

**PEASE DEVELOPMENT AUTHORITY**  
**Thursday, May 18, 2017**

**PUBLIC AGENDA**

**Time: 8:00 a.m.**

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

**AGENDA**

- I. Call to Order
- II. Acceptance of Meeting Minutes: April 20, 2017\*
- III. Public Comment
- IV. Old Business
  - A. Spyglass Development, LLC\*\*\* (Allard)
- V. Finance
  - A. Financial Reports
    - 1. Operating Result for Nine Month Period Ending March 31, 2017\*
    - 2. Nine Month Cash Flow Projections to January 31, 2018\*
    - 3. Revolving Loan Fund Semi Annual Report Ending March 31, 2017\*
- VI. Licenses/Easements/Rights of Way/Options
  - A. Approvals
    - 1. EAA-Chapter 225 - ROE\* (Preston)
    - 2. New England Aerobatic Club – ROE\* (Lamson)
- VII. Leases
  - A. Reports
    - 1. 222 International, Limited Partnership\*
    - 2. Two International Group, LLC\*
  - B. Approvals
    - 1. 119 International Drive, LLC – Concept Plan\* (Torr)
- VIII. Contracts/Agreements
  - A. Reports\*
    - 1. Colliers Golf Course Advisory Services
    - 2. MTE Equipment Solution – Debris Blower
    - 3. Tec Solutions Concept, Inc. – Electronic Key System
  - B. Approvals
    - 1. Pease Golf Course – Fairway Mower\* (Preston)
    - 2. PSM Runway Reconstruction Design – Grant Acceptance\* (Loughlin)
    - 3. PSM Airspace Obstructions/Lights – Grant Acceptance\* (Bohenko)
    - 4. PSM Terminal Improvements Planning – Grant Acceptance\* (Allard)
    - 5. Skyhaven Airport Snow Removal Equipment – Grant Acceptance\* (Torr)

IX. Executive Director's Reports/Approvals

A. Reports

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

B. Approvals

1. Bills for Legal Services\* (Lamson)

X. Division of Ports and Harbors

A. Reports

1. Port Advisory Council
2. Commercial Use Mooring Transfers\*

B. Approvals

1. Portsmouth Pilots Rates\* (Torr)
2. Electro Source, LLC\* (Loughln)
3. Albany Safran Composites, LLC FTZ Subzone Agreement\* (Bohenko)

XI. New Business

XII. Upcoming Meetings

Golf Committee	June 12, 2017
Finance Committee	June 12, 2017 @ 8:30 a.m.
Board of Directors	June 15, 2017

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

XIII. Directors' Comments

XIV. Adjournment

XV. Press Questions

\* Related Materials Attached

\*\* Related Materials Previously Sent

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

+ Materials to be distributed at Board Meeting

■ Confidential Materials

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

Thursday, April 20, 2017

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

**I. Call to Order**

Chairman Bald called the meeting to order at 8:03 a.m. in the Board conference room at 55 International Drive, Pease International Tradeport, Portsmouth, New Hampshire.

*Note: Due to Directors participating by telephone, all votes will be taken by roll call.*

**II. Acceptance of Minutes: March 16, 2017\***

Director Torr moved and Director Lamson seconded that **The Pease Development Authority Board of Directors hereby accept the Minutes of the March 16, 2017 Board meeting.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

**III. Public Comments**

There were no public comments.

**IV. Old Business**

No old business was brought before the Board.

**V. Audit Committee Report**

Director Bohenko, Committee Chair, reported that the Audit Committee met on April 19, 2017 with Rob Smalley of Berry Dunn McNeil & Parker, PDA's external auditors, to review the FY 2017 audit engagement letter and plan for PDA's annual external audit.

**VI. Finance Committee Report**

Irv Canner, PDA Director of Finance, reported that the Finance Committee met on April 19, 2017 to review the status of PDA finances.

**A. Financial Reports**

**1. Operating Results for Eight Month Period Ending February 28, 2017**

Mr. Canner reported on the status of the PDA FY 2017 finances for the eight month period ending February 28, 2017: including reviews of PDA's operating income and expenses; budget variances; status of the Balance Sheet; and the analysis of PDA business units. Director Lamson confirmed the status of the Airport Obstruction project grant funding.

**2. Nine Month Cash Flow Projections to December 31, 2017**

Mr. Canner reviewed PDA cash flow projections for the nine month period ending December 31, 2017, including a review of PDA's debt status; grant funded capital improvement projects including the runway rehabilitation and the airport obstruction removal projects; status of PDA's revolving line of credit; and the status of the Division of Ports and Harbors unrestricted funds.

**3. Capital Improvement Plan – FY 2017 – FY 2023**

Mr. Canner presented a review of ongoing and proposed capital improvement projects through FY 2023 including the expansion of the Portsmouth International Airport at Pease ("PSM") Terminal; the airport obstruction removal; purchase of snow removal equipment; and traffic intersection upgrades.

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

**A. Approvals**

**1. Port City Air, Inc. – Tow Tractor License Amendments**

Director Preston moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute:**

- a. License Agreement Amendment No. 1 ("License") retroactively effective October 15, 2014 for use of the Hough T-500 Aircraft Tug; and**
- b. License Agreement Amendment No. 3 retroactively effective September 25, 2012 for use of aircraft tow tractors including: a)1978 International Hough tow tractor; b) 1980 American Coleman tow tractor; and c) 1982 Stewart Stevenson tow tractor;**

**between the Pease Development Authority and Port City Air, Inc. ("PCA") on substantially the same terms and conditions set forth in License Agreement Amendment No. 1 and License Agreement Amendment No. 3 attached hereto. Note: Roll Call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.**

**2. Great Circle Catering, LLC – Airport Terminal**

Director Lamson moved and Director Preston seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute the Third Extension to the Right of Entry with Great Circle Catering, LLC attached hereto to extend the term for a period of six (6) months beginning April 1, 2017 and to include one (1) six (6) month option to extend the term through March 31, 2018 exercisable at the Executive Director's sole discretion; all on the same terms and conditions set forth in the Right of Entry dated September 16, 2014. Note: Roll Call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.**

**VIII. Leases**

**A. Approvals**

**1. Sig Sauer Real Estate, Inc. – Parking Lot Concept Plan**

Director Torr moved and Director Lamson seconded that **The Pease Development Authority Board of Directors hereby approves of:**

- 1. The conceptual site plan attached hereto submitted by Sig Sauer Real Estate, Inc. attached hereto for the premises located at 72 Pease Boulevard; and**

2. **The application to allow a waiver from Part 405.03(a)(4)d of the PDA Land Use Controls;**

**all on terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated April 13, 2017 attached hereto. Note: Roll Call Vote required.** Discussion: Maria Stowell, Engineering Manager, gave a brief presentation of the parking lot concept plan presented by Sig Sauer to add additional parking spaces at the premises located at 72 Pease Boulevard, and Sig Sauer's request to reduce the size of landscape islands. Joe Cornardi, Engineer with Jones & Beach, reviewed the plans including the stormwater filtration, lighting, and location of the additional parking. Director Loughlin noted his concerns regarding the lack of planting strips and wants standard sized islands to be used. Director Torr felt that there was need to change the plans. Jeff Chierepko reviewed Sig Sauer's possible future expansion and the reasons for not using the front area of the building for parking at the present time. Disposition: Resolved by unanimous roll call vote; motion carried.

## 2. **City of Portsmouth – Wastewater Treatment Concept Plan**

Director Loughlin moved and Director Bohenko seconded that **The Pease Development Authority Board of Directors hereby approves of the Wastewater Treatment Plant Expansion Concept Plan submitted by the City of Portsmouth attached hereto for the premises located at 135 Corporate Drive; all in accordance with the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated April 13, 2017 attached hereto. Note: Roll Call vote required.** *Note: In accordance with the Right to Know law, Directors Allard and Preston recused themselves from the matter as they did not have access to the materials presented by the City of Portsmouth.* Discussion: Terry Desmarais, City of Portsmouth Engineer, reviewed the concept plan for the expansion of the wastewater treatment facility including sitework, the building plan, and odor control. Peter Britz, City of Portsmouth Environmental Planner, reviewed the project's impact to the wetland buffers, the permitting process, and use of stone infiltration systems. Disposition: Resolved by unanimous roll call vote; motion carried.

## IX. **Signs**

### A. **Reports**

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 Oxford Network sign to change the business name to "FirstLight". Director Loughlin approved the sign modification.

## X. **Contracts/Agreements**

### A. **Reports**

In accordance with Article 3.9.1.1 of the PDA Bylaws, Mr. Mullen reported that PDA entered into the following contracts:

#### 1. **Fishnet Media – Golf Course Website**

PDA contracted with Fishnet Media to update the Pease Golf Course website. The expenditure of \$5,000 was approved by Vice-Chairman Loughlin.

### B. **Approvals**

#### 1. **Pinard Waste Systems Co., Inc. – Contract Extension**

Director Allard moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to extend the contract with Pinard Waste**

Systems Co., Inc. ("Pinard") for the purpose of providing non-hazardous solid waste removal services at Pease Development Authority facilities for a period of one year effective May 1, 2017 at the rate of \$4,303.38 per month; all in accordance with the memorandum of Mark H. Gardner, Deputy General Counsel, dated April 12, 2017 attached hereto.

In accordance, with the provisions of RSA 12-G:8, VIII the Board waives the RFP requirement for Pinard Waste Systems Co., Inc. based upon the following justification:

1. On May 1, 2015, PDA entered into its first universal agency wide waste removal contract with Pinard for a one year period with a one year option to extend.
2. The agency wide contract has resulted in substantial savings to PDA; and
3. Pinard has agreed to a one year extension of the contract at a monthly rate of \$4,303.38 which represents a 2% increase from the previous year's rate of \$4,219.00. Note: This motion requires 5 Affirmative Votes.

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

## 2. Electricity Provider

Director Bohenko moved and Director Loughlin seconded that The Pease Development Authority Board of Directors authorizes the Executive Director to complete negotiations and enter into a contract with ENH Power for the supply of electrical power for the 18 month period month period effective May 1, 2017 through October 31, 2018 at the fixed price of \$0.06583 per kWh; all in accordance with the memorandum of Irving Canner, Director of Finance, dated April 19, 2017, attached hereto. Note: Roll call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

## 3. Military Cooperative Construction Agreement

Director Loughlin moved and Director Torr seconded that The Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations with the NH Air National Guard and to enter into a Military Construction Cooperative Agreement (MCCA) for design work in connection with the runway reconstruction project at PSM all upon substantially similar terms and conditions set forth in the attached draft MCCA and the memorandum of Maria J. Stowell, PE., Engineering Manager, dated April 18, 2017, attached hereto; subject, however, to final legal review by PDA's General Counsel. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

## XI. Executive Director's Reports/Approvals

### A. Reports

#### 1. Golf Course Operations

Scott DeVito, PGA General Manager, reported on the activities at the Pease Golf Course, including course opening dates, simulator activities, and Golf Course maintenance work.

#### 2. Airport Operations

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

a) PSM

Enplanements as of March 31, reached 30,659 (ahead of last year). Allegiant Air will continue some of its operations during the summer.

b) Skyhaven Airport

The taxilane drainage project will begin on May 1, 2017.

c) Noise Line Report

Nine inquiries were made to the PSM noise. Fiver inquiries were regarding rotor activities; three were regarding fixed wing activities; and one inquiry was informational.

Director Lamson commended the staff for the work at the PSM Terminal during arriving and departing flights. Mr. Mullen introduced Paul Brean, PDA's new Airport Director.

B. Approvals

1. Bills for Legal Services

Director Lamson moved and Director Torr seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$19,187.47 for legal services rendered to the Pease Development Authority by:**

1. Kutak Rock LLP		
Through February 28, 2017	\$ 475.00*	
	<u>\$ 6,155.47</u>	
		\$ 6,630.47
2. Sheehan Phinney Bass + Green		
Through February 28, 2017		<u>\$12,557.00</u>
	<b>Total</b>	<b><u>\$19,187.47</u></b>

**Note: Roll Call Vote required\*****Note: The City of Portsmouth will pay the remaining balance.**  
Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

XII. Division of Ports and Harbors

A. Reports

1. Port Advisory Council

Geno Marconi, Division Director, reported that the Port Advisory Council met on April 12, 2017. No action was taken by the Council.

a. Annual Report

Mr. Marconi reported that the Port Advisory Council prepared its annual report for the Board.

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:

Applicant	Permit	Business	Date of Approval
Seabrook Harbor	No. 6056	Commercial Fishing	03/13/17
Transferor:	David Takesian		
Transferee:	Steven K. Wojcicki		
Seabrook Harbor	No. 4724	Commercial Fishing	03/13/17
Transferor:	Neal Pike		
Transferee:	Norman Pike		

### 3. Commercial Mooring for Hire

Mr. Marconi reported that in accordance with the "Delegation to Executive Director: Consent, Approval and Execution of Commercial Mooring for Hire Permits", PDA approved of the following Commercial Moorings for Hire permits:

Applicant	Number of Permits	Business	Date of Approval
Bayview Marina, LLC	3	Marina	3/13/17
Esther's Marina, LLC	2	Marina	3/13/17
Charles Felch, Sr.	1	Shorefront tenant	3/13/17
Jay Gingrich	1	Shorefront tenant	3/13/17
Great Bay Marina	73	Marina	3/13/17
Great Bay Yacht Club	11	Yacht Club	3/13/17
Hampton River Boat Club	2	Boat Club	3/13/17
Island Club New Castle, Inc.	1	Boat Club	3/13/17
Kittery Point Yacht Club	8	Yacht Club	3/13/17
Lamprey River Marina	6	Marina	3/13/17
Little Bay Marina	4	Marina	3/13/17
Matthew Metivier	1	Shorefront tenant	3/13/17
Mud Cove Boat Yard	1	Shorefront tenant	3/13/17
Dorothy Oliver	1	Shorefront tenant	3/13/17
Portsmouth Yacht Club	14	Yacht Club	3/13/17
Sagamore Landing Homeowners Assn	1	Shorefront Condo	3/13/17
Southend Yacht Club	1	Yacht Club	3/13/17
Split Rock Cove Ltd	1	Shorefront tenant	3/13/17
Warpath Family Farm	1	Shorefront tenant	3/13/17
Wentworth by the Sea Dockside Condominium Association	1	Shorefront Condo	3/13/17
Wentworth By the Sea Marina (Pier People LLC)	2	Marina	3/13/17

#### B. Approvals

##### 1. Delegation of Authority – Charter Boats

Director Bohenko moved and Director Torr seconded that **WHEREAS, RSA ch. 12-G vests the management of the Pease Development Authority, Division of Ports and Harbors ("Division") in the Pease Development Authority Board of Directors ("Authority")**

**WHEREAS, RSA ch. 12-G further provides that the Board shall appoint an Executive Director, who shall be the chief executive and administrative officer of the Authority and who shall have general and active supervision and direction over the day-to-day business and affairs of the**



Authority, subject to the direction and control of the Board, and shall perform all such duties as from time to time may be assigned to him by the Board; and

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

WHEREAS, the Authority deems it necessary to the management and regulation of the affairs of the Division to delegate to the Executive Director the authority to consent, approve, and execute Charter Boat Rights of Entry;

NOW, BE IT RESOLVED, that the Authority does hereby delegate to the Executive Director the authority to consent, approve, and execute Charter Boat Rights of Entry in accordance with the terms and conditions of the "Delegation to Executive Director: Consent, Approval, and Execution of Charter Boat Right of Entry" attached hereto and incorporated herein by reference. Note: Roll Call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

**2. Right of Entry – Adventure Fishing Charters & Rentals, LLC**

Director Torr moved and Director Preston seconded that The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a Right of Entry with Adventure Fishing Charters & Rentals, LLC to operate a concession building at the Hampton Harbor Marine Facility for one year effective July 1, 2017; all in accordance with the terms and conditions set forth in the memo of Geno J. Marconi, Division Director, dated April 13, 2017 attached hereto. Note: Roll Call vote required. Discussion: Disposition: Resolved by unanimous roll call vote; motion carried.

**3. Right of Entry – Angler Management 101 LLC**

Director Preston moved and Director Lamson seconded that The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Right of Entry with Angler Management 101 LLC for marine charter vessel operations located at the Hampton Harbor Marine facilities for a three year period effective July 1, 2017; and in accordance with the terms and conditions set forth in the memo of Geno J. Marconi, Division Director, dated April 13, 2017 attached hereto. Note: Roll Call Vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

**XIII. New Business**

Non new business was brought before the Board.

**XIV. Upcoming Meetings**

Chairman Bald reported that the following meeting will be held:

Board of Directors      May 18, 2017 at 8 a.m.

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

**XV. Directors' Comments**

There were no comments from the Directors.

## XVI. Non-Public Session

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

1. **NHRSA 91-A:3, Paragraph II(b) for the purpose of discussing the hiring of a public employee;**
2. **NHRSA 91-A:3, Paragraph II(d) for the purpose of discussing the acquisition, sale or lease of property; and**
3. **NHRSA 91-A:3, Paragraph II(e) for consideration or negotiation of pending claims or litigation which has been threatened in writing or filed against the body or agency or any subdivision thereof, or against any member thereof because of his or her membership in such body or agency, until the claim or litigation has been fully adjudicated or otherwise settled. Note: Roll Call Vote**

Discussion: None. Disposition: Resolved by unanimous vote; motion carried. The Board entered into non-public session at 9:03 a.m. The Board returned to public session at 10:17 a.m.

## XVII. Vote of Confidentiality

Director Loughlin moved and Director Torr seconded that **Resolved, pursuant to NH RSA 91-A:3, Paragraph III, the Pease Development Authority Board of Directors hereby determines that the divulgence of information discussed and decisions reached in the non-public session of its April 20, 2017 meeting related to:**

1. **Leasing of property;**
2. **Personnel; and**
3. **Litigation**

would, if disclosed publically, a) render the proposed actions ineffective; and b) affect adversely the reputation of any person other than a member of the public body itself; and agrees that the minutes of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply. **Note: This motion requires 5 Affirmative Votes**

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

## XVIII. Adjournment

Director Bohenko moved and Director Lamson seconded to **adjourn the Board meeting.**  
Discussion: Disposition: Resolved by unanimous vote; motion carried. Meeting adjourned at 10:22 a.m.

## XIX. Press Questions

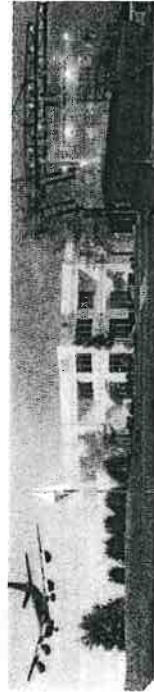
Respectfully submitted,

  
David R. Mullen  
Executive Director



**FY 2017 FINANCIAL REPORT  
FOR THE NINE MONTH PERIOD  
ENDING MARCH 31, 2017**

**BOARD OF DIRECTOR'S MEETING  
MAY 18, 2017**



# CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES <sup>2</sup> FOR THE NINE MONTH PERIOD ENDING MARCH 31, 2017 AND 2016

(\$ 000's)

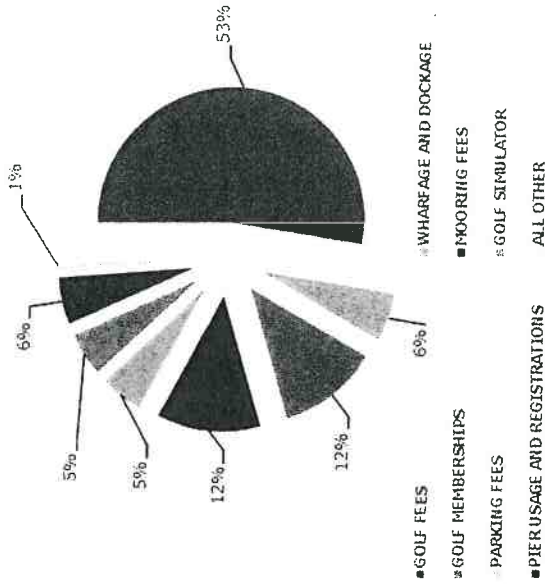
	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	PRIOR YEAR TO DATE ACTUAL	YEAR TO YEAR VARIANCE	CURRENT YEAR BUDGET
<b>FY 2017 BUDGET VARIANCE ANALYSIS</b>						
▪ OPERATING REVENUES- LOWER BY 1.2%...	<u>10,491</u>	<u>10,366</u>	<u>125</u>	<u>10,261</u>	<u>230</u>	<u>14,250</u>
▪ LOWER THAN ANTICIPATED FUEL SALES WITHIN THE DPH, OFFSET BY:	4,679	4,353	326	4,306	373	5,807
▪ INCREASED GOLF FEES- DUE TO INCREASE IN ROUNDS PLAYED / WEATHER.	1,167	1,819	(652)	1,661	(494)	2,321
▪ INCREASED CONCESSION REVENUES FROM HIGHER GRILL 28 SALES.	499	522	(23)	574	(75)	722
▪ OPERATING COSTS- LOWER BY 8.2%...	537	686	(149)	672	(135)	884
▪ COMPREHENSIVE FY 2016 YEAR END ACCRUAL PROCESS	305	167	138	128	177	223
▪ FUEL PROCUREMENT COSTS LOWER DUE TO LOWER DPH FUEL SALES.	142	278	(136)	163	(21)	348
▪ INDIRECT LABOR ALLOCATION TO BUILDINGS AND FACILITIES NOT BUDGETED.	652	873	(221)	670	(18)	1,171
▪ NONOPERATING (INCOME) AND EXPENSES	<u>7,981</u>	<u>8,698</u>	<u>(717)</u>	<u>8,174</u>	<u>(193)</u>	<u>11,476</u>
▪ INTEREST EXPENSE LOWER DUE TO LESS THAN ANTICIPATED CAPITAL EXPENDITURES.	<u>2,510</u>	<u>1,668</u>	<u>842</u>	<u>2,087</u>	<u>423</u>	<u>2,774</u>
NONOPERATING (INCOME) AND EXPENSE	11	67	(56)	33	(22)	89
DEPRECIATION	4,491	4,525	34	4,537	(46)	6,031
NET OPERATING INCOME	<u>(1,992)</u>	<u>(2,924)</u>	<u>932</u>	<u>(2,483)</u>	<u>491</u>	<u>(3,346)</u>

# CONSOLIDATED OPERATING REVENUES FOR THE NINE MONTH PERIOD ENDING MARCH 31, 2017 AND 2016

(\$ 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
<b>RENTAL OF FACILITIES</b>	7,199	7,222	(23)	7,120	79	9,595
<b>FEE REVENUES (SEE CHART)</b>	1,916	1,886	30	1,898	18	2,910
<b>FUEL SALES (SEE CHART)</b>	520	664	(144)	593	(73)	870
<b>CONCESSION REVENUE</b>	261	215	46	238	23	337
<b>GOLF MERCHANDISE</b>	164	123	41	141	23	196
<b>ALL OTHER- NET</b>	<u>431</u>	<u>256</u>	<u>175</u>	<u>271</u>	<u>160</u>	<u>342</u>
	<b><u>10,491</u></b>	<b><u>10,366</u></b>	<b><u>125</u></b>	<b><u>10,261</u></b>	<b><u>230</u></b>	<b><u>14,250</u></b>

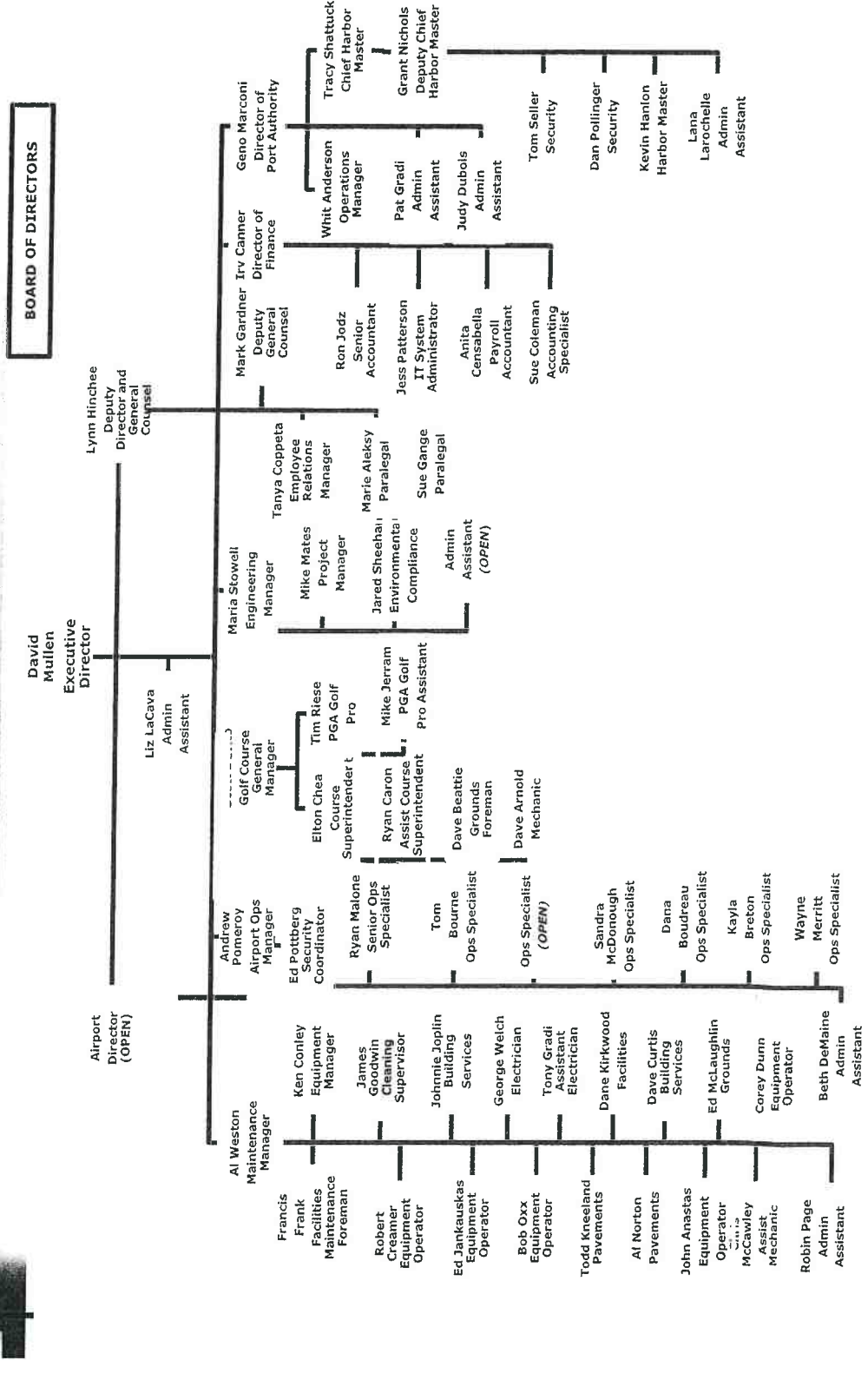
FEE REVENUES YEAR TO DATE



	ACTUAL SALES	BUDGETED SALES	SALES VARIANCE	ACTUAL COGS	BUDGETED COGS	COGS VARIANCE
SKYHAVEN AIRPORT	52	80	(28)	43	77	(34)
PORTSMOUTH FISH PIER	290	381	(91)	216	358	(142)
RYE HARBOR	83	105	(22)	61	98	(37)
HAMPTON HARBOR	95	98	(3)	65	92	(27)
	<b><u>520</u></b>	<b><u>664</u></b>	<b><u>(144)</u></b>	<b><u>385</u></b>	<b><u>625</u></b>	<b><u>(240)</u></b>



# PEASE DEVELOPMENT AUTHORITY ORGANIZATION CHART- MARCH 31, 2017



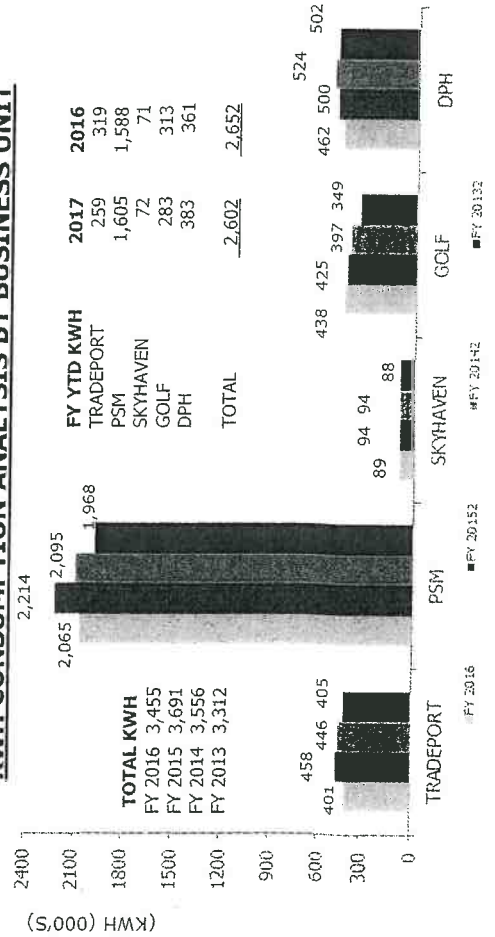
NOTE:  
1. EXCLUDES, NON-BENEFITED EMPLOYEES, CONTRACT AND SEASONAL EMPLOYEES.

