the operating period or while in storage.
17. In connection with the performance of this contract, Ray's agrees to comply with all statutes, laws, regulations and orders of federal, state, county or municipal authorities, including those of PDA-DPH which shall impose any obligation or duty on Ray's.

18. Ray's shall obtain all necessary licenses and permits required in connection with the operations described herein. Required documents may include, but are not limited to, Pier Use Permit, Captains License(s), applicable NH Fish and Game Fishing and/or Charter licenses, and NH Secretary of State Registration paperwork.
- 19 Ray's is responsible for providing all necessary and required safety equipment and training to its employees and customers as may be required and appropriate to the uses allowed under this ROE.
20. Ray's shall be responsible for routine cleaning of all areas of the Premises and equipment which is used in connection with its operations at the Premises and for picking up garbage and rubbish its operations generate and depositing same at a designated location on the Premises where PDA-DPH can dispose of it.
21. Ray's may not self-fuel any boat used in connection with this ROE on the premises. Ray's will be allowed to purchase fuel from an approved vendor (diesel only) or from the fuel service available (diesel or gasoline). To purchase diesel fuel from an approved vendor, the vessel owner and associated vessel must have a fuel variance approved by the Office of the State Fire Marshall in accordance with BULLETIN #2015-07 as may be amended from time to time. Subject to increases which may be implemented from time to time, the vendor will pay PDA-DPH \$0.10 per gallon.
22. This ROE may not be assigned or transferred without the express written approval of the PDA-DPH.
23. Meetings shall be held when deemed necessary by PDA-DPH at a place and time to be agreed upon mutually by PDA-DPH and Rays for the purpose of discussing current operational issues, presentation of official requests for changes in schedules, process, and other pertinent business which may arise. The PDA-DPH will be represented at these meetings by the Director of the DPH or his/her authorized representative(s) and such subordinate supervisory personnel fully acquainted with field operations as he/she shall designate. Ray's shall be represented, at a minimum, by one (1) officer/member of the company.
24. To the extent applicable, Ray's agrees to hold the State of New Hampshire and PDA-DPH harmless with respect to taxes levied against the premises subject to this ROE as a consequence of the application of RSA 72:23 I. Ray's agrees to pay, in addition to other payments, all properly assessed real and personal property taxes against the premises subject to this ROE in accordance with the provisions of RSA 72:23 I. In the event Ray's shares a larger parcel of land and lessees or other ROE holders, it shall be obligated to pay only its pro rata share of any such taxes. Failure of Ray's to pay its duly assessed personal and real estate taxes when due shall be cause to terminate said ROE by PDA-DPH. Ray's shall, in addition, reimburse PDA-DPH for any taxes paid by it pursuant to RSA 73:23 I as a result of Ray's failure to pay said taxes.

[Remainder of page left blank-Signature page follows]

PEASE DEVELOPMENT AUTHORITY  
DIVISION OF PORTS AND HARBORS

Date: May 18, 2022

Baeline A. O'Neil  
Witness signature

Paul E. Brean  
Paul E. Brean, Executive Director, PDA

Baeline A. O'Neil  
Witness printed name

---

Andy Widen dba Ray's Seafood

Date: 5/12/2022

Brenda Therrien  
Witness Signature

Andy Widen  
Authorized Signature

Brenda Therrien  
Witness Printed Name

Andy Widen  
Andy Widen, President



EXHIBIT A

**TO: RIGHT OF ENTRY HOLDERS - CHARTER ONLY (NO BUILDING ON SITE)**

**RE: MINIMUM REQUIREMENTS OF CERTIFICATES OF INSURANCE FOR CHARTERS OPERATING ON PROPERTY OF THE STATE OF NH, PEASE DEVELOPMENT AUTHORITY-DIVISION OF PORTS AND HARBORS**

All Charter Right of Entry holders are required to provide proof of insurance to the Pease Development Authority-Division of Ports and Harbors (PDA-DPH) before the commencement of business on PDA-DPH property and to maintain such insurance while conducting such business. The following are the minimum requirements for insurance coverage:

1. **Protection and Indemnity:** shall provide for a liability limit on account of each accident resulting in bodily injury, death, or property damage to a limit of not less than \$1,000,000.00 per occurrence.
2. **Dockside liability endorsement:** Covering piers, gangways, and docks.
3. **Automobile Liability:** One (1) million dollars automobile liability coverage.
4. **Workers Compensation:** Coverage equal to minimum statutory levels as required by New Hampshire State law.
5. **Additional Insureds:** Pease Development Authority Division of Ports and Harbors and the State of New Hampshire must be named as additional insureds under all liability coverages.
6. **Certificate Holder:** Pease Development Authority, Division of Ports of Harbors  
555 Market St.  
Portsmouth, NH 03801
7. **Notice of Cancellation:** A 30 day notice of cancellation (with the exception of a 10 day notice for non-payment of premium) must be provided.
8. **Waiver of Subrogation:** With the exception of workers compensation coverage, a statement that a waiver of subrogation is included with respect to applicable coverage.
9. **Primary Insurance:** A provision that any liability coverage required to be carried shall be primary and noncontributing with respect to any insurance carried by the PDA.

