

**PEASE DEVELOPMENT AUTHORITY**  
**Thursday, December 14, 2017**

**PUBLIC AGENDA**  
**ANNUAL MEETING**

**Time: 9:00 a.m.**

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

**AGENDA**

- I. Call to Order
- II. Acceptance of Meeting Minutes: November 16, 2017\*
- III. Employee Recognitions\*
- IV. Public Comment
- V. Old Business
- VI. FAA Training – Grant Assurances\*
- VII. Finance
  - A. Financial Reports
    - 1. Operating Result for Four Month Period Ending October 31, 2017\*
    - 2. Nine Month Cash Flow Projections to August 31, 2018\*
- VIII. Licenses/Rights of Entry/Easements/Rights of Way/Options
  - A. Reports
    - 1. Equine Architectural Products, Inc. – ROE\*
  - B. Approvals
    - 1. AMEC Foster Wheeler Environment & Infrastructure, Inc. – ROE\* (Preston)
    - 2. Port City Air – Hangar 229 ROE\* (Torr)
    - 3. UNH Professional Development & Training – Wetlands Classes ROE\* (Lamson)
- IX. Contracts/Agreements
  - A. Approvals
    - 1. Cross Insurance and USI – New England, Inc. – PDA Insurance\* (Loughlin)
    - 2. Fred C. Church, Inc. – PDA Workers Compensation Coverage\* (Allard)
    - 3. Chadwick-Baross, Inc. – Purchase of Holder Sidewalk Tractor\* (Bohenko)
- X. Executive Director’s Reports/Approvals
  - A. Reports
    - 1. Elections\*

2. Committee Appointments\*
3. PDA Holiday Schedule – 2018\*
4. Golf Course Operations
5. Airport Operations
  - a) PSM
  - b) Skyhaven Airport
  - c) Noise Line Report\*

B. Approvals

1. Bills for Legal Services\* (Loughlin)

XI. Division of Ports and Harbors

A. Reports

1. Port Advisory Council\*
2. Commercial Mooring Permit Transfers\*
3. Richardson Electrical Co., Inc. – Emergency Lighting Repair\*

XII. New Business

XIII. Upcoming Meetings

1. 2018 Proposed Meetings Schedule\*

Board of Directors            January 18, 2018

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

***Board photos immediately following meeting.***

XIV. Directors' Comments

XV. Adjournment

XVI. 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

**Note: The Annual Holiday Party and Yankee Swap will be held at the  
Golf Course Clubhouse beginning at 11:30 a.m.**

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

Thursday, November 16, 2017

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

**I. Call to Order**

Chairman Smith called the meeting to order at 8:02 a.m. in the Board conference room at 55 International Drive, Pease International Tradeport, Portsmouth, New Hampshire.

**II. Acceptance of Minutes: October 19, 2017**

Director Torr moved and Director Lamson seconded that **The Pease Development Authority Board of Directors hereby accept the Minutes of the October 19, 2017 Board meeting.** Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

**III. Public Comments**

There were no public comments.

**IV. Old Business**

There was no old business.

**V. Golf Committee Report**

**A. Reports**

**1. Patio Canopy Design**

Director Bohenko reported on the design concept for a new canopy for the patio at the Golf Course at Pease ("Golf Course"). The design allows for the side panels to be rolled up so the view is unobstructed. The consensus of the Golf Committee was to go forward with the project. The design will enable use of the patio for three seasons and provide space for the lunch time patrons at Grill 28. In response to Director Bohenko turning to the Executive Director to make recommendations, David Mullen, Executive Director, indicated that PDA staff will be back to them at a later time.

**2. Clubhouse and Dining Room Enhancements**

Scott DeVito, General Manager of the Golf Course, reported on Phase II of the enhancements to the dining room and function room at the Golf Course. Phase I was changing the flooring, reoriented the station. Phase II consists of enhancements to lighting, wall decorations, new wall paint in the dining and function rooms, as well as updating the WiFi system. The current system has been insufficient for the people using the space for meetings now. The Golf Committee was in favor of going forward with this project. Director Lamson expressed how pleased she is with how well the Golf Course and Grill 28 are doing and that it is a great facility.

## **VI. Finance Committee Report**

Irv Canner, PDA Director of Finance, reported that the Finance Committee met on November 13, 2017 to review the status of PDA finances.

### **I. Finance Committee Report**

#### **A. Reports**

##### **1. Operating Results for the Three Month Period Ending September 30, 2017**

Irving Canner, PDA Director of Finance, reported on the status of PDA FY 2018 finances for the three month period ending September 30, 2017, including operating revenues and expenses. Mr. Canner reported that the certified annual filing was sent to the State. After three months into the new fiscal year, the operating costs are lower with a variance of 3.6% below budget. The revenue figures are higher by 4.3%. This is due in large part to the increase in fuel sales and fee revenues associated with golf non-member play.

Mr. Canner reviewed staffing at PDA. The organizational chart reflects the current staffing. Staffing on September 30, 2017 shows 132 employees but as of the last payroll, we have 108 employees due to the ramp down of seasonal workers. There is one position open at the Portsmouth International Airport at Pease ("PSM"). In response to Director Lamson's question, Mr. Canner discussed the staffing numbers and cash flow figures.

Mr. Canner discussed operating expenses, most of which are under budget. The FY 2018 budget for the CLF litigation is \$500,000.

Mr. Canner reviewed the Balance Sheet, discussed the cash balances and the breakdown between restricted and unrestricted funds. Our cash balance at the end of September was approximately \$5.6 million and is up \$1.6 million from June 30, 2017 primarily related to a reduction in receivables. Operating income generated another \$1.5 million, but we spent approximately \$500,000 in capital expenditures for the first three months, driven by the improvements at Skyhaven Airport ("DAW"), equipment at the Golf Course at Pease and the biggest item was the obstruction mitigation project at Portsmouth International Airport at Pease ("PSM").

Mr. Canner discussed the Revolving Line of Credit ("RLC") and reported that we have not had to use any funds from it this fiscal year. The current liabilities for our long term debt includes \$116,000 payable to the City of Portsmouth in January 2018. The unrestricted balance in our net fund position in June was reflecting a \$352,000 deficit due to the June 30, 2017 pension expense reconciliation. We currently have a positive net fund balance of \$1.1 million.

Mr. Canner discussed the individual business units. The figures are consistent for PSM. At the end of September, PSM had almost 81,000 enplanements. Overall, accumulatively, we have had a \$1.6 million deficit since we took on DAW. Non-member rounds played were 34,092 at the end of September 2017, which comes out to about 815 more rounds played by non-members, which is an increase of close to 3% from September 2016. The bar and grill sales are 9% ahead of last year first quarter at \$584,000. The operating revenues unrestricted funds for the Division of Ports and Harbors ("DPH") are ahead of budget by \$49,000 offset by \$11,000 increases in operating expenses.

The Revolving Loan Fund cash balances of \$111,000 with loans outstanding of approximately \$1.1 million. We made our annual filing to the EDA, as required, by October 31, 2017.

## 2. Nine Month Cash Flow Projections through July 31, 2018

Mr. Canner reviewed PDA (excluding DPH) cash flow projections for the nine month period ending July 31, 2018 including sources of funds for grant funded and non-grant funded projects, and DPH revenues.

The opening fund balance beginning November 1, 2017 was approximately \$5.5 million in unrestricted fund balances. Over the next nine months, we expect to spend approximately \$5 million in grant-related construction activity and \$700,000 in non-grant related construction activity. The primary makeup of our grant-related construction activities will be at PSM with the NH Air National Guard (“NHANG”) taxiway project, the obstruction mitigation work and wrapping up the DAW improvements for the taxi lane project. At the end of July, we should have cash balances that exceed \$6 million. The last payment was received from the State of Maine for the bridge project at DPH. The new contract with Granite State Minerals, Inc. with the DPH will begin November 15, 2017.

## 3. Semi-Annual Filing – Revolving Loan Fund at September 30, 2017

This is the report that gets audited. The report of the RLF was submitted to the EDA by the end of October. The EDA fund grant award was \$810,000 and that balance has grown to \$1.2 million. At the end of September the outstanding loan balance was \$1.1 million and cash of \$91,000. The current loan portfolio shows 22 loan participants. Since inception there were 97 loans issued. During the life of the fund only two loans have gone bad for a loss of \$38,000.

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

### A. Reports

In accordance with the “Delegation to Executive Director: Consent, Approval and Execution of License Agreements,” Mr. Mullen reported on the following:

#### 1. Seacoast Helicopters, LLC – North Apron – ROE

Mr. Mullen reported that Seacoast Helicopters, LLC was granted a Right of Entry for a period of 60 days to conduct an inspection of the premises located on the North Apron. The Right of Entry is effective November 3, 2017 and will expire at midnight on December 31, 2017.

#### 2. Great Circle Catering – ROE Extension

Mr. Mullen reported that the Fourth Amendment to the Great Circle Catering Right of Entry dated September 16, 2014 was extended for six months effective October 1, 2017 and will expire at midnight on March 31, 2018, unless otherwise extended by agreement of Great Circle Catering and PDA.

### B. Approvals

#### 1. Jalbert Leasing, Inc. dba C&J Bus Lines – ROE

Director Lamson moved and Director Allard seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute the Right of Entry (“ROE”) with Jalbert Leasing, Inc. d/b/a C & J Bus Lines (“C & J”) of Portsmouth, NH for the purpose of parking C & J customer vehicles. The ROE is effective from November 1, 2017 through April 30, 2018 with one six (6) month option to extend subject to the approval of the Executive Director; all in accordance with the memorandum of David R. Mullen, Executive Director, dated November 8, 2017, attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.**

## VIII. Leases

### A. Reports

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

#### 1. 25, 29 Retail, LLC – Triple Crown Consulting, LLC

Mr. Mullen reported that 25, 29 Retail, LLC entered into a sublease with Triple Crown Consulting, LLC (“Triple Crown”) for 2,114 square feet within the leased premises at 25 New Hampshire for a period of five years with one five-year option, effective February 1, 2018. Triple Crown will use the premises for office and related uses. Director Lamson approved the sublease.

### B. Approvals

#### 1. Wentworth Douglas Hospital – Design Plan

Director Torr moved and Director Preston seconded that **The Pease Development Authority Board of Directors hereby approves of the Concept Plan submitted by Wentworth-Douglass Hospital for the premises located at 67 and 121 Corporate Drive, Portsmouth, New Hampshire; all on terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated November 7, 2017, attached hereto.** Discussion: Director Torr thought this was a great opportunity for Pease and Director Lamson concurred and complimented the engineering firm of VHB for the design work.

Dale Taglienti from e4h Architecture discussed the design plans for Wentworth Douglass Hospital. He explained where the new buildings will be built. In response to Director Allard, Mr. Taglienti indicated that they do not know how many offices will be in each building. That will depend on how the spaces will be used. Building A will be approximately 25,000 square feet and Building B will be approximately 60,000 square feet. There is flexibility to adapt to each tenant. In response to Director Allard’s question, Daniel Dunn, Senior Vice President of Operations at Wentworth Douglass Hospital (“WDH”), explained that WDH is not planning to bring employees from the Dover facility but there are local physicians who are filling in and developing a practice here in Portsmouth. WDH in Dover has approximately 2,000 employees and the facility on the Tradeport has approximately 35 employees. It is anticipated that the Portsmouth facility could employ 300 or more people when finished. In response to Mr. Mullen’s suggestion to explain the timing of the project, Mr. Dunn related that the two buildings will be built at the same time, but Building A will be completed first which could be January of 2019. Director Lamson complimented Mr. Mullen and Maria Stowell, Engineering Manager, on their attention relating to the stormwater drainage for the project. Disposition: Resolved by unanimous vote; motion carried.

#### 2. 1 International Drive – Marriott Expansion

Director Loughlin moved and Director Allard seconded that **The Pease Development Authority Board of Directors hereby approves of the Concept Plan submitted by Happy Dreams, LLC for the expansion of the Residence Inn located at 1 International Drive, Portsmouth, NH to include a waiver of minimum parking requirements and such other terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated November 13, 2017, attached hereto.** Discussion: Patrick Crimmins from Tighe and Bond discussed the plans for expansion and explained the reason for the request for a waiver of the parking space requirement. In response to Director Allard’s question, Mr. Crimmins related he believes the percentage of business for the Marriott is corporate clients during the weekdays. Director Loughlin commented that he believes this request is reasonable and if the parking spaces are not required, it is a good idea to not require them. Disposition: Resolved by unanimous vote; motion carried.

### 3. 104 Grafton Drive – Concept Plan

Director Bohenko moved and Director Allard seconded that **The Pease Development Authority Board of Directors hereby approves of the Concept Plan submitted by Port City Air, Inc., attached hereto, for the premises located at 104 Grafton Drive, Portsmouth, New Hampshire; all on terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated November 8, 2017, attached hereto. Discussion: None. Disposition: Resolved by unanimous vote; motion carried.**

### 4. Seacoast Helicopters, LLC – MOU

Director Preston moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to complete negotiations and enter into Lease Agreement with Seacoast Helicopters, LLC for the premises located at 107 North Apron Access Road on substantially similar terms and conditions contained in the Memorandum of Understanding dated November 1, 2017 and the memorandum of Paul E. Brean, Airport Director, dated November 8, 2017, both attached hereto. Discussion: Paul Brean, Airport Director, showed on the Tradeport map where Seacoast Helicopters, LLC (“Seacoast”) plans to build, explained the conventional traffic pattern at PSM and advised that the proposed location would allow direct approaches and departures for rotorcraft to Seacoast’s new facility. In response to questions from Directors, Mr. Brean further explained that Seacoast will move from its location at PCA to the North Apron Access Road location allowing for separate rotorcraft departures and arrivals to the new location. Reducing the need to operate in the conventional traffic pattern resulting in less traffic over the Sherburne Road area in Portsmouth and Little Bay Area in Newington. Air Traffic Control would direct rotorcraft over the Tradeport, Spaulding turnpike, and Piscataqua River.**

There was a lengthy discussion about developing this area of the Tradeport. Some of the items under discussion were:

- the placement of utilities (underground versus above ground)
- the cost of running utilities underground
- who pays those costs up front and what allocations can be made to try to recoup some of those costs
- the potential need for electric voltage upgrades
- the future development of the surrounding area
- new road to site

Bruce Cultrera, owner of Seacoast, was present. He stated that he is still in negotiations with EverSource in connection with the \$180,000 to run electric lines. In response to Vice-Chairman Loughlin raising the possibility of having the utilities run underground and PDA picking up part of the expense, discussion ensued about allocation of cost. In response to Director Bohenko’s question whether any expense paid by PDA for running the utilities underground can be put on the Balance Sheet as an asset/account receivable, Mr. Canner responded, it would be a proposed allocation. The consensus of the Directors is to look long range at the development of the area, work out some manner to allocate the cost of underground utilities and sewer. Chairman Smith requested Mr. Mullen to work with staff to provide more detail for some of the cost sharing options for development of this area. Disposition: Resolved - four votes for and two votes against (Director Bohenko and Director Lamson); motion carried.

## 5. Seacoast Helicopters, LLC – Concept Plan

Director Allard moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby approves of the following as submitted by Seacoast Helicopters, LLC for the premises located at 107 North Apron Access Road: a. the Concept Plan attached hereto; and b. the submission of subdivision and site review applications for the proposed project; all on terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated November 7, 2017 attached hereto.** Discussion: Ms. Stowell reported that it is a similar cost sharing arrangement regarding the sewer as with the underground utilities and that the septic flow will need to be addressed. Ms. Stowell stated that because the property is located in the Airport Industrial Zone, the Board of Directors will act as the Planning Board for this issue. In response to Director Allard's question regarding Hangar 227 remediation at 14 Aviation, Ms. Hinchee explained that a pilot solution is being implemented in small areas and that the results will be examined by the EPA and DES to decide if the solution will work and then be implemented in larger areas. The best guess for occupancy would be 2019. In response to Director Lamson's questions regarding building a new road and the stormwater management, Ms. Stowell stated that there will be less pavement than currently in place and there stormwater management will be addressed. Disposition: Resolved - four votes for and two votes against (Director Bohenko and Director Lamson); motion carried.

### IX. 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. Dell, Inc.

PDA contracted with Dell, Inc. for the purchase of five new time clock kiosks. The expenditure of \$8,733.15 was approved by Vice-Chairman Loughlin.

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

##### 1. Eckhardt & Johnson, Inc.

PDA contracted with Eckhardt & Johnson, Inc. for the emergency repair of HVAC system. The expenditure of \$13,939.00 was approved by Treasurer Allard.

#### B. Approvals

##### 1. Design of Terminal Expansion

Director Preston moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Contract with McFarland Johnson, Inc. of Concord, NH to provide necessary design, bidding and grant administration services for expansion of the Portsmouth International Airport at Pease Terminal in amount not to exceed \$600,000.00; all in accordance with the memorandum of Maria J. Stowell, Engineering Manager, dated November 9, 2017 and attached hereto.** Discussion: Jonathan McCredie from Fennick McCredie Architecture discussed the issues with the current layout of the terminal and the solutions provided in the plans for expansion. Three items were raised as concerns: 1) security checkpoint area; 2) hold room; and 3) elevator area. In response to Director's questions, Mr. Brean explained that the area for international flights cannot be used for domestic flights because US Customs must keep this as a sterile area; the number



of international versus domestic flights are split 50/50; the accommodation for handicapped is to allow them to stay by the gate on the top floor instead of into the first floor until the flight is ready to depart. The construction would take approximately 12-18 months once started. In response to Director Preston's question, Mr. Mullen reported that there is limited grant money available for the expansion of the terminal. Ms. Stowell explained that PDA has been awarded a grant to study conditions at the terminal and determine if an expansion is justified. There will be approximately \$1.2 million in grant funds available for FY 18: \$200,000 in carry over funds and \$1 million in FY 18 entitlement funds. Based on the number of enplanements, PDA would need to finance the balance. At this time, we are just looking for approval in an amount not to exceed \$600,000 for design so it can be sent out for bid. If we do not take advantage of this now, PDA will be lose remaining entitlement monies and be responsible for all the costs for the design bid phase of the proposed expansion. We would lose the opportunity to use \$1.2 million. In response to Director Allard's question whether this would be a bonding issue, Mr. Canner stated that we could accommodate that through the Revolving Loan Fund and the cost to PDA would be approximately \$244,000 in interest. Disposition: Resolved by unanimous vote; motion carried.

## **X. Executive Director's Reports/Approvals**

### **A. Reports**

#### **1. Golf Course Operations**

Scott DeVito, PGA General Manager, reported on the activities at the Pease Golf Course, including the bridge replacement project on the Blue Course. Mr. DeVito stated he will be getting a time frame for when construction materials will be delivered. A building permit will be needed. Maintenance will be closing the irrigation system for the season soon. In response to Director Preston's question, Mr. DeVito indicated that the simulators are currently at 50% capacity but should pick up in early December.

#### **2. Airport Operations**

Paul E. Brean, Airport Director, reported on aviation activities.

##### **a) PSM**

PSM should see over 100,000 enplanements this year. The squadron flights that come in have an impact on local businesses.

##### **b) Skyhaven Airport**

Mr. Brean reported that a bid went out for FBO for DAW. Seacoast Helicopters, LLC was the only bidder.

##### **c) Noise Line Report**

There were a total of 253 noise inquiries at PSM during the month of October. There were 151 inquiries regarding rotor activities; originating from eight residences: six Portsmouth residences, one Rye residence and one Lee residence. Two Portsmouth residences were responsible for 132 of the 151 calls. There were 102 inquiries regarding fixed wing activities from 10 residences: three Portsmouth residences, three Dover residences, one Greenland residence, one Newington residence, one Rye residence and one Newmarket residence. The residence in Newmarket was responsible for 93 of the 102 calls. In response to Chairman Smith's question, Mr. Brean stated that Sandra McDonough researches all valid calls, responds as appropriate and logs them in. Ms. McDonough is the community liaison and also works with Directors Preston and Lamson on a quarterly basis. Director Lamson discussed the quarterly meetings.

**3. Road Races**

Mr. Mullen informed the Board that PDA has received requests for Road Races which usually use Corporate Drive as part of the race route. Mr. Mullen requested that the Board make a policy decision to shut down for the season due to the construction on Corporate Drive. There was a discussion about possibly changing the route for the typically eight races held on the Tradeport. Director Bohenko suggested his staff and PDA staff work together to see if another route can be mapped out and to use him as a contact for now.

**B. Approvals**

**1. Bills for Legal Services**

Director Lamson moved and Director Allard seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds up to \$17,963.20 for the following legal services rendered to the Pease Development Authority:**

1.	<b>Kutak Rock LLP</b>		
	<b>General/Through September 30, 2017</b>	<b>\$82.00*</b>	
	<b>CLF/Through September 30, 2017</b>	<b><u>\$1,354.20</u></b>	
			<b>\$1,436.20</b>
2.	<b>Sheehan Phinney Bass + Green PA</b>		
	<b>CLF/Through September 30, 2017</b>	<b><u>\$16,527.00</u></b>	
			<b><u>\$16,527.00</u></b>
	<b>Total</b>		<b><u>\$17,963.20</u></b>

Discussion: In response to Director Preston's question of when the legal costs associated with CLF will be done, Ms. Hinchee said they can discuss the strategy in a consultation with counsel session after the non-public session today.

**2. Energy Management Consultants, Inc. – Exterior Lighting Improvement Project – PSM**

Director Loughlin moved and Director Torr seconded that **The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with Energy Management Consultants, Inc. (“EMC”) in a total amount not to exceed \$28,207.00 for installation of LED technology lighting equipment and labor at the Portsmouth International Airport at Pease; all in accordance with the memorandum of Paul E. Brean, dated November 6, 2017, attached hereto. The funding has been allocated in the 2017 Airport Capital Expenditures Budget. In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement based on the following reasons: 1. EMC is the sole contract service provider for Eversource; 2. The total cost of the project is \$56,414, half of which qualifies for a 50% rebate by using Eversource and EMC; 3. In the absence of using Eversource and EMC, PDA would not be eligible for the rebate. Note: This motion requires 5 affirmative votes. Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.**

**3. Flight Information Display through OAG – PSM**

Director Bohenko moved and Director Preston seconded that **The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with OAG Aviation Worldwide Limited (“OAG”) in a total amount not to exceed \$2,950.00 for the installation and \$4,900.00 per year for the annual hosting of a Flight Information Network; all in**

accordance with the memorandum of Paul E. Brean, dated November 6, 2017, attached hereto. In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement based on the following reasons: 1. OAG has direct authorized access to Allegiant Airline's Flight Information Network; 2. Having direct access to Allegiant Flight Information Network and 900 other airlines will provide direct communications between OAG and the airlines resulting in enhanced and valuable real time information for airlines and airport passengers; 3. OAG's direct access will provide real time flight information as well as local radar and flight information. **Note: This motion requires 5 affirmative votes.** Discussion: In response to Director Preston's questions, Mr. Brean explained that the OAG system will provide real time flight information from the web page. Disposition: Resolved by unanimous roll call vote for; motion carried.

**4. Nachurs Alpine Solutions Industrial – Sodium Formate**

Director Torr moved and Director Lamson seconded that **The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a contract with Nachurs Alpine Solutions Industrial of Marion, OH, for the purpose of purchasing sodium formate based runway deicing solid at the price of \$0.69 per pound for a period of January 1, 2018 through December 31, 2018; all in accordance with the memorandum of Sandra McDonough, Airport Operations Specialist, dated November 8, 2017, attached hereto.** Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

**5. Nachurs Alpine Solutions Industrial – Potassium Acetate**

Director Allard moved and Director Loughlin seconded that **The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a contract with Nachurs Alpine Solutions Industrial of Marion, OH, for the purpose of purchasing potassium acetate based runway deicing liquid at a price of \$4.412 per gallon for a period of January 1, 2018 through December 31, 2018; all in accordance with the memorandum of Sandra McDonough, Airport Operations Specialist, dated November 8, 2017, attached hereto.** Discussion: Director Lamson commented that this is the most environmentally accepted product to use and was very pleased we could purchase it. Disposition: Resolved by unanimous vote; motion carried.

