

**Time:** 7:30 a.m.

**Place:** 55 International Drive, Pease International Tradeport  
Portsmouth, New Hampshire

## AGENDA

I. Call to Order

II. Non-Public Session\* (Allard)

1. Grimmel Industries, LLC
2. Maine Department of Transportation\*
3. City of Portsmouth Parking Request
4. Agricultural R & D - Hydroponics Facility\*

III. Acceptance of Minutes: June 19, 2014\*

IV. Public Comment

V. Old Business

VI. Finance Reports

A. Reports

1. Operating Results for 12 Month Period Ending June 30, 2014\*
2. Nine Month Cash Flow Projections to April 30, 2015\*

VII. Leases

A. Reports

1. 222 International, LP\*
2. NH Avenue Retail Center, LLC\*
3. One New Hampshire Avenue, LLC\*

B. Ratification and Approval

1. 68 NH Ave, LLC – Lot Line Adjustment and Lease Amendment\* (Bohenko)

C. Approvals

1. Great Bay Community College – Concept Plan Approval\* (Loughlin)

VIII. Contracts/Agreements

A. Reports\*

1. Riverside & Pickering Marine Contractors
2. Turf Products – Fairway mower parts

B. Approvals

1. Tradebe Environmental Services, LLC\* (Lamson)



IX. Executive Director's Reports/Approvals

A. Reports

1. Golf Course
  - a. Fairway mower sale\*
2. Airport Operations
  - a. Skyhaven Airport (DAW)
  - b. Portsmouth International Airport at Pease (PSM)
  - c. Noise Line Report\*

B. Approvals

1. Teledyne D. G. O'Brien – Building Modifications 162 Corporate Drive\* (Loughlin)
2. Allegiant Airlines - Marketing\* (Preston) *(Presentation by Dan Fortnam)*
3. Bills for Legal Services\* (Torr)

X. Division of Ports and Harbors

A. Division Director's Report

1. Mooring Investigations Report
2. Commercial Mooring Transfer\*

B. Approvals

1. Foreign Trade Zone Tariff Approval\* (Bohenko)
2. Pilot Reappointment\* (Lamson)
3. DHS - FEMA Port Security Grant\* (Loughlin)
4. Bills for Legal Services\* (Allard)

XI. New Business

XII. Special Events - Report\*

1. Bottomline Technologies – 5k Road Race

XIII. Upcoming Meetings

Finance Committee	Sept. 15, 2014
Board Meeting	Sept. 18, 2014

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

XIV. Adjournment

XV. Press Questions

\* Related Materials Attached

\*\* Related Materials Previously Sent

\*\*\* Related Materials will be provided under separate cover

+ Materials to be distributed at Board Meeting

■ Confidential Materials



**MOTION**

Director Allard:

The Pease Development Authority Board of Directors will enter non-public session pursuant to:

1. NHRSA 91-A:3, Paragraph II(d) for the purpose of discussing the acquisition, sale or lease of property;

Note: Roll call vote required.

N:\RESOLVES\NonPublicLease.wpd



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

**Thursday, June 19, 2014**

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

**I. Call to Order**

Chairman Nickless called the meeting to order at 8:08 a.m. in the Board conference room, 55 International Drive, Pease International Tradeport, Portsmouth, New Hampshire.

**II. Acceptance of Board Meeting Minutes: April 24, 2014 and May 15, 2014**

Director Lamson moved and Director Allard seconded that **The Pease Development Authority Board of Directors hereby accept the Minutes of the April 24, 2014 and May 15, 2014 Board meetings.** Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

**III. Public Comment**

Tom Carroll, Portsmouth, NH, made comments regarding the Market Street Terminal including: good management practices; scrap metal operations; health and safety issues; and the Board's oversight of operations.

**IV. Old Business**

No old business was brought before the Board.

**V. Audit Committee Report**

Director Loughlin reported that the PDA Audit Committee met on June 17, 2014. The Committee received a report from Runyon, Kersteen and Ouellette (PDA's external auditors) on the status of the FY 2014 audit and the year-end audit schedule. The Audit Committee will meet on October 14, 2014 to review the year-end audit. Directors Loughlin, Preston, and Lamson complimented Irv Canner, PDA Director of Finance, and the Finance Department for their work.

**VI. Finance Report**

**A. Finance Reports**

**1. Operating Results for Ten Month Period Ending April 30, 2014**

Irving Canner, Director of Finance reported on the status of PDA FY 2014 finances for the ten month period ending April 30, 2014. Revenues are under budget due, in part, to reduced revenues at the Golf Course during the renovation period; and the late start of fuel operations at Hampton Harbor Marine facility. Operating expenses are over budget by 4.3%, due, in part, to the write off of bad debts, including the GSA account. Mr. Canner reviewed the variances to the revenues and operating accounts. PDA currently employs 129 people including seasonal employees. PDA continues to track its utility consumption rates by business units and expects to go out to bid for electric service and propane gas providers. The balance sheet shows that the overall





cash balances have decreased by approximately \$2 million since June 30, 2013, due in part, to ongoing construction projects and the related increase in debt to pay for the projects. Enplanements at Portsmouth International Airport at Pease ("PSM") have exceeded 18,000 as of May 31, 2014. PDA staff reviewed operating results and the proposed budget for Skyhaven Airport with the Skyhaven Airport Advisory Committee. After consideration of grant funding, PDA anticipates paying approximately \$200,000 for the Skyhaven Airport runway improvement project. The cumulative cash flow impact to the PDA including capital expenses for Skyhaven Airport through FY 2016 will be approximately \$1.6 million. A computer system was installed at Skyhaven to track airplane landings which average 375 landings per month.

At the Pease Golf Course 7,500 rounds of golf were played by the end of May, which is higher than the same period last year. Bar and grill sales at Grill 28 have exceeded \$1 million and are expected to reach \$1.1 million by the end of the fiscal year. Simulator revenues were over \$100,000 for the winter season. Revenues from operations at the Market Street Terminal continue to support other Division of Ports and Harbors marine facility operations. DPH unrestricted cash balance has reduced from approximately \$1 million to \$600,000 due to costs of improvements made to the Market Street Terminal.

Chairman Nickless asked what the cumulative financial loss is for PSM. Mr. Canner reported that PDA absorbs about \$2.5 million per year in operations and maintenance costs. David Mullen, PDA Executive Director, explained that the PDA landside operations offset the PSM costs. Director Loughlin noted that airports typically do not make money and they serve a different purpose. PSM and Skyhaven provide an economic engine to Rockingham and Strafford counties.

Mr. Canner explained that the combined landside and airport revenues provide an overall positive cash flow. Mr. Mullen reported that due to the overall positive revenues, PDA is able to provide services at PSM at no fee to airlines which make PSM an attractive place to do business.

## **2. Nine Month Cash Flow Projections to February 28, 2015**

Mr. Canner reviewed PDA cash flow projections for the nine month period ending February 28, 2015. PDA's debt, primarily through the revolving line of credit, is expected to peak in mid-summer at approximately \$5.2 million due to capital projects. For the period, grant related capital projects are expected to be approximately \$7.5 million dollars and non-grant projects will be approximately \$1.6 million. Mr. Canner reviewed the variances in the unrestricted cash balances for the period, including draw down on the revolving line of credit with Provident Bank and the use of funds for capital projects.

### **B. Approvals**

#### **1. Operating and Maintenance Budget – FY 2015 – FY 2017**

Director Lamson moved and Director Allard seconded that **The Pease Development Authority Board of Directors approves of and accepts the proposed FY2015 Operations and Maintenance ("O&M") Budget and FY 2015 - FY 2017 O&M Forecast in substantially the same form as attached hereto.**

Discussion: Mr. Canner reviewed proposed O & M budget. The Finance Department worked with department heads to establish the budgets. FY 2015 revenues are expected to increase by approximately 7% due, in part, to increased revenues at the Golf Course and GSA lease payments beginning in October, 2014. Mr. Canner reviewed the financial effects that the ending of the Grimmel contract will have on the DPH budget. Operating expenses are expected to increase by approximately 1.8% due, in part, to increase wages and fringe benefit costs. The budget also allowed for marketing costs and legal fees. Mr. Canner reviewed some of the variances in the FY 2013, FY 2014, and FY 2015 budgets. Key planning assumptions included COLA, no increase in staffing, and fringe benefits costs. Director Preston confirmed that the Chief and Deputy Chief Harbor masters are included in the Group II retirement. Director Loughlin complimented the staff for work on the budget. Disposition: Resolved by unanimous vote; motion carried.



## 2. Information Technology Servers - Replacement

Director Allard moved and Director Lamson seconded that The Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into a contract with Daystar Computer Services, Inc. ("Daystar") of Portsmouth, NH, in an amount not to exceed \$70,000 for the purchase and installation of five (5) information technology computer servers; all in accordance with the memorandum from Irving Canner, Director of Finance, dated June 12, 2014 attached hereto.

In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement based on the following reasons:

1. Time is of the essence for replacement of the servers due to ongoing problems that are causing disruption of computer services throughout the PDA and there is concern that the system may fail;
2. Daystar installed the current server system and has worked on the PDA computer server systems giving Daystar an intimate working knowledge of the servers;
3. A comparison of hourly service rates with three companies including Daystar showed that Daystar has the lowest hourly rates for computer services; and
4. Daystar can expeditiously make the necessary replacements.

**Note:** This motion requires 5 affirmative votes. Discussion: Chairman Nickless noted that the current servers were installed 5 years ago. Mr. Canner reported that the servers should be replaced by the end of July. Disposition: Resolved by unanimous roll call vote; motion carried.

## VII. Licenses/Easements/Rights of Way/Options

### A. Approvals

#### 1. Seacoast Aviation Security Screening Company

Director Preston moved and Director Torr seconded that The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Right of Entry with Seacoast Aviation Screening Company for use of a portion of the Airport Terminal at the Portsmouth International Airport at Pease to provide security screening of private charter aircraft on substantially the same terms and conditions set forth in the memorandum from Kim W. Hopper, Airport Manager, dated June 11, 2014 and attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

#### 2. NH ANH – KC 46A Memorandum of Understanding

Director Torr moved and Director Preston seconded that The PDA Board of Directors hereby authorizes the Executive Director to enter into a Memorandum of Understanding ("MOU") with the NH Air National Guard (NH ANG) in connection with the program to locate KC 46A airplanes at the Pease NH ANG airbase; all in accordance with the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated June 13, 2014 attached hereto. Discussion: In response to Director Lamson, Maria Stowell, P.E., Manager – Engineering, showed the Board an illustration of where the planes will be located. Bill Hopper, Airport Manager, reported that the parking configuration will not change. Disposition: Resolved by unanimous vote; motion carried.



### 3. City of Portsmouth – Water Tank Concept Plan

Director Loughlin moved and Director Lamson seconded that **The Pease Development Authority Board of Directors hereby approves of the concept plans for the replacement by the City of Portsmouth of the Hobbs Hill Water Tank located on International Drive; in accordance with the memorandum of Maria J. Stowell, Manager - Engineering, dated June 12, 2014 attached hereto.** Discussion: Mr. Mullen informed the Board that the water tank replacement is part of the master plan. COP agreed to move the water tower now to accommodate a new tenant on International Drive. Director Loughlin questioned why such a large area around the new tower needs to be cleared. Brian Getz, COP Deputy Director of Public Works, and Patrick Curran of Tighe and Bond, reviewed the clearing and landscaping plans. The area around the will be cleared to create lay down space during construction. Landscaping will also be put in place when the old tower is demolished. Director Loughlin asked that the amount of clearing needed be carefully reviewed and that the amount of clearing for lay down be limited as much as possible. Disposition: Resolved by unanimous vote; motion carried.

## VIII. Leases

### A. Approvals

#### 1. C & J Bus Lines – 42 Durham Street Parking Lot

Director Allard moved and Director Lamson seconded that **The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a Lease Agreement with C & J Bus Lines (“C & J”) for the use of the premises located at 42 Durham Street to park C & J customers’ vehicles; all on similar terms and conditions set forth in the draft Letter of Intent dated June 12, 2014 attached hereto.** Discussion: Director Lamson complimented the C& J Bus Lines operations and the services it provides. Director Preston noted that the property use is a non-airport oriented activity and he is pleased that PDA is able to accommodate the project. Disposition: Resolved by unanimous vote; motion carried.

#### 2. Skyhaven Airport – Restaurant

Director Torr moved and Director Allard seconded that **The Pease Development Authority Board of Directors hereby approves and authorizes the Executive Director to complete negotiations and enter into a Lease Agreement with Vincent Crout-Hamel, or his nominee, for the for the purpose of constructing and operating a restaurant at Skyhaven Airport, Rochester, New Hampshire; all in accordance with the memorandum of Mark H. Gardner, Deputy General Counsel, dated June 12, 2014 attached hereto.**

*Note: Due to a conflict of interest, Chairman Nickless recused himself from the discussion and vote. Chairman Nickless disclosed that he has assisted Mr. Crout-Hamel with the preliminary plans. Chairman Nickless left the room at 8:50 a.m. Vice-Chairman Loughlin conducted the meeting.* Discussion: Mr. Crout-Hamel reviewed the plans for the restaurant including: location of the building; changes made to the size of the lot; traffic patterns; water and sewer connections; and possible natural gas line connections. Mr. Mullen reported that gates will allow customers to access the restaurant from the airport. Director Allard asked about when the restaurant will be operational. Mr. Crout-Hamel informed the Board that the restaurant would open in December and open from 11 a.m. to 10 p.m. Mr. Crout-Hamel has previously operated two restaurants. Director Preston questioned if there would be enough business to warrant a restaurant operation. Mr. Crout-Hamel reviewed the surrounding businesses that he felt would use the business. Mr. Mullen reported that the plans are preliminary. City of Rochester and staff need to review the plans. Mr. Mullen informed the Board that he is very supportive of the restaurant but not of the plans presented. Staff will work with Mr. Crout-Hamel and the concept plan will be brought to the Board for formal approval. Disposition: Resolved by 5 votes for; 1 abstention (Nickless); motion carried.



**IX. Contracts/Agreements**

**A. Approvals**

**1. 55 International Drive – Building Improvements**

Director Lamson moved and Director Torr seconded that The Pease Development Authority Board of Directors hereby authorizes the Executive Director to:

1. Enter into a contract with Careno Construction, Co., LLC for improvements to the roof and attic at 55 International Drive in the amount of \$135,580 including the Base Bid and Add Alternates 1 and 2 (as described in the attached memorandum); and
2. Allocate a contingency of \$24,420 for unforeseen conditions that may surface during construction;

all in accordance with the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated June 12, 2014, attached hereto. Discussion: None. Disposition: Resolved 5 votes for; motion carried.

**2. Honeywell Building Solutions – Security System Update**

Director Loughlin moved and Director Torr seconded that The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a contract with Honeywell Building Solutions (“Honeywell”) of Manchester, NH in an amount not to exceed \$24,705 to purchase a new server, update computer software and add three client licenses for the Airport Terminal security system; all in accordance with the memorandum of Ed Pottberg, Airport Security Coordinator, dated June 11, 2014, attached hereto.

In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement based on the following reasons:

1. Honeywell is the sole provider of the security system and can provide the requisite upgrades in a cost effective manner.
2. The cost to upgrade the system with non-Honeywell software and replacement hardware including all door readers is estimated to exceed \$150,000; and
3. Due to the addition of the modular building at Airport Operations, the system will require additional software client licences that are only offered by Honeywell with the system update.

**Note:** This motion requires 5 affirmative votes.

*Note:* Chairman Nickless returned to the meeting at 9 a.m. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

**X. Executive Director’s Reports/Approvals**

**A. Reports**

**1. Golf Course Operations**

Scott DeVito, PGA General Manager, reported on the activities at the Pease Golf Course. A total of 18 holes are now open. Wadsworth Construction finished the punch list items on the lower 9 course. On July 1<sup>st</sup>,





all 27 holes will be open. Advertisements will begin next week to advertise the lower 9 course opening. The number of passholders for this year is below expectations. Mr. DeVito expects the numbers to increase once he 27 holes are all open. Mr. DeVito reviewed the various junior golf programs. A junior golf league will start at the end of June. Mr. DeVito reported that the new drainage systems worked very well during the last rain storm. Some seeding work still needs to be done, but, overall, the golf course is in good shape. Mr. Mullen announced that a ceremonial ribbon cutting will be held on July 1 at 8 a.m. to open the lower nine course and he invited the Directors to attend.

**2. Airport Operations**

Mr. Hopper reported on aviation activities.

**a) Skyhaven Airport (“DAW”)**

The Wings and Wheels event in conjunction with a Young Eagles aviation program was held on June 14<sup>th</sup>. Over \$6,000 was raised for Gerry’s Food Pantry and over 4,300 people attended. The Governor and Council approved the Skyhaven Airport runway project.

**b) Portsmouth International Airport at Pease (“PSM”)**

Enplanements have exceeded 18,000 passengers. There are 16 troop flights scheduled. The ASR runway project is ongoing and the Noise Exposure Map is near completion. Director Allard asked about airplane activities in his neighborhood. Mr. Hopper reported that it was probably military airplanes from Hansom Air Force Base. Director Lamson inquired about helicopter activity in the area. The helicopters are blue and white. Mr. Hopper will check on the activity. Director Preston asked about Allegiant Air’s flight schedules. Mr. Hopper reported that Allegiant will take a hiatus from mid-August to October. Flights to Sanford will resume in October. Punta Gorda, Florida flights are not yet scheduled. Chairman Nickless was very impressed with the Wings and Wheels event.

**c) Noise Line Report**

Mr. Hopper reported that there were 11 calls in May. Five calls were related to military activity; one call related to helicopter operations; two calls related to medical flights; and one call related to the sound insulation program. The Board had a general discussion regarding one-way take off activities. Mr. Hopper reviewed the one-way take off procedures and will report more on the one-way take off at a later meeting.

**B. Approvals**

**1. Bills for Legal Services**

Director Preston moved and Director Torr seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$6,697.00 for legal services rendered to the Pease Development Authority by:**

1.	Anderson & Kreiger LLP Through April 30, 2014	\$6,030.00	
2.	Sheehan Phinney Bass + Green Through April 30, 2014	<u>\$ 667.00</u>	
	<b>Total</b>		<b>\$6,697.00</b> =====



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

**XI. Division of Ports and Harbors**

**A. Division Director's Reports**

**1. Port Advisory Council**

Geno Marconi, Division Director, reported that the Port Advisory Council met in May and June. The Council drafted a letter to the Board regarding the Grimmel Industries' contract. Mr. Marconi updated the Council on ongoing activities at the Port.

**2. Waiver of Wharfage and Dockage – Piscataqua Maritime Commission**

In accordance with the "Delegation to Executive Director: Consent and Approval for the Waiver of Wharfage, Dockage and Related Fees for Qualified Non-profit Organizations Using Facilities of the Division of Ports and Harbors adopted by the Board on June 27, 2002, Mr. Marconi reported that wharfage and dockage fees will be waived for visit of the historic sailing vessels the Mystic and the Lynx on August 1 through August 3, 2014. Director Loughlin approved the waiver.

Mr. Marconi reported that DPH submitted a capital budget request of \$7.5 million for the next biennium. The request is for the State's cost share for the expansion of the uppermost turning basin located in the Piscataqua River near Newington, NH. The Army Corps of Engineers will fund the majority of the project. The overall cost of the project will be approximately \$22 million. Mr. Marconi met with the Governor's budget committee to review the request. If the State does not fund its portion of the project, the project would be delayed.

**3. NH DOT/ME DOT - Presentation**

Mr. Marconi reviewed the proposed plans for the replacement of the Sarah Mildred Long bridge and its effect on the Market Street Terminal. Jeff Folsum of ME DOT and Bob Landry of NH DOT reviewed the project. Mr. Folsum reviewed the proposed bridge layout and the new alignment of the new bridge with the Terminal. One goal of the plan is to improve the navigational opening for the lift span. The new bridge will cross the Terminal which would necessitate the relocation of the railroad spur line, the reconstruction of the boat launch, and removal of a portion of the Barge Wharf. Mr. Landry reviewed the changes to the boat dock access and replacement and extension of the main wharf and fender system. The small boat dock will be relocated. NH DOT is working with UNH regarding dredging in the Cutts Cove. The spur line will be relocated. The existing bridge will be completely removed by summer, 2018. The proposed work on the Terminal will take place after the bridge is removed. Mr. Marconi noted that the grading of land and removal of the bridge pier will enhance the Port's berth. Discussions are still ongoing with Pan Am regarding the rail lines. Mr. Marconi explained that the vertical opening under the bridge will be increased to allow boat traffic with less need to raise the bridge. The bridge will be able to be lowered for railroad traffic.

**B. Approvals**

**1. Schedule of Pilotage Fees and Unit Rates – Adoption**

Director Loughlin moved and Director Torr seconded that **In accordance with RSA 12-G:42, XI, the Pease Development Board of Directors hereby approves of and adopts effective June 29, 2014:**

- a. the Final Fixed Text for the amendment to Administrative Rules Pda 311.03 "Pilotage Fees Based on Pilotage Unit Rates; Flat Fees" attached hereto; and**



- b. the "Schedule of Pilotage Fees and Pilotage Unit Rates, Portsmouth Harbor and Piscataqua River" attached hereto.

Further, the Board authorizes the Division Director to take any necessary or recommended action in furtherance of this matter; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated June 11, 2014 attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

**2. Bills for Legal Services**

Director Allard moved and Director Preston seconded that The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$21,528.00 for legal services rendered to the Division of Ports and Harbors by:

<p>1. Sheehan Phinney Bass + Green Through April 30, 2014</p>	<p>\$ 406.00 \$15,812.00 <u>\$ 5,310.00</u></p>	<p><b>Total \$21,528.00</b> =====</p>
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Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

**XII. Special Events – Report**

Marie Aleksy, PDA Paralegal, reported on the following special events on the Tradeport:

1. On Sunday, July 20, 2014, the NH ANG Minuteman Fund will sponsor a 7k road race that will use a portion of Arboretum Drive. Funds raised will support the Pease Minuteman Fund and the Pease Kids' Corps programs.
2. On Monday, September 1, 2014, the St. Charles Children's Home will sponsor its 18<sup>th</sup> fund raising 5k road race. Funds raised will support the Children's Home programs.

**XIII. New Business**

No new business was brought before the Board.

**XIV. Upcoming Meetings**

Chairman Nickless reported that the following meetings will be held:

Port Committee	July 10, 2014 @	555 Market Street
Board Meeting	August 21, 2014	

All Board and Committee meetings begin at 8 a.m. unless otherwise posted.



**XV. Directors' Comments**

Director Loughlin said his comments regarding the costs of running airports were not meant to be critical; and he made comments about considering all points of view when seeking and giving professional advice.

**XVI. Non-Public Session**

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

1. **NHRSA 91-A:3, Paragraph II(a) the dismissal, promotion, or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him, unless the employee affected (1) has a right to a meeting and (2) requests that the meeting be open, in which case the request shall be granted; Note: Roll call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.** The Board entered into non-public session at 9:40 a.m. The Board returned to public session at 10:00 a.m.

**XVII. Adjournment**

Director Loughlin moved and Director Lamson seconded to **adjourn the Board meeting. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.** Meeting adjourned at 10:00 a.m.

**XVIII. Press Questions**

No members of the press attended the meeting.