For questions, please contact the Pease Development Authority Legal Department at (603) 433-6348.

Ray's Seafood  
Charter ROE, Rye  
5

**PEASE DEVELOPMENT AUTHORITY  
DIVISION OF PORTS AND HARBORS**

Date: \_\_\_\_\_

Witness signature

Paul E. Brean, Executive Director, PDA

Witness printed name

**Andy Widen dba Ray's Seafood**

Date: 5/12/2027

Brenda Therrien

Witness Signature

Brenda Therrien

Witness Printed Name

Andy Widen

Authorized Signature

Andy Widen

Andy Widen, President

EXHIBIT A

**TO: RIGHT OF ENTRY HOLDERS - CHARTER ONLY (NO BUILDING ON SITE)**

**RE: MINIMUM REQUIREMENTS OF CERTIFICATES OF INSURANCE FOR CHARTERS OPERATING ON PROPERTY OF THE STATE OF NH, PEASE DEVELOPMENT AUTHORITY-DIVISION OF PORTS AND HARBORS**


All Charter Right of Entry holders are required to provide proof of insurance to the Pease Development Authority-Division of Ports and Harbors (PDA-DPH) before the commencement of business on PDA-DPH property and to maintain such insurance while conducting such business. The following are the minimum requirements for insurance coverage:

1. **Protection and Indemnity:** shall provide for a liability limit on account of each accident resulting in bodily injury, death, or property damage to a limit of not less than \$1,000,000.00 per occurrence.
2. **Dockside liability endorsement:** Covering piers, gangways, and docks.
3. **Automobile Liability:** One (1) million dollars automobile liability coverage.
4. **Workers Compensation:** Coverage equal to minimum statutory levels as required by New Hampshire State law.
5. **Additional Insureds:** Pease Development Authority Division of Ports and Harbors and the State of New Hampshire must be named as additional insureds under all liability coverages.
6. **Certificate Holder:** Pease Development Authority, Division of Ports of Harbors  
555 Market St.  
Portsmouth, NH 03801
7. **Notice of Cancellation:** A 30 day notice of cancellation (with the exception of a 10 day notice for non-payment of premium) must be provided.
8. **Waiver of Subrogation:** With the exception of workers compensation coverage, a statement that a waiver of subrogation is included with respect to applicable coverage.
9. **Primary Insurance:** A provision that any liability coverage required to be carried shall be primary and noncontributing with respect to any insurance carried by the PDA.

For questions, please contact the Pease Development Authority Legal Department at (603) 433-6348.

Date: June 1, 2022

To: Director Ferrini  
Executive Director Brean

From: Geno Marconi, Division Director 

Subject: Change Order 10, Portsmouth Fish Pier

The Division of Ports and Harbors (the "Division") has been working with HL Patten, the General Contractor, on closing out the Portsmouth Commercial Fish Pier Project. The final top coat of paving was completed on Tuesday, May 31, 2022. As part of the final close out 3 (three) outstanding items have been identified for payment and presented in Change Order #10 on May 23, 2022. Those items are:

- Light fixtures: It was recognized that lack of lighting below the pier at low tide and around the jib crane work area created a safety issue and determined the best course of action would be to install additional lighting. 4 (four) LED lights were mounted. 2 (two) on each jib crane (photos attached). The light fixture had been on back order for 1 (one) year.  
**\$6,003.15**
- Beams and fasteners: When the deck and pier were "opened up" it was determined that installing additional beam support now would help ensure stability of the deck in the future. The beams were ordered October 7, 2021 and the fasteners were purchased October 26, 2021.  
**\$412.70**
- Hoist enclosures: Aluminum covers (photos attached) were fabricated back in November 2021 to protect the electric hydraulic pump system for the jib cranes. These covers will protect system form exposure to the harsh environmental conditions and possible damage.  
**\$3,500.00**

Total - **\$9,915.86**

Additionally, it should be noted that HL Patten did not include a markup on these additional items.

The current unencumbered balance of the appropriation is \$176,186.76.

Therefore, the Division requests approval of the Executive Director and the PDA Treasurer for payment.





General Contractors

May 23, 2022

Mr. Geno Marconi, Director  
NH Port Authority  
Market Street Marine terminal  
555 Market Street  
Portsmouth, NH 03801

RE: Commercial Fish Pier, PCO #10

Dear Geno: Please find attached our proposed change order for miscellaneous work items outside of the contract scope. Most of the cost is associated with the new cranes and hydraulic hoists. Should you have questions or comments please contact me at your earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Anderson', with a horizontal line extending to the right.