**6. Holliston Sand Company, Inc. – Runway Sand**

Director Lamson moved and Director Bohenko seconded that **The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a contract with Holliston Sand Co., Inc. of Slatersville, RI, for the period of January 1, 2018 through December 31, 2018 for the purpose of providing FAA approved runway sand for the Airport runways at the price of \$99.53 per ton; in accordance with the memo from Sandra McDonough, Airport Operations Specialist, dated November 8, 2017, attached hereto.** Discussion: None. Disposition: Resolved by unanimous vote; motion carried.

**XI. Division of Ports and Harbors**

Geno J. Marconi, Division Director, reported on the Division activities and the approvals sought before the board represent the current business at the Port.

**A. Reports**

**1. Port Advisory Council**

Mr. Marconi reported that the Port Advisory Council met on November 8, 2017. There was a lot of discussion due to the elections. The mayor has indicated that he will appoint a new council member. There was a reorganization at DRED and the Commissioner said he has appointed a new designee. There are two members who were up for reappointment and Mr. Marconi spoke to the Governor's Office about their reappointments.

Mr. Marconi had a meeting with the Commanding Officer and the Navigating Officer of the USS Manchester. Senator Shaheen is the sponsor of the vessel and the commissioning of the vessel will be at the Port terminal. A date has not been set yet but will be in the spring.

Mr. Marconi reported that on November 2 a grant was filed with the NHDOT under the INFRA program (the "Infrastructure for Rebuilding America") in the amount of \$7.5 million to rehabilitate the pier. Funds were appropriated and the funds are there. The application had been rewritten to meet the criteria of the INFRA program but new items were added which was information garnered as the result of the meetings in Nova Scotia where it was pointed out that DPH has deficiencies in the infrastructure. Mr. Marconi stated that he also tied into the application that the Federal Highway is making some investments in the Port with the functional replacements due to the Sarah Long Bridge project.

Mr. Marconi reported that he sent a draft application for the FTZ to DC for cursory review and explained the areas that encompass the FTZ activities. One of the components of the application is to notify the County Commissioners and he is working on the letters now that will go out to them. Chairman Smith expressed his appreciation to Mr. Marconi on the work on the FTZ. Director Loughlin stressed how Mr. Marconi has continually sought applications to expand the dock.

## **B. Approvals**

### **1. DiTucci Petroleum Carriers, Inc. d/b/a Lawrence Tank – ROE**

Director Preston moved and Director Allard seconded that **The Pease Development Board of Directors hereby authorize the Executive Director to execute a Right of Entry with DiTucci Petroleum Carriers, Inc. dba Lawrence Tank of East Kingston, New Hampshire, through June 30, 2018, for the purpose of filling of its tankers with salt water at the Hampton Harbor Marine Facility; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated November 6, 2017 attached hereto. Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.**

### **2. Gauron Fisheries, Inc. dba Gauron Kayak Rentals – ROE**

Director Torr moved and Director Preston seconded that **The Pease Development Board of Directors hereby authorize the Executive Director to execute a Right of Entry with Gauron Fishing, Inc. dba Gauron Kayak Rentals of Hampton, New Hampshire, through June 30, 2018, for the purpose of providing kayak rentals at the Hampton Harbor Marine Facility all in accordance with the memorandum of Geno J. Marconi, Division Director, dated November 7, 2017 attached hereto. Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.**

## **XII. New Business**

There was no new business.

## **XIII. Upcoming Meetings**

Chairman Smith reported that the following meetings will be held:

All Meetings begin at 8 a.m. unless otherwise posted. Chairman Smith reminded the Directors that pictures will be taken directly following the December Board meeting. Ms. Hinchee also reminded the Board that the Holiday party will be directly following the December Board of Directors meeting and the start time may be adjusted based on the length of the agenda for that meeting. The start time for the December Board meeting will be confirmed.

#### **XIV. Directors' Comments**

Director Preston commented that there is a lot of information on the Agendas and the Board is able to go through them in two hours. He further expressed how competent the staff is and how they make us look good.

Director Torr stated that PDA has had a great day today with all the concept plans and hope that they come to fruition. Chairman Smith echoed the sentiment that there is a lot going on at Pease.

#### **II. Non-Public Session**

Director Allard moved and Director Loughlin seconded that **The Pease Development Authority Board of Directors will enter non-public session pursuant to: 1. NHRSA 91-A:3, Paragraph II(d) for the purpose of discussing the acquisition, sale or lease of property. Note: Roll Call Vote. Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.** The Board entered into non-public session at 10:08 a.m. The Board returned to public session at 11:10 a.m.

#### **XV. Vote of Confidentiality**

Director Loughlin moved and Director Lamson seconded that **Resolved, pursuant to NHRSA 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 August 10, 2017 meeting related to: 1. Leasing of property; 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 roll call vote for; motion carried.**

#### **XVI. Adjournment**

Director Allard moved and Director Bohenko seconded to **adjourn the Board meeting. Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.** Meeting adjourned at 11:12 a.m.

#### **XVII. Press Questions**


There were no questions from the members of the press.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. Mullen', with a long, sweeping underline.

David R. Mullen  
Executive Director

MEMORANDUM

To: Pease Development Authority Board of Directors  
From: David R. Mullen, Executive Director   
Date: December 14, 2017  
Re: Employee Recognition

\*\*\*\*\*

The following employees are to be recognized for their years of service to the Pease Development Authority:

**25 year (certificate and \$250)**

Lynn Hinchee Deputy Executive Director and General Counsel  
Dane Kirkwood Facilities  
Robin Page Administrative Assistant

**20 year (certificate, name entered on PDA plaque and \$100 bill)**

Timothy Riese PGA Golf Pro

**15 year (certificate and \$50 bill)**

Beth Demaine Administrative Assistant  
Tony Gradi Assistant Electrician  
Liz LaCava Administrative Assistant

**10 year (clock)**

Irv Canner Director of Finance  
Susan Coleman Payroll Accountant  
Wayne Merritt Ops Specialist

# FAA New England Region

## Doing Business within your Grant Obligations

Presented By:

Jorge E. Panteli, ANE Compliance and Land Use Specialist

Date: December 14, 2017



Federal Aviation  
Administration



# Introductions & Agenda

- **Objectives**
  - Provide an overview of your obligations
  - Framework We Must Operate Within
  - Ups and Downs of the Most Common Obligations



# Compliance 101

## AIP Grant Assurances – Quick Overview

- 39 Assurances
- Included In AIP Grant Application
- Accepted When AIP Grant is Signed

### ASSURANCES

1. General Federal Requirements.
2. Responsibility and Authority of the Sponsor.
3. Sponsor Fund Availability.
4. Good Title.
5. Preserving Rights and Powers.
6. Consistency with Local Plans.
7. Consideration of Local Interest.
8. Consultation with Users.
9. Public Hearings.
10. Metropolitan Planning Organization.
11. Pavement Preventive Maintenance.
12. Terminal Development Prerequisites.
13. Accounting System, Audit, and Record Keeping Requirements.
14. Minimum Wage Rates.
15. Veteran's Preference.
16. Conformity to Plans and Specifications.
17. Construction Inspection and Approval.
18. Planning Projects.
19. Operation and Maintenance.
20. Hazard Removal and Mitigation.
21. Compatible Land Use.
22. Economic Nondiscrimination.
23. Exclusive Rights.
24. Fee and Rental Structure.
25. Airport Revenues.
26. Reports and Inspections.
27. Use by Government Aircraft.
28. Land for Federal Facilities.
29. Airport Layout Plan.
30. Civil Rights.
31. Disposal of Land.
32. Engineering and Design Services.
33. Foreign Market Restrictions.
34. Policies, Standards, and Specifications.
35. Relocation and Real Property Acquisition.
36. Access By Intercity Buses.
37. Disadvantaged Business Enterprises.
38. Hangar Construction.
39. Competitive Access.



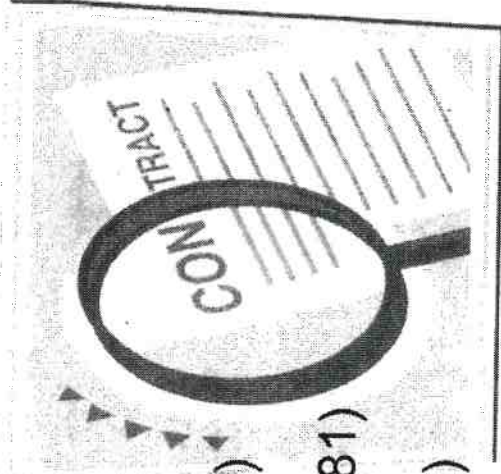
Pease Development Authority  
Doing Business With Your Grant Assurances

Federal Aviation  
Administration

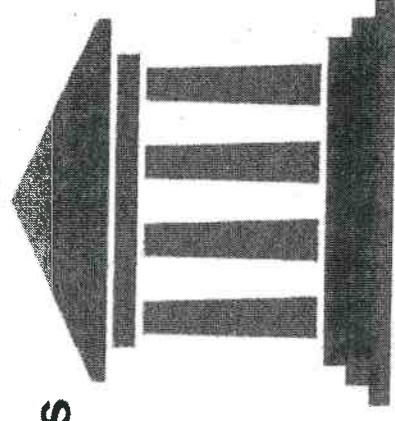
# Compliance 101

## Sources of Sponsor Obligations:

- **Contract (Accepting Federal Grants)**
  - FAAP – Federal Aid to Airports Program (1946-1970)
  - ADAP – Airport Development Aid Program (1971-1981)
  - AIP – Airport Improvement Program (1982 – present)



- **Receipt of Federal Property for Airport Purposes**
  - Instruments of Surplus Property Transfer
  - Instruments of Non-Surplus Property Conveyance



# Compliance 101

## Duration of Sponsor Obligations:

- **AIP: 20 Years From Last Development Grant, or Useful**

## Life of Development / Equipment

- **No Expiration for:**
  - Exclusive Rights
  - Airport Revenue
  - Civil Rights

- **Indefinite when Surplus Property**

# Compliance 101

## Surplus Property\* Conveyances

	<p>Surplus Property Act of 1944 &amp; 1947                  PL No. 90-289, 49 USC Section 47151</p>
<b>Terms Conditions</b>	SEE TERMS AND CONDITIONS IN INSTRUMENT OF CONVEYANCE
<b>Use of Property</b>	<p>MAY GENERALLY BE USED FOR REVENUE PRODUCTION                  MUST CHARGE FMV FOR NON-AERONAUTICAL USES</p>
<b>Release</b>	<p>FAA MUST CONCUR WITH NET BENEFIT TO AIRPORT                  FEDERAL REGISTER NOTICE REQUIRED                  ALL PROCEEDS GO TO AIRPORT REVENUE</p>

**\*Property that was surplus to the Federal Government and transferred to the Airport.**

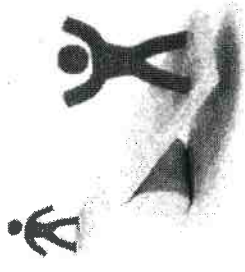


# Comparison of PSM Surplus Property Deed and Grant Assurances

- Surplus Property Deeds contain a number of grant assurances
- PSM Transfer Deed contains clauses that equate to these Grant Assurances:
  - GA 5 – Rights and Powers
  - GA 19 – Operations and Maintenance
  - GA 20 – Hazard Removal and Mitigation
  - GA 22 – Economic Nondiscrimination
  - GA 23 – Exclusive Rights
  - GA 25 – Airport Revenues
  - GA 26 – Reports and Inspections
  - GA 27 – Use by Government Aircraft
  - GA 28 – Land for Federal Facilities
  - GA 29 – Airport Layout Plan
  - GA 30 – Civil Rights



# Ups and Downs of Most Common Obligations



- **What we will cover**
  - Keep from giving away the store (#5)
  - Avoiding favoritism while still setting standards (#22)
  - Setting fees and reinvesting in your business (#24 & #25)
  - Can you operate and maintain your airport (#19)
  - Letting competition flourish (#23)
  - Keeping the airport and local environment compatible with aviation (#21)
  - Building and following your airport vision (#29)

# **Don't Give Away the Store**

**(#5, Preserving Rights and Powers)**

- **The grant assurance for all assurances**
- **Always keep your ability to enforce your grant assurances and operate your airport.**
- **Ways to give away the store:**
  - Property line easements
  - Leases over 50 years
  - No subordination clauses in leases
  - Airport Management to 3<sup>rd</sup> party w/o controls
  - Rights of First Refusal



# Avoiding Favoritism while Still Setting Standards

## (#22, Economic Non-Discrimination)

**Make your airport available to all types, kinds and classes of aeronautical uses w/o unjust discrimination**

- Set reasonable standards (Chapter 10 Compliance HB; AC 150/5190\_7)
  - Minimum Standards
  - Rules & Regulations
- May limit aeronautical activity for safety or civil aviation needs of public (Chapter 14 Compliance HB)
  - Adequately Justify & Support
  - FAA is Final Arbiter
- Charge similarly situated FBOs/Carriers same rates and fees
- Allow self-service fueling with their own employees & equip.
- Sponsor must meet same standards as FBO

# Setting Fees & Reinvesting in Your Business

**(#24, Fee & Rental Structure; #25 Airport Rev.)**

- **Setting Fees**
  - Airport must be as self-sustaining as possible
  - Aeronautical rates may be less than FMV (reasonable, transparent, not unjustly discriminatory, consistently applied)
  - Reasonable distinctions between users is okay
  - Non-aeronautical rates below FMV may violate

# Setting Fees & Reinvesting in Your Business

(#25, Fee & Rental Structure; #25 Airport Rev.)

- **Reinvesting in your business (Airport Rev)**
  - Obligation in perpetuity
  - All revenue must be used for capital or operation costs of the airport
  - Revenue includes
    - Use of land
    - Fuel Tax established after Dec. 1987

# Can you Operate and Maintain Your Airport?

## 19. Operation and Maintenance

a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state and local agencies for maintenance and operation....

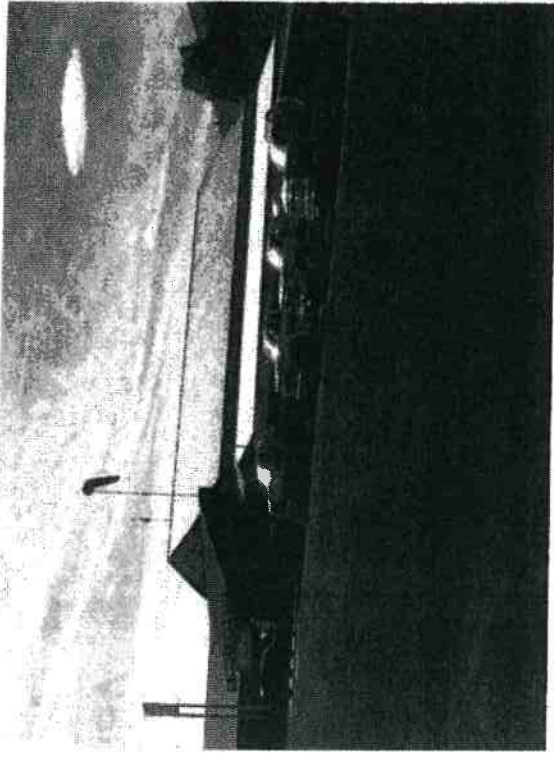


# Letting Competition Flourish

## #23, Exclusive Rights

Sponsor “...will permit no exclusive right for the use of the airport by any persons providing, or intending to provide, aeronautical services to the public...”

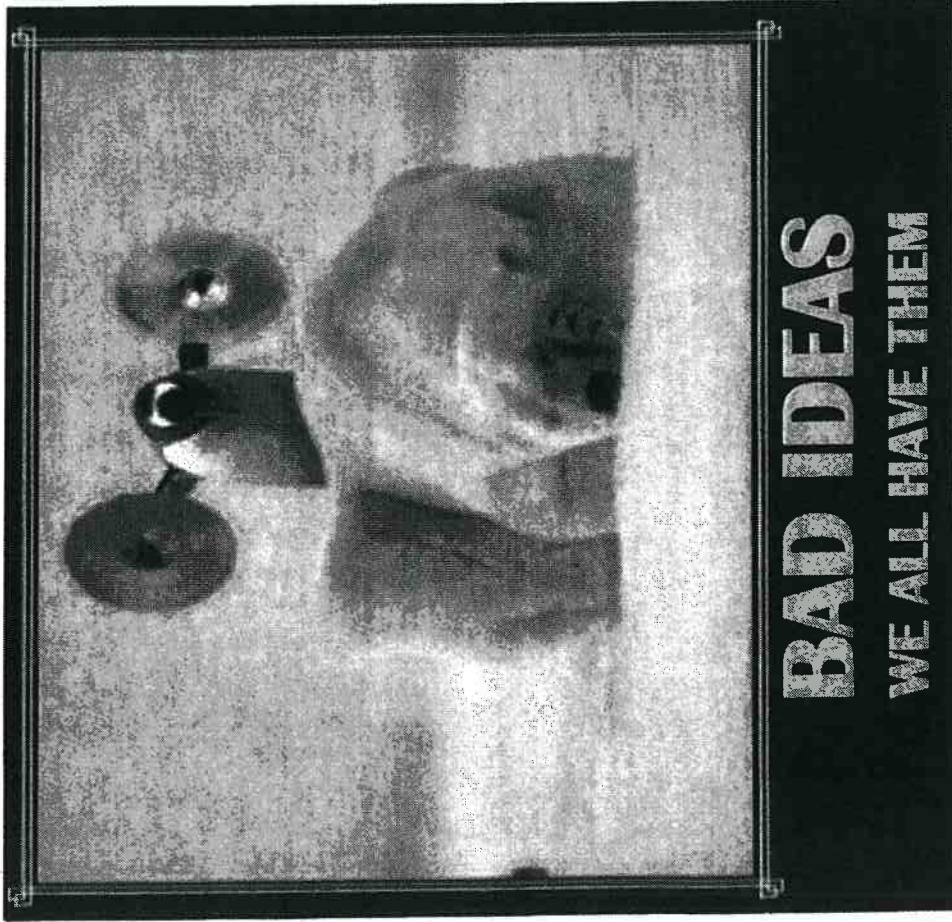
- AIP Assurance #23, also included in:
  - Surplus Property Deed Restrictions
  - Section 16/23/516 Conveyances
  - FAAP/ADAP Grant Agreements
- Obligation in Perpetuity  
(Doesn't expire even if AIP assurances do)



- See: Advisory Circular 150/5190-6, Exclusive Rights at Federally Obligated Airports

# Letting Competition Flourish

## #23, Exclusive Rights



- “I don’t want to allow a second FBO on our airport. It will create too many problems.”
- “If we allow a second FBO on the field, it will put the first FBO out of business.”
- “Their lease guaranteed that they would be the only FBO on the airfield.”

# Letting Competition Flourish

## #23, *Exclusive Rights*

### TWO EXCEPTIONS:

1

“Unreasonably costly, burdensome or impractical” for more than one

**AND**

Would require the reduction of leased space **IN USE** by existing FBO

2

Sponsor may exercise “Proprietary Exclusive Right”

Offer some/all aeronautical services itself

Must use its own resources and employees, cannot contract out

# Keeping the Airport & Local Environment Compatible with Aviation (#21, *Compatible Land Use*)

Advocate for land use on and off the airport that is compatible with normal airport operations:

- Avoid incompatible uses on airport (residential, glare, schools, industrial uses causing smoke)
- Make appropriate zoning
- Insert yourself in the zoning/permitting process
- Comment when there is public comment



# Building and Following Your Airport Vision

## (#29, *Airport Layout Plan*)

It will keep up to date at all times an airport layout plan of the airport showing:

- 1) boundaries of the airport and all proposed additions thereto,;
- 2) all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
- 3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon; and

# Contact Information

**Jorge E. Panteli**  
**Compliance and Land Use Specialist**  
**Federal Aviation Administration**  
**New England Region**  
**1200 District Avenue**  
**Burlington, MA 01803**

**(781) 238-7618**

**[Jorge.Panteli@faa.gov](mailto:Jorge.Panteli@faa.gov)**

Pease Development Authority  
Doing Business With Your Grant Assurances



Federal Aviation  
Administration



3. It is the intent of the Grantor and the Grantee that the Environmental Use Restrictive Covenants in this section bind the Grantee and shall run with the land. It is also the intent of the Grantor and the Grantee that the Grantor will retain the right to enforce any restrictive covenant in this section through the chain of title, in addition to any State law that requires the State to enforce any restrictive covenant in this section. The Grantee covenants to insert all of this section in any deed to the Property that it delivers.

C. Release of Environmental Use Restrictive Covenants.

1. The Grantee may request from the United States a modification or release of one or more of the environmental use restrictive covenants in whole or in part in this section, subject to the notification and concurrence or approval of the NHDES and EPA Region 1. In the event the request of the Grantee for modification or release is approved by the United States, NHDES, and EPA Region 1, the United States agrees to modify or release the covenant (the "Covenant Release") giving rise to such environmental use restriction in whole or in part. The Grantee understands and agrees that all costs associated with the Covenant Release shall be the sole responsibility of the Grantee, without any cost whatsoever to the United States. The United States shall deliver to the Grantee in recordable form the Covenant Release. The execution of the Covenant Release by the United States shall modify or release the environmental use restrictive covenant with respect to the Property in the Covenant Release.

2. In the event that the environmental use restrictive covenants contained in this section are no longer necessary, the United States will record any appropriate document modifying or removing such use restrictions, as appropriate.

VII. OTHER COVENANTS

A. **Airport Obligations**. By the acceptance of this Deed or any rights hereunder, the Grantee, for itself, its successors and assigns, agrees that the transfer of all the Property transferred by this Deed, is accepted subject to the following terms, restrictions, reservations, covenants, and conditions set forth in subparagraphs 1 and 2 of this paragraph, which shall run with the land, provided that the Property transferred hereby may be successively transferred only with the proviso that, unless otherwise approved by the Federal Aviation Administration (FAA), any such subsequent transferee assumes all of the obligations upon the Grantee by the provisions of this Deed:

1. That, except as provided in subparagraph 1 of the below paragraph B, the property transferred by this instrument shall be used for public airport purposes for the use and benefit of the public, on fair and reasonable terms and without unjust discrimination and without grant or exercise for any exclusive right for use of the airport within the meaning of the term "exclusive right" as used in subparagraph 3 of the below paragraph B. As used in this instrument, the term "airport" shall be deemed to include all land, buildings, structures, improvements and equipment used for public airport purposes

Land to be used for and as Public Airport

2. That, except as provided in subparagraph 1 of the below paragraph B, the entire landing area, as defined in 49 U.S.C. 40102(28) and Federal Aviation Regulations pertaining thereto, and all structures, improvements, facilities and equipment in which this Deed transfers any interest shall be maintained for the use and benefit of the public at all times in safe and serviceable condition, to assure its efficient operation and use, provided, however, that such maintenance shall be required as to structures, improvements, and equipment only during the useful life thereof, as determined by the FAA or its successor in function. In the event materials are required to rehabilitate or repair certain of the aforementioned structures, improvements, facilities or equipment, they may be procured by demolition of other structures, improvements, facilities or equipment transferred hereby and located on the above land which have outlived their use as airport property in the opinion of the Administrator of the FAA. Nothing in this deed shall be interpreted as providing the general public with a right of access to either the so-called "secured portions" of the Aeronautical Property or other portions of the Property under lease, license, easement or other occupancy agreement with third parties.