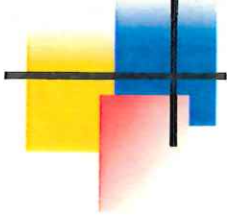
Respectfully submitted,



David R. Mullen  
Executive Director/Secretary







# **FY 2014 FINANCIAL REPORT FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014 (PRELIMINARY)**



**BOARD OF DIRECTORS MEETING  
AUGUST 21, 2014**



# CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014 AND 2013

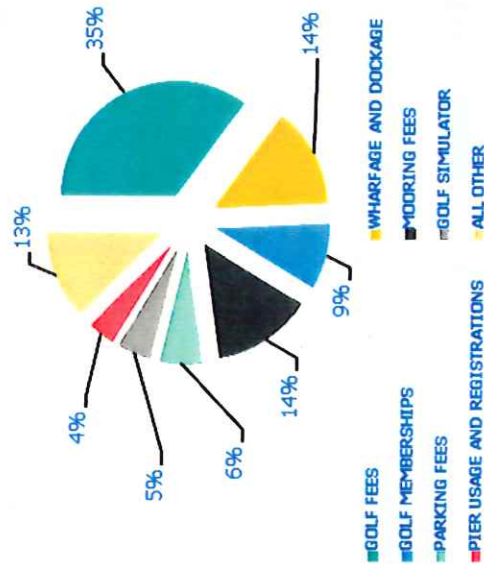
(\$ 000's)

		CURRENT YEAR TO DATE ACTUAL	CURRENT YEAR TO DATE BUDGET	\$ VARIANCE	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	FY 2014 APPROVED BUDGET
<b>FY 2014 BUDGET VARIANCE ANALYSIS</b>							
▪ <b>OPERATING REVENUES- LOWER BY 3.4%</b>	<b>OPERATING REVENUES</b> <i>(PAGE #3)</i>	<u>13,128</u>	<u>13,592</u>	<u>(464)</u>	<u>15,039</u>	<u>(1,911)</u>	<u>13,592</u>
▪ NO SIGNIFICANT VARIANCES OTHER THAN:	<b>OPERATING EXPENSES</b>						
▪ LOWER GOLF FEES- REDUCTION IN ROUNDS PLAYED DUE TO COURSE RENOVATIONS.	PERSONNEL SERVICES AND BENEFITS <i>(PAGE #4 AND 5)</i>	5,652	6,003	(351)	5,182	470	6,014
▪ DELAY IN FUEL OPERATIONS- HAMPTON HARBOR	BUILDINGS AND FACILITIES MAINTENANCE	2,551	1,432	1,119	3,777	(1,226)	1,393
▪ COMPLETED NEGOTIATIONS WITH GSA.	GENERAL AND ADMINISTRATIVE	1,217	686	531	1,741	(524)	685
▪ <b>OPERATING COSTS- HIGHER BY 8.3%</b>	UTILITIES <i>(PAGE #6)</i>	871	733	138	837	34	733
▪ EXTENSIVE WINTER SEASON- CHEMICALS, SUPPLIES AND KWH CONSUMPTION (3.5M VERSUS 3.3M)	PROFESSIONAL SERVICES <i>(PAGE #6)</i>	219	315	(96)	243	(24)	344
▪ GSA ADJUSTMENT TO ALLOWANCE FOR DOUBTFUL ACCOUNTS- BAD DEBT. FY IMPACT OF \$474.	MARKETING AND PROMOTION	237	415	(178)	174	63	415
▪ INDIRECT LABOR ALLOCATION TO BUILDINGS AND FACILITIES NOT BUDGETED.	ALL OTHER <i>(PAGE #6)</i>	<u>1,180</u>	<u>1,431</u>	<u>(251)</u>	<u>1,121</u>	<u>59</u>	<u>1,431</u>
▪ <b>NONOPERATING (INCOME) AND EXPENSES</b>	<b>OPERATING INCOME</b>	<u>11,927</u>	<u>11,015</u>	<u>912</u>	<u>13,075</u>	<u>(1,148)</u>	<u>11,015</u>
▪ DELAYED SHORT TERM BORROWINGS	<b>NONOPERATING (INCOME) AND EXPENSE</b> <i>(PAGE #7)</i>	128	143	(15)	(448)	576	143
	DEPRECIATION	5,990	6,209	(219)	6,051	(61)	6,209
	<b>NET OPERATING INCOME</b>	<u>(4,917)</u>	<u>(3,775)</u>	<u>(1,142)</u>	<u>(3,639)</u>	<u>(1,278)</u>	<u>(3,775)</u>

# ANALYSIS OF OPERATING REVENUES FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014 AND 2013

(\$ 000'S)

FEE REVENUES YEAR TO DATE



	CURRENT YEAR TO DATE ACTUAL	CURRENT YEAR TO DATE BUDGET	\$ VARIANCE	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	FY 2014 APPROVED BUDGET
RENTAL OF FACILITIES	8,825	9,082	(257)	9,067	(242)	9,084
FEE REVENUES (SEE CHART)	2,435	2,529	(94)	2,806	(371)	2,530
FUEL SALES (SEE CHART)	981	1,230	(249)	915	66	1,230
CONCESSION REVENUE	230	203	27	211	19	202
GOLF MERCHANDISE	173	160	13	151	22	160
ALL OTHER- NET	484	388	96	1,889	(1,405)	386
	<b>13,128</b>	<b>13,592</b>	<b>(464)</b>	<b>15,039</b>	<b>(1,911)</b>	<b>13,592</b>

FUEL ANALYSIS	SALES	COGS	NET MARGIN
SKYHAVEN AIRPORT	125	99	26
PORTSMOUTH FISH PIER	643	603	40
RYE HARBOR	188	174	14
HAMPTON HARBOR	25	26	(1)
	<b>981</b>	<b>902</b>	<b>79</b>



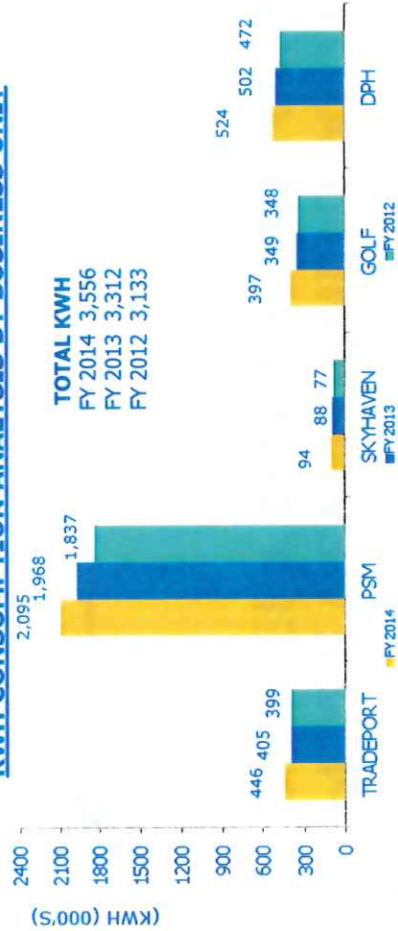


# ANALYSIS OF OTHER OPERATING EXPENSES FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014 (CONTINUED)

(\$ 000's)

UTILITIES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	PRIOR YEAR TO DATE ACTUAL	CURRENT YEAR BUDGET	PROFESSIONAL SERVICES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	PRIOR YEAR TO DATE ACTUAL	CURRENT YEAR BUDGET
ELECTRICITY	454	440	477	440	LEGAL	49	130	45	130
WASTE DISPOSAL	182	127	190	127	INFORMATION TECHNOLOGY	92	122	106	122
NATURAL GAS AND OIL	107	75	72	72	AUDIT	56	63	68	63
PROPANE	69	54	54	54	ALL OTHER- NET	<u>22</u>	=	<u>24</u>	<u>29</u>
WATER	<u>59</u>	<u>37</u>	<u>44</u>	<u>40</u>		<u>219</u>	<u>315</u>	<u>243</u>	<u>344</u>
	<b>871</b>	<b>733</b>	<b>837</b>	<b>733</b>					

### KWH CONSUMPTION ANALYSIS BY BUSINESS UNIT



**NOTE:** PSNH INCREASED USAGE CHARGE FROM 7.1 CENTS/ KWH TO 9.5 CENTS/ KWH IN JANUARY 2013. PDA CURRENTLY HAS OUTSOURCED ACTIVITY AT A RATE OF 6.9 CENTS/ KWH FOR THE 18 MONTH PERIOD JULY 1, 2013 THROUGH DECEMBER 31, 2014.

# ANALYSIS OF NONOPERATING (INCOME) EXPENSE FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	\$ VARIANCE	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT YEAR BUDGET
INTEREST EXPENSE	136	149	(13)	108	28	149
INTEREST INCOME AND OTHER	(6)	(6)	-	(12)	6	(6)
(GAIN) / LOSS ON SALE OF ASSETS	(2)	-	(2)	(544)	542	-
	<u>128</u>	<u>143</u>	<u>(15)</u>	<u>(448)</u>	<u>(576)</u>	<u>143</u>

INTEREST EXPENSE INCLUDES:	
PROVIDENT BANK	102
CITY OF PORTSMOUTH	34
TOTAL	<u>136</u>
	<u>149</u>

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

# CONSOLIDATED STATEMENT OF NET POSITION

(\$ 000's)

ASSETS	JUN 30		JUN 30		CASH AND INVESTMENTS AT JUNE 30, 2014	
	2014	2013	2014	2013	UNRESTRICTED	RESTRICTED
CASH AND INVESTMENTS	1,444	3,996	3,446	3,859		
ACCOUNTS RECEIVABLE- NET	1,889	1,260	543	461		
INVENTORIES	415	387	2,000	-	879	-
PREPAID INSURANCE	122	153			75	-
RESTRICTED ASSETS	3,870	5,796			71	-
CASH AND INVESTMENTS	705	695			5	-
REVOLVING LOAN FUND RECEIVABLES	935	922	641	1,290	1,030	-
TOTAL RESTRICTED ASSETS	1,640	1,617	1,664	2,307		
CAPITAL ASSETS			2,305	3,597		
LAND	9,257	5,139	8,294	7,917	111	-
CONSTRUCTION IN PROCESS (PAGES #10-14)	7,202	7,140			188	-
OTHER CAPITAL ASSETS- NET	57,763	60,351	69,915	69,034	-	445
TOTAL CAPITAL ASSETS	74,222	72,630				
TOTAL ASSETS	79,732	80,043	71,438	72,126		
LIABILITIES						
ACCOUNTS PAYABLE AND ACCRUED EXPENSE			3,446	3,859		
UNEARNED REVENUE			543	461		
REVOLVING DEMAND NOTE			2,000	-		
LONG TERM LIABILITIES (PAGE #15)						
DUE WITHIN 1 YEAR			641	1,290		
DUE IN MORE THAN 1 YEAR			1,664	2,307		
TOTAL LIABILITIES			8,294	7,917		
NET POSITION						
NET INVESTMENT IN CAPITAL ASSETS			69,915	69,034		
RESTRICTED FOR:						
REVOLVING LOAN FUND			1,136	1,118		
HARBOR DREDGING AND PIER MAINTENANCE			445	436		
FOREIGN TRADE ZONE			59	62		
UNRESTRICTED			(117)	1,476	115	-
TOTAL NET POSITION			71,438	72,126	414	705
PEASE DEVELOPMENT AUTHORITY						
GENERAL OPERATING						
TENANT ESCROW						
PCA MARKETING						
ALL OTHER						
DIVISION OF PORTS AND HARBOR						
GENERAL OPERATING						
HARBOR MANAGEMENT						
HARBOR DREDGING AND PIER MAINTENANCE						
REVOLVING LOAN- FISHERY FUND						
REVOLVING LOAN- FISHERY FUND (SEQUESTERED)						
FOREIGN TRADE ZONE						
ALL OTHER						
TOTAL					1,444	705



# SUMMARY OF INTERGOVERNMENTAL RECEIVABLES AS OF JUNE 30, 2014

(\$ 000's)

PROJECT NAME	APPROVAL DATE	TOTAL PROJECT	GRANT AWARD	EXPENDED TO DATE	PDA SHARE	RECEIVED TO DATE	BALANCE DUE PDA	AMOUNT SUBMITTED
MULTI-USE PATH	11-20-08	802	642	633	(197)	247	189	49
PROPERTY ACQUISITION AND DEMOLITION	07-01-11	444	433	377	(10)	367	-	-
LAND IMPROVEMENT AND BUILDING DEMO (80 ROCHESTER)	12-21-11	800	400	749	(384)	291	74	-
NOISE EXPOSURE MAP UPDATE (FAA #52)	05-31-12	162	150	148	(20)	95	33	33
PSM PAVEMENT AND DRAINAGE RESTORATION (FAA #54)	07-03-12	105	97	97	(7)	84	6	-
PSM AIRPORT MARKING AND SIGNAGE (FAA #55)	08-28-12	448	414	408	(31)	346	31	-
PSM RUNWAY DEMAND LENGTH ANALYSIS	04-16-13	78	74	70	(4)	48	18	-
PSM ASR CONSTRUCTION PROJECT	04-16-13	3,461	3,288	1,076	(141)	464	471	-
PSM PAVEMENT AND DRAINAGE	11-06-13	1,310	1,244	568	(78)	-	490	-
PSM OBSTRUCTION MITIGATION DESIGN (FAA #49)	05-23-11	318	318	234	(7)	213	14	14
SKYHAVEN RUNWAY DESIGN AND RECONSTRUCTION	07-05-13	3,870	3,580	485	(24)	401	60	24
<b><u>PORT AUTHORITY OF NEW HAMPSHIRE</u></b>								
RYE HARBOR MARINA / COMMERCIAL FISH PIER AND FLOATING DOCK REPLACEMENT			1,650	1,627	(66)	1,561	-	-
SEABROOK / HAMPTON DREDGING*			1,579	1,430	(96)	1,334	-	-
SOUTH ACCESS BRIDGE REPLACEMENT			30	383	-	381	2	2
HAMPTON HARBOR PIER RENOVATIONS			1,500	1,583	(3)	1,485	95	95
HAMPTON HARBOR PIER PROJECT DESIGN**			140	182	(42)	140	-	-
WATER QUALITY IMPROVEMENT			1,000	1,810	(812)	998	-	-
							<b>1,483</b>	<b>217</b>

NOTE:  
\* FUNDING AUTHORIZATION INCLUDES \$200 AUTHORIZED FUNDS DRAWN FROM HARBOR DREDGING FUNDS.  
\*\* AUTHORIZED FUNDS (\$140) DRAWN FROM HARBOR DREDGING FUNDS.

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF JUNE 30, 2014

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-13	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 06-30-14
<b>PORTSMOUTH AIRPORT</b>					
OBSTRUCTION MITIGATION DESIGN (FAA #49)	185	49	-	49	234
NOISE EXPOSURE MAP UPDATE (FAA #52)	64	84	-	84	148
RUNWAY DEMAND AND LENGTH ANALYSIS (SBG 1601)	2	68	-	68	70
ASR CONSTRUCTION PROJECT (SBG 1602)	4	1,072	-	1,072	1,076
AIRFIELD MARKING AND SIGNAGE (FAA #55)	-	8	-	8	8
PAVEMENT AND DRAINAGE RESTORATION (SBG 1603)	-	568	-	568	568
PSM OBSTRUCTION PERMITTING AND DESIGN	-	2	-	2	2
JFE RUNWAY 16-34 PRE-DESIGN	-	2	-	2	2
FUEL TANK REPLACEMENT	-	47	47	-	-
PSM TERMINAL AWNING	-	18	18	-	-
GSD 1260 OFFICE TRAILER	-	9	9	-	-
BROOM CORE MOUNTING	-	9	9	-	-
AIRPORT OPERATIONS SOFTWARE / SERVER	-	5	-	5	5
TSA FACILITIES PROJECT	-	51	-	51	51
	<b>255</b>	<b>1,992</b>	<b>83</b>	<b>1,909</b>	<b>2,164</b>

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF JUNE 30, 2014

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-13	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 06-30-14
<b>SKYHAVEN AIRPORT</b>					
HANGAR TWO ROOF REPLACEMENT	7	111	118	(7)	-
UNDERGROUND FUEL PIPE REPLACEMENT	10	-	10	(10)	-
RUNWAY DESIGN AND RECONSTRUCTION	77	408	-	408	485
PROPERTY ACQUISITION AND DEMOLITION	5	38	43	(5)	=
	<u>99</u>	<u>557</u>	<u>171</u>	<u>386</u>	<u>485</u>
<b>MAINTENANCE</b>					
TORO GR 3150 MOWER	-	29	29	-	-
ZERO TURN MOWER COLLECTION SYSTEM	-	15	15	-	-
KOEHLER GENERATOR	=	32	32	=	=
	=	<u>76</u>	<u>76</u>	=	=
<b>ADMINISTRATION</b>					
COMPUTER REPLACEMENTS	=	=	=	=	=

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF JUNE 30, 2014

(CONTINUED):

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-13	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 06-30-14
<b>GOLF COURSE</b>					
COURSE IRRIGATION / DRAINAGE IMPROVEMENTS	2,321	1,004	3,325	(2,321)	-
PARKING LOT RENOVATIONS	30	895	907	(12)	18
CLUBHOUSE EXPANSION (DESIGN ONLY)	7	-	-	-	7
PATIO EXPANSION	-	13	-	13	13
FLEX 5410 FAIRWAY MOWERS	-	112	112	-	-
EXGO CUSHMAN HAULER 1200	-	32	32	-	-
TRIPLEX GR 3150 MOWER	-	35	35	-	-
WORKMAN 4WD CART	-	27	27	-	-
BEDKNIFE GRINDER	-	18	18	-	-
SIMULATOR EQUIPMENT UPGRADE	-	24	24	-	-
	<b>2,358</b>	<b>2,160</b>	<b>4,480</b>	<b>(2,320)</b>	<b>38</b>

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF JUNE 30, 2014

(CONTINUED):

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-13	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 06-30-14
<b>TRADEPORT</b>					
MULTI-USE PATH	146	487	-	487	633
CORPORATE DRIVE RIGHT TURN LANE	246	37	283	(246)	-
AIRPORT ACCESS ROAD DESIGN	27	(27)	-	(27)	-
LAND IMPROVEMENT AND BUILDING DEMO (80 ROCHESTER)	496	253	749	(496)	-
ROUNDABOUT- BUILDING #90	8	-	-	-	8
ASBESTOS REMOVAL	2	(2)	-	(2)	-
ABOVE GROUND STORAGE TANK UPGRADE	31	16	47	(31)	-
CHILLER UNIT - 55 INTERNATIONAL DRIVE	-	74	74	-	-
ROOF RENOVATIONS- 55 INTERNATIONAL DRIVE	-	24	-	24	24
SIDEWALKS- PEDESTRIAN FACILITIES	-	16	16	-	-
	<b>956</b>	<b>878</b>	<b>1,169</b>	<b>(291)</b>	<b>665</b>

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF JUNE 30, 2014

(CONTINUED):

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-13	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 06-30-14
<b>DIVISION OF PORTS AND HARBORS</b>					
MAIN WHARF EXPANSION PROJECT	1,267	-	1,267	(1,267)	-
WATER QUALITY IMPROVEMENT	1,624	245	-	245	1,869
HAMPTON HARBOR DESIGN AND RENOVATIONS	330	1,253	-	1,253	1,583
RYE FLOATING DOCK REPLACEMENT	251	(207)	29	(236)	15
HAMPTON HARBOR PIER PROJECT	-	12	12	-	-
SENTINEL POWER SWEEPER	-	166	166	-	-
CAMERA UPGRADES AT MARKET STREET	-	7	7	-	-
2014 FORD 250 PICK-UP RUCK	-	27	27	-	-
SOUTH ACCESS BRIDGE REPLACEMENT	-	383	-	383	383
	<b>3,472</b>	<b>1,886</b>	<b>1,508</b>	<b>378</b>	<b>3,850</b>
TOTAL	<b>7,140</b>	<b>7,517</b>	<b>7,455</b>	<b>62</b>	<b>7,202</b>

# ANALYSIS OF LONG TERM LIABILITIES AS OF JUNE 30, 2014

(\$ 000's)

## SCHEDULE OF DEBT SERVICE REPAYMENT

DEBT HOLDER / INTEREST RATE	CURRENT PORTION	LONG TERM PORTION	TOTAL AMOUNT DUE	THE PROVIDENT BANK @			CITY OF PORTS NH @ 4.50%	TOTAL DEBT
				3.74%	3.46%	3.11%		
FISCAL YEAR								
PROVIDENT BANK @ 3.46%	209	142	351	664	202	281	116	1,263
PROVIDENT BANK @ 3.11%	290	928	1,218	-	210	291	116	617
CITY OF PORTSMOUTH- WATER POLLUTION CONTROL NOTE @ 4.50%	116	581	697	-	142	300	116	558
				-	-	309	116	425
	615	1,651	2,266	=	=	319	350	669
				664	554	1,500	814	3,532
TENANT ADVANCES (LONZA)	26	13	39	(664)	(203)	(282)	(117)	(1,266)
TOTAL	641	1,664	2,305	=	351	1,218	697	2,266

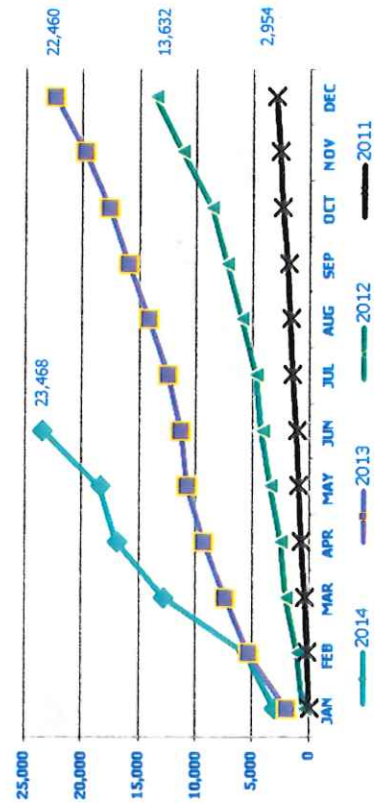
# STATEMENT OF OPERATIONS FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014 PORTSMOUTH AIRPORT

(\$ 000's)

OPERATING REVENUES (\$ 000's)	CURRENT YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	CURRENT FISCAL YEAR BUDGET
FACILITIES RENT	555	543	550
CARGO AND HANGARS	133	113	137
CONCESSION REVENUES	6	3	3
FEE REVENUES	151	185	2
ALL OTHER	58	107	115
	<u>903</u>	<u>951</u>	<u>807</u>

	CURRENT YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT FISCAL YEAR BUDGET
<b>OPERATING REVENUES</b>	<u>903</u>	<u>951</u>	<u>(48)</u>	<u>807</u>
<b>OPERATING EXPENSES</b>				
PERSONNEL SERVICES AND BENEFITS	829	735	94	864
BUILDINGS AND FACILITIES MAINTENANCE	1,008	1,122	(114)	575
GENERAL AND ADMINISTRATIVE	177	153	24	143
UTILITIES	360	356	4	314
PROFESSIONAL SERVICES	-	-	-	-
MARKETING AND PROMOTION	17	12	5	12
ALL OTHER	-	-	-	-
<b>OPERATING INCOME</b>	<u>(1,488)</u>	<u>(1,427)</u>	<u>(61)</u>	<u>(1,101)</u>
<b>NONOPERATING (INCOME) AND EXPENSE</b>	-	-	-	-
<b>DEPRECIATION AND AMORTIZATION</b>	3,824	3,805	19	3,998
<b>NET OPERATING INCOME</b>	<u>(5,312)</u>	<u>(5,232)</u>	<u>(80)</u>	<u>(5,099)</u>

## ENPLANEMENT DATA





# STATEMENT OF OPERATIONS FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014 SKYHAVEN AIRPORT



(\$ 000's)

	CURRENT YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT FISCAL YEAR BUDGET
<b>OPERATING REVENUES</b>	<u>270</u>	<u>281</u>	<u>(11)</u>	<u>226</u>
<b>OPERATING EXPENSES</b>				
PERSONNEL SERVICES AND BENEFITS	47	43	4	50
BUILDINGS AND FACILITIES MAINTENANCE	105	136	(31)	102
GENERAL AND ADMINISTRATIVE	44	33	11	37
UTILITIES	37	34	3	26
PROFESSIONAL SERVICES	5	5	-	4
MARKETING AND PROMOTION	1	-	1	1
ALL OTHER- FUEL	99	111	(12)	77
<b>OPERATING INCOME</b>	<u>(68)</u>	<u>(81)</u>	<u>(13)</u>	<u>(71)</u>
<b>NONOPERATING (INCOME) AND EXPENSE</b>	-	7	(7)	-
<b>DEPRECIATION AND AMORTIZATION</b>	248	254	(6)	245
<b>NET OPERATING INCOME</b>	<u>(316)</u>	<u>(342)</u>	<u>26</u>	<u>(316)</u>

(\$,000 \$)

	CURRENT YEAR TO DATE ACTUAL	PRIOR YEAR DATE ACTUAL	CURRENT FISCAL YEAR BUDGET
CARGO AND HANGARS	143	148	135
FUEL SALES	125	128	90
ALL OTHER	2	5	1
	<u>270</u>	<u>281</u>	<u>226</u>

	CURRENT MONTH	YEAR TO DATE	TOTAL YEAR	YTD AVE PRICE
<b>GALLONS OF FUEL SOLD</b>				
FY 2014	2,665	22,638	22,638	\$ 5.54
FY 2013	2,070	22,718	22,718	\$ 5.66

	OPERA	CAPITAL EXPEND	DEBT REPAY	GRANT FUNDS	TOTAL
<b>NET CASH FLOW</b>					
FY 2014	(68)	(557)	-	450	(175)
FY 2013	(81)	(106)	-	-	(187)
FY 2012	(50)	(8)	-	318	260
FY 2009- FY 2011	(369)	(411)	(100)	-	(880)
	<u>(568)</u>	<u>(1,082)</u>	<u>(100)</u>	<u>768</u>	<u>(982)</u>

(\$,000 \$)

# STATEMENT OF OPERATIONS FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014 TRADEPORT

(\$ 000's)

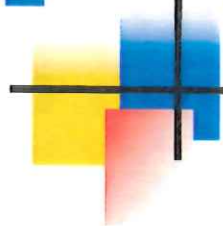
OPERATING REVENUES	CURRENT YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT FISCAL YEAR BUDGET
RENTAL OF FACILITIES	7,545	7,827		7,707
INTEREST INCOME ON LOANS	-	-		-
ALL OTHER- NET	86	98		85
	<u>7,631</u>	<u>7,925</u>		<u>7,792</u>
<b>OPERATING REVENUES</b>	<b>7,631</b>	<b>7,925</b>	<b>(294)</b>	<b>7,792</b>
<b>OPERATING EXPENSES</b>				
PERSONNEL SERVICES AND BENEFITS	-	-		-
BUILDINGS AND FACILITIES MAINTENANCE	354	275	79	134
GENERAL AND ADMINISTRATIVE	528	1,103	(575)	62
UTILITIES	169	150	19	138
PROFESSIONAL SERVICES	9	19	(10)	-
MARKETING AND PROMOTION	20	8	12	-
ALL OTHER	85	85		120
	<u>1,165</u>	<u>1,640</u>	<u>(475)</u>	<u>454</u>
<b>OPERATING INCOME</b>	<b>6,466</b>	<b>6,285</b>	<b>181</b>	<b>7,338</b>
<b>NONOPERATING (INCOME) AND EXPENSE</b>	<b>(3)</b>	<b>(553)</b>	<b>550</b>	<b>-</b>
<b>DEPRECIATION AND AMORTIZATION</b>	<b>959</b>	<b>1,034</b>	<b>(75)</b>	<b>1,200</b>
<b>NET OPERATING INCOME</b>	<b>(5,510)</b>	<b>(5,804)</b>	<b>294</b>	<b>6,138</b>

# STATEMENT OF OPERATIONS FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014 GOLF COURSE

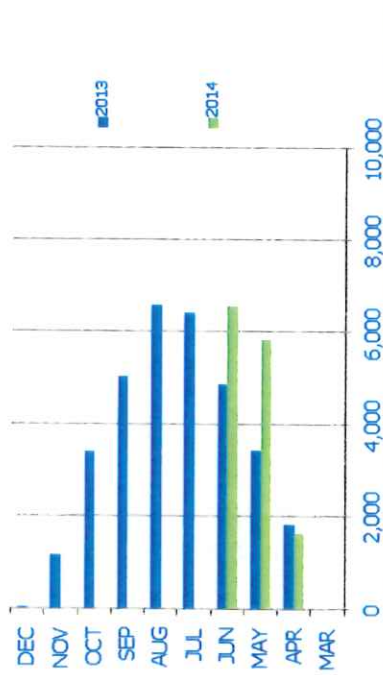
(\$ 000's)

	CURRENT YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT FISCAL YEAR BUDGET	OPERATING REVENUES	CURRENT YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	CURRENT FISCAL YEAR BUDGET
<b>OPERATING REVENUES</b>	1,622	1,658	(36)	1,672	CONCESSION REVENUES	222	204	195
<b>OPERATING EXPENSES</b>					FEE REVENUES			
PERSONNEL SERVICES AND BENEFITS	884	846	38	793	GOLF FEES	856	892	908
BUILDINGS AND FACILITIES MAINTENANCE	342	339	3	269	MEMBERSHIPS	228	294	296
GENERAL AND ADMINISTRATIVE	153	124	29	124	SIMULATOR	115	103	103
UTILITIES	132	114	18	104	GOLF LESSONS	15	17	10
PROFESSIONAL SERVICES	9	7	2	11		1,214	1,306	1,317
MARKETING AND PROMOTION	54	78	(24)	88	MERCHANDISE AND OTHER	186	148	160
ALL OTHER	192	189	3	174		1,622	1,658	1,672
	1,766	1,697	69	1,563				
<b>OPERATING INCOME</b>	(144)	(39)	(105)	109	<b>BUSINESS UNIT ANALYSIS</b>			
<b>NONOPERATING (INCOME) AND EXPENSE</b>	(2)	(2)	-	-	PRO SHOP	173		
DEPRECIATION AND AMORTIZATION	282	302	(20)	1	COURSE OPERA	1,111	223	115
NET OPERATING INCOME	(424)	(339)	85	(199)	FOOD / BEV	236	236	35
					TOTAL			1,766
					OPERATING REVENUES	173	1,111	223
					OPERATING EXPENSES (EXCLUDING DEPRECIATION)	171	1,324	236
					NET OPERATING INCOME	2	(213)	(13)
								80
								(144)