Bruce D. Anderson  
Project Manager



# BRIDGES ELECTRIC INC.

PO Box 7 • York Harbor, Maine 03911  
Tel. 207.363.7177 • Fax 207.363.7172  
www.bridgeselec.com

# Invoice

Date	Invoice #
5/15/2022	19332

<b>Bill To</b>
HL PATTON CONSTRUCTION INC. PO BOX450 KITTERY, ME 03904

JOB NAME	Terms
pier add lights	

Serviced	Quantity	Description	Rate	Amount
5/9/2022	4	LIGHT FIXTURES	525.54	2,102.16
	2	Miscellaneous. Material to complete the job bull horn mounting brackets	290.00	580.00
	50	1/2" liquid tight #12 THHN	5.00	250.00
		Miscellaneous. Material to complete the job	120.00	120.00
	7	LABOR - TAYLOR	200.00	200.00
	7	LABOR- SEAN	90.00	630.00
	7	Labor - DAN	92.00	644.00
5/10/2022	6	LABOR- DAVID P	83.00	581.00
	4	LABOR- SEAN	88.00	528.00
			92.00	368.00

*Light on top of Job Cranes  
Eluminate the Float & Dock*

<b>THANK YOU FOR YOUR BUSINESS</b> mcbridges@bridgeselec.com			<b>Total</b>	\$6,003.16
---	--	--	--------------	------------



# Sales Order

## CUSTOM FLOAT SERVICES

11 Wallace Avenue  
South Portland, ME 04106

TEL. (207) 772-3796 • FAX (207) 347-7283  
TOLL FREE (888) 844-9666

www.customfloat.com • info@customfloat.com

Order Number: 0022628

Order Date: 10/7/2021

Customer Number: 00-0007695

Salesperson: Henri Gignoux

### Sold To:

HL Patten Construction  
P.O. Box 450  
KITTERY, ME 03904

### Ship To:

P.O. Box 450  
KITTERY, ME 03904

### Customer P.O.

10x10x12' timbers

### Ship VIA

PICKUP

### Terms

DUE ON DELIVERY

Item Number	Description	Unit	Ordered	STD Price	Disc. Price	Net Amount
/LUMBER	10x10x16' UC4B Timber		1.00	226.6700	204.003	204.00
/LUMBER	10x10x8' UC4B Timber		1.00	151.1100	135.999	136.00
Available for p/u anytime 10/8/2021 or after						

*Structural  
Timbers  
Post on Docks  
Construction*

Net Order:	340.00
Less Discount:	0.00
Freight:	0.00
Sales Tax:	18.70
<b>Order Total:</b>	<b>358.70</b>



145 Heritage Ave. #2  
Portsmouth, NH 03801

# Invoice

Date	invoice #
10/26/2021	137270

Bill To	Ship To
---------	---------

H.L. PATTEN  
PO Box 450  
Kittery, ME 03904

S.O. No.	P.O. No.	Terms	Project
	Fish Pier	Net 30	

Description	Invoiced	Rate	Amount
5/8 x 8 Lag Screw Galvanized with Flat Washer	6	2.00	12.00
3/4-10 x 12 Carriage Bolt Galvanized	12	3.50	42.00

*Bolts for Beams*

**POSTED**  
10/28

<b>Total</b>	\$54.00
--------------	---------

Past Due Invoices are Subject to a 1-1/2% Finance Charge Per Month

Phone	Fax	E-mail	Web Site
603-431-0077	603-433-0022	sales@fastener-warehouse.com	www.fastener-warehouse.com



# INVOICE

3048



## KNIGHTS WELDING INC.

35 Years Of Service  
87 Lovering Road  
North Hampton, NH 03862

(603) 235-4774 Fax (603) 379-2542

JOB PHONE	DATE OF ORDER
JOB NAME/LOCATION	Row 6

TO HL PATTON

PHONE

ORDER TAKEN BY

TERMS:

DESCRIPTION	AMOUNT
> All Pump covers (two) FAB & INSTALL \$1750 <sup>00</sup> each	\$3500 <sup>00</sup>

FISH PIER  
OK BWA 1-20-21

LABOR	HOURS	RATE	AMOUNT	TOTAL MATERIAL	TOTAL LABOR

WORK ORDERED BY

DATE COMPLETED

TOTAL LABOR

TA

PAY THIS AMOUNT

\$3500<sup>00</sup>

**Thank You**

SIGNATURE (I hereby acknowledge the satisfactory completion of the above described work.)