B. FURTHER, by the acceptance of this Deed or any rights hereunder, the Grantee for itself, its successors and assigns, also assumes the obligation of, covenants to abide by and agree to, and this transfer is made subject to, the following terms, conditions, covenants, reservations and restrictions set forth in subparagraphs 1 to 19, inclusive, of this paragraph, which shall run with the land: Provided, that the fee interest in the property transferred hereby may be successively transferred only with the proviso that, unless otherwise approved by the FAA, any such subsequent transferee assumes all the obligations imposed upon the Grantee by the provisions of this Deed.

1. No property transferred by this instrument shall be used, leased, sold, salvaged, or disposed of by the Grantee for other than the public airport purposes without the written consent of the Administrator of the FAA or his successor in function which consent shall be granted only if the FAA determines that the Property can be leased, sold, salvaged, or disposed of for other than public airport purposes without materially and adversely affecting the development, improvement, operation, or maintenance of the Airport at which the property is located pursuant to 49 U.S.C. 47151-47153. The "Property" as used herein is deemed to include revenues or proceeds derived therefrom

GA 5b  
Preserving  
Rights and  
Powers

2. Property transferred for the development, improvement, operation or maintenance of the Airport shall be used and maintained for the use and benefit of the public on fair and reasonable terms, without unjust discrimination and without grant or exercise of any exclusive right for use of the Airport within the meaning of the term "exclusive right" as used in subparagraph B of this paragraph. In furtherance of this covenant (but without limiting its general applicability and effect) the GRANTEE specifically agrees (1) That it will keep the Airport available as an airport for public use on fair and reasonable terms and without unjust discrimination, to all types, kinds, and classes of aeronautical uses. Provided, that the GRANTEE may establish such fair, equal, and not unjustly discriminatory conditions to be met by all users of the Airport as may be necessary for the safe and efficient operation of the Airport; and provided, further, that the GRANTEE may prohibit or limit any given type, kind, or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport to

GA 22a  
Economic  
Non-  
discrimination

GA 22i  
Economic  
Non-  
discrimination

serve the civil aviation needs of the public. (2) That in its operation and the operation of facilities on the Airport, neither it nor any person or organization occupying space or facilities thereupon will discriminate against any person or class of persons by reason of race, color, or age, religion, sex, handicap, or national origin in the use of any of the facilities provided for the public on the Airport. (3) That in any agreement, contract, lease, or other arrangement under which a right or privilege at the Airport is granted to any person, firm or corporation to conduct or engage in any aeronautical activity for furnishing services to the public at the Airport, the GRANTEE will insert and enforce provisions requiring the contractor: (a) to furnish said service on a fair, equal, and not unjustly discriminatory basis to all users thereof, and (b) to charge fair, reasonable, and not unjustly discriminatory prices for each unit of service, provided, that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers. (4) That the GRANTEE will not exercise or grant any right or privilege which would operate to prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform. (5) That in the event the GRANTEE itself exercises any of the rights and privileges referred to in subsection (3) above, the services involved will be provided on the same conditions as would apply to the furnishing of such services by contractors or concessionaires of the GRANTEE under the provisions of such subsection (3) above.

GA 30  
Civil Rights

GA 22 b,f,g  
Economic  
Non-  
discrimination  
(Section 3-5)

3. The Grantee will not grant or permit any exclusive right for the use of the airport at which the property described herein is located which is forbidden by 49 U.S.C. § 40105(c), by any person or persons to the exclusion of others in the same class and will otherwise comply with all applicable laws. In furtherance of this covenant (but without limiting its general applicability and effect), the Grantee specifically agrees that, unless authorized by the Administrator, it will not, either directly or indirectly, grant or permit any person, firm or corporation the exclusive right to conduct any aeronautical activity on the airport including but not limited to, charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which, because of their direct relationship to the operation of aircraft, can be regarded as an aeronautical activity. The Grantee further agrees that it will terminate as soon as possible and no later than the earliest renewal, cancellation, or expiration date applicable thereto, any exclusive right existing at any airport owned or controlled by the Grantee or hereafter acquired and that, thereafter, no such right shall be granted. However, nothing contained herein shall be construed to prohibit the granting or exercise of or exclusive right for the furnishing of nonaviation products and supplies or any services of a nonaeronautical nature or to obligate the Grantee to furnish any particular nonaeronautical service at the airport.

GA 23 a, b  
Exclusive  
Rights

4. The Grantee shall insofar as it is within its powers and to the extent reasonable adequately clear and protect the aerial approach to the airport by removing, lowering, relocating, marking, lighting, or otherwise mitigating existing Airport hazards and by preventing the establishment or creation of future Airport hazards. The Grantee will, either by the acquisition and retention of easements or other interests in or rights for the use of land airspace or by the

GA 20  
Hazard  
Removal and  
Mitigation

adoption and enforcement of zoning regulations, or by any other reasonable means, prevent the construction, erection, alteration, or growth of any structure, tree, or other object in the approach areas of the runways of the airport which would constitute an obstruction to air navigation according to the criteria or standards prescribed in Part 77 of the Federal Aviation Regulations [14 C.F.R. Part 77] and, as applicable, according to the currently approved Airport Layout Plan. In addition, the Grantee will not erect or permit the erection of any permanent structure or facility which would interfere materially with the use, operation, or future development of the Airport, in any portion of a runway approach area in which the Grantee has control over, or has acquired, or hereafter acquires, property interests permitting the Grantee to so control, the use made of the surface of the land. Insofar as is within its power and to the extent reasonable, the Grantee will either by the acquisition and retention of easements or other interests in or rights for the use of land or airspace or by the adoption and enforcement of zoning regulations or by any other reasonable means take action to restrict the use of the land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations including landing and takeoff at the airport.

5. [REDACTED] The Grantee will operate and maintain in a safe and serviceable condition, as deemed reasonably necessary by the Administrator of the FAA, the airport and all facilities thereon and connected therewith which are necessary to service the aeronautical users of the airport other than facilities owned or controlled by the United States and will not permit any activity thereon which would interfere with its use for public airport purposes, provided that nothing contained herein shall be construed to require that the airport be operated for aeronautical uses during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance, repair, restoration or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the Grantee.

GA 19 a  
Operations  
and  
Maintenance

6. [REDACTED] The Grantee will make available all facilities of the airport at which the property described herein is located or developed and all those usable for the landing and taking off of aircraft to the United States at all times, without charge, for use by Government aircraft in common with other aircraft, except that if the use by Government aircraft in common with other aircraft is substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining facilities so used, may be charged. Unless otherwise determined by the FAA, or otherwise agreed to by the Grantee and the Government, substantial use of the Airport by Government aircraft will be considered to exist (1) when the operations of such aircraft are in excess of those which, in the opinion of the FAA, would unduly interfere with use of the landing area by other authorized aircraft or (2) during any calendar month that (a) either five (5) or more Government aircraft are regularly based at the Airport or on land adjacent thereto, or (b) the total number of movements (counting each landing as a movement and each take-off as a movement) of Government aircraft of any agency of the United States is 300 or more, or (c) the gross accumulative weight of Government aircraft using the airport (the total improvements of such Government aircraft multiplied by the gross certified weights of such Government aircraft) is in excess of five million pounds.

GA 27  
Use by Gov't  
Aircraft

7. [REDACTED] During any national emergency declared by the President of the United States of America or the Congress thereof, including any existing national emergency, the United States shall have the right to make exclusive or nonexclusive use and have exclusive or nonexclusive control and possession without charge, of the airport, or of such portion thereof as it may desire; provided, however, that the United States shall be responsible for the entire cost of maintaining such part of the airport as it may use exclusively, or over which it may have exclusive possession or control, during the period of such use, possession, and control, and shall be obligated to contribute a reasonable share, commensurate with the use made by it, of the cost of maintenance of such property as it may use nonexclusively or over which it may have nonexclusive control and possession; provided further, that the United States shall pay a fair rental for its use, control, or possession, exclusively or nonexclusively, of any improvement to the airport made without United States aid and never owned by the United States.

National  
Emergency  
Use  
Provision

8. Except for environmental clauses contained in this deed, the Grantee does hereby release the Government from any and all liability the Government may be under for restoration or other damages under any lease or other agreement covering the use by the United States of the Airport, or any part thereof, owned, controlled, or operated by the Grantee upon which, adjacent to which, or in connection with which, the Property was located or used.

9. Grantee will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

GA 28  
Land for  
Federal  
Facilities

10. The Grantee will: (a) furnish the FAA with annual or special airport financial and operational reports as may be reasonably requested using either forms furnished by the FAA or in such manner as it elects so long as the essential data are furnished; and (b) upon reasonable request of the FAA, make available for inspection by any duly authorized representative of the FAA the airport at which the property described herein is located, and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations, and other instruments and will furnish to the FAA a true copy of any such document which may be reasonably requested.

GA 26 a  
Reports and  
Inspections

11. The Grantee will not enter into any transaction which would operate to deprive it of any of the rights and powers necessary to perform or comply with any or all of the covenants, terms, restrictions, reservations and conditions set forth herein unless, by such transaction, the obligation to perform or comply with all such covenants and conditions is assumed by another public agency found by the FAA to be eligible as a public agency as defined in 49 U.S.C. § 47102 (19), to assume such obligation and have the power, authority, and financial resources to carry out all such obligations and, if an arrangement is made for management or operation of the airport by any agency or person other than the Grantee, it will reserve sufficient rights and authority to ensure that such airport will be operated and maintained

GA 5 a  
Preserving  
Rights and  
Powers



in accordance with these terms, covenants, restrictions, reservations, and conditions, any applicable Federal statute, and the Federal Aviation Regulations.

12. The Grantee will maintain at the Property and will keep up to date at all times an Airport Layout Plan of the airport at which the property described herein is located showing (a) the boundaries of the airport and all proposed additions thereto, together with the boundaries of all off-site areas owned or controlled by the Grantee for public airport purposes and proposed additions thereto; (b) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads) including all proposed extensions and reductions of existing airport facilities; and (c) the location of all existing and proposed nonaviation areas and of all existing improvements thereon and uses made thereon. Such Airport Layout Plan and each amendment, revision, or modification thereof shall be subject to the approval of the FAA, which approval shall be evidenced by the signature of a duly authorized representative of the FAA on the face of the Airport Layout Map, and the Grantee will not make or permit the making of any changes or alterations in the airport or any of its facilities other than in conformity with the Airport Layout Plan as so approved by the FAA, if such changes or alterations might in the opinion of the FAA adversely affect the safety, utility, or efficiency of the airport.

GA 29 a, b Airport Layout Plan
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13. If at any time it is determined by the FAA that there is any outstanding right or claim of right in or to the airport property, described herein, the existence of which creates an undue risk of interference with the operation of the airport or the performance of compliance with covenants and conditions set forth herein, the Grantee will acquire, extinguish, or modify such right or claim of right in a manner acceptable to the FAA.

14. The operation of the Airport shall be subject to such regulations as may be prescribed by the FAA from time to time, and the Grantee, its successors and assigns, shall comply with all pertinent laws, ordinances, rules, orders, guidelines or other applicable regulations and shall hold the United States harmless from any and all liabilities or penalties which may be imposed by reason of any asserted violation thereof by the Grantee. All rights and powers reserved to the Grantor or the FAA, and all references in this Deed to Grantor or FAA shall include successors in function. The Grantor may agree in writing, after obtaining the concurrence of the FAA, to waive, eliminate, or reduce the obligations contained in this Deed.

15. In the event that any of the aforesaid terms, conditions, reservations, or restrictions are not met, observed, or complied with by the Grantee or any subsequent transferee, successors or assigns whether caused by the legal inability of said Grantee or subsequent transferee to perform any of the obligations herein set out, or otherwise, all title, right of possession and all other rights transferred by this instrument to the Grantee, of the property, or any portion thereof, shall, at the option of the Grantor, by and through the FAA, revert to the Grantor in its then existing condition sixty (60) days following the date upon which demand to this effect is made in writing by the Administrator of the FAA, unless within said sixty (60) days such default or violation shall have been cured and all such terms, conditions, reservations and restrictions shall have been met, observed, or complied with, or if within sixty (60) days the Grantee shall have commenced the actions necessary to bring the Grantee into compliance with

all such terms, conditions, covenants, reservations and restrictions of this Deed in accordance with a compliance schedule approved by FAA said reversion shall not occur and title, right of possession, and all other rights transferred hereby, except such, if any, as shall have previously terminated or reverted, shall remain vested in the Grantee, its transferees, successors and assigns. This option of reversion shall be a continuing one, and may be exercised by the United States any time the FAA determines the aforesaid terms, covenants, conditions, reservations, or restrictions are not met, observed or complied with by the Grantee or any subsequent transferee, successor or assignee. Any reversion will be subject to leases of record unless that lease is a cause for non compliance with the deed terms.

16. It is agreed and understood by and between the parties hereto and the Grantee, by its acceptance of this Deed, acknowledges its understanding of the agreement, and agrees that, as part of the consideration for this Deed, the Grantee covenants and agrees for itself, its successors and assigns, that: (1) The program for or in connection with which this Deed is made will be conducted in compliance with, and the Grantee, its successors and assigns, will comply with all requirements imposed by or pursuant to the regulations of the U.S. Department of Transportation, the FAA, and 49 CFR Part 21, and any subsequent amendments thereto, issued under the provisions of Title VI of the Civil Rights Act of 1964, as amended; (2) This covenant shall be subject in all respects to the provision of said regulations; (3) The Grantee, its successors and assigns, will promptly take and continue to take such action as may be necessary to effectuate this covenant; (4) The United States, acting by and through the FAA, shall have the right to seek judicial enforcement of this covenant; (5) The Grantee, its successors and assigns, will (a) obtain from any person (including any legal entity) who, through contractual or other arrangements with the Grantee, its successors and assigns, is authorized to provide services or benefits under said program, a written agreement pursuant to which such other person shall, with respect to the services or benefits which he is authorized to provide, undertake for himself the same obligations as those imposed upon the Grantee, its successors and assigns, by this covenant, and (b) furnish the original of such agreement to the FAA, upon FAA request therefore, and (6) This covenant shall run with the land hereby conveyed, and shall in any event, without regard to technical classification or designation, legal or otherwise, be binding to the fullest extent permitted by law and equity for the benefit of, and in favor of the United States and enforceable by the United States, acting by and through the FAA, against the Grantee, its successors, and assigns.

17. ~~All local taxes on aviation fuel generated at the airport (except taxes in effect on December 30, 1987) and all the revenues generated by the airport shall be used exclusively for the capital or operating costs of the airport, the local airport system, or any other local facility that is owned or operated by the Grantee and that is directly and substantially related to the air transportation of passengers or property.~~ PROVIDED that the aforesaid limitations on the use of airport revenue shall not apply if a provision enacted not later than September 2, 1982, in a law controlling financing by the Grantee, or a covenant or assurance in a debt obligation issued not later than September 2, 1982, by the Grantee, provides that the revenues, including local taxes on aviation fuel at the airport, from any of the facilities of the Grantee, including the airport, be used to support not only the airport but also the general debt obligations or other facilities of the Grantee: PROVIDED FURTHER that, the aforesaid limitation shall not be construed to prevent

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the use of a State tax on aviation fuel to support a State aviation program or the use of airport revenue on or off the airport for a noise mitigation program.

18. That if the construction as covenants of any of the reservations and restrictions recited in this Deed as covenants or the application of the same as covenants in any particular instance is held invalid, or the particular reservations and restrictions recited in this Deed as covenants or the application of the same as covenants in any particular instance is held invalid, then the particular reservations or restrictions in question shall be construed instead merely as conditions upon the breach of which the United States, acting by and through the FAA, may pursuant to, and in accordance with, the provisions of paragraph 15 above, exercise its option to cause the title, interest, right of possession, and all other rights transferred to the Grantee, or any portion thereof, to revert to it, and the application of such reservations or restrictions as covenants in any other instance and the construction of the remainder of such reservations and restrictions as covenants shall not be affected thereby.

19. The failure of the United States to insist in any one or more instances upon complete performance of any of the terms, covenants, conditions, reservations, or restrictions in this Deed shall not be construed as a waiver or relinquishment of the future performance of any such terms, covenants, conditions, reservations, or restrictions, and the obligations of the Grantee, its successors and assigns, with respect to such future performance shall continue in full force and effect.

C. Asbestos-Containing Materials ("ACM"). The Grantee is warned that portions of the Property may contain current and former improvements, such as buildings, facilities, equipment and pipelines, above and below the ground that may contain ACM. The Grantee covenants and agrees that in its use and occupancy of the Property, it will comply with all applicable Federal, State, and local laws relating to asbestos. The Grantee acknowledges that the Grantor assumes no liability for damages for personal injury, illness, disability, or death to the Grantee, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the Property, whether the Grantee has properly warned, or failed to properly warn, the persons injured.

D. General Lead-Based Paint and Lead-Based Paint-Containing Materials and Debris (collectively "LBP").

1. Lead-based paint was commonly used prior to 1978 and may be located on the Property. The Grantee is advised to exercise caution during any use of the Property that may result in exposure to LBP.

2. The Grantee covenants and agrees that in its use and occupancy of the Property, the Grantee is solely responsible for managing LBP, including LBP in soils, in accordance with all applicable Federal, State, and local laws and regulations. The Grantee acknowledges that the Grantor assumes no liability for property damages or damages for personal injury, illness, disability, or death to the Grantee, or to any other person, including members of



## **ASSURANCES**

### **Airport Sponsors**

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#### **A. General.**

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

#### **B. Duration and Applicability.**

##### **1. Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

##### **2. Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

### 3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 25, 30, 32, 33, and 34 in Section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Airport Revenue so long as the airport is used as an airport.

### C. Sponsor Certification.

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

#### 1. General Federal Requirements.

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

#### Federal Legislation

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- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.<sup>1</sup>
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act - 5 U.S.C. 1501, et seq.<sup>2</sup>
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.<sup>1,2</sup>
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).<sup>1</sup>
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.<sup>1</sup>
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.<sup>1</sup>
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968 - 42 U.S.C. 4151, et seq.<sup>1</sup>
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.<sup>1</sup>
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.<sup>1</sup>
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.1
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.<sup>1</sup>
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.<sup>2</sup>
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.

- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

#### **Executive Orders**

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- a. Executive Order 11246 - Equal Employment Opportunity<sup>1</sup>
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction<sup>1</sup>
- f. Executive Order 12898 - Environmental Justice

#### **Federal Regulations**

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- a. 2 CFR Part 180 - OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].<sup>4, 5, 6</sup>
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures 14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.<sup>1</sup>
- i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.<sup>1</sup>
- j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).<sup>1</sup>
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).<sup>1</sup>
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.<sup>3</sup>
- m. 49 CFR Part 20 - New restrictions on lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.

- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.<sup>12</sup>
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.<sup>1</sup>
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- t. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

### **Specific Assurances**

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Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

### **Footnotes to Assurance C.1.**

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<sup>1</sup> These laws do not apply to airport planning sponsors.

<sup>2</sup> These laws do not apply to private sponsors.

<sup>3</sup> 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

<sup>4</sup> On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

<sup>5</sup> Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

<sup>6</sup> Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

**2. Responsibility and Authority of the Sponsor.**

a. Public Agency Sponsor:

It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

**3. Sponsor Fund Availability.**

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

**4. Good Title.**

a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

**5. Preserving Rights and Powers.**

a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.



- b. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

**6. Consistency with Local Plans.**

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

**7. Consideration of Local Interest.**

It has given fair consideration to the interest of communities in or near where the project may be located.

**8. Consultation with Users.**

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

**9. Public Hearings.**

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

**10. Metropolitan Planning Organization.**

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

**11. Pavement Preventive Maintenance.**

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

**12. Terminal Development Prerequisites.**

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and

has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

**13. Accounting System, Audit, and Record Keeping Requirements.**

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

**14. Minimum Wage Rates.**

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

**15. Veteran's Preference.**

It shall include in all contracts for work on any project funded under this grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

**16. Conformity to Plans and Specifications.**

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans,

specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.

**17. Construction Inspection and Approval.**

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

**18. Planning Projects.**

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

**19. Operation and Maintenance.**

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal,

state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-

- 1) Operating the airport's aeronautical facilities whenever required;
  - 2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
  - 3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

#### **20. Hazard Removal and Mitigation.**

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

#### **21. Compatible Land Use.**

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

#### **22. Economic Nondiscrimination.**

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or

to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-

- 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
  - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
  - d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
  - e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
  - f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
  - g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
  - h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
  - i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

### **23. Exclusive Rights.**

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

### **24. Fee and Rental Structure.**

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

### **25. Airport Revenues.**

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
  - 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or

operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

- 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
  - 3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
  - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

## **26. Reports and Inspections.**

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and



- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
  - 1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
  - 2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

**27. Use by Government Aircraft.**

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

**28. Land for Federal Facilities.**

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

**29. Airport Layout Plan.**

- a. It will keep up to date at all times an airport layout plan of the airport showing
  - 1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
  - 2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and

roads), including all proposed extensions and reductions of existing airport facilities;

- 3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon; and
  - 4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.
- b. If a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

### 30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this grant.

- a. Using the definitions of activity, facility and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR § 21, the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by, or pursuant to these assurances.
- b. Applicability
  - 1) Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
  - 2) Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

- 3) Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

- 1) So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
  - 2) So long as the sponsor retains ownership or possession of the property.
- d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this grant agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

“The **(Name of Sponsor)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

e. Required Contract Provisions.

- 1) It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
- 2) It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
- 3) It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
- 4) It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a

covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

- a) For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
  - b) For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

### **31. Disposal of Land.**

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.
- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another

eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.

- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

### **32. Engineering and Design Services.**

It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

### **33. Foreign Market Restrictions.**

It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

### **34. Policies, Standards, and Specifications.**

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated \_\_\_\_\_ (the latest approved version as of this grant offer) and included in this grant, and in accordance

with applicable state policies, standards, and specifications approved by the Secretary.

**35. Relocation and Real Property Acquisition.**

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

**36. Access By Intercity Buses.**

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

**37. Disadvantaged Business Enterprises.**

The sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its DBE and ACDBE programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

**38. Hangar Construction.**

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

**39. Competitive Access.**

- a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-
  - 1) Describes the requests;
  - 2) Provides an explanation as to why the requests could not be accommodated; and
  - 3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.



