

PEASE DEVELOPMENT AUTHORITY
Thursday, January 19, 2017

PUBLIC AGENDA

Time: 8:30 a.m.

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

AGENDA

- I. Call to Order
- II. Acceptance of Meeting Minutes: December 15, 2016*
- III. Public Comment
- IV. Old Business
 - A. Reports
 - 1. Spyglass Development LLC
 - B. Approvals
 - 1. Airport Obstruction Removal* (Torr)
- V. Airport Committee Report* (Preston)
 - A. Approvals
 - 1. CHI Aerospace Fuels, LLC - Flight School* (Allard)
- VI. Marketing Committee Report* (Loughlin)
 - A. Approvals
 - 1. Royal Technology Group, Inc. – Hangar 227* (Lamson)
- VII. Finance
 - A. Financial Reports
 - 1. Operating Result for Five Month Period Ending November 30, 2016*
 - 2. Nine Month Cash Flow Projections to September 30, 2017*
- VIII. Licenses/Easements/Rights of Way/Options
 - A. Approvals
 - 1. In Control Family Foundation, Inc. – Right of Entry* (Preston)
- IX. Leases
 - A. Reports
 - 1. Pioneer Aviation, LLC*
 - B. Approvals
 - 1. Two International Group, LLC – Lease Option* (Loughlin)
- X. Signs
 - A. Approvals
 - 1. Wentworth – Douglass Hospital – 73 Corporate Drive* (Lamson)
- XI. Contracts/Agreements
 - A. Reports*

1. Alternative Sales – Clubhouse Kitchen
2. Eckhardt & Johnson, Inc. – Terminal HVAC System

B. Approvals

1. Ricci Lumber – Clubhouse Equipment (Allard)
2. Golf Car GPS Management System* (Preston)

XII. Executive Director's Reports/Approvals

A. Reports

1. Golf Course Operations
2. Airport Operations
 - a) Skyhaven Airport
 - b) PSM
 - c) Noise Line Report*

B. Approvals

1. Long Term Disability and Life Insurance - Renewals* (Lamson)
2. Bills for Legal Services* (Allard)
3. Delegation of Authority to Executive Director – Legal Services* (Loughlin)

XIII. Port Committee Report* (Loughlin)

XIV. Division of Ports and Harbors

A. Reports

1. Port Advisory Council
2. Operations Manager
3. Commercial Mooring Permit Transfer*

XV. New Business

XVI. Upcoming Meetings


Board of Directors March 16, 2017

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

XVII. Directors' Comments

XVIII. Adjournment

XIX. 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

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

Thursday, December 15, 2016

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

I. Call to Order

Chairman Bald called the meeting to order at 10:08 a.m. in the Board conference room at 55 International Drive, Pease International Tradeport, Portsmouth, New Hampshire.

II. Acceptance of Meeting Minutes: November 17, 2016

Director Bohenko moved and Director Allard seconded that **The Pease Development Authority Board of Directors hereby accept the Minutes of the November 17, 2016 Board meeting.** Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

III. Employee Recognitions

David Mullen, PDA Executive Director, and Tanya Coppeta, PDA Employee Relations Manager, recognized the following PDA employees for their years of service:

25 Years

Jessica Patterson, IT Administrator, was awarded a certificate of service and \$250.

20 Years

Mark Gardner, Deputy General Counsel was awarded a certificate of service, \$100 and his name will be engraved on the PDA plaque for long term employees.

15 Years

Dave Curtis, Airport Maintenance, and Jim Thurlow, Airport Maintenance/Skyhaven Airport, were each awarded a certificate of service and \$50

10 Years

Ed Pottberg, Airport Security Coordinator, was awarded a clock.

IV. Public Comment

Marcus Ebert, of Royal Technology Group ("RTG"), made comments about the use of Hangar 227 by RTG and the status of lease negotiations for the hangar.

V. Old Business

1. Release of Non-Public Minutes

Director Loughlin moved and Director Torr seconded that **Having determined that pursuant to NH RSA 91-A:3 the divulgence of a portion of the non-public minutes of October 20, 2016 related to Spyglass Development, LLC will not: a) likely affect adversely the reputation of any person other than a member of the body or agency itself; or b) render the proposed action ineffective; or c) pertain to terrorism, the PDA Board of Directors hereby determines to release said minutes to the public.** Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

2. Spyglass Development, LLC – 30 New Hampshire Avenue

Director Allard moved and Director Lamson seconded that **The Pease Development Authority Board of Directors resolves as follows:**

to direct the Executive Director to suspend negotiations with Spyglass Development LLC with respect to the Letter of Intent dated October 14, 2016 for the premises located at 30 New Hampshire Avenue and, without waiving any existing terms and conditions, permit the Lease Agreement to expire by its terms on July 31, 2022. Director Bohenko moved and Director Allard seconded that **the Board suspend the rules to allow for public comments from representatives of Spyglass Development regarding the pending motion.** Discussion on the motion to suspend rules: None. Disposition: Resolved by unanimous vote; motion carried.

Discussion on main motion: Rob Ciandella, Attorney for Spyglass Development LLC (Spyglass) asked that the Board not pass the motion as presented. Atty. Ciandella reviewed the history of the Spyglass lease at 30 New Hampshire Avenue, the Letter of Intent (“LOI”) for an expansion of the premises dated October 14, 2016, and the status of negotiations. Atty. Ciandella stated that if the Board does not continue negotiations, then Spyglass will sue the PDA. Atty. Ciandella reviewed the reasons Spyglass believes negotiations should continue, including:

- To pass the motion would be an institutional mistake by the PDA;
- No emergency need for the building and parking lot by PDA
- A Letter of Intent dated October 14, 2016 regarding expansion of the building is still pending
- PDA’s need for parking is based on future possibilities
- Spyglass should be allowed to draft a plan that would accommodate PDA’s future plans for the premises as well as the needs of Spyglass’s tenant (Flex Energy)
- No negotiations have taken place since October, 2016 as ordered by the Board
- PDA will lose rental revenues and incur legal fees to defend the resulting litigation

Atty. Ciandella reviewed the aviation activities at the Tradeport since 1993 and current activity at other area airports. Atty. Ciandella noted that no parking studies, airport growth studies, or alternative plan studies have been done to justify the basis of PDA’s stated need for parking. Atty. Ciandella reviewed the materials provided to Spyglass regarding PDA’s need for parking. Atty. Ciandella noted that the premises are located in the Airport Business Commercial Zone while other areas considered for parking are located in the Airport Zone and questioned why the premises would be considered for airport use when it is zoned as business/commercial. Atty. Ciandella requested that the Board either ratify the October 14, 2016 LOI or, in the alternative, consider following motion that Atty. Ciandella read into the record.

The Pease Development Authority Board of Directors hereby moves to direct the Executive Director to conduct a study of projected aviation growth and associated aviation related

parking requirements and to study what alternatives exist for satisfying those projected aviation parking related needs. The study shall be based on professional evaluations of projected aviation activity at Pease and projected parking capacity and rental car activity, in light of the emerging robotic automobile industry. Further, the Executive Director is directed to present the results of the study to the Board at a regularly scheduled meeting. The Board will take this study under advisement to allow interested parties to review and comment on the study. Contemporaneously, the Executive Director is directed to negotiate with Spyglass Development, LLC to fully explore options which may exist either in the terms of the business deal or in the configuration of parcels and buildings on the ground, to accommodate any aviation related parking need established by the study which will be presented to the Board of Directors which cannot be satisfied by alternative sites at Pease. If the Board adopts the study and its findings, the Executive Director will present the Board with a revised Letter of Intent reflecting the accommodations for aviation related parking needs.

In response to Director Bohenko, Atty. Ciandella confirmed that Spyglass would be willing to work with PDA on the construction of a parking deck at a future time. Lynn Hinchee, PDA Deputy Director/General Counsel, spoke of her concerns regarding the proposed motion which had not been reviewed by Staff beforehand and Atty. Ciandella's representation that there would be no alternatives to the actions proposed in the motion. Issues of the negotiation include the difference between no alternatives and the right of the Board as airport proprietor to have a preference. The Spyglass motion would undo the Board's right to make a determination in the best interest of the airport. If negotiations continue, a new LOI would have to be drafted to deal with various issues proposed in the previous LOI including the altered rental structure. All issues should be considered in negotiations including costs associated with parking. The motion presented by Spyglass was not presented to Staff beforehand and the Staff should be allowed time to fully review it.

Chairman Bald felt that there is a general misunderstanding of the difficulties in redeveloping a military facility into a business facility and PDA's mission to develop Tradeport business over the years. Chairman Bald reviewed the history of the businesses at 30 New Hampshire. Chairman Bald felt that the parties should take the time to review negotiations and consider all options regarding use of the building and PDA's needs for parking in support of the airport and find a solution for PDA needs and Spyglass's need. Director Lamson felt that the issue is long range planning needs. Director Bohenko considered taking a recess to allow the attorneys time to review the motion. Director Loughlin stated his support for additional parking studies and his concerns with preserving flexibility of the use of the premises by PDA; and that the matter should be continued for one month to give Staff time to review the issues.

Director Bohenko felt that the Board needs to get a better understanding of aviation growth and options for parking. Director Torr questioned whether Spyglass has explored the option of relocation Flex Energy to its other site at 166 Corporate Drive or another site that would accommodate FlexEnergy's needs. The Board and Staff continued to discuss whether PDA's proposed motion should be tabled until the January, 2017 Board meeting and if Spyglass's motion should be used as a template. Chairman Bald confirmed with Mr. Mullen that Staff understands the Board's policy. Mr. Mullen noted that the parties are looking for options satisfactory to both sides

Director Loughlin felt that decisions cannot be made on possible and presently unknown future aviation activity. Parking is critical to the growth of the airport. PDA must balance the interests of future airport development with the needs of landside development. Director Bohenko asked if the Spyglass motion could be expanded to include a parking deck and require Spyglass to look at alternate locations for Flex Energy. Attorney Hinchee informed the Board that the most compelling concern of the Spyglass motion is that it requires Staff to show that nothing else will work or will satisfy Spyglass. In its

governmental capacity as a Board and a landlord, the Board has the right to determine what is best for PDA and look at various options. Director Lamson asked if there would be any issues with TSA if a parking deck was built near the airport. Director Bohenko withdrew his request to use the motion as a template and requested that the Board be provided with an outline of topics to be discussed with Spyglass. Attorney Hinchee confirmed that Staff will work with Spyglass's counsel to set the meeting agenda and provide the Board with the outline.

Director Loughlin confirmed that the motion would be continued until January and that the parties will explore all options available to PDA and Spyglass. Director Torr expressed his concerns that PDA is being "boxed in" and that all options for use of the premises for future development in support of the airport should be explored. Director Torr expressed his strong support for the airport. Chairman Bald confirmed that the Board is not committed to any action, but will wait until January to vote to allow time to provide the Board with better information. Director Allard questioned if Spyglass has looked at other sites for relocation of Flex Energy's business.

Michael Kane, principal of Kane Company, stated that he believes the only PDA issue is the 580 parking spaces needed for airport expansion. Flex Energy has put \$3 million in infrastructure improvements in the building. Flex Energy would need to relocate, possibly out of state, if its building needs cannot be accommodated. Mr. Kane stated that Spyglass would commit to build and pay for a 580 space parking deck if Spyglass was allowed to stay at 30 New Hampshire Avenue if the parking spaces are needed in the future. All reasonable alternatives need to be explored.

Attorney Hinchee informed the Board that PDA's concerns are not solely related to parking, but to the use of the parcel and building in general. Spyglass has not provided any reasons that would preclude PDA from exploring and advising Spyglass other reasons as to why the site is uniquely suited to PDA needs. Mr. Kane felt that nothing has changed with the building structurally since the start of negotiations of the LOI. The only issue is the 580 parking spaces. He was not aware of any other concerns and asked that a study be done before forcing Flex Energy to leave.

Maria Stowell, PDA Engineer, reported that the 580 parking spaces are indicated on a plan proposed by Spyglass and are not part of PDA's plans. PDA has reviewed parking needs and developed parking plans. PDA also has building facility needs which could be alleviated by PDA using the building for PDA staff, rental car offices and other concessions. While retaining the building, PDA plans would be able to create over 600 parking spaces.

Director Lamson reviewed the history of the building's construction and the number of employees at Flex Energy. Attorney Hinchee confirmed that Spyglass built an extension on the former Air Force building that PDA improved with EDA grant funds. Mr. Mullen reviewed the ownership history of the building.

Director Bohenko moved and Director Allard moved to table the motion. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

VI. Golf Committee Report

Director Bohenko reported that the Golf Committee met on December 15, 2016. The Committee was updated on proposed clubhouse improvements. The Committee recommended that the Board approve the golf car contract, the rate increase for the use of golf cars; and the update to the tee time reservation system. Director Lamson commended Scott DeVito, PGA General Manager, and the Golf Course staff for their good work.

A. Approvals
1. Golf Cars

Director Torr moved and Director Lamson seconded that In accordance with the recommendation of the Pease Development Authority Golf Committee, the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into a contract with Country Club Enterprises of Wareham, MA, in the amount of \$66,420 per year for a period of five (5) years (including an option to terminate the Contract at the end of four (4) years at the sole discretion of the PDA) for the lease and servicing of 90 electric golf cars as described in the memo by Scott DeVito, Golf Course General Manager, dated December 6, 2016 attached hereto. Discussion: In response to Director Loughlin, Director Bohenko confirmed that the Golf Course staff had reviewed the staggered contract approach for the leasing of golf cars and found that the cost was higher than the proposed contracts. Disposition: Resolved by unanimous vote; motion carried.

2. Golf Car Rate Increase

Director Lamson moved and Director Allard seconded that In accordance with the recommendation of the Pease Golf Committee, the Pease Development Authority Board of Directors hereby approves of and authorizes the Pease Golf Course to implement rate increases for players' use of the Golf Cars effective March 1, 2017; all in accordance with the memorandum from Scott DeVito, PGA General Manager dated December 9, 2016 attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

3. EZ Links Reservation System

Director Bohenko moved and Director Allard seconded that In accordance with the recommendation of the Pease Development Authority Golf Committee, the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into the contract with EZLinks of Chicago, IL in an annual amount of \$9,936, and a one-time subscription fee of \$500 (a total cost of \$10,436 for the first year) for a web-based reservation/marketing system; all in accordance with the memorandum of Scott DeVito, PGA General Manager, dated December 8, 2016 attached hereto.

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

1. EZLinks is the successor company to Integrated Business Solutions ("IBS"), the original supplier of the software;
2. EZLinks is the only company that provides software that will interface with IBS systems;
3. It is cost effective to continue using the current system instead of purchasing a new system.

Note: This motion requires 5 affirmative votes. Discussion: Disposition: Resolved by unanimous roll call vote; motion carried.

VII. Finance

A. Financial Reports

1. Operating Results for Four Month Period Ending October 31, 2016

Irv Canner, PDA Director of Finance, reported on the status of the PDA FY 2017 finances for the four month period ending October 31, 2016, including: trends in operating revenues and operating expenses; variances in rental facilities fee revenues, fuel sales, golf merchandise sales, and staffing costs. Mr. Canner reviewed the changes in the Balance Sheet due to the reduction in the number of construction projects. Mr. Canner reported on the status of the revolving line of credit (zero balance) and pension liabilities. A review of the Business Units showed that enplanements at PSM are at 58,715 as of November 30th, a 30% increase from last year. Mr. Canner reviewed Skyhaven Airport's ("DAW"); operating revenues and expenses. To date, PDA has absorbed \$1.5 million for operations and capital improvements at Skyhaven Airport. A review of the Golf Course operations for the same period last year showed increases in golf course revenues, bar and grill sales, and rounds of golf played. The Division of Ports and Harbors' ("DPH") operating revenues remains in line with the budget. Director Allard confirmed that the ME DOT contract with DPH ends in December, 2017 and that DPH is actively pursuing replacement revenues.

2. Nine Month Cash Flow Projections to August 31, 2017

Mr. Canner reviewed PDA cash flow projections for the nine month period ending August 31, 2017, including the projected ending cash balance of \$5.0 million; grant funded and non-grant funded construction expenditures. Mr. Canner reported on the effect of the changes in the Federal Reserve interest rates on PDA's revolving line of credit and borrowing costs. Mr. Canner reported on the variances in DPH cash balances. The Revolving Loan Fund is now in excess of 90% in loan coverages as loan applications have increased. The loan funds continue to be monitored to ensure that loans can continue to be made.

Director Lamson asked about the grants used for tree cutting. Ms. Stowell reviewed the FAA grants beginning in 2009 that PDA has used for obstruction study, environmental assessment, and the second phase of the obstruction study.

VIII. Leases

A. Reports

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

1. 222 International, LP

222 International, LP entered into a sublease with Technical Needs North, Inc. for 1,521 square feet at 195 New Hampshire Avenue for a base term of 5 years. Director Lamson approved the sublease.

2. 119 International Drive, LLC

119 International Drive, LLC entered into a sublease with Liberty Mutual Insurance Company for 4,966 square feet at 15 Rye Street for a base term of five years. Director Lamson approved the sublease.

3. Pioneer Aviation, LLC

Pioneer Aviation, LLC entered into a sublease with Sig Sauer, Inc. for 16,400 square feet at 125 Aviation Avenue for a base term of three years. Director Loughlin approved the sublease.

B. Approvals

1. Two International Group, LLC – Lease Option

Director Loughlin moved and Director Lamson seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to execute such document necessary and desirable to grant an option to Two International Group, LLC (“TIG”) for the 11 acre parcel located at 100 New Hampshire Avenue, subject to the release of the existing option held by Client 80-R or December 31, 2016, whichever occurs first, for a period of six (6) months at a fee of \$12,100.00; with one (1) six (6) month option to extend at a fee of \$24,200.00 exercisable by mutual agreement of the parties; all on substantially the same terms and conditions set forth in the Option Agreement and Term Sheet attached hereto. Discussion: Mr. Mullen informed the Board that the subject parcel is the last large area parcel available for development and could also be considered for use as a parking area for the Airport. Chairman Bald moved and Director Bohenko seconded to **table the motion until the January 19, 2017 Board meeting to allow Staff time to review the parking issues. Discussion on motion to table: None. Disposition: Resolved by unanimous vote; motion to table carried.****

IX. Signs

A. Reports

1. ConvenientMD – 111 New Hampshire Avenue

In accordance with the “Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs”, Mr. Mullen reported that PDA approved of the modification to the Seacoast Media Group sign to add the name of ConvenientMD, a new subtenant. Chairman Bald approved the sign modifications.

2. 119 International Drive, LLC – 15 Rye Street

In accordance with the “Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs”, Mr. Mullen reported that PDA approved of the replacement of the sign at 15 Rye Street with a slightly larger sign. Director Loughlin approved the sign modification.

X. Contracts/Agreements

A. Approvals

1. Cross Insurance – Policy Renewals

Director Lamson moved and Director Torr seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to accept and bind insurance coverages for the Pease Development Authority to be provided by Cross Insurance Agency for the period of 12/31/16 through 12/31/17 in the projected amount of \$160,680.65; all in accordance with the Proposed Premium Summary attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.**

2. USDA APHIS Wildlife Control/Monitoring

Director Allard moved and Director Torr seconded that The Pease Development Authority Board of Directors authorizes the Executive Director to execute a contract with the United States Department of Agriculture Wildlife Service (USDA WS) from January 1, 2017 through December 31, 2017, in the amount of \$18,902.09 for the purpose of providing integrated turkey, other large bird, and animal control and monitoring services at the Airfield; all in accordance with the memorandum of Andrew Pomeroy, Airport Operations Supervisor, dated December 5, 2016, and 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. PDA has a long standing relationship with USDA WS stemming back to the time PDA was formed. As a part of that ongoing relationship, the USDA WS has maintained ongoing wildlife surveys, with data dating back to its first arrival at Pease. PDA does not want to interrupt this data stream.
2. The USDA WS conducts training classes for PDA Airport Operations Personnel on Airport Wildlife Hazard Management, to meet FAR 139 requirements. USDA is the FAA recognized authority for such required training.

Note: This motion requires 5 affirmative votes. Discussion: In response to Director Lamson, Andrew Pomeroy, Airport Operations Supervisor, reviewed the services and areas that are monitored under the contract. Disposition: Resolved by unanimous roll call vote; motion carried.

3. Holliston Sand & Gravel – Runway Sand

Director Loughlin moved and Director Allard seconded that The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a contract with Holliston Sand & Gravel of Slatersville, RI, for the period of December 1, 2016 through November 30, 2017 for the purpose of providing FAA approved runway sand for the Airport runways at the price of \$99.05 per ton; in accordance with the memo from Andrew Pomeroy, Airport Operations Manager, dated November 30, 2016, attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

4. Cryotech Deicing Technology – Runway Deicing Liquid

Director Torr moved and Director Allard seconded that The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a contract with Cryotech Deicing Technology of Fort Madison, IA, for the purpose of purchasing runway deicing liquid at a price of \$4.67 per gallon for a period of December 1, 2016 through November 30, 2017, all in accordance with the memorandum of Andrew Pomeroy, Airport Operations Manager, dated November 30, 2016, attached hereto. Discussion: In response to Director Lamson, Mr. Pomeroy confirmed that PDA has used Cryotech in the past. Disposition: Resolved by unanimous vote; motion carried.

5. Nachurs Alpine Solutions Industrial – Runway Deicing Solid

Director Bohenko moved and Director Loughlin seconded that The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute

a contract with Nachurs Alpine Solutions Industrial of Marion, OH, for the purpose of purchasing sodium formate based runway deicing solid at the price of \$0.599 per pound for a period of December 1, 2016 through November 30, 2017, all in accordance with the memorandum of Andrew Pomeroy, Airport Operations Manager, dated November 30, 2016, attached hereto. Discussion: Disposition: Resolved by unanimous vote; motion carried.

XI. Executive Director's Reports/Approvals

A. Reports

1. Elections

Mr. Mullen informed the Board that in accordance with Article III, Section 3.4 of the PDA By-Laws, the Vice Chairman and Treasurer need to be elected for 2017:

A. Vice Chairman

Director Lamson moved the motion and Director Bohenko seconded that Peter Loughlin be elected as Vice-Chairman of the Pease Development Authority. Discussion: None. Disposition: Resolved by unanimous vote: motion carried.

B. Treasurer

Director Loughlin moved the motion and Director Torr seconded that Robert Allard be elected as Treasurer of the Pease Development Authority. Discussion: None. Disposition: Resolved by unanimous vote: motion carried.

2. Committee Appointments

Chairman Bald appointed Directors to the following Committees:

Standing Committees

Executive Committee

George Bald, Chair
Peter Loughlin, Vice Chairman
Robert Allard, Treasurer
Staff Contact: Mullen/Hinchee

Marketing and Economic Development Committee

Peter Loughlin, Chair
Robert Preston
Frank Torr
Staff Contact: Mullen

Finance Committee

Robert Allard, Chair
John Bohenko
Margaret Lamson
Staff Contact: Mullen/Canner

Zoning Adjustment & Appeals Committee

Frank Torr, Chair
Peter Loughlin
George Bald
Staff Contact: Hinchee/Stowell

Airport Committee

Robert Preston, Chair
Robert Allard
Margaret Lamson
Staff Contact: Hopper/Stowell

Ad Hoc Advisory Committees

Capital Improvement and

Land Planning Committee
 Peter Loughlin, Chair
 Robert Allard
 Frank Torr
 George Bald
 Staff Contact: Hinchee/Stowell

Transportation Management Committee
 Margaret Lamson, Chair
 John Bohenko
 Frank Torr
 Staff Contact: Stowell

Golf Committee
 John Bohenko, Chair
 Robert Allard
 Robert Preston
 Staff Contact: Mullen/DeVito

Port Committee
 Peter Loughlin, Chair
 Frank Torr
 John Bohenko
 Ex Officio: Chair DPH Advisory Council
 Staff Contact: Mullen/Marconi

Audit Committee
 John Bohenko, Chair
 Peter Loughlin
 Robert Preston
 Staff Contact: Canner

Legal Bill Review
 George Bald, Chair
 Peter Loughlin
 Frank Torr
 Staff Contact: Hinchee

3. PDA Holiday Schedule – 2017

Chairman Bald reported that PDA employees will observe the following holidays in 2017:

New Year's Day (Observed)	Monday	January 2
Martin Luther King/Civil Rights Day (Observed)	Monday	January 16
Presidents' Day (Observed)	Monday	February 20
Memorial Day (Observed)	Monday	May 29
Independence Day	Tuesday	July 4
Labor Day	Monday	September 4
Columbus Day (Observed)	Monday	October 9
Veterans' Day (Observed)	Friday	November
Thanksgiving	Thursday	November 23
Day after Thanksgiving	Friday	November 24
Christmas Day	Monday	December 25

4. Golf Course Operations

Scott DeVito, PGA General Manager, reported on the activities at the Pease Golf Course. The Pro Shop and Titleist held golf club fitting sessions during the year which helped increase the Golf Shop merchandise sales. Staff is working with Titleist to conduct fitting sessions in 2017. The course closed for the season on December 4, 2016. Golf Course Maintenance are getting the course ready for winter. Activity has increased in the simulator rooms and membership applications are being processed for 2017.

5. Airport Operations

Andrew Pomeroy, Airport Operations Supervisor, reported on aviation activities.

a) PSM

As of November 30th, enplanements at PSM are at 58,715 and 117,383 passengers have gone

2016. The Council reviewed the UNH Marine Department "Living Bridge" project at the Memorial Bridge in Portsmouth.

Mr. Marconi reported that for the third year the Division of Motor Vehicles ("DMV") and the Division of Ports and Harbors ("DPH") held a commercial licensing and permit program on December 8, 2016, to allow commercial fishermen to renew vessel registrations and fishing licenses at the DMV offices in Dover, NH instead of having to go to Concord, NH to complete the registrations. A second session will be held at the Dover DMV offices on January 19, 2017 from 8:30 a.m. – 12:30 p.m.

2. Commercial Mooring Transfer

Mr. Marconi reported that in accordance with the "Delegation to Executive Director: Consent, Approval and Execution of Mooring Permit Transfers", commercial moorings were transferred for:

<u>Applicant</u>	<u>Permit</u>	<u>Business</u>	<u>Date of Approval</u>
Rye Harbor	No. 397	Commercial Fishing	11/10/16
Transferor:	Randell Collins		
Transferee:	Joshua Crooks		

B. Approvals

1. Bills for Legal Services

Director Torr moved and Director Lamson seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$90.00 for legal services rendered to the Division of Ports and Harbors by:**

1. **Susan Marshall, Esq.**
Through August 30, 2016 **\$90.00**

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

XIII. New Business

No new business was brought before the Board,

XIV. Upcoming Meetings

1. 2017 Proposed Meetings Schedule

Chairman Bald presented the 2017 proposed meetings schedule and asked the Directors to let him know if any revisions need to be made. The following meetings will be held in January:

Finance Committee	January 17, 2017	8:00 a.m.
Golf Committee	January 17, 2017	8:30 a.m.
Board of Directors	January 19, 2017	8:00 a.m.

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

XV. Directors' Comments

Director Bohenko informed the Board that he will not be available for the January Finance, Golf, and Board meetings and asked to be excused. Director Allard informed the Board that he will be out of town beginning in January and also will not be available to attend the January meetings, but will participate via telephone. The January Finance Committee and Golf Committee meetings will be rescheduled. Director Torr asked that all offer good wishes to Director Preston as he recovers from surgery.

XVI. Adjournment

Director Allard moved and Director Bohenko seconded to **adjourn the Board meeting.**
Discussion: None. Disposition: Resolved by unanimous vote; motion carried. Meeting adjourned at 11:58 a.m.

XVII. Press Questions

No members of the press attended the meeting.

Respectfully submitted,



David R. Mullen
Executive Director/Secretary

MOTION

Director Torr

The Pease Development Authority Board of Directors hereby approves of the airport obstruction removal and lighting project as presented on the associated drawings depicting the scope of work required to be undertaken which plans are attached hereto.

The Board also authorizes the Executive Director to spend funds in an estimated amount of \$92,000 to provide wetland mitigation for the impacts of the obstruction removal and lighting project as a prerequisite to securing a wetlands permit all in accordance with the memorandum from Maria J. Stowell, P.E. – Manager – Engineering dated January 13, 2017 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. There remain uncertainties as to what mitigation projects will be approved and undertaken; and
2. Submitting the grant application by the deadline is contingent upon completing the wetland mitigation projects and obtaining a wetlands permit.

Note: This motion requires 5 affirmative votes.

N:\RESOLVES\AirportObstructionRemoval117.docx



MEMORANDUM

To: David R. Mullen, Executive Director
From: Maria J. Stowell, P.E., Engineering Manager *Maria*
Andrew B. Pomeroy, C.M., Airport Operations Manager
Date: January 13, 2017
Subject: PSM Obstruction Removal and Lighting Project

In 2011 and again in 2014, the PDA Board accepted AIP Grants and approved the corresponding contracts to design and bid a project to remove airspace obstructions associated with Portsmouth International Airport. At this time, we have completed: the identification of airspace obstructions that are hazards; field mapping including wetland delineation; wildlife surveys; a NEPA Categorical Exclusion determination including a review under the Historic Preservation Act; and 90% project drawings. Alteration of Terrain and Wetland Permits are pending, with the intention of bidding the project and using the bid results to apply to FAA for the construction phase of the work before the May 1st deadline.

Staff would typically bring a project back to the Board once it has been bid and all costs are known. However, the obstruction removal project, as it is now designed, has sparked concerns from Newington Town officials and residents. The Town has contacted Directors Lamson and Loughlin, as well as its Town Counsel to inform them of its concerns over PDA's project design. Staff believes that that the project has been designed to comply with FAA regulations and Grant Assurances, to protect the airport from undue safety risks, and to remain within PDA's jurisdiction concerning use of its property. However, to ensure that the project conforms to the wishes of the Board, I ask that you present the design to the Board for approval. We will also need Board approval to spend approximately \$92,000 related to securing a wetland permit for the project.

A brief history of the evolution of the project may be helpful. In 2009 and 2010, work began to identify airspace obstructions that may pose a hazard to aircraft. By studying available aerial photogrammetry, HTA discovered a number of items, both manmade structures and natural vegetation, that penetrate defined approach and departure surfaces. Information regarding all of these penetrations was submitted to FAA as part of an aeronautical study. The FAA response specified which of the penetrations are presumed hazards (see Part 77 Regulations below). PDA is now obligated to mitigate the hazards.

A number of the hazards are located off-airport on private property containing a duplex housing unit, and on property owned by the Town of Newington. As required by FAA, PDA approached the owners of these parcels proposing to remove the hazards through the acquisition of aviation easements. We were not successful in obtaining easements or any other rights related to removing the hazards off-airport. Therefore, we have no choice but to mitigate these hazards by an alternative method of lighting.

There are also hazards on airport property. These consist of about 28 non-contiguous acres of trees (plans attached). Because removal of the trees on this land is within PDA's jurisdiction, provided that certain approvals are acquired, we have designed a project that will eliminate these hazards and prevent their re-establishment. Following is a partial listing of the applicable approvals.

National Historic Preservation Act (NHPA)

Since PDA is seeking federal funding to remove trees, the project requires a review in the context of the National Historic Preservation Act. This review began in 2011 through a filing with the NH Division of Historic Resources (DHR), and ended in late 2015 with a Cultural Resources Effect Memo determination that "There will be No Adverse Effect on Historic or Archaeological Properties" (attached). The NHPA provides that this determination be made by FAA with concurrence from DHR. Prior to issuing this determination, FAA consulted with the Town of Newington. (See attached letters dated August 26, 2015 and November 9, 2015.)

National Environmental Protection Act (NEPA)

Again, because federal funding is anticipated, the project is required to conform to the provisions of NEPA. Based on criteria specified in its review checklist, FAA determined that the project meets the requirements for a Categorical Exclusion (CATEX). (Documentation attached.)

NHDES Alteration of Terrain and Wetlands Permits

The project involves the disturbance of soil and temporary wetland impacts that require the cited State Permits. It is in its capacity to review and comment on the wetland permit, that the Town of Newington has raised concerns that span issues from noise to viewscales.

Staff believes that the project's review and permit process has sufficiently protected local resources. Furthermore, we believe that we have limited the actual removal of trees as much as possible without risking safety, defaults on grant assurances, and future FAA funding. Following are excerpts from salient rules and regulations, which obligate PDA's action to mitigate these hazards.

Code of Federal Regulations (CFR)

The following from CFR Title 14: Aeronautics and Space. Chapter I, Subchapter E specifies rules for identifying obstructions and determining which obstructions are hazards.

PART 77—SAFE, EFFICIENT USE, AND PRESERVATION OF THE NAVIGABLE AIRSPACE

Subpart C—Standards for Determining Obstructions to Air Navigation or Navigational Aids or Facilities

§77.13 Applicability.

This subpart describes the standards used for determining obstructions to air navigation, navigational aids, or navigational facilities. These standards apply to the following:

(a) Any object of natural growth, terrain, or permanent or temporary construction or alteration, including equipment or materials used and any permanent or temporary apparatus.

(b) The alteration of any permanent or temporary existing structure by a change in its height, including appurtenances, or lateral dimensions, including equipment or material used therein

§77.15 Scope.

(a) This subpart describes standards used to determine obstructions to air navigation that may affect the safe and efficient use of navigable airspace and the operation of planned or existing air navigation and communication facilities. Such facilities include air navigation aids, communication equipment, airports, Federal airways, instrument approach or departure procedures, and approved off-airway routes.

(b) Objects that are considered obstructions under the standards described in this subpart are presumed hazards to air navigation unless further aeronautical study concludes that the object is not a hazard. Once further aeronautical study has been initiated, the FAA will use the standards in this subpart, along with FAA policy and guidance material, to determine if the object is a hazard to air navigation.

Airport Improvements Program Grant Assurances

Each time that PDA accepts a grant through the Airport Improvement Program, it certifies that it will comply with thirty-nine specific rules pertaining to administration and operation of the airport. Grant Assurance Number 20 refers to hazards.

The sponsor hereby assures and certifies, with respect to this grant that:

20. It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

Airport Improvements Program Handbook

The AIP Handbook provides guidance and sets forth policy and procedures used in the administration of the Airport Improvement Program. Paragraph b of Section 3-23 FAA Mandatory Standards calls into question the funding for the runway rehabilitation project if airspace is not cleared:

b. Safe Approaches for Runway Projects (Clear Approaches). *The FAA has interpreted 49 USC § 47105(b)(3) to mean that safe approaches are part of the FAA standards that must be met for runway projects. Per FAA policy, the ADO must not fund the rehabilitation, construction, or extension of any section of a runway that the ADO has determined will not be usable due to unsafe approaches using the latest version of Advisory Circular 150/5300-13, Airport Design.*

For these reasons, staff recommends that the 28 acres of trees situated on PDA property that have been identified as hazards be removed and the areas be maintained by periodic mowing (by brush hog).

Finally, with regard to wetland permitting, the 28 acre area includes 2.5 acres of wetlands - 1.76 acres in Newington and 0.79 in Portsmouth. In a 2014 vote, the Board approved spending for fees to apply for wetland and alteration of terrain permits for this project. We now know that securing a wetland permit will require mitigation totaling approximately \$92,000. This amount will either be paid into the Aquatic Resource Mitigation (ARM) Fund or it will be used to implement mitigation projects identified by the local conservation commissions and approved by NHDES. We anticipate that the amount will be reimbursed by the tree removal grant. However, we are required to have the permit in hand before applying for the grant and we are required to pay the fee before receiving the permit.

As stated, the mitigation projects are proposed by the municipalities. Portsmouth has identified a project that has received DES approval. Newington has not yet done so. If we are successful in using local municipal projects for mitigation, PDA would need to hire professionals for design and monitoring services and then hire contractors for the installation. Since time is of the essence, staff is proposing to use contractors that have recently been contracted by PDA, the State, or the municipality. We would be relying on that recent procurement process to satisfy the typical selection criteria, triggering the need for a waiver from PDA's procurement policy.

In addition to the attachments cited above, I have included with this memo selected project drawings. These show the clearing sites and associated upland and wetland areas. They also show the locations of an obstruction light at the airport's south end and hazard beacon at the north end.

At next week's Board meeting, please seek approval:

1. For the airport obstruction removal and lighting project as presented on the attached drawings; and,
2. To spend funds in an estimated amount of \$92,000 to provide wetland mitigation for the impacts of the obstruction removal and lighting project. In doing so the Board will waive the RFP procedure due to the uncertainties in specifying the type of work at this time, and the need to meet the grant submission deadline.

Cultural Resources Effect Memo

DEPARTMENT OF TRANSPORTATION
DEC 08 2015
DEPARTMENT OF TRANSPORTATION

Project Town: Newington and Portsmouth

Date: December 2, 2015

State No.: NA RPR 2258

Federal No. (as applicable): NA

Pursuant to a meeting on October 21, 2015, and for the purpose of compliance with the regulations of National Historic Preservation Act and the Advisory Council on Historic Preservation's *procedures for the Protection of Historic Properties* (36 CFR 800), the NH Division of Historical Resources and the Federal Aviation Administration (FAA) have coordinated the identification and evaluation of cultural resources relative to (project description):

The Pease Development Authority (PDA) proposes to address airspace obstructions at Portsmouth International Airport at Pease (PSM).

In 2009, a study was conducted to identify airspace obstructions in and around PSM using aerial photogrammetry to collect elevations of tree canopies and man-made structures. Identified obstructions were submitted to the FAA for evaluation and determination if they posed a risk to aircraft operating on and around the airport. The FAA concluded that many of the obstructions need to be addressed. The project as proposed includes removal of obstructions (trees) located within the airport boundary, and installation of lighting to light obstructions located both on airport property and on private property, outside of the airport boundary, that cannot be removed at this time due to the combination of significant and unpermissible impacts to historic resources, a Prime Wetland, and private property.

Installation of lighting will include the following: installation of 18-24" diameter poles and, if necessary and based on soil conditions, an approximately 4 ft diameter concrete foundation; a 20 ft by 20 ft square, 8 ft high chainlink fence around the L-864 flashing red hazard beacon, and a 10 ft by 10 ft square, 8 ft high chainlink fence around the L-810 steady white obstruction light; and temporary and minimal ground modification for attachment to a power source.

The north end of the project area is located near the Newington Center Historic District, which is listed on the National Register of Historic Places (National Register), as well as the Alfred Pickering Farm, which is eligible for listing on the National Register. The project was reviewed and revised over several iterations, and a presentation was given to the Newington HDC on September 17, 2015, at which time the project included removal or lighting of trees within the Newington Historic District. After this meeting, PDA chose to alter the project design such that obstructions will only be removed within the airport boundary, and off-airport obstructions will be lit via installation of an L-864 hazard beacon on the airport property. FAA sent a Finding of No Adverse Effects to Historic Properties to NHDHR on November 19, 2015. Newington HDC responded in support of the proposed action via email on November 20, 2015.

The project is expected to begin in the winter/spring of 2016/2017, but could begin as late as fall 2017 pending FAA grant award date. The project would take approximately four to six months to complete.

Based on a review of the project, as presented on this date, it has been determined that:

- No Historic or Archaeological Properties will be Affected
- There will be No Adverse Effect on Historic or Archaeological Properties

Describe any outstanding commitments: _____

In accordance with the Advisory Council's regulations, we will continue to consult, as appropriate, as this project proceeds.