# ATTENTION

- CRANE LOAD LIMIT 1000 LBS.
- TURN OFF ELECTRICAL SWITCH WHEN DONE
- SECURE THE LIFT LINE HOOK TO THE BRIDLE
- SECURE THE SAFETY CABLE ACROSS THE OPENING
- WALK DOWN AND CLEAN UP THE AREA WHEN DONE
- KEEP HANDS AWAY FROM WINCH











36 Airline Ave., Portsmouth, NH 03801  
603.433.6536

Memorandum

**To:** Paul Brean, Executive Director *PEB*  
**From:** Geno Marconi, Director, Division of Ports and Harbors  
**CC:** Tanya Coppeta, Employee Relations Manager  
**Date:** 6/7/2022  
**Subj:** Ports and Harbors Position: Harbormaster, Rye Harbor

After 24 years of service, Judy DuBois, Secretary II, Rye Harbor, has retired, effective 6/1/2022. Judy filled a full-time, benefitted state classified position. Her position handled many aspects of Rye Harbor's operations, including fuel sales, parking, customer relations, and permit-holder issues.

Consistent with past practice, and per **NH RSA Chapter 12-G:11, IV,:** *The state classified positions of the port authority shall be transferred to the authority when the duties, functions and jurisdiction of the port authority are transferred to the authority.* As a result, with Judy's retirement, the new full time position will be transitioned to a full-time, benefitted PDA position.

As the full-time role in Rye has evolved over the last several years to incorporate additional harbor duties, including regulation enforcement, the Division will fill the position with a Harbormaster per **NH RSA Chapter 12-G:42: Additional Powers and Duties. III. Be authorized and empowered to appoint and compensate a chief harbor master, a deputy chief harbor master, and one or more harbor masters for communities within the confines of which there are ports or state tidal waters who will enforce the directives of the authority and the division, including but not limited to the placement of moorings, the assignment of anchorage areas, and the movement of traffic. The authority may appoint one or more assistant harbor masters at any such place to assist the chief harbor master, the deputy chief harbor master, or one or more harbor masters in carrying out any of their duties.** See also **NH RSA 12-G:50.**

This is also consistent with past practice, as in 2016, the full time position in Hampton Harbor was filled with a Harbormaster. The benefits of this to the Division have been ongoing, allowing Hampton Harbor staff to enforce the Division's regulatory code without having to have DPH senior staff on site for enforcement purposes.

There are two part-time Harbormasters in Rye currently, one focuses primarily on mooring issues and questions, the other was reassigned to Rye for an extended period of time to support the commercial fishing operation. The new full-time position will oversee docks, wharves, piers, cash receipts, permit-holder issues, and supervision of seasonal staff. This is the only full time position at Rye Harbor, supplemented with part time seasonal help in the summer.

The full-time Harbormaster in Rye Harbor will be non-exempt, with a salary range of \$16.00-\$19.00 per hour, and will be entitled to enroll in all benefits offered to employees of Pease Development Authority. The attached job description provides detailed information on essential

duties and responsibilities.



## Pease Development Authority Job Description

Job Title: Harbormaster  
Department: Division of Ports and Harbors  
Reports to: Chief Harbormaster  
Revision Date: May 2022  
Status: **Non-Exempt (hourly)**  
Employee Type: Regular Full Time

---

### **Job Summary**

To provide harbor control coverage in the tidal water harbors of the state, including enforcing mooring regulations small boat traffic control, and water safety, per Chapter 12-G Pease Development Authority.

### **Essential Duties and Responsibilities**

- Patrols the tidal water harbors of the state to preserve and regulate navigation; enforce rules and regulations, monitors condition of moorings, and when necessary, requests the removal of vessels.
- Checks applications for mooring permits and inspects moorings for compliance with safety requirements.
- Keeps channels clear of lobster buoys and other obstructions.
- Explains boating safety laws and regulations to the public; answers boaters' questions and provides information pertaining to rules of the harbor.
- Reviews Wetland and DES permits referencing navigational issues.
- Observes and may check the operation of all types of boats to ensure compliance with statutes, rules, and regulations established by the Port Authority.
- Administers first-aid in case of accident or other emergency situations.

### **Additional Duties**

- Supervisory and shore side facility duties as assigned.

- Handles cash and cash reporting for fuel sales, ticket sales, etc.
- Open and secure facility as warranted
- Perform other duties as assigned

---

**Essential Behavior Requirements**

These behaviors are based on PDA cultures and values critical to support the mission of the organization.

**Service Quality:** Exceed the customer's (both internal and external) needs in every interaction.

**Teamwork:** Ability to demonstrate cooperative spirit and capacity to work well as a team member.

**Problem Solving:** Recognize and define problems; analyze relevant information; encourage alternative solutions and plans to resolve situations; seek additional assistance when needed.

**Communication:** Actively listen to customers (includes coworkers, public, BOD, etc.) empathizes (sees the situation from the customer's perspective) and work together to solve the problem through affective communication.

---

**Supervisory Responsibilities**

Does this job have supervisory responsibilities? Yes

Choose an item.