**FY 2018 FINANCIAL REPORT  
FOR THE FOUR MONTH PERIOD  
ENDING OCTOBER 31, 2017**



**BOARD OF DIRECTORS MEETING  
DECEMBER 14, 2017**





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

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	CURRENT YEAR BUDGET
<b>OPERATING REVENUES</b> <i>(PAGE #3)</i>	<u>5,787</u>	<u>5,667</u>	<u>120</u>	<u>14,319</u>
<b>OPERATING EXPENSES</b>				
PERSONNEL SERVICES AND BENEFITS <i>(PAGE #4 AND #5)</i>	2,190	2,062	128	6,242
BUILDINGS AND FACILITIES MAINTENANCE	461	462	(1)	1,353
GENERAL AND ADMINISTRATIVE <i>(PAGE #6)</i>	407	397	10	1,153
UTILITIES <i>(PAGE #6)</i>	168	275	(107)	797
PROFESSIONAL SERVICES <i>(PAGE #6)</i>	151	240	(89)	681
MARKETING AND PROMOTION	89	104	(15)	295
ALL OTHER <i>(PAGE #6)</i>	<u>517</u>	<u>540</u>	<u>(23)</u>	<u>1,021</u>
<b>OPERATING INCOME</b>	<b>1,804</b>	<b>1,587</b>	<b>217</b>	<b>2,777</b>
<b>NONOPERATING (INCOME) AND EXPENSE</b> <i>(PAGE #7)</i>	-	4	(4)	12
<b>DEPRECIATION</b>	<u>1,960</u>	<u>2,102</u>	<u>(142)</u>	<u>6,306</u>
<b>NET OPERATING INCOME</b>	<b>(156)</b>	<b>(519)</b>	<b>363</b>	<b>(3,541)</b>

### BUDGET VARIANCE ANALYSIS

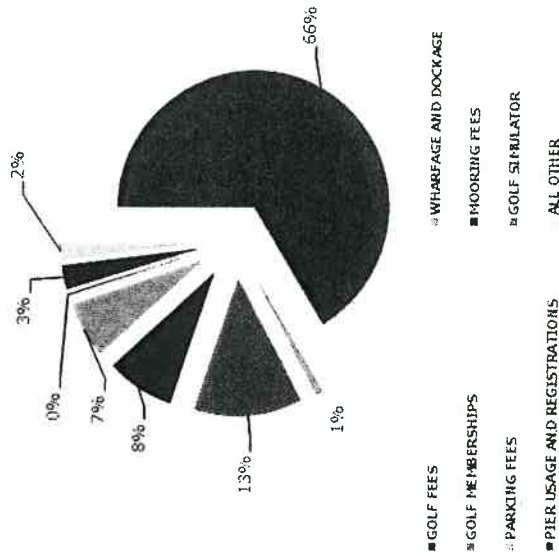
- **OPERATING REVENUES- HIGHER BY 2.1% ...**
- TIMING DIFFERENCES ASSOCIATED WITH RENTAL OF FACILITIES, OFFSET BY INCREASES IN:
  - GOLF FEES- ESCALATION IN NONMEMBER ROUNDS PLAYED
  - GOLF MERCHANDISE SALES
  - CONCESSION REVENUES FROM HIGHER GRILL 28 SALES.
  - DPH FUEL SALES
- **OPERATING COSTS- LOWER BY 2.4%...**
- ANTICIPATED TIMING DIFFERENCES ASSOCIATED WITH CLF RELATED LEGAL FEES
- PENSION EXPENSE IMPACTED BY INVESTMENT EARNINGS- JUNE 30, 2016 VALUATION
- EXTENSIVE FY 2017 YEAR-END CUT OFF PROCEDURES
- **NONOPERATING (INCOME) AND EXPENSES**
- NET INTEREST EXPENSE LOWER DUE HIGHER THAN ANTICIPATED CASH BALANCES.

# CONSOLIDATED OPERATING REVENUES FOR THE FOUR MONTH PERIOD ENDING OCTOBER 31, 2017

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	CURRENT YEAR BUDGET
<b>RENTAL OF FACILITIES</b>	3,456	3,567	(111)	9,723
<b>FEE REVENUES (SEE PIE CHART)</b>	1,376	1,279	97	2,860
<b>FUEL SALES (SEE TABLE BELOW)</b>	451	408	43	699
<b>CONCESSION REVENUE</b>	173	146	27	348
<b>GOLF MERCHANDISE</b>	118	113	5	225
<b>ALL OTHER- NET</b>	<u>213</u>	<u>154</u>	<u>59</u>	<u>464</u>
	<b>5,787</b>	<b>5,667</b>	<b>120</b>	<b>14,319</b>

FEE REVENUES YEAR TO DATE



	ACTUAL SALES	BUDGETED SALES	BUDGET VARIANCE	ACTUAL COGS	BUDGETED COGS	BUDGET VARIANCE
<b>FUEL ANALYSIS</b>						
SKYHAVEN AIRPORT	34	37	(3)	26	35	(9)
PORTSMOUTH FISH PIER	225	233	(8)	167	191	(24)
RYE HARBOR	76	74	2	57	70	(13)
HAMPTON HARBOR	116	64	52	87	78	9
	<u>451</u>	<u>408</u>	<u>43</u>	<u>337</u>	<u>374</u>	<u>(37)</u>

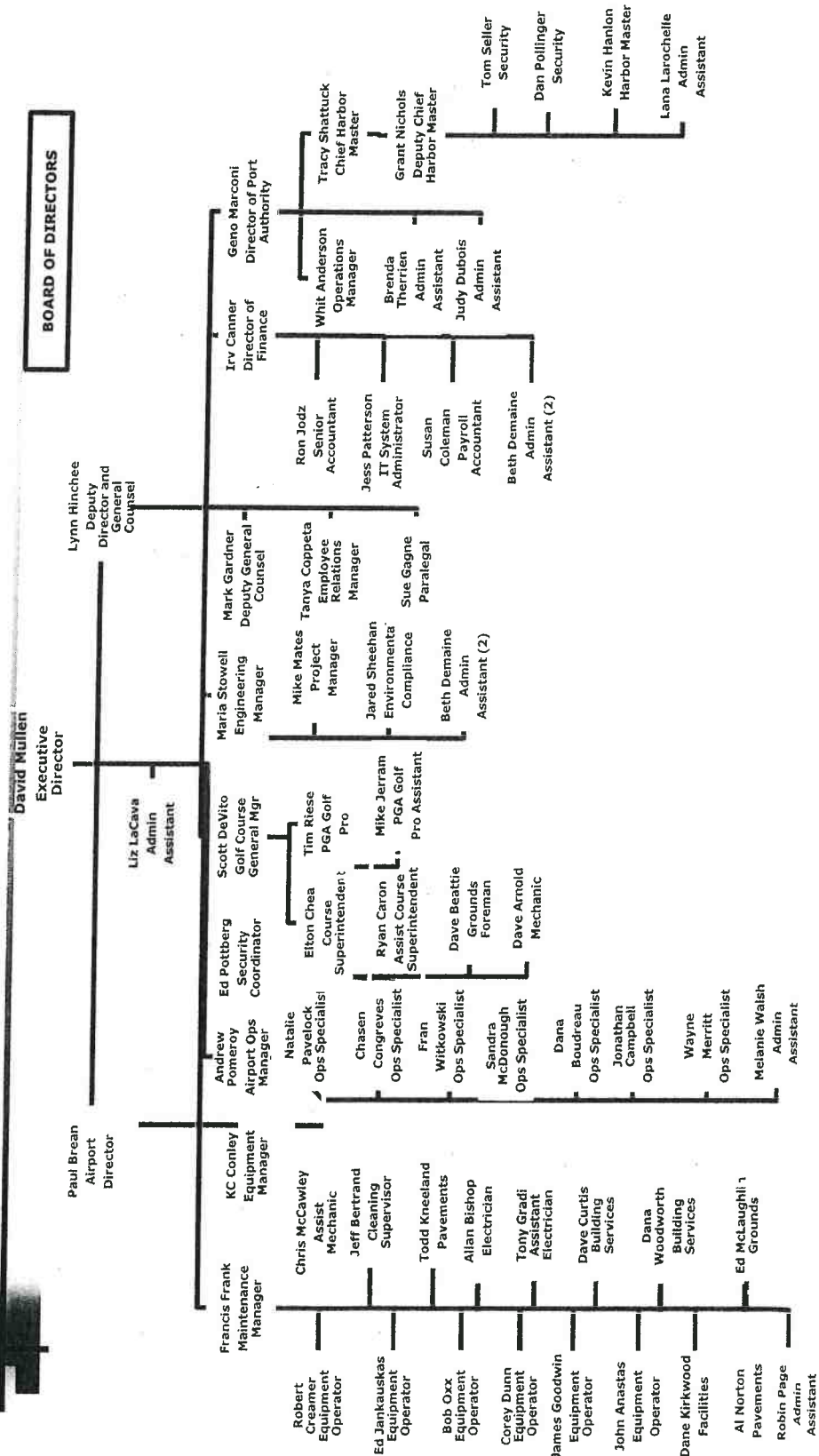
# CONSOLIDATED PERSONNEL SERVICES AND BENEFITS FOR THE FOUR MONTH PERIOD ENDING OCTOBER 31, 2017

(\$ 000's)

## CURRENT STAFF ANALYSIS (FILLED POSITIONS)

PERSONNEL SERVICES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	CURRENT YEAR BUDGET	SAL/ BEN	HR/ BEN	HR/ NON	SE	CON	TOTAL
BENEFITED	1,319	1,252	67	3,741	1.0	1.0	-	-	-	2.0
NONBENEFITED	246	248	(2)	725	-	19.0	3.0	4.0	-	26.0
OVERTIME	94	36	58	198	3.0	7.0	7.0	-	-	17.0
ACCRUED VACATION AND SICK	(27)	5	(32)	-	-	-	3.0	-	-	3.0
<b>FRINGE BENEFITS</b>	<b>1,632</b>	<b>1,541</b>	<b>91</b>	<b>4,664</b>	<b>3.0</b>	<b>4.0</b>	<b>1.0</b>	<b>16.0</b>	<b>-</b>	<b>24.0</b>
HEALTH INSUR	357	317	40	952	3.0	0.5	-	-	-	3.5
RETIREMENT	168	171	(3)	528	2.0	1.0	1.0	-	-	4.0
DENTAL INSURANCE	22	21	1	62	2.0	2.5	-	-	1.0	5.5
LIFE INSURANCE	11	12	(1)	36	1.0	9.0	8.0	10.0	1.0	29.0
	<b>558</b>	<b>521</b>	<b>37</b>	<b>1,578</b>	<b>15.0</b>	<b>44.0</b>	<b>23.0</b>	<b>30.0</b>	<b>2.0</b>	<b>114.0</b>
	<b>2,190</b>	<b>2,062</b>	<b>128</b>	<b>6,242</b>						

# PEASE DEVELOPMENT AUTHORITY ORGANIZATION CHART- CURRENT



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

# CONSOLIDATED OTHER OPERATING EXPENSES FOR THE FOUR MONTH PERIOD ENDING OCTOBER 31, 2017

(\$ 000's)

UTILITIES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	CURRENT YEAR BUDGET	PROFESSIONAL SERVICES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	CURRENT YEAR BUDGET
ELECTRICITY	107	135	(28)	420	LEGAL	66	167	(101)	500
WATER	30	86	(56)	120					
WASTE DISPOSAL	21	18	3	100	INFORMATION TECHNOLOGY	25	28	(3)	85
NATURAL GAS AND OIL	3	16	(13)	97	EXTERNAL AUDIT	48	38	10	73
PROPANE	Z	20	(13)	60	ALL OTHER- NET	12	Z	5	23
	<u>168</u>	<u>275</u>	<u>(107)</u>	<u>797</u>		<u>151</u>	<u>240</u>	<u>(89)</u>	<u>681</u>

ADMINISTRATIVE AND GENERAL	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	CURRENT YEAR BUDGET	ALL OTHER	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	CURRENT YEAR BUDGET
FICA	121	120	1	357	FUEL	337	374	(37)	651
INSURANCE	90	86	4	160	COAST TROLLEY	30	40	(10)	120
TELEPHONE / COMMUNICATIONS	34	40	(6)	68	GOLF MERCHANDISE	77	91	(14)	180
BANK FEES	42	28	14	62	GOLF CART LEASE	73	35	38	70
ALL OTHER-NET	120	123	(3)	506					
	<u>407</u>	<u>397</u>	<u>10</u>	<u>1,153</u>		<u>517</u>	<u>540</u>	<u>(23)</u>	<u>1,021</u>

# CONSOLIDATED NONOPERATING (INCOME) EXPENSE FOR THE FOUR MONTH PERIOD ENDING OCTOBER 31, 2017

(\$ 000's)

	YEAR TO DATE		CURRENT YEAR VARIANCE	CURRENT YEAR BUDGET	INTEREST EXPENSE	
	ACTUAL	BUDGET			YEAR TO DATE	FISCAL BUDGET
INTEREST EXPENSE	5	5	-	16		PROVIDENT BANK
INTEREST INCOME AND OTHER	(5)	(1)	(4)	(4)		CITY OF PORTSMOUTH
	=	<u>4</u>	<u>(4)</u>	<u>12</u>		TOTAL
						<u>5</u> <u>16</u>

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

# CONSOLIDATED STATEMENTS OF NET POSITION

(\$ 000's)

	JUN 30 2017	OCT 31 2017	JUN 30 2017	OCT 31 2017
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
CASH AND EQUIVALENTS	4,032	6,311	1,717	2,650
ACCOUNTS RECEIVABLE- NET	1,324	505	888	104
OTHER ASSETS	536	409	699	292
<b>TOTAL CURRENT ASSETS</b>	<u>5,892</u>	<u>7,225</u>	116	116
<b>RESTRICTED ASSETS</b>				
CASH AND EQUIVALENTS	695	680	5,490	5,490
ACCOUNTS RECEIVABLES- NET	1,077	1,093	338	331
<b>TOTAL RESTRICTED ASSETS</b>	<u>1,772</u>	<u>1,773</u>	<u>5,828</u>	<u>5,821</u>
<b>CAPITAL ASSETS</b>				
LAND, BUILDINGS AND EQUIPMENT	64,368	63,997	9,248	8,983
CONSTRUCTION IN PROCESS (PAGES #10-#14)	1,303	367	209	209
<b>TOTAL ASSETS</b>	<u>65,671</u>	<u>64,364</u>	64,435	63,911
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>73,335</u>	<u>73,362</u>	(352)	464
<b>TOTAL NET POSITION</b>	<u>1,722</u>	<u>1,722</u>	<u>65,600</u>	<u>65,892</u>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE			1,717	2,650
ACCOUNTS PAYABLE- CONSTRUCTION			888	104
UNEARNED REVENUE			699	292
REVOLVING LOC FACILITY			-	-
CURRENT PORTION- LT LIABILITIES			116	116
<b>TOTAL CURRENT LIABILITIES</b>			<u>3,420</u>	<u>3,162</u>
<b>NONCURRENT LIABILITIES</b>				
NET PENSION LIABILITY			5,490	5,490
OTHER LT LIABILITIES (PAGE #15)			338	331
<b>TOTAL LIABILITIES</b>			<u>9,248</u>	<u>8,983</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
PENSION			209	209
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS			64,435	63,911
RESTRICTED FOR:				
REVOLVING LOAN FUND			1,182	1,189
HARBOR DREDGING			288	287
FOREIGN TRADE ZONE			47	41
UNRESTRICTED			(352)	464
<b>TOTAL NET POSITION</b>			<u>65,600</u>	<u>65,892</u>
<b>CASH AND EQUIVALENTS AT OCTOBER 31, 2017</b>				
	<u>UNRESTRICTED</u>	<u>RESTRICTED</u>	<u>RESTRICTED</u>	
PEASE DEVELOPMENT AUTHORITY				
GENERAL FUNDS	5,514			
TENANT ESCROW	16			
<b>TOTAL</b>	<u>5,530</u>			
<b>DIVISION OF PORTS AND HARBORS</b>				
GENERAL FUNDS	205			
HARBOR MANAGEMENT	576			
HARBOR DREDGING	541			
REVOLVING LOAN- FISHERY FUND	103			
FOREIGN TRADE	36			
<b>TOTAL</b>	<u>781</u>			
<b>TOTAL</b>	<u>6,311</u>			

# SUMMARY OF INTERGOVERNMENTAL RECEIVABLES AS OF OCTOBER 31, 2017

(\$ 000's)

<u>PROJECT NAME</u>	<u>APPROVAL DATE</u>	<u>TOTAL PROJECT</u>	<u>GRANT AWARD</u>	<u>EXPENDED TO DATE</u>	<u>PDA SHARE</u>	<u>RECEIVED TO DATE</u>	<u>BALANCE DUE PDA</u>	<u>AMOUNT SUBMITTED</u>
PSM OBSTRUCTION DESIGN (SBG 04-2014)	04-25-14	333	316	265	(20)	245	-	-
PSM TERMINAL BATHROOM RENOVATIONS (AIP 56)	04-21-16	546	519	533	(27)	434	72	-
PSM RUNWAY 16-34 DESIGN (AIP 58)	05-18-17	1,265	885	145	(96)	-	49	-
PSM RUNWAY REIMBUR AGREEMENT (AIP 59)	08-23-17	931	885	34	(4)	-	30	-
PSM OBSTRUCTION REMOVAL / CONSTRUCTION (AIP 60)	05-18-17	1,130	1,074	130	(6)	-	124	-
PSM TERMINAL PLANNING STUDY (AIP 61)	05-18-17	393	373	3	(3)	-	-	-
PSM SECURITY IDENTIFICATION MANAGEMENT SYSTEM (SBG 05-2016)	03-21-16	392	373	353	(18)	307	28	-
DAW SNOW REMOVAL EQUIP (SBG 08-2017)	05-18-17	503	478	4	(1)	-	3	-
DAW TAXILANE PAVEMENT AND DRAINAGE CONSTRUCTION (SBG 07-2016)	09-22-16	1,830	1,738	1,101	154	947	-	-
DPH UPGRADE PORT SECURITY AND SOFTWARE	-	59	59	9	-	-	9	-
							<b>315</b>	<b>=</b>



# SUMMARY OF CONSTRUCTION WORK IN PROGRESS

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-17	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 10-31-17
<b>PORTSMOUTH AIRPORT (PSM)</b>					
RUNWAY 16-34 DESIGN (AIP 58)	96	49	-	49	145
SECURITY IDENTIFICATION MANAGEMENT SYSTEM (SBG 05-2016)	348	5	(353)	(348)	-
TERMINAL SEATING AND TABLES	38	3	(41)	(38)	-
TERMINAL PLANNING STUDY (AIP 61)	3	-	-	-	3
AIR NATIONAL GUARD TAXIWAY	-	30	-	30	30
OBSTRUCTION DESIGN (SBG 04-2014)	-	7	(7)	-	-
PSM RUNWAY REIMBUR AGREEMENT (AIP 59)	-	34	-	34	34
OBSTRUCTION REMOVAL / CONSTRUCTION (AIP 60)	-	130	-	130	130
	<u>485</u>	<u>258</u>	<u>(401)</u>	<u>(143)</u>	<u>342</u>

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS

(CONTINUED):

(\$ 000's)

<u>PROJECT NAME</u>	BALANCE AT 06-30-17	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 10-31-17
<b>SKYHAVEN AIRPORT (DAW)</b>					
TAXILANE PAVEMENT AND DRAINAGE CONSTRUCTION (SBG 07-2016)	797	304	(1,101)	(797)	-
SNOW REMOVAL EQUIPMENT (SBG 08-2017)	4	-	-	-	4
	<u>801</u>	<u>304</u>	<u>(1,101)</u>	<u>(797)</u>	<u>4</u>
<b>MAINTENANCE</b>	-	-	-	-	-

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS

(CONTINUED):

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-17	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 10-31-17
<b>GOLF COURSE</b>					
WELL VIABILITY STUDY	1	-	-	-	1
TORO FAIRWAY MOWER	-	60	(60)	-	-
	<u>1</u>	<u>60</u>	<u>(60)</u>	=	<u>1</u>
<b>ADMINISTRATION</b>					
COMPUTER REPLACEMENTS	=	=	=	=	=

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS

(CONTINUED):

(\$ 000's)

<u>PROJECT NAME</u>	BALANCE AT 06-30-17	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 10-31-17
<b>TRADEPORT</b>					
SECURITY AND FIRE ALARM MONITORING SYSTEM	=	8	(8)	=	=

# SUMMARY OF CONSTRUCTION WORK IN PROGRESS

(CONTINUED):

(\$ 000's)

<u>PROJECT NAME</u>	BALANCE AT 06-30-17	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 10-31-17
<b>DIVISION OF PORTS AND HARBORS (DPH)</b>					
FASTLANE GRANT APPLICATION	11	-	-	-	11
UPGRADE PORT SECURITY AND SOFTWARE	5	4	-	4	9
SECURITY AND FIRE ALARM MONITORING SYSTEM	-	1	(1)	-	-
ICE MACHINE COMPRESSOR	-	10	(10)	-	-
	<u>16</u>	<u>15</u>	<u>(11)</u>	<u>4</u>	<u>20</u>
TOTAL	<u>1,303</u>	<u>645</u>	<u>(1,581)</u>	<u>(936)</u>	<u>367</u>

# LONG TERM DEBT LIABILITIES AS OF OCTOBER 31, 2017

(\$ 000's)

## SCHEDULE OF DEBT SERVICE REPAYMENT

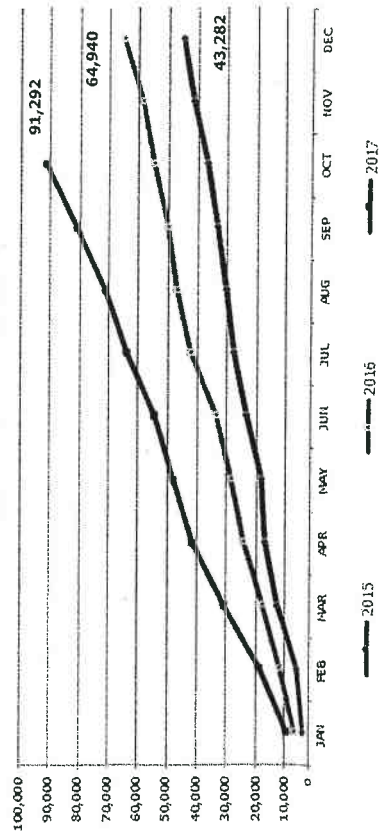
	CURRENT PORTION	LONG TERM PORTION	TOTAL AMOUNT DUE	
CITY OF PORTSMOUTH- WATER POLLUTION CONTROL NOTE @ 4.50%	116	233	349	CITY OF PORTSMOUTH
				2018 116
				2019 116
				2020 <u>117</u>
ACCRUED SICK LIABILITY	=	98	98	349
				PAID IN FY 2018 =
TOTAL	<u>116</u>	<u>331</u>	<u>447</u>	TOTAL <u>349</u>

# STATEMENT OF OPERATIONS FOR THE FOUR MONTH PERIOD ENDING OCTOBER 31, 2017 PORTSMOUTH AIRPORT

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET
<b>OPERATING REVENUES</b>	<u>281</u>	<u>285</u>	<u>(4)</u>	<u>1,014</u>
FACILITIES RENTAL	250	267	(17)	801
CONCESSION REVENUES	5	3	2	7
FEE REVENUES	19	5	14	141
ALL OTHER	7	10	(3)	65
	<u>281</u>	<u>285</u>	<u>(4)</u>	<u>1,014</u>
<b>OPERATING EXPENSES</b>				
PERSONNEL SERVICES AND BENEFITS	338	320	18	959
BUILDINGS AND FACILITIES MAINTENANCE	176	301	(125)	1,156
GENERAL AND ADMINISTRATIVE	92	82	10	246
UTILITIES	77	94	(17)	322
PROFESSIONAL SERVICES	-	-	-	-
MARKETING AND PROMOTION	6	6	-	18
ALL OTHER	-	-	-	-
	<u>689</u>	<u>803</u>	<u>(114)</u>	<u>2,701</u>
<b>OPERATING INCOME</b>	<b>(408)</b>	<b>(518)</b>	<b>110</b>	<b>(1,687)</b>
<b>NONOPERATING (INCOME) AND EXPENSE</b>				
DEPRECIATION	1,138	1,266	(128)	3,800
<b>NET OPERATING INCOME</b>	<b>(1,546)</b>	<b>(1,784)</b>	<b>238</b>	<b>(5,487)</b>

**ENPLANEMENT DATA**



# STATEMENT OF OPERATIONS FOR THE FOUR MONTH PERIOD ENDING OCTOBER 31, 2017 SKYHAVEN AIRPORT

(\$ 000's)