The NH State Historic Preservation Officer concurs with these findings: Michael Bennett NHDHR
NH Division of Historical Resources
12-3-15

There Will Be: No 4(f) ; Programmatic 4(f) ; Full 4 (f) ; or

A finding of de minimis 4(f) impact as stated; In addition, with NHDHR concurrence of no adverse effect for the above undertaking, and in accordance with 23 CFR 774, FAA intends to, and by signature below, does make a finding of *de minimis* impact. NHDHR's signature below represents concurrence with both the no adverse effect determination and the *de minimis* findings. Parties to the Section 106 process have been consulted and their concerns have been taken into account. Therefore, the requirements of Section 4(f) have been satisfied.

R. D. D'Arcy
Federal Aviation Administration

Kindy Pease
Project Manager

Cc: FAA, NHDHR, Pease Development Authority (← as applicable)



U.S. Department
of Transportation
**Federal Aviation
Administration**

Federal Aviation Administration
New England Region

12 New England Executive Park
Burlington, MA 01803

August 26, 2015

Ms. Gail Pare, Chair
Newington Historic District Commission
205 Nimble Hill Road
Newington NH 03801

Mr. Rick Stern, Chair
Newington Board of Selectmen
205 Nimble Hill Road
Newington NH 03801

Dear Ms. Pare and Mr. Stern:

The Federal Aviation Administration (FAA) has been working with the Pease Development Authority (PDA), and their consultants Hoyle, Tanner & Associates, since 2011 to address obstructions in the airspace surrounding Portsmouth International Airport at Pease.

As you are aware, trees presently grow in the airspace around this airport. Some of the trees are present in and around the Newington Center Historic District. As the FAA is funding the current study, and will likely fund any tree removal, these activities are considered "undertakings" under the National Historic Preservation Act, and must comply with Section 106 of the Act. Ultimately, the FAA must make a "Finding" under Section 106, and seek State Historic Preservation Office (SHPO) concurrence. In keeping with state regulations, a "Request for Project Review" was filed in February 2011 and comments were received from the NH Division of Historical Resources in March of 2011.

The SHPO typically (as they have in this case) directs us to consult with the local historical commission. A meeting was held with representatives of the Historic District Commission, Selectmen and Planning Department in May, 2011 to discuss these matters. Additional information was exchanged and the Selectmen ultimately responded in a letter in July, 2012, which included a June 2012 letter from the Historic District Commission.

Based on the various constraints to the clearing of trees on and around the airport, we have considerably modified the tree clearing plans. The current proposal includes limited tree removal and lighting. We would like to present the current proposal to the Historic District Commission and any other appropriate Newington departments. Ideally, we would like to meet simultaneously with all interested parties. But if necessary we will meet with the appropriate boards individually. Maria Stowell of PDA will contact Tom Morgan to see how this would best be accomplished. We look forward to continued consultation on this matter. Please do not hesitate to contact me if you have any questions.

Sincerely,

Richard P. Doucette, Manager of Environmental Programs
Airports Division, FAA New England Region

CC: Tom Morgan, Newington Planning Department
NH Division of Historical Resources
NH Department of Transportation



U.S. Department
of Transportation
**Federal Aviation
Administration**

Federal Aviation Administration
New England Region

12 New England Executive Park
Burlington, MA 01803

November 9, 2015

Ms. Gail Pare, Chair
Newington Historic District Commission
205 Nimble Hill Road
Newington NH 03801

Dear Ms. Pare:

The Federal Aviation Administration (FAA) has been working with the Pease Development Authority (PDA), and their consultants Hoyle, Tanner & Associates, since 2011 to address obstructions in the airspace surrounding Portsmouth International Airport at Pease. Some of the trees identified as obstructions are present in and around the Newington Center Historic District. The FAA will likely fund the tree removal; and these activities are considered "undertakings" under the National Historic Preservation Act.

We have consulted with both the State Historic Preservation Office (SHPO) the Newington Historic District Commission. A meeting was held with representatives of the Town of Newington in May, 2011. The Selectmen objected to the project as it was then proposed in a July 2012 letter, which included a June 2012 letter from the Historic District Commission. We met again on September 17, 2015 and discussed the currently proposed project and the changes since 2011 in detail with the Historic District Commission, the Town Planner and Chairman of the Board of Selectmen. That meeting was followed up with an email on September 22nd regarding the boundary of the Historic District, and on September 24th regarding hazard beacons.

Since that time we have completed an Individual Inventory Form for the Pickering property, as discussed at our meeting in September. That form has been submitted to the SHPO, and is attached herein. We met with the SHPO on October 21st, to give them an update on our consultation, and the progress on this project. We have yet to hear from the Town of Newington on our undertaking.

Our initial proposal included tree removal on Pease property as well as in the Historic District. Newington objected to the tree removal in the Historic District. We then requested that the HDC provide comment on the potential for either removal of trees located on the Transfer Station parcel or the installation of obstruction lights at the Transfer Station; if trees could not be removed from the Transfer Station parcel, a larger obstruction hazard beacon, located on Pease property, would be required. As we have not heard from Newington, we can only assume the response has not changed.

There are other off-airport obstructions on private property located at 340 Little Bay Road. Negotiations are underway between those private owners and PDA. Adjacent to that private parcel is a prime wetland on airport property and two areas of trees within the wetland buffer penetrate the airport's airspace. Our understanding is that removal of these trees in the prime wetland buffer will be as difficult as removing trees off airport, or in the Historic District. In lieu of any off-airport tree clearing we can install a hazard beacon on airport property, as discussed at our meeting in September. Absent any immediate response

from Newington, this is our current proposal: Cut tree obstructions on airport property and install a hazard beacon to mitigate (a) tree obstructions that remain off airport, and (b) tree obstructions in the prime wetland on airport property.

The proposed hazard beacon will be located in the approximate location as shown on the enclosed plans. It would be located approximately 450' from Little Bay Road, 500' from the Pickering home, 475' from the Historic District boundary, and over 1,100' from any buildings in the Historic District. The latest analysis indicates the beacon will be approximately 35' tall, thus the visibility by people outside the airport will be minimal. The on-airport tree cutting will be set back approximately 100' from Little Bay Rd., at its closest point. The tree clearing and hazard beacon will be separated by trees along the Historic District boundary and along Little Bay Rd. As one can see from the plans, there is a considerable buffer of fields and trees between our undertaking and the historic resources in the area. The distance and intervening trees will minimize the view of the tree cutting and hazard beacon.

If you have any questions or comments please do not hesitate to contact me.

Sincerely,



Richard P. Doucette
Manager of Environmental Programs
FAA New England Region

CC: NH Division of Historical Resources
NH Department of Transportation
Pease Development Authority

APPENDIX A. DOCUMENTED CATEX

Airport sponsors should use this form for projects eligible for a categorical exclusion (CATEX) that have greater potential for extraordinary circumstances or that otherwise require additional documentation, as described in the Environmental Orders (FAA Order 1050.1E and FAA Order 5050.4B).

To request a CATEX determination from the FAA, the sponsor should review potentially affected environmental resources, review the requirements of the applicable special purpose laws, and consult with the FAA Environmental Protection Specialist about the type of information needed. Complete this form and send it with any supporting environmental resource documentation to the appropriate FAA Airports Division/District Office. The form and supporting documentation should be provided in accordance with the provisions of FAA Order 5050.4B, paragraph 302b, to allow sufficient time for review. The CATEX cannot be approved until all information/documentation is received and all requirements have been fulfilled.

It is ultimately the sponsor's responsibility to ensure that all of the information necessary for the FAA to make an environmental determination is accurate and complete.

Name of Airport, LOC ID, and Location

Portsmouth International Airport at Pease (PSM), Portsmouth, NH

Project Title

On-Airport Obstruction Removal and Lighting Project

Provide a brief, but complete description of the proposed project, including all project components, justification, estimated start date, and duration of the project. Include connected actions necessary to implement the proposed project (including but not limited to moving NAVAIDs, changing flight procedures, and designating or developing haul routes, new material or expanded material sources, staging or disposal areas). Attach a sketch or plan of the proposed project. Photos can also be helpful.

The Pease Development Authority (PDA) proposes a project to address airspace obstructions at Portsmouth International Airport at Pease (PSM). Attachment A includes a location map and plans detailing the location of the project components.

In 2009, a study was conducted to identify airspace obstructions in and around PSM using aerial photogrammetry to collect elevations of tree canopies and man-made structures. Identified obstructions were submitted to the FAA for evaluation and determination if they posed a risk to aircraft operating on and around the airport. The FAA concluded that many of the obstructions need to be addressed via 1) removal of the obstruction, or 2) installation of lighting that will enable aircraft operators to clearly see and avoid the obstruction. This Categorical Exclusion includes removal of obstructions (trees) located within the airport boundary, and installation of lighting to light obstructions located both on airport property and on private property, outside of the airport boundary, that cannot be removed at this time due to the combination of significant and unpermissible impacts to historic resources a Prime Wetland, and private property.

In upland areas where obstructions are identified for removal on the attached plans, trees **will** be removed and stumps ground in place, and the remaining land will be graded, loamed and seeded for permanent maintenance via mowing. In wetland areas where obstructions are identified for

removal on the attached plans, trees will be removed by cutting flush with the ground surface, leaving stumps in place, soils will not be graded, and trees will either be removed off-site or left in the wetlands to provide additional wildlife habitat, pending future discussions with NHDES and USACE. Low ground pressure equipment or "swamp" mats will be used in wetlands to allow for ingress/egress of removal equipment. Cranes may be used from uplands to reach into wetlands to remove individual trees; where appropriate. Along defined streams, obstructing trees will be removed and underbrush will remain.

Installation of lighting will include the following: installation of 18-24" diameter poles and, if necessary and based on soil conditions, an approximately 4 ft diameter concrete foundation; a 20 ft by 20 ft square, 8 ft high chainlink fence around the L-864 flashing red hazard beacon, and a 10 ft by 10 ft square, 8 ft high chainlink fence around the L-810 steady white obstruction light; and temporary and minimal ground modification for attachment to a power source.

The project is expected to begin in the winter/spring of 2016/2017, but could begin as late as fall 2017 pending FAA grant award date. The project would take approximately four to six months to complete.

Provide a brief, but complete, description of the proposed project area. Include any unique or natural features within or surrounding the airport property.

PSM is a publicly owned joint-use airport supporting the aeronautical demands of both civil and military users located in both the City of Portsmouth and the Town of Newington, New Hampshire. PSM is owned and operated by the Pease Development Authority (PDA). PDA was created by virtue of a declaration of the State of New Hampshire in 1990, and is an extension of the State.

The airport has a single 11,321 ft long by 150 ft wide runway oriented approximately north-south that provides the means for all landing and takeoff operations for fixed wing aircraft at the airport. The runway and majority of original facilities were constructed in the 1950's as part of the creation of a military air base under the United States Air Force's Strategic Air Command. The military base was closed and conversion to civilian use began in 1991. There is a parallel taxiway running the entire length of the runway, and concrete and bituminous aircraft aprons covering more than 215 acres.

PSM is a joint civilian-military airport. On the civilian side, its commercial terminal building, PSM currently hosts scheduled commercial service non-stop flights to destinations in Florida, as well as civilian chartered flights for troops leaving for duty overseas and also returning home. PSM has multiple other tenants, including general aviation, many corporate aircraft, charter services, cargo service, helicopter sightseeing, and the fixed based operator (FBO) Port City Air. PSM is also a US Customs designated point of entry into the United States. On the military side, PSM is home to the 157th Air National Guard refueling wing, which has been chosen to be the first base to host the Air Force's new refueling tanker, the KC-46A.

Identify the appropriate CATEX paragraph(s) from Order 1050.1E (paragraph 307-312) or 5050.4B (tables 6-1 and 6-2) that apply to the project. Describe if the project differs in any way from the specific language of the CATEX or examples given as described in the Order.

According to Order 1050.1F, Section 5-6. The Federal Aviation Administration's Categorical Exclusions, the following would apply to this project:

5-6.4(l) Federal financial assistance for, licensing or approval of the grading of land, the removal of obstructions to air navigation, or erosion control measures, provided those activities occur on and only affect airport property, a commercial space launch site, or FAA-owned or leased property. (ATO, ARP, AST)

And

5-6.3(b) Establishment, installation, upgrade, or relocation of any of the following on designated airport or FAA property: airfield or approach lighting systems, visual approach aids, beacons, and electrical distribution systems as described in FAA Order 6850.2, Visual Guidance Lighting Systems, and other related facilities. (ATO, ARP)

The circumstances one must consider when documenting a CATEX are listed below along with each of the impact categories related to the circumstance. Use FAA Environmental Orders 1050.1E, 5050.4B, and the Desk Reference for Airports Actions, as well as other guidance documents to assist you in determining what information needs to be provided about these resource topics to address potential impacts. Indicate whether or not there would be any effects under the particular resource topic and, if needed, cite available references to support these conclusions. Additional analyses and inventories can be attached or cited as needed.

304a. National Historic Preservation Act (NHPA) resources

Projects that have the potential to cause effects on historic properties require a Section 106 finding in order to meet the requirements of the NHPA regardless of the type of NEPA document being completed. Check with your local Airports Division/District Office to determine if a Section 106 finding is required. Consultation with the State Historic Preservation Officer/Tribal Historic Preservation Officer (SHPO/THPO) may be required, and should be conducted through the FAA.

	YES	NO
<p>Are there historic/cultural resources listed (or eligible for listing) on the National Register of Historic Places located in the Area of Potential Effect? If yes, provide a record of the historic and/or cultural resources located therein.</p> <p>The north end of the project area, as identified on the attached plans, is located near the Newington Center Historic District, which is listed on the National Register of Historic Places (National Register), as well as the Alfred Pickering Farm, which is eligible for listing on the National Register. Attachment B contains relevant information and local and agency communication for the project file regarding potential effects on historic properties.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	YES	NO
<p>Does the project have the potential to cause effects? If yes, describe the nature and extent of the effects.</p> <p>A Section 106 Request for Project Review (RPR) was submitted to the New Hampshire Division of Historical Resources (NHDHR) which functions as the State Historic Preservation Officer (SHPO) in 2011, including a map of the proposed obstruction removal at that time that included trees located on private property within the Town of Newington and the Newington Center Historic District. SHPO/NHDHR responded that they would like input from the Newington Historic District Commission (HDC) on the potential effect of the project on the Historic District, as well as the potential eligibility for listing of the Alfred Pickering Farm on the National Register.</p> <p>The Town of Newington responded with a letter dated July 13, 2012 from the Board of Selectmen that the Board had unanimously voted to decline the proposal to cut any trees on Newington Land, and also included correspondence from the Newington Historic District Commission, dated June 27, 2012. This letter expressed concerns regarding negative visual impacts from tree removal on, and adjacent to the Newington Center Historic District.</p> <p>An Individual Inventory Form (IIF) for the Alfred Pickering Farm was prepared and presented to NHDHR on November 2, 2015. The Farm was determined to be eligible for listing on the National Register by NHDHR on November 18, 2015.</p> <p>The project was reviewed and revised over several iterations, and a presentation was given to the Newington HDC on September 17, 2015, at which time the project included removal or lighting of trees within the Newington Historic District. After this meeting, PDA chose to alter the project design such that obstructions will only be removed within the airport boundary, and off-airport obstructions will be lit via installation of an L-864 hazard beacon on the airport property. FAA sent a Finding of No Adverse Effects to Historic Properties to NHDHR on November 19, 2015. Newington HDC responded in support of the proposed action via email on November 20, 2015.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Is the project area previously undisturbed? If yes, provide more information.</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project impact tribal land or land of interest to tribes? If yes, describe the nature and extent of the effects and provide information on the tribe affected. Consultation with their THPO may be required.</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304b. Department of Transportation Act Section 4(f) and 6(f) resources

	YES	NO
<p>Are there any properties protected under Section 4(f) (as defined by FAA Order 1050.1E) in or near the project area? This includes publicly owned parks, recreation areas, and wildlife or waterfowl refuges of national, state or local significance or land from a historic site of national, state or local significance.</p> <p>Section 4(f) properties near the project area include Great Bay National Wildlife Refuge (NWR) and the Section 106 properties discussed in the section prior. Tree removal has been designed such that a minimum of 75-foot buffer of trees will remain between the removal areas and the boundary of the Great Bay NWR (see project plan, Attachment A). The project will not affect this property.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Will project construction or operation directly or constructively "use" any Section 4(f) resource? If yes, describe the nature and extent of the use and/or impacts, and why there are no prudent and feasible alternatives. See Desk Reference Chapter 7.</p> <p>Neither the Newington Center Historic District nor the Alfred Pickering Farm will be affected by the project. Tree removal has been designed such that a minimum of 75-foot buffer of trees will remain between the removal areas and the boundary of the Great Bay NWR (see project plan, Attachment A). The project will not affect this property.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project affect any recreational or park land purchased with Section 6(f) Land and Water Conservation Funds? If so, please explain, if there will be impacts to those properties.</p> <p>LWCF projects include some areas within the Great Bay NWR. As noted prior, the project will not affect this property.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304c. Natural, Ecological, or Scenic Resources

This section covers a broad range of categories from farmlands to endangered species to coastal resources to wild and scenic rivers. Items to consider include:

Coastal Resources	YES	NO
<p>Will the project occur in or impact a coastal zone as defined by the State's Coastal Zone Management Plan (CZMP)? If yes, discuss the project's consistency with the State's CZMP. Attach the consistency determination if applicable.</p> <p>The project falls within the NH Coastal Zone and was reviewed by the NH Coastal Program on September 16, 2013 and was found to comply with the enforceable policies of New Hampshire's federally approved coastal management program (Attachment C).</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Effective Date: October 1, 2014

ARP SOP No. 5.00

Coastal Resources	YES	NO
Will the project occur in or impact the Coastal Barrier Resource System as defined by the US Fish and Wildlife Service? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Ecological Resources	YES	NO
<p>Are there any federal or state listed endangered, threatened, or candidate species or designated critical habitat in or near the project area? This includes species protected by individual statute, such as the Bald Eagle.</p> <p>Attachment D includes information for the project file regarding these resources.</p> <p>A review of the NH Natural Heritage Bureau (NHNHB) database revealed several species of state-listed plants and animals found within the vicinity of the project. Animals included the following: Bald Eagle (<i>Haliaeetus leucocephalus</i>) T Common Moorhen (<i>Gallinula chloropus</i>) SC Grasshopper Sparrow (<i>Ammodramus savannarum</i>) T Osprey (<i>Pandion haliaetus</i>) SC Pied-billed Grebe (<i>Podilymbus podiceps</i>) T Upland Sandpiper (<i>Bartramia longicauda</i>) E</p> <p>Coordination with the NH Fish and Game Department (NHF&G) concluded the animal species listed would not be affected by the project. The recommendation that equipment or vehicles not be staged in any grassland areas near the runways to avoid impacts to upland sandpiper between April 15 and August 1 will be adhered to and noted in contractor plans.</p> <p>The two plant species listed are Hairy Hudonsia (<i>Liatris novae-angliae</i>, threatened) and Northern Blazing Star (<i>Hudsonia tomentosa</i>, endangered). These plants have been observed within some of the grassy areas of the airport in the past. NHNHB requested a botanical survey of the plants to ensure the plants would not be impacted directly or indirectly by an obstruction removal. A botanist conducted a field survey in 2014 (included in Attachment D) and located several areas of both species.</p> <p>Review of the US Fish and Wildlife Service (USFWS) Information Planning and Conservation (IPaC) tool revealed the airport may have habitat for the federally-listed Red Knot (<i>Calidris canutus rufa</i>, threatened) and the Northern long-eared bat (NLEB, <i>Myotis septentrionalis</i>, threatened). A bat survey was conducted in July 2015 by a certified wildlife biologist; no individual NLEBs were identified as using the available habitat within PSM.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Ecological Resources	YES	NO
<p>Does the project affect or have the potential to affect, directly or indirectly, any federal or state-listed, threatened, endangered or candidate species, or designated habitat? If yes, consultation between the FAA and the US Fish & Wildlife Service, National Marine Fisheries Service, and/or the appropriate state agency will be necessary. Provide a description of the impacts and how impacts will be avoided, minimized, or mitigated.</p> <p>Coordination with NHF&G concluded the animal species listed in the section prior would not be affected by the project as long as their recommendations are adhered to.</p> <p>NHNHB stated that the field study and location information would be satisfactory to mitigate any concerns about inadvertent damage to the listed plants during construction provided that the design of obstruction removal avoided these areas and the areas are marked as off-limits to construction vehicles during construction. The survey revealed that there would be no direct impact by obstruction removal to either of the plant species. Plant habitat will be displayed on the design plans and demarked in the field as needed to avoid construction traffic and any other activities that might damage these plants.</p> <p>USFWS stated there is no available habitat for the red knot, nor is there potential for this species to be affected by the project. Based on the results of the NLEB survey, FAA determined there would be no effect on this listed species from the project.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project have the potential to take birds protected by the Migratory Bird Treaty Act? Describe steps to avoid, minimize or mitigation impacts (such as timing windows determined in consultation with the USFWS).</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project area contain resources protected by the Fish and Wildlife Coordination Act? If yes, describe any impacts and steps taken to avoid, minimize or mitigate impacts.</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project have the potential to impact fish habitat protected under the Magnuson-Stevens Act? If yes, after notifying the FAA and the airport sponsor will take the necessary consultation action. Actions may include preparing an Essential Fish Habitat assessment and consultation with the National Marine Fisheries Service. Describe any adverse impacts, and any conservation measures needed to avoid such impacts.</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

ARP SOP No. 5.00

Effective Date: October 1, 2014

Farmland	YES	NO
<p>Is there prime, unique, state or locally important farmland in/near the project area? Describe any significant impacts from the project.</p> <p>A Natural Resources Conservation Service (NRCS) Soil Map is included as Attachment E. There are small sections of soil included in the project area that are designated as prime, state or locally important farmland.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Does the project include the acquisition and conversion of farmland? If farmland will be converted, describe coordination with the US Natural Resources Conservation and attach the completed Form AD-1006.</p> <p>Areas identified as protected farmland lie within the boundary of an active airport and have no potential to be used as farmland. Per the Farmland Protection Policy Act (FPPA) definition of "farmland", the areas in question are not protected farmland, since they fall under the description of "urban built up land".</p> <p>Thus, submittal of Form AD-1006 is not necessary for this project.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Floodplains	YES	NO
<p>Will the project be located in, encroach upon or otherwise impact a floodplain? If yes, describe impacts and any agency coordination or public review completed including coordination with the local floodplain administrator. Attach the FEMA map if applicable and any documentation.</p> <p>Attachment F includes the Federal Emergency Management Act (FEMA) mapping for the project area, verifying the lack of potential to affect floodplains.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Wetlands and Other Waters of the U.S.	YES	NO
<p>Are there any wetlands or other waters of the U.S. in or near the project area?</p> <p>Wetlands and surface waters within the project area as shown on the plans in Attachment A. There is a large fingerlike wetland system comprised of freshwater emergent and freshwater forested/scrub shrub wetlands, including a Prime Wetland for the Town of Newington, associated with the headwaters of Peverly Brook along the northern/northwest end of the project area. The western side of the project area contains a large semi-isolated system comprised of freshwater forested and emergent wetlands that may have been a part of local drainage into Great Bay, but have been divided by road development over the past several decades. The wetland system along the south end of the project area comprised of freshwater forested and scrub/shrub wetlands is also semi-isolated by road development, but ultimately drains under I-95 and into North Mill Pond.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Has wetland delineation been completed within the proposed project area? If yes, please provide U.S. Army Corps of Engineers (USACE) correspondence and jurisdictional determination.</p> <p>Wetlands were identified for NEPA analysis using a combination of historic field delineation (from 2005), partial field delineation in 2011 along the north end of the project, and current National Wetland Inventory (NWI) online mapping (Attachment G). Wetlands will be reviewed and any undelineated areas will be field delineated in the spring of 2016 as required for applicable state and federal permitting. Should the field delineation reveal significant changes to the potentially affected wetlands, FAA will be notified. Some of the isolated wetlands are questionably jurisdictional per the newly revised Clean Water Act; this will be determined during permitting efforts.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>If a delineation was not completed, was a field check done to confirm the presence/absence of wetlands or other waters of the U.S.? If no to both, please explain what methods were used to determine the presence/absence of wetlands.</p> <p>Click here to enter text if necessary</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Wetlands and Other Waters of the U.S.	YES	NO
<p>If yes, will the project result in impacts, directly or indirectly (including tree clearing)? Describe any steps taken to avoid, minimize or mitigate the impact.</p> <p>A majority of the wetlands identified in the project area for NEPA analysis are regulated by the US Army Corps of Engineers (USACE) and New Hampshire Department of Environmental Services (NHDES). Wetland impacts have been avoided and minimized to the extent practicable during design iteration and coordination with FAA to clearly identify those trees which need to be removed at this time. Initial wetland impacts were almost three times of that currently proposed. Approximately 2 acres of wetland impact are anticipated, pending final delineation. Impacts to wetlands will require a wetland permit from NHDES and possibly USACE, pending both field delineation to confirm wetland boundaries on-site, and project design parameters. If trees are removed in winter and are left in the wetlands, not dragged or removed, it is possible that a USACE permit may not be required. Compensatory mitigation will be provided for impacts per NHDES wetland regulations. In lieu of providing wetland preservation or creation on-site, a single payment to the Aquatic Resource Mitigation (ARM) Fund is anticipated.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Is a USACE Clean Water Act Section 404 permit required? If yes, does the project fall within the parameters of a general permit? If so, which general permit?</p> <p>Coordination with USACE will be completed in the future. It is anticipated that a General Permit may be required for jurisdictional impacts less than 1 acre, however, if trees are removed in winter and are left in the wetlands, not dragged or removed, it is possible that a USACE permit may not be required. Compensatory mitigation for USACE impacts is not anticipated.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Wild and Scenic Rivers	YES	NO
<p>Is there a river on the Nationwide Rivers Inventory, a designated river in the National System, or river under State jurisdiction (including study or eligible segments) near the project?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project directly or indirectly affect the river or an area within ¼ mile of its ordinary high water mark?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304d. Disruption of an Established Community

	YES	NO
<p>Will the project disrupt a community, planned development or be inconsistent with plans or goals of the community?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Are residents or businesses being relocated as part of the project?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Environmental Justice	YES	NO
<p>Are there minority and/or low-income populations in/near the project area?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Will the project cause any disproportionately high and adverse impacts to minority and/or low-income populations? Attach census data if warranted.</p> <p>Neither the City of Portsmouth nor the Town of Newington have disproportionately high numbers of minority or low-income populations as compared to the national averages as shown in the data below, although both communities have values for the age 65 or older population that meet (Town of Newington) or are higher (City of Portsmouth) than the national average. The project will not change the current socioeconomic and demographic trends.</p> <p>Community data below from 2014 as provided by http://www.census.gov/quickfacts/table/PST045214/3362900,51740,00</p> <p>City of Portsmouth, 91.5 % non-minority, 16% age 65 or older, 9% below the poverty line; Town of Newington, 96% non-minority, 13% age 65 or older, 5 % below the poverty line; US Average, 72.4% non-minority, 13% age 65 or older, 15% below the poverty line.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304e. Surface Transportation

	YES	NO
<p>Will the project cause a significant increase in surface traffic congestion or cause a degradation of level of service provided?</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	YES	NO
<p>Will the project require a permanent road relocation or closure? If yes, describe the nature and extent of the relocation or closure and indicate if coordination with the agency responsible for the road and emergency services has occurred.</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304f. Noise

	YES	NO
<p>Will the project result in an increase in aircraft operations, nighttime operations, or change aircraft fleet mix?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project cause a change in airfield configuration, runway use, or flight patterns - either during construction or after the project is implemented?</p> <p>There may be temporary disruption to the runway use and flight patterns during removal of trees and installation of lighting. Such changes will not cause increased noise impacts to the surrounding community.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Does the forecast exceed 90,000 annual propeller operations, 700 annual jet operations or 10 daily helicopter operations or a combination of the above? If yes, a noise analysis may be required if the project would result in a change in operations.</p> <p>Operations will only be temporarily affected and will not change due to the project.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Has a noise analysis been conducted, including but not limited to generated noise contours, a specific point analysis, area equivalent method analysis, or other screening method? If yes, provide that documentation.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Could the project have a significant impact (DNL 1.5 dB or greater increase) on noise levels over noise sensitive areas within the 65+ DNL noise contour?</p> <p>Noise levels are not anticipated beyond temporary increases due to construction and tree removal, however these actions are located sufficient distance from any receptors or sensitive areas. The increased noise would have negligible effects.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304g. Air Quality

	YES	NO
Is the project located in a Clean Air Act non-attainment or maintenance area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>If yes, is it listed as exempt, presumed to conform, or will emissions (including construction emissions) from the project be below <i>de minimis</i> levels? (Provide the paragraph citation for the exemption or presumed to conform list below, if applicable.) Is the project accounted for in the State Implementation Plan or specifically exempted? Attach documentation. If exempt or "presumed to conform", skip the next two questions.</p> <p>Rockingham County, the county which includes the project area, is listed as non-attainment for sulfur dioxide since 2010 by the USEPA. (source: http://www3.epa.gov/airquality/greenbk/ancl.html)</p> <p>Installation of new lighting systems is included on the FAA list of actions "presumed to conform" per Federal Register / Vol. 72, No. 145 / Monday, July 30, 2007 / Notices.</p> <p>Emissions from the temporary use of equipment to remove trees will be below de minimis levels.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Does the project have the potential to increase landside or airside capacity, including an increase of surface vehicles?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Could the project impact air quality or violate local, State, Tribal or Federal air quality standards under the Clean Air Act Amendment of 1990?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Does the airport have 180,000 general aviation and air taxi operations or 1.3 million enplanements annually? If yes, an air quality analysis may be required if the project would result in a change in operations.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304h. Water Quality

Airport projects may cause water quality impacts due to their proximity to waterways. Airport related water quality impacts can occur from both point and non-point (stormwater runoff) sources.

	YES	NO
<p>Are there water resources within or near the project area? These include groundwater, surface water (lakes, rivers, etc.), sole source aquifers, and public water supply. If yes, provide a description of the resource, including the location (distance from project site, etc.).</p> <p>The project area includes the headwaters for Peverly Brook and the 400' protective radius of Smith Well, a public water supply well used by the City of Portsmouth and PDA located along the south end of the airport (mapping provided in Attachment H).</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Will the project impact any of the identified water resources? Describe any steps that will be taken to protect water resources during and after construction.</p> <p>Communication with NHDES is included as Attachment H. Avoidance and minimization measures completed to date during design iteration and development of project plans, including adherence to those listed in the email provided from NHDES regarding the Smith Well, will reduce the impacts to these resources. Compensatory mitigation will be provided to NHDES for unavoidable impacts to wetlands.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project increase the amount or rate of stormwater runoff? Describe any steps that will be taken to ensure it will not impact water quality.</p> <p>A NHDES Alteration of Terrain permit will be required for the project, as well as a USEPA Construction General Permit per the requirements of the National Pollutant Discharge Elimination System (NPDES). These permitting processes require development and review by the permitting agencies of a Stormwater Pollution Prevention Plan (SWPPP) that will include measures to minimize and avoid impacts to water quality, including compliance with the NHDOT Guidelines for Temporary Erosion and Sediment Control and Stormwater Management. All activities will comply with NHDES Administrative Rule Env-Wq 401, Required Best Management Practices for Groundwater Protection.</p> <p>Project plans will include stormwater detention areas to offset increases in runoff from conversion of forested areas to maintained grass.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Does the project have the potential to violate federal, state, tribal or local water quality standards established under the Clean Water and Safe Drinking Water Acts?</p> <p>Implementation of the requirements noted above will ensure such violations will not occur.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	YES	NO
Are any permits required? If yes, list the appropriate permits. NHDES Alteration of Terrain, NHDES Wetland Permit, USEPA Construction General Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>

304i. Highly Controversial on Environmental Grounds

	YES	NO
Is the project highly controversial? The term "highly controversial" means a substantial dispute exists as to the size, nature, or effect of a proposed federal action. The effects of an action are considered highly controversial when reasonable disagreement exists over the project's risks of causing environmental harm. Mere opposition to a project is not sufficient to be considered highly controversial on environmental grounds. Opposition on environmental grounds by a federal, state, or local government agency or by a tribe or a substantial number of the persons affected by the action should be considered in determining whether or not reasonable disagreement exists regarding the effects of a proposed action. Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304j. Inconsistent with Federal, State, Tribal or Local Law

	YES	NO
Will the project be inconsistent with plans, goals, policy, zoning, or local controls that have been adopted for the area in which the airport is located? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the project incompatible with surrounding land uses? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>

304k. Lighting, Visual, Hazardous Materials, Construction Impacts, Etc.

Light Emissions and Visual Effects

Airport related lighting facilities and activities could affect surrounding light-sensitive areas such as homes, parks, recreation areas, etc. Visual affects deal broadly with the extent to which airport development contrasts with the existing environment/setting.

	YES	NO
<p>Will the proposed project produce light emission impacts?</p> <p>Installation of the proposed L-864 flashing red hazard beacon and L-810 steady white obstruction light has been designed and located on the project plans to ensure that there will be no light emission impacts extending off the airport property. Lights will be buffered such that emissions will not be seen from below except on cloudy nights due to light scatter.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will there be visual or aesthetic impacts as a result of the proposed project and/or have there been concerns expressed about visual/aesthetic impacts?</p> <p>Visual and aesthetic impacts have been avoided during design changes, including reduction in scope of the project, reduction in the height of the hazard beacon and relocation of the beacon to allow for appropriate buffers to town roads, the Alfred Pickering farm, and the Newington Center Historic District. The Newington Historic District Commission and SHPO initially expressed concerns over such impacts during the Section 106 coordination process, however, such concerns have been addressed to their satisfaction.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Hazardous Materials

Federal, State, and local laws regulate hazardous materials use, storage, transport or disposal. Disrupting sites containing hazardous materials or contaminants may cause significant impacts to soil, surface water, groundwater, air quality, humans, wildlife, and the organisms using these resources. This category also includes solid waste and hazardous substances.

	YES	NO
<p>Does the project involve or affect hazardous materials?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will construction take place in an area that contains or previously contained hazardous materials?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>If the project involves land acquisition, is there a potential for this land to contain hazardous materials or contaminants?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	YES	NO
Will the proposed project produce hazardous and/or solid waste either during construction or after? If yes, how will the additional waste be handled? Compostable or green solid waste (trees, branches, shrubs) will either be removed off-site and sold or disposed of as a wood product, or left in place should NHDES or USACE request it to enhance wildlife habitat in the wetlands.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Construction

Construction may cause various environmental effects including, but not limited to, increases in dust, aircraft and heavy equipment emissions, stormwater runoff, spill/leaking petroleum, and noise.

	YES	NO
<p>Will the project result in construction impacts, such as reducing local air quality, increase erosion, pollutant runoff, or noise, or disrupt local traffic patterns? If yes, describe measures to avoid and minimize construction impacts.</p> <p>The project will create temporary impacts to local air quality and noise due to equipment use, however these impacts will be minimized to the extent practicable, are negligible in scope, and fall below regulatory thresholds. As detailed in the Water Quality section, appropriate and required water quality protection will be utilized to protect such resources.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project create short term impacts?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project result in long term/permanent impacts?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Energy Supply and Natural Resources	YES	NO
<p>Will the project change energy requirements or use consumable natural resources?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project change aircraft/vehicle traffic patterns that could alter fuel usage?</p> <p>Click here to enter text if necessary</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Public Involvement

Through public participation, federal agencies disclose information about a proposed project and expected environmental effects. Many of the special purpose laws (National Historic Preservation Act, Clean Water Act, etc.) require public notice and the opportunity for public involvement.

	YES	NO
<p>Was there any public notification or involvement? If yes, provide documentation.</p> <p>Publicly noticed meetings were held with representatives of the Town of Newington in May, 2011 and again on September 17, 2015, including the Historic District Commission, the Town Planner and Chairman of the Board of Selectmen.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Indirect/Secondary/Induced Impacts

Indirect/Secondary/Induced Impacts are caused by the action and are later in time or farther removed in distance, but are still reasonably foreseeable. They may include growth inducing effects and other effects related to induced changes in the pattern of land use, population density or growth rate, and related effects on air and water and other natural systems, including ecosystems.

	YES	NO
Will the project result in indirect/secondary/induced impacts? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>
When considered with other past, present, and reasonably foreseeable future projects, on or off airport property and regardless of funding source, would the proposed project result in a significant cumulative impact? Click here to enter text if necessary	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Permits

List any permits required for the proposed project that have not been previously discussed. Provide details on the status of permits.

NHDES Wetland Permit- application to be filed spring 2016

NHDES Alteration of Terrain- application to be filed spring 2016

Wetland Buffer Conditional Use Permit from the Pease Development Authority – application to be filed spring 2016

USEPA Construction General Permit- application to be filed summer/fall 2016

Environmental Commitments

List all measures and commitments made to avoid, minimize, mitigate, and compensate for impacts on the environment, which are needed for this project to qualify for a CATEX.

Since initial project development in 2011, the project has been redesigned several times in order to balance the need to meet FAA standards for obstruction removal to protect human health and safety with the potential impacts to the environment. The number of individual trees to be removed, as well as the number and size of clumps of trees, have been reduced substantially during design iterations via coordination with FAA. The currently proposed removal areas and light installations present the best alternative to meeting the project purpose and need while avoiding and minimizing impacts.

Adequate and appropriate buffers of remaining trees have been left along the project boundary in order to protect and screen Section 106 historic resources and the Great Bay National Wildlife Refuge.

Compensation will be provided for impacts to NHDES jurisdictional wetlands via payment to the Aquatic Resource Mitigation Fund.

Coordination with the NH Fish and Game Department (NHF&G) recommended that equipment or vehicles not be staged in any grassland areas near the runways to avoid impacts to upland sandpiper

between April 15 and August 1; this will be adhered to and noted in contractor plans.

Two state-listed plants, Hairy Hudsonia (*Liatrix novae-angliae*, threatened) and Northern Blazing Star (*Hudsonia tomentosa*, endangered), were surveyed for and areas identified within the project area. NHHNB requested these areas be identified in the field via flagging or snow-fence to ensure contractors are aware of and avoid impacts to those areas. This will be adhered to and noted on contractor plans.

For work in areas within the 400' protected radius of the Smith Well:

1. The Pease Development Authority (Pease Trade Port water system) and City of Portsmouth Public Works Department (Portsmouth Water Works) shall be notified of the start and completion of work.
2. Prior to the start of work, the subject areas shall be inspected to locate any monitoring wells. Measures shall be implemented to protect these wells during the tree removal process.
3. Trees must be removed by hand cutting only and not with a harvester.
4. Fueling and maintenance of all equipment (vehicles, hand tools, etc.) shall be performed offsite, or on an impervious surface outside of the protective area of the well.
5. All activities shall comply with DES Administrative Rule Env-Wq 401, Required Best Management Practices for Groundwater Protection, which is available on DES' website at <http://des.nh.gov/organization/commissioner/legal/rules/index.htm#waterq>.
6. An ample supply of absorbent spill clean-up materials and spill kits shall be available onsite, in the immediate area, while the work is being performed.
7. The following activities shall be restricted in the protective area of the well: 1) storage of fuels or other hazardous materials; and 2) the storage of fuel- or hazardous-material containing equipment.

NHDES and USEPA requirements for use of stormwater and erosion controls, including development and submission for review of a SWPPP, and adherence to the NHDOT Guidelines for Temporary Erosion and Sediment Control and Stormwater Management, will be met and will provide for protection of aquatic and soil resources.

Preparer Information

Point of Contact: Kimberly Peace, Environmental Coordinator, Hoyle, Tanner & Associates, Inc.