If yes, positions directly supervised by this position? Part time seasonal employees

**Minimum Qualifications**

- **Computer Skills:** Proficient with basic computer skills, including Word and Excel.
- **Education:** Completion of high school, G.E.D., or equivalent, possessing the ability to follow written and verbal instructions and use of mathematics.
- **Experience:** One year of experience associated with small boat operation in tidal waters.

**SPECIAL REQUIREMENTS:**

- Must be at least 18 years of age.
- Must possess a valid drivers license.
- Must be knowledgeable regarding standard first-aid procedures.
- Working knowledge of a variety of computer software applications including word processing, spreadsheets, and database software.

**Certificates, Licenses, Registrations**

None required.



**Physical Demands**

How much on-the-job time is spent in following physical activities? Show the amount of time (in %) by checking the appropriate boxes below.

Condition	None	Less than 33%	33% - 66%	Over 66%
Stand	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Walk	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Sit	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Use Hands to finger, handle or feel	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Reach with hands and arms	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Climb or balance	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Stoop, kneel, crouch, or crawl	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Talk or hear	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Taste or smell	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>

Does this job require that weight be lifted or force be exerted? If so, how much and how often? Check the appropriate boxes below representing % of time spent.

Condition	None	Less than 33%	33% - 66%	Over 66%
Up to 10 lbs	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Up to 25 lbs	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Up to 50 lbs	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Up to 100 lbs	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
More than 100 lbs	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Work Environment**

How much exposure to the following environmental conditions does this job require? Show the amount of time (in %) by checking the appropriate boxes below.

Condition	None	Less than 33%	33% - 66%	Over 66%
Wet or humid conditions (non-weather)	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Work near moving mechanical parts	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Work in high or precarious places	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Fumes or airborne particles	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Toxic or caustic chemicals	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Outdoor weather conditions	<input type="checkbox"/>	<input type="checkbox"/>	X	<input type="checkbox"/>
Extreme cold (non-weather)	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extreme heat (non-weather)	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk of electrical shock	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Work with explosives	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk of radiation	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vibration	<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>

How much noise is typical for the work environment of this job? Check the appropriate level below.

- Very quiet (examples: forest trail, isolation booth for hearing test)
- Quiet (examples: library, private office)
- Moderate noises (examples: business office with computers and printers, light traffic)
- X Loud (examples: metal can manufacturing department, large earth-moving equipment)
- Very loud (examples: jack hammer work, front row at rock concert)

*The above statements are intended to describe the general nature and level of work being performed by individuals assigned to this position. They are not intended to be an exhaustive list of all duties, responsibilities, and skills required of personnel so classified.*

Questionnaire prepared by:


Name: Geno Marconi Date: 5/16/2022

Title: Director-Ports and Harbors

Basis for knowledge of job:

- Hold job now
- Supervise job
- Other, explain: per 12G defining the Assistant Harbor master

## MEMORANDUM

To: Pease Development Authority Board of Directors  
From: Paul E. Brean, Executive Director   
Date: June 8, 2022  
Re: Rye Harbor Marine Facility – Police Detail Requirement for Right of Entry Holder(s)

---

At the Pease Development Authority Board of Directors' meeting on April 21, 2022, it granted waivers to Rye Harbor Marine Facility Right-of-Entry (RoE) holders to sell restaurant style food items subject to certain conditions, the first of which was a provision of a police detail on weekends and holidays. The Board indicated in its motion that it would review this requirement at its June and August meetings. The only RoE holder to accept the waiver for this summer season is Rye Harbor Lobster Pound (RHLP). To date, RHLP has not operated this season. As such, no police details have been provided as of the date of this memo.


## MOTION

Director Lamson:

The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a Right of Entry with Independent Boat Haulers, Inc. for the purpose of using the Rye Harbor Marine Facility for three (3) years, commencing July 1, 2022, through June 30, 2025, on substantially the same terms and conditions set forth in the memorandum from Geno J. Marconi, Director of the Division of Ports and Harbors, dated May 26, 2022, attached hereto.

**NOTE: Roll Call vote required.**



To: Pease Development Authority ("PDA") Board of Directors  
From: Geno Marconi, Division Director   
Date: May 26, 2022  
Subject: Independent Boat Haulers Right of Entry, Rye Harbor Marine Facility

The Pease Development Authority, Division of Ports and Harbors (the Division") has received a request from Independent Boat Haulers (IBH) to enter into a non-exclusive Right of Entry ("ROE") to provide boat hauling and launching services to both pleasure and commercial fishing vessels. IBH has had a ROE and has utilized the Rye Harbor Marine Facility for many years and continues to provide a necessary and valuable service to the marine community in the seacoast area.

