PEASE DEVELOPMENT AUTHORITY | **PUBLIC AGENDA**
Tuesday, March 17, 2026 | **Time: 8:30 a.m.**

Place: 55 International Drive – Board Conference Room
Watch Meeting Via Live Stream: https://townhallstreams.com/towns/pease_dev_nh

BOARD OF DIRECTORS' MEETING

AGENDA (REVISED)

I. Call to Order:

II. Acceptance of Meeting Minutes: Board of Directors' Meetings of January 13, 2026, and February 9, 2026 * (Fournier)

III. Public Comment:

IV. Committees:

A. Report:

1. Port Committee *
2. Golf Committee *
3. Finance Committee *

V. Old Business:

A. Report:

1. Discussion on Rye Harbor Marine Facility Study – Tighe & Bond (continuation of discussion from October 14, 2025, presentation)

VI. Consent Agenda Items:

A. Consent Agenda Approvals: * (Fournier)

1. Portsmouth International Airport at Pease – Airport Parking Lot Expansion – PDA's On-Call Architectural and Engineering Consultant Harriman Associates, Inc. * **(Conard)**
2. Portsmouth International Airport at Pease - General Aviation Phasing Study – PDA's On-Call Airport Planning & Engineering Consultant Hoyle Tanner & Associates, Inc. * **(Levesque)**
3. Portsmouth International Airport at Pease - PDA's On-Call Architectural and Engineering Consultant Harriman Associates, Inc. – Design Road Signage at Exeter Street and New Hampshire Avenue * **(Semprini)**
4. Skyhaven Airport – Wildlife Fence – PDA's On-Call Airport Planning & Engineering Consultant Jacobs Engineering Group Inc. and G.B. Hastie Fence Co., LLC * **(Fournier)**
5. Pease Development Authority - Legal Services * **(Ferrini)**
6. Pease Development Authority – General Aviation Hangar Ground Lease – 200, 201, 203 and 205 Flightline Road * **(Parker)**
7. Pease Development Authority – Utility Van – Hilltop Chevrolet * **(Conard)**
8. International Association of Privacy Professionals – Right of Entry – 14 Aviation Avenue (20 Vehicles) * **(Levesque)**

B. **Consent Agenda Approval with Waiver: * (Conard)**

1. Pease Development Authority – FinQuery, LLC – Change Order to include Financial Contract Management Subscription * **(Ferrini)**
2. Portsmouth International Airport at Pease – Granite State Minerals – Utilization of State Contract for Purchase of Roadway Rock Salt * **(Parker)**
3. Portsmouth International Airport at Pease – United States Customs and Border Patrol – IT Upgrades * **(Semprini)**

VII. Finance:

A. **Executive Summary ***

B. **Reports:**

1. FY2026 Financial Report for the Seven-Month Period Ending January 31, 2026 *
2. Cash Flow Projections for the Nine Month Period Ending November 30, 2026 *
3. Pease International Tradeport - Capital Improvement Plan FY 2026 – FY 2032 *

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

A. **Report: ***

1. Jalbert Leasing, Inc. d/b/a C&J Bus Lines - Right of Entry – Marking of Trees
2. Jalbert Leasing, Inc. d/b/a C&J Bus Lines – Right of Entry - 42 and 47 Durham Street
3. International Association of Privacy Professionals – Right of Entry – 14 Aviation Avenue (parking for 21 Vehicles)

IX. Leases:

A. **Report: ***

1. Sublease between 273 Corporate Drive LLC and CA, Inc. at 273 Corporate Drive (Suite #115)
2. Sublease between 273 Corporate Drive LLC and ElmBlue Capital LLC at 273 Corporate Drive (Suite #125)

X. Contracts:

A. **Report: ***

1. Pease Development Authority – On-call Environmental/Civil Engineering Consulting Services – Stormwater Sampling Support Services Report
2. Portsmouth International Airport at Pease – Hoyle, Tanner & Associates – 2026 Airport Diagram Modifications
3. Pease International Airport – Sunbelt Rentals - Generator
4. Pease Development Authority - Modern Pest Services (fka Eco Services Pest Control) – Exercise Final One-Year option
5. Pease Development Authority - Sunbelt Rentals – Hydraulic Excavator for Snow Removal
6. Pease Development Authority – Northeast Land Care, LLC – Exercise First of Two (2) One-year options for Landscaping Services
7. Pease Development Authority – Granite State Minerals – Roadway Rock Salt
8. Pease Golf Course - Christian Party Rental – Special Events Tent – Exercise Final One-year option
9. Pease Golf Course – Clean Restroom Rentals, Inc. – Exercise Final One-year option
10. Portsmouth International Airport at Pease – ePlus Technologies - Airport Terminal Replacement Camera

11. Portsmouth International Airport at Pease – East Coast Escalator Cleaning – Airport Terminal Escalator
12. Pease Development Authority – Granite State Minerals – Additional Purchase of Roadway Rock Salt
13. Pease Development Authority – Tiffany Eddy Media – Exercise First of Two (2) One-year options for Public Relations / Marketing Services

B. Marketing Funds Report: *

1. Somersworth High School – PSM and DAW

XI. Signs:

A. Report:

No items to report

XII. Executive Director:

A. Reports:

1. Wayfinding Signage +
2. Golf Course Operations *
3. Airport Operations *
    a) Portsmouth International Airport at Pease (PSM)
    b) Skyhaven Airport (DAW)
    c) Noise Line Report
        (i) January & February 2026 *

XIII. Division of Ports and Harbors:

A. Reports:

1. Division of Ports and Harbors Facilities Report *
2. Minutes of the Port Advisory Council Meeting of December 10, 2025 *
3. Moores Crane Services – Exercise First of Two (2) One-year options *
4. Commercial Mooring Transfer – Fraser to Stanek *
5. Two Commercial Mooring Transfers – Consentino to Philibotte of Outcast Holdings LLC *
6. Commercial Mooring Transfer – Nudd, Jr. to Heath *
7. Commercial Mooring Transfer – Fallon to Binette *
8. Commercial Mooring Transfer – McLaughlin to Seacoast Economics & Agriculture, LLC *
9. Commercial Mooring Transfer – Tabbut to Frampton *
10. Market Street Terminal 555 Market Street – Right of Entry – Moran Towing Corporation *

B. DPH Consent Agenda Approvals: * (Ferrini)

1. Hampton Harbor Marine Facility - Right of Entry Transfer, Smitty to Linda's Lobsters LLC * **(Semprini)**
2. Market Street Terminal 555 Market Street – Right of Entry – American Cruise Lines * **(Fournier)**
3. Granite State Minerals – Exercise Final One-Year option to License and Operating Agreement * **(Conard)**
4. Final Proposed Mooring Permit and Mooring Waitlist Fee Schedule * **(Conard)**

5. Rye Harbor Marine Facility – Right of Entry Amendment and Transfer –Hidden Coast Shellfish LLC to Rye Seafood Company LLC * **(Parker)**
6. Hampton Harbor Marine Facility – Right of Entry Transfer from Gauron Fisheries Inc. dba Kayak Shack to Kym's Kayak Shack LLC* **(Ferrini)**

C. DPH Approval with Waiver:

1. Motorola Solutions - Security Camera System Procurement and Waiver * **(Parker)**

XIV. New Business:

A. Report:

No items to report

B. Grant Applications Filed in January and February:

1. Portsmouth International Airport at Pease - Congressionally Directed Spending Transportation, Housing, and Urban Development - Airfield Pavement and Stormwater Improvements
2. Division of Ports and Harbors – 2026 NHDES Granite State Clean Fleets – Shore Power Installation on Barge Pier

XV. Special Event:

A. Report: *

1. IAPP - 5K Memorial Walk – April 8, 2026

XVI. Upcoming Meetings:

Audit Committee	April 13, 2026 @ 8:30 a.m.
Board of Directors	April 21, 2026 @ 8:30 a.m.
Noise Compatibility Committee	April 21, 2026 @ 6:30 p.m.

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

XVII. Directors' Comments:

XVIII. Adjournment:

XIX. Press Questions:

XX. Consultation with Counsel:

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

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PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Fournier:

I make a motion to accept the meeting minutes of the Board of Directors' public and non-public meetings of January 13, 2026, and the public meeting of February 9, 2026.

N:\RESOLVES\2026\Approve Minutes 1-13-26 (3-17-26).docx

PEASE DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS' MEETING
MINUTES

Tuesday, January 13, 2026

Presiding:	Neil Levesque, Vice Chair
Present:	Thomas G. Ferrini, Treasurer; Karen Conard; Steve Fournier; Susan B. Parker; and Brian Semprini
Absent:	Steve Duprey, Chairman
Attending:	Paul E. Brean, Pease Development Authority ("PDA") Executive Director; Anthony I. Blenkinsop, Deputy Director / General Counsel; Josh Wyatt, Deputy General Counsel; Suzy Anzalone, Director of Finance; Tim Riese, Golf Course General Manager; Michael R. Mates, Director of Engineering; Richard Hartley, Director of Ports and Harbors; Chasen Congreves, Business Development; Andrew Pomeroy, Manager of Aviation Compliance & Safety; Ken Conley, Manager of Airport Infrastructure and Facilities; Greg Siegenthaler, IT Director; and Raeline A. O'Neil, Executive Administrative Assistant

Minutes Prepared By: Raeline A. O'Neil, Executive Administrative Assistant

AGENDA

I. Call to Order:

Vice-Chair Levesque ("Levesque") called the meeting to order; the meeting commenced at **8:30 a.m.**

II. Acceptance of Meeting Minutes: Board of Directors' Meetings of December 16, 2025

Director Fournier **moved** the **motion** and Director Semprini **seconded** to **accept the meeting minutes of the Board of Directors' meeting held on December 16, 2025.**

Discussion: Conard and Levesque both abstained as they were not in attendance at the meeting. **Disposition**: Resolved **unanimous** (4-0) vote for; motion **carried**.

III. Public Comment:

Ken Grant of Barrington spoke to the recent public comments made concerning ICE flights and stated he agreed with ICE flights utilizing the Portsmouth International Airport at Pease ("PSM") for the transport of detainees.

IV. Committees:

A. Report:

No items to report

V. Old Business:

A. Report:

No items to report

VI. Consent Agenda Items:

A. Consent Agenda Approvals:

1. **Pease International Airport at Pease – On-Call Airport Engineering and Architectural Services**
2. **Portsmouth International Airport at Pease – New Hampshire Air National Guard – Request for Fee Transfer "Overflow Parking Lot B" Parcel**
3. **Lonza Biologics – 34 Harvest Way – Sign Variance**
4. **Pease Development Authority - Legal Services**

Director Conard **moved** the **motion** and Director Parker **seconded** that **the Pease Development Authority Board of Directors hereby moves that item numbers 1-4 from the consent agenda list below be approved as a single consent agenda item, and that the proposed motions included for each be incorporated into such approval as the operative motion for each item.**

1. Pease International Airport at Pease – On-Call Airport Engineering and Architectural Services
2. Portsmouth International Airport at Pease – New Hampshire Air National Guard – Request for Fee Transfer "Overflow Parking Lot B" Parcel
3. Lonza Biologics – 34 Harvest Way – Sign Variance
4. Pease Development Authority - Legal Services

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

VII. Finance:

A. Executive Summary

B. Reports:

1. **FY2026 Financial Report for the Five-Month Period Ending November 30, 2025**
2. **Cash Flow Projections for the Nine Month Period Ending September 30, 2026**

Suzy Anzalone ("Anzalone"), PDA Finance Director, spoke to the reports and indicated that consolidated operating revenues were slightly higher than budgeted and consolidated operating expenses were trending favorably by 8.1%. Further Anzalone indicated all business units are performing favorable to budget; she explained to the Board the negative number on page 3 under accrued vacation and sick time represents a credit back to the PDA for unused sick/vacation time related to a recently retired employee.

Anzalone spoke to capital expenses to date of $2.9 million with information to the specific projects contained in the report. PDA anticipates a cash inflow of $21 million with $4.2 million being grant funded and projected cash outflows are projected to be $25.9 million with $7.7 million in internally funded expenditures and $3 million in grant funded expenditures. There are some large internally funded expenditures anticipated in the future which will significantly decrease PDA's cash balance.

Regarding Division of Ports and Harbors ("DPH"), Anzalone informed the Board of the anticipated cash inflows of $5.2 million with $2.2 million in grant funding and about $4.8 million in cash outflows with $2.3 million in grant funded capital expenditures and internally funded expenditures in the amount of $135,000.

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

A. Report:

1. Northeast Landcare - Right of Entry – Rye Steet off Corporate Drive

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:	Northeast Landcare
	License:	Right of Entry
	Location:	Southeast corner lot on Rye Street off Corporate Drive
	Purpose:	Utilizing laydown area for materials storage
	Term:	December 30, 2025, through April 30, 2026

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

IX. Leases:

A. Report:

1. Sublease between 119 International Drive, L.L.C. and Incline Analytics LLC at 15 Rye Street

2. Sublease between Pioneer New Hampshire, LLC and Sterilray, Inc. at 112 Corporate Drive

In accordance with the "Delegation to Executive Director: Consent, Approval of Sub-Sublease Agreements" PDA approved the following subleases:

1.	Tenant:	Incline Analytics LLC.
	Space:	15 Rye Street (Suite #225)
	Use:	General Office and Related Uses
	Term:	2-year term expiring November 30, 2027
2.	Tenant:	Sterilray, Inc.
	Space:	112 Corporate Drive
	Use:	General Office Use
	Term:	2-year term

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 this instance, Director Fournier was consulted and granted his consent.

X. Contracts:

A. Report:

1. On-call Fence Company - Premier Fence – Exercise Two Year Option

2. PDA's Auditor - Berry Dunn – CARES Act Grant Funding

In accordance with Article 3.9.1.1 of the PDA Bylaws, PDA is pleased to report the following:

1.	Project Name:	Premier Fence, LLC (PDA's On-Call Fence Company)
	Board Authority:	Board approval received December 21, 2023
	Summary:	Exercise of the two-year extension option to the agreement.
2.	Project Name:	Berry Dunn (PDA's Auditor)
	Board Authority:	Director Ferrini
	Cost:	Not to exceed $5,000.00
	Summary:	Review of CARES Act grant funding.

B. Marketing Funds Report:

1. Words in the Woods – Annual Report
2. Dover Chamber of Commerce

Brean indicated this report is associated with marketing expenses incurred with item number 1 relating to PDA's Annual Report that will hopefully be presented to the Board shortly, which will recap 2025 performance of PDA and DPH and PDA's membership with the Dover Chamber of Commerce.

XI. Signs:

A. Report:

No items to report

XII. Executive Director:

A. Reports:

1. Golf Course Operations

Tim Riese ("Riese"), PGA Professional, Pease Golf Course ("PGC") spoke to recent warm weather melting the snow and ice on the course; most of the greens on the 18-hole course are clear and a few greens on the Blue Course have a little ice.

Riese stated that all parts of the irrigation system are in and available to be installed, just waiting for contractor (National Lawn Sprinkler) to perform the installation which is anticipated to be done in March.

The membership renewal process has commenced with 95% of the memberships renewed; with a membership wait list, full capacity is anticipated.

Lastly, Riese spoke to being on the board of the New England PGA chapter and he indicated that former General Manager Scott DeVito is being awarded Professional of the Year by the Chapter.

2. Airport Operations

a) Portsmouth International Airport at Pease (PSM)

b) Skyhaven Airport (DAW)

c) Noise Line Report

(i) December 2025

Brean stated that activities at the airport are going well with numbers through November indicating approximately 110,000 enplanements. Spoke to the uptick in enplanements relating to the increased capacity in commercial travel with Allegiant and Breeze out of Portsmouth; Brean also spoke to revenue for both parking and fuel flowage received.

Further, Brean spoke to a large obligation to Department of Defense and to the FAA requirement of PDA, as the airport sponsor, of PDA's obligations to maintain the airfield for Snow and Ice Control at the Airport ("SICA"). Guidance is provided by the FAA with PDA presenting a plan for review and approval of the proposed logistics for SICA and airfield priority zones (four areas). Brean spoke to conventional plowing and grooming, the need to utilize alternative de-icing materials as salt is too corrosive to runways, lighting and aircraft.

Brean spoke to the land transfer, grant assurances and agreement with DOD (Joint Use Agreement) requiring maintenance of the airfield so it is fully operational 24/7. Further Brean spoke to receiving feedback from stakeholders, ANG, Air Traffic Control, airlines, etc. both pre and post winter season.

Ken Conley ("Conley"), Manager of Airport Infrastructure and Facilities, spoke to the variety of the snow removal fleet and the various pieces of equipment, the strict requirements when treating the airfield and management during inclement weather, and staffing requirements to drive the specialized pieces of equipment. Conley spoke to personnel, the retention of winter over hires, the need to be open and operational during weather events, required skills/licenses needed to operate the equipment, as well as two mechanics and electricians on hand assisting with management of airfield and equipment.

Brean also spoke to the three thousand (3,000) operational airfield lights which need to be considered during weather events (directive of the FAA that if there are three runway lights that are unlight the airport needs to be closed) which is an additional consideration of the operations of the snow removal equipment.

Conard inquired of the 2.8 million linear feet of runway and taxiways covered; Conley indicated this represented just the coverage of the priority 1 area.

Conley stated all employees understanding the need for "all hands-on deck" during weather events; at this time there is a full staff, but three additional individuals would optimize the crew.

Brean spoke to additional airport staff being on hand during weather events to manage PSM's field condition reporting and continuous self-inspection and communication needs during inclement weather events.

Conley spoke to the conservative estimate (i.e., labor, equipment, de-icing agents and fuel for the top two priority zones) to manage the airfield during winter weather events since 2015; this accounts for.

Semprini spoke to the appreciation of the snow removal work performed and the precision of the staff and airfield crew during these weather events.

XIII. Division of Ports and Harbors:

A. Reports:

1. **Division of Ports and Harbors Facilities Report**
2. **Minutes of the Port Advisory Council Meeting of October 8, 2025**
3. **2023 Annual Foreign Trade Zone Report**
4. **2024 Annual Foreign Trade Zone Report**

Richard Hartley ("Hartley") Director of Ports and Harbors ("DPH") highlighted the facilities report provided in the Board materials and further indicated there are three salt shipments (50% of bulk salt) arriving at the Market Street Terminal ("MST") over the next three weeks.

Hartley further indicated that a new truck scale has been installed; over the last month there have been 1,800 salt trucks which have utilized the scale.

Hartley spoke to the various activity at MST during 2025:

1. Arrival of just under 300,000 tons of cargo,
2. 4 million pounds of menhaden,
3. Transfer of just under 600,000 gallons of diesel fuel,
4. Over 1,100 cruise passengers/tourists received; and
5. 62 calls by various vessels.

Hartley informed the Board with the completion of the work at the Portsmouth Fish Pier, the Tall Ship event would return in July.

Parker inquired on dates of salt ships and requested coordination of tour for the Town of Greenland Select Board; Hartley indicated he would coordinate a date with Parker directly.

B. DPH Consent Agenda Approvals:

1. **Functional Replacement Project - Appledore Marine Engineering, LLC – Dredge Analysis and Bid Solicitation Service Retroactive Approval**
2. **Rye Harbor Marine Facility – Riverside & Pickering Marine Contractors - Recreational Pier Floating Docks Replacement**
3. **Rye Harbor Marine Facility – Rye Harbor Seawall - Appledore Marine Engineering LLC**
4. **Rye Harbor Marine Facility – Right of Entry Transfer and Amendment – Vintage Fish Company, LLC to Hidden Coast Shellfish LLC**

Director Parker **moved** the **motion** and Director Conard **seconded** that **the Pease Development Authority Board of Directors hereby moves that item numbers 1-4 from the Division of Ports and Harbors consent agenda list below be approved as a single consent agenda item, and that the proposed motions included for each be incorporated into such approval as the operative motion for each item.**

1. Functional Replacement Project - Appledore Marine Engineering, LLC – Dredge Analysis and Bid Solicitation Service Retroactive Approval
2. Rye Harbor Marine Facility – Riverside & Pickering Marine Contractors - Recreational Pier Floating Docks Replacement
3. Rye Harbor Marine Facility – Rye Harbor Seawall - Appledore Marine Engineering LLC
4. Rye Harbor Marine Facility – Right of Entry Transfer and Amendment – Vintage Fish Company, LLC to Hidden Coast Shellfish LLC

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

XIV. New Business:

A. Report:

No items to report

B. Grant Applications Filed in December:

1. Portsmouth International Airport at Pease – Passenger Boarding Bridge

XV. Special Event:

A. Report:

1. Millennium Running - St. Patty's 5k/10k Road Race to be held on March 15, 2026

XVI. Upcoming Meetings:

Port Committee	March 5, 2026 @ 8:00 a.m.
Golf Committee	March 16, 2026 @ 8:30 a.m.
Finance Committee	March 16, 2026 @ 9:00 a.m.
Board of Directors	March 17, 2026 @ 8:30 a.m.

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

XVII. Directors' Comments:

Brean spoke with Lonza regarding a tour of its facility, in the near future, after a Board meeting.

XVIII. Non-public Session:

1. Dismissal, promotion, or compensation of any public employee [NH RSA 91-A:3, II (a)] and
2. Consideration of Legal Advice [NH RSA 91-A:3, II (l)].

Director Semprini **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. **Dismissal, promotion, or compensation of any public employee [NH RSA 91-A:3, II (a)]; and**
2. **Consideration of Legal Advice [NH RSA 91-A:3, II (l)].**

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

The Board went into Non-Public Session at 9:12 a.m. and came out of Non-Public Session at 9:30 a.m.

XIX. Vote of Confidentiality:

Not applicable.

XX. Adjournment:

Director Conard **moved** the **motion** and Director Fournier **seconded** to **adjourn the Board meeting. Meeting adjourned at 9:31 a.m.**

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

XIX. Press Questions:

None

XX. Consultation with Counsel:

Respectfully submitted,

Paul E. Brean
Executive Director

PEASE DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETNG
NON-PUBLIC SESSION (Per NH RSA 91-A:3)
MINUTES

Tuesday, January 13, 2026

Presiding:	Neil Levesque, Vice Chair
Present:	Thomas G. Ferrini, Treasurer; Karen Conard; Steve Fournier Susan B. Parker; and Brian Semprini
Absent:	Stephen Duprey, Chairman
Attending:	Paul E. Brean, Executive Director; Anthony I. Blenkinsop, Deputy Director / General Counsel; Josh Wyatt, Deputy General Counsel; Tanya Coppeta, Employee Relations Manager and Raeline A. O'Neil, Executive Administrative Assistant

Minutes Prepared by: Raeline O'Neil, Executive Administrative Assistant

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The Board entered non-public session at **9:13 a.m.**

Non-public Session:

1. Dismissal, promotion, or compensation of any public employee [NH RSA 91-A:3, II (a)]; and
2. Consideration of Legal Advice [NH RSA 91-A:3, II (l)].

I. Acceptance of the Non-Public Minutes of October 21, 2025

Director Semprini moved the motion and Director Conard seconded to **accept the non-public minutes of Pease Development Authority Board of Directors' meeting dated October 21, 2025.**

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

II. Discussion of compensation of Director of Division of Ports and Harbors

Paul Brean ("Brean") Executive Director, noted the meeting was to discuss the compensation of the Director of the Division of Ports and Harbors ("DPH"), given Richard Hartley's ("Hartley") recent promotion to the Director position in November.

Anthony Blenkinsop ("Blenkinsop"), Deputy Director and General Counsel informed the Board it sets the salary for the Director of DPH pursuant to RSA 12-G.

Tanya Coppeta ("Coppeta") informed the Board of the salary history and compensation range comparison regarding the Director of DPH position.

The Board discussed the salary range provided by Coppeta for this position, Board members' satisfaction with Hartley's performance, and his qualifications. Each Director concurred that an increase in salary was appropriate.

Director Conard **moved** the **motion** and Director Parker **seconded** that **Richard Hartley, Director of Ports and Harbors, annual salary be set at $165,000.00.**

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

III. Adjournment/ Return to Public Session:

Director Semprini **moved** the **motion** and Director Conard **seconded** to **return to public session of the Pease Development Authority Board of Directors' meeting dated January 13, 2026.**

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

The Board came out of Non-Public session at **9:30 a.m.**

Sincerely,

Paul E. Brean, A.A.E.
Executive Director

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PEASE DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS' MEETING
MINUTES

Monday, February 9, 2026

Presiding:	Neil Levesque, Vice Chair
Present:	Thomas G. Ferrini, Treasurer; Karen Conard; Susan B. Parker; and Brian Semprini
Remote:	Steve Duprey, Chairman
Absent:	Steve Fournier
Attending:	Paul E. Brean, Pease Development Authority ("PDA") Executive Director; Anthony I. Blenkinsop, Deputy Director / General Counsel; Ken Conley, Manager of Airport Infrastructure and Facilities; John Meehan, Airport Manager; Greg Siegenthaler, IT Director; and Raeline A. O'Neil, Executive Administrative Assistant

Minutes Prepared By: Raeline A. O'Neil, Executive Administrative Assistant

AGENDA

I. Call to Order:

Vice-Chair Levesque ("Levesque") called the special meeting to order; the meeting commenced at **8:30 a.m.**

Chairman Duprey participated in the meeting remotely via telephone, alone and in his vehicle.

II. Public Comment:

None

III. Contracts:

A. Approval:

1. Portsmouth International Airport at Pease – Moulison Electric, Inc. – Replacement of 5kv Electrical Cable at North End of Airfield

Director Ferrini **moved** the **motion** and Director Semprini **second** that **the Pease Development Authority ("PDA") Board of Directors hereby approves of and authorizes the Executive Director to enter into a contract with Moulison Electric, Inc., PDA's On-Call Electrical Services' contractor, for the replacement of the 5kv electrical cable at the north end of the airfield at Portsmouth International Airport at Pease in an amount not to exceed $143,960.01; all in accordance with the memorandum of John Meehan, Airport Manager, dated February 5, 2026; attached hereto**

Discussion: Brean spoke of small electrical failures at the airfield managed by PDA's in-house electricians. However, this work is beyond the scope of in-house repair, requiring PDA's

On-Call Electrical Services provider, Moulison Electric. There is an anticipated ten (10) day lead time on the receipt of the required cable supporting the navigational Instrument Landing System ("ILS"); current support for service is provided via generator. Brean spoke of additional electrical repairs down the road; the original cable has met its life expectancy.

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

IV. Upcoming Meetings:

Port Committee	March 5, 2026 @ 8:00 a.m.
Golf Committee	March 16, 2026 @ 8:30 a.m.
Finance Committee	March 16, 2026 @ 9:00 a.m.
Board of Directors	March 17, 2026 @ 8:30 a.m.

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

V. Directors' Comments:

None.

VI. Adjournment:

Director Conard **moved** the **motion** and Director Ferrini **seconded** to **adjourn the Board meeting.**

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

Meeting **adjourned at 8:33 a.m.**

VII. Press Questions:

None

Respectfully submitted,

Paul E. Brean
Executive Director

PEASE DEVELOPMENT AUTHORITY
PORT COMMITTEE AGENDA

THURSDAY MARCH 5, 2026 8:00 AM

PEASE DEVELOPMENT AUTHORITY BOARD ROOM
55 INTERNATIONAL DR.
PORTSMOUTH NH 03801

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1. CALL TO ORDER

2. APPROVAL OF MINUTES

   a. December 11, 2025*

3. NEW BUSINESS
   a. Right of Entry transfer, Hampton Harbor Marine Facility, Smitty's State Pier Lobster Pound to Linda's Lobsters, LLC*
   b. Final Proposed Mooring Permit & Mooring Waitlist Fees, effective April 1, 2026*
   c. Right of Entry, Market St. Terminal, American Cruise Lines Inc.*

4. OLD BUSINESS

5. NEXT PORT COMMITTEE MEETING: THURSDAY JUNE 4, 2026

6. PUBLIC COMMENT

7. PRESS QUESTIONS

8. ADJOURNMENT

* Materials are provided in the packet

PEASE DEVELOPMENT AUTHORITY
Monday, March 16, 2026

GOLF COMMITTEE
AGENDA

Time: **8:30 a.m.**
Place: 55 International Drive, Pease International Tradeport
Portsmouth, New Hampshire

AGENDA

I. Call to Order

II. Acceptance of Meeting Minutes: September 15, 2025 * **(Ferrini)**

III. Public Comment

IV. New Business
   A. Reports
      1. Irrigation System Improvement Update
      2. Autonomous mower *
      3. First Tee Upgrades +

V. Upcoming Meetings

Board of Directors	March 17, 2026, 8:30 a.m.

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

VI. Adjournment

VII. Press Questions

*	Related Materials Attached
**	Related Materials Previously Sent
***	Related Materials will be provided under separate cover
+	Materials to be distributed at Committee Meeting
■	Confidential Materials

PEASE DEVELOPMENT AUTHORITY
Monday March 16, 2026

FINANCE COMMITTEE AGENDA

Time: 9:00 A.M.
Place: 55 International Drive
Pease International Tradeport
Portsmouth, NH 03801

I. Call to Order *(Ferrini)*

II. Acceptance of Committee Meeting Minutes: August 4, 2025 * *(Levesque)*

III. Public Comment

IV. Reports *(Anzalone)*

1. Operating Results for the Seven Month Period Ending January 31, 2026 *
2. Nine Month Cash Flow Projections through November 30, 2026 *
3. FY 2026 – FY 2032 Capital Improvement Plan *

V. Next Committee Meeting – June 15, 2026

VI. Director's Comments

VII. Adjournment

VIII. Press Questions

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

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Fournier:

The Pease Development Authority Board of Directors hereby moves that item numbers _________ from the consent agenda list below be approved as a single consent agenda item, and that the proposed motions included for each be incorporated into such approval as the operative motion for each item.

1. Portsmouth International Airport at Pease – Airport Parking Lot Expansion – PDA's On-Call Architectural and Engineering Consultant Harriman Associates, Inc. and Hutter Construction * **(Conard)**
2. Portsmouth International Airport at Pease – General Aviation Phasing Study – PDA's On-Call Airport Planning & Engineering Consultant Hoyle Tanner & Associates, Inc. * **(Levesque)**
3. Portsmouth International Airport at Pease – PDA's On-Call Architectural and Engineering Consultant Harriman Associates, Inc. – Design Road Signage at Exeter Street and New Hampshire Avenue * **(Semprini)**

4. Skyhaven Airport – Wildlife Fence – PDA's On-Call Airport Planning & Engineering Consultant Jacobs Engineering Group Inc. and G.B. Hastie Fence Co., LLC * **(Fournier)**

5. Pease Development Authority – Legal Services * **(Ferrini)**

6. Pease Development Authority – General Aviation Hangar Ground Lease – 200, 201, 203 and 205 Flightline Road * **(Parker)**

7. Pease Development Authority – Utility Van – Hilltop Chevrolet * **(Conard)**

8. International Association of Privacy Professionals – Right of Entry – 14 Aviation Avenue (20 Vehicles) * **(Levesque)**

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Conard:

The Pease Development Authority ("PDA") Board of Directors authorizes the Executive Director to:

1. Accept the low bid from Hutter Construction Corporation for construction of a 218-parking stall expansion to the main parking lot at the Portsmouth International Airport at Pease in an amount not to exceed $1,672.028;

2. Enter into a contract addendum with Harriman Associates, one of PDA's on-call architectural and engineering consultants, for construction administration services of the parking lot expansion Design, Bidding and Construction Administration Project at Portsmouth International Airport at Pease in a total amount not to exceed $135,193; and

3. Establish a project contingency in the amount of $170,000;

all in accordance with the memorandum of Michael R. Mates, P.E., Director of Engineering, dated March 6, 2026; attached hereto.

N:\RESOLVES\2026\Airport - Airport Parking Lot A Expansion Design (3-17-26).docx

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive, Portsmouth NH 03801

Memorandum

To: Paul E. Brean, Executive Director PEB

From: Michael R. Mates, P.E., Director of Engineering MRM

Date: March 6, 2026

Subject: Approvals for PSM Parking Expansion, Construction Phase

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At the October 2024 meeting of the PDA Board of Directors, the Board authorized funds to enter into a contract with Harriman Associates ("Harriman"), PDA's on call architectural and engineering consultant, to design and permit an expansion to PSM's main parking lot. Since that time, the team designed a 218-parking stall expansion and has obtained an Alteration of Terrain Permit from the NH Department of Environmental Services. In addition, coordination with the EPA, NHDES DOD Sites Division, and the Air Force was required to ensure there will be no impacts to the environmental treatment measures that have been installed onsite to mitigate the Air Force's past operations. Attached is an exhibit that depicts the new parking expansion.

On February 26, bids for construction of the parking lot were opened. Five contractors submitted bids. The low bid came from Hutter Construction Corporation ("Hutter") at $1,672,028. All bids received were less than 10% higher than Hutter, indicating a very competitive bid. Hutter has completed over 30 million dollars of construction projects for PDA over the last 10 years and continues working for PDA today on the ATCT renovation project. Each one of these projects has been successful, even the 2020 terminal expansion won an award from NEC/AAAE. PDA has an excellent working relationship with Hutter and looks forward to working with them once again if their bid is accepted.

In addition to the cost of construction, there will be costs associated with Harriman's construction administration services as well as the need for a contingency. Harriman has provided a proposal for $135,193 for services including the processing of RFI's, shop drawings, attendance at weekly construction meetings, material testing, periodic site visits to ensure conformance with plans and specifications, observation reports, and punch list. Finally, a contingency of $170,000, approximately 10% of the construction cost, is suggested here to cover the costs of unforeseen conditions.

At the March Board meeting, please ask the Board for approval to:

1. Accept Hutter's low bid of $1,672,028;

2. Amend the on-call contract with Harriman to include the construction administration services for $135,193;
3. Establish a project contingency of $170,000.

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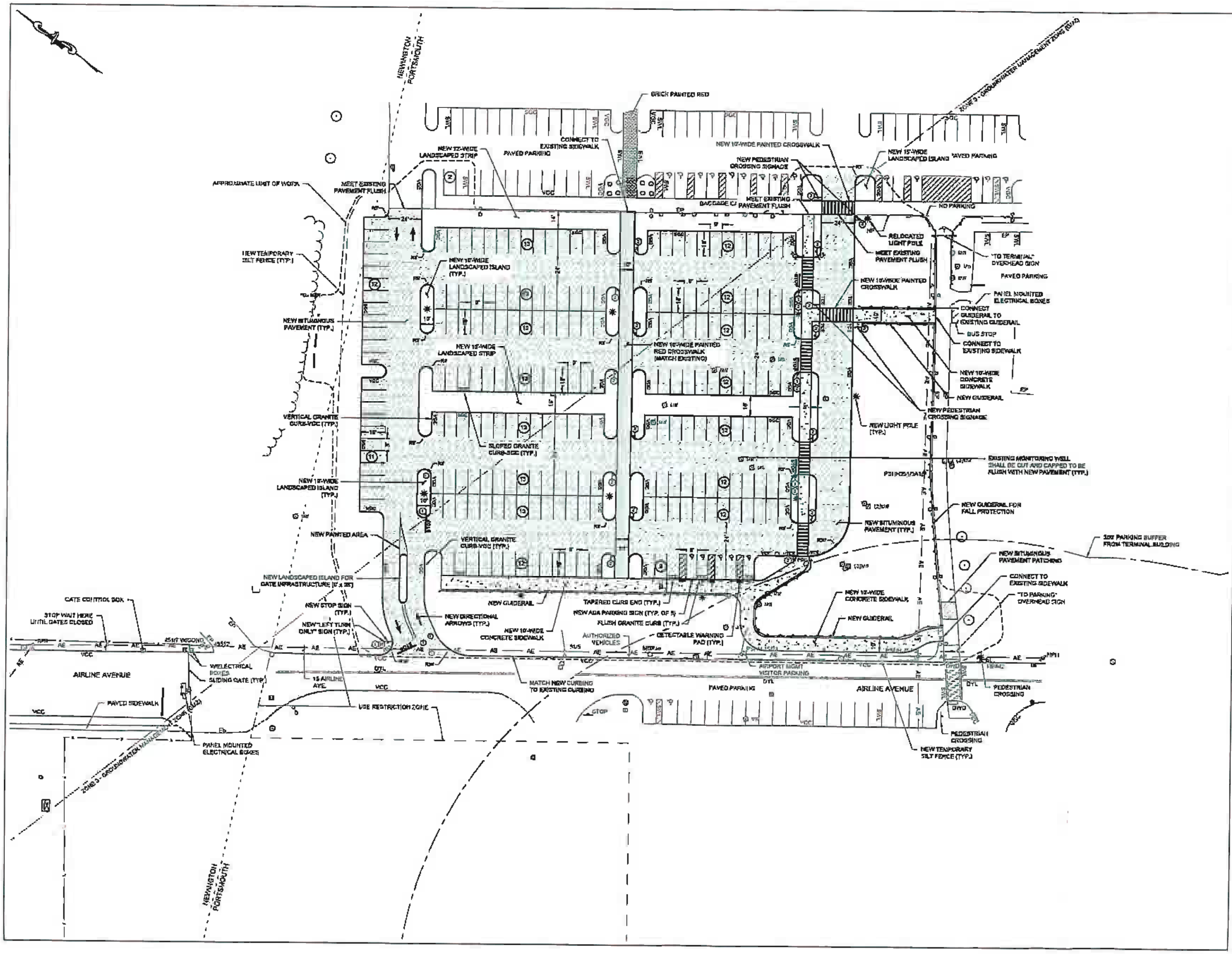


Harriman

PEASE DEVELOPMENT AUTHORITY
AIRLINE AVE PARKING EXPANSION

PORTSMOUTH, NEW HAMPSHIRE

CONSTRUCITON DOCUMENTS

SITE LAYOUT PLAN

C20-1

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Levesque:

The Pease Development Authority ("PDA") Board of Directors authorizes the Executive Director to finalize and enter into a contract addendum with Hoyle Tanner & Associates, one of PDA's on-call planning and engineering consultants, to add and expanded the Airport General Aviation Study at Portsmouth International Airport at Pease in a total amount not to exceed $36,828.00; all in accordance with the memorandum of Michael R. Mates, P.E., Director of Engineering, dated March 6, 2026; attached hereto.

N:\RESOLVES\2026\Airport - General Aviation Study oyle(3-17-26).docx

PEASE INTERNATIONAL DEVELOPMENT AUTHORITY
55 International Drive, Portsmouth NH 03801

Memorandum

To: Paul E. Brean, A.A.E., Executive Director PEB

From: Michael R. Mates, P.E., Director of Engineering MRM

Date: March 06, 2026

Subject: PSM General Aviation Study – Phase II

At the August 2024 Board meeting, the Executive Director reported Director Ferrini's authorization to enter into an agreement with Hoyle Tanner & Associates ("HTA"), PDA's on call airport engineer, to provide engineering, planning and cost estimating services for the expansion of the General Aviation (GA) area in the vicinity of Durham Street.

Recently, HTA furnished the PDA with the final study, including preliminary design and a cost estimate. Attached is an exhibit depicting a potential general aviation expansion as developed by HTA. The costs to build the taxilane, relocate utilities and prep building pads has been estimated at $5.4 million. In addition, the study determined that there were potential wetland impacts to the south of Durham Street. Based on that finding, Hoyle Tanner subsequently provided field wetland mapping services for the subject area. This investigation confirmed there would be wetland impacts, as well as potential vernal pool impacts with this layout.

Based on the above, it was collectively decided to look at furthering the study to revise the layout of the GA area expansion to accomplish the following:

1. Break up the GA expansion into two (2) phases: Phase I would expand the GA area without impacting the current location of Durham St and avoid wetland, wetland buffer and potential vernal pool impacts; Phase 2 would expand the GA area further to the east, and relocate Durham Street which would impact wetlands, wetland buffers and the potential vernal pool.

2. Confirm the potential vernal pool is a vernal pool as defined by the Army Corps of Engineers and NHDES. This requires a springtime field study to find and identify specific life that flourishes in vernal pools during that time (i.e. frogs, salamanders, etc.)

3. Provide updated costs estimates for the revised approach.

HTA has provided a proposal for the expanded study which identified a cost of $36,828.

At the March Board meeting, please request authorization enter into a new task order with HTA for the work required to complete a Phase II General Aviation Expansion study as described above.

N:\ENGINEER\Board Memos\2026\GA Study Phase II HTA Board Memo.docx

![HOYLE TANNER]

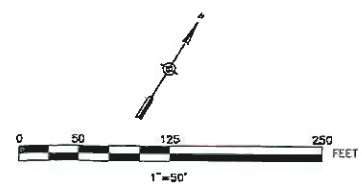
PORTSMOUTH INTERNATIONAL AIRPORT
GA LAYOUT STUDY

Linear Units: USSurveyFoot	Area Units: squareFoot	Volume Units: cubicYard

Surface: Volume Surface
Description: Description

Volume Surface: Volume Surface
Description: Description
Volume Cut: [illegible] Volume Fill: [illegible] Volume Total: [illegible]

Criteria	Criteria Value
Airplane Design Group	ADG II
Taxiway Design Group	TDG 2A
Taxilane Width	35'
Taxiway Safety Area	79'
Taxilane Object Free Area	110'
Wetland Buffer	50'
Access Road Right of Way Width	60'
Hangar Size	(50' x 50'; T-Hangar Complex)



DATE: OCTOBER 2025

PRELIMINARY GRADING EXHIBIT

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE **MOTION**

Director Semprini:

The Pease Development Authority ("PDA") Board of Directors authorizes the Executive Director to finalize and enter into a contract addendum with Harriman Associates, one of PDA's on-call architectural and engineering consultants, to design and assemble bid documents for the installation of a new airport sign for the Portsmouth International Airport at Pease in a total amount not to exceed $30,000.00; all in accordance with the memorandum of Michael R. Mates, P.E., Director of Engineering, dated March 5, 2026; attached hereto.

N:\RESOLVES\2026\Airport – Road Signage at Exeter & NH Ave (3-17-26).docx

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive, Portsmouth NH 03801

Memorandum

To: Paul E. Brean, Executive Director PEB

From: Michael R. Mates, P.E., Director of Engineering MRM

Date: March 5, 2026

Subject: Airport Entrance Sign

Facility improvements, the addition of airlines and scheduled service, and on-going marketing efforts have attracted more new passengers to the airport terminal. This additional traffic is prompting the need for a more distinctive airport entrance sign. To this end, we have asked PDA's on-call architect, Harriman, to submit a proposal to design and assemble bid documents for the installation of a new airport sign to replace the existing granite sign, which is located at the corner of New Hampshire Avenue and Exeter Street.

The work required of Harriman includes not only the sign layout, but the design of the structural foundation, landscaping, electrical, and civil/site components. Cost estimating is also included to keep the design in line with the project budget. Harriman has proposed an hourly not-to-exceed amount of $30,000 for these services.

Should the Board approve the expenditure, we expect to have bids in time to present at the August Board meeting. Please seek approval to amend the on-call Harriman contract to add design and bidding for the airport entrance sign at a cost not to exceed $30,000.

N:\ENGINEER\Board Memos\2026\Harriman Airport Sign.docx

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION (REVISED)

Director Fournier:

The Pease Development Authority Board of Directors authorizes the Executive Director to:

1. Accept a federal State Block Grant offer of up to $613,175.00 and up to $34,066.00 in matching funds from NHDOT, for the Skyhaven Wildlife Fence Project;
2. Spend up to $34,066.00 of PDA funds for the Project;
3. Award a contract to G.B. Hastie Fence Co., LLC in the amount of $571,017.50 for the Skyhaven Wildlife Fence Project;
4. Amend the on-call contract with Jacobs Engineering to add construction phase services in an amount of $110,289.00; and
5. Execute any and all documents necessary to receive funds and complete the Skyhaven Wildlife Fence Project.

All in accordance with a memorandum of Michael R. Mates, P.E., Director of Engineering dated March 12, 2026; attached hereto.