# CONSOLIDATED OTHER OPERATING EXPENSES FOR THE NINE MONTH PERIOD ENDING MARCH 31, 2017 AND 2016

(\$ 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	293	338	403	449	LEGAL	191	37	15	50
WASTE DISPOSAL	72	104	76	138	INFORMATION TECHNOLOGY	47	58	44	77
NATURAL GAS AND OIL	49	80	46	106	AUDIT	51	55	50	73
PROPANE	28	47	34	62	ALL OTHER- NET	16	17	19	23
WATER	95	117	113	129		<b>305</b>	<b>167</b>	<b>128</b>	<b>223</b>
	<b>537</b>	<b>686</b>	<b>672</b>	<b>884</b>					

### KWH CONSUMPTION ANALYSIS BY BUSINESS UNIT





# CONSOLIDATED NONOPERATING (INCOME) EXPENSE FOR THE NINE MONTH PERIOD ENDING MARCH 31, 2017 AND 2016

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	PRIOR YEAR TO DATE ACTUAL	CURRENT YEAR BUDGET	
INTEREST EXPENSE	16	69	(53)	35	92	
INTEREST INCOME AND OTHER	(5)	(2)	(3)	(2)	(3)	
(GAIN) / LOSS ON SALE OF ASSETS	-	-	-	-	-	
	<u>11</u>	<u>67</u>	<u>(56)</u>	<u>33</u>	<u>89</u>	

	YEAR TO DATE	FISCAL BUDGET
PROVIDENT BANK	-	76
CITY OF PORTSMOUTH	16	16
TOTAL	<u>16</u>	<u>92</u>

**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 MARCH 31, 2017

(\$ 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	2,113	(105)	2,008	-	-
PSM PAVEMENT AND DRAINAGE (SBG 1603)	11-06-13	1,310	1,244	1,164	(59)	1,105	-	-
PSM OBSTRUCTION REMOVAL / PERMIT/DESIGN (SBG 04-2014)	04-25-14	-	-	227	(11)	103	113	100
PSM RUNWAY 16-34 PRE-DESIGN	TBD	-	-	88	(88)	-	-	-
PSM TERMINAL BATHROOM RENOVATIONS	04-21-16	-	-	505	(67)	(433)	5	-
PSM SECURITY IDENTIFICATION SYSTEM (SBG 05-2016)	03-21-16	-	-	292	(14)	130	148	141
SKYHAVEN RUNWAY 15-33 (SBG 05-2012)	06-18-14	3,790	3,601	3,520	(187)	3,117	216	214
SKYHAVEN TAXILANE PAV AND DRAIN (SBG 06-2015)	03-31-15	-	-	124	(6)	110	8	7
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	-
							<u>501</u>	<u>468</u>

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF MARCH 31, 2017

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-16	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 03-31-17
<b>PORTSMOUTH AIRPORT</b>					
TERMINAL BATHROOM RENOVATIONS (FAA- TBD)	65	440	505	(65)	-
OBSTRUCTION PERMITTING AND DESIGN (FAA-TBD)	2	226	-	226	228
RUNWAY 16-34 PRE-DESIGN (FAA- TBD)	53	35	-	35	88
LIGHTING AND SOFTWARE UPGRADE	45	-	45	(45)	-
ATCT PARTIAL DEMO AND REROOFING	40	381	421	(40)	-
SECURITY IDENTIFICATION SYSTEM	71	221	-	221	292
TERMINAL HVAC UNIT	-	22	22	-	-
PAVEMENT AND DRAINAGE IMPROVEMENTS (SBG 16-03)	-	1	1	-	-
ASR CONSTRUCTION (SBG-16-02)	-	244	244	-	-
	<b><u>276</u></b>	<b><u>1,570</u></b>	<b><u>1,238</u></b>	<b><u>332</u></b>	<b><u>608</u></b>

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF MARCH 31, 2017 (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 03-31-17
<b>SKYHAVEN AIRPORT</b>					
RUNWAY 15-33 RECONSTRUCT-MARKING AND SIGNAGE (SBG 05-2012)	-	90	90	-	-
RUNWAY DESIGN AND RECONSTRUCTION (SBG 04-2012)	-	9	9	-	-
TAXILANE PAVEMENT AND DRAINAGE DESIGN (SBG 06-2015)	116	9	125	(116)	-
	<u>116</u>	<u>108</u>	<u>224</u>	<u>(116)</u>	<u>-</u>
<b>MAINTENANCE</b>					
ELECTRICIAN VAN	-	65	65	-	-
DUMP TRUCK BODY	6	-	6	(6)	-
mitsubishi Fork Lift Truck	-	28	28	-	-
	<u>6</u>	<u>93</u>	<u>99</u>	<u>(6)</u>	<u>-</u>

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF MARCH 31, 2017

(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 03-31-17
<b>GOLF COURSE</b>					
CLUBHOUSE EXPANSION (DESIGN ONLY)	64	-	64	(64)	-
SIMULATOR EQUIPMENT	-	13	13	-	-
GRILL 28 RESTAURANT MODIFICATIONS	-	35	35	-	-
WELL VIABILITY STUDY	-	1	-	1	1
TRU TURF GREENS ROLLER	-	9	9	-	-
	<u>64</u>	<u>58</u>	<u>121</u>	<u>(63)</u>	<u>1</u>
<b>ADMINISTRATION</b>					
CPMUTER REPLACEMENTS	-	5	-	5	5

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF MARCH 31, 2017 (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 03-31-17
<b>TRADEPORT</b>					
INTERSECTION AND INFRASTRUCTURE IMPROVEMENTS	31	-	31	(31)	-
LEE STREET HVAC UPGRADE	26	-	26	(26)	-
	<b>57</b>	=	<b>57</b>	<b>(57)</b>	=

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS AS OF MARCH 31, 2017 (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 03-31-17
<b>DIVISION OF PORTS AND HARBORS</b>					
TIGER GRANT APPLICATION (2016)	9	(9)	-	(9)	-
INSTALL EMERGENCY CALL BOXES	6	3	9	(6)	-
FILE EXCHANGE SERVER	-	17	17	-	-
BARKER WHARF INSPECTION	-	14	-	14	14
REPLACE FENDER PILES- PSF	-	12	12	-	-
FASTLANE GRANT APPLICATION	-	12	-	12	12
UPGRADE PORT SECURITY AND SOFTWARE	-	5	-	5	5
	<u>15</u>	<u>54</u>	<u>38</u>	<u>16</u>	<u>31</u>
TOTAL	<u>534</u>	<u>1,888</u>	<u>1,782</u>	<u>106</u>	<u>640</u>



# LONG TERM DEBT LIABILITIES AS OF MARCH 31, 2017

(\$ 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	233	349
<b>TOTAL</b>	<b><u>116</u></b>	<b><u>233</u></b>	<b><u>349</u></b>

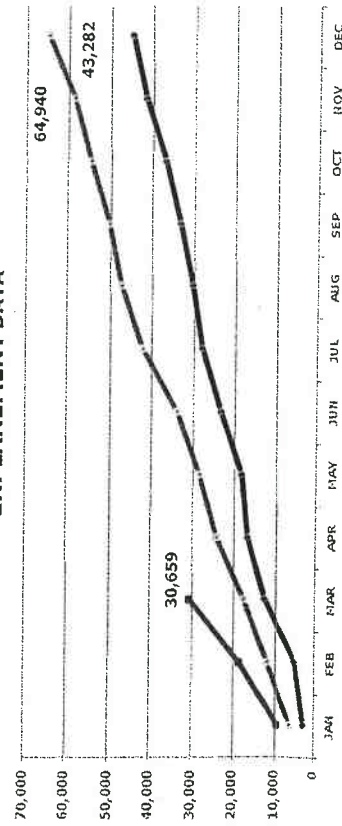
FISCAL YEAR	CITY OF PORTSMOUTH @ 4.50%
2017	116
2018	116
2019	116
2020	117
PAID IN FY 2017	<u>(116)</u>
<b>TOTAL</b>	<b><u>349</u></b>

# STATEMENT OF OPERATIONS FOR THE NINE MONTH PERIOD ENDING MARCH 31, 2017 PORTSMOUTH AIRPORT

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	PRIOR YEAR TO DATE ACTUAL
<b>OPERATING REVENUES</b>	<b>677</b>	<b>717</b>	<b>(40)</b>	<b>960</b>	<b>556</b>
FACILITIES RENT	443	439	4	585	436
CARGO AND HANGARS	161	120	41	161	151
CONCESSION REVENUES	20	5	15	7	17
FEE REVENUES	1	115	(114)	156	14
ALL OTHER	52	38	14	51	38
	<b>677</b>	<b>717</b>	<b>(40)</b>	<b>960</b>	<b>656</b>
<b>OPERATING EXPENSES</b>					
PERSONNEL SERVICES AND BENEFITS	649	756	(107)	1,007	696
BUILDINGS AND FACILITIES MAINTENANCE	573	987	(414)	1,247	697
GENERAL AND ADMINISTRATIVE	122	108	14	145	121
UTILITIES	239	261	(22)	344	271
PROFESSIONAL SERVICES	-	-	-	-	-
MARKETING AND PROMOTION	10	14	(4)	19	15
ALL OTHER	-	-	-	-	-
	<b>1,593</b>	<b>2,126</b>	<b>(533)</b>	<b>2,762</b>	<b>1,800</b>
<b>OPERATING INCOME</b>	<b>(916)</b>	<b>(1,409)</b>	<b>493</b>	<b>(1,802)</b>	<b>(1,144)</b>
<b>NONOPERATING (INCOME) AND EXPENSE</b>					
DEPRECIATION	2,640	2,851	(211)	3,800	2,873
<b>NET OPERATING INCOME</b>	<b>(3,556)</b>	<b>(4,260)</b>	<b>704</b>	<b>(5,602)</b>	<b>(4,017)</b>

ENPLANEMENT DATA



2015 2016 2017

YEAR TO DATE

2017 2016 2015

30,659 17,905 11,297

# STATEMENT OF OPERATIONS FOR THE NINE MONTH PERIOD ENDING MARCH 31, 2017 SKYHAVEN AIRPORT

(\$ 000's)

OPERATING REVENUES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	PRIOR YEAR TO DATE ACTUAL
	142	179	(37)	179	185	
CARGO AND HANGARS	88	98	(10)	130	105	
FUEL SALES	52	80	(28)	120	80	
ALL OTHER	2	1	1	1	-	
	<b>142</b>	<b>179</b>	<b>(37)</b>	<b>251</b>	<b>185</b>	
<b>OPERATING REVENUES</b>						
<b>OPERATING EXPENSES</b>						
PERSONNEL SERVICES AND BENEFITS	50	34	16	46	37	
BUILDINGS AND FACILITIES MAINTENANCE	59	64	(5)	85	71	
GENERAL AND ADMINISTRATIVE	22	27	(5)	36	24	
UTILITIES	20	24	(4)	32	24	
PROFESSIONAL SERVICES	4	24	-	5	4	
MARKETING AND PROMOTION	-	-	-	-	-	
ALL OTHER- FUEL	43	77	(34)	102	69	
	198	230	(32)	306	229	
	<b>(56)</b>	<b>(51)</b>	<b>(5)</b>	<b>(55)</b>	<b>(44)</b>	
<b>OPERATING INCOME</b>						
NONOPERATING (INCOME) AND EXPENSE	-	-	-	-	-	
DEPRECIATION	295	217	78	290	160	
NET OPERATING INCOME	<b>(351)</b>	<b>(268)</b>	<b>(83)</b>	<b>(345)</b>	<b>(204)</b>	

GALLONS OF FUEL SOLD	CURRENT MONTH	YEAR TO DATE	TOTAL YEAR	YTD AVE PRICE	GRANT FUNDS		TOTAL
					OPERA	DEBT REPAY	
FY 2017	455	12,461	12,461	\$ 4.13	(56)	-	(123)
FY 2016	920	19,440	26,851	\$ 4.12	(53)	-	205
					(109)	-	(667)
					(582)	(100)	(998)
					<b>(800)</b>	<b>(100)</b>	<b>(1,583)</b>

NET CASH FLOW	OPERA	CAPITAL EXPEND	DEBT REPAY	GRANT FUNDS	TOTAL
FY 2016	(53)	(193)	-	451	205
FY 2015	(109)	(3,392)	-	2,834	(667)
FY 2009-2014	(582)	(1,085)	(100)	769	(998)
	<b>(800)</b>	<b>(4,778)</b>	<b>(100)</b>	<b>4,095</b>	<b>(1,583)</b>

# STATEMENT OF OPERATIONS FOR THE NINE MONTH PERIOD ENDING MARCH 31, 2017 TRADEPORT

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	PRIOR YEAR TO DATE ACTUAL	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	PRIOR YEAR TO DATE ACTUAL
<b>OPERATING REVENUES</b>						<u>6,255</u>	<u>6,180</u>	<u>75</u>	<u>8,208</u>	<u>6,058</u>
RENTAL OF FACILITIES	5,993	6,073	(80)	8,062	5,928					
ALL OTHER	262	107	155	146	130					
	<u>6,255</u>	<u>6,180</u>	<u>75</u>	<u>8,208</u>	<u>6,058</u>					
<b>OPERATING EXPENSES</b>										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-					
BUILDINGS AND FACILITIES MAINTENANCE	135	291	(156)	389	229					
GENERAL AND ADMINISTRATIVE	36	35	1	47	37					
UTILITIES	63	109	(56)	145	108					
PROFESSIONAL SERVICES	-	-	-	-	-					
MARKETING AND PROMOTION	-	68	(68)	68	20					
ALL OTHER	76	105	(29)	140	61					
	<u>310</u>	<u>408</u>	<u>(98)</u>	<u>789</u>	<u>455</u>					
<b>OPERATING INCOME</b>	<u>5,945</u>	<u>5,772</u>	<u>173</u>	<u>7,419</u>	<u>5,603</u>					
<b>NONOPERATING (INCOME) AND EXPENSE</b>										
DEPRECIATION	598	612	(14)	816	621					
<b>NET OPERATING INCOME</b>	<u>5,347</u>	<u>4,960</u>	<u>387</u>	<u>6,603</u>	<u>4,982</u>					



# KEY GOLF COURSE BENCHMARKING DATA AS OF MARCH 31, 2017

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	122,716	113,551
NOVEMBER	88,068	70,077
DECEMBER	108,400	105,175
JANUARY	91,004	84,682
FEBRUARY	82,539	81,582
MARCH	86,387	97,403
APRIL	-	106,478
MAY	-	155,744
JUNE	-	205,159
<b>TOTAL</b>	<b>\$ 1,114,613</b>	<b>\$ 1,548,692</b>

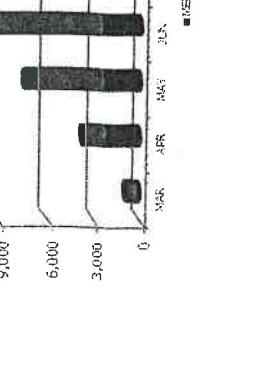
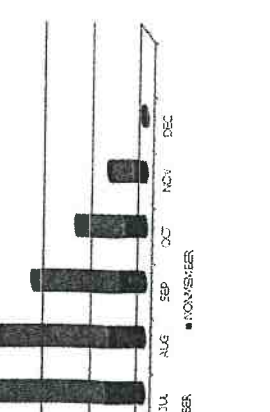
GOLF SIMULATOR REVENUES	FY 2017	FY 2016
JULY	\$ 148	\$ -
AUGUST	64	-
SEPTEMBER	-	345
OCTOBER	3,827	2,726
NOVEMBER	12,420	10,176
DECEMBER	21,198	14,417
JANUARY	28,021	24,246
FEBRUARY	23,123	26,504
MARCH	25,130	17,720
APRIL	-	6,002
MAY	-	963
JUNE	-	102
<b>TOTAL</b>	<b>\$ 113,931</b>	<b>\$ 103,201</b>

CLUB / COURSE FUNCTIONS	FY 2017 YTD	FY 2016 YTD
GROUPS 12-40	38,901	39,169
TOURNAMENT PLAY	131,561	110,925
LEAGUES	76,955	78,799
FOOD AND ROOM FEES	146,283	192,597

2016 ROUNDS-SEASON	MEMBER	NONMEMBER	TOTAL
MEMBER	17,327	37,609	54,936
NONMEMBER	37,609	54,936	92,545
<b>TOTAL</b>	<b>54,936</b>	<b>92,545</b>	<b>147,481</b>

2015 ROUNDS-SEASON	MEMBER	NONMEMBER	TOTAL
MEMBER	15,633	36,477	52,110
NONMEMBER	36,477	52,110	88,587
<b>TOTAL</b>	<b>52,110</b>	<b>88,587</b>	<b>140,697</b>



2016 ROUNDS-SEASON  
MEMBER 17,327  
NONMEMBER 37,609  
TOTAL 54,936

2015 ROUNDS-SEASON  
MEMBER 15,633  
NONMEMBER 36,477  
TOTAL 52,110

# STATEMENT OF OPERATIONS FOR THE NINE MONTH PERIOD ENDING MARCH 31, 2017 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
<b>OPERATING REVENUES</b>	1,654	1,754	(100)	2,351	1,689	FACILITY RENTALS	507	488	652	495
<b>OPERATING EXPENSES</b>						CONCESSION REVENUE	5	6	6	5
PERSONNEL SERVICES AND BENEFITS	837	777	60	1,036	806	FEE REVENUE				
BUILDINGS AND FAC AND MAINTENANCE	126	157	(31)	167	115	MOORING FEES	242	251	335	247
GENERAL AND ADMINISTRATIVE	80	95	(15)	150	138	PARKING	88	83	114	89
UTILITIES	78	115	(37)	154	99	REGISTRATIONS	96	94	170	100
PROFESSIONAL SERVICES	13	19	(6)	26	13	WHARF / DOCK	171	172	225	164
MARKETING AND PROMOTION	-	1	(1)	2	1		597	600	844	600
ALL OTHER - FUEL	342	548	(206)	705	387	FUEL SALES	468	583	750	513
	1,476	1,712	(236)	2,240	1,559	ALL OTHER	77	77	99	76
<b>OPERATING INCOME</b>	178	42	136	111	130	TOTAL	1,654	1,754	2,351	1,689
<b>NONOPERATING (INCOME) AND EXPENSE</b>	(1)	-	1	-	-	BUSINESS UNIT ANALYSIS				
DEPRECIATION	559	455	104	606	488	OPERATING REVENUES	146	181	681	338
<b>NET OP INCOME</b>	(380)	(413)	33	(495)	(358)	OPERATING EXPENSES (EXCLUDING DEPRECIATION)	170	138	275	331
						NET OP INC	(24)	43	406	(269)
						RYE HARBOR				
						HAMPTON HARBOR				
						PORTSMOUTH FISH PIER				
						MARKET STREET				
						HARBOR MANAG				
						ADMIN				

# STATEMENT OF OPERATIONS FOR THE NINE MONTH PERIOD ENDING MARCH 31, 2017 PORT AUTHORITY OF NEW HAMPSHIRE (RESTRICTED)

	YEAR TO DATE ACTUAL		YEAR TO DATE BUDGET		CURRENT YEAR VARIANCE		YEAR TO DATE ACTUAL		YEAR TO DATE BUDGET		CURRENT YEAR VARIANCE		FISCAL YEAR BUDGET		PRIOR YEAR TO DATE ACTUAL	
	82	69	69	13	107	85	5	4	1	56	6					
<b>HARBOR DREDGING</b>																
<b>OPERATING REVENUES</b>	82	69	69	13	107	85	5	4	1	56	6					
<b>OPERATING EXPENSES</b>																
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-	-					
BUILDINGS AND FACILITIES MAINTENANCE	2	37	37	(35)	50	272	-	-	-	-	-					
GENERAL AND ADMINISTRATIVE	4	-	-	4	-	13	-	1	(1)	1	-					
UTILITIES	-	-	-	-	-	-	-	-	-	-	-					
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-	-					
MARKETING AND PROMOTION	-	-	-	-	-	-	7	6	1	8	6					
ALL OTHER	-	-	-	-	-	-	-	-	-	-	-					
<b>OPERATING INCOME</b>	76	32	32	44	57	(200)	(2)	(3)	1	(4)	-					
<b>NONOPERATING (INCOME) AND EXPENSE</b>	(1)	-	-	(1)	-	-	-	-	-	-	-					
DEPRECIATION	48	29	29	19	38	31	-	-	-	-	-					
<b>NET OPERATING INCOME</b>	29	3	3	26	19	(231)	(2)	(3)	1	(4)	-					

(\$ 000's)



# STATEMENT OF OPERATIONS FOR THE NINE MONTH PERIOD ENDING MARCH 31, 2017 PORT AUTHORITY OF NEW HAMPSHIRE (RESTRICTED)

(CONTINUED)

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	PRIOR YEAR ACTUAL TO DATE	<u>REVOLVING LOAN FUND RECONCILIATION</u>		
	34	28	6	37	25	BALANCE AT 03-31-2017	BALANCE AT 06-30-2016	BALANCE AT 06-30-2015
<b>REVOLVING LOAN FUND</b>								
<b>OPERATING REVENUES</b>								
<b>OPERATING EXPENSES</b>								
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	128	78	330
BUILDINGS AND FACILITIES MAINTENANCE	-	-	-	-	-	-	-	43
GENERAL AND ADMINISTRATIVE	-	-	-	1	1	128	78	373
UTILITIES	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	16	17	(1)	22	18	135	131	115
MARKETING AND PROMOTION	-	-	-	-	-	915	954	666
ALL OTHER	-	-	-	-	-	1,050	1,085	781
<b>OPERATING INCOME</b>	<b>18</b>	<b>11</b>	<b>7</b>	<b>14</b>	<b>6</b>	<u>1,178</u>	<u>1,163</u>	<u>1,154</u>
<b>NONOPERATING (INCOME) AND EXPENSE</b>								
DEPRECIATION	-	-	-	-	-	89.1	93.3	70.3
<b>NET OPERATING INCOME</b>	<b>18</b>	<b>11</b>	<b>7</b>	<b>14</b>	<b>6</b>	<u>14.1</u>	<u>18.3</u>	<u>(4.7)</u>

(\*) EXCLUDES SEQUESTERED FUNDS.