	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
<b>OPERATING REVENUES</b>	<b>63</b>	<b>73</b>	<b>(10)</b>	<b>63</b>	<b>73</b>	<b>(10)</b>	<b>180</b>
FACILITIES RENTAL	34	35	(1)	34	35	(1)	105
FUEL SALES	34	37	(3)	34	37	(3)	74
ALL OTHER	(5)	1	(6)	(5)	1	(6)	1
	<b>63</b>	<b>73</b>	<b>(10)</b>	<b>63</b>	<b>73</b>	<b>(10)</b>	<b>180</b>
<b>OPERATING EXPENSES</b>							
PERSONNEL SERVICES AND BENEFITS	14	14	-	14	14	-	92
BUILDINGS AND FACILITIES MAINTENANCE	28	23	5	28	23	5	82
GENERAL AND ADMINISTRATIVE	10	13	(3)	10	13	(3)	29
UTILITIES	4	10	(6)	4	10	(6)	31
PROFESSIONAL SERVICES	3	2	1	3	2	1	5
MARKETING AND PROMOTION	-	-	-	-	-	-	-
ALL OTHER- FUEL	26	35	(9)	26	35	(9)	63
	<b>85</b>	<b>97</b>	<b>(12)</b>	<b>85</b>	<b>97</b>	<b>(12)</b>	<b>302</b>
<b>OPERATING INCOME</b>	<b>(22)</b>	<b>(24)</b>	<b>2</b>	<b>(22)</b>	<b>(24)</b>	<b>2</b>	<b>(122)</b>
<b>NONOPERATING (INCOME) AND EXPENSE</b>							
DEPRECIATION	142	142	-	142	142	-	426
<b>NET OPERATING INCOME</b>	<b>(164)</b>	<b>(166)</b>	<b>2</b>	<b>(164)</b>	<b>(166)</b>	<b>2</b>	<b>(548)</b>

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	YTD AVE PRICE
<b>GALLONS OF FUEL SOLD</b>				
FY 2017	979	8,586	16,735	\$ 4.09
FY 2018	2,931	8,462	8,462	\$ 4.12

	CAPITAL EXPEND	DEBT REPAY	GRANT FUNDS	TOTAL
<b>NET CASH FLOW</b>				
FY 2018	(22)	(304)	947	621
FY 2017	(91)	(929)	301	(719)
FY 2016	(53)	(193)	451	205
FY 2009-2015	(691)	(4,477)	3,603	(1,665)
	<b>(857)</b>	<b>(5,903)</b>	<b>(100)</b>	<b>(1,558)</b>

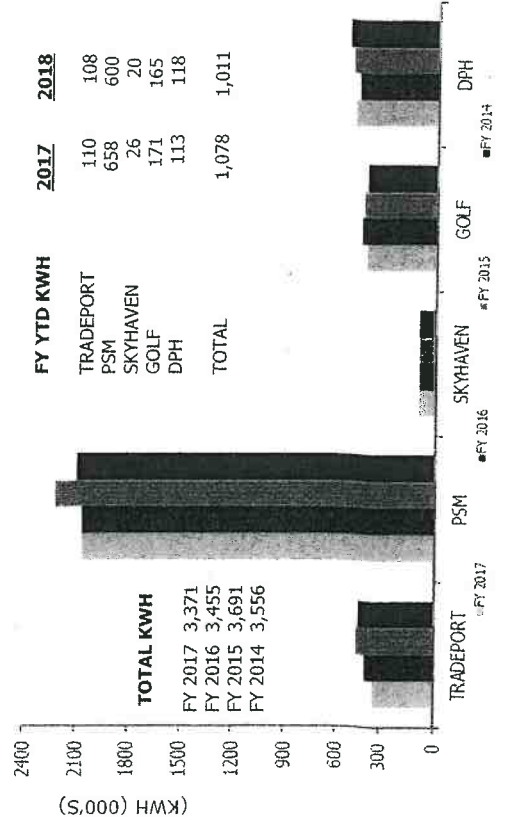


# STATEMENT OF OPERATIONS FOR THE FOUR MONTH PERIOD ENDING OCTOBER 31, 2017 TRADEPORT

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET
<b>OPERATING REVENUES</b>	<u>3,069</u>	<u>3,120</u>	<u>(51)</u>	<u>8,368</u>
RENTAL OF FACILITIES	2,948	3,037	(89)	8,121
ALL OTHER	121	83	38	247
	<u>3,069</u>	<u>3,120</u>	<u>(51)</u>	<u>8,368</u>
<b>OPERATING EXPENSES</b>				
PERSONNEL SERVICES AND BENEFITS	-	-	-	-
BUILDINGS AND FACILITIES MAINTENANCE	55	88	(33)	313
GENERAL AND ADMINISTRATIVE	17	15	2	46
UTILITIES	17	25	(8)	133
PROFESSIONAL SERVICES	-	-	-	-
MARKETING AND PROMOTION	-	-	-	-
ALL OTHER	30	40	(10)	120
	<u>119</u>	<u>168</u>	<u>(49)</u>	<u>612</u>
<b>OPERATING INCOME</b>	<b>2,950</b>	<b>2,952</b>	<b>(2)</b>	<b>7,756</b>
<b>NONOPERATING (INCOME) AND EXPENSE</b>				
DEPRECIATION	264	273	(9)	816
<b>NET OPERATING INCOME</b>	<b>2,686</b>	<b>2,679</b>	<b>7</b>	<b>6,940</b>

### KWH CONSUMPTION ANALYSIS BY BUSINESS UNIT



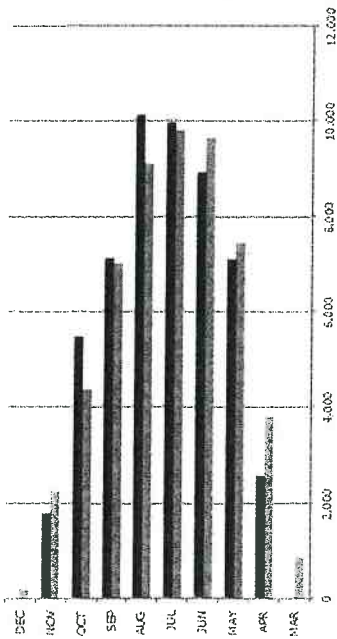
# STATEMENT OF OPERATIONS FOR THE FOUR MONTH PERIOD ENDING OCTOBER 31, 2017 GOLF COURSE

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET		YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET
<b>OPERATING REVENUES</b>	<u>1,395</u>	<u>1,246</u>	<u>149</u>	<u>2,375</u>	<b>OPERATING REVENUES</b>	164	138	26	335
<b>OPERATING EXPENSES</b>					CONCESSION REVENUES				
PERSONNEL SERVICES AND BENEFITS	357	344	13	894	FEE REVENUES				
BUILDINGS AND FACILITIES MAINTENANCE	168	153	15	320	GOLF FEES	912	823	89	1,357
GENERAL AND ADMINISTRATIVE	106	91	15	237	MEMBERSHIPS	178	162	16	320
UTILITIES	38	112	(74)	195	SIMULATOR	5	4	1	120
PROFESSIONAL SERVICES	9	6	3	17	LESSONS	9	6	3	18
MARKETING AND PROMOTION	20	25	(5)	58	MERCHANDISE AND OTHER	<u>1,104</u>	<u>995</u>	<u>109</u>	<u>1,815</u>
ALL OTHER	150	125	25	250		127	113	14	225
	<u>848</u>	<u>856</u>	<u>(8)</u>	<u>1,971</u>		<u>1,395</u>	<u>1,246</u>	<u>149</u>	<u>2,375</u>
<b>OPERATING INCOME</b>	<b>547</b>	<b>390</b>	<b>157</b>	<b>404</b>					
<b>NONOPERATING (INCOME) AND EXPENSE</b>					<b>BUSINESS UNIT ANALYSIS</b>				
DEPRECIATION	135	129	6	387	PRO SHOP	118	1,107	165	5
NET OPERATING INCOME	<u>412</u>	<u>261</u>	<u>151</u>	<u>17</u>	COURSE OPERA				
					FOOD / BEV				
					SIM				
					TOTAL				
					OPERATING REVENUES	89	674	64	21
					OPERATING EXPENSES (EXCLUDING DEPRECIATION)	29	433	101	(6)
					OPERATING INCOME				

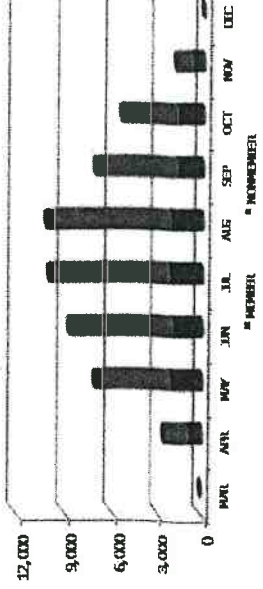
# KEY GOLF COURSE BENCHMARKING DATA

ROUNDS OF GOLF PLAYED (SEASON)



	2017 YTD	2016 YTD	2016 SEASON
ROUNDS PLAYED	53,087	54,729	54,936
RAIN DAYS	52	60	60

2017 MEMBER / NONMEMBER ROUNDS (SEASON)



GOLF SIMULATOR REVENUES

	FY 2017	FY 2018
JULY	\$ 148	\$ 253
AUGUST	64	992
SEPTEMBER	-	251
OCTOBER	3,827	3,135
NOVEMBER	12,420	-
DECEMBER	21,198	-
JANUARY	28,021	-
FEBRUARY	23,123	-
MARCH	25,130	-
APRIL	9,270	-
MAY	1,345	-
JUNE	253	-
<b>TOTAL</b>	<b>\$ 124,799</b>	<b>\$ 4,631</b>

BAR AND GRILL GROSS SALES

	FY 2017	FY 2018
JULY	\$ 183,674	\$ 195,199
AUGUST	191,472	210,451
SEPTEMBER	160,353	178,766
OCTOBER	122,716	156,482
NOVEMBER	88,068	-
DECEMBER	108,400	-
JANUARY	91,004	-
FEBRUARY	82,539	-
MARCH	86,387	-
APRIL	118,351	-
MAY	172,014	-
JUNE	204,313	-
<b>TOTAL</b>	<b>\$ 1,659,595</b>	<b>\$ 740,898</b>

2017 ROUNDS-SEASON

MEMBER	14,307
NONMEMBER	38,780
<b>TOTAL</b>	<b>53,087</b>

2016 ROUNDS-SEASON

MEMBER	17,239
NONMEMBER	37,490
<b>TOTAL</b>	<b>54,729</b>

CLUB / COURSE FUNCTIONS

	FY 2018 YTD	FY 2017 YTD
GROUPS 12-40	27,642	38,901
TOURNAMENT PLAY	131,425	127,347
LEAGUES	47,489	53,431
FOOD AND ROOM FEES	123,469	104,707

# STATEMENT OF OPERATIONS FOR THE FOUR MONTH PERIOD ENDING OCTOBER 31, 2017 PORT AUTHORITY OF NEW HAMPSHIRE (UNRESTRICTED)

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	OPERATING REVENUES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET
OPERATING REVENUES	931	897	34	2,220	FACILITY RENTALS	219	223	(4)	691
OPERATING EXPENSES					CONCESSION REVENUE	3	6	(3)	6
PERSONNEL SERVICES AND BENEFITS	379	346	33	999	FEE REVENUE				
BUILDINGS AND FAC AND MAINTENANCE	38	37	1	177	MOORING FEES	111	108	2	325
GENERAL AND ADMINISTRATIVE	68	61	7	213	PARKING	86	82	4	116
UTILITIES	32	34	(2)	116	REGISTRATIONS	19	12	7	150
PROFESSIONAL SERVICES	13	12	1	26	WHARF / DOCK	12	53	(41)	214
MARKETING AND PROMOTION	-	1	(1)	2	FUEL SALES	228	255	(27)	805
ALL OTHER - FUEL	311	340	(29)	588	ALL OTHER	417	370	47	625
	841	831	10	2,121	TOTAL	931	897	34	2,220
OPERATING INCOME	90	66	24	99	BUSINESS UNIT ANALYSIS				
NONOPERATING (INCOME) AND EXPENSE	-	-	-	(1)	OPERATING REVENUES	172	144	28	129
DEPRECIATION	239	264	(7)	741	OPERATING EXPENSES (EXCLUDING DEPRECIATION)	143	98	45	110
NET OP INCOME	(149)	(180)	31	(641)	OPERATING INCOME	29	46	(17)	(109)
					HAMPTON HARBOR				
					RYE HARBOR				
					PORTSMOUTH FISH PIER				
					MARKET STREET				
					HARBOR MANAG				
					ADMIN				

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

(\$ 000's)

	YEAR TO DATE ACTUAL		YEAR TO DATE BUDGET		CURRENT YEAR VARIANCE		YEAR TO DATE BUDGET		CURRENT YEAR VARIANCE		FISCAL YEAR BUDGET	
	29	26	3	107	3	3	5	5	5	5	5	5
HARBOR DREDGING	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	FOREIGN TRADE ZONE	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET			
OPERATING REVENUES	29	26	3	107	OPERATING REVENUES	5	5	-	5			
OPERATING EXPENSES					OPERATING EXPENSES							
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	PERSONNEL SERVICES AND BENEFITS	-	-	-	-			
BUILDINGS AND FACILITIES MAINTENANCE	17	13	4	50	BUILDINGS AND FACILITIES MAINTENANCE	9	-	9	-			
GENERAL AND ADMINISTRATIVE	4	-	4	-	GENERAL AND ADMINISTRATIVE	-	-	-	1			
UTILITIES	-	-	-	-	UTILITIES	-	-	-	-			
PROFESSIONAL SERVICES	-	-	-	-	PROFESSIONAL SERVICES	-	-	-	-			
MARKETING AND PROMOTION	-	-	-	-	MARKETING AND PROMOTION	1	3	(2)	8			
ALL OTHER	-	-	-	-	ALL OTHER	-	-	-	-			
	21	13	8	50		10	3	7	9			
OPERATING INCOME	8	13	(5)	57	OPERATING INCOME	(5)	2	(7)	(4)			
NONOPERATING (INCOME) AND EXPENSE	-	-	-	(1)	NONOPERATING (INCOME) AND EXPENSE	-	-	-	-			
DEPRECIATION	22	22	-	65	DEPRECIATION	-	-	-	-			
NET OPERATING INCOME	(14)	(9)	(5)	(7)	NET OPERATING INCOME	(5)	2	(7)	(4)			

# STATEMENT OF OPERATIONS FOR THE FOUR MONTH PERIOD ENDING OCTOBER 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		
<b>REVOLVING LOAN FUND</b>						
<b>OPERATING REVENUES</b>	15	16	(1)	48		
<b>OPERATING EXPENSES</b>						
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	111	104
BUILDINGS AND FACILITIES MAINTENANCE	-	-	-	-	111	104
GENERAL AND ADMINISTRATIVE	1	-	1	-	132	132
UTILITIES	-	-	-	-	940	956
PROFESSIONAL SERVICES	8	8	-	22	1,072	1,088
MARKETING AND PROMOTION	-	-	-	-	1,183	1,192
ALL OTHER	-	-	-	-	90.6	91.3
<b>OPERATING INCOME</b>	6	8	(2)	26		
<b>NONOPERATING (INCOME) AND EXPENSE</b>	-	-	-	-	15.6	16.3
<b>DEPRECIATION</b>	-	-	-	-		
<b>NET OPERATING INCOME</b>	6	8	(2)	26		

### REVOLVING LOAN FUND RECONCILIATION

	BALANCE AT 06-30-2017	BALANCE AT 10-31-2017
<b>CASH BALANCES</b>		
GENERAL FUNDS	111	104
SEQUESTERED FUNDS	-	-
<b>LOANS OUTSTANDING</b>	111	104
CURRENT	132	132
LONG TERM	940	956
<b>CAPITAL UTILIZATION RATE- % (*)</b>	1,072	1,088
	1,183	1,192
	90.6	91.3
<b>FUND EXCESS (DEFICIENCY) - % (*)</b>	15.6	16.3

(\*) EXCLUDES SEQUESTERED FUNDS.

# PEASE DEVELOPMENT AUTHORITY STATEMENT OF NET POSITION

(EXCLUDING PORT AUTHORITY OF NEW HAMPSHIRE)

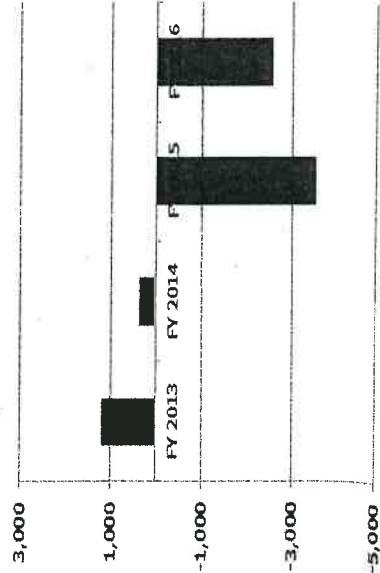
(\$ 000's)

	JUN 30 2017	OCT 31 2017	JUN 30 2017	OCT 31 2017
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
CASH AND EQUIVALENTS	3,256	5,530	1,231	2,200
ACCOUNTS RECEIVABLE- NET	1,258	531	888	104
OTHER ASSETS	493	371	408	141
<b>TOTAL CURRENT ASSETS</b>	<b>5,007</b>	<b>6,432</b>	<b>2,527</b>	<b>2,445</b>
<b>RESTRICTED ASSETS</b>				
CASH AND EQUIVALENTS	-	-	-	-
ACCOUNTS RECEIVABLES- NET	-	-	-	-
<b>TOTAL RESTRICTED ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CAPITAL ASSETS</b>				
LAND, BUILDINGS AND EQUIPMENT	54,127	54,008	-	-
CONSTRUCTION IN PROCESS (PAGES #10-#14)	1,287	346	-	-
<b>TOTAL CAPITAL ASSETS</b>	<b>55,414</b>	<b>54,354</b>	<b>1,178</b>	<b>53,901</b>
<b>TOTAL ASSETS</b>	<b>60,421</b>	<b>60,787</b>	<b>3,705</b>	<b>2,346</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
PENSION	1,380	1,380	-	-
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	1,231	2,200	-	-
ACCOUNTS PAYABLE- CONSTRUCTION	888	104	-	-
UNEARNED REVENUE	408	141	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	116	116	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,642</b>	<b>2,561</b>	<b>2,642</b>	<b>2,561</b>
<b>NONCURRENT LIABILITIES</b>				
NET PENSION LIABILITY	4,355	4,355	-	-
OTHER LT LIABILITIES	316	312	-	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>4,671</b>	<b>4,667</b>	<b>4,671</b>	<b>4,667</b>
<b>TOTAL LIABILITIES</b>	<b>7,313</b>	<b>7,228</b>	<b>7,313</b>	<b>7,228</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
PENSION	162	162	-	-
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	54,178	53,901	-	-
RESTRICTED FOR:				
REVOLVING LOAN FUND	-	-	-	-
HARBOR DREDGING	-	-	-	-
FOREIGN TRADE ZONE	-	-	-	-
UNRESTRICTED	148	875	-	-
<b>TOTAL NET POSITION</b>	<b>54,326</b>	<b>54,776</b>	<b>1,178</b>	<b>53,901</b>

### DISCUSSION AND ANALYSIS

- CONTINUED FINANCIAL OBLIGATION TO SUPPORT NONGRANT RELATED CAPITAL PROJECTS AND DEBT REPAYMENT.
- ACCRUED PENSION LIABILITY.
- 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)

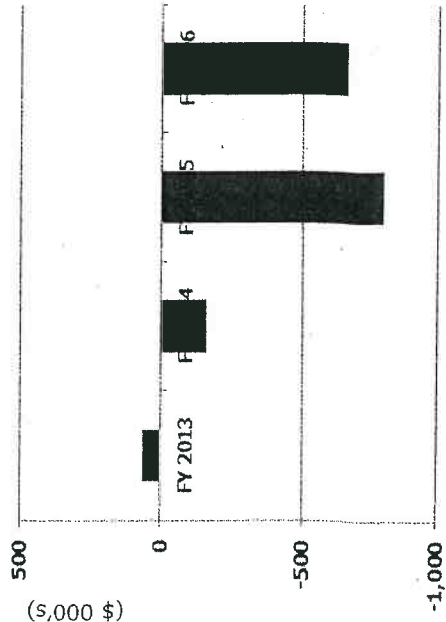
	JUN 30 2017	OCT 31 2017
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLE	233	195
ACCOUNTS PAYABLE- CONSTRUCTION	-	-
UNEARNED REVENUE	291	151
REVOLVING LOC FACILITY	-	-
CURRENT PORTION- LT LIABILITIES	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>524</b>	<b>346</b>
<b>NONCURRENT LIABILITIES</b>		
NET PENSION LIABILITY	1,135	1,135
OTHER LT LIABILITIES	22	18
	<u>1,157</u>	<u>1,153</u>
<b>TOTAL LIABILITIES</b>	<b>1,681</b>	<b>1,499</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
PENSION	47	47
<b>NET POSITION</b>		
NET INVESTMENT IN CAPITAL ASSETS	9,588	9,354
RESTRICTED FOR: REVOLVING LOAN FUND HARBOR DREDGING FOREIGN TRADE ZONE UNRESTRICTED	(500)	(411)
<b>TOTAL NET POSITION</b>	<b>9,089</b>	<b>8,943</b>

	JUN 30 2017	OCT 31 2017
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
CASH AND EQUIVALENTS	776	781
ACCOUNTS RECEIVABLE- NET	66	(26)
OTHER ASSETS	44	38
<b>TOTAL CURRENT ASSETS</b>	<b>886</b>	<b>793</b>
<b>RESTRICTED ASSETS</b>		
CASH AND EQUIVALENTS	-	-
ACCOUNTS RECEIVABLES- NET	-	-
<b>TOTAL RESTRICTED ASSETS</b>	<b>-</b>	<b>-</b>
<b>CAPITAL ASSETS</b>		
LAND, BUILDINGS AND EQUIPMENT	9,573	9,333
CONSTRUCTION IN PROCESS (PAGES #10-#14)	16	21
<b>TOTAL ASSETS</b>	<b>9,589</b>	<b>9,354</b>
	<u>10,475</u>	<u>10,147</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
PENSION	342	342

**DISCUSSION AND ANALYSIS**

- CONTINUED FINANCIAL OBLIGATION TO SUPPORT UNREIMBURSED CAPITAL PROJECTS AND ACCRUED PENSION LIABILITY.
- \$ 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 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

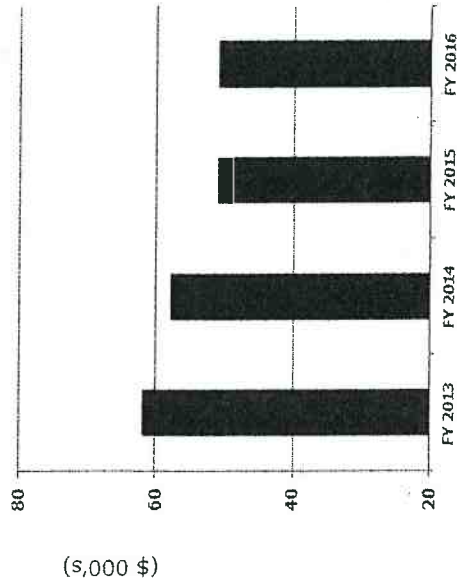
(\$ 000's)

	JUN 30 2017	OCT 31 2017	JUN 30 2017	OCT 31 2017
<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	47	36	47	36
ACCOUNTS RECEIVABLES- NET	-	5	-	5
TOTAL RESTRICTED ASSETS	<u>47</u>	<u>41</u>	<u>47</u>	<u>41</u>
<b>CAPITAL ASSETS</b>				
LAND, BUILDINGS AND EQUIPMENT	-	-	-	-
CONSTRUCTION IN PROCESS (PAGES #10-#14)	-	-	-	-
<b>TOTAL ASSETS</b>	<u>47</u>	<u>41</u>	<u>47</u>	<u>41</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	47	41	47	41
UNRESTRICTED	-	-	-	-
<b>TOTAL NET POSITION</b>	<u>47</u>	<u>41</u>	<u>47</u>	<u>41</u>

**DISCUSSION AND ANALYSIS**

- CURRENTLY EXPLORING ACCELERATED MARKETING PLAN TO ATTRACT POTENTIAL VENDORS.