# KEY GOLF COURSE BENCHMARKING DATA

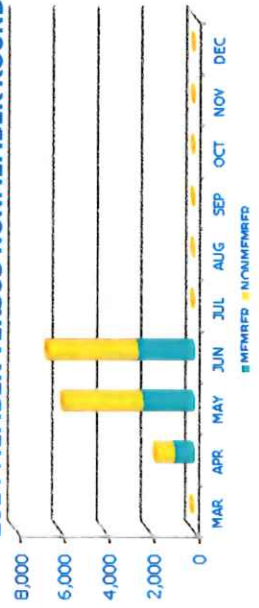


ROUNDS OF GOLF PLAYED



	2012	2013	2014
SEASON	51,001	32,728	14,028
RAINFALL	48	49	19
RAINY DAYS	24	24	19

2014 MEMBER VERSUS NONMEMBER ROUNDS



GOLF SIMULATOR REVENUES	FY 2013	FY 2014	BAR AND GRILL GROSS SALES	FY 2012	FY 2013	FY 2014
JULY	\$ -	\$ 285	JULY	\$ 104,571	\$ 143,893	\$ 134,339
AUGUST	209	35	AUGUST	98,144	106,674	126,688
SEPTEMBER	220	20	SEPTEMBER	79,803	103,048	106,735
OCTOBER	1,875	1,883	OCTOBER	49,144	62,957	84,490
NOVEMBER	10,230	12,839	NOVEMBER	35,145	57,335	67,358
DECEMBER	14,032	17,141	DECEMBER	38,330	59,735	68,224
JANUARY	24,240	24,680	JANUARY	40,372	58,266	61,398
FEBRUARY	22,416	23,438	FEBRUARY	46,547	61,346	59,814
MARCH	24,836	26,047	MARCH	54,966	79,817	68,207
APRIL	4,553	8,206	APRIL	74,055	68,045	86,823
MAY	388	196	MAY	101,018	99,191	124,765
JUNE	355	240	JUNE	121,216	98,569	123,880
<b>TOTAL</b>	<b>\$ 103,354</b>	<b>\$ 115,010</b>		<b>\$ 843,311</b>	<b>\$ 998,876</b>	<b>\$ 1,112,721</b>

2013 YTD ROUNDS	MEMBER	NONMEMBER	TOTAL
	4,491	5,618	10,109

YEAR TO DATE NET CHANGE: \$ 11,656

2014 YTD ROUNDS	MEMBER	NONMEMBER	TOTAL
	5,612	8,416	14,028

YEAR TO DATE NET CHANGE: 11.3%

YEAR TO DATE NET CHANGE: \$ 123,845

YEAR TO DATE NET CHANGE: 12.3%

# STATEMENT OF OPERATIONS FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014 PORT AUTHORITY OF NEW HAMPSHIRE (UNRESTRICTED)

(\$ 000's)

	CURRENT YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT FISCAL YEAR BUDGET	OPERATING REVENUES	CURRENT YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	CURRENT FISCAL YEAR BUDGET
<b>OPERATING REVENUES</b>	2,537	2,712	(175)	2,945	FACILITY RENTALS	443	422	550
					CONCESSION REVENUE	2	3	4
					FEE REVENUE			
					MOORING FEES	344	346	347
					PARKING	145	147	155
					REGISTRATIONS	126	149	150
					WHARF / DOCK	344	560	450
					FUEL SALES	959	1,202	1,102
					ALL OTHER	856	786	1,140
					TOTAL	2,537	2,712	2,945
<b>OPERATING EXPENSES</b>								
PERSONNEL SERVICES AND BENEFITS	1,117	1,014	103	1,080				
BUILDINGS AND FACILITIES MAINTENANCE	340	503	(163)	384				
GENERAL AND ADMINISTRATIVE	116	148	(32)	111				
UTILITIES	173	180	(7)	156				
PROFESSIONAL SERVICES	17	19	(2)	70				
MARKETING AND PROMOTION	3	4	(1)	2				
ALL OTHER - FUEL	803	736	67	1,061				
	2,569	2,604	(35)	2,864				
<b>OPERATING INCOME</b>	(32)	108	(140)	81	<b>BUSINESS UNIT ANALYSIS</b>			
<b>NONOPERATING (INCOME) AND EXPENSE</b>	(1)	(1)	-	2	OPERATING REVENUES	93	315	25
					OPERATING EXPENSES (EXCLUDING DEPRECIATION)	198	294	359
<b>DEPRECIATION AND AMORTIZATION</b>	542	517	25	558				
<b>NET OPERATING INCOME</b>	(573)	(408)	(165)	(475)	NET OPERATING INCOME	(105)	21	(334)
						(88)	492	(18)

# STATEMENT OF OPERATIONS FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014 PORT AUTHORITY OF NEW HAMPSHIRE (RESTRICTED)

(\$ 000's)

	CURRENT YEAR TO DATE ACTUAL		PRIOR YEAR TO DATE ACTUAL		CURRENT FISCAL YEAR BUDGET		YEAR TO YEAR VARIANCE		PRIOR YEAR TO DATE ACTUAL		CURRENT FISCAL YEAR BUDGET	
<b>HARBOR DREDGING</b>												
<b>OPERATING REVENUES</b>	<u>121</u>	<u>1,462</u>	<u>1,341</u>	<u>110</u>	<u>5</u>	<u>15</u>	<u>(10)</u>	<u>5</u>				<u>5</u>
<b>OPERATING EXPENSES</b>												
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES MAINTENANCE	349	1,520	(1,171)	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	-	-	-	1	1	-	-	1	1	-	2
UTILITIES	-	-	-	(5)	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-	-	-
MARKETING AND PROMOTION	-	-	-	-	7	9	(2)	-	7	9	(2)	3
ALL OTHER	-	-	-	-	-	-	-	-	-	-	-	-
<b>OPERATING INCOME</b>	<u>349</u>	<u>1,520</u>	<u>(1,171)</u>	<u>(5)</u>	<u>8</u>	<u>10</u>	<u>(2)</u>	<u>5</u>	<u>(3)</u>	<u>5</u>	<u>(8)</u>	<u>5</u>
<b>NONOPERATING (INCOME) AND EXPENSE</b>	(228)	(58)	(170)	115								
	-	-	-	5								
<b>DEPRECIATION AND AMORTIZATION</b>	13	7	6	5								
<b>NET OPERATING INCOME</b>	<u>(241)</u>	<u>(65)</u>	<u>(176)</u>	<u>115</u>	<u>(3)</u>	<u>5</u>	<u>(8)</u>	<u>(3)</u>	<u>(3)</u>	<u>5</u>	<u>(8)</u>	<u>5</u>

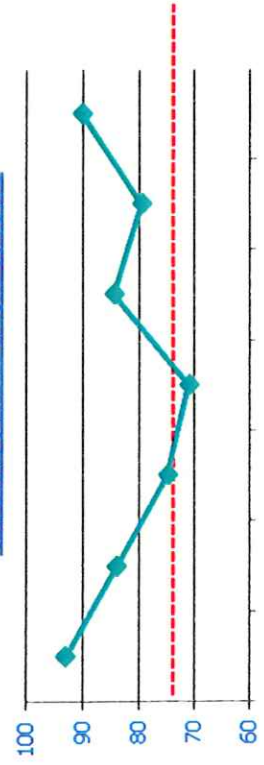
# STATEMENT OF OPERATIONS FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2014 PORT AUTHORITY OF NEW HAMPSHIRE (RESTRICTED)

(CONTINUED)

(\$ 000's)

	CURRENT YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT FISCAL YEAR BUDGET	REVOLVING LOAN FUND RECONCILIATION		
					BALANCE AT 06-30-2014	BALANCE AT 06-30-2013	BALANCE AT 06-30-2012
<b>REVOLVING LOAN FUND</b>							
<b>OPERATING REVENUES</b>	39	34	5	34	158	154	305
<b>OPERATING EXPENSES</b>					43	43	-
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	201	197	305
BUILDINGS AND FACILITIES MAINTENANCE	-	-	-	-	126	107	156
GENERAL AND ADMINISTRATIVE	-	-	-	-	809	814	649
UTILITIES	-	-	-	-	935	921	805
PROFESSIONAL SERVICES	21	24	(3)	28	1,136	1,118	1,110
MARKETING AND PROMOTION	-	-	-	-			
ALL OTHER	-	-	-	-			
<b>OPERATING INCOME</b>	21	24	(3)	28			
<b>NONOPERATING (INCOME) AND EXPENSE</b>	18	10	8	6			
<b>DEPRECIATION AND AMORTIZATION</b>	-	-	-	-			
<b>NET OPERATING INCOME</b>	18	10	8	6			
					82.3%	82.4%	72.5%
					<b>CAPITAL UTILIZATION RATE</b>		

**CAPITAL UTILIZATION % RATE**



MAR 11 SEP 11 MAR 12 SEP 12 MAR 13 SEP 13 MAR 14





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# **CASH FLOW PROJECTIONS FOR THE NINE MONTH PERIOD ENDING APRIL 30, 2015**

***(EXCLUDING THE DIVISION OF PORTS AND HARBORS)***



**BOARD OF DIRECTORS MEETING  
AUGUST 21, 2014**

# PEASE DEVELOPMENT AUTHORITY PDA UNRESTRICTED CASH FLOW SUMMARY OVERVIEW AUGUST 1, 2014 TO APRIL 30, 2015

(\$ 000's)

	<u>AMOUNT</u>
<b>OPENING FUND BALANCE</b>	<b><u>927</u></b>
<b>SOURCES OF FUNDS</b>	
TRADEPORT RELATED BILLINGS	6,167
FEDERAL / STATE GRANT AWARDS	8,068
GOLF COURSE FEE AND CONCESSION REVENUES	1,300
MUNICIPAL SERVICE FEE (COP)- NET	1,165
PORTSMOUTH AIRPORT	417
SKYHAVEN AIRPORT HANGAR AND FUEL REVENUES	139
EXTERNAL BANK WORKING CAPITAL- NET	(2,000)
	<u>15,256</u>
<b>USES OF FUNDS</b>	
CAPITAL EXPENDITURES- GRANT RELATED	7,664
EMPLOYEE WAGES AND BENEFITS	3,433
CAPITAL EXPENDITURES- NON GRANT RELATED	1,105
OPERATING EXPENSES	1,370
LONG TERM DEBT RETIREMENT	558
	<u>14,130</u>
<b>NET CASH FLOW</b>	<b><u>1,126</u></b>
<b>CLOSING FUND BALANCE</b>	<b><u>2,053</u></b>

## DISCUSSION

THE PDA WILL NEED TO FURTHER UTILIZE IT'S SHORT TERM LINE OF CREDIT WITH THE PROVIDENT BANK DURING THE NEXT NINE MONTH PERIOD TO PRIMARILY FINANCE PROJECTED CAPITAL EXPENDITURES. THE CURRENT MAXIMUM CAPACITY OF \$5,000 WILL BE TARGETED.

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



	BALANCE AT 07-31-14	BALANCE AT 06-30-2014
<b>TOTAL FUND BALANCES</b>		
PDA UNRESTRICTED	927	957
PDA DESIGNATED	150	75
DPH UNRESTRICTED	533	413
DPH RESTRICTED	724	703
TOTAL	<u>2,334</u>	<u>2,148</u>

# PEASE DEVELOPMENT AUTHORITY STATEMENT OF CASH FLOW- PDA UNRESTRICTED FUNDS AUGUST 1, 2014 TO APRIL 30, 2015

(\$ 000's)

	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	TOTAL
<b>OPENING FUND BALANCE</b>	<b>927</b>	<b>465</b>	<b>167</b>	<b>1,090</b>	<b>1,122</b>	<b>670</b>	<b>1,144</b>	<b>1,370</b>	<b>1,796</b>	<b>927</b>
<b>SOURCES OF FUNDS</b>										
TRADEPORT RELATED BILLINGS	624	923	615	615	760	615	615	665	735	6,167
GRANT AWARDS (SEE PAGE #9)	33	1,034	1,559	2,734	847	853	735	188	85	8,068
MUNICIPAL SERVICE FEE (COP)	236	208	355	205	208	355	205	208	355	2,335
GOLF COURSE	275	275	250	175	100	75	50	50	50	1,300
PORTSMOUTH AIRPORT	35	69	35	35	69	35	35	69	35	417
SKYHAVEN AIRPORT	17	18	18	17	15	14	12	13	15	139
WORKING CAPITAL RLOC- NET	750	1,000	(300)	(2,300)	-	(550)	(600)	-	-	(2,000)
	<u>1,970</u>	<u>3,527</u>	<u>2,532</u>	<u>1,481</u>	<u>1,999</u>	<u>1,397</u>	<u>1,052</u>	<u>1,193</u>	<u>1,275</u>	<u>16,426</u>
<b>USE OF FUNDS</b>										
CAPITAL- GRANT RELATED (SEE PAGE #4)	1,660	2,953	1,030	870	715	173	71	71	121	7,664
CAPITAL- NONGRANT (SEE PAGES #5-#8)	183	209	62	60	25	60	80	116	310	1,105
EMPLOYEE WAGES AND BENEFITS	405	378	373	366	356	400	400	390	365	3,433
OPERATING EXPENSES	175	175	160	155	140	145	145	145	130	1,370
MUNICIPAL SERVICE FEE (COP)	-	-	-	-	1,170	-	-	-	-	1,170
LONG TERM DEBT RETIREMENT (SEE PAGES #10-#11)	45	45	45	45	45	198	45	45	45	558
	<u>2,468</u>	<u>3,760</u>	<u>1,670</u>	<u>1,496</u>	<u>2,451</u>	<u>976</u>	<u>741</u>	<u>767</u>	<u>971</u>	<u>15,300</u>
<b>NET CASH FLOW</b>	<b>(498)</b>	<b>(233)</b>	<b>862</b>	<b>(15)</b>	<b>(452)</b>	<b>421</b>	<b>311</b>	<b>426</b>	<b>304</b>	<b>1,126</b>
<b>CLOSING FUND BALANCE</b>	<b>429</b>	<b>196</b>	<b>1,058</b>	<b>1,043</b>	<b>591</b>	<b>1,012</b>	<b>1,323</b>	<b>1,749</b>	<b>2,053</b>	<b>2,053</b>

# PEASE DEVELOPMENT AUTHORITY PROJECTED CAPITAL EXPENDITURES AUGUST 1, 2014 TO APRIL 30, 2015

(\$ 000's)

	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	TOTAL
<b><u>GRANT REIMBURSEMENT</u></b>										
<b>PORTSMOUTH AIRPORT</b>										
OBSTRUCTION MITIGATION DESIGN (AIP #49)	4	30	30	20	-	-	-	-	-	84
OBSTRUCTION MITIGATION- PHASE II	-	-	-	-	50	50	50	50	50	250
NOISE EXPOSURE MAP (AIP #52)	13	-	-	-	-	-	-	-	-	13
AIRPORT MARKING AND SIGNAGE (AIP #55)	-	20	20	-	-	-	-	-	-	40
RUNWAY FACILITY DESIGN STUDY (SBG 1)	-	8	-	-	-	-	-	-	-	8
ASR MITIGATION CONSTRUCTION (SBG 2)	406	1,000	168	-	-	-	-	-	-	1,574
ASR CONSTRUCTION (SBG 3)	320	700	49	-	-	-	-	-	-	1,069
PSM SECURITY DATA BASE ***	-	-	-	-	65	33	21	21	21	161
<b>SKYHAVEN AIRPORT</b>										
RUNWAY REHAB AND DESIGN	9	15	10	-	-	-	-	-	-	34
RUNWAY CONSTRUCTION	700	850	650	850	600	90	-	-	50	3,790
<b>TRADEPORT</b>										
BUILDING DEMO (80 ROCHESTER)	27	-	-	-	-	-	-	-	-	27
MULTI USE PATH (GRAFTON DRIVE SECTION ONLY)	30	200	90	-	-	-	-	-	-	320
MULTI USE PATH (ROUTE #33)	151	130	13	-	-	-	-	-	-	294
<b>TOTAL GRANT</b>	<b>1,660</b>	<b>2,953</b>	<b>1,030</b>	<b>870</b>	<b>715</b>	<b>173</b>	<b>71</b>	<b>71</b>	<b>121</b>	<b>7,664</b>

NOTE:  
\*\* PENDING BOARD APPROVAL

# PEASE DEVELOPMENT AUTHORITY PROJECTED CAPITAL EXPENDITURES AUGUST 1, 2014 TO APRIL 30, 2015

(\$ 000's)

(CONTINUED):

	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	TOTAL
<b><u>NONGRANT REIMBURSEMENT</u></b>										
<b><u>TRADEPORT</u></b>										
ROOF- 55 INTERNATIONAL DRIVE	75	90	5	-	-	-	-	-	-	170
TERMINAL DIRECTORY (INSIDE) **	-	-	-	-	-	-	-	-	50	50
TERMINAL SIGN GUIDES (ROADWAYS) **	-	-	-	-	-	-	-	-	50	50
AIRPORT ENTRANCE SIGN- EXETER STREET**	-	-	-	-	-	-	-	-	30	30
NORTH ENTRANCE WELCOME SIGN **	-	-	-	-	-	-	-	-	30	30
SIDEWALKS- PEDESTRIAN FACILITIES**	-	-	-	6	-	-	-	-	-	6
DRAINAGE DITCHES **	-	-	-	-	-	20	-	-	-	20
SURFACE TRANSPORTATION PLAN	-	-	-	-	-	-	-	-	25	25
	<u>75</u>	<u>90</u>	<u>5</u>	<u>6</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>-</u>	<u>185</u>	<u>381</u>

NOTE:  
\*\* PENDING BOARD APPROVAL

**PEASE DEVELOPMENT AUTHORITY  
 PROJECTED CAPITAL EXPENDITURES  
 AUGUST 1, 2014 TO APRIL 30, 2015**

(\$ 000's)

(CONTINUED):

	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>TOTAL</u>
<b><u>NONGRANT REIMBURSEMENT</u></b>										
<b>SKYHAVEN AIRPORT</b>										
STORM DRAIN SURVEY **	:	:	:	:	:	:	:	:	20	20
<b>ADMINISTRATION</b>										
COMPUTERS / PRINTERS / SOFTWARE / SERVERS / TELECOMMUNICATIONS **	:	70	:	:	:	15	:	50	15	150

NOTE:  
 \*\* PENDING BOARD APPROVAL

# PEASE DEVELOPMENT AUTHORITY PROJECTED CAPITAL EXPENDITURES AUGUST 1, 2014 TO APRIL 30, 2015

(\$ 000's)

(CONTINUED):

	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	TOTAL
<b><u>NONGRANT REIMBURSEMENT</u></b>										
<b><u>GOLF COURSE</u></b>										
COURSE RENOVATIONS	25	2	-	-	-	-	-	-	15	42
CLUBHOUSE PATIO UPGRADE	23	-	-	-	-	-	-	-	-	23
PARKING LOT RENOVATIONS	20	-	-	-	-	-	-	-	-	20
WALKING GREEN'S MOWER**	-	8	17	-	-	-	-	-	-	25
FUEL TANK PAD **	-	-	-	-	-	-	-	-	50	50
DEBRIS MOWER**	-	9	-	-	-	-	-	-	-	9
CLUBHOUSE FURNISHINGS AND KITCHEN EQUIPMENT **	-	10	15	-	-	25	-	-	-	50
GREEN TEE AREATOR **	-	-	-	-	-	-	-	26	-	26
POINT OF SALE SYSTEM UPGRADE **	-	-	-	-	25	-	-	-	-	25
RANGE CART WITH CAGE **	-	-	-	-	-	-	-	15	-	15
TRIM MOWERS**	-	-	-	-	-	-	-	25	-	25
WEBSITE ENHANCEMENTS **	-	20	-	-	-	-	-	-	-	20
	<u>68</u>	<u>49</u>	<u>32</u>	<u>-</u>	<u>25</u>	<u>25</u>	<u>-</u>	<u>66</u>	<u>65</u>	<u>330</u>

# PEASE DEVELOPMENT AUTHORITY PROJECTED CAPITAL EXPENDITURES AUGUST 1, 2014 TO APRIL 30, 2015

(\$ 000's)

(CONTINUED):

	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	TOTAL
<b><u>NONGRANT REIMBURSEMENT</u></b> (CONTINUED):										
<b>PORTSMOUTH AIRPORT</b>										
RUNWAY LIGHTING SYSTEM **	-	-	-	30	-	-	-	-	-	30
BATHROOM RENOVATIONS- DESIGN**	-	-	15	-	-	-	-	-	-	15
PSM SECURITY DATA BASE **	-	-	-	-	-	-	20	-	-	20
TERMINAL DIRECTORY (INSIDE) **	-	-	-	-	-	-	-	-	25	25
REROOFING OF HUT # 7 AND #8 **	-	-	-	-	-	-	-	-	50	50
SECURITY ACCESS SYSTEM REPLACEMENT	-	-	-	24	-	-	-	-	-	24
NEW SECURITY GATE- P1**	-	-	10	-	-	-	-	-	-	10
	=	=	<u>25</u>	<u>54</u>	=	=	<u>20</u>	=	<u>75</u>	<u>124</u>
<b>MAINTENANCE</b>										
OPERATIONS VEHICLE (PD #53)	40	-	-	-	-	-	-	-	-	40
75 ROCHESTER- FIRE ALARM **	-	-	-	-	-	-	60	-	-	60
	40	=	=	=	=	=	<u>60</u>	=	=	<u>100</u>
<b>TOTAL NONGRANT</b>	<b><u>183</u></b>	<b><u>209</u></b>	<b><u>62</u></b>	<b><u>60</u></b>	<b><u>25</u></b>	<b><u>60</u></b>	<b><u>80</u></b>	<b><u>116</u></b>	<b><u>310</u></b>	<b><u>1,105</u></b>

NOTE:  
\*\* PENDING BOARD APPROVAL



# PEASE DEVELOPMENT AUTHORITY PROJECTED RECEIPT GRANT AWARDS AUGUST 1, 2014 TO APRIL 30, 2015

(\$ 000's)

	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	TOTAL
<b>PORTSMOUTH AIRPORT</b>										
OBSTRUCTION MITIGATION DESIGN (AIP #49)	-	-	-	14	-	-	80	-	-	94
OBSTRUCTION MITIGATION- PHASE II **	-	-	-	-	-	-	-	95	-	95
NOISE EXPOSURE MAP (AIP #52)	33	-	5	-	-	-	-	-	-	38
AIRPORT MARKING AND SIGNAGE (AIP #55)	-	-	-	-	38	-	-	-	-	38
RUNWAY FACILITY DESIGN STUDY (SBG 1)	-	-	-	7	-	-	-	-	-	7
ASR MITIGATION CONSTRUCTION (SBG 2)	-	490	385	950	160	-	-	-	-	1,985
ASR CONSTRUCTION (SBG 3)	-	471	304	665	-	45	-	-	-	1,485
PSM SECURITY DATA BASE **	-	-	-	-	-	-	-	93	-	93
<b>SKYHAVEN AIRPORT</b>										
RUNWAY REHAB AND DESIGN	-	-	-	-	32	-	-	-	-	32
RUNWAY CONSTRUCTION	-	24	665	808	617	808	570	-	85	3,577
<b>TRADEPORT</b>										
BUILDING DEMO (80 ROCHESTER)	-	-	25	-	-	-	-	-	-	25
MULTI USE PATH (GRAFTON DRIVE SECTION ONLY)	-	49	24	160	-	-	72	-	-	305
MULTI USE PATH (ROUTE #33)	-	-	151	130	-	-	13	-	-	294
<b>TOTAL GRANT</b>	<b>33</b>	<b>1,034</b>	<b>1,559</b>	<b>2,734</b>	<b>847</b>	<b>853</b>	<b>735</b>	<b>188</b>	<b>85</b>	<b>8,068</b>

**PEASE DEVELOPMENT AUTHORITY  
 SCHEDULED OF LONG TERM DEBT RETIREMENT (PRINCIPAL + INTEREST)  
 AUGUST 1, 2014 TO APRIL 30, 2015**

(\$ 000's)

	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	TOTAL
<b>THE PROVIDENT BANK</b>	18	18	18	18	18	18	18	18	18	162
REVOLVING LOC # 1										
(STATE GUARANTEE-										
\$1,000,000)										
<b>THE PROVIDENT BANK</b>	27	27	27	27	27	27	27	27	27	243
REVOLVING LOC #2										
(STATE GUARANTEE-										
\$1,500,000)										
<b>CITY OF PORTSMOUTH</b>	-	-	-	-	-	153	-	-	-	153
<b>TOTAL</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>198</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>558</b>

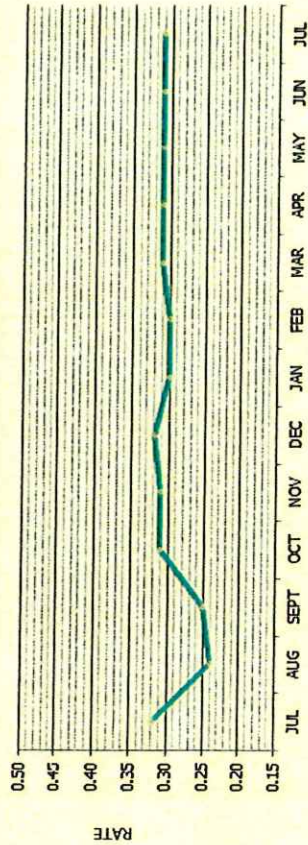
# PEASE DEVELOPMENT AUTHORITY CREDIT FACILITIES AND OUTSTANDING DEBT ANALYSIS JULY 31, 2014

(\$ 000's)

<u>CREDIT FACILITIES</u>	<u>THE PROVIDENT BANK (RLOC)</u>	<u>THE PROVIDENT BANK (REVOL)</u>	<u>THE PROVIDENT BANK (BAN)</u>
AMOUNT OF CREDIT FACILITY	5,000	2,500	5,000
AMOUNT AVAILABLE	3,000	-	-
EFFECTIVE DATE	03-10-2011	03-10-2011	02-25-2009
TERM DATE	12-31-2016	06-28-2018	02-25-2014
PURPOSE	TO PROVIDE WORKING CAPITAL	TO FINANCE CAPITAL EXPENDITURES	DEBT REPAYMENT TO STATE OF NH
INTEREST RATE	ONE MONTH FHLB + 250 BASIS POINTS	SEE TABLE	3.74%
MINIMUM SIZE OF DRAWDOWN	NO MINIMUM	500	5,000
OTHER	DOES NOT CARRY THE STATE GUARANTEE	DOES CARRY GUARANTEE OF STATE	DOES CARRY GUARANTEE OF STATE

<u>OUTSTANDING DEBT ANALYSIS</u>	BALANCE AT 07-31-2014	BALANCE AT 06-30-2014	MATURITY DATE	INTEREST RATE %
THE PROVIDENT BANK- (REVOL #1)	334	351	03-14-2016	3.46
THE PROVIDENT BANK (RLOC)	2,000	2,000	12-31-2016	2.81
THE PROVIDENT BANK- (REVOL #2)	1,195	1,219	06-28-2018	3.11
CITY OF PORTSMOUTH	698	698	12-31-2020	4.50
	<u>4,227</u>	<u>4,268</u>		
<b>WEIGHTED AVERAGE</b>	<b>3.23</b>	<b>3.22</b>		

TRENDING THE ONE MONTH FHLB INTEREST RATE



2013

2014



MEMORANDUM

To: Pease Development Authority Board of Directors

From: David R. Mullen, Executive Director 

Date: August 21, 2014

Re: Sublease between 222 International, LP and OnBrand24, Inc.