N:\RESOLVES\2026\Skyhaven - Wildlife Fence Project (3-17-26).docx

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive, Portsmouth NH 03801

Memorandum

To: Paul E. Brean, Executive Director PEB

From: Michael R. Mates, P.E., Director of Engineering MRM

Date: March 12, 2026

Subject: Approvals for Skyhaven Wildlife Fence, Construction Phase

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This month, PDA will be submitting a grant application to NHDOT under the State Block Grant ("SBG") Program to construct approximately 5,600 feet of wildlife fence at Skyhaven Airport. The USDA has recommended installation of a fence to keep wildlife, particularly deer, off the airfield. The design, bidding and permitting for the project was completed through a separate SBG.

The funds requested in the current grant application include the cost of a contractor to install the fence and the cost of PDA's consultant, Jacobs Engineering, to provide construction phase engineering services and grant administration tasks.

Bids for the project were opened on March 3rd. The results are shown on the attached bid tabulation. Four contractors responded with G.B. Hastie Fence Co., LLC submitting the low bid. G.B. Hastie has considerable airport fence experience and, following our review, appears to be fully qualified to complete this work.

Jacobs Engineering submitted a price of $110,289 to provide construction engineering services. This price has been reviewed and justified through the Independent Fee Estimate ("IFE") process required by NHDOT and FAA.

The combined project costs total $681,306.50. The funding will be split among the FAA-DOT-PDA at a ratio of approximately 90:5:5.

As to the schedule of funds availability, we estimate that the grant process and all associated approvals will not be completed until mid-summer of this year. It is at this point that PDA would typically enter into agreements to commence the grant-related work. For the fence installation, two project specific conditions require an accelerated start. First, the environmental permit for the project requires that tree clearing be completed by April 15. This condition is imposed to prevent endangered Northern Long Eared bats from nesting in trees that will be removed. Second, a portion of the project grant funding ($159,382) is from a sources that will expire in late July and early

August. For these reasons, we are requesting approval to enter into contracts and begin the work before the grant offer and final approvals are in place.

The funds requested in the grant application are part of Skyhaven's entitlement and State Apportionment allocations. Staff at the NH Bureau of Aeronautics have assured us that the funds are available. While there is never an absolute guarantee on the award of grants, based on FAA's and NHDOT's past actions, we believe that this project will be funded this year. In the unlikely event that PDA does not receive a grant, PDA has the ability to self-fund this project. At this time, we ask that you seek approval to award the project contracts at the March 17 Board meeting. This will allow us to begin the clearing work on or about April 1st, meet the permitting condition, expend the project funds before they expire, and accomplish the work in an uninterrupted fashion.

In connection with the Skyhaven Wildlife/Perimeter Fence project, please ask the Board for approval to:

1. Accept a grant offer of up to $613,175.00 of federal funding through the SBG program;
2. Accept up to $34,066 in matching funds from NHDOT;
3. Spend up to $34,066 of PDA funds;
4. Amend the on-call contract with Jacobs Engineering to include construction phase services for a price of $110,289;
5. Award a contract to G.B. Hastie Fence Co., LLC in the amount of $571,017.50; and,
6. Execute any and all documents necessary to receive funds and complete the project as described.

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Jacobs

Jacobs No: E2X90511
SBG No.: SBG 15-XX-2026
Subject: Tabulation of Bid Values
Date/Time: 3/3/2026 @ 2:00 PM
Airport: Skyhaven Airport
Project: Install Perimeter/Wildlife Fencing

Prepared by: J. Pelletier

				G.B. Hastie Fence Co., LLC		Delta Specialty Contractors		Premier Fence LLC		N.M. Curtis Earthworks, Inc.	
ITEM NO.	DESCRIPTION	BID QTY	UNIT	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL
	Base Bid - Phase I										
G-001-1	Special Work Requirements (Includes CSPP and SPCD)	1	LS	$1,500.00	$1,500.00	$7,857.14	$7,857.14	$12,500.00	$12,500.00	$170,000.00	$170,000.00
C-102-1	Installation and Removal of Silt Fence	6,500	LF	$3.75	$24,375.00	$7.86	$51,090.00	$12.50	$81,250.00	$6.50	$42,250.00
C-102-2	Installation and Removal of Temporary Construction Exits	2	EA	$3,500.00	$7,000.00	$17,857.14	$35,714.28	$9,375.00	$18,750.00	$3,500.00	$7,000.00
C-102-3	Installation and Removal of Swamp Mats	2,075	SF	$9.00	$18,675.00	$10.80	$22,410.00	$12.05	$25,003.75	$16.00	$33,200.00
C-102-4	Installation and Removal of Barrier Fence	360	LF	$15.00	$5,400.00	$11.43	$4,114.80	$18.14	$6,530.40	$30.00	$10,800.00
C-105-1	Mobilization (5% max) - Phase I	1	LS	$4,000.00	$4,000.00	$4,609.63	$4,609.63	$9,832.96	$9,832.96	$15,737.50	$15,737.50
P-151-1	Clearing	0.1	AC	$20,000.00	$2,000.00	$30,000.00	$3,000.00	$56,250.00	$5,625.00	$15,000.00	$1,500.00
P-151-2	Clearing and Grubbing	2	AC	$14,000.00	$28,000.00	$3,767.86	$7,535.72	$23,500.00	$47,000.00	$25,000.00	$50,000.00
	Base Bid - Phase II										
G-002-1	Record Drawings	1	LS	$5,000.00	$5,000.00	$6,428.57	$6,428.57	$4,200.00	$4,200.00	$150,000.00	$150,000.00
C-105-2	Mobilization (5% max) - Phase II	1	LS	$22,500.00	$22,500.00	$19,911.88	$19,911.88	$24,150.00	$24,150.00	$42,000.00	$42,000.00
F-164-1	Fence	5,800	LF	$52.00	$301,600.00	$70.00	$406,000.00	$62.07	$360,006.00	$51.00	$295,800.00
F-164-2	Chain Link Fence Skirt Fabric	5,560	LF	$14.00	$77,840.00	$21.43	$119,150.80	$19.41	$107,919.60	$12.00	$66,720.00
F-164-3	Chain Link Fence Removal	35	LF	$10.00	$350.00	$42.86	$1,500.10	$50.93	$1,782.55	$15.00	$525.00
T-901-1	Seeding	9,250	SY	$0.83	$7,677.50	$1.93	$17,852.50	$2.57	$23,772.50	$1.75	$16,187.50
T-905-1	Topsoil (Off-Site)	1,050	CY	$62.00	$65,100.00	$17.14	$17,997.00	$59.80	$62,790.00	$60.00	$63,000.00
	Base Bid - Phase I Summary:			BB Ph. I	$90,950.00	BB Ph. I	$136,331.57	BB Ph. I	$206,492.11	BB Ph. I	$330,487.50
	Base Bid - Phase II Summary:			BB Ph. II	$480,067.50	BB Ph. II	$588,840.85	BB Ph. II	$584,620.65	BB Ph. II	$634,232.50
				Total Bid:	$571,017.50	Total Bid:	$725,172.42	Total Bid:	$791,112.76	Total Bid:	$964,720.00

55 International Drive, Portsmouth NH 03801

SAMPLE MOTION

Director Ferrini:

The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to expend funds in the amount of $31,304.50 for payment of legal services provided by Sheehan Phinney Bass & Green and Anderson Kreiger; all in accordance with the memorandum from Anthony I. Blenkinsop, Deputy Director / General Counsel, dated March 6, 2026; attached hereto.

N:\RESOLVES\2026\Legal Services (3-17-2026).docx

PEASE INTERNATIONAL DEVELOPMENT AUTHORITY

55 International Drive, Portsmouth NH 03801

MEMORANDUM

To: Pease Development Authority Board of Directors

From: Anthony I. Blenkinsop, Deputy Director / General Counsel AIB

Date: March 6, 2026

Re: Legal Services

Sheehan Phinney Bass & Green provided legal services to the Pease Development Authority ("PDA") for the month of January & February 2026, as follows:

January 1, 2026 – January 31, 2026		
(for Tradeport General Representation)	$ 2,175.00	
(for Permit Implementation)	$12,150.00	**$14,325.00**

February 1, 2026 – February 28, 2026		
(for Tradeport General Representation)	$ 3,000.00	
(for Permit Implementation)	$ 6,037.50	**$ 9,037.50**

Anderson Kreiger, LLP provided legal services to the PDA for the months of December, 2025 and January, 2026, as follows:

December 1, 2025 – December 31, 2025	$2,914.00	
January 1, 2026 – January 31, 2026	$5,028.00	**$ 7,942.00**

This is a request for approval by the Board of Directors to authorize the Executive Director to expend funds for legal services rendered to Sheehan, Phinney, Bass & Green and Anderson Kreiger, LLP in a total amount of **$31,304.50.**

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55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Parker:

The Pease Development Authority ("PDA") Board of Directors hereby authorizes the Executive Director to negotiate, finalize and execute a new Ground Lease Agreement for the General Aviation Hangar Premises located at as 200, 201, 203 and 205 Flightline Road at the Portsmouth International Airport at Pease, all in accordance with the attached memorandum of Andrew B. Pomeroy, C.M. Manager, Aviation Safety and Compliance dated March 3, 2026, and on terms and conditions generally consistent with the draft lease attached thereto.

N:\RESOLVES\2026\General Aviation Ground Lease Agreement for 200, 201, 203 & 205 Flightline Road (3-17-26).docx

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive, Portsmouth NH 03801

Memorandum

To: Paul E. Brean, A.A.E., Executive Director PEB

From: Andrew B. Pomeroy, C.M., Manager, Aviation Safety and Compliance

Date: March 3, 2026

Subject: New General Aviation Hangar Ground Lease, PSM

Between the years 1998 and 2000, S & J Aviation LLC, constructed four rows of nested aircraft hangar units on the southeast corner of the General Aviation ("GA") Apron at the Portsmouth International Airport ("PSM"), totaling 38 individual hangar units.

Each of the four hangar rows formed its own independent hangar condominium association. The PDA entered a separate ground lease with each of the four hangar associations for its individual hangar row. The four associations are as follows:

1) **Hangar 4 Association**, 200 Flightline Road, consisting of a row of eight rectangular hangars totaling approximately 15,977.5 square feet;
2) **Hangar 1 Association**, 201 Flightline Road, consisting of a row of ten nested T-Hangars totaling approximately 12,012 Square feet;
3) **Hangar 2 Association**, 203 Flightline Road, consisting of a row of ten nested T-Hangars totaling approximately 12,012 square feet; and
4) **Hangar 3 Association**, 205 Flightline Road, consisting of a row of ten nested T-Hangars totaling approximately 12,012 square feet.

All four of the ground leases are for a thirty (30) year base term with two five (5) year options to extend. While each lease has a distinct commencement date, all are approaching the end of their individual base terms and few of the original hangar owners or stakeholders remain in any of the four associations.

Last year members of each of the four hangar associations approached the PDA about consolidating the four individual leases under one new condominium association and entering into one new lease agreement for all four hangars with a new 30-year term. All four (4) hangars are in good condition with useful lives consistent with the new term. The basic terms of the agreement are outlined in the attached draft Ground Lease Agreement.

PDA staff believe these hangars provide an important General Aviation amenity at PSM. A new ground lease will allow the PDA to reset the hangar agreements in the GA area with one entity for a 30-year term, bringing them up to date with current lease language, putting all four properties on the same fee and fee escalation schedule, and under the same maintenance obligations.

At the March 17, 2026, Board of Directors Meeting, please seek authorization for the Executive Director to finalize lease negotiations and execute a new GA Hangar Ground Lease Agreement consistent with the draft Lease, attached hereto.

LEASE

BETWEEN

PEASE DEVELOPMENT AUTHORITY

AS
"LESSOR"

AND

____

AS
"LESSEE"

TABLE OF CONTENTS

EXHIBITS TO LEASE

<u>Exhibit</u>

1	QUITCLAIM DEEDS AND EXHIBITS (RCRD Book and Page Information)
2	FEDERAL FACILITIES AGREEMENT
A	SUBDIVISION PLANS
B	INSURANCE REQUIREMENTS
C	MINIMUM STANDARDS FOR COMMERCIAL AND NON-COMMERCIAL GENERAL AVIATION OPERERATORS
D	FAA REQUIREMENTS
E	LIST OF ENVIRONMENTAL LAWS AND REGULATIONS
F	PLANS DESIGNATING LOCATION OF MONITORING WELL(S)
G	CERTIFICATE OF GOOD STANDING
H	PROPRIETARY LAND USE CONTROL REGULATIONS FOR AIRCRAFT OPERATIONS WITHIN THE AIRPORT ZONE AT PEASE INTERNATIONAL TRADEPORT

LEASE

THIS LEASE ("Lease") is made by and between the PEASE DEVELOPMENT AUTHORITY ("Lessor" or "PDA") and ______________________________ ("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," "Tradeport," 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.") Pending final disposition of the Airport 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").

C. By Quitclaim Deed dated November 18, 1999, Quitclaim Deed dated October 15, 2003, and Quitclaim Deed dated September 16, 2005, including all exhibits thereto, (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, including the Leased Premises. The Parties acknowledge that the Deeds impose certain requirements on Lessee with respect to leases. Copies of the Deeds are available at the Rockingham County Registry of Deeds located at Book 3438 Page 1860, Book 4227 Page 1, and Book 4564 and Page 985 respectively. See **Exhibit 1**. Copies are also available for viewing at the office of the Lessor.

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 corporation duly organized under the laws of the State of ________________ and registered to do business in the State of New Hampshire with a principal place of business at ____.

F. This Lease is intended to supersede four (4) existing leases listed below regarding the four (4) hangars described in Article 1 and the existing leases shall be terminated on the Term Commencement Date, ________________________ except for those provisions which by their terms survive termination.

- **PDA and Hangar Four Condominium Association Lease - 200 Flightline Road** (Hangar 4) – dated September 1, 2000.
- **PDA and Hangar One Condominium Association Lease - 201 Flightline Road** (Hangar 1) – dated April 21, 1998.
- **PDA and Hangar Two Condominium Association Lease - 203 Flightline Road** (Hangar 2) – dated June 23, 1999.
- **PDA and Hangar Three Condominium Association Lease - 205 Flightline Road** (Hangar 3) – dated November 1, 1999.

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 that these Recitals are incorporated into and shall constitute part of this Lease and further agree as follows:

ARTICLE 1. LEASED PREMISES

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 land and other facilities and improvements located on said land described generally below and more particularly on the plans attached as **Exhibit A** (the "Leased Premises" or the "Premises"):

- In the Airport Industrial Zone, a total land area of approximately 1.39+/- acres or 60,662 square feet, and any improvements constructed thereon, as shown on **Exhibit A**, with street addresses of:
    - **200 Flightline Road** (Hangar 4) - A portion of the general aviation apron and land area immediately adjacent thereto at Pease, consisting of 18,765 square feet (.43 acres), containing an eight (8) unit condominium hangar for small general aviation aircraft.
    - **201 Flightline Road** (Hangar 1) - A portion of the general aviation apron at Pease, consisting of 12,012 square feet (.28 acres) of pavement area, containing a ten (10) unit condominium hangar for small general aviation aircraft.
    - **203 Flightline Road** (Hangar 2) - A portion of the general aviation apron at Pease, consisting of 14,942 square feet (.34 acres) of pavement area, containing a ten (10) unit condominium hangar for small general aviation aircraft.
    - **205 Flightline Road** (Hangar 3) - A portion of the general aviation apron at Pease, consisting of 14,942 square feet (.34 acres) of pavement area, containing a ten (10) unit condominium hangar for small general aviation aircraft.

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

1.2. 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 avigation 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.

Excluded from the Leased Premises and the apron area 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.

1.3. General Rights of Access.

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. Lessee shall also have in common with other airfield users the right to use the runway, taxiways and available common apron areas of the Airport.

The rights of Lessee under this Section 1.3 shall be subordinate to Lessor's rights to manage the Airport and airfield and other common areas and roadways, which rights shall include, without limitation, the right to impose reasonable rules and regulations relating to use of the airfield common areas and roadways and the right to add, delete, alter or otherwise modify the designation and use of all airfield 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 and the runway, taxiways, and available common apron areas.

The rights of Lessee or any of its employees, contractors, subcontractors, agents, servants or invitees to access, by ground vehicle or otherwise, restricted or controlled areas or the flightline area shall be subject to the training and security requirements set forth in the Portsmouth International Airport Certification Manual as the same may be amended from time to time.

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 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.

1.4. Airport Access

The Airport contains a Security Identification Display Area ("SIDA"), a secured area that requires a SIDA badge for access.

The Leased Premises are within the Non-SIDA portion of the Air Operations Area ("AOA") of the Airport, also known as the General Aviation Area ("GA Area"). Lessee will ensure that its employees, contractors and agents will not enter the Non-SIDA portion of the AOA unless they are granted unescorted access to the AOA and possess either a GA badge or SIDA badge in accordance with the Portsmouth International Airport Security Program. In addition, no employee, contractor or agent of Lessee will be allowed in the SIDA without SIDA badged escorts meeting the requirements of the Airport Security Program. During the term of this lease, the SIDA may be expanded to include the entire AOA, including the Leased Premises.

Information regarding airport security and safety can be obtained by calling the Airport Management Department at (603) 433-6536, Monday through Friday, 8:00 AM to 5:00 PM.

END OF ARTICLE 1

ARTICLE 2. CONDITION OF LEASED PREMISES, APRON USE AREAS

2.1. Lessee acknowledges that it has inspected the Leased Premises including any/all buildings, apron areas, parking areas, improvements, and other facilities thereon. Lessor makes no representation that the Leased Premises are in good and tenantable condition. Lessee accepts said Leased Premises in its 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.

Without limiting the provisions of this Section 2.1, Lessee specifically acknowledges and accepts, without limitation, the following conditions existent on the Leased Premises:

> Monitoring Wells: The Premises contains United States Air Force monitoring wells, as shown on the plan attached as **Exhibit F**, the location of which shall be independently verified by the Lessee. Lessee shall take all reasonable steps to avoid said wells during any construction on the Premises and shall replace or relocate wells per the requirements of the United States Air Force and New Hampshire Department of Environmental Services if necessitated by any construction activities. If required, monitoring well decommissioning shall be completed in accordance with applicable law, including but not limited to New Hampshire Code of Administrative Rule We 604 (or successor rule), and be performed by a licensed New Hampshire water well contractor.

END OF ARTICLE 2.

ARTICLE 3. <u>TERM</u>

<u>3.1</u> This Lease shall be effective upon execution by both Parties (the "Term Commencement Date") and shall continue for a term of thirty (30) years from the Term Commencement Date ("Term"), unless terminated earlier or extended in accordance with the provisions of this Lease.

<u>END OF ARTICLE 3.</u>

ARTICLE 4. <u>GROUND AREA RENT - MUNICIPAL SERVICES FEE</u>

<u>4.1.</u> Lessee shall pay to Lessor ground rent ("Ground Rent") at the following annual rates for the areas of the Premises described in Section 1.1:

Year 1 (commencing with the Term Commencement Date):	\$26,136.00 per acre (\$0.60 per square foot) (the "Base Rate")
Years 2-30	The previous year's rate per acre/sf plus annual escalation adjustment in accordance with Section 4.4

<u>4.2.</u> The Ground Rent due for the Leased Premises under Section 4.1 shall commence upon the Term Commencement Date. The annual Ground 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 as set forth in Article 23, 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 under this Lease 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.

<u>4.3.</u> As of each Adjustment Date (as hereinafter defined), the Ground Rent shall be adjusted as provided in Section 4.4 to reflect changes in the CPI for All Urban Consumers applicable to the Boston-Brockton-Nashua, MA, NH, ME, CT area (all items 1982 - 1984 = 100) published by the United States Department of Labor, Bureau of Labor Statistics (the "Index") or such updated or replacement index as may be applicable.

<u>4.4.</u> On the first day following the expiration of the first (1st) year of the Term of this Lease and on the first day of each one-year period thereafter (individually an "Adjustment Date" and collectively the "Adjustment Dates"), Ground Rent shall be subject to adjustment for the remainder of the term of this Lease as follows:

(1) For the first annual adjustment (commencing on the first day following the expiration of the first (1st) year of the Term of this Lease), the basis for computing such adjustment shall be the Index most recently published prior to the beginning of the first year of the Term ("Beginning Index"). If the Index most recently published prior to the first Adjustment Date ("Extension Index") has increased over the Beginning Index, the Ground Rent for the one-year period commencing as of such first Adjustment Date shall be the result obtained by multiplying the annual Ground Rent in effect on the day of the Adjustment Date (i.e. the annual rental for year one by a fraction, the numerator of which is the Extension Index and the denominator of which is the Beginning Index).

(2) For all subsequent annual adjustments, the rent shall be adjusted in the same manner as that for the first annual adjustment; provided, however, that the rental base shall be the rent in effect just prior to the then applicable Adjustment Date, the Extension Index for the preceding period shall be the Beginning Index and the Extension Index shall be the index most recently published prior to the then applicable Adjustment Date. On each Adjustment Date, the Parties shall execute an acknowledgment reflecting the new rent. The Parties failure to execute such an acknowledgment shall not affect either the validity of this Lease or the effective date of any adjustment to the rent hereunder.

(3) If for any Adjustment Date the Index most recently published following the Adjustment Date has not increased over, or has decreased from, the Beginning Index for that period, no escalation in rent shall be required on that Adjustment Date, and the rent shall remain at its then current rate until the next Adjustment Date.

If the Index is changed in any manner, including without limitation, a change in the base year, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the term of this Lease, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised. If the Parties shall be unable to agree upon a successor index, the Parties shall refer the choice of a successor index to arbitration in accordance with the rules of the American Arbitration Association.

<u>4.5.</u> [Reserved]

<u>4.6.</u> The Ground Rent and all additional rentals or fees payable hereunder shall be triple 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 Premises which may be attributed to, or become due during the initial or any renewal term of this Lease, shall constitute additional rent 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 rent. It is the intention of the Parties that Lessee shall in no event be entitled to any abatement or reduction in rent payable hereunder, except as expressly provided herein. Any present or future law to the contrary shall not alter the agreement of the Parties.

<u>4.7.</u> In addition to the Ground Rent required to be paid under this Article 4, Lessee shall also pay to Lessor, 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 Pease Development Authority effective July 1, 1998, and the provisions of NH RSA 12-G:14, III (or any applicable successor statute). This fee is for fire, police, and public works services provided by or on behalf of Lessor at Pease. The municipal services fee shall be paid quarterly

in advance at the times and in the fashion provided in Section 4.2 for the payment of Ground Rent. The municipal services fee shall commence upon the Term Commencement Date.

To the extent the Leased Premises ever become subject to municipal taxation during the Term of this Lease, and provided such municipal taxes include the costs of the provision of fire, police, and public works services to the Leased Premises, Lessee may offset against any municipal services fee paid to Lessor the portion of such municipal taxes as are attributable to fire, police, and public works services, and Lessor shall have no further obligation to provide such services.

In the event the Leased Premises, or any portion thereof, are removed from the Airport District, Lessee shall make payments in lieu of taxes ("PILOT") to the appropriate municipality in accordance with the provisions of RSA 12-G:14, 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 tax, fee, or PILOT imposed for the provision of fire, police, public works or other municipal services shall be considered an Imposition under Article 5 of this Lease.

END OF ARTICLE 4.

ARTICLE 5. <u>IMPOSITIONS</u>

<u>5.1.</u> 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, charged against 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 referred to as an "Imposition" or 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 charging authority a part of which period is included prior to the commencement of or after 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 any required municipal services fee payment 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.

<u>5.2.</u> 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.

<u>5.3.</u> 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.

<u>5.4.</u> 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.

<u>END OF ARTICLE 5.</u>

ARTICLE 6. <u>SURRENDER OF LEASED PREMISES</u>

<u>6.1.</u> 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 all buildings 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.

<u>END OF ARTICLE 6.</u>

ARTICLE 7. INSURANCE

7.1. A. Risk of Loss. Lessee shall bear all risk of loss or damage to the Leased Premises and Facility, 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) 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 buildings, building improvements, improvements to the land, 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 general operation and Airport Liability insurance endorsed for hangar-keeping and products and completed operations liability insurance, on an "occurrence basis" against claims for "personal injury," including without limitation, bodily injury, death, and property damage, occurring upon, in or about the Leased Premises including any buildings thereon and the ramp area and adjoining sidewalks, streets, and passageways, 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 Dollars ($2,000,000) with respect to damage to property and Two Million Dollars ($2,000,000) with respect to bodily and personal injury or death to any one or more persons and with no deductible or such deductible amount as may be approved by Lessor. 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, or any other person or organization, or involving any owned, non-owned, leased or hired automotive or aircraft support and servicing equipment in connection with Lessee's activities.

(3) Workers' compensation and employer's liability insurance as required by law 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.

(5) Aviation Liability insurance endorsed for hangar-keeping and products and completed operations liability insurance with respect to Lessee's use of the Leased Premises and Pease International Tradeport for aviation related activities in amounts approved from time to time by the Lessor, but not less than a combined single limit of Two Million Dollars ($2,000,000) for bodily injury and property damage.

7.2. All policies of insurance required to be carried under this Lease 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. The policies of insurance required in Sections 7.1B. (2), (4) and (5) shall be for the mutual benefit of Lessee and the Lessor with the Lessor named as and additional insured. The policy required in Section 7.1B.(1) shall name Lessor as loss payee. 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) the original of each policy required to be furnished pursuant to this Article (or, with the consent of Lessor, which consent shall not be unreasonably withheld a certificate of the insurer reasonably satisfactory to Lessor) bearing a notation evidencing the payment of the premium or accompanied by other evidence reasonably satisfactory to Lessor of such payment, shall be delivered by Lessee to Lessor.

7.3. All policies of insurance 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 contain: (i) to the extent obtainable, a provision that no act or omission of Lessee, or any employee, officer or agent of Lessee, 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 Lessor and to any Mortgagee; (iii) a provision that the insurer shall have no right of subrogation against Lessor; and (iv) a provision that any liability coverage required to be carried shall be primary and noncontributing with respect to any insurance carried by the Lessor.

The insurance requirements herein are minimum requirements for this Lease and in no way limit the indemnity covenants contained in this Lease agreement. On the insurance policies that Lessor is named as an additional insured, Lessor shall be an additional insured to the full limits of the liability coverage purchased by Lessee even if those limits of liability are more than those required by the terms of this Lease.

7.5. All policies of 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 Lessee's Mortgagee, but the right of any such 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 or duplicate of such policy in form and content acceptable to Lessor.

7.8. Lessee shall ensure that any entity or individual who owns a Hangar on the Leased Premises, shall carry and maintain condominium unit owners' insurance coverage for: (i) improvements and betterments to the owned space; and (ii) general liability against claims for "personal injury," including, without limitation, bodily injury, death, and property damage, occurring upon, in or about the owned space. In addition, Lessee shall ensure that any entity or individual who owns, leases, or otherwise occupies a Hangar on the Leased Premises and/or who owns, maintains, or operates and aircraft in connection with the use of such a Hangar, shall carry and maintain Aircraft Liability Insurance in such amounts as are deemed, from time to time, to be commercial reasonable, but in no event less than One Million Dollars ($1,000,000) per occurrence for "personal injury," including without limitation, bodily injury, death, and property damage, including but not limited to passenger liability coverage to Five Hundred Thousand Dollars ($500,000). Additionally, such policies shall name Lessor as an additional insured and shall comply with all terms and conditions of this Article 7 with regard to the provision of insurance policies.

7.9 Over the term of this Lease and any extensions thereof, Lessor reserves the right to require 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 requiring an increase in mandatory insurance coverage limits.

END OF ARTICLE 7.

ARTICLE 8. <u>LESSOR'S RIGHT TO PERFORM LESSEE'S COVENANTS</u>

<u>8.1.</u> 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 to be done, 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.

<u>8.2.</u> 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.

<u>END OF ARTICLE 8.</u>

ARTICLE 9. USE OF LEASED PREMISES

9.1. The sole purpose for which Lessee may use the Leased Premises is for condominium hangars for general aviation aircraft (the "Hangars" or the "Facility") including, to the extent not otherwise precluded by federal, state or local laws and regulations, those "Permitted Activities" applicable to Noncommercial General Aviation Operators as more specifically set forth in Article 5.01 of **Exhibit C** of this Lease and for no other use without Lessor's prior written consent. Notwithstanding any other provision of this Lease, aircraft maintenance and repair work is expressly prohibited on or within the Leased Premises until such time as Lessee holds all required certificates, permits or other entitlement required by federal, state or local laws and regulations. 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.

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 which is forbidden by 49 USC 40103(e), 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 PDA Zoning Regulations, Site Plan Review Regulations, and Subdivision Regulations (collectively the "Land Use Controls") and such other rules and regulations from time to time promulgated. Lessee agrees to cause trash receptacles to be emptied, and trash removed from the Premises at Lessee's sole cost and expense.

9.4. At Lessee's sole cost and expense, Lessee, and its Unit owners, agents, contractors, subcontractors, servants, employees, sublessees, licensees or invitees shall comply promptly with all present and future laws, ordinances, orders, rules, regulations, permits, approvals, licenses, requirements, guidelines, and guidance documents of all federal, state, and municipal governments, departments, commissions, boards, and officials, foreseen and unforeseen, ordinary as well as extraordinary, which may be applicable to the Leased Premises or to Lessee's use, occupancy or presence in or at the Leased Premises, including, without limitation, the federal American Disabilities Act (ADA), Land Use Controls, all applicable fire, safety and building codes, federal Occupational Health and Safety Act, and Environmental Laws (as defined in Article 25 below) (collectively, the "Legal Requirements"), without regard to whether said Legal Requirements are now in effect or become effective after the Term Commencement Date. The phrase "Legal Requirements" shall be interpreted to include the concept of so-called "grandfathered status," and Lessee shall not be required to comply with any new Legal Requirements or modification of any existing Legal Requirement where the Legal Requirement exempts from its application persons who previously complied with prior Legal Requirements at the time the new or modified Legal Requirement was adopted.

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, Land Use Control, or requirement of the nature referred to in this Article. If compliance with any such law, ordinance, order, rule, regulation, Land Use Control, 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. Subject to Sections 9.1 and 9.4 of this Lease, Lessee may not perform commercial aircraft repair and maintenance work within the Leased Premises. Washing of aircraft outside the Facility is prohibited. Washing of aircraft inside the Facility may only be performed if the Facility is constructed in such a way as to accommodate this function and complies with all applicable Legal Requirements, including, without limitation, any required approval by the Pease Waste Water Treatment Plant to accept such wastewater discharge. De-icing of aircraft may only be performed in designated areas of the Airport as specified, from time to time, by Lessor.

9.7. Responsibility for compliance with all applicable federal, state and local laws, including, without limitation, the Land Use Controls as required by this Article 9 and Article 25 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's use of the Leased Premises shall be subject to its compliance with the Minimum Standards for Commercial and Non-Commercial General Aviation Operators set forth in **Exhibit C** as the same are, from time to time, amended.

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 Deeds. Notwithstanding any other provision of this Lease, the Lessee shall also comply with and be subject to all other restrictions and conditions of the Deeds to the extent applicable to the Leased Premises.

9.12. Lessee shall, at its sole cost and expense, maintain on the Leased Premises at all times appropriate fuel spill containment and response materials suitable for the nature and volume of fuel or petroleum products stored, handled, or used on aircraft maintained on the Leased Premises. Such materials shall include, without limitation, absorbents, pads, and other equipment necessary to promptly contain and remediate fuel spills or releases. Lessee shall ensure that such materials are readily accessible, properly maintained, and replaced as necessary. Lessee, and Lessee's Unit owners, shall immediately deploy such materials in the event of any fuel spill or release and shall comply with all applicable federal, state, and local laws, regulations, and industry standards regarding fuel spill response, notification, cleanup, and disposal.

END OF ARTICLE 9.

ARTICLE 9A. LESSOR SERVICES

9A.1. Lessor shall provide Airport Rescue and Fire Fighting ("ARFF") services to Lessee in connection with its use of the Leased Premises and with its use, in common with others, of the airfield at the Airport to the same extent as such services are provided to other tenants and users of the airfield at the Airport. ARFF services will be provided only at the levels required by federal aviation regulations applicable to the Airport. The costs for such services shall be allocated to Lessee on the same basis and rates as set forth in Section 4.7. Notwithstanding any other provision of this Lease, Lessor shall be free to establish such terms and conditions as it deems appropriate in its capacity as proprietor of the Airport for the use of any areas of the Airport outside of the Leased Premises, provided, however, that Lessee shall have reasonable access to the Leased Premises.

END OF ARTICLE 9A.

ARTICLE 9B. <u>RESTRICTIONS ON CERTAIN AIRCRAFT OPERATIONS</u>

<u>9B.1.</u> Lessee acknowledges that from time-to-time PDA may need to consider the promulgation of new proprietary regulations that will include certain restrictions on aircraft operations. Notwithstanding the adoption of any such proprietary regulations in the future, as applicable to its operations on the airfield Lessee agrees to be bound by the restrictions relating to aircraft operations (as distinct from the administrative provisions) of **<u>Exhibit H</u>** "Proprietary Land Use Control Regulations for Aircraft Operations within the Airport Zone of the Pease International Tradeport" attached hereto and incorporated herein by reference.

<u>9B.2.</u> Within fifteen (15) days following the end of each calendar month, Lessee shall file with the PDA a report specifying any operations conducted by it in turbojet aircraft subject to restriction as set forth in Exhibit H during the 11 p.m. to 6 a.m. period for preceding month by date, time, aircraft type.

<u>9B.3.</u> Individual landings and/or takeoffs in turbojet aircraft which may otherwise be subject to restriction may be exempted by determination of the PDA Executive Director if Lessee establishes to the satisfaction of the PDA Executive Director through the filing of a report supplied on a form or forms approved by the PDA that:

a) the scheduled landing or takeoff was delayed solely as the result of air traffic control directives, weather, or other mechanical or safety-related reasons; or

b) [intentionally omitted]

c) the landing or takeoff was required due to an air traffic control mandated diversion or pilot determined emergency.

Lessee shall submit the required report within twenty-one (21) days of the occurrence of either one of the above events. The PDA Executive Director shall provide a report on all exemptions to the PDA Board of Directors.

<u>9B.4.</u> The agreement of Lessee in this Article 9B constitutes a voluntary agreement in accordance with the provisions of 14 CFR Part 161. In the event the restrictions set forth in Section 9B.1 are contained in any regulation promulgated by PDA in its capacity as airport proprietor, the airport proprietary regulations shall control. Nothing herein contained shall be construed to preclude the application to Lessee's operations at the Airport of any other airport proprietary regulations promulgated by PDA during the term of this Lease.

<u>END OF ARTICLE 9B.</u>

ARTICLE 10. <u>LIENS</u>

<u>10.1.</u> 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, including but not limited to the Facility; provided, that the existence of any liens by mechanics, laborers, materialmen, suppliers, or vendors 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 part thereof, including but not limited to the Facility, 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.

<u>10.2.</u> Should any lien be filed against the Leased Premises or any part thereof, including but not limited to the Facility, or should any action of any character affecting the title thereto be commenced, Lessee shall give to Lessor a written notice thereof as soon as notice of such lien or action comes to the knowledge of Lessee.

<u>END OF ARTICLE 10.</u>

ARTICLE 11. REPAIRS AND MAINTENANCE

Lessee covenants and agrees, throughout the term of this Lease, without cost to Lessor, to take good care of the Leased Premises, the Facility, and related improvements, including but not limited to roadways, driveways, sidewalks, curbs, parking, and aircraft apron areas designated for Lessee's exclusive use, and fences, and to keep the same in good order and condition. Lessee shall promptly at Lessee's own cost and expense make all necessary repairs, internal and external, structural and nonstructural, ordinary as well as extraordinary, foreseen as well as unforeseen, to keep the Leased Premises and the Facility and related improvements in safe, clean, and sanitary condition. Lessee's obligation hereunder shall also include grounds maintenance and restoration and snow removal on the Leased Premises including any parking, and apron areas designated for Lessee's exclusive use. All such repairs made by Lessee shall be at least equal in quality and class to the original work and shall comply with the provisions of Article 15. Lessee shall keep and maintain all portions of the Leased Premises, the Facility, and related improvements, including but not limited to the roadway, driveway, the parking and apron areas, and fences adjoining the same in a clean and orderly condition, free of accumulation of dirt and trash. When used in this Article, the terms "repairs" shall include replacements or renewals when necessary.

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 or of the State of New Hampshire ("State"), 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 Government or any agency of the State (or any agency having a right of entry under the Deed and/or the FFA) determines that immediate entry is required for safety, environmental, operations, or security purposes it may affect 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 defend and indemnify Lessor, Lessee agrees to defend and indemnify 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 Articles I.A.1(5) and 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, subcontractors, servants, employees, sublessees, licensees or invitees; and

(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 airport apron and parking areas), or upon the land, streets, curbs or parking areas adjacent thereto;

provided that the claim, judgment, damage, penalty, fine, assessment, cost, expense, liability, or loss in connection with items 1, 2 and 3 above arise from the negligent or willful or wanton act or omission of Lessee, its agents, contractors, subcontractors, servants, employees, sublessees, licensees or invitees.

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

Notwithstanding the preceding provisions of this Section 13.1 and except as provided in Section 1.A.1(5), Lessee shall be under no obligation to PDA or the United States of America, including the Air Force, with respect to such matters or conditions included in items (1) through (3) above in existence prior to the effective date of this Lease or caused solely by the negligence of PDA, its officers, agents, contractors, servants or employees, or the gross negligence or willful misconduct of the United States of America, including the Air Force, its assigns, agents, contractors, servants or employees, without contributory fault in the part of any person, firm or corporation.

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. The Parties acknowledge and accept the location of utilities, including but not limited to water, natural gas, electricity, telephone/cable/internet, stormwater, and sewer service, at the points in general proximity to the Leased Premises existing as of the Term Commencement Date. Lessee shall be responsible for the installation of the utility connections to those points to serve the Leased Premises, subject to the approval of the location of all utility runs to those points by Lessor. The utility lines at the connection points referenced above shall have the capacities existing as of the Term Commencement Date, which Lessee acknowledges are sufficient to enable Lessee to obtain for the Premises and Facility, sufficient water, natural gas, electricity, telephone/cable/internet, stormwater, and sewer service.

Lessee shall not at any time overburden or exceed the capacity of the mains, feeders, ducts, conduits, pipes, cables, 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 at the Tradeport as of the Term Commencement Date, such installation shall be subject to Lessor's prior written approval of Lessee's plans and specifications therefore, 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 capacity.

Lessee shall be responsible for arranging for separate metering for the provision of electrical and other utility services to the Leased Premises. Lessee shall be responsible for all costs related to ongoing maintenance and repair of the utilities on the Leased Premises.

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 Lessor 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. Lessee agrees to pay all charges for the above enumerated utilities supplied by Lessor, public utility or public authority, or any other person, firm or corporation.

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.

<u>14.2.</u> Lessor shall not be responsible for providing any meters or other devices for the measurement of utilities supplied to the Leased Premises. Lessee shall install or make application and arrange for the installation of all such meters or other devices and shall also procure, or cause to be procured, without cost to Lessor, any and all necessary permits, licenses, or other authorizations required for the lawful and proper installation and maintenance upon the Leased Premises of wires, pipes, conduits, tubes, and other equipment and appliances required to supply any such service upon the Leased Premises, and Lessee shall be solely responsible for and promptly pay, as and when the same become due and payable, all charges for water, sewer, electricity, gas, telephone, and any other utility used or consumed in the Leased Premises and supplied by Lessor, any public utility or authority or any other person, firm or corporation.

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

<u>14.4.</u> In accordance with the provisions of Section 9.4, Lessee (and any sublessee or assignee of Lessee) shall be solely responsible for obtaining at its sole cost and expense any sewage or stormwater discharge permits, licenses or other authorizations, including without limitation any treatment pretreatment requirements as may be required for its operations under this Lease (or any Lease or assignment). Lessee (and any Lessee or assignee of Lessee) shall be required to comply with all applicable Legal Requirements, including, without limitation, Land Use Controls and all applicable federal, state, and local requirements and standards concerning stormwater discharges and discharges to sewage treatment works, including, without limitation, any pretreatment requirements as are applicable to the Premises. Lessee acknowledges and agrees that Lessor and the City of Portsmouth have in place or anticipate NPDES/MS4 permit requirements for the management of stormwater at the Tradeport. To implement future permit requirements, the City of Portsmouth and/or Lessor may utilize an independent utility dedicated to improving watershed stewardship ("Stormwater Utility"). Certain of the future utility obligations may be currently met by the agreements set forth in Article 1, Section 1.2 above, while others may be new and dependent upon the Lessor's and City of Portsmouth's NPDES/MS4 permits when issued. Lessee agrees to pay when established its proportional share of any Stormwater Utility fee, provided, however, that Lessee's proportional share shall be based upon a formula which will be established by Lessor or, as applicable Lessor and the City of Portsmouth, and applied uniformly and proportionally to all commercial properties which are subject to said fee.

<u>END OF ARTICLE 14.</u>

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 Lessor's Land Use Controls or other applicable Legal 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 Legal Requirements, the provisions of Article 25 of this Lease, and all applicable provisions of the Deeds and FFA (as defined in Section 25.8), including such additional obligations imposed by Lessor upon Lessee 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 Lessee of Lessee shall maintain or cause to be maintained the following insurance:

(i) The comprehensive general liability and automobile liability insurance provided for in Article 7.1.B.(2) and (4) shall be maintained by Lessee 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. Limits of insurance for Lessee's contractors shall be in accordance with Lessor's minimum insurance requirements for work being performed at the Airport, as the same may be adjusted from time to time (see **Exhibit B** - Minimum Insurance Requirements for Contractors);

(ii) To the extent applicable, property and fire and any other 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 CAD files and/or MYLAR as-built drawings (or other suitable electronic or hard copies as agreed by the Lessor) when any Alteration authorized hereunder is completed.

15.2. The Lessee, its sub-lessees and assignees shall not conduct any excavation, digging, drilling dewatering or other disturbance of areas denoted as "Use Restriction Zones" on Exhibit C of the Deeds.

15.3. 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 VI. B of the Deeds.

15.4. 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 Deeds and/or the FFA

15.5. 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.

Throughout the Term of this Lease Lessee shall, at its sole cost, maintain the hangar numbers that identify the street address for each hangar on the Leased Premises posted in 3" high numerals on the front of each hangar on the Leased Premises, unless another location is required by the PDA Engineering Department.

END OF ARTICLE 15.

ARTICLE 16. DESTRUCTION AND RESTORATION

16.1. In the event any portion of the Leased Premises, including any building(s), parking or apron areas or other improvements or facilities located on the Leased Premises, (but excluding movable trade fixtures, furniture and equipment), shall be damaged by fire or other casualty to the extent of fifty percent (50%) or less, as determined solely and reasonably by the Lessor, 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 16.4 and Section 16.5 and shall perform such work in accordance with Section 16.6.

16.2. In the event of damage to or destruction of any portion or component of the Leased Premises, including any building(s) or other improvements or facilities on the Leased Premises (but excluding movable trade fixtures, furniture and equipment) by fire or other casualty, to an extent greater than fifty percent (50%), as determined solely and reasonably by the Lessor, the Lessee shall have the election either to terminate this Lease in accordance with Section 16.3 as it relates to the damaged portions or to repair and restore the damaged portions in accordance with Sections 16.4 and 16.5.

16.3. In the event the Lessee elects to terminate this Lease as allowed in Section 16.2, it shall provide written notice of such termination to Lessor within thirty (30) days following the occurrence of such damage or destruction, which termination shall be effective on the third day following the date of receipt of such notice. In such an event the proceeds received from any applicable policy of insurance shall be applied first to removing any debris and restoring the site to a condition satisfactory to the Lessor, and second to any sums owed by Lessee to the Lessor. Any balance remaining from any insurance proceeds shall then be apportioned between the Lessor and Lessee as follows:

> First, to Lessor an amount equal to the unamortized balance of leasehold improvements made at Lessor's expense calculated on a straight-line basis over the useful life of said improvement.
>
> Second, 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.
>
> Third, to Lessor any remaining balance.