Therefore, the Division recommends that the Pease Development Authority approve another Right of Entry for IBH in accordance with the following terms and conditions:

PREMISES: Rye Harbor Marine Facility

PURPOSE: Use of Landing Facilities and Parking Spaces

TERM: Three (3) years commencing July 1, 2022 through June 30, 2025

FEE: July 1, 2022 through June 30, 2023- \$3,500.00  
July 1, 2023 through June 30, 2024 – To be set by the Division by May 1, 2023  
July 1, 2024 through June 30, 2025 – To be set by the Division by May 1, 2024

PAYMENTS: Equal payments of one half (1/2) of the annual fee on or before July 1 and September 1 of each year the ROE is in effect

INSURANCE: Commercial General Liability: \$2,000,000.00 per occurrence.  
Pollution Liability: \$1,000,000.  
Automobile Liability: \$1,000,000.00.  
Workers Compensation in accordance with statutory limits.  
Thirty (30) day notification of cancellation, waiver of subrogation, primary and non-contributory language.  
PDA-DPH and the State of New Hampshire named as additional insured.  
IBH agrees to defend and indemnify the State of New Hampshire and the Pease Development Authority, Division of Ports and Harbors.

# Independent Boat Haulers

P.O. Box 61 126 Harold Dow Highway

Eliot, ME 03903

P: 207-439-8871 F:207-439-4169

5/11/2022

Brenda Therrien

Administrative Assistant

Division of Ports & Harbors

555 Market St

Portsmouth, NH 03801

Hi Brenda,

Independent Boat Haulers would like to request to renew our ROE. Our contract is expiring on 6/30/22.

Thank You



Donna Hawker, Office Manager

## MOTION

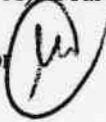
Director Levesque:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to finalize and enter into a Right of Entry with the Northeast Fishery Sector XI for two (2) years, commencing July 1, 2022, with two (2) options of one (1) year each subject to the approval of the Executive Director, for office space located at the Portsmouth Fish Pier on substantially the same terms and conditions set forth in the memorandum from Geno J. Marconi, Director of the Division of Ports and Harbors, dated May 26, 2022; attached hereto.

**NOTE: Roll Call vote required.**



**PORTS AND HARBORS**

**TO:** Pease Development Authority (PDA) Board of Directors  
**FROM:** Geno J. Marconi, Division Director   
**DATE:** May 26, 2022  
**SUBJECT:** Office Rental, Portsmouth Commercial Fish Pier

The Pease Development Authority, Division of Ports and Harbors (“PDA-DPH”) received a request from the Northeast Fishery Sector XI (the “Sector”) to continue the rental of office space in the building at the Portsmouth Commercial Fish Pier located on Peirce Island. These Sector, employing one manager, represent the commercial ground fishermen of New Hampshire. The work performed by the Sector manager and the need for the office space at the fish pier is necessary to assist the commercial fishing industry’s compliance with federal regulations. The Division works closely with the members of the Sector and supports this request.

Therefore, in accordance with RSA 12-G:43 (b) “Aid in the development of the salt water fisheries and associated industries,” the Division recommends that the Pease Development Authority approve a Right of Entry (ROE) to the Sector for the use of office space subject to the following terms and conditions:

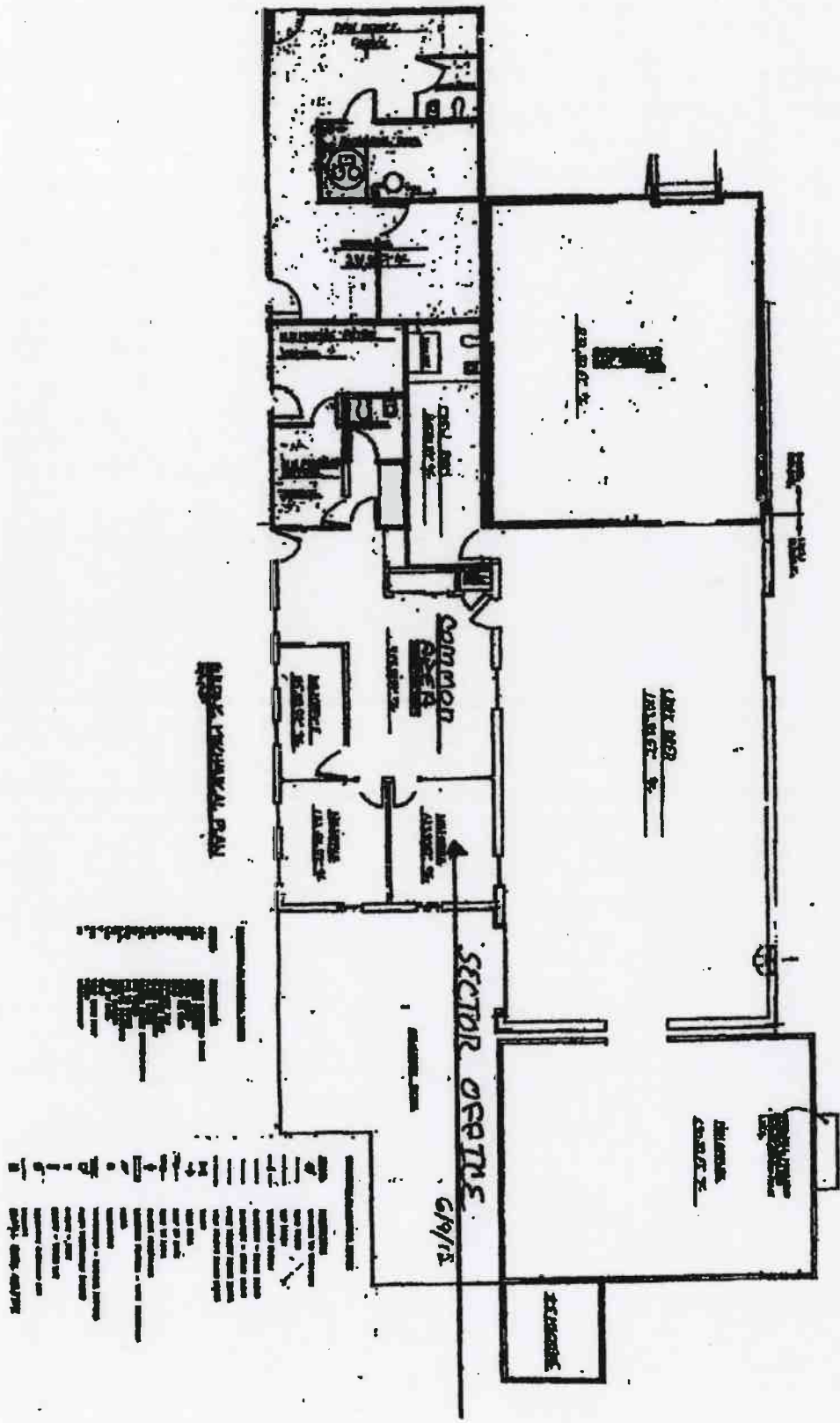
- LOCATION:** Portsmouth Commercial Fish Pier.
- PREMISE:** One Hundred Twenty Three (123) square feet of office space and access through common area, including rest rooms, as shown on the attached diagram.
- PURPOSE:** Provide a central location for the manager of the Sectors representing the New Hampshire Ground Fishermen in accordance with Amendment 16 to the Magnuson-Stevens Fisheries Management and Conservation Act.
- FEE:** \$500.00 per month.
- TERM:** Two (2) years commencing on July 1, 2022 through June 30, 2024. The Sector may exercise its right to extend for two (2) one (1) year options subject to the approval of the PDA Executive Director.
- INSURANCE:** Commercial general liability (CGL) in the amount of \$1,000,000 insurance per person/aggregate and workers compensation coverage to statutory limits. CGL to name PDA-DPH and State of NH as additional insureds and be primary and non-contributory with respect to any coverages carried by PDA-DPH, self-insured or otherwise. A waiver of subrogation shall also be included. Automobile coverage in the minimum amount of \$1,000,000 to the extent there is an insurable interest.

**ADDITIONAL TERMS**

**AND CONDITIONS:** The Sector agrees to comply with all Administrative Rules and Policies promulgated by the Pease Development Authority, Division of Ports and Harbors.



A-1



**From:** NEFS V [mailto:[nefsector5@gmail.com](mailto:nefsector5@gmail.com)]  
**Sent:** Thursday, May 26, 2022 9:02 AM  
**To:** Brenda Therrien <[B.Therrien@peasedev.org](mailto:B.Therrien@peasedev.org)>  
**Cc:** NEFS 11 Jamie Hayward <[jamienjolyn@comcast.net](mailto:jamienjolyn@comcast.net)>; Geno Marconi <[G.Marconi@peasedev.org](mailto:G.Marconi@peasedev.org)>  
**Subject:** XI Northeast Fishery Sector lease

**EXTERNAL:** Do not open attachments or click on links unless you recognize and trust the sender.

Hi Brenda,  
The sector would like to renew our lease with Pease Development Authority for our office space at 1 Peirce Island Road which currently expires on June 30, 2022.

If you need any additional information, please let me know.

Thank you

--

Daniel Salerno  
NEFS 5 & NEFS 11  
401-932-0070  
401-633-6539 (fax)

**MOTION**

Director Anderson:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to defer payment of the \$59,382.67 balance of the 2021-2022 minimum guaranteed payment required under Article 4.1d of the License and Operating Agreement with Morton Salt, Inc. (the "Agreement"), and add said balance to the 2022 - 2023 minimum guaranteed payment under the Agreement; all in accordance with the memorandum from Geno J. Marconi, Director of the Division of Ports and Harbors, dated June 6, 2022; attached hereto.