In accordance with the "Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements" adopted by the Board on August 8, 1996, I am pleased to report that PDA has approved of a sublease between 222 International LP ("222ILP") and OnBrand24, Inc. ("OnBrand24") for 3,363 square feet at the subleased premises located at 222 International Drive. The 222ILP/OnBrand sublease is for a term of three years, 3 months effective August 1, 2014. OnBrand, a call center outsourcing service, will use the Subleased Premises for offices and customary related uses.

The Delegation to Executive Director: Consent, Approval of Sub-subleases provides that:

"A Sub-sublease Agreement subject to this delegation of authority shall not be consented to, approved or executed unless all of the following conditions are met:

1. The use of the Subleased Premises associated with the sublease is permitted under the original sublease;
2. The sublease is consistent with the terms and conditions of the original Lease;
3. The original Lessee remains primarily liable to Lessor to pay rent and to perform all other obligations to be performed by Lessee under the original Lease; and
4. The proposed Sublessee is financially and operationally responsible."


Conditions one through three have been met. As to condition four, PDA relies on 222ILP's continued primary liability for payment of rent and other obligations pursuant to the PDA/222ILP Lease.

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 Loughlin was consulted and granted his consent.

P:\TWOINTL\222 International\Board memos\BoardmemOn Brand082114.wpd



MEMORANDUM

To: Pease Development Authority Board of Directors  
From: David R. Mullen, Executive Director   
Date: August 21, 2014  
Re: Sublease between NH Avenue Retail Center, LLC and The Juicery, LLC

In accordance with the "Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements" adopted by the Board on August 8, 1996, I am pleased to report that PDA has approved of a sublease between NH Avenue Retail Center, LLC ("NH Avenue") and The Juicery, LLC for 1,937 square feet with a base term of one (1) year at 14 Manchester Square.

The Delegation to Executive Director: Consent, Approval of Sub-subleases provides that:

"A Sub-sublease Agreement subject to this delegation of authority shall not be consented to, approved or executed unless all of the following conditions are met:

1. The use of the Subleased Premises associated with the sublease is permitted under the original sublease;
2. The sublease is consistent with the terms and conditions of the original Sublease;
3. The original Sublease remains primarily liable to Sublessor to pay rent and to perform all other obligations to be performed by Sublessee under the original Sublease; and
4. The proposed Sublessee is financially and operationally responsible."

Conditions one through three have been met. As to condition four, PDA relies on NH Avenue's continued primary liability for payment of rent and other obligations pursuant to the PDA/NH Avenue Lease.

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 Loughlin was consulted and granted his consent.

P:\TWOINTL\NH Ave Retail\Board\Boardmem082114.wpd





MEMORANDUM

To: Pease Development Authority Board of Directors

From: David R. Mullen, Executive Director 

Date: August 21, 2014

Re: Sublease between One New Hampshire Avenue, LLC and Red Door Title LLC

In accordance with the "Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements" adopted by the Board on August 8, 1996, I am pleased to report that PDA has approved of a sublease between One New Hampshire Avenue, LLC ("ONH") and Red Door Title LLC ("Red Door") for 1,558 square feet at 1 New Hampshire Avenue. The ONH/Red Door Sublease is for a base term of three years effective August 1, 2014. Red Door, a title company, will use the premises as a general business office.

The Delegation to Executive Director: Consent, Approval of Sub-subleases provides that:

"A Sub-sublease Agreement subject to this delegation of authority shall not be consented to, approved or executed unless all of the following conditions are met:

1. The use of the Subleased Premises associated with the sublease is permitted under the original sublease;
2. The sublease is consistent with the terms and conditions of the original Sublease;
3. The original Sublessee remains primarily liable to Sublessor to pay rent and to perform all other obligations to be performed by Sublessee under the original Sublease; and
4. The proposed Sublessee is financially and operationally responsible."

Conditions one through three have been met. As to condition four, PDA relies on ONH's continued primary liability for payment of rent and other obligations pursuant to the PDA/ONH Lease.

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 Loughlin was consulted and granted his consent.

P:\TWOINTL\1 New Hampshire\Board\BoardmemRedDoor082114.wpd



MOTION

Director Bohenko:


The Pease Development Authority Board of Directors hereby:

- a. ratifies and approves of the execution and recording of the Lot Line Adjustment Plan for the premises located at 68 New Hampshire Avenue to increase the lot size to a total of 5.02 acres in accordance with the amendments to the PDA Land Use Controls approved by the PDA Board effective October 18, 2013;
- b. approves and authorizes the Executive Director to enter into Lease Amendment No. 2 ("Amendment") on substantially similar terms and conditions contained in the Amendment attached hereto;
- c. approves and authorizes the Executive Director to execute a Consent of Sublessor and Agreement Concerning Assignment of Sublease ("Consent") by and between PDA, 68 NH Ave, LLC, and Old Tex Mex, LLC for the premises located at 68 New Hampshire Avenue on substantially similar terms and conditions contained in the Consent attached hereto; and
- d. approves and authorizes such other action(s) and the execution of such other document(s) as shall be necessary or advisable to implement the transaction as more fully described in the memorandum of David R. Mullen, Executive Director, dated August 14, 2014, attached hereto.

N:\RESOLVES\68NHAVE0814.wpd



## MEMORANDUM

**To:** PDA Board of Directors  
**CC:** Lynn Marie Hinchee  
**From:** David R. Mullen, Executive Director   
**Date:** 8/15/2014  
**Re:** Assignment and Assumption of Sublease by 68 NH Ave, LLC to Old Tex Mex, LLC

In December 2013, the Pease Development Authority Board of Directors approved the sale of the 18,525 square foot building located at 68 New Hampshire Avenue and assignment of the underlying ground lease to 68 NH Ave, LLC, a New Hampshire Limited Liability Company with Cyrus W. Gregg and Daniel L. Plummer as Co-Managers.

This sale followed the October 2013 rezoning of the subject premises from Airport Zone to Business Commercial Zone and the authorization to increase the lot size of the premises to 5 acres in conformance with the PDA land use controls.

At this time, 68 NH Ave, LLC has negotiated the sale of the building and an assignment of the ground lease to Old Tex Mex, LLC, a New Hampshire Limited Liability Company for occupancy by Insurcomm, restoration professionals engaged in fire, water, mold cleanup and repair.

In order to facilitate the sale of the premises, at the Board Meeting on August 21, 2014 the Board will be asked to take the following actions:

1. Ratify and approve execution and recording of the Lot Line Adjustment Plan for land owned by the Pease Development Authority and leased to 68 NH Ave, LLC, also known as Portsmouth Tax Map 307 Lot 1, prepared by Knight Hill Land Surveying Services, Inc. and dated July 22, 2014. Please note that the lot line adjustment increases the premises from 3.5 to 5.02 acres in conformance with zoning requirements. Note, further, that the expansion of the premises by this additional 1.52 acres has merged a future right of way reserved to Pease Development Authority which right of way is no longer necessary.
2. Authorize and approve execution of Lease Amendment No. 2 in substantially the form attached hereto, which amendment will a) modify Article 1, Description of the Premises; b) replace Exhibit A, plan of the Leased Premises with the Lot Line Adjustment Plan; and c) amend Article 9, Use to conform with permitted uses in the Business Commercial Zone.
3. Authorize and approve execution of a Consent of Sublessor and Agreement concerning Assignment of Sublease ("Consent") by and between PDA, 68 NH Ave, LLC and Old Tex Mex, LLC for the premises located at 68 New Hampshire Avenue, on substantially similar terms and conditions contained in the Consent attached hereto.
4. Authorize and approve such other action(s) and the execution of such other document(s) as shall be necessary or advisable to implement the transaction contemplated in this Memorandum.



LEASE AMENDMENT NO. 2

Lessor: Pease Development Authority (“Lessor” or “PDA”)  
Lessee: Old Tex Mex, LLC (“Lessee”)  
Premises: 68 New Hampshire Avenue - Pease International Tradeport  
Portsmouth, New Hampshire  
Lease Date: September 9, 1998

---

This Lease Amendment No. 2 effective August 21, 2014, by and between the above referenced Lessor and Lessee:

**WHEREAS**, TACP Group, Inc. (“TACP”) as Sublessee and Pease Development Authority, as Sublessor entered into a certain Sublease dated September 9, 1998, as amended by Sublease Amendment No. 1 effective November 1, 1999 (the “Sublease”) for property located at 68 New Hampshire Avenue, Pease International Tradeport, consisting of 152,250 square feet (approximately 3.5 acres), Statutory Notice of Sublease of which is recorded at the Rockingham County Registry of Deeds at Book 3356, Page 1523 (the “Property”) as assigned to Londavia, Inc. by Assignment and Assumption Agreement dated April 18, 2001 and recorded at the Rockingham County Registry of Deeds at Book 3569, Page 666, and subsequently assumed by AmSafe Bridport, Inc. with respect to land and improvements thereon situated at 68 New Hampshire Avenue, Portsmouth, New Hampshire;

**WHEREAS**, Aftermarket Spares & Services, LLC, successor in interest to all of the rights and obligations of AmSafe Bridport, Inc., including all of the rights and obligations under the Sublease, assigned to 68 NH Ave, LLC all of the obligations of Aftermarket Spares & Services, LLC under the Sublease by Assignment and Assumption Agreement dated December 19, 2013 and recorded in the Rockingham County Registry of Deeds at Book 5503, Page 1385;

**WHEREAS** on August 21, 2014 PDA approved of an assignment of the Sublease between PDA and 68 NH, LLC to Old Tex Mex, LLC a New Hampshire limited liability company with a principal place of business at 3510 Lafayette Rd., Ste 4, Portsmouth NH 03801.

**WHEREAS** on October 17, 2013 the PDA Board of Directors approved of re-zoning the property and lot comprising of 68 New Hampshire from the Airport Industrial Zone to the Airport Business and Commercial Zone.

**WHEREAS**, Lessor and Lessee have agreed to modify the Lease to reflect an increase in the lot size of the Leased Premises as well as a change in the approved uses to conform with uses





permitted in the Business Commercial Zone at Pease International Tradeport.

**WHEREAS**, by Quitclaim Deed (and Exhibits A-G, inclusive) made and entered into on October 15, 2003 and recorded at the Rockingham County Registry of Deeds at Book 4227 page 1 and Quitclaim Deed dated September 16, 2005 recorded at the Rockingham County Registry of Deeds at Book 4564 Page 985 (the "Deeds"), the government, acting by and through the Secretary of the Air force did grant to PDA the land and improvements located in the City of Portsmouth, Town of Newington and Town of Greenland, as contemplated by the Master Lease, Application and Acceptances, and which deed dated October 15, 2003 included the Premises. In accordance with the provisions of Article 3, Section 3.1 and the Deeds, the sublease is now a direct lease, (hereinafter "the Lease");

**WHEREAS**, the Parties acknowledge that the Deeds impose certain requirements on Lessee with respect to the Lease which are hereby incorporated in the terms and conditions of this Amendment No. 2.

**NOW, THEREFORE**, Lessor and Lessee agree for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, that the Sublease be amended as set forth below:

a.) Article 1, Section 1.1 Description of the Leased Premises is amended to increase the lot size from 152,250 square feet / 3.5 acres to 218,750 square feet / 5.02 acres and to incorporate a new Exhibit A entitled Lot Line Adjustment for land owned by Pease Development Authority for land Leased to 68 NH Ave., LLC prepared by Knight Hill Land Surveying Services, Inc. dated July 22, 2014 and attached hereto as Exhibit 1.

b.) Article 9, Use of the Leased Premises, Section 9.1 is deleted in its entirety and replaced with the following language:

The purposes for which Lessee may use the Leased Premises are business and professional offices and customary accessory uses thereto, to include, but not limited to, off-street parking and loading, employee day care, and recreational facilities, and for no other uses without Lessor's prior written consent. Lessee shall not use, or permit to be used, the Leased Premises for any other purpose without the prior express written consent of Lessor. Lessor's consent shall be subject to the execution of an appropriate agreement which shall include a provision requiring the payment of established fees and charges that may be applicable to any such additional uses consented to by Lessor. Lessee is prohibited from any use of the Leased Premises not specifically granted in this Section 9.1.

c.) All other terms and conditions of the Lease shall remain in full force and effect and shall continue to be binding upon Lessor and Lessee.



IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease Amendment No. 2 made effective August 21, 2014.

Lessee: OLD TEX MEX, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Lessor: PEASE DEVELOPMENT AUTHORITY

By: \_\_\_\_\_

Name: David R. Mullen

Its: Executive Director



STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINGHAM, ss.

On this \_\_\_ day of \_\_\_\_\_, 2014, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared David R. Mullen, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Executive Director of the Pease Development Authority and on oath stated that he was authorized to execute this instrument and acknowledged it to be his free and voluntary act for the uses and purposes set forth herein.

\_\_\_\_\_  
Notary Public in and for said County and State  
Printed Name:  
My commission expires:

STATE OF NEW HAMPSHIRE  
COUNTY OF [ \_\_\_\_\_ ], ss

On this \_\_\_ day of \_\_\_\_\_, 2014, 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 Old Tex Mex, LLC and on oath stated that he was authorized to execute this instrument and acknowledged it to be his free and voluntary act for the uses and purposes set forth herein.

\_\_\_\_\_  
Notary Public in and for said County and State  
Printed Name:  
My commission expires:



**EXHIBIT 1**

Replacement Exhibit A to Lease

Lot Line Adjustment for land owned by Pease Development Authority for land Leased to 68 NH Ave., LLC prepared by Knight Hill Land Surveying Services, Inc. dated July 22, 2014





**CONSENT OF SUBLESSOR AND AGREEMENT CONCERNING  
ASSIGNMENT OF SUBLEASE**

**THIS CONSENT AND AGREEMENT** (the "Agreement") effective this \_\_\_\_ day of \_\_\_\_\_, 2014 (the "Effective Date") by and between Pease Development Authority, an agency of the State of New Hampshire ("Sublessor") 68 NH Ave, LLC, a New Hampshire limited liability company ("Sublessee" or "Assignor") and Old Tex Mex, LLC ("Assignee").

**WHEREAS**, TACP Group, Inc. ("TACP") as Sublessee and Pease Development Authority, as Sublessor entered into a certain Sublease dated September 9, 1998, as amended by Sublease Amendment No. 1 effective November 1, 1999 (the "Sublease") for property located at 68 New Hampshire Avenue, Pease International Tradeport, consisting of 152,250 square feet (approximately 3.5 acres), Statutory Notice of Sublease of which is recorded at the Rockingham County Registry of Deeds at Book 3356, Page 1523 (the "Property") as assigned to Londavia, Inc. by Assignment and Assumption Agreement dated April 18, 2001 and recorded at the Rockingham County Registry of Deeds at Book 3569, Page 666, and subsequently assumed by AmSafe Bridport, Inc. with respect to land and improvements thereon situated at 68 New Hampshire Avenue, Portsmouth, New Hampshire (the "Premises");

**WHEREAS**, Aftermarket Spares & Services, LLC, successor in interest to all of the rights and obligations of AmSafe Bridport, Inc., including all of the rights and obligations under the Sublease, assigned to 68 NH Ave, LLC all of the obligations of Aftermarket Spares & Services, LLC under the Sublease by Assignment and Assumption Agreement dated December 19, 2013 and recorded in the Rockingham County Registry of Deeds at Book 5503, Page 1385; and

**WHEREAS**, as of the Effective Date, and from and after the Effective Date, Sublessee will be deemed to have assigned to Assignee, and Assignee will be deemed to have assumed from Sublessee all of Sublessee's rights and obligations under the Sublease (such assignment and assumption being referred to herein as the ("Assignment")); and

**WHEREAS**, Sublessee and Assignee have requested that Sublessor consent to the Assignment, and accept Assignee as the Sublessee under the Sublease.



**NOW THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Sublessor, Sublessee and Assignee agree as follows:

1. Consent. Sublessor, subject to the covenants, agreements, terms, provisions and conditions contained in the Sublease and this Agreement, hereby consents to the Assignment, and agrees to accept the Assignee as the Sublessee under the Sublease effective as of the date of such Assignment.
2. Assignee's Covenants. Assignee covenants that from and after the Effective Date, and throughout the term of the Sublease:
  - a. Assignee will fully, faithfully and timely perform all of Sublessee's obligations under the Sublease; and
  - b. Assignee will use the Premises only for uses permitted under the Sublease or allowed by Sublessor.
3. Sublessor's Representations. Sublessor hereby represents to Assignee to the best of its knowledge that as of the Effective Date:
  - a. the Sublease is in full force and effect;
  - b. neither Sublessor nor Assignor is in default in the performance of or compliance with any provision of the Sublease;
  - c. Sublessor has not received any notice of default or termination of the Sublease;
  - d. the Sublease, as amended November 1, 1999, is a complete statement of the agreement of the parties thereto with respect to the leasing of the Subleased Premises subject only to the Minutes of the Board dated August 15, 2013, September 19, 2013 and October 17, 2013, regarding rezoning and/or a lot line revision;
  - e. there is no prepaid rent and no security deposit;
  - f. rent was last paid on August 11, 2014 and has been paid through August 31, 2014.
4. Assignor's Representations. Assignor hereby represents and warrants to Assignee to the best of its knowledge that as of the Effective Date:
  - a. the Sublease is in full force and effect;



- b. neither Sublessor nor Assignor is in default in the performance of or compliance with any provision of the Sublease;
  - c. the Assignor has not received any notice of default or termination of the Sublease;
  - d. the Sublease, as amended November 1, 1999 is a complete statement of the agreement of the parties thereto with respect to the leasing of the Subleased Premises;
  - e. there is no prepaid rent and no security deposit;
  - f. Assignor took possession of the premises on or about December 19, 2013, the date of Assignor's Assumption;
  - g. the Assignor has not sold, transferred, assigned, hypothecated or pledged its interest under the Sublease or the rent received thereunder.
5. Notices. Any notices required under the Sublease or with respect to this Agreement shall be sent (a) if to Sublessor, to 55 International Drive, Portsmouth, NH 03801, (b) if to Sublessee, to One New Hampshire Avenue, Suite 101, Portsmouth, NH 03801, (c) if to Assignee, to 3510 Lafayette Road, Portsmouth, NH 03801.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Pease Development Authority (Sublessor)

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
David R. Mullen  
Its Executive Director, duly authorized

STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINGHAM

On this the \_\_\_\_\_ day of \_\_\_\_\_, 2014, before me the undersigned officer, personally appeared David R. Mullen as Executive Director of Pease Development Authority, personally known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same for the purposes contained therein on behalf of the development authority.

\_\_\_\_\_  
Notary Public/Justice of the Peace  
Printed Name:  
My Commission Expires:



Signed this \_\_\_\_ day of \_\_\_\_\_, 2014.

**68 NH Ave, LLC (Sublessee/Assignor)**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
By: Daniel L. Plummer  
Its: Co-Manager

STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINGHAM

On this the \_\_ day of \_\_\_\_\_, 2014, before me the undersigned officer, personally appeared Daniel L. Plummer, as Co-Manager of 68 NH Ave, LLC, personally known to me or satisfactorily proven to be the same person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes contained herein on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_





Signed this \_\_\_\_ day of \_\_\_\_\_, 2014.

**68 NH Ave, LLC (Sublessee/Assignor)**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
By: Cyrus W. Gregg  
Its: Co-Manager

STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINGHAM

On this the \_\_ day of \_\_\_\_\_, 2014, before me the undersigned officer, personally appeared Cyrus W. Gregg, as Co-Manager of 68 NH Ave, LLC, personally known to me or satisfactorily proven to be the same person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes contained herein on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_



Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

**Old Tex Mex, LLC (Assignee)**

\_\_\_\_\_  
Witness

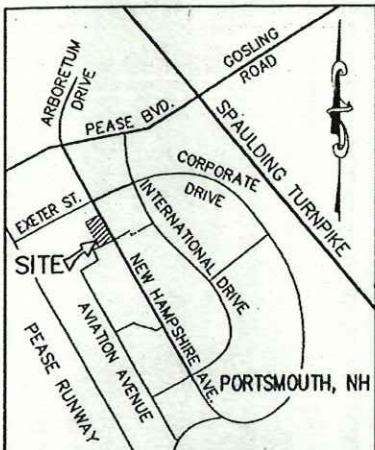
\_\_\_\_\_  
By:  
Its:

STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINGHAM

On this the \_\_ day of \_\_\_\_\_, 2014, before me the undersigned officer, personally appeared \_\_\_\_\_, as \_\_\_\_\_ of Old Tex Mex, LLC, personally known to me or satisfactorily proven to be the same person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes contained herein on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_

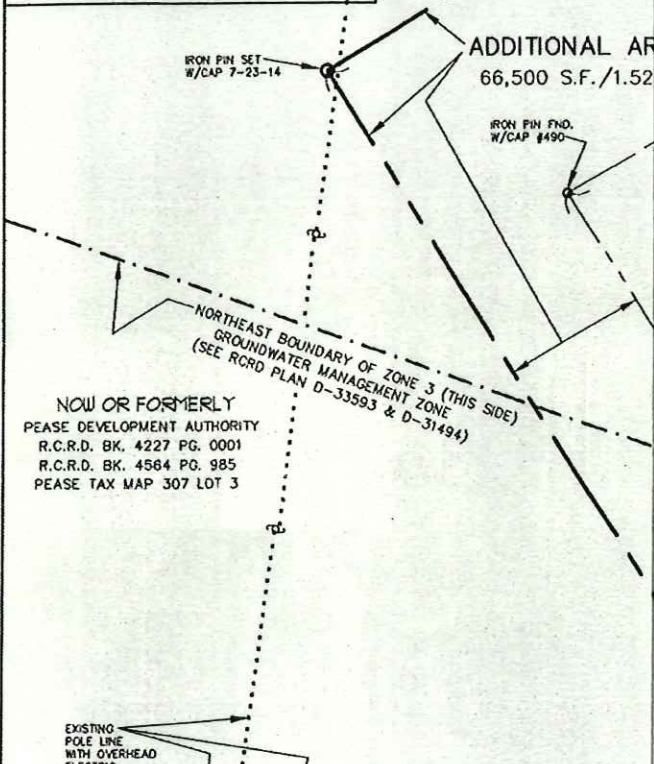




LOCATION MAP

GRANITE STATE GAS WITNESS POINT LABELED "CATHODIC PROTECTION"

NOW OR FORMERLY  
PEASE DEVELOPMENT AUTHORITY  
R.C.R.D. BK. 4227 PG. 0001  
R.C.R.D. BK. 4564 PG. 985  
PEASE TAX MAP 307 LOT 3



NOW OR FORMERLY  
PEASE DEVELOPMENT AUTHORITY  
R.C.R.D. BK. 4227 PG. 0001  
R.C.R.D. BK. 4564 PG. 985  
PEASE TAX MAP 307 LOT 3

EXISTING POLE LINE WITH OVERHEAD ELECTRIC

**CERTIFICATION**

I CERTIFY THAT THIS PLAN DELINEATES ON SITE DETAILS AS A RESULT OF AN ON-GROUND INSTRUMENT FIELD SURVEY CONDUCTED ON 7/21/2014 UNDER MY DIRECT SUPERVISION. LOT CORNERS HAVE BEEN SET AS SHOWN.



*Davidson Hislop, Jr.*  
JULY 2014  
LICENSED LAND SURVEYOR # 802

PREPARED FOR:  
PEASE DEVELOPMENT AUTHORITY, INC.  
101 ROBBINS & MICHAEL BROWN  
101 AFAYETTE ROAD, SUITE 4  
PORTSMOUTH, NH, 03801  
(603) 436-7701  
pease@peaseauthority.com

PREPARED BY:  
KNIGHT HILL LAND SURVEYING SERVICES, INC.  
c/o DAVE HISLOP  
34 OLD POST ROAD  
NEWINGTON, N. H. 03801  
(603) 436-1330  
dave@khlondsurveying.com

**APPROVED**

CITY OF PORTSMOUTH PLANNING BOARD

*Spini* 8.8.14  
SIGNATURE DATE

PEASE DEV

SIGNATURE

**LEGEND**

- EXISTING PROPERTY LINES
- LOT LINES TO BE ABANDONED
- NEW LOT LINE
- EDGE OF EASEMENT LINE
- EDGE OF PAVEMENT
- CURB
- OVERHEAD ELECTRIC
- APPROXIMATE TREELINE
- DECIDUOUS TREE
- UTILITY POLE
- DRAIN MANHOLE
- SEWER MANHOLE
- HYDRANT
- GROUND LIGHT
- WATER SHUTOFF
- HANDICAPPED PARKING
- OVERHEAD LIGHT
- MONITOR WELL
- GAS SHUT OFF
- GRANITE BOUND
- IRON PIN WITH CAP
- EDGE GROUNDWATER MANAGEMENT ZONE
- ROCKINGHAM COUNTY REGISTER OF DEEDS
- CATTAIL AREA
- EDGE OF DETENTION POND
- SIGN
- CATCH BASIN
- APPROX. UNDERGROUND GAS
- APPROX. UNDERGROUND ELECTRIC USE
- APPROX. UNDERGROUND WATER
- APPROX. UNDERGROUND SEWER
- APPROX. UNDERGROUND TELEPHONE

**SITE DATA**

PORTSMOUTH PEASE TAX MAP 307 LOT 1

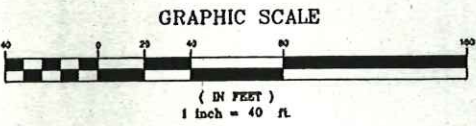
**OWNER OF RECORD:** PEASE DEVELOPMENT AUTHORITY  
PEASE INTERNATIONAL TRADEPORT  
55 INTERNATIONAL DRIVE  
PORTSMOUTH, N.H. 03801-2882  
R.C.R.D. BK. 4227 PG. 0001  
R.C.R.D. BK. 4564 PG. 985

**LEASED BY:** 68 NH AVE, LLC  
ONE NEW HAMPSHIRE AVE., SUITE 101  
PORTSMOUTH, N.H., 03801  
603-436-8686  
R.C.R.D. BK. 5503 PG. 1385

EX. LEASE LOT AREA = 152,250 S.F./3.50 AC.  
ADDED AREA = 66,500 S.F./1.52 AC.  
NEW LEASE LOT AREA = 218,750 S.F./5.02 AC.

**LOT LINE ADJUSTMENT PLAN**  
for land OWNED by  
**PEASE DEVELOPMENT AUTHORITY**  
for land LEASED to  
**68 NH AVE, LLC**  
known as  
**PORTSMOUTH TAX MAP 307 LOT 1**  
located at  
**#68 NEW HAMPSHIRE AVENUE**  
**PEASE INTERNATIONAL TRADEPORT**  
**PORTSMOUTH, N. H.**  
**COUNTY OF ROCKINGHAM**

DATE: JULY 22, 2014 SCALE: 1" = 40' PROJECT # 1909PNTS



REVISION 7-30-14 REMOVE FUTURE ROW PER PLAN REFERENCE AND REVISE NOTE #1



MOTION

Director Loughlin:

In connection with the planned expansion of Great Bay Community College (GBCC) and the construction of the Student Success Center, the Pease Development Authority Board of Directors hereby:

- i) approves of the amended Concept Plan subject to GBCC seeking the review of its proposed site plans by the City of Portsmouth;
- ii) authorizes the Executive Director to negotiate and enter into a Lease Amendment with GBCC with respect to the review and approval of hosting community events; and
- iii) GBCC reviewing its parking conditions and needs on at least an annual basis and correcting parking deficiencies as may be required;

all otherwise in accordance with the terms and conditions recommended by Maria J. Stowell and set forth in her memorandum dated August 14, 2014, attached hereto and incorporated by reference.