16.4. In the event Lessee shall elect to repair and restore the damaged premises in accordance with 16.2, it shall provide written notice of such election to Lessor within thirty (30) days following the occurrence of such damage or destruction. In the event Lessee elects to repair the damage or destruction or fails to exercise its option to terminate herein, Lessee shall promptly repair and restore the damaged property to its condition immediately prior to the occurrence of the fire or other cause. All insurance proceeds shall be endorsed by Lessee and 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 the Lessor which shall be accompanied by a verified statement from Lessee setting forth that the sum then requested either has been paid by the 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, shall state the fair value of such work at the date of the requisition, 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 twenty-one (21) days after the receipt of such statement from Lessee, the Lessor shall out of the fund held by the 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 the Lessee the amount stated in such certificate to have been paid by the 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, the Lessor shall be entitled to retain such excess.

16.5. 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 of 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, if applicable, any Leasehold Mortgagee, and held and applied in accordance with the terms of this Article.

Notwithstanding any other provisions of this Lease, any insurance proceeds received by the 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.

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

16.7. 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 ground 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.

<u>END OF ARTICLE 16.</u>

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 in the same priority and on the same basis as the allocation of damages under Section 16.3 relating to leasehold improvements. Any remaining balance from damages shall be payable to Lessor.

16A.2. If 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. If 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 by giving Lessor written notice of such termination within sixty (60) days after the taking. 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 failure of 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., 2 years 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. <u>DEFAULT BY LESSOR</u>

<u>17.1.</u> 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) 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.

<u>17.2.</u> 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 inhabitability (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; or

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.

<u>END OF ARTICLE 17.</u>

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, additional rent, or Imposition, or failure 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 fourteen (14) days or more;

C. The failure by Lessee to observe and perform any other provision of this Lease (including without limitation compliance with applicable federal, state, and local laws and regulations) to be observed or performed by Lessee, where such failure continues for thirty (30) 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 (30) 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; or

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 with or without terminating this Lease:

(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.

If 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 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 deficiencies 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. DELEGATION - ASSIGNMENT - LEASES - MORTGAGES

19.1. Delegation. Lessee shall not have the right to delegate any of its responsibilities or obligations under this Lease.

19.2. [Reserved]

19.3. Subleases and Assignment. Lessee may, without the approval of Lessor, assign its rights under the Agreement to, or enter a sublease of the entire Leased Premises with, an affiliate (i.e., any entity that controls, is controlled by, or is under common control with Lessee). For purposes of the preceding sentence, the term "control" shall mean ownership or other beneficial interest in at least fifty-one percent (51%) of the voting stock or other voting interest of an entity. All other subleases or assignments shall be subject to approval of Lessor. Lessor shall not unreasonably withhold or delay its consent to any sublease or assignment if: (1) the use of the Leased Premises associated with any sublease(s) or assignment(s) is a permitted use under the Agreement, (2) the sublease(s) are consistent with, the terms and conditions of this Agreement; provided, however, that Lessee may rent the subleased area at rentals deemed appropriate by Lessee, (3) Lessee remains primarily liable to Lessor to pay rent and to perform all other obligations to be performed by Lessee under the Agreement unless Lessor approves an assignment or sublease by Lessee to a third party and agrees to relieve Lessee of its liability under the Agreement which approval Lessor shall not unreasonably withhold or delay, and, (4) the proposed subtenant or assignee of Lessee is financially and operationally responsible. In the event the rent for the entire Leased Premises exceeds the rental charged to Lessee under the Agreement, Lessee shall remit fifty percent (50%) of such excess to Lessor upon receipt by Lessee; provided, however, that any rental received by Lessee during a period in which no rental is due to Lessor shall be paid in its entirety to Lessor. Any/all subleases shall be subject and subordinate to this Lease.

Except where agreed to otherwise, no subletting, assignment, or transfer, whether Lessor's consent is required or otherwise given hereunder, shall release Lessee's obligations or alter the primary liability of Lessee to pay the rent and to perform all other obligations to be performed by Lessee under the Agreement. The acceptance of rent by Lessor from any other person shall not be deemed to be a waiver by Lessor of any provision hereof. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting. If any assignee of Lessee or any successor of Lessee defaults in the performance of any of the terms hereof, Lessor may proceed directly against Lessee without the necessity of exhausting remedies against such assignee or successor. If Lessee assigns the Agreement, or sublets all or a portion of the Leased Premises, or requests the consent of Lessor to any assignment or subletting, or if Lessee requests the consent of Lessor for any act that Lessee proposes to do, then Lessee shall pay Lessor's reasonable processing fee and reimburse Lessor for all reasonable attorneys' fees, excluding any fees to in-house counsel, incurred in connection therewith. Any assignment or subletting of the Leased Premises that is not in compliance with these provisions shall be void and shall, at the option of Lessor, but subject to any applicable cure provisions, terminate the Agreement.

Notwithstanding the preceding provisions regarding assignments and subletting and the continuing liability of Lessee, the parties agree that Lessee may, at any time, and whether or not its proposed assignment or sublease is to an affiliate, request that Lessor approve an assignment or sublease by Lessee to a third party and relieve Lessee of its liability under the Agreement.

It is intended that 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.

19.4. Continuing Liability of Lessee. No subletting, assignment, or transfer, whether Lessor's consent is required or otherwise given hereunder, shall release Lessee's obligations or alter the primary liability of Lessee to pay the rent and to perform all other obligations to be performed by Lessee hereunder. The acceptance of rent by Lessor from any other person shall not be deemed to be a waiver by Lessor of any provision hereof. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting. If any assignee of Lessee or any successor of Lessee defaults in the performance of any of the terms hereof, Lessor may proceed directly against Lessee without the necessity of exhausting remedies against such assignee or successor. If Lessee assigns this Lease, or sublets all or a portion of the Leased Premises, or requests the consent of Lessor to any assignment or subletting, or if Lessee requests the consent of Lessor for any act that Lessee proposes to do, then Lessee shall pay Lessor's reasonable processing fee and reimburse Lessor for all reasonable attorneys' fees incurred in connection therewith. Any assignment or subletting of the Leased Premises that is not in compliance with the provisions of this Article 19 shall be void and shall, at the option of Lessor, terminate this Lease.

19.5. Bankruptcy. 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 after Lessee has made or received such offer, but in no event later than thirty (30) days 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 29. 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 the 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.

19.6. Notwithstanding any other provision of this Lease, any assignment or Lease shall comply with the provision of Article 25 including the notice requirements of Condition 10.8 of the FFA (as that term is defined in Section 25.8 of this Lease).

19.7. Mortgages. Except as otherwise expressly agreed to by the Lessor in writing, which shall not be unreasonably withheld, Lessee shall not have the right to engage in any financing or other transaction creating any mortgage upon the Leased Premises. Any approval of the Lessor shall be expressly subject to the terms and conditions of the Deed and the provisions of this Lease.

Subject to the provisions of this Lease and terms and conditions of the Deed, Lessee shall have the right, at any time during the term of this Lease, to encumber its estate in the Leased Premises pursuant to one or more mortgages or deeds of trust ("Leasehold Mortgage") only to provide financing as set forth herein. Any right granted to Lessee to encumber its estate in the Leased Premises through grant of a Leasehold Mortgage shall be subject to the requirement that:

(i) except as authorized in writing by Lessor, the maximum amount of any permanent or refinance Leasehold Mortgage shall not exceed eighty percent (80%) of the appraised fair market value of the Leased Premises, including the Facility;

(ii) the maximum amount of any permanent or refinance Leasehold Mortgage on the land area of the Leased Premises, excluding the Facility, shall not exceed one hundred percent (100%) of the total cost of any authorized capital improvements with a useful life in excess of five (5) years; and

(iii) the Parties have agreed that the initial construction financing may exceed 80% of the fair market value of the Leased Premises but shall not exceed 100% of the fair market value at the time of occupancy.

No Leasehold Mortgage shall extend to or affect the fee, the reversionary interest, or the estate of Lessor and/or the Air Force in or to any land, building, or improvements existing or subsequently constructed on the Leased Premises. No Leasehold Mortgage shall be binding upon Lessor and/or the Air Force in the enforcement of its rights and remedies herein and by law provided, unless, and until a copy thereof shall have been delivered to Lessor and the Air Force and such mortgage is authorized under this Section 19.7. Lessor and Lessee agree that so long as any authorized Leasehold Mortgage is a lien on Lessee's estate in the Leased Premises, the mortgagee or beneficiary thereunder ("Leasehold Mortgagee") shall have all the following rights:

(1) If Lessee shall have delivered to Lessor prior written notice of the address of any Leasehold Mortgagee, Lessor will give to the Leasehold Mortgagee a copy of any notice under this Lease at the time of giving such notice to Lessee, and will give to the Leasehold Mortgagee

notice received by Lessor of any rejection of this Lease by the trustee in bankruptcy of Lessee or by Lessee as debtor-in-possession. In such case no termination of this Lease or termination of Lessee's right of possession of the Leased Premises or reletting of the Leased Premises by Lessor predicated on the giving of any notice shall be effective unless Lessor gives to the Leasehold Mortgagee written notice or a copy of its notice to Lessee of such default or termination, as the case may be. Notices, demands and requests from Lessor to the Leasehold Mortgagee shall be mailed to the address given to Lessor by certified or registered mail and notices, demands, and requests from the Leasehold Mortgagee to Lessor shall be delivered in the manner and to the address as specified in Article 23 hereof.

(2) In the event of any curable default by Lessee under the provisions of this Lease, the Leasehold Mortgagee will have the same concurrent grace periods as are given Lessee for remedying such default or causing it to be remedied, plus, in each case, an additional period of thirty (30) days after the expiration thereof or after Lessor has served a notice or a copy of a notice of default upon the Leasehold Mortgagee, whichever is later.

(3) In the event Lessee shall default under any of the provisions of this Lease, the Leasehold Mortgagee, without prejudice to its rights against Lessee, shall have the right to cure any curable default within the applicable grace periods provided for in the preceding paragraph of this Section whether the same consists of the failure to pay rent or the failure to perform any other matter or thing which Lessee is hereby required to do or perform, and Lessor shall accept such performance on the part of the Leasehold Mortgagee as though the same had been done or performed by Lessee. For such purpose Lessor and Lessee hereby authorize the Leasehold Mortgagee to enter upon the Leased Premises and to exercise any of Lessee's rights and powers under this Lease, and subject to the provisions of this Lease, under the Leasehold Mortgage.

(4) The term "incurable default" as used herein means any default which cannot be cured by a Leasehold Mortgagee. The term "curable default" means any default under this Lease which is not an incurable default. In the event of any curable default under this Lease, and if prior to the expiration of the applicable grace period specified in subparagraph (2) of this Section, the Leasehold Mortgagee shall give Lessor written notice that it intends to undertake the curing of such default, or to cause the same to be cured, or to exercise its rights to acquire the leasehold interest of Lessee by foreclosure or otherwise, and shall immediately commence and then proceed with all due diligence to do so, whether by performance on behalf of Lessee of its obligations under this Lease, or by entry on the Leased Premises by foreclosure or otherwise, then Lessor will not terminate or take any action to effect a termination of this Lease or re-enter, take possession of or relet the Leased Premises or similarly enforce performance of this Lease so long as the Leasehold Mortgagee is, with all due diligence and in good faith, engaged in the curing of such default, or effecting such foreclosure, provided, however, that the Leasehold Mortgagee shall not be required to continue such possession or continue such foreclosure proceedings if such default shall be cured. Nothing herein shall preclude Lessor from terminating this Lease with respect to any additional default which shall occur during the aforesaid period of forbearance and not be remedied within the period of grace, if any, applicable to any such additional default provided that Lessor provides the Leasehold Mortgagee with notice and opportunity to cure any such additional default.

(5) In the event that this Lease is terminated by Lessor on account of any incurable default or in the event Lessee's interest under this Lease shall be sold, assigned, or transferred pursuant to the exercise of any remedy of this Lease or pursuant to judicial proceedings, and if: (i) no rent or other charges shall then be due and payable by Lessee under this Lease; and (ii) the Leasehold Mortgagee shall have arranged to the reasonable satisfaction of Lessor to cure any curable default of Lessee under this Lease; then Lessor, within thirty (30) days after receiving a written request therefor, which shall be given within sixty (60) days after such termination or transfer and upon payment to it of all expenses, including attorney's fees, incident thereto, Lessor will execute and deliver a new lease of the Leased Premises to the Leasehold Mortgagee or its nominee or to the purchaser, assignee or transferee, as the case may be, for the remainder of the term of this Lease, containing the same covenants, agreements, terms, provisions and limitations as are contained herein. Upon the execution and delivery of such new lease, the new tenant, in its own name or in the name of Lessor may take all appropriate steps as shall be necessary to remove Lessee from the Leased Premises, but Lessor shall not be subject to any liability for the payment of fees, including reasonable attorney's fees, costs or expenses in connection therewith; and said new tenant shall pay all such fees, including attorney's fees, costs and expenses or, on demand, make reimbursements therefor to Lessor.

(6) In the event a default under the Leasehold Mortgage shall have occurred, the Leasehold Mortgagee may exercise, with respect to the Leased Premises, any right, power or remedy under the Leasehold Mortgage, which is not in conflict with the provisions of this Lease. Any Leasehold Mortgagee shall be liable to perform the obligations herein imposed on Lessee only during the period it is in possession or ownership of the leasehold estate created hereby.

(7) This Lease may be assigned, with the consent of Lessor, which consent shall not be unreasonably withheld or delayed, to or by the Leasehold Mortgagee or its nominee, pursuant to foreclosure or similar proceedings. Notwithstanding the foregoing provision, however, the consent provisions of Section 19.7(7) of this Lease shall not apply to, and no consent of the Lessor shall be required in connection with, any assignment or transfer, whether through foreclosure, deed in lieu of foreclosure, or otherwise, of the Lessee's interest in this Lease to Leasehold Mortgagee or its nominee, successor, transferee or assignee, <u>provided that</u>, said assignment and/or transfer is subject to and gives recognition to all existing subtenants and subleases (whether of record or not) and, after said transfer and/or assignment, Leasehold Mortgagee, and its nominee, successor, transferee or assignee agree to recognize the rights of all subtenants under their leases, so long as they are not in default under their respective subleases; provided further that, in the case of a transfer through foreclosure, Leasehold Mortgagee shall recognize, and not disturb the possession of a subtenant under a Lease if: (i) such subtenant has executed a so-called non-disturbance and attornment agreement (the "NDA") with Leasehold Mortgagee, and is in compliance with the terms thereof at the time of such transfer; or (ii) the Lease contains provisions substantially to the same effect as those contained in the NDA.

(8) No surrender (except a surrender upon the expiration of the term of this Lease or upon termination by Lessor pursuant and subject to the provisions of this Lease) by Lessee to Lessor of this Lease, or of the Leased Premises, or any part thereof, or of any interest therein, and no termination of this Lease by Lessee shall be valid or effective, and neither this Lease nor

any of the terms hereof may be amended, modified, changed or canceled without prior written consent of the Leasehold Mortgagee.

Notwithstanding any provision of this Lease to the contrary, no refinancing of any existing Leasehold mortgage shall be effective without the advance written approval of Lessor.

<u>END OF ARTICLE 19.</u>

ARTICLE 20. (RESERVED)

END OF ARTICLE 20.

ARTICLE 21. <u>ESTOPPEL CERTIFICATES AND FINANCIAL STATEMENTS</u>

<u>21.1.</u> 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.

<u>21.2.</u> Lessee, on or before twenty (20) days following receipt of a written request from Lessor, shall deliver to Lessor a copy of Lessee's most recent internally prepared financial statements, as well as a copy of its most recent audited financial statements. The financial statements shall be prepared in accordance with generally accepted accounting principles, consistently applied.

<u>END OF ARTICLE 21.</u>

ARTICLE 22. INVALIDITY OF PARTICULAR PROVISIONS

22.1. 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 the 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.

22.2. This Lease is subject to various federal grant assurances which are applicable to the Lessor in connection with funding provided by the federal government. To the extent that any provision of this Lease is deemed to be a violation of said grant assurances, then such provision(s) shall be modified or stricken to bring the term(s) of this Lease Agreement into compliance with the grant assurances. This Lease shall be subject and subordinate to the Federal Grant Assurances 49 U.S.C. Section 47101, et. seq.

END OF ARTICLE 22.

ARTICLE 23. <u>NOTICES</u>

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

<u>Attention</u>: Executive Director

If to Lessee: ______________________
____
____

<u>Attention</u>: ______________

With copy to: ______________________
____
____

<u>Attention</u>: ______________

or at such other address or addresses as Lessor or Lessee may from time to time designate by notice given by certified mail, postage prepaid, return receipt requested, or by overnight delivery service with signature confirmation.

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

<u>END OF ARTICLE 23.</u>

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 12, "Right of Lessor to Inspect and Repair," and 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 Legal Requirements 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 Land Use Controls and the applicable environmental laws and regulations identified in **Exhibit E** ("Environmental Laws"), as amended from time to time.

25.2. In accordance with Section 1A.1, Lessee and any sublessee or assignee of Lessee shall be solely responsible at their sole cost and expense for obtaining all Necessary Approvals and Permits and taking all actions required under Legal Requirements for their operations under this Lease or any sublease or assignment, independent of any existing Airport permits, authorizations, or notices.

25.3. Notwithstanding and in addition to any other provision of this Lease, Lessee, and any sublessee or assignee of the Lessee, shall defend and indemnify Lessor 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), against, imposed upon or suffered by Lessor resulting or arising from discharges, emissions, spills, releases, storage, or disposal of any Hazardous or Regulated Substances as defined in Section 25.5, or any other action or omission by the Lessee, any sublessee or assignee of the Lessee, their agents, contractors, subcontractors, servants, employees, sublessees, licensees or invitees giving rise to Lessor criminal, civil, or administrative liability or responsibility under Legal Requirements.

This indemnification of Lessor by Lessee, and any sublessee or assignee of the 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 or Regulated Substances arising or resulting from any act or omission of the Lessee or any sublessee or assignee of the Lessee, or their agents, contractors, subcontractors, servants, employees, sublessees, licensees or invitees, 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 Term Commencement Date. "Occupancy" or "Use" shall mean any activity or presence including preparation and construction in or upon the Leased Premises or any portion thereof.

The provisions of this Section shall survive the expiration or termination of the Lease, and the Lessee's, or any sublessee's or assignee's, obligations hereunder shall apply whenever the Lessor incurs costs, liabilities, or responsibilities for the Lessee's or its sublessees' or assignees' actions or omissions of the types described in this Article 25.

25.4. Notwithstanding any other provision of this Lease, Lessee and its sublessees, assignees, contractors and subcontractors do not assume any liability or responsibility for environmental impacts and damage caused by the use by the Air Force of toxic or hazardous wastes, substances, materials, or PFAS (as defined below) on any portion of the Airport, including the Leased Premises. The Lessee and its sublessees, assignees, contractors and subcontractors 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 toxic or hazardous wastes, substances or materials or PFAS 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 and/or Public Law No. 102-484, as amended.

In addition, Lessor shall defend and indemnify 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), against, imposed upon or suffered by Lessee resulting or arising from discharges, emissions, spills, releases, storage or disposal of Hazardous or Regulated Substances, or any other action by Lessor, or its agents, contractors, subcontractors, servants, employees, sublessees, licensees or invitees giving rise to Lessee criminal, civil or administrative liability or responsibility under Legal Requirements. 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.

The provisions of this Section 25.4 do not relieve the Lessee, its sublessees or licensees of any obligation or liability regarding third parties or regulatory authorities by operation of law.

25.5. As used in this Lease, the term "Hazardous or Regulated Substances" means any hazardous or toxic substance, material or waste, oil or petroleum product, per- or polyfluoroalkyl substance, including without limitation perfluorinated compounds and their precursors, (collectively, "PFAS"), or other pollutant or contaminant, that is or becomes regulated by any local governmental authority, the State of New Hampshire, or the United States Government. The term "Hazardous or Regulated Substances" as used in this Lease 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 waste" or "hazardous materials" under New Hampshire RSA ch.147-B, (iii) oil, gasoline or other petroleum product, (iv) asbestos, (v) listed under or defined as hazardous waste pursuant to Parts Env-Hw 100 or Env-Hw 400 ("Hazardous Waste Rules") of the New Hampshire Code of Administrative Rules, (vi) defined as a "hazardous substance" pursuant to Section 311 of the Clean Water Act (33 U.S.C. §1321), (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), (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), (ix) defined as a "hazardous air pollutant" pursuant to Clean Air Act §112 (42 U.S.C. §7412), (x) defined as a "regulated toxic air pollutant" pursuant to RSA 125-I:2, (xi) designated as a "toxic pollutant" pursuant to Clean Water

Act §307 (33 U.S.C. §1317), (xii) defined as "PFAS" or a "PFAS precursor" or "regulated contaminant" pursuant to N.H. Code of Administrative Rules Part Env-Or 602, (xiii) defined as a "pollutant" pursuant to Clean Water Act §502 (33 U.S.C. §1362), and (xiv) 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.

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, as amended.

When used in this Lease in the context of a discharge to the environment or from a "point source" as defined in Clean Water Act §502 (33 U.S.C. §1362), "discharge" means the intentional or unintentional release, disposal or addition of any material or substance, including but not limited to "Hazardous or Regulated Substances" as defined herein, to air, land, groundwater, wetlands or surface water or to any system of conveyance, dispersion or collection, natural or man-made.

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 Legal Requirements, including but not limited to Environmental Laws and occupational health and safety laws, whether or not 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. Lessee is advised and acknowledges that portions of the Airport, more fully described in Exhibit C of the Deed as "ACM Zones" may contain current and former improvements, above and below ground, that contain asbestos. 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, alterations, or repairs, including demolition, that require the removal of asbestos, an appropriate asbestos removal and disposal plan, complying with all Legal Requirements, must be incorporated in the plans and specifications and submitted for prior approval. 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), as amended (42 U.S.C. §6901 et seq.). 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. 1 thereto, effective March 18, 1993, and Lessee agrees that it will comply with and be bound by 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 sublessee(s) or assignee(s) 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, Air Force, EPA, State, NHDES, or any officer, agent, employee, contractor or subcontractor thereof, other than for abatement of rent.

Pursuant to its obligations under federal law, the Air Force has provided and Lessee acknowledges receipt of the "Notices and Covenants Related to Section 120(h)(3) of CERCLA, as amended." The notice and a description of remedial action by the Air Force are set forth in Paragraph VI of the Deed.

25.9. The Air Force, EPA, and NHDES and their officers, agents, employees, contractors, and subcontractors have the right, at no cost, 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, soil and water sampling, testpitting, testing soil borings and other activities related to the Pease Installation Restoration Program ("IRP"), the FFA or any order issued to USAF by EPA or NHDES or by a court of competent jurisdiction addressing Hazardous or Regulated Substances (collectively, "Order") (the term IRP as used herein refers to the broad Department of Defense-wide program to identify, investigate and clean ups contaminated areas on military installations as described in the Department of Defense Instruction Number 4715.7);

(2) to inspect field activities of the Air Force and its contractors and subcontractors in implementing the IRP, the FFA or any Order;

(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; or

(4) to conduct, operate, maintain or undertake any other response or remedial action as required or necessary under the IRP, the FFA or any Order, including, but not limited to monitoring wells, pumping wells and treatment facilities.

25.10. Lessee and its sublessees and assignees agree to the extent applicable to the Premises, to comply with the provisions of any health or safety plan in effect under the IRP, the FFA, or any Order during 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 United States or the State or any officer, agent, employee, contractor, or subcontractor thereof.

Lessee and its sublessees and assignees agree to the extent applicable to comply with the provisions of the "Environmental Use Restrictive Covenants" set forth in Paragraph VI.B of the Deed. It is the intent of the Air Force and the Lessor that the Environmental Use Restrictions bind Lessee and its sublessees and assignees, and that the Air Force reserves to itself the enforcement of this restrictive covenant against Lessee hereunder.

25.11. Lessee further agrees that in the event of any authorized sublease or assignment of the Leased Premises pursuant to Article 19, it shall provide to the Air Force, EPA and NHDES by certified mail a copy of the agreement of sublease or assignment of the Lease within fourteen (14) days after the effective date of such transaction. Lessee may delete the financial terms and any other proprietary information from any sublease 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 and establishing any waste accumulation locations as may be required under Environmental Laws or other Legal Requirements.

25.13. Any Necessary Approvals or Permits required under the Legal Requirements for the management of Hazardous or Regulated Substances stored or generated by Lessee or any sublessee or assignee of Lessee shall be obtained by Lessee or its sublessees or assignee at their sole cost and expense 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 storage facilities for Hazardous or Regulated Substances, complying with all Legal Requirements, as it needs for management of its Hazardous or Regulated Substances.

25.14. Lessee, and any sublessee or assignee of Lessee whose operations utilize Hazardous or Regulated Substances, shall have a completed and approved plan for responding to Hazardous or Regulated Substances spills or other unauthorized discharges and emissions prior to commencement of operations on the Leased Premises. Such plan shall comply with changes in site conditions or Legal Requirements and shall be updated from time to time, as may be required to comply with changes in site conditions or Legal Requirements and shall be approved, where required, by agencies having regulatory jurisdiction over such plan. 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 or release containment, shall not rely on use of the Airport or Lessor personnel or equipment. Should Lessor provide any personnel or equipment, whether for initial fire response and/or spill or release containment or otherwise, on request of the Lessee, or because the Lessee was not, in the opinion of Lessor, conducting timely cleanup or corrective actions, Lessee agrees to reimburse 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 relating to Hazardous or Regulated Substances required to be maintained pursuant to Legal 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 Legal Requirements relating to the generation, handling, storage, treatment, and disposal of hazardous waste, as well as the discharge, emission, or release of Hazardous or Regulated Substances. Violations of Legal Requirements may be reported by Lessor and the Air Force to appropriate regulatory agencies, as required by Legal Requirements. The Lessee, its sublessees, or assignees shall be liable for the payment of any fines and penalties or costs that may accrue to the Government or Lessor under Legal Requirements as a result of the actions or omissions of Lessee, its sublessees, or assignees, respectively.

25.16. Lessee acknowledges that the Premises may contain wetlands protected under Federal and State laws and regulations, which, among other things, restrict activities that involve the discharge of fill materials into wetlands, including, without limitation, the placement of fill materials; the building of any structure; site-development fills for recreational, industrial, commercial, residential, and other uses; causeways or road fills; and dams and dikes. The Lessee covenants and agrees that in its use of the Premises, it will comply with all Legal Requirements minimizing the destruction, loss, or degradation of wetlands. The Lessee, its successors and assigns, further covenant and agree that any development of any portion of the Premises containing wetlands will comply with applicable Legal Requirements and are subject to the State of New Hampshire Fill and Dredge in Wetlands Act as amended, the Pease Development Authority Wetlands Management Plan (adopted June 25, 1998), and the Land Use Controls, as amended. For purposes of this provision, "development" includes structures, facilities, draining, dredging, channelizing, filling, diking, impounding, treating, and any other similar activities.

Lessee, its sublessees and assignees agree to comply with the provisions of any Wetlands Management Plan and the Land Use Controls 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 before conducting any new construction in wetland areas.

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 Legal 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 in accordance with Legal Requirements.

25.19. The Lessee, its sublessees and assignees must notify the Lessor and the airport 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 Lessees 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 airport 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 airport 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 airport 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 Legal Requirements at its own expense. The Lessee is required to ensure that any lead-based paint is maintained in good condition.

The Lessee hereby acknowledges that it has received in Paragraph VII.D. of the Deed the required disclosure in accordance with Title 10.

25.21. The Lessee acknowledges that chlordane was used at selected housing units formerly located on or around the Tradeport. The Lessee, its sublessees or assignees will follow Legal Requirements should the Lessee, its sublessee, or assignee choose to disturb or excavate any of this material. Any cost associated with this action shall be at Lessee's, its sublessee's, or assignee's expense.

25.22. In addition to the environmental compliance obligations set forth in the Lease Agreement, Lessee and its sublessees and assigns agree to comply with the provisions of any current or subsequently implemented Legal Requirement relating to the management, treatment, or control of stormwater, including but not limited to Total Maximum Daily Limits (TMDLs) established under either Environmental Laws or other Legal Requirements and applicable to any watercourse or watershed at the Tradeport and the Leased Premises.

END OF ARTICLE 25.

ARTICLE 26. <u>MISCELLANEOUS</u>

<u>26.1.</u> All rent 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 directly 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 and the expiration of any applicable notice and cure period 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 Prime rate plus four percent (4%) per annum, provided, however, that such interest shall in no event exceed the maximum rate permitted by law.

<u>26.2.</u> 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.

<u>26.3.</u> 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.

<u>26.4.</u> 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.

<u>26.5.</u> 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.

<u>26.6.</u> 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 **<u>Exhibit G</u>**.

<u>26.7.</u> 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 whether or not if in every case so expressed. Every provision binding upon Lessee shall also bind all subtenants and assignees of Lessee and their respective employees, contractors, agents and invitees.

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 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 deemed to have been jointly drafted by the Parties and, accordingly, shall not be construed strictly for or against either Party. 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 defend and indemnify Lessor and to make any monetary payment to Lessor, shall survive the termination or expiration of this Lease.

26.21. Lessee may convert the Leased premises to a leasehold condominium subject to the terms and conditions of this Lease and the Deed after providing written notice thereof to Lessor. No Declaration of Condominium shall extend to or affect the fee, the reversionary interest or estate of Lessor and/or the Air Force in or to any land, building, or improvements existing or subsequently constructed on the Leased Premises.

END OF ARTICLE 26.

EXECUTION

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease effective as of the ____ _______ day of _____________________, 2025.

PEASE DEVELOPMENT AUTHORITY
Lessor

By: ______________________________
Paul E. Brean
Its: Executive Director

____

STATE OF NEW HAMPSHIRE
COUNTY OF ROCKINGHAM

On this _______ day of ______________________, 2025, 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:__________

Lessee

By: ______________________________
Duly Authorized

Printed Name:_________________________

Its: _________________________

STATE OF NEW HAMPSHIRE

COUNTY OF ROCKINGHAM

On this __________ day of ______________________, 2025, 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 ______________________, and on oath stated that **he/she** was authorized to execute this instrument and acknowledged it to be **his/her** 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:_____________________

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Conard:

The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to purchase a 2026 Chevrolet Express (CG33503) Van with utility body from Hilltop Chevrolet of Somersworth, New Hampshire in an amount not to exceed $60,940.55; all in accordance with the memorandum of Ken Conley, Manager of Airport Infrastructure and Facilities, dated March 5, 2026, attached hereto and incorporated herein.

N:\RESOLVES\2026\Utility Vehicle (3-17-2026).docx

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive, Portsmouth NH 03801

Memorandum

To: Paul Brean, CM, Executive Director, A.A.E.

From: Ken "KC" Conley, Manager of Airport Infrastructure & Facilities

Date: March 5, 2026

Subject: Utility Van (Bid# RFB -26-16)

This is a request to purchase one Utility Van, identified in our FY26 capital budget. A request for bid was advertised in February 2026, with the bid opening taking place on March 3, 2026. This vehicle will replace a 2004 Chevrolet Silverado with utility body that has been serving as the Facilities & HVAC teams' mobile operations platform for the past 22 years.

A total of three (3) bids were received with only one bid conforming to required submittal standards.

Vendor	Vehicle	Bid Amount	Delivery
Hilltop Chevrolet.	2026 Chevrolet Express (CG33503) Van W/Utility Body	$60,940.55	45 days from award

At the March 17, 2026, Board of Directors meeting, please request Board approval to purchase a 2026 Chevrolet Express (CG33503) Van W/Utility Body, in an amount not to exceed $60,940.55 from Hilltop Chevrolet of Somersworth NH. This project is fully funded in the PDA FY26 Capital Budget.

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Levesque:

The Pease Development Authority Board of Directors approves of issuing a Right of Entry ("ROE") to the International Association of Privacy Professionals to utilize twenty (20) vehicle spots for the purpose of employee parking at 14 Aviation Avenue, through September 29, 2026 with one option to extend the ROE through March 29, 2027; substantially in accordance with the Right of Entry dated March 17, 2026, attached hereto.

N:\RESOLVES\2026\IAPP – ROE 14 Aviation Avenue (3-17-2026).docx

March 17, 2026

Via Email: mhanson@iapp.org
Michelle Hanson, General Counsel
IAPP
75 Rochester Avenue
Portsmouth, NH 03801

Re: Right of Entry – Vehicle Parking
14 Aviation Avenue (Hangar 227 Lot), Portsmouth, NH

Dear Attorney Hanson:

This letter, when fully executed, will authorize The International Association of Privacy Professionals, Inc. ("IAPP"), with an address of 75 Rochester Avenue, Portsmouth, NH, to enter upon and utilize twenty (20) parking spots in the parking lot (Hangar 227 Lot) at 14 Aviation Avenue, Portsmouth, NH 03801 (the "Premises") as shown on **Exhibit A** commencing March 31, 2026, through September 29, 2026 (the "Term") for the purpose of allowing vehicle parking for IAPP employees. IAPP is provided with one option to extend this Right of Entry to March 29, 2027. The privileges granted under this Right of Entry will expire at the end of day on September 29, 2026, unless IAPP requests to exercise its option in writing at least fifteen (15) days but no more than sixty (60) days in advance, in which case it will expire at the end of the day on March 29, 2027.

This authorization is conditioned upon the following:

1. IAPP agrees that except to the extent risk, loss or damage to property and/or injury or death to person is caused by the wanton, willful and reckless conduct of the Pease Development Authority ("PDA") or its employees, agents or contractors, 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. IAPP expressly waives all claims against the PDA (except to the extent caused by the wanton, willful and reckless conduct of PDA or its employees, agents or contractors) and the State of New Hampshire for any such loss, damage, personal injury, or death caused by or occurring as a consequence of IAPP'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. IAPP further agrees to defend and indemnify the PDA and the State of New Hampshire, its officers, board members, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgements, costs

and attorney's fees ("Losses") arising out of or related to IAPP'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, except to the extent said Losses arise out of or related to the wanton, willful and reckless conduct of PDA and/or its employees, agents or contractors. The provisions of this paragraph one (1) shall survive the termination of this Right of Entry.

2. IAPP agrees that vehicles may only be parked in the areas depicted in **Exhibit A.** IAPP acknowledges and agrees that this Right of Entry: (a) allows only temporary use of the Premises; and (b) permits the PDA to relocate the Premises or a portion of the Premises to another adjacent 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/Tradeport activities.

3. IAPP, and/or any agent of IAPP, shall provide to the PDA satisfactory evidence of comprehensive general liability insurance to a limit of not less than Two Million Dollars ($2,000,000.00) 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 IAPP 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 PDA; 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 IAPP that such policies will not be cancelled. Should a policy cancellation occur, PDA will be advised in accordance with policy provisions. Failure to maintain required level of insurance coverage shall be grounds for immediate termination of this Right of Entry by the PDA.

4. IAPP shall ensure that vehicles are not left on the Premises following the termination 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. Any vehicles left on the Premises following the termination of this Right of Entry may be removed by the PDA at the sole cost and expense of IAPP and/or the vehicle owner.

5. IAPP shall provide snow removal, sanding and salting, as necessary, for the Premises during the periods of use provided for under the terms of this Right of Entry. IAPP or any contractor of IAPP 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.

6. IAPP shall coordinate the initial snow removal with the PDA Maintenance Department. All snow removal, sanding, and salting shall be at IAPP's own cost and expense.

7. Except to the extent caused by the wanton, willful or reckless conduct of PDA and/or its employees, agents or contractors, 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 IAPP's patrons, officers, agents, servants or employees, or others who may be on the Premises at its invitation.

8. IAPP shall provide all maintenance and management of the Premises at its own costs and expense.

9. Prior to termination of the Right of Entry, IAPP shall restore the Premises to the same or better condition than the Premises were in before its use pursuant to this Right of Entry.

10. IAPP agrees 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.

11. IAPP agrees that it may not pave any portion of the Premises without the express written permission of the PDA.

12. IAPP shall provide PDA with contact information of a representative from IAPP, who shall be available to respond to communications concerning this ROE.

Please indicate by IAPP's authorized signature below IAPP's agreement with a consent to the terms and conditions of this Right of Entry, and return the same to me with evidence of insurance, and contact information as required.

Very truly yours,

Paul E. Brean
Executive Director

Agreed and accepted this __ day of __________, 2026

The International Association of Privacy Professionals, Inc.

By: ______________________________
Print Name/Title ______________________________
Duly Authorized

Re: **Right of Entry**
14 Aviation Avenue (Hangar 227 Lot), Portsmouth, NH

EXHIBIT A
PREMISES

EXHIBIT 'A' DESIGNED BY: MCR DATE: 09/25/2025 SCALE: 1"=100'

PEASE DEVELOPMENT AUTHORITY 55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

MOTION

Director Conard:

The Pease Development Authority ("PDA") Board of Directors hereby moves that item numbers _________ from the consent agenda with waivers listed below be approved as a single consent agenda with waivers item, and that the proposed motions included for each be incorporated into such approval as the operative motion for each item.

1. Pease Development Authority - FinQuery, LLC - Change Order to include Financial Contract Management Subscription * **(Ferrini)**
2. Portsmouth International Airport at Pease - Granite State Minerals - Utilization of State Contract for Purchase of Roadway Rock Salt * **(Parker)**
3. Portsmouth International Airport at Pease - U.S. Customs and Border Protection IT Upgrades * **(Semprini)**

NOTE: This motion requires 5 affirmative votes.
Roll Call Vote Required.

N:\RESOLVES\2026\Consent Agenda (with waivers) (3-17-2026).docx

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Ferrini:

The Pease Development Authority ("PDA") Board of Directors ("Board") approves of and authorizes the Executive Director to continue annual renewals of the PDA's lease management software contract with FinQuery LLC, and to enter into a contract change order with FinQuery to provide annual financial contract management software services, with a report to the Board of contract renewals at its next scheduled meeting; all in accordance with the memorandum of Suzy Anzalone, Director of Finance, dated February 21, 2026, attached hereto.

In accordance with the provisions of RSA 12-G:8, VIII, the Board justifies the waiver of the RFP requirement for financial contract management software services as the quoted price is reasonable and as PDA's current lease management software provider, PDA is familiar with the FinQuery software features and support.

Note: This motion requires 5 affirmative votes.
Roll Call vote required.

PEASE INTERNATIONAL DEVELOPMENT AUTHORITY
55 International Drive, Portsmouth NH 03801

Memorandum

To: Paul E. Brean, A.A.E., Executive Director

From: Suzy Anzalone, Director of Finance

Date: February 21, 2026

Subject: Financial Contract Management and Lease Management Software

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The Pease Development Authority (PDA) recognizes the need for a centralized contract management system. Currently PDA's various service contracts and short-term Right of Entry agreements are tracked within an Excel worksheet. PDA's current lease management software provider FinQuery (formerly LeaseQuery) offers a Financial Contract Management (FCM) subscription as part of its service platform.

I attended an FCM demonstration on February 6th and believe this software would meet PDA's needs. The FCM cloud-based module can be accessed by any department within the PDA to store contract information, upload documents, provide annual reminders for renewals, as well as automate some of our prepaid schedules which are also in Excel. The PDA did not reach out to other FCM providers as the annual cost of $5,400 offered through FinQuery is reasonable and the PDA is already familiar with the features and support of this software provider.

Entering into this agreement would be considered a "change order" to our existing contract with FinQuery and the first-year cost would be pro-rated through August of 2026 to coincide with PDA's FinQuery contract renewal. Annual renewal increases are projected between 4% and 6% annually.

The PDA would also like to provide some clarification regarding the existing FinQuery contract. At its June 17, 2021, Board meeting, the Board provided approval to enter into an initial one-year agreement with LeaseQuery for the provision of lease management software. Although the intent was to continue yearly renewals due to the complexity of lease data transferred from the current system, that intention was not clearly communicated in the initial request. The current annual cost is $13,380 with increases projected between 4% and 6% annually.

At the March 17, 2026, meeting please seek PDA Board of Directors' approval for the following requests:

1) Waive the RFP process and execute a change order to our existing contract with FinQuery, LLC for FCM software, which will be renewed annually with a report to the Board; and
2) Continue annual renewals with FinQuery for lease management software, with a report to the Board upon each renewal.

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Parker:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director, to enter into an agreement for the purchase of roadway rock salt from Granite State Minerals at the price of $88.90 per ton through August 31, 2026, to be utilized for parking lot and roadway treatment of PDA properties; all in accordance with the memorandum of Ken Conley, Manager of Facilities and Infrastructure, dated March 3, 2026.

In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement as Granite State Minerals is a State of New Hampshire approved vendor under contract #8003721.

NOTE: ROLL CALL VOTE REQUIRED.
This motion requires 5 affirmative votes.

N:\RESOLVES\2026\Granite State Minerals - Roadway Rock Salt (3-17-26)

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth NH 03801

Memorandum

To: Paul E. Brean, A.A.E., Executive Director

From: Ken Conley, Manager of Facilities and Infrastructure KC

Date: March 3, 2026

Subject: Pease Maintenance Dept. – Utilization of State Contract for the Purchase of Roadway Rock Salt

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This memo seeks permission from the PDA Board of Directors to waive the competitive solicitation process to purchase roadway rock salt from Granite State Minerals VC#154316 through the State of New Hampshire's existing statewide contract #8003721 valid through August 31, 2026. This product will be utilized for parking lot and roadway treatment of PDA properties.

By utilizing the statewide contract, PDA will benefit from a pre-negotiated price of $88.90 per ton avoiding the recent quantity restrictions as well as price spikes of up to $200 per ton locally.

At the March 17, 2026, PDA Board of Directors' meeting please request authorization to waive the formal bidding process and to approve the utilization of New Hampshire statewide contract # 8003721 for procurement of mined rock salt from Granite State Minerals VC#154316 at the set price of $88.90 per ton through August 31, 2026.

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Semprini:

The Pease Development Authority ("PDA") Board of Directors hereby approves of and authorizes the Executive Director to enter into an agreement with the United States Customs and Border Protection Division for Information Technology upgrades, necessary for the processing of passengers, within the Federal Inspection Station at Portsmouth International Airport at Pease ("PSM") in an amount not to exceed $44,551.00; all in accordance with the memorandum of Greg Siegenthaler, IT Director, dated March 10, 2026, attached hereto and incorporated herein.

In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement as pursuant to PDA's agreement with the USCBP regarding its operations at PSM, PDA is required to use USCBP's contractors that meet federal security requirements and background checks.

Note: This motion requires 5 affirmative votes.
Roll Call vote.

N:\RESOLVES\2026\Airport - USCBP IT Upgrades (3-17-26).docx

PSM DAW
PEASE
AIRPORT
MANAGEMENT
36 Airline Ave., Portsmouth, NH 03801
603.433.6536

MEMORANDUM

To: Paul E. Brean, A.A.E., Executive Director *PEB*

From: Greg Siegenthaler, IT Director *GS*

Re: U.S. Customs and Border Protection IT Equipment Upgrades

Date: March 10, 2026

The United States Customs and Border Protection ("USCBP") Division regulates immigration and border control at Portsmouth International Airport at Pease ("PSM"). This includes managing checkpoints, border fencing, and use of technology to detect unauthorized activities. As part of Pease Development Authority's ("PDA") agreement with USCBP to operate at PSM for international operations, the PDA is responsible for security infrastructure maintenance and improvements to the USCBP facility within the PSM terminal building.

USCBP has identified IT equipment upgrades in the Federal Inspection Station ("FIS"), which requires replacement through USCBP's authorized contractor program. USCBP requires PDA utilization of a USCBP sponsored contractor that meets federal security requirements and background checks. PDA itself is not authorized by USCBP to work on this equipment and therefore cannot replace and install this equipment with PDA staff or a vendor of its choice. As such, USCBP provided the attached proposal for the IT equipment upgrades at a price of $44,551.00.

At the March 17, 2026, Board of Directors' meeting, please request Board authorization for the Executive Director to enter into an agreement with USCBP for the installation of IT equipment upgrades, at a cost not to exceed $44,551.00. A waiver of the Request for Proposal ("RFP") requirement is necessary as the equipment purchase, installation, and maintenance must be through an authorized USCBP contractor to meet USCBP standards.