# PEASE DEVELOPMENT AUTHORITY STATEMENT OF NET POSITION

(EXCLUDING PORT AUTHORITY OF NEW HAMPSHIRE)

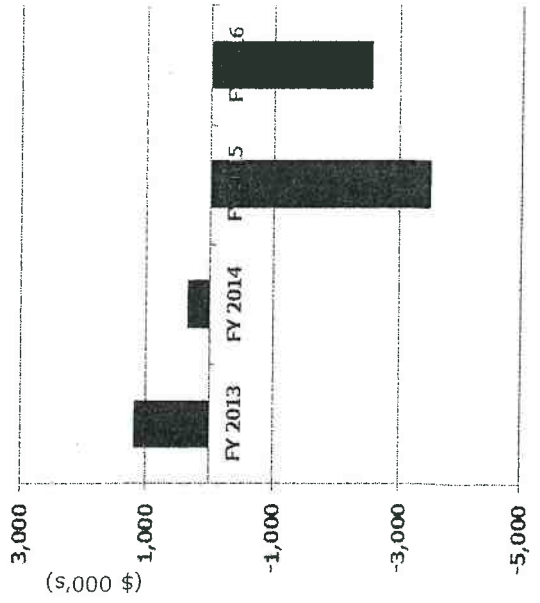
(\$ 000's)

	MAR 31 2017	JUN 30 2016	MAR 31 2017	JUN 30 2016
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
CASH AND EQUIVALENTS	2,481	1,033	1,589	1,302
ACCOUNTS RECEIVABLE- NET	886	521	54	269
OTHER ASSETS	502	434	353	318
<b>TOTAL CURRENT ASSETS</b>	<b>3,869</b>	<b>1,988</b>	<b>116</b>	<b>116</b>
<b>RESTRICTED ASSETS</b>				
CASH AND EQUIVALENTS	-	-	3,368	3,368
ACCOUNTS RECEIVABLES- NET	-	-	317	349
<b>TOTAL RESTRICTED ASSETS</b>	<b>-</b>	<b>-</b>	<b>3,685</b>	<b>3,717</b>
<b>CAPITAL ASSETS</b>				
LAND, BUILDINGS AND EQUIPMENT	55,031	57,174	55,236	56,957
CONSTRUCTION IN PROCESS (PAGES #10-#14)	609	518	-	-
<b>OTHER- LT RECEIVABLE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>59,509</b>	<b>59,679</b>	<b>55,174</b>	<b>58,230</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
PENSION	623	623	(1,062)	(2,537)
<b>TOTAL NET POSITION</b>	<b>60,132</b>	<b>60,302</b>	<b>54,112</b>	<b>55,693</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	1,589	-	-	-
ACCOUNTS PAYABLE- CONSTRUCTION	54	-	-	-
UNEARNED REVENUE	353	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	116	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,112</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NONCURRENT LIABILITIES</b>				
NET PENSION LIABILITY	3,368	-	-	-
OTHER LT LIABILITIES	317	-	-	-
<b>TOTAL LIABILITIES</b>	<b>5,797</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
PENSION	161	-	-	-
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	55,236	56,957	-	-
RESTRICTED FOR:				
REVOLVING LOAN FUND	-	-	-	-
HARBOR DREDGING	-	-	-	-
FOREIGN TRADE ZONE	-	-	-	-
UNRESTRICTED	(1,062)	(2,537)	-	-
<b>TOTAL NET POSITION</b>	<b>54,174</b>	<b>54,420</b>	<b>54,112</b>	<b>55,693</b>

### 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

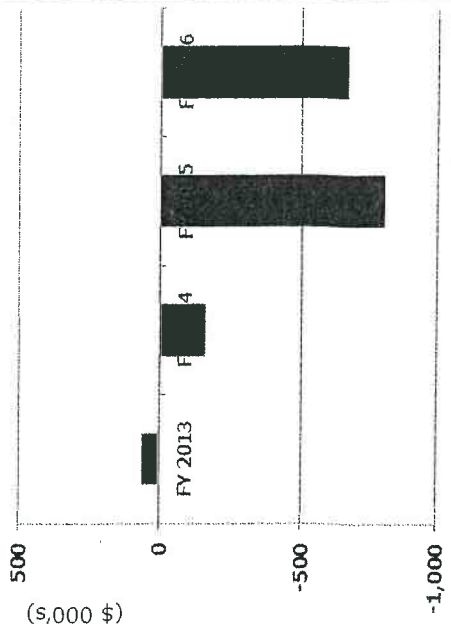
(\$ 000's)

	MAR 31 2017	JUN 30 2016	MAR 31 2017	JUN 30 2016
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
CASH AND EQUIVALENTS	620	680		
ACCOUNTS RECEIVABLE- NET	52	68		
OTHER ASSETS	29	33		
<b>TOTAL CURRENT ASSETS</b>	<u>701</u>	<u>781</u>		
<b>RESTRICTED ASSETS</b>				
CASH AND EQUIVALENTS	-	-		
ACCOUNTS RECEIVABLES- NET	-	-		
<b>TOTAL RESTRICTED ASSETS</b>	<u>-</u>	<u>-</u>		
<b>CAPITAL ASSETS</b>				
LAND, BUILDINGS AND EQUIPMENT	9,649	10,191		
CONSTRUCTION IN PROCESS (PAGES #10-#14)	17	9		
<b>TOTAL ASSETS</b>	<u>9,666</u>	<u>10,200</u>		
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
PENSION	153	153		
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	120	395		
ACCOUNTS PAYABLE- CONSTRUCTION	-	4		
UNEARNED REVENUE	301	279		
REVOLVING LOC FACILITY	-	-		
CURRENT PORTION- LT LIABILITIES	-	-		
<b>TOTAL CURRENT LIABILITIES</b>	<u>421</u>	<u>678</u>		
<b>NONCURRENT LIABILITIES</b>				
NET PENSION LIABILITY	888	888		
OTHER LT LIABILITIES	19	-		
<b>TOTAL LIABILITIES</b>	<u>1,328</u>	<u>1,566</u>		
<b>DEFERRED INFLOWS OF RESOURCES</b>				
PENSION	46	46		
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	9,666	10,196		
RESTRICTED FOR:				
REVOLVING LOAN FUND	-	-		
HARBOR DREDGING	-	-		
FOREIGN TRADE ZONE	-	-		
UNRESTRICTED	(520)	(674)		
<b>TOTAL NET POSITION</b>	<u>9,146</u>	<u>9,522</u>		

**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

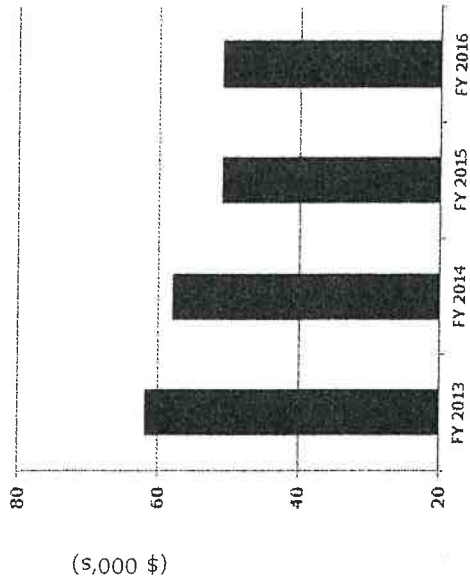
(\$ 000's)

	MAR 31 2017	JUN 30 2016	MAR 31 2017	JUN 30 2016
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
CASH AND EQUIVALENTS	-	-	-	-
ACCOUNTS RECEIVABLE- NET	-	-	-	-
OTHER ASSETS	-	-	-	-
TOTAL CURRENT ASSETS	-	-	-	-
<b>RESTRICTED ASSETS</b>				
CASH AND EQUIVALENTS	43	51	43	51
ACCOUNTS RECEIVABLES- NET	5	-	5	-
TOTAL RESTRICTED ASSETS	<u>48</u>	<u>51</u>	<u>48</u>	<u>51</u>
<b>CAPITAL ASSETS</b>				
LAND, BUILDINGS AND EQUIPMENT	-	-	-	-
CONSTRUCTION IN PROCESS (PAGES #10-#14)	-	-	-	-
<b>TOTAL ASSETS</b>	<u>48</u>	<u>51</u>	<u>48</u>	<u>51</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
PENSION	-	-	-	-
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	-	-	-	-
ACCOUNTS PAYABLE- CONSTRUCTION	-	-	-	-
UNEARNED REVENUE	-	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	-	-	-	-
TOTAL CURRENT LIABILITIES	-	-	-	-
<b>NONCURRENT LIABILITIES</b>				
NET PENSION LIABILITY	-	-	-	-
OTHER LT LIABILITIES	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>				
PENSION	-	-	-	-
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	-	-	-	-
RESTRICTED FOR:				
REVOLVING LOAN FUND	-	-	-	-
HARBOR DREDGING	-	-	-	-
FOREIGN TRADE ZONE UNRESTRICTED	48	51	48	51
<b>TOTAL NET POSITION</b>	<u>48</u>	<u>51</u>	<u>48</u>	<u>51</u>

**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)

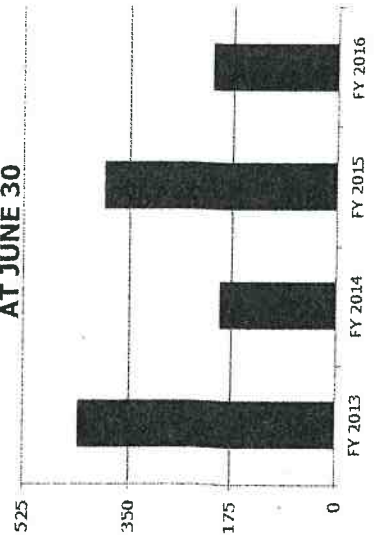
	MAR 31 2017	JUN 30 2016	MAR 31 2017	JUN 30 2016
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
CASH AND EQUIVALENTS	-	-	-	-
ACCOUNTS RECEIVABLE- NET	-	-	-	-
OTHER ASSETS	-	-	-	-
TOTAL CURRENT ASSETS	-	-	-	-
<b>RESTRICTED ASSETS</b>				
CASH AND EQUIVALENTS	520	473	520	473
ACCOUNTS RECEIVABLES- NET	-	3	-	3
TOTAL RESTRICTED ASSETS	<u>520</u>	<u>476</u>	<u>520</u>	<u>476</u>
<b>CAPITAL ASSETS</b>				
LAND, BUILDINGS AND EQUIPMENT	666	692	666	692
CONSTRUCTION IN PROCESS (PAGES #10-#14)	14	6	14	6
<b>TOTAL ASSETS</b>	<u>680</u>	<u>698</u>	<u>680</u>	<u>698</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
PENSION	-	-	-	-
<b>TOTAL NET POSITION</b>	<u>933</u>	<u>903</u>	<u>933</u>	<u>903</u>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	267	265	267	265
ACCOUNTS PAYABLE- CONSTRUCTION	-	6	-	6
UNEARNED REVENUE	-	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	-	-	-	-
TOTAL CURRENT LIABILITIES	<u>267</u>	<u>271</u>	<u>267</u>	<u>271</u>
<b>NONCURRENT LIABILITIES</b>				
NET PENSION LIABILITY	-	-	-	-
OTHER LT LIABILITIES	-	-	-	-
TOTAL LIABILITIES	<u>267</u>	<u>271</u>	<u>267</u>	<u>271</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
PENSION	-	-	-	-
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	665	692	665	692
RESTRICTED FOR:				
REVOLVING LOAN FUND	-	-	-	-
HARBOR DREDGING	268	211	268	211
FOREIGN TRADE ZONE	-	-	-	-
UNRESTRICTED	-	-	-	-
<b>TOTAL NET POSITION</b>	<u>933</u>	<u>903</u>	<u>933</u>	<u>903</u>

### 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
- BARKER WHARF 14
- FENDER PILES 12
- EMERG CALL BOXES 4

### NET RESTRICTED POSITION AT JUNE 30



(\$,000 \$)

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

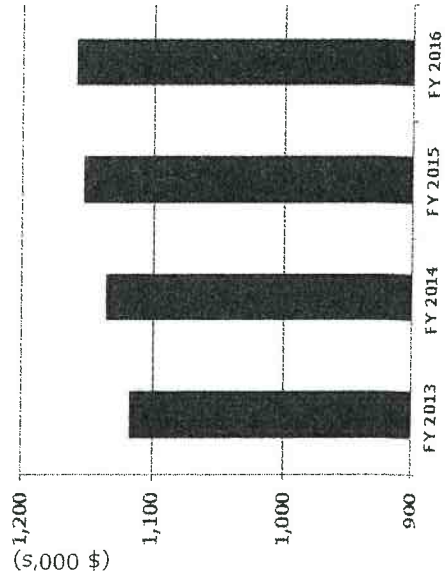
(\$ 000's)

	MAR 31 2017	JUN 30 2016	MAR 31 2017	JUN 30 2016
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
CASH AND EQUIVALENTS	-	-	-	-
ACCOUNTS RECEIVABLE- NET	-	-	-	-
OTHER ASSETS	-	-	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>RESTRICTED ASSETS</b>				
CASH AND EQUIVALENTS	128	78	128	78
ACCOUNTS RECEIVABLES- NET	1,051	1,084	1,051	1,084
<b>TOTAL RESTRICTED ASSETS</b>	<b>1,179</b>	<b>1,162</b>	<b>1,179</b>	<b>1,162</b>
<b>CAPITAL ASSETS</b>				
LAND, BUILDINGS AND EQUIPMENT	-	-	-	-
CONSTRUCTION IN PROCESS (PAGES #10-#14)	-	-	-	-
<b>TOTAL ASSETS</b>	<b>1,179</b>	<b>1,162</b>	<b>1,179</b>	<b>1,162</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
PENSION	-	-	-	-
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	2	-	2	-
ACCOUNTS PAYABLE- CONSTRUCTION	-	-	-	-
UNEARNED REVENUE	-	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	-	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>
<b>NONCURRENT LIABILITIES</b>				
NET PENSION LIABILITY	-	-	-	-
OTHER LT LIABILITIES	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
PENSION	-	-	-	-
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	-	-	-	-
RESTRICTED FOR:				
REVOLVING LOAN FUND	1,177	1,159	1,177	1,159
HARBOR DREDGING	-	-	-	-
FOREIGN TRADE ZONE	-	-	-	-
UNRESTRICTED	-	-	-	-
<b>TOTAL NET POSITION</b>	<b>1,177</b>	<b>1,159</b>	<b>1,177</b>	<b>1,159</b>

### 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 JANUARY 31, 2018**

**BOARD OF DIRECTOR'S MEETING  
MAY 18, 2017**



# PEASE DEVELOPMENT AUTHORITY CASH FLOW SUMMARY OVERVIEW MAY 1, 2017 TO JANUARY 31, 2018

(EXCLUDING DIVISION OF PORTS AND HARBORS)

(\$ 000's)

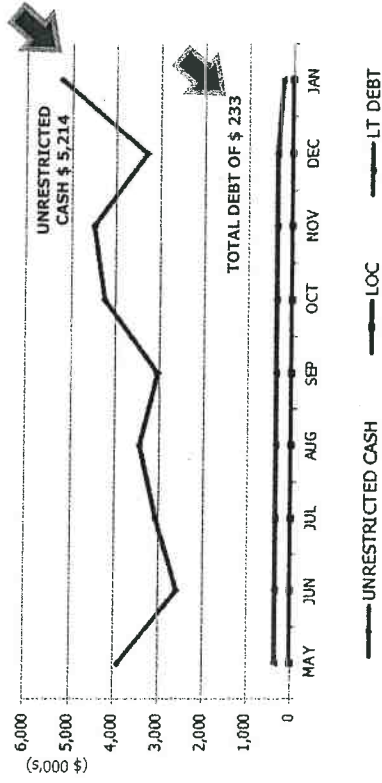
	AMOUNT
<b>OPENING FUND BALANCE</b>	<b><u>3,380</u></b>
<b>SOURCES OF FUNDS</b>	
TRADEPORT TENANTS	6,985
GRANT AWARDS (SEE PAGE #8)	5,813
GOLF COURSE FEE AND CONCESSION REVENUES	1,455
PORTSMOUTH AIRPORT	420
SKYHAVEN AIRPORT HANGAR AND FUEL REVENUES	140
MUNICIPAL SERVICE FEE (COP)- NET	(58)
EXTERNAL BANK WORKING CAPITAL- NET	-
	<u>14,755</u>
<b>USES OF FUNDS</b>	
CAPITAL EXPENDITURES- GRANT (SEE PAGE #4)	7,082
PERSONNEL SERVICES AND BENEFITS	4,145
OPERATING EXPENSES	990
CAPITAL EXPENDITURES- NON GRANT (SEE PAGES #5-#7)	588
LONG TERM DEBT RETIREMENT	116
	<u>12,921</u>
<b>NET CASH FLOW</b>	<b><u>1,834</u></b>
<b>CLOSING FUND BALANCE</b>	<b><u>5,214</u></b>

**DISCUSSION**

AT THIS TIME, 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.

**PROJECTED CASH AND DEBT BALANCES**



TOTAL FUND BALANCES	BALANCE AT 04-30-2017	BALANCE AT 06-30-2016
PDA UNRESTRICTED	3,380	1,022
PDA DESIGNATED	11	12
<b>TOTAL</b>	<b><u>3,391</u></b>	<b><u>1,034</u></b>



# PEASE DEVELOPMENT AUTHORITY STATEMENT OF CASH FLOW MAY 1, 2017 TO JANUARY 31, 2018

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000'S)

	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	TOTAL
<b>OPENING FUND BALANCE</b>	<b>3,380</b>	<b>3,890</b>	<b>2,589</b>	<b>3,069</b>	<b>3,422</b>	<b>3,028</b>	<b>4,243</b>	<b>4,497</b>	<b>3,276</b>	<b>3,380</b>
<b>SOURCES OF FUNDS</b>										
TRADEPORT TENANTS	600	615	1,080	620	625	1,080	645	640	1,080	6,985
GRANT AWARDS (SEE PAGE #8)	222	28	28	457	260	1,393	1,055	900	1,470	5,813
MUNICIPAL SERVICE FEE	250	250	375	250	250	375	250	250	375	2,625
GOLF COURSE	165	200	215	210	195	190	120	85	75	1,455
PORTSMOUTH AIRPORT	45	45	50	45	45	50	45	45	50	420
SKYHAVEN AIRPORT	16	16	17	16	16	17	14	14	14	140
WORKING CAPITAL RLOC- NET	-	-	-	-	-	-	-	-	-	-
	<u>1,298</u>	<u>1,154</u>	<u>1,765</u>	<u>1,598</u>	<u>1,391</u>	<u>3,105</u>	<u>2,129</u>	<u>1,934</u>	<u>3,064</u>	<u>17,438</u>
<b>USE OF FUNDS</b>										
PERSONNEL SERVICES AND BENEFITS	440	465	470	470	465	450	455	460	470	4,145
CAPITAL- GRANT RELATED (SEE PAGE #4)	195	458	689	610	1,150	1,200	1,200	1,130	450	7,082
CAPITAL- NONGRANT (SEE PAGES #5-#7)	38	115	15	70	55	145	115	35	-	588
MUNICIPAL SERVICE FEE	-	1,312	21	-	-	-	-	1,350	-	2,683
OPERATING EXPENSES	115	105	90	95	115	95	105	180	90	990
LONG TERM DEBT RETIREMENT	=	=	=	=	=	=	=	=	116	116
	<u>788</u>	<u>2,455</u>	<u>1,285</u>	<u>1,245</u>	<u>1,785</u>	<u>1,890</u>	<u>1,875</u>	<u>3,155</u>	<u>1,126</u>	<u>15,604</u>
<b>NET CASH FLOW</b>	<b>510</b>	<b>(1,301)</b>	<b>480</b>	<b>353</b>	<b>(394)</b>	<b>1,215</b>	<b>254</b>	<b>(1,221)</b>	<b>1,938</b>	<b>1,834</b>
<b>CLOSING FUND BALANCE</b>	<b>3,890</b>	<b>2,589</b>	<b>3,069</b>	<b>3,422</b>	<b>3,028</b>	<b>4,243</b>	<b>4,497</b>	<b>3,276</b>	<b>5,214</b>	<b>5,214</b>

# PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS) MAY 1, 2017 TO JANUARY 31, 2018

(\$ 000's)

	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	TOTAL
<b><u>GRANT REIMBURSEMENT</u></b>										
<b>PORTSMOUTH AIRPORT</b>										
AIR NATIONAL GUARD TAXIWAY ALPHA	-	-	100	100	800	850	900	300	150	3,200
OBSTRUCTION MITIGATION- DESIGN	20	21	10	-	-	-	-	-	-	51
OBSTRUCTION MITIGATION- CONSTRUCT	-	-	-	-	-	-	100	100	300	500
IDENTIFICATION MANAGEMENT SYSTEM- PHASE I	65	47	14	-	-	-	-	-	-	126
IDENTIFICATION MANAGEMENT SYSTEM- PHASE II	25	80	10	10	-	-	-	-	-	125
RW PRELIMINARY DESIGN	-	10	5	-	100	100	100	100	-	415
TERMINAL ENHANCEMENT STUDY **	-	-	-	-	-	-	50	100	-	150
BATHROOM RENOVATIONS	<u>30</u>	-	-	-	-	-	-	-	-	<u>30</u>
	<u>140</u>	<u>158</u>	<u>139</u>	<u>110</u>	<u>900</u>	<u>950</u>	<u>1,150</u>	<u>600</u>	<u>450</u>	<u>4,597</u>
<b>SKYHAVEN AIRPORT</b>										
RUNWAY CONSTRUCTION	50	50	50	-	-	-	-	-	-	150
TAXILANE PAVEMENT (CONSTRUCTION)	-	250	500	500	250	250	50	30	-	1,830
TAXILANE PAVEMENTS (DESIGN)	5	-	-	-	-	-	-	-	-	5
ROTARY PLOW **	-	-	-	-	-	-	-	500	-	500
	<u>55</u>	<u>300</u>	<u>550</u>	<u>500</u>	<u>250</u>	<u>250</u>	<u>50</u>	<u>530</u>	-	<u>2,485</u>
	<u>195</u>	<u>458</u>	<u>689</u>	<u>610</u>	<u>1,150</u>	<u>1,200</u>	<u>1,200</u>	<u>1,130</u>	<u>450</u>	<u>7,082</u>

NOTE:  
\*\* PENDING BOARD APPROVAL

**PEASE DEVELOPMENT AUTHORITY  
 CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)  
 MAY 1, 2017 TO JANUARY 31, 2018 (CONTINUED)**

(\$ 000's)

	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	TOTAL
<b><u>NONGRANT REIMBURSEMENT</u></b>										
<b>TRADEPORT</b>										
WATER TOWER LOGO	-	-	-	30	-	-	-	-	-	30
OIL WATER SEPARATOR CLEANING	-	30	-	-	-	20	-	-	-	50
	=	30	=	=	=	20	=	=	=	80

NOTE:  
 \*\* PENDING BOARD APPROVAL

**PEASE DEVELOPMENT AUTHORITY  
CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)  
MAY 1, 2017 TO JANUARY 31, 2018 (CONTINUED):**

(\$ 000'S)

	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	TOTAL
<b><u>NONGRANT REIMBURSEMENT</u></b>										
<b>SKYHAVEN AIRPORT</b>										
SRE DOOR REPLACEMENT / REPAIR (SPRINGS) **	-	-	-	-	-	15	-	-	-	15
TERMINAL PARKING LOT **	=	=	=	=	25	=	=	=	=	25
	=	=	=	=	25	15	=	=	=	40
<b>ADMINISTRATION</b>										
COMPUTERS / PRINTERS / SOFTWARE / SERVERS / TELECOMMUNICATIONS **	=	10	=	20	=	=	20	=	=	50
<b>GOLF COURSE</b>										
DEBRIS BLOWER **	8	-	-	-	-	-	-	-	-	8
GREENS ROLLER **	-	10	-	-	-	-	-	-	-	10
BLUE COURSE BRIDGES **	-	5	-	-	-	-	25	-	-	30
RESTAURANT MODIFICATIONS	10	-	-	-	-	-	35	-	-	45
PATIO UPGRADE DESIGN **	-	-	5	-	-	-	-	-	-	5
FAIRWAY MOWER **	-	60	-	-	-	-	-	-	-	60
	18	75	5	=	=	=	60	=	=	158

NOTE:  
\*\* PENDING BOARD APPROVAL

7

**PEASE DEVELOPMENT AUTHORITY**  
**CAPITAL EXPENDITURES** (EXCLUDING THE DIVISION OF PORTS AND HARBORS)  
**MAY 1, 2017 TO JANUARY 31, 2018** (CONTINUED):

(\$ 000's)

	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	TOTAL
<b><u>NONGRANT REIMBURSEMENT</u></b> (CONTINUED):										
<b>PORTSMOUTH AIRPORT</b>										
TERMINAL RUNWAY RELAMPING (LED) **	-	-	-	20	30	-	-	-	-	50
REROOFING OF HUT # 7 AND #8 **	-	-	-	-	-	40	10	-	-	50
NORTH WEATHER STATION GENERATOR **	-	-	-	-	-	-	-	35	-	35
TERMINAL SEATING	20	-	-	-	-	-	-	-	-	20
PARKING LOT POLES- SIGNAGE **	-	-	10	-	-	-	-	-	-	10
	<u>20</u>	<u>-</u>	<u>10</u>	<u>20</u>	<u>30</u>	<u>40</u>	<u>10</u>	<u>35</u>	<u>-</u>	<u>165</u>
<b>MAINTENANCE</b>										
BUILDING INFRASTRUCTURE**	-	-	-	-	-	25	25	-	-	50
VEHICLE FLEET REPLACEMENT **	-	-	-	-	-	45	-	-	-	45
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70</u>	<u>25</u>	<u>-</u>	<u>-</u>	<u>95</u>
<b>TOTAL NONGRANT</b>	<b><u>38</u></b>	<b><u>115</u></b>	<b><u>15</u></b>	<b><u>70</u></b>	<b><u>55</u></b>	<b><u>145</u></b>	<b><u>115</u></b>	<b><u>35</u></b>	<b><u>-</u></b>	<b><u>588</u></b>

NOTE:  
 \*\* PENDING BOARD APPROVAL

**PEASE DEVELOPMENT AUTHORITY**  
**RECEIPT GRANT AWARDS** (EXCLUDING THE DIVISION OF PORTS AND HARBORS)  
**MAY 1, 2017 TO JANUARY 31, 2018**

(\$,000's)

	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	TOTAL
<b>PORTSMOUTH AIRPORT</b>										
AIR NATIONAL GUARD TAXIWAY ALPHA	-	-	-	100	100	800	850	900	300	3,050
OBSTRUCTION MITIGATION- DESIGN	-	28	-	-	20	-	-	-	-	48
OBSTRUCTION MITIGATION- CONSTRUCT	-	-	-	-	-	-	-	-	95	95
IDENTIFICATION MANAGEMENT SYSTEM- PHASE I	-	-	-	120	-	-	-	-	-	120
IDENTIFICATION MANAGEMENT SYSTEM- PHASE II	-	-	-	-	-	118	-	-	-	118
RW PRELIMINARY DESIGN	-	-	-	-	-	-	205	-	-	205
TERMINAL ENHANCEMENT STUDY	-	-	-	-	-	-	-	-	47	47
BATHROOM RENOVATIONS	-	-	28	-	-	-	-	-	28	56
<b>SKYHAVEN AIRPORT</b>										
RUNWAY CONSTRUCTION	215	-	-	-	140	-	-	-	-	355
TAXILANE PAVEMENT- CONSTRUCTION	-	-	-	237	-	475	-	-	525	1,237
TAXILANE PAVEMENT- DESIGN	7	-	-	-	-	-	-	-	-	7
ROTARY PLOW	-	-	-	-	-	-	-	-	475	475
<b>TOTAL GRANT</b>	<b>222</b>	<b>28</b>	<b>28</b>	<b>457</b>	<b>260</b>	<b>1,393</b>	<b>1,055</b>	<b>900</b>	<b>1,470</b>	<b>5,813</b>



# DIVISION OF PORTS AND HARBORS CASH FLOW SUMMARY OVERVIEW MAY 1, 2017 TO JANUARY 31, 2018

(\$ 000's)