N:\RESOLVES\GBCCConcept0814.wpd





## MEMORANDUM

To: David R. Mullen, Executive Director  
From: Maria J. Stowell, P.E., Manager, Engineering *Maria*  
Date: August 14, 2014  
Subject: Great Bay Community College Expansion - Student Success Center

In May, the Board approved a concept plan proposal for the Student Success Center addition to the Great Bay Community College. Subsequent to that approval, the College discovered that the project as presented would exceed its available budget. The College is now submitting the attached revised concept plans for PDA's consideration.

The proposed addition has been moved to the southeast corner of the existing building. The new footprint is 20,000± square feet and includes a gymnasium, locker rooms, a fitness center, bathrooms, a student lounge, and six small offices all on one floor. The prior proposal was situated on the southwest corner, and had a 26,000 square feet footprint with a total renovated area of 30,000 square feet on two floors.

If the Board approves the new concept plan, the College will follow the same approval process with the same general conditions outlined to the Board at the May meeting. Listed here are the issues addressed during the previous approval with updates where needed.

**Site Review Approval** As a state agency, GBCC is exempt from the provisions of PDA's Site Plan Regulations. Nonetheless, staff prefers to have this project, which will be public assembly space, reviewed by the City's Technical Advisory Committee and Planning Board. The review will be limited to the extent authorized in RSA Chapter 674:54 Governmental Land Uses, which states in part, "the governing body or planning board may issue nonbinding written comments relative to conformity or nonconformity of the proposal with normally applicable land use regulations..."

**Uses** The gymnasium would be used primarily for events involving GBCC students (sporting events, graduations and other large assemblies), but would also be available on a fee basis for community events. GBCC President Arvelo has indicated that he would make the facility available to the community for sporting events and would entertain its use as a venue for special events such as home and garden shows. As commercial fee based events and recurring non-accessory uses need to be monitored to ensure that they do not disrupt Tradeport operations, PDA staff proposes amending GBCC's lease to include a provision which would require prior approval of such events or uses.

**Traffic** The primary purpose of the Student Success Center is to provide an amenity for currently enrolled students. This being the case, it is not anticipated that additional traffic will be generated for normal school functions. As to the outside or extracurricular uses, staff suggests that these be allowed only through a special events approval to be granted individually for each event. The College would be required to submit a request detailing the type of event, the number of people participating, the start time and duration, and other pertinent information. In this way PDA could control traffic conflicts as it would for other special events.



**Parking Spaces** Parking demand peaks during the first two weeks of the fall semester. During this time, and in accordance with its option agreement with PDA, the College makes use of the undeveloped lot at 360 Corporate Drive to accommodate its parking needs. Afterwards, the demand drops so that the 564 spaces around the building are usually sufficient. We have observed that during the remainder of the school year, there is only occasional use of the lot at 360 Corporate.

The former layout would have netted an additional 24 spaces on the principal lot. In this submission, the College proposes to maintain the 564 spaces that now exist. However, they have developed a plan demonstrating how 24 spaces could be added if ever needed. As stated, GBCC has represented that the Student Success Center is intended to serve its current enrollment. For that reason, the parking on the site will continue to function as it does presently. Should the College host special events, parking requirements would be examined along with traffic impacts as outlined above.

**Parking Setback** The parking in the new plan is unchanged from the present condition and there are no setback issues.

In summary, the revised Student Success Center proposal is downsized and less impacting than the original. At next week's meeting, please ask the Board to approve the revised concept plan proposed by Great Bay Community College subject to conditions similar to those imposed in the former approval. Specifically:

1. GBCC will obtain a recommendation of its proposed site plans from the City of Portsmouth Technical Advisory Committee and Planning Board as a Governmental Land Use review with non-binding recommendations;
2. PDA acknowledges that GBCC may use its facility to host community events and such use is considered accessory to the principal use, however, prior to hosting such an event, GBCC shall obtain an approval from PDA. The approval shall be for the purpose of ensuring coordination with other Tradeport activities. Toward this end, the PDA Executive Director is authorized to negotiate and to amend GBCC's lease to include a provision which memorializes this requirement; and,
3. GBCC agrees that its parking conditions will be reviewed at least annually and that any parking deficiencies will be corrected. Correction may consist of constructing 24 spaces as shown in this submission, constructing a parking garage, adding parking on adjacent lots or such other method as GBCC and PDA may agree.



**Great Bay Community College**

**Proposed Addition**

Portsmouth, New Hampshire

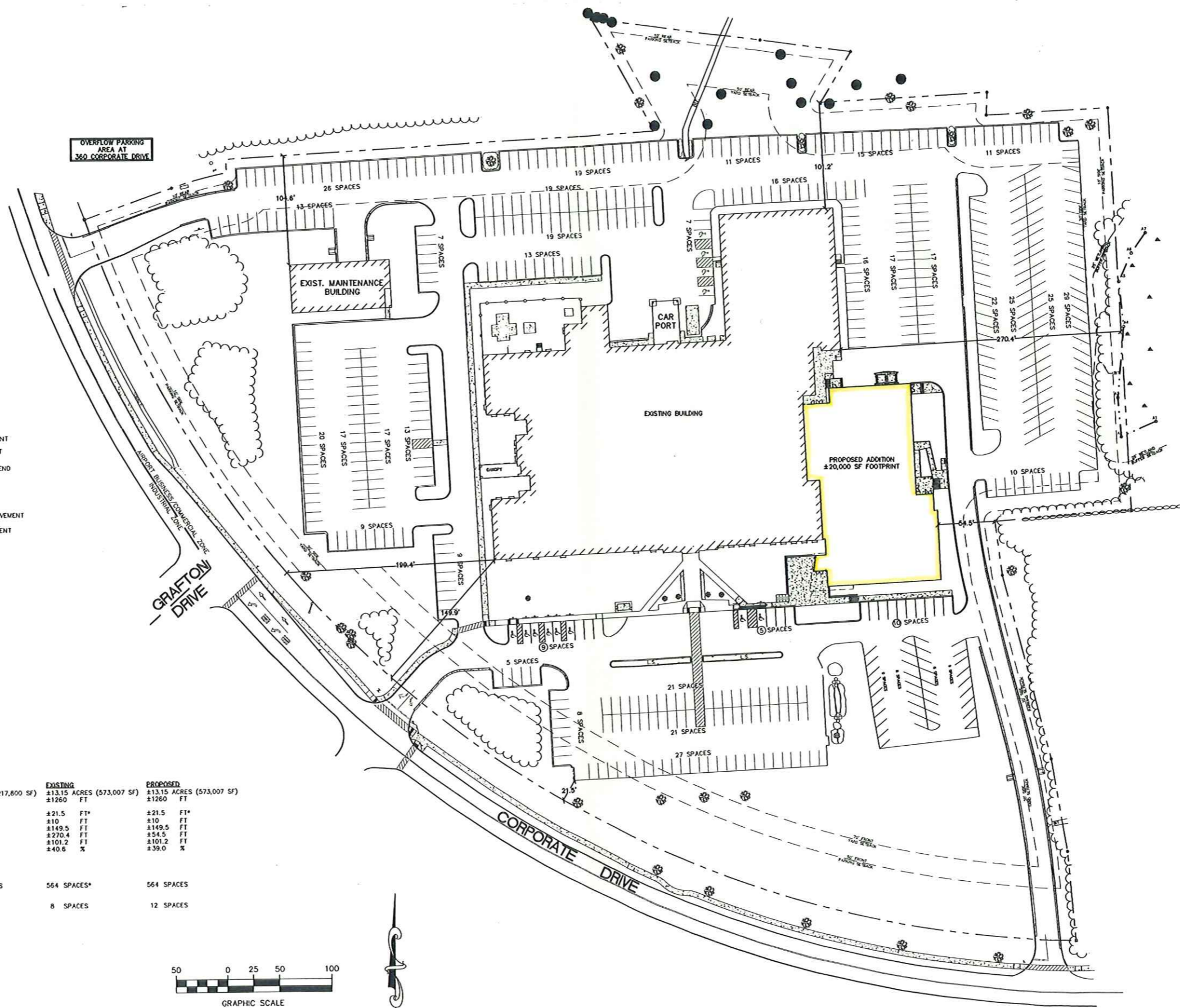
August 1, 2014

3	8/15/14	PDA Board Plan
2	8/11/14	Preliminary Submission to PDA
1	8/1/14	Notice To Proceed
Mark	Date	Description
PROJECT NO: J0087		
FILE: J0087_SITE.DWG		
DRAWN BY: SLK/GWH		
CHECKED: PMC		
APPROVED BY: BLM		

OVERALL SITE PLAN

SCALE: AS SHOWN

SHEET 3A



- LEGEND**
- PROPERTY LINE
  - SETBACK LINE
  - SAWCUT LIMITS
  - ⊠ PROPOSED ACCESSIBLE PARKING SPACE
  - Ⓢ PROPOSED PARKING STALL COUNT
  - Ⓢ EXISTING PARKING STALL COUNT
  - STP PROPOSED STOP BAR AND LEGEND
  - ▨ PROPOSED PAINT STRIPING
  - ▨ CONCRETE PAD/WALK
  - ▨ PROPOSED STANDARD DUTY PAVEMENT
  - ▨ PROPOSED HEAVY DUTY PAVEMENT
  - ~ PROPOSED TREELINE
  - ~ EXISTING TREELINE
  - ⊕ EXISTING SIGN
  - ⊕ PROPOSED SIGN
  - ZONE LINE
  - EDGE OF WETLAND
  - WETLAND FLAG

**SITE DATA**  
 LOCATION: GREAT BAY COMMUNITY COLLEGE  
 320 CORPORATE DRIVE  
 PORTSMOUTH, NH 03801  
 MAP 315, LOT 4

ZONING DISTRICT: AIRPORT BUSINESS AND COMMERCIAL

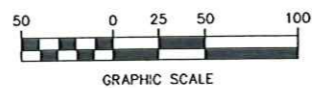
**DIMENSIONAL REQUIREMENTS:**

	REQUIRED	EXISTING	PROPOSED
MINIMUM LOT AREA:	5 ACRES (217,800 SF)	±13.15 ACRES (573,007 SF)	±13.15 ACRES (573,007 SF)
MINIMUM STREET FRONTAGE:	200 FT	±1260 FT	±1260 FT
MINIMUM SETBACKS:			
FRONT YARD PARKING:	50 FT	±21.5 FT*	±21.5 FT*
REAR/SIDE YARD PARKING:	10 FT	±10 FT	±10 FT
FRONT YARD:	70 FT	±149.5 FT	±149.5 FT
SIDE YARD:	30 FT	±270.4 FT	±54.5 FT
REAR YARD:	50 FT	±101.2 FT	±101.2 FT
MINIMUM OPEN SPACE:	25 %	±40.6 %	±39.0 %

**PARKING:**

	REQUIRED	EXISTING	PROPOSED
TOTAL PARKING SPACES			
(1 SPACE/1 STAFF)(145 STAFF)			
+(1 SPACE/4 STUDENTS)(2,712 STUDENTS)	823 SPACES	564 SPACES*	564 SPACES
ADA ACCESSIBLE PARKING SPACES	12 SPACES	8 SPACES	12 SPACES

\*EXISTING NON-CONFORMING



FILENAME: J:\J0087.DWG INC. PORTSMOUTH, NH CREC ADDITION\DWG-CAD\DESIGN\0087\_SITE.DWG  
 SAVE DATE: 8/15/2014 10:29 AM  
 PLOT DATE: 8/15/2014 11:05 AM

**Great Bay Community College**

**Proposed Addition with Future Parking**  
 Portsmouth, New Hampshire

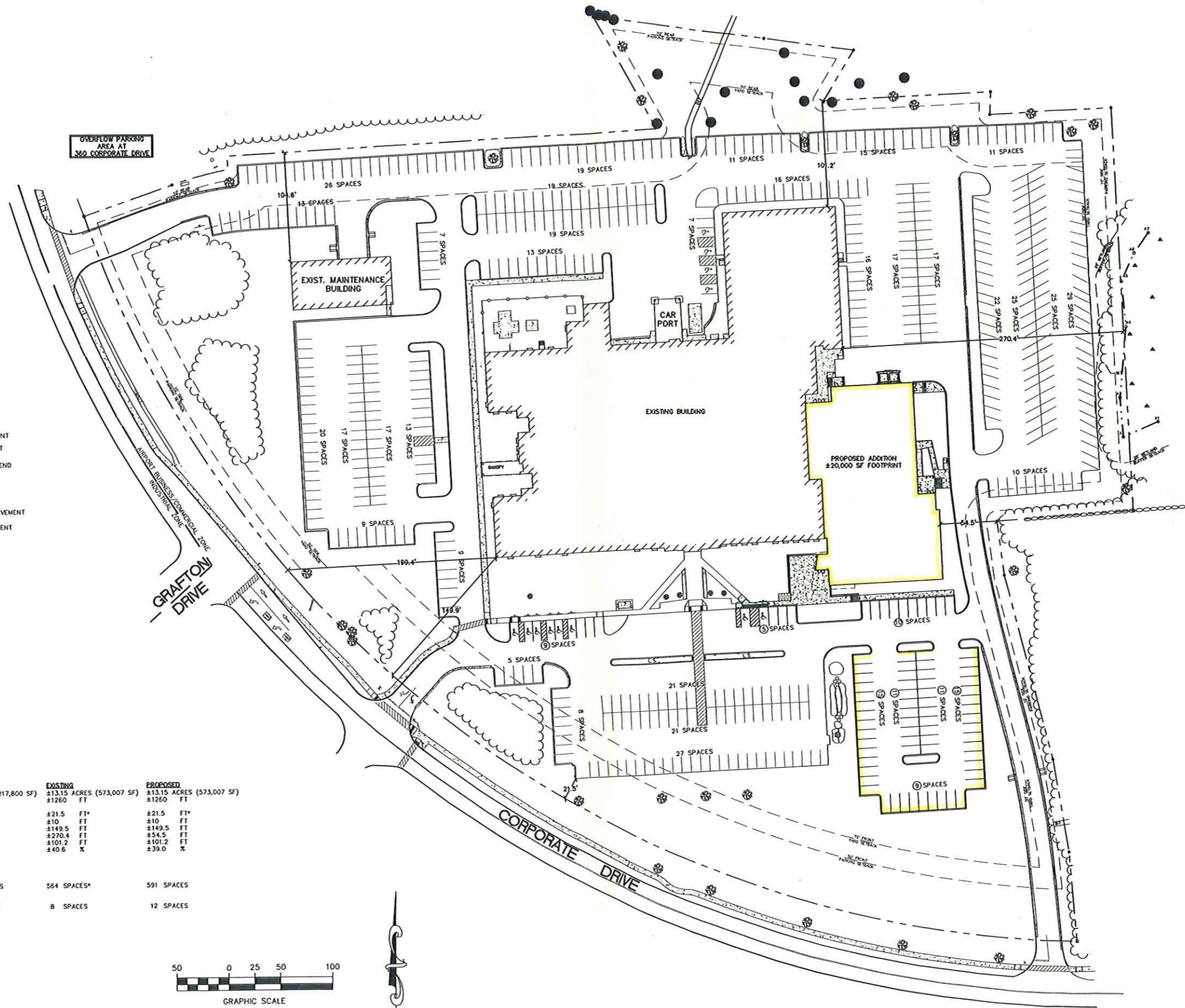
August 1, 2014

1	8/15/14	POA Board Plan
Mark	Date	Description
PROJECT NO: J0087		
FILE: J0087_SITE.DWG		
DRAWN BY: SLK.GWH		
CHECKED BY: PMC		
APPROVED BY: BLM		

**FUTURE OVERALL SITE PLAN**

SCALE: AS SHOWN

SHEET 3B



- LEGEND**
- PROPERTY LINE
  - SETBACK LINE
  - SAWCUT LIMITS
  - ⊕ PROPOSED ACCESSIBLE PARKING SPACE
  - Ⓢ PROPOSED PARKING STALL COUNT
  - 21 SPACES EXISTING PARKING STALL COUNT
  - ⊕ PROPOSED STOP BAR AND LEGEND
  - ▨ PROPOSED PAINT STRIPING
  - ▨ CONCRETE PAD/WALK
  - ▨ PROPOSED STANDARD DUTY PAVEMENT
  - ▨ PROPOSED HEAVY DUTY PAVEMENT
  - PROPOSED TREELINE
  - EXISTING TREELINE
  - EXISTING SIGN
  - PROPOSED SIGN
  - ZONE LINE
  - EDGE OF WETLAND
  - WETLAND FLAG

**SITE DATA**  
 LOCATION: GREAT BAY COMMUNITY COLLEGE  
 320 CORPORATE DRIVE  
 PORTSMOUTH, NH 03801  
 MAP 315, LOT 4

ZONING DISTRICT: AIRPORT BUSINESS AND COMMERCIAL

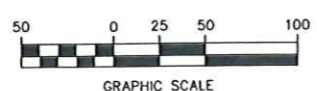
**DIMENSIONAL REQUIREMENTS:**

	REQUIRED	EXISTING	PROPOSED
MINIMUM LOT AREA:	5 ACRES (217,800 SF)	±13.15 ACRES (573,007 SF)	±13.15 ACRES (573,007 SF)
MINIMUM STREET FRONTAGE:	200 FT	±1260 FT	±1260 FT
MINIMUM SETBACKS:			
FRONT YARD PARKING:	50 FT	±21.5 FT*	±21.5 FT*
REAR/SIDE YARD PARKING:	10 FT	±10 FT	±10 FT
FRONT YARD:	70 FT	±149.5 FT	±149.5 FT
SIDE YARD:	30 FT	±270.4 FT	±254.5 FT
REAR YARD:	50 FT	±101.2 FT	±101.2 FT
MINIMUM OPEN SPACE:	25 %	±40.6 %	±39.0 %

**PARKING:**

	EXISTING	PROPOSED
TOTAL PARKING SPACES	584 SPACES*	591 SPACES
(1 SPACE/ 1 STAFF)(145 STAFF)		
+(1 SPACE/4 STUDENTS)(2,712 STUDENTS)	823 SPACES	
ADA ACCESSIBLE PARKING SPACES	8 SPACES	12 SPACES

\*EXISTING NON-CONFORMING

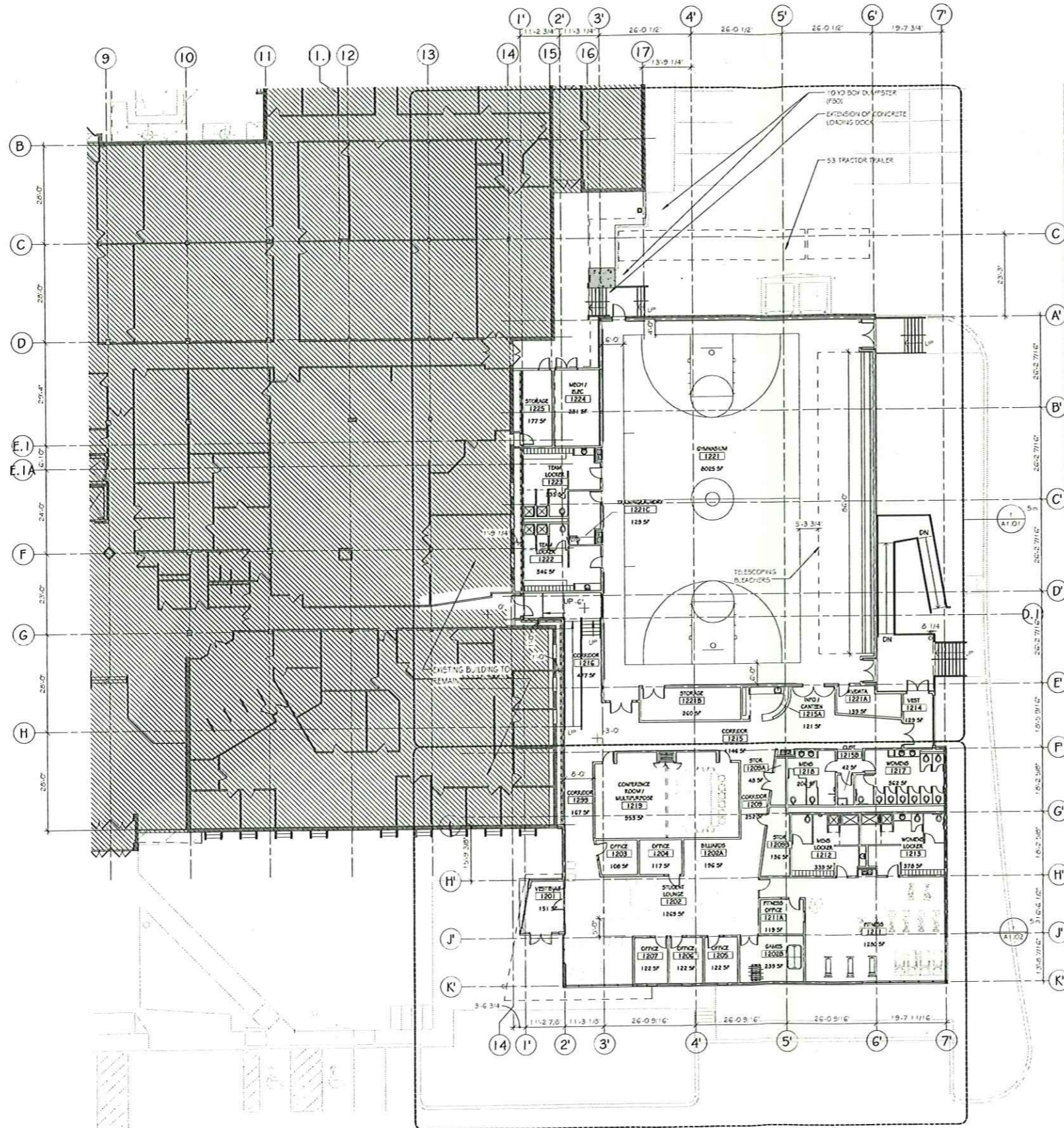


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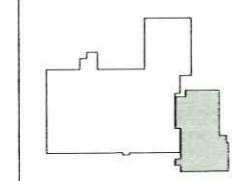
**Student Success Center  
Great Bay Community College**

Portsmouth, NH



FLOOR ELEVATIONS:  
EXISTING FIRST FLOOR: 54'  
ADDITION FLOOR: 51'

KEY PLAN



PLAN LEGEND - NEW WORK

- NEW WALL
- EXISTING WALL TO REMAIN
- NEW WINDOW AND FRAME
- EXISTING WINDOW AND FRAME TO REMAIN
- NEW DOOR AND FRAME
- EXISTING DOOR AND FRAME TO REMAIN
- EXISTING TO REMAIN
- MATCH LINE

Scale: As indicated  
Project Number: 13-803.00  
Date: 8/14/2014  
Revisions:

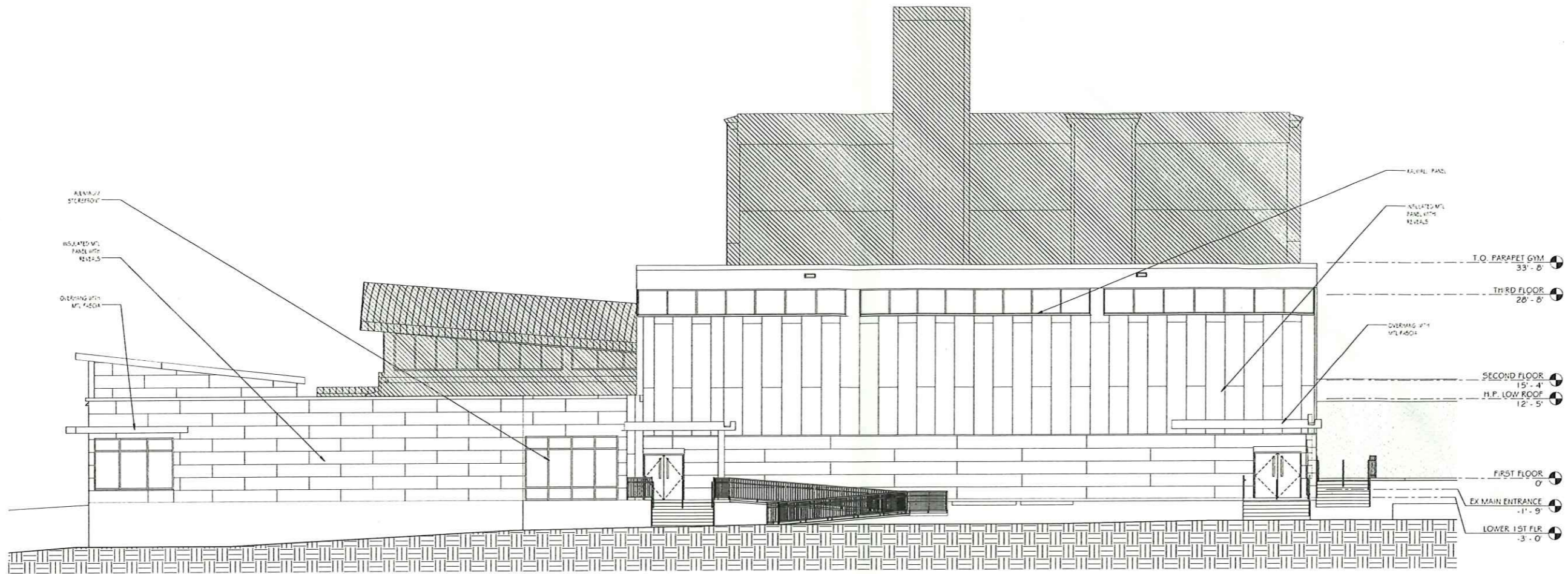
DESIGN  
DEVELOPMENT  
PROGRESS



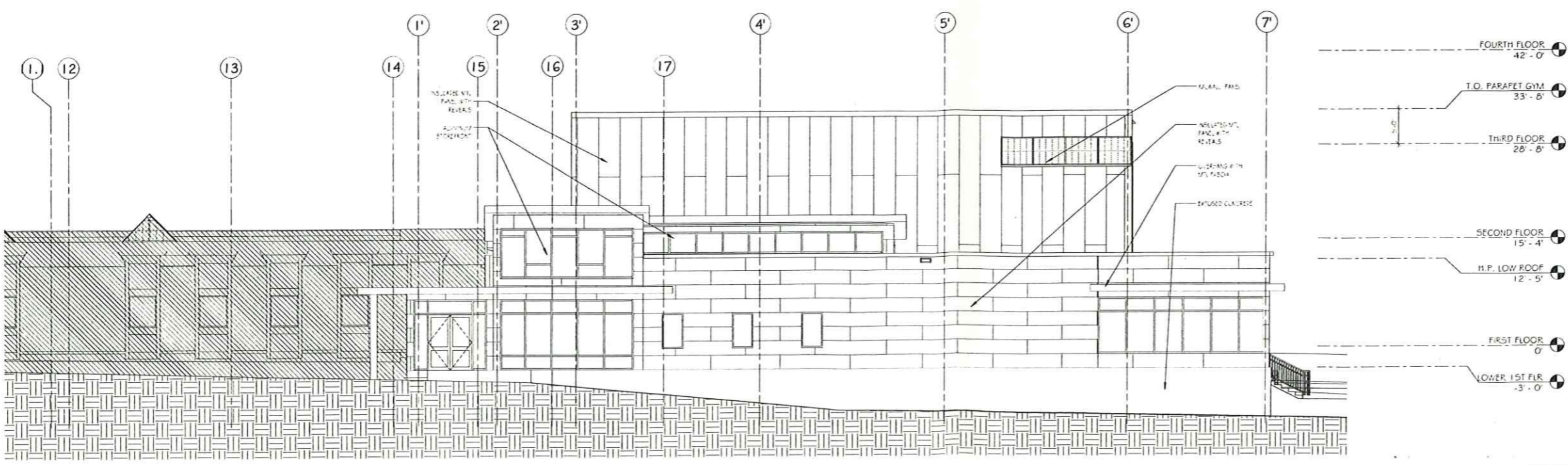
**FIRST FLOOR LAYOUT PLAN**

**A0.01**

COPYRIGHT © 2014

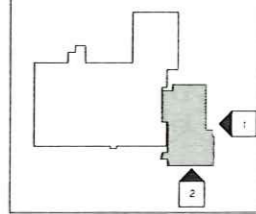


**2 EAST ELEVATION**  
1/8" = 1'-0"

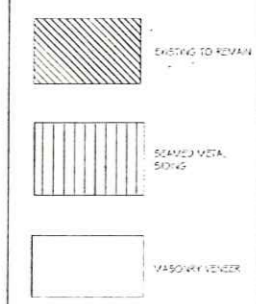


**1 SOUTH ELEVATION**  
1/8" = 1'-0"

**ELEVATION KEY PLAN**



**ELEVATION LEGEND**



Scale: **As indicated**  
Project Number: **13-803.00**  
Date: **8/12/2014**  
Revisions:

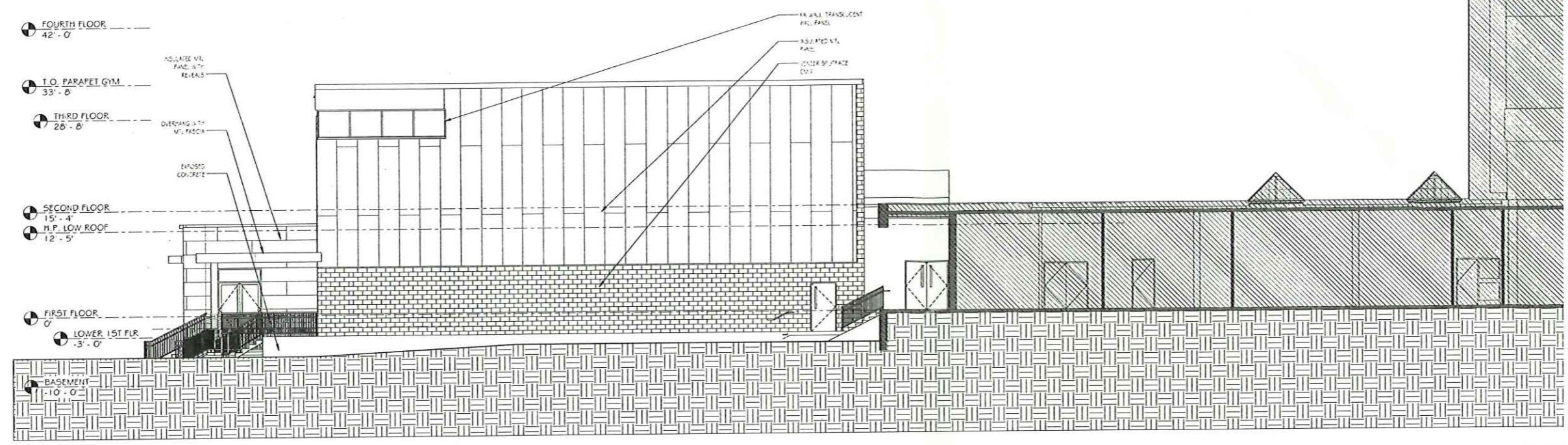
**DESIGN DEVELOPMENT PROGRESS**

**A2.01**  
COPYRIGHT © 2014

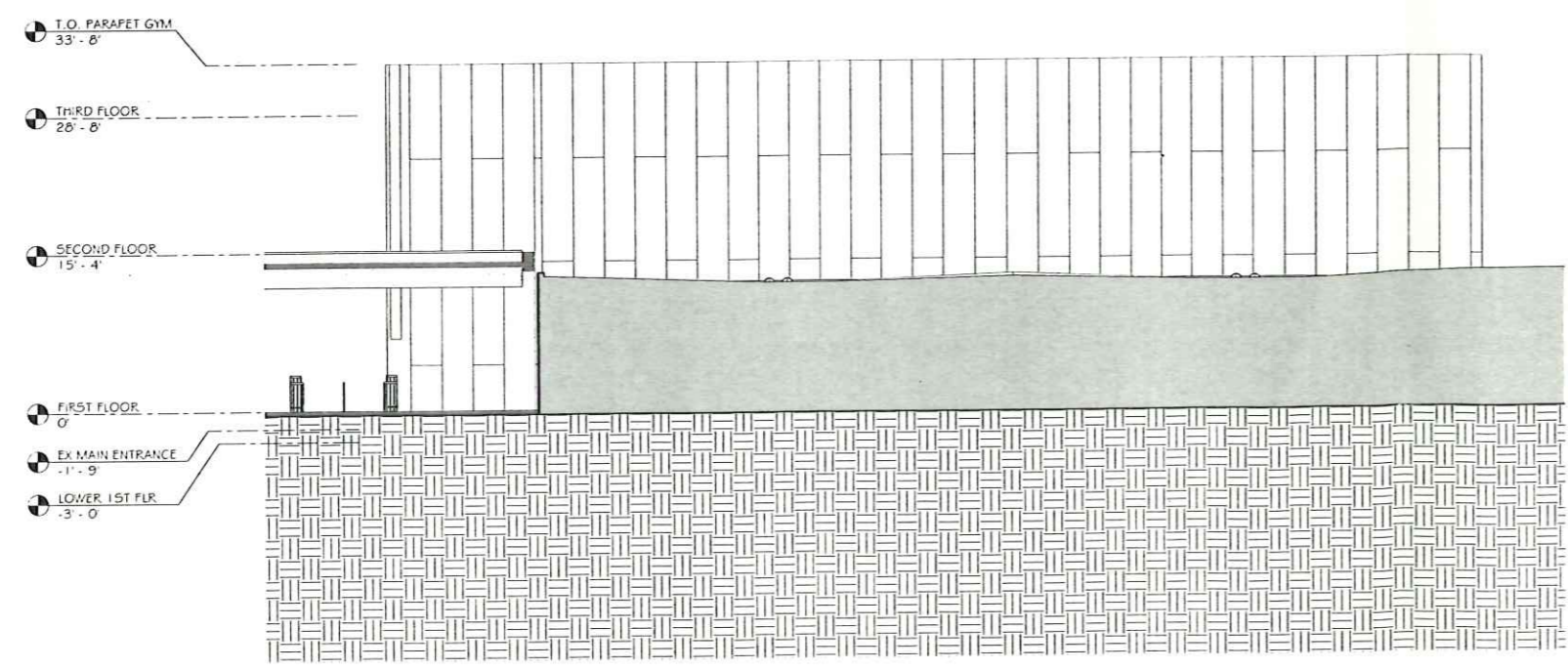
**EXTERIOR ELEVATIONS**

8/12/2014 4:05:51 PM C:\\_Revit Projects\2013803 GBCC CTRL & A.L.dwg\main.rvt

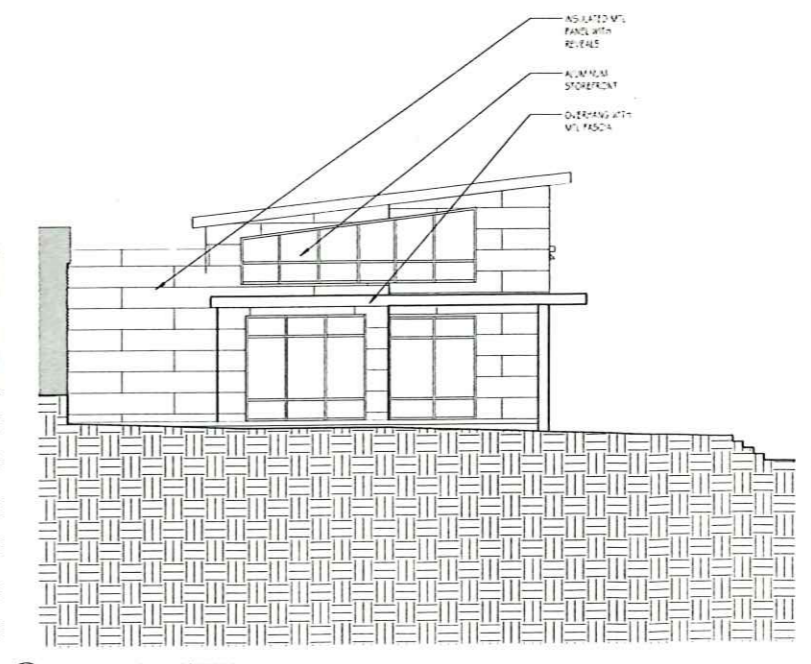




4 NORTH ELEVATION  
1/8" = 1'-0"



2 WEST ELEVATION - GYMNASIUM  
1/8" = 1'-0"



1 WEST ELEVATION - VESTIBULE  
1/8" = 1'-0"

ELEVATION LEGEND	
	EXISTING TO REMAIN
	SCALED VIT. SIDING
	MASONRY VENEER

Scale: 1/8" = 1'-0"  
 Project Number: 13-803.00  
 Date: 8/12/2014  
 Revisions:


**DESIGN  
DEVELOPMENT  
PROGRESS**

**A2.02**

**EXTERIOR ELEVATIONS**

8/12/2014 4:05:58 PM C:\New\Projects\2013\803\_GBBC\_CTRL.B & A\A\_nstevy.rvt

**MEMORANDUM**

TO: Pease Development Authority Board of Directors  
FROM: David R. Mullen, Executive Director   
RE: Contract Reports Pursuant to PDA Bylaws & Emergency Repair Delegation  
DATE: August 21, 2014

\*\*\*\*\*

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

1. Project Name: Riverside & Pickering Marine Contractors  
PDA Obligation: \$9,900.00  
Board Authority: Chairman Nickless  
Summary: To repair a fender pile and cross bracing on the Barker Wharf at the Market Street Terminal.
  
2. Project Name: Turf Products  
PDA Obligation: \$4,457.80  
Board Authority: Chairman Nickless  
Summary: To purchase parts to rebuild 5 reel units for a 2001 Toro Fairway Mower for use at the Pease Golf Course.

P:\BOARDMTG\ContractRpt0814.wpd

# RIVERSIDE & PICKERING

## MARINE CONTRACTORS

195 West Road  
 Portsmouth, NH 03801  
 Phone (603) 427-2824  
 Fax (207) 703-0354

Quotation

DATE 06/12/14  
 Quotation # 1B  
 Customer ID 622-12 NHPA8

To: NHPA  
 ISSCO Dock  
 315 Market Street  
 Portsmouth, NH 03801

Quotation valid until: 07/12/14  
 Prepared by: Zachary Taylor

**Comments or special instructions:**

MAKE IMMEDIATE REPAIRS TO FAILING FENDER PILING AND XBRACE AT MARKET STREET WHARF INCLUDING:  
 REPLACE ONE (1) FENDER PILING WITH PTSYP A CLASS B PILE, REPAIR X-BRACE, INSTALL UHMW RUB BOARD

Item #	Description	AMOUNT
1	<p>CONSTRUCTION</p> <p>Replace one (1) damaged greenheart fender piling along the wharf where the Thomas Loughton is moored. The piling has critically failed and is need of immediate replacement. Replace two (2) full sets of the x-brace timbers that support the fender pilings laterally which are broken. With out replacement of the x-brace pieces damage will occur to the remaining fender pilings. Install a UHMW plastic rub board, 20ft tall piece, to one (1) of the existing fender pilings to protect the Thomas Loughton from damage and also protect/increase the lifespan fender piling.</p> <p>a) Remove one existing damaged fender piling that is currently through bolted by multiple points to both the existing wharf and other adjacent pilings. Existing fender piling is also attached to each other by x-bracing. Includes disposal of the piling to be removed.</p> <p>b) Drive one (1) 45ft Class B PTSYP 2.5 CCA pilings.</p> <p>c) New piling will be through bolted using 1" galvanized all-threaded rod to the wharf and adjacent pilings as necessary.</p> <p>d) Two (2) sets of 3" X 8" PTSYP 2.5CCA x-bracing will be installed to pilings with 3/4" timber bolts.</p> <p>e) UHMW will be installed to the face of one fender piling near the gangplank to the Thomas Loughton to help protect the vessel from damage occurring by the exposed bolts and also protect the piling from future wear damage. The UHMW piece will be 1.5"X3"X20ft and will be installed using heavy duty galvanized lag bolts to the face of the piling which will be counter sunk into the UHMW.</p> <p>*All lumber to be used will be marine grade pressure treated southern yellow pine and all hardware to be used will be hot dipped galvanized steel unless otherwise stated.</p>	\$ 9,900.00
<b>TOTAL</b>		\$ 9,900.00


If you have any questions concerning this quotation, please contact:



Zachary Taylor  
 Email: zach@riversideandpickering.com  
 Office: (603) 427-2824  
 Fax: (207) 703-0354

**THANK YOU FOR YOUR BUSINESS!**

# MEMORANDUM

To: David R. Mullen, Executive Director 

From: Scott DeVito, PGA General Manager

Date: July 29, 2014

Subject: Request to purchase Fairway Mower parts

This is a request to purchase parts to rebuild 5 reel units for a 2001 Toro Fairway Mower. The unit is being run with the original reels and most of the original rollers, bearings. The roller shafts are worn and need to be replaced, as well as all the bearings. The unit was used primarily on the lower holes during the grow-in process. Replacing of these parts was coordinated to get through that process so the mower could then be used throughout the courses once upgraded. The cost is \$866.56 per unit and the breakdown for each unit is as follows:

- |                        |          |
|------------------------|----------|
| 1. Front Wiehle Roller | \$402.84 |
| 2. Rear Roller         | \$184.38 |
| 3. 8 Blade Reel        | \$253.00 |
| 4. Bearings            | \$ 11.50 |
| 5. Seals               | \$ 5.44  |
| 6. Screws              | \$ 3.24  |
| 7. Race                | \$ 6.16  |

The total for this mower work will be \$4,332.80 + shipping. Funds would be used from the golf course operating budget line item of Equipment Parts & Supplies.

Thank you for your consideration.

MOTION

Director Lamson:

The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into a contract with Tradebe Environmental Services, LLC of Newington, NH to provide spill emergency response and waste disposal services to the Pease Development Authority. The contract is for a period of three (3) years with two (2) one (1) year options to renew, which options may be exercised at the discretion of the Executive Director; all in accordance with the memorandum of Maria J. Stowell, P.E. Manager – Engineering, dated August 11, 2014 and attached hereto.

N:\RESOLVES\SpillResponseCtr0814.wpd

## MEMORANDUM

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

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

Date: August 11, 2014

Subject: Emergency Spill Response & Waste Disposal Services

On July 18, 2014, PDA staff advertised a request for proposals (RFP) for Emergency Spill Response & Waste Disposal Services. A mandatory pre-bid meeting and tour was held on July 25, 2014 with the proposal deadline of August 5, 2014. The scope of the RFP included the following:

1. Emergency spill response within one hour of notification, 7 days per week, 24-hours a day for Pease International Tradeport, Skyhaven Airport, and the Division of Ports and Harbors;
2. Routine waste disposal of waste oil, antifreeze, and cleaning solvents within 48 hours of notification;
3. Annual oil/water separator maintenance for the three underground separators on the airfield, one underground separator at maintenance, and the large open separator at the golf course ;
4. Special projects where the contractor may be required to remove hazardous material at the request of the PDA; and
5. Hourly rates and unit costs for labor, heavy equipment, personal protective equipment, lab analyses, waste material removal, containers, and cleanup materials.

Four proposals were received by the August 5th deadline. The contractor selection process was based upon cost, qualifications, field experience, responsiveness, completed proposal forms, bid bond documentation, references, and ability to meet specific PDA requirements. One of the proposals was deemed unresponsive.

Each respondent provided prices for the annual oil/water separator cleanings that were based on estimates provided in the bid tabulation. To approximate the spill response cost for the proposals, PDA staff used the provided unit costs for labor rates, equipment, and materials to calculate a potential spill cost using data from a previous spill response event. The results of the oil/water separator cleaning and spill event costs are tabulated below.

Contractor	Annual Oil/Water Separator Cleaning Cost	Spill Event Cost Comparison	Total
Tradebe	\$27,753.75	\$8,123.72	\$35,382.07
ENPRO	\$30,525.00	\$9,487.96	\$40,012.96
TMC Services, Inc.	\$30,982.50	\$9,403.53	\$40,386.03

With competitive rates, good references, and the ability to respond quickly to spill situations, staff recommends awarding the Emergency Spill Response & Waste Disposal Services contract to Tradebe Environmental Services, LLC.

At next week's board meeting, please request approval for the Executive Director to award the contract for Emergency Spill Response & Waste Disposal Services to Tradebe Environmental Services, LLC.

N:\ENGINEER\Board Memos\2014\Emergency Spill Response.docx

COPY

**BILL OF SALE**

**KNOW ALL PERSONS BY THESE PRESENTS** that the **Pease Development Authority**, an agency of the State of New Hampshire established pursuant to NH RSA 12-G (hereinafter referred to as "SELLER") with a place of business of 55 International Drive, Portsmouth, NH 03801, for and in consideration of the sum of One Thousand and 00/100 (\$1,000.00) Dollars from **Exeter Country Club**, 58 Jady Hill Avenue, Exeter, NH (hereinafter referred to as "BUYER") does bargain, sell, grant and convey unto Buyer and Buyer's successors a 1999 Toro 5400-D fairway mower (PDA ID #001059; VIN # 03544 210000121) (hereinafter referred to as the "equipment").

**TO HAVE AND TO HOLD** the same unto Buyer and Buyer's successors and assigns forever.

SELLER does hereby warrant that it is the lawful owner of said equipment; that the equipment is free from all encumbrances; and that it covenants and agrees to warrant and defend title to the equipment sold to the BUYER against any person, firm, corporation, or association.

SELLER makes no warranties as to the condition of the equipment, which is conveyed to BUYER, **AS IS, WHERE IS** without warranty or guarantee, express or implied, of any kind or nature.

**IN WITNESS WHEREOF**, SELLER has hereunto set its hand this 15<sup>th</sup> day of July, 2014.

PEASE DEVELOPMENT AUTHORITY

By:   
Name: David R. Mullen  
Its: Executive Director



## Memorandum

**To:** Kim W. Hopper, A.A.E., Airport Manager  
**From:** Sandra McDonough, Airport Operations/Community Liaison *SM*  
**Date:** 8/15/2014  
**Subj:** Noise Report for June 2014

---

For the calendar month of June 2014, we received a total of 13 inquiries.

Of the 13 inquiries, 10 were regarding military aircraft performing multiple approaches. Seven of the 10 military operations were C-5s and occurred on June 8th and June 10th.

One person called regarding night flying, which consisted of two PC-12s and a BE-58 carrying time sensitive medical cargo. The flight track showed the BE-58 (small piston aircraft) flying almost a mile north of the callers residence.

The last two inquiries were helicopter related. One consisting of two military Chinooks landing at Port City Air and the other was of a red helicopter.

Complaints by cities:

Durham 47%, Portsmouth 20%, Exeter 20% and Barrington 13%.

Aircraft percentages:

C-5 47%, PC-12 13%, Helicopters 13%, KC135R 7%, BE-58 7%, Military combination 7% and unknown aircraft 6%.

August 15, 2014



MANAGEMENT

36 Airline Ave. Portsmouth, NH 03801

603.433.6536

Major concern for the month of June:

Military aircraft practicing at Portsmouth International Airport at Pease accounted for 60% of the inquiries for the month of June predominately in Durham.. The military aircraft included in the 60% consisted of both based and non-based aircraft.

Attached is a copy of the report for your review.

# PDA Noise Report Log

For the Period: 06/01/2014 to 06/30/2014

#	Date	Time	Caller Information	Type	Aircraft	Narratives	Follow Up
1	6/8/2014	13:05	Number 17 Greenland Road Portsmouth, NH	TGL	C-5 non based	Email "Three very loud ones in a row at 1:05, 1:11 and 1:17 pm probably more to come"	McDonough left a message on 6/9 at 10:15. No response. McDonough called again on 6/12 and discussed a C-5 that was practicing in the area. The aircraft was following our voluntary noise procedures. It typically practices week days and once a month on weekends.
2	6/8/2014	13:30	Number 18 Cedar Point Road Durham, NH	TGL	C-5 non based	Email "A C5 doing practice runs over our house on a Sunday. C'mon, a Sunday!?"	McDonough returned her call 6/9 at 10:15 am and discussed a C-5 that was practicing in the area. The aircraft was following our voluntary noise procedures. It typically practices week days and once a month on weekends.
3	6/8/2014	13:35	Number 19 Watson Road Durham, NH	TGL	C-5 non based	Email "Mid to late Sunday afternoon a tanker(?) started doing large loops, often coming directly over my house towards Pease. It made a piercing whistling sound that made it impossible to hear anything else. I've lived on this property on and off since before Pease was built, and this is the most obnoxious sounding plane of any I can remember."	Initial call was received 6/10 at 9:14. McDonough returned her call 6/10 at 11:15 and discussed a C-5 that was practicing in the area. The aircraft was following our voluntary noise procedures. It typically practices week days and once a month on weekends.
4	6/12/2014	13:15	Number 21 Wiswall Road Durham, NH	ON	C-5 non based	Email. "There were a number of low, noisy flights today, the 1:15 pm flight being just one."	McDonough left message 6/13 at 10:30am. No response.
5	6/12/2014	12:09	Number 20 Greenhill Road Barrington, NH	TGL	C-5 non based	XXXX, XX Greenhill Rd, Barrington, NH life-long resident of NH. Number XXXX we just had huge jumbo jet I could almost touch it. Loud, deafening and woke the children at noon, on June 12, which is today, at 12:09 pm and was headed east. It may have turned around, I don't know, but this has been going on much too much. We seem to be under some kind of airline highway and I'm going to ask that it stop because it is going on too many times during the day and it is very disruptive, very stressful, and would you please contact me as soon as possible because I need these jumbo jets to at least get up to where we can't go deaf hearing them! Thank you!	Left message 6/13. No response.

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

# PDA Noise Report Log

## For the Period: 06/01/2014 to 06/30/2014

#	Date	Time	Caller Information	Type	Aircraft	Narratives	Follow Up
6	6/12/2014	12:26	Number 20 Greenhill Road Barrington, NH	ON	C-5 non based	This is a message for Sandy McDonough. This is XXXX. I'm at XX Greenhill Road, Barrington, NH. My number is XXX. I had called a half-hour ago complaining about a super low and loud jet. A jumbo jet at 12:09 pm. Also we can add 12:26 pm and just now 12:50 pm. Three planes very low, very loud in the last hour over a residential house. This is a residential area. We are property tax payers. I'm sorry, I'm very upset. This is something new all of these loud jumbo jets going overhead and unless we're going to discuss a property tax supplementation from the airport I'm going ask that we review where these planes are all going. How close they are apart and how low they are. This is unacceptable. If you could please call me back, XXX. I'm leaving for work but I will be here Monday morning and I would like to discuss your plane schedule so at least I would know when to expect them. Thank you, goodbye.	Left message 6/13. No response.
7	6/12/2014	13:00	Number 22 Denbow Road Durham, NH	TGL	C-5 non based	Emailed. "Incredibly loud, very low flying large (4+ engines?) jets circling from repeated takeoffs and landings. The noise was so loud to point of not being able to hear conversation from an individual 4 feet away from me as the plane flew overhead (approximately 4+ times within an hour or so)."	McDonough followed up with XXXX on 6/16 and discussed the voluntary noise procedures of aircraft flying in our area. McDonough will request Westover C-5 pilots review our voluntary noise procedures when they call to let us know they will be in the area flying by varying the path slightly on each touch and go landing. McDonough followed up again on 7/30 and XXXX indicated it was a isolated event.
8	6/13/2014		Number 23 Laurel Lane Durham, NH	ON	unknown, non based	E-mail. "I can't recall the exact time but a C-130 plane or some grey hulk like it came right over my house (which is by the Oyster River impoundment) and scared me and my dog with the tremendous proximity of it as well as painfully loud noise."	McDonough left message 6/16 at 9:00 am. No response.
9	6/15/2014	13:25	Number 24 New Castle Avenue Portsmouth, NH	ON	R-44, unconfirmed	Email. "Persistent low level overflights of the South End and Little Harbor by a small but VERY noisy red helicopter are extremely intrusive. The fixed wing aircraft are bad enough but this gratuitous noise creation really is unacceptable."	McDonough returned call 6/16 at 09:30. The helicopter was in compliance with all regulations.

# PDA Noise Report Log

For the Period: 06/01/2014 to 06/30/2014

#	Date	Time	Caller Information	Type	Aircraft	Narratives	Follow Up
10	6/15/2014	11:32	Number 25 Sherburne Road Portsmouth, NH	ON	Helicopter, unconfirmed	Sitting on deck of home and observed and heard low flying helicopter over his house. Noise level was unbearable and unacceptable for a taxpaying citizen of Portsmouth.	McDonough left message 6/16 at 10:00. No response.
11	6/16/2014	21:00	Number 23 Laurel Lane Durham, NH	ON	KC135R/G5 combination	Email. "load sonic noise overhead ALSO at 5:30 a.m. REALLY Loud. Pease aircraft are getting louder and more frequent and flying lower-- t=last week, a cargo plane appeared to e ten-twenty feet max over the town gas station" (Transcribed verbatim, emailed)	McDonough emailed XX on 6/16 looking for details with no response. McDonough called 6/18 and XX was too busy to talk but XX would call back. 6/20 received email from XX "So sorry not to have returned your phone call! I am just overwhelmed and sleep has been at a premium, so the quieter the skies the happier I am---also the happier the wildlife in my backyard (Oyster River) all are, from domestic dogs to heron, cormorant, fox, mink, otter, muskrat, beaver, swans, geese, mallards, migratory birds, etc. Or so I surmise.  And we feel safer without a huge, heavy vessel right above us, looking, anyway, as though it is barely clearing utility wires and church spires.  Best, Diane" Transcribed verbatim.
12	6/17/2014	19:30	Number 26 Langley Road Durham, NH	TGL	KC135R based	This is XXX resident of Durham at XX Langley Road. I'm calling about 8:00 on Tuesday evening. I'm just observing that for the last half hour or so I believe a KC135 is doing TGL type orbits in the area and, ah, he's much lower than is normal and his orbit is ever decreasing that these aircraft ought to be higher and coming in more along the line of the Oyster River rather than the residential area. This is like going back to the old days in the Vietnam war when these incisive fly-byes going on. So hopefully these pilots take larger and higher orbits and make a more distance approach to the runway. I appreciate your help. XXX if you need to call back. Thanks.	McDonough left message 6/18 at 20:00. No response. The KC135 was practicing radar and visual approaches. Radar approaches are done at 1500 ft and radar approaches are done at 3000 ft. The KC135r was following all approaches as published.