PEASE INTERNATIONAL DEVELOPMENT AUTHORITY

55 International Drive, Portsmouth NH 03801

Memorandum

To: Paul Brean, Executive Director

From: Suzy Anzalone, Director of Finance

Date: March 3, 2026

Subject: Executive Summary – Financial Reports

In anticipation of the upcoming March 17th Pease Development Authority Board meeting, the following is an Executive Summary of the financial results for the seven months ended January 31, 2026:

Consolidated Results

Pease Development Authority - Consolidated			
($ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	12,740	12,930	(190)
Operating Expenses	10,250	10,799	549
Operating Income	**2,490**	**2,131**	**359**
Depreciation	4,978	5,088	110
Non Oper. (Inc)/Exp	(277)	(433)	(157)
Net Operating Income (Loss)	**(2,211)**	**(2,523)**	**313**

Consolidated operating revenues through January totaled $12.7 million trending slightly under budgeted revenues of $12.9 million (1.5% unfavorable). Wharfage and dockage fees, fuel sales and DPH parking fees represent the most significant line items trending under budget. Favorable revenue line items include fuel flowage fees and miscellaneous income.

Year-to-date consolidated operating expenses totaled $10.2 million, trending lower than budgeted projections by $549,000 or 5.1%. Line items trending under budget include wages and benefits, environmental testing, professional fees, fuel and merchandise purchases and golf cart lease expense (which should trend closer to budget once the 2026 season starts). Expenses trending higher than budget include airfield, equipment and facilities maintenance, snow removal expenses, turf maintenance and utilities expenses.

Non-operating income of $277,000 represents interest earned through January.

Year-to-date Net Operating Loss is ($2.2) million performing favorably against a budgeted loss of ($2.5) million.

Business Unit Performance

Portsmouth Airport (PSM)

Portsmouth Airport (PSM) *incl Security*			
($ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	2,316	2,026	289
Operating Expenses	2,756	2,677	(79)
Operating Income	(440)	(650)	210
Depreciation	2,928	2,962	34
Non Oper. (Inc)/Exp	0	(146)	(146)
Net Operating Income (Loss)	(3,368)	(3,466)	98

Operating revenues for PSM through January are trending favorably by $289,000 (14.3%) and continue to be driven by higher fuel flowage fees and to a lesser extent from parking revenue. Operating expenses are unfavorable by $79,000 (3.0%) mainly due to higher expenditures in airfield, equipment and facilities maintenance as well as snow removal expenses. However, wages and benefits, administrative expenses, marketing and professional services are tending lower than budget. Year-to-date budgeted non-operating income of $146,000 represents expected grant funding for PSM's Airport Layout Plan, which is still in process. Once we submit for grant reimbursement, this line item should trend closer to budget.

Skyhaven Airport

Skyhaven (DAW)			
($ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	152	143	9
Operating Expenses	192	190	(2)
Operating Income	(40)	(47)	7
Depreciation	245	249	3
Non Oper. (Inc)/Exp	0	0	0
Net Operating Income (Loss)	(285)	(295)	10

Skyhaven operating revenues through January are $9,000 higher than budget, driven by higher fuel sales. Year-to-date gallons of fuel sold are trending 16% higher than the previous year. Operating expenses are $2,000 over budget and include cost overruns in fuel purchases, part-time wages and environmental expenses.

Tradeport

Tradeport			
($ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	6,385	6,412	(27)
Operating Expenses	397	449	51
Operating Income	5,988	5,963	24
Depreciation	440	456	16
Non Oper. (Inc)/Exp	(249)	(261)	(11)
Net Operating Income (Loss)	5,797	5,768	29

Tradeport revenues through January are unfavorable by $27,000 mainly driven by lower short-term (right-of-entry) revenue. However, expenses are trending favorably by $51,000 (11.4%) with cost underruns in environmental services and professional services. Non-operating income represents year-to-date interest income for the PDA which is allocated to the "Tradeport" cost center.

Golf Course

Pease Golf Course			
($ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	2,440	2,387	53
Operating Expenses	1,728	1,784	56
Operating Income	712	603	110
Depreciation	234	234	0
Non Oper. (Inc)/Exp	0	0	(0)
Net Operating Income (Loss)	**478**	**369**	**110**

Year-to-date golf course revenues are favorable by $53,000 (2.2%) driven by higher public play fee revenue from the 2025 season but offset by lower simulator revenue and merchandise sales. Expenses are under budget by $56,000 (3.1%) and include cost underruns in wages and benefits, golf cart lease expense and cost of goods sold for merchandise. Line items trending higher than budget include turf maintenance, facilities expenses, office and equipment supplies and water expense.

Division of Ports and Harbors (DPH)-Unrestricted

Division of Ports and Harbors (Unrestricted)			
($ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	1,361	1,872	(511)
Operating Expenses	1,456	1,802	346
Operating Income	(95)	70	(165)
Depreciation	1,021	1,073	52
Non Oper. (Inc)/Exp	(24)	(22)	2
Net Operating Income (Loss)	**(1,092)**	**(981)**	**(111)**

Year-to-date revenues for the DPH are under budget by $511,000 (27.3%). Wharfage and dockage fees represent most of the revenue variance driven by seasonal fluctuations related to the timing of vessels arriving at the Market Street terminal. Fuel sales and parking fees are also trending lower. Operating expenses are favorable by $346,000 (19.2%) with cost underruns in wages and benefits, facilities maintenance, administrative expenses, utilities, fuel purchases and legal services.

Balance Sheet/Statement of Net Position (Consolidated)

($ 000's)	As of 1/31/2026	As of 1/31/2025
Assets		
Current Assets	26,221	22,767
Restricted Assets	1,780	1,721
Non-Current Assets	335,273	330,281
Total Assets	**363,274**	**354,770**
Deferred Outflows of Resources	**2,672**	**2,944**
Liabilities		
Current Liabilites	5,623	4,214
Non-Current Liabilities	11,772	10,456
Total Liabilities	**17,395**	**14,670**
Deferred Inflows of Resources	**218,696**	**219,970**
Net Position		
Net Income (Loss)	(2,211)	(1,305)
Contributed Capital	187,003	178,538
Retained Earnings	(54,937)	(54,160)
Total Net Position	**129,855**	**123,073**

The January balance sheet reflects $26.2 million in current assets, which includes $15 million in unrestricted cash (PDA $14.2 million, DPH 0.8 million). While this may appear to be a robust cash position for the PDA, our Capital Improvement Plan outlines sizeable internally funded capital expenditures projected in the next 12-18 months such as the Air Traffic Control Tower project which could significantly reduce our cash position to under $3 million.

The balance sheet also reflects restricted assets totaling $1.8 million and consists primarily of the Revolving Loan Fund which currently has 19 outstanding loans totaling $0.9 million in loans receivable.

Non-Current Assets include year-to-date capital expenditures in the amount of $3.3 million. Expenditures include NH Ave right hand turn project, Skyhaven taxiway construction and design, snow removal equipment, asphalt replacement at 55 International, design costs for the air traffic control tower, Portsmouth fish pier building replacement, and various equipment purchases.

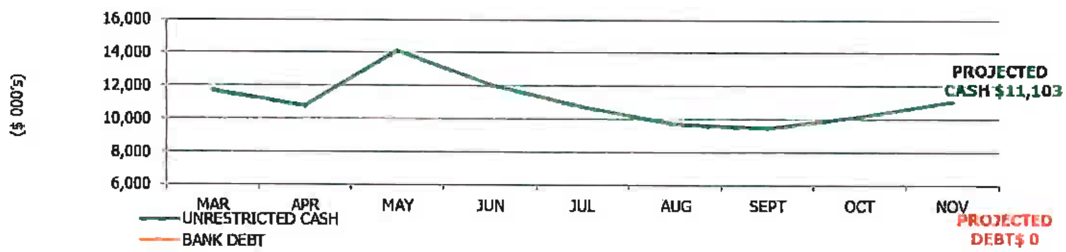
Current liabilities of $5.6 million represent trade accounts payable, retainage and various accrued expenses.

PDA Cash Flow Projections for the Ten-Month Period Ending November 30, 2026 (Excl. Division of Ports and Harbors)

During the next nine-month period, PDA cash inflows are projected at $28.2 million, mainly provided by operating revenues as well as $10.9 million in grant funding.

Cash outflows of $29.6 million during this same period include $8.2 million in non-grant related capital expenditures, $7.8 million in grant funded expenditures as well as outflows from normal operating expenses and municipal service fee payments. Current projections indicate that the PDA will not need to draw on its line of credit over the next nine months and expects unrestricted cash to decrease to $11.1 million. The chart below outlines estimated cash and debt balances over the next nine-month period.

PROJECTED CASH AND DEBT BALANCES – PEASE DEVELOPMENT AUTHORITY - EXCL. DPH

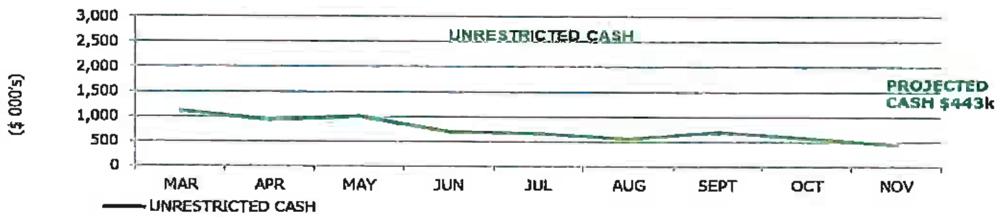


Cash Flow Projections for the Ten-Month Period Ending November 30, 2026 -Division of Ports and Harbors

During the next nine-month period, unrestricted cash inflows at the Division of Ports and Harbors are projected at $6.3 million, provided by operating revenues and fees, but also include $4.2 million in grant funding.

Unrestricted cash outflows of $6.7 million during this same period include $4.3 million in grant-funded capital expenditures, $88,000 in non-grant expenditures as well as outflows from normal operating expenses. Unrestricted cash is projected to decrease to approximately $443,000. The chart below outlines estimated cash balances over the next nine-month period.

PROJECTED CASH BALANCES – DIVISION OF PORTS AND HARBORS



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

PEASE DEVELOPMENT AUTHORITY FY2026 FINANCIAL REPORT FOR THE SEVEN MONTH PERIOD ENDING JANUARY 31, 2026

PEASE
INTERNATIONAL
PEASE DEVELOPMENT AUTHORITY
PORTSMOUTH NH

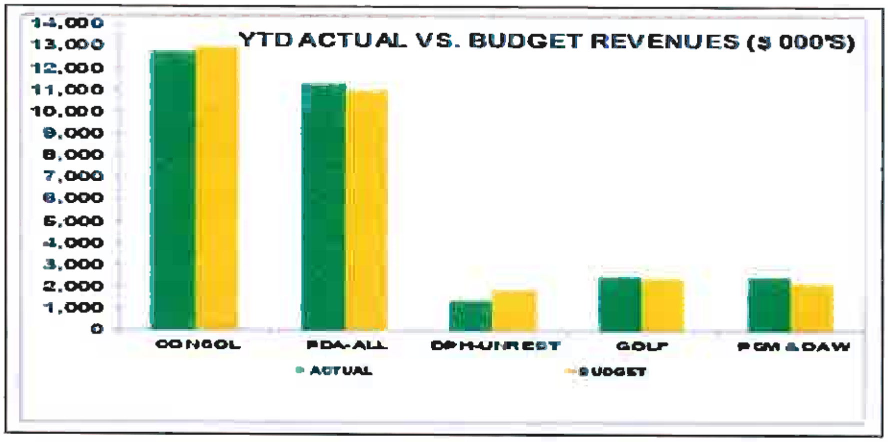
BOARD OF DIRECTORS MEETING
MARCH 17, 2026

PEASE DEVELOPMENT AUTHORITY
Revenues and Expenditures –Seven Months Ended January 31, 2026

Trends:

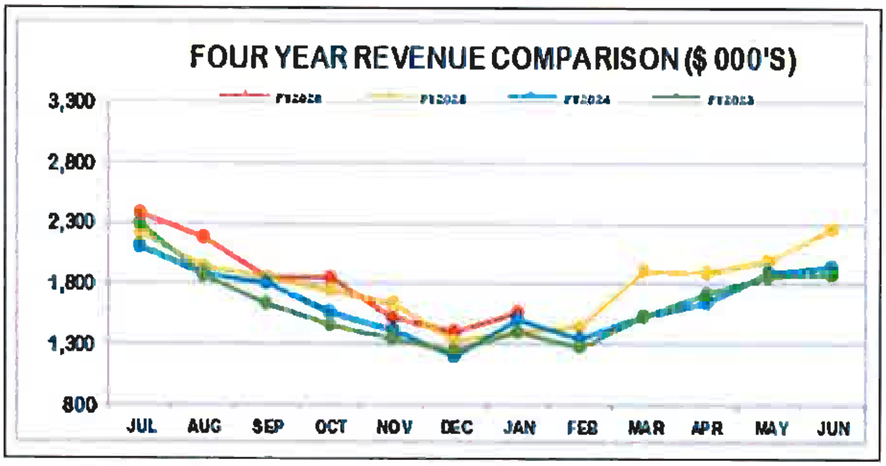
YTD revenue is 1.5% unfavorable

- Fuel flowage fees, golf fees and PSM parking fees trending higher than budget.
- Wharfage and dockage fees, fuel sales and DPH parking fees trending under budget .



Trends:

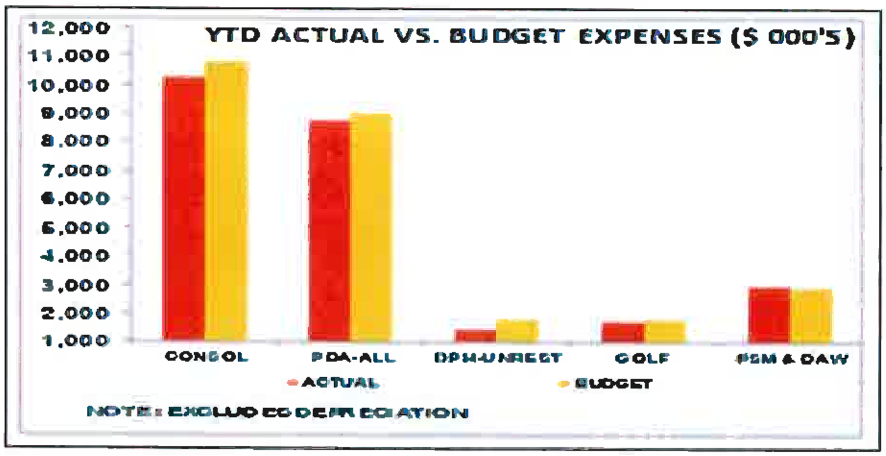
July revenues includes annual rent payment from tenant



Trends:

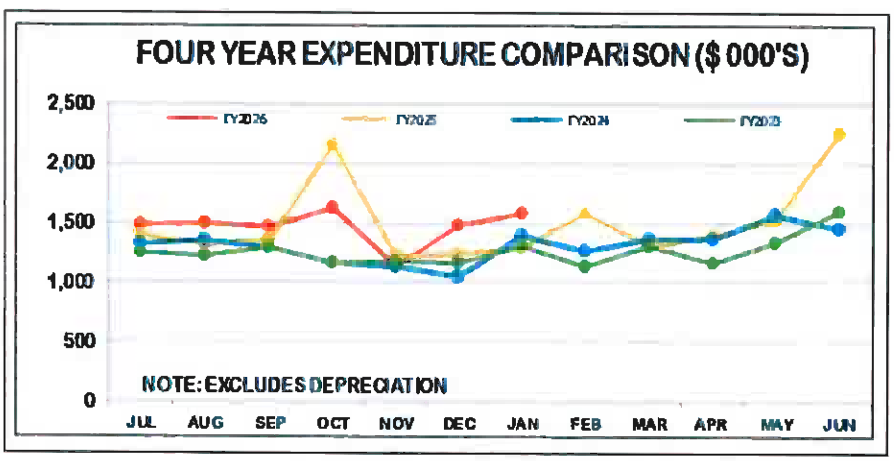
YTD Operating Expenses 5.1% favorable

- Wages & benefits, admin expenses, professional services, marketing and fuel purchases trending under budget.
- Offset by cost overruns in airfield, equipment and facilities maintenance, turf maintenance, snow removal and utilities expense.



Trends:

Oct 2024 – ARPA funded feasibility study expenses of $518k and ARPA funded architectural expenses for Rye Harbor retail improvements of $173k
June 2025: Year-end benefit accrual (sick time) adjustment



PEASE DEVELOPMENT AUTHORITY
Consolidated Statement of Revenues and Expenses
For the Seven Months Ending January 31, 2026

	Actual Jan FY 2026	Budget Jan FY 2026	Variance From Monthly Budget	% Variance	Actual YTD FY 2026	Budget YTD FY 2026	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL								
FACILITIES	$988,521	$977,407	$11,114	1.1%	$7,237,481	$7,240,563	($3,082)	-
CARGO AND HANGARS	17,025	16,034	990	6.2%	112,392	112,090	302	0.3%
	1,005,546	993,441	12,104	1.2%	7,349,873	7,352,653	(2,780)	(0.0%)
CONCESSION REVENUE	20,838	42,896	(22,058)	(51.4%)	355,578	323,785	31,793	9.8%
FEE REVENUE								
AVIATION FEES	-	-	-	-	-	-	-	-
FUEL FLOWAGE	148,414	95,561	52,853	55.3%	1,189,805	937,882	251,923	26.9%
PSM TSA/LEO REVENUE	-	-	-	-	-	-	-	-
PSM SECURITY REVENUE	1,895	3,558	(1,663)	(46.7%)	21,230	24,906	(3,676)	(14.8%)
GOLF FEES	13,578	64,140	(50,563)	(78.8%)	1,556,848	1,500,149	56,699	3.8%
GOLF SIMULATORS	22,419	24,927	(2,508)	(10.1%)	56,178	67,935	(11,758)	(17.3%)
GOLF MEMBERSHIPS	-	-	-	-	293,158	291,250	1,908	0.7%
GOLF LESSONS	769	341	428	125.5%	25,799	19,712	6,087	30.9%
MOORING FEES	38,835	37,500	1,335	3.6%	271,847	262,500	9,347	3.6%
PARKING-PSM	89,891	73,806	16,085	21.8%	365,831	332,053	33,779	10.2%
PARKING-DPH	0	10	(10)	(100.0%)	126,560	164,929	(38,369)	(23.3%)
PIER USAGE FEES	11,364	12,723	(1,359)	(10.7%)	43,302	47,799	(4,498)	(9.4%)
REGISTRATIONS	15,206	33,736	(18,530)	(54.9%)	83,538	99,986	(16,448)	(16.5%)
TERMINAL FEES	-	-	-	-	-	-	-	-
WHARFAGE AND DOCKAGE	131,667	457,875	(326,208)	(71.2%)	258,186	713,789	(455,603)	(63.8%)
	474,038	804,177	(330,140)	(41.1%)	4,292,282	4,462,890	(170,609)	(3.8%)
FUEL SALES	9,068	12,557	(3,489)	(27.8%)	210,810	321,385	(110,575)	(34.4%)
INTEREST INCOME								
LOAN INTEREST	2,115	2,500	(385)	(15.4%)	15,600	17,500	(1,900)	(10.9%)
OTHER REVENUES								
MERCHANDISE	6,426	7,304	(878)	(12.0%)	227,566	236,113	(8,547)	(3.6%)
ALL OTHER	47,425	42,201	5,224	12.4%	288,302	215,875	72,428	33.6%
	53,851	49,505	4,346	8.8%	515,868	451,988	63,881	14.1%
TOTAL OPERATING REVENUE	**1,565,456**	**1,905,076**	**(339,622)**	**(17.8%)**	**12,740,011**	**12,930,201**	**(190,190)**	**(1.5%)**
OPERATING EXPENSES								
WAGES AND FRINGE BENEFITS								
WAGES								
BENEFITED REGULAR	492,323	510,487	18,164	3.6%	3,442,140	3,499,092	56,952	1.6%
BENEFITED OVERTIME	67,885	59,608	(8,278)	(13.9%)	239,966	235,993	(3,973)	(1.7%)
NON-BENEFITED REGULAR	76,998	84,001	7,003	8.3%	711,791	739,767	27,976	3.8%
NON-BENEFITED OVERTIME	13,472	5,379	(8,093)	(150.5%)	33,253	22,931	(10,322)	(45.0%)
WAGE TRANSFERS IN/OUT	-	-	-	#DIV/0!	-	-	-	#DIV/0!
	650,678	659,475	8,796	1.3%	4,427,150	4,497,783	70,633	1.6%
BENEFITS								
ACCRUED VACATION BENEFITS	(7,812)	2,425	10,237	422.2%	(83,774)	16,975	100,749	593.5%
ACCRUED SICK TIME BENEFITS	(37,208)	1,183	38,390	3245.2%	(107,691)	8,281	115,972	1400.5%
DENTAL INSURANCE	6,223	5,904	(319)	(5.4%)	42,219	41,328	(891)	(2.2%)
HEALTH INSURANCE	145,577	135,910	(9,667)	(7.1%)	966,504	951,370	(15,133)	(1.6%)
LIFE INSURANCE	2,360	2,634	274	10.4%	16,183	18,438	2,255	12.2%
NEW HAMPSHIRE RETIREMENT	63,509	106,769	43,260	40.5%	453,108	516,036	62,927	12.2%
POST RETIREMENT BENEFITS	13,324	13,305	(19)	(0.1%)	68,924	93,135	24,211	26.0%
EMPLOYEE DRUG TEST	110	142	32	22.5%	968	994	27	2.7%
OPEB EXPENSE	-	-	-	#DIV/0!	-	-	-	#DIV/0!
EMPLOYER FICA	45,799	50,844	5,045	9.9%	323,837	344,910	21,073	6.1%
UNEMPLOYMENT INS	1,289	0	(1,289)	(100.0%)	5,526	0	(5,526)	(100.0%)
BENEFIT TRANSFERS IN/OUT	-	-	-	#DIV/0!	-	-	-	#DIV/0!
	233,171	319,116	85,944	26.9%	1,685,804	1,991,467	305,664	15.3%
TOTAL WAGES & BENEFITS	**883,849**	**978,591**	**94,740**	**9.7%**	**6,112,954**	**6,489,250**	**376,297**	**5.8%**

PEASE DEVELOPMENT AUTHORITY
Consolidated Statement of Revenues and Expenses
For the Seven Months Ending January 31, 2026

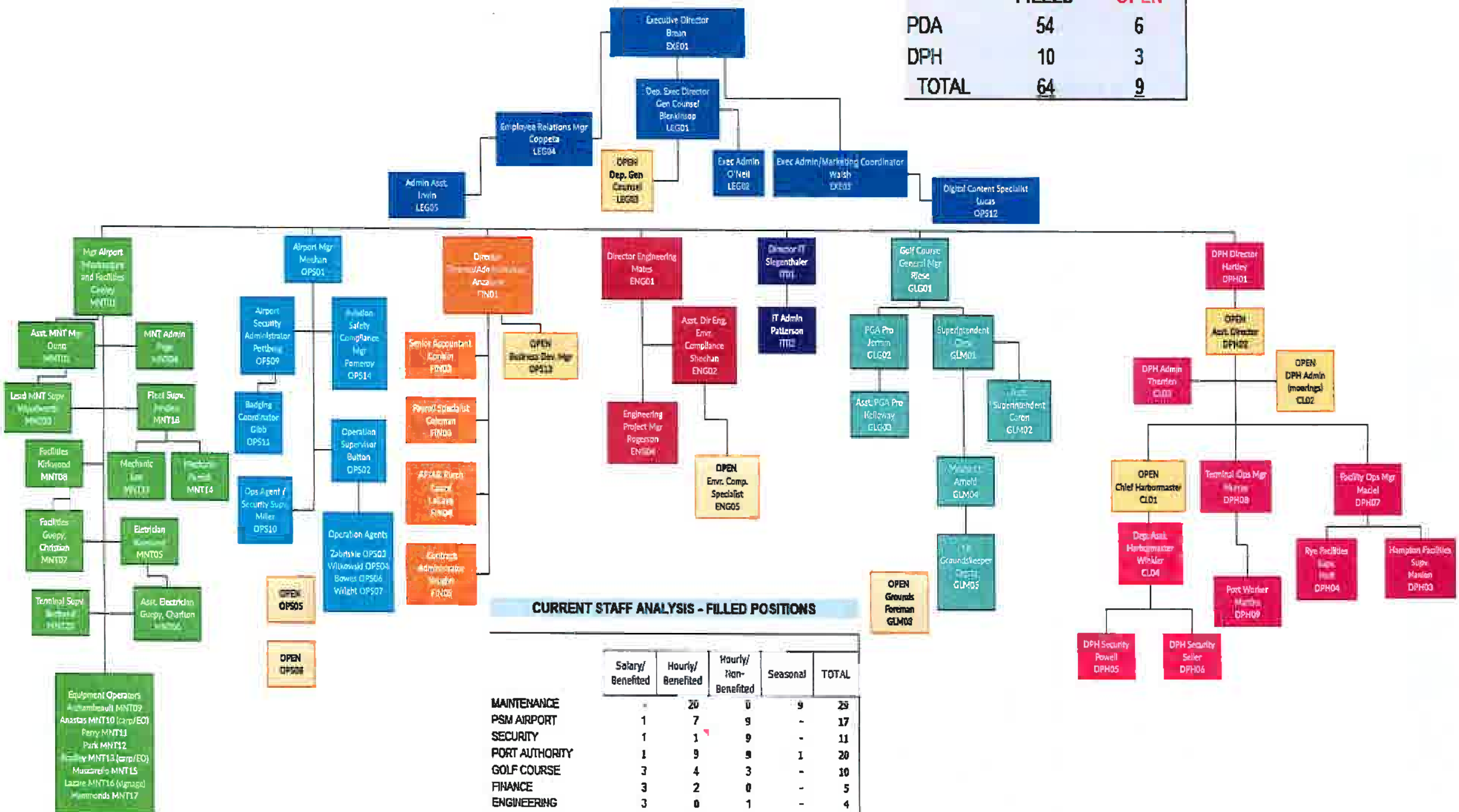
	Actual Jan FY 2026	Budget Jan FY 2026	Variance From Monthly Budget	% Variance	Actual YTD FY 2026	Budget YTD FY 2026	Variance From YTD Budget	% Variance
BUILDING AND FACILITIES								
AIRFIELD MAINTENANCE	59	7,875	7,816	99.2%	88,003	55,125	(32,877)	(59.6%)
SOIL & VEGETATION CONTROL	48,704	1,000	(47,704)	(4770.4%)	142,691	93,404	(49,287)	(52.8%)
ENVIRONMENTAL TESTING	13,895	17,542	3,647	20.8%	72,286	156,219	83,932	53.7%
EQUIPMENT MAINTENANCE	88,493	90,897	2,404	2.6%	331,393	287,574	(43,818)	(15.2%)
FACILITIES MAINTENANCE	133,571	73,905	(59,666)	(80.7%)	608,166	522,546	(85,620)	(16.4%)
LANDSCAPING	1,425	11,084	9,659	87.1%	36,436	55,037	18,600	33.8%
NAVIGATION MAINTENANCE	0	459	459	100.0%	19,572	3,213	(16,359)	(509.2%)
OTHER EXPENSES	-	-	-	-	246	0	(246)	(100.0%)
SECURITY	14,192	20,318	6,126	30.1%	101,440	142,226	40,786	28.7%
SNOW REMOVAL	77,932	30,591	(47,340)	(154.8%)	225,439	34,784	(190,655)	(548.1%)
	378,271	253,671	(124,599)	(49.1%)	1,625,672	1,350,128	(275,544)	(20.4%)
GENERAL AND ADMINISTRATIVE								
BANK & CREDIT CARD FEES	6,741	10,462	3,721	35.6%	79,296	94,171	14,874	15.8%
TECHNOLOGY	28,459	34,716	6,257	18.0%	222,407	229,374	6,968	3.0%
DISCOUNTS, FEES AND LICENSES	4,279	4,271	(8)	(0.2%)	40,445	42,286	1,840	4.4%
INSURANCE	26,796	42,529	15,732	37.0%	276,623	296,875	20,252	6.8%
OFFICE EQUIPMENT & SUPPLIES	16,810	17,211	401	2.3%	124,348	122,883	(1,464)	(1.2%)
PROFESSIONAL DEVELOPMENT	405	3,901	3,497	89.6%	15,293	29,307	14,014	47.8%
TELEPHONE AND INTERNET	16,024	18,211	2,187	12.0%	101,676	130,114	28,438	21.9%
TRAVEL AND MILEAGE	9,386	4,980	(4,406)	(88.5%)	34,083	35,694	1,611	4.5%
OTHER EXPENSES	5,034	4,816	(219)	(4.5%)	33,217	32,132	(1,084)	(3.4%)
	113,934	141,097	27,162	19.3%	927,388	1,012,836	85,449	8.4%
UTILITIES								
ELECTRICITY	84,008	64,803	(19,204)	(29.6%)	418,106	398,787	(19,319)	(4.8%)
HEATING OIL	530	305	(225)	(73.8%)	999	1,246	247	19.8%
NATURAL GAS	13,722	15,515	1,793	11.6%	30,787	34,763	3,976	11.4%
PROPANE	7,492	3,798	(3,694)	(97.3%)	26,228	24,506	(1,722)	(7.0%)
WASTE REMOVAL	4,647	5,153	506	9.8%	40,896	38,977	(1,918)	(4.9%)
WATER	1,692	7,439	5,748	77.3%	73,160	47,484	(25,677)	(54.1%)
	112,091	97,013	(15,076)	(15.5%)	590,176	545,763	(44,413)	(8.1%)
PROFESSIONAL SERVICES								
AUDIT	6,887	7,887	1,000	12.7%	55,228	55,209	(19)	-
LEGAL	5,317	15,888	10,571	66.5%	56,553	111,216	54,664	49.2%
LEGAL PERMIT IMPLEMENT	8,468	12,500	4,033	32.3%	41,842	87,500	45,658	52.2%
ADMINISTRATIVE SERVICES	20,178	22,664	2,486	11.0%	233,198	278,648	45,450	16.3%
	40,850	58,939	18,090	30.7%	386,821	532,573	145,753	27.4%
MARKETING AND PROMOTION								
MARKETING AND PROMOTION	22,515	32,977	10,462	31.7%	119,497	225,264	105,767	47.0%
	22,515	32,977	10,462	31.7%	119,497	225,264	105,767	47.0%
OTHER OPERATING EXPENSES								
COAST TROLLEY	12,490	12,500	10	0.1%	87,430	87,500	70	0.1%
FUEL	5,825	9,989	4,164	41.7%	146,269	236,189	89,920	38.1%
GOLF CART LEASE	-	-	-	-	105,866	142,526	36,660	25.7%
MERCHANDISE	4,051	5,478	1,427	26.0%	147,771	177,084	29,313	16.6%
	22,366	27,967	5,601	20.0%	487,336	643,299	155,963	24.2%
TOTAL OPERATING EXPENSES	**1,573,876**	**1,590,255**	**16,379**	**1.0%**	**10,249,844**	**10,799,113**	**549,269**	**5.1%**
OPERATING INCOME/(LOSS)	**(8,420)**	**314,821**	**(323,241)**	**(102.7%)**	**2,490,168**	**2,131,088**	**359,080**	**16.8%**
DEPRECIATION & AMORTIZATION	713,043	727,420	14,377	2.0%	4,977,561	5,087,698	110,138	2.2%
NON-OPERATING (INCOME)/EXPENSES								
INTEREST EXPENSE	-	-	-	-	-	-	-	-
INTEREST INCOME	(28,915)	(41,041)	(12,126)	(29.5%)	(277,883)	(287,287)	(9,404)	(3.3%)
NON-OPERATING GRANT FUNDING	0	(20,868)	(20,868)	(100.0%)	-	(146,076)	(146,076)	(100.0%)
GAIN/LOSS ON ASSETS	-	-	-	-	1,231	0	(1,231)	(100.0%)
	(28,915)	(61,909)	(32,994)	(53.3%)	(276,652)	(433,363)	(156,711)	(36.2%)
NET OPERATING INCOME/(LOSS)	**(692,548)**	**(350,690)**	**(341,858)**	**(97.5%)**	**(2,210,741)**	**(2,523,247)**	**312,506**	**12.4%**

Pease Development Authority
Organization Chart

As of 2/24/26

TOTAL BENEFITED POSITIONS

	FILLED	OPEN
PDA	54	6
DPH	10	3
TOTAL	64	9



CURRENT STAFF ANALYSIS - FILLED POSITIONS

	Salary/ Benefited	Hourly/ Benefited	Hourly/ Non-Benefited	Seasonal	TOTAL
MAINTENANCE	-	20	0	9	29
PSM AIRPORT	1	7	9	-	17
SECURITY	1	1	9	-	11
PORT AUTHORITY	1	9	9	1	20
GOLF COURSE	3	4	3	-	10
FINANCE	3	2	0	-	5
ENGINEERING	3	0	1	-	4
LEGAL	1	1	-	-	2
DAW AIRPORT	-	-	4	-	4
TECHNOLOGY	1	1	-	-	2
HUMAN RESOURCES	1	1	-	-	2
MARKETING	0	1	-	-	1
EXECUTIVE	1	1	0	-	2
	16	48	35	10	109

PEASE DEVELOPMENT AUTHORITY
Consolidated Balance Sheet
For the Seven Months Ending January 31, 2026

	2026 Ending	2025 Ending
ASSETS		
Cash and Investments	$14,997,097	$16,205,470
Accounts Receivable - Net	10,315,200	5,607,335
Inventories	418,591	424,802
Prepaids	490,230	529,738
TOTAL CURRENT ASSETS	26,221,118	22,767,345
RESTRICTED ASSETS		
Cash and Investments	902,127	741,038
Current Receivables & Accruals	0	0
Loans Receivable - NHFL	878,180	980,115
TOTAL RESTRICTED ASSETS	1,780,307	1,721,153
NON-CURRENT ASSETS		
Leases Receivable-Net of Current Portion	222,788,605	221,147,554
Subscription Assets	578,434	396,818
Construction-in-Process	12,107,896	13,830,376
Other Capital Assets - Net	99,797,862	94,906,481
TOTAL NON-CURRENT ASSETS	335,272,797	330,281,229
DEFERRED OUTFLOWS OF RESOURCES		
Pension	1,135,056	1,576,375
OPEB	1,536,444	1,367,729
TOTAL DEFERRED OUTFLOWS OF RESOURCES	2,671,500	2,944,104
TOTAL ASSETS	**365,945,722**	**357,713,831**
LIABILITIES		
Accounts Payable and Accrued Expenses	4,924,027	3,212,497
Retainage	604,116	943,075
Current Portion of Subscription Liability	94,399	51,929
TOTAL CURRENT LIABILITIES	5,622,542	4,207,501
LONG TERM LIABILITIES		
Net Pension Liability	5,188,483	5,711,070
Net OPEB Liability	5,332,025	4,094,308
Subscription Liability, Net of current portion	330,610	285,291
Due in more than 1 Year	920,908	365,755
	11,772,026	10,456,424
RESTRICTED LIABILITIES		
Current Liabilities	0	6,033
	0	6,033
DEFERRED INFLOWS OF RESOURCES		
Pension	301,220	134,849
OPEB	2,334,036	3,168,772
Lease Revenue	216,060,476	216,666,835
TOTAL DEFERRED INFLOWS OF RESOURCES	218,695,732	219,970,456
TOTAL LIABILITIES	**236,090,300**	**234,640,414**
NET POSITION		
Net Operating Income(Loss)	(2,210,741)	(1,304,992)
Accrued Contributed Capital	4,530,899	527,148
Contributed Capital	182,472,547	178,011,278
Retained Earnings	(54,937,283)	(54,160,017)
TOTAL NET POSITION	**129,855,422**	**123,073,417**

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - PORTSMOUTH AIRPORT *Incl Security*
For the Seven Months Ending January 31, 2026

	Actual Jan FY 2026	Budget Jan FY 2026	Variance From Monthly Budget	% Variance	Actual YTD FY 2024	Budget YTD FY 2024	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	$70,233	$71,862	($1,629)	(2.3%)	$581,169	$597,230	($16,061)	(2.7%)
CONCESSION REVENUE	5,585	16,918	(11,333)	(67.0%)	109,961	74,429	35,532	47.7%
FEE REVENUE	239,710	172,508	67,202	39.0%	1,546,783	1,281,882	264,901	20.7%
FUEL SALES	-	-	-		-	-	-	
INTEREST	-	-	-		-	-	-	
MERCHANDISE	-	-	-		-	-	-	
OTHER REVENUE	6,380	10,417	(4,037)	(38.8%)	77,925	72,919	5,006	6.9%
TOTAL OPERATING REVENUES	**321,908**	**271,705**	**50,203**	**18.5%**	**2,315,838**	**2,026,460**	**289,378**	**14.3%**
EXPENSES								
WAGES AND FRINGE BENEFITS	149,001	202,862	53,861	26.6%	1,014,205	1,106,152	91,947	8.3%
BUILDING AND FACILITIES	258,033	160,179	(97,855)	(61.1%)	939,141	652,695	(286,446)	(43.9%)
GENERAL AND ADMINISTRATIVE	46,281	64,245	17,965	28.0%	422,517	461,219	38,702	8.4%
UTILITIES	66,983	53,268	(13,716)	(25.7%)	293,360	271,694	(21,666)	(8.0%)
PROFESSIONAL SERVICES	2,109	6,645	4,536	68.3%	14,177	46,515	32,337	69.5%
MARKETING AND PROMOTION	18,517	19,791	1,274	6.4%	72,540	138,537	65,997	47.6%
OTHER OPERATING EXPENSES	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	**540,924**	**506,990**	**(33,935)**	**(6.7%)**	**2,755,940**	**2,676,812**	**(79,129)**	**(3.0%)**
OPERATING INCOME	**(219,016)**	**(235,285)**	**16,269**	**(6.9%)**	**(440,102)**	**(650,352)**	**210,250**	**32.3%**
NON-OPERATING (INCOME) EXPENS	(4)	(20,868)	(20,864)	(100.0%)	15	(146,076)	(146,091)	-
DEPRECIATION	419,407	423,083	3,677	0.9%	2,927,951	2,961,581	33,630	1.1%
NET OPERATING INCOME	**(638,419)**	**(637,500)**	**(919)**	**0.1%**	**(3,368,068)**	**(3,465,857)**	**97,789**	**(2.8%)**

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - SKYHAVEN AIRPORT
For the Seven Months Ending January 31, 2026

	Actual Jan FY 2026	Budget Jan FY 2026	Variance From Monthly Budget	% Variance	Actual YTD FY 2026	Budget YTD FY 2026	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	$14,085	$13,170	$915	6.9%	$91,977	$92,190	($213)	(0.2%)
CONCESSION REVENUE	0	500	(500)	-	3,167	3,500	(333)	(9.5%)
FEE REVENUE	0	0	0	-	60	0	60	#DIV/0!
FUEL SALES	1,592	3,171	(1,579)	(49.8%)	55,974	46,976	8,998	19.2%
INTEREST	-	-	-	-	-	-	-	
MERCHANDISE	-	-	-	-	-	-	-	
OTHER REVENUE	975	92	883	959.8%	1,075	644	431	66.9%
TOTAL OPERATING REVENUES	**16,652**	**16,933**	**(281)**	**(1.7%)**	**152,253**	**143,310**	**8,943**	**6.2%**
EXPENSES								
WAGES AND FRINGE BENEFITS	14,281	12,214	(2,067)	(16.9%)	81,571	74,808	(6,763)	(9.0%)
BUILDING AND FACILITIES	3,718	4,836	1,118	23.1%	27,605	33,852	6,247	18.5%
GENERAL AND ADMINISTRATIVE	1,882	2,754	871	31.6%	16,712	19,945	3,233	16.2%
UTILITIES	4,507	4,043	(464)	(11.5%)	20,466	18,627	(1,839)	(9.9%)
PROFESSIONAL SERVICES	443	436	(7)	(1.6%)	3,075	3,052	(23)	(0.8%)
MARKETING AND PROMOTION	399	192	(207)	(107.8%)	399	1,344	945	70.3%
OTHER OPERATING EXPENSES	932	3,258	2,327	71.4%	42,340	38,652	(3,688)	(9.5%)
TOTAL OPERATING EXPENSES	**26,162**	**27,733**	**1,571**	**5.7%**	**192,168**	**190,280**	**(1,888)**	**(1.0%)**
OPERATING INCOME	**(9,510)**	**(10,800)**	**1,290**	**(11.9%)**	**(39,915)**	**(46,970)**	**7,055**	**(15.0%)**
NON-OPERATING (INCOME) EXPENS	-	-	-	-	0	-	0	-
DEPRECIATION	35,178	35,500	322	0.9%	245,114	248,500	3,385	1.4%
NET OPERATING INCOME	**(44,688)**	**(46,300)**	**1,612**	**3.5%**	**(285,029)**	**(295,470)**	**10,440**	**3.5%**

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - TRADEPORT OPERATIONS
For the Seven Months Ending January 31, 2026

	Actual Jan FY 2026	Budget Jan FY 2026	Variance From Monthly Budget	% Variance	Actual YTD FY 2026	Budget YTD FY 2026	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	$891,173	$875,533	$15,640	1.8%	$6,383,611	$6,376,774	$6,837	0.1%
CONCESSION REVENUE	-	-	-	-	-	-	-	-
FEE REVENUE	-	-	-	-	-	-	-	-
FUEL SALES	-	-	-	-	-	-	-	-
INTEREST	-	-	-	-	-	-	-	-
MERCHANDISE	-	-	-	-	-	-	-	-
OTHER REVENUE	1,204	5,000	(3,795)	(75.9%)	1,204	35,000	(33,795)	(96.6%)
TOTAL OPERATING REVENUES	**892,377**	**880,533**	**11,845**	**1.3%**	**6,384,815**	**6,411,774**	**(26,958)**	**(0.4%)**
EXPENSES								
WAGES AND FRINGE BENEFITS	-	-	-	-	-	-	-	-
BUILDING AND FACILITIES	33,774	40,852	7,078	17.3%	180,379	221,125	40,746	18.4%
GENERAL AND ADMINISTRATIVE	6,306	3,393	(2,913)	(85.9%)	22,897	22,405	(492)	(2.2%)
UTILITIES	13,594	13,813	219	1.6%	58,322	57,944	(378)	(0.7%)
PROFESSIONAL SERVICES	8,849	8,430	(419)	(5.0%)	48,165	59,010	10,845	18.4%
MARKETING AND PROMOTION	0	83	83	100.0%	103	581	478	82.3%
OTHER OPERATING EXPENSES	12,490	12,500	10	0.1%	87,430	87,500	70	0.1%
TOTAL OPERATING EXPENSES	**75,013**	**79,071**	**4,058**	**5.1%**	**397,296**	**448,565**	**51,269**	**11.4%**
OPERATING INCOME	**817,364**	**801,462**	**15,903**	**2.0%**	**5,987,519**	**5,963,209**	**24,311**	**0.4%**
NON-OPERATING (INCOME) EXPENSE	(25,956)	(37,215)	(11,259)	30.3%	(249,024)	(260,505)	(11,481)	4.4%
DEPRECIATION	62,959	65,755	2,796	4.3%	439,583	456,043	16,460	3.6%
NET OPERATING INCOME	**780,361**	**772,922**	**7,440**	**1.0%**	**5,796,960**	**5,767,671**	**29,290**	**0.5%**

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - GOLF COURSE
For the Seven Months Ending January 31, 2026