Address: 150 Dow Street


City: Manchester

State: NH

ZIP code: 03101

Phone Number: 603-669-5555

Email Address: kpeace@hoyletanner.com

Signature: 

Date: November 24, 2015

Airport Sponsor Information and Certification

(may not be delegated to consultant)

Provide contact information for the designated sponsor point of contact and any other individuals requiring notification of the FAA decision.

Point of Contact: Maria Stowell, P.E. Manager, Engineering, Pease Development Authority

Address: 55 International Drive

City: Portsmouth

State: NH

ZIP code: 03801

Phone Number: 603-766-9296

Email Address: m.stowell@peasedev.org

Additional Name(s): Click here to enter text.

Additional Email Address(es): Click here to enter text.

I certify that the information I have provided above is, to the best of my knowledge, correct. I also recognize and agree that no construction activity, including but not limited to site preparation, demolition, or land disturbance, shall proceed for the above proposed project(s) until FAA issues a final environmental decision for the proposed project(s) and until compliance with all other applicable FAA approval actions (e.g., ALP approval, airspace approval, grant approval) has occurred.

Signature: 

Date: 11/24/15

David R. Mullen, PDA Executive Director

Effective Date: October 1, 2014

APP SOP No. 5.00

FAA Decision

Having reviewed the above information, certified by the responsible airport official, it is the FAA's decision that the proposed project (s) or development warrants environmental processing as indicated below.

No further NEPA review required. Project is categorically excluded per (cite applicable 105.1E CATEX that applies) 105.1F, 5-6.3.b.

An Environmental Assessment (EA) is required.

An Environmental Impact Statement (EIS) is required.

The following additional documentation is necessary for FAA to perform a complete environmental evaluation of the proposed project.

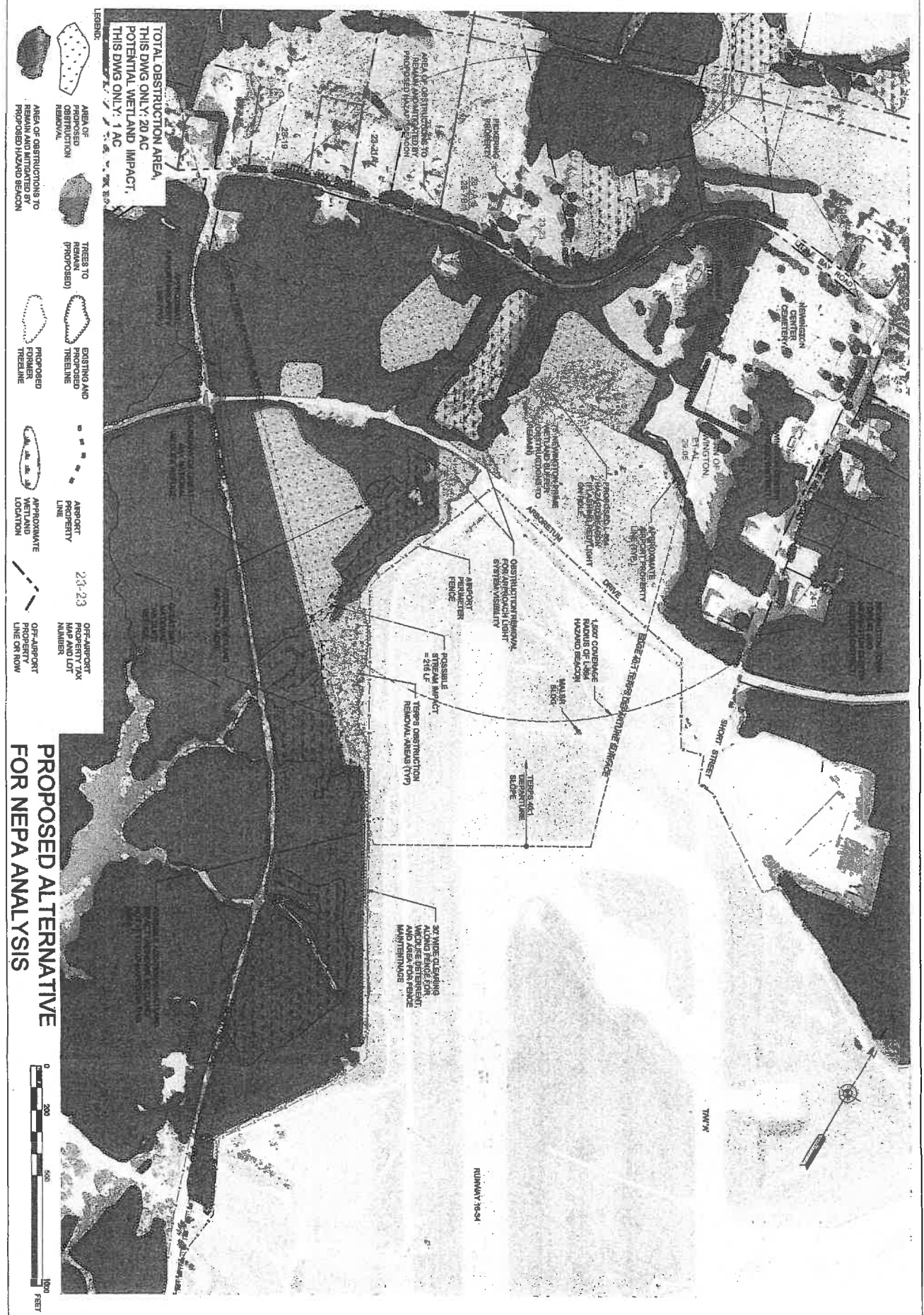
[Click here to enter text if necessary](#)

Name: Richard Doucete
Responsible FAA Official

Title: Environmental Program Mgr.

Signature: R Doucete

Date: 11/24/15



LEGEND:

- AREA OF OBSTRUCTION TO REMAIN AND MITIGATED BY PROPOSED HAZARD BEACON
- AREA OF OBSTRUCTION TO REMAIN AND MITIGATED BY PROPOSED HAZARD BEACON
- TREES TO REMAIN (PROPOSED)
- EXISTING AND PROPOSED TREE LINES
- PROPOSED FORMER TREE LINE
- APPROXIMATE PROPERTY LINE
- APPROXIMATE WETLAND LOCATION
- OFF-AIRPORT PROPERTY MAP AND LOT NUMBER
- OFF-AIRPORT PROPERTY LINE OR ROW

TOTAL OBSTRUCTION AREA THIS DWG ONLY: 20 AC
POTENTIAL WETLAND IMPACT, THIS DWG ONLY: 1 AC

PROPOSED ALTERNATIVE FOR NEPA ANALYSIS

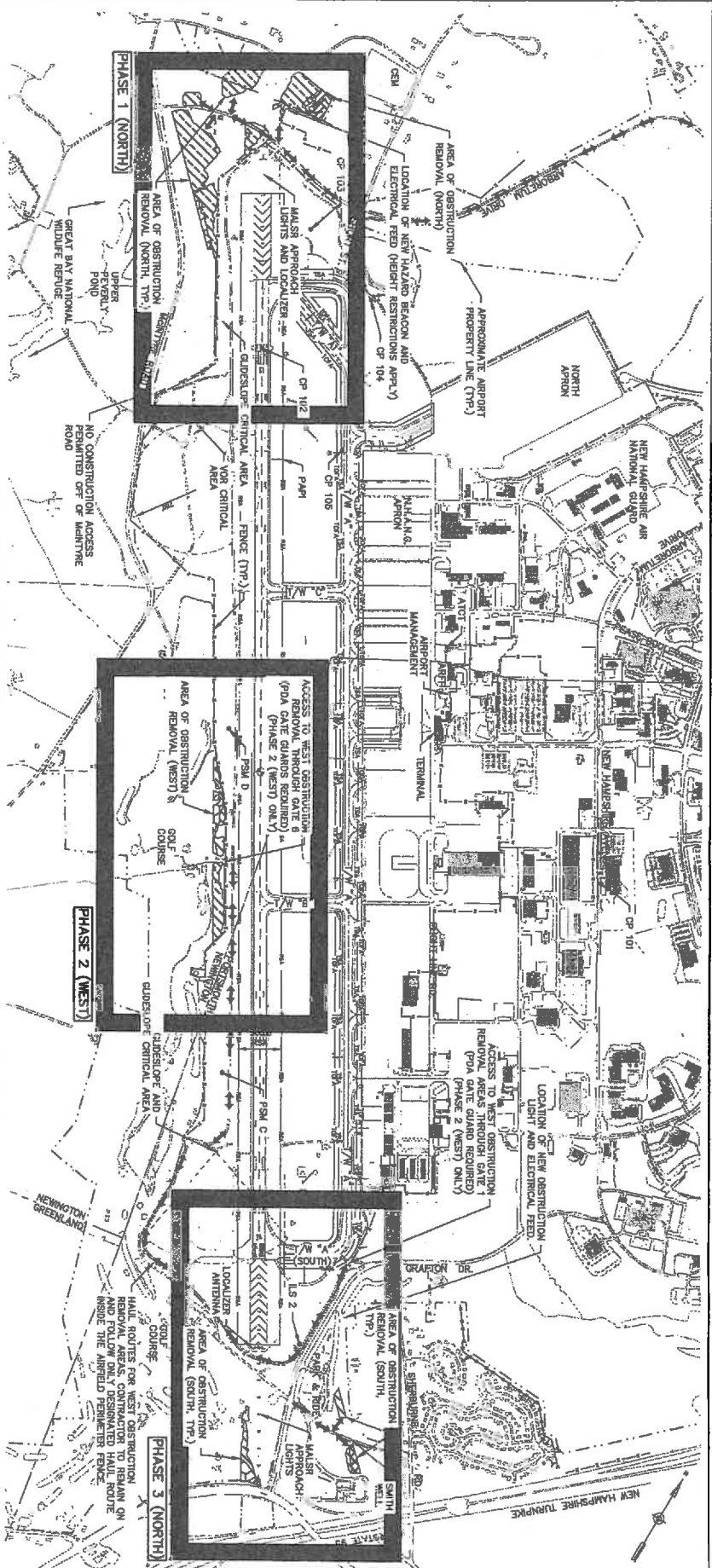


REVISIONS	
NO.	DESCRIPTION

OBSTRUCTION MITIGATION
RUNWAY AIRSPACE OBSTRUCTION REMOVAL



PROJECT DESIGNER
Hoyle, Tanner Associates, Inc.
 88 Deer Street
 Portsmouth, NH 03801-0001
 Tel: 603-431-1000
 Fax: 603-431-1001
 Web: http://www.hoyletanner.com



AIRFIELD CONTROL POINTS (NCS PACS AND SACS)

CP #	ELEV. (NORTHING)	EASTING	DESCRIPTION
CP 1	206.55313	1,211,028.74	NCS PAC TSEM C° PDR AH8971
CP 2	211.89778	1,209,028.35	NCS SAC TSEM D° PDR AH8973
CP 3	206.34751	1,213,467.58	NCS SAC T.S. 2. 13712° PDR AH8972

AIRFIELD CONTROL POINTS (NCS PACS AND SACS) CONTINUED

CP #	ELEV. (NORTHING)	EASTING	DESCRIPTION
CP 4	212.78139	1,213,685.77	PDR 579-0690
CP 5	215.91280	1,207,044.69	PR NAIL
CP 6	217.39042	1,206,800.88	ANG MARK 'DEGREE 33'
CP 7	217,073.46	1,207,844.05	PR NAIL
CP 8	215,417.43	1,208,482.11	ORILL HOLE IN SIGN BASE

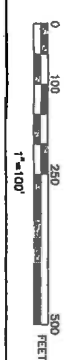
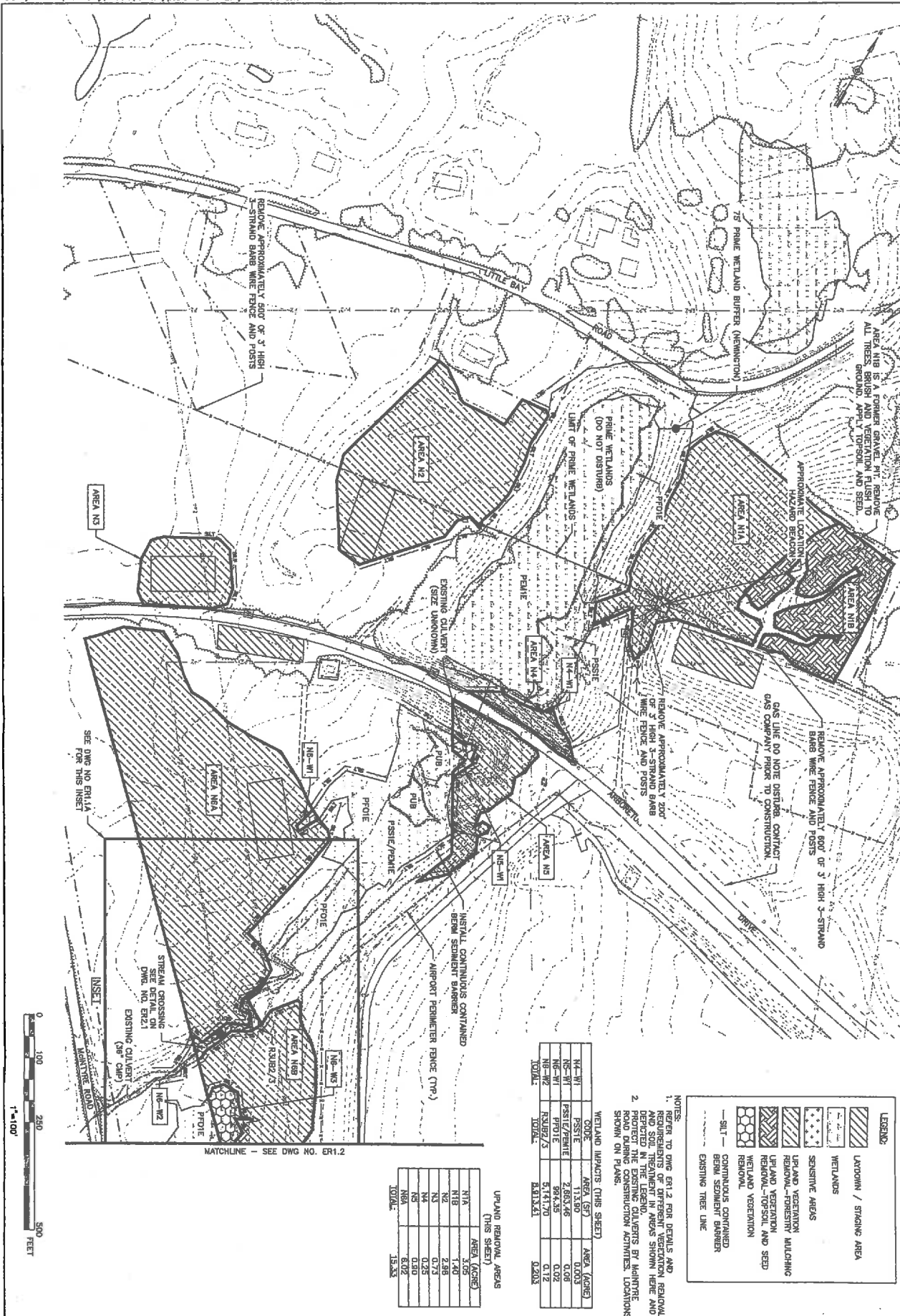
- NOTES**
- CONTRACTOR SHALL NOT BE RESPONSIBLE FOR ANY STATE PLANE COORDINATES.
 - MONUMENTS SHALL NOT BE DISTURBED. IF A MONUMENT BECOMES DISTURBED, THEN THE CONTRACTOR SHALL IMMEDIATELY REPORT THE INCIDENT TO THE RESIDENT ENGINEER.

- AIRSPACE OBSTRUCTION REMOVAL AND LIGHTING WORK SHALL CONSIST OF:**
- REMOVING TREES AND VEGETATION IN UPLAND AND WETLAND AREAS AS SHOWN ON THE PLANS, MULCHING AND COMPACTION OF SOILS, STUMPS AND ROOTS AND/OR APPLICATION OF TOPSOIL AND SEED IN AREAS OF OR UPLANDS (FOR ALL PHASES).
 - REMOVAL OF POWER LINES AND INSTALLATION OF AN L-864 HAZARD BEACON (PHASE 1 (NORTH)) AND AN L-610 OBSTRUCTION LIGHT (PHASE 3 (SOUTH)).
- GENERAL CONSTRUCTION SHEET AND PHYSING NOTES**
- ANY CHANGES TO THE CONSTRUCTION SAFETY AND PHYSING PLAN MUST BE SUBMITTED IN WRITING AND APPROVED BY THE RESIDENT ENGINEER, THE PORTS DEVELOPMENT AUTHORITY AND THE FEDERAL AVIATION ADMINISTRATION (FAA).
 - THE CONTRACTOR SHALL NOT AT ANY TIME DRIVE ON AIRFIELD AIRCRAFT PAVEMENTS OR WITHIN ANY AIRFIELD CLOSURES OR DESIGNATED HAUL ROUTES OR SIGNALS.
 - THE CONTRACTOR SHALL BE RESPONSIBLE FOR MEETING ALL APPLICABLE FAA AND AIRPORT REGULATIONS THROUGHOUT THE CONSTRUCTION PERIOD. THE CONTRACTOR SHALL MAINTAIN ACCESS TO THE AIRFIELD THROUGH THE GATES IN THE REMOVAL FENCE. NO OPENING WITHIN THE FENCE OR OTHER SECURITY ARRANGEMENTS WITH THE AIRPORT, BY TSA REGULATIONS, ONLY AIRPORT PERSONNEL MAY PROVIDE ONE GUNNER FOR CONTRACTOR ACCESS.
 - RUNWAY 16-34 SHALL REMAIN OPEN DURING CLEANING ACTIVITIES.

- PHASE DESCRIPTION:**
- PHASE 1 (NORTH):** INCLUDES AIRSPACE OBSTRUCTION, TREE AND VEGETATION REMOVAL, GROUND TOWER AND POWER FEED, AIRSPACE OBSTRUCTION, TREE AND VEGETATION REMOVAL, GROUND TOWER AND POWER FEED.
 - PHASE 2 (WEST):** INCLUDES AIRSPACE OBSTRUCTION, TREE AND VEGETATION REMOVAL, GROUND TOWER AND POWER FEED.
 - PHASE 3 (SOUTH):** INCLUDES AIRSPACE OBSTRUCTION, TREE AND VEGETATION REMOVAL, GROUND TOWER AND POWER FEED.
- ANTICIPATED PHASE DURATION:**
- NORTH: 45 DAYS (INCLUDING HAZARD BEACON AND POWER FEED)
 - WEST: 45 DAYS (INCLUDING HAZARD BEACON AND POWER FEED)
 - SOUTH: 30 DAYS (INCLUDING OBSTRUCTION LIGHT AND POWER FEED)
- AIRFIELD CLOSURES AND WEAPONS FREE ZONES:**
- NORTH: NO CLOSURES. ALL WORK IS OFF AIRPORT. HEIGHT RESTRICTIONS APPLY PER PLANS.
 - WEST: NO CLOSURES. WORK IS OFF AIRPORT BUT HAUL ROUTE IS ON-AIRPORT. OUTSIDE OF ALL SAFETY ZONES AND OUTSIDE ALL 'TANK' GROUND FREE AREAS.
 - SOUTH: NO CLOSURES. ALL WORK IS OFF AIRPORT. HEIGHT RESTRICTIONS APPLY PER PLANS.
- PHASE RESTRICTIONS:**
- SEE EQUIPMENT HEIGHT RESTRICTIONS PER PHASE.
 - UNLESS PRIOR PERMISSION IS OBTAINED FROM THE AIRPORT, NO WORK SHALL BE PERMITTED IN ANY OF THE PHASES IS PROHIBITED.



<p>CONSTRUCTION PHASING AND SAFETY PLAN WORK AREAS AND GENERAL PLAN</p> <p>PORTSMOUTH INTERNATIONAL AIRPORT PORTSMOUTH, NEW HAMPSHIRE</p>	<p>PROJECT DESIGNER Hoyt, Tamer & Associates, Inc.</p> <p>100 Deer Street Manchester, NH 03103-0001 Tel: 603-459-9999 Fax: 603-459-9999 Web Page: www.hoyttamer.com</p>	<p>ENGINEER'S SEAL</p>
	<p>ON-AIRPORT AIRSPACE OBSTRUCTION REMOVAL: DESIGN, PERMITTING AND BIDDING</p> <p>SCALE: AS SHOWN</p> <p>DATE: NOVEMBER, 2016</p>	<p>DESIGNED BY: [Name]</p> <p>DRAWN BY: [Name]</p> <p>CHECKED BY: [Name]</p> <p>APPROVED BY: [Name]</p>



SEE DWG NO. ER11A FOR THIS INSET

STREAM CROSSING SEE DETAIL ON DWG. NO. ER1.1

EXISTING CULVERT (28' CWP)

INSTALL CONTINUOUS CONTAINED BERM SEDIMENT BARRIER

AIRPORT FENCEMETER FENCE (TYP.)

REMOVE APPROXIMATELY 100' OF 3' HIGH 3-STANDARD BERM WIRE FENCE AND POSTS

REMOVE APPROXIMATELY 200' WIRE FENCE AND POSTS

REMOVE APPROXIMATELY 100' OF 3' HIGH 3-STANDARD BERM WIRE FENCE AND POSTS

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REMOVE APPROXIMATELY 100' OF 3' HIGH 3-STANDARD BERM WIRE FENCE AND POSTS

LEGEND:

- [Hatched Pattern] Upland / Stripping Area
- [Hatched Pattern] Wetlands
- [Hatched Pattern] Sensitive Areas
- [Hatched Pattern] Upland Vegetation Removal - Fertilizer Mulching
- [Hatched Pattern] Upland Vegetation Removal - Topsoil and Seed
- [Hatched Pattern] Wetland Vegetation Removal
- [Hatched Pattern] Continuous Contained Berm Sediment Barrier
- [Hatched Pattern] Existing Tree Line

NOTES:

- REFER TO DWG ER1.2 FOR DETAILS AND REQUIREMENTS OF DIFFERENT VEGETATION REMOVAL METHODS. REMOVAL METHODS SHOWN HERE AND DEPICTED IN THE LEGEND.
- PROTECT THE EXISTING CULVERTS BY MAINTAINING ROAD DURING CONSTRUCTION ACTIVITIES. LOCATIONS SHOWN ON PLANS.

WETLAND IMPACTS (THIS SHEET)

CODE	AREA (SF)	AREA (ACRES)
N1-W1	113,890	0.003
N1-W2	2,803,465	0.02
N1-W3	94,435	0.02
N1-W4	5,141,710	0.12
TOTAL	8,153,500	0.008

UPLAND REMOVAL AREAS (THIS SHEET)

AREA (ACRES)	
N1A	2.05
N1B	2.40
N1C	2.75
N1D	0.25
N1E	0.25
N1F	0.25
N1G	0.25
N1H	0.25
N1I	0.25
N1J	0.25
N1K	0.25
N1L	0.25
N1M	0.25
N1N	0.25
N1O	0.25
N1P	0.25
N1Q	0.25
N1R	0.25
N1S	0.25
N1T	0.25
N1U	0.25
N1V	0.25
N1W	0.25
N1X	0.25
N1Y	0.25
N1Z	0.25
TOTAL	13.33

PROJECT DESIGNER

Hovle Tanner & Associates, Inc.

1000 State Street
 Portsmouth, NH 03801-2507
 Tel: 603-431-0000
 Fax: 603-431-0000
 Web: www.hovletanner.com

PORTSMOUTH INTERNATIONAL AIRPORT

PORTSMOUTH, N.H.

ON-AIRPORT AIRSPACE OBSTRUCTION REMOVAL: DESIGN, PERMITTING AND BIDDING

OBSTRUCTION REMOVAL AND EROSION AND SEDIMENT CONTROL PLAN-NORTH

SCALE: AS SHOWN DATE: NOVEMBER, 2016

ENGINEER'S SEAL

DATE: 11/04/16

DESCRIPTION: METLAND PERMITTING APPLICATION

BY: RSM

DATE: 11/04/16

DESCRIPTION: METLAND PERMITTING APPLICATION

BY: RSM

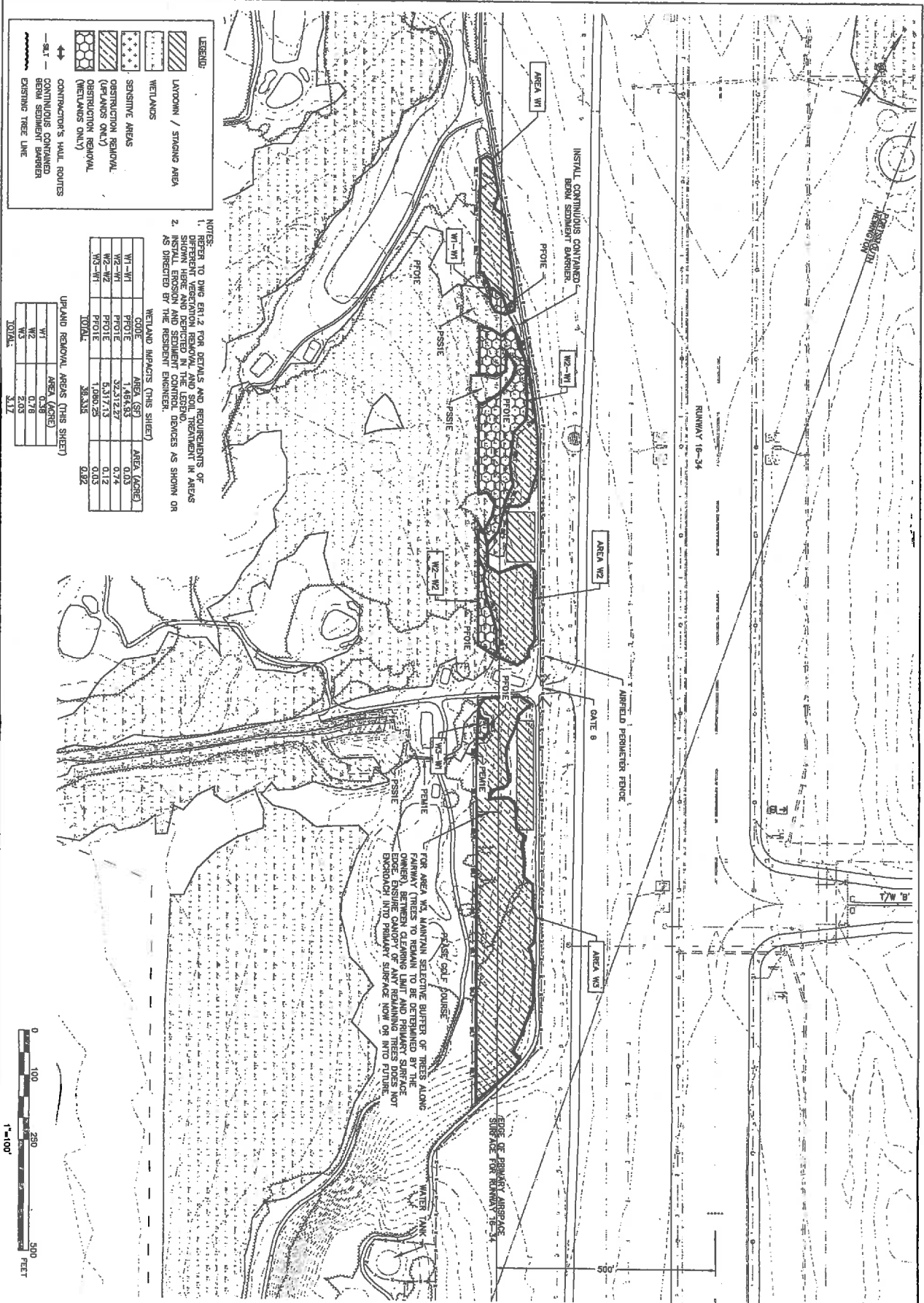
DATE: 11/04/16

DESCRIPTION: METLAND PERMITTING APPLICATION

BY: RSM

ER11

3 OF 8



LEGEND

- CONTINUOUS CONTAI... BERM SEDIMENT BARRIER
- - - EXISTING TREE LINE
- SENSITIVE AREAS
- OBSTRUCTION REMOVAL (UPLANDS ONLY)
- OBSTRUCTION REMOVAL (WETLANDS ONLY)
- WETLANDS
- LANDOWN / STAGING AREA

NOTES:

- REFER TO DWG SET 2 FOR DETAILS AND REQUIREMENTS OF SHOWN HERE AND DEPICED IN THE DESIGN.
- INSTALL EROSION AND SEDIMENT CONTROL DEVICES AS SHOWN OR AS DIRECTED BY THE RESIDENT ENGINEER.

WETLAND IMPACTS (THIS SHEET)

CODE	AREA (SF)	AREA (ACRES)
W1-W1	1,464,833	0.03
W2-W1	32,212,227	0.74
W2-W2	5,317,713	0.12
W3-W1	1,090,250	0.03
TOTAL	28,085,023	0.92

UPLAND REMOVAL AREAS (THIS SHEET)

AREA	AREA (ACRES)
W1	0.78
W2	2.05
TOTAL	3.17

<p>ER103</p> <p>DRAWING NO.</p> <p>SHEET 5 OF 9</p>	<p>DATE: 11/04/16</p> <p>PROJECT: WETLAND PERMITTING APPLICATION</p>	<p>SCALE: AS SHOWN</p> <p>DATE: NOVEMBER, 2016</p>	<p>ON-AIRPORT AIRSPACE OBSTRUCTION REMOVAL: DESIGN, PERMITTING AND BIDDING</p> <p>OBSTRUCTION REMOVAL AND EROSION AND SEDIMENT CONTROL PLAN - WEST</p>	<p>PORTSMOUTH INTERNATIONAL AIRPORT</p> <p>AT PEASE</p>	<p>PROJECT DESIGNER</p> <p>Hove, Tanner & Associates, Inc.</p> <p>100 Deer Street Portsmouth, NH 02871-0207 Tel: 603-430-0200 Fax: 603-430-0202 Web Page: www.hove.com</p>
	<p>DESIGNED BY: [Signature]</p> <p>DRAWN BY: [Signature]</p> <p>CHECKED BY: [Signature]</p>	<p>ENGINEER'S SEAL</p>			

LEGEND

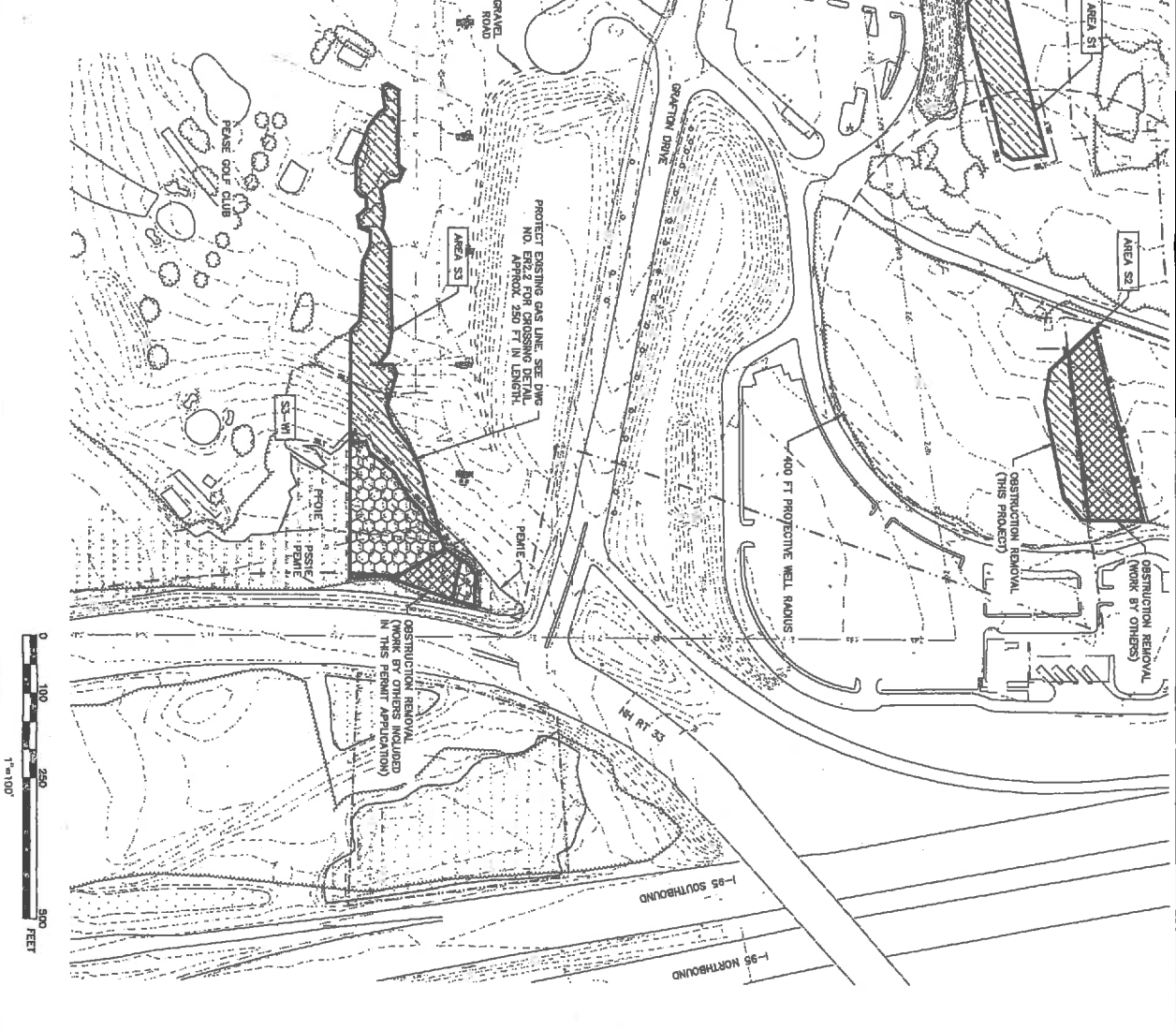
- LANDMARK / STAGING AREA
- WETLANDS
- SENSITIVE AREAS
- WORK BY OTHERS
- UPLAND VEGETATION REMOVAL - FORESTRY MULCHING
- UPLAND VEGETATION REMOVAL
- CONTRACTOR'S HAUL ROUTES
- CONTRACTOR'S COVERED BEAM SEDIMENT BARRIER
- EXISTING TREE LINE

NOTES:

- FOR INFORMATION ON OBSTRUCTION REMOVAL TYPES SEE DWG NO. ERI-1.
- INSTALL EROSION AND SEDIMENT CONTROL DEVICES AS SHOWN OR AS DIRECTED BY THE RESIDENT ENGINEER.

WETLAND IMPACTS (THIS SHEET)	
CODE	AREA (SQ) AREA (ACRE)
SS-W1	16,738 0.37
PS/E/VE/IE	18,276 0.42
TOTAL	35,014 0.78

UPLAND REMOVAL AREAS (THIS SHEET)	
SI	AREA (ACRE)
S2	0.28
S3	0.29
TOTAL	0.57



<p>ERI-4</p> <p>SHEET 7 OF 8</p>	<p>DATE: 11/04/15</p> <p>PROJECT: WETLAND PERMITTING APPLICATION</p> <p>SCALE: AS SHOWN</p> <p>DATE: NOVEMBER, 2016</p>	<p>ON-AIRPORT AIRSPACE OBSTRUCTION REMOVAL, DESIGN, PERMITTING AND BIDDING</p> <p>OBSTRUCTION REMOVAL AND EROSION AND SEDIMENT CONTROL PLAN-SOUTH</p> <p>PORTSMOUTH INTERNATIONAL AIRPORT</p> <p>AT PEASE</p> <p>PORTSMOUTH</p>	<p>PROJECT DESIGNER</p> <p>Hoyle, Tanner & Associates, Inc.</p> <p>100 Deer Street Portsmouth, NH 03801-0207 Tel: 603-431-8800 Fax: 603-431-8800 Web Page: www.hoyletanner.com</p>	<p>ENGINEER'S SEAL</p>
	<p>DESIGNED BY: RSM</p> <p>DRAWN BY: RSM</p> <p>CHECKED BY: RSM</p> <p>DATE: 11/04/15</p>	<p>PROJECT NO. 15-00000000</p> <p>DRAWING NO. 15-00000000</p>	<p>DATE: 11/04/15</p> <p>PROJECT: WETLAND PERMITTING APPLICATION</p> <p>SCALE: AS SHOWN</p> <p>DATE: NOVEMBER, 2016</p>	<p>PROJECT DESIGNER</p> <p>Hoyle, Tanner & Associates, Inc.</p> <p>100 Deer Street Portsmouth, NH 03801-0207 Tel: 603-431-8800 Fax: 603-431-8800 Web Page: www.hoyletanner.com</p>

COPY

PEASE DEVELOPMENT AUTHORITY

AGENDA

AIRPORT COMMITTEE

Date: January 19, 2017
Time: 8:00 AM
Place: 55 International Drive, Pease International Tradeport

- I. Call to Order (Chairman Preston)
- II. Acceptance of Minutes: May 11, 2015*
- III. Flight Training Facility Proposal - CHI Aerospace*
- IV. Airport Brief Report (Pomeroy)
- V. New Business
- VI. Public Comment
- VII. Adjournment
- VIII. Press Questions

- * Related Materials Attached
- ** Related Materials Previously Sent
- *** Related Material will be Provided Under Separate Cover
Confidential Materials



55 International Drive, Portsmouth, NH 03801

MOTION

Director Allard:

In accordance with the recommendation of the Pease Development Authority Airport Committee, the PDA Board of Directors hereby approves of CHI Aerospace Fuel LLC dba CHI Aerospace's application to operate a flight school and provide flight training services at the Portsmouth International Airport at Pease; all in accordance with the memorandum of Andrew Pomeroy, Airport Operations Manager, dated January 10, 2017 attached hereto.

Note: Roll call vote required

N:\RESOLVES\FlightSchool0117.docx

INTEROFFICE MEMORANDUM

TO: PDA AIRPORT COMMITTEE
FROM: ANDREW B. POMEROY, C.M. AIRPORT OPERATIONS MANAGER
SUBJECT: REQUEST TO AIRPORT COMMITTEE FOR CHI AEROSPACE
DATE: JANUARY 10, 2017
CC:

CHI Aerospace has submitted a proposal to open a flight training facility at the Portsmouth International Airport at Pease. After a review of the application, staff has determined that the proposal by CHI Aerospace does meet the Minimum Standards for Commercial and Noncommercial General Aviation Operators for PSM last updated on August 16, 2007.

CHI Aerospace has certified flight instructors on staff and currently performs flight instruction at Hampton Airfield with a fleet of four aircraft and has acquired a flight simulator for Instrument Flight Training as well. They would lease space from Port City Air in Hangar 212 and will make improvements to the facility to suit their needs.

I request that the Airport Committee recommend to the PDA Board of Directors at its January 19, 2017 meeting, to approve CHI Aerospace's application to provide flight training services at the Portsmouth International Airport at Pease. Attached is CHI Aerospace's request to provide such services.



CHI AEROSPACE FUELS, LLC

November 25, 2016

Mr. David R. Mullen
Executive Director
Pease Development Authority
55 International Drive
Newington, NH 03801

Reference: Application

Dear Mr. Mullen,

Please consider the following application for CHI Aerospace Fuels, LLC, d/b/a CHI Aerospace, operate a flight training facility at Pease International Airport.