**NOTE: Roll Call vote required.**



**PEASE**  
INTERNATIONAL  
PORTS AND HARBORS

355 Market Street, Suite 1 Portsmouth, NH 02801

Date: June 6, 2022  
To: Paul Brean, PDA Executive Director *pb*  
From: *MS* for Geno Marconi, Division Director  
Subject: Morton Salt

Morton Salt ("Morton") has a contract with the Division of Ports and Harbors (the "Division") for use of a portion of the Market Street Terminal for the offloading and storage of road salt. May 31, 2022 was the end of the contract year for Morton Salt.

In accordance with ARTICLE 4. STORAGE FEES – SCALE HOUSE FEES – TERMINAL CHARGES- GUARANTEED PAYMENT- UTILITIES – SECURITY – REPORTS:

4.1. d) Guaranteed Payment. MORTON agrees to provide PDA-DPH with a minimum annual guaranteed revenue of \$225,000 to include dockage, wharfage and storage area rental at a rate of \$63,000 per acre.

For the period June 1, 2021 through May 31, 2022 the Division billed Morton a total of \$165,617.33 for the contract year, leaving an outstanding balance of \$59,382.67 (in order to meet the minimum required payment).

The Rehabilitation and Modification of the Main Wharf (BUILD Project) began April 8, 2022 and all tenants at the Market Street Marine Terminal were given prior notice of the project. The Division suggested that tenants should consider "topping off" their inventories in anticipation of the dock closure for construction. Morton informed the Division in late March that they had nominated a ship and requested the berth for April 15<sup>th</sup> or there about. Because the construction had started the berth was no longer available and the ship was not permitted to berth in Portsmouth.


Morton Salt has been a valued tenant since 2002 (previously named International Salt) and have honored the terms and conditions of their contracts. Due to the fact that Morton's efforts to bring a ship in before the end of the contract year were fruitless due to the construction, Morton now has the payment shortfall noted above and has inquired if there is any way to provide relief from the required payment.

Although pursuant to the terms and conditions of their contract, ARTICLE 2. CONDITION OF STORAGE AREA, 2.1, and, ARTICLE 10 RIGHT OF PDA-DPH TO INSPECT AND REPAIR, 10.2, Morton is not relieved of the requirement to make the minimum payment, the Division recommends extending payment of the \$59,382.67 for this past contract year into the next contract year beginning June 1, 2022 through May 31, 2023, and adding that amount to the \$225,000.00 minimum payment for the upcoming contract year. This would bring the May 31, 2023 minimum guaranteed payment to \$284,382.67. Morton is appreciative of this potential accommodation.

With the foregoing in mind, please seek Board authorization at the June 16, 2022, meeting to extend payment of the minimum amount owed under the 2021-2022 contract year, into next year's minimum payment amount as noted above.



**MEMORANDUM**

To: Pease Development Authority Board of Directors  
From: Paul E. Brean, Executive Director   
Date: June 8, 2022  
Re: Special Event

---

I am pleased to report on the following special event:

1. Veterans Count will be hosting the Veterans Run "Pack & Boots" road race to be held on Monday, July 4, 2022.



RIGHT TO KNOW UPDATE: Effective January 1, 2018, RSA 91-A, the Right to Know Law was modified to include that "If a member of the public body believes that any discussion in a meeting of the body, including in a nonpublic session, violates this chapter, the member may object to the discussion. If the public body continues the discussion despite the objection, the objecting member may request that his or her objection be recorded in the minutes and may then continue to participate in the discussion without being subject to the penalties of RSA 92-A:8, IV or V. Upon such request, the public body shall record the member's objection in its minutes of the meeting. If the objection is to a discussion in nonpublic session, the objection shall also be recorded in the public minutes, but the notation in the public minutes shall include only the members name, a statement that he or she objected to the discussion in nonpublic session, and a reference to the provision of RSA 91-A:3, II, that was the basis for the discussion."

## MOTION

Director Ferrini:

The Pease Development Authority Board of Directors will enter non-public session pursuant to NH RSA 91-A:3 for the purpose of discussing:

1. Confidential Airport Security Matters [NH RSA 91-A:3, II (i) and (j)] and
2. Consideration of Legal Advice [NH RSA 91-A:3, II (I)].

**NOTE: Roll Call vote required.**

## MOTION

Director Levesque:

Resolved, pursuant to NH RSA 91-A:3, the Pease Development Authority Board of Directors hereby determines that the divulgence of information discussed and decisions reached in the non-public session of its June 16, 2022, meeting related to the consideration of legal advice from legal counsel and discussion of confidential airport security matters are confidential matters which, if disclosed publically, would render the proposed actions ineffective and further agrees that the minutes of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply.

**NOTE: NOTE: Roll Call vote required.  
Requires two-thirds vote of members present.**