	Actual Jan FY 2026	Budget Jan FY 2026	Variance From Monthly Budget	% Variance	Actual YTD FY 2026	Budget YTD FY 2026	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	-	-	-	-	-	-	-	-
CONCESSION REVENUE	15,253	25,478	(10,225)	(40.1%)	242,450	245,856	(3,406)	(1.4%)
FEE REVENUE	36,765	89,408	(52,643)	(58.9%)	1,931,982	1,879,046	52,936	2.8%
FUEL SALES	-	-	-	-	-	-	-	-
INTEREST	-	-	-	-	-	-	-	-
MERCHANDISE	6,427	7,304	(878)	(12.0%)	227,566	236,113	(8,547)	(3.6%)
OTHER REVENUE	2,133	9,121	(6,988)	(76.6%)	38,237	25,811	12,427	48.1%
				0				0
TOTAL OPERATING REVENUES	**60,578**	**131,311**	**(70,734)**	**(53.9%)**	**2,440,235**	**2,386,826**	**53,410**	**2.2%**
EXPENSES								
WAGES AND FRINGE BENEFITS	77,898	94,653	16,755	17.7%	807,311	883,274	75,963	8.6%
BUILDING AND FACILITIES	61,718	20,660	(41,058)	(198.7%)	301,155	231,522	(69,633)	(30.1%)
GENERAL AND ADMINISTRATIVE	21,669	26,249	4,580	17.4%	190,546	187,307	(3,239)	(1.7%)
UTILITIES	11,406	15,227	3,821	25.1%	154,430	123,544	(30,887)	(25.0%)
PROFESSIONAL SERVICES	805	1,390	584	42.0%	8,212	9,730	1,518	15.6%
MARKETING AND PROMOTION	3,462	4,960	1,498	30.2%	12,657	29,145	16,488	56.6%
OTHER OPERATING EXPENSES	4,052	5,478	1,427	26.0%	253,637	319,610	65,973	20.6%
TOTAL OPERATING EXPENSES	**181,010**	**168,617**	**(12,393)**	**(7.3%)**	**1,727,948**	**1,784,132**	**56,183**	**3.1%**
OPERATING INCOME	**(120,432)**	**(37,306)**	**(83,127)**	**222.8%**	**712,287**	**602,694**	**109,593**	**18.2%**
NON-OPERATING (INCOME) EXPENSE	-	-	-	-	264	0	(265)	-
DEPRECIATION	33,482	33,416	(66)	(0.2%)	233,667	233,912	245	0.1%
NET OPERATING INCOME	**(153,914)**	**(70,722)**	**(83,061)**	**117.4%**	**478,356**	**368,782**	**109,573**	**29.7%**

BUSINESS UNIT ANALYSIS	PRO SHOP	COURSE OPERATIONS	FOOD/BEV	SIMULATOR	TOTAL
OPERATING REVENUES	246,073	1,903,263	234,722	56,177	2,440,235
OPERATING EXPENSES*	189,437	1,363,427	145,536	29,548	1,727,948
*Excluding Depreciation					
OPERATING INCOME	**56,636**	**539,836**	**89,186**	**26,629**	**712,287**

Statement of Revenues and Expenses - DIVISION OF PORTS AND HARBORS-UNRESTRICTED
For the Seven Months Ending January 31, 2026

	Actual Jan FY 2026	Budget Jan FY 2026	Variance From Monthly Budget	% Variance	Actual YTD FY 2026	Budget YTD FY 2026	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	$30,056	$32,876	($2,821)	(8.6%)	$272,116	$270,459	$1,657	0.6%
CONCESSION REVENUE	-	-	-	#DIV/0!	0	0	0	#DIV/0!
FEE REVENUE	185,592	528,155	(342,562)	(64.9%)	767,867	1,249,581	(481,714)	(38.6%)
FUEL SALES	7,476	9,386	(1,911)	(20.4%)	154,836	274,409	(119,573)	(43.6%)
INTEREST	-	-	-	-	-	-	-	-
MERCHANDISE	-	-	-	-	-	-	-	-
OTHER REVENUE	35,887	16,946	18,941	111.8%	166,126	77,126	89,000	115.4%
TOTAL OPERATING REVENUES	**259,011**	**587,363**	**(328,353)**	**(55.9%)**	**1,360,945**	**1,871,575**	**(510,630)**	**(27.3%)**
EXPENSES								
WAGES AND FRINGE BENEFITS	117,430	160,336	42,906	26.8%	970,038	1,141,445	171,407	15.0%
BUILDING AND FACILITIES	15,712	13,229	(2,484)	(18.8%)	109,726	125,695	15,969	12.7%
GENERAL AND ADMINISTRATIVE	8,919	12,988	4,069	31.3%	80,941	100,715	19,774	19.6%
UTILITIES	14,469	9,569	(4,900)	(51.2%)	57,475	66,303	8,828	13.3%
PROFESSIONAL SERVICES	1,099	6,931	5,832	84.1%	132,942	168,517	35,574	21.1%
MARKETING AND PROMOTION	137	217	80	36.9%	731	1,519	788	51.9%
OTHER OPERATING EXPENSES	4,893	6,731	1,838	27.3%	103,929	197,537	93,609	47.4%
TOTAL OPERATING EXPENSES	**162,659**	**210,001**	**47,341**	**22.5%**	**1,455,782**	**1,801,731**	**345,949**	**19.2%**
OPERATING INCOME	**96,352**	**377,362**	**(281,012)**	**(74.5%)**	**(94,837)**	**69,844**	**(164,681)**	**(235.8%)**
NON-OPERATING (INCOME) EXPENSE	(2,366)	(3,118)	(752)	24.1%	(23,922)	(21,826)	2,096	(9.6%)
DEPRECIATION	146,213	153,249	7,036	4.6%	1,020,997	1,072,743	51,746	4.8%
NET OPERATING INCOME	**(47,495)**	**227,231**	**(274,728)**	**(120.9%)**	**(1,091,912)**	**(981,073)**	**(110,839)**	**11.3%**

BUSINESS UNIT ANALYSIS	RYE HARBOR	HAMPTON HARBOR	PORTS. FISH PIER	MARKET ST.	HARBOR MGMT	ADMIN	TOTAL
NUES	212,883	140,685	34,494	609,520	353,097	10,266	1,360,945
OPERATING EXPENSES*	316,015	208,197	80,416	308,571	318,307	224,276	1,455,782
*Excluding Depreciation							
OPERATING INCOME	**(103,132)**	**(67,512)**	**(45,922)**	**300,949**	**34,790**	**(214,010)**	**(94,837)**

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - FOREIGN TRADE ZONE
For the Seven Months Ending January 31, 2026

	Actual Jan FY 2026	Budget Jan FY 2026	Variance From Monthly Budget	% Variance	Actual YTD FY 2026	Budget YTD FY 2026	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	-	-	-	#DIV/0!	$21,000	$16,000	$5,000	31.3%
CONCESSION REVENUE	-	-	-	-	-	-	-	-
FEE REVENUE	-	-	-	-	-	-	-	-
FUEL SALES	-	-	-	-	-	-	-	-
INTEREST	-	-	-	-	-	-	-	-
MERCHANDISE	-	-	-	-	-	-	-	-
OTHER REVENUE	-	-	-	-	-	-	-	-
TOTAL OPERATING REVENUES	0	0	0	#DIV/0!	21,000	16,000	5,000	31.3%
EXPENSES								
WAGES AND FRINGE BENEFITS	-	-	-	-	-	-	-	-
BUILDING AND FACILITIES	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	0	104	104	100.0%	2,242	728	(1,514)	(208.0%)
UTILITIES	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-
MARKETING AND PROMOTION	0	875	875	100.0%	3,364	6,125	2,761	45.1%
OTHER OPERATING EXPENSES	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	0	979	979	100.0%	5,606	6,853	1,247	18.2%
OPERATING INCOME	0	(979)	(979)	100.0%	15,394	9,147	(3,753)	(41.0%)
NON-OPERATING (INCOME) EXPENSI	(2)	0	2	-	(8)	0	8	-
DEPRECIATION	-	-	-	-	-	-	-	-
								0
NET OPERATING INCOME	2	(979)	(981)	100.2%	15,402	9,147	(3,745)	(40.9%)

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - HARBOR DREDGING
For the Seven Months Ending January 31, 2026

	Actual Jan FY 2026	Budget Jan FY 2026	Variance From Monthly Budget	% Variance	Actual YTD FY 2026	Budget YTD FY 2026	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	-	-	-	-	-	-	-	-
CONCESSION REVENUE	-	-	-	-	-	-	-	-
FEE REVENUE	11,970	14,106	(2,136)	(15.1%)	45,590	52,381	(6,792)	(13.0%)
FUEL SALES	-	-	-	-	-	-	-	-
INTEREST	-	-	-	-	-	-	-	-
MERCHANDISE	-	-	-	-	-	-	-	-
OTHER REVENUE	845	583	262	44.9%	3,645	4,081	(436)	(10.7%)
TOTAL OPERATING REVENUES	12,815	14,689	(1,874)	(12.8%)	49,235	56,462	(7,228)	(12.8%)
EXPENSES								
WAGES AND FRINGE BENEFITS	-	-	-	-	-	-	-	-
BUILDING AND FACILITIES	-	2,233	2,233	100.0%	1,567	15,631	14,064	90.0%
GENERAL AND ADMINISTRATIVE	-	256	256	100.0%	50	1,792	1,742	97.2%
UTILITIES	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-
MARKETING AND PROMOTION	-	-	-	-	-	-	-	-
OTHER OPERATING EXPENSES	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	0	2,489	2,489	100.0%	1,617	17,423	15,806	90.7%
OPERATING INCOME	12,815	12,200	615	5.0%	47,618	39,039	8,578	22.0%
NON-OPERATING (INCOME) EXPENSI	(451)	(708)	(256)	36.2%	(3,396)	(4,956)	(1,560)	31.5%
DEPRECIATION	6,128	6,167	39	0.6%	42,701	43,169	468	1.1%
NET OPERATING INCOME	7,138	6,741	398	5.9%	8,313	826	7,486	906.3%

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - REVOLVING LOAN FUND
For the Seven Months Ending January 31, 2026

	Actual Jan FY 2026	Budget Jan FY 2026	Variance From Monthly Budget	% Variance	Actual YTD FY 2026	Budget YTD FY 2026	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	-	-	-	-	-	-	-	-
CONCESSION REVENUE	-	-	-	-	-	-	-	-
FEE REVENUE	-	-	-	-	-	-	-	-
FUEL SALES	-	-	-	-	-	-	-	-
INTEREST	2,115	2,500	(385)	(15.4%)	15,600	17,500	(1,900)	(10.9%)
MERCHANDISE	-	-	-	-	-	-	-	-
OTHER REVENUE	-	42	(42)	(100.0%)	90	294	(204)	(69.4%)
TOTAL OPERATING REVENUES	**2,115**	**2,542**	**(427)**	**(16.8%)**	**15,690**	**17,794**	**(2,104)**	**(11.8%)**
EXPENSES								
WAGES AND FRINGE BENEFITS	-	-	-	-	-	-	-	-
BUILDING AND FACILITIES	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	26	48	22	45.8%	296	336	40	11.9%
UTILITIES	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	2,480	1,459	(1,021)	(70.0%)	14,106	10,213	(3,893)	(38.1%)
MARKETING AND PROMOTION	-	-	-	-	-	-	-	-
OTHER OPERATING EXPENSES	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	**2,506**	**1,507**	**(999)**	**(66.3%)**	**14,402**	**10,549**	**(3,853)**	**(36.5%)**
OPERATING INCOME	**(391)**	**1,035**	**(1,426)**	**(137.8%)**	**1,288**	**7,245**	**(5,957)**	**(82.2%)**
NON-OPERATING (INCOME) EXPENSE	(117)	0	117	#DIV/0!	(462)	0	462	#DIV/0!
DEPRECIATION	-	-	-	-	-	-	-	-
NET OPERATING INCOME	**(274)**	**1,035**	**(1,309)**	**(126.5%)**	**1,750**	**7,245**	**(5,495)**	**(75.8%)**

REVOLVING LOAN FUND ($ 000's)	BALANCE AT 1-31-2026	BALANCE AT 1-31-2025
CASH BALANCES		
GENERAL FUNDS	493	353
SEQUESTERED FUNDS	-	-
	493	353
LOANS OUTSTANDING (19)		
CURRENT	123	126
LONG TERM	755	854
	878	980
TOTAL CAPITAL BASE	1,371	1,333
CAPTIAL UTILIZATION RATE -% *	64.0%	73.5%

**EXCLUDES SEQUESTERED FUNDS*

SUMMARY OF INTERGOVERNMENTAL RECEIVABLES
AS OF JANUARY 31, 2026

($000's)

BUSINESS UNIT	TOTAL PROJECT	GRANT AWARD	EXPENDED TO DATE	PDA /DPH SHARE	RECEIVED TO DATE	BAL. DUE PDA/DPH	AMOUNT SUBMITTED
PORTSMOUTH AIRPORT & TRADEPORT	16,902	16,319	15,681	(1,963)	9,563	4,475	107
SKYHAVEN AIRPORT	3,489	3,074	313	(19)	246	48	0
DIVISION OF PORTS AND HARBORS	22,215	22,215	20,682	0	20,221	0	0
	42,606	41,608	36,676	(1,982)	30,030	4,523	107

SUMMARY OF CONSTRUCTION WORK IN PROCESS
AS OF JANUARY 31, 2026

($000's)

PROJECT NAME	BALANCE AT 06-30-25	CURRENT YEAR EXPENDITURE	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR	1/31/2026
PORTSMOUTH AIRPORT					
ALPHA NORTH TAXIWAY RECONST-DESIGN (AIP 75)	345	-	-	-	345
ALPHA NORTH TAXIWAY RECONST(AIP 78 & 79)	5,833	27	-	27	5,860
ALPHA SOUTH TAXIWAY DESIGN (AIP 81)	154	210	-	210	364
NH AVE RIGHT HAND TURN LANE	160	477	-	477	637
SRE MTE & LIQUID DE-ICE TRUCK (AIP 77)	19	1,032	-	1,032	1,051
ARRIVALS HALL (NON-GRANT)	-	20	-	20	20
AIR TRAFFIC CONTROL TOWER (ATCT) DESIGN	447	409	-	409	856
LINE PAINT MACHINE	-	27	(27)	-	-
TERMINAL ACCESS CONTROL UPGRADE	84	40		40	124
PSM PAY FOR PARKING TECH UPGRADE	42	2	-	2	44
HAUL TRUCKS CONVERSION	16	-	-	-	16
AIRLINE AVE PARKING EXPANSION	80	49	-	49	129
EMERGENCY OPS CENTER EQUIPMENT	2	-	(2)	(2)	-
DUMP TRUCK BODIES	-	87	-	87	87
AIRFIELD ELECTRICAL DISTRIBUTION REPAIRS	-	50	-	50	50
PSM TERMINAL REFACE	30	61	-	61	91
	7,212	2,491	(29)	2,462	9,674
SKYHAVEN AIRPORT					
TERMINAL APRON RECONSTRUCT	19	-	-	0	19
WILDLIFE PERIMETER FENCE	88	66	-	66	154
ROOF REPLACEMENT	-	10	-	10	10
TERMINAL PARKING LOT CONSTRUCT	-	23	-	23	23
TERMINAL PARKING LOT DESIGN	83	33	-	33	116
	190	132	0	132	322
GOLF COURSE					
GROUNDSMASTER RIDING MOWER	-	46	(46)	-	-
GRILL 28 EXPANSION	112	-	-	-	112
300 GALLON CHEMICAL SPRAYER	-	77	-	77	77
DUMPSTER FENCE AND GATES	-	7	-	7	7
SIMULATOR UPGRADE	-	62	-	62	62
PRO SHOP HVAC REPLACEMENT	-	38	-	38	38
IRRIGATION REPAIRS	17	22	-	22	39
	129	252	(46)	206	335
IT/ADMIN/TRADEPORT		-	-	-	-
FIREWALL REPLACMENT- PSM & ADMIN	-	10	-	10	10
ASPHALT REPLACEMENT-55 INT'L	-	296	-	296	296
	0	306	0	306	306
DIVISION OF PORTS AND HARBORS (DPH)					
FUNCTIONAL REPLACEMENT - BARGE DOCK	179	-	-	-	179
PFP BUILDING REPLACE (ARPA)	1,075	164	-	164	1,239
TRUCK SCALE-MARKET ST	52	-	-	-	52
	1,306	164	0	164	1,470
TOTAL	8,837	3,345	(75)	3,270	12,107

PEASE DEVELOPMENT AUTHORITY CASH FLOW PROJECTIONS FOR THE NINE MONTH PERIOD ENDING NOVEMBER 30, 2026

BOARD OF DIRECTORS MEETING
MARCH 17, 2026

PEASE
INTERNATIONAL
PEASE DEVELOPMENT AUTHORITY
PORTSMOUTH, NH

PEASE DEVELOPMENT AUTHORITY
CASH FLOW SUMMARY OVERVIEW
MARCH 1, 2026 TO NOVEMBER 30, 2026

(EXCLUDING DIVISION OF PORTS AND HARBORS) *($ 000's)*

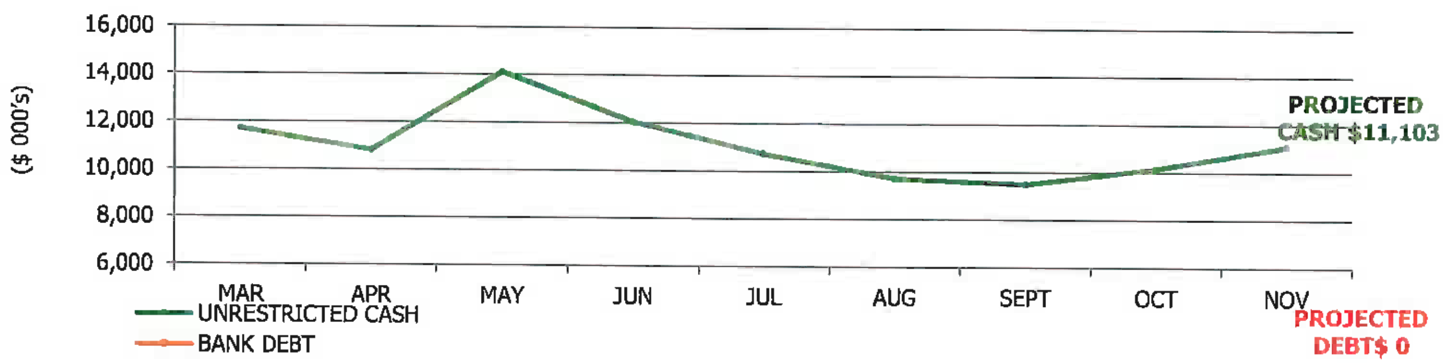
($000's)	AMOUNT
OPENING FUND BALANCE	12,439
SOURCES OF FUNDS	
GRANT AWARDS *(SEE PAGE 4)*	10,953
TRADEPORT TENANTS	9,146
MUNICPAL SERVICE FEE (COP)	2,052
GOLF COURSE FEE AND CONCESSION REVENUES	3,861
REVOLVING LINE OF CREDIT (PROVIDENT BANK)	0
PSM AIRPORT- LEASES, FUEL FLOWAGE FEES AND PARKING	1,992
SKYHAVEN AIRPORT HANGAR AND FUEL REVENUES	210
	28,214
USES OF FUNDS	
OPERATING EXPENSES	12,240
CAPITAL EXPENDITURES- NON-GRANT *(SEE PAGE 5)*	8,155
CAPITAL EXPENDITURES- GRANT *(SEE PAGE 4)*	7,785
MUNICIPAL SERVICE FEE (COP)	1,370
	29,550
NET CASH FLOW	(1,336)
CLOSING FUND BALANCE	11,103

TOTAL FUND BALANCES	BALANCE AT 2/28/26	BALANCE AT 2/28/25
UNRESTRICTED	12,439	14,632
DESIGNATED	14	14
TOTAL	12,453	14,646

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 CASH AND DEBT BALANCES



THE PDA RENEWED ITS REVOLVING LINE OF CREDIT (RLOC) WITH PROVIDENT BANK. THE PRINCIPAL LOAN AMOUNT IS $7 MILLION WITH A TERMINATION DATE OF DECEMBER 31,2028. THE TERMS ARE 1 MONTH FHLB (CLASSIC) PLUS 250 BASIS POINTS.

REVOLVING LINE OF CREDIT	Feb-26	Feb-25
CURRENT INTEREST RATE	6.39%	7.01%

PEASE DEVELOPMENT AUTHORITY

STATEMENT OF CASH FLOW *(EXCLUDING DIVISION OF PORTS AND HARBORS)* *($000's)*

CASH FLOW - PDA	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	TOTAL
OPENING FUND BALANCE	12,439	11,709	10,832	14,123	12,052	10,740	9,722	9,497	10,164	12,439
SOURCES OF FUNDS										
GRANT AWARDS *(SEE PAGE # 4)*	436	767	4,653	49	150	465	1,660	1,743	1,030	10,953
TRADEPORT TENANTS	973	997	1,027	1,001	1,180	1,012	964	971	1,021	9,146
MUNICIPAL SERVICE FEE	147	147	390	147	147	390	147	147	390	2,052
GOLF COURSE	105	331	558	641	562	587	516	354	207	3,861
PORTSMOUTH AIRPORT- (PSM)	3	3	3	3	3	4	4	4	4	31
PSM PAY FOR PARKING	109	168	62	39	60	37	29	36	50	590
PSM FLOWAGE FEES	165	138	172	159	191	113	119	120	194	1,371
SKYHAVEN AIRPORT	19	23	24	25	22	24	26	24	23	210
EXTERNAL FINANCING- NET	-	-	-	-	-	-	-	-	-	-
	1,957	2,574	6,889	2,064	2,315	2,632	3,465	3,399	2,919	28,214
USE OF FUNDS										
CAPITAL- GRANT RELATED *(SEE PAGE # 4)*	835	665	185	75	900	1,450	2,000	1,150	525	7,785
CAPITAL- NONGRANT *(SEE PAGE 5)*	675	1,172	2,003	1,073	1,407	860	410	330	225	8,155
OPERATING EXPENSES	1,177	1,614	1,410	1,617	1,320	1,340	1,280	1,252	1,230	12,240
MUNICIPAL SERVICE FEE	-	-	-	1,370	-					1,370
	2,687	3,451	3,598	4,135	3,627	3,650	3,690	2,732	1,980	29,550
NET CASH FLOW	(730)	(877)	3,291	(2,071)	(1,312)	(1,018)	(225)	667	939	(1,336)
CLOSING FUND BALANCE	11,709	10,832	14,123	12,052	10,740	9,722	9,497	10,164	11,103	11,103

PEASE DEVELOPMENT AUTHORITY

GRANT REIMBURSEMENT CAPITAL EXPENDITURES *(EXCLUDING THE DIVISION OF PORTS AND HARBORS)* *($ 000's)*

GRANT FUNDED PROJECTS	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	TOTAL
PORTSMOUTH AIRPORT										
NH HAVE RIGHT TURN LANE	15	-	-	-	-	-	-	-	-	15
ALPHA NORTH TAXIWAY CONSTRUCTION (AIP78&79)	750	10	10	5	-	-	-	-	-	775
TAXIWAY A SOUTH & HOLD BAY DESIGN	50	50	25	-	-	-	-	-	-	125
TAXIWAY A SOUTH & HOLD BAY CONSTRUCTION**	-	-	-	-	-	1,000	1,000	1,000	500	3,500
GRAFTON RD AND GOLF COURSE INTERIM**	-	-	25	-	25	25	25	25	25	150
INTERNATIONAL DRIVE & MANCHESTER**	-	-	25	-	25	25	25	25	-	125
SRE- LIQUID DEICING & MTE (AIP 77)	-	585	-	-	-	-	-	-	-	585
	815	645	85	5	50	1,050	1,050	1,050	525	5,275
SKYHAVEN AIRPORT										
WILDLIFE FENCE DESIGN	10	10	-	-	-	-	-	-	-	20
WILDLIFE FENCE CONSTRUCTION	-	-	100	70	-	-	550	-	-	720
TERMINAL PARKING LOT DESIGN	10	10		-	-	-	-	-	-	20
TERMINAL PARKING LOT CONSTRUCTION	-	-		-	450	-	-	-	-	450
TERMINAL APRON CONSTRUCTION	-	-	-	-	400	400	400	100	-	1,300
	20	20	100	70	850	400	950	100	-	2,510
TOTAL GRANT REIMBURSEMENT PROJECTS	835	665	185	75	900	1,450	2,000	1,150	525	7,785

PEASE DEVELOPMENT AUTHORITY

GRANT RECEIPT AWARDS *(EXCLUDING THE DIVISION OF PORTS AND HARBORS)* *($ 000's)*

GRANT AWARDS	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	TOTAL
PORTSMOUTH AIRPORT										
ARRIVALS HALL	-	-	-	-	-	-	-	-	-	-
NH HAVE RIGHT TURN LANE	107	10	-	-	-	-	-	-	-	117
ALPHA NORTH TAXIWAY CONSTRUCTION (AIP78&79)	-	720	4,018	9	-	9	-	3	-	4,759
TAXIWAY A SOUTH & HOLD BAY DESIGN	324	-	70	-	70	-	-	-	-	464
TAXIWAY A SOUTH & HOLD BAY CONSTRUCTION	-	-	-	-	-	-	900	900	900	2,700
GRAFTON RD AND GOLF COURSE INTERIM	-	-	-	20	-	20	20	20	20	100
INTERNATIONAL DRIVE & MANCHESTER	-	-	-	20	-	20	20	20	20	100
SRE- LIQUID DEICING & MTE (AIP 77)	-	-	525	-	-	-	-	-	-	525
	431	730	4,613	49	70	49	940	943	940	8,765
SKYHAVEN AIRPORT										
WILDLIFE FENCE DESIGN	-	8	8	-	-	-	-	-	-	16
WILDLIFE FENCE CONSTRUCTION	-	-	-	-	80	56	-	440	-	576
TERMINAL PARKING LOT DESIGN	-	29	32	-	-	-	-	-	-	61
TERMINAL PARKING LOT CONSTRUCTION	-	-		-	-	-	360	-	-	360
TERMINAL APRON CONSTRUCTION	5	-	-	-	-	360	360	360	90	1,175
	5	37	40	-	80	416	720	800	90	2,188
TRADEPORT										
	-	-	-	-	-	-	-	-	-	-
TOTAL GRANT RECEIPT AWARDS	436	767	4,653	49	150	465	1,660	1,743	1,030	10,953

PEASE DEVELOPMENT AUTHORITY

NON-GRANT CAPITAL EXPENDITURES *(EXCLUDING THE DIVISION OF PORTS AND HARBORS)*

($ 000's)

NON-GRANT CAPITAL PROJECTS	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	TOTAL
TECHNOLOGY AND OTHER										
BOARD ROOM UPGRADES	-	10	-	-	-	-	-	-	-	10
SERVER REPLACEMENT**	-	-	-	-	-	35	-	-	-	35
	-	10	-	-	-	35	-	-	-	45
GOLF COURSE										
COURSE EQUIPMENT	-	-	-	98	-	-	-	70	25	193
GOLF COURSE NETTING	60	-	-	-	-	-	-	-	-	60
CLUBHOUSE HVAC/GEOTHERMAL REPAIRS	90	-	-	-	-	-	-	-	-	90
VIDEO SURVEILLANCE SYSTEM	-	-	30	10	-	-	-	-	-	40
AUTOMATIC GRASS CUTTER**	-	-	15	-	-	-	-	-	-	15
IRRIGATION REPAIRS	200	600	531	-	-	-	-	-	-	1,331
	350	600	576	108	-	-	-	70	25	1,729
PORTSMOUTH AIRPORT										
PARKING LOT A & B EXPANSION	-	-	750	750	500	-	-	-	-	2,000
PAY FOR PARKING INFRASTRUCTURE UPGRADES	-	-	-	-	-	-	-	-	-	-
AIR TRAFFIC CONTROL TOWER CONSTRUCTION	200	200	200	200	200	200	200	200	200	1,800
N FUEL FARM PAVEMENT**	-	-	-	-	-	100	150	-	-	250
MOBIL RADIO UPGRADES**	-	-	-	-	-	25	-	-	-	25
ELECTRICAL VAULT IMPROVEMENTS**	-	-	-	-	-	50	-	-	-	50
TERMINAL PARKING LANDSIDE IMPROVEMENTS	-	58	-	-	-	-	-	-	-	58
AIRFIELD ELECTRICAL DISTRIBUTION REPAIRS	-	100	82	-	-	-	-	-	-	182
PSM ENTRANCE SIGN**	-	-	10	10	10	-	60	60	-	150
PSM TERMINAL REFACE**	-	-	50	-	-	-	-	-	-	50
ARRIVALS HALL-CONSTRUCTION	50	50	-	-	-	-	-	-	-	100
	250	408	1,092	960	710	375	410	260	200	4,665
SKYHAVEN AIRPORT										
SRE DRIVEWAY PAVEMENT REPAIR**	-	-	-	-	15	-	-	-	-	15
FUEL SYSTEM CREDIT CARD **	-	-	-	5	-	-	-	-	-	5
TERMINAL APRON PAVEMENT-FUEL FARM PAD**	-	-	-	-	170	-	-	-	-	170
	-	-	-	5	185	-	-	-	-	190
SECURITY - PORTSMOUTH AIRPORT										
ACCESS CONTROL SYSTEM	-	40	-	-	-	-	-	-	-	40
ACCESS CONTROL 55 INTERNATIONAL**	-	-	-	-	15	-	-	-	-	15
ATCT ACCESS CONTROL UPGRADE**	-	-	-	-	15	-	-	-	-	15
	-	40	-	-	-	-	-	-	-	40
SECURITY - SKYHAVEN AIRPORT										
GATE 3 NETWORKING**	-	-	-	-	7	-	-	-	-	7
	-	-	-	-	7	-	-	-	-	7
TRADEPORT										
STORMWATER UPGRADES	-	-	-	-	25	-	-	-	-	25
FLIGHTLINE ROAD CONSTRUCTION**	-	-	-	-	400	450	-	-	-	850
EXETER ST PAVEMENT REPAIRS**	-	-	-	-	30	-	-	-	-	30
	-	-	-	-	455	450	-	-	-	905
MAINTENANCE										
VEHICLE FLEET REPLACEMENT -MAINT**	63	-	75	-	-	-	-	-	-	138
BUILDING INFRASTRUCTURE **	-	-	-	-	50	-	-	-	-	50
SIGN PROGRAM APPLICATION TABLE**	12	-	-	-	-	-	-	-	-	12
HAUL TRUCK CONVERSION	-	114	-	-	-	-	-	-	-	114
DUMP TRUCK AND TRAILER**	-	-	260	-	-	-	-	-	-	260
	75	114	335	-	50	-	-	-	-	574
TOTAL NON-GRANT CAPITAL PROJECTS	675	1,172	2,003	1,073	1,407	860	410	330	225	8,155

NOTE: **PENDING BOARD APPROVAL

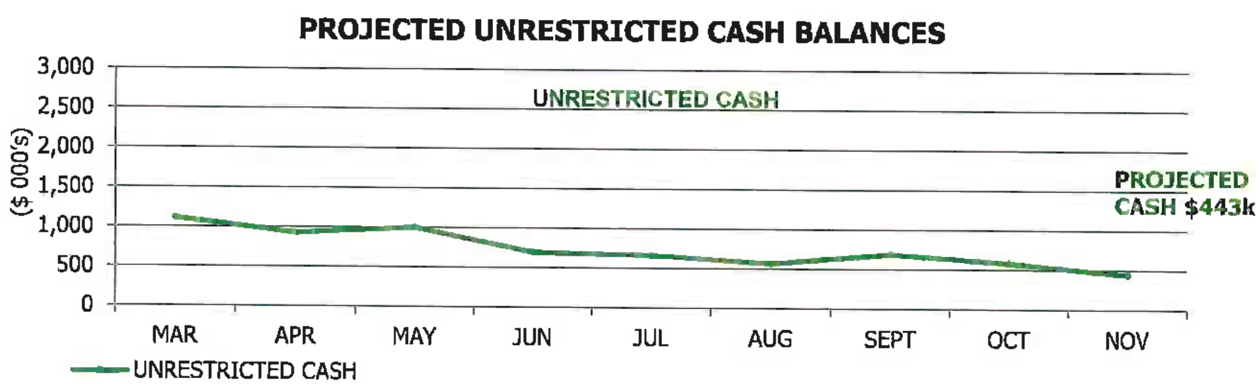
DIVISION OF PORTS AND HARBORS *(UNRESTRICTED FUNDS)*
CASH FLOW SUMMARY OVERVIEW
MARCH 1, 2026 TO NOVEMBER 30, 2026

($ 000's)

($000'S)	AMOUNT
OPENING FUND BALANCE	**917**
SOURCES OF FUNDS	
FACILITY RENTALS AND CONCESSIONS	481
FUEL SALES	336
GRAND AWARD *(SEE PAGE 8)*	4,232
REGISTRATIONS / WHARFAGE	754
MOORING FEES	200
DESIGNATED FUNDS	40
PARKING FEES	230
	6,273
USES OF FUNDS	
PERSONNEL SERVICES AND BENEFITS	1,513
FUEL PROCUREMENT	206
OPERATING EXPENSES	669
CAPITAL EXPENDITURES -GRANT *(SEE PAGE 8)*	4,271
CAPITAL EXPENDITURES -NON-GRANT *(SEE PAGE 8)*	88
	6,747
NET CASH FLOW	(474)
CLOSING FUND BALANCE	**443**

TOTAL FUND BALANCES	BALANCE AT 2/28/26	BALANCE AT 02/28/25
UNRESTRICTED FUNDS	917	1,135
DESIGNATED FUNDS	183	173
	1,100	1,308

CASH FLOW PROJECTION SENSITIVITIES INCLUDE: 1) ACCURACY OF CAPITAL EXPENDITURES FORECAST AND USE OF HARBOR DREDGING AND PIER MAINTENANCE FUND 2) SEASONAL REVENUE AND EXPENSE FLUCTUATIONS



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

($000's)

CASH FLOW - DPH	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	TOTAL
OPENING FUND BALANCE	917	1,118	932	1,004	697	666	568	693	582	917
SOURCES OF FUNDS										
FACILITY RENTALS AND CONCESSIONS	53	53	73	49	64	39	55	57	38	**481**
FUEL SALES	7	12	17	47	74	60	57	43	19	**336**
MOORING FEES	150	50								**200**
PARKING FEES	2	10	17	36	61	59	33	12	-	**230**
GRANTS FUNDS RECEIVED & OTHER (*SEE PAGE #8*)	-	19	137	19	19	1,019	1,019	1,000	1,000	**4,232**
DESIGNATED FUNDS	-	-	-	-	-	-	-	40	-	**40**
REGISTRATIONS / WHARFAGE	225	70	83	65	16	30	251	5	9	**754**
	437	214	327	216	234	1,207	1,415	1,157	1,066	**6,273**
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	161	162	184	179	182	182	162	152	149	**1,513**
FUEL PROCUREMENT	4	8	8	34	15	53	38	32	14	**206**
UTILITIES	9	10	9	10	10	13	8	8	7	**84**
GENERAL AND ADMINISTRATIVE	12	13	12	14	16	15	14	14	13	**123**
BUILDINGS AND FACILITIES	23	23	15	229	15	15	42	14	14	**390**
PROFESSIONAL SERVICES	8	8	8	8	8	8	8	8	8	**72**
CAPITAL- GRANT RELATED *(SEE PAGE #8)*	19	176	19	19	19	1,019	1,000	1,000	1,000	**4,271**
CAPITAL- NONGRANT *(SEE PAGE #8)*	-	-	-	30	-	-	18	40	-	**88**
	236	400	255	523	265	1,305	1,290	1,268	1,205	**6,747**
NET CASH FLOW	201	(186)	72	(307)	(31)	(98)	125	(111)	(139)	**(474)**
CLOSING FUND BALANCE	**1,118**	**932**	**1,004**	**697**	**666**	**568**	**693**	**582**	**443**	**443**

CAPITAL PROJECTS PRESENTED TO THE HOUSE PUBLIC WORKS AND HIGHWAYS COMMITTEE ON MARCH 10, 2025:

- MARKET STREET TERMINAL-MAIN WHARF DREDGING $1,417,000
- RYE AND HAMPTON HARBORS RIPRAP REPAIR $ 765,000
- MARKET STREET MARINE TERMINAL WAREHOUSE REMOVAL AND OFFICE REPLACEMENT $1,973,300

Note: The above projects were submitted in April 2024 as part of the State Capital Improvement Plan and approved on June 5, 2025

DIVISION OF PORTS AND HARBORS
CAPITAL EXPENDITURES *(GRANT AND NON-GRANT)*

($ 000's)

GRANT FUNDED PROJECTS	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	TOTAL
MARKET STREET TERMINAL										
FUNCTIONAL REPLACEMENT-BARGE DOCK	-	-				1,000	1,000	1,000	1,000	**4,000**
SECURITY CAMERA SYSTEM UPGRADE**	-	157	-	-	-	-	-	-	-	**157**
	-	157	-	-	-	1,000	1,000	1,000	1,000	4,157
HARBORS										
RYE HARBOR SEAWALL DESIGN (FEMA/STATE)**	19	19	19	19	19	19	-	-	-	**114**
	19	19	19	19	19	19	-	-	-	114
PORTSMOUTH FISH PIER										
	-	-	-	-	-	-	-	-	-	-
TOTAL GRANT FUNDED PROJECTS	19	176	19	19	19	1,019	1,000	1,000	1,000	4,271

INTERNALLY FUNDED	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	TOTAL
MARKET STREET TERMINAL										
BARKER WHARF REPAIRS**	-	-	-	-	-	-	-	40	-	**40**
								-	-	-
	-	-	-	-	-	-	-	40	-	40
HARBORS										
HOISTS (5) - ALL LOCATIONS**	-	-	-	30	-	-	-	-	-	**30**
HARBOR MASTER PATROL VEHICLE**	-	-	-	-	-	-	18	-	-	**18**
	-	-	-	30	-	-	18	-	-	48
PORTSMOUTH FISH PIER										
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
TOTAL INTERALLY FUNDED PROJECTS	-	-	-	30	-	-	18	40	-	88

DIVISION OF PORTS AND HARBORS
GRANT RECEIPT AWARDS

($ 000's)

GRANT AWARDS	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	TOTAL
MARKET STREET TERMINAL										
FUNCTIONAL REPLACEMENT-BARGE DOCK	-	-				1,000	1,000	1,000	1,000	**4,000**
SECURITY CAMERA SYSTEM UPGRADE	-	-	118	-	-	-	-	-	-	**118**
	-	-	118	-	-	1,000	1,000	1,000	1,000	4,118
HARBORS										
RYE HARBOR SEAWALL DESIGN (FEMA/STATE)**	-	19	19	19	19	19	19	-	-	**114**
	-	19	19	19	19	19	19	-	-	114
PORTSMOUTH FISH PIER										
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
TOTAL GRANT RECEIPT AWARDS	-	19	137	19	19	1,019	1,019	1,000	1,000	4,232

DIVISION OF PORTS AND HARBORS *(RESTRICTED FUNDS)*
CASH FLOW SUMMARY OVERVIEW
MARCH 1, 2026 TO NOVEMBER 30, 2026

($ 000's)

HARBOR DREDGING FUND

($ 000's)	AMOUNT
OPENING FUND BALANCE	**391**
SOURCES OF FUNDS	
PIER USAGE FEES	81
REGISTRATIONS	9
GRANT FUNDING	-
	90
USES OF FUNDS	
BUILDINGS AND FACILITIES	125
GENERAL AND ADMINISTRATIVE	4
PROFESSIONAL SERVICES	-
ALL OTHER- (CBOC)	25
	154
NET CASH FLOW	(64)
CLOSING FUND BALANCE	**327**

REVOLVING LOAN FUND

($ 000's)	AMOUNT
OPENING FUND BALANCE	**541**
SOURCES OF FUNDS	
LOAN REPAYMENTS	93
INTEREST INCOME-LOANS	30
INTEREST INCOME-FUND BALANCE	-
	123
USES OF FUNDS	
NEW LOANS PROJECTED	100
GENERAL AND ADMINISTRATIVE	6
PROFESSIONAL SERVICES	15
	121
NET CASH FLOW	2
CLOSING FUND BALANCE	**543**

FOREIGN TRADE ZONE

($ 000's)	AMOUNT
OPENING FUND BALANCE	**27**
SOURCES OF FUNDS	
FACILITY RENTALS	9
ALL OTHER	-
	-
	9
USES OF FUNDS	
GENERAL AND ADMINISTRATIVE	3
PROFESSIONAL SERVICES	-
OTHER	7
	10
NET CASH FLOW	(1)
CLOSING FUND BALANCE	**26**

TOTAL FUND BALANCES	BALANCE AT 2/28/26	BALANCE AT 2/28/25
HARBOR DREDGING	391	345
REVOLVING LOAN FUND	541	398
FOREIGN TRADE ZONE	27	25
	959	**768**

PEASE INTERNATIONAL DEVELOPMENT AUTHORITY

55 International Drive, Portsmouth NH 03801

To: Paul Brean, Executive Director

From: Suzy Anzalone, Director of Finance

Date: March 5, 2026

Subject: Capital Improvement Plan FY2026 – FY2032

In anticipation of the upcoming March 16, 2026, Finance Committee meeting, the following is an overview of the Capital Improvement Plan (CIP) budget process and a summary of the proposed plan:

The CIP budget is comprised of a **six-year** forecast with individual line-item detail, split between "Grant Funded" and "Internally Funded" capital projects.

Each department manager reviews line items with his/her area of responsibility and prepares a Capital Project Justification form for each new project, which describes the purpose, timing, and cost. Projects are prioritized (A, B or C) and classified between infrastructure, expansion, health and safety, equipment and regulatory related. Proposed budgets are discussed in detail with the Director of Finance prior to a joint meeting with the Executive Director. The Director of Finance conducts a final analysis to measure projected cash and debt levels and make certain our current line of credit is sufficient to meet our capital and operating needs.

The current CIP shows capital investments of $81M over the next six years consisting of $45M in grant-funded projects and $36M internally funded. We anticipate 95% sponsor funding and 5% PDA funding for grant-related projects. Significant capital projects beyond the six-year forecast are also outlined as part of our long-range planning. The attached plan also includes a summary showing the monetary impact of implementing ALL projects, "A&B" or "A" priority projects only

Most of the capital expenditures in the current plan (85.1%) are directly related to Portsmouth and Skyhaven airports with the remainder split between the Tradeport, golf, technology, maintenance and security. Significant projects include the following:

- Taxiway Reconstructions (PSM) and Terminal Apron construction (DAW)
- Snow Removal Equipment/Maintenance Building - Design and Construction
- Air Traffic Control Tower Construction
- Tradeport Intersection and Infrastructure Improvements
- Parking Lot A & B Expansion (PSM)
- Golf Irrigation Upgrades/Repairs
- Snow Removal Equipment purchases
- Grill 28 Expansion
- Flightline Road Construction

We believe this Capital Improvement Plan incorporates prudent current and future investment in PDA's airport(s) as well as Tradeport infrastructure, equipment replacements and technology upgrades. As a reminder, this plan is purely a presentation of anticipated expenditures, and each individual project will be presented to the Board for approval prior to initiation.

PEASE DEVELOPMENT AUTHORITY

CAPITAL IMPROVEMENT PLAN
FY 2026 - FY 2032

FINANCE COMMITTEE MEETING
MARCH 16, 2026

TABLE OF CONTENTS...

SUMMARY FINDINGS…

$ (000's)

- THE CURRENT UPDATE TO THE CAPITAL IMPROVEMENT PLAN, *EXCLUDING THE DIVISION OF PORTS AND HARBORS*, HAS IDENTIFIED PROJECT REQUESTS THAT TOTAL **$ 80,969** THE OVERRIDING EMPHASIS IN PROJECTED SPENDING IS TOWARD INFRASTRUCTURE ACTIVITIES AT THE PEASE INTERNATIONAL AIRPORT AND TO A LESSER EXTENT, THE PEASE TRADEPORT AND SKYHAVEN AIRPORT.