1. Applicant: CHI Aerospace Fuels, LLC, d/b/a CHI Aerospace
430 West Road
Portsmouth, NH 03801
2. Services to be Offered:
 - a. Flight training in light sport aircraft
 - b. Flight training for the mobility impaired
 - c. Simulated flight training in FAA approved simulator(s)
 - d. Flying club activities, including but not limited to:
 - i. Model building
 - ii. Simulator contests
 - iii. Classes in aerospace operations and employment opportunities
3. Proposed start of service date: January 1, 2017
4. Facilities: To be leased from Port City Air, INC
 - a. Heated hangar space for four light sport aircraft, and;
 - b. 2,297 SF of space within Hangar 212, North End, (58 Durham Road, Portsmouth, NH 03801) comprised of:
 - i. Approximately 2,045 SF of dedicated private office and simulator space, and;
 - ii. Approximately 252 SF of area common to the balance of the hangar. (Sanitary facilities, etc.)
5. Costs:

CHI Aerospace plans to make various non-structural modifications to the leased space, at an estimated cost of \$25,000, including:

 - a. Two new doors to separate the public/common space, and;
 - b. New entry door with side lites, and
 - c. New awing over the new entry door, and;
 - d. Office partitions to separate the various activities, and;

430 West Road, Portsmouth, NH 03801

978-764-2988

chosford@chiengineering.com

Page 1 of 4



CHI AEROSPACE FUELS, LLC

- e. Remodeling of the sanitary facilities to provide handicapped access, and;
 - f. New flooring and ceiling in the existing storage room, and;
 - g. Sub metering of the electrical power to the leased space
 - h. Various other non-structural modifications that might be required
6. **Financial Responsibility:**
The proposed activities will be funded by Christian S. Hosford, P.E., sole member of CHI Aerospace Fuels, LLC, who has been funding similar activities at 7B3 for the past three years. Hosford is the founder of CHI Engineering Services, 430 West Road, Portsmouth, NH 03801, and currently semi-retired and serving as a senior consultant to the firm. CHI Aerospace Fuels, LLC owns all of the aircraft and equipment to be located at KPSM-out right and neither the corporation nor the member has any debt.
7. **Names of Qualifications of Key Personnel:**
- a. Lee Faulkner, Chief Pilot/Operator
 - i. BS Embry-Riddle Aeronautical University.
 - ii. Commercial Pilot, Airplane SEL, MEL, SES, Instrument, CFII.
 - iii. FAA Team Representative.
 - b. Christian S. Hosford, P.E. private pilot and business leader for 43 years:
8. **Insurance:**
Insurance is provided in accordance with the Port City Air lease, and includes:
(Certificates to be provided before occupancy)
- a. Fire and extended insurance on Lessee's personal property, trade fixtures and equipment located in or on the Premises, in an amount equal to the full replacement value thereof: (\$250,000)
 - b. Comprehensive General Liability (or aircraft liability extended to airport premises exposures) insurance for the Premises, on an occurrence basis having a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence, insuring Lessee against any liability arising out of the use or occupancy of the Premises.
 - c. All Risks Aircraft Hull insurance on any aircraft owned, leased, managed or operated by Lessee which is in, on or about the Premises, in the amount of one hundred percent (100%) of the replacement value of such aircraft.
 - d. Aircraft liability insurance on any aircraft owned, leased, managed or operated by Lessee (including Non-Owned Aircraft Liability Insurance) which is in, or about the Premises on an occurrence basis having a combined single limit of not less than One-Million Dollars (\$1,000,000) per

430 West Road, Portsmouth, NH 03801
978-764-2988

chosford@chiengineering.com



CHI AEROSPACE FUELS, LLC

occurrence.

- e. **Workers Compensation Insurance at statutory limits and Employers Liability Insurance in an amount not less than One Million Dollars (\$1,000,000) each accident / employee. (From Paychex)**
- f. **Comprehensive Automobile Liability Insurance applying to all owned, hired and non-owned vehicles entering upon the Premises or associated Office Space, or ways adjoining, with a limit of not less than One Million Dollars (\$1,000,000) per occurrence. (to be supplied on a per vehicle basis when secure entry is required)**

9. Aircraft:

The following aircraft are owned outright by CHI and will be located at KPSM.

- a. **N266VA, 2014 Van's RV-12 SLSA with dual digital avionics,**
- b. **N271VA, 2015 Van's RV-12 SLSA with dual digital avionics,**
- c. **N379LS, 2010 Flight Design CTLS, SLSA with digital avionics and ballistic rescue system**
- d. **N3443H, 1946 Ercoupe 415C light sport aircraft suitable for mobility impaired training (no rudder pedals)**

10. Equipment, tools, etc

The following equipment will be located at Hangar 212.

- a. **2015 hydraulic "Hoyer" lift for the handicapped, with remote control, specifically designed for the Ercoupe.**
- b. **2016 Redbird FMX Full motion simulator, fully rated for FAA approved flight training, including instrument training.**
- c. **2016 Redbird full motion X-Wind cross wind flight trainer**
- d. **2016 Redbird Jay table top flight simulator.**
- e. **2 Hp. air compressor, 5 gallon tank, dryer, and 100 feet of air hose with Schrader valve and pressure gauge.**
- f. **Battery operated vacuum cleaning system**
- g. **Computer system that incorporates an point of sale terminal, inventory system, and scheduling system.**
- h. **Security CCTV system that is either part of the PCA system, or individual.**
- i. **Secure entry system(s) that is compliant with the TSA/PDA/PCA requirements.**
- j. **Limited inventory, perhaps 10 liters, of Shell Light Sport engine oil.**
- k. **Limited inventory of aircraft cleaning/polishing consumables.**
- l. **Limited inventory of flight training publications and equipment**
- m. **Limited inventory of promotional merchandise, such as tee shirts, jackets, etc.**

11. Staff:

The compliment of the staff will be determined by that required to meet the demand. The initial staff will be:

- a. **Full time Chief Pilot**

430 West Road, Portsmouth, NH 03801
978-764-2988

chosford@chiengineering.com



CHI AEROSPACE FUELS, LLC

- b. One part time flight instructor
- c. One full time general manager/scheduler/retail clerk
- d. Two part time schedulers/retail clerks
- e. One part time teenage trainee/helper

12. Hours of Operation:

The hours of operation will vary depending on student schedules, but generally will be 8:00 AM to 6:00 PM, seven days a week, fifty two weeks a year.

I believe the above represents a complete application and I look forward to appearing before you and your commission at your December 2016 meeting.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chris Hosford'.

Christian S. Hosford, P.E
Member

COPY

PEASE DEVELOPMENT AUTHORITY
Marketing & Economic Development Committee
Friday, January 6, 2017

AGENDA

Time: 9:00 a.m.
Place: 55 International Drive, Pease International Tradeport
Portsmouth, New Hampshire

AGENDA

- I. Call to Order (Loughlin)
- II. Acceptance of Minutes to Form only: April 17, 2006*
- III. Public Comment
- IV. Old Business
- V. New Business.
 - A. Public Work Session: Committee and Staff re: RTG, Inc.
 1. Presentation by Maria Stowell
 2. Presentation by Marcus Ebert
 3. Presentation by Irving Canner
 4. Review of Annotated Lease Agreement by Lynn Hinchee*
 5. Questions, Comments, Discussion; Additional Information Required
 6. Committee Recommendation
- VI. Upcoming Meetings:

Board Meeting	January 19, 2017
---------------	------------------
- VII. Adjournment
- VIII. Press Questions

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

MOTION

Director Lamson:

In order to permit a full discussion of this matter, I make the following motion: The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to complete negotiations with Royal Technical Group, LLC (RTG) and to execute a Lease with RTG for Hangar 227 upon substantially similar terms and conditions of the document attached hereto as Draft 002 LMH – 1/13/17.

Note: Roll call vote required

N:\RESOLVES\RTGLLC0117.docx

DRAFT 002
LMH – 01/13/2017

LEASE
BETWEEN
PEASE DEVELOPMENT AUTHORITY
AS
"LESSOR"
AND
ROYAL TECHNICAL GROUP, INC.
AS
"LESSEE"

EXHIBITS TO LEASE

EXHIBIT

- 1 - QUITCLAIM DEED AND EXHIBITS
- 2 - FEDERAL FACILITIES AGREEMENT
- 3 - LANDING FEE AND PARKING FEE REPORTS
- "A" PLANS DESIGNATING THE LEASED PREMISES (SUBDIVISION PLAN)
- "A-1" EXCLUDED BUILDING AREAS
- "A-2" ESTABLISHMENT OF A PART 145 REPAIR STATION IN NEW HAMPSHIRE
- "A-3" PHASE 2 EXPANSION OF THE PREMISES
- "A-4" PHASE 3 EXPANSION OF THE PREMISES
- "A-5" OCCUPANCY PHASE 1A
- "A-6" OCCUPANCY PHASE 1B
- "A-7" OCCUPANCY PHASE 1C
- "B" MINIMUM STANDARDS FOR COMMERCIAL AND NONCOMMERCIAL
GENERAL AVIATION OPERATORS
- "B-1" RESTRICTIONS ON CERTAIN AIRCRAFT OPERATIONS
- "C" RESERVED
- "D" SUMMARY OF LEASE PROVISIONS REQUIRED BY THE FEDERAL
AVIATION ADMINISTRATION
- "E" LIST OF ENVIRONMENTAL LAWS AND REGULATIONS
- "F" CERTIFICATE OF GOOD STANDING
- "G" GUARANTY
- "H" INSURANCE REQUIREMENTS - CONTRACTORS/SUBCONTRACTORS
- "I" LETTER TO MICHAEL J. WIMSATT DATED DECEMBER 22, 2016

LEASE

THIS LEASE ("Lease") is made by and between the PEASE DEVELOPMENT AUTHORITY ("Lessor" or "PDA") and ROYAL TECHNICAL GROUP, INC. with a principal place of business at Burlington, NC. ("RTG" or "Lessee"). (Lessor and Lessee may be referred to jointly as the "Parties.")

RECITALS

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

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

C. By Quitclaim Deed (and Exhibits A - G, inclusive) made and entered into on October 15, 2003 and by Quitclaim Deed made and entered into on September 16, 2005 (and Exhibits A - D inclusive) (collectively the "Deed"), 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 includes the Leased Premises. The Parties acknowledge that the Deed imposes certain requirements on Lessee with respect to leases which are addressed in the terms and conditions of this Lease. A copy of the Deed is attached to this Lease as Exhibit 1.

D. The Parties acknowledge that a Federal Facilities Agreement ("FFA") required under Section 120 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq. has been entered into by the Air Force, the New Hampshire Department of Environmental Services ("NHDES") and the United States Environmental Protection Agency ("EPA") regarding certain contamination at Pease and that this FFA also imposes certain requirements upon Lessor and Lessee which are addressed in the terms and conditions of this Lease. A copy of the FFA is attached to this Lease as Exhibit 2. Unless the context refers specifically to the document constituting Exhibit 2, the term FFA shall include any amendments to said document.

E. Lessee is a North Carolina corporation formed on August 30, 2013 and is registered to do business in New Hampshire.

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

ARTICLE 1.

PREMISES

1.1. Description of Leased Premises

Lessor, for and in consideration of the rents and covenants herein specified to be paid and performed by Lessee, hereby leases to Lessee, and Lessee hereby hires from Lessor, the land, buildings and other facilities and improvements located in the Airport Zone at 14 Aviation Avenue in Portsmouth, New Hampshire, ("14 Aviation" or "Building 227") consisting of 498,762+/-square feet of land area (11.45+/- acres) together with an existing hangar building consisting of 203,498 square feet (the "Hangar"), which land area is more particularly described on the plans attached as Exhibit A (the "Leased Premises" or the "Premises").

[N.B. For the purposes of the vote to be taken at the PDA Board meeting on January 19, 2017, a sketch depicting the Revised Lease Areas dated January 11, 2017 is included under cover of Exhibit A.]

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

As of the Execution Date (defined in Article 3 below) the maximum available hangar square footage will be 174,673 square feet excluding a license area under agreement to Cianbro Corporation through December 31, 2017 and the multi-story area known as Tower D, both shown on the sketch attached hereto as Exhibit A-1.

1.2. Easements - Rights-of-Way

This Lease is subject to existing easements and rights-of-way of record and to (i) the Utility Sublease and License Agreement dated July 31, 1992 by and between PDA and Public Service Company of New Hampshire ("PSNH"); (ii) the utility Sublease and License Agreement dated March 23, 1995 by and between PDA and New England Telephone and Telegraph Company ("NETEL"); (iii) the Wastewater Disposal and Water Service Facilities Sublease and License Agreement dated as of January 1, 1993 and amended July 1, 1998 by and between PDA and the City of Portsmouth ("COP") and (iv) and to the Pipeline Easement and Transfer Agreement dated August 12, 1998 by and between PDA, Portland Natural Gas Transmission System and Maritimes & Northeast Pipeline, L.L.C.

The Government reserves for the use and benefit of the public, an aviation easement and a right of way for the free and unobstructed passage of aircraft in the airspace above the surface of the Airport, together with the right to cause in such airspace such sound, vibrations, fumes, dust, fuel particles, and all other effects as may be caused by the operation of aircraft, now

known or hereafter used, for the navigation through or flight in the said airspace, and for use of said airspace for landing on, taking off from, or operating on the Airport.

The Government reserves a no cost right of access for purposes of environmental investigation, response or other corrective action, as required by CERCLA Section 120(h)(3)(A)(iii), the FFA, and as otherwise set forth in Article 25 of this Lease.

1.2.1 Existing Agreements

The Parties acknowledge and agree that premises shown as a single subdivided lot on Plan D-27540 described in Section 1.1 above include lease, license or other agreements which may burden the Leased Premises, including the hangar (collectively the "Existing Agreements"). The terms and conditions of said agreements, scheduled below, shall remain in full force and effect and, except for the Cianbro Corporation License and the Lonza Biologics, Inc. License, may be extended without Lessee's consent unless otherwise agreed in writing by the Parties at the request of Lessee. At the written request of Lessee, Lessor shall provide sixty (60) days written notice to Lonza Biologics, Inc. terminating its License prior to its natural expiration date.

Cianbro Corporation: License; expires December 31, 2017; License to use a portion of Hangar 227 located at 14 Aviation Avenue, (consisting of approximately 15,000 square feet of hangar space, as may be assigned and designated from time to time by PDA) and the parking area adjacent thereto

Lonza Biologics, Inc.: License; expires June 30, 2017; exclusive License (including as to PDA) to use a parking area adjacent to 14 Aviation Avenue, Portsmouth, NH, consisting of 119 spaces

Port City Air Inc. ("PCA"): Lease Agreement; The Fuel Farm located directly West of and at the rear of Hangar 227 occupying a 28,336 square foot area consisting of five 20,000 gallon Jet A fuel tanks, one 20,000 gallon fuel tank used for miscellaneous fuels, fuel spill dykes and alarms, pumps, plumbing and hardware, electrical controls and two associated sheds which house the electrical and alarm systems.

Port City Air, Inc.: Hangar 229 Right of Entry; expires June 30, 2017; for the purpose of the storage of ground support equipment in connection with PCA's aviation related activities at PSM.

Prior to expiration or termination of the Existing Agreements, each is available to Lessee upon request.

1.3. General Rights of Access

Subject to the provisions and additional restrictions set forth in Article 9 and other pertinent provisions of this Lease, Lessee shall have in common with other authorized Airport

users the right to use the entrances, exits and roadways designated by Lessor for common use at the Airport. Lessee shall also have in common with other airfield users the right to use the runway, taxiways and available common apron areas of the Airport.

The rights of Lessee under this Section 1.3 shall be subordinate to Lessor's rights to manage the Airport and other common areas and roadways, which rights shall include, without limitation, the right to impose reasonable rules and regulations relating to use of the Airport common areas and roadways and the right to add, delete, alter or otherwise modify the designation and use of all Airport facilities and parking areas, entrances, exits, roadways and other areas of the Airport, to the extent all of the foregoing are not part of the Leased Premises; provided, however, that Lessee shall continue at all times to have reasonable access to and use of the Leased Premises and the runway, taxiways, and available common apron areas.

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

Lessee shall comply with all federal, state and local laws, rules and regulations which apply to the conduct of the uses contemplated under this Lease, including, without limitation, rules and regulations promulgated by Lessor. Lessee shall pay to Lessor an amount equal to all fines levied by any governmental body against Lessor for any breach of applicable requirements by Lessee or any of its employees, contractors, subcontractors, agents, servants or invitees. Nothing in this Section 1.3 shall modify or amend the rights and obligations of the Parties with respect to environmental matters as set forth in Article 25 of this Lease.

1.4. Airport Access

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

Lessee is responsible for maintaining airport security requirements for SIDA badges and for facilities that provide direct or indirect access to the airfield. Any TSA fines incurred by the Lessor due to Lessee's actions or inaction will be fully reimbursed by the Lessee. Lessee acknowledges that PDA retains the right to enter Lessee's leased apron areas and hangar areas where security inspections are conducted.

END OF ARTICLE 1

ARTICLE 1.A.

TENANT'S WORK

1.A.1 In order to induce the Lessor to enter into this Lease, the Lessee covenants and agrees that it will make application for, undertake and continue with due diligence (but subject specifically to the terms and conditions set forth herein), following execution of the Lease, at its sole expense, the design, installation and construction of improvements to the Premises necessary or appropriate to RTG's transfer and amendment of its repair station certificate for Limited Landing Gear Components to include the Premises as a satellite location and, further, to expand the capability approved to operate a full service MRO, as defined in Article 9 below.

Lessee is currently the holder of an Air Agency Certificate issued by the Greensboro, NC Flight Standards District Office ("FSDO") of the FAA. Lessee is authorized in NC to operate a repair station and is rated for "limited landing gear components." Lessee has represented its intention to operate an expanded facility at Pease for provision of full aircraft maintenance services, to include mobile repair station services. The jurisdictional FSDO for Pease is located in Portland, ME. A memorandum from Lessee setting forth the process for "Establishment of a Part 145 Repair Station in New Hampshire" is attached hereto at Exhibit A-2. RTG will make any required application to the Federal Aviation Administration ("FAA") within 30 days of the Execution Date as defined in Article 3 below.

Lessee's obligation shall include, without limitation, the obligation to make timely application, diligently pursue and obtain necessary approvals and/or any and all permits required for its renovation and construction and intended use of the Leased Premises in accordance with the schedule set forth below.

Without limiting the foregoing, Lessee agrees that during the term of the Lease, including any available extension options, improvements to the Leased Premises to be made by Lessee shall include construction on and under the Leased Premises (and the inclusion of necessary equipment) of:

Phase 1A Improvements to be completed not later than that Term Commencement Date:

- A. Complete Fire Suppression System Upgrading and Repairs
- B. Complete Upgrades and Repairs required to obtain a Certificate of Occupancy for not less than Phase 1A as shown on Exhibit A-5 attached hereto.

Phase 1B and 1C Improvements subject to PDA approval and a condition precedent to Lessee's unilateral exercise of Option 1 for an additional term of five (5) years.

Phase 2 Improvements subject to PDA's approval and condition precedent to Lessee's unilateral

exercise of Option 2 for an additional term of five (5) years

- A. Expansion of the Premises as shown on Exhibit A-3 attached hereto.

Phase 3 Improvements subject to PDA approval and a condition precedent to Lessee's unilateral exercise of the Option 3 to extend the Lease Term for an additional term of five (5) years.

- A. Expansion of the Premises as shown of the concept plan sketch attached hereto as Exhibit A-4.

The provisions of Article 15 and Article 25 applicable to construction work shall apply with equal force to any demolition and/or construction work by Lessee under this Article.

Any approval or agreement by Lessor with respect to any element(s) of the Construction Plan(s) shall not affect in any way any other approval or other process involving Lessor in its governmental capacity, including, without limitation, requirements under the Lessor's Land Use Controls as defined in Section 9.3 of this Lease.

Lessee agrees to be solely responsible for any plans and specifications used by it and for any loss or damages resulting from the use thereof, notwithstanding the same having been approved by Lessor and notwithstanding the incorporation therein of Lessor recommendations or requirements. Notwithstanding the requirement for approval by Lessor or the incorporation therein of Lessor requirements or recommendations, and notwithstanding any rights Lessor may have reserved to itself under this Lease, Lessor shall have no liabilities or obligations of any kind to any contractors engaged by Lessee for any other matter in connection with any such approval by Lessor or Lessor requirements or recommendations, and Lessee hereby releases and discharges Lessor, its board members, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, or from any action or cause of action arising or alleged to arise out of the performance of any work pursuant to the contracts between Lessee and its contractors.

Not later than the Execution Date, Lessee will appoint a project manager (the "Project Manager") to administer Lessee's construction and other related activities at the Leased Premises. The Project Manager shall be responsible for coordinating with Lessor and keeping Lessor generally up to date on major construction and construction related activities of Lessee and shall be available at the Airport at all reasonable times and during on-site emergencies or situations requiring immediate or expeditious response or consultation with Lessor. Unless and until Lessor has been advised in writing of an appointee, Markus Ebert shall be the designated Project Manager for the purposes set forth herein.

At the completion of construction, Lessee shall provide Lessor with reproducible as-built drawings of buildings and building support systems (i.e., electrical, HVAC, plumbing) comprising the Facility (but not including any proprietary equipment) when completed.

1.A.2. Risk of Loss - Builder's Risk Insurance Indemnification

In addition to its obligations under Article 7, Article 13 and Article 15, Lessee hereby assumes the risk of loss or damage to all of the construction work for or relating to the Facility and any other improvements prior to the completion thereof and arising out of or in connection with the performance of Lessee's construction work. Lessee shall provide Builder's Risk insurance to cover such risk of loss during the period of construction upon terms and conditions satisfactory to Lessor and designating Lessor as an additional insured/loss payee, as the same may be appropriate. Binders for Builder's Risk Insurance required to be provided under this Section 1A.2 shall be submitted to Lessor for its review and approval prior to commencement of construction work.

Lessee shall require each of its contractors and subcontractors, to defend, indemnify and hold harmless Lessor, its board members, officers, agents and employees from and against all claims and demands, of third persons arising or alleged to arise out of the performance of work in connection with construction of the Facility and any other improvements by Lessee or its contractors or subcontractors, including all expenses in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, arising from the acts or omissions of such contractors and subcontractors, excepting only claims and demands which result solely from the negligence of Lessor and its employees, officers, agents, contractors, and subcontractors.

1.A.3. Performance Guaranty

Lessee shall provide or require its general contractor(s) to provide performance and payment bonds or a Letter of Credit (the "Performance Guaranty") in an amount and subject to conditions reasonably acceptable to Lessor to ensure the total performance of the general contractor(s) for all aspects of the construction work under this Article 1A. The Performance Guaranty shall be for the benefit of both Lessee and Lessor in the case of performance and payment bonds provided by the general contractor or exclusively for the benefit of Lessor in all other cases, and shall be used, if necessary, to complete the construction work, provided, however, that the benefits of said Performance Guaranty shall run to the sole benefit of Lessor in the event Lessee is in default of any of its obligations under this Lease. The form of the Performance Guaranty (completed with amounts of coverage and all applicable conditions) shall be submitted sufficiently in advance of the commencement of any work associated with the construction of the Facility to allow a reasonable period of review by Lessor. The Performance Guaranty shall be subject to the approval of Lessor, which approval shall not be unreasonably withheld or delayed.

1.A.4. Title

Except as provided in Article 6 of this Lease, upon expiration or termination of this Lease, including any authorized extension thereof, title to the Facility shall be vested in Lessor. Prior to that time, title to any buildings or improvements situated or erected on the Leased

Premises and the building equipment and other items installed thereon and any alteration, change or addition thereto shall remain solely in Lessee and Lessee alone shall be entitled to deduct any applicable depreciation on Lessee's income tax returns for any such buildings or equipment and to any other applicable income tax benefits that are available by reason of such buildings, improvements and equipment.

1.A.5. Transportation Infrastructure Improvement Fee

Lessee acknowledges that its MRO operations and future expansion of hangar the will generate additional traffic at Pease International Tradeport and consequently have a direct impact on traffic patterns and conditions at the Tradeport.

Lessee agrees to pay a proportional share of any Transportation Infrastructure Improvement Fee ("TII Fee") for infrastructure improvements including, but not limited to, signals, signage, markings, geometric changes to intersections and/or roadways and other traffic control devices. Lessee's proportional share of the TII Fee shall be based upon a formula which will be established by Lessor and applied uniformly and proportionally to all projects which are subject to said fee. Lessee's TII Fee shall not exceed the best estimate of its reasonable share of these improvements based on the actual traffic impact caused by the additional p.m. peak hour traffic generated by RTG's operations as determined by PDA's transportation consultant, Vanasse, Hangen & Brustlin, Inc. based on information provided by RTG or otherwise verified by PDA. Once established by the PDA and billed to all similarly situated projects, payment of the Transportation Infrastructure Improvement Fee shall be made in the same manner as Building Area Rent payments set forth in Article 4 and may be paid in equal installments over a twelve month period commencing on the first day of the month following authorization by the PDA Board of Directors and notification to Lessee of the its share of the fee. The current estimated proportional share will be based on a projection of \$1,285 per pm peak hour trip end.

Lessor and Lessee agree that its proportional share of the TII Fee may be reviewed and adjusted at the following times: i) the first to occur of receipt of an occupancy permit, and ii) receipt of an occupancy permit for any additional square footage constructed by Lessee during the term of this Lease.

END OF ARTICLE 1.A

ARTICLE 1.B.

FUTURE EXPANSION

1.B.1. Future Expansion

Lessee contemplates the design and construction of two separate expansions to the existing Hangar within the Leased Premises. It is the current expectation of Lessee to expand the Hangar, during the term of the Lease as follows:

- Phase 2: Construction of a new nose dock of approximately 85' long and 60' deep (5,100 sq. ft.) as shown on Exhibit A-3 attached hereto; and
- Phase 3: Construction of a 675' long x 90" deep expansion (60.750 sq. ft.) as shown on Exhibit A-4 attached hereto

END OF ARTICLE 1.B.

ARTICLE 2.

CONDITION OF LEASED PREMISES

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

END OF ARTICLE 2

ARTICLE 3.

TERM

3.1. This Lease shall be effective upon execution (the "Execution Date") and shall continue for a base term of ten (10) years ("Base Term") which term shall commence on the earlier to occur of the following events; (i) receipt of an occupancy permit for Phase 1A, consisting of 63,458+/- square feet or, (ii) twelve (12) months from the execution of the Lease ("Term Commencement Date"). Lessee is also granted six (6) five (5) year options to extend the Lease. In no event shall the Base Term and all option periods extend beyond forty (40) years from the Term Commencement Date. Any extension of the term through exercise of an option shall be upon the same terms and conditions applicable to the Base Term, provided that rental rates shall escalate as provided in Article 4 (and any other applicable provision addressing rental rates).

3.2. As a condition precedent to the exercise by Lessee of any of its options to extend the term of this Lease, Lessee shall give a written notice ("Option Notice") to Lessor of its exercise of each such option at least six (6) months prior to the end of the Base Term or the end of any applicable Option Period.

3.3. In addition to the notice requirement set forth in Section 3.2 above, the following shall be a condition precedent to the unilateral exercise by Lessee of extension options 1, 2 and 3.

Option 1 – Years 11 -15: Lessee shall have received a certificate of occupancy for Phases 1A, 1B, and 1C of the Hangar, a total of 190,778+/- square feet and, to the extent Tower D is no longer subject to remedial action and is characterized as having no significant risk, the additional 14,325+/- square feet of Tower D. Notwithstanding any provision of this Lease to the contrary, Lessee shall have not less than twelve (12) months from the designation of Tower D as no significant risk to obtain an occupancy permit and shall have satisfied the employment requirements set forth in Article 4A of the Lease.

Option 2 – Years 16 -20: Lessee shall have completed Phase 2 of its expansion as shown on Exhibit A-3 and shall have satisfied the employment requirements set forth in Article 4A of the Lease.

Option 3 – Years 21 -25: Lessee shall have completed Phase 3 of its expansion as shown of Exhibit A-4 and shall have satisfied the employment requirements set forth in Article 4A of the Lease.

Options 4, 5, and 6: Except as otherwise provided in this Lease, there are no condition precedents to Lessee's unilateral exercise of Options 4, 5, and 6.

3.4. The options to extend the term hereby granted may not be exercised at any time during which Lessee is in default under any of the terms of this Lease, and, at the election of Lessor, shall not be effective if any default occurs after the exercise of such option and before the

expiration of the applicable term, it being the intent of the Parties that the options granted hereby may not be exercised or become effective at a time when a default by Lessee exists under this Lease.

3.5. Notwithstanding any provisions herein to the contrary, Lessor and Lessee may mutually agree to the exercise by Lessee of any of extension options 1, 2, or 3 whether or not the conditions precedent have been met by Lessee.

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

END OF ARTICLE 3

ARTICLE 4.

BUILDING AREA RENT - MUNICIPAL SERVICES FEE - LANDING FEES & PARKING FEES

4.1. Lessee shall pay to Lessor Building Area Rent ("Building Area Rent") at the following annual minimum rates for the areas of the Leased Premises described in Section 1.1:

Lease Execution to Term Commencement Date - not to exceed 12 months	\$1.75 per square foot (\$305,677.75 per annum) based on access for cold storage and tenant work of 174,673 square feet (See Exhibit A-1)
Term Commencement Date to Occupancy of Phase 1A – not to exceed 24 months (Lease Years 1 and 2)	\$1.75 per square foot (\$194,626.25) based on access for cold storage and tenant work of 111,215 square feet; and \$3.50 per square foot (\$222,103.00) based on occupancy of 63,458 square feet (See Exhibit A-5)
Lease Year 3 to occupancy of Phase 1B – not to exceed 24 months (Lease Years 3 and 4)	\$1.75 per square foot (\$130,095.00) based on access for cold storage and tenant work of 74,340 to include the former 15,000 square feet licensed to Cianbro; and \$3.50 per square foot (\$403,665.50) based on occupancy of 115,333 square feet (See Exhibit A-6)
Lease Year 5 Full occupancy of Hanger 227 Phase 1C but excluding Tower D	\$3.50 per square foot (\$667,723) based on occupancy of 190,778 square feet (See Exhibit A-7)
Year 6:	an annual amount equal to the Base Rate for Year 5 plus a five (5) year CPI adjustment
Years 7-10:	an annual payment equal to the Base Rate for the prior year plus CPI adjustment not to exceed the lesser of CPI or 3% per year; such adjustment not to exceed 12% in this four (4) period

Years 11 – 15
and each successive
five (5) year term

an annual payment equal to the Base Rate rate for the
previous year plus CPI adjustment not to exceed the lesser
of CPI or 3% per year; such adjustment not to exceed 12%
in this five (5) year period

The annual Building Area Rent for the Option Area will be established at a rate that includes any applicable adjustments in rates applicable to the Premises, to the same extent there would have been an adjustment in same if such Option Area had been included in the Leased Premises on the Term Commencement Date.

The annual Building Area Rent for the Leased Premises and Option Area will be based on the total acreage of the Premises and Preferential Use apron area. The per square foot rate at the Term Commencement Date is calculated at \$.35 per square foot.

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

4.3. As of each Adjustment Date (as hereinafter defined), the Building Area Rent shall be adjusted as provided in Section 4.4 to reflect changes in the Consumer Price Index for All Urban Consumers applicable to the Boston area (all items 1982 - 1984 = 100) published by the United States Department of Labor, Bureau of Labor Statistics (the "Index").

4.4. On the first day following the expiration of the fifth year of the term of this Lease and on the first day of each year thereafter (individually an "Adjustment Date" and collectively the "Adjustment Dates"), Building Area Rent shall be subject to adjustment for the remainder of the term of this Lease as follows:

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

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

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

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

4.5. [RESERVED]

4.6. The Building Area Rent payable hereunder shall be net to Lessor, free and clear of any and all Impositions (as defined in Section 5.1), or expenses of any nature whatsoever in connection with the Premises. The Parties agree that, except as expressly provided herein, upon execution of the Lease, all costs, expenses and charges of every kind and nature relating to the Leased Premises which may be attributed to, or become due at any time after the execution of the Lease, during the initial or any renewal term of this Lease, shall constitute additional rent to be paid by Lessee and, upon failure of Lessee to pay any such costs, expenses or charges, Lessor shall have the same rights and remedies as otherwise provided in this Lease for the failure of Lessee to pay rent. It is the intention of the Parties that Lessee shall in no event be entitled to any abatement or reduction in rent payable hereunder, except as expressly provided herein. Any present or future law to the contrary shall not alter the agreement of the Parties.

4.7. In addition to the Building Area Rent required to be paid under the terms of this Lease, Lessee shall also pay to Lessor, as additional rent, a municipal services fee in accordance with the provisions of RSA 12-G:14, III and the Municipal Services Agreement by and between the City of Portsmouth, the Town of Newington and the Pease Development Authority effective July 1, 1998. This fee is for fire, police and roadway services provided by or on behalf of Lessor at the Airport and will be subject to increases each year only to the extent the cost to Lessor of

providing such services increases. The municipal services fee shall be paid quarterly in advance commencing on the Execution Date of the Lease (as distinguished from the Term Commencement Date) at the office of Lessor at the Airport or at such other address as Lessor may hereafter designate. Lessee's obligation for any fractional portion of the Municipal Services Fee at the beginning or end of the term of this Lease shall be prorated, as required and appropriate. To the extent the Leased Premises are subject to municipal taxation, and provided such municipal taxes include the costs of the provision of fire, police and roadway services, Lessee may offset against any fee paid to Lessor the portion of such municipal taxes as are attributable to fire, police and roadway services, and Lessor shall have no further obligation to provide such services. For so long as municipal taxes are imposed against the Leased Premises, or on Lessee for all three of fire, police and roadway services and Lessor either has no obligation to provide such services (or ceases to provide such services), the municipal services fee required to be paid under this Lease shall terminate.

In the event the Leased Premises, or any portion thereof, are removed from the Airport District, Lessee shall make payments in lieu of taxes to the appropriate municipality in accordance with the provisions of RSA 12-G:14, II (or any successor statute) regarding taxation by a municipality of property that is within the boundaries of Pease, but outside the Airport District.

Any tax, fee or payment in lieu of tax imposed for the provision of fire, police, public works or other municipal services shall be considered an Imposition under Article 5 of this Lease.

4.8. Landing Fees. For all non-based aircraft operations involving aircraft over 12,500 pounds or for any aircraft involved in revenue producing operations arising out of or in connection with Lessee's use of the Leased Premises at the Airport, Lessee shall collect and pay to Lessor or its designated agent a landing fee, at rates established from time to time by Lessor ("Landing Fee"). As of the anticipated Term Commencement Date, the current Landing Fee is \$.85 per 1000 pounds of Weight. As used herein, "Weight" shall mean the FAA's maximum gross certified landing weight for each particular aircraft type of all aircraft landed, whether empty or loaded. Exhibit "3-1" attached hereto and incorporated herein contains examples of Landing Fee Applicability as intended by the Parties.

4.9. Parking Fees. For all aircraft operations arising out of or in connection with Lessee's use of the Leased Premises and apron area designated for RTG preferential use at the Airport, Lessee shall collect and pay to Lessor or its designated agent, a parking fee (Parking Fee) for Aircraft parked outside of the Leased Premises at the Airport for any period exceeding four (4) hours following landing. As of the projected Term Commencement Date, the current Parking Fee is \$.35 per square foot per annum.

4.10. Landing and Parking Fee Reports and Payments. Landing fees and aircraft parking fees shall be assessed in accordance with Exhibit 3 attached hereto and incorporated herein by reference (or such other landing fee and/or aircraft parking fee schedule(s) as may from time to

time be adopted by Lessor in its sole discretion). During the term of this Lease, Lessee shall account for and pay the required landing fees and airport parking fees for use of ramp and other airfield areas designated by Lessor for aircraft parking purposes. The full amount required to be collected, without offset or deduction, shall be paid to Lessor within twenty-five (25) days after the end of each calendar quarter, along with a report detailing by aircraft type and weight all aircraft utilizing the Airport, the dates of such use and parking and landing fees which are due and payable. Accompanying such report shall be a statement executed by an officer of Lessee certifying that all information contained therein is true and accurate as of the date the same is given.

4.11. Audit. Lessee shall maintain detailed, accurate records in accordance with generally accepted accounting principles of all Lessee activities for which Lessee is required to pay a fee to Lessor under this Article 4 or any other applicable provisions of this Lease. Such records shall be maintained by Lessee for a period of at least three (3) years and shall be available for inspection and audit by Lessor or Lessor's representative or agent at all reasonable times upon three (3) business days prior notice from Lessor. The obligations of Lessee under this Section shall also apply to any collection of fees on behalf of Lessor in accordance with this Lease.

4.12. Prospective Fees. Lessor has enacted a fee waiver program and does not currently assess airport terminal, fuel flowage or landing fees. Parking fees are waived for the first 24 hours after which parking fees are assessed. To the extent PDA determines it is in its best interests to discontinue the fee waiver program and/or Lessor is required by the Federal Aviation Administration (FAA), or any other the federal government agency having jurisdiction over the airport, to implement airport use fees (as distinguished from fees already imposed by the federal government and not waived herein) those fees will become due and payable in accordance with the terms of this Lease. Any provision of this Lease or fee waiver program which is deemed to be in violation of the FAA's grant assurances shall be deemed to be void.

END OF ARTICLE 4

ARTICLE 4A.

RTG EMPLOYMENT REQUIREMENTS

4A.1. RTG will provide or cause to be provided at the Leased Premises a minimum of 25 full-time jobs by the end of the first year of the Base Term, 50 full-time jobs by the end of the second year of the Base Term and 100 full-time jobs by the end of the third year of the Base Term and at all times thereafter during the term of this Lease.

As a condition precedent to the unilateral exercise by RTG of extension option 2 as described in Section 3.3 above, RTG will provide or cause to be provided at the Leased Premises a minimum of 250 full-time jobs.

As a condition precedent to the unilateral exercise by RTG of extension option 3 as described in Section 3.3 above, RTG will provide or cause to be provided at the Leased Premises a minimum of 400 full-time jobs.

4A.2. Within thirty (30) days after the end of each year of the term of this Lease, RTG will provide PDA with a report ("Annual Job Report") specifying the extent to which RTG has complied with the requirements of Section 4A.1. during the preceding year.

In the event the Annual Job Report fails to establish that the minimum number of jobs specified under Section 4A.1. were provided as required, or RTG has otherwise failed to meet such minimum job requirements, then at the request of PDA, RTG shall confer forthwith with PDA and develop a mutually acceptable plan pursuant to which RTG will rectify any employment shortfalls and maintain the required minimums. In such event RTG shall also provide PDA with monthly updates containing information in a form reasonably satisfactory to PDA in order for PDA to determine whether RTG is in compliance with such plan and the other obligations of RTG under this Article 4A, said monthly reports to continue until compliance is achieved.

4A.3 The failure of RTG to develop and implement a plan to rectify any employment shortfalls to the extent required under Section 4A.2 after having failed to achieve the minimum job requirements specified in Section 4A.1. on the date specified for such requirement and at all times thereafter during the term of this Lease will constitute a Default by Lessee giving rise to any of the remedies available to PDA for breach as set forth in Section 18.2.