**NET RESTRICTED POSITION  
AT JUNE 30**



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

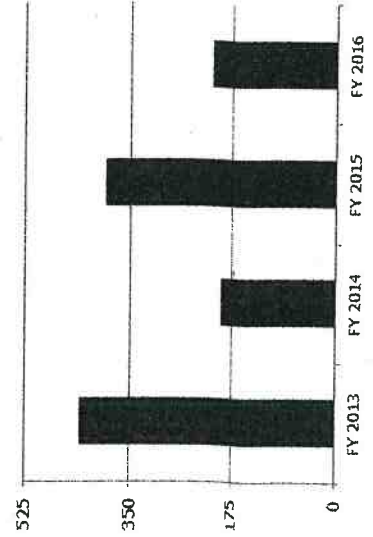
(\$ 000's)

	JUN 30 2017	OCT 31 2017	JUN 30 2017	OCT 31 2017
<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	537	540	537	540
ACCOUNTS RECEIVABLES- NET	4	1	4	1
TOTAL RESTRICTED ASSETS	<u>541</u>	<u>541</u>	<u>541</u>	<u>541</u>
<b>CAPITAL ASSETS</b>				
LAND, BUILDINGS AND EQUIPMENT	668	656	668	656
CONSTRUCTION IN PROCESS (PAGES #10-#14)	-	-	-	-
<b>TOTAL ASSETS</b>	<u>668</u>	<u>656</u>	<u>668</u>	<u>656</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
PENSION	-	-	-	-
<b>TOTAL NET POSITION</b>	<u>1,209</u>	<u>1,197</u>	<u>1,209</u>	<u>1,197</u>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	253	-	253	-
ACCOUNTS PAYABLE- CONSTRUCTION	-	-	-	-
UNEARNED REVENUE	-	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	-	-	-	-
TOTAL CURRENT LIABILITIES	<u>253</u>	<u>254</u>	<u>253</u>	<u>254</u>
<b>NONCURRENT LIABILITIES</b>				
NET PENSION LIABILITY	-	-	-	-
OTHER LT LIABILITIES	-	-	-	-
TOTAL LIABILITIES	<u>253</u>	<u>254</u>	<u>253</u>	<u>254</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
PENSION	-	-	-	-
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	668	656	668	656
RESTRICTED FOR:				
REVOLVING LOAN FUND	-	-	-	-
HARBOR DREDGING	288	287	288	287
FOREIGN TRADE ZONE	-	-	-	-
UNRESTRICTED	-	-	-	-
<b>TOTAL NET POSITION</b>	<u>956</u>	<u>943</u>	<u>956</u>	<u>943</u>

### DISCUSSION AND ANALYSIS

- CONTINUED FINANCIAL OBLIGATION TO SUPPORT UNREIMBURSED CAPITAL PROJECTS OR REPAIRS AND MAINTENANCE FOR PORT OPERATIONS. FOR FY 2018:
  - ICE COMPRESSOR REPAIR- PFP 9
  - ROADWAY REPAIRS- HAMPTON 5
  - FUEL SHACK CAMERA- RYE 4
  - PTZ SECURITY CAMERA-RYE 4
  - ONE TON LOADSTAR REPAIR 4
  - COOLER UNIT REPAIRS- PFP 2
  - MULTI CAMERA REPAIRS-MKT ST 1

### NET RESTRICTED POSITION AT JUNE 30



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

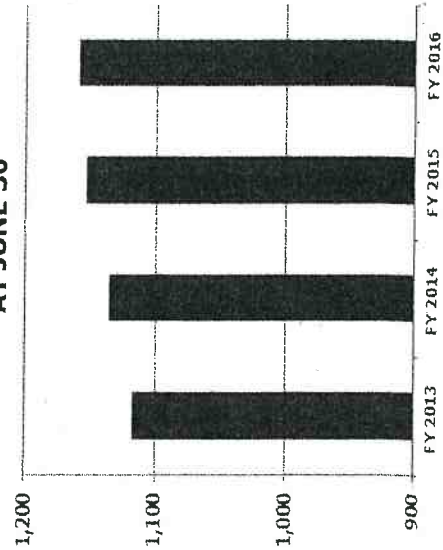
(\$ 000's)

	JUN 30 2017	OCT 31 2017	JUN 30 2017	OCT 31 2017
<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	111	104	111	104
ACCOUNTS RECEIVABLES- NET	1,072	1,087	1,072	1,087
TOTAL RESTRICTED ASSETS	<u>1,183</u>	<u>1,191</u>	<u>1,183</u>	<u>1,191</u>
<b>CAPITAL ASSETS</b>				
LAND, BUILDINGS AND EQUIPMENT	-	-	-	-
CONSTRUCTION IN PROCESS (PAGES #10-#14)	-	-	-	-
<b>TOTAL ASSETS</b>	<u>1,183</u>	<u>1,191</u>	<u>1,183</u>	<u>1,191</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
PENSION	-	-	-	-
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	1	-	1	-
ACCOUNTS PAYABLE- CONSTRUCTION	-	-	-	-
UNEARNED REVENUE	-	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	-	-	-	-
TOTAL CURRENT LIABILITIES	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<b>NONCURRENT LIABILITIES</b>				
NET PENSION LIABILITY	-	-	-	-
OTHER LT LIABILITIES	-	-	-	-
TOTAL LIABILITIES	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
PENSION	-	-	-	-
<b>NET POSITION</b>				
NET INVESTMENT IN CAPITAL ASSETS	-	-	-	-
RESTRICTED FOR:				
REVOLVING LOAN FUND	1,182	1,189	1,182	1,189
HARBOR DREDGING	-	-	-	-
FOREIGN TRADE ZONE	-	-	-	-
UNRESTRICTED	-	-	-	-
<b>TOTAL NET POSITION</b>	<u>1,182</u>	<u>1,189</u>	<u>1,182</u>	<u>1,189</u>

### DISCUSSION AND ANALYSIS

- STEADY STATE WITH NO INDICATION OF ANY FINANCIAL CHALLENGES RELATIVE TO THE FUND BALANCE.
- LOAN RATIO IN EXCESS OF 75.0%.
- 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



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**CASH FLOW PROJECTIONS FOR THE  
NINE MONTH PERIOD ENDING  
AUGUST 31, 2018**

**BOARD OF DIRECTORS MEETING  
DECEMBER 14, 2017**



# PEASE DEVELOPMENT AUTHORITY CASH FLOW SUMMARY OVERVIEW DECEMBER 1, 2017 TO AUGUST 31, 2018

(EXCLUDING DIVISION OF PORTS AND HARBORS)

(\$ 000's)

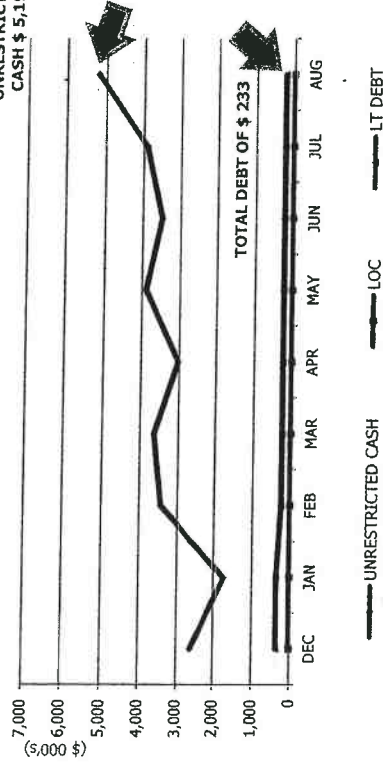
	AMOUNT
<b>OPENING FUND BALANCE</b>	<b><u>5,267</u></b>
<b>SOURCES OF FUNDS</b>	
TRADEPORT TENANTS	6,990
GRANT AWARDS (SEE PAGE #8)	5,681
GOLF COURSE FEE AND CONCESSION REVENUES	1,680
PORTSMOUTH AIRPORT	420
SKYHAVEN AIRPORT HANGAR AND FUEL REVENUES	134
MUNICIPAL SERVICE FEE (COP)- NET	13
EXTERNAL BANK WORKING CAPITAL- NET	-
	<u>14,918</u>
<b>USES OF FUNDS</b>	
PERSONNEL SERVICES AND BENEFITS	4,610
CAPITAL EXPENDITURES- GRANT (SEE PAGE #4)	5,893
OPERATING EXPENSES	3,700
CAPITAL EXPENDITURES- NON GRANT (SEE PAGES #5-#7)	670
LONG TERM DEBT RETIREMENT	116
	<u>14,989</u>
<b>NET CASH FLOW</b>	<b><u>(71)</u></b>
<b>CLOSING FUND BALANCE</b>	<b><u>5,196</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 AND REIMBURSEMENT FORECAST AND 3) TRADEPORT REVENUE STREAMS.

**PROJECTED CASH AND DEBT BALANCES** UNRESTRICTED CASH \$ 5,196



TOTAL FUND BALANCES	BALANCE AT 11-30-2017	BALANCE AT 06-30-2017
PDA UNRESTRICTED	5,267	3,246
PDA DESIGNATED	16	11
<b>TOTAL</b>	<b><u>5,283</u></b>	<b><u>3,257</u></b>

# PEASE DEVELOPMENT AUTHORITY STATEMENT OF CASH FLOW

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

3

(\$ 000's)

	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	TOTAL
<b>OPENING FUND BALANCE</b>	<u>5,267</u>	<u>2,591</u>	<u>1,728</u>	<u>3,430</u>	<u>3,637</u>	<u>3,021</u>	<u>3,898</u>	<u>3,493</u>	<u>3,912</u>	<u>5,267</u>
<b>SOURCES OF FUNDS</b>										
TRADEPORT TENANTS	660	660	1,080	650	665	1,085	665	855	670	<b>6,990</b>
GRANT AWARDS (SEE PAGE #8)	72	1,990	1,520	278	-	228	720	-	873	<b>5,681</b>
MUNICIPAL SERVICE FEE	250	250	375	250	250	375	250	250	375	<b>2,625</b>
GOLF COURSE	120	85	75	160	200	200	250	290	300	<b>1,680</b>
PORTSMOUTH AIRPORT	45	45	50	45	45	50	45	45	50	<b>420</b>
SKYHAVEN AIRPORT	14	14	14	14	14	15	15	17	17	<b>134</b>
WORKING CAPITAL RLOC- NET	-	-	-	-	-	-	-	-	-	-
	<u>1,161</u>	<u>3,044</u>	<u>3,114</u>	<u>1,397</u>	<u>1,174</u>	<u>1,953</u>	<u>1,945</u>	<u>1,457</u>	<u>2,285</u>	<u>17,530</u>
<b>USE OF FUNDS</b>										
CAPITAL- GRANT RELATED (SEE PAGE #4)	2,882	1,202	250	185	885	231	85	93	80	<b>5,893</b>
PERSONNEL SERVICES AND BENEFITS	515	525	535	500	485	480	495	525	550	<b>4,610</b>
OPERATING EXPENSES	415	645	375	430	400	310	400	375	350	<b>3,700</b>
MUNICIPAL SERVICE FEE	-	1,285	21	-	-	-	1,285	-	21	<b>2,612</b>
CAPITAL- NONGRANT (SEE PAGES #5-#7)	25	250	115	75	20	55	85	45	-	<b>670</b>
LONG TERM DEBT RETIREMENT	-	-	<u>116</u>	-	-	-	-	-	-	<b>116</b>
	<u>3,837</u>	<u>3,907</u>	<u>1,412</u>	<u>1,190</u>	<u>1,790</u>	<u>1,076</u>	<u>2,350</u>	<u>1,038</u>	<u>1,001</u>	<u>17,601</u>
<b>NET CASH FLOW</b>	(2,676)	(863)	1,702	207	(616)	877	(405)	419	1,284	<b>(71)</b>
<b>CLOSING FUND BALANCE</b>	<u>2,591</u>	<u>1,728</u>	<u>3,430</u>	<u>3,637</u>	<u>3,021</u>	<u>3,898</u>	<u>3,493</u>	<u>3,912</u>	<u>5,196</u>	<u>5,196</u>

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

(\$ 000's)

	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	TOTAL
<b><u>GRANT REIMBURSEMENT</u></b>										
<b>PORTSMOUTH AIRPORT</b>										
AIR NATIONAL GUARD TAXIWAY	1,300	800	50	-	-	-	-	-	-	2,150
OBSTRUCTION MITIGATION- CONSTRUCT	725	27	5	5	200	20	-	-	-	982
RUNWAY 16-34 DESIGN	100	100	80	80	80	80	80	80	80	760
TERMINAL RESTROOMS	-	-	5	-	-	-	-	-	-	5
SECURITY IDENTIFICATION SYSTEM	-	40	-	-	-	-	-	-	-	40
OBSTRUCTION- DESIGN PHASE	-	-	10	-	-	-	-	-	-	10
TERMINAL PLANNING STUDY	350	35	-	-	-	-	-	8	-	393
TERMINAL EXPANSION DESIGN AND CONSTRUCTION	-	200	100	100	100	100	-	-	-	600
<b>SKYHAVEN AIRPORT</b>										
TAXILANE PAVEMENT (CONSTRUCTION)	407	-	-	-	5	31	5	5	-	453
ROTARY PLOW **	-	-	-	-	500	-	-	-	-	500
	<b>2,882</b>	<b>1,202</b>	<b>250</b>	<b>185</b>	<b>885</b>	<b>231</b>	<b>85</b>	<b>93</b>	<b>80</b>	<b>5,893</b>

NOTE:  
\*\* PENDING BOARD APPROVAL

**PEASE DEVELOPMENT AUTHORITY  
CAPITAL EXPENDITURES**  
(CONTINUED)

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	TOTAL
<b><u>NONGRANT REIMBURSEMENT</u></b>										
<b>TRADEPORT</b>										
WATER TOWER LOGO	-	-	-	-	-	-	30	-	-	30
OIL WATER SEPARATOR CLEANING	-	30	-	-	-	-	-	-	-	30
	=	30	=	=	=	=	30	=	=	60

NOTE:  
\*\* PENDING BOARD APPROVAL



# PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

(CONTINUED):

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000s)

	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	TOTAL
<b><u>NONGRANT REIMBURSEMENT</u></b>										
<b>SKYHAVEN AIRPORT</b>										
TERMINAL PARKING LOT **	=	=	=	=	=	25	=	=	=	25
<b>ADMINISTRATION</b>										
COMPUTERS / PRINTERS / SOFTWARE / SERVERS / TELECOMMUNICATIONS **	=	35	=	=	=	=	25	=	=	60
<b>GOLF COURSE</b>										
CLUBHOUSE RENOVATIONS	-	40	-	-	-	-	-	-	-	40
BLUE COURSE BRIDGE	25	50	75	40	=	=	=	=	=	190
	25	90	75	40	=	=	=	=	=	230

NOTE:  
\*\* PENDING BOARD APPROVAL

# PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

(CONTINUED):

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	TOTAL
<b><u>NONGRANT REIMBURSEMENT</u></b>										
<i>(CONTINUED):</i>										
<b>PORTSMOUTH AIRPORT</b>										
TERMINAL RUNWAY RELAMPING (LED) **	-	-	-	-	20	30	-	-	-	50
NORTH WEATHER STATION GENERATOR **	-	-	-	35	-	-	-	-	-	35
PARKING LOT POLES- LED ENERGY EFFICIENCY CONVERSION **	-	30	-	-	-	-	-	-	-	30
	=	<u>30</u>	=	<u>35</u>	<u>20</u>	<u>30</u>	=	=	=	<u>115</u>
<b>MAINTENANCE</b>										
SIDEWALK SNOW PLOW **	-	105	-	-	-	-	-	-	-	105
BUILDING INFRASTRUCTURE**	-	-	-	-	-	-	30	-	-	30
VEHICLE FLEET REPLACEMENT **	-	-	-	-	-	-	-	45	-	45
	=	<u>105</u>	=	=	=	=	<u>30</u>	<u>45</u>	=	<u>180</u>
<b>TOTAL NONGRANT</b>	<b>25</b>	<b>250</b>	<b>115</b>	<b>75</b>	<b>20</b>	<b>55</b>	<b>85</b>	<b>45</b>	<b>=</b>	<b>670</b>

NOTE:  
\*\* PENDING BOARD APPROVAL

# PEASE DEVELOPMENT AUTHORITY RECEIPT GRANT AWARDS

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	TOTAL
<b>PORTSMOUTH AIRPORT</b>										
AIR NATIONAL GUARD TAXIWAY ALPHA	-	1,300	800	50	-	-	-	-	-	2,150
OBSTRUCTION MITIGATION- CONSTRUCT	-	690	-	-	-	-	245	-	-	935
SECURITY IDENTIFICATION SYSTEM	-	-	-	38	-	-	-	-	-	38
RUNWAY 16-34 DESIGN	-	-	-	190	-	228	-	-	228	646
TERMINAL BATHROOM RENOVATIONS	72	-	-	-	-	-	-	-	-	72
TERMINAL PLANNING STUDY	-	-	335	-	-	-	-	-	-	335
TERMINAL EXPANSION DESIGN AND CONSTRUCTION	-	-	-	-	-	-	-	-	600	600
<b>SKYHAVEN AIRPORT</b>										
TAXILANE PAVEMENT (CONSTRUCTION)	-	-	385	-	-	-	-	-	45	430
ROTARY PLOW **	-	-	-	-	-	-	475	-	-	475
<b>TOTAL GRANT</b>	<b>72</b>	<b>1,990</b>	<b>1,520</b>	<b>278</b>	<b>-</b>	<b>228</b>	<b>720</b>	<b>-</b>	<b>873</b>	<b>5,681</b>

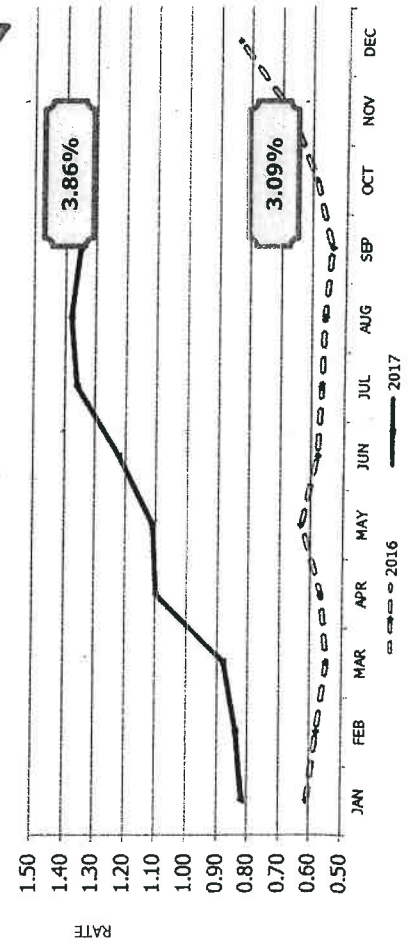
# PEASE DEVELOPMENT AUTHORITY CREDIT FACILITIES AND OUTSTANDING DEBT ANALYSIS

(\$ 000's)

<b>AMOUNT OF ORIGINAL CREDIT FACILITY</b>	THE PROVIDENT BANK (RLOC)	5,000
<b>AMOUNT AVAILABLE</b>		5,000
<b>EFFECTIVE DATE</b>		03-10-2011
<b>TERM DATE</b>		12-31-2018
<b>PURPOSE</b>		TO PROVIDE WORKING CAPITAL
<b>INTEREST RATE</b>		ONE MONTH FHLB (CLASSIC) + 250 BASIS POINTS
<b>MINIMUM SIZE OF DRAWDOWN</b>		NO MINIMUM
<b>OTHER</b>		DOES NOT CARRY THE STATE GUARANTEE

OUTSTANDING DEBT ANALYSIS	BALANCE AT 11-30-2017	BALANCE AT 06-30-2017	Maturity DATE	INTEREST RATE %
	THE PROVIDENT BANK (RLOC)	-		
CITY OF PORTSMOUTH	349	349	12-31-2020	4.50
<b>WEIGHTED AVERAGE</b>	<b>349</b>	<b>349</b>		<b>4.50</b>

TRENDING THE ONE MONTH FHLB (BOSTON) INTEREST RATE



# DIVISION OF PORTS AND HARBORS CASH FLOW SUMMARY OVERVIEW

(EXCLUDING RESTRICTED FUNDS)

(\$ 000'S)

	AMOUNT
<b>OPENING FUND BALANCE</b>	<b><u>735</u></b>
<b>SOURCES OF FUNDS</b>	
FACILITY RENTALS	510
MOORING FEES	325
REGISTRATIONS / WHARFAGE	285
FUEL SALES	185
PARKING FEES AND CONCESSIONS	131
	<u>1,436</u>
<b>USES OF FUNDS</b>	
PERSONNEL SERVICES AND BENEFITS	1,084
OPERATING EXPENSES	422
FUEL PROCUREMENT	175
CAPITAL EXPENDITURES	20
	<u>1,701</u>
	<u>(265)</u>
<b>NET CASH FLOW</b>	
<b>CLOSING FUND BALANCE</b>	<b><u>470</u></b>

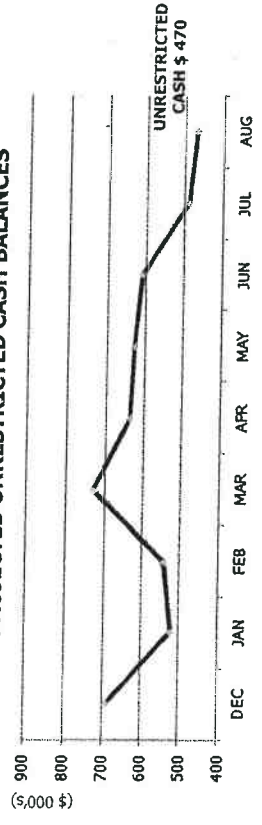
**DISCUSSION**

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

LEASE AGREEMENT WITH GRANITE STATE MINERALS IS EFFECTIVE **NOVEMBER 15, 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 11-30-2017	BALANCE AT 06-30-2017
UNRESTRICTED FUNDS	735	775
HARBOR DREDGING	543	538
FOREIGN TRADE ZONE	26	46
REVOLVING LOAN FUND	<u>126</u>	<u>111</u>
<b>TOTAL</b>	<b><u>1,430</u></b>	<b><u>1,470</u></b>

# DIVISION OF PORTS AND HARBORS STATEMENT OF CASH FLOW- UNRESTRICTED FUNDS

(\$ 000's)