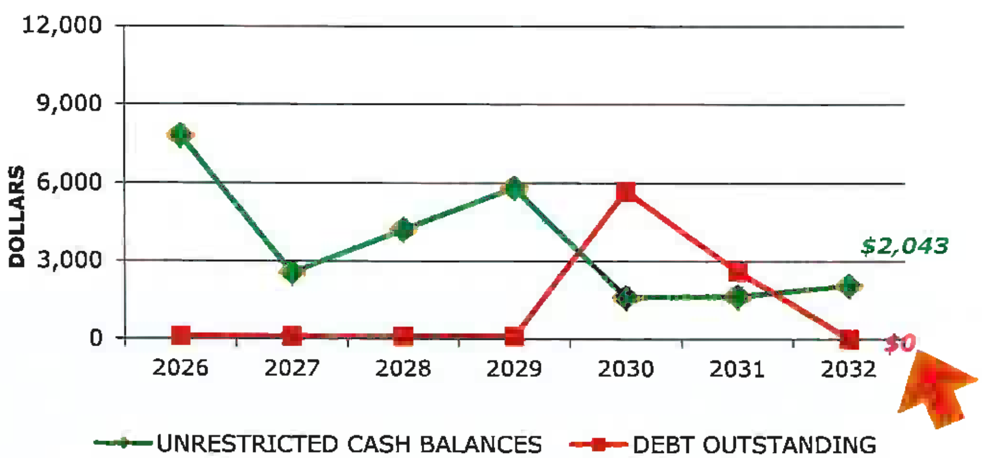
	GRANT FUNDED	INTERNALLY FUNDED	TOTAL
INFRASTRUCTURE	$34,654	$7,060	$41,714
EXPANSION	6,239	17,200	23,439
EQUIPMENT	2,970	4,757	7,727
SAFETY	1,109	6,069	7,178
REGULATORY	-	911	911
	44,972	35,997	80,969

- **KEY SENSITIVITIES INCLUDE:**
  - AVAILABILITY OF FUTURE FAA AND OTHER GRANT FUNDING
  - FUTURE FUEL FLOWAGE / PAY FOR PARKING FEES- PSM
  - TRAFFIC FLOW MONITORING-FUTURE INTERSECTION IMPROVEMENTS
  - FUTURE DEVELOPMENT OF AVAILABLE ACREAGE
  - INCREASED OPERATING AND CONSTRUCTION COSTS
  - INCREASED ENVIRONMENTAL COSTS
  - POSSIBLE ADOPTION OF LANDING FEES
  - CONTINUED OPERATNG SUCCESS-COMMERCIAL AIR SERVICE
  - PROJECTED NET OPERATING INCOME
  - BORROWING RATES REMAINING STEADY
  - PDA GRANT FUNDING MATCH AT 5%

- PROJECT JUSTIFICATION WAS DIRECTED TOWARD REQUESTS THAT ARE IN SUPPORT OF HEALTH AND SAFETY, REGULATORY COMPLIANCE, INFRASTRUCTURE AND TECHNOLOGY IMPROVEMENTS, EQUIPMENT AND OR EXPANSION / REVENUE ENHANCEMENT OPPORTUNITIES.

- LONG TERM PLANNING INCLUDES EXTENSION OF THE REVOLVING LINE OF CREDIT (RLOC), IN THE AMOUNT OF $7 MILLION, HELD THROUGH THE PROVIDENT BANK WHICH EXPIRES ON DECEMBER 31, 2028.

PROJECTED UNRESTRICTED CASH BALANCES AND DEBT OUTSTANDING *(EXCLUDING DPH)*

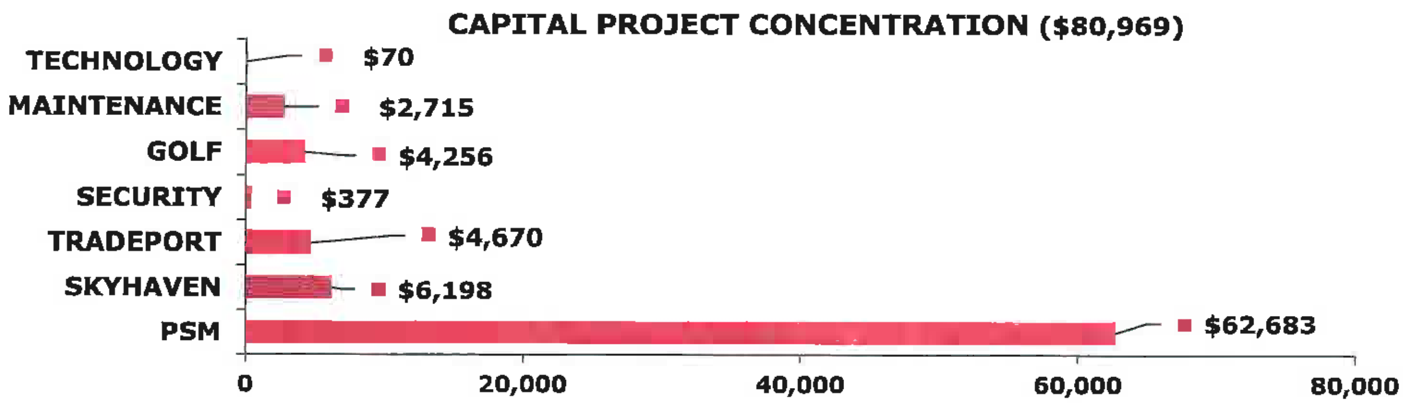


JUNE 30 FISCAL YEAR END BALANCES

CAPITAL PROJECT REQUESTS...

$ (000's)

- THE MORE SIGNIFICANT **GRANT FUNDED** CAPITAL PROJECTS, WHICH TOTAL **$44,972** INCLUDE:
  - TAXIWAY A SOUTH & HOLD BAY CONSTRUCT *(PSM)*
  - TAXIWAY F/G DESIGN AND CONSTRUCT *(PSM)*
  - SNOW REMOVAL (SRE) BUILDING CONSTRUCT *(PSM)*
  - TRADEPORT INTERSECTION IMPROVEMENTS
  - TERMINAL APRON CONSTRUCTION *(DAW)*
- THE 5% COST SHARING IMPACT (CASH FLOW) TO THE PDA FOR PROPOSED GRANT FUNDED PROJECT REQUESTS THROUGH FY 2032 ARE ESTIMATED AT APPROXIMATELY $2,248
- THE MORE SIGNIFICANT **INTERNALLY FUNDED** CAPITAL PROJECTS, WHICH TOTAL **$35,997** INCLUDE:
  - SRE & MAINT BLDG-DESIGN & CONSTRUCT (PSM)
  - AIR TRAFFIC CONTROL TOWER CONSTRUCT (*PSM*)
  - PARKING LOT A&B EXPANSION (*PSM*)
  - GOLF IRRIGATION REPAIRS
  - AIRPORT OPS CENTER IN TERMINAL
  - PAVEMENT MAINTENANCE PROGRAM (PSM)
  - FLIGHTLINE ROAD CONSTRUCTION
  - GRILL 28 EVENT IMPROVEMENTS

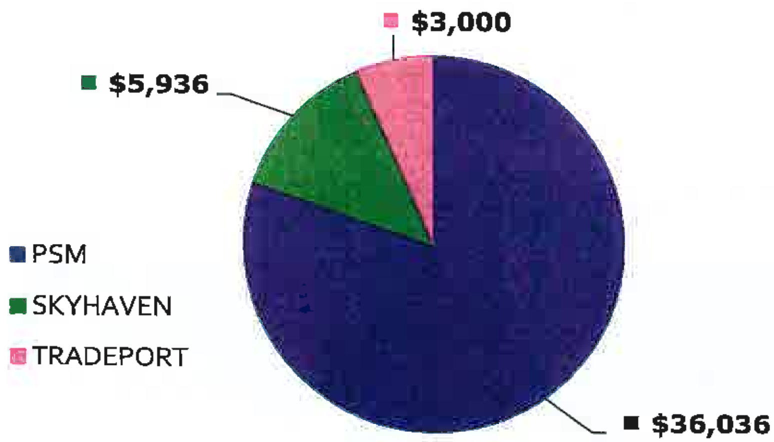


PROJECTED CAPITAL EXPENDITURES...

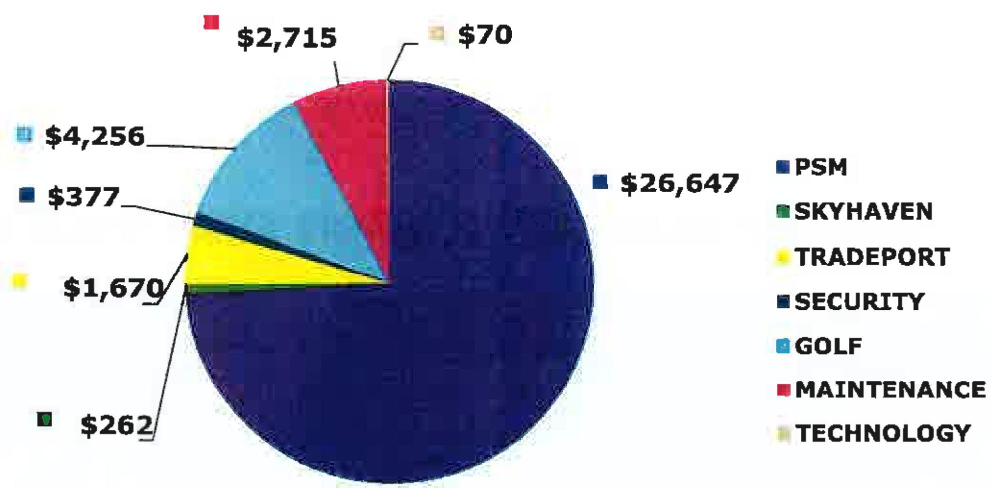
$ (000's)

FISCAL YEAR	PSM	SKYHAVEN	TRADEPORT	SECURITY	GOLF	MAINTENANCE	TECHNOLOGY	TOTAL
2026 TO GO	$5,353	$310	$450	$40	$1,629	$446	$10	$8,238
2027	14,323	2,520	765	47	155	602	35	18,447
2028	1,680	146	2,795	175	1,470	507	25	6,798
2029	2,255	278	35	75	595	440	-	3,678
2030	18,753	166	25	-	167	325	-	19,436
2031	10,097	1,111	25	40	150	310	-	11,733
2032	10,222	1,667	575	-	90	85	-	12,639
	62,683	6,198	4,670	377	4,256	2,715	70	80,969

GRANT FUNDED PROJECTS ($44,972)



INTERNALLY FUNDED PROJECTS ($35,997)



PROJECTED CAPITAL EXPENDITURES

CONTINUED..

$ (000's)

SIGNIFICANT CAPITAL PROJECTS IDENTIFIED AS LONGER-TERM EXPENDITURES INCLUDE:

- PSM RUNWAY 16/34 REPAVING/RECONSTRUCTION (POTENTIALLY NOT COVERED BY FAA FUNDING) $20M+
- SUSTAINABLE INFRASTRUCTURE INITIATIVES (PERMIT DRIVEN) cost unknown
- PSM TICKETING AREA UPGRADES $8M-$10M
- DEMOLITION OF OLD AIRFORCE BUILDING/HANGARS (OPERATING BUDGET) cost unknown
- INSTRUMENT LANDING SYSTEM UPGRADE $3M
- RELOCATION OF CORPORATE/ADMINISTRATIVE OFFICES $8M-$10M
- NORTH 40 PAVEMENT MAINTENANCE $2M
- AIRPORT TERMINAL LOOP ROAD $9M-$11M
- WEATHER EQUIPMENT IMPROVEMENTS $1M
- REVENUE PARKING STRUCTURE $30M
- SOLAR PANEL FARM $3M-$5M
- HANGAR CONSTRUCTION $5M
- INTERSECTION IMPROVEMENTS $19M-$30M

GRANT FUNDED CAPITAL PROJECT REQUESTS...

$ (000's)

PROJECT DESCRIPTION	FY 2026 TO GO	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	TOTAL	
PORTSMOUTH INTERNATIONAL AIRPORT (PSM)									
TAXIWAY A NORTH RECONST-CONTRUCT (AIP 78&79)	772	-	-	-	-	-	-	772	★
TAXIWAY A SOUTH & HOLD BAY RECONST-DESIGN	178	-	-	-	-	-	-	178	★
TAXIWAY A SOUTH & HOLD BAY RECONST-CONST		6,211				-	-	6,211	★
TAXIWAY F/G RECONSTRUCTION-DESIGN					778	-	-	778	
TAXIWAY F/G RECONSTRUCTION-CONST		-	-	-	-	10,000	10,000	20,000	
SRE BUILDING DESIGN		-	350	-	-	-	-	350	★
SRE BUILDING CONSTRUCT	-	-	-	-	4,778			4,778	★
SRE (LIQUID DEICING TRUCK & MTE) AIP 77	269			-		-	-	269	★
MTE			1,150		-	-	-	1,150	★
PASSENGER BOARDING BRIDGE-GRANT FUNDED		1,000						1,000	
LOADER				550				550	
	1,220	**7,211**	**1,500**	**550**	**5,556**	**10,000**	**10,000**	**36,036**	

★ HIGH PRIORITY

GRANT FUNDED CAPITAL PROJECT REQUESTS

(CONTINUED)...

$ (000's)

PROJECT DESCRIPTION	FY 2026 TO GO	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	TOTAL	
TRADEPORT									
GRAFTON RD AND GOLF COURSE INTERIM	25	150	1,700	-	-	-	-	1,875	★
INTERNATIONAL DRIVE AND MANCHESTER	25	100	1,000	-	-	-	-	1,125	★
	50	250	2,700	-	-	-	-	3,000	

PROJECT DESCRIPTION	FY 2026 TO GO	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	TOTAL	
SKYHAVEN AIRPORT (DAW)									
TERMINAL APRON CONSTRUCTION	99	1,300	-	-	-	-	-	1,399	★
WILDLIFE HAZARD FENCING DESIGN & CONST	170	550	-	-	-	-	-	720	★
TAXIWAY ALPHA DESIGN & CONSTRUCTION	-	-	-	-			556	556	
TERMINAL PARKING LOT DESIGN & CONSTRUCTION	34	450	-	-	-	-	-	484	★
PROPERTY ACQUISITION (JACKSON)					-	-	1,111	1,111	
WILDLIFE FENCE DESIGN-PHASE 2 DESIGN & CONST			111	278			-	389	
SRE ADDITION - DESIGN					167			167	
SRE ADDITION - CONSTRUCT						1,111		1,111	
	303	2,300	111	278	167	1,111	1,667	5,936	

TOTAL GRANT FUNDED PROJECTS	1,573	9,761	4,311	828	5,722	11,111	11,667	44,972

★ HIGH PRIORITY

INTERNALLY FUNDED CAPITAL PROJECT REQUESTS…

$ (000's)

PROJECT DESCRIPTION	FY 2026 TO GO	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	TOTAL	
PORTSMOUTH INTERNATIONAL AIRPORT (PSM)									
TERMINAL CARPETING	15		-	-	-	-	-	15	★
PAY FOR PARKING TECH UPGRADES	2	41	-	-	-	-	-	43	★
OIL / WATER SEPARATOR IMPROVEMENTS	-	-	50	100	100	-	-	250	★
MOBILE RADIO UPGRADES	-	25	30	-	-	-	-	55	
GENERATOR BATTERY STANDBY SYSTEM	10	-	-	-	-	-	-	10	★
CBP OFFICE INFRASTRUCTURE IMPROVEMENTS	-	-	-	250	-	-	-	250	
PARKING LOT A&B EXPANSION	500	1,500						2,000	★
REVENUE PARKING STRUCTURE -DESIGN	-	-					100	100	
AIR TRAFFIC CNTRL TOWER-CONSTRUCTION	3,000	2,737	-	-	-			5,737	★
HIGH VOLTAGE ELECTRICAL TESTING EQUIPMENT	-	10						10	
PAVEMENT MAINTENANCE PROGRAM		500		265	55	55	55	930	★
ELECTRICAL VAULT IMPROVEMENTS	-	50		50				100	
PSM ARRIVALS HALL	100	-	-	-	-	-	-	100	★
104 GRAFTON (PCA) DRIVEWAY		-	-	-	-	-	25	25	
SRE & MAINTENANCE BUILDING - DESIGN			-	1,000				1,000	★
SRE & MAINTENANCE BUILDING - CONSTRUCT			-		13,000			13,000	★
TERMINAL PARKING LOT/LANDSIDE IMPR.	59	-	-		-			59	★
PSM TERMINAL REFACE	50	-						50	★
AIRFIELD ELECTRICAL DISTRIBUTION REPAIRS/INFRA	182	-						182	★
AIRPORT OPS CENTER IN TERMINAL	175	1,400	-	-	-	-	-	1,575	★
PSM ENTRANCE SIGN	-	150	-	-	-	-	-	150	★
PASSENGER BOARDING BRIDGE-INTERNALLY FUNDED	-	660	-	-	-	-	-	660	★
AIRPORT/GOLF PERIMETER SECURITY CAMERAS	40	-						40	★
DE-ICER TRUCK- PLOW ADDITION			60					60	
AIRFIELD DRAINAGE INSPECTION & REPAIRS		40	40	40	42	42	42	246	
	4,133	7,113	180	1,705	13,197	97	222	26,647	

★ HIGH PRIORITY

INTERNALLY FUNDED CAPITAL PROJECT REQUESTS

(CONTINUED)...

$ (000's)

PROJECT DESCRIPTION	FY 2026 TO GO	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	TOTAL	
TRADEPORT									
STORMWATER UPGRADES	-	25	25	25	25	25	25	150	★
ROOF REPLACEMENT-19 DURHAM ST (2-WAY)	-		50					50	
PEDESTRIAN SIDEWALKS	-	10	10	10	-	-	-	30	
TANK MAINTENANCE PROGRAM	-	-	10	-	-	-	-	10	★
FLIGHTLINE ROAD CONSTRUCTION	400	450	-	-	-	-	-	850	★
EXETER STREET PAVEMENT REPAIRS	-	30	-	-	-	-	-	30	★
INTERSECTIONS:									
DURHAM ST AND NH AVENUE-SIGNAL	-	-	-	-	-	-	400	400	
GRAFTON DR/AVIATION AVE TURN LANE	-	-	-	-	-	-	150	150	
	400	515	95	35	25	25	575	1,670	

PROJECT DESCRIPTION	FY 2026 TO GO	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	TOTAL	
TECHNOLOGY									
MAIN SERVERS	-	35	-	-	-	-	-	35	★
BOARD ROOM UPGRADES	10	-	-	-	-	-	-	10	★
PAPERLESS AP	-	-	25	-	-	-	-	25	
	10	35	25	-	-	-	-	70	

★ HIGH PRIORITY

INTERNALLY FUNDED CAPITAL PROJECT REQUESTS

(CONTINUED)...

$ (000's)

PROJECT DESCRIPTION	FY 2026 TO GO	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	TOTAL	
SECURITY (PSM & DAW)									
AIRPORT BADGE PRINTER (PSM)	-	-	-	20	-	-	-	20	
PSM TERMINAL ACCESS CONTROL UPGRADE (PSM)	40							40	★
REPLACE BADGING WORKSTATIONS (PSM)	-	-		35	-	-	-	35	
ATCT ACCESS CONTROL VEHICLE GATE (PSM)	-	15						15	★
SECURITY SYSTEM SERVER REPLACEMENT (PSM)						40	-	40	
ATCT SECURITY INFRASTRUCTURE UPGRADES (PSM)			175	-				175	
ACCESS CONTROL - 55 INTERNATIONAL	-	15	-	-	-	-	-	15	
CCTV SECURITY CAMERA REPLACEMENT (PSM)	-	-	-	20				20	★
GATE 3 SECURITY NETWORK CONNECTION (DAW)		7						7	★
SURVEILLANCE SYSTEM (DAW)	-	10	-					10	
	40	47	175	75	-	40	-	377	

PROJECT DESCRIPTION	FY 2026 TO GO	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	TOTAL	
SKYHAVEN AIRPORT (DAW)									
SRE BOILER REPLACEMENT (IN HOUSE)	7	-	-	-	-	-	-	7	
FUEL SYSTEM CREDIT CARD COMPLIANCE	-	5	-	-	-	-	-	5	★
SRE DOOR REPLACEMENT	-	10	-	-	-	-	-	10	
SRE DRIVEWAY PAVEMENT REPAIR/REPLACE	-	15	-	-	-	-	-	15	
JOHN DEERE TRACTOR/MOWER	-	-	35	-	-	-	-	35	
FIRE PANEL UPGRADE	-	10	-	-				10	
T-HANGAR DOOR REPAIRS		10	-					10	
TERMINAL APRON PAVEMENT-FUEL FARM PAD	-	170						170	
	7	220	35	-	-	-	-	262	

★ HIGH PRIORITY

INTERNALLY FUNDED CAPITAL PROJECT REQUESTS

(CONTINUED)...

$ (000's)

PROJECT DESCRIPTION	FY 2026 TO GO	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	TOTAL	
GOLF COURSE									
NETTING #14	60	-	-	-	-	-	-	60	★
SIM/FUNCTION ROOM	15							15	★
FAIRWAY MOWER	-	-	-	75				75	
DEBRIS BLOWER					12			12	
TRIPLEX GREENS MOWER (2)	98	-	-	-	-	-	-	98	★
GREEN TEE AERATOR	-	-	-	-	45	-	-	45	
LARGE UTILITY	-	-	-	-	-	60	-	60	★
WALKING GREENS MOWER	-	-	-	-	20	-	-	20	★
GREENS ROLLER	-	25	-	-	-	-	-	25	★
GEO THERMAL PUMPS	90	-	-	-	-	-	-	90	★
ROUGH MOWER			90					90	
COURSE IMPROVEMENTS	20	20	20	20	25	25	25	155	★
TRAP MACHINE	-	-	-	15	-	-	-	15	
GRILL 28 EVENT IMPROVEMENTS	-	-	1,000	-	-	-	-	1,000	
MULTIFUNCTION MOWER	-	70	-	-	-	-	-	70	★
GOLF IRRIGATION REPAIRS	1,261	-	-					1,261	★
COURSE RESTROOM	-	-	100	-	-	-	-	100	
IRRIGATION WATER SERVICE	15	40						55	★
STORAGE BUILDING-MAINTENANCE DEPT (DESIGN/CONST)	-	-	40	425				465	★
SELF DRIVING EQUIPMENT	15	-	55	-	-			70	★
DRIVING RANGE TEE STATIONS	-		100					100	
REEL GRINDERS	-	-	-	-		50		50	
COURSE CLOCK	25		-					25	★
PAVING			65		65		65	195	
STORAGE SHED	30				-			30	★
TRACTOR				60				60	
TOW BEHIND SEEDER	-				-	15		15	
	1,629	**155**	**1,470**	**595**	**167**	**150**	**90**	**4,256**	

★ HIGH PRIORITY

INTERNALLY FUNDED CAPITAL PROJECT REQUESTS

(CONTINUED)...

$ (000's)

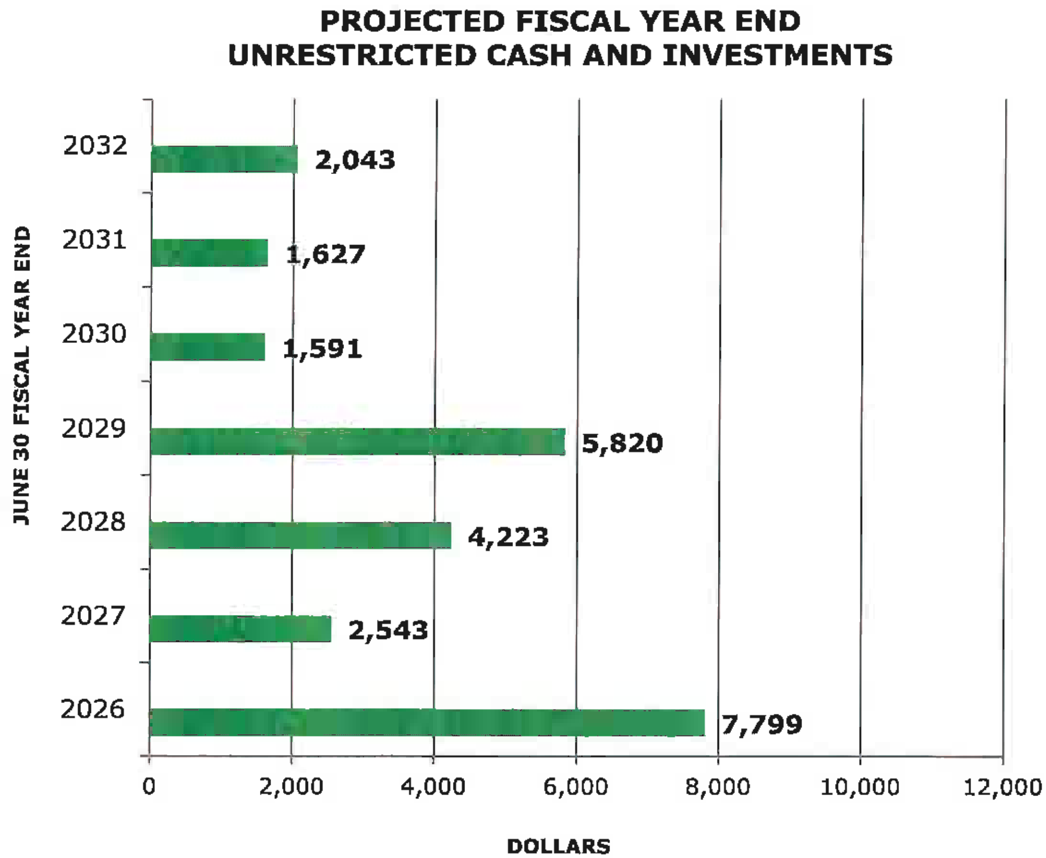
PROJECT DESCRIPTION	FY 2026 TO GO	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	TOTAL	
MAINTENANCE									
VEHICLE REPLACEMENT - MAINTENANCE	-	80	85	-	-	70	-	235	★
VEHICLE REPLACEMENT - AIRPORT OPS	-	-	-	60	-	-	-	60	★
VEHICLE REPLACEMENT - AIRPORT ADMIN	-	-	-	-	-	60	-	60	
SKID STEER BLOWER ATTACHMENT	-	30	-	-	-	-	-	30	
COMPRESSOR		10				-		10	
JOHN DEERE 310SK BACKHOE	-	-	-	-	160	-	-	160	
HOLDER MOWER REPLACEMENT	-	160	-	-	-	-	-	160	
FLAIL MOWER	-	-	-	40	-	-	-	40	
TRACTOR REPLACEMENTS	-	-	-	140	-	-	-	140	
JD GATOR XUV835M (MAINT)	-	-	-	-	30	-	-	30	
JD GATOR XUV835M (OPS)	-	-	-	-	30	-	-	30	
JOHN DEERE TIRE REPLACEMENTS	-	-	25	-	-	-	-	25	
VOLVO 220 TIRE REPLACEMENTS	-	-	-	-	30	-	-	30	
PAINT MACHINE (TRUCK MOUNT)	-	110	-	-	-	-	-	110	
PAINT MACHINE ENCLOSED TRAILER	-	12	-	-	-	-	-	12	
SKID STEER EQUIPMENT TRAILER	-	-	12					12	
Z-TURN MOWER REPLACEMENTS	-	25	-	25				50	★
EXCAVATOR AND JACKHAMMER	-	-	310	-	-			310	
DUMP TRUCK & TRAILER	260	-	-	-	-	-	-	260	
ROOF REPAIRS - 7 LEE ST	50							50	★
HAUL TRUCK CONVERSION	114	-	-	-	-	-	-	114	★
MTE BROOM AND HYDRAULIC OVERHAULS		100		100		100		300	
SIGN APPLICATION TABLE	13							13	★
RESERVE FOR EQUIPMENT/INFRASTRUCTURE NEEDS	10	75	75	75	75	80	85	475	
	446	602	507	440	325	310	85	2,715	
TOTAL INTERNALLY FUNDED PROJECTS	**6,665**	**8,687**	**2,487**	**2,850**	**13,714**	**622**	**972**	**35,997**	

★ HIGH PRIORITY

PROJECTED FY 2026 - FY 2032 UNRESTRICTED CASH AND INVESTMENTS...

$ (000's)

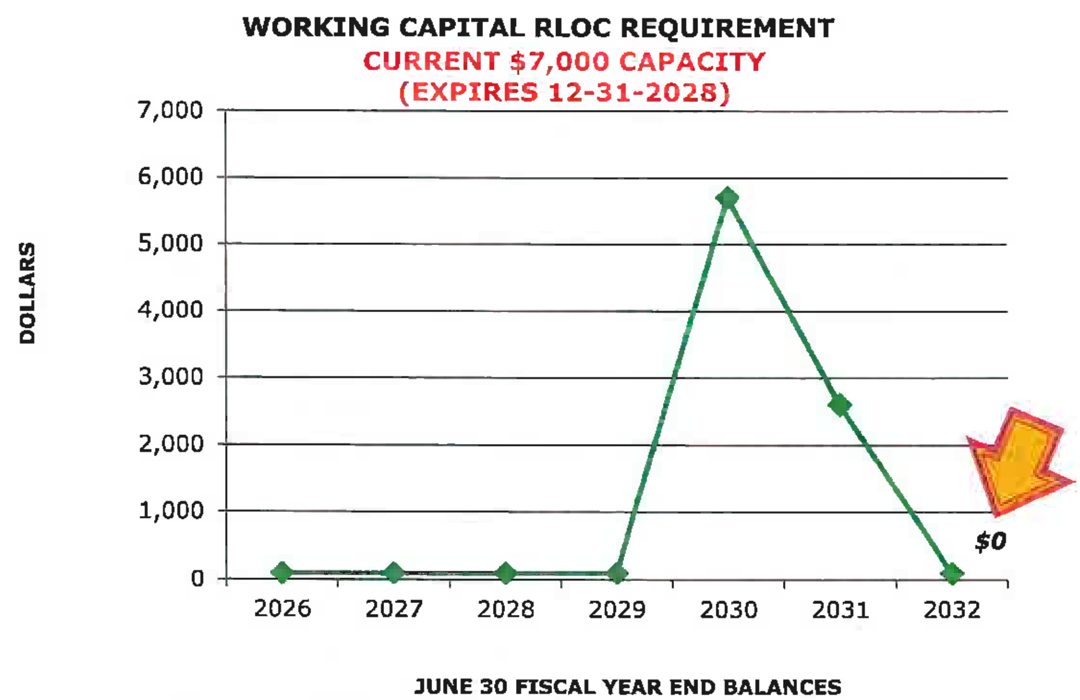
	AMOUNT
CASH AND INVESTMENTS - DECEMBER 31, 2025	**$13,169**
NET OPERATING INCOME- EXCLUDING DEPRECIATION	26,977
AVAILABLE FUNDS	40,146
FINANCING ACTIVITIES	
GRANT FUNDING	42,724
NEW WORKING CAPITAL- RLOC (NET)	0
CAPITAL EXPENDITURES:	
GRANT FUNDED	(44,972)
INTERNALLY FUNDED	(35,997)
INTEREST INCOME-NET OF INTEREST PAYMENTS	142
NET FINANCING ACTIVITIES	(38,103)
CASH AND INVESTMENTS- JUNE 30, 2032	**$2,043**



PROJECTED FY 2026 - FY 2032 OUTSTANDING DEBT ANALYSIS…

$ (000's)

	AMOUNT
DEBT OUTSTANDING- DECEMBER 31, 2025	**$0**
FINANCING ACTIVITIES	
NEW WORKING CAPITAL- RLOC	5,700
WORKING CAPITAL- RLOC REPAYMENT	(5,700)
NET FINANCING ACTIVITIES	0
DEBT OUTSTANDING - JUNE 30, 2032	**0**



PROJECTED FY 2026 - FY 2032 NET CASH FLOW...

$ (000's)

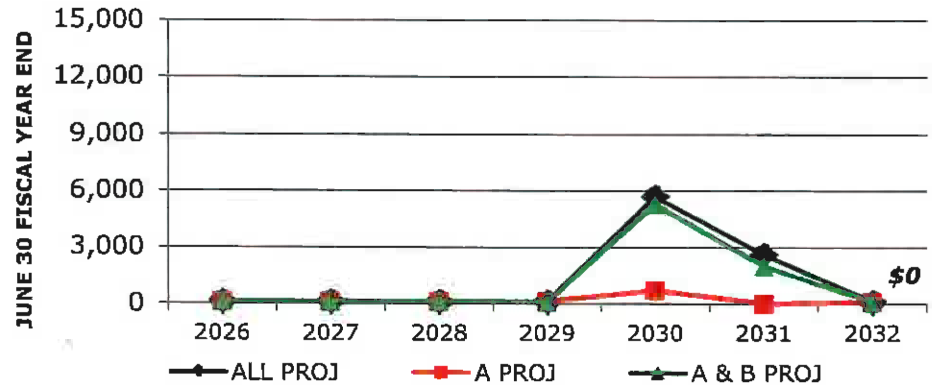
	FY 2026 TO GO	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	TOTAL
CASH FROM OPERATIONS	**1,295**	**3,860**	**4,248**	**4,296**	**4,360**	**4,426**	**4,492**	**26,977**
FINANCING ACTIVITIES								
FUNDING SOURCES:								
GRANT FUNDING- FAA / STATE	1,494	9,273	4,096	786	5,436	10,556	11,083	**42,724**
NEW WORKING CAPITAL- RLOC	-	-	-	-	5,700	-	-	**5,700**
FUNDING REQUIREMENTS:								
GRANT FUNDED CAPITAL PROJECTS	(1,573)	(9,760)	(4,311)	(828)	(5,722)	(11,111)	(11,667)	**(44,972)**
INTERNALLY FUNDED CAPITAL PROJECTS	(6,665)	(8,687)	(2,487)	(2,850)	(13,714)	(622)	(972)	**(35,997)**
WORKING CAPITAL RLOC-REPAYMENT	-	-	-	-	-	(3,100)	(2,600)	**(5,700)**
INTEREST INCOME- NET	79	58	134	193	(289)	(113)	80	**142**
NET FINANCING ACTIVITIES	(6,665)	(9,116)	(2,568)	(2,699)	(8,589)	(4,390)	(4,076)	**(38,103)**
NET CASH FLOW	(5,370)	(5,256)	1,680	1,597	(4,229)	36	416	**(11,126)**
CASH- BEGINNING OF PERIOD	13,169	7,799	2,543	4,223	5,820	1,591	1,627	**13,169**
CASH- END OF PERIOD	**7,799**	**2,543**	**4,223**	**5,820**	**1,591**	**1,627**	**2,043**	**2,043**

PROJECTED FY 2026 - FY 2032 FINANCIAL IMPACT DUE TO THE POTENTIAL ELIMINATION OF LOWER PRIORITY CAPITAL PROJECTS...

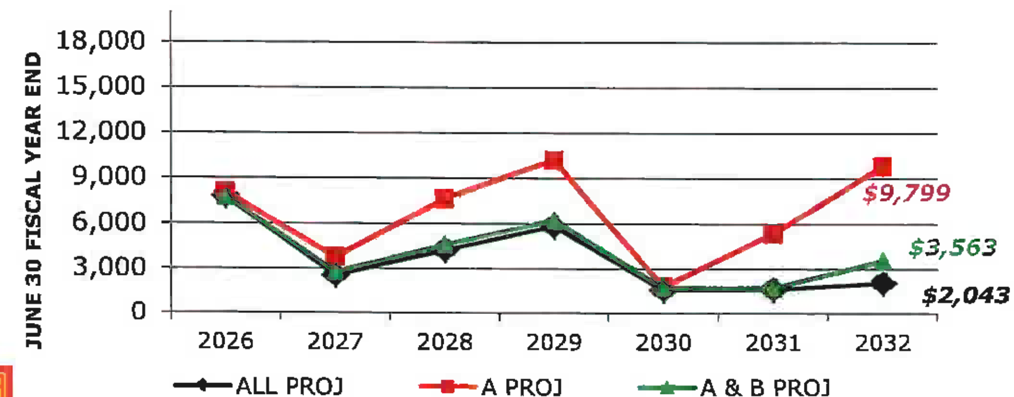
$ (000's)

	PROPOSED ALL PROJECTS	A & B PROJECTS	A PROJECTS ONLY
CASH AND INVESTMENTS-DECEMBER 31, 2025	**$13,169**	**$13,169**	**$13,169**
NET OPERATING INCOME-EXCLUDING DEPRECIATION	26,977	26,977	26,977
AVAILABLE FUNDS	40,146	40,146	40,146
FINANCING ACTIVITIES			
GRANT FUNDING	42,724	39,926	18,346
NEW WORKING CAPITAL-RLOC (NET)	-	-	-
CAPITAL EXPENDITURES:			
GRANT FUNDED	(44,972)	(42,028)	(19,311)
INTERNALLY FUNDED	(35,997)	(34,687)	(29,993)
INTEREST INCOME-NET OF INTEREST PAYMENTS	142	206	611
NET FINANCING ACTIVITIES	(38,103)	(36,583)	(30,347)
CASH AND INVESTMENTS-JUNE 30, 2032	**2,043**	**3,563**	**9,799**

PROJECTED DEBT OUTSTANDING
(EXCLUDING DPH)



PROJECTED UNRESTRICTED CASH BALANCES
(EXCLUDING DPH)



PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive, Portsmouth NH 03801

MEMORANDUM

TO: Pease Development Authority Board of Directors

FROM: Paul E. Brean, A.A.E., Executive Director PEB

DATE: March 6, 2026

SUBJECT: Licenses / ROEs / Easements / Rights of Way
****

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: Jalbert Leasing, Inc. d/b/a C&J Bus Lines
   License: Right of Entry
   Location: Along Grafton Drive
   Purpose: Marking of Trees
   Term: February 5, 2026, through March 31, 2026

2. Name: Jalbert Leasing, Inc. d/b/a C&J Bus Lines
   License: Right of Entry
   Location: 42 Durham Street and 47 Durham Street
   Purpose: Parking of C&J customer vehicles on a valet basis only
   Term: February 20, 2026, through May 3, 2026

3. Name: International Association of Privacy Professions
   License: Right of Entry
   Location: 14 Aviation Avenue (Old Pan Am Hangar Lot)
   Purpose: Vehicle Parking
   Term: February 2, 2026, through February 27, 2026

Director Fournier was consulted and granted his consent regarding these Right of Entries.

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PEASE INTERNATIONAL
DEVELOPMENT AUTHORITY

55 International Drive, Portsmouth NH 03801

MEMORANDUM

TO: Pease Development Authority Board of Directors

FROM: Paul E. Brean, A.A.E., Executive Director PEB

DATE: March 6, 2026

SUBJECT: Lease Report

****

In accordance with the "Delegation to Executive Director: Consent, Approval of Sub-Sublease Agreements" PDA approved the following subleases:

1. Tenant: CA, Inc.(fka Aprisma Technologies)
   Space: 273 Corporate Drive (Suite #115)
   Use: General business office use and any customary ancillary uses thereof, provided that such uses are permitted under the Ground Lease.
   Term: Five (5) years, with one additional five (5) year option.

2. Tenant: ElmBlue Capital LLC
   Space: 273 Corporate Drive (Suite #125)
   Use: General business office use and any customary ancillary uses thereof, provided that such uses are permitted under the Ground Lease.
   Term: Sixty-Two (62) months, with two (2) additional terms of three (3) 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 this instance, Director Fournier was consulted and granted his consent.

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PEASE INTERNATIONAL
DEVELOPMENT AUTHORITY

55 International Drive, Portsmouth NH 03801

MEMORANDUM

TO: Pease Development Authority Board of Directors

FROM: Paul E. Brean, A.A.E., Executive Director

DATE: March 6, 2026

SUBJECT: Contract Reports
****

In accordance with Article 3.9.1.1 of the PDA Bylaws, PDA is pleased to report the following:

1.	Project Name:	Fuss & O'Neill (PDA's On-Call Environmental/Civil Consulting Engineering Services)
	Board Authority:	Board approval received December 12, 2024
	Summary:	Report regarding six-month 2026 Scope of Work for Stormwater Sampling Support Services.
2.	Project Name:	Portsmouth International Airport at Pease
	Board Authority:	Director Ferrini
	Cost:	$8,900.00
	Summary:	Hoyle, Tanner & Associates 2026 Airport Diagram Modifications.
3.	Project Name:	Sunbelt Rentals
	Board Authority:	Director Ferrini
	Cost:	$4,789.00/month
	Summary:	Generator rental for use at the airfield.
4.	Project Name:	Modern Pest Service (f/k/a Eco Services Pest Control)
	Board Authority:	Pursuant to PDA Board of Directors' vote on January 20, 2022
	Summary:	Exercise Final one-year option.
5.	Project Name:	Sunbelt Rentals
	Board Authority:	Director Ferrini
	Cost:	$2,763.80
	Summary:	Hydraulic Excavator for Snow Removal.

Phone: 603.433.6088 Fax: 603.427.0433 www.peasedev.org

6. Project Name: Northeast Land Care, LLC
(PDA's On-Call Landscaping Services)
Board Authority: Board approval received March 14, 2024
Summary: Exercise of first of two (2) one-year option for services.

7. Project Name: Portsmouth Development Authority
Board Authority: Director Ferrini
Cost: Approximately $3,000.00
Summary: Purchase of roadway rock salt through State Vendor, Granite State Minerals.

8. Project Name: Christian Party Rental, Inc.
Board Authority: March 11, 2024
Summary: Exercise the final one-year option for Special Event Tent Rental.

9. Project Name: Clean Restroom Rentals, Inc.
Board Authority: April 18, 2024 – Reported to Board
Summary: Exercise the final one-year option for Portable Toilets and Service.

10. Project Name: ePlus Technologies
Board Authority: Director Ferrini
Cost: $1,396.76
Summary: Replacement security camera purchase for the Airport Terminal.

11. Project Name: East Coast Escalator Cleaning
Board Authority: Director Ferrini
Cost: $1,500.00
Summary: Cleaning of the escalator at the Airport Terminal.

12. Project Name: Portsmouth Development Authority
Board Authority: Director Ferrini
Cost: Approximately $10,000.00
Summary: Second purchase of roadway rock salt through State Vendor, Granite State Minerals due to inclement weather.

13. Project Name: Tiffy Eddy Media
(PDA's Public Relations / Marketing Services)
Board Authority: Board approval received March 10, 2023
Summary: Exercise of first of two (2) one-year option for services.

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive, Portsmouth NH 03801

Memorandum

To: Paul E. Brean, A.A.E., Executive Director

From: Melanie Walsh, Executive Assistant/Marketing Coordinator MW

Date: 3/3/26

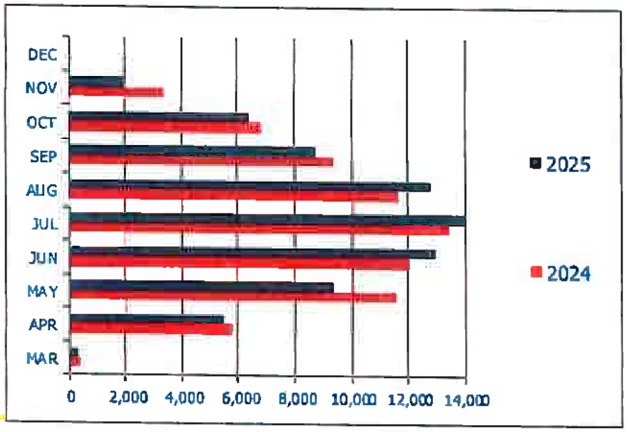
Re: Pease Development Authority Marketing Funds FY26

In accordance with the Board of Director's November 18, 2025, approval authorizing the use of FY26 budgeted marketing funds totaling $237,500 which required an expenditure report at the subsequent Board meeting, the Pease Development Authority ("PDA") provides the following report of funds expended since the report provided at the Board's January 2026, meeting. As of March 1, 2026, actual FY26 marketing expenditures total $47,463.

1. Organization: Somersworth High School Athletic Program, Somersworth, NH
   Cost: $399 (2026 Spring Sports T-Shirts)
   Term: Spring, 2026
   Purpose: Advertisement for Portsmouth International Airport and Skyhaven Airport, enhancing community awareness and promoting two convenient and local options for both Commercial and General Aviation flying.