	AMOUNT
<b>OPENING FUND BALANCE</b>	<u>727</u>
<b>SOURCES OF FUNDS</b>	
FACILITY RENTALS	490
MOORING FEES	10
REGISTRATIONS / WHARFAGE	155
FUEL SALES	220
PARKING FEES AND CONCESSIONS	208
	<u>1,083</u>
<b>USES OF FUNDS</b>	
PERSONNEL SERVICES AND BENEFITS	831
OPERATING EXPENSES	355
FUEL PROCUREMENT	199
CAPITAL EXPENDITURES	30
	<u>1,415</u>
<b>NET CASH FLOW</b>	<u>(332)</u>
<b>CLOSING FUND BALANCE</b>	<u>395</u>

**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 04-30-2017	BALANCE AT 06-30-2016
UNRESTRICTED FUNDS	727	680
HARBOR DREDGING	519	473
FOREIGN TRADE ZONE	48	46
REVOLVING LOAN FUND	<u>128</u>	<u>78</u>
<b>TOTAL</b>	<b><u>1,422</u></b>	<b><u>1,277</u></b>



# DIVISION OF PORTS AND HARBORS

## STATEMENT OF CASH FLOW- UNRESTRICTED FUNDS

### MAY 1, 2017 TO JANUARY 31, 2018

(\$ 000's)

	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	TOTAL
<b>OPENING FUND BALANCE</b>	<u>727</u>	<u>756</u>	<u>739</u>	<u>642</u>	<u>652</u>	<u>668</u>	<u>562</u>	<u>546</u>	<u>523</u>	<u>727</u>
<b>SOURCES OF FUNDS</b>										
FACILITY RENTALS	54	54	54	54	55	55	55	54	55	490
CONCESSION REVENUES	2	3	2	3	4	4	-	-	-	18
MOORING FEES	10	-	-	-	-	-	-	-	-	10
REGISTRATIONS / WHARFAGE	50	10	15	15	20	15	10	10	10	155
PARKING FEES	10	15	35	35	45	35	15	-	-	190
FUEL SALES	25	30	30	30	25	20	20	20	20	220
	<u>151</u>	<u>112</u>	<u>136</u>	<u>137</u>	<u>149</u>	<u>129</u>	<u>100</u>	<u>84</u>	<u>85</u>	<u>1,083</u>
<b>USE OF FUNDS</b>										
PERSONNEL SERVICES AND BENEFITS	48	49	170	55	59	180	60	50	160	831
BUILDINGS AND FACILITIES	20	10	10	10	15	10	5	5	10	95
GENERAL AND ADMINISTRATIVE	12	9	11	10	11	12	9	9	9	92
UTILITIES	19	14	15	15	15	15	14	15	16	138
PROFESSIONAL SERVICES	-	10	-	-	10	-	-	10	-	30
FUEL PROCUREMENT	23	27	27	27	23	18	18	18	18	199
CAPITAL EXPENDITURES AND OTHER	-	10	-	10	-	-	10	-	-	30
	<u>122</u>	<u>129</u>	<u>233</u>	<u>127</u>	<u>133</u>	<u>235</u>	<u>116</u>	<u>107</u>	<u>213</u>	<u>1,415</u>
<b>NET CASH FLOW</b>	29	(17)	(97)	10	16	(106)	(16)	(23)	(128)	(332)
<b>CLOSING FUND BALANCE</b>	<u>756</u>	<u>739</u>	<u>642</u>	<u>652</u>	<u>668</u>	<u>562</u>	<u>546</u>	<u>523</u>	<u>395</u>	<u>395</u>

# DIVISION OF PORTS AND HARBORS STATEMENT OF CASH FLOW- HARBOR DREDGING FUND MAY 1, 2017 TO JANUARY 31, 2018

(\$ 000's)

	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	TOTAL
<b>OPENING FUND BALANCE</b>	<u>519</u>	<u>525</u>	<u>532</u>	<u>512</u>	<u>521</u>	<u>483</u>	<u>491</u>	<u>483</u>	<u>467</u>	<u>519</u>
<b>SOURCES OF FUNDS</b>										
PIER USAGE FEES	6	4	5	5	3	3	4	5	3	38
REGISTRATIONS	2	1	1	2	1	2	2	2	2	15
FUEL FLOWAGE FEES	2	2	2	2	3	3	3	2	2	21
	<u>10</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>9</u>	<u>7</u>	<u>74</u>
<b>USE OF FUNDS</b>										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	4	-	6	-	20	-	15	-	5	50
GENERAL AND ADMINISTRATIVE	-	-	2	-	-	-	2	-	-	4
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER- (CBOC)	-	-	20	-	25	-	-	25	-	70
	<u>4</u>	<u>-</u>	<u>28</u>	<u>-</u>	<u>45</u>	<u>-</u>	<u>17</u>	<u>25</u>	<u>5</u>	<u>124</u>
<b>NET CASH FLOW</b>	6	7	(20)	9	(38)	8	(8)	(16)	2	(50)
<b>CLOSING FUND BALANCE</b>	<u>525</u>	<u>532</u>	<u>512</u>	<u>521</u>	<u>483</u>	<u>491</u>	<u>483</u>	<u>467</u>	<u>469</u>	<u>469</u>

# DIVISION OF PORTS AND HARBORS STATEMENT OF CASH FLOW - FOREIGN TRADE ZONE MAY 1, 2017 TO JANUARY 31, 2018

(\$ 000's)

	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	TOTAL
<b>OPENING FUND BALANCE</b>	48	48	53	53	50	50	50	45	50	48
<b>SOURCES OF FUNDS</b>										
FACILITY RENTALS	-	5	-	-	-	-	-	5	-	10
ALL OTHER	-	-	-	-	-	-	-	-	-	-
<b>USE OF FUNDS</b>										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	-	-	-	-	-	-	-	-	-
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	3	-	-	5	-	-	8
ALL OTHER	-	-	-	-	-	-	-	5	-	10
<b>NET CASH FLOW</b>	-	-	-	3	-	-	5	-	-	8
	-	5	-	(3)	-	-	(5)	5	-	2
<b>CLOSING FUND BALANCE</b>	48	53	53	50	50	50	45	50	50	50

# DIVISION OF PORTS AND HARBORS

## STATEMENT OF CASH FLOW - REVOLVING LOAN

### MAY 1, 2017 TO JANUARY 31, 2018

(\$ 000's)

	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	TOTAL
<b>OPENING FUND BALANCE</b>	<u>128</u>	<u>143</u>	<u>121</u>	<u>77</u>	<u>92</u>	<u>109</u>	<u>125</u>	<u>140</u>	<u>156</u>	<u>128</u>
<b>SOURCES OF FUNDS</b>										
LOAN REPAYMENTS	13	13	13	13	13	13	13	13	13	117
INTEREST INCOME-LOANS	4	5	5	5	5	5	5	5	5	44
INTEREST INCOME- FUND BALANCE	1	-	-	-	1	-	-	-	1	3
SEQUESTERED FUNDS	-	-	-	-	-	-	-	-	-	-
	18	18	18	18	19	18	18	18	19	164
<b>USE OF FUNDS</b>										
NEW LOANS ISSUED	-	38	60	-	-	-	-	-	-	98
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	-	-	-	-	-	-	-	-	-
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	3	2	2	3	2	2	3	2	2	21
ALL OTHER	-	-	-	-	-	-	-	-	-	-
	3	40	62	3	2	2	3	2	2	119
	15	(22)	(44)	15	17	16	15	16	17	45
<b>NET CASH FLOW</b>										
<b>CLOSING FUND BALANCE</b>	<u>143</u>	<u>121</u>	<u>77</u>	<u>92</u>	<u>109</u>	<u>125</u>	<u>140</u>	<u>156</u>	<u>173</u>	<u>173</u>

**REVOLVING LOAN FUND**

**SEMI-ANNUAL FILING TO THE  
ECONOMIC DEVELOPMENT ADMINISTRATION  
MARCH 31, 2017**

**BOARD OF DIRECTOR'S MEETING  
MAY 18, 2017**

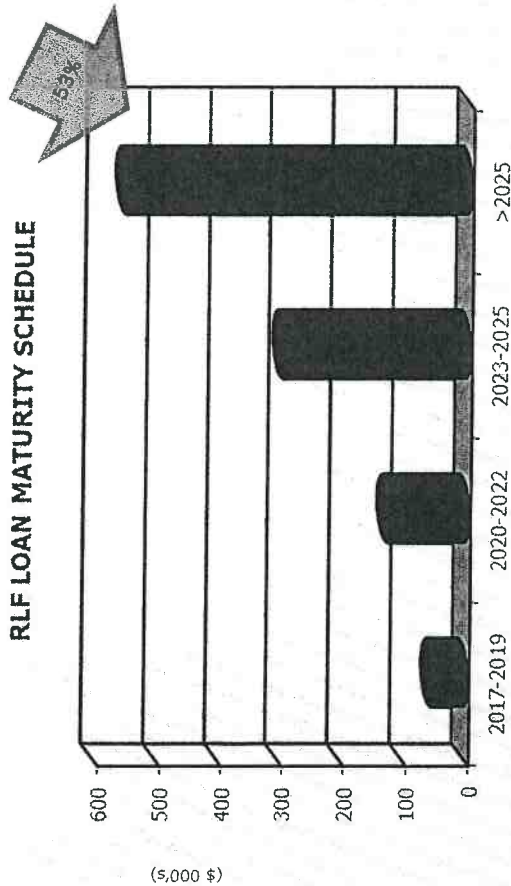


(\$ 000's)

# REVOLVING LOAN FUND INCOME AND EXPENSE STATEMENT

	SIX MONTHS ENDING MAR 31, 2017	SIX MONTHS ENDING SEPT 30, 2016	SIX MONTHS ENDING MAR 31, 2016	SIX MONTHS ENDING SEPT 30, 2015	SIX MONTHS ENDING MAR 31, 2015	SIX MONTHS ENDING SEPT 30, 2014
RLF INCOME	22	21	18	17	18	19
ADMINISTRATIVE EXPENSES CHARGED TO RLF INCOME						
PROFESSIONAL SERVICES	10	16	14	9	10	8
OTHER COSTS	-	-	-	-	-	-
TOTAL EXPENSES	10	16	14	9	10	8
RLF INCOME- NET	12	5	4	8	8	11
CUMULATIVE RLF INCOME- NET	407	395	390	386	378	370
EXPENSES AS A % OF RLF INCOME	45.5	76.2	77.8	52.9	55.6	42.1

# REVOLVING LOAN FUND LOAN BALANCES OUTSTANDING



<u>LOAN ACTIVITY FOR THE PERIOD</u>	<u>PRINCIPAL AMOUNT</u>
LOANS ISSUED (NEW)	=
LOANS REPAYED (VARIOUS)	(66)
<b>NET LOAN ACTIVITY</b>	<b>(66)</b>

<u>PARTICIPANT</u>	<u>RLF CUMULATIVE AMOUNTS OUTSTANDING</u>	<u>% OF RLF PORTFOLIO</u>	<u>(\$ 000's)</u>
OCEAN PRIDE	183	17.4	
BBE LOBSTER	156	14.9	
KING MARINE, LLC	144	13.7	
MARCONI	96	9.1	
BLACK LAB FISHING CO.	52	5.0	
SWEET CAROLYN, LLC	51	4.9	
WENDY LEIGH	42	4.0	
WASSON	39	3.7	
DOBRE	36	3.4	
FELCH	36	3.4	
J&K FISHERIES	33	3.1	
DRISCOLL	32	3.0	
BERINGER	27	2.6	
CAMPOLINI	23	2.2	
HEISEY	20	1.9	
PAWLUK	18	1.7	
MCCUNE	15	1.4	
BROWN	14	1.3	
BOHELY	13	1.3	
STETTNER	11	1.0	
TIRONE	9	0.9	
YANKEE FISHERMAN	1	0.1	
	<b>1,051</b>	<b>100.0%</b>	





MOTION

Director Preston:

The Pease Development Authority Board of Directors hereby authorize the Executive Director to execute a Right of Entry with New England Seacoast Region Chapter 225 of the Experimental Aircraft Association (EAA) at Skyhaven Airport for the purpose of staging and hosting EAA 225 Young Eagle Flight Rally events through December 31, 2017; all in accordance with the memorandum from Paul E. Brean, Airport Director, dated May 10, 2017, and attached hereto.

N:\RESOLVES\2017\ROE EEA 0517.docx

## Memorandum

**To:** David R. Mullen, Executive Director *DM*  
**From:** Paul E. Brean, Airport Director *PEB*  
**Date:** 5/12/2017  
**Subj:** Experimental Aircraft Association (E.A.A.) Skyhaven "Right of Entry"

---

The Experimental Aircraft Association (E.A.A.) Chapter 225 based at Skyhaven Airport is requesting a "Right of Entry" for use of Skyhaven Airport, Rochester NH to host E.A.A. Young Eagle Flight Rallies. A rally consists of aviation activities including flight operations that introduce children and young adults to aviation. Events are scheduled for Saturday, June 10, 2017 and Saturday October 7, 2017. E.A.A. will provide insurance coverage to Pease Development Authority prior to each event.

I request that you seek Board of Directors approval at the May 18, 2017 meeting, to approve "Right of Entry" for the use of Skyhaven Airport for E.A.A. Chapter 225 to host the scheduled Young Eagle Flight Rallies. Pease Airport Management will require proof of insurance for each rally. Attached is a copy of the written request from E.A.A. Chapter 225.

Please do not hesitate to contact me with any questions.

## EAA Chapter 225

c/o Gerard Peterson  
523 Ridge Road  
Middleton, NH 03887

T (603) 512-2356

1oldeagle@gmail.com  
<http://www.225.eaachapter.org>

September 9, 2015

Andrew Pomeroy  
Pease Development Authority  
36 Airline Drive  
Portsmouth, NH 03801

RE: EAA 225 Right of Entry

Dear Andrew,

EAA Chapter 225 based on Skyhaven Airport, Rochester, NH is seeking a "Right of Entry" to hold EAA Young Eagle Flight Rallies at Skyhaven Airport during 2017. Our schedule has EAA 225 holding events on Saturday June 10 and Saturday October 7 as sanctioned EAA Young Eagle Flight Rallies. Our EAA Young Eagle Flight Rallies generally begin at 8:00 am with registration and mini ground school for participants with followup fights commencing around 8:30 am. In the past, though rare, due to rain, our event may run on the following Sunday. The flights run from 8:30 am to 4:00 pm on the days that they are held. We would also request to have 1 week in advance of the rally for set up of signage and sufficient time for the maintenance personnel to mow the grass between the FBO and the hangar used for General Aircraft Maintenance, and repositioning of the aircraft normally tied down in that area.

We will contact your office prior to each scheduled event with proper insurance coverage as we have procured our insurance from EAA Risk Management in Oshkosh, WI.

As in the past we would like to hold a Pancake Breakfast and BBQ Lunch fund raiser in conjunction with the Flight Rallies. All proceeds from this portion of our event benefit our Annual Aviation Scholarship program. If you need any additional information please contact us at your earliest convenience by phone or email.

Sincerely yours,

Gerard Peterson  
EAA 225 NH Young Eagle Coordinator

cc, Peter Bruckner, member of SAAC

MOTION

Director Lamson:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Right of Entry with the New England Aerobatic Club for the purpose of holding airplane aerobatic practice at Skyhaven Airport through December 31, 2017; all in accordance with the memorandum from Paul E. Brean, Airport Director, dated May 10, 2017, and attached hereto.

N:\RESOLVES\2017\ROE NEAC 0517.docx

## Memorandum

**To:** David R. Mullen, Executive Director *DM*  
**From:** Paul E. Brean, Airport Director *PAB*  
**Date:** 5/12/2017  
**Subj:** New England Aerobatic Club "ROE" Skyhaven Airport

---

The New England Aerobatic Club, Chapter 35 is requesting a "Right of Entry" for use of Skyhaven Airport, Rochester NH. Similar to years past the New England Aerobatic Club would like to conduct aerobatic practice sessions. All flight activity will be in accordance with a Certificate of Authorization from the Federal Aviation Administration (F.A.A.). Insurance will be provided by the Experimental Aircraft Association for each practice session.

I request that you seek Board of Directors approval at the May 18, 2017 meeting, to approve "Right of Entry" for the use of Skyhaven Airport for the New England Aerobatic Club. Pease Development Authority will require proof of insurance for each aerobatic session and will request a copy of the Certificate of Authorization from the F.A.A.. Attached is a copy of the written request from the New England Aerobatic Club.

Please do not hesitate to contact me with any questions.

**MAY 01 2017**

Farrell Woods  
162 Bush Hill Rd.  
Hudson, NH 03051-4403  
(603) 801-0276

To:  
Ms. Marie Aleksy  
Pease Development Authority  
55 International Drive  
Portsmouth, NH 03801

Dear Ms. Aleksy,

On behalf of the New England Aerobatic Club, aka IAC Chapter 35, I am requesting from PDA a "Right of Entry" for the use of the Sky Haven Airport, Rochester NH. The New England Aerobatic Club would like to conduct a small number of aerobatic practice sessions this year; the dates of these sessions are yet to be determined at this time.

As in the past we will fly in accordance with a Certificate of Authorization from the FAA, Portland ME FSDO. We will obtain insurance for each practice from the Experimental Aircraft Association, the terms of which we've worked out in the past, and we will supply a copy to PDA for approval prior to each practice.

I will look forward to receiving PDA's Right of Entry document and the Chapter will look forward to flying at Rochester once again this year.


Thank you and best regards,



Farrell Woods,  
President, New England Aerobatic Club

MEMORANDUM

To: Pease Development Authority Board of Directors

From: David R. Mullen, Executive Director 

Date: May 18, 2017

Re: Sublease between 222 International, Limited Partnership and KAT Implants, LLC

In accordance with the Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements adopted by the Board on August 8, 1996, I am pleased to report that PDA has approved of a sublease between 222 International, Limited Partnership ("222ILP") and KAT Implants, LLC ("KAT") for 4,042 square feet for a period of seven years effective September 1, 2017. KAT will use the premises for office and light industrial use.

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 222ILP's continued primary liability for payment of rent and other obligations pursuant to the PDA/200ILP 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.

MEMORANDUM

To: Pease Development Authority Board of Directors

From: David R. Mullen, Executive Director 

Date: May 18, 2017

Re: Sublease between Two International Group, LLC and Primmer Piper Eggleston and Cramer, PC

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 Two International Group, LLC ("TIGLLC") and Primmer Piper Eggleston and Cramer, PC ("Primmer") for 3,176 square feet for a period of five years and two months effective September 1, 2017. Primmer will use the premises for office and related uses.

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

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

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

The Pease Development Authority Board of Directors hereby approves of the Concept Plan submitted by 119 International Drive, LLC attached hereto for the premises located at 19 Rye Street, Portsmouth, New Hampshire; all on terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated May 12, 2017, attached hereto.

N:\RESOLVES\2017\Concept Plan 0517.docx

## MEMORANDUM

To: David R. Mullen, Executive Director *DM*  
From: Maria J. Stowell, P.E., Engineering Manager *Maria*  
Date: May 12, 2017  
Subject: 19 Rye Street Concept Plans

Attached are concept plans submitted by 119 International Drive, LLC (119 International) for a building at 19 Rye Street. The building will be 29,718 square feet on two floors, 14,859 square feet each, and replaces the former base chapel located on this site. The developer anticipates an office use and the tenant will be the New Hampshire Department of Health and Human Services (NHDHHS).

The site plan shows the general layout of the building, parking, traffic circulation and stormwater management areas. Based on the information provided, the proposal seems feasible. As further progress is made on the design, we will be looking for additional information regarding the wetlands to the east of the proposed building and how earthwork operations will be managed to avoid impacts to the wetlands and their associated buffer. Another issue that will need to be addressed is the management of snow on the site. There is very little area for snow storage and some type of agreement may be required to remove snow offsite.

During Site Review staff will work with the developer to resolve these concerns without significantly changing the conceptual layout. If this is not possible, the applicant will be required to come back to the Board for conceptual approval of a redesign. This decision will be made upon review of the engineered drawings.

As a condition to the approval, staff recommends that PDA and 75 New Hampshire, LLC, an affiliate of 119 International, document the obligation of 75 New Hampshire, LLC to commence the demolition of the building at 50 International Drive, the present home of NHDHHS, within six months of occupancy of the new building.

At the meeting next week, please ask the Board for conceptual approval of the 19 Rye Street plans on the terms set forth above.

NA\ENGINEER\Board Memos\2017\19 Rye concept.docx



# 19 Rye Street Portsmouth NH Pease Tradeport



## Proposed DHHS Building South Elevation (Front at Rye Street)

### Concept Facade Information:



EIFS Material Option



Metal Panel Color Option



Brick Base Material



Picture Windows / Entry Doors

### Note:

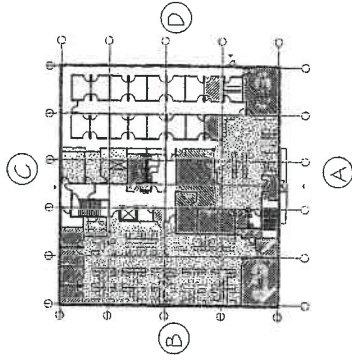
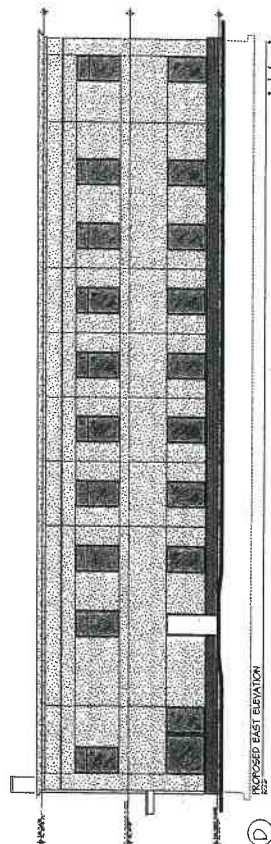
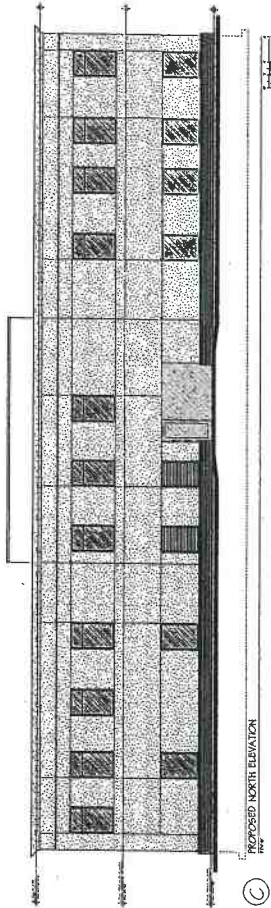
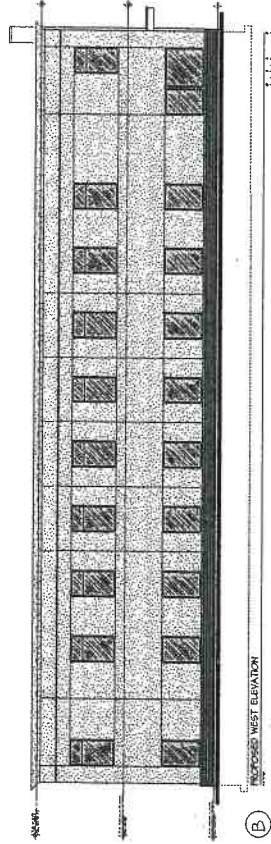
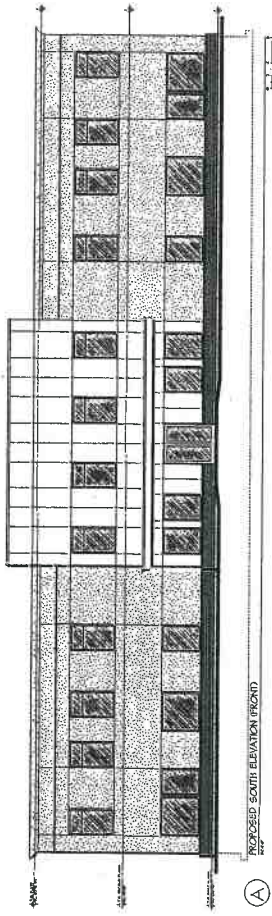
Exact colors and materials to be finalized with DHHS



TWC INTERNATIONAL GROUP

TMS

# 19 Rye Street Portsmouth NH Pease Tradeport



Elevation Key

## Proposed DHHS Building Elevations



**MEMORANDUM**

TO: Pease Development Authority Board of Directors  
FROM: David R. Mullen, Executive Director   
RE: Contract Reports  
DATE: May 18, 2017

\*\*\*\*\*

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

1. Project Name: Colliers Golf Course Advisory Services  
PDA Obligation: \$4,850.00  
Board Authority: Treasurer Allard  
Summary: For the review of operations of the Pease Golf Course and providing an assessment
  
2. Project Name: MTE Turf Equipment Solutions  
PDA Obligation: \$7,765.00  
Board Authority: Vice-Chairman Loughlin  
Summary: For the purchase and delivery of one Turfco Tow behind debris blower for use at the Pease Golf Course
  
3. Project Name: Tec Solutions Concepts, Inc.  
PDA Obligation: \$4,000.00  
Board Authority: Vice-Chairman Loughlin  
Summary: For the purchase and installation of the CyberKey electronic key system at the Portsmouth International Airport at Pease

P:\BOARDMTG\Contractrpt 0517.docx



April 17, 2017

To: Mr. David Mullen  
Executive Director  
Pease Development Authority

RE: Consulting Services

Dear David:

Thank you for the opportunity to submit this proposal to assist the Pease Development Authority (PDA) in the review of the business functions at Pease Golf Course. We look forward to seeing the significant investment the PDA has made into the golf course, offer an assessment of the current state of the business and what actions can be made to further enhance the profitability of the club.

Outlined below is a brief overview of the services we could anticipate performing at Pease Golf Course during this initial Assessment Period, however additional services are available for future discussion.

**SERVICES:**

**Management and Staffing** – Colliers Golf Course Advisory Services will review all existing personnel, evaluating their individual abilities and customer service skills. Our team will work with the PDA and onsite management to set forth the new expectations for the facility, and offer job descriptions to achieve those expectations.

**Facility Operations** – Colliers Golf Course Advisory Services will systematically evaluate each specific revenue center currently utilized at the property making comparisons to customary results at similar facilities and industry benchmark standards. Further our team will recommend programs and policies that will both improve the efficiency of the operation as well as maximize facility revenue.

**Agronomic Programs** – Colliers Golf Course Advisory Services will review the existing agronomic programs as well as the labor usage currently in effect at the course. Improvements and/or modifications to these programs will be recommended to ensure course patrons are presented with the best-conditioned course for its value within the market always.