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

# PDA Noise Report Log

For the Period: 06/01/2014 to 06/30/2014

#	Date	Time	Caller Information	Type	Aircraft	Narratives	Follow Up
13	6/22/2014	0:00	Number 9  Sloans Brook Drive Exeter, NH	ON	BE-58, PC-12, PC-12 combination	<p>Hi this is XXXX at Sloans Brook Drive in Exeter. A loud plane flew over our neighborhood at 12:29 Sunday morning June 22nd waking up me and my 5 year old daughter. That night at 11:47 pm another loud plane flew over waking me up. Is there any way these planes can take a different route? And the five nights a week 3 - 4 o'clock am plane flew over my house at 3:55 am Sat June 21 st waking up me and my daughter. I'm still trying to get your story straight about this plane's flight path. First you said the pilot would, weather permitting, use the noise reduction runway which would alter the path for two weeks and then the plane returned to flying consistently over our neighborhood. Then you said this was because ATC dictated the vortex through which the plane could fly and it kept giving the pilot the vortex over our neighborhood. Then another time you said flight paths were predetermined by tower in agreement. You said you would try a few tweaks but if you got complaints they would have to fly over our neighborhood again. Did you try the tweaks? Did you get complaints? We have not seen any change and I was wondering what is the point of having a noise reduction runway if it is not going to alter the flight to alter the flight path due to town agreement. What is this agreement called and when was it made? My phone number again is XXXX. Thank you. Bye.</p>	McDonough left message 6/24. No Response. McDonough called again 6/25 and discussed that the BE-58 aircraft she heard flew North of her house by a substantial amount. All aircraft were following regulations.

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

## MOTION

Director Loughlin

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

WHEREAS, pursuant to Part 315.01(d) of the Zoning Requirements the PDA Board retains the power to make the final decision regarding the applicability, interpretation and enforcement of its zoning requirements and other land use controls; and

WHEREAS, pursuant to the interpretation adopted by the PDA Board in June 1993, site review may be limited to administrative review where proposed building additions or site changes are considered unlikely to have an impact on traffic, safety or intensity of use; and

WHEREAS, as set forth in the Memorandum of Maria J. Stowell dated August 15, 2014, attached hereto and incorporated herein, administrative review is the applicable standard for the proposed installation of a dust collection system at 162 Corporate Drive,

NOW, THEREFORE, the Authority has reviewed the recommendations made by Ms. Stowell and interprets the provisions of Part 305.05(a)(7) of the PDA Zoning Requirements permit establishment of a 65 dBA limit for this dust collection system and similar equipment located in the Business/Commercial Zone.

## MEMORANDUM

To: David R. Mullen, Executive Director *DM*  
From: Maria J. Stowell, P.E., Manager, Engineering *Maria*  
Date: August 15, 2014  
Subject: Installation of Dust Collection System at 162 Corporate Drive - Teledyne D. G. O'Brien

In July, Teledyne D. G. O'Brien, located at 162 Corporate Drive, contacted PDA staff in regard to installing an exterior concrete pad to support a new dust collection system. Staff supplied Teledyne with a building permit application and requested additional information concerning the location, air quality, sound level, and landlord approval of the new dust collection system. Teledyne responded with the requested information and, upon review, we noticed that the decibel level of the dust collector with silencer is estimated to be 83 dBA.

The Pease Development Authority zoning ordinance Part 305.05(a)(7) states in part, "Noise shall be controlled so as not to be excessive due to intermittence, beat, frequency, shrillness or volume." To consider the noise impact of Teledyne's proposal, we reviewed noise ordinances for other New Hampshire communities and also looked for any state guidelines that might help in evaluating the proposal.

We found no State law concerning excessive noise levels with the exception of RSA 266 which applies to measuring noise levels from motorcycles. The majority of the municipal ordinances that we reviewed had the same "excessive" language contained in the PDA Ordinance. Only a handful of the communities that we reviewed have developed specific decibel level thresholds for noise. In most of these instances, the decibel levels are enforced at the property boundary and are based upon land use and hours of operation during the day and night. The decibel level limits ranged from 80 dBA to 65 dBA during normal business/industrial hours.

Using this information, I recommend PDA use its discretion to evaluate this and similar proposals to enforce Part 305.05(a)(7). In the case of Teledyne, where the business is located within the business/commercial zone, and where there are office and manufacturing uses on neighboring lots, a goal of 65 dBA at the property line seems reasonable and appropriate.

To date, we have not had occasion to evaluate equipment noise levels. Recognizing that the PDA Board of Directors has, in all instances, the sole authority to interpret and enforce its land use controls, it is appropriate to bring this question to the Board for review. At the meeting on August 21, 2014, I would request that the Board concur in the establishment of a 65 dBA limit for this and similar equipment in the Business/Commercial Zone so that the "excessive" noise language can be equitably applied in the enforcement process.

In accordance with the PDA Land Use Controls, the Teledyne review will be done administratively.

N:\ENGINEER\Board Memos\2014\Teledyne.docx





**PEASE**  
INTERNATIONAL  
DEVELOPMENT  
AUTHORITY

55 International Drive Portsmouth, NH 03801

## MOTION

Director Preston:

The Pease Development Authority Board of Directors authorizes the Executive Director to expend up to \$135,000 in matching funds in connection with the cooperative marketing program with Allegiant Air, LLC and further authorizes the expenditure of an additional \$60,000 in funds to be utilized in PDA's separate effort to promote Allegiant's passenger service as well as the Airport.

N:\RESOLVES\Allegiant0814.wpd

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○○○○ TAKING YOU THERE

ph: 603-433-6088 fax: 603-427-0433 [www.peasedev.org](http://www.peasedev.org)

MOTION

Director Torr:

The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$16,134.30 for legal services rendered to the Pease Development Authority by:

1.	Anderson & Kreiger LLP		
	Through May 31, 2014	\$1,215.00	
	Through June 30, 2014	<u>\$ 315.00</u>	
		\$1,530.00	
2.	Sheehan Phinney Bass + Green		
	Through May 31, 2014	\$ 3,487.80	
	Through June 30, 2014	<u>\$11,116.50</u>	
		\$14,604.30	
		Total	\$16,134.30
			=====

N:\RESOLVES\Legalservices0814.wpd

# ANDERSON & KREIGER LLP

One Canal Park, Suite 200  
Cambridge, MA 02141

(617) 621-6500

EIN: 04-2988950

June 12, 2014

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

Reference # 108892 / 1047-4136

In Reference To: Federal Regulatory Advice

Total Current Billing:	<u>1,215.00</u>
Previous Balance Due:	6,030.00
<b>Total Now Due:</b>	<b><u>7,245.00</u></b>

**PLEASE NOTE: ALL BALANCES DUE WITHIN 30 DAYS**

# ANDERSON & KREIGER LLP

One Canal Park, Suite 200  
Cambridge, MA 02141

(617) 621-6500

EIN: 04-2988950

July 3, 2014

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

ZZ010 A7710-010

Reference # 109231 / 1047-4136

In Reference To: Federal Regulatory Advice

## Professional Services

Hours

Amount

### Attorney/Paralegal Summary

Name	Hours	Rate	Amount
David S. Mackey	0.70	450.00	315.00

## Payments

7/1/2014 Payment CK#012802

6,030.00

Sub-total Payments: 6,030.00

APPROVED FOR  
EXEC. PAYMENT  
LEGAL: [Signature] 7/19/14

Total Current Billing: 315.00

Previous Balance Due: 1,215.00

Total Now Due: 1,530.00

APPROVED FOR  
PAYMENT  
LEGAL: [Signature]

PLEASE NOTE: ALL BALANCES DUE WITHIN 30 DAYS

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

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Trade Port - General Representation

-----  
CLIENT/CASE NO. 14713-10167  
BILLING ATTORNEY: Robert P Cheney

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$3,478.00
TOTAL EXPENSES:	\$9.80
	-----
TOTAL THIS BILL:	\$3,487.80
	-----
PREVIOUS BALANCE:	\$667.00
	-----
TOTAL BALANCE DUE:	\$4,154.80
	-----
	-----

PAYMENT DUE 30 DAYS FROM INVOICE DATE

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

AMOUNT PAID... \$ \_\_\_\_\_

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

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Trade Port - General Representation  
-----

CLIENT/CASE NO. 14713-10167  
BILLING ATTORNEY: Robert P Cheney


TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$11,116.50
TOTAL EXPENSES:	\$0.00
	-----
TOTAL THIS BILL:	\$11,116.50
	-----
PREVIOUS BALANCE:	\$3,487.80
	-----
TOTAL BALANCE DUE:	\$14,604.30
	-----

PAYMENT DUE 30 DAYS FROM INVOICE DATE

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

AMOUNT PAID... \$ \_\_\_\_\_

MEMORANDUM

To: Pease Development Authority Board of Directors  
From: David R. Mullen, Executive Director   
Date: August 21, 2014  
Re: Commercial Mooring Transfers

In accordance with the "Delegation to Executive Director: Consent, Approval and Execution of Mooring Permit Transfers" adopted by the Board on January 24, 2002, I am pleased to report that PDA has approved of commercial mooring permit transfer for the following permit:

	<u>Permit</u>	<u>Business</u>	<u>Date of Approval</u>
Seabrook Harbor Transferor: Transferee:	No. 1269 Paul Sargent Andrew Noone	Commercial Fishing	7/7/14

The Delegation to Executive Director: Consent, Approval and Execution of Mooring Permit Transfers provides that:

"A Mooring Permit Transfer request submitted to this delegation of authority shall not be consented to, approved or executed unless all of the following conditions are met:

1. In accordance with NH Administrative Rule Por 301.08 (superseded by Pda 508.01 (a) - (d)), a commercial boat owner must submit to the Division documented proof of the commercial nature of the business being sold.

These conditions have been met.

P:\PortAuthority\Moorings\Transfers\BoardMemos\Boardmem0814.wpd

July 7, 2014

Paul Sargent  
49 Farm Lane  
Seabrook, NH 03874

RE: Request to Transfer Commercial Moorings  
Commercial Mooring No. 1269, Seabrook Harbor, New Hampshire

Dear Mr. Sargent:

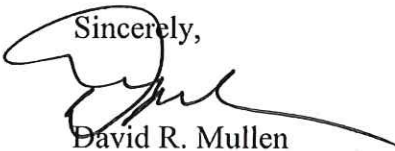
Please be advised that Pease Development Authority - Division of Ports and Harbors has approved of your request to transfer the above referenced commercial mooring to Andrew Noone of 375 N End Blvd., Salisbury, MA 01952 in connection with the sale of your commercial fishing business, 40' fishing boat, New Hampshire registration No. NH 0207 D.

You and Andrew Noone have represented that Andrew Noone intends to use the mooring for commercial fishing related purposes. Please be advised that the approval to transfer the mooring is subject to the condition that Andrew Noone will continue to use the mooring for commercial fishing related purposes.

In accordance with the administrative rules which govern the transfer of commercial moorings; "[i]f the holder of a commercial use mooring permit ceases operation of the commercial entity for which the permit was issued, the permit shall lapse." See enclosed copy of Pda 508.01(d). By copy of this letter, Andrew Noone is being put on notice of this provision.

Thank you for your attention to this matter.

Sincerely,



David R. Mullen  
Executive Director

:jlp

Enclosure

cc: Geno Marconi, Director PDA-DPH  
Irv Canner, Director of Finance  
Andrew Noone  
PDA Legal Dept.



PART Pda 508 TRANSFER OF MOORING PERMITS

Pda 508.01 Transfer of Commercial Use Mooring Permits.

(a) A commercial vessel owner may transfer his or her commercial use mooring permit(s) to a new owner if the permit holder's business, including the vessel for which the commercial use mooring permit(s) was issued by the division, is sold or under a contract of sale, subject to:

(1) The buyer's submitting an application for a commercial use mooring permit for the same type of business or another type of business that would qualify for a commercial use mooring permit and all applicable documentation;

(2) Payment of the commercial use mooring permit transfer fee for transfers pursuant to Pda 508.01(a), provided that fees paid in the form of a check or a money order shall be made payable to "Pease Development authority, Division of Ports and Harbors;" and

(3) Approval of the transfer by the authority upon the buyer's showing that he or she has complied with all the requirements for a commercial use mooring permit.

(b) The owner of a water-dependent business as described in Pda 502.30(b) may transfer his or her commercial use mooring permit(s) to a new owner if the permit holder's business is sold or under contract of sale, subject to:

(1) The buyer's submitting an application for a commercial use mooring permit for a water-dependent business as described in Pda 502.30(b) and all applicable documentation;

(2) Payment of the commercial use water dependent business mooring permit transfer fee for transfers pursuant to Pda 508.01(b), provided that fees paid in the form of a check or a money order shall be made payable to "Pease Development Authority, Division of Ports and Harbors;" and

(3) Approval of the transfer by the authority upon the buyer's showing that he or she has complied with all the requirements for a commercial use mooring permit.

(c) The division shall only consider written transfer requests made by the owner of record and mailed or hand delivered to its office at:

Deliver To:

Pease Development Authority  
Division of Ports and Harbors  
555 Market Street  
Portsmouth, NH 03801

Mail To:

Pease Development Authority  
Division of Ports and Harbors  
555 Market Street  
Portsmouth, NH 03801

(d) If the holder of a commercial use mooring permit ceases operation of the commercial entity for which the permit was issued, the permit shall lapse.



**PEASE**  
INTERNATIONAL  
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

TO: David Mullen, Executive Director, PDA

FROM: Geno J. Marconi, Director, DPH

DATE: June 25, 2014

RE: Commercial Mooring Transfer

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #1269, from Paul Sargent to Andrew Noone.

I have reviewed the attached paperwork and concur with the local Harbormaster and Chief Harbormaster that the request meets all the requirements of the PDA-DPH Code of Administrative Rules regarding commercial mooring transfers. Therefore, I am requesting approval of the transfer.

If you have any questions or need further information, please let me know.

○○○○ TAKING YOU THERE

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

Division of Ports & Harbors  
Memorandum

To: Capt. Geno J. Marconi  
From: Chief H/M Tracy R. Shattuck *TMS*  
Re: Commercial Transfer  
Date: June 25, 2014

---

Paul Sargent and Andrew Noone are requesting the transfer of a Commercial Use Mooring Permit (#1269) in the Seabrook Harbor mooring field. Sargent holds the permit in his name. Attached is documentation of Sargent's commercial enterprise in the form of license and landings.

Noone is buying Sargent's boat and business. Noone has provided an application, and fishing licenses and has paid the transfer fee and initial application fee. He has also provided a bill of sale requesting the mooring transfer, signed by both men.

I have reviewed this application and I believe that it is in compliance with the administrative rules.

I recommend that permit #1269 be transferred to:

Andrew P. Noone  
375 N End Blvd  
Salisbury, MA 01952

MOTION

Director Bohenko:

In accordance with RSA 12-G:42, XI, the Pease Development Board of Directors hereby approves of and adopts the Zone Schedule for Foreign Trade Zone No. 81 on substantially the same terms and conditions as the draft attached hereto subject to further review and edits as may be required by PDA's General Counsel and the Foreign Trade Zone Board.

Further, the Board authorizes the Division Director to take any necessary or recommended action in furtherance of this matter; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated August 13, 2014 attached hereto.

N:\RESOLVES\FTZTariff0814.wpd

Date: August 13, 2014  
To: PDA Board of Directors  
From: Geno Marconi, Port Director *GM*  
Subject: Foreign-Trade Zone Schedule

The U.S. Department of Commerce, Foreign-Trade Zones Board authorized a **Grant** to establish, operate and maintain Foreign-Trade Zone #81 in New Hampshire to the New Hampshire Port Authority on January 20th, 1983. On July 1, 2001 the functions of the Port Authority were integrated with the functions of the Pease Development Authority (RSA 12-G:1, IV) and furthermore, RSA 12-G:38 authorized the Pease Development Authority to establish Foreign-Trade Zones.

The Division is required to submit a "Zone Schedule" in accordance with Federal Law, 15 CFR PART 400. Foreign-Trade Zones Board:

**§400.44 Zone schedule.**

(a) In general. The zone grantee shall submit to the Executive Secretary (in both paper and electronic copies) a zone schedule which sets forth the elements required in this section. No element of a zone schedule (including any amendment to the zone schedule) may be considered to be in effect until such submission has occurred. If warranted, the Board may subsequently amend the requirements of this section by Board Order.

Therefore, in accordance with:

**RSA 12-G:42 Additional Powers and Duties.**

[XI. Adopt rules, after obtaining prior approval by the board, relative to the setting and collecting of fees authorized under RSA 12-G:38, relating to foreign trade zones],

The Division is requesting and recommending that the PDA Board of Directors approve the attached "Zone Schedule" for Foreign-Trade Zone #81.

**THE PEASE DEVELOPMENT AUTHORITY  
DIVISION OF PORTS AND HARBORS**

**ZONE SCHEDULE FOR  
FOREIGN TRADE ZONE NO. 81**

Effective Date:

**Grantee Contact:**

Geno J. Marconi, Director

Division of Ports and Harbors

555 Market Street

Portsmouth, New Hampshire 03801

Phone: 603-436-8500

Fax: 603-436-2780

[E-mail:g.marconi@peasedev.org](mailto:g.marconi@peasedev.org)

# DRAFT

## TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE NUMBER</u>
<b>Introduction</b>	3
<b>I. Zone Schedule</b>	
1.01 Schedule Content	3
1.02 Amendment and Interpretation	3
<b>II. Authority</b>	3
<b>III. Zone to be Operated in the Public Interest</b>	
3.01 Uniform Treatment 3	
3.02 Potential Detriment to Public Interest	3
<b>IV. Zone Regulations, Rules and Policies</b>	
4.01 General Policy	4
4.02 Qualifications	4
4.03 Non-Reliance	4
4.04 Operators Not Filing A Schedule	4
4.05 Local Requirements	4
4.06 Other Requirements	4
4.07 Availability of Approved Facilities	4
4.08 Application to the FTZ Board	4
4.09 Interpretation of This Schedule	4
<b>V. Payment of Fees and Charges</b>	
5.01 Rates	5
5.02 Late Fee Assessment	5
5.03 Non-Payment of Fees	5
5.04 Fees Assessed By Operators	5
<b>VI. Operators with a PDA-DPH Agreement to Offer Services to the Public :</b>	5
<b>APPENDIX:</b>	
A: Rates and Fees	
B: Definitions	7
C: Amendments to Zone Schedule	

# DRAFT

## INTRODUCTION

This Zone Schedule has been adopted by the Pease Development Authority, Division of Ports and Harbors, Board of Directors, an agency of the State of New Hampshire ("PDA-DPH" or "Grantee") and sponsor of Foreign Trade Zone No. 81 (the Zone) in the State of New Hampshire, in accordance with Revised Statute Annotated (RSA) 12-G:38 and acting in its capacity as Grantee of Foreign Trade Zone No. 81 and shall govern all operations taking place within Foreign Trade Zone No. 81.

### I. ZONE SCHEDULE

**1.01 Schedule Content:** This Schedule has been promulgated and adopted by the Grantee and contains the internal rules and regulations governing the use of Foreign Trade Zone No. 81 by Operators, Users, Participants, and all other persons or entities. The Schedule also includes the Rates and Charges applicable to the use of the Zone. This Schedule is intended to conform with and supplement the Foreign Trade Zones Act ("Act") and the rules and regulations of the Foreign Trade Zone Board ("FTZ Board") and United States Customs and Border Protection ("USCBP"). The effective date of this Schedule is set forth on the cover page.

**1.02 Amendment and Interpretation:** Subject only to the requirements of the Act and the FTZ Regulations, this Schedule may be modified, amended or replaced by PDA-DPA at any time, if PDA-DPH determines it to be necessary or appropriate to do so. PDA-DPH shall, in its sole discretion, interpret the provisions of this Schedule and determine the applicability of any of its provisions. PDA-DPH shall also have complete authority governing the imposition of the Rates and Charges provided for herein, including a decision to waive any such rate or charge in whole or in part.

### II. AUTHORITY

The Zone has been established pursuant to the Grant subject to oversight by the Grantee and all activities within the Zone. All persons doing business within the Zone and all operations moving merchandise into or out of the Zone must strictly conform to the Act, the Regulations, this Schedule and all other applicable federal, state and local laws, rules and regulations.

### III. ZONE TO BE OPERATED IN THE PUBLIC INTEREST

**3.01 Uniform Treatment:** The Grantee shall have the responsibility of ensuring that the needs of the business community utilizing the port of entry for the Zone are reasonably served and that the Zone is being operated in the public interest affording uniform treatment to all Operators, Users, and Participants operating under like circumstances. The Grantee will ensure that rates and charges imposed according to this Schedule will be fair and reasonable taking into account the costs and expenses of the Grantee.

**3.02 Potential Detriment to Public Interest:** In accordance with the FTZ Regulations, the FTZ Board may restrict or prohibit any operation in the Zone that the FTZ Board deems



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detrimental to public interest, health, and/or safety. Any party that is concerned that it is or may be adversely affected by any Zone operation may submit written comments to the FTZ Board relative to these concerns, if the Grantee is unable to resolve the party's concerns. Comments must stipulate how the activity in question is or would be detrimental to the public interest, health, and/or safety.

## IV. ZONE REGULATIONS, RULES AND POLICIES

**4.01 General Policy:** It is the policy of PDA-DPH to promote the use of the U.S. Foreign Trade Zone program and the Zone. PDA-DPH shall encourage companies that can benefit from the activities allowed under the Act to invest resources and create jobs for the purpose of increasing international commerce.

**4.02 Qualifications:** Persons and business entities may qualify as Operators, Users, or Participants of the Zone provided that they have:

- A. Satisfied any requirements imposed by the USCBP.
- B. Executed the necessary Operating Agreement with the Grantee.
- C. Conformed with all federal, state and municipal statutes and regulations, including but not limited to, the USCBP Regulations.
- D. Have filed a schedule of rates and charges with the Grantee, if applicable.

**4.03 Non-Reliance:** Users contemplating the utilization of an Operator's services should not rely solely upon the schedule for that Operator that is on file with the Grantee. The User should always contact that Operator directly for current quotes of rates and rules relating to the User's cargo to be handled by that Operator.

**4.04 Operators Not Filing a Schedule:** Any Operator that does not file a Schedule with the Grantee is restricted to handling only its own merchandise.

**4.05 Local Requirements:** Operators, Users, and Participants whether operating on or off of property owned by the Grantee, shall comply with all requirements of applicable local laws, including the provisions of local zoning ordinances.

**4.06 Other Requirements:** Operators, Users, and Participants shall comply with agencies of such legislation, rules or regulations promulgated by agencies having jurisdiction of certain import and/or exports, including but not limited to, the Food and Drug Administration, Fish and Wildlife Commission, Environmental Protection Agency, Department of Defense, Import Administration, Export Administration, U.S. Census Bureau, Alcohol, Tobacco & Firearms, and any other agencies related to the import and export of merchandise. Operators, Users, and Participants shall cooperate fully with all such agencies.

**4.07 Availability of Approved Facilities:** In the event there are no facilities available in the approved areas of the Zone that meet the Operator's, User's, or Participant's requirements, the Grantee shall use its best efforts to obtain approved status for an area located outside of the Zone to accommodate such facilities on a first-come, first-to-be-served basis.

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**4.08 Application to the FTZ Board:** The Grantee shall have the primary responsibility for filing applications with the FTZ Board requesting modifications to the Grant. Requests for modification to the Grant may include expansion of the Zone, minor Zone modifications, Subzone or Usage-Driven Site applications and/or changes in the scope of authority. However, a potential Operator, User, or Participant may file an application directly with the FTZ Board subject to the approval of the Grantee and the Port Director evidenced by a letter of concurrence from each when required.

**4.09 Interpretation of This Schedule:** Whenever interpretation of the provisions of this Schedule become necessary, such interpretation shall be made by the Grantee in accordance with the Regulations and the laws of the State of New Hampshire, as the same apply to the Operator's activities in the Zone.

## V. PAYMENT OF FEES AND CHARGES

**5.01 Rates:** Operators and Users shall pay PDA-DPH for services rendered at the rates published on Appendix A attached to this Schedule.

**5.02 Fees, Fines, and Penalties Payable to the Grantee:** A late fee assessment of one and one-half percent (1-1/2%) per month, will be imposed on all past due amounts not made within ten (10) days of the due date and shall be assessed for as long as said amount remains delinquent. This provision shall not preclude PDA-DPH from terminating any Agreement(s) as provided herein or from exercising any other remedy contained herein or as provided by law.

**5.03 Non-Payment of Fees:** PDA-DPH reserves the right to terminate any Operating Agreement or otherwise deny any Operator, User, or Participant the use of the Zone as a result of the Operator, User, or Participant's failure to pay fees due the Grantee, as provided for in this Schedule.

**5.04 Fees Assessed by Operators:** Any Operator providing services to the public, unless listed under Section 5.04, shall publish its own schedule of services offered and fees to be charged to Users. Such schedule must be available at the Operator's Zone Site and at the office of the Grantee. Such fees shall be uniform and reasonable, but shall not preclude any Operator from entering into agreements with Users based on time, volumes and other considerations.

**5.05 Fees, Fines, and Penalties Payable to the Foreign Trade Zone Board:** All Operators, Users, and Participants should familiarize themselves with the fees, fines, and penalties set forth in 15 CFR Part 400 - FTZ Regulations, including articles 400.29 and 400.62.

## VI. OPERATORS WITH A PDA-DPH AGREEMENT TO OFFER SERVICES TO THE PUBLIC

**6.01** Fees for operator's administrative charges are set forth in the most current Tariff issued by each operator and may be amended from time to time. Tariff schedules are subject to review by

# DRAFT

the FTZ Board and by the Grantee. Tariffs are submitted to the FTZ Board and made available to the public. For information on fees for see Appendix \_\_.

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## APPENDIX

### APPENDIX A: RATES AND FEES

Annual Operator	\$2,000.00
Annual Manufacturing Zone Operator Fee:	\$5,000.00

### APPENDIX B: DEFINITIONS

"**Act**" means the Foreign-Trade Zones Act of June 18, 1934 (48 Stat. 998-1003; 19 USC 81 81a-81u), as amended.

"**Activated Area**" means a Zone Site or a Subzone or any portion thereof that has been activated pursuant to the Act.

"**CBPF**" means the Customs and Border Protection Form as used in the Regulations, which will have a specific number used by USCBP to stipulate the use of the form.

"**Customs Territory**" means the territories of the U.S. in which general U.S. Tariff laws apply including all U.S. States, the District of Columbia and Puerto Rico minus any areas within the boundaries of any Foreign-Trade Zone.