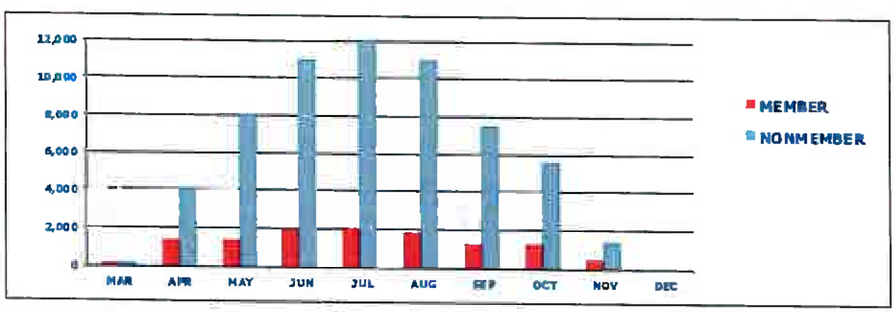
KEY GOLF COURSE BENCHMARKING DATA – FEBRUARY 2026

ROUNDS OF GOLF PLAYED (SEASON)



	2025 SEASON	2024 SEASON	2023 SEASON
ROUNDS PLAYED	72,012	74,251	73,897
RAIN DAYS	55	55	58

2025 MEMBER / NONMEMBER ROUNDS (SEASON)



GOLF SIMULATOR REVENUES	FY 2026	FY 2025
JULY	$365	$120
AUGUST	$420	$165
SEPTEMBER	$1,062	$390
OCTOBER	$2,474	$3,212
NOVEMBER	$12,151	$12,631
DECEMBER	$17,542	$18,395
JANUARY	$22,419	$24,692
FEBRUARY	$17,085	$22,331
MARCH		$21,888
APRIL		$6,299
MAY		$895
JUNE		$480
	$73,518	$111,497

GRILL 28 GROSS SALES	FY 2026	CONCESSION FEES EARNED (17%)	FY 2025	CONCESSION FEES EARNED (17%)
JULY	307,912	52,345	282,315	47,994
AUGUST	324,897	55,232	299,823	50,970
SEPTEMBER	254,383	43,245	249,293	42,380
OCTOBER	198,797	33,796	197,547	33,583
NOVEMBER	107,746	18,317	128,372	21,823
DECEMBER	135,823	23,090	150,458	25,578
JANUARY	89,723	15,253	108,049	18,368
FEBRUARY	90,712	15,421	87,732	14,914
MARCH		0	118,939	20,220
APRIL		0	157,787	26,824
MAY		0	235,577	40,048
JUNE		0	312,323	53,095
	$1,509,993	$256,699	$2,328,215	$395,797

2025 ROUNDS- SEASON	
MEMBER	11,556
NONMEMBER	60,456
TOTAL	**72,012**

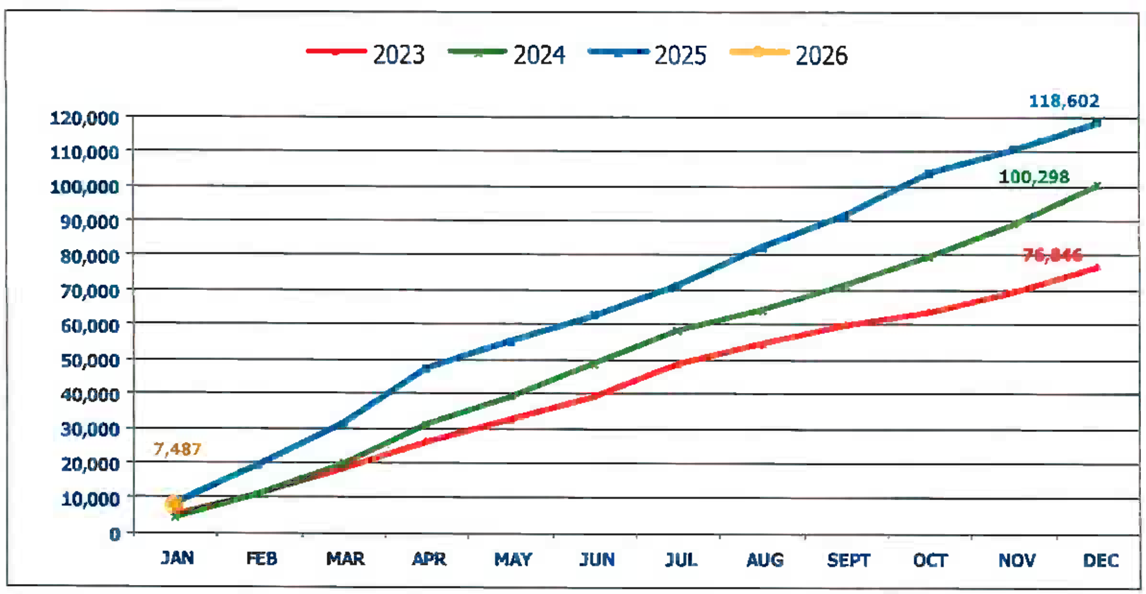
2024 ROUNDS- SEASON	
MEMBER	10,725
NONMEMBER	63,526
TOTAL	74,251

CLUB/ COURSE FUNCTIONS	FY 2026 YTD	FY 2025 YTD
GROUPS 20-59	47,957	40.815
TOURNAMENT PLAY	178,404	177,921
LEAGUES	60,107	44,475
FOOD AND ROOM FEES THRU	280,790	121,613

AIRPORT REPORT
PERIOD ENDING JANUARY 2026

JAN ENPLANEMENTS	7,487
Scheduled Enplanements	5,752
Chartered Enplanements	1,735
Total Enplanements	**7,487**
2026 Enplanements YTD	**7,487**

REVENUE PARKING-JAN	$89,891
JAN FUEL FLOWAGE FEES	$147,924
Total Gallons	1,344,765
CRAF and DOD	83%
Commercial	7%
General Aviation	10%



- **Airfield Construction**
  - **Thermo Fisher Hangar Development**
- **AIP Grant Funded Projects**
  - **Taxiway Alpha South & Holding Bay Reconstruction- Currently in Design Phase**
- **Increased Activity:**
  - **NHANG**
  - **Military Transient**
- **Enterprise Concession Fees:**
  OCT, NOV, DEC: $27,190.28

PSM DAW
PEASE
AIRPORT
MANAGEMENT

36 Airline Ave., Portsmouth, NH 03801
603.433.6536

Memorandum

To: John Meehan, Airport Manager

From: Josh Wright, Airport Operations Specialist

Date: February 1, 2026

Re: Noise Report for January, 2026

The Portsmouth International Airport at Pease did not receive any noise complaints in January, 2026.

PSM DAW
PEASE
AIRPORT
MANAGEMENT

36 Airline Ave., Portsmouth, NH 03801
603.433.6536

Memorandum

To: John Meehan, Airport Manager

From: Josh Wright, Airport Operations Specialist

Date: March 3, 2026

Re: Noise Report for February, 2026

The Portsmouth International Airport at Pease did not receive any noise complaints in February, 2026.

PEASE
INTERNATIONAL
PORTS AND HARBORS
555 Market Street, Suite 1 Portsmouth, NH 03801

To: Pease Development Authority Board of Directors

From: Richard Hartley, Director, Ports and Harbors R. Hartley

Date: March 6, 2026

SUBJECT: PORTS AND HARBORS PDA BOARD NOTES

Market Street Terminal:

Vessel Berthing / Cargo Imports Report:

- *GLBS Hero* - Road salt imported
- *Port Tokyo* - Road salt imported
- *Asian Prominence* - Road salt imported
- *Fermita* - Road salt imported
- *Handy Three* - Layberth (Local Moran Tug)
- *Handy Four* - Layberth (Local Moran Tug)
- *Town Point* - Layberth (Local Moran Tug)
- *Z One* - - Layberth (Local Moran Tug)
- *Dovekie & Barge* (2x) - Layberth Awaiting construction work in Piscataqua River
- *Langeoog* - reactor components for Commonwealth Fusion Systems
- *Sea Crescent & Lockwood 3000* - Layberth (Submarine nose cone for PNSY)

Truck Scale:

- Awaiting finalized agreement from scale vendor to resolve outstanding installation issues

Barker/ Burge Wharf Improvements:

- Replacing cleats, removing failing bridge wharf via on-call marine contractor
- Working w/ on-call welder to repair gangway
- Private-public partnership for floating docks and ramp for potential cruise terminal

Other:

- 2025 MARAD PIDP Grant still not awarded - will re-submit same for 2026 this month
- Applied for NHDES Granite State Clean Fleets $6K grant for 50 Amp MST pier shore
- Requested two telehandlers via Congressionally Directed Spending
- Developing more diverse cargo prospects - NH based abrasive supplier, cruise vessels

Marine Facilities:

Hampton Harbor

- Opening for boating season in late March w/ floats and gangways installed this week

Rye Harbor

- Seawall project moving along, 75/25 Federal/State project
- Recreational Float under construction by Riverside & Pickering
- Rye Float day during mid-April installation of the Rec Pier to reduce mobilization cost

Portsmouth Fish Pier

- DPH-PDA creating RFB for Electric Jib Hoist
- Sail Portsmouth Tall Ship event with vessel ***Oosterschelde***
  - Thursday July 23, 2026: Parade of Sail into Portsmouth
  - Friday-Sunday July 24-26, 2026: Tours of Tall Ships, PFP Outside Pier
  - Monday, July 27, 2026: Ship Departure
- Amistad Tall Ship event September 15-21, 2026

Moorings, Enforcement:

- The mooring permit and waitlist renewals late filing period remains open until March 16, 2026. Division staff are contacting permit and waitlist holders who have not renewed to remind them of deadline
- Staging for local aids to navigation and harbor float installations
- Online Mooring discussions continue - anticipate requesting sole source vs comp bid

Dredging:

- Section 107 Dredge Analysis in Hampton Harbor continues with ACOE, NHDES, and NHDOT in effort to mitigate shoaling since the last dredge
- Seeking boater input on channel shoaling issues in Little Harbor

Division of Ports and Harbors Advisory Council
555 Market St.
Portsmouth, NH 03801
Tel 603-436-8500
Fax 603-436-2780

PORT ADVISORY COUNCIL MEETING MINUTES
WEDNESDAY DECEMBER 10, 2025 4:00 PM

PRESENT: Chris Snow, Chair
Mike Donahue, Vice-Chair
Jeff Gilbert, Treasurer
Erik Anderson
Richard Hartley, Assistant Port Director
Adam Winkler, Deputy Chief Harbormaster

1. CALL TO ORDER

Chair Snow called the meeting to order at 4:07 PM upon the attendance of a full quorum.

2. APPROVE MINUTES

Anderson made a motion to approve the October 8, 2025 minutes, Gilbert seconded. No discussion, a vote was taken, all were in favor and the motion passed.

3. PUBLIC COMMENT

A. Jon Savage, fishermen at Rye. Discussion on the mooring fee increase being brought in front of the Port Committee. Gilbert commented that the role of the PAC is to advise the Port Director and Pease folks and generally represent the communities. The proposed mooring fee increase is an item on the agenda for tonight's meeting. Anderson indicated the Port Committee will discuss the fees and then they will be presented to the board. There will be a public comment period following, if the board approves the initial proposed fees.
B. Keper Connell, from Rye, brought up the idea of having a "fishtival" which is a festival to celebrate the fisheries and provide education to the public. He would like the Port to consider holding this event at one of the Port properties around end of July. Hartley indicated he would be in full support and advised Connell to bring back more details.
C. Damon Frampton said that Director Levesque contacted him and suggested that he would like to have the condition of the commercial side of Rye Harbor addressed as soon as possible.

4. PISCATAQUA RIVER VESSEL TRANSIT REPORT

The October and November 2025 reports were included in the packet. No discussion.

5. DIRECTOR'S REPORT

A. Hartley spoke on items from the monthly facilities report which is included in the PDA Board package for December 16, 2025 including:

- Use of Foreign-Trade Zone revenue, which is restricted to FTZ related uses,

- Functional Replacement ACOE permit,
- PIDP Grant, could be announced in January for the application the Port submitted, then there will be other grant announcements coming out-most grants are related to transportation,
- Foreign flagged vessels, ongoing discussions with CBP,
- Hampton Harbor, some floats were left in for the winter,
- Oil spill and storm response plans are being developed,
- DMV Day-December 19, and
- Retirement announcements of Tracy and Lana.

B. Hartley raised the Rulemaking Petition of David Delorey that was sent to the PAC Chair in November of 2024. As a reminder, the PAC voted to table the item at their January 2025 meeting because the PAC has traditionally not been involved in the Right of Entry process and until such a time that the PAC could seek advice from the PDA. Donahue mentioned that the PAC should consider taking action and respond to Delorey because when a citizen submits a petition it cannot be ignored. After some discussion, Donahue reported that the PDA Board addressed the petition at its November 2025 meeting and in following in their steps, he made the following motion: *That the PAC deny the petition submitted by David Delorey for us to exercise rulemaking power under RSA 541-A:4 with respect to the ROE's at the various facilities, particularly the harbors, as proposed by Mr. Delorey and the reasons for denial are as stated in the letter to Delorey from the PDA that they gave for their denial because we endorse those and agree with those and we take this action without prejudice to future consideration of a proposal to develop rights of entry particularly for the harbors as we expect that to come from the PDA initially.* Anderson seconded the motion. Discussion: Gilbert wanted to clarify "to develop rules and procedures to establish a process for ROE's. Donahue accepted the clarification. A vote was taken and all were in favor.

C. From the October 21, 2025 PDA Board meeting: (Unless otherwise noted items can be found on the PDA website at https://peasedev.org/about-2/board-and-meetings/)

i. Reports:

1. Facility Report – October 21, 2025 Board package
2. Portsmouth Fish Pier- Change orders 5, 6, & 7

D. From the November 5, 2025 PDA Board Special meeting: (Unless otherwise noted items can be found on the PDA website at https://peasedev.org/about-2/board-and-meetings/)

i. Richard Hartley was appointed as the Port Director by the PDA Board.

E. From the November 18, 2025 PDA Board meeting: (Unless otherwise noted items can be found on the PDA website at https://peasedev.org/about-2/board-and-meetings/)

i. Reports:

1. Facility Report – November 18, 2025 Board package
2. Star Island, Use of Barge Dock, Waiver of Dockage/Wharfage Fees

ii. Approvals

1. Isles of Shoals Steamship Co. – Sublease to Sheraton for Employee Parking
2. Revolving Loan Fund Agreement with Needham Bank (fka BankProv)
3. Final Proposed Amendment to the Schedule of Pilotage Fees and Pilotage Unit Rates

F. Discussion on Tighe & Bond Rye Harbor Facility Study included the following:

- Section 7 has the recommendations
- What is the role of the PAC for this
- Use to improve the capital improvement plan
- The cost of the study and who paid for it
- That the study, while being very thorough, is very similar to the study that was done by the Port staff a couple of years ago
- Steps forward, priority of recommended items
  - In the process of seawall and the floats, which were both identified in the study as recommended repairs
  - Hartley would like to drive the prioritization of the projects with the assistance of this Council
- How much of the portion of the costs are expected to be funded from the revenue of the Port, and how much would be provided by Capital Funds
- The need to set goals and come up with a mission statement to determine steps forward, especially with regards to Rights of Entry
- Cost benefit
- Reference to Section 8.3 talks about future steps, and breaks them down by short term, mid-term, and long term
- In learning from the past, the PAC should make recommendations so that the plan can be well thought out and planned
- Further discussion on the proposal for design/engineering of the seawall and that there is an option to build the seawall higher, which would be considered mitigation by FEMA
- Establishing priorities and goals that make sense, who do we serve, who do we need to serve, who do we want to serve, and how do we do it
- Discussion on the availability of the various funding sources

- Jon Savage made further comments on the study and that it seems the money spent on that could have been put to better use than doing the study. In his opinion, the harbor office, public bathroom, and the seawall should be priorities. He spoke about the ROE's and that we are waiting on opinion of the AG's office and the ongoing litigation to be settled. Several minutes of discussion followed. Brenda mentioned that a one-year extension for the shack ROE's is up for consideration on the December PDA board agenda. Snow suggested that everyone take some time to read the report thoroughly and then come back to the Director with some advice. Further discussion on contingency plans to address incidents as they come up. Winkler indicated staff is continuing to work on formalizing plans and mentioned that staff works with DES and other local responders on a regular basis for training on various safety topics.

6. <u>NEW BUSINESS</u>

A. Initial Proposal Mooring Permit and Mooring Permit Waitlist Schedule of Fees, to become effective April 1, 2026*

Discussion on the mooring permit fee increase proposed by the DPH. This is the first step in the process and if the PDA Board approves the initial proposed increase it will kick off a public comment period with final proposed fees going in front of the board in March after all comments are considered. The memo in the meeting packet shows the expected revenue increase and why it is needed. There hasn't been an increase in 6 years, since 2019 and expenses have increased over that time. Mooring permit fees are intended to cover the cost of running the mooring permit program. Public comment included a question on an increase for pier use fees, loopholes for getting moorings and they aren't being used, and are not paying pier use fees. Discussion on how to manage the moorings that aren't being used. Especially with regards to commercial moorings, which are easily converted from general use. Hartley reminded everyone that the DPH must work within the existing rules and laws, which currently only require gear to be installed. Also, some commercial users have a mooring as a backup for their berthing in the case that the pier is not available, if they didn't have a mooring, they would not have a place to keep their boat. Some discussion on harbor master duties.

Donahue advised taking a second look at the fee increase for those on the waitlist and consider not increasing the fees for those that have been on there for years. It is not necessarily customer friendly and would recommend grandfathering those folks at the current rate. In other words, the intent shouldn't be to create revenue from the folks on the waitlist. Gilbert agreed. In the end, the PAC members agreed to support the initial proposed fee increase. Further discussion on where the mooring fees go, nav aids, salaries, maintenance, administrative fees, anything that is tied to the Harbor Management program. Discussion on the HM budget.

7. FINANCE REPORT

The 3-month period ending September 2025 finance report was included in the packet. Gilbert indicated that he is interested in hearing about trends and anticipated revenue. One observation is there appears to be a revenue shortfall from the budget. Expenses are in line with budget. Hartley explained that the budget numbers are based on a 2-year average. Donahue asked about the availability of a more current report. There was a software migration to a new program in October which is causing some delays as the finance team transitions over. Someone mentioned that the Rye Harbor expenses, which had the highest, is mainly due to the cost of the Tighe & Bond Study. Last, there is an "income statement" available that shows the details of the actual revenue and expenses. Savage asked about what kind of question you could ask a fishermen to prove commercial use, right now you just ask for a landing slip- the question gets to the notion of how do you measure use and what ways can you do that. The topic was to bring up the discussion on how easy it is to get a commercial mooring permit.

8. COMMITTEE REPORTS

A. Business Development/FTZ- Donahue reported that SubCom's request for expansion was approved by the Newington Planning Board and with that will bring up an additional 15 employees from New Jersey. The 43,000 sq. ft expansion is a 2nd floor that will be used for extrusion. They should be breaking ground soon. As a reminder, SubCom is a regular user of the Terminal and is a welcomed partner.

B. Dredging- no report, comment on waiting for an appointment to the Council of a river pilot. Winkler reported that there is not much going on with dredging right now.

C. Fisheries- Anderson reported that weather conditions are slowing down fishing activity. At the last ACMF they discussed harvesting Menhaden with a power block, the lobster fishery relies heavily on menhaden for bait and this option will help bring in more bait for them. A lobster stock assessment was provided by NH Fish & Game who continues to monitor and reported that it is in good shape. NOAA Fisheries controls activity in federal waters lost employees during the shut down and DOGE and the loss is impacting their duties.

D. Government- no report

E. Moorings- Snow reported the Commercial licensing day is on Dec 19th and mooring permits will be completely mailed out by January 15th. Boat decals from the DMV should be available at towns/cities/boat agents soon, and DMV locations are ready to do the boat registrations.

F. Marine Facilities- no report

9. OLD BUSINESS
No old business.

10. PRESS QUESTIONS
No press present

11. ADJOURNMENT
After some discussion, including postponing elections until a full Council is in place, the next PAC meeting was scheduled for January 14, 2026. This will be the annual meeting, and elections are typically held at this meeting. The meeting adjourned at 6:15 PM.

IFB 25-16

First of potential of 2 extensions for Crane Services

PEASE INTERNATIONAL DEVELOPMENT AUTHORITY

55 International Drive, Portsmouth NH 03801

February 17, 2026

VIA EMAIL: amanda@moorescranerental.com
Moores Crane Rental Corp.
Attn: Amanda Anderson
33 Littleworth Rd.
Dover, NH 03820

Re: On-Call Crane Services

Dear Ms. Anderson:

In accordance with the agreement for On-Call Crane Services, the Pease Development Authority – Division of Ports and Harbors is exercising its first of two (2), one-year options to extend our Agreement which commenced on March 15, 2025, on the same terms and conditions. As such, the Agreement will now expire on March 14, 2027, unless otherwise terminated. Kindly sign below and return this letter to me at your earliest convenience.

Sincerely,

Paul E. Brean, A.A.E
Executive Director

Acknowledged this 17 day of FEB, 2026

Moores Crane Rental Corp.

By: [signature]

Print Name & Title amanda anderson Vice President.

cc: Anthony I. Blenkinsop, Deputy Director / General Counsel
Richard Hartley, Director of Division of Ports and Harbors
Suzy Anzalone, Director of Finance

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Paul Brean, Executive Director, PDA

From: Richard R. Hartley, Director, DPH RRH

Re: Commercial Mooring Transfer

Date: January 12, 2026

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #8005, from Daniel J. Fraser to Michal Stanek.

Daniel J. Fraser is selling the business, which includes a 16-foot aluminum boat. The boat that will be on the mooring once the transaction happens is a 36-foot fishing boat, which Michal Stanek currently owns and fishes with.

I have reviewed the attached paperwork and concur with the local Harbor Master and the Acting Chief Harbormaster that the request meets all of 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.

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Richard Hartley, Director RMH

From: Adam Winkler, Acting Chief H/M AW

Re: Commercial Transfer (Fraser to Stanek)

Date: January 12, 2026

---

1. Daniel J. Fraser is requesting the transfer of a Commercial Use Mooring Permit (#8005) in the Hampton Harbor (3) mooring field to Michal Stanek, of Hampton, NH.
2. Daniel J. Fraser has only recently changed his mooring from a General Use mooring to a Commercial Use Mooring, which does not require documentation of the business or business use Pda 506.08 (b). Daniel J. Fraser is selling his business with traps, buoys, boat and mooring tackle to Michal Stanek, of Hampton, NH, and has provided written documentation that verifies the sale as required in Pda 508.01 (c).
3. Michal Stanek, of Hampton, NH, has supplied an Initial Commercial Use Mooring Application with a valid NH Resident Commercial Saltwater Fishing license, and a valid 2026 NH boat registration. Daniel J. Fraser has supplied a copy of the document signed by each party (Fraser and Stanek) verifying the sale of the boat currently assigned to mooring #8005, along with the business, mooring tackle, and all gear associated with it. Daniel J. Fraser understands that the mooring must remain in commercial use and has also paid the transfer fee, as well as the initial mooring application fee.

I recommend that permit #8005 be transferred to:

Michal Stanek
102 Locke Rd.
Hampton, NH 03842

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Paul Brean, Executive Director, PDA

From: Richard R. Hartley, Director, DPH

Re: Commercial Mooring Transfer

Date: February 4, 2026

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #7972, from Richard Consentino to Kevin Philibotte, of Outcast Holdings, LLC.

Richard Consentino is selling the business, which includes a 12-foot boat and fishing gear associated with it, to Kevin Philibotte of Hampton Falls, NH. This mooring is in the Hampton 3 area of Hampton Harbor. Richard Consentino, who does have a valid 2025 Fish and Game Resident Commercial Saltwater License, changed the mooring to commercial from general use in September of 2025, which did not require proof of landings.

I have reviewed the attached paperwork and concur with the local Harbor Master and the Acting Chief Harbormaster that the request meets all of 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.

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Richard Hartley, Director

From: Adam Winkler, Acting Chief H/M

Re: Commercial Transfer (Consentino to Philibotte)

Date: February 4, 2026

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1. Richard Consentino is requesting the transfer of a Commercial Use Mooring Permit (#7972) in the Hampton Harbor (3) mooring field to Kevin Philibotte, of Hampton Falls, NH.
2. Richard Consentino is selling his business with 12-foot boat and fishing gear associated with it to Kevin Philibotte of Hampmton Falls, NH, and has provided written documentation that verifies the sale as required in Pda 508.01 .(c).
3. Kevin Philibotte of Hampton Falls, NH, has supplied an Initial Commercial Use Mooring Application with a valid NH Resident Commercial Saltwater Fishing license, and a valid certification of documentation for his vessel. Richard Consentino has supplied a copy of the document signed by each party (Consentino and Philibotte) verifying the sale of the 12-foot boat currently assigned to mooring #7972, along with the fishing gear associated with it. Kevin Philibotte understands that the mooring must remain in commercial use and has also paid the transfer fee, as well as the initial mooring application fee.

I recommend that permit #7972 be transferred to:

Kevin Philibotte
194 Kensington Rd.
Hampton Falls, NH

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Paul Brean, Executive Director, PDA

From: Richard R. Hartley, Director, DPH R.G. Hartley

Re: Commercial Mooring Transfer

Date: February 4, 2026

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #7300, from Richard Consentino to Kevin Philibotte, of Outcast Holdings, LLC.

Richard Consentino is selling the business, which includes a 21-foot boat and fishing gear associated with it, to Kevin Philibotte of Hampton Falls, NH. This mooring is in the Hampton 3 area of Hampton Harbor. Richard Consentino, who does have a valid 2025 Fish and Game Resident Commercial Saltwater License, changed the mooring to commercial from general use in September of 2025, which did not require proof of landings.

I have reviewed the attached paperwork and concur with the local Harbor Master and the Acting Chief Harbormaster that the request meets all of 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.

ph: 603-436-8500 fax: 603-436-2780 www.peasedev org

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Richard Hartley, Director RH

From: Adam Winkler, Acting Chief H/M

Re: Commercial Transfer (Consentino to Philibotte)

Date: February 4, 2026

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1. Richard Consentino is requesting the transfer of a Commercial Use Mooring Permit (#7300) in the Hampton Harbor (3) mooring field to Kevin Philibotte, of Hampton Falls, NH.
2. Richard Consentino is selling his business with 21-foot boat and fishing gear associated with it to Kevin Philibotte of Hampmton Falls, NH, and has provided written documentation that verifies the sale as required in Pda 508.01 .(c).
3. Kevin Philibotte of Hampton Falls, NH, has supplied an Initial Commercial Use Mooring Application with a valid NH Resident Commercial Saltwater Fishing license, and a valid certification of documentation for his vessel. Richard Consentino has supplied a copy of the document signed by each party (Consentino and Philibotte) verifying the sale of the 21-foot boat currently assigned to mooring #7300, along with the fishing gear associated with it. Kevin Philibotte understands that the mooring must remain in commercial use and has also paid the transfer fee, as well as the initial mooring application fee.

I recommend that permit #7300 be transferred to:

Kevin Philibotte
194 Kensington Rd.
Hampton Falls, NH

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Paul Brean, Executive Director, PDA

From: Richard R. Hartley, Director, DPH R. Hartley

Re: Commercial Mooring Transfer

Date: February 3, 2026

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #713, from Robert Nudd, Jr. to Joshua Heath, of True North Lobster.

Robert Nudd, Jr. is selling the business, which includes a 35-foot fishing vessel, mooring tackle, and all associated fishing gear. This mooring is in the Hampton 1 area of Hampton Harbor. Robert Nudd, Jr. has supplied documentation of the commercial use of the vessel from the previous year, in the form a valid NH Commercial Saltwater Fishing License and landings.

I have reviewed the attached paperwork and concur with the local Harbor Master and the Acting Chief Harbormaster that the request meets all of 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: Richard Hartley, Director RH

From: Adam Winkler, Acting Chief H/M AW

Re: Commercial Transfer (Nudd, Jr. to Heath)

Date: February 3, 2026

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1. Robert Nudd, Jr. is requesting the transfer of a Commercial Use Mooring Permit (#713) in the Hampton Harbor (1) mooring field to Joshua Heath, of Somersworth, NH.
2. Robert Nudd, Jr. is selling his business with vessel, mooring tackle, and all associated traps and fishing gear to Joshua Heath of Somersworth, NH, and has provided written documentation that verifies the sale as required in Pda 508.01 .(c).
3. Joshua Heath of Somersworth, NH, has supplied an Initial Commercial Use Mooring Application with a valid NH Resident Commercial Saltwater Fishing license, and a valid 2026 NH boat registration. Joshua Heath has supplied a copy of the document signed by each party (Nudd, Jr. and Heath) verifying the sale of the boat currently assigned to mooring #713, along with the mooring tackle, and all associated traps and fishing gear. Joshua Heath understands that the mooring must remain in commercial use and has also paid the transfer fee, as well as the initial mooring application fee.

I recommend that permit #713 be transferred to:

Joshua Heath
132 Green St.
Somersworth, NH 03878

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Paul Brean, Executive Director, PDA

From: Richard R. Hartley, Director, DPH

Re: Commercial Mooring Transfer

Date: February 25, 2026

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #6406, from James Fallon of Hampton Falls, NH to Jason Binette of Hampton, NH.

James Fallon of Hampton Falls, NH is selling the business, which includes a 14- foot McKee boat and all fishing gear associated with the business.

I have reviewed the attached paperwork and concur with the local Harbor Master and the Acting Chief Harbormaster that the request meets all of 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.

ph: 603-436-8500 fax: 603-436-2780 www.peasedev.org

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Richard Hartley, Director

From: Adam Winkler, Acting Chief H/M

Re: Commercial Transfer (Fallon to Binette)

Date: February 25, 2026

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1. James Fallon is requesting the transfer of a Commercial Use Mooring Permit (#6406) in the Hampton (4) Harbor mooring field to Jason Binette of 2 Emery Ln., Hampton, NH.
2. James Fallon is selling his business with a 14 foot McKee Boat, all the fishing gear associated with it to Jason Binette and has provided written documentation that verifies the sale as required in Pda 508.01 .(c).
3. Jason Binette has supplied an Initial Commercial Use Mooring Application with a valid NH Res Commercial Saltwater Fishing license, and a valid registration for his vessel. Jason Binette has supplied a copy of the document signed by each party (Fallon and Binette) verifying the sale of the 14 foot boat currently assigned to mooring #6406, along with other gear associated with the business. Jason Binette understands that the mooring must remain in commercial use and has also paid the transfer fee, as well as the initial mooring application fee.

I recommend that permit #6406 be transferred to:

Jason Binette
2 Emery Ln..
Hampton, NH

PEASE
INTERNATIONAL
PORTS AND HARBORS
555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Paul Brean, Executive Director, PDA

From: Richard R. Hartley, Director, DPH

Re: Commercial Mooring Transfer

Date: February 25, 2026

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #8147, from Tyler McLaughlin to Seacoast Economics + Agriculture, LLC .

Tyler McLaughlin is selling the business, which includes a 16-foot aluminum boat and all other associated gear.

I have reviewed the attached paperwork and concur with the local Harbor Master and the Acting Chief Harbormaster that the request meets all of 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.

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Richard Hartley, Director

From: Adam Winkler, Acting Chief H/M

Re: Commercial Transfer (McLaughlin to Seacoast Economics + Agriculture, LLC)

Date: February 25, 2026

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1. Tyler McLaughlin of Portsmouth, NH is requesting the transfer of a Commercial Use Mooring Permit (#8147) in the Seabrook Harbor mooring field to Seacoast Economics + Agriculture, LLC of Hampton, NH.
2. Tyler McLaughlin is selling his business with his 16-foot boat and all gear associated with it to Seacoast Economics + Agriculture, LLC and has provided written documentation that verifies the sale as required in Pda 508.01 .(c).
3. Seacoast Economics + Agriculture, LLC has supplied an Initial Commercial Use Mooring Application with a valid NH Temporary License to take Lobster and Crab (in the name of Thomas Lyons of the LLC), and a valid registration for the vessel. Tyler McLaughlin has supplied a copy of the document signed by each party (McLaughlin and Seacoast Economics + Agriculture, LLC) verifying the sale of the 16-foot boat currently assigned to mooring #8147, along with all the other gear associated with it. Seacoast Economics + Agriculture, LLC understands that the mooring must remain in commercial use and has also paid the transfer fee, as well as the initial mooring application fee.

I recommend that permit #8147 be transferred to:

Seacoast Economics + Agriculture, LLC
45 Lafayette Rd.
Hampton, NH 03842

PEASE
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PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Paul Brean, Executive Director, PDA

From: Richard R. Hartley, Director, DPH R. Hartley

Re: Commercial Mooring Transfer

Date: February 25, 2026

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #102, from Stephen R. Tabbut of Newcastle, NH to Damon H. Frampton, of Newcastle, NH.

Stephen R. Tabbut is selling the business, which includes a 35-foot boat, mooring gear, and all other gear associated with it.

I have reviewed the attached paperwork and concur with the local Harbor Master and the Acting Chief Harbormaster that the request meets all of 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.

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Division of Ports & Harbors
Memorandum

To: Richard Hartley, Director RH

From: Adam Winkler, Acting Chief H/M

Re: Commercial Transfer (Tabbutt to Frampton)

Date: February 25, 2026

---

1. Stephen R. Tabbutt of Newcastle, NH is requesting the transfer of a Commercial Use Mooring Permit (#102) in the Portsmouth Yacht Club mooring field to Damon H. Frampton, II of Newcastle, NH.
2. Stephen R. Tabbutt is selling his business with 35-foot boat and mooring gear and all other gear associated with it, to Damon H. Frampton, II, and has provided written documentation that verifies the sale as required in Pda 508.01 .(c).
3. Damon H. Frampton, II, has supplied an Initial Commercial Use Mooring Application with valid Licenses to Take Lobster and Crab, and a valid registration for his vessel. Stephen R. Tabbutt has supplied a copy of the document signed by each party (Tabbutt and Frampton) verifying the sale of the 35-boat currently assigned to mooring #102, along with the mooring gear and all other gear associated with the business. Damon H. Frampton, II understands that the mooring must remain in commercial use and has also paid the transfer fee, as well as the initial mooring application fee.

I recommend that permit #102 be transferred to:

Damon H. Frampton, II
10 Neals Ln.
PO Box 22
Newcastle, NH

PEASE
INTERNATIONAL
PORTS AND HARBORS
555 Market Street, Suite 1 Portsmouth, NH 03801

Date: March 5, 2026

To: Pease Development Authority (PDA), Board of Directors

From: Richard Hartley, Director, Ports and Harbors R. Hartley

Subject: Moran Towing Corporation, Right of Entry, Market Street Terminal

Pursuant to the "Delegation to Executive Director: Consent, Approval, and Execution of License Agreements and Rights of Entry for a base term of 6 months or less," adopted by the PDA Board of Directors on May 10, 1994, and amended on April 20, 2018, the Division of Ports and Harbors (the "Division") received approval from Executive Director Paul Brean to enter into a Right of Entry ("ROE") agreement with Moran Towing Corporation ("Moran"), of 50 Locust Ave., New Canaan, CT 06840 for use of the facilities at the Market Street Terminal (the "Premises") for the purpose of docking four (4) towing vessels ("Tugs") subject to the following terms and conditions:

TERM: March 1, 2026 - March 31, 2026

PREMISES: Market Street Marine Terminal, 555 Market Street Portsmouth, NH

FEES:

Dockage:	\$30,000.00 (flat rate fee for the month of March) After March 31st, \$300 per Tug, per day (24-hr period or fraction thereof.)[1]
Security:	\$60 per hour for hours outside of normal business hours at the Market Street Terminal 0600-1600.

All other fees as applicable and outlined in the Market Street Terminal Schedule of Rates, Rules, and Regulations.

INSURANCE: Provide proof of minimum PDA insurance requirements as shown in the attached, Exhibit C.

[1] This agreed upon Dockage rate is lower than the rate published in the Division's Terminal Charges (which allows the Division to agree to different rates in a contract)

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive, Portsmouth NH 03801

SAMPLE MOTION (REVISED)

Director Ferrini:

The Pease Development Authority Board of Directors hereby moves that item numbers _________ from the Division of Ports and Harbors consent agenda list below be approved as a single consent agenda item, and that the proposed motions included for each be incorporated into such approval as the operative motion for each item.

1. Hampton Harbor Marine Facility – Right of Entry Transfer Smitty to Linda's Lobsters LLC * **(Semprini)**
2. Market Street Terminal 555 Market Street – Right of Entry – American Cruise Lines * **(Fournier)**
3. Granite State Minerals – Exercise Final One-Year Option to License and Operating Agreement * **(Conard)**
4. Final Proposed Mooring Permit and Mooring Waitlist Fee Schedule * **(Conard)**
5. Rye Harbor Marine Facility – Right of Entry Amendment and Transfer -Hidden Coast Shellfish LLC to Rye Seafood Company LLC * **(Parker)**
6. Hampton Harbor Marine Facility – Right of Entry Transfer from Gauron Fisheries Inc. dba Kayak Shack to Kym's Kayak Shack * **(Ferrini)**

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PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Semprini:

The Pease Development Authority Board of Directors hereby approves of and authorizes the assignment of the Right of Entry issued to Smitty's State Pier Lobster Pound for the retail sales building at the Hampton Harbor Marine facility to Linda's Lobsters LLC, to be used for retail sales of live lobsters; all in accordance with the memorandum of Richard Hartley, Director of Ports and Harbors, dated March 5, 2026; attached hereto.

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PEASE
INTERNATIONAL
PORTS AND HARBORS
555 Market Street, Suite 1 Portsmouth, NH 03801

TO: Pease Development Authority ("PDA"), Board of Directors

FROM: Richard Hartley, Director, Ports and Harbors R.C.Hartley

DATE: March 5, 2026

SUBJECT: Hampton Harbor Marine Facility, Right of Entry transfer Smitty's State Pier Lobster Pound to Linda's Lobsters, LLC.

The Division received a request from Todd Smith ("Smith"), of Smitty's State Pier Lobster Pound to transfer the Right of Entry (ROE) for the retail sales building located at the Hampton Harbor Marine Facility ("Marine Facility") to Denise Gilbride of Linda's Lobsters LLC ("Linda's").

The current ROE provides a location for the placement of a building at the Marine Facility to be used for retail sales of live lobster related to the ROE holder's commercial lobster business operations at the Marine Facility. Linda's has reviewed the existing Right of Entry (ROE) and has confirmed agreement with the terms and conditions, including obtaining a pier use permit. Additionally, Linda's understands that extensions for existing ROE's were approved at the December 16, 2025, PDA Board meeting and, if the transfer is approved, intends to submit a written request to extend the ROE through April 30, 2027. Attached is a map showing the location of the building at the Marine Facility.

The Division has reviewed the request, believes a transfer on the same terms and conditions is appropriate, and provided a report to the PDA Port Committee at their March 5, 2026, meeting to answer any questions the Committee may have. The Port Committee is recommending the transfer of the ROE. Therefore, the Division recommends that the PDA Board of Directors approve the transfer of the ROE from Smitty's to Linda's under the existing terms and conditions, including but not limited to:

Term: Upon approval - April 30, 2026, and for any requested extension of the current term approved by the PDA Board.

Fees: Commercial Pier - Use Permit, $12.00 per "length over all" of the vessel, fee subject to change per Pda 610.01(b), if applicable

Insurance: Minimum insurance coverage, as shown in attached Exhibit B

Additional Requirements: Entities and individuals issued a Right of Entry are subject to applicable Administrative Rules and Policies as promulgated by the Pease Development Authority.

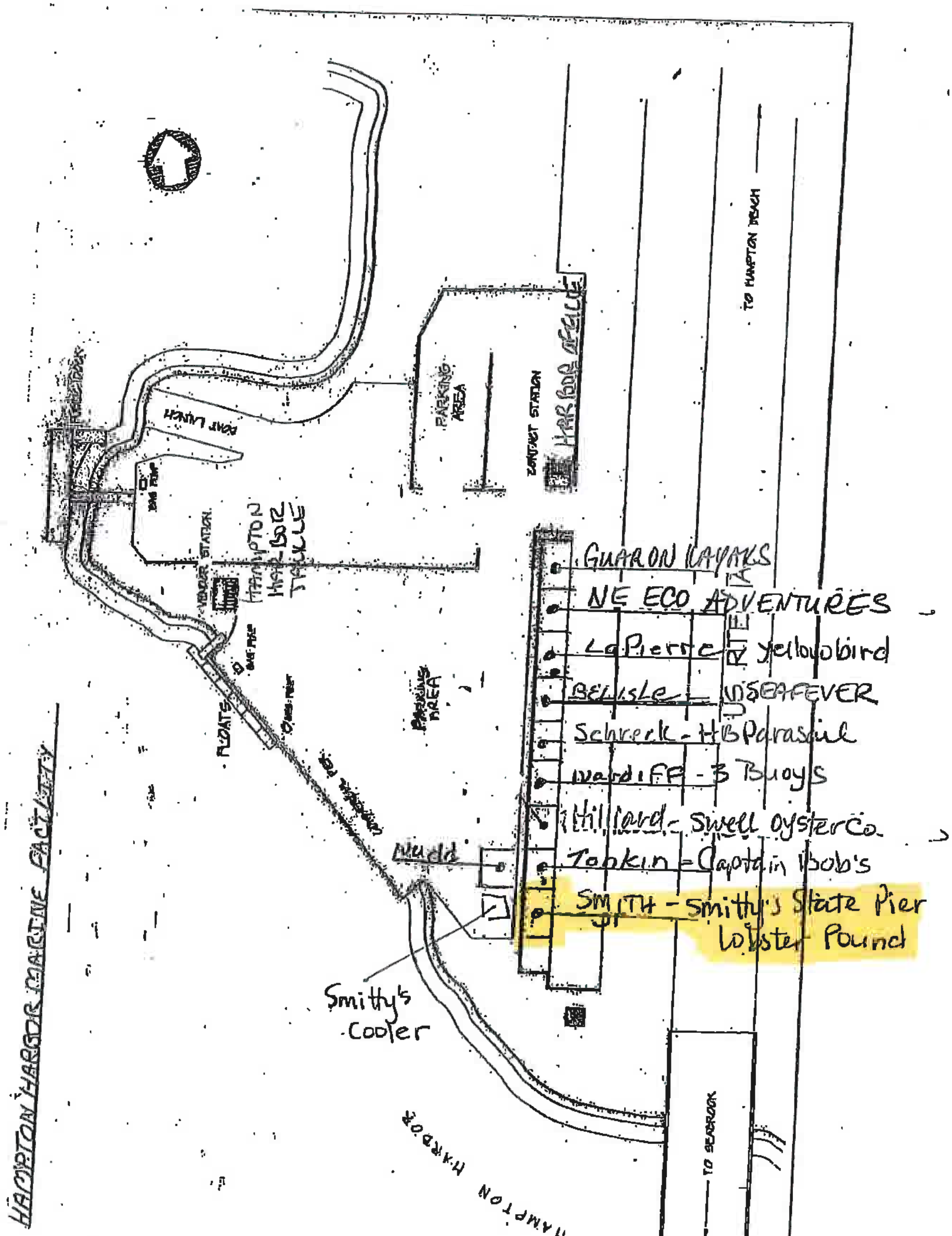
HAMPTON HARBOR MARINE FACILITY
BOAT LAUNCH
PARKING AREA
CONTACT STATION
HARBOR OFFICE
VENDOR STATION
HAMPTON HARBOR TACKLE
FLOATS
PARKING AREA
TO HAMPTON BEACH
TO SEABROOK
HAMPTON HARBOR
GUARON KAYAKS
NE ECO ADVENTURES
LaPierre - Yellowbird
Belisle - SEAFEVER
Schreck - HB Parasail
Wardiff - 3 Buoys
Hilliard - Swell Oyster Co.
Tobkin - Captain Bob's
SMITH - Smitty's State Pier Lobster Pound
Nudd
Smitty's Cooler

EXHIBIT B

MINIMUM INSURANCE REQUIREMENTS
RIGHT OF ENTRY HOLDERS, WITH AN ASSOCIATED BUILDING, OPERATING ON THE PROPERTY OF THE STATE OF NH, PEASE DEVELOPMENT AUTHORITY-DIVISION OF PORTS AND HARBORS (PDA-DPH)

All Right of Entry holders with an associated building are required to provide a Certificate of Insurance ("COI") 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. ROE holder shall ensure renewal certificates of insurance are on file with PDA-DPH prior to policy expiration dates. Failure to comply with the requirements set forth herein may cause a delay in opening for business on schedule or result in the immediate termination of this contract.