**Market Analysis** – In conjunction with facility operations and golf maintenance recommendations, Colliers Golf Course Advisory Services will conduct an analysis of the local competitive golf market. Competitive facilities are measured against Pease Golf Course in terms of price, location, services as well as overall course conditioning. We would then recommend a strategy and action plan on how to best position the facility based on these findings to maximize revenue potential.

**REPORT PREPARATION AND PRESENTATION:**

Colliers Golf Course Advisory Services will schedule a mutually agreeable time to visit the property and review the existing business operations as well as meet with Pease Golf Course and Pease Development Authority personnel. Within 60 days from the execution of this agreement, Colliers Golf Course Advisory Services will present a draft presentation of our findings. Based on feedback of the Draft Assessment, revisions may be made before a final electronic copy as well as a printed final report shall be prepared for presentation and distribution, if desired.

**TERMS / CONDITIONS / FEES:**

Colliers Golf Course Advisory Services will propose to provide the research, time, and intellectual property to consult on the above services for the sum of Four Thousand Eight Hundred and Fifty Dollars (\$4,850 USD), in accordance with the following payment schedule:

Upon Agreement Execution	\$2,850.00
Upon Presentation of Final Report	\$2,000.00

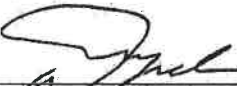
In addition to the above fee structure – Colliers Golf Course Advisory Services would also request the reimbursement of all reasonable travel expenses as defined by the Internal Revenue Services (i.e: standard mileage reimbursement, airfare, rental car, entertainment, hotel and other incidental expenses). Travel expenses shall not exceed one thousand five hundred dollars (\$1,500) and is based on two visits to Portsmouth from Philadelphia, two nights lodging and meals while fulfilling this site review.


**ACCEPTANCE:**

David, thank you again for the continued opportunity to partner with the Pease Development Authority for the betterment of not only Pease Golf Course, but the entire Portsmouth community. I will follow up with you in the coming week. In the interim if you have any questions, please do not hesitate to contact me at 717.554.8519 or via email at [allen.depuy@colliers.com](mailto:allen.depuy@colliers.com). We look forward to getting started!

Your signature below indicates acceptance of this proposal and its terms. This proposal is accepted and forms an agreement between Pease Development Authority and Colliers Golf Course Advisory Services.

ON BEHALF OF PEASE DEVELOPMENT AUTHORITY

  
Name – David Mullen, Executive Director  
Date: 4/18/17

  
Title – Allen DePuy – Vice President – Golf & Leisure Properties  
Date: March 31, 2017



## MEMORANDUM

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

From: Scott DeVito, PGA General Manager

Date: April 25, 2017

Subject: Request to purchase Debris Blower

This is a request to purchase a Turfco Torrent 2 Tow Behind Debris Blower. The funds have been reserved in the FY2017 capital plan. The purchase is under \$10,000 and three separate quotes were requested to determine the most favorable pricing.

- Turfco Torrent 2 \$7,765.00
- Toro Pro Forec \$7,059.67
- Buffalo Turbine \$8,324.61

The Turfco is not the lowest price provider however it is the only unit with a variable chute control feature, has the fastest chute rotation maximizing in use efficiency, and is the quietest running unit available. Given these unique options staff recommends purchasing the Turfco Torrent 2 Debris Blower.

Thank you for your consideration.



118 Lumber Lane  
 Tewksbury, MA 01876  
 Phone: (978) 654-4240  
 Fax: (585) 334-6332  
 www.mte.us.com

### QUOTE

Quote: 03-23959  
 Date: 2/23/2017

PO:  
 CustId: PEASE GC

Cust Email: ej.chea@peasedev.org  
 Phone: (603) 433-6088 x0000  
 Salesperson: jhamilton  
 User: jhamilton

*SO 4/25/17  
 P4207 CIP  
 4/25/17*

**Bill To:**

Pease Golf Course (580582)  
 E.J. Shea  
 200 Grafton Drive  
 Portsmouth NH 03801

**Ship To:**

Pease Golf Course  
 Attn: Maint  
 200 Grafton Drive  
 Portsmouth NH 03801 US

Quote for EJ Chea  
 ej.chea@peasedev.org  
 603-433-6088  
 603-235-8939 Cel  
 Turfco Torrent 2 with Auxiliary Control and Magna Point

Item	Type	Description	Qty	Tax	Price	Discount	Net Price
TUR.85651	PA	WG - Torrent 2 Tow Behind Blow	1.0000	Y	\$7,428.00		\$7,428.00
TUR.86198	PA	WG - Blower Auxiliary Control	1.0000	Y	\$112.00		\$112.00
TUR.86504	PA	WG - Magna Point (For Torrent 2 Blower)	1.0000	Y	\$225.00		\$225.00
<b>Total:</b>							<b>\$7,765.00</b>

Totals	
Sub Total	\$7,765.00
Total Tax:	\$0.00
Invoice Total	\$7,765.00

**Balance Due: \$7,765.00**

Signature: \_\_\_\_\_

THIS QUOTE VALID FOR 30 DAYS. PLEASE SIGN AND RETURN TO EXECUTE THIS CONTRACT. PAYMENT MUST BE MADE AT OR PRIOR TO DELIVERY. FAX: 585-334-6332 OR EMAIL: BHOLMAN@MTE.US.COM. THIS DOCUMENT CONSTITUTES A LEGAL BINDING AGREEMENT.

# Tec Solutions Concepts Inc

Quote



Tec Solutions Concepts Inc  
 511 Sixth Ave , Suite 152  
 New York, NY, NY 10011

(212)732-4658  
 eric@tecsolutionsinc.com  
 http://www.tecsolutionsinc.com

Date	Quote #
03/10/2017	11801
Exp Date	

**Address**  
 Ed Pottberg  
 Portsmouth International Airport  
 36 Airline Avenue  
 Portsmouth, NH 03801 USA

Date	Product	Activity	Quantity	Rate	Amount
03/10/2017	TSCL-SF03	Best, small format IC core	4	256.00	1,024.00
03/10/2017	TSCK-IR7C	Control key for TSCL-LF01 and TSCL-SF03 only, replaceable battery	1	104.00	104.00
03/10/2017	TSCK-RXD2	CyberKey II, rechargeable battery, replaceable case, USB micro port.	19	105.00	1,995.00
03/10/2017	TCCAP-100	CyberAudit Professional software	1	1,100.00	1,100.00
03/10/2017	Shipping	Estimated shipping cost.	1	30.00	30.00
				<b>Total</b>	<b>5,259.00</b>

Accepted By \_\_\_\_\_

Accepted Date \_\_\_\_\_

# Memo

**To:** Andrew Pomeroy, C.M., Airport Operations Manager

**C.C.:** Dave R. Mullen, Executive Director

**From:** Ed Pottberg, C.M., ACE, Airport Security Coordinator

**Date:** 3/21/2017

**Re:** Electronic Key System

---

Andrew,

I am writing this memo to request the purchase of an electronic key system to replace Pease Development Authority's conventional key system (LAKS). The conventional key system continues to be one of the Pease Development Authority's weakest security system. On average the conventional key system is compromised once year by someone losing a key, causing the Pease Development Authority to rekey multiple properties. On average, the cost to rekey a single door averages around \$720 per door.

Moving over to an electronic key system the Pease Development Authority would no longer have to rekey a door to any of its properties. When a key goes missing the key is taken out of the electronic key system costing the Pease Development Authority only \$100 to replace the key and a few hours to update the door locks of the changes.

The initial cost to implement the electronic system would be around \$4,000 which covers the software (onetime fee), three locks and 20 keys. This would cover the airport management office and one lease office in the terminal building. The system can be expanded at any time to cover all other Pease Development Authority properties landside/airside as more parts of the conventional key system becomes compromised. To add additional doors to the electronic system would be \$256 per door plus \$104 per key per person that need access through the door.

The airport management department will be looking to charge a onetime fee to of \$55 to issue a key to individuals who are not Pease Development Authority employees and if a key has gone missing or when a key is not returned in good working order a \$110 key replace fee will be charged to replace the lost/damage key.

---

MOTION

Director Preston:

The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into a contract with Turf Products Corp. of Enfield Connecticut for the purchase of a Toro Fairway Mower for a price not to exceed \$59,981.36; in accordance with the memorandum from Scott DeVito, PGA General Manager dated May 4, 2017 attached hereto.

## MEMORANDUM

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

From: Scott DeVito, PGA General Manager

Date: May 4, 2017

Subject: Request to Purchase a Fairway Mower

This is a request to purchase a Toro Fairway Mower from Turf Products Corp, 157 Moody Road, P.O. Box 1200, Enfield, CT 06083, for a price not to exceed \$59,981.36. The equipment was advertised in April with the bid openings taking place May 2, 2017. The item is part of the FY2017 golf course capital schedule. The new fairway mower is part of the Tier IV program which significantly reduces engine emissions, and will be replacing a 2001 unit. There was only one bid received.

Thank you for your consideration in this matter.

---

MOTION

Director Loughlin:

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

- (1) accept on behalf of the PDA for design work for the runway reconstruction at Portsmouth International Airport at Pease, a Federal Aviation Administration ("FAA") Grant Offer of AIP funding in the amount not to exceed \$838,065.00;
  - (2) accept from NHDOT Division of Aeronautics an amount not to exceed \$46,555.00 for project costs;
  - (3) expend \$106,555.00 PDA matching funds which includes a contingency of \$60,000.00;
  - (4) enter into a contract with Hoyle, Tanner & Associates, Inc. for the PSM runway reconstruction project in the total amount of \$1,165,900.00;
  - (5) accept a grant offer for an FAA Reimbursable Agreement associated with the project including \$30,395.00 in AIP funding from FAA;
  - (6) accept \$1,689.00 in matching funds from NHDOT Division of Aeronautics;
  - (7) expend PDA funds in an amount not to exceed \$1,689.00;
-

- (8) enter into an FAA reimbursable agreement in the amount of \$33,773.00; and
- (9) execute such other documents and/or agreements as are necessary or appropriate, to implement the PSM runway reconstruction; all in accordance with the memorandum from Maria J. Stowell, PE, Manager - Engineering, dated May 10, 2017 and attached hereto.

N:\RESOLVES\2017\Grant Offer-PSM Runway Design 0517.docx



## MEMORANDUM

To: David R. Mullen, Executive Director *DM*  
 From: Maria J. Stowell, P.E., Engineering Manager *MJ*  
 Date: May 10, 2017  
 Subject: AIP Grant for Runway Design - PSM  
 Design, Permit, Bid: Reconstruct, Light, Sign, and Mark Runway 16-34 and Replace PAPI's, Windcones, Rotating Beacon

As you know, we have been working towards the reconstruction of the PSM runway so that construction can begin in 2020. Last year, the Board approved a contract with Hoyle, Tanner & Associates (HTA) to cover work leading up to the preparation of two grant applications that PDA submitted to FAA on April 28<sup>th</sup>. The two grants will provide resources to complete the design work. Separate grant applications are needed to comply with FAA procedures. The larger of the two grants will cover all of HTA's work to design, permit, and bid the project. A smaller grant will cover FAA labor. This memo will describe the work to be accomplished under each grant along with costs, and will request the Board approval needed to implement the project.

The design, permit, and bid grant is in the total amount of \$1,265,800 and is comprised of three line items. The first is \$7500 to pay for PDA administrative costs. These include the cost of advertising for bids and the cost of hiring a consultant to conduct an Independent Fee Estimate (IFE) of HTA's contract amount. The second line item being requested would reimburse PDA for the HTA contract approved last year. The work accomplished under last year's contract included coordination with FAA, NHDOT, and NH Air National Guard (the parties providing funding) to determine the scope of the work and the cost allocations. This involved detailed analyses of existing conditions and extensive negotiations to determine the financial obligations of the parties. The contract cost was \$92,400. The final line item is for HTA's contract to complete the design work for \$1,165,900. This amount can be further dissected.

The entire scope of work description with associated spreadsheets for the \$1,165,800 contract is fifty-six pages in length. Rather than attach the entire document, I will summarize the tasks and their costs here:

1. Administration includes grant related reporting, application submission, reimbursement requests, and project bidding ..... \$ 68,600
2. Design includes data collection, materials testing, aerial survey, ground survey, geotechnical exploration, design drawings, and technical specifications ..... \$ 794,700
3. Airport GIS is required by FAA and will convert airport approach and departure data into GIS format for use in FAA's airport database ..... \$ 109,300
4. Pavement Management System is required by grant assurances and will enhance PDA's current system by providing customized software to track required maintenance ..... \$ 54,600
5. Permitting includes the cost of permit application fees ..... \$ 138,700

It should also be noted that the total amount of \$1,165,900 includes \$349,295 in sub consultant fees with \$108,830 contracted to DBE firms. The fee has been validated by an IFE and it is within statutory limits imposed on the Air National Guard.

The FAA labor grant, known as a Reimbursable Agreement grant, is to reimburse FAA for the time its employees will take to assist the design team. FAA's role will be to review the design for any physical or operational changes that may impact FAA facilities. FAA Engineering Services (FAAES) group will perform the review, and that group provided an estimate of \$33,773 for the work.

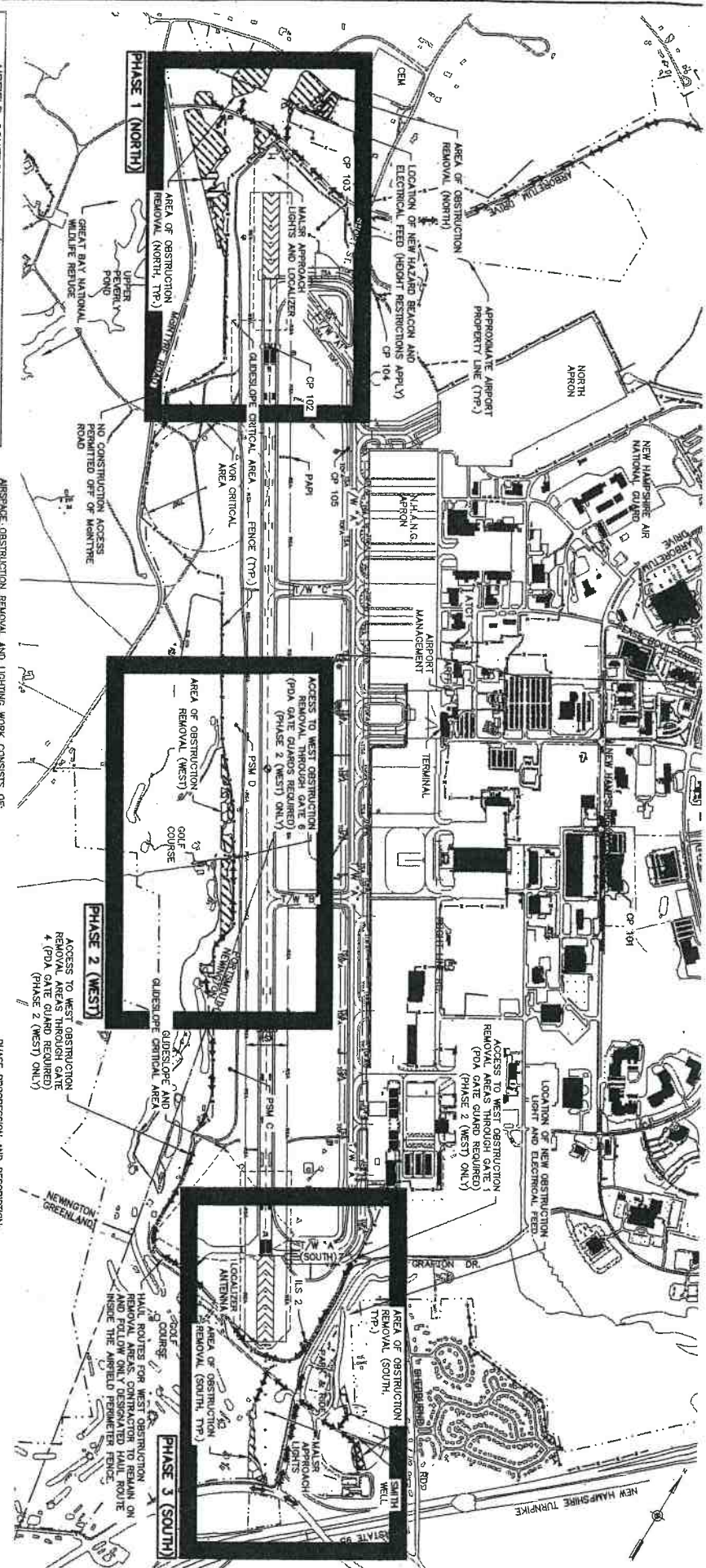
As noted earlier, ANG will participate in funding the project along with FAA, NHDOT, and PDA. Last month, the Board authorized you to complete negotiations and enter into an MCCA with ANG to secure its portion of the funding. The following table summarizes the costs and allocated shares for each grant. This information is the best available at this time.

Design Permit Bid Grant			
Administrative Expenses	\$ 7,500	FAA	\$ 838,065
2016 HTA Contract	92,400	ANG	334,625
2017 HTA Contract	1,165,900	NHDOT	46,555
		PDA	46,555
Total	\$1,265,800	Total	\$1,265,800
Reimbursable Agreement Grant			
FAA ES	\$33,773	FAA	\$30,395
		ANG	0
		NHDOT	1,689
		PDA	1,689
Total	\$33,773	Total	\$33,773

The cost sharing proposal is now under federal agency review. In the event that the federal review results in shifting additional costs to PDA, I recommend requesting that the Board allocate \$60,000 as a contingency.

At next week's meeting, please ask the Board to:

1. Accept a grant offer for design work for the runway reconstruction at Portsmouth International Airport at Pease including \$838,065 in AIP funding from FAA;
2. Accept \$46,555 in matching funds from NHDOT Bureau of Aeronautics;
3. Expend \$106,555 in PDA matching funds. This amount includes a contingency of \$60,000;
4. Authorize the Executive Director to enter into a contract with Hoyle, Tanner & Associates in the amount of \$1,165,900.
5. Accept a grant offer for an FAA Reimbursable Agreement associated with design work for the runway reconstruction at Portsmouth International Airport at Pease including \$30,395 in AIP funding from FAA;
6. Accept \$1,689 in matching funds from NHDOT Bureau of Aeronautics;
7. Expend \$1,689 in PDA matching funds;
8. Authorize the Executive Director to enter into an FAA reimbursable agreement in the amount of \$33,773.



**AIRFIELD CONTROL POINTS (NGS PACS AND SACS)**

CP #	ELEV.	NORTHING	EASTING	DESCRIPTION
CP 101	56.09	212,781.98	1,213,665.77	PDA 379-0890
CP 102	92.26	215,912.60	1,207,044.69	PK MAIL
CP 103	101.42	217,390.92	1,208,800.68	ANG DISK, 'GEORGE ST'
CP 104	107.82	217,073.46	1,207,844.03	PK MAIL
CP 105	102.49	215,417.43	1,208,462.11	DRILL HOLE IN SIGN BASE

**AIRFIELD CONTROL POINTS  
CONTRACTOR SHALL VALIDATE HORIZONTAL AND  
VERTICAL DATUM OF THESE CONTROL POINTS IF USED)**

CP #	ELEV.	NORTHING	EASTING	DESCRIPTION
101	56.09	212,781.98	1,213,665.77	PDA 379-0890
102	92.26	215,912.60	1,207,044.69	PK MAIL
103	101.42	217,390.92	1,208,800.68	ANG DISK, 'GEORGE ST'
104	107.82	217,073.46	1,207,844.03	PK MAIL
105	102.49	215,417.43	1,208,462.11	DRILL HOLE IN SIGN BASE

- NOTES**
- COORDINATES BASED ON NAD 83 NH STATE PLANE COORDINATES.
  - CONTRACTOR SHALL NOT BE DISTURBED, IF A MONITORING BECOMES DISTURBED RESIDENT ENGINEER.

- REMOVE OBSTRUCTION BEYOND AND LIGHTING WORK CONSISTS OF:**
- REMOVING TREES AND VEGETATION IN UPLAND AND WETLAND AREAS AS SHOWN ON THE PLANS; MULCHING AND COMPACTING OF SOILS, STUMPS AND ROOTS AND/OR APPLICATION OF TOPSOIL AND SEED IN AREAS OF BRY UPPLANDS (FOR ALL PHASES).
  - CONSTRUCTION OF POWER FEEDS AND INSTALLATION OF AN L-864 HAZARD BEACON (PHASE 1 (NORTH)) AND AN L-810 OBSTRUCTION LIGHT (PHASE 3 (SOUTH)).
- GENERAL CONSTRUCTION SAFETY AND PHASING NOTES:**
- ANY CHANGES TO THE CONSTRUCTION SAFETY AND PHASING PLAN MUST BE SUBMITTED IN WRITING AND APPROVED BY THE ENGINEER, THE REUSE DEVELOPMENT AUTHORITY AND THE FEDERAL AVIATION ADMINISTRATION (FAA).
  - THE CONTRACTOR SHALL NOT AT ANY TIME DRIVE ON AIRFIELD AIRCRAFT PAVEMENTS OR WITHIN ANY RUNWAY SAFETY AREAS (RSA), TAXIWAY SAFETY AREAS (TSA), RUNWAY PROTECTION ZONES (RPZ), OR MANEUVERING AD (MANAD) CRITICAL AREA, AND SHALL REMAIN ONLY ON DESIGNATED MAIL ROUTES AS SHOWN.
  - THE CONTRACTOR SHALL BE RESPONSIBLE FOR MEETING ALL APPLICABLE FAA AND AIRPORT REGULATIONS CONCERNING THE MAINTENANCE OF SECURITY. THIS SHALL INCLUDE BUT NOT BE LIMITED TO ACCESS TO THE AOA THROUGH THE GATES IN THE PERIMETER FENCED. NO OPENING WITHIN THE FENCE LINE THAT SECURITY ARRANGEMENTS WITHIN SHALL BE LEFT UNATTENDED. THE CONTRACTOR IS RESPONSIBLE FOR SECURING ARRANGEMENTS WITHIN THE PERIMETER FENCED. THE CONTRACTOR SHALL PROVIDE AND MAINTAIN SECURITY GUARDS AT ALL PHASES OF THE PROJECT. SECURITY GUARDS SHALL BE PROVIDED AT ALL PHASES AND AT ALL PHASE GATE GUARDS FOR CONTRACTOR ACCESS.
  - ALL AIRCRAFT OPERATIONAL AREAS (AOA) WILL REMAIN OPEN AND ARE NOT AFFECTED BY THIS PROJECT. THE TOTAL DURATION OF THE PROJECT IS 100 CALENDAR DAYS.

- PHASE PROGRESSION AND DESCRIPTION:**  
NOTE: THIS WORK PROGRESSION IS TO BE FOLLOWED TO MINIMIZE RISK OF SPREADING INVASIVE SPECIES:
- PHASE 1 (NORTH):** INCLUDES AIRSPACE OBSTRUCTION TREE AND VEGETATION REMOVAL, GROUND PREPARATION SUCH AS GRINDING STUMPS AND ROOTS, CONSTRUCTION OF AN L-864 HAZARD BEACON TOWER AND POWER FEED.
  - PHASE 2 (WEST):** INCLUDES AIRSPACE OBSTRUCTION TREE AND VEGETATION REMOVAL, GROUND PREPARATION SUCH AS GRINDING STUMPS AND ROOTS, CONSTRUCTION OF AN L-810 OBSTRUCTION LIGHT TOWER AND POWER FEED.
  - PHASE 3 (SOUTH):** INCLUDES AIRSPACE OBSTRUCTION TREE AND VEGETATION REMOVAL, GROUND PREPARATION SUCH AS GRINDING STUMPS AND ROOTS, CONSTRUCTION OF AN L-810 OBSTRUCTION LIGHT TOWER AND POWER FEED.
- ANTICIPATED PHASE DURATION (CALENDAR DAYS):**
- NORTH: 45 DAYS (INCLUDING HAZARD BEACON AND POWER FEED)
  - WEST: 20 DAYS
  - SOUTH: 35 DAYS (INCLUDING OBSTRUCTION LIGHT AND POWER FEED)
- AIRFIELD CLOSURES AND IMPACTS PER PHASE:**
- 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 AREAS. NO CLOSURES. ALL WORK IS OFF AIRPORT. HEIGHT RESTRICTIONS APPLY PER PLANS.
  - SOUTH: NO CLOSURES. ALL WORK IS OFF AIRPORT. HEIGHT RESTRICTIONS APPLY PER PLANS.
- PHASE RESTRICTIONS:**
- SEE EQUIPMENT HEIGHT RESTRICTIONS PER PHASE.
  - HAUL ROUTES ONLY ON DESIGNATED AREAS UNLESS PRIOR PERMISSION IS OBTAINED FROM THE AIRPORT OPERATIONS ENGINEER.
  - UNLESS PRIOR PERMISSION IS GIVEN BY THE AIRPORT, CONCURRENT WORK ON THE TWO DIFFERENT PHASES IS PROHIBITED.



MOTION

Director Bohenko:

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

- (1) accept on behalf of the PDA a Federal Aviation Administration ("FAA") Grant Offer of AIP funding equal to 90% of the project costs, in the amount not to exceed \$1,017,000.00, for removal of airspace obstructions and construction of obstruction lights at Portsmouth International Airport at Pease;
- (2) accept from NHDOT Bureau of Aeronautics 5% of the project costs in an amount not to exceed \$56,500.00;
- (3) expend PDA funds equal to 5% of the project costs in an amount not to exceed \$56,500.00;
- (4) enter into a contract with Hoyle, Tanner & Associates, Inc. for construction phase engineering services for the project in the total amount of \$197,200.00; and
- (5) enter into a contract with Pine Hill Construction, LLC for the project construction in an amount not to exceed \$824,786.00; all in accordance with the memorandum from Maria J. Stowell, PE, Manager - Engineering, dated May 9, 2017 and attached hereto.

## MEMORANDUM

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

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

Date: May 9, 2017

Subject: Grant to Remove Airspace Obstructions and Construct Obstruction Lights at Portsmouth International Airport at Pease

PDA had previously received Airport Improvement Program (AIP) funds to design a project to remove airspace obstructions and construct obstruction lights at Portsmouth International Airport at Pease. The project, designed by Hoyle, Tanner & Associates, Inc. (HTA) will remove airspace obstructions and increase the visibility of the approach light system for pilots. The design is now completed and the project has been bid. This memo is to seek Board approval for actions to accept anticipated grant funding and complete construction.

Bids were opened on April 11, 2017 with four contractors submitting bids. A bid tabulation is attached. The low bidder was Pine Hill Construction, LLC (Pine Hill) with a price of \$ 824,786.00. The contractor appears qualified to complete this work at Portsmouth International Airport. Staff therefore, recommends this award.