4A.4. The Parties acknowledge that the obligation of RTG to provide the specified minimum level of jobs is an essential component of PDA's willingness to lease the Premises to RTG upon the terms and conditions set forth in this Lease. RTG agrees that it shall exercise good faith at all times in its hiring practices in order to achieve a stable work force and the required number of jobs at the Airport and shall maintain in good faith, orderly and accurate records in order to

provide meaningful Annual Job Reports to PDA and such other information as PDA may reasonably request with respect to RTG's compliance with its obligations under this Article 4A. ("Job Records"). All Job Records shall be maintained in accordance with generally accepted accounting principles to the extent applicable or such other requirements to which RTG may be subject under law and shall be kept at the Leased Premises. All Job Records and related information and data shall be subject to review and examination by PDA upon three business days' prior notice. RTG shall cooperate in good faith with PDA during the course of any review and examination of RTG records under this Article and shall allow PDA to make copies of all pertinent records requested by PDA.

It is acknowledged that financial or other proprietary records provided by RTG to PEA may be designated by RTG as confidential and such records shall be withheld from disclosure to third parties by PDA to the maximum extent allowed by law.

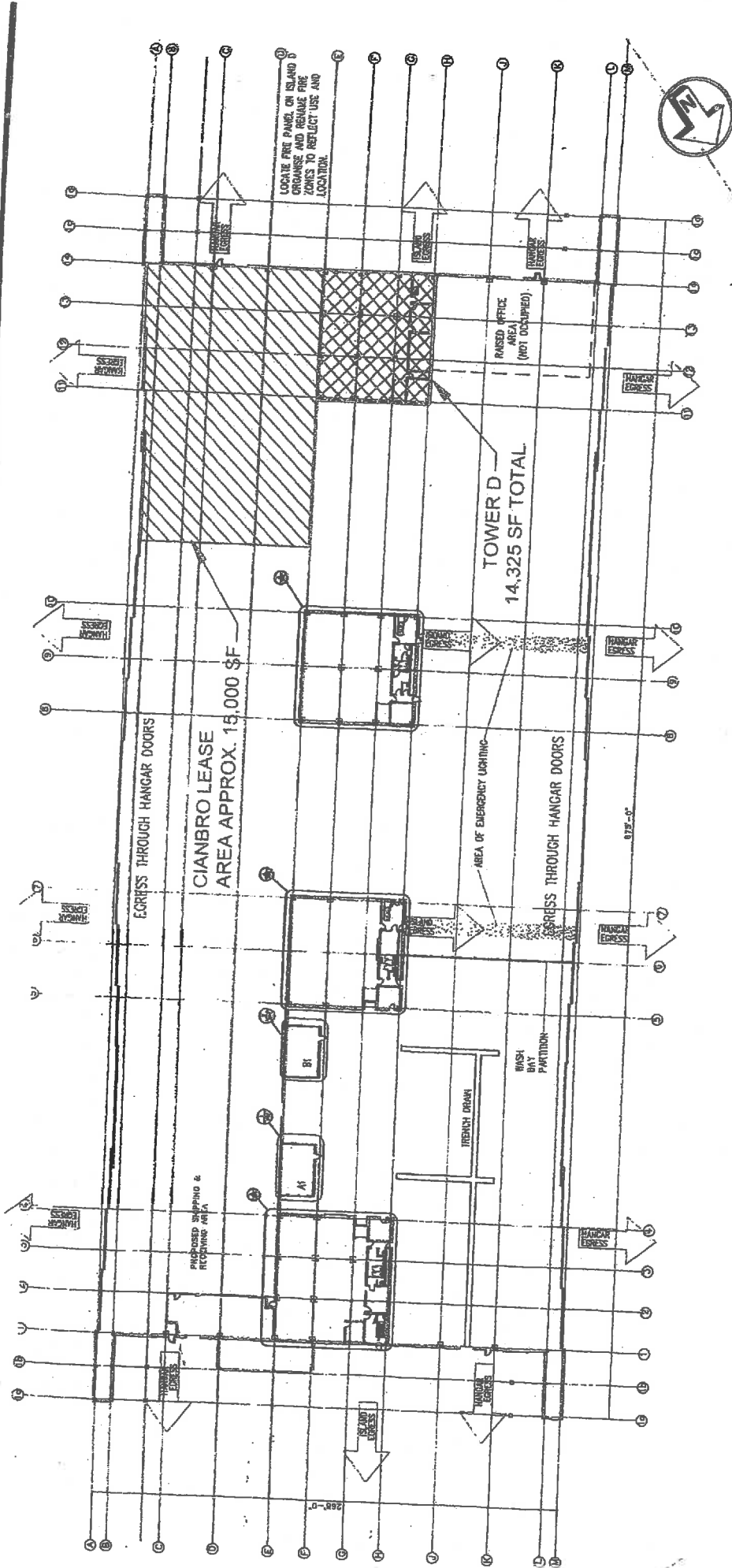
END OF ARTICLE 4A

EXHIBIT "A"

PLANS DESIGNATING THE LEASED PREMISES (SUBDIVISION PLAN)

EXHIBIT "A-1"

EXCLUDED BUILDING AREAS



Total Building Area 203,998 SF
 Tower D 3 Floors @ 4,775 SF = 14,325 SF
 Cianbro Lease 15,000 SF
 Total Building Area Remaining 174,673 SF
 to be Leased to RTG

SQUARE FOOT BREAKDOWN OF RTG LEASE AT 14 AVIATION AVE

DESIGNED BY: MRM DATE: 12/29/16 SCALE: NTS

PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

EXHIBIT "A-2"

ESTABLISHMENT OF A PART 145 REPAIR STATION IN NEW HAMPSHIRE

MEMORANDUM

To: Lynn Hinchee
From: Markus Ebert
Date: October 31, 2016
Re: Establishment of Part 145 Repair Station in New Hampshire

I have set forth below a summary that addresses the procedures and mechanisms for the establishment of our Part 145 Repair Station in Portsmouth, New Hampshire. In the interest of time, this process will begin with the establishment of a satellite Repair Station under our existing Certificate (as defined below). Once the satellite facility has been established in Portsmouth, we will consult with the FAA their preference with respect to RTG operating as a standalone or satellite facility in New Hampshire.

I. Part 145 Certificate

Royal Technical Group, Inc. already has a Part 145 Repair Station Certificate (6RYR210C) ("Certificate"). We also have an EASA Repair Station Certificate (145.6602) (i.e., the European equivalent of the FAA Certificate). As you may be aware, the process of obtaining a Certificate is very detailed and includes a thorough review of the management and owners of the Repair Station. Given the importance of the work being conducted by Part 145 Repair Stations, the FAA reviews the backgrounds of all managers and owners, to ensure that proper maintenance is being performed on commercial aircraft in order to protect the public. To expedite the process of becoming operational in New Hampshire, we will be establishing a satellite Repair Station in pursuant to Section 145.107 (see attached). As mentioned, following the establishment of the satellite Repair Station, we will review with the FAA as to whether they would like us to undertake the process of obtaining a standalone Repair Station facility certificate for New Hampshire or continue operating as a satellite facility.

II. Satellite Repair Station

As referenced in the attached regulations, while it will be possible for RTG to obtain a standalone Repair Station certificate for Portsmouth, the FAA has been promoting the satellite system since that mandates a commonality in procedures for the respective organization and streamlines the inspection process for the FAA. Under the FAA regulations, the only requirement for the issuance of the satellite repair station will be an expansion of our capability list to include the larger aircraft that we will be servicing in New Hampshire.

III. Expansion of Capability List

Our Certificate permits for self-evaluation and expansion of our capability list. Such capability list expansion will be verified and inspected by the FAA once we have brought all our tooling and equipment to Building 227 and submitted our Repair Station Manual for New Hampshire to the FAA. The combination of self-evaluation and establishment of a satellite Repair Station will facilitate the ability for us to be operational in New Hampshire within several weeks of executing the lease for Building 227. Under our particular Certificate, the expansion of our capability list mandates that we have (a) the tooling and equipment necessary for the expanded services, (b)

access to the necessary staff, and (c) the hangar facility capable of housing the aircraft that will be included in our expanded capability list. Our purchase of all the assets of MidairUSA satisfies the tooling and equipment ownership requirement for the FAA. Access to qualified mechanics and staff beyond our existing management team is relatively easy in New England and we have already contracted with a staffing and recruiting firm specializing in the placement of airframe and powerplant ("A&P") mechanics as well as aerospace engineers. Therefore, the only outstanding requirement for our expanded capability list and FAA licensed Repair Station facility in New Hampshire is a lease for the hangar.

IV. Applicable Regulations

The applicable regulations have been attached with emphasis added. These regulations address not only the initial application procedures that RTG had to satisfy to obtain its existing Certificate, but also cover the establishment and certification of the satellite Repair Station facility in New Hampshire. As can be seen from the attached regulations, the establishment of a Repair Station certificate is a highly regulated process. The FAA regulations cover a wide range of requirements from the background and training of personnel up to and including the storage and handling of hazmat materials. Repair Stations undergo continual inspections and are required to notify the FAA of any changes to its management or ownership structure as well as operating procedures to ensure ongoing compliance with all FAA regulations, and to avoid the revocation of their Repair Station.

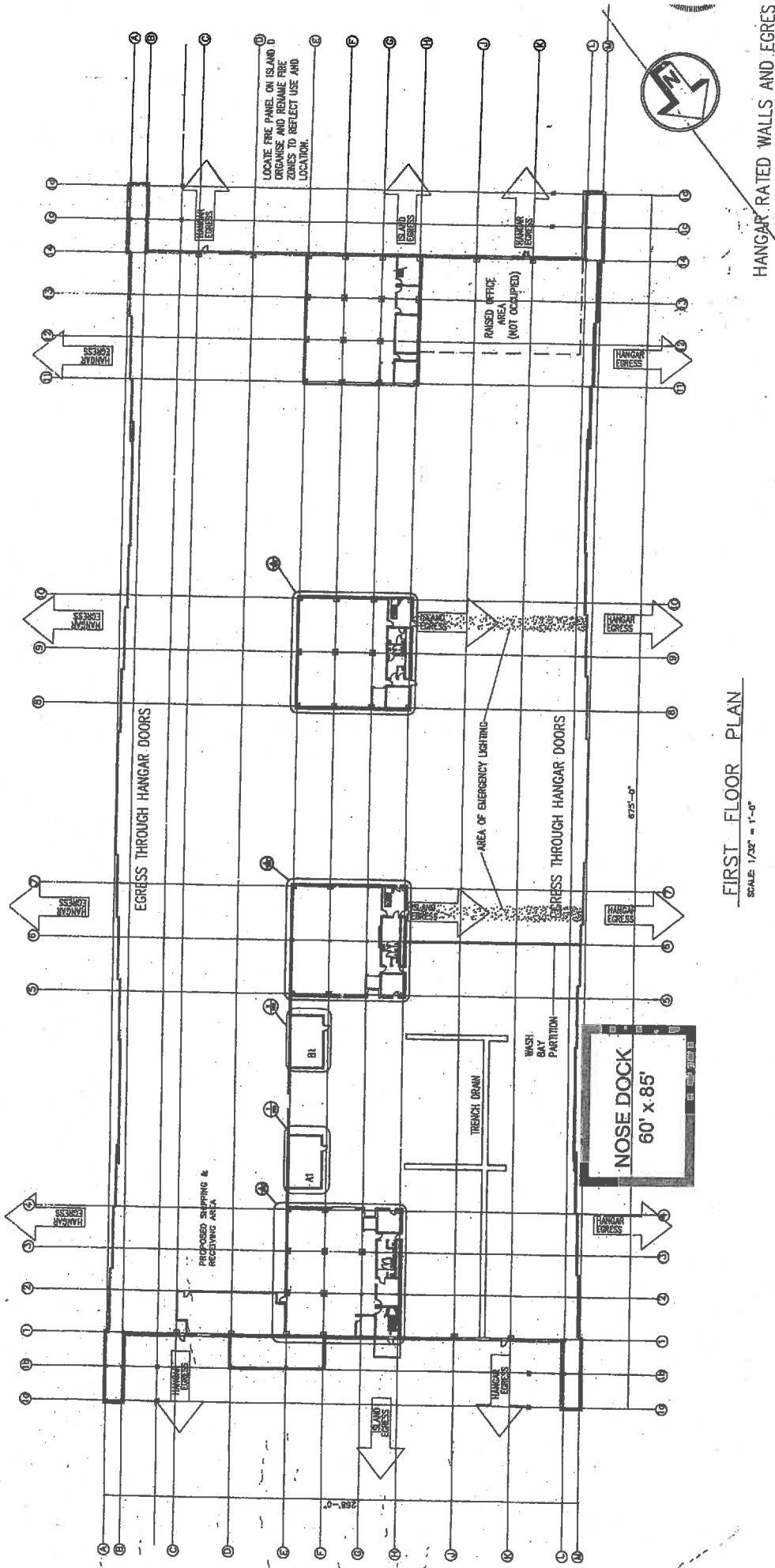
As an aside, in addition to the regulatory oversight by the FAA, Repair Stations are also subject to Transportation Security Administration ("TSA") regulations and inspections. Pursuant to the TSA's aviation repair station security rule 79 Fed. Reg. 2119, the TSA has the responsibility to inspect and oversee all FAA certified Repair Stations. This additional level of inspection monitors the owners, managers and personnel of all Repair Stations in addition to the operation of Repair Stations to ensure aviation safety.

V. Conclusion

Once we are in receipt of the lease for Building 227, RTG will be able to contact the FAA's Flight Standards District Office ("FSDO") in Portland, Maine as well as our home FSDO to initiate the process of adding the New Hampshire facility to our Certificate as a satellite facility. We anticipate that the entire process will take no more than four weeks from the time that we have access to Building 227 so that we can begin the process of "setting up" the Repair Station in preparation for all the FAA inspections. Once the satellite Repair Station has been established, we will consult with the FAA as to whether they would prefer for RTG to operate in New Hampshire as a satellite or standalone Repair Station.

EXHIBIT A-3

PHASE 2 EXPANSION OF THE PREMISES



FIRST FLOOR PLAN
SCALE: 1/32" = 1'-0"

NEW CONSTRUCTION
NOSE DOCK 5,100 SF

Occupancy Phasing for RTG at 14 Aviation Ave - Phase 2

DESIGNED BY: MRM DATE: 1/11/17 SCALE: NTS

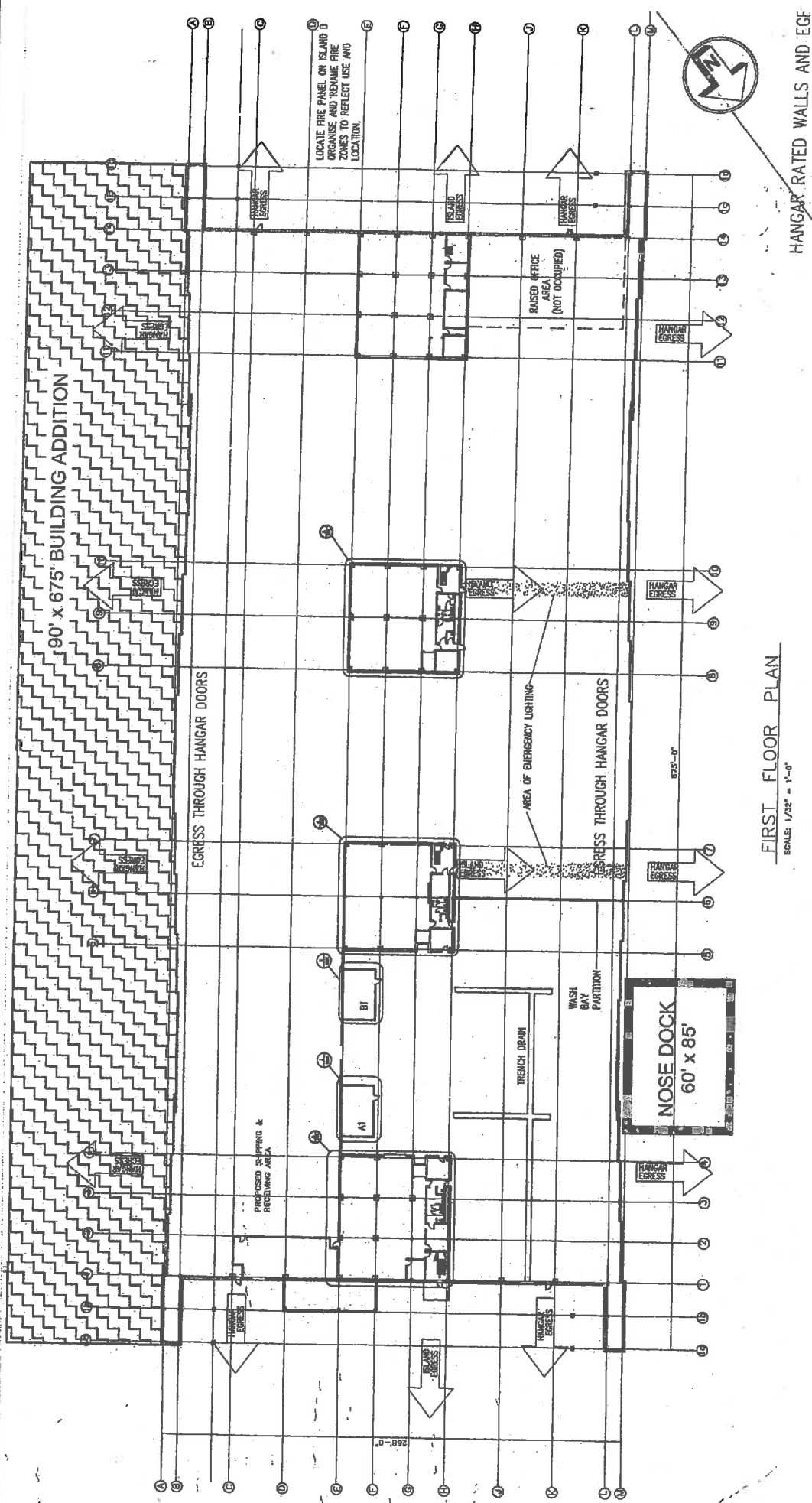
PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

EXHIBIT A-4

PHASE 3 EXPANSION OF THE PREMISES

A-17



FIRST FLOOR PLAN
SCALE: 1/32" = 1'-0"

NEW CONSTRUCTION	5,100 SF
NOSE DOCK	60,750 SF
BUILDING ADDITION	65,850 SF
TOTAL	65,850 SF

DESIGNED BY: MRM DATE: 1/11/17 SCALE: NTS

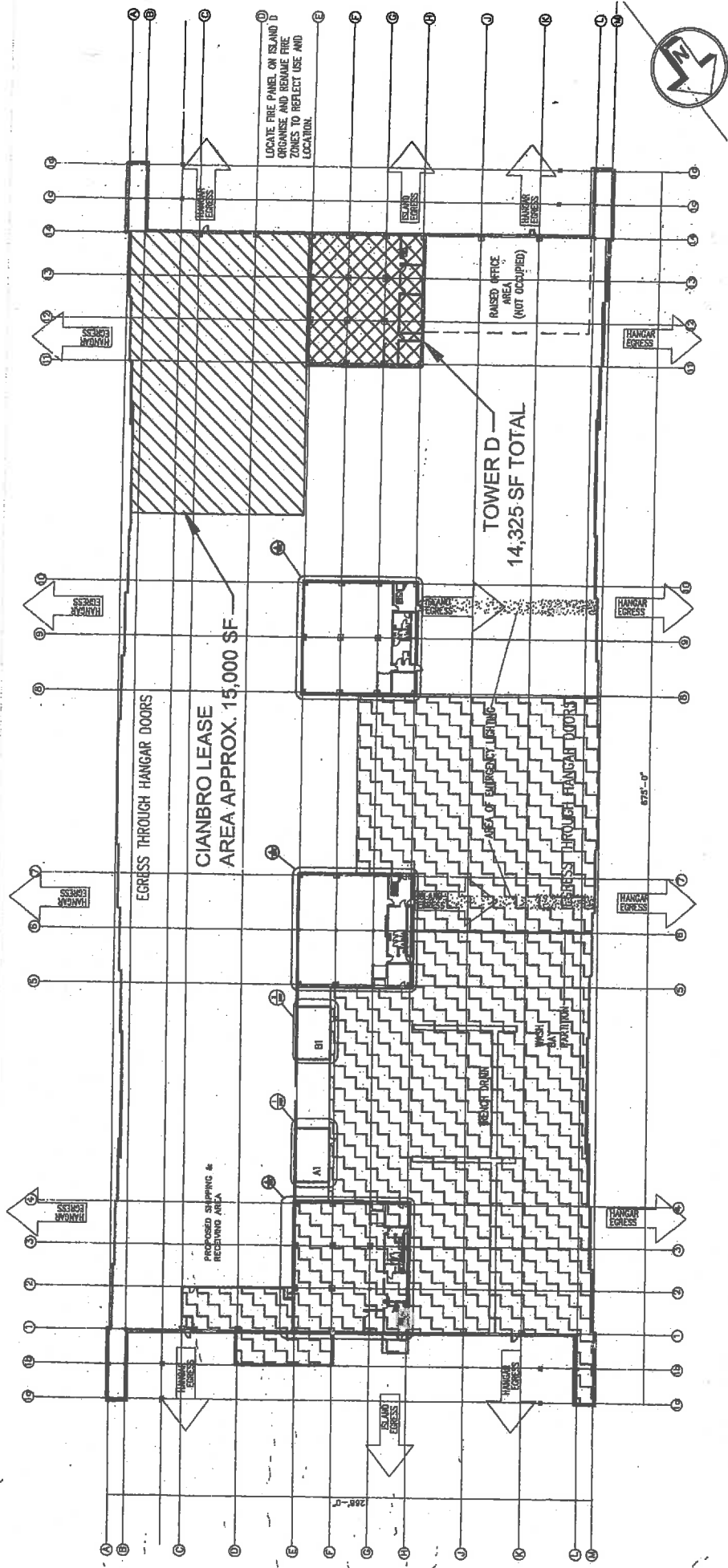
Occupancy Phasing for RTG at 14 Aviation Ave - Phase 3

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EXHIBIT A-5

OCCUPANCY PHASE 1A

A.5



OCCUPIED AREA	43,438 SF
HANGAR SPACE:	
TOWER A	3 FLOORS @ 4,760 SF = 14,280 SF
TOWER A ADD.	3 FLOORS @ 1,545 SF = 4,635 SF
VESTIBULE	145 SF
EXPANDED OFFICE	960 SF
TOTAL	63,458 SF

Occupancy Phasing for RTG at 14 Aviation Ave - Phase 1A

DESIGNED BY: MRM DATE: 1/11/17 SCALE: NTS



PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

Engineering local files\14 Aviation Ave occupancy phasing

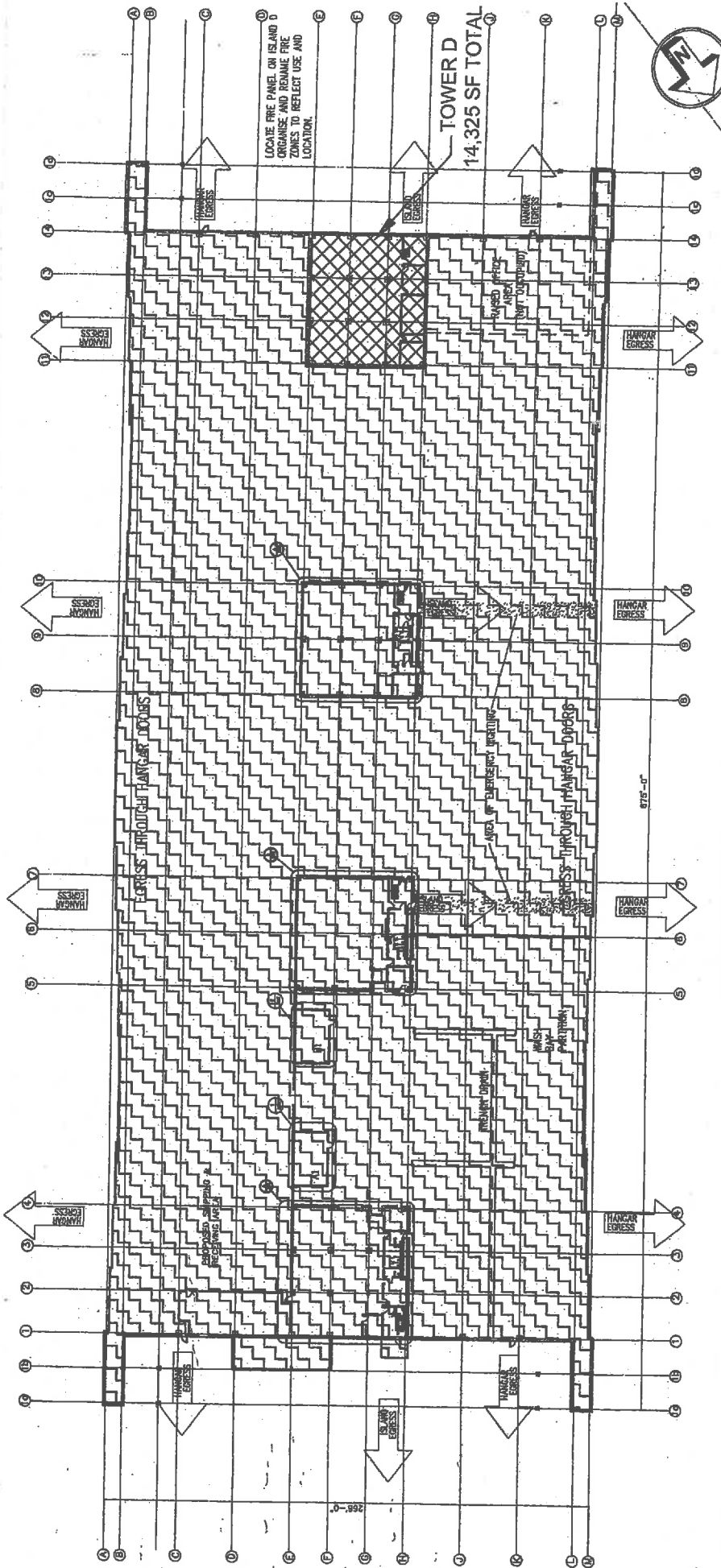
EXHIBIT A-6

OCCUPANCY PHASE 1B

EXHIBIT A-7

OCCUPANCY PHASE 1C

A.7



OCCUPIED AREA

HANGAR SPACE:	3 FLOORS @ 4,760 SF = 14,280 SF
TOWER A	139,373 SF
TOWER A1	600 SF
TOWER A ADD.	3 FLOORS @ 1,545 SF = 4,635 SF
TOWER B	3 FLOORS @ 4,135 SF = 12,405 SF
TOWER B1	2 FLOORS @ 600 SF = 1,200 SF
TOWER C	3 FLOORS @ 4,110 SF = 12,330 SF
RAISED OFFICE	4,850 SF
VESTIBULE	145 SF
EXPANDED OFFICE	960 SF
TOTAL	190,778 SF

Occupancy Phasing for RTG at 14 Aviation Ave - Phase 1C

DESIGNED BY: MRM DATE: 1/11/17 SCALE: NTS



PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

Unapproved Revit/Acrobat files are not for printing.

**FY 2017 FINANCIAL REPORT
FOR THE FIVE MONTH PERIOD
ENDING NOVEMBER 30, 2016**



**BOARD OF DIRECTORS' MEETING
JANUARY 19, 2017**



CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES ²

FOR THE FIVE MONTH PERIOD ENDING

NOVEMBER 30, 2016 AND 2015

(\$ 000'S)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT YEAR BUDGET
FY 2017 BUDGET VARIANCE ANALYSIS						
▪ OPERATING REVENUES- LOWER BY 0.4%	<u>6,561</u>	<u>6,586</u>	<u>(25)</u>	<u>6,447</u>	<u>114</u>	<u>14,250</u>
▪ LOWER THAN ANTICIPATED FUEL SALES WITHIN THE DPH, OFFSET BY:						
▪ INCREASED GOLF FEES- DUE TO INCREASE IN ROUNDS PLAYED / WEATHER.	2,537	2,525	12	2,367	170	5,807
▪ INCREASED CONCESSION REVENUES FROM HIGHER GRILL 28 SALES.	549	882	(333)	717	(168)	2,321
	300	286	14	303	(3)	722
	267	383	(116)	327	(60)	884
	104	93	11	92	12	223
	79	185	(106)	88	(9)	348
	<u>489</u>	<u>698</u>	<u>(209)</u>	<u>527</u>	<u>(38)</u>	<u>1,171</u>
	<u>4,325</u>	<u>5,052</u>	<u>(727)</u>	<u>4,421</u>	<u>(96)</u>	<u>11,476</u>
	<u>2,236</u>	<u>1,534</u>	<u>702</u>	<u>2,026</u>	<u>210</u>	<u>2,774</u>
OPERATING REVENUES (PAGE #3)						
OPERATING EXPENSES						
PERSONNEL SERVICES AND BENEFITS (PAGE #4 AND #5)						
BUILDINGS AND FACILITIES MAINTENANCE						
GENERAL AND ADMINISTRATIVE						
UTILITIES (PAGE #6)						
PROFESSIONAL SERVICES (PAGE #6)						
MARKETING AND PROMOTION						
ALL OTHER (PAGE #6)						
OPERATING INCOME						
NONOPERATING (INCOME) AND EXPENSE (PAGE #7)						
DEPRECIATION						
NET OPERATING INCOME						
	<u>6</u>	<u>37</u>	<u>(31)</u>	<u>28</u>	<u>(22)</u>	<u>89</u>
	<u>2,539</u>	<u>2,513</u>	<u>26</u>	<u>2,518</u>	<u>21</u>	<u>6,031</u>
	<u>(309)</u>	<u>(1,016)</u>	<u>707</u>	<u>(520)</u>	<u>211</u>	<u>(3,346)</u>

▪ **OPERATING COSTS- LOWER BY 14.4 %**

▪ COMPREHENSIVE FY 2016 YEAR END ACCRUAL PROCESS

▪ FUEL PROCUREMENT COSTS LOWER DUE TO LOWER DPH FUEL SALES.

▪ INDIRECT LABOR ALLOCATION TO BUILDINGS AND FACILITIES NOT BUDGETED.

▪ **NONOPERATING (INCOME) AND EXPENSES**

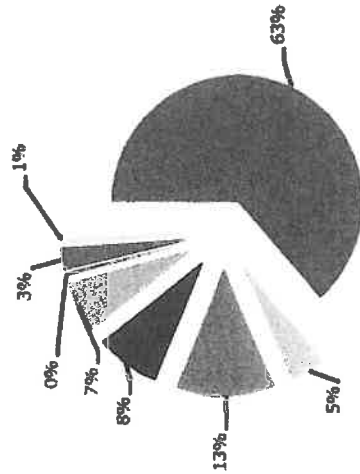
▪ INTEREST EXPENSE LOWER DUE TO LESS THAN ANTICIPATED CAPITAL EXPENDITURES.

CONSOLIDATED OPERATING REVENUES FOR THE FIVE MONTH PERIOD ENDING NOVEMBER 30, 2016 AND 2015

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT YEAR BUDGET
RENTAL OF FACILITIES	4,107	4,196	(89)	4,070	37	9,595
FEE REVENUES (SEE CHART)	1,473	1,414	59	1,467	6	2,910
FUEL SALES (SEE CHART)	444	566	(122)	504	(60)	870
CONCESSION REVENUE	163	166	(3)	157	6	337
GOLF MERCHANDISE	134	94	40	107	27	196
ALL OTHER- NET	240	150	90	142	98	342
	6,561	6,586	(25)	6,447	114	14,250

FEE REVENUES YEAR TO DATE

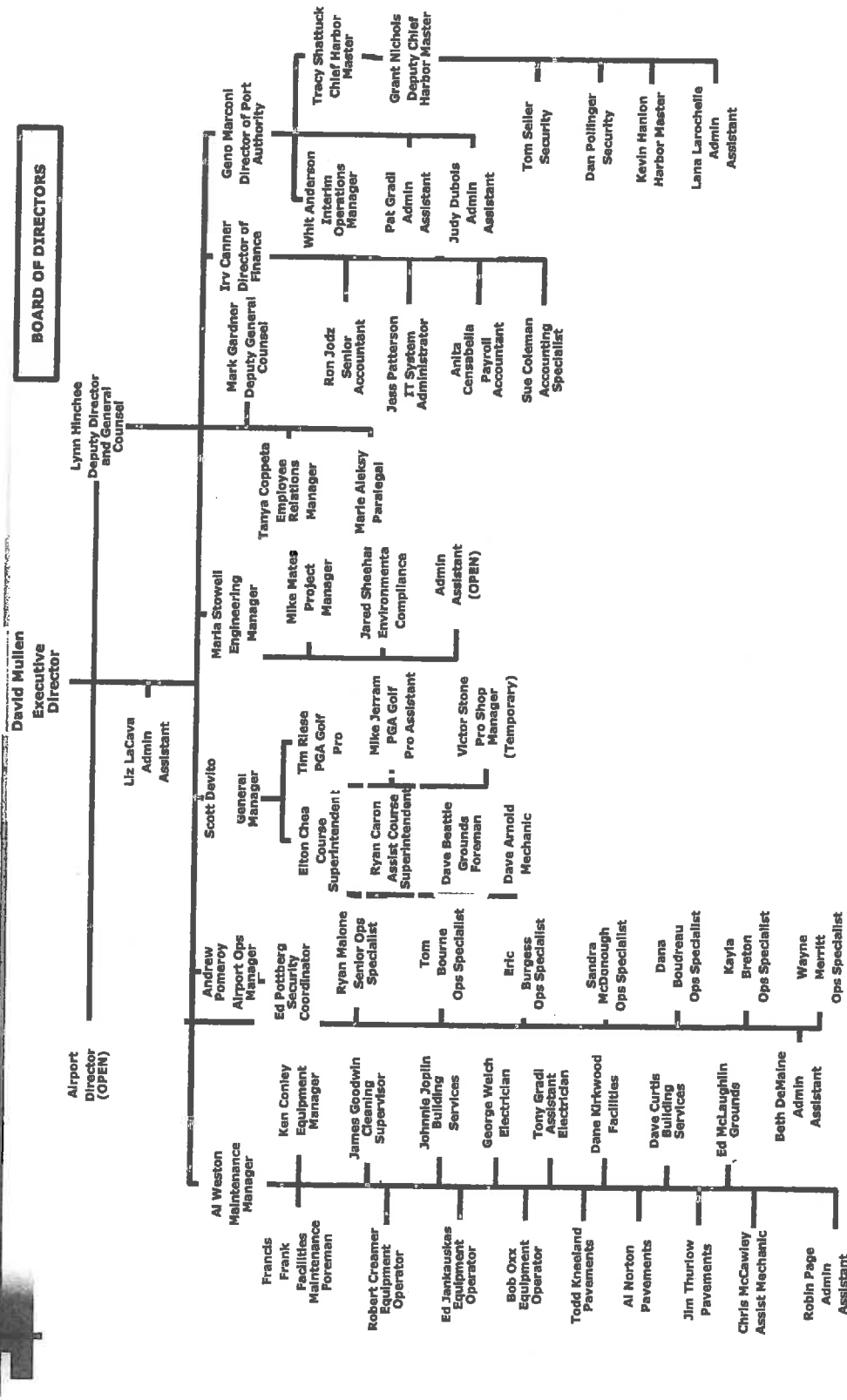


- GOLF FEES
- GOLF MEMBERSHIPS
- PARKING FEES
- PIER USAGE AND REGISTRATIONS
- WHARFAGE AND DOCKAGE
- MOORING FEES
- GOLF SIMULATOR
- ALL OTHER

	ACTUAL SALES	BUDGETED SALES	SALES VARIANCE	ACTUAL COGS	BUDGETED COGS	COGS VARIANCE
SKYHAVEN AIRPORT	43	59	(16)	36	43	(7)
PORTSMOUTH FISH PIER	228	305	(77)	167	288	(121)
RYE HARBOR	78	104	(26)	58	97	(39)
HAMPTON HARBOR	95	98	(3)	65	92	(27)
	444	566	(122)	326	520	(194)

FUEL ANALYSIS

PEASE DEVELOPMENT AUTHORITY ORGANIZATION CHART- NOVEMBER 30, 2016



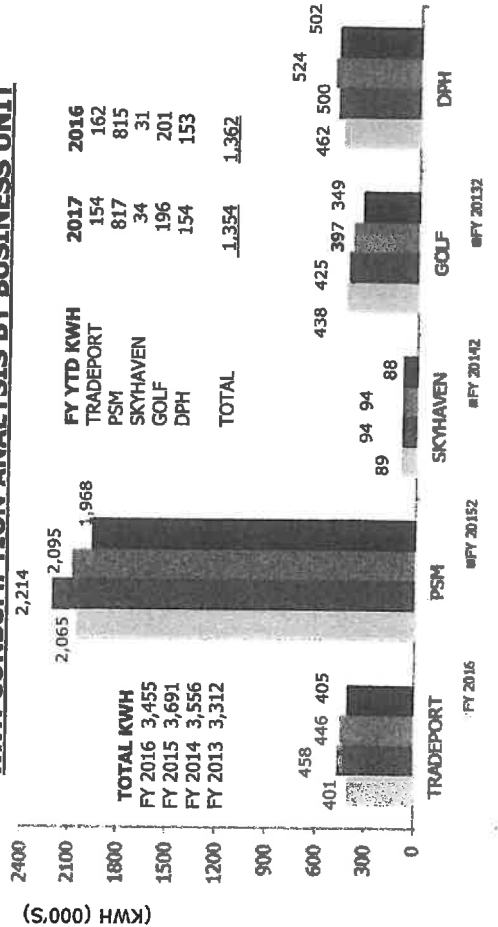
NOTE:
1, EXCLUDES, NON-BENEFITED EMPLOYEES, CONTRACT AND SEASONAL EMPLOYEES.