"**Domestic Merchandise**" means any merchandise which has been (1) produced in the United States and not exported, or (2) previously imported into a Customs Territory of the United States and properly released from USCBP custody. Foreign merchandise on which all necessary and applicable duties and taxes have been paid, and upon which no drawback has been claimed, is considered Domestic Merchandise when admitted into a Foreign-Trade Zone.

"**Executive Secretary**" means the Executive Secretary to the Foreign-Trade Zones Board.

"**FTZ**" means Foreign-Trade Zone as defined by the Act.

"**FTZ Board**" means the U.S. Foreign-Trade Zones Board of the United States Department of Commerce, as established by the Act.

"**FTZ Regulations**" means Title 15, Code of Federal Regulations (CFR), Part 400, as amended.

"**General Purpose Zone**" means those portions of a Zone used for general zone use, including but not limited to import, storage and distribution of merchandise and do not include manufacturing or processing.

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**"Grant"** means the authorization granted on January 20, 1983, as amended, issued to the Grantee, the Pease Development Authority Division of Ports and Harbors, to establish and maintain Foreign-Trade Zone #81.

**"Grantee"** means the Pease Development Authority Division of Ports and Harbors as the recipient of the Grant, approved January 20, 1983.

**"Manufacturing Zone Operator"** means XXXXXXXXXXXXX

**"Minor Boundary Modification"** means a proposed change to a zone that may be approved by the Executive Secretary to the Foreign-Trade Zones Board.

**"Operating Agreement"** means any written agreement between the Grantee and any Operator or Operator/User utilizing the Zone that establishes the rules, regulations, procedures and requirements for the Operator's use of the Zone.

**"Operating Procedures"** means the inventory control and record keeping procedures that will be used in the Zone as specified and certified in writing by the Operator, submitted to USCBP and the Grantee and meet the requirements of Subpart B of 19 CFR 146.

**"PDA Board"** means the Pease Development Authority Board of Directors, as established by New Hampshire General Law.

**"Port Director"** means the USCBP Port Director with jurisdiction over the U. S. Customs Port of Entry, Portsmouth, NH, including Kittery, Me.

**"Regulations"** means the regulations as set forth in 15 CFR 400 and 19 CFR 146.

**"Schedule"** means this schedule or rules, regulations and fees issued and promulgated by the Grantee as required under 15 CFR 400.44.

**"USCBP"** means the United States Customs and Boarder Protection Service.

**"USCBP Regulations"** means 19 CFR 146 that governs the activities of Operators within the Zone; admission, manipulation, manufacture or exhibition of merchandise within the Zone; the transfer of merchandise from one zone to another and the transfer of merchandise from the Zone into the USCBP Territory.

**"User"** means those persons utilizing the services of any Zone Operator. **"Zone"** means the aggregate of all Zone Sites within FTZ #81.

**"Zone Site"** means each separate area comprising the Zone including buildings and facilities located within a particular area that is utilized by an Operator while exercising the rights and privileges granted pursuant its Operating Agreement with the Grantee.

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**"Zone Status"** means the status of merchandise that is brought into the Zone or any of its Subzones. Merchandise shall be identified according to the type of status. The four (4) types of Zone Status are:

**A. "Privileged Foreign Status"** is the status that will be given to foreign merchandise or non-tax-paid domestic merchandise upon which the duty and the applicable taxes have been determined at the time the status is approved according to a CBPF 214. Once they have been determined, the duty rate and taxes are not subject to future fluctuation. Once established, the Privileged Foreign Status given to the merchandise cannot be changed. If merchandise has already been admitted into the Zone and given Non-Privileged Foreign Status, Privileged Foreign Status for that merchandise may be requested by filing CBPF 214, CBOF 7502 and related documents. Application for Privileged Foreign Status must be filed prior to manipulation or manufacture of any merchandise.

**B. "Non-Privileged Foreign Status"** is the status that will be given to foreign merchandise or non-tax paid domestic merchandise upon which the duty and applicable taxes will be determined at the time the merchandise enters the Customs Territory from the Zone for consumption.

**C. "Domestic Status"** is the status that will be given to merchandise that is comprised of (1) U.S. products on which all internal revenue taxes have been paid; or (2) imported merchandise on which all duty and/or taxes have been paid; or (3) imported merchandise which is free of duty and tax.

**D. "Zone Restricted Status"** is the status that will be given to merchandise entering the Zone for the purpose of exportation or destruction (other than alcoholic spirits or beverages). Merchandise with Zone Restricted status may not be returned to any geographic area under USCBP jurisdiction for domestic consumption except as approved by the Board.

**EXHIBIT C:**

**AMENDMENTS TO ZONE SCHEDULE**

Amendment No.

Date

Page


MOTION

Director Lamson:

In accordance with NH Code of Administrative Rules Pda 300 Port Captains, Pilots and Pilotage, and the memorandum of Geno Marconi, Division Director, dated August 14, 2014 attached hereto, the Pease Development Authority hereby approves of the reappointment of Captain Peter Smyth Johnson as a Class I Pilot for the Portsmouth Harbor and Piscataqua River through May 8, 2018.

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Date: August 14, 2014  
To: PDA Board of Directors  
From: Geno J. Marconi, Port Director   
Subject: Pilot Reappointment

In accordance with the Code of Administrative Rules, CHAPTER Pda 300 PORT CAPTAINS, PILOTS AND PILOTAGE the Division of Ports and Harbors has received a completed application for reappointment as a Class I pilot from Captain Peter Smyth Johnson.

The Division had reviewed the application and has found that Captain Johnson has met the requirements as set forth in:

- Pda 305.03
- Pda 305.06 (except Pda 305.06(b)(5) and (7))
- Pda 305.08

Therefore the Division of Ports and Harbors recommends to the PDA Board of Directors that the Board approve the reappointment of Captain Peter Smyth Johnson as a Class I pilot for Portsmouth Harbor and the Piscataqua River for the following term:

**TERM:** The appointment shall be for a term concurrent with Captain Johnsons Merchant Mariner Credential which expires **08-May-2018** (Pda 305.01(d) and subject to the requirements for Annual Certifications (Pda 305.09)

MOTION

Director Loughlin:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to accept on behalf of the PDA – Division of Ports and Harbors ("DPH"), a Federal Emergency Management Agency ("FEMA") Grant Offer in the amount of \$15,466.00 for the Facility, Vessel and Company and Security Officers training course sponsored by the Northern New England Area Maritime Security Committee; all in accordance with the memorandum of Grant Nichols, Deputy Chief Harbor Master, dated July 31, 2014 attached hereto.

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## MEMORANDUM

To: Director Marconi

From: Grant Nichols

Date: July 31, 2014

Re: 2014 FEMA Port Security Grant Program; FSO Training Grant award

The Division is a stakeholder in the Northern New England Area Maritime Security Committee (AMSC) which is chaired by Captain Brian Gilda, USCG. Perry Plummer, Director of NHSEM, and I are Captain Gilda's co-chairs on the Committee. One of the goals of the Committee is to foster a sense of teamwork between federal, state, county and local agencies and private industry.

The Division of Ports and Harbors has sponsored or participated in a number of courses over the past couple of years (IED training before USCG Eagle's arrival and the two-day FEMA Threat and Risk Assessment course we're cosponsoring in December as examples). This combined Facility, Vessel, and Company Security Officers Course (FSO/VSO/CSO) is just an extension of the AMSC's desire to foster good working relationships between government and civilian stake holders.

The only MARAD approved course in the Northeast is taught by Mr. Gerry Connors. He will be teaching this three-day class twice in 2015, 15 people per class for a total of 30. The Grant covers all of Mr. Connors' expenses related to lodging, course materials, and fees. The courses will be held in the Board room at the PDA.

**Port of Portsmouth New Hampshire  
Pease Development Authority – NH Division of Ports and Harbors  
Fiscal Year 2014 Port Security Grant Program (PSGP) Support Request**

**Total Investment Amount: \$18,598.00**

**I. Background:**

**NH Division of Ports and Harbors (Port Authority) Overview**

**Area of Operations:**

COTP Zone: 1<sup>st</sup> District, Sector Northern New England  
Eligible Port: Portsmouth, NH.  
Project Location: NH Division of Ports and Harbors (DPH)  
Market Street Marine Terminal  
Portsmouth, NH

**Points of Contact for Organization:**

Authorizing Official: Geno J. Marconi, Port Director  
Pease Development Authority  
Division of Ports and Harbors  
555 Market Street, Portsmouth, NH 03802-0369  
1-(603) 436-8500

Primary Contact: Grant M. Nichols, Deputy Chief Harbor Master  
Pease Development Authority  
Division of Ports and Harbors  
555 Market Street, Portsmouth, NH 03802-0369  
1-(603) 436-8500

**Ownership/Operation:** The Applicant is a State Agency (NH), subject to the MTSA.

**Role in Providing Layered Protection of Regulated Entities:** The Division of Ports and Harbors, commonly known as the NH Port Authority, is a stakeholder in both the Northern New England Area Maritime Security Committee (AMSC) Chaired by Captain Brian Gilda, USCG and the New Hampshire Advisory Council on Emergency Preparedness and Security (ACEPS) chaired by Commissioner of Safety, John Barthelmes.

The Division works with all of the relevant agencies involved with security of the port, to include the US Coast Guard, NH Marine Patrol, US Customs, the FBI, the US Navy, NCIS and the Department of Transportation.

- **Maritime Domain Awareness:** The Division provides its partners access to our robust CCTV camera system which extends from Seabrook, NH to the Market Street Terminal (30-Cameras) thereby increasing Maritime Domain Awareness within the Port Area.
- **Training:** The Division has facilitated Improvised Explosive Device (IED) and Vehicle Borne Improvised Explosive Device (VBIED) training for local emergency services. Additionally, the Division has provided security specific training required under 33 CFR Part 105 to several MTSA controlled facilities and for private security companies operating within the Port of Portsmouth.
- **Logistical Support:** The Division maintains the only public access terminal on the river which has been deemed a "critical asset" in regards to response and recovery operations for both man-caused and natural disasters.
- **Knowledge Base and Law Enforcement Support:** The Division employs a number of personnel with decade's worth of institutional and local knowledge. The Division is the only State agency with statutory authority related to navigation and licensing of Pilots. The Division also employs two certified police officers serving as the Chief and Deputy Chief Harbor Master.

## II. Strategic and Program Priorities:

**Investment One (Standardized and Accredited Training):** MARAD approved FSO/VSO/CSO training course for members of the NNEAMSC.

Should the Division be selected to receive funding in this round of the PSGP, we propose to facilitate two multi-day training courses for Facility Security Officers (FSO), Vessel Security Officers (VSO) and Company Security Officers (CSO) who operate within the Northern New England AMSC. The personnel who fill these positions are normally part of their agencies leadership and we feel there is value in having as many people as possible trained to the same standard by the same trainer. The completion of this course within the locus will be a benefit to our port partners, will bolster awareness of security requirements contained within the CFR and will foster communication and cooperation between stakeholders.

**Investment Two (Force Multiplication):** Seaport Security Antiterrorism Training Program (SSATP) at the Federal Law Enforcement Training Center (FLETC), Charleston, SC.

A second goal of this application is funding for two certified law enforcement officers employed by the Division to attend SSATP. This program is available to law enforcement officers, military and port authority personnel assigned to duties directly related to security and contingency planning for a seaport. This unique program offers training in port and landside facility inspections created to harden layered seaport security and protect against acts of terrorism. This course will increase the officers knowledge in physical security in the maritime environment.

## III. Impact

### Potential Risk Reduction vs. Cost of Project:

**Investment One:** As noted above, the combined FSO, VSO and CSO course proposed in this grant would establish a single foundational standard for training within the port area. There is value in having personnel responsible for security at the many facilities, ships and tenant companies "learning from the same book" and sharing their thoughts and experiences in the same room. One can only conclude that this exchange of information and ideas in an educational setting will work to increase knowledge, understanding and cooperation between port stakeholders.

**Investment Two:** The Divisions attendance at the SSATP course will work to increase the participant's knowledge in maritime specific security. The training includes Seaport Security Inspections, Small Vessel Threats, Contingency Planning, Incident Command and Seaport Assessment Survey's as components of the curriculum, all of which have been identified in the past as either a concern or a need by the Division.

**Conclusion:** The benefits of cooperative training between stakeholders and an increase in knowledge for officers responsible for major components of the Port of Portsmouth's security planning far outweigh the relative low costs of these training programs.

### Current Capabilities

**Investment One:** In September 2003, the joint "Maritime Administration/Coast Guard MTSA Section 109 Committee" was established to develop a national system of certification and course approval. The Committee contracted with Det Norske Veritas (DNV), a U.S. Coast Guard (USCG)-accepted Quality Standards System (QSS) organization, to evaluate and certify maritime security training courses submitted for approval under the joint MTSA 109 program.

In order to be eligible, training providers--profit or non-profit--must be organized and authorized to conduct business under the federal laws of the United States, or under the laws of any state of the United States, and they must conduct the training in the United States or aboard a U.S.-flag vessel. They must provide DNV with documentation which proves they meet the MARAD's strict requirements and are subject to no notice audits of their program.

MARAD maintains a list of approved training courses on their website (see [http://www.marad.dot.gov/documents/MTSA certified courses.pdf](http://www.marad.dot.gov/documents/MTSA_certified_courses.pdf)). Currently, there are no certified courses within Sector Northern New England which means those who require FSO/VSO or CSO training must travel outside the sector to obtain it or pay a certified Instructor to come to them to teach it.

**Investment Two:** Currently, the only port security specialists operating within the Port of Portsmouth are members of the US Navy stationed at the Portsmouth Shipyard, Kittery, ME and members of the US Coast Guard at Portsmouth Station, New Castle, NH.

The Navy's port security responsibilities are strictly relegated to the needs of the Navy Yard and their federal mission and, except in extreme circumstances, do not extend into the civilian sector. The USCG is the primary US maritime agency for waterway safety and security and has statutory federal law enforcement authority within the Port.

As previously mentioned, this training for the State law enforcement officers working for the Division will result in force multiplication by increasing the number of specially trained personnel within the port area.

#### IV. Funding and Implementation Plan

**Investment One:** The FSO/VSO/CSO training course will be held in the Divisions conference room located at the Pease Development Authority. Each three-day class will be attended by 15 attendees made up predominantly of Northern New England AMSC members. This MARAD approved course is a hybrid which covers all areas required in standard FSO, VSO and CSO training. The vendor will be required to supply all visual aids, course materials and audiovisual equipment necessary for this course.

**Investment Two:** The SSATP course is a 5 day in-residence program held at the FLETC training center in Charleston, SC. Division personnel will travel by commercial airline or by privately owned vehicle to the training site. Meals, lodging and training materials are included in the tuition paid to FLETC while travel costs and incidentals are left to the Division.

#### Budget (Estimated Costs)

##### FSO/VSO/CSO training course:

Tuition:	\$460 per student x 30=	\$13,800.00
Materials:	\$20 per student x 30=	\$600.00
Instructor Expenses:	\$175 lodging x 4 nights=	\$700.00
	\$61 per diem x 6 days=	\$366.00
	Total:	\$15,466.00

##### Seaport Security Antiterrorism Training Program:

Tuition/Housing/Meals:	\$800 per student x 2=\$1600.00
Travel (Estimated Airfare)	\$400 per student x 2=\$800.00
Per Diem (2014 GSA rate)	\$61 per day x 6 x 2 = \$732.00

Total: \$3,132.00

**Grand Total: \$18598.00**

#### Estimated Timeframe from Start-up to Wrap-up

Months 1 - 3:	Notice of training opportunity to AMSC stakeholders for FSO/VSO/CSO training; Pre-Planning with vendor supplying the MARAD approved course; Final application process with FLETC personnel.
Months 6 - 9:	Scheduling and execution of the FSO/VSO/CSO and SSATP courses.
Months 9 - 12:	Final Evaluation and Report.



MOTION

Director Allard:

The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$34,109.27 for legal services rendered to the Division of Ports and Harbors by:

1. Sheehan Phinney Bass + Green		
Through May 31, 2014	\$ 2,452.00	
	<u>\$19,471.27</u>	
	\$21,923.27	
Through June 30, 2014	\$ 733.00	
	<u>\$11,453.00</u>	
	\$12,186.00	
	Total	\$34,109.27
		=====

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

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Stormwater Upgrade Project

-----  
CLIENT/CASE NO. 14713-16199  
BILLING ATTORNEY: Robert P Cheney

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$2,452.00
TOTAL EXPENSES:	\$0.00
	-----
TOTAL THIS BILL:	\$2,452.00
	-----
PREVIOUS BALANCE:	\$406.00
	-----
TOTAL BALANCE DUE:	\$2,858.00
	-----

PAYMENT DUE 30 DAYS FROM INVOICE DATE

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

AMOUNT PAID... \$ \_\_\_\_\_

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

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Regulatory Issues Relatng to Port Operations

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

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$19,391.50
TOTAL EXPENSES:	\$79.77
	-----
TOTAL THIS BILL:	\$19,471.27
	-----
PREVIOUS BALANCE:	\$15,812.00
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TOTAL BALANCE DUE:	\$35,283.27
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PAYMENT DUE 30 DAYS FROM INVOICE DATE

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

AMOUNT PAID... \$ \_\_\_\_\_

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

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Terminal Subsurface Site Investigation

-----  
CLIENT/CASE NO. 14713-16198  
BILLING ATTORNEY: Robert P Cheney

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$733.00
TOTAL EXPENSES:	\$0.00
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TOTAL THIS BILL:	\$733.00
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PREVIOUS BALANCE:	\$0.00
	-----
TOTAL BALANCE DUE:	\$733.00
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PAYMENT DUE 30 DAYS FROM INVOICE DATE

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

AMOUNT PAID... \$ \_\_\_\_\_

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

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Regulatory Issues Relatng to Port Operations

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

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$11,453.00
TOTAL EXPENSES:	\$0.00
	-----
TOTAL THIS BILL:	\$11,453.00
	-----
PREVIOUS BALANCE:	\$19,471.27
	-----
TOTAL BALANCE DUE:	\$30,924.27
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PAYMENT DUE 30 DAYS FROM INVOICE DATE

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

AMOUNT PAID... \$ \_\_\_\_\_

INSERT ITEM X.B.5

MOTION

Director Loughlin:

The Pease Development Authority Board of Directors hereby approves and authorizes the Executive Director to complete negotiations and enter into a contract with the Maine Department of Transportation in an amount not to exceed \$1.4 million dollars for use of portions of the Market Street Terminal for staging, lay-down, pre-casting, and other construction activities deemed necessary or appropriate by the Division Director in support of the construction of the Sarah Mildred Long Bridge; all in accordance with the memorandum from Geno J. Marconi, Division Director, dated August 15, 2014 attached hereto.

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Date: August 15, 2014  
To: PDA Board of Directors *GM*  
From: Geno Marconi, Port Director  
Subject: Maine Department of Transportation

The Division has received a request from the Maine Department of Transportation for the use of portions of the Market Street Marine Terminal during the construction of the Sarah Long Bridge Replacement project.

The Sarah Long Bridge project is an important transportation infrastructure project that will improve and support surface transportation for the future and will be a major improvement for navigation on the Piscataqua River. The location of the bridge and the design will improve navigation by:

- Aligning the horizontal opening of the bridge with the transit angle of the navigation channel. (Ships currently transit the opening at an angle of approximately 30 degrees.);
- Expanding the horizontal opening allowing assist tug boats to transit through the bridge with the ship. (Currently the tugboats must release the ship, race ahead and catch the ship on the other side.); and
- Modernize the lift machinery to assure timely bridge openings.

In 2012 the University of New Hampshire and the University of Maine conducted an Economic Impact Study of shipping in the Piscataqua River and the Ports of Portsmouth and Newington to demonstrate the economic importance of the shipping that transits the Sarah Long Bridge. The impact of the 16 business directly utilizing the Piscataqua River was:

- 987 direct jobs; and
- \$90.2 million in direct salaries, wages and benefits.

The Division has reviewed the request and is recommending that the PDA Board of Directors authorize the Executive Director to complete negotiations with the Maine Department of Transportation and enter into a contract with the Department for the use of portions of the Market Street Marine Terminal in accordance with the following terms and conditions:

**PURPOSE:** To be used for staging, lay-down, assembly, pre-casting, transportation, docking of tugs and barges and loading of materials, equipment, workers, machinery and other activities associated with the construction of the Sarah Long Bridge, a Marine Transportation Infrastructure Project.

**AREAS:** Three (3) areas of the terminal to be used are shown on the attached lot plan and include:

1. 1.5 acres north of the Rail Road tracks including the "Barge Dock"
2. 3.0 acres south of the asphalt berm bisecting the terminal from the front gate to the river shore
3. Main ship dock

**TERM:** Project start date to be determined.  
The project term is thirty six (36) months. Each of the aforementioned areas to be used for the following term(s):

1. Area 1 for 36 months
2. Area 2
  - a. 3 acres for a duration of 12 months area to be reduced by half after 12 months
  - b. 1.5 acres for 6 months after the first 12 months
3. Area 3 for 36 months

**FEES:** \$1.4 million to be paid in equal payments of \$38,888.90 for 36 months

**SECURITY:** Access control and security at the main entrance and the use of security lighting presently installed will be provided by the Division of Ports and Harbors

**MAIN WHARF ACCESS:** Maine DOT, its contractors and sub contractors shall have unlimited access to and across the main wharf. Said access shall not, to the extent possible, interfere with the other functions and duties of the Division and/or tenants of the Division

**INSURANCE:** Commercial General Liability \$4,000,000  
Automobile \$1,000,000  
Workers Compensation as required by statute  
Longshore and Harbor Workers Compensation Act coverage as may be required  
Protection and Indemnity coverage as may be required  
Piers, docks and gangway coverage endorsements as may be required  
PDA-DPH to be named an additional insured

Waiver of subrogation on liability coverages in favor of PDA-DPH  
Coverages to be primary and non-contributing

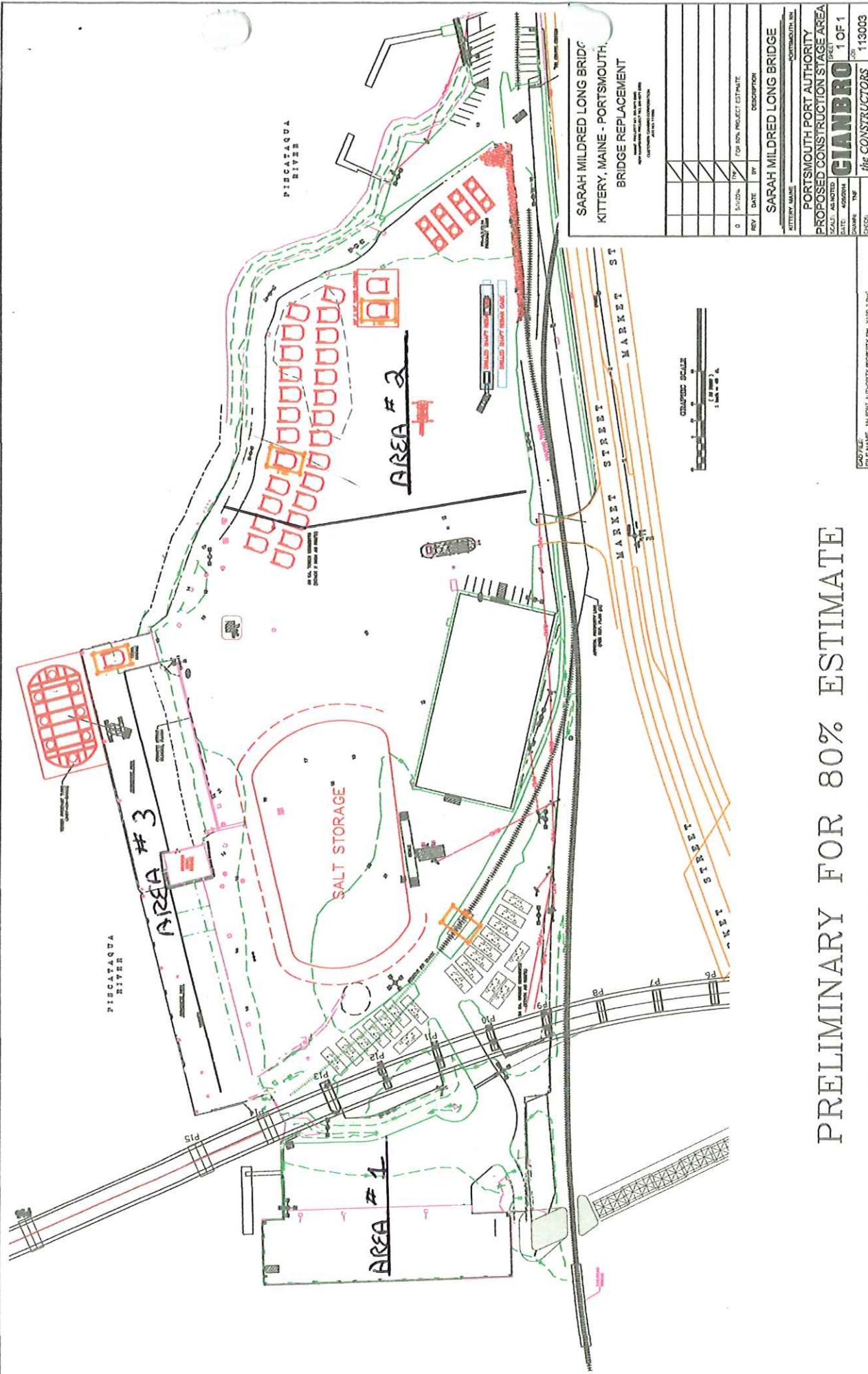
**ADDITIONAL TERMS**  
**AND CONDITIONS:**

Access to the emergency boat dock located in Area 1 must be kept clear at all times

Scheduling of activities on the Area 3 must be coordinated with the Division in advance

All DOT employees, contractors and subcontractors are subject to all Port Security requirements as the same may be amended from time to time






KITTERY MAINE		PORTSMOUTH, NH	
PORTSMOUTH PORT AUTHORITY			
PROPOSED CONSTRUCTION STAGE AREA			
SCALE: AS SHOWN	DATE: 08/20/04	PROJECT NO: 113003	SHEET NO: 1 OF 1
REV.	DATE	BY	DESCRIPTION
0	8/20/04	TM	FOR NON PROJECT ESTIMATE.
DRAWN: TM		CHECK: JH	
DATE: 08/20/04		PROJECT NO: 113003	
SHEET NO: 1 OF 1		CONTRACTOR: CIAMBRO	
PROJECT: SARAH MILDRED LONG BRIDGE		LOCATION: KITTERY, MAINE - PORTSMOUTH, NH	

PRELIMINARY FOR 80% ESTIMATE

DATE: 08/20/04  
 PROJECT NO: 113003  
 SHEET NO: 1 OF 1  
 CONTRACTOR: CIAMBRO

MEMORANDUM

To: Pease Development Authority Board of Directors  
From: David R. Mullen, Executive Director   
Date: August 21, 2014  
Re: Special Events

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I am pleased to report on the following special events:

1. On Saturday, September 20, 2014, Bottomline Technologies will sponsor a 5k road race. Funds raised will support the "End 68 Hours of Hunger" program.

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