In addition to the bid price, the grant funding, includes the costs of construction phase engineering services to be provided by HTA, and sponsor (PDA) administration and force account costs. These are itemized here:

Pine Hill Construction, LLC	\$ 824,786.00
Hoyle, Tanner & Associates, Inc.	\$ 197,200.00
Sponsor Administration Costs	\$ 92,414.00
Sponsor Force Account	<u>\$ 15,600.00</u>
Total	\$ 1,130,000.00

If a grant is offered, FAA will support 90% of the total and NHDOT will provide 5%. PDA is obligated to cover the remaining 5%. The costs will be allocated as follows:

FAA (90%)	\$ 1,017,000.00
NHDOT (5%)	\$ 56,500.00
PDA (5%)	<u>\$ 56,500.00</u>
Total	\$ 1,130,000.00

Staff expects to have the available grant funds within three months, with the goal of starting the project in August 2017.

With regard to the scope of work, the Board should be made aware that the project consists of the removal of roughly 25 acres of trees and vegetation that are obstructing airspace and visibility of the approach light system by pilots. The majority of these areas will be areas converted from forest to meadow on the North, South, and West sides of the airport. Also included is the construction of two high mast obstruction lights, poles, foundations and electrical services, one on the south end of the airport and one on the north end of the airport.

At next week's Board meeting, please seek approval in connection with the Removal of Airspace Obstructions and Construction of Obstruction Lights at Portsmouth International Airport at Pease, to:

1. Accept from the FAA, through the AIP, up to \$1,017,000.00 (90% of project costs) in AIP Funds;
2. Accept from NHDOT Bureau of Aeronautics up to \$56,500.00 (5% of project costs) in matching funds;
3. Expend up to \$56,500.00 (5% project costs) of PDA funds;
4. Enter into a contract with Hoyle, Tanner & Associates, Inc. for \$197,200.00; and,
5. Enter into a contract with Pine Hill Construction, LLC in an amount not to exceed \$824,786.00

**Removal Airspace Obstructions and Construction Obstruction Lights  
Portsmouth International Airport at Pease Portsmouth, New Hampshire**

**Bid Tabulation**

<b>Firm</b>	<b>Project Total</b>
Pine Hill Construction, LLC	\$824,786.00
Comprehensive Land Technologies, Inc.	\$874,052.85
Northeast Earth Mechanics, Inc.	\$1,058,150.00
Sargent Corporation	\$1,077,566.00
Engineer's Estimate	\$1,170,639.03

MOTION

Director Allard:

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

- (1) accept on behalf of the PDA a Federal Aviation Administration ("FAA") Grant Offer of AIP funding equal to 90% of the project costs, in the amount not to exceed \$353,700.00, for design work for the Terminal improvement planning at Portsmouth International Airport at Pease;
- (2) accept from NHDOT Division of Aeronautics 5% of the project costs in an amount not to exceed \$19,650.00;
- (3) expend PDA funds equal to 5% of the project costs in an amount not to exceed \$19,650.00;
- (4) enter into a contract with McFarland Johnson, Inc. for the PSM Terminal planning project in the total amount of \$389,900.00; and
- (5) execute such other documents and/or agreements as are necessary or appropriate, to implement the PSM Terminal improvement planning; all in accordance with the memorandum from Maria J. Stowell, PE, Manager - Engineering, dated May 8, 2017 and attached hereto.



## MEMORANDUM

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

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

Date: May 8, 2017

Subject: AIP Grant for Terminal Planning - PSM

In response to the increase in enplanements at Portsmouth International Airport at Pease and its impact on the terminal, PDA has submitted an application to the FAA for funds to study the facility's needs and recommend a plan for improvements. It is proposed that the study be done by McFarland Johnson, one of PDA's on-call airport consultants.

Late last year, PDA and McFarland Johnson met with FAA and NHDOT to discuss the scope of work needed for such a study. The attached document was produced as a result of that meeting. It describes, in detail, the work needed to look at medium and long term needs to accommodate both domestic and international carriers. You will see that Fennick McCredie, an architectural firm with previous experience with the terminal, will participate. The study team will be looking at items such as ticketing, screening, baggage handling, concessions, departure and arrival areas, and international arrivals processing.

The grant application requests funding to cover McFarland Johnson's fee of \$389,900 and PDA administrative costs of \$3,100 for a total of \$393,000. As required by FAA procedures, McFarland Johnson's fee proposal was validated through an Independent Fee Estimate conducted by GHD Consulting. If the application is approved for funding, we anticipate the typical 90/5/5 split:

Federal Aviation Administration	\$353,700
NHDOT Bureau of Aeronautics	\$ 19,650
Pease Development Authority	<u>\$ 19,650</u>
Total	\$393,000

At next week's meeting, please ask the Board to:

1. Accept a grant offer for Terminal Improvements Planning including \$353,700 in AIP funding from FAA;
2. Accept \$19,650 in matching funds from NHDOT Bureau of Aeronautics;
3. Expend \$19,650 in PDA matching funds; and,
4. Authorize the Executive Director to enter into a contract with McFarland Johnson, Inc. in the amount of \$389,900.

**April 27, 2017 Final**

**EXHIBIT A**

**Attachment I**

**Work Order No. 01**

**Scope of Work and Fee**

**Terminal Improvements Planning**  
**Portsmouth International Airport at Pease**

This Scope of Work and Fee are Exhibit A, Attachment I to the Agreement for Airport Planning & Engineering Services (the AGREEMENT) between the Pease Development Authority and McFarland-Johnson, Inc. dated February 22, 2016.

**Background**

Portsmouth International Airport (PSM) has been experiencing increase enplanements and commercial service aircraft operations over the last six months. These increases primarily result from additional flights by Allegiant Airlines. At the same time, military troop flights have stabilized at a level below their peak of several years ago and they show every indication of continuing. In addition to this existing activity, the Pease Development Authority (PDA) is in discussions with several other domestic and international carriers interested in instituting scheduled service at PSM.

The current terminal facilities at PSM are barely sufficient for the flights arriving and departing from PSM in 2016 and are insufficient for the flights already scheduled for the spring and summer of 2017.

Based on this, the PDA has decided to take a focused look at the terminal building and ancillary needs in the medium-term (2018-2020), and long-term (2020 and beyond). This study will consider the needs of both domestic and international carriers. For the medium-term work, the PDA would like to look at doing some of the preliminary work (known as Phase I) as soon as it is practical while completing the Phase II work in about 2019. The Phase I work will be done so that it will be integrated seamlessly into the Phase II work while addressing some of the most critical needs in the existing facility as soon as possible.

April 27, 2017 Final

**Core Objectives**

1. Understand and qualify medium-term Phase I (2018-2019) and medium-term Phase II (2019-2020) terminal operational characteristics and space / functional needs.
2. Understand potential long-term (2020 and beyond) terminal operational characteristics and space / functional needs.
3. Establish an implementation plan for meeting medium-term plans in consideration of long-term possibilities. Plan to consider timing, functional and aesthetic design, construction phasing, capital cost, and funding strategies.

**Project Funding**

This project is an aviation planning project that is intended to be funded through FAA AIP Primary Entitlement funding (90%), NHDOT Bureau of Aeronautics funding (5%) and PDA funding (5%).

**Project Team**

The project team for this Work Order includes:

Company	Responsibility	Discipline Code
McFarland Johnson	Aviation and Project Management	E
	Structural	S
	Mechanical and Fire Protection	M
	Electrical	EE
Fennick McCredie Architects	Architecture	A
	Cost Estimating	EST

(Note: The discipline code is used in the scope of work and the fee spreadsheet)

**Scope of Work**

The Consultant shall perform the following work tasks within the hours on the attached fee spreadsheet:

***Task 1.0 – Project Administration***

This task consists of the tasks related to defining the project, preparing scopes and fees resulting in a signed Work Order, preparing FAA and NHDOT forms and reimbursements, attending meetings identified below, and preparing FAA and NHDOT project closeout documentation. Specific subtasks include:

**April 27, 2017 Final**

- 1.1 – Schedule, prepare documentation for, and attend a project scoping meeting at the PDA offices (E, A).
- 1.2 – Prepare draft Scope of Work and fee spreadsheets. Revise Scope of Work and spreadsheets based on PDA review. Prepare draft Work Order and finalize based on PDA review (E, A).
- 1.3 – Prepare graphics, coordinate with PDA staff, and attend an Airline meeting at the PDA office (A).
- 1.4 – Prepare FAA Project Readiness Form and provide to PDA (E).
- 1.5 – Attend PDA meeting to provide support to PDA staff in presenting findings (E, A).
- 1.6 – General coordination with PDA, PSM, and subconsultants (E, A, S, M, EE).
- 1.7 – Prepare FAA Grant Application and review with PDA (E).
- 1.8 – Prepare FAA and NHDOT Reimbursement Requests and year-end SF 424 and provide them to PDA for review (E).
- 1.9 – Prepare and file an OEAAA (Form 7460-1) notice and attached figure for the proposed short-term improvements (E).
- 1.10 – Prepare and submit FAA Project Closeout documentation to PDA and after review to FAA and NHDOT (E).

***Task 2.0 – Programming***

This task consists of preliminary site investigations, space programming meetings with PDA and airlines, and preparation of a space programming report for PDA review. Specific subtasks include:

- 2.1 – Schedule and attend a site visit for the project team to investigate existing conditions at and around the terminal building. Meet with PDA staff and obtain copies of plans and reports that will be useful to the project team. Coordinate with PDA to obtain an electronic base map (E, A, S, M, EE).
- 2.2 – Schedule and attend meetings with the PDA, PSM, Airlines, TSA, and Customs and Border Protection (CBP) to determine needs and requirements (E, A).
- 2.3 – Perform analyses and reviews and prepare space programming report with equipment needs, space needs, utility needs, access needs, and critical adjacencies for domestic service upgrades only (E, A, S, M, EE).
- 2.4 – Perform analyses and reviews and prepare space programming report with equipment needs, space needs, utility needs, access needs, and critical adjacencies for domestic and international service upgrades (E, A, S, M, EE).
- 2.5 – Meet with PDA staff to review space programming preliminary reports and reach agreement on what to use for further work (E, A).

April 27, 2017 Final

- 2.6 – Finalize the space programming reports and distribute to PDA in PDF format as well as two (2) paper copies (E, A).

***Task 3.0 – Conceptual Master Plan***

This task is to look at the long-term plans for the Terminal building so that the short and medium-term recommendations do not restrict the long-term development plans. The long-term development will not produce detailed long-term plans but rather will produce general concept sketches. Specific subtasks include:

- 3.1 – Assemble and review existing documentation on Terminal long-term plans including Airport Master Plans, Terminal Studies, and other previous planning efforts (E, A).
- 3.2 – Perform analyses and prepare three concepts for long-term terminal development including apron layout, jet bridges, curbside access, and major utility access (E, A, S, M, EE).
- 3.3 – Schedule, prepare for, and manage a meeting with the PDA and PSM to reach consensus on long-term concepts (E, A).
- 3.4 – Revise and finalize two (2) long-term terminal concepts to reflect discussions with PDA and PSM (E, A, S, M, EE).
- 3.5 – Prepare memo on long-term terminal concepts and distribute to PDA in PDF format as well as two (2) paper copies (E, A).

***Task 4.0 – Medium-Term Concept Design and Implementation Plan***

This task looks at the medium-term needs of the domestic and foreign airlines and ways to modify the Terminal to accommodate those needs. Because these improvements will likely include things like building additions, additional boarding bridges, and associated utility and site upgrades. For the medium-term work, we will look at doing some of the preliminary work (known as Phase I) as soon as it is practical while completing the Phase II work in about 2019. The Phase I work will be done so that it will be integrated seamlessly into the Phase II work while addressing some of the most critical needs in the existing facility as soon as possible. This task will start with the preparation of six medium-term terminal architectural layouts which will then be reviewed for structural, mechanical/plumbing/fire protection, and electrical needs and recommendations. Curbside, terminal access, and parking needs will be prepared in Task 6.5 but will be included in this review. The design team will meet to discuss all the systems and will finalize the six layouts. We will then meet with the PDA and PSM staff to review the concepts, finalize the preferred concept, and prepare a final memo and order-of-magnitude cost estimate. The concepts will be prepared for increases in domestic flights as well as increases in both domestic and international flights. Specific subtasks include:

**April 27, 2017 Final**

- 4.1 Schedule, attend, and document an on-site design team meeting to review facilities and systems (E, A, S, M, EE).
- 4.2 - Prepare six medium-term terminal concept architectural layouts (three Domestic only and three Domestic & Foreign) (A).
- 4.3 – Review structural needs and systems for six medium-term concepts and prepare structural recommendations (A, S).
- 4.4 – Review mechanical, plumbing, and fire protection needs and systems for six medium-term concepts and prepare mechanical, plumbing, and fire protection recommendations (A, M).
- 4.5 – Review electrical needs and systems for six medium-term concepts and prepare electrical recommendations (A, EE).
- 4.6 – Review curb-side and terminal access needs for six medium-term concepts and prepare access concepts (See Task 6.5).
- 4.7 – Design team meeting to discuss all systems and determine six consolidated medium-term concepts (E, A, S, M, EE).
- 4.8 – Finalize six consolidated medium-term terminal concept architectural layouts (three Domestic only and three Domestic & International) (E, A, S, M, EE).
- 4.9 – Schedule, attend, and document a meeting with PDA & PSM to present and reach concurrence on concepts (E, A, S, M, EE).
- 4.10 – Revise and finalize two preferred concepts (E, A, S, M, EE).
- 4.11 – Prepare memo on medium-term concepts (E, A, S, M, EE).
- 4.12 – Do preliminary quantity takeoffs and prepare order of magnitude cost estimate on preferred concepts (E, A, S, M, EE, EST).

***Task 5.0 – Terminal Enhancements Schematic Analysis***

This task advances the concepts from Task 4 into a single concept for a medium-term development. End products will include schematic building footprints, floor plans, construction phasing plans (highlighting Phase I and Phase II work), exterior elevations, interior conceptual perspectives, as well as a project schedule and funding plan. Throughout this phase, the consultant team will hold three on-site work sessions with the PDA.

- 5.1 - Synthesize medium term domestic and international concepts into a single project plan (E, A).
- 5.2 - Perform supplemental site investigations of existing architectural, structural, mechanical/electrical/plumbing/fire protection, and site conditions to support schematic development (E, A, S, M, EE).
- 5.3 - Prepare schematic level floor plans for both levels (E, A).

April 27, 2017 Final

- 5.4 - Prepare schematic construction phasing plans including possibility for an early construction package (Phase I) (E, A, S, M, EE).
- 5.5 - Prepare exterior conceptual elevation studies of new construction (E, A).
- 5.6 - Prepare Interior conceptual perspectives to show general architectural feel of the space and finishes (E, A).
- 5.7 - Develop a project schedule and project funding plan (E, A, S, M, EE, EST).
- 5.8 - Perform three on-site stakeholder/client work sessions during schematic planning task phase (E, A).

Subconsultants for this phase will include a Surveyor to perform a survey in the area surrounding the existing Terminal Building for use in schematic design and a geotechnical engineer to provide an opinion on the suitability of the native soils for construction.

#### ***Task 6.0 – Non-Terminal Considerations***

This task looks at the non-terminal needs for the medium-term Phase I and II development. These include parking, terminal access, passenger boarding bridges, aircraft parking aprons, canopies, and vehicular pick-up/drop-off areas. The analysis of these needs will occur in this task but the results will be included and presented as part of tasks 4.0 and 5.0. Specific subtasks include:

- 6.1 – Obtain base mapping for Terminal, ramp, and parking areas outside the limits of the survey in Task 5, update base mapping based on Google Earth and PDA plans, and prepare a planning level base plan for the terminal, apron, and parking areas. This assumes that the PDA can provide us with a base map in a CADD format to use as a starting point (E).
- 6.2 – Based on input from PSM and PDA, prepare projected enplanement and parking need estimates. This is NOT a formal forecasting effort (E).
- 6.3 – Prepare medium-term (Phase I and II) parking layouts (two each for Phase I and Phase II and domestic only and domestic & international) (E).
- 6.4 – Prepare medium-term apron layouts with jet bridge recommendations (domestic only and domestic & international) (E, A).
- 6.5 – Prepare medium-term terminal access layouts (one for medium-term Phase I and two each for medium-term Phase II for both domestic only and domestic & international) (E, A).
- 6.6 – Review structural implications of revisions to canopy along drop off area (E, S).
- 6.7 – Revise parking, apron, jet-bridge, and access layouts (E).
- 6.8 – Prepare memo on parking, apron, jet-bridge, and access layouts (E).
- 6.9 – Do preliminary quantity takeoffs and prepare order of magnitude cost estimates for the preferred concepts (E, Est)

April 27, 2017 Final

**Task 7.0 – Environmental Review and NEPA Compliance**

This task will investigate the existing environmental constraints for the project area, submit an FAA NEPA categorical exclusion form for medium-term Phase I improvements (if it is eligible for a categorical exclusion), and provide a memo outlining environmental conditions and anticipated permitting required for the medium-term improvements. Beyond delineating wetlands in the project areas, data acquisition will be limited to information available from PDA and from state agencies. Specific subtasks include:

- 7.1 – Research existing environmental conditions at PSM by meeting with PDA staff, reviewing PDA records, reviewing NH Natural Heritage Bureau and USF&W databases, checking the NHDES OneStop database, and contacting NH Division of Historic Resources (E).
- 7.2 – Perform a site visit and delineate wetlands in the areas of the medium-term improvements (E).
- 7.3 – Consult with FAA and prepare a NEPA Categorical Exclusion Form for the final medium-term Phase I concept (if it is eligible for a categorical exclusion) (E).
- 7.4 – Provide a memo that outlines existing environmental conditions in the project area and renders an opinion on the environmental permits likely to be required for the medium-term terminal improvements (E).

**Task 8.0 – Final Documentation**

This task will include the preparation of a consolidated report with plans and figures using the memos, concepts, and estimates prepared in previous Tasks. The consolidated report will be delivered to the PDA in a hard copy format (six copies) and PDF format. Specific subtasks include:

- 8.1 – Using the memos, concepts, and estimates prepared throughout the project, prepare a consolidated report in paper and PDF format (E, A).
- 8.2 – Print and deliver 6 copies of the report to the PDA (E).

**Project Schedule**

A. Final Scope and Fee .....	4/21/17
B. IFE.....	4/21/17
C. Grant Application – Planning Grant.....	4/28/17
D. Conceptual Master Plan to PDA.....	7/1/17
E. Medium-Term Development Preferred Alternative Agreed to.....	8/1/17
F. Environmental Report.....	8/1/17
G. Project Completion .....	10/1/17



MOTION

Director Torr:

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

- (1) accept on behalf of the PDA a Federal Aviation Administration ("FAA") Grant Offer of AIP funding equal to 90% of the project costs, in the amount not to exceed \$452,822.00, for snow removal equipment for Skyhaven Airport in Rochester, New Hampshire;
- (2) accept from NHDOT Division of Aeronautics 5% of the project costs in an amount not to exceed \$25,157.00;
- (3) expend PDA funds equal to 5% of the project costs in an amount not to exceed \$25,157.00;
- (4) award a contract to the lowest responsible bidder in an amount not to exceed \$487,205.00 for the purchase of snow removal equipment; and
- (5) execute such other documents and/or agreements as are necessary or appropriate, to purchase the snow removal equipment which total project is estimated to be less than \$503,200.00; all in accordance with the memorandum from Maria J. Stowell, PE, Manager - Engineering, dated May 12, 2017 and attached hereto.

## MEMORANDUM

To: David R. Mullen, Executive Director *DM*  
From: Maria J. Stowell, P.E., Manager, Engineering *Maria*  
Date: May 12, 2017  
Subject: DAW - FAA Grant Offer for Snow Removal Equipment

Earlier this month, PDA submitted a grant application to FAA for the purchase of snow removal equipment (SRE). The equipment consists of an airport rotary plow with carrier vehicle and will replace the worn out plow that PDA inherited with the Skyhaven transfer. The plow is needed to clear snow and ice from the newly reconstructed runway and taxiways at Skyhaven Airport.

In the event that a grant offer is received before the next board meeting, staff needs approval to accept the grant offer, provide matching funds and enter into contracts. Bids were opened in April and the breakdown is as follows:

Firm	Project Total
J. A. Larue	\$416,448
Team Eagle	\$547,320
M-B Companies	\$487,205
Engineers Estimate	\$500,000

J.A. Larue had the lowest bid. However, they were disqualified because they did not meet Technical Specifications A1-5 in regards to axle capacity nor 4.3.2 in regards to the input auger. The next lowest bid was received from M-B Companies, Inc. (M-B).

Funding for this purchase is provided by PDA, NHDOT and FAA. Both PDA and NHDOT Bureau of Aeronautics will provide 5% of the costs. The remaining 90% is provided by FAA.

Based upon the anticipation of a grant offer, please seek Board approval:

1. To accept from the FAA up to \$452,822 in AIP Funds;
2. To accept funds from the NHDOT Division of Aeronautics in the amount of \$25,157;
3. Expend \$25,157 in PDA matching funds; and,
4. To award a contract to M-B Companies, Inc. in an amount not to exceed \$487,205 for the purchase of snow removal equipment.

Please note that the total project amount is estimated to be less than \$503,200 (\$487,205 to M-B, \$11,922 to Jacobs (contract approved by the Board in March), and \$4,009 for force account work).

## Memorandum

**To:** Andrew Pomeroy, Airport Operations Manager  
**From:** Sandra McDonough, Airport Operations Specialist *SM*  
**Date:** 5/10/2017  
**Subj:** Noise Report for April 2017

---

The Portsmouth International Airport at Pease received a total of 28 noise inquiries in April 2017, 24 rotor and 4 fixed wing.

The 24 rotor wing inquiries originated from 5 Portsmouth residences and one Lee residence. One caller inquired 18 times with concerns about the altitude and the path that Seacoast Helicopters flies. Two callers inquired about media helicopters reporting on a large fire downtown.

The four fixed wing inquiries originated from Durham, Newmarket and Portsmouth. The inquiries include both altitude and noise concerns of military and commercial aircraft.

Attached is a copy of the Noise Report for April 2017.

---

# PDA Noise Control Log

For the Period: 4/1/17 to 4/30/17

Call Date	Time	Caller ID	Location	Aircraft	Narratives	Follow Up
1	4/8/2017 15:39	68 Miller Avenue Portsmouth, NH 03801-	Based	Robinson aircraft	Emailed: NOISE COMPLAINT - Red helicopter directly over my house.	Individual has indicated in the paper that a call back is unnecessary.
2	4/10/2017 5:34	262 unknown Portsmouth, NH 03801	NonBased	unknown helicopter	Hi there. It's about 5:30 now. For about an hour now something has been circling over Portsmouth. Literally. I don't know if it is a helicopter or an airplane but it is circling. It seems a bit odd. So I'm putting the word out there and I am wondering what is going on.	McDonough informed the caller the aircraft activity was do to a fire in downtown Portsmouth.
3	4/10/2017 6:00	124 New Castle Avenue Portsmouth, NH 03801-	NonBased	unknown helicopters	Emailed: Beginning around 5:30 am continuing until at least 7:00 am, continuous air traffic over neighborhood. If running exercises please alternate routes. Please call me to confirm receipt of this noise complaint.	McDonough informed the caller the aircraft activity was do to a fire in downtown Portsmouth.
4	4/11/2017 14:24	263 Bay Road Durham, NH 03824	Comb-Based and NB	multiple aircraft	Emailed: The large-planes have been frequently flying very low over our house for two days! I realize that the pilots may be practicing but isn't it possible to vary the flight patterns.	McDonough informed the caller Runway 16 was in use due to the weather conditions and the aircraft were flying at the traffic pattern height or higher.
5	4/13/2017 7:06	264 Middle Street Portsmouth, NH 03801	NonBased	F-15's	Emailed: Can you identify what kind of plane took off at 706am? These type of planes shake my house as their engines are firing for take off. It is loud and literally shakes my house. Thank You	McDonough spoke to the caller about the F15's that departed this morning but he was already aw after reading the paper.

# PDA Noise Control Log

For the Period: 4/1/17 to 4/30/17

Call	Date	Time	Caller ID	Location	Aircraft	Narratives	Follow Up
6	4/14/2017	9:51	188 Bayview Newmarket, NH 03857-	Based	KC135	I'd really appreciate someone getting back to me because no one ever gets back to me from this complaint line. For the last 15 minutes we have had a strato tanker in the pattern doing touch and go's at Pease. And this last run, it is Friday, I think it's the 14th of April um morning around um. It started around 9:30, well it's 9:50 now so about 9:45 the last strato tanker was somewhere around 200 and 250 feet over my home in Newmarket. I'm on Great Bay on the Newmarket Durham town line. I have called before and I think you know where I am. Something has to be done with these pilots to tell them they need to be up, in a pattern, especially when they're on their downwind leg for the runway so they're not approaching the numbers or anything. They should be at their highest point of their touch and go's and be is only about 250 feet. I can see everything on the plane. If you want I will take pictures of it. I would probably get the name off the tires. Ok. So I would appreciate a call back because we need to do something about this going on all the time. Thanks.	McDonough spoke with this call the past and that the tankers he referring to fly at the traffic pattern height or higher.
7	4/15/2017	14:21	68 Miller Avenue Portsmouth, NH 03801-	Based	Robinson helicopter	Emailed: NOISE COMPLAINT - Red helicopter	Individual has indicated in the p that a call back is unnecessary.
8	4/19/2017	14:59	75 Mark Street Portsmouth, NH 03801-	Based	R-44	Emailed: N219cr 388 feet above downtown Portsmouth. Why are you letting him build a building knowing all the difficulty and his unwillingness to be a good neighbor?	Left a message. No response.
9	4/19/2017	15:03	68 Miller Avenue Portsmouth, NH 03801-	Based	R-44	Emailed: NOISE COMPLAINT - N219CR directly over my house, alt. 525 feet	Individual has indicated in the p that a call back is unnecessary.