CONSOLIDATED OTHER OPERATING EXPENSES FOR THE FIVE MONTH PERIOD ENDING NOVEMBER 30, 2016 AND 2015

(\$ 000's)

UTILITIES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	PRIOR YEAR TO DATE ACTUAL	CURRENT YEAR BUDGET	PROFESSIONAL SERVICES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	PRIOR YEAR TO DATE ACTUAL	CURRENT YEAR BUDGET
ELECTRICITY	144	158	176	449	LEGAL	40	21	14	50
WASTE DISPOSAL	25	58	33	138	INFORMATION TECHNOLOGY	18	33	20	77
NATURAL GAS AND OIL	6	39	8	106	AUDIT	37	30	50	73
PROPANE	8	26	12	62	ALL OTHER- NET	9	9	8	23
WATER	84	102	98	129		<u>104</u>	<u>93</u>	<u>92</u>	<u>223</u>
	267	383	327	884					

KWH CONSUMPTION ANALYSIS BY BUSINESS UNIT



(KWH (000'S))

CONSOLIDATED NONOPERATING (INCOME) EXPENSE FOR THE FIVE MONTH PERIOD ENDING NOVEMBER 30, 2016 AND 2015

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	PRIOR YEAR TO DATE ACTUAL	CURRENT YEAR BUDGET	
INTEREST EXPENSE	9	38	(29)	29	92	INTEREST EXPENSE
INTEREST INCOME AND OTHER	(3)	(1)	(2)	(1)	(3)	YEAR TO DATE YEAR TO DATE BUDGET
(GAIN) / LOSS ON SALE OF ASSETS	-	-	-	-	-	FISCAL BUDGET
	<u>6</u>	<u>37</u>	<u>(31)</u>	<u>28</u>	<u>89</u>	PROVIDENT BANK CITY OF PORTSMOUTH TOTAL

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

SUMMARY OF INTERGOVERNMENTAL RECEIVABLES AS OF NOVEMBER 30, 2016

(\$ 000's)

PROJECT NAME	APPROVAL DATE	TOTAL PROJECT	GRANT AWARD	EXPENDED TO DATE	PDA SHARE	RECEIVED TO DATE	BALANCE DUE PDA	AMOUNT SUBMITTED
TRADEPORT MULTI-USE PATH	11-20-08	802	642	1,171	(243)	928	-	-
PSM ASR CONSTRUCTION PROJECT (SBG 1602)	04-16-13	2,150	2,044	1,912	(96)	1,766	50	-
PSM PAVEMENT AND DRAINAGE (SBG 1603)	11-06-13	1,310	1,244	1,163	(58)	1,105	-	-
PSM OBSTRUCTION REMOVAL / PERMIT/DESIGN (SBG 04-2014)	04-25-14	-	-	191	(10)	-	181	103
PSM RUNWAY 16-34 PRE-DESIGN	TBD	-	-	70	(70)	-	-	-
PSM TERMINAL BATHROOM RENOVATIONS	04-21-16	-	-	160	(17)	(61)	82	-
PSM SECURITY IDENTIFICATION SYSTEM (SBG 05-2016)	03-21-16	-	-	191	(10)	-	181	130
SKYHAVEN RUNWAY 15-33 (SBG 05-2012)	06-18-14	3,790	3,601	3,446	(327)	3,111	8	-
SKYHAVEN TAXILANE PAV AND DRAIN (SBG 06-2015)	03-31-15	-	-	116	(6)	110	-	-
SKYHAVEN RUN DESIGN AND RECON (SBG 04-2012)	09-04-13	567	539	533	(27)	500	6	6
DPH- UPGRADE PORT SECURITY AND SOFTWARE		59	59	5	-	-	5	-
							513	239

SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF NOVEMBER 30, 2016

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-16	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 11-30-16
PORTSMOUTH AIRPORT					
PSM TERMINAL BATHROOM RENOVATIONS (FAA- TBD)	65	96	-	96	161
PSM OBSTRUCTION PERMITTING AND DESIGN (FAA-TBD)	2	189	-	189	191
PSM RUNWAY 16-34 PRE-DESIGN (FAA- TBD)	53	17	-	17	70
PSM LIGHTING AND SOFTWARE UPGRADE	45	-	45	(45)	-
PSM ATCT PARTIAL DEMO AND REROOFING	40	257	-	257	297
PSM SECURITY IDENTIFICATION SYSTEM	71	119	-	119	190
PSM ASR CONSTRUCTION (SBG-16-02)	-	43	43	-	-
	<u>276</u>	<u>721</u>	<u>88</u>	<u>633</u>	<u>909</u>

SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF NOVEMBER 30, 2016 (CONTINUED)

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-16	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 11-30-16
SKYHAVEN AIRPORT					
RUNWAY 15-33 RECONSTRUCT-MARKING AND SIGNAGE (SBG 05-2012)	-	16	16	-	-
RUNWAY DESIGN AND RECONSTRUCTION (SBG 04-2012)	-	9	9	-	-
TAXILANE PAVEMENT AND DRAINAGE (SBG 06-2015)	116	-	116	(116)	-
	116	25	141	(116)	=
MAINTENANCE					
ELECTRICIAN VAN	-	65	65	-	-
DUMP TRUCK BODY	6	-	-	-	6
MITSUBISHI FORK LIFT TRUCK	-	28	28	-	-
	6	93	93	=	6

SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF NOVEMBER 30, 2016 (CONTINUED)

(\$ 000's)

<u>PROJECT NAME</u>	BALANCE AT 06-30-16	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 11-30-16
GOLF COURSE					
CLUBHOUSE EXPANSION (DESIGN ONLY)	64	-	-	-	64
SIMULATOR EQUIPMENT	-	13	13	-	-
GRILL 28 RESTAURANT MODIFICATIONS	-	2	-	2	2
WELL VIABILITY STUDY	-	1	-	1	1
	<u>64</u>	<u>16</u>	<u>13</u>	<u>3</u>	<u>67</u>
ADMINISTRATION					
	=	=	=	=	=

**SUMMARY OF CONSTRUCTION WORK IN PROGRESS
AS OF NOVEMBER 30, 2016** (CONTINUED):

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-16	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 11-30-16
TRADEPORT					
INTERSECTION AND INFRASTRUCTURE IMPROVEMENTS	31	-	-	-	31
LEE STREET HVAC UPGRADE	26	-	26	(26)	-
	<u>57</u>	=	<u>26</u>	<u>(26)</u>	<u>31</u>

SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF NOVEMBER 30, 2016 (CONTINUED):

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-16	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 11-30-16
DIVISION OF PORTS AND HARBORS					
WATER QUALITY IMPROVEMENT	-	-	-	-	-
TIGER GRANT APPLICATION (2016)	9	(9)	-	(9)	-
INSTALL EMERGENCY CALL BOXES	6	3	9	(6)	-
REPLACE FENDER PILES- PSF	-	12	12	-	-
FILE EXCHANGE SERVER	-	17	17	-	-
UPGRADE PORT SECURITY AND SOFTWARE	-	5	-	5	5
	<u>15</u>	<u>28</u>	<u>38</u>	<u>(10)</u>	<u>5</u>
TOTAL	<u>534</u>	<u>883</u>	<u>399</u>	<u>484</u>	<u>1,018</u>

LONG TERM LIABILITIES AS OF NOVEMBER 30, 2016

(\$ 000's)

SCHEDULE OF DEBT SERVICE REPAYMENT

DEBT HOLDER / INTEREST RATE	CURRENT PORTION	LONG TERM PORTION	TOTAL AMOUNT DUE
CITY OF PORTSMOUTH- WATER POLLUTION CONTROL NOTE @ 4.50%	116	349	465
TOTAL	<u>116</u>	<u>349</u>	<u>465</u>

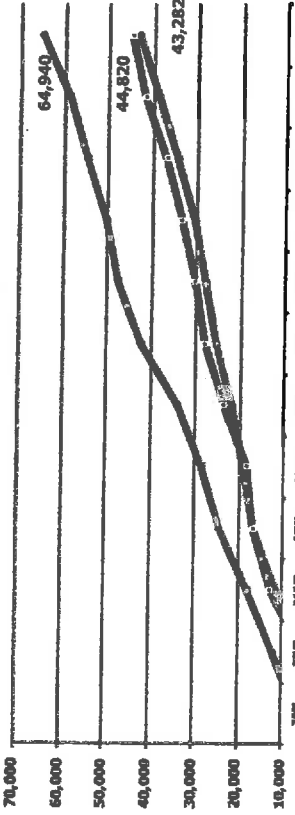
FISCAL YEAR	CITY OF PORTSMOUTH @ 4.50%
2017	116
2018	116
2019	116
2020	117
PAID IN FY 2017	465
TOTAL	<u>465</u>

STATEMENT OF OPERATIONS FOR THE FIVE MONTH PERIOD ENDING NOVEMBER 30, 2016 PORTSMOUTH AIRPORT

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	PRIOR YEAR TO DATE ACTUAL
OPERATING REVENUES	383	411	(28)	960	363
FACILITIES RENT	264	255	9	585	248
CARGO AND HANGARS	88	67	21	161	76
CONCESSION REVENUES	4	3	1	7	7
FEE REVENUES	1	66	(65)	156	14
ALL OTHER	26	20	6	51	18
	383	411	(28)	960	363
OPERATING EXPENSES					
PERSONNEL SERVICES AND BENEFITS	372	427	(55)	1,007	379
BUILDINGS AND FACILITIES MAINTENANCE	212	461	(249)	1,247	321
GENERAL AND ADMINISTRATIVE	67	60	7	145	69
UTILITIES	89	110	(21)	344	106
PROFESSIONAL SERVICES	-	-	-	-	-
MARKETING AND PROMOTION	7	8	(1)	19	9
ALL OTHER	-	-	-	-	-
OPERATING INCOME	(364)	(655)	291	(1,802)	(521)
NONOPERATING (INCOME) AND EXPENSE					
DEPRECIATION	1,516	1,583	(67)	3,800	1,598
NET OPERATING INCOME	(1,880)	(2,238)	358	(5,602)	(2,119)

ENPLANEMENT DATA



YEAR TO DATE	2014	2015	2016
JAN	10,000	10,000	10,000
FEB	15,000	15,000	15,000
MAR	20,000	20,000	20,000
APR	25,000	25,000	25,000
MAY	30,000	30,000	30,000
JUN	35,000	35,000	35,000
JUL	40,000	40,000	40,000
AUG	45,000	43,282	44,820
SEP	50,000	46,000	48,000
OCT	55,000	49,000	51,000
NOV	60,000	52,000	54,000
DEC	64,940	55,000	57,000



STATEMENT OF OPERATIONS FOR THE FIVE MONTH PERIOD ENDING NOVEMBER 30, 2016 SKYHAVEN AIRPORT

(\$ 000's)

OPERATING REVENUES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	PRIOR YEAR TO DATE ACTUAL	OPERATING REVENUES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	PRIOR YEAR TO DATE ACTUAL
	53	54	(1)	130	60						
CARGO AND HANGARS	43	59	(16)	120	62	OPERATING EXPENSES	16	19	(3)	46	15
FUEL SALES	-	-	-	1	-	PERSONNEL SERVICES AND BENEFITS	18	36	(18)	85	22
ALL OTHER	96	113	(17)	251	122	BUILDINGS AND FACILITIES MAINTENANCE	12	15	(3)	36	13
						GENERAL AND ADMINISTRATIVE	8	13	(5)	32	7
						UTILITIES	3	2	1	5	3
						PROFESSIONAL SERVICES	-	-	-	-	-
						MARKETING AND PROMOTION	36	43	(6)	102	54
						ALL OTHER- FUEL	93	128	(35)	306	114
						OPERATING INCOME	3	(15)	18	(55)	8
						NONOPERATING (INCOME) AND EXPENSE	-	-	-	-	-
						DEPRECIATION	156	120	36	290	90
						NET OPERATING INCOME	(153)	(135)	(18)	(345)	(82)

NET CASH FLOW	GALLONS OF FUEL SOLD	CURRENT MONTH	YEAR TO DATE	TOTAL YEAR	YTD AVE PRICE	GRANT FUNDS	TOTAL	CAPITAL EXPEND	DEBT REPAY	OPERA
FY 2017		2,825	14,707	26,851	\$ 4.20	451	205	(193)	-	(53)
FY 2016						2,834	(667)	(3,392)	-	(109)
FY 2015						769	(998)	(1,085)	(100)	(582)
FY 2009-2014						4,081	(1,455)	(4,695)	(100)	(741)

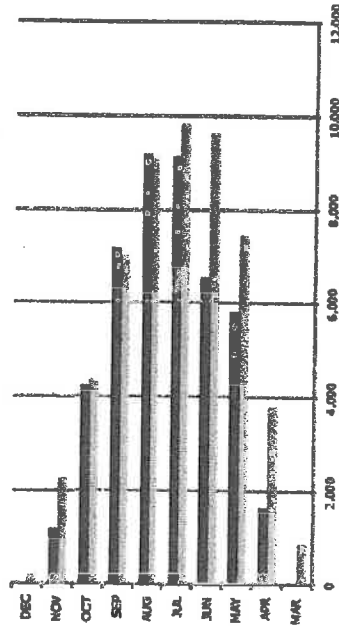
STATEMENT OF OPERATIONS FOR THE FIVE MONTH PERIOD ENDING NOVEMBER 30, 2016 TRADEPORT

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	PRIOR YEAR TO DATE ACTUAL
OPERATING REVENUES	3,553	3,603	(50)	8,208	3,455
RENTAL OF FACILITIES	3,417	3,547	(130)	8,062	3,404
ALL OTHER	136	56	80	146	51
	3,553	3,603	(50)	8,208	3,455
OPERATING EXPENSES					
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-
BUILDINGS AND FACILITIES MAINTENANCE	85	149	(64)	389	133
GENERAL AND ADMINISTRATIVE	20	19	1	47	19
UTILITIES	22	60	(38)	145	32
PROFESSIONAL SERVICES	-	-	-	-	-
MARKETING AND PROMOTION	-	68	(68)	68	20
ALL OTHER	27	58	(31)	140	25
	<u>154</u>	<u>354</u>	<u>(200)</u>	<u>789</u>	<u>229</u>
OPERATING INCOME	3,399	3,249	150	7,419	3,226
NONOPERATING (INCOME) AND EXPENSE					
DEPRECIATION	336	337	(1)	816	354
NET OPERATING INCOME	3,063	2,912	151	6,603	2,872

KEY GOLF COURSE BENCHMARKING DATA AS OF DECEMBER 31, 2016

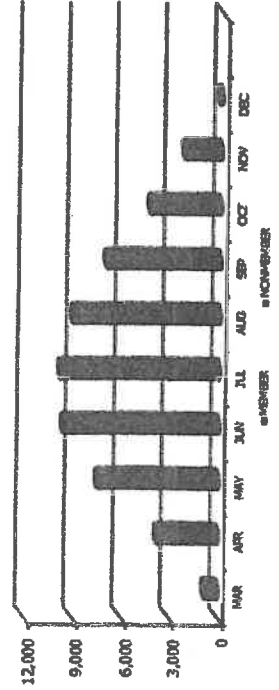
ROUNDS OF GOLF PLAYED (SEASON)



2016 YTD	2015 YTD	2016 RAIN DAYS	2015 RAIN DAYS
54,936	52,110	60	48

ROUNDS PLAYED 54,936 52,110 52,110
 RAIN DAYS 60 48 48

2016 MEMBER / NONMEMBER ROUNDS (SEASON)



GOLF SIMULATOR REVENUES

	FY 2017	FY 2016
JULY	\$ 148	\$ -
AUGUST	64	-
SEPTEMBER	-	345
OCTOBER	3,827	2,726
NOVEMBER	12,420	10,176
DECEMBER	21,198	14,417
JANUARY	-	24,246
FEBRUARY	-	26,504
MARCH	-	17,720
APRIL	-	6,002
MAY	-	963
JUNE	-	102
TOTAL	\$ 37,652	\$ 103,201

BAR AND GRILL GROSS SALES

	FY 2017	FY 2016
JULY	\$ 183,674	\$ 176,459
AUGUST	191,472	185,715
SEPTEMBER	160,353	166,667
OCTOBER	124,495	113,551
NOVEMBER	86,290	70,077
DECEMBER	108,400	105,175
JANUARY	-	84,682
FEBRUARY	-	81,582
MARCH	-	97,403
APRIL	-	106,478
MAY	-	155,744
JUNE	-	205,159
TOTAL	\$ 854,684	\$ 1,548,692

2016 ROUNDS-SEASON

MEMBER	17,327
NONMEMBER	37,609
TOTAL	54,936

2015 ROUNDS-SEASON

MEMBER	15,633
NONMEMBER	36,477
TOTAL	52,110

CLUB/ COURSE FUNCTIONS

	FY 2017 YTD	FY 2016 YTD
GROUPS 12-40	38,901	39,169
TOURNAMENT PLAY	127,347	107,785
LEAGUES	60,833	61,093
FOOD AND ROOM FEES	131,873	172,836

STATEMENT OF OPERATIONS FOR THE FIVE MONTH PERIOD ENDING NOVEMBER 30, 2016 PORT AUTHORITY OF NEW HAMPSHIRE (UNRESTRICTED)

(\$ 000'S)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	PRIOR YEAR TO DATE ACTUAL	OPERATING REVENUES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	FISCAL YEAR BUDGET	PRIOR YEAR TO DATE ACTUAL
OPERATING REVENUES	1,051	1,192	(141)	2,351	1,115	FACILITY RENTALS	281	271	652	276
OPERATING EXPENSES						CONCESSION REVENUE	5	5	6	5
PERSONNEL SERVICES AND BENEFITS	465	432	33	1,036	446	FEE REVENUE				
BUILDINGS AND FAC AND MAINTENANCE	44	58	(14)	167	49	MOORING FEES	136	140	335	137
GENERAL AND ADMINISTRATIVE	52	42	10	150	44	PARKING	87	83	114	89
UTILITIES	39	64	(25)	154	52	REGISTRATIONS	17	26	170	23
PROFESSIONAL SERVICES	11	11	-	26	13	WHARF / DOCK	70	106	225	81
MARKETING AND PROMOTION	-	1	(1)	2	-	FUEL SALES	310	355	844	330
ALL OTHER - FUEL	288	477	(189)	705	338	ALL OTHER	401	507	750	442
OPERATING INCOME	152	107	45	111	173	TOTAL	1,051	1,192	2,351	1,115
NONOPERATING (INCOME) AND EXPENSE						BUSINESS UNIT ANALYSIS				
DEPRECIATION	309	252	57	606	262	HAMPTON HARBOR	144	155	359	153
NET OP INCOME	(157)	(145)	(12)	(495)	(89)	RYE HARBOR	103	103	135	180
						PORTSMOUTH FISH PIER	37	37	224	(27)
						HARBOR MANAG	52	52	153	(152)
						ADMIN				

PEASE DEVELOPMENT AUTHORITY STATEMENT OF NET POSITION (EXCLUDING PORT AUTHORITY OF NEW HAMPSHIRE)

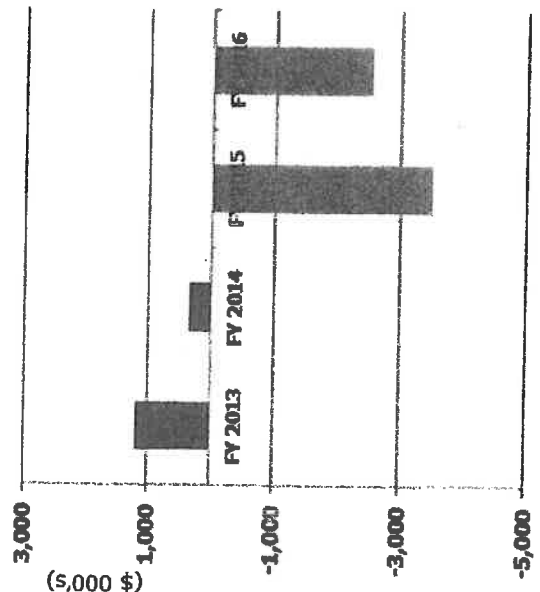
(\$ 000's)

	NOV 30 2016	JUN 30 2016	NOV 30 2016	JUN 30 2016
ASSETS				
CURRENT ASSETS				
CASH AND EQUIVALENTS	3,665	1,033	2,294	1,302
ACCOUNTS RECEIVABLE- NET	744	521	394	269
OTHER ASSETS	314	434	109	318
TOTAL CURRENT ASSETS	4,723	1,988	116	116
RESTRICTED ASSETS				
CASH AND EQUIVALENTS	-	-	-	-
ACCOUNTS RECEIVABLES- NET	-	-	-	-
TOTAL RESTRICTED ASSETS	-	-	-	-
CAPITAL ASSETS				
LAND, BUILDINGS AND EQUIPMENT	55,330	57,174	55,484	56,957
CONSTRUCTION IN PROCESS (PAGES #10-#14)	1,014	518	-	-
OTHER- LT RECEIVABLE	-	-	-	-
TOTAL ASSETS	61,067	59,679	(669)	(2,537)
DEFERRED OUTFLOWS OF RESOURCES	623	623	623	623
PENSION				
TOTAL NET POSITION	54,815	54,420	54,815	54,420
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	-	-	-	-
ACCOUNTS PAYABLE- CONSTRUCTION	-	-	-	-
UNEARNED REVENUE	-	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	-	-	-	-
TOTAL CURRENT LIABILITIES	-	-	-	-
NONCURRENT LIABILITIES				
NET PENSION LIABILITY	3,368	3,368	3,368	3,368
OTHER LT LIABILITIES	433	349	433	349
TOTAL LIABILITIES	3,801	3,717	3,801	3,717
DEFERRED INFLOWS OF RESOURCES				
PENSION	6,714	5,722	6,714	5,722
NET POSITION	161	161	161	161
NET INVESTMENT IN CAPITAL ASSETS	55,484	56,957	55,484	56,957
RESTRICTED FOR:				
REVOLVING LOAN FUND	-	-	-	-
HARBOR DREDGING	-	-	-	-
FOREIGN TRADE ZONE	-	-	-	-
UNRESTRICTED	(669)	(2,537)	(669)	(2,537)
TOTAL NET POSITION	54,815	54,420	54,815	54,420

DISCUSSION AND ANALYSIS

- CONTINUED FINANCIAL OBLIGATION TO SUPPORT NONGRANT RELATED CAPITAL PROJECTS AND DEBT REPAYMENT.
- REVENUE ESCALATION / CPI HAS BEEN EXCEEDED BY COST ESCALATION RELATIVE TO PERSONNEL SERVICES AND BENEFITS.

**NET UNRESTRICTED POSITION
AT JUNE 30**



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

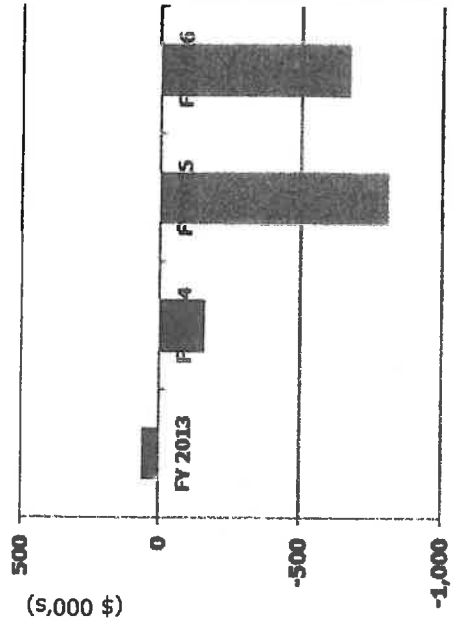
(\$ 000's)

	NOV 30 2016	JUN 30 2016	NOV 30 2016	JUN 30 2016
ASSETS				
CURRENT ASSETS				
CASH AND EQUIVALENTS	598	680	225	395
ACCOUNTS RECEIVABLE- NET	(19)	68	5	4
OTHER ASSETS	33	33	116	279
TOTAL CURRENT ASSETS	612	781	346	678
RESTRICTED ASSETS				
CASH AND EQUIVALENTS	-	-	-	-
ACCOUNTS RECEIVABLES- NET	-	-	888	888
TOTAL RESTRICTED ASSETS	-	-	907	888
CAPITAL ASSETS				
LAND, BUILDINGS AND EQUIPMENT	9,898	10,191	46	46
CONSTRUCTION IN PROCESS (PAGES #10-#14)	5	9	9,898	10,196
TOTAL ASSETS	9,903	10,200	1,253	1,566
DEFERRED OUTFLOWS OF RESOURCES	10,515	10,981	(529)	(674)
PENSION	153	153	9,369	9,522
TOTAL NET POSITION	153	153	9,369	9,522
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE				
ACCOUNTS PAYABLE- CONSTRUCTION				
UNEARNED REVENUE				
REVOLVING LOC FACILITY				
CURRENT PORTION- LT LIABILITIES				
TOTAL CURRENT LIABILITIES			346	678
NONCURRENT LIABILITIES				
NET PENSION LIABILITY			888	888
OTHER LT LIABILITIES			19	-
TOTAL LIABILITIES			907	888
DEFERRED INFLOWS OF RESOURCES			1,253	1,566
PENSION				
NET POSITION			46	46
NET INVESTMENT IN CAPITAL ASSETS				
RESTRICTED FOR:				
REVOLVING LOAN FUND				
HARBOR DREDGING				
FOREIGN TRADE ZONE				
UNRESTRICTED				
TOTAL NET POSITION			(529)	(674)

DISCUSSION AND ANALYSIS

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

**NET UNRESTRICTED POSITION
AT JUNE 30**



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

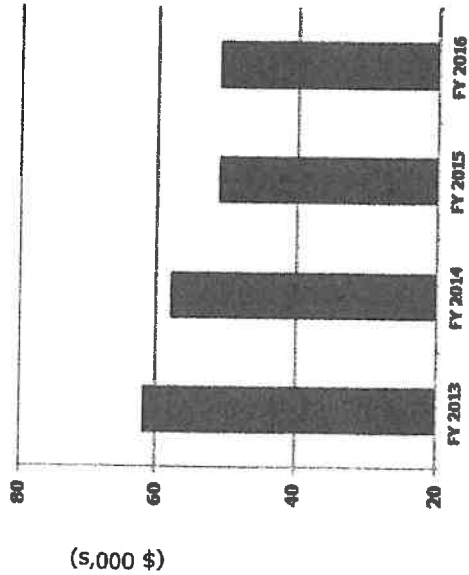
(\$ 000's)

	NOV 30 2016	JUN 30 2016	NOV 30 2016	JUN 30 2016
ASSETS				
CURRENT ASSETS				
CASH AND EQUIVALENTS	-	-	-	-
ACCOUNTS RECEIVABLE- NET	-	-	-	-
OTHER ASSETS	-	-	-	-
TOTAL CURRENT ASSETS	-	-	-	-
RESTRICTED ASSETS				
CASH AND EQUIVALENTS	49	51	49	51
ACCOUNTS RECEIVABLES- NET	5	-	5	-
TOTAL RESTRICTED ASSETS	54	51	54	51
CAPITAL ASSETS				
LAND, BUILDINGS AND EQUIPMENT	-	-	-	-
CONSTRUCTION IN PROCESS (PAGES #10-#14)	-	-	-	-
TOTAL ASSETS	54	51	54	51
DEFERRED OUTFLOWS OF RESOURCES				
PENSION	-	-	-	-
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	-	-	-	-
ACCOUNTS PAYABLE- CONSTRUCTION	-	-	-	-
UNEARNED REVENUE	-	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	-	-	-	-
TOTAL CURRENT LIABILITIES	-	-	-	-
NONCURRENT LIABILITIES				
NET PENSION LIABILITY	-	-	-	-
OTHER LT LIABILITIES	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
PENSION	-	-	-	-
NET POSITION				
NET INVESTMENT IN CAPITAL ASSETS	-	-	-	-
RESTRICTED FOR: REVOLVING LOAN FUND HARBOR DREDGING FOREIGN TRADE ZONE UNRESTRICTED	-	-	54	51
TOTAL NET POSITION	54	51	54	51

DISCUSSION AND ANALYSIS

- STEADY STATE WITH NO INDICATION OF FINANCIAL CHALLENGES.
- DURING FY 2016 WESTINGHOUSE ELECTRIC SUSPENDED THEIR PARTICIPATION IN FTZ

**NET RESTRICTED POSITION
AT JUNE 30**



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

(\$ 000's)

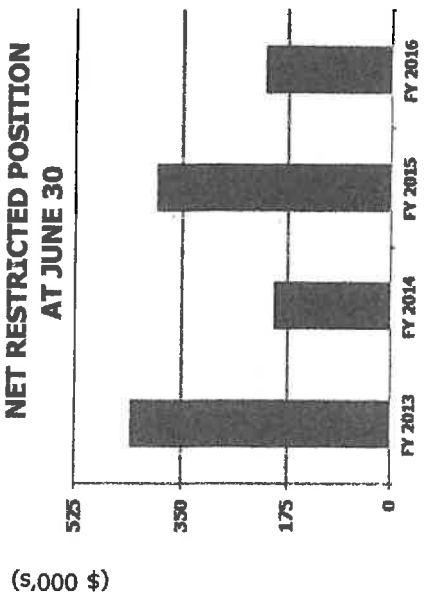
	NOV 30 2016	JUN 30 2016	NOV 30 2016	JUN 30 2016
ASSETS				
CURRENT ASSETS				
CASH AND EQUIVALENTS	-	-	252	265
ACCOUNTS RECEIVABLE- NET	-	-	-	6
OTHER ASSETS	-	-	-	-
TOTAL CURRENT ASSETS	-	-	-	-
RESTRICTED ASSETS			252	271
CASH AND EQUIVALENTS	477	473	-	-
ACCOUNTS RECEIVABLE- NET	-	3	-	-
TOTAL RESTRICTED ASSETS	477	476	252	271
CAPITAL ASSETS			-	-
LAND, BUILDINGS AND EQUIPMENT	686	692	-	-
CONSTRUCTION IN PROCESS (PAGES #10-#14)	-	6	686	692
TOTAL ASSETS	686	698	938	963
DEFERRED OUTFLOWS OF RESOURCES	1,163	1,174	225	211
PENSION	-	-	-	-
TOTAL NET POSITION	911	903	911	903
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	-	-	-	-
ACCOUNTS PAYABLE- CONSTRUCTION	-	-	-	-
UNEARNED REVENUE	-	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	-	-	-	-
TOTAL CURRENT LIABILITIES	252	271	252	271
NONCURRENT LIABILITIES				
NET PENSION LIABILITY	-	-	-	-
OTHER LT LIABILITIES	-	-	-	-
TOTAL LIABILITIES	252	271	252	271
DEFERRED INFLOWS OF RESOURCES			-	-
PENSION	-	-	-	-
NET POSITION			686	692
NET INVESTMENT IN CAPITAL ASSETS	-	-	-	-
RESTRICTED FOR:				
REVOLVING LOAN FUND	-	-	-	-
HARBOR DREDGING	-	-	225	211
FOREIGN TRADE ZONE	-	-	-	-
UNRESTRICTED	-	-	-	-
TOTAL NET POSITION	911	903	911	903

DISCUSSION AND ANALYSIS

CONTINUED FINANCIAL OBLIGATION TO SUPPORT UNREIMBURSED CAPITAL PROJECTS OR REPAIRS AND MAINTENANCE FOR PORT OPERATIONS.

- FY 2011- HAMPTON HARBOR \$ 140
- FY 2012- SEABROOK / HAMPTON 200
- FY 2013- TURNING BASIN 128
- FY 2014- TURNING BASIN 12
- SOUTH ACCESS BRIDGE 384
- FY 2015
- GROUND TRUCK SCALE 78
- ALL OTHER 25
- FY 2016
- TRUCK SCALE 40
- ALL OTHER 18
- FY 2017
- FENDER PILES 12
- EMERG CALL BOXES 4

**NET RESTRICTED POSITION
AT JUNE 30**



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

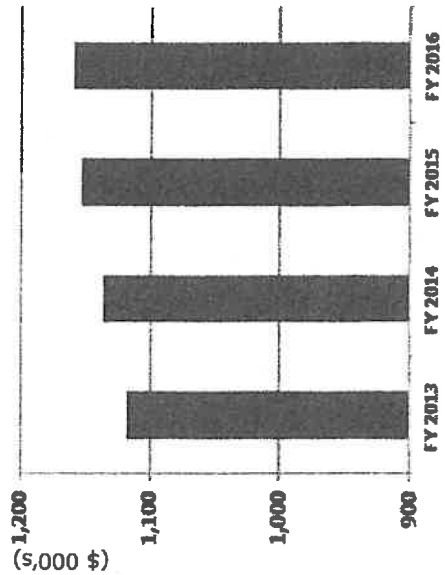
(\$ 000's)

	NOV 30 2016	JUN 30 2016	NOV 30 2016	JUN 30 2016
ASSETS				
CURRENT ASSETS				
CASH AND EQUIVALENTS	-	-	2	3
ACCOUNTS RECEIVABLE- NET	-	-	-	-
OTHER ASSETS	-	-	-	-
TOTAL CURRENT ASSETS	=	=	=	=
RESTRICTED ASSETS				
CASH AND EQUIVALENTS	78	78	2	3
ACCOUNTS RECEIVABLES- NET	1,093	1,084	-	-
TOTAL RESTRICTED ASSETS	1,171	1,162	=	3
CAPITAL ASSETS				
LAND, BUILDINGS AND EQUIPMENT	-	-	-	-
CONSTRUCTION IN PROCESS (PAGES #10-#14)	-	-	-	-
TOTAL ASSETS	1,171	1,162	1,169	1,159
DEFERRED OUTFLOWS OF RESOURCES				
PENSION	-	-	-	-
TOTAL NET POSITION	1,171	1,162	1,169	1,159
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	-	-	-	-
ACCOUNTS PAYABLE- CONSTRUCTION	-	-	-	-
UNEARNED REVENUE	-	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	-	-	-	-
TOTAL CURRENT LIABILITIES	=	=	=	=
NONCURRENT LIABILITIES				
NET PENSION LIABILITY	-	-	-	-
OTHER LT LIABILITIES	-	-	-	-
TOTAL LIABILITIES	=	=	=	=
DEFERRED INFLOWS OF RESOURCES				
PENSION	-	-	-	-
NET POSITION				
NET INVESTMENT IN CAPITAL ASSETS	-	-	-	-
RESTRICTED FOR:				
REVOLVING LOAN FUND	1,169	-	1,169	1,159
HARBOR DREDGING	-	-	-	-
FOREIGN TRADE ZONE	-	-	-	-
UNRESTRICTED	-	-	-	-
TOTAL NET POSITION	1,169	1,159	1,169	1,159

DISCUSSION AND ANALYSIS

- STEADY STATE WITH NO INDICATION OF ANY FINANCIAL CHALLENGES RELATIVE TO THE FUND BALANCE.
- CURRENT REGULATORY CLIMATE DOES HOWEVER POTENTIALLY CHALLENGE THE DEMAND FOR FUTURE LOANS AND POTENTIALLY, REPAYMENT OF CURRENT LOANS OUTSTANDING.

**NET RESTRICTED POSITION
AT JUNE 30**



**CASH FLOW PROJECTIONS FOR THE
NINE MONTH PERIOD ENDING
SEPTEMBER 30, 2017**

**BOARD OF DIRECTOR'S MEETING
JANUARY 19, 2017**



PEASE DEVELOPMENT AUTHORITY CASH FLOW SUMMARY OVERVIEW (EXCLUDING DIVISION OF PORTS AND HARBORS) JANUARY 1, 2017 TO SEPTEMBER 30, 2017

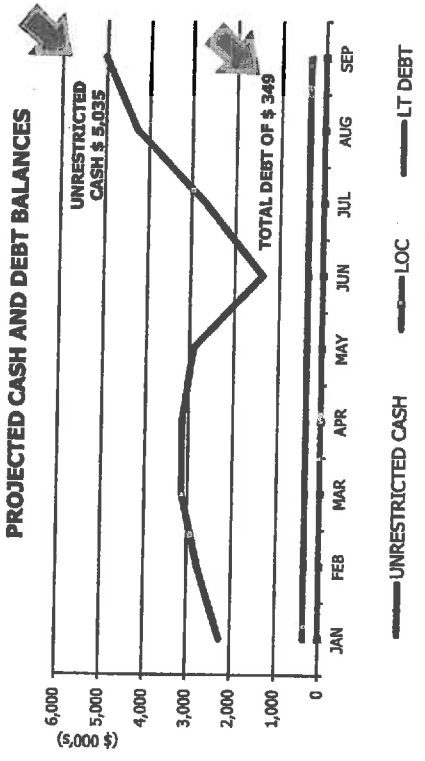
(\$ 000's)

	AMOUNT
OPENING FUND BALANCE	<u>1,725</u>
SOURCES OF FUNDS	
TRADEPORT TENANTS	6,900
GRANT AWARDS (SEE PAGE #8)	5,798
GOLF COURSE FEE AND CONCESSION REVENUES	1,280
PORTSMOUTH AIRPORT	420
SKYHAVEN AIRPORT HANGAR AND FUEL REVENUES	157
MUNICIPAL SERVICE FEE (COP)- NET	1,271
EXTERNAL BANK WORKING CAPITAL- NET	-
USES OF FUNDS	<u>15,826</u>
CAPITAL EXPENDITURES- GRANT (SEE PAGE #4)	6,648
PERSONNEL SERVICES AND BENEFITS	4,135
OPERATING EXPENSES	965
CAPITAL EXPENDITURES- NON GRANT (SEE PAGES #5-#7)	652
LONG TERM DEBT RETIREMENT	116
NET CASH FLOW	<u>12,516</u>
CLOSING FUND BALANCE	<u>3,310</u>
	<u>5,035</u>

DISCUSSION

THE PDA DOES NOT ANTICIPATE THE NEED TO FURTHER UTILIZE IT'S SHORT TERM LINE OF CREDIT WITH THE PROVIDENT BANK TO PRIMARILY FINANCE PROJECTED GRANT RELATED CAPITAL EXPENDITURES.

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



TOTAL FUND BALANCES	BALANCE AT 12-31-2016	BALANCE AT 06-30-2016
PDA UNRESTRICTED	1,725	1,022
PDA DESIGNATED	240	12
TOTAL	<u>1,965</u>	<u>1,034</u>

PEASE DEVELOPMENT AUTHORITY
STATEMENT OF CASH FLOW (EXCLUDING THE DIVISION OF PORTS AND HARBORS)
JANUARY 1, 2017 TO SEPTEMBER 30, 2017

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
OPENING FUND BALANCE	<u>1,725</u>	<u>2,249</u>	<u>2,768</u>	<u>3,143</u>	<u>3,150</u>	<u>2,919</u>	<u>1,370</u>	<u>2,688</u>	<u>4,281</u>	<u>1,725</u>
SOURCES OF FUNDS										
TRADEPORT TENANTS	1,075	595	615	1,075	600	615	1,080	620	625	6,900
GRANT AWARDS (SEE PAGE #8)	160	365	239	130	754	800	1,655	1,425	270	5,798
MUNICIPAL SERVICE FEE	375	250	250	375	250	250	375	250	250	2,625
GOLF COURSE	150	40	40	65	165	200	215	210	195	1,280
PORTSMOUTH AIRPORT	50	45	45	50	45	45	50	45	45	420
SKYHAVEN AIRPORT	16	16	16	17	18	18	19	18	19	157
WORKING CAPITAL RLOC- NET	-	-	-	-	-	-	-	-	-	-
	<u>1,826</u>	<u>1,311</u>	<u>1,205</u>	<u>1,712</u>	<u>1,832</u>	<u>1,928</u>	<u>3,394</u>	<u>2,568</u>	<u>1,404</u>	<u>17,180</u>
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	450	460	460	455	440	465	470	470	465	4,135
CAPITAL- GRANT RELATED (SEE PAGE #4)	515	174	175	963	1,456	1,500	1,425	370	70	6,648
CAPITAL- NONGRANT (SEE PAGES #5-#7)	95	43	85	187	52	95	60	35	-	652
MUNICIPAL SERVICE FEE	21	-	-	-	-	1,312	21	-	-	1,354
OPERATING EXPENSES	105	115	110	100	115	105	100	100	115	965
LONG TERM DEBT RETIREMENT	<u>116</u>	=	=	=	=	=	=	=	=	<u>116</u>
	<u>1,302</u>	<u>792</u>	<u>830</u>	<u>1,705</u>	<u>2,063</u>	<u>3,477</u>	<u>2,076</u>	<u>975</u>	<u>650</u>	<u>13,870</u>
NET CASH FLOW	524	519	375	7	(231)	(1,549)	1,318	1,593	754	3,310
CLOSING FUND BALANCE	<u>2,249</u>	<u>2,768</u>	<u>3,143</u>	<u>3,150</u>	<u>2,919</u>	<u>1,370</u>	<u>2,688</u>	<u>4,281</u>	<u>5,035</u>	<u>5,035</u>

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS) JANUARY 1, 2017 TO SEPTEMBER 30, 2017

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
GRANT REIMBURSEMENT										
PORTSMOUTH AIRPORT										
AIR NATIONAL GUARD TAXIWAY ALPHA	5	10	15	500	800	800	800	220	50	3,200
TERMINAL ENHANCEMENTS- STUDY **	-	-	75	125	-	-	-	-	-	200
TERMINAL ENHANCEMENTS **	-	-	-	175	250	200	125	-	-	750
OBSTRUCTION MITIGATION- PHASE II	20	20	20	10	6	-	-	-	-	76
IDENTIFICATION MANAGEMENT SYSTEM	80	80	50	3	-	-	-	-	-	213
RW PRELIMINARY DESIGN	5	5	-	-	-	-	-	-	-	10
ASR CONSTRUCTION (SBG 1602)	15	-	-	-	-	-	-	-	-	15
PAVEMENT AND DRAINAGE (SBG 1603)	10	-	-	-	-	-	-	-	-	10
BATHROOM RENOVATIONS	<u>150</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>159</u>
	<u>285</u>	<u>124</u>	<u>160</u>	<u>813</u>	<u>1,056</u>	<u>1,000</u>	<u>925</u>	<u>220</u>	<u>50</u>	<u>4,633</u>
SKYHAVEN AIRPORT										
RUNWAY CONSTRUCTION	225	50	-	-	-	-	-	-	-	275
TAXILANE PAVEMENT (CONSTRUCTION)	-	-	15	150	400	500	500	150	20	1,735
TAXILANE PAVEMENTS (DESIGN)	-	-	-	-	-	-	-	-	-	-
RUNWAY DESIGN	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>
	<u>230</u>	<u>50</u>	<u>15</u>	<u>150</u>	<u>400</u>	<u>500</u>	<u>500</u>	<u>150</u>	<u>20</u>	<u>2,015</u>
	<u>515</u>	<u>174</u>	<u>175</u>	<u>963</u>	<u>1,456</u>	<u>1,500</u>	<u>1,425</u>	<u>370</u>	<u>70</u>	<u>6,648</u>

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY

CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)

JANUARY 1, 2017 TO SEPTEMBER 30, 2017 (CONTINUED):

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
<u>NONGRANT REIMBURSEMENT</u>										
TRADEPORT										
WATER TOWER LOGO	-	33	-	-	-	-	-	-	-	33
OIL WATER SEPARATOR CLEANING	35	-	-	-	-	-	-	-	-	35
DRAINAGE DITCHES	10	-	-	-	-	-	-	-	-	10
SURFACE TRANSPORTATION PLAN	-	10	-	-	-	-	-	-	-	10
	<u>45</u>	<u>43</u>	-	-	-	-	-	-	-	<u>88</u>

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY

CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)

JANUARY 1, 2017 TO SEPTEMBER 30, 2017

(CONTINUED):

(\$ 000'S)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
<u>NONGRANT REIMBURSEMENT</u>										
SKYHAVEN AIRPORT										
RE-ROOF TERMINAL BUILDING **	=	=	=	=	=	=	=	25	=	25
ADMINISTRATION										
COMPUTERS / PRINTERS / SOFTWARE / SERVERS / TELECOMMUNICATIONS **	5	=	=	=	=	5	=	=	=	10
GOLF COURSE										
DEBRIS BLOWER **	-	-	-	8	-	-	-	-	-	8
GREENS ROLLER **	-	-	-	15	-	-	-	-	-	15
BLUE COURSE BRIDGES **	-	-	-	-	-	-	10	-	-	10
CLUBHOUSE EQUIPMENT **	-	-	-	-	-	-	50	-	-	50
ROUGH MOWER **	-	-	-	67	-	-	-	-	-	67
COURSE IRRIGATION ALTERNATIVES **	-	-	-	2	2	-	-	-	-	4
	=	=	=	92	2	=	60	=	=	154

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY
CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)
JANUARY 1, 2017 TO SEPTEMBER 30, 2017

(\$ 000's)

(CONTINUED):

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
<u>NONGRANT REIMBURSEMENT</u> (CONTINUED):										
PORTSMOUTH AIRPORT										
AIRFIELD RUNWAY RELAMPING (LED)	15	-	-	-	-	-	-	-	-	15
ROOF REPLACEMENT TERMINAL BUILDING	30	-	-	-	-	-	-	-	-	30
REROOFING OF HUT # 7 AND #8 **	-	-	50	-	-	-	-	-	-	50
NORTH WEATHER STATION GENERATOR **	-	-	35	-	-	-	-	-	-	35
PARKING LOT POLES- SIGNAGE **	-	-	-	10	-	-	-	-	-	10
TERMINAL CARPET REPLACEMENT **	=	=	=	=	=	25	=	=	=	25
	45	=	85	10	=	25	=	=	=	165
MAINTENANCE										
HVAC SYSTEM UPGRADE- 7 LEE STREET **	-	-	-	35	-	-	-	-	-	35
TERMINAL RTU **	-	-	-	50	50	-	-	-	-	100
75 ROCHESTER- FIRE ALARM **	-	-	-	-	-	-	-	10	-	10
VEHICLE FLEET REPLACEMENT **	=	=	=	=	=	65	=	=	=	65
	=	=	=	85	50	65	=	10	=	210
TOTAL NONGRANT	95	43	85	187	52	95	60	35	=	652

NOTE:
 ** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY

RECEIPT GRANT AWARDS (EXCLUDING THE DIVISION OF PORTS AND HARBORS) JANUARY 1, 2017 TO SEPTEMBER 30, 2017

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
PORTSMOUTH AIRPORT										
AIR NATIONAL GUARD TAXIWAY ALPHA	-	-	25	-	505	800	800	800	270	3,200
TERMINAL ENHANCEMENTS	-	-	-	-	-	-	-	500	-	500
OBSTRUCTION MITIGATION- PHASE II	-	50	-	-	40	-	-	-	-	90
IDENTIFICATION MANAGEMENT SYSTEM	-	100	-	-	10	-	-	-	-	110
RW PRELIMINARY DESIGN	-	-	9	-	9	-	-	-	-	18
ASR CONSTRUCTION (SBG 1602)	-	-	-	20	-	-	-	-	-	20
PAVEMENT AND DRAINAGE (SBG 1603)	-	20	-	-	-	-	-	-	-	20
BATHROOM RENOVATIONS	-	190	-	110	-	-	-	-	-	300
SKYHAVEN AIRPORT										
RUNWAY CONSTRUCTION	-	-	200	-	-	-	-	-	-	200
TAXILANE PAVEMENT- CONSTRUCTION	160	-	-	-	190	-	855	125	-	1,330
TAXILANE PAVEMENT- DESIGN	-	5	-	-	-	-	-	-	-	5
RUNWAY DESIGN	-	-	5	-	-	-	-	-	-	5
TOTAL GRANT	160	365	239	130	754	800	1,655	1,425	270	5,798

DIVISION OF PORTS AND HARBORS CASH FLOW SUMMARY OVERVIEW (EXCLUDING RESTRICTED FUNDS) JANUARY 1, 2017 TO NOVEMBER 30, 2017

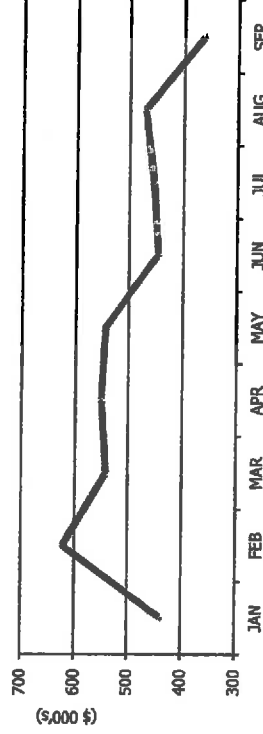
(\$ 000's)

	AMOUNT
OPENING FUND BALANCE	405
SOURCES OF FUNDS	
FACILITY RENTALS	486
MOORING FEES	325
REGISTRATIONS / WHARFAGE	200
FUEL SALES	235
PARKING FEES AND CONCESSIONS	189
	<u>1,435</u>
USES OF FUNDS	
PERSONNEL SERVICES AND BENEFITS	821
OPERATING EXPENSES	410
FUEL PROCUREMENT	217
CAPITAL EXPENDITURES	30
ALL OTHER	-
	<u>1,478</u>
NET CASH FLOW	(43)
CLOSING FUND BALANCE	362

DISCUSSION

- CURRENT SENSITIVITIES TOWARD FUTURE PROJECTIONS INCLUDE 1) ACCURACY OF CAPITAL EXPENDITURE FORECAST, 2) WORKERS COMPENSATION CLAIMS AND OR LEGAL SETTLEMENTS, 3) FUEL CONSUMPTION AND 4) CONTINUED CONTAINMENT OF EMPLOYEE OVERTIME.
- LEASE AGREEMENT WITH STATE OF MAINE DEPARTMENT OF TRANSPORTATION EXPIRES **DECEMBER 31, 2017**.
- \$ 252 LOAN AMORTIZATION PERIOD AND INTEREST RATE ASSOCIATED WITH HB 25-FN-A (PISCATAQUA RIVER TURNING BASIN), HAS YET TO BE DETERMINED.

PROJECTED UNRESTRICTED CASH BALANCES



TOTAL FUND BALANCES	BALANCE AT 12-31-2016	BALANCE AT 06-30-2016
UNRESTRICTED FUNDS	405	680
HARBOR DREDGING	491	473
FOREIGN TRADE ZONE	46	46
REVOLVING LOAN FUND	<u>90</u>	<u>78</u>
TOTAL	<u>1,032</u>	<u>1,277</u>

DIVISION OF PORTS AND HARBORS

STATEMENT OF CASH FLOW- UNRESTRICTED FUNDS

JANUARY 1, 2017 TO SEPTEMBER 30, 2017

11

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
OPENING FUND BALANCE	405	437	622	542	551	544	446	455	471	405
SOURCES OF FUNDS										
FACILITY RENTALS	53	53	54	54	54	54	54	55	55	486
CONCESSION REVENUES	-	-	-	2	3	2	3	4	-	14
MOORING FEES	65	200	60	-	-	-	-	-	-	325
REGISTRATIONS / WHARFAGE	20	40	15	50	10	15	15	20	15	200
PARKING FEES	-	-	-	10	15	35	35	45	35	175
FUEL SALES	20	20	25	30	30	30	30	25	25	235
	<u>158</u>	<u>313</u>	<u>154</u>	<u>146</u>	<u>112</u>	<u>136</u>	<u>137</u>	<u>149</u>	<u>130</u>	<u>1,435</u>
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	47	48	165	48	49	170	55	59	180	821
BUILDINGS AND FACILITIES	18	10	15	20	10	10	10	15	10	118
GENERAL AND ADMINISTRATIVE	10	11	9	12	9	11	10	11	12	95
UTILITIES	22	25	22	19	14	15	15	15	15	162
PROFESSIONAL SERVICES	-	15	-	-	10	-	-	10	-	35
FUEL PROCUREMENT	19	19	23	28	27	28	28	23	22	217
CAPITAL EXPENDITURES AND OTHER	10	-	-	10	-	-	10	-	-	30
	<u>126</u>	<u>128</u>	<u>234</u>	<u>137</u>	<u>119</u>	<u>234</u>	<u>128</u>	<u>133</u>	<u>239</u>	<u>1,478</u>
NET CASH FLOW	32	185	(80)	9	(7)	(98)	9	16	(109)	(43)
CLOSING FUND BALANCE	437	622	542	551	544	446	455	471	362	362

DIVISION OF PORTS AND HARBORS

STATEMENT OF CASH FLOW- HARBOR DREDGING FUND

JANUARY 1, 2017 TO SEPTEMBER 30, 2017

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
OPENING FUND BALANCE	491	499	496	503	511	478	442	450	417	491
SOURCES OF FUNDS										
PIER USAGE FEES	6	5	6	6	4	5	5	3	3	43
REGISTRATIONS	1	1	1	2	1	1	2	1	2	12
FUEL FLOWAGE FEES	2	3	2	2	2	2	2	3	3	21
	9	9	9	10	7	8	9	7	8	76
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	1	-	-	2	-	-	1	-	-	4
GENERAL AND ADMINISTRATIVE	-	2	-	-	-	2	-	-	-	4
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	2	-	-	2	-	-	2	6
ALL OTHER	-	10	-	-	40	40	-	40	60	190
	1	12	2	2	40	44	1	40	62	204
NET CASH FLOW	8	(3)	7	8	(33)	(36)	8	(33)	(54)	(128)
CLOSING FUND BALANCE	499	496	503	511	478	442	450	417	363	363

DIVISION OF PORTS AND HARBORS
STATEMENT OF CASH FLOW- FOREIGN TRADE ZONE
JANUARY 1, 2017 TO SEPTEMBER 30, 2017

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
OPENING FUND BALANCE	46	44	44	49	48	48	48	46	46	46
SOURCES OF FUNDS										
FACILITY RENTALS	-	-	5	-	-	-	-	-	-	5
ALL OTHER	-	-	-	-	-	-	-	-	-	-
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	2	-	-	1	-	-	2	-	-	5
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER	-	-	-	-	-	-	-	-	-	-
NET CASH FLOW	2	4	4	1	4	4	2	4	4	5
	(2)	-	5	(1)	-	-	(2)	-	-	-
CLOSING FUND BALANCE	44	44	49	48	48	48	46	46	46	46

DIVISION OF PORTS AND HARBORS

STATEMENT OF CASH FLOW- REVOLVING LOAN

JANUARY 1, 2017 TO SEPTEMBER 30, 2017

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	TOTAL
OPENING FUND BALANCE	<u>90</u>	<u>104</u>	<u>117</u>	<u>131</u>	<u>33</u>	<u>48</u>	<u>64</u>	<u>80</u>	<u>95</u>	<u>90</u>
SOURCES OF FUNDS										
LOAN REPAYMENTS	12	12	12	12	13	13	13	13	13	113
INTEREST INCOME-LOANS	4	4	4	4	4	5	5	5	5	40
INTEREST INCOME- FUND BALANCE	1	-	-	-	1	-	-	-	1	3
SEQUESTERED FUNDS	-	-	-	-	-	-	-	-	-	-
	<u>17</u>	<u>16</u>	<u>16</u>	<u>16</u>	<u>18</u>	<u>18</u>	<u>18</u>	<u>18</u>	<u>19</u>	<u>156</u>
USE OF FUNDS										
NEW LOANS ISSUED	-	-	-	112	-	-	-	-	-	112
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	-	-	-	-	-	-	-	-	-
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	3	3	2	2	3	2	2	3	2	22
ALL OTHER	-	-	-	-	-	-	-	-	-	-
NET CASH FLOW	14	13	14	(98)	15	16	16	15	17	22
CLOSING FUND BALANCE	<u>104</u>	<u>117</u>	<u>131</u>	<u>33</u>	<u>48</u>	<u>64</u>	<u>80</u>	<u>95</u>	<u>112</u>	<u>112</u>

MOTION

Director Preston:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Right of Entry with In Control Family Foundation, Inc. from January 1, 2017 through December 31, 2017, for the purpose of conducting closed course, hands-on crash prevention training on a portion of the North Apron, subject to FAA approval of the non-aviation use of the North Apron; and substantially on similar terms and conditions set forth in the draft Right of Entry dated January 20, 2017 attached hereto.

Note: Roll call vote required

N:\RESOLVES\InControl0117.docx

 **IN CONTROL**
CRASH PREVENTION TRAINING
The In Control Family Foundation, Inc

Filed as a non-profit 501(c)(3)
188 Main Street – Suite 202
Wilmington, MA 01887

978.658-4144
Fax 978.388.8443
www.DriveInControl.org

November 17, 2016

Marie S. Aleksy
Pease Development Authority
55 International Drive
Portsmouth, NH 03801

Dear Marie:

Per your request, I am writing to request approval for In Control to receive a one year Right of Entry to perform training at your facility for 2017. We have already been contacted by two insurance carriers (Hanover and Safety Insurance) about spring classes at Pease, so we're anxious to try to get some excitement around those visits this winter. Additionally a one year approval timeline would make attracting financial support to promote the program to teens and families much easier. We would not expect to have significantly more visits and would plan to work directly with airport management for prior approval well before each visit (as we do now).

In Control offers the nation's first state certified crash prevention training program graduating over 30,000 students with skills that will likely save their life someday. Car crashes are generally the #1 killer for people under age 45 and the statistics for teens are frightening. This program has been shown to drastically reduce crashes in drivers of all ages and receives countless praise from attendees, civic organizations, etc.

In Control has been recognized as a 501(c)(3) non-profit and works with a variety of partners to introduce our training to teens and their families across New England. The Exeter Area New Car Dealers have been kind enough to introduce us to your area and have offered subsidies to encourage teens to train with us.

If you have any specific concerns or questions, please do not hesitate to call or write. Thank you again for your time and support!

Sincerely,



Dan Strollo
President/Executive Director
Dan@DriveInControl.org
(617) 826-9805 mobile

We
are:



IN CONTROL FAMILY FOUNDATION

The Problem:

Motor vehicle crashes are the number one cause of death among young drivers and their passengers. More teens and young adults die in violent auto collisions each year in the United States than the number two through five causes of death combined. In terms of lowest number of fatalities from motor vehicle crashes per capita, the U.S.A. typically ranks 40th in the world. Countries that lead the world in safe driving require crash prevention training.

Our Mission:

To drastically reduce automobile crashes, fatalities and injuries.

Our Solution:

In Control provides a hands-on, high speed, learning experience where drivers are put through real world, emergency situations on a closed course. Our program is modeled upon the driver training that is required in the countries with the safest driving records. Trainees develop skills and build instinctual reactions to make the right decisions in high speed collision avoidance situations.

The In Control Difference:

In Control provides an active solution. We engage the community to keep safe driving awareness front & center and we get new drivers behind the wheel. Our Crash Prevention Training is the first state certified program of this kind in the United States. The results speak for themselves: our program has reduced crash rates in new drivers by 70%.

Our Commitment:

In Control is committed to saving lives by providing crash prevention training to all young drivers throughout New England and eventually beyond. We invest in community engagement efforts to educate parents and drivers of all ages about the dangers of driving and resources available to them. Long term, we believe this approach will influence the general public and legislators with the ambition that crash prevention training will be added to the Junior Operators Licenses requirements, everywhere.

What We've Accomplished

In Control has trained over 30,000 drivers, saving the lives of passengers and drivers who now know how to react in emergency situations. We constantly receive testimonials from course graduates and parents about crashes that have been avoided as a result of skills developed in our training. In Control works with the insurance industry, law enforcement, public and private organizations as well as key individuals to engage the community and to motivate others to attend our training.

Our History and How We Are Funded:

In Control was founded in 2009 and is now the In Control Family Foundation, a 501(c)(3) non-profit organization. In 2014 we were honored as a Nonprofit Excellence Award finalist by the Massachusetts Nonprofit Network. In 2015/16 we were privileged to be awarded over \$150k in grants from The Massachusetts Executive Office of Public Safety & Security. We receive funding from training participants, private donors, public and private grants, as well as corporate sponsors, who are inspired by our mission to save lives and reduce injuries due to motor vehicle crashes.

Learn More:

To learn more about us visit www.DriveInControl.org or call (978) 712-8350

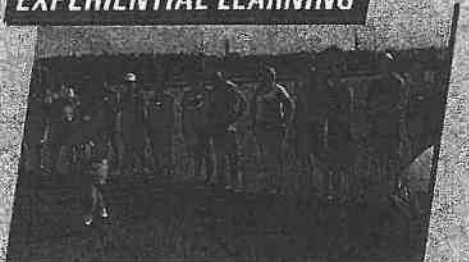
HANDS-ON



COMMUNITY ENGAGEMENT



EXPERIENTIAL LEARNING



January 20, 2017

Dan Strollo, President
The In Control Family Foundation, Inc.
188 Main Street, Suite 202
Wilmington, MA 01887

**Re: Right of Entry for Use of North Apron
Pease International Tradeport, Portsmouth, NH**

Dear Mr. Strollo:

This Right of Entry will authorize The In Control Family Foundation, Inc. ("In Control") and/or any agents or contractors to enter upon a portion of the above referenced Premises (see Exhibit A) effective from the date of FAA approval (see Paragraph 12 below) through December 31, 2017, for the purpose of conducting, at its sole risk, closed course, hands-on crash prevention training and for no other use without the express written consent of the Pease Development Authority ("PDA"). The use, occupation and maintenance of the Premises shall be: (a) without cost or expense to the PDA; (b) subject to the general supervision and approval of the PDA; and (c) subject to such rules and regulations as the PDA may prescribe from time to time. This Right of Entry shall terminate at midnight on December 31, 2017

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

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

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

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

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

5. In Control understands and acknowledges that for each specific period of use requested during the Term, In Control shall coordinate with and shall obtain prior approval from the PDA Airport Management Department for use of the Premises. Authorization for use of the Premises shall be granted on a "first come first served" basis to equal priority users. PDA reserves the right to schedule use of the Premises for high priority users whenever necessary.

6. In Control understands and agrees that it will not enter the premises or conduct crash prevention training during the Term of this Right of Entry without the express prior approval of PDA.

7. In Control covenants and agrees that at no time during the use of the North Apron shall any testing be performed within 200 feet of the area utilized by the National Guard.

8. In Control agrees to pay PDA a user's fee in the amount of One Hundred Ninety-One and 78/100 Dollars (\$191.78) per day for each day the premises are used for crash prevention training. On the first day of each month during the term of this Right of Entry, PDA will bill In Control for the user's fee incurred during the previous month.

9. In Control hereby acknowledges that vehicles will enter and exit the premises through Gate 12. Access to Gate 12 must be arranged in advance through the PDA Airport Operations Department (603) 433-6536.

10. In Control agrees that during each training period, the training area shall be designated by the placement of orange traffic cones around the perimeter of the training area. Except during the training sessions, In Control hereby acknowledges and agrees for itself, and its agents shall observe the 15 MPH speed limit, and access to and from the training session shall be made in vehicles which are lighted and marked as required in the sole discretion of the PDA Airport Operations Manager.

11. In Control acknowledges and agrees that it will be responsible for snow removal that is needed for its operations. Snow removal operations must meet the requirements of PDA Airport Operations and will not impede aircraft operations or the operations of other airfield tenants. In Control acknowledges that because there is no stormwater discharge permit in the Right of Entry Area, no deicing chemicals or salt will be used or permitted on the Airport Operations Area ("AOA"). In Control further acknowledges that if sand is needed, In Control shall make arrangements with the PDA Maintenance

Dan Strollo, President
The In Control Family Foundation
January 20, 2017
Page 3

Division for the purchase of FAA-grade sand. Only FAA-grade sand supplied by the PDA Maintenance Division will be permitted to be used.

12. This Right of Entry is subject to the receipt of a written FAA Determination that the project: a) poses no hazard to air navigation and b) is determined to be compliant with the airports federal obligations and assurances. This determination requires the applicant to file FAA Form 7460-1 "Notice of Proposed Construction or Alteration" with the FAA at least 45 days prior to the proposed project start date.

13. The North Apron is part of the Airport Security Identification Display Area ("SIDA"). Designated representatives of the In Control will be required to obtain security badges and qualify as escorts in order for representatives, employees and agents of the In Control to gain access to and remain on the North Apron. While in the SIDA, escort procedures per the requirements of the Pease International Airport Security Program must be met. Prior to accessing the North Apron, all persons providing SIDA escort must undergo verification of their criminal history for the past ten (10) years, attend a training class that is offered no more than once every two weeks and pay any applicable fees. Information regarding escort requirements can be obtained by calling the Airport Operations Department at (603) 433-6536, Monday through Friday, 8:00 a.m. to 5:00 p.m. No representative, employee or agent of the In Control will be allowed in the SIDA without escorts meeting the requirements of the Pease International Airport Security Program.

Please indicate by your signature or the signature of a duly authorized representative, the consent of the In Control to the terms of this Right of Entry and return the same to me before testing begins.

Sincerely,

David R. Mullen
Executive Director

Agreed and accepted this ____ day of _____, 2017

The In Control Family Foundation, Inc.

By: _____
Duly Authorized


cc: Andrew Pomeroy, Airport Operations Manager
Mark H. Gardner, Deputy General Counsel

P:\ROE\In Control\InControlCrashROE2017.docx

EXHIBIT "A"

PREMISES

MEMORANDUM

To: Pease Development Authority Board of Directors
From: David R. Mullen, Executive Director 
Date: January 19, 2017
Re: Sublease between Pioneer Aviation LLC and Imagic, 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 Pioneer Aviation LLC ("Pioneer") and Imagic, Inc. for 5,320 square feet located at 125 Aviation Avenue, The Pioneer/ Imagic, Inc. lease is for a base term of five (5) years effective December 1, 2016. Imagic, Inc., a software developer, will use the premises for general offices.

The Delegation to Executive Director: Consent, Approval of Subleases provides that:

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

1. The use of the Subleased Premises associated with the sublease is permitted under the original 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 Pioneer's continued primary liability for payment of rent and other obligations pursuant to the PDA/Pioneer Sublease.

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 Lamson was consulted and granted her consent.

MOTION

Director Loughlin:

The Pease Development Authority Board of Directors authorizes the Executive Director to execute such document necessary and desirable to grant an option to Two International Group, LLC ("TIG") for the 11 acre parcel located at 100 New Hampshire Avenue, for a period of six (6) months at a fee of \$12,100.00; with one (1) six (6) month option to extend at a fee of \$24,200.00 exercisable by mutual agreement of the parties; all on substantially the same terms and conditions set forth in the Option Agreement and Term Sheet attached hereto.

N:\RESOLVES\TwoIntlOption100NH0117.docx

OPTION AGREEMENT AND TERM SHEET

OPTIONOR: Pease Development Authority ("PDA" or "Lessor")
OPTIONEE: Two International Group, LLC ("Client" or "Lessee")
PREMISES: 100 New Hampshire Avenue, Pease International Tradeport
DATE: _____, 201____

This Option Agreement and Term Sheet (the "Agreement"), when executed, shall be effective as of _____, 2017

WHEREAS, PDA is the owner of certain property located at 100 New Hampshire Avenue (formerly known as 80 Rochester Avenue) Pease International Tradeport, Portsmouth, NH (the "Premises" or "Property"); and

WHEREAS, PDA and CLIENT desire to enter into this Agreement to grant Client an option to lease the Property from PDA pursuant to the option terms and conditions set forth in this Agreement. PDA and CLIENT are each sometimes referred to in this Agreement as a "Party" and are sometimes collectively referred to as the "Parties".

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed by the parties hereto, the PDA and Client hereby agree to the option terms and conditions as follows:

1. Option and Option Area

Following execution of this Agreement, Client shall have an exclusive right and option to lease the land (the "Option") described generally as 100 New Hampshire Avenue and consisting of 11+/- acres as more particularly shown on the plan attached hereto and incorporated herein as Exhibit "A" (the "Option Area"), for general office use. The "Option Period" shall be a period of six (6) months beginning the effective date first above written, for which Client shall pay PDA an option rate of **\$12,100.00** (the "Option Payment").

2. Option Payment(s)

The first Option Payment in the amount of **\$12,100.00** for the first Option Period shall be due and payable upon execution of this Agreement.

At least _____ () days prior to the expiration of the Option Period, but not later than _____, 201____, Client shall provide written notice to PDA of its request to extend the Option Period for one additional six (6) month period (the "Option Extension Period"). Said notice shall be accompanied by payment of an Option Payment to PDA of **\$24,200.00** for the Option

Extension Period.

Client acknowledges that any extension of the Option Period shall require consent of the PDA Board of Directors and be further subject to the Client demonstrating to PDA that it has made substantial progress with respect to the development of the parcel. In the event the PDA Board of Directors does not consent to the Option Extension Period, the additional Option Payment for said Option Extension Period shall be returned to Client and the Option Period shall be deemed to have terminated on _____, 201 ____.

3. Exercise of Option

The Option may be exercised by Client at any time prior to the expiration of the Option Period by providing written notice (the "Option Exercise Notice") of such exercise to PDA prior to the expiration of the Option Period.

Upon the valid exercise of the Option, Client and PDA shall negotiate a Lease Agreement (the "Lease") for the Option Area on terms and conditions mutually agreeable to the parties at an initial base rent of \$16,500 per acre per year. The Lease shall be subject to Client's obligation to (i) obtain all necessary governmental approvals, including approval of the PDA Board of Directors, as may be required in connection with its exercise of the Option; (ii) an initial base term of not more than 40 years; (iii) an initial base rent of \$16,500 per acre per year and subject to annual escalation as such escalation shall be set forth in the Lease; (iv) payment of a municipal services fee in accordance with the provisions of RSA 12-G:14; and (v) shall be subject and subordinate to the Federal Grant Assurances to which PDA is subject.

Except as otherwise specifically agreed in writing by the Parties, if a Lease has not been executed or if all necessary governmental approvals required to commence construction on the Option Area, as contemplated by Client, have not been obtained within one hundred eighty (180) days of the Option Exercise Notice, Client shall have no further rights to the Option Area and the property shall revert to PDA.

4. Access to Option Area

PDA agrees to permit Client or its representative to undertake such reasonable environmental and/or geotechnical investigations of the Option Area as Client shall request in writing to PDA, provided that such rights may be exercised only: (i) during the time that this Agreement has not terminated; and (ii) subject to the execution of a right of entry setting forth the specific rights and obligations of the Parties and the provision of required insurance to protect the interests of PDA.

5. Termination of Option

Notwithstanding any other provision of this Agreement, and in addition to the termination provisions provided herein, the Option shall terminate automatically on the failure to extend the Option Period for a successive six (6) month period.

Upon expiration or termination of the Option without exercise of the Option Exercise Notice, Client shall have no further right to the Option Area and it shall revert to PDA.

EXECUTION

IN WITNESS WHEREOF, Lessor and Client have executed this Agreement effective as of the ____ day of _____, 2017

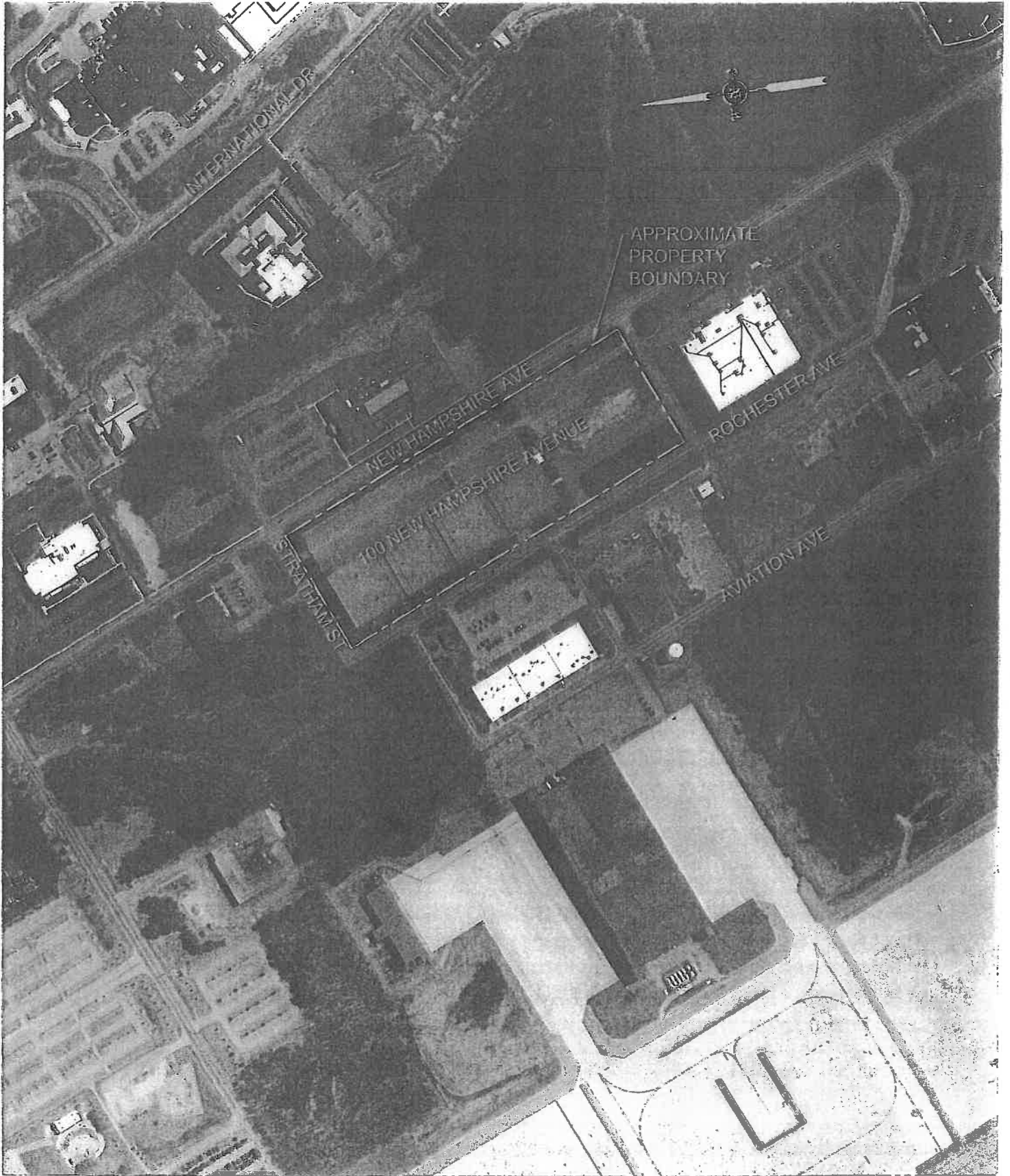
PEASE DEVELOPMENT AUTHORITY

By: _____
Its: Executive Director

TWO INTERNATIONAL GROUP, LLC

By: _____
Its: _____

EXHIBIT A
OPTION AREA



100 NEW HAMPSHIRE AVE SITE PLAN

DESIGNED BY: MRM

DATE: 6/1/15

SCALE: 1"=400'



MOTION

Director Lamson:

The Pease Development Authority Board of Directors hereby approves of the proposed sign for Wentworth - Douglass Hospital at 73 Corporate Drive; all in accordance with the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated January 11, 2017 attached hereto.

Note: Roll Call Vote required

N:\RESOLVES\SignsWDouglass0117.docx

MEMORANDUM

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

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

Date: January 11, 2017

Subject: Sign Approval Request for Wentworth-Douglass at 73 Corporate Drive

Wentworth-Douglass is seeking approval to place additional signage on their lot located at 73 Corporate Drive. As shown on the attached drawings, three new signs are being proposed and one existing sign will be updated. Specifically, Wentworth-Douglass is proposing:

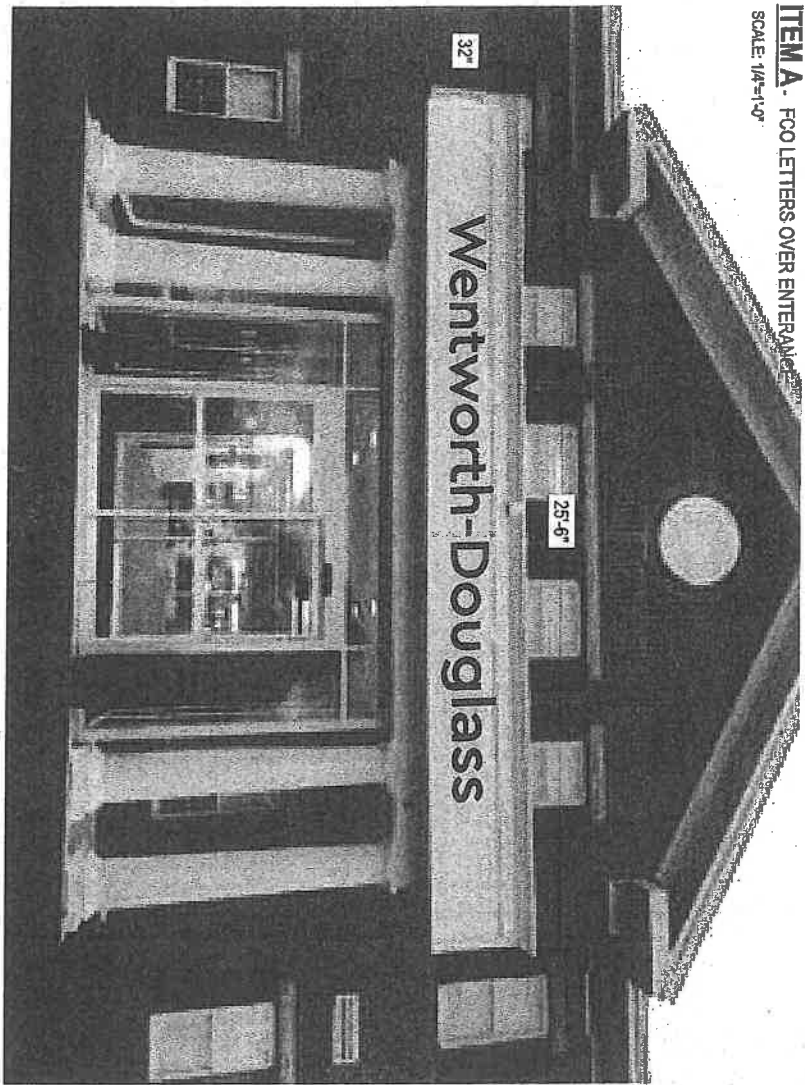
1. the installation of a new sign measuring 1' - 8.75" x 17' - 9.25" or 30.7 square feet. It will not be illuminated and will be placed on the west side of the building facing NE Rehab Hospital.
2. the installation of two new wayfinding signs along their driveway north of NE Rehab Hospital to help direct customers down the long drive to their facility. Each sign is 5 square feet for a total of 10 square feet
3. to update their existing free standing sign along Corporate Drive. They are proposing to add text that describes the services provided at their facility. This additional signage measures 1' - 9" x 9' - 10" or 17.2 square feet.

There currently exists two other signs on site that total 113.9 square feet. Together with the newly proposed signage, Wentworth-Douglass will have 171.8 square feet of signage on their lot which is below the 200 square foot maximum.

As proposed, these signs meets the dimensional requirements and all other conditions of the PDA Land Use Controls.

At this month's meeting, please ask the Board to approve the new signage as proposed.

ITEM A. FCO LETTERS OVER ENTRANCE
 SCALE: 1/4"=1'-0"



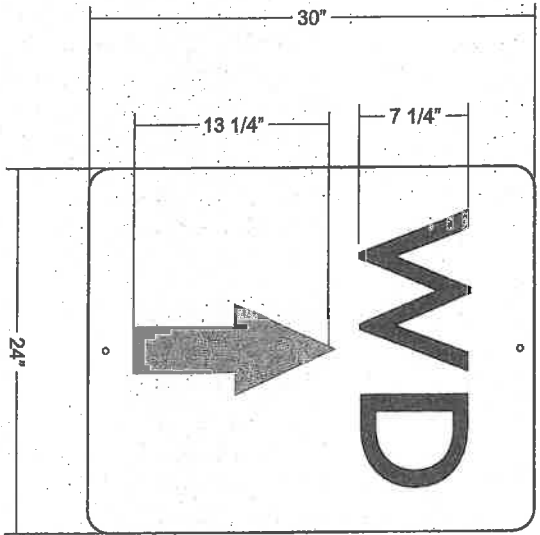
JOB#:

FACE:	Black Acrylic	3630-36 Blue
RETURN:	Black Acrylic	
TRIMCAP:	N/A	
BACKS:		
RACEWAY:		
Blgd Color:		

SCOPE OF WORK
 Manufacture and install (1) Set of 15/16" Flat Out Letters with Colors as described above. OAL of letters is 17" - 9 1/4". Letters are mounted centered left and right and the 'W' is centered up and down on the fascia. Letters to be stud mounted with spacers to miss fasteners on fascia.

Job Name: Wentworth-Douglass Hospital Primary Care at Pease		
Location: 73 Corporate Dr. Portsmouth, NH 03801-2947		
Drawn By:	MGB	
Client:	State Hosp. MAINT	
Landlord:	PH. KC	
Date:	12/14/16	
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Designer:	Dash	
Engineer/Trkr:	Dash	
Estimating:	Dash	
Sales:	Dash	
Production:	Dash	
Installation:	Dash	
File Name:	Wentworth-Douglass Hospital 161201305	
Date:	B-16-12-01305	
SHEET: 1.0		

ITEM B - S/F WAYFINDING REFLECTIVE PANELS
 SCALE: 1 1/2"=1'-0"



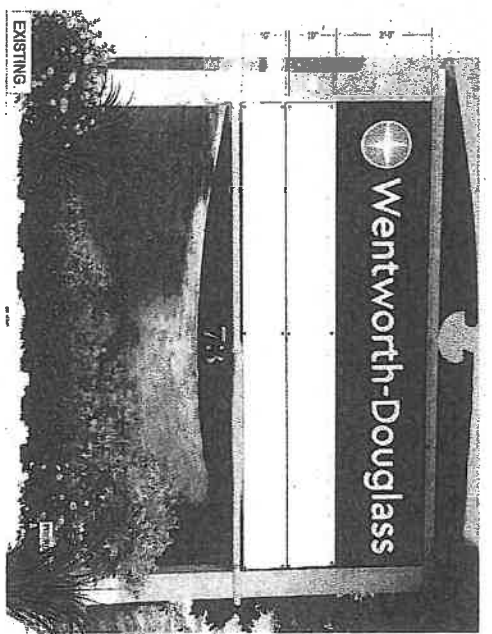
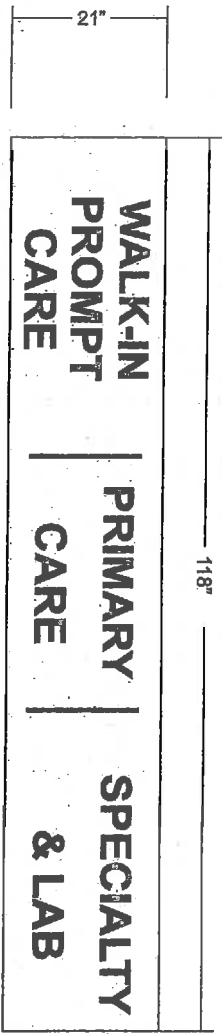
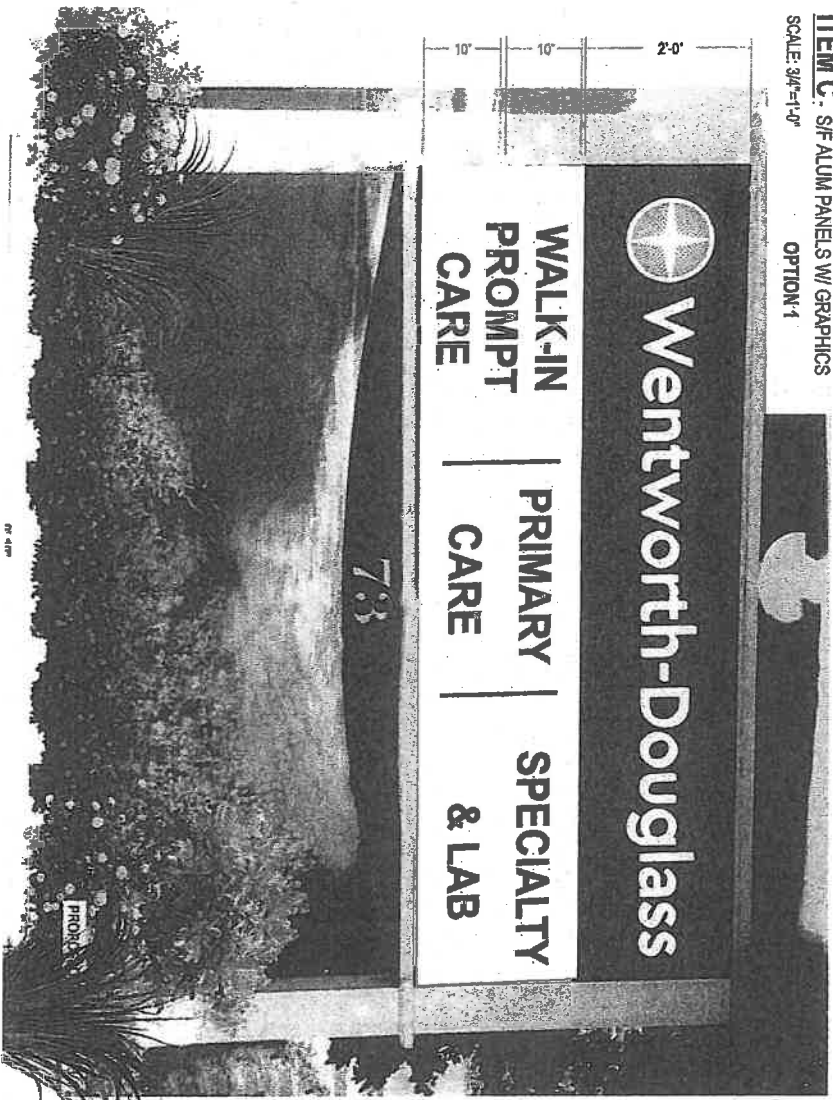
QTY: (2)

JOB#:

PROJEC/ASSEMBLY		DATE: 12/14/16	
Location:	73 Corporate Dr. Portsmouth, NH 03801-2847	Drawn By:	MGB
Client:	Wentworth-Douglass Hospital	Sales Rep:	MALE
Landlord:		Proj. No.:	KC
Project:		Date:	12/14/16
Estimate No.:		<small>© COPYRIGHT 2016 THE BARDI GROUP THE BARDI GROUP IS THE SOLE OWNER OF THE BARDI SIGNS AND MARKING SYSTEMS. ALL RIGHTS ARE RESERVED. THE BARDI SIGNS AND MARKING SYSTEMS ARE THE PROPERTY OF THE BARDI GROUP. THE BARDI SIGNS AND MARKING SYSTEMS ARE NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM. THE BARDI SIGNS AND MARKING SYSTEMS ARE THE PROPERTY OF THE BARDI GROUP. THE BARDI SIGNS AND MARKING SYSTEMS ARE NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM.</small>	
Production:			
Installation:		Job Name: Wentworth-Douglass Hospital 161201305 J CO. 12-16-16 SHEET: 2.0	

Manufacture and Deliver (2) 24"x30" Reflective Background S/F Signs with Vinyl copy and to mounting holes. To be delivered by sales or crew.

ITEM C: S/F ALUM PANELS W/ GRAPHICS
SCALE: 3/4"=1'-0"
OPTION-1



JOB#:

Project Name:	Wentworth-Douglass Hospital Primary Care at Peace
Location:	73 Corporate Dr. Portsmouth, NH 03801-2847
Client:	Wentworth-Douglass Hospital
Landlord:	
Design:	MGH
Drawn By:	MAL
Scale:	1/4"=1'-0"
Date:	12/14/16
Project Approval:	
Design:	
Estimating:	
Sales:	
Production:	
Installation:	

SCOPE OF WORK

Manufacture and Install (2) 21'x118' White BEA Face Overlays with VHS and Silicone with applied vinyl graphics

PROJECT APPROVAL

COMMITMENT 2016 THE BARTO GROUP

BARTO SIGNS

121 Grand St., Hudson, NH 03051
 (603) 882-2700
 Fax: (603) 882-2710
 www.bartosigns.com

The Name: Wentworth-Douglass Hospital 161201305 J CO 12-18-16

B-16-12-01305 SHEET 2.0

MEMORANDUM

TO: Pease Development Authority Board of Directors
FROM: David R. Mullen, Executive Director 
RE: Contract Reports
DATE: January 19, 2017

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

1. Project Name: Alternative Sales
PDA Obligation \$3,676.47
Board Authority: Director Allard
Summary: For the purchase and installation of an LP Griddle and an LP Charbroiler in the Golf Course Clubhouse kitchen.

In accordance with the "Delegation to Executive Director: Consent, Approval and Execution of Documents and Expenditures for Emergency Repairs", PDA entered into the following contract:

1. Project Name: Eckhardt & Johnson, Inc.
PDA Obligation \$22,150
Board Authority: Vice-Chairman Loughlin
Summary: For emergency replacement of the HVAC system at the PSM Terminal by Eckhardt & Johnson, Inc., PDA's on-call HVAC maintenance provider.

P:\BOARDMTG\Contractrpt0117.docx

MEMORANDUM

To: David R. Mullen, Executive Director

From: Scott DeVito, PGA General Manager

Date: December 21, 2016

Subject: Request to purchase Countertop LP Griddle and a Countertop LP Charbroiler

This is a request to purchase a Countertop LP Griddle and a Countertop LP Charbroiler from Alternative Sales 135 Route 125, Kingston NH 03848. Total cost is \$3,676.47 for the two units installed, the old units removed, and a \$200.00 trade in credit which will be used during invoicing. The only lower option for each unit are online websites. We would like to purchase from Alternative sales because they will be removing the old units, installing new units LP ready, and if there are any warranty issues they are a local company that would be able to respond more efficiently.

Thank you for your consideration.



Alternative Sales

*** RESTAURANT EQUIPMENT AND DESIGN ***

Quote

11/22/2016

Bill To ::
 Grill 28
 Kevin Harrington
 200 Grafton Road
 Portsmouth, NH 03801
 603-433-1331 (Contact)
 kharrington64@comcast.net

Ship To::
 Grill 28
 200 Grafton Road
 Portsmouth, NH 03801
 kharrington64@comcast.net

From:
 Alternative Sales
 Philip Basiliere
 135 Route 125
 Kingston, NH 03848
 (603)642-3873
 pbasiliere@alternativesales.net

Job Reference Number: 2151

Item	Qty	Description	Sell	Sell Total
4	1 ea	COUNTERTOP GRIDDLE Star Model No. 648TF (QUICK-SHIP) Star-Max® Heavy Duty Griddle, gas, countertop, 48" W x 21" D cooking surface, 1" thick steel griddle plate, modulating thermostat every 12", heavy duty knobs, wrap-around stainless steel splash guard, grease trough & stainless steel drawer, welded steel frame with stainless steel front, 4" legs, 113,200.BTU, cULus, UL EPH, (ships Natural gas includes LP conversion kit)	\$2,499.13	\$2,499.13
	1 ea	2 year parts & labor warranty, standard		
8	1 ea	CHARBROILER Star Model No. 6124RCBF (QUICK-SHIP) Star-Max® Charbroiler, gas, countertop, 24" W, cast iron 40,000 BTU burners with adjustable manual controls every 12", heavy stainless steel radiants, welded steel frame with stainless steel top and front, aluminized steel sides, cast iron broiling grates, stainless steel water pan, splash guard & grease trough, 4" legs, 80,000 BTU, cULus, UL EPH (ships Natural gas includes LP conversion kit)	\$977.34	\$977.34
	1 ea	2 year parts & labor warranty, standard		
5	1 ea	FREIGHT ALTERNATIVE SALES Model No. FREIGHT FOB Charge(s) of shipping product to/from locations incurred by Alternative Sales to provide the quoted product.	\$200.00	\$200.00
6	1 ea	DELIVERY ALTERNATIVE SALES Model No. DELIVERY Delivery & Set in Place. Standard Ground level delivery to be done during business hours Monday through Friday from 8:00 AM to 5:00 PM by non-union personnel. Based on site conditions, products will be set in place and made ready for mechanical connections by others. Final adjustments and leveling to be performed by others. Packing materials and trash to be removed. Deliveries that involve stairs, obstacles that do not provide reasonable access or require elevation must be disclosed prior to the delivery or additional charges may be applied at time of delivery.	\$200.00	\$200.00
11	1 ea	ALTERNATIVE SALES Model No. TRADE IN ALLOWAN TRADE IN ALLOWANCE for your char grill and griddle	-\$200.00	-\$200.00

Initial: _____

Alternative Sales

11/22/2016

Total

\$3,676.47

Prices Good Until: 12/18/2016

Acceptance: _____ Date: _____

Printed Name: _____

Initial: _____



Eckhardt & Johnson, Inc.
MECHANICAL CONTRACTORS
 EST. 1917

PROJECT ESTIMATE

DATE: 01/06/2017

QUOTE ID: 707
 AR CUSTOMER: PEADDEV
 SERVICE LOCATION: Pease Terminal Building
 STREET: 42 Airline Ave, Pease Airline Terminal
 CITY: Portsmouth, NH

CONTACT: Dane Kirkwood
 Ph:(603) 433-6088
 Fax:(603) 427-0433
 DATE SUBMITTED: 01/06/2017
 PREPARED BY: Dan Morin

DESCRIPTION: Replace Small Snyder General Unit on Terminal Bldg

SCOPE OF WORK: Remove old Snyder Electric unit and replace with either a Trane or Lennox unit depending on customer choice. This price includes crane, electrical work and start up.

ITEM	TOTAL
Labor Regular Time	
RTU and Curb Adapter	
Recovery and disposal	
Crane	
Electrical	
Controls	
Total	\$22,150.00

SIGNATURE

David R. Muller, Executive Director

PRINT NAME

1/9/17

DATE

EXCLUDED UNLESS SPECIFIED IN THIS SCOPE OF WORK

Overtime Labor ~ Structural work ~ Carpentry work ~ Roof work ~ Power and control wiring ~ Asbestos abatement ~ Drop ceiling work ~ Any scope of work not listed in this proposal ~ All existing building, plumbing, fire, energy, seismic, and etc. code violations on existing work.

PAYMENT TERMS: Per Agreement for HVAC Maintenance Services w/MSA dated 7/6/16

MOTION

Director Allard:

In accordance with the recommendation of the Pease Golf Committee, the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into a contract with Ricci Lumber of Portsmouth, NH in a total amount not to exceed \$28,217.75 (including a 10% contingency), for renovations to the Golf Course Clubhouse dining room; all in accordance with the memorandum from Scott D. DeVito, PGA General Manager, dated January 3, 2017 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. Ricci Lumber is a vendor selected by the State of New Hampshire in accordance with its procurement regulations.

Note: This motion requires 5 affirmative votes.

N:\RESOLVES\Ricci0117.docx

MEMORANDUM

To: David R. Mullen, Executive Director 

From: Scott DeVito, PGA General Manager

Date: January 3, 2017

Subject: Clubhouse Equipment

This memo is a request to have Ricci Lumber, 105 Bartlett Street, Portsmouth, NH 03801 complete work on the items highlighted below in the amount not to exceed \$28,217.75. The requested amount will cover the proposed \$25,652.50 from Ricci Lumber and a 10% contingency.

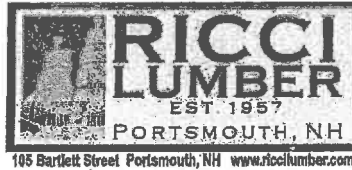
The pricing for the proposed items presented at the December board meeting came in under budget by \$9,499.95. With this cost savings would request to add the construction of the banquette seating to be approved as a change to the original request. The full dining room changes are scheduled to be done in three phases. Adding the additional item will help us to better manage the long term costs.

Requesting the waiving of RFP because Ricci Lumber is an approved vendor of the state of New Hampshire. The money has been scheduled in the FY2017 golf course capital under clubhouse equipment.

Item	Estimated Cost	Proposed Cost
Main Dining Room Flooring	\$18,000	\$17,920
Millwork Service Area	\$7,000	\$4,462.50
Construction Fees	\$7,995	\$5,266.94
Function Room Carpet Mats	\$7,000	
Griddle/Broiler	\$4,500	\$3,676.47
Bar Glass Washer	\$4,500	\$375.00
Total	\$48,995	\$31,700.91
Balance	\$17,294.09	
Banquette Seating	\$9,500	
Function Room Carpet Mats	\$7,000	
Total	\$16,500	

The total expenses for these various items will not exceed the proposed \$50,000 budgeted in the FY2017 Golf Course CIP schedule.

Thank you for your consideration in this matter.



(603)436-7480

Ricci Lumber Proposal

We are pleased to provide you with the following proposal for your project. Please thoroughly review below confirm that we have included the materials and products that your project requires. If you have any questions or concerns, please feel free to contact us. We are happy to clarify matters that relate to this proposal.

Customer: Pease Development Authority Job: Grill 28
 Maintenance Department
 7 Lee Street
 Portsmouth, NH 03801

Salesperson: Ed Hayes Terms: See Below Date Ent: 01/03/17 Expires: 01/20/17

Materials and Labor

The following is a proposal to remove, furnish and install the following products per the scope of work noted.

Description of work	Labor	Materials
1) Remove existing carpet tile throughout the dining room and properly dispose of it.	\$1,764.00	\$0
2) Prepare floors to receive Shaw Vinyl Flooring and Carpet Tile	\$1,101.00	\$228.00
3) Furnish and install approx. 840 sqft of Shaw 2x2 Carpet Tile #5T134 Onyx 33505 and approx. 1400 sqft of Quiet Vinyl Plank #0186V Timber 00750	\$5,235.00	\$15,847.00
4) Install Schluter Strip between carpet tile and vinyl plank. (need spec's on this item – this is labor only)	\$141.00	\$0
5) Furnish and install approx. 180 lf of 4" vinyl cove base to match	\$276.00	\$339.00
6) Furnish and install Maitre'd Table with Countertop	\$1,412.00	\$3,837.00
<p>Paint and Electrical by others. Estimate does not include any unforeseen repair or replacement of substrate materials that the above products would be installed on or over. These are considered extras and would be reviewed with you prior to proceeding.</p> <p>One year warranty on labor. Manufacturer's warranty on products installed.</p>		

Terms: Deposit of \$10,000 upon acceptance with balance on completion.

Remarks: All work to be done in a workmanlike manner. All workers are fully insured. We estimate the job will take 4-5 days to complete. Would like to begin work on a Sunday evening and be done for opening Friday morning.

Material Total	\$20,251.00
Labor Total	<u>\$ 9,929.00</u>
Proposal Total	\$30,180.00
Less NH State Discount 15%	<u>-4,527.00</u>
Final Proposal Total	\$25,653.00

We accept the terms of this proposal and wish to proceed with the work as described:

X: _____ Printed Name _____ Date: _____

Copyright 2017 Ricci Supply Company Inc.

This proposal is proprietary and may not be distributed without the express written consent of Ricci Supply management. Any dissemination or reproduction of these or any documents created by our company to any other parties not directly affiliated with construction of the project may result in legal action for recovery of our efforts in producing this proposal.

Fax (603)436-2194

www.riccilumber.com

Email: ehayes@riccilumber.com

MOTION

Director Preston:


In accordance with the recommendation of the Pease Golf Committee, the Pease Development Authority Board of Directors hereby approves of and authorizes the Pease Golf Course to:

- a) Enter into a contract with Country Club Enterprises of Wareham, MA, in the amount of \$28,350 for a term of five (5) years (including an option to terminate the Contract at the end of four (4) years at the sole discretion of the PDA) effective March 1, 2017 for the leasing of a GPS Car Fleet Management system and Golfer Interface Technology software; and
- b) implement rate increase for players' use of the Golf Cars on the Blue Course effective March 1, 2017;

all in accordance with the memorandum from Scott DeVito, PGA General Manager dated January 6, 2017 attached hereto.

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MEMORANDUM

To: David R. Mullen, Executive Director 

From: Scott DeVito, PGA General Manager

Date: January 6, 2017

Subject: Golf Car Fleet Management GPS & Golfer Interface GPS Lease

This memo is a request to approve a 5 year lease, with the option to opt out after 4 years, for GPS Golf Car Fleet Management and Golfer Interface Technology from Country Club Enterprises, 2D Express Drive, Wareham, MA 02571 in the amount of \$28,350 annually.

Second to increase the 9 hole daily fee rate \$3 when playing the 9 hole Blue Course. Pease has been offering the 9 hole daily rate to play the Blue Course and including the golf car at no cost for a number of years. The product has been much improved since beginning this program. The increase will be tracked as golf car revenue to offset the additional annual GPS lease cost, while still being one of the best values on the Seacoast for 9 holes of golf with a riding car.

Three companies submitted separate bids for Golf Car Fleet Management GPS technology and Golfer Interface GPS technology. The charts below show annual pricing for the base technology of the Fleet Management software, the additional Golfer Interface software, and the total for both platforms.

Country Club Enterprises was low bidder for the 90 car fleet, using their GPS technology would allow us to work with a single vendor for both products. CCE would be able to install the GPS equipment at the factory when building the fleet, which would ensure proper installation. The CCE GPS system was introduced in 2008 and continues to grow in market share, as compared to the Yamaha product that was launched in spring of 2016. Product comparisons shows CCE's software delivers more options in both the base Fleet Management and the Golfer Interface platforms. The differences include a larger LCD screen, tournament hole sponsor and advertising option, blind spot detection for players to see the groups on the course in front of them, remote access to diagnose golf car issues, touch screen distance finder, and ability to place food & beverage order. Country Club Enterprises offers all new customers a two-month free trial period, resulting in a cost savings of \$9,450 the first year of the lease.

Base Software - Fleet Management	
Company	Annual Cost
Country Club Enterprises	\$14,310
Yamaha Golf	\$15,660
Five Star Golf Cars	\$26,460

Additional Software - Golfer Interface	
Company	Annual Cost
Country Club Enterprises	\$14,040
Yamaha Golf	\$12,420
Five Star Golf Cars	\$8,100

Both Base & Golfer Interface Software	
Company	Annual Cost
Country Club Enterprises	\$28,350
Yamaha Golf	\$28,080
Five Star Golf Cars	\$34,560

Please see the attached slide to review additional annual revenue generated, and projected return over the five year lease period.

Providing GPS to our customers will help Pease continue to build the brand "The Ultimate Golf Venue on the Seacoast". The new program will create excitement for the facility, and help us to attract new daily customers, grow both golf tournament and group numbers, and assist in maintaining our current base of players. We have been very fortunate with the weather and the long seasons the last two years. Having this new technology will aid us in filling underutilized tee times throughout the year, and would be another tool to help us maintain the current annual rounds in years we have less play days available.

Thank you for your consideration in this matter.

Cons

- Increase the operating budget
- Working through new staffing guidelines
- Rate increase \$3 per daily fee Blue Course
- Trouble shooting when system goes down

Pros

- More efficient utilization of fleet
- Tool to assist in using less electricity
- Less money spent on course supplies of rope, stakes and signs
- Better manage course damage
- Increase safety with decreased speed zones in parking lot, and other high traffic areas
- Will never be more affordable
- Help to attract new daily fee customers
- Help to attract new outing rounds
- Help to attract new groups
- With rate increase on Blue Course offer remains as one of the lowest 9 holes with a cart offers when comparing to other Seacoast area course.
- Better way to advertise for the course
- Opportunity to charge for advertising
- Added revenue through the food & beverage platform
- Help to retain base of customers
- Gives the facility broader appeal as a destination when marketing to Lakes Region, North Shore, Boston & Portland areas
- Help us fill tee times any time we are open

Memorandum

To: Andrew Pomeroy, Airport Operations Manager

From: Sandra McDonough, Airport Operations Specialist *DM*

Date: 1/11/2017

Subj: Noise Report for December 2016

The Portsmouth International Airport received a total of 19 inquiries in December 2016, 15 rotor and 4 fixed wing.

The 15 rotor wing inquiries originated from 2 Portsmouth residents. One resident inquired 13 times. All of the rotor wing inquiries pertained to Seacoast Helicopters.

Three of the four fixed-wing aircraft inquiries were related to based military aircraft practicing touch and go's and the last fixed wing inquiry is unknown. The three calls about the KC135s based here at the NHANG were from a Greenland resident and came in within a 12 minute period.

Attached is a copy of the Noise Report for December 2016.

PDA Noise Control Log

For the Period:

12/1/16

to

12/31/16

Call Date	Time	Caller ID	Location	Aircraft	Narratives	Follow Up
1	12/2/2016	14:33	68 Miller Avenue Portsmouth, NH 03801-	R44	Emailed: NOISE COMPLAINT - N219CR directly over my house, alt: 850'	Individual has indicated in the past that a call back is unnecessary.
2	12/3/2016	8:55	178 Bayview Newmarket, NH 03857-	unknown	A plane coming from Pease, coming dangerously close to my property. Clearly targeting it. Targeting everyone who lives here, works here and everyone who has property here. This is an extremely dangerous condition and part of the purpose of this call is for when the foreseeable catastrophe happens those people responsible for presenting it will be held accountable.	Caller has been contacted in the past about her concerns.
3	12/4/2016	13:21	68 Miller Avenue Portsmouth, NH 03801-	R44	Emailed: NOISE COMPLAINT - N219CR directly over my house, alt: 625'	Individual has indicated in the past that a call back is unnecessary.
4	12/4/2016	13:27	68 Miller Avenue Portsmouth, NH 03801-	R44	Emailed: NOISE COMPLAINT - N219CR directly over my house again, alt: 450' - twice in 6 minutes!	Individual has indicated in the past that a call back is unnecessary.
5	12/4/2016	13:43	68 Miller Avenue Portsmouth, NH 03801-	R44	Emailed: NOISE COMPLAINT - N219CR directly over my house again, alt: 750'	Individual has indicated in the past that a call back is unnecessary.
6	12/4/2016	13:47	68 Miller Avenue Portsmouth, NH 03801-	R44	Emailed: NOISE COMPLAINT - N219CR directly over my house again, alt: 425 ft! That makes 4 times in 26 minutes!	McDonough sent an email asking for a return call and also left a voice message. Caller sent McDonough pictures of different flight tracks of aircraft 219 CR. It is unclear how accurate the information is.

PDA Noise Control Log

For the Period: 12/1/16 to 12/31/16

Call	Date	Time	Caller ID	Location	Aircraft	Narratives	Follow Up
7	12/12/2016	21:32	209 Palm Drive Greenland, NH 03840	Based	2 KC135S	Emailed: again. This is happening every 3 mins. I'm bringing this to town selectman's meeting, this is ridiculous.	McDonough discussed the voluntary noise procedures at Portsmouth International Airport which indicates aircraft that are based here at Portsmouth are allowed to train until 11:00 PM. Residents from the surrounding area were involved with developing these procedures. The Greenland resident is going to his town selectman's meeting to see if they can stop the aircraft from flying after 8:00 PM.
8	12/12/2016	21:20	209 Palm Drive Greenland, NH 03840	Based	2 KC135S	Emailed: again, low level approaches, continually after 8pm. This has got to stop please.	McDonough discussed the voluntary noise procedures at Portsmouth International Airport which indicates aircraft that are based here at Portsmouth are allowed to train until 11:00 PM. Residents from the surrounding area were involved with developing these procedures. The Greenland resident is going to his town selectman's meeting to see if they can stop the aircraft from flying after 8:00 PM.
9	12/12/2016	21:26	209 Palm Drive Greenland, NH 03840	Based	2 KC135S	Emailed: Again, The low approaches keep happening later and later in the evening, this has got to stop.	McDonough discussed the voluntary noise procedures at Portsmouth International Airport which indicates aircraft that are based here at Portsmouth are allowed to train until 11:00 PM. Residents from the surrounding area were involved with developing these procedures. The Greenland resident is going to his town selectman's meeting to see if they can stop the aircraft from flying after 8:00 PM.
10	12/16/2016	17:54	68 Miller Avenue Portsmouth, NH 03801-	Based	R44	Emailed: NOISE COMPLAINT - N219CR directly over my house, altitude 525 feet.	Individual has indicated in the past that a call-back is unnecessary.

PDA Noise Control Log

For the Period: 12/1/16 to 12/31/16

Call Date	Time	Caller ID	Location	Aircraft	Narratives	Follow Up
11	12/20/2016 14:07	68 Miller Avenue Portsmouth, NH 03801-	Based	R44	Emailed: NOISE COMPLAINT - N219CR directly over my house, EXTREMELY LOW - 200' alt confirmed.	Individual has indicated in the past that a call back is unnecessary.
12	12/20/2016 14:42	68 Miller Avenue Portsmouth, NH 03801-	Based	R44	Emailed: NOISE COMPLAINT - N219CR directly over my house again, 350' confirmed altitude.	Individual has indicated in the past that a call back is unnecessary.
13	12/20/2016 14:55	155 Ruth Street Portsmouth, NH 03801-	Based	Robinson helicopter	I calling to complain about the noise from the little red tour helicopter. He has made several passes over our house today. When I tracked him on Flight Radar 24 it indicated that he is flying at 350 ft. when he goes over our house. So I thought he was supposed to fly at 500 ft. The lower altitude would explain why it is so loud right now. So could you please look into it and find out why he is flying at such a low altitude. I couldn't get the numbers off of it but it's the little red tour helicopter. It has been a long time since we have complained because it has been tolerable but now that he's flying at the lower altitudes it's getting to be a pain in the butt again. So if you could look into it would be appreciated.	McDonough spoke with the caller on 12/20 about his concerns with the aircraft flying so low. McDonough spoke to Bruce Cullertra about the website that indicates he is flying lower than he states. He indicated they are having issues with the device that sends out his altitude to other devices and are currently trying to resolve it with the company that makes it.. McDonough also spoke with the air traffic control manager who indicated the air traffic controllers have not witnessed any flying over the city less than 700 ft. in the downtown area.
14	12/20/2016 14:45	155 Ruth Street Portsmouth, NH 03801-	Based	Robinson helicopter	Emailed: The red tour helicopter made several passes over a residential area at an altitude of 350 feet when 500 is required. I tracked him on the app flightradar24 which tells you all the flight data.	Same as above.
15	12/20/2016 11:47	68 Miller Avenue Portsmouth, NH 03801-	Based	Robinson helicopter	Emailed: NOISE COMPLAINT - Red helicopter directly over my house, EXTREMELY LOW - 200'?	Individual has indicated in the past that a call back is unnecessary.
16	12/27/2016 10:45	68 Miller Avenue Portsmouth, NH 03801-	Based	R44	Emailed: NOISE COMPLAINT - N219CR directly over my house. Always exactly the same route.	Individual has indicated in the past that a call back is unnecessary.

PDA Noise Control Log

For the Period: 12/1/16 to 12/31/16

Call	Date	Time	Caller ID	Location	Aircraft	Narratives	Follow Up
17	12/28/2016	12:02	68 Miller Avenue Portsmouth, NH 03801-	Based	R44	Emailed: NOISE COMPLAINT - N219CR directly over my house again, altitude 850'. Always exactly the same route. Lucky us.	Individual has indicated in the past that a call back is unnecessary.
18	12/28/2016	11:42	68 Miller Avenue Portsmouth, NH 03801-	Based	R44	Emailed: NOISE COMPLAINT - N219CR directly over my house, altitude 850'. Very LOUD.	Individual has indicated in the past that a call back is unnecessary.
19	12/28/2016	11:54	68 Miller Avenue Portsmouth, NH 03801-	Based	R44	Emailed: NOISE COMPLAINT - N219CR again.	Individual has indicated in the past that a call back is unnecessary.



MOTION

Director Lamson:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to accept and bind Long Term Disability Insurance and Life and Accidental Death and Dismemberment Insurance effective March 1, 2017 through February 28, 2019 for the continued benefit of the employees of Pease Development Authority as proposed by the Unum Life Insurance Company of America in the projected amount of \$25,950 per year; all otherwise in accordance with the memorandum of Irving Canner, PDA Director of Finance, dated January 12, 2017 attached hereto.

Note: Roll Call vote required.

N:\RESOLVES\DisabilityIns0117.docx

Date: January 12, 2017
To: David Mullen- Executive Director 
From: Irv Canner- Director of Finance 
Subject: Insurance Renewal- Life and Accidental Death and Dismemberment and Long Term Disability

Our current insurance coverages for employee 1) Life Insurance and Accidental Death and Dismemberment (LADD) and 2) Long Term Disability (LTD), as provided through Hartford Financial Services Group (the Hartford), are scheduled to mature as of February 28, 2017.

Working with our insurance broker (Davis & Towle) bids were solicited and based on the following analysis, it is requested that the Pease Development Board of Directors be presented this information at their January 19, 2017 meeting in order to secure their approval allowing the PDA to enter into a two-year fixed rate agreement through February 28, 2019, with the Unum Life Insurance Company of America (the Unum) for both LADD and LTD coverage.

The final bid results provided the following annual cost comparisons providing an estimate savings of 3.6% between the two bids:

Provider	Long Term Disability Insurance (LTD)	Life and Accidental Dismemberment (LADD)	Total Annual Cost
Hartford	\$ 15,582	\$ 11,325	\$ 26,907
Unum	15,582	10,368	25,950
Cost Difference	\$ -	\$ (957)	\$ (957)

The final bid results were based on current employee salaries of approximately \$3,323,000 which excludes classified employees. Submitted cost information were detailed on the following billing rate structure:

Provider / AM Best Rating	Long Term Disability Insurance (LTD) / \$100	Life and Accidental Dismemberment (LADD) / \$1,000
Hartford (A)	\$ 0.490	\$ 0.284
Unum (A)	0.490	0.260
Rate Difference	\$ -	\$ (0.024)

Key coverage highlights remain consistent to what we have provided our employees during the past several years including:

Long Term Disability Insurance	Life and Accidental Death and Dismemberment
100% PDA Sponsored	100% PDA Sponsored
Monthly Benefit % of Earnings= 60%	Coverage is Equal to 1 X Annual earnings
Maximum Monthly Benefit is \$5,000	Maximum Benefit is \$130,000
Elimination Period of 60 Days + Social Security Integration	Benefit Reduction Formula: 65% at Age 65 50% at Age 70

Four additional insurance providers were solicited, including Boston Mutual, Lincoln Financial, Mutual of Omaha and Standard Life but did not respond as they could not match the plan design specific to the desired elimination period of 60 days associated with the long term disability coverage. From an overall industry perspective, a 90 day elimination period is a typical plan design component.

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

MOTION

Director Allard:

The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$819.00 for legal services rendered to the Pease Development Authority by:

1. Kutak Rock LLP
Through November 30, 2016 \$ 819.00*

*Note: The City of Portsmouth will pay the remaining balance.

Note: Roll Call Vote required

N:\RESOLVES\Legal Services0117.docx

DEC 20 2016

KUTAK ROCK LLP

SUITE 800
1625 EYE STREET, NW
WASHINGTON, DC 20006-4061

202-828-2400
FACSIMILE 202-828-2488

www.kutakrock.com

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ROGERS
SCOTTSDALE
SPOKANE
WICHITA

BARRY P. STEINBERG
barry.steinberg@kutakrock.com
(202) 828-2316

December 14, 2016

Suzanne M. Woodland
Deputy City Attorney
City of Portsmouth
1 Junkins Avenue
Portsmouth, NH 03801

Lynn Hinchee
Pease Development Authority
55 International Drive
Portsmouth, NH 03801

Re: *General*

TOTAL HOURS	5.20	
TOTAL FOR SERVICES RENDERED		\$2,340.00
TOTAL CURRENT AMOUNT DUE		\$2,340.00

MOTION

Director Loughlin:

WHEREAS, RSA ch. 12-G vests the management of the Pease Development Authority ("Authority") in its Board of Directors;

WHEREAS, the Authority has duly enacted By-Laws in accordance with the provisions of NH RSA 12-G:8, XIX; and

WHEREAS, the By-Laws provide that the Executive Director shall have all the authority of the Chairman with respect to the signing of contracts, leases, releases, bonds, notes and other instruments and documents approved by the Authority; and

WHEREAS, the Authority deems it necessary to the management and regulation of its affairs to delegate to the Executive Director the authority to consent to, approve and pay legal bills up to \$50,000 when no regular meeting of the Board is scheduled within 21 days.

NOW, BE IT RESOLVED, that the Authority does hereby delegate to the Executive Director the authority to consent to, approve and pay legal bills in accordance with the terms and conditions of the "Limited Delegation to Executive Director: Consent, Approval, and Expenditure of Funds for Legal Services" attached hereto and incorporated herein by reference.

N:\RESOLVES\Delegation of Duties-Legal0117.docx

**Limited Delegation to Executive Director:
Consent, Approval and Expenditure of Funds for Legal Services**

Summary: This delegation covers the consent, approval and payment of fees for Legal Services by the Executive Director and the authority of the Executive Director to correct errors in connection with the allocation of fees in situations where representation is shared by PDA and a third party. This delegation is intended to grant limited authority to the Executive Director to make payments for legal fees at times when the PDA Board of Directors has no regular meeting scheduled and the legal services provided are specifically related to ongoing litigation, administrative orders or regulatory matters. The Board has delegated authority to the Executive Director, subject to concurrence by one member of the Legal Bill Review Committee of the PDA Board of Directors, to consent to, approve and execute the required documentation and to expend funds up to \$50,000. This authorization is subject to the conditions set forth below being satisfied.

Transaction: Consent, approval, and execution of required documents and expenditure of funds for the payment of fees for legal services.

Amount: Up to \$50,000 per entity

Execution Document: None.

Authority to Execute: Executive Director with review and approval of General Counsel and with concurrence of one member of the Legal Bill Review Committee of the PDA Board of Directors

Conditions: The request for payment of fees for legal services subject to this delegation of authority shall not be consented to, approved, or the expenditure made unless all of the following conditions are satisfied:

1. The legal services provided are specifically related to ongoing litigation, administrative orders or regulatory matters.
2. The PDA Board of Directors has no regularly scheduled meeting within 21 days of the invoice date.
3. The conditions set forth above do not apply to corrections of errors in the allocations of fees shared by PDA and a third party.

Reporting Requirements: Any legal bill authorized to be paid and any funds expended pursuant to this delegation shall be reported to the Board at its next regular meeting.

ADOPTED: _____

COPY

PEASE DEVELOPMENT AUTHORITY

PORT COMMITTEE MEETING

FRIDAY, JANUARY 06, 2017 @ 8:00 A.M.

1. CALL TO ORDER (Loughlin)
2. APPROVE MINUTES OF THE OCTOBER 06, 2016 MEETING*
3. MOTION FOR NON-PUBLIC SESSION* (Torr)
4. RETURN TO PUBLIC SESSION
5. VOTE OF CONFIDENTIALITY* (Torr)
6. ADJOURNMENT

MEMORANDUM

To: Pease Development Authority Board of Directors
 From: David R. Mullen, Executive Director *DRM*
 Date: January 19, 2017
 Re: Commercial Mooring Permit Transfer

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	No. 3127	Commercial Fishing	12/12/16
Transferor:	George Littlefield		
Transferee:	Joshua Crooks		

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.

TO: David Mullen, Executive Director, PDA
FROM: Geno J. Marconi, Director, DPH
DATE: December 11, 2016
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 #3127, from George Littlefield to Joshua Crooks.

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.

December 12, 2016

George Littlefield
10 Lamprey Road
Kensington, NH 03833

RE: Request to Transfer Commercial Moorings
Commercial Mooring No. 3127, Seabrook Harbor, New Hampshire

Dear Mr. Littlefield:

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 Joshua Crooks, of 77 Locust Street in South Hampton, NH in connection with the sale of your commercial fishing business.

You and Joshua Crooks have represented that Joshua Crooks 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 Joshua Crooks will continue to use the mooring for commercial fishing related purposes.

In accordance with the administrative rules which govern the transfer of commercial moorings; "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." See enclosed copy of Pda 508.01(d). By copy of this letter, Randell Collins is being put on notice of this provision.

Thank you for your attention to this matter.

Sincerely,



David R. Mullen
Executive Director

Enclosure

cc: Geno Marconi, Director PDA-DPH
Joshua Crooks
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.