The following are the minimum requirements for insurance coverage:

1. **Commercial General Liability**: 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. **Automobile Liability**: $1,000,000.00 automobile liability coverage.

3. **Workers Compensation**: Coverage equal to minimum statutory levels as required by New Hampshire State law.

4. **Additional Insureds**: State of New Hampshire, Pease Development Authority, and Division of Ports and Harbors, must be named as additional insureds under all liability coverages

5. **Certificate Holder**:
   Pease Development Authority, Division of Ports of Harbors
   555 Market St.
   Portsmouth, NH 03801

6. **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.

7. **Waiver of Subrogation**: With the exception of workers compensation coverage, a statement that a waiver of subrogation is included with respect to applicable coverage

8. **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.

9. **Renewed COI's to be forwarded to additional insured prior to previous COI expiration date.**

For questions, please contact the Pease Development Authority Legal Department at **(603) 433-6348.**

PEASE
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DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Fournier:

The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a Right of Entry ("ROE") with American Cruise Lines for the purpose of docking its passenger cruise vessels at the Division of Ports and Harbors Market Street Terminal for the disembarking and embarking of its passengers for a period of five (5) years; all in accordance with a memorandum from Richard Hartley, Director of Ports and Harbors, dated February 23, 2026, attached hereto.

N:\RESOLVES\2026\DPH - American Cruise Lines ROE (3-17-2026).docx

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Date: February 23, 2026

To: Pease Development Authority (PDA), Board of Directors

From: Richard Hartley, Director, Ports and Harbors R. C. Hartley

Subject: American Cruise Line, Inc. Right of Entry, Market Street Terminal

American Cruise Lines ("ACL") first began bringing its cruise ships to the Market Street Terminal (the "Premises") in Portsmouth during the summer of 2024 pursuant to a Right of Entry ("ROE") provided for that season. Those visits were a success and ACL returned in 2025 pursuant to another ROE. The Division of Ports and Harbors (the "Division") has again received a request from ACL for a ROE for the purpose of docking its passenger vessels and disembarking and embarking passengers. After two successful seasons, the Division and ACL have discussed a 5-year term for the next ROE. The Division has reviewed the request and recommends approval for ACL use of the facilities at the Premises subject to the following conditions:

TERM: May 1, 2026, through October 31, 2030 (seasonal use each year, May – October)

PREMISES: Market Street Marine Terminal, 555 Market Street Portsmouth, NH

FEES: Current rates as published in the Division's Terminal Charges, which are subject to change during the term of the ROE, include, but are not limited, to:

Dockage:	\$5.00 per foot of vessel length overall (Subchapter T and Subchapter K)
Wharfage[1]:	\$10.00 per paying passenger in 2026 \$12.00 per paying passenger in 2027 and 2028 \$14.00 per paying passenger in 2029 and 2030
Security Lighting:	\$175.00 per night
Potable Water:	\$20.00 per 100 cubic feet, \$100.00 minimum per delivery
Gate Fee:	\$120.00 per entry

[continued on next page]

[1] This agreed upon Wharfage rate is lower than the rate published in the Division's Terminal Charges (which allows the Division to agree to different rates in a contract), and reflects reasonable increases over ACL's prior ROE agreements and its commitment to multiple visits each season over the next 5 years.

MINIMUM PAYMENT GUARANTEE:

ACL guarantees a minimum annual payment as follows:

2026 - $2,515.00
2027 - $2,775.00
2028 - $2,775.00
2029 - $3,035.00
2030 - $3,035.00

DATES: There are currently eight (8) confirmed dates in 2026. For subsequent years ACL will provide requested dates to the Division for consideration by November 15th of the year prior to the upcoming cruise season.

INSURANCE: Provide proof of minimum PDA insurance requirements as shown in the attached.

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

MINIMUM INSURANCE REQUIREMENTS
PASSENGER CRUISE VESSELS, RIGHT OF ENTRY HOLDERS
OPERATING AT THE MARKET ST MARINE TERMINAL, PORTSMOUTH, NH
PEASE DEVELOPMENT AUTHORITY-DIVISION OF PORTS AND HARBORS (PDA-DPH)

All Passenger Cruise Vessel Right of Entry holders are required to provide a Certificate of Insurance ("COI") 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. ***ROE holder shall ensure renewal certificates of insurance are on file with PDA-DPH prior to policy expiration dates.*** Failure to comply with the requirements set forth herein may cause a delay in access to the Market St. Marine Terminal or result in the immediate termination of this contract.

The following are the minimum requirements for insurance coverage:

1. **Commercial General Liability:** 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. **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.

3. **Dockside liability endorsement:** Covering piers, gangways, and docks

4. **Automobile Liability:** $1,000,000.00 automobile liability coverage.

5. **Workers Compensation:** Coverage equal to minimum statutory levels as required by New Hampshire State law.

6. **Additional Insureds:** State of New Hampshire, Pease Development Authority, and Division of Ports and Harbors, must be named as additional insureds under all liability coverages

7. **Certificate Holder:**
   Pease Development Authority, Division of Ports of Harbors
   555 Market St.
   Portsmouth, NH 03801

8. **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.

9. **Waiver of Subrogation:** With the exception of workers compensation coverage, a statement that a waiver of subrogation is included with respect to applicable coverage

10. **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.

11. **Renewed COI's to be forwarded to additional insured prior to previous COI expiration date.**

For questions, please contact the Pease Development Authority Legal Department at (603) 433-6348.

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Conard:

The Pease Development Authority ("PDA") Board of Directors hereby approves Granite State Minerals, Inc.'s request to exercise the third and final one-year option to extend its License and Operating Agreement, for use of a portion of the Market Street Terminal; all in accordance with the memorandum of Richard Hartley, Director of the Division of Ports and Harbors, dated February 3, 2026; attached hereto.

N:\RESOLVES\2026\DPH - Granite State Minerals Exercise Final Option (3-17-26).docx

PEASE
INTERNATIONAL
PORTS AND HARBORS
555 Market Street, Suite 1 Portsmouth, NH 03801

Date: February 3, 2026

To: Pease Development Authority ("PDA"), Board of Directors

From: Richard Hartley, Director Ports and Harbors R.C. Hartley

Subject: Granite State Minerals Inc. License Agreement Extension

In accordance with Article 3 of the License and Operating Agreement ("LOA") dated November 1, 2022, between Pease Development Authority-Division of Ports and Harbors (the "Division") and Granite State Minerals, Inc. ("GSM"), GSM submitted a request to exercise its third and final renewal option for the use of three (3) acres at the Market Street Marine Terminal (the "Terminal"). GSM uses its 3 acres of the Terminal for storage of imported road de-icing salt. Additionally, GSM is requesting continued use of the Main Wharf to dock ships for discharging road salt and for use of the truck scale for weighing trucks transporting road salt from the terminal. If approved, the third option term will be from May 1, 2026 to April 30, 2027.

The Division has reviewed the request and recommends that the PDA Board of Directors approve the extension of the LOA for the third option term.

ph 603-436-8500 fax: 603-436-2780 www.peasedev.org

OFFICE:
134 Middle Street, Suite 210
Lowell, MA 01852
Phone: 978 ▪ 251-8553
Fax: 978 ▪ 251-8244

PLANT:
227 Market Street
Portsmouth, NH 03801
Phone: 603 ▪ 436-8505
Fax: 603 ▪ 436-2458

Granite State Minerals, Inc.

January 28, 2026

Mr. Richard Hartley, Division Director
Pease International Development Authority
55 International Drive
Portsmouth, NH 03801

Dear Richard,

Granite State Minerals, Inc. is notifying you that we would like to exercise our third option to renew our lease for an additional one (1) year term to extend through April 30, 2027. All terms and conditions are to remain the same.

Best regards,

Shelagh E. Mahoney

Shelagh E. Mahoney
President

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION (REVISED)

Director Conard:

The Pease Development Authority (PDA) Board of Directors hereby approves and adopts the Final Proposed Amendments to the Schedule of Mooring Permit and Mooring Permit Waitlist Fees, pursuant to Pda 512 of Chapter Pda 500, "Schedule of Fees, Moorings and Waitlists", of the NH Code of Administrative Rules to be effective April 1, 2026; all in accordance with the memorandum of Richard Hartley, Director Ports and Harbor, dated February 23, 2026, attached hereto.

N:\RESOLVES\2026\DPH - Adoption of Mooring and Waitlist Fees (3-17-2026).docx

ph: 603-433-6088 fax: 603-427-0433 www.peasedev.org

PEASE
INTERNATIONAL
PORTS AND HARBORS
555 Market Street, Suite 1 Portsmouth, NH 03801

Date:	February 23, 2026
To:	Pease Development Authority ("PDA") Board of Directors
From:	Richard Hartley, Director, Ports and Harbors
Subject:	Final Proposed Schedule of Mooring Permit and Mooring Permit Waitlist Fees

The PDA Board of Directors was presented with the Initial Proposed Schedule of Mooring Permit and Mooring Waitlist Fees (the "Initial Proposed Schedule") at its December 16, 2025, meeting. The Board approved the Initial Proposed Schedule at that time.

After the approval, the Division of Ports and Harbors (the "Division") published a notice of a public comment period in a statewide newspaper of general circulation. The notice was also posted on the PDA website, at the Division's three (3) marine facilities and the Market Street Marine Terminal office, and at several municipalities located along the tidal waters of the State. The public comment period opened on January 20, 2026, and remained open through February 20, 2026. In addition, a public hearing was held at the Division's office on February 11, 2026. No verbal public comment was provided at the hearing.

During the public comment period, three (3) written comments were received. A summary of the comments is enclosed for the Board's review. The written comments were presented to the Port Advisory Council at its February 11, 2026, meeting. The Council made no recommendation to adjust the Initial Proposed Schedule. Division staff also reviewed the written public comments and did not recommend any changes to the Initial Proposed fees. There were no further written comments received between February 11 and February 20.

The Final Schedule of Mooring and Waitlist Fees does include one minor editorial revision from the Initial Proposed Schedule. Specifically, a category of mooring permits — Commercial Use for Water Dependent Business — was inadvertently omitted and has now been included.

Accordingly, the Division recommends that the PDA Board of Directors adopt the Final Schedule of Mooring and Waitlist Fees, as attached. and establish an effective date of April 1, 2026.

PEASE DEVELOPMENT AUTHORITY – DIVISION OF PORTS AND HARBORS

FINAL PROPOSED MOORING PERMIT and MOORING WAITLIST APPLICATION FEES

(Applicable to Initial Applications and Reapplications)

proposed to become effective April 1, 2026

Fee Name	Current Fee	Proposed Fee 2026	Current annual revenue	Additional Revenue	Notes
Initial Mooring Permit Application Fee	$50.00	**No change**	No change	No change	
General Use Mooring Permit	$12.00 per foot x Length overall *$200 minimum	**$15.00 per foot x Length overall *$250 minimum**	$461,764 – all mooring Types included	$577,205 total **$115,441 increase**	Same as pier use
Shorefront Property Owner Mooring Permit	$12.00 per foot x Length overall *$200 minimum	**$15.00 per foot x Length overall *$250 minimum**	Included in general use mooring permit	Included in general use mooring permit	
Commercial Use Mooring Permit	$12.00 per foot x Length overall *$200 minimum	**$15.00 per foot x Length overall *$250 minimum**	Included in general use mooring permit	Included in general use mooring permit	Based upon the Maximum size Vessel allowed on mooring
Commercial Use for Water Dependent Business	$12.00 per foot x Length overall *$200 minimum	**$15.00 per foot x Length overall *$250 minimum**	Included in general use mooring permit	Included in general use mooring permit	Based upon the Maximum size Vessel allowed on

					mooring
Commercial Mooring for Hire Mooring Permit	$12.00 per foot x Length overall *$200 minimum	**$15.00 per foot x Length overall *$250 minimum**	Included in general use mooring permit	Included in general use mooring permit	Based upon the Maximum size Vessel allowed on mooring
Mooring Permit Reapplication Late Fee	$50.00 flat fee per Mooring permit Reapplication to be Paid in addition to Applicable mooring Permit fee	**N/A**	N/A	N/A	
New Mooring Wait List Application	$10.00 fee per mooring field or mooring subfield applied for	**$12.00 fee per mooring field or mooring subfield applied for**	Included in mooring fees	Included in mooring fees	
Mooring Wait List Renewal Application	$10.00 fee per mooring field or mooring subfield applied for	**$12.00 fee per mooring field or mooring subfield applied for**	Included in mooring fees	Included in mooring fees	
Mooring Wait List Renewal Late Fee	$10.00 fee per mooring field or mooring subfield applied for (to be paid in addition the applicable wait list renewal application fee)	**$12.00 fee per mooring field or mooring subfield applied for (to be paid in addition to the applicable wait list renewal application fee)**	Included in mooring fees	Included in mooring fees	

Summary of written comments provided to Division of Ports and Harbors relative to the Initial Proposed Schedule of Mooring Permits and Mooring Permit Waitlists Fees for the public comment period, January 20, 2026- February 20, 2026

Comment 1-Received January 28, 2026 from Bob Stevens

I am opposed to any increase in mooring fees based on the fact that other than administer positions on the list and mooring assignments , PDA does not have any increased work other than updating spreadsheets. Current mooring fees are too high as it is.

Comment 2-Received February 3, 2026 from Sandra

This fee increase of 20% is outrageous when the cost of living is only increasing by 2.5%. This needs to get in line with other gov increases!

Comment 3-Received February 6, 2026 from Damon Frampton

Although I understand the proposed mooring fees and the reasons behind them I struggle with being in favor of the increase. From my understanding the fee increases is to cover the cost of doing business, increase wages, increase efficiency and buy a boat. Also if I understand correctly, 1 long time employee has retired and another about too. Also from my conversations these 2 employees positions will not be replaced. I know the new administration wants to streamline the mooring process and go to electronic fees and sign ups. Is this in place? If not, is there a timeline? If not in place and bugs not worked out and people miss the March 1 deadline will there be a grace period for people to get up to speed...I have experienced this myself last 2 years with getting new boat registrations and lobster licenses. As for the cost of new anything, never mind boats has every avenue been explored to attain a boat that can do what is needed? Lease? rent? I do understand municipal budgets as i was on New Castle's Budget Committee for 14 years.. My comment is that we always looked at ways to save money, not spend it. I do understand coming up with the times and not being left behind and im sure the increase have been studied. In the end, I am not in favor of the increases.

PEASE
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AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Parker:

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

1. Assignment of the Right of Entry issued to Hidden Coast Shellfish Company LLC to Rye Seafood Company LLC for placement of its building at the Rye Harbor Marine Facility; and

2. Amendment of the allowed uses of the Right of Entry to permit the sale of fresh shellfish.

All in accordance with the memorandum of Richard Hartley, Director of Ports and Harbors, dated March 3, 2026; attached hereto.

N:\RESOLVES\2026\DPH – Hidden Coast Shellfish Company, LLC to Rye Seafood Company, LLC ROE Transfer & Sale of Fresh Shellfish & Fresh Fish (3-17-2026).docx

PEASE
INTERNATIONAL
PORTS AND HARBORS
555 Market Street, Suite 1 Portsmouth, NH 03801

TO: Pease Development Authority ("PDA"), Board of Directors (the "Board")

FROM: Richard Hartley, Director Ports and Harbors R. Hartley

DATE: March 3, 2026

SUBJECT: Rye Harbor Marine Facility, Right of Entry, Hidden Coast Shellfish Company LLC to Rye Seafood Company LLC

At the January 13, 2026, PDA Board meeting, the Board approved a Right of Entry ("ROE") transfer from Vintage Fish Co. LLC to Hidden Coast Shellfish LLC ("Hidden Coast"). Following that approval, the Division of Ports and Harbors ("the Division") identified an error in the original memo when the ROE extension was prepared for execution.

Hidden Coast had requested authorization to sell fresh shellfish and fresh fish; however, the request presented to the Board referenced only oysters and fresh fish. To correct this oversight, the Division is requesting that the ROE be amended to authorize the sale of fresh shellfish. Hidden Coast intends to source its shellfish locally.

In addition, Hidden Coast has subsequently requested approval to change the operating entity name for its Rye location. The owners have formed a new New Hampshire limited liability company, Rye Seafood Company, LLC which will operate the business.

Division staff have reviewed these requests and recommend that the PDA Board of Directors authorize an assignment of the ROE to Rye Seafood Company LLC and approve the following amendment to the ROE (in bold):

PURPOSE OF ROE: To provide a location for the placement of the Building at the Marine Facility to be used for the sale of fresh fish and **fresh shellfish** directly related to the ROE holder's business operations at the Marine Facility.

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AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Ferrini:

The Pease Development Authority Board of Directors hereby approves of and authorizes the assignment of the Right of Entry issued to Gauron Fisheries Inc., dba The Kayak Shack to Kym's Kayak Shack, LLC for placement of its building at the Hampton Harbor Marine Facility, all in accordance with the memorandum of Richard Hartley, Director of Ports and Harbors, dated March 3, 2026; attached hereto.

N:\RESOLVES\2026\DPH – Gauron's Kayak Shack to Kym's Kayak Shack ROE Transfer (3-17-2026).docx

PEASE
INTERNATIONAL
PORTS AND HARBORS
555 Market Street, Suite 1 Portsmouth, NH 03801

TO: Pease Development Authority ("PDA"), Board of Directors

FROM: Richard Hartley, Director Ports and Harbors R.C. Hartley

DATE: March 3, 2026

SUBJECT: Hampton Harbor Marine Facility, Right of Entry transfer Gauron's Kayak Shack to Kym's Kayak Shack

The Division received a request from Gauron Fisheries Inc., dba The Kayak Shack ("Gauron"), which operates a kayak rental business pursuant to a Right of Entry ("ROE") at the Hampton Harbor Marine Facility ("Marine Facility"), to transfer its ROE to Kym's Kayak Shack LLC ("Kym's") owned by Kimberly Barrone. Gauron is selling, and Kym's is purchasing, the entire kayak rental business. Kym's is registered with the New Hampshire Secretary of State.

The ROE provides a location for the placement of a building at the Marine Facility to be used for Kayak Rentals & Tours, parking, and to provide a location for the placement of a building at the Marine Facility to be used in association with the kayak rental operations. Kym's has reviewed Gauron's existing Right of Entry (ROE), attached hereto, and has confirmed agreement with the current terms and conditions. Additionally, Kym's understands that any extension of the ROE is at the discretion of the PDA Board, and there is no guarantee or assurance that the ROE will be extended beyond April 30, 2027. The location of the building is shown in the attached ROE, Exhibit A.

The Division has reviewed the request and recommends that the PDA Board of Directors approve the transfer of the ROE from Gauron's to Kym's under the existing terms and conditions, including but not limited to:

Term: Upon approval - April 30, 2026. And the subsequent one-year extension, May 1, 2026, through April 30, 2027.

Fees: $12.00 per "length over all" of the vessel Commercial Pier-Use Permit, fee subject to change per Pda 610.01(b), with a minimum fee of $200.00.

Insurance: Minimum insurance coverage, outlined in the attached Right of Entry as Exhibit B

Additional Requirements: Entities and individuals issued a Right of Entry are subject to applicable Administrative Rules and Policies as promulgated by the Pease Development Authority.

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 55 International Drive, Portsmouth, NH 03801, under the authority set forth in NH RSA 12-G, grants a Right of Entry ("ROE") to **Gauron Fisheries, Inc. dba The Kayak Shack ("Kayak Shack"), 1 Ocean Blvd., Hampton, NH 03842** to use designated property of the State of New Hampshire, at the **Hampton Harbor Marine Facility, 1 Ocean Blvd. Hampton, NH** (the "**Marine Facility**") solely pursuant to the terms of this ROE and for the following purposes, and for no other uses unless expressly authorized in writing.

This ROE is given subject to the following conditions:

PREMISES:	An area of land located within the Marine Facility, as shown in the location map attached as **Exhibit A**, which is incorporated herein by reference, for the placement of a 21 x 21 foot +/- wooden frame, single-story building (**"Building"**) owned by Kayak Shack (**"Premises"**).
PURPOSE OF ROE:	To provide a location for the placement of the Building at the Marine Facility to be used for kayak rentals directly related to the ROE holder's business operations at the Marine Facility; no other use of the Premises is permitted.
PERIOD OF USE:	Period 1-July 1, 2023-April 30, 2024 Period 2-May 1, 2024-April 30, 2025
CUSTOMER PARKING FEE:	Period 1-$5.00 per vehicle Period 2-$5.00 per vehicle, subject to change per paragraph 4
ROE FEE:	Period 1-$1,000.00 Period 2-$1,250.00

1. PDA-DPH grants **Kayak Shack** the right and privilege to place and maintain the Building on the Premises. Improvements or alterations to the interior or exterior of the Building are subject to the advance approval of PDA-DPH. **Kayak Shack** shall ensure the Building is properly secured to the Premises and shall maintain the exterior and interior of the Building to ensure it is neat and attractive in appearance to the public, and agrees to periodically apply fresh coats of paint or stain, and take such other measures as may be required to meet this requirement, subject to the approval of PDA-DPH.

2. The term of this ROE shall be as set forth above as Period of Use. Requests for renewal shall be submitted to the DPH Director in writing no less than ninety (90) days prior to the expiration of Period 2.

3. **Kayak Shack** customers shall have nonexclusive use of parking spaces situated at the Marine Facility parking lot, subject to PDA-DPH established parking fees as may be amended over time by the PDA-DPH. **Kayak Shack** shall work cooperatively with PDA-DPH to ensure its customers abide by all traffic and parking requirements at the Marine Facility.

4. **Kayak Shack** employees and agents shall have nonexclusive use of parking spaces situated at the Marine Facility parking lot. Notwithstanding the foregoing, **Kayak Shack** shall be provided with employee seasonal parking passes in accordance with the provisions of Pda 604.03 or as agreed upon in any other lawful agreement made with PDA-DPH. **Kayak Shack** agrees to require all of its employees and agents to park in the area designated by PDA-DPH as "Employee Parking," and further understands and agrees that any violation of this clause may result in the revocation of the employee's driving and parking privileges within the facility, as well as termination of this ROE.

5. **Kayak Shack** agrees that its owners, employees, and agents, who are the owner or custodian of any animal, while at the Marine Facility, or within any building subject to any ROE where PDA-DPH is a party, shall at all times have said animal on a standard or retractable leash not greater than six (6) feet in length and shall promptly and properly dispose of any waste the animal excretes or garbage it causes to be scattered on the property.

6. **Kayak Shack** is required to use the Marine Facility Pier in connection with its ROE operation, unless excused from such requirement in writing by PDA-DPH at its sole discretion, and as such shall obtain a separate Pier Use Permit which shall grant nonexclusive access to the Marine Facility pier, in accordance with N.H. Administrative Rules Part Pda 600.

7. **Kayak Shack** shall obtain all necessary permits and licenses that are required to engage in its operations under this ROE and provide copies of them to PDA-DPH at the time of execution of this document. Required documents may include, but are not limited to, Pier Use Permit, Captains License(s), NH Fish and Game Fishing and/or Charter licenses, NH Department of Environmental Services permits, and NH Secretary of State Registration paperwork.

8. The scheduling of any/all departures and arrivals at the Premises and the Marine Facility in connection with any activity allowed under this ROE shall not interfere with the scheduled use of common areas or adjoining areas by other entities which actively conduct business at the Marine Facility and have previously been issued a permit or ROE(s) by PDA-DPH.

9. **Kayak Shack** may utilize the area in front of the Building for loading and unloading. Any loading and unloading shall not unreasonably interfere with the scheduled use of common areas or adjoining areas by other entities which actively conduct business at the Marine Facility and have previously been issued a permit or ROE(s) by PDA-DPH. Final decisions regarding delivery times are determined by PDA-DPH.

10. The Rental Fee for the Premises is due and shall be paid in full on or before July 1st each year of the term of this ROE. The rental fee shall be made payable to PDA-DPH and forwarded to PDA, 55 International Drive, Portsmouth, NH 03801. Written notification of any fee and rate increases will be provided to current ROE holders on or before February 1st of any given year during the term of the ROE and will become part of this ROE and effective on April 1st of that year.

11. **Kayak Shack** shall obtain advance approval from the PDA-DPH for all signs and advertisements posted on the Premises. In all cases the decision of PDA-DPH on whether to approve the sign or advertisement shall be in its sole discretion and shall be final.

12. In order to guarantee the high quality of services and merchandise provided to the public from the Premises, any PDA-DPH questions relating to policies, prices, quality, cleanliness and services must be settled to the satisfaction of PDA-DPH. In making its decisions, PDA-DPH will be aided by members of its staff and such other officials of the State of New Hampshire as may be deemed appropriate and necessary.

13. All utilities to serve the Premises and the Building shall be at the sole responsibility and cost of **Kayak Shack**.

14. **Kayak Shack** shall be responsible for regular and routine cleaning of all areas of the Premises, the Building, and equipment where merchandise is stored, prepared or sold. **Kayak Shack** shall be responsible for grounds pickup on the Premises and in common areas which are used by **Kayak Shack**'s customers. All areas of the Premises, including but not limited to areas behind the Building, shall be maintained in a neat and orderly manner. Cleaning within this ROE shall include the picking up of all waste material and the routine cleaning of equipment, walls, floors, windows, fixtures, draperies, blinds, and garbage containers. The term "routine cleaning" shall imply all of the provisions associated with good housekeeping, including supplying materials and supplies that may be necessary to perform this service. **Kayak Shack** shall be responsible for maintaining high standards of sanitation in accordance with the rules and regulations promulgated by the NH Department of Health and Human Services, Bureau of Food Protection, PDA-DPH, or any other governmental agency having jurisdiction over such matters. **Kayak Shack** shall be responsible for promptly and regularly picking up garbage and rubbish generated by its operations or customers and depositing same at a location at the Marine Facility designated by PDA-DPH.

15. **Kayak Shack** agrees to defend and indemnify the State of New Hampshire and PDA-DPH 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 the Building structure or improvements thereon for which **Kayak Shack** has taken possession of hereunder;

    B. From any breach or default of any obligation on the part of **Kayak Shack** to be performed pursuant to the terms of this ROE or from any act or omission of **Kayak Shack** 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 Marine Facility areas (including but not limited to piers, docks, gangways, building, 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.

16. On or before the effective date of this ROE, **Kayak Shack** and any agent, contractor, or vendor of **Kayak Shack** shall provide PDA-DPH with proof of required insurance coverage as outlined in **Exhibit B**. These are minimum insurance requirements designed to protect the interests of PDA-DPH and the State of NH. Replacement costs of **Kayak Shacks** building and contents may not be

protected under these terms. **Kayak Shack** should consult with its insurance provider to ensure its individual insurance needs are met.

17. 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 and PDA-DPH is reserved 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.492:8 as the same may be amended.

18. **Kayak Shack** may terminate this ROE by giving PDA-DPH thirty (30) days' advanced written notice. In the event of such termination, **Kayak Shack** shall remove the Building and all its possessions from the Premises prior to the expiration of the thirty (30) days' notice. The provisions of paragraph 15 shall survive termination.

19. PDA-DPH may terminate this ROE by giving **Kayak Shack** thirty (30) days advanced written notice of termination in the event of the failure of **Kayak Shack**'s to perform, keep or observe any of the provisions of this ROE and the failure of **Kayak Shack** to correct the default or breach within the time specified by PDA-DPH. In the event of such termination, **Kayak Shack** shall remove the Building and all its possessions from the Premises prior to the expiration of the thirty (30) days' notice.

20. This ROE may be terminated immediately by PDA-DPH in the event **Kayak Shack** 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. In the event of such termination, **Kayak Shack** shall remove the Building and all its possessions from the Premises immediately. The provisions of paragraph 15 shall survive termination.

21. In the performance of this ROE, **Kayak Shack** 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 **Kayak Shack** or any of its officers, employees, agents, or members resulting in either personal or property damage to any individual, firm or corporation. Neither **Kayak Shack** 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. **Kayak Shack** 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 **Kayak Shack** from others from any cause whatsoever, while they are located on state property either during the operating period or while in storage.

22. In connection with the performance of this contract, **Kayak Shack** 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 **Kayak Shack** and to procure and maintain 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, Federal and/or State Aquaculture Permit, Wholesale Marine Species License, Wetlands Board, Marine Safety, Captains License(s), applicable NH Fish and Game Fishing and/or Charter licenses, and NH Secretary of State Registration paperwork.

23. **Kayak Shack** shall be familiar with and follow Administrative Rules Pda CHAPTER 600. The Rules are available from PDA-DPH upon request or can be viewed on the Division's web site, **www.portofnh.org.**

24. In accordance with Administrative Rule Pda 603.11 (a), **Kayak Shack** acknowledges that camping or sleeping on state-owned commercial piers and associated facilities is prohibited.

25. In accordance with Administrative Rule Pda 603.11 (b), **Kayak Shack** 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.

26. The sale of ready to eat, restaurant style food items is not permitted under this ROE; a separate Concession Agreement is required for the sale of such items from or on the Premises. Ready to eat, restaurant style food items shall include, but not be limited to, sandwiches, wraps, burgers, hotdogs, soups & chowders, salads, prepared seafood, and such other edible/consumable items sold in conjunction therewith, The determination of what constitutes such food items is in the sole discretion of the PDA-DPH, which determination shall be final.

27. **Kayak Shack** 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.

28. Meetings shall be held when deemed necessary by PDA-DPH at a place and time to be agreed upon mutually by PDA-DPH and **Kayak Shack** for the purpose of discussing current operational issues, presentation of official requests for changes in schedules, process, portions, products or policies, and other pertinent business which may arise. The PDA-DPH will be represented at these meetings by the Director of the DPH or his authorized representative(s) and such subordinate supervisory personnel fully acquainted with field operations as he/she shall designate. **Kayak Shack** shall be represented, at a minimum, by one (1) officer/member of the company.

29. In the event the Premises, the Building, or any part thereof shall be destroyed by fire or unavoidable casualty so that the same shall be thereby rendered unfit for use and habitation, then, and in such case, that portion of **Kayak Shack's** operation shall be suspended or abated until and if said Premises, Building, or any party thereof shall have been placed in proper condition for use by **Kayak Shack**. PDA-DPH may terminate this contract in the event **Kayak Shack** fails to repair or replace the Premises or Building within ninety (90) days of a fire or casualty. In the event of such termination, **Kayak Shack** shall remain responsible for the costs of any repair or removal undertaken by PDA-DPH.

30. The Building and any equipment thereof which are the property of **Kayak Shack** shall remain the property of **Kayak Shack** and, upon termination of this ROE by lapse of time or otherwise, **Kayak Shack** shall promptly remove same from the Premises. Upon the termination of this ROE, **Kayak Shack** may offer for sale to PDA-DPH, at fair market value, any and all buildings and equipment owned by **Kayak Shack.**

31. This ROE may not be assigned or transferred without the express written approval of the PDA-DPH. Consistent therewith, sale of the Building to another party does not guarantee that party will receive a Right of Entry for the Premises.

32. **Kayak Shack** shall allow PDA-DPH, or such person as may be designated by PDA-DPH, access to the Premises and Building at all reasonable hours for the purpose of examining and inspecting said Premises and Building, or for any other purpose as may be required by this ROE. Except in the event of an emergency, PDA-DPH agrees that such access will not unduly affect the operations of **Kayak Shack**'s business.

33. **Kayak Shack** may not self-fuel any boat used in connection with this ROE on the Premises or within the Premises. **Kayak Shack** will be allowed to purchase fuel from an approved vendor (diesel only) or from the fuel service available at the Premises (diesel or gasoline). To purchase diesel fuel from an approved vendor, the vessel owner must have a fuel variance approved by the Office of the NH State Fire Marshall in accordance with Information Bulletin #2015-07, as may be amended from time to time.

34. To the extent applicable, **Kayak Shack** 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. **Kayak Shack** 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 **Kayak Shack** shares a larger parcel of land with lessees or other ROE holders, it shall be obligated to pay only its pro rata share of any such taxes. Failure of **Kayak Shack** to pay its duly assessed personal and real estate taxes when due, shall be cause to terminate this ROE by PDA-DPH. **Kayak Shack** shall, in addition, reimburse PDA-DPH for any taxes paid by it pursuant to RSA 72:23 I as a result of **Kayak Shack's** failure to pay said taxes.

35. This ROE has been entered into in the State of New Hampshire and shall be interpreted under New Hampshire law.

36. This ROE 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.

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PEASE DEVELOPMENT AUTHORITY
DIVISION OF PORTS AND HARBORS

Date: 6/23/23

Witness
Raeline A. O'Neil

Paul E. Brean, Executive Director, PDA

Gauron Fisheries, Inc. dba The Kayak Shack

Date: 6/15/2023

Witness Signature

Angel Eaton

Witness Printed Name

Authorized Signature

Denise Gauron

Printed Name/Title President

EXHIBIT A

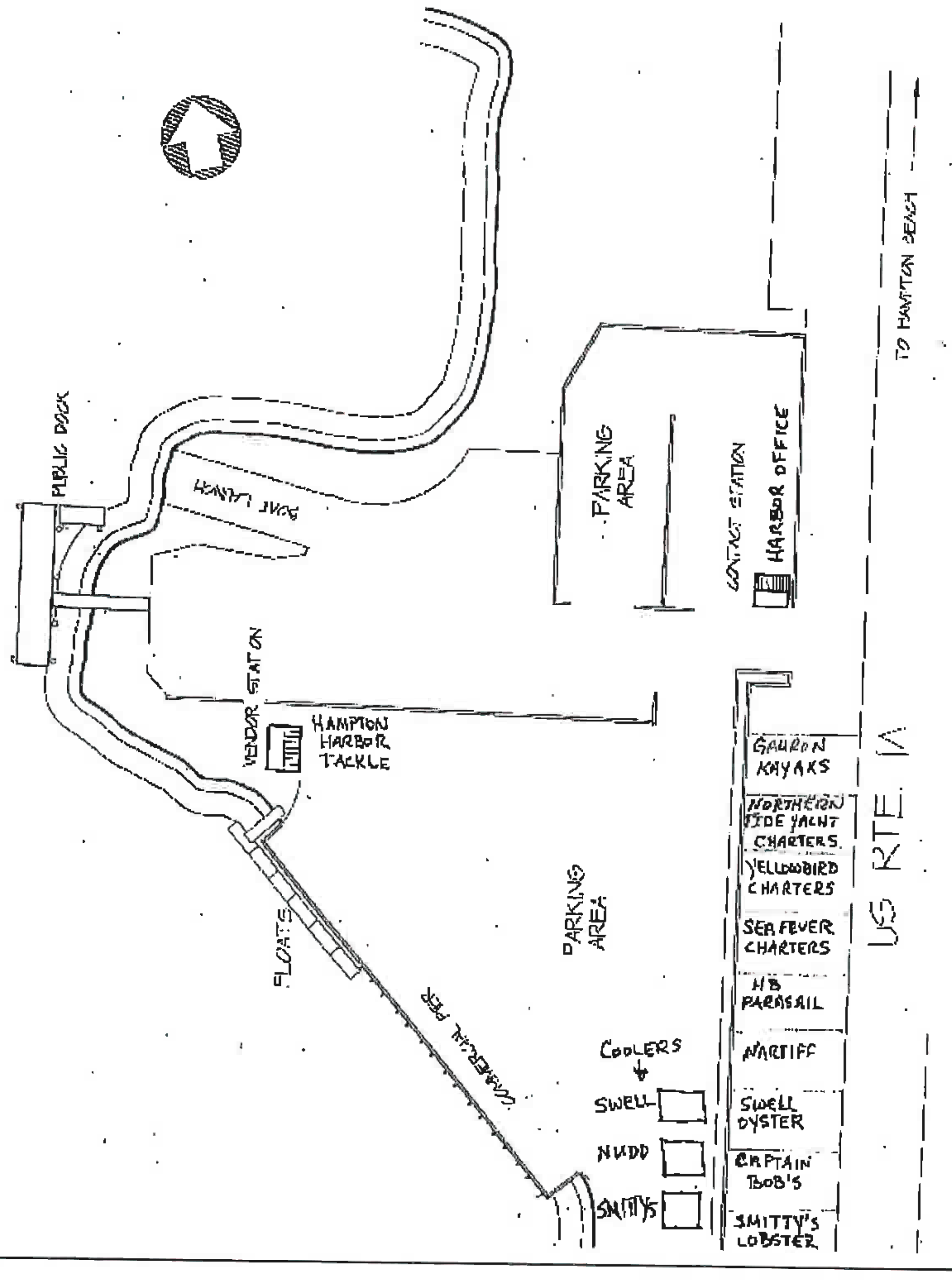
PUBLIC DOCK
BOAT LAUNCH
PARKING AREA
CONTACT STATION
HARBOR OFFICE
TO HAMPTON BEACH
VENDOR STATION
HAMPTON HARBOR TACKLE
FLOATS
PARKING AREA
COOLERS
SWELL
NUDD
SMITTYS
GAURON KAYAKS
NORTHERN TIDE YACHT CHARTERS
YELLOWBIRD CHARTERS
SEA FEVER CHARTERS
HB PARASAIL
SWELL OYSTER
CAPTAIN BOB'S
SMITTY'S LOBSTER
US RTE 1A

EXHIBIT B

MINIMUM INSURANCE REQUIREMENTS
RIGHT OF ENTRY HOLDERS, WITH AN ASSOCIATED BUILDING, OPERATING ON THE PROPERTY OF THE STATE OF NH, PEASE DEVELOPMENT AUTHORITY-DIVISION OF PORTS AND HARBORS (PDA-DPH)

All Right of Entry holders with an associated building are required to provide a Certificate of Insurance ("COI") 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. ROE holder shall ensure renewal certificates of insurance are on file with PDA-DPH prior to policy expiration dates. Failure to comply with the requirements set forth herein may cause a delay in opening for business on schedule or result in the immediate termination of this contract.

The following are the minimum requirements for insurance coverage:

1. **Commercial General Liability**: 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. **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.

3. **Dockside liability endorsement**: Covering piers, gangways, and docks

4. **Automobile Liability**: One (1) million dollars automobile liability coverage.

5. **Workers Compensation**: Coverage equal to minimum statutory levels as required by New Hampshire State law.

6. **Additional Insureds**: State of New Hampshire, Pease Development Authority, and Division of Ports and Harbors, must be named as additional insureds under all liability coverages

7. **Certificate Holder:**
   Pease Development Authority, Division of Ports of Harbors
   555 Market St.
   Portsmouth, NH 03801

8. **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.

9. **Waiver of Subrogation**: With the exception of workers compensation coverage, a statement that a waiver of subrogation is included with respect to applicable coverage

10. **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.

11. **Renewed COI's to be forwarded to additional insured prior to previous COI expiration date.**

For questions, please contact the Pease Development Authority Legal Department at **(603) 433-6348.**

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

SAMPLE MOTION

Director Parker:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director, on behalf of the Division of Ports and Harbors ("DPH"), to:

1. Accept a FEMA / Homeland Security - Port Security Grant Program award in the amount of $117,812.00 for the procurement of a security camera system at the Market Street Terminal and to utilize DPH matching funds in the amount of $39,271.00 for this procurement and installation; and

2. Negotiate a contract with Motorola Solutions for the procurement and installation of a security camera system submitted with the PSGP grant in an amount not to exceed $157,083.00.

In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement as Motorola Solutions was the provider of the proposed security system configuration which was reviewed and approved by FEMA / Homeland Security in its grant award.

All in accordance with the memorandum of Richard Hartley, Director Ports and Harbors, dated February 9, 2026, attached hereto.

NOTE: ROLL CALL VOTE REQUIRED.
This motion requires 5 affirmative votes.

PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

To:	Pease Development Authority (PDA), Board of Directors
From:	Richard Hartley, Director, Ports and Harbors
Date:	February 9, 2026
Subject:	Division of Ports and Harbors Security Camera System Procurement Waiver

This memorandum is intended to provide background and justification for a request to waive the competitive bid process for the procurement and installation of a new camera system and twelve (12) cameras funded through a recently awarded Port Security Grant Program ("PSGP") for the Market Street Terminal and Piscataqua River facility. The waiver would allow the Division of Ports and Harbors to use a single-source supplier and installer consistent with the grant application submitted and approved by FEMA/Homeland Security.

As a self-funded entity, the Division of Ports and Harbors ("DPH") relies heavily on external grant funding to make critical improvements to port facilities and infrastructure. The PSGP is one such funding source and is well known for its rigorous application, review, and post-award compliance requirements. Grant applications require a high level of detail, including the identification of specific equipment components, model numbers, quantities, and per-unit pricing for the proposed system.

In preparation for the PSGP application, prior to the Notice of Funding Opportunity ("NOFO") being released, staff met with representatives from Motorola Solutions, a company that provides surveillance and security systems to numerous municipal, state, and federal agencies. Following a product demonstration and technical discussions, it became clear that Motorola's system would both integrate with existing infrastructure and replace outdated components, resulting in a robust and interoperable camera system. Many regional partners currently use our present systems and will use the new system as well. These partners include the Portsmouth Naval Shipyard, U.S. Coast Guard, Portsmouth Pilots, New Hampshire Fish and Game, and New Hampshire Marine Patrol. Motorola also meets all applicable federal requirements related to Buy American provisions and cybersecurity standards.

Due to federal government shutdowns, the PSGP NOFO was released later than usual and with a significantly shortened application window. Because the grant application required the identification of specific system components and pricing at the time of submission, a fully defined system was necessary simply to apply. Motorola had already begun developing a proposed system configuration, which it then completed, to include details and pricing, which in turn allowed us to meet the application requirements and submit a complete and timely grant proposal.

The PSGP grant was subsequently awarded, in the amount of $117,812, requiring a DPH cost match of $39,271, based on the detailed submission. These amounts reflect the purchase of twelve (12) updated cameras, the integration of some existing, "newer" cameras already in use, and purchase and implementation of software and hardware required to view footage and install the system.

Requiring DPH to bid the project at this stage would necessitate deviations from the approved grant application, potentially trigger additional federal approvals, and introduce the risk of cost overruns or noncompliance with grant terms. It could also result in procuring a system that differs from the one evaluated and approved by FEMA/Homeland Security during the grant review process. Given these circumstances, approving a waiver to allow the use of Motorola Solutions as a single-source supplier and installer is the most prudent path forward. This approach maintains alignment with the awarded grant, minimizes compliance risk, controls costs, and ensures deployment of a system that is proven, interoperable, and operationally suitable for our needs. As additional context, informal feedback received from the Department of Homeland Security indicated that this grant proposal was highly ranked and well aligned with PSGP goals and objectives.

For these reasons, I respectfully request the Board authorize:

a. Acceptance of the FEMA/Homeland Security - Port Security Grant Program award in the amount of $117,812.00 for the procurement of a security camera system at the Market Street Terminal and to utilize DPH matching funds in the amount of $39,271.00,

b. Negotiation of a contract with Motorola Solutions for the procurement of a security camera system utilized with the submission of the PSGP grant in an amount not to exceed $157,083.00; and

c. Waiver of the competitive bid process for this procurement utilizing a single-source supplier and installer, Motorola Solutions, provider of the proposed system configuration included with DPH's submission of the awarded grant.

I will attend the Board's March 17, 2026, meeting to answer any questions the Board may have.

PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive, Portsmouth NH 03801

MEMORANDUM

To: Pease Development Authority Board of Directors

From: Paul E. Brean, Executive Director

Date: March 6, 2026

Re: Special Event

I am pleased to report on the following special event:

1. International Association of Privacy Professionals – 5K Memorial Walk to be held on Wednesday, April 8, 2026, utilizing PDA sidewalks and Loughlin Park.

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