# PDA Noise Control Log

For the Period: 4/1/17 to 4/30/17

Call Date	Time	Caller ID	Location	Aircraft	Narratives	Follow Up
10	4/20/2017	15:04 153 Snell Road Lee, NH 03861-	Unknown	unknown helicopter	I live on Snell Road in Lee, New Hampshire. I have been bothered several times today by planes but I have a helicopter that is flying above my house, within a half hour at least twice. Very low flying helicopter and I want it stopped. I don't live here so I can listen to helicopters if I did then I would pay less taxes and move to Portsmouth. So if you can give me a call back and tell me who is flying I will go online and find out and make a complaint to the governor. I don't know. This is not the first time but I would like it to be the last.	Tried to return the call on two separate days but the mailbox is
11	4/20/2017	12:49 265 Williams Way Durham, NH 03824	Comb Based and NB	B747, C17, MD80	Emailed: extremely loud noise from low-flying aircraft, noise has been getting louder for the past few hours, to a deafening point now.	McDonough informed the caller Runway 16 was in use all morning and the B747 may have seemed lower because it is very large and has 4 engines. The C17 is a very large aircraft and tends to appear lower due to it's size. The MD80 also an older model aircraft that to be louder than other aircraft flying today. All of the aircraft at the altitude published by the I
12	4/20/2017	14:05 68 Miller Avenue Portsmouth, NH 03801-	Based	Robinson helicopter	Emailed: NOISE COMPLAINT - Red helicopter	Individual has indicated in the p that a call back is unnecessary.
13	4/20/2017	14:19 68 Miller Avenue Portsmouth, NH 03801-	Based	R-44	Emailed: NOISE COMPLAINT - N219CR outbound. What do you want to bet he will be over my house again in 22 minutes?	Individual has indicated in the p that a call back is unnecessary.
14	4/20/2017	14:48 68 Miller Avenue Portsmouth, NH 03801-	Based	R-44	Emailed: NOISE COMPLAINT - N219CR directly over my house, altitude 725'	Individual has indicated in the p that a call back is unnecessary.

# PDA Noise Control Log

For the Period: 4/1/17 to 4/30/17

Call Date	Time	Caller ID	Location	Aircraft	Narratives	Follow Up
15	4/20/2017 14:27	68 Miller Avenue Portsmouth, NH 03801-	Based	R-44	Email: NOISE COMPLAINT - N219CR directly over my house, altitude 725'. When are we going to have a meeting of the Noise Committee?	Individual has indicated in the p that a call back is unnecessary.
16	4/24/2017 16:42	43 Gates Street Portsmouth, NH 03801-	Based	Robinson helicopter	I live in the south end of Portsmouth on Gates Street. I'm calling at 4:40 on Monday about the red helicopter that has been going over a lot this afternoon and as I see it is going at about half the height it used to. It is certainly not 1000 feet. I have flight radar on my Ipad to check out what his height is but since he is aware we are looking at that he has disabled that height thing. I'm just calling to tell you this season is starting and I am fed up with the red helicopter and I hope we can at least get him back up to 1000 feet if not out of the air. By out of the air I mean out of business. I don't mean the other way. There is no reason to call me back unless you have good news for me. I'm just going to keep calling you.	Individual has indicated that a call back is unnecessary.
17	4/29/2017 11:28	68 Miller Avenue Portsmouth, NH 03801-	Based	Robinson helicopter	Email: NOISE COMPLAINT - Red helicopter	Individual has indicated in the p that a call back is unnecessary.
18	4/29/2017 13:06	68 Miller Avenue Portsmouth, NH 03801-	Based	Robinson helicopter	Email: NOISE COMPLAINT - Red helicopter circling	Individual has indicated in the p that a call back is unnecessary.
19	4/29/2017 13:10	68 Miller Avenue Portsmouth, NH 03801-	Based	Robinson helicopter	Email: NOISE COMPLAINT - Red helicopter circling	Individual has indicated in the p that a call back is unnecessary.
20	4/29/2017 15:20	68 Miller Avenue Portsmouth, NH 03801-	Based	R-44	Email: NOISE COMPLAINT - N219CR directly over my house, altitude 950 ft	Individual has indicated in the p that a call back is unnecessary.

# PDA Noise Control Log

For the Period: 4/1/17 to 4/30/17

Call	Date	Time	Caller ID	Location	Aircraft	Narratives	Follow Up
21	4/29/2017	17:37	68 Miller Avenue Portsmouth, NH 03801-	Based	R-44	Emailed: NOISE COMPLAINT - N219CR directly over my house, altitude 1050' 5th time today	Individual has indicated in the p: that a call back is unnecessary.
22	4/30/2017	17:47	68 Miller Avenue Portsmouth, NH 03801-	Based	R-44	Emailed: NOISE COMPLAINT - N219CR again, 6th time today	Individual has indicated in the p: that a call back is unnecessary.
23	4/30/2017	10:45	75 Mark Street Portsmouth, NH 03801-	Based	Robinson helicopter	Emailed: 544 feet over downtown, why would you let him expand? He's a horrible addition to Portsmouth and a liar if he continues to represent he's flying at 1,000 ft.	Left a message. No response.
24	4/30/2017	10:49	68 Miller Avenue Portsmouth, NH 03801-	Based	R-44	Emailed: NOISE COMPLAINT - N219CR	Individual has indicated in the p: that a call back is unnecessary.
25	4/30/2017	11:07	68 Miller Avenue Portsmouth, NH 03801-	Based	R-44	Emailed: NOISE COMPLAINT - N219CR directly over my house.	Individual has indicated in the p: that a call back is unnecessary.
26	4/30/2017	16:15	68 Miller Avenue Portsmouth, NH 03801-	Based	Robinson helicopter	Emailed: NOISE COMPLAINT - Red helicopter directly over my house - VERY LOW AND LOUD	Individual has indicated in the p: that a call back is unnecessary.
27	4/30/2017	16:51	68 Miller Avenue Portsmouth, NH 03801-	Based	R-44	Emailed: NOISE COMPLAINT - N219CR directly over my house, altitude 425 feet, 4th time today.	Individual has indicated in the p: that a call back is unnecessary.
28	4/30/2017	17:28	68 Miller Avenue Portsmouth, NH 03801-	Based	R-44	Emailed: NOISE COMPLAINT - N219CR directly over my house, altitude 525 feet, 5th time today	Individual has indicated in the p: that a call back is unnecessary.



MOTION

Director Lamson:

The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$38,232.95 for legal services rendered to the Pease Development Authority by:

1.	Kutak Rock LLP		
	Through March 31, 2017	\$11,831.22	
		<u>\$ 7,556.23</u>	
			\$19,387.45
2.	Sheehan Phinney Bass + Green		
	Through March 31, 2017	\$ 18,468.50	
		<u>\$ 377.00</u>	
			<u>\$18,845.50</u>
	Total		<u>\$38,232.95</u>



**KUTAK ROCK LLP**

**WASHINGTON, D.C.**

Telephone 202-828-2400

Facsimile 202-828-2488

Federal ID 47-0597598

April 12, 2017

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

**Check Remit To:**

Kutak Rock LLP  
PO Box 30057  
Omaha, NE 68103-1157

**Wire Transfer Remit To:**

ABA #104000016  
First National Bank of Omaha  
Kutak Rock LLP  
A/C # 24-690470  
Reference: Invoice No. 2286489  
Client Matter No. 301603-1

Invoice No. 2286489  
301603-1

---

Re: CLF

TOTAL CURRENT AMOUNT DUE

\$11,831.22

SHEEHAN PHINNEY BASS & GREEN PA  
1000 ELM STREET  
P.O. BOX 3701  
MANCHESTER, NH 03105-3701

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Trade Port - General Representation  
-----  
CLIENT/CASE NO. 14713-10167  
BILLING ATTORNEY: Robert P Cheney

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$377.00
TOTAL EXPENSES:	\$0.00
	-----
TOTAL THIS BILL:	\$377.00
	-----
PREVIOUS BALANCE:	\$0.00
	-----
TOTAL BALANCE DUE:	\$377.00
	-----
	-----

PAYMENT DUE 30 DAYS FROM INVOICE DATE

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

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

SHEEHAN PHINNEY BASS & GREEN PA  
1000 ELM STREET  
P.O. BOX 3701  
MANCHESTER, NH 03105-3701

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: CLF vs. Pease

-----  
CLIENT/CASE NO. 14713-15395  
BILLING ATTORNEY:Lynn J. Preston

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$18,415.00
TOTAL EXPENSES:	\$53.50
	-----
TOTAL THIS BILL:	\$18,468.50
	-----
PREVIOUS BALANCE:	\$0.00
	-----
TOTAL BALANCE DUE:	\$18,468.50
	-----
	-----

PAYMENT DUE 30 DAYS FROM INVOICE DATE

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

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

MEMORANDUM

To: Pease Development Authority Board of Directors  
 From: David R. Mullen, Executive Director *[Signature]*  
 Date: May 18, 2017  
 Re: Commercial Use Mooring Permit Transfers

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


	<u>Permit</u>	<u>Business</u>	<u>Date of Approval</u>
Seabrook Harbor	No. 7541	Commercial Fishing	05/03/17
Transferor:	Randell Collins		
Transferee:	Stephen C. Smith		

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: May 2, 2017  
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 #7541, from Randell Collins to Stephen Smith.

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.

May 3, 2017

Randell Collins  
28 Centennial St  
Seabrook, NH 03874

RE: Request to Transfer Commercial Moorings  
Commercial Mooring No. 7541, Seabrook Harbor, New Hampshire

Dear Mr. Collins:

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 Stephen C. Smith of 4 Liberty St unit 2 in Salisbury, MA in connection with the sale of your commercial business.

You and Stephen Smith have represented that Stephen Smith 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 Stephen Smith 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 Stephen Smith 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  
Stephen Smith  
PDA Legal Dept.



MOTION

Director Torr:

The Pease Development Board of Directors hereby approves of the Initial Proposed Amendments to the "Schedule of Pilotage Fees and Pilotage Unit Rates, Portsmouth Harbor and Piscataqua River" attached hereto; and authorizes the Division Director to take any necessary or recommended action in furtherance of this matter; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated May 11, 2017 attached hereto.

Date: May 11, 2017  
To: PDA Board of Directors  
From: Geno Marconi, Port Director   
Subject: Schedule of Pilotage Fees and Pilotage Unit Rates

In accordance with RSA 12-G:42, XI, the Division is proposing amendments to the: **SCHEDULE OF PILOTAGE FEES AND PILOTAGE UNIT RATES**. The initial proposed amendments are attached hereto.

Furthermore, in accordance with RSA 12-G:42, XI (f); [Fees relating to pilotage shall be comparable with pilotage fees assessed by other port authorities in the United States], the following comparisons, for the same ship, round trip, were performed:

<b><u>BOSTON, MA:</u></b>	\$8,862.00
<b><u>PORTLAND, ME:</u></b>	\$8,814.00
<b><u>PORTSMOUTH, NH:</u></b>	\$5,978.00 (current fee schedule) \$6,576.00 (proposed fee amendments)

The Initial Proposed Schedule of Pilotage Fees and Pilotage Unit Rates was presented to the Division of Ports and Harbors Advisory Council (Council) at the May 10, 2017 meeting for review and comment. The Council voted to recommend that the PDA Board of Directors approve the initial proposed amendments.

The Division will advertise a Public Hearing on the initial proposed amendments in newspapers of local and state wide distribution as well as on the Division's web site. The Public Hearing will be held on June 1, 2017 at 6:00 pm at the Division office on Market Street. Written comments will be received until the end of business June 12, 2017.

The Final Proposed Amendments to the Schedule of Pilotage Fees and Pilotage Unit Rates will be presented to the PDA Board of Directors at the June 15, 2017 meeting for final adoption with an effective date of June 30, 2017.

Therefore, the Division of Ports and Harbors recommends that the PDA Board of Directors approve the Initial Proposed Amendments to the Schedule of Pilotage Fees and Pilotage Unit Rates.

STATE OF NEW HAMPSHIRE  
PEASE DEVELOPMENT AUTHORITY — DIVISION OF PORTS AND HARBORS  
SCHEDULE OF PILOTAGE FEES AND PILOTAGE UNIT RATES  
PORTSMOUTH HARBOR AND PISCATAQUA RIVER

**INITIAL PROPOSED AMENDMENTS**

**1.0 COMPUTATION OF PILOTAGE FEES AND UNITS:**

- 1.1 Certain pilotage fees for inbound and outbound vessels as identified below are based on pilotage units. In each such case a minimum fee is also identified. If pilotage units are not used to set a fee, the fee is set on a flat fee or per unit or similar basis.
- 1.2 All measurements shall be in meters.
- 1.3 Pilotage units are computed by:
  - 1.3.1 Multiplying the overall length of the vessel (bow to stern) by the extreme breadth of the vessel (beam to beam);
  - 1.3.2 Multiplying the product of subsection 1.3.1 by the depth of the vessel to the uppermost continuous deck (bottom of keel to uppermost continuous deck); and
  - 1.3.3 Divide the product of subsection 1.3.2 above by 100.
- 1.4 The pilotage fees shall be an amount equal to 200% of the applicable charges specified in this schedule for:
  - (a) Any self-propelled vessel lacking propulsion; or
  - (b) A pilot called out to a scene for any unscheduled event or emergency situation.
- 1.5 The pilotage rates for a submarine shall be:
  - (a) An amount equal to the applicable charges in subsection 2.1.1, 2.1.2, or 2.1.3, plus an additional ~~\$25.00~~ **\$28.00** per foot of draft; and
  - (b) Minimum units: 100.
- 1.6 An amount equal to all the fees incurred shall be added to the invoice when the fees are to be paid by any electronic method, including, but not limited to, direct deposit, wire transfer, or credit card charge.

2.0 PILOTAGE FEES — TRANSIT CHARGES:

2.1 For vessels inbound or outbound, including barges, the charges payable under this section shall be as follows:

2.1.1 Per passage where line of demarcation is transited during passage:

- (a) Pilotage units multiplied by ~~\$2.70~~ \$2.97; and
- (b) Minimum charge: ~~\$260.00~~ \$286.00;

2.1.2 Per passage where line of demarcation is not transited during passage (i.e. vessel shifting with harbor and river):

- (a) Pilotage units multiplied by ~~\$1.50~~ \$1.65; and
- (b) Minimum charge: ~~\$182.00~~ \$200.00;

2.1.3 Docking or undocking charges:

- (a) Pilotage units multiplied by ~~\$0.70~~ \$0.77;
- (b) Minimum charge: ~~\$83.00~~ \$91.00; and
- (c) Must be paid, where applicable, in addition to any applicable per passage charge assessed under subsections 2.1.1 or 2.1.2 above; and

2.1.4 Vessel shifting at berth:

- (a) \$425.00 per call for assistance; and
- (b) Second pilot required for transit or turning off dock: ~~\$385.00~~ \$425.00

3.0 PILOTAGE FEES — PILOT DETENTION CHARGES:

3.1 Inbound or outbound vessels of any size:

3.1.1 Charge for canceling call for pilot after pilot reports to vessel: (a) ~~\$220.00~~ \$242.00 per call cancelled;

3.1.2 Charge for detaining pilot during the mooring or securing of vessel in excess of one hour once vessel is alongside of terminal:

- (a) ~~\$220.00 per excess hour~~ \$100.00 per 20 minutes of detention or portion thereof;

3.1.3 Charge for canceling request for pilot due to fog, stress of weather, or vessel mechanical problem while pilot vessel is in transit to vessel requesting pilot:

(a) Same as subsection 3.1.1; and

3.1.4 Charge for pilot not returned to shore and carried to sea on vessel:

(a) ~~\$350.00~~ **\$385.00** per day or part thereof that pilot is detained at sea after outbound passage is complete, plus the cost of return to Portsmouth, New Hampshire, by the fastest means of first class travel available.

4.0 PILOTAGE FEES — MISCELLANEOUS CHARGES:

4.1 Inbound or outbound vessels of any size:

4.1.1 Charge for transporting a pilot launch to or from the pilot station (to be paid, where applicable, addition to other charges assessed pursuant to sections 2.0 and 3.0 above):

(a) ~~\$150.00~~ **\$165.00** per single, one-way trip; and

4.1.2 Charge for transporting a pilot to or from a vessel at anchorage in lieu of boarding at pilot station:

(a) ~~\$220.00~~ **\$242.00** per single, one-way trip.

## PART Pda 311 PILOTAGE FEES

### Pda 311.01 Pilotage Fees Schedule.

(a) Vessels required under Pda 304.01 to be piloted by a pilot shall pay to the pilot each applicable pilotage fee as set forth in the schedule of pilotage fees adopted pursuant to (e) below. It shall be the responsibility of the pilot to request payment and collect payment of any pilotage fee authorized under Pda 311.

(b) At least once a year the division director shall review the schedule of pilotage fees and pilotage unit rates. At any time, the division director may prepare a proposed schedule of pilotage fees and pilotage unit rates. The proposed schedule of pilotage fees and pilotage unit rates shall be distributed to each pilot and shall be made available to the public. Hereafter in this section, references to "pilotage fees" shall include "pilotage unit rates."

(c) Within 30 days of distribution of the proposed schedule of pilotage fees to the public under (b) above, pilots or any member of the public may submit to the division director written comments regarding the proposed schedule of pilotage fees.

(d) Within 60 days of distribution of the proposed schedule of pilotage fees to the public under (b) above, the division director shall submit a proposed schedule of pilotage fees to the authority for review and approval, either in its original proposed form or as modified after receipt of public comment.

(e) The authority may:

- (1) Adopt the approved annual schedule of pilotage fees;
- (2) Adopt the approved annual schedule of pilotage fees in part; or
- (3) Adopt the approved annual schedule of pilotage fees in part and modify the schedule in part.

(f) The authority shall make available to the public any fee schedule adopted in whole or in part under (e) above.

(g) The pilotage fees adopted by the authority shall take effect on January 1 of the following year, or within 10 days of adoption by the authority, as specified by the authority. Once adopted, the annual schedule of pilotage fees shall be mailed to each pilot and shall be attached to any new commission that may be issued to a pilot. Pilots shall charge fees only as set forth in the approved schedule.

Source. #7870, eff 4-12-03; ss by #8148, EXEMPT, eff 8-27-04; ss by #10818, EXEMPT, eff 4-17-15

### Pda 311.02 Computation of Pilotage Units.

(a) Pilotage units shall be computed by:

- (1) Multiplying the overall length of the vessel by the extreme breadth of the vessel;
- (2) Multiplying the product of (1) by the depth of the vessel to the upmost continuous deck; and
- (3) Dividing the product of (2) by 100.

(b) For purposes of determining pilotage units, all measurements shall be in meters.

Source. #7870, eff 4-12-03; ss by #8148, EXEMPT, eff 8-27-04

### Pda 311.03 Pilotage Fees Based on Pilotage Unit Rates; Flat Fees.

(a) The annual schedule of pilotage fees approved by the authority under Pda 311.01 shall contain the pilotage fees described in (b) – (e) below.

(b) The following pilotage fees shall be based upon pilotage unit rates established within the pilotage fee schedule for vessels inbound or outbound:

- (1) One-way inbound or outbound transit fee, calculated by multiplying the pilotage units for such vessel by the pilotage unit rate for inbound or outbound vessels;

- (2) Docking or undocking fee, calculated by multiplying the pilotage units for such vessel by the pilotage unit rate for vessels docking or undocking; and
  - (3) Vessel shifting berths within the pilotage area, calculated by multiplying the pilotage units for such vessel by the pilotage unit rate for vessel shifting berths within the pilotage area.
- (c) The pilotage fee schedule shall contain minimum fees for all of the fees described in (b) above. The minimum fee shall apply if the fee based upon pilotage units is less than the minimum fee.
- (d) The pilotage fee schedule shall contain fees for the following:
- (1) Shifting a vessel at berth established on a per call basis;
  - (2) Cancellation of the request for pilotage assistance after the pilot reports for duty on the vessel established on a per call basis;
  - (3) Detention of a pilot detained during mooring of a vessel after allowing one hour, once along side, for the securing of a vessel to its berth established on a per hour basis;
  - (4) Detention of a vessel in transit, cancelled due to fog, stress of weather, or mechanical problem established on a per hour basis;
  - (5) Detention of a pilot carried to sea established on a per diem basis, plus the cost of return to Portsmouth, New Hampshire, by the fastest means of travel available;
  - (6) Transporting a pilot to or from the pilotage station established on a one-way, single trip basis;
  - (7) Transporting a pilot to or from a vessel at anchorage instead of boarding at the pilotage station established on a one-way, single trip basis;
  - (8) A self-propelled vessel lacking propulsion;
  - (9) Pilotage of a submarine; and
  - (10) The calling out of a pilot to a scene for any unscheduled event or emergency situation.
- (e) An amount equal to all the fees incurred shall be added to the invoice when the fees are to be paid by any electronic method, including, but not limited to, direct deposit, wire transfer, or credit card charge.

Source. #7870, eff 4-12-03; ss by #8148, EXEMPT, eff 8-27-04; ss by #9928, EXEMPT, eff 5-29-11; ss by #10642, EXEMPT, eff 6-29-14



MOTION

Director Loughlin:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations and to execute a License and Operating Agreement with Electro Source, Inc. (ESI) for use of bulk storage space at the Market Street Terminal, on terms and conditions substantially similar to those set forth in the draft Letter of Intent dated May 9, 2017 attached hereto, and such other conditions as shall be necessary or desirable to this matter subject to concurrence of the Division Director and PDA General Counsel.

N:\RESOLVES\2017\Electro Source 0517.doc

May 9, 2017

Frederick Lange, President  
Electro Source, Inc.  
22 Church Street  
Northport, New York 11768

Dear Mr. Lange:

On behalf of the Pease Development Authority and its Division of Ports and Harbors (PDA-DPH or Port Authority), we are pleased to submit to you the following outline of terms and conditions of a proposed License and Operating Agreement with Electro Source, Inc. (ESI) for use of bulk storage space at PDA-DPH property, as shown on Attachment A.

When executed by you and approved by the PDA Board of Directors, the terms set forth in this letter shall constitute a Letter of Intent (LOI) between the parties reflecting our mutual commitment in principle to conclude with due diligence and in good faith an appropriate License and Operating Agreement (the "License" or the "Agreement") for storing debarked pine wood chips on an interim basis, as described below.

The following is a summary of the central business terms and conditions of the proposed License and Operating Agreement:

**Licensor:** Pease Development Authority Division of Ports and Harbors

**Licensee:** Electro Source, Inc.

**Purpose:** To provide a location on which to store clean, de-barked pine wood chips for the purpose of shipping from the Market Street Marine Terminal, Portsmouth, New Hampshire. A total of six ships per year are anticipated.

**Premises:** For and in consideration of the fees and rents to be paid and the covenants to be performed by ESI and subject to the terms and conditions set forth herein, the PDA agrees to License to ESI up to 3 acres, as more specifically shown on the plan attached hereto and incorporated herein as Attachment A. The Parties agree that the Premises is intended for the marshalling and storage of bulk cargo and operating equipment.

Mr. Frederick Lange, President  
Electro Source Inc.  
May 9, 2017  
Page 2

**Base Term:** The License shall be effective upon execution and shall continue for a base term of two (2) years, unless otherwise terminated or extended by agreement of the Parties.

**Fees:** In consideration of the License granted, ESI shall pay to the Port Authority the following annual amounts:

**Storage Fees:** During the base term of the License, ESI shall pay to PDA-DPH a storage fee at the annual rate of \$63,000 per acre for the Premises.

**Scale House Fee:** During the base term of the License, ESI shall pay to PDA-DPH for non-exclusive use of the Office and Scale a scale house fee at the annual rate of \$12,000 plus any pro rata share of utility charges in connection with this use.

**Terminal Charges:** During the term of the License, ESI shall pay to PDA-DPH Terminal Charges, to include without limitation, dockage and wharfage, at rates established from time to time by the PDA-DPH. As of the Term Commencement Date, the Terminal charges in effect are attached hereto as Attachment B.

**Cargo Reports:** On or before the fifteenth (15<sup>th</sup>) day of each month, ESI shall prepare and submit a Cargo Report in a form provided by or reasonably satisfactory to PDA-DPH showing all information concerning ESI's cargo activities for the previous calendar month. Such report shall, at a minimum, consist of scale receipts, the draft survey and identifying the scrap metal remaining in the Storage Area as of the report date. Any confidential financial or proprietary business information in accordance with NH RSA 91:A, should be marked as such prior to transmission.

**Gate Security Charges:** During the term of the License, ESI shall pay to PDA-DPH the actual cost of gate security required by ESI's operations. PDA-DPH will not allocate costs for gate security Monday through Friday from 0600 to 1600 hours. (See Attachment B.)

**Sweeping of Licensed Premises:** During the term of the License, ESI shall, at its sole cost and expense, arrange for and provide sweeping services to clean debris from the Licensed Premises and the DPH Common Areas following loading operations. At the election of the Division Director, Sweeping operations may be performed by DPH at an hourly rate of \$125.00/hour.

**Minimum Annual Guarantee:** ESI agrees to provide PDA-DPH with a minimum annual guaranteed revenue of \$450,000 to include only those charges for dockage, wharfage and storage area rental.

Mr. Frederick Lange, President  
Electro Source Inc.  
May 9, 2017  
Page 3

**Use:** The purposes for which ESI may use the Storage Area are as set forth above in "Purpose."

Except as otherwise specifically provided herein, or otherwise consented to in writing by the PDA-DPH, the following terms and conditions shall be applicable to ESI's use of the Premises and Scale House.

1. With the exception of the initial two storage periods which may extend to ninety (90) days following consultation with the Port Director and the PDA Executive Director, the storage period, commencing on the initial delivery of wood chips to the Licensed Premises and termination on the day ESI begins to load the ship, shall not exceed sixty (60) days.
2. The rights of ESI under the License shall be subordinate to PDA-DPH's rights to manage the DPH facility and other common areas and roadways, which rights shall include, without limitation, the right to impose reasonable rules and regulations relating to the location of equipment, use of the common areas and roadways and the right to add, delete, alter or otherwise modify the designation and use of all DPH facilities and parking areas, entrances, exits, roadways and other areas of the DPH, to the extent all of the foregoing are not part of the Premises; provided, however, that Licensee shall continue at all times to have reasonable access to and use of the Premises and the areas available for common use.

PDA-DPH may, at its sole discretion, authorize ESI to conduct any uses not expressly authorized under its License subject to the execution of an appropriate agreement which shall include a provision requiring the payment of established fees and charges that may be applicable to any such additional uses consented to by PDA-DPH. ESI is prohibited from any use of the Storage Area and DPH Common Use Areas not specifically granted in the License.

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

Mr. Frederick Lange, President  
Electro Source Inc.  
May 9, 2017  
Page 4

a ESI, its employees, contractors, subcontractors, agents, servants and invitees shall comply with all federal, state and local laws, rules and regulations which apply to the conduct of the uses contemplated herein. ESI, its employees, agents, contractors, subcontractors or assigns shall also comply with any rules and regulations promulgated by PDA-DPH for operation of the DPH as the same may be from time to time established or amended. Responsibility for compliance with all federal, state and local laws required by this Article rests exclusively with ESI. PDA-DPH assumes no enforcement or supervisory responsibility except with respect to matters committed to its jurisdiction and authority.

b Notwithstanding any other provision of the License, the rights of ESI herein shall be subordinate to PDA-DPH's rights to manage the DPH property and other common areas and access, which rights shall include, without limitation, the right to impose rules and regulations or issue management directives relating to use of the DPH Common Areas, and DPH roadways and the right to add, delete, alter or otherwise modify the designation and use of all common areas, parking areas, entrances, exits, roadways and other areas of the DPH.