	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	TOTAL
<b>OPENING FUND BALANCE</b>	<u>735</u>	<u>691</u>	<u>522</u>	<u>542</u>	<u>730</u>	<u>637</u>	<u>627</u>	<u>608</u>	<u>491</u>	<u>735</u>
<b>SOURCES OF FUNDS</b>										
FACILITY RENTALS	55	55	57	57	57	57	58	57	57	510
CONCESSION REVENUES	-	-	5	-	2	2	2	-	-	11
MOORING FEES	-	-	50	200	50	25	-	-	-	325
REGISTRATIONS / WHARFAGE	25	45	25	45	40	40	25	25	15	285
PARKING FEES	-	-	-	-	-	10	30	40	40	120
FUEL SALES	20	20	20	15	15	20	25	25	25	185
	<u>100</u>	<u>120</u>	<u>157</u>	<u>317</u>	<u>164</u>	<u>154</u>	<u>140</u>	<u>147</u>	<u>137</u>	<u>1,436</u>
<b>USE OF FUNDS</b>										
PERSONNEL SERVICES AND BENEFITS	75	190	82	80	195	85	90	195	92	1,084
BUILDINGS AND FACILITIES	30	20	10	10	15	20	15	20	15	155
GENERAL AND ADMINISTRATIVE	10	11	12	12	12	11	12	11	11	102
UTILITIES	14	18	18	17	15	13	12	13	15	135
PROFESSIONAL SERVICES	-	10	-	-	10	-	-	10	-	30
FUEL PROCUREMENT	15	30	15	10	10	25	30	15	25	175
CAPITAL EXPENDITURES AND OTHER	-	10	-	-	-	10	-	-	-	20
	<u>144</u>	<u>289</u>	<u>137</u>	<u>129</u>	<u>257</u>	<u>164</u>	<u>159</u>	<u>264</u>	<u>158</u>	<u>1,701</u>
<b>NET CASH FLOW</b>	(44)	(169)	20	188	(93)	(10)	(19)	(117)	(21)	(265)
<b>CLOSING FUND BALANCE</b>	<u>691</u>	<u>522</u>	<u>542</u>	<u>730</u>	<u>637</u>	<u>627</u>	<u>608</u>	<u>491</u>	<u>470</u>	<u>470</u>

# DIVISION OF PORTS AND HARBORS STATEMENT OF CASH FLOW - HARBOR DREDGING FUND

(\$ 000'S)

	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	TOTAL
<b>OPENING FUND BALANCE</b>	<u>543</u>	<u>544</u>	<u>563</u>	<u>548</u>	<u>552</u>	<u>559</u>	<u>583</u>	<u>567</u>	<u>580</u>	<u>543</u>
<b>SOURCES OF FUNDS</b>										
PIER USAGE FEES	4	15	3	2	3	20	5	10	15	77
REGISTRATIONS	2	2	2	2	2	3	2	3	2	20
FUEL FLOWAGE FEES	3	2	2	2	2	3	2	3	2	21
<b>USE OF FUNDS</b>										
PERSONNEL SERVICES AND BENEFITS	9	19	7	6	7	26	9	16	19	118
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	3	-	-	2	-	-	-	3	2	10
UTILITIES	-	-	2	-	-	2	-	-	2	6
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER- (CBOC)	5	-	20	-	-	-	25	-	15	65
<b>NET CASH FLOW</b>	8	-	22	2	-	2	25	3	19	81
	1	19	(15)	4	7	24	(16)	13	-	37
<b>CLOSING FUND BALANCE</b>	<u>544</u>	<u>563</u>	<u>548</u>	<u>552</u>	<u>559</u>	<u>583</u>	<u>567</u>	<u>580</u>	<u>580</u>	<u>580</u>





# DIVISION OF PORTS AND HARBORS

## STATEMENT OF CASH FLOW- REVOLVING LOAN

(\$ 000's)

	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	TOTAL
<b>OPENING FUND BALANCE</b>	<u>126</u>	<u>28</u>	<u>114</u>	<u>131</u>	<u>146</u>	<u>163</u>	<u>180</u>	<u>198</u>	<u>216</u>	<u>126</u>
<b>SOURCES OF FUNDS</b>										
LOAN REPAYMENTS	13	83	14	14	14	14	15	15	15	197
INTEREST INCOME-LOANS	4	5	4	4	5	5	5	5	5	42
INTEREST INCOME- FUND BALANCE	-	-	1	-	-	-	1	-	-	2
SEQUESTERED FUNDS	-	-	-	-	-	-	-	-	-	-
	<u>17</u>	<u>88</u>	<u>19</u>	<u>18</u>	<u>19</u>	<u>19</u>	<u>21</u>	<u>20</u>	<u>20</u>	<u>241</u>
<b>USE OF FUNDS</b>										
NEW LOANS ISSUED	112	-	-	-	-	-	-	-	-	112
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	-	-	-	-	-	-	-	-	-	-
	<u>115</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>2</u>	<u>2</u>	<u>133</u>
<b>NET CASH FLOW</b>	(98)	86	17	15	17	17	18	18	18	108
<b>CLOSING FUND BALANCE</b>	<u>28</u>	<u>114</u>	<u>131</u>	<u>146</u>	<u>163</u>	<u>180</u>	<u>198</u>	<u>216</u>	<u>234</u>	<u>234</u>



November 22, 2017

John T. Ritson  
Equine Architectural Products, Inc.  
PO Box 27  
Pilesville, MD 21132

Sent via Email to : [jriston@equineap.com](mailto:jriston@equineap.com)

**Re: Right of Entry for Use of Portion of the Former Bulk Fuel Storage Area  
119 Arboretum Drive  
Pease International Tradeport, Portsmouth, NH**

Dear Ritson:

This Right of Entry will authorize Equine Architectural Products Inc., (Equine ) and/or any agents or contractors to enter upon a portion of the former Bulk Fuel Storage Area ("Premises") (see Exhibit A and area marked with a green rectangle) and shall be valid from November 27, 2017 through February 28, 2018 for the purpose of conducting, at its sole risk, the storage of plastic cable spools, related equipment and supplies and for no other use without the express written consent of the Pease Development Authority ("PDA"). The use, occupation and maintenance (to include snow plowing) of the Premises shall be: (a) without cost or expense to the PDA; (b) subject to the general supervision and approval of the PDA; (c) subject to such rules and regulations as the PDA may prescribe from time to time and, (d) subject to the approval of the Federal Aviation Administration ("FAA") for non-aeronautical use purposes. This Right of Entry shall terminate at midnight on February 28, 2018 or on one day's notice in the event of the failure of the FAA to grant its approval.

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

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

John T. Ritson  
Equine Architectural Products , Inc.  
November 22, 2017

judgements, costs and attorney's fees arising out of Equine 's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

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

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

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

5. Equine understands and acknowledges that it shall coordinate with the PDA Airport Management Department for its use and access to the Premises. The area is secured at night. Equine will be responsible for providing a lock to be used in a series (daisy chain) with other users.

6. Equine agrees to pay PDA a user's fee in the amount of Three Thousand Seven Hundred Forty 00/100 Dollars (\$3,740.00) per month, pro rated, for each month that the Premises are used. On the first day of each month during the term of this Right of Entry, PDA will bill Equine for the user's fee incurred during the previous month. The fee is based upon an area of 540' x 250' feet adjusted for the presence of monitoring wells as described below.

7. Equine acknowledges that Pease International Tradeport is a Superfund site with ongoing environmental remediation work. The Premises lies within a groundwater management zone (GMZ) and use restriction zone (URZ). Equine agrees that so groundwater disturbing activities will take place during occupancy. Any activity requiring ground disturbance or ground water handling is expressly prohibited.

8. Concurrent Work. Other portions of the paved areas at 119 Arboretum are being occupied by other parties. Equine shall co-ordinate its activities so as not to prohibit access to these parties and their vehicles and equipment.

John T. Ritson  
Equine Architectural Products , Inc.  
November 22, 2017

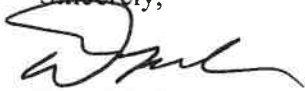
9. Municipal Services Fee. In addition to the Fee required to be paid under the terms of this Right of Entry, Equine shall also pay to PDA, as additional rent, a municipal services fee in accordance with the Municipal Services Agreement by and between the City of Portsmouth, the Town of Newington and the PDA effective July 1, 1998. This fee is for fire, police and roadway services provided by or on behalf of PDA at the Airport and will be subject to increases each year only to the extent the of the cost of providing such services increases. The municipal services fee shall be paid quarterly in advance at the times and in the fashion provided for the payment of the Right of Entry Fee. To the extent the Right of Entry Premises are subject to municipal taxation, and provided such municipal taxes include the costs of the provision of fire, police and roadway services, Equine may offset against any fee paid to PDA the portion of such municipal taxes as are attributable to fire, police and roadway services, and PDA shall have no further obligation to provide such services. For so long as municipal taxes are imposed against the Right of Entry Premises, or on Equine for all three of fire, police and roadway services and PDA either has no obligation to provide such services (or ceases to provide such services), the municipal services fee required to be paid under this Right of Entry shall terminate.

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

10. Equine will at all times during the existence of this Right of Entry, promptly observe and comply, at its sole cost and expense, with the provisions of all applicable federal, state and local laws, rules, regulations and standards, and in particular those provisions concerning the protection and enhancement of environmental quality, pollution control and abatement, safe drinking water, and solid and hazardous waste.

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

Sincerely,



David R. Mullen  
Executive Director

John T. Ritson  
Equine Architectural Products, Inc.  
November 22, 2017

Agreed and accepted this 21 day of November 2017

Equine Architectural Products, Inc.

By:

  
Duly Authorized

Printed Name: John T. Ritson

Title: President

cc: Paul Brean, Airport Director  
Mark H. Gardner, Deputy General Counsel

PAROE\EquineROE112717.wpd

EXHIBIT "A"

PREMISES



Google Earth



MOTION

Director Preston:

The Pease Development Authority Board of Directors hereby approves of and consents to extend the Right of Entry ("ROE") with AMEC Foster Wheeler Environment & Infrastructure, Inc. for the purpose of utilizing 3,200 square feet within the premises at 35 Airline Avenue for storing well testing equipment and associated materials. The extension is effective from December 1, 2017 through May 31, 2018; all on substantially the same terms and conditions as set forth in the Extension of Right of Entry dated November 17, 2017, attached hereto.

N:\RESOLVES\2017\ROE-AMEC 1217.docx



November 17, 2017

By Email Only (joe.malone@amecfw.com)

Charles H. Lyman  
Senior Project Scientist  
AMEC Foster Wheeler Environment & Infrastructure, Inc.  
511 Congress Street  
Portland, ME 04101

Re: Extension of Right of Entry - 35 Airline Avenue  
Pease International Tradeport, Portsmouth, NH

Dear Mr. Lyman:

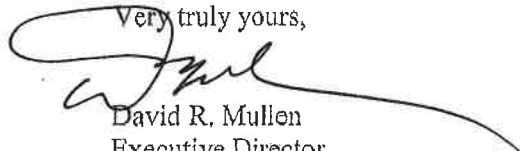
This letter will authorize AMEC Foster Wheeler Environment & Infrastructure, Inc. ("AMEC") and/or its agents and contractors to continue to use and enter upon the premises located at 35 Airline Avenue in Portsmouth, NH (the "Premises") for the period beginning December 1, 2017 through May 31, 2018 for the purpose of utilizing 3,200 square feet within the Premises, at its sole risk, for storage of well testing equipment and associated materials; and for no other use without the prior express written consent of Pease Development Authority ("PDA"). This Right of Entry will expire at midnight on May 31, 2018, unless otherwise extended by agreement of AMEC and PDA.

AMEC acknowledges that Enterprise Rent A Car Company of Boston, LLC ("Enterprise") will be permitted to use space outside of the facility as shown on Exhibit A (attached). AMEC also acknowledges that Enterprise will be permitted to install its own electrical meter or use electrical power from the building on a pro rata basis, which Enterprise and AMEC agree to work out as may be required.

All other terms and conditions of the Right of Entry dated December 18, 2015 shall remain in full force and effect and continue to be binding upon AMEC. Please sign and return your consent to the continuation of the Right of Entry pursuant to the terms and conditions as described herein.

Charles H. Lyman  
AMEC Foster Wheeler  
November 17, 2017  
Page 2

This option to extend is subject to the approval of the PDA Board of Directors at its next meeting which will be held on December 14, 2017.

Very truly yours,  
  
David R. Mullen  
Executive Director

DRM/smg

cc: Mark H. Gardner, Deputy General Counsel

Agreed and accepted this 5<sup>TH</sup> day of December, 2017

AMEC Foster Wheeler Environment & Infrastructure, Inc.

By: Joe Malone  
Duly Authorized  
Its: Real Estate Manager

EXHIBIT "A"

PREMISES



Exhibit Depicting Enterprise Work  
Area at 35 Airline Ave

DESIGNED BY: MRM      DATE: 5/10/17      SCALE: 1"=100'


MOTION

Director Torr:

The Pease Development Authority Board of Directors hereby approves of and consents to the extension of the Right of Entry ("ROE") with Port City Air, Inc. for the purpose of the storage of aircraft related ground support equipment. The extension is effective from January 1, 2018 through June 30, 2018 and may be extended an additional six (6) months subject to the approval of the Pease Development Authority Executive Director; all on substantially the same terms and conditions as set forth in the memorandum from Paul E. Brean, Airport Director, dated December 5, 2017, attached hereto.

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## Memorandum

**To:** David R. Mullen, Executive Director  
**From:** Paul E. Brean, Airport Director   
**Date:** 12/5/2017  
**Subj:** Port City Air, Inc. – Right of Entry Hangar 229

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Port City Air, Inc. presently has a Right of Entry (“ROE”) for the use of Hangar 229 which will expire on December 31, 2017. The existing ROE allows Port City Air, Inc. employees to enter and occupy Hangar 229. Specifically, Hangar 229 is utilized by Port City Air, Inc. to shelter ground service equipment which supports airline ground operations. The proximity of Hangar 229 to the airport terminal building is beneficial to airline operations.

I recommend a new six (6) month ROE commencing January 1, 2018 through June 30, 2018 with an option to extend an additional six (6) months after the initial term. The terms and conditions will be similar to the existing ROE set to expire, requiring Port City Air, Inc. to pay Pease Development Authority (“PDA”) \$0.75 per square foot per annum or \$1,775.00 per month for the use of Hangar 229.

I recommend that PDA reserves the right to terminate the ROE at any time. Termination of the ROE would allow Port City Air, Inc. three (3) months to vacate Hangar 229.

Please request Board approval at the meeting scheduled for December 14, 2017, to enter into a ROE with Port City Air, Inc. to occupy Hangar 229.

MOTION

Director Lamson:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Right of Entry with UNH Professional Development & Training from January 1, 2018 through December 31, 2018, for the purpose of conducting wetland education classes on various areas on the Tradeport; on substantially the same terms and conditions set forth in the draft Right of Entry dated December 5, 2017 and attached hereto.

N:\RESOLVES\Resolves\2017\ROE-UNH Classes 1217.docx

December 5, 2017

Jennifer Baker, Program Developer  
UNH Professional Development & Training  
11 Garrison Ave., Stoke G50  
Durham, NH 03824

Re: Right of Entry - Various Wetland Areas on Pease International Tradeport  
Pease International Airport, Portsmouth, NH

Dear Ms. Baker:

This Right of Entry will authorize the University of New Hampshire (“UNH”) and/or its students, research associates, agents and contractors to enter upon a portion of the above referenced Premises as shown on Exhibit A, attached and as approved by the Pease Development Authority (“PDA”) commencing on January 1, 2018 through December 31, 2018. This Right of Entry is granted to UNH for the purpose of conducting, at its sole risk, wetland education classes and for no other use without the express written consent of the PDA. This Right of Entry shall terminate at midnight on December 31, 2018, unless otherwise extended by agreement of UNH and PDA.

This authorization is conditioned upon the following:

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

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

3. UNH’s agreement herein that any use of the Premises is at its sole risk and that its signature below constitutes its agreement to assume full responsibility for any and all risk of loss or damage to property and injury or death to persons by reason of or incident to its entry or the entry by any of its students, employees, agents or contractors upon the premises and/or the exercise of any of the authorities granted herein. UNH expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of UNH’s use of the Premises or the conduct of activities or the performance of responsibilities under this



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

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

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

5. UNH's agreement herein that UNH and/or its students, research associates, agents and contractors shall not enter on any wetlands on the Tradeport without the express prior authorization from Maria Stowell, P.E. - Manager -Engineering Department. UNH shall obtain the consent from Ms. Stowell for use of a designated wetlands training area at least one week before each class begins.

6. UNH's agreement herein that UNH, its students, agents, contractors, and/or invitees will abide by all statutory and administrative rules and regulations governing New Hampshire wetlands including, but not limited to NH RSA 21-0, NH RSA 482-A, and NH RSA 674; and New Hampshire Department of Environmental Services (NH DES) Env-WT 100 - 900.

7. UNH's agreement herein that UNH, its agents, contractors, and/or invitees assume any and all responsibility and associated liability if any statutory and administrative rules and regulations governing wetlands and water quality are violated.

8. UNH's agreement herein that during the term of this Right of Entry there will be no disturbance or alterations to any wetlands used for training purposes that would require a permit from NH DES.

9. UNH's agreement herein that at the sole election of PDA, UNH will immediately remove from the Premises any equipment used in connection with this Right of Entry. UNH's

Jennifer Baker, Program Developer  
UNH Professional Development & Training  
December 5, 2017  
Page 3

further agrees to remove all equipment used during a training session on or before the end of each training session.

10. UNH's agreement herein that at the end of each training session, that UNH shall return the area(s) used during the training session to the same or better condition as found at the beginning of the training session.

11. UNH's agreement herein that any activity conducted in connection with this Right of Entry shall be directed by a person with knowledge of federal and state laws governing such activities.

12. UNH's agreement herein that this letter of authorization does not constitute a grant of an exclusive interest in the Premises, an option to lease the Premises or an offer to lease the Premises. UNH acknowledges and agrees that, except as otherwise set forth herein, no legal rights in the Premises shall arise or accrue to it by virtue of this Right of Entry.

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

Sincerely,

David R. Mullen  
Executive Director

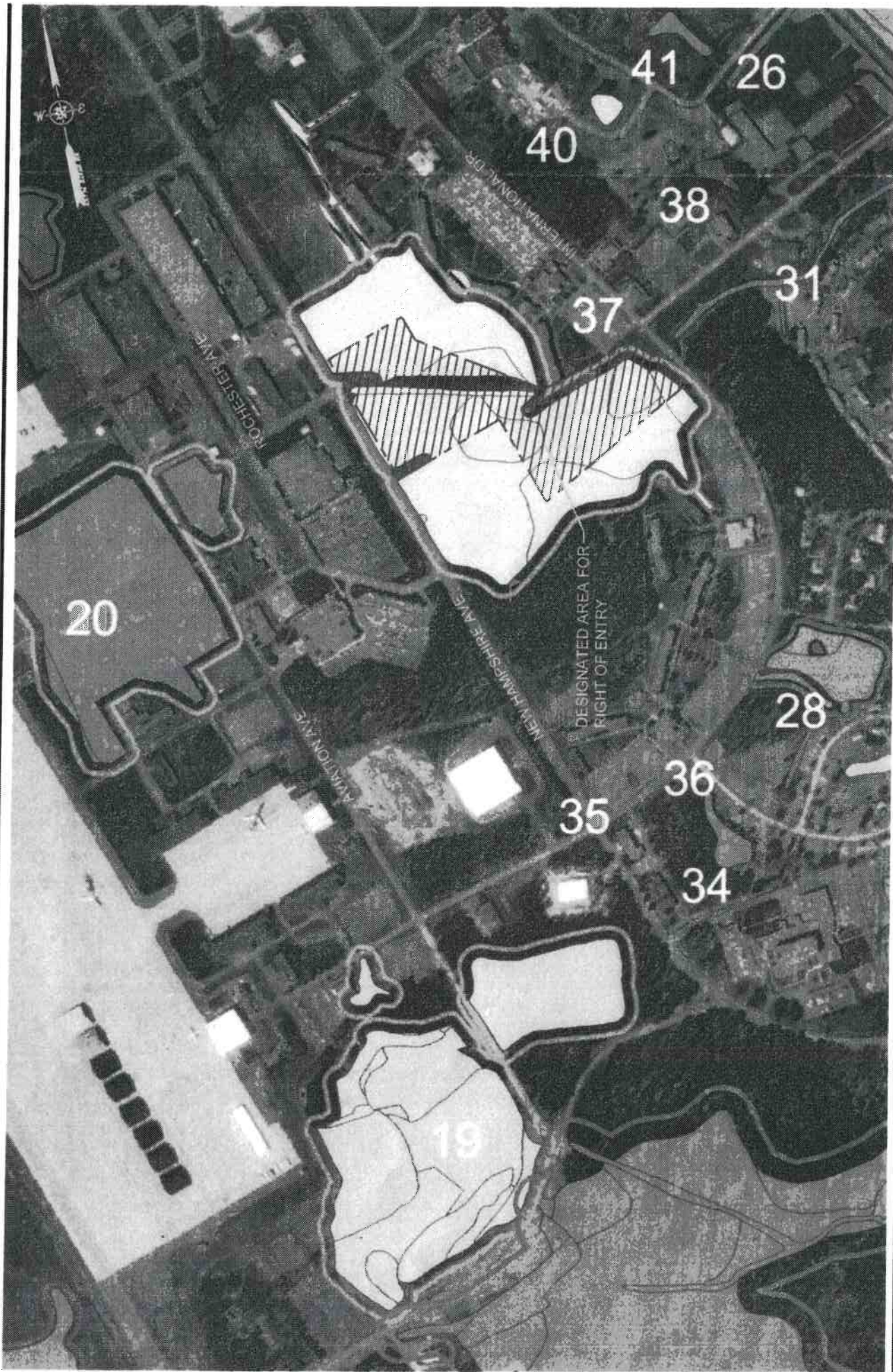
Agreed and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2017

University of New Hampshire - Professional Development & Training

By: \_\_\_\_\_  
Duly Authorized

EXHIBIT A

“PREMISES”



University of New Hampshire Right of Entry

DESIGNED BY: MRM      DATE: 12/6/17      SCALE: 1"=500'

**PEASE DEVELOPMENT AUTHORITY**

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

MOTION

Director Loughlin:

The Pease Development Authority Board of Directors authorizes the Executive Director to enter into to a three (3) year insurance brokerage service agreement, (excepting workers compensation and property coverages), with Cross Insurance, Inc., and a three (3) year insurance brokerage services agreement for property coverage with USI - New England, Inc., which agreements will include two (2) one (1) year options to extend which may be exercised at the sole discretion of the Executive Director.

Additionally, the Board further authorizes the Executive Director to accept and bind the insurance coverages as outlined on the schedule attached hereto, in the projected total amount of \$162,362.65 for the period of 12/31/17 through 12/31/18, in accordance with the memorandum of Mark H. Gardner dated December 7, 2017 and attached hereto.

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MEMORANDUM

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

From: Mark H. Gardner, Deputy General Counsel

Re: Renewal of PDA's Insurance Program

Date: December 7, 2017

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PDA has historically awarded insurance brokerage contracts for Tradeport and Airport insurance coverages on a three (3) year basis with two (2) one (1) year options to extend. As the current contract with Cross Insurance, Inc. is set to expire on December 31, 2017, requests for qualifications from insurance brokers were solicited this past summer for the purpose of seeking proposals for the renewal of PDA's insurance program.

USI - New England, Inc. of Manchester, NH; Cross Insurance Agency, Inc. of Exeter, NH; Fred C. Church, Inc. of Portsmouth, NH; HUB International New England, Inc. of Wilmington, MA and Arthur J. Gallagher & Co. of Boston, MA, were selected to submit proposals. With the exception of property and workers compensation coverages, the proposal submitted by Cross Insurance Agency, Inc. was deemed to be the most competitive. USI-New England submitted a competitive quote for property coverage and Fred C. Church, Inc. submitted a competitive quote for workers compensation coverage (see related memo and motion regarding workers compensation coverage in the Board package). HUB International New England, Inc. and Arthur J. Gallagher & Co. only submitted proposals for selective coverages which were not competitive. A summary of the submissions is attached to this memo. Additionally, I have attached a premium summary for the past five years for your review.

I recommend that all coverages, with the exception of property and workers compensation, be handled by Cross Insurance Agency, Inc. and that USI New England, Inc. handle PDA's property coverage. As noted Fred C. Church, Inc. will provide the workers compensation coverage through MEMIC.

At the December 14, 2017 meeting of the Board of Directors, please request approval to enter into a three (3) year contract with Cross Insurance Agency, Inc. for the provision of all insurance coverage areas, with the exception of workers compensation and property to include two (2) one (1) year options to extend the contract at the sole discretion of the Executive Director. Additionally, please request approval to enter into a three (3) year contract with USI New England, Inc. for the provision of property coverage to include two (2) one (1) year options to extend the contract at the sole discretion of the Executive Director.

Finally, please request authority from the Board to bind all applicable insurance coverages in the total projected amount of \$162,362.65.

**INSURANCE BID SUMMARY**

<b>Coverage Area</b>	<b><u>USI</u></b>	<b><u>Cross</u></b>	<b><u>FCC</u></b>	<b><u>HUB</u></b>	<b><u>Gallagher</u></b>
Property	\$78,567.00	\$98,289.00	—	\$81,000.00	\$208,580.00
Crime	\$4,542.00	\$2,428.00	\$5,981.00	\$6,225.00	—
Automobile	\$25,759.00	\$20,496.00	—	—	—
Airport	\$27,325.00	\$13,234.00	\$15,750.00	\$15,115.00	\$14,937.00
Workers Comp	\$78,850.00	\$90,062.00	\$65,336.00	—	\$108,064.00
CGL	\$43,400.85	\$23,711.00	—	—	—
Employment Practices	\$6,655.00	\$8,892.00	—	\$7,134.00	—
Pollution	\$836.45 <sup>1</sup>	\$5,868.65	—	—	—
Umbrella	—	\$9,166.00	—	—	—

<sup>1</sup>USI Pollution quote was not as comprehensive as the broad coverage offered by Cross. USI market was unable to respond with complete coverage

## INSURANCE BID SUMMARY

Property	\$78,567.00	USI
Crime	\$2,428.00	Cross
Automobile	\$20,496.00	Cross
Airport	\$13,234.00	Cross
CGL	\$23,711.00	Cross
Employment Practices	\$8,892.00	Cross
Pollution	\$5,868.65	Cross
Umbrella	\$9,166.00	Cross
<b>Total</b>	<u>\$162,362.65</u>	
Workers Comp	\$65,336.00	FCC



Pease Development Authority  
5 Year Premium Summary

**Boldfaced premiums indicate years insured with Cross Insurance**

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
General Liability	\$33,327.00	\$29,226.43	\$30,496.42	\$23,017.00	\$23,894.00	\$24,914.00
Commercial Property	\$86,908.00	\$74,071.00	\$76,067.00	\$77,506.00	\$74,536.00	\$70,759.00
Crime	\$4,432.00	\$2,354.00	\$2,354.00	\$2,354.00	\$2,428.00	\$2,428.00
Commercial Automobile	\$22,992.00	\$16,661.00	\$17,783.00	\$19,692.00	\$19,090.00	\$21,133.00
Umbrella	\$15,327.00	\$14,492.00	\$14,946.00	\$9,047.00	\$9,149.00	\$9,278.00
Employment Practices	Included w/crime	\$7,971.00	\$8,933.00	\$9,713.00	\$9,640.00	\$9,640.00
Airport Liability	\$27,000.00	\$17,012.00	\$17,012.00	\$17,012.00	\$16,760.00	\$16,760.00 *
Pollution Liability	\$9,624.00	\$5,640.00	\$5,886.07	\$5,970.53	\$5,970.53	\$5,768.65
<b>Total</b>	\$199,610.00	\$167,427.43	\$173,477.49	\$164,311.53	\$161,467.53	\$160,680.65

\*Option to move coverage to Berkley Aviation for annual premium of \$16,077

MOTION

Director Allard:

The Pease Development Authority Board of Directors authorizes the Executive Director to enter into to a three (3) year insurance brokerage service agreement for the provision of workers compensation coverage with Fred C. Church, Inc., which agreement will include two (2) one (1) year options to renew the agreement which may be exercised in the sole discretion of the Executive Director.

Additionally, the Board further authorizes the Executive Director to accept and bind the workers compensation coverage renewal proposal from Fred C. Church, Inc. in the projected total amount of \$65,336 for the period of 12/31/17 through 12/31/18, in accordance with the memorandum of Mark H. Gardner dated December 7, 2017, and attached hereto.

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MEMORANDUM

To: David R. Mullen, Executive Director *DM*  
From: Mark H. Gardner, Deputy General Counsel *MHG*  
Re: Workers Compensation Coverage Renewal  
Date: December 7, 2017

In response to a Request for Proposals, Fred C. Church Insurance, Inc. submitted the lowest qualified proposal for Workers Compensation coverage for PDA for the policy period of 12/31/2017 through 12/31/2018. Such coverage does not extend to employees of the Division of Ports and Harbors who have been historically covered and continued to be covered by the State of New Hampshire's self-insured Workers Compensation program.

Attached you will find a five year premium and loss history chart which reflects the fact that PDA's experience modification factor decreased from .86 to .83 for the upcoming renewal period. The projected premium of \$65,336.00 is slightly less than last year's premium of \$66,329.00.

Overall this is an excellent renewal proposal with a solid insurance carrier (MEMIC/AM Best Rating A IX). PDA's safety culture and its commendable loss history have played a significant role in keeping premiums down as well as keeping the Experience Modification factor at a satisfactory level. Finally, please note that as the policy is subject to audit, the premium may adjust up or down slightly from the projected \$65,336.00 amount.

At the December 14, 2017 meeting of the Board, please seek authority to enter into an agreement with Fred C. Church Inc. to provide Workers Compensation coverage to PDA for a period of three (3) years to include two (2) one (1) year options to extend at the sole discretion of the Executive Director and to bind coverage through Fred C. Church for such coverage for the upcoming policy year.

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## Pease Development Authority

### Premium & Loss Summary - December 2017

Policy	Policy Year	# of Claims	Paid Losses	Outstanding Reserves	Total Incurred	Premium	Loss Ratio
<b>MEMIC Workers Compensation</b>	2011-2012	6	\$9,261	\$0	\$9,261	\$65,021	14%
	2012-2013	5	\$6,019	\$0	\$6,019	\$61,248	10%
	2013-2014	8	\$3,972	\$0	\$3,972	\$60,855	7%
	2014-2015	4	\$26,893		\$26,893	\$56,921	47%
	2015-2016	5	\$7,889	\$0	\$7,889	\$57,772	14%
	2016-2017	5	\$27,142	\$34,908	\$62,050	\$66,329	94%
	<b>Total</b>	<b>33</b>	<b>\$81,176</b>	<b>\$34,908</b>	<b>\$116,084</b>	<b>\$368,146</b>	<b>32%</b>

### Payroll and Experience Modification Factor History

Policy Year	Aviation 7403	Clerical 8810	Country Club Golf 9060	Building Operations 9015	Property Manager 9012	Total Payroll	Experience Modification Factor
2011-2012	\$1,483,943	\$1,081,973	\$611,168	\$0	\$0	\$3,177,084	0.79
2012-2013	\$1,577,586	\$1,154,644	\$600,076	\$0	\$0	\$3,332,306	0.79
2013-2014	\$1,662,281	\$1,244,726	\$662,449	\$0	\$0	\$3,569,456	0.75
2014-2015	\$1,762,710	\$1,312,499	\$641,232	\$0	\$0	\$3,716,441	0.73
2015-2016	\$1,826,544	\$1,309,908	\$659,177	\$0	\$0	\$3,795,629	0.70
2016-2017	\$1,900,000	\$1,373,000	\$710,000	\$0	\$0	\$3,983,000	0.86
2017-2018	\$2,075,000	\$1,390,000	\$725,000	\$0	\$0	\$4,190,000	0.83

Policy Information used for 12/31/17 NCCI Experience Mod Rating

MOTION

Director Bohenko:

The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with Chadwick-Baross, Inc. in a total amount not to exceed \$104,975.00 for the purchase of a Holder Sidewalk Tractor for use at the Portsmouth International Airport at Pease ("PSM"); all in accordance with the memorandum of Paul E. Brean, dated December 5, 2017, attached hereto. The funding has been allocated in the 2018 PSM Capital Expenditures Budget.

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# Memorandum

**To:** David R. Mullen, Executive Director *DM*  
**From:** Paul E. Brean, Airport Director *PEB*  
**Date:** 12/5/2017  
**Subj:** Holder Sidewalk Tractor w/-snow blower, spreader, dump body attachments


This is a request to purchase a Holder Sidewalk Tractor with snow blower, drop spreader, and dump body attachments from Chadwick-Baross Inc., Concord, NH 03301, for a price not to exceed \$104,975.00. The equipment and attachments were advertised in November with the bid openings taking place on November 22, 2017. This item is part of the FY2018 Portsmouth International Airport at Pease capital schedule. This unit will support snow removal along pathways at the airport terminal, passenger parking areas, and air traffic control tower. Currently this work is being carried out by a 1996 Honda walk behind snow blower. This unit is also compatible with summer maintenance attachments and will support pavement and vegetation maintenance throughout the year.

A total of four bids were received and all responses met the minimum specifications:

Chadwick-Baross Inc., Concord, NH	\$104,975.00
MB Tractor & Equipment, Eliot, ME,	\$123,380.00
HP Fairfield Concord, NH	\$134,995.00
Monroe Tractor of New England, Woburn, MA	\$137,861.00

Based on Chadwick-Baross, Inc., submitting the lowest qualified bid, I request you seek authorization from the Pease Development Authority Board of Directors, to enter into an agreement to purchase a Holder Sidewalk Tractor with snow blower, drop spreader, and dump body attachments from Chadwick-Baross, Inc., for \$104,975.00.

**MEMORANDUM**

To: David R. Mullen, Executive Director   
From: Lynn Marie Hinchee, Deputy Director/General Counsel  
Date: December 14, 2017  
Re: Election of Officers - Proposed Motions

\*\*\*\*\*

In accordance with Article III, Section 3.4 of the PDA By-Laws, the Legal Department proposes that the format and motion set forth below be followed in connection with the Annual Meeting to be held on Thursday, December 14, 2017:

**ELECTION OF OFFICERS**

**Executive Director:** “In accordance with Section 3.4 of the PDA By-Laws, our agenda today includes the election of officers. The officers we need to elect are a Vice-Chairman and a Treasurer of the Board, both of whom will serve in such capacity for a term of one (1) year or until the next Annual Meeting, whichever first occurs.”

**Meeting Chairman:** “Do I have a motion for election of a Vice-Chairman?”

**Board Member:** I move that we elect \_\_\_\_\_ as Vice-Chairman of the Pease Development Authority.”

**Meeting Chairman:** “Is there a second?”  
“Is there any discussion on the motion?”  
“I’ll call for a vote.”

II. **Meeting Chairman:** “Do I have a motion for election of a Treasurer?”

**Board Member:** “I move that we elect \_\_\_\_\_ as Treasurer of the Pease Development Authority.”

**Meeting Chairman:** “Is there a second?”  
“Is there any discussion on the motion?”  
“I’ll call for a vote.”

PDA COMMITTEE LISTING – EFFECTIVE December 14, 2017

Standing Committees

Executive Committee

Kevin Smith, Chair  
Peter Loughlin, Vice Chairman  
Robert Allard, Treasurer  
Staff Contact: Mullen/Hinchee

Marketing and Economic Development Committee

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

Finance Committee

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

Zoning Adjustment & Appeals Committee

Frank Torr, Chair  
Peter Loughlin  
Kevin Smith  
Staff Contact: Hinchee/Stowell

Airport Committee

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

Ad Hoc Advisory Committees

Capital Improvement and  
Land Planning Committee

Peter Loughlin, Chair  
Robert Allard  
Frank Torr  
Kevin Smith  
Staff Contact: Hinchee/Stowell

Transportation Management Committee

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

Golf Committee

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

Port Committee

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

Audit Committee

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

Legal Bill Review

Kevin Smith, Chair  
Peter Loughlin  
Frank Torr  
Staff Contact: Hinchee

**Notes:** Executive Committee must have Board Chairman as Exec Cmt. Chair and Board Vice-Chair as Exec. Cmt. Vice Chair; Finance Committee must have Board Treasurer as Chairman of Finance Cmt. Other than that, each committee must have a minimum of 3 Directors appointed to each committee with a chairman selected from such appointees; appointments to committees are at sole discretion of Board Chairman;



**MEMORANDUM**

Date: December 14, 2017  
To: PDA Employees – Non-Classified  
From: David R. Mullen, Executive Director  
Subject: 2018 Holiday Schedule

The following holidays will be observed by all PDA full-time employees for 2018:

New Year's Day		Monday	01/01/18
Martin Luther King/Civil Rights Day		Monday	01/15/18
Presidents' Day		Monday	02/19/18
Memorial Day	Observed	Monday	05/28/18
Independence Day		Wednesday	07/04/18
Labor Day		Monday	09/03/18
Columbus Day	Observed	Monday	10/08/18
Veteran's Day	Observed	Monday	11/12/18
Thanksgiving		Thursday	11/22/18
Day after Thanksgiving		Friday	11/23/18
Christmas Day		Tuesday	12/25/18

Full-time employees shall, on July 1, accrue and will be entitled to, (1) floating holiday of the employee's choice. However, in the event an employee does not utilize the floating holiday within one (1) year of its accrual, such floating holiday shall be forfeited. Floating holidays may not be utilized in hourly increments and must be taken as a full day off from work.

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## Memorandum

**To:** Paul Brean, Airport Director  
**From:** Sandra McDonough, Airport Community Liaison *SM*  
**Date:** 12/5/2017  
**Subj:** Noise Report for November 2017

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The Portsmouth International Airport at Pease received a total of 96 noise inquiries in November, 2017. There were 40 rotor and 56 fixed wing inquires.

The 40 rotor wing inquiries originated from four residences: Three Portsmouth residences and one Rye residence. One Portsmouth residence on Miller Ave was responsible for 18 inquiries, one Portsmouth residence on Ruth Street was responsible for 13 of the inquiries, and lastly a Portsmouth residence on Melbourne Street had one inquiry on a rotor wing aircraft. One Rye residence had eight of the 40 rotor wing inquiries. All but one of the rotor wing inquiries are presumed to be pertaining to Seacoast Helicopters.

The rotor wing callers who call frequently are only interested in logging their concerns so the data can be used in the future and don't require a call back. The caller from Melbourne Street in Portsmouth was calling about a loud noise that woke her up at 2:00 A.M. which sounded like a helicopter. I could not find any data to support that a helicopter was flying in the middle of the night.

The 56 fixed wing inquiries originated from one residence in Newmarket.

All inquiries are reviewed and logged in the airport database. Individual inquiries are researched and followed up on with phone calls where appropriate. Certain callers have indicated that call backs are unnecessary and the Newmarket resident is only responded to when there is a new concern that hasn't already been addressed.

Portsmouth International Airport at Pease did receive one call from a Rochester residence concerning helicopters flying over Skyhaven Airport in Rochester, New Hampshire. His concern was about noise but stated that he would like to see Skyhaven succeed.

MOTION

Director Loughlin:

The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds up to \$37,551.51 for the following legal services rendered to the Pease Development Authority:

1.	Anderson & Kreiger, LLP		
	Through October 31, 2017	\$884.50	
	Through November 30, 2017	<u>148.50</u>	
			\$1,033.00
2.	Kutak Rock LLP		
	General/Through October 31, 2017	\$102.50*	
	CLF/Through October 31, 2017	<u>\$3,260.00</u>	
			\$3,362.50
3.	Sheehan Phinney Bass + Green		
	Tradeport-General		
	Through October 31, 2017	\$325.00	
	Regulatory Issues-Port		
	Through October 31, 2017	\$5,916.00	
	CLF/Through October 31, 2017	<u>\$26,915.01</u>	
			<u>\$33,156.01</u>
	<b>Total</b>		<u><b>\$37,551.51</b></u>

\* The balance will be paid by the City of Portsmouth

ANALYSIS - LEGAL FEES  
ENVIRONMENTAL MATTERS

SHEEHAN PHINNEY BASS + GREEN				KUTAK ROCK LLP				
<u>DATE</u>	Haven Well	Conservation Law Foundation	Fiscal Year Total	<u>DATE</u>	Haven Well	Hangar 227	Conservation Law Foundation	Fiscal Year Total
FY18	\$0.00	\$86,208.01	\$86,208.01	FY18	\$0.00	\$0.00	\$16,539.69	\$16,539.69
FY 17	\$0.00	\$212,105.26	\$212,105.26	FY 17	\$16,030.93	\$9,990.00	\$96,720.48	\$122,741.41
FY 16	\$0.00	\$0.00	\$0.00	FY 16	\$14,472.30	\$0.00	\$0.00	\$14,472.30
FY 15	\$2,400.17	\$0.00	\$2,400.17					
FY 14	\$14,604.30	\$0.00	\$14,604.30					
<b>Sub Totals</b>	\$17,004.47	\$298,313.27	\$315,317.74	<b>Sub Totals</b>	\$30,503.23	\$9,990.00	\$113,260.17	\$153,753.40
								\$10,480.50
<b>Cumulative Total</b>	\$17,004.47	\$298,313.27	\$315,317.74					\$143,272.90
Through October 2017				Through October 2017				

\*Credits were given on the May 2017 invoices in an amount equal to approximately 11% to reflect overpayments. The credits have not been equally distributed by category.

ANALYSIS - LEGAL FEES  
 ENVIRONMENTAL MATTERS

ANDERSON & KREIGER, LLP		
DATE	Conservation Law Foundation	Fiscal Year Total
FY18	\$445.50	\$445.50
<b>Sub Total</b>	<b>\$445.50</b>	<b>\$445.50</b>
	\$445.50	\$445.50
Through October 2017		

# **ANDERSON**

---

# KREIGER

50 Milk Street, 21st Floor  
Boston, MA 02109  
(617) 621-6500  
EIN: 04-2988950

November 28, 2017

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

Reference # 123471 / 1047-4136

In Reference To: Federal Regulatory Advice

Total Current Billing:	<u>884.50</u>
Previous Balance Due:	0.00
<b>Total Now Due:</b>	<b><u>884.50</u></b>

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

**ANDERSON**  
**KREIGER**

50 Milk Street, 21st Floor  
Boston, MA 02109  
(617) 621-6500  
EIN: 04-2988950

December 4, 2017

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

Reference # 123577 / 1047-4136

In Reference To: Federal Regulatory Advice

Total Current Billing: 148.50

**KUTAK ROCK LLP**

**WASHINGTON, D.C.**

Telephone 202-828-2400

Facsimile 202-828-2488

Federal ID 47-0597598

November 14, 2017

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

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. 2360503

Client Matter No. 294603-1

Invoice No. 2360503

294603-1

Re: General

**TOTAL CURRENT AMOUNT DUE**

**\$1,230.46**



**KUTAK ROCK LLP**

**WASHINGTON, D.C.**

Telephone 202-828-2400

Facsimile 202-828-2488

Federal ID 47-0597598

November 14, 2017

**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. 2360934

Client Matter No. 301603-1

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

Invoice No. 2360934

301603-1

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Re: CLF

For Professional Legal Services Rendered

TOTAL CURRENT AMOUNT DUE

\$3,260.00

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:	\$325.00
TOTAL EXPENSES:	\$0.00
	-----
TOTAL THIS BILL:	\$325.00
	-----
PREVIOUS BALANCE:	\$0.00
	-----
TOTAL BALANCE DUE:	\$325.00
	-----
	-----

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: Regulatory Issues Relatng to Port Operations

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

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$5,916.00
TOTAL EXPENSES:	\$0.00
	-----
TOTAL THIS BILL:	\$5,916.00
	-----
PREVIOUS BALANCE:	\$0.00
	-----
TOTAL BALANCE DUE:	\$5,916.00
	-----

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

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CLIENT/CASE NO. 14713-15395

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$24,824.00
TOTAL EXPENSES:	\$1,946.01
	-----
TOTAL THIS BILL:	\$26,770.01
	-----
BALANCE DUE:	\$26,770.01
	+ 145.00
	<u>26,915.01</u>

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

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

**PEASE DEVELOPMENT AUTHORITY  
DIVISION OF PORTS AND HARBORS  
ADVISORY COUNCIL MEETING MINUTES  
WEDNESDAY, NOV 8, 2017**

PRESENT: Erik Anderson, Vice-Chairperson  
Roger Groux  
Brad Cook  
Chris Snow  
Chris Holt  
Geno Marconi, Director, DPH  
Tracy Shattuck, Chief Harbor Master, Div. of Ports & Harbors

ABSENT: Don Coker, Chairman  
Jeff Gilbert

1. CALL TO ORDER

Vice Chair Anderson called the meeting to order at 6:00 p.m.

2. APPROVE MINUTES

Jim Splaine motioned to approve, Brad Cook seconded. No discussion. Minutes of October 11, 2017 meeting unanimously accepted.

3. FINANCE REPORT

The financial report for 3 month period ending September 30, 2017. Director Marconi reminded all that Jeff Gilbert's seat will be most likely filled by the new Director of Business & Economic Affairs, which will be Will Arvelo if his nomination is approved by Executive Council. Erik Anderson asked how the Revolving Loan Fund is going, Brenda went to the last meeting and let everyone know that a loan was approved for Andy Widen at their last meeting. Motion to accept the report was made by Jim Splain and seconded by Brad Cook, accepted unanimously.

4. DIRECTOR'S REPORT

Director presented the Infrastructure for Rebuilding America ("INFRA") grant application, basically it is the same application as the FASTLANE Grant, but they did add in the information on his trip to Nova Scotia. They do not have a timeframe as to when we will receive an answer. He received an email indicating that Federal DOT has retrieved the application. In all they are asking for about \$7,500,000.00 of the \$12,000,000 total cost of the project.

The Director updated the members on items that were discussed at the last Pease Development Authority board meeting which included the following:

- HDR Technical Memorandum (visit to Nova Scotia); Isles of Shoals & City of Portsmouth parking agreement (which segued into discussion regarding the Isles of Shoals lease agreement); Jocelyn Marine Right of Entry in Hampton, which will increase our storage in Hampton due to the fact that we haven't been able to find anyone to haul the bigger boats out of Hampton; NAS Fuels LLC purchase of Atlantic Fuels; and the work being done at Portsmouth Commercial Fish Pier by

Appledore Marine Engineering which include, a routine condition inspection and vessel power service replacement on the pier. Director Marconi sketched a tentative plan for replacing the power on the pier which resulted in several minutes of questions, comments and suggestions. Tentative plans to start on the actual work will be at least 2 weeks. Granite State Minerals was awarded a license and operating agreement for salt storage at the Port, first ship to arrive around November 18, 2017. The woodchip company could not hold up their end of the deliverables, therefore we had no choice but to move forward with our next option. Discussion ensued and details were discussed. Roger spoke for everyone when he expressed frustration as members were looking forward to diversifying the commodities hear at the Port and assisting with the NH forestry industries efforts.

Lastly, Director Marconi thanked Jim Splaine for his service on the council. He has been elected the new police commissioner and therefore is no longer eligible to serve on the Port Council. Discussion centered around reaching out to the mayor regarding a new designee to serve on the Council. Jim believes that Mayor Blalock would welcome input from the council as he has many positions to appoint