**Condition of  
Licensed  
Premises:**

ESI acknowledges that it has inspected the Licensed Premises, including the parking area and all improvements and other facilities thereon, and that it has determined that the said Licensed Premises are in apparent good and tenantable condition. ESI accepts said Licensed Premises in their present condition and without any representation or warranty by the Port Authority as to their condition or as to the use which may be made thereof and without obligation on the part of the Port Authority, except as specifically set forth herein to make any alterations, repairs, improvements or additions. Further, the Port Authority shall not be responsible for any latent or other defect not known by the Port Authority or any change of condition in said Licensed Premises. Nothing contained in this letter or the License shall be deemed to constitute a waiver of the sovereign immunity of the State of New Hampshire which at all times is reserved to the State of New Hampshire.

**ESI's  
Work:**

Except as specifically provided in this letter or the License, ESI, at its sole cost and expense, shall do all work necessary to prepare the Licensed Premises for its use.

Mr. Frederick Lange, President  
Electro Source Inc.  
May 9, 2017  
Page 5

The following is a partial list of issues identified and required to be addressed by ESI to the satisfaction of PDA-DPH during negotiation of the License in connection with ESI's proposed use of the Licensed Premises.

- a) Truck queuing on Market Street
- b) Height of wood chip piles
- c) Compliance with the National Fire Code, NFPA Chapter 31
- d) Compliance with NH Administrative Rule Env-A 1400 as may be applicable to include a compliance demonstration if no permit is required and provision of Fumigation Plan, applicable MSDS and commitment for periodic review and update
- e) Required protection of pier surface
- f) Inspection of pier deck and terminal pavement following loading
- g) ESI's ongoing responsibility to review and update as necessary its control procedures and best management practices to assure compliance with applicable environmental regulations
- h) ESI's compliance with NHDES fugitive dust regulations
- i) ESI's compliance with NPDES discharge regulations to include application and receipt of required permits for discharge of stormwater and non-stormwater sources, provision of a Stormwater Pollution Prevention Plan and recommended Best Management Practices and consideration of a collection system and/or industrial treatment to prevent any discharge to open waters
- j) [ESI's requirement to engage an environmental consultant to review applicable environmental regulations and certify certificates, permits, licenses or other entitlements required by federal, state or local laws in connection with its operations]
- k) [ESI's requirement to cost share the testing of stormwater outfalls at the Market Street Terminal]

**Indemnification  
and**

**Insurance:** During the term of the License, ESI shall provide and shall require all contractors, agents or employees of ESI to carry (i) worker's compensation and employer's liability insurance in an amount and form which meets all applicable requirements of the labor laws of the State of New Hampshire, as amended from time to time, and which specifically covers the persons and risks involved in this License; (ii) comprehensive general liability insurance to a limit of not less than Two Million Dollars (\$2,000,000) with respect to damage to property and to personal injury or death of any one or more persons and with no deductible or such deductible

Mr. Frederick Lange, President  
Electro Source Inc.  
May 9, 2017  
Page 6

amount as may be authorized by the Port Authority; (iii) Longshore and Harbor Workers' Compensation Act insurance coverage for all maritime employment related activities in connection with the rights granted under this License; and (iv) automobile liability insurance in amounts approved from time to time by the Port Authority, but not less than One Million Dollars (\$1,000,000) combined single limit for owned, hired and non-owned automobiles. ESI agrees to indemnify, defend and hold harmless the Port Authority and the State of New Hampshire from any and all claims, judgments, damages, penalties, fines, assessments, costs and expenses, liabilities and losses resulting or arising during the term of the License actions, demands and causes of actions caused by or resulting from (i) any conditions of the Licensed Premises, which condition first arises during the term of the License (ii) from any breach or default on the part of ESI in the performance of any covenant or agreement to be performed pursuant to the terms of the License, or from any act or omission of ESI, or any of its agents, contractors, servants, employees, licensees or invitees; and (iii) from any accident, injury, death, loss or damage whatsoever caused to any person or property occurring during the term of the License or as the result of ESI's exercise of the rights granted to it pursuant to the License.

**Maintenance:**

ESI covenants and agrees, throughout the term of this License, without cost to the Port Authority to take good care of the Licensed Premises and related improvements, including sidewalks, curbs, access routes and or parking areas designated for Licensees use and to keep the same in good order and safe operating condition at all times.

On the expiration or termination of this License, ESI shall surrender to PDA-DPH the Storage Area and Scale House, including any improvements thereon free of all storage materials, residue or debris, in good order, condition and repair, reasonable wear and tear excepted. ESI's obligations with respect to this provision shall survive the expiration or termination of the License.

PDA and ESI shall inspect and record the condition of the Licensed Premises prior to the Term Commencement Date and within five business days of the termination or expiration of the License to identify damage and required maintenance, repair or replacements to the Licensed Premises and or the DPH Common Areas, as a result of the use by ESI.

**Compliance** ESI's use of the Licensed Premises shall be orderly and efficient and shall not cause any disruptions to other Port Authority activities. ESI shall not cause or maintain any nuisance on the Licensed Premises. ESI warrants that prior to

Mr. Frederick Lange, President

Electro Source Inc.

May 9, 2017

Page 7

engaging in any permitted use, it will hold all certificates, permits, license or other entitlements required by federal, state or local laws in order to allow ESI to conduct the permitted uses hereunder, and that the same are and will be kept current and complete. In its use and occupation of the Licensed Premises and the conduct of its business thereon, ESI, at its sole cost and expense, shall promptly comply will all present and future laws, ordinance, orders, rules, regulations and requirements, to the extent in each of the foregoing cases that such are applicable and have the force of law.

Use of the PDA-DPH property shall be subject to the supervision of PDA-DPH staff and PDA-DPH reserves the right to alter, limit or terminate ESI's operations if the same are reasonably determined by PDA-DPH to pose a safety hazard, an environmental hazard or a reasonable risk of damage to the PDA-DPH property.

**Security or  
Guaranty:**

The Parties agree that PDA-DPH will require adequate security for ESI's obligation for payment and performance under the License to include the Minimum Annual Guaranteed Revenue of \$450,000, ESI's obligation(s) to remove stored materials from the Licensed Premises and to remedy any damages to the Licensed Premises.

This letter does not constitute a reservation of the Licensed Premises, an option to Lease and/or License of the Premises, or an offer Lease and/or License the premises and no legal obligation shall arise with respect to the Premises or Lease or License thereof until a License and Operating Agreement is executed by the Parties, following requisite approval as stated above.

If the summary terms and conditions are acceptable to you, it is our hope that you will be in a position to advise us of your commitment to the Port Authority by executing this original and the enclosed copy in space provided and returning the original to me. If you have any questions, please call me directly.

Sincerely,

David R. Mullen  
Executive Director



Mr. Frederick Lange, President  
Electro Source Inc.  
May 9, 2017  
Page 8

I have read the foregoing and it correctly states the terms upon which we will proceed to negotiate and execute a mutually acceptable License and Operating Agreement subject to the approval of the PDA Board of Directors and any other governmental approvals that may be required.

Electro Source, Inc.

By \_\_\_\_\_  
duly authorized

**Attachment A**

**Plan of Licensed Premises**

**Attachment B**  
**Terminal Charges**

MOTION

Director Bohenko:

The Pease Development Authority Board of Directors authorizes the Executive Director to complete negotiations with Albany Safran Composites, LLC of Rochester, New Hampshire, and to execute an Agreement for the use of a portion of Foreign Trade Zone No. 81 on terms and conditions substantially similar to those set forth in the draft Agreement, attached hereto, subject to final approval by the US Department of Commerce Foreign Trade Zones Board; and in accordance with the Memorandum of Geno J. Marconi, Division Director, dated May 10, 2017, attached hereto.

N:\RESOLVES\2017\DPH Agreement 0517.docx



PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Date: May 10, 2017  
To: PDA Board of Directors  
From: Geno Marconi, Port Director   
Subject: Foreign-Trade Zone #81 Subzone Application  
Albany Safran Composites LLC, Rochester, NH

Albany Safran Composites LLC ("ASC LLC") has submitted to the U.S. Department of Commerce Foreign-Trade Zones Board, an application to establish their facility located at 85 Innovation Drive, Rochester, NH as a Foreign-Trade Subzone to operate under the Grant of Authority issued to the New Hampshire Port Authority in 1983. A copy of that Grant of Authority and application is attached.

With the merger of the New Hampshire Port Authority with the Pease Development Authority (PDA), the PDA became the GRANTEE of Foreign-Trade Zone #81 (FTZ #81) in accordance with RSA 12-G. The PDA requires all FTZ #81, Users and Operators to enter into an agreement with the PDA setting forth the terms and conditions to conduct FTZ activities under the PDA Grant of Authority. A draft agreement for "ASC LLC" is attached.

Foreign-Trade Zones are areas, designated by the U.S. Department of Commerce Foreign-Trade Zones Board (FTZ Board) and under the supervision of U.S. Customs and Border Protection (USCBP). For the purpose of assessment and collection of Customs Duties, merchandise in a Foreign-Trade Zone is considered to be outside the commerce of the United States and therefore Customs Duties are not payable while that merchandise is inside a designated FTZ. This benefit provides financial incentive to companies to be competitive in the international market thereby creating jobs and stimulating the economy here in New Hampshire.

The Division of Ports and Harbors recommends that the Pease Development Authority Board of Directors authorize the Executive Director to enter into this agreement with Albany Safran LLC upon final approval by the U. S. Department of Commerce Foreign-Trade Zones Board for Albany Safran LLC to establish their facility at 85 Innovation Drive, Rochester, NH, as a Foreign-Trade Subzone.

## AGREEMENT

This agreement, by and between the Pease Development Authority, Division of Ports and Harbors, an agency of the State of New Hampshire ("Zone Grantee") and sponsor of foreign trade zone services in the State of New Hampshire with an address of 555 Market Street, Portsmouth, NH 03801, and Albany Safran Composites, LLC of 85 Innovation Drive, Rochester, NH 03867 ("Subzone Operator"), is intended to create a special purpose use arrangement within an approved Foreign Trade Zone granted to the State of New Hampshire in accordance with 19 U.S.C. 81a et seq. and the regulations of the Federal Trade Zone Board and U.S. Customs.

### 1. AUTHORITY GRANTED

1.1 Authority Granted. Upon the effective date of this Agreement, and for the term specified below, including any extensions thereof, the Zone Grantee authorizes the Subzone Operator to use the Subzone existing in Rochester, New Hampshire in accordance with the use proposal approved by Foreign Trade Zone board Order No. \_\_\_\_, APPLICATION OF THE PEASE DEVELOPMENT AUTHORITY, DIVISION OF PORTS AND HARBORS, \_\_\_\_, 20\_\_. The Foreign Trade Zone board Order of \_\_\_\_, 20\_\_ ("\_\_\_\_, 20\_\_ Order") is attached as Exhibit "A" hereto. The physical dimensions of the Subzone \_\_\_\_ are further set forth on the site map and description attached as Exhibit "B" hereto, and are hereafter referred to as the "Premises."

1.2 Acceptance and Representations by Subzone Operator. The Subzone Operator assumes complete and sole responsibility for using and managing the Premises in accordance with the terms and conditions of this agreement, and all applicable laws and regulations administered by the Foreign Trade Zone Board and the U.S. Bureau of Customs and Border Protection ("CBP"), including, but not limited to 15 C.F.R. Part 400, 19 C.F.R. 146, and the laws and regulations administered by the CBP. The Subzone Operator represents that it has obtained the concurrence of the applicable District Director of the CBP to operate in the Subzone, as required by 15 C.F.R. 400.27(f), and that it owns the Premises described in Exhibit "B", and all building and equipment located thereon, or that it leases said Premises, buildings and equipment from third parties independent of the Zone Grantee.

1.3 Not to Affect Property Rights. This Agreement describes the parties' understanding regarding their roles in the Foreign Trade Zone activities approved by the \_\_\_\_, 20\_\_ Order, and shall not create a property interest in the Premises on and within which the approved activities shall occur in the Subzone, or diminish or affect the Subzone Operator's property interest in said Premises.

### 2. STANDARDS OF OPERATION

2.1 Operational and Management Procedures. The Subzone Operator shall establish written standards governing the use and management of the Premises which conform to all Foreign Trade Zone Board and CBP requirements, and shall enforce conformance to these written standards on the part of all persons, firms and corporations admitted to the Premises.

2.2 Rights of Entry. Authorized representatives of the Zone Grantee, the CBP, and other United States Officials charged with enforcement of the customs and Foreign Trade Zone laws, shall have the right to enter the Premises at any time during normal business hours for the purpose of inspecting and examining the same, conferring with the Subzone Operator, its agents, invitees, and employees, inspecting and checking operations, supplies, equipment, merchandise, books and records, and generally determining whether the business is being conducted in accordance with applicable law and with this Agreement. All such entries shall be in accordance with the established security procedures of the Subzone Operator, and shall be subject to the provisions of paragraph 4 of this Agreement. Where possible, advance notice is to be provided by the Zone Grantee prior to any such entry.

2.3 Foreign Trade Zone, CBP Forms. In order to expedite shipments, the Zone Grantee shall appoint one or more employee(s) of the Subzone operator (specifically designed by the Subzone Operator) as its true and lawful attorney(s) in fact, who shall be authorized to act on behalf of the Subzone Grantee for the sole purpose of executing CBP Forms 214 and 215, or their equivalent, in the name of the Zone Grantee.

### 3. RECORD KEEPING

3.1 During the term of this agreement and any extension thereof, the Subzone Operator agrees to prepare and to submit to the Zone Grantee an annual report of its foreign trade zone operations which contains all data required by the Foreign Trade Zone Board, including narrative statements and photographs. **The Subzone Operator shall submit this report to the Zone Grantee within 90 days from the end of its reporting year, which currently expires on, [date to be inserted] annually or 30 days prior to the required filing deadline as set by the Foreign Trade Zone Board.** All such reports shall be signed by an appropriate official of the Subzone Operator who shall certify to the accuracy of the records for the specified accounting period covered therein.

3.2 Notwithstanding the provisions of paragraph 8 of this Agreement, should either party terminate this Agreement before the conclusion of the Agreement or any extension thereof, the Subzone Operator shall provide the reports referenced in paragraph 3.1 to the Zone Grantee within 90 days from the date of termination. In addition, the Subzone Operator shall retain within the State of New Hampshire the data and records referenced in Paragraph 3 for a period of five (5) years from the date of termination. Such data and records shall be subject to the rights of access and inspection set forth in paragraph 2.2 of this Agreement.

### 4. CONFIDENTIAL INFORMATION

4.1 Any annual reports required to be made under paragraph 3.1, and any other related systems developed by the Subzone Operator for its Foreign Trade Zone operations, shall be the sole property of the Subzone Operator. The Zone Grantee shall not disclose such property, or other details of business operations of the Subzone Operator, to any other entity or person, except to the extent required by this Agreement or by federal, state or local law.

## 5. ADMINISTRATIVE EXPENSES

5.1 CBP Service Fees. The Subzone Operator shall be responsible for promptly and fully paying all fees assessed by the CBP for inspection and other services rendered concerning the Premises. These fees include, but are not limited to, an annual fee covering routine inspections during normal working hours, and fees and overtime charges for special inspections or other services performed outside normal working hours, including inspections requested by the Zone Grantee. The Subzone Operator shall be billed directly for all CBP fees and charges, and the Zone Grantee shall have no responsibility for the payment of any such item.

5.2 CBP Bond. The Subzone Operator shall pay the full cost of any CBP Bond required by the CBP for operations of said Zone by the Subzone Operator. Such bond shall be paid before the effective date of this Agreement, and shall not be allowed to lapse during the terms of this Agreement or any extension thereof.

5.3 Annual Fee to Zone Grantee. The Zone Operator shall pay the Zone Grantee an annual fee on or before the anniversary date of the Agreement, for the privilege of operating under zone procedures. This fee shall be a nonproratable \$5,000.00 per year unless modified by the parties by executing an amendment to this Agreement.

## 6. INDEMNIFICATION

6.1 The Subzone Operator shall protect, indemnify, and hold harmless, the Zone Grantee from and against any and all loss, damage, liability, including reasonable attorney's fees and costs, whether insured or not, arising out of or incident to Subzone Operator's Foreign Trade Zone operations hereunder, except where such loss, damage or liability is attributable, in whole or in part, to the gross negligence or fraud of the Zone Grantee. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State of New Hampshire, which immunity is hereby reserved to the Zone Grantee. This paragraph shall survive the termination of this Agreement.

### RECOGNITION OF SUCCESSOR

6.2. Assignment or Transfer Prohibited. The parties intend that the described Premises shall be operated as a Foreign Trade Zone site by the existing Subzone Operator for a period concurrent with the terms of this Agreement, and that no transfer or assignment of rights under this Agreement shall occur without the prior written approval of the Zone Grantee evidenced by an amendment to this Agreement. Said approval shall not be unreasonably withheld, but shall in no event be given unless the successor agrees in writing to be bound to all the terms and conditions contained in this Agreement.

6.3 Obligation to Notify Zone Grantee. The Subzone Operator shall promptly notify the Zone Grantee in writing of any proposal to change the name of the Zone Grantee or any change in the persons who own and control the Zone Grantee, or any other action by the Subzone Operator which could substantially change the ownership of the Subzone Operator or the nature of the business conducted on the Premises. This notice shall include the date of the proposed change, a thorough description of the proposed change, and the names and address of each person acquiring or disposing of a substantial ownership interest or right to control.



6.4 Ownership and Control of Subzone Operator. The persons who now own a five percent or greater interest in the Subzone Operator, the present officers and directors of the Subzone Operator, and the owners, officers and directors of any person who owns or controls the Zone Operator are listed in Exhibit "C" hereto. See Attached.

## 7. RIGHTS AND OBLIGATIONS UPON TERMINATION

7.1 Termination by the Subzone Operator. The Subzone Operator shall have the right, at any time, upon sixty (60) days prior written notice, to terminate this Agreement and all rights and obligations hereunder.

7.2 Termination by Zone Grantee. The Zone Grantee may terminate this Agreement for good cause which shall mean any material breach of this Agreement by the Subzone Operator.

7.3 Notice and Cure of Default. The Zone Grantee shall give written notice of default by certified mail to the Subzone Operator stating the specific material breach committed. The Subzone Operator shall have sixty (60) days from the receipt of such notice to cure said default, or, if the default is one which by its nature cannot be reasonably cured within sixty (60) days, the Subzone Operator shall have a reasonable time in which to cure the default. Such reasonable time period shall not be greater than the times required by statutes, laws, ordinances, rules and regulations, or order of the CBP. If the default is not cured within the periods herein described, the Zone Grantee shall provide written notice of termination.

## 8. INDEPENDENT CONTRACTOR STATUS

The Subzone Operator is an independent contractor in all respects and not an agent or representative of the Zone Grantee of the State of New Hampshire. More specifically, the Zone Grantee and the Subzone Operator are not, and shall not be considered to be, joint ventures, partners or agents of each other, and neither shall have the power to bind or oblige the other, except as may be specifically set forth in this Agreement. The Zone Grantee and the Subzone Operator shall not represent or hold out to anyone that they are agents of one another or have any authority to act on behalf of one another.

## 9. TERM AND RENEWAL

Unless terminated earlier pursuant to paragraph 8 above, this agreement shall remain in effect until \_\_\_\_\_.

## 10. EFFECTIVE DATE

This Agreement, and all obligations of the parties hereunder, shall become effective on the date this Agreement is executed by the representative of the Zone Grantee indicated below.

## 11. NOTICES

11.1 Notice to Zone Grantee. All notices to the Zone Grantee shall be sent by certified mail, return receipt requested, addressed to the Zone Grantee at its office at the Pease Development Authority, Division of Ports and Harbors, 555 Market Street, Portsmouth, New Hampshire 03801, or at such other address as the Zone Grantee hereafter designates in writing.

11.2 Notice to Subzone Operator. All notices to the Subzone Operator shall be sent by certified mail, return receipt requested, address to:

Albany Safran Composites, LLC  
85 Innovation Drive  
Rochester, NH 03867

Attention:

or to such address within the State of New Hampshire as the Subzone Operator hereafter designates in writing. No other notice shall be required to satisfy the notice requirements of this Agreement, but the Zone Grantee shall also send a courtesy copy of all notices to the Subzone Operator to:

## 12. MISCELLANEOUS

12.1 Compliance with Laws. In activities under this Agreement, the Subzone Operator shall comply with all statutes, laws, regulations, and orders of federal, state, or local authorities which shall impose any obligations or duty upon the Subzone Operator.

12.2 No Third Party Beneficiaries. The parties hereto do not intend to benefit any third party and this Agreement shall not be construed to confer any such benefit.

12.3 Construction. This Agreement shall be governed by and construed in accordance with the Foreign Trade Zones Act of 1934 as amended, the regulations promulgated thereunder, and the laws of the State of New Hampshire.

12.4 Amendments. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto.

## 13. INSURANCE

The Subzone Operator further agrees to place with its insurance company and keep in effect during the term of this Agreement, insurance for the benefit of the Zone Grantee (as well as for the benefit of the Subzone Operator, including an obligation of the insurer to defend Zone Grantee in any action covered by said insurance), on all activities at said Foreign Zone site in an amount not less than \$2,000,000.00 for bodily injury to one person, and property damage on a per occurrence basis. Zone Grantee and the State of New Hampshire shall be named as additional insureds on such

policies of insurance. The Subzone Operator will during the term hereof file with the Zone Grantee certificates of such insurance. The Subzone Operator agrees to keep such insurance in effect continuously during the term hereof and such certificates shall provide that the coverage shall not be canceled without thirty (30) days prior written notice to the Zone Grantee.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals

Albany Safran Composites, LLC  
Subzone Operator

Dated: \_\_\_\_\_

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

On Behalf of the Pease Development  
Authority Division of Ports and Harbors,  
Zone Grantee

Dated: \_\_\_\_\_

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

[Exhibits "A" and "B" to be completed]

EXHIBIT C

Pursuant to paragraph 6.4 of the Agreement - Ownership and control of Subzone Operator - listed below are (1) the persons [institutions] who own a five percent or greater interest in the Subzone Operator as disclosed in the \_\_\_\_\_ Proxy Statement delivered to Shareholders on or about \_\_\_\_\_; and (2) the present officers and directors of the Subzone Operator.

(1) As of \_\_\_\_\_ the following persons are believed by \_\_\_\_\_ to be the beneficial owners of more than 5% of \_\_\_\_\_ only class of voting securities. This information is received by Millipore Corporation from the beneficial owners listed below as well as Schedule 13G reports filed with the Securities and Exchange Commission.

<u>Name and address of beneficial owner</u>	<u>Amount and nature of beneficial ownership</u>	<u>Percent of class</u>
---	--	-----------------------------

**ROCKEFELLER  
GROUP**

April 4, 2017

Mr. Andrew McGilvray  
Executive Secretary  
Foreign-Trade Zones Board  
U.S. Department of Commerce  
1401 Constitution Ave., NW, Room 21013  
Washington, DC 20230

**Re: Production Notification for ASC LLC  
Foreign-Trade Zone ("FTZ") #81 (subzone pending)**

Dear Mr. McGilvray:

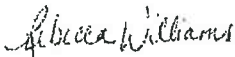
On behalf of Albany Safran Composites LLC ("ASC LLC"), we hereby submit this Production Notification ("notification") for the company's manufacturing plant located at 85 Innovation Drive, Rochester, Strafford County, NH 03867. A subzone application will be submitted separately.

ASC LLC manufactures composite aerospace parts including fan blades, fan cases and spacers. The parts are currently manufactured for sale to a related entity, Safran Aerospace Composites LLC, for use in commercial aircraft. The only foreign-status raw material to be used in the production process is resin. Activities at the proposed subzone will include receipt, storage, testing, marking, labeling, manufacture/production and shipment of aerospace parts.

This notification is submitted in accordance with 15 CFR §§400.14(a), 400.22 and 400.37, as well as the Foreign-Trade Zones Board's guidelines located at <http://ia.ita.doc.gov/ftzpage/formats/mfg-application.html>.

We respectfully request your timely review and approval of this notification. Thank you for your consideration.

Sincerely,



Rebecca Williams  
Managing Director

Enclosure

cc: Mr. John Macisso, Albany Safran Composites LLC  
Mr. Curtis Daigle, U.S. Customs & Border Protection, Manchester Airport, NH  
Mr. Geno J. Marconi, Pease Development Authority, Division of Ports and Harbor

# **Production Notification**



**Albany Safran Composites LLC**

**FTZ #81**

### Company and FTZ Site(s)

1. State a) the FTZ user (company for whose benefit the activity would be conducted) and b) the zone/subzone locations (including site numbers) at which the activity would be conducted.

Albany Safran Composites LLC  
FTZ #81 (pending subzone)  
85 Innovation Drive  
Rochester, NH 03867

### Proposed Activity

2. Provide a short summary (generally no more than a few paragraphs) of the activity that you propose to conduct under FTZ procedures.

Albany Safran Composites LLC manufactures composite aerospace parts including fan blades, fan cases and spacers. The parts are currently manufactured for sale to a related entity, Safran Aerospace Composites LLC, for use in commercial aircraft. The only foreign-status raw material to be used in the production process is resin. Activities at the proposed subzone will include receipt, storage, testing, marking, labeling, manufacture/production, and shipment of aerospace parts.

### Products and Components

3. Are any of the listed foreign-status component/inputs subject to a trade-related measure or proceeding (such as an AD/CVD order or proceeding, suspension of liquidation under AD/CVD procedures, or Section 201/204/337/421 investigations)? If yes, explain.

The foreign-status input is not subject to trade-related measures or proceedings such as AD/CVD orders or proceedings, suspension of liquidation under AD/CVD procedures, or Section 201/204/337/421 investigations.

4. Using the tables that follow (inserting additional rows, as needed), list the finished products and foreign-status components/inputs that you propose for production under FTZ procedures.

#### Finished Products:

Physical Description (not HTSUS description)	HTSUS No.	Duty Rate
Fan Blades	8411.91	Free
Fan Cases	8411.91	Free
Spacers	8411.91	Free

#### Foreign-Status Components:

Physical Description (not HTSUS description)	HTSUS No.	Duty Rate
Epoxide Resins	3907.30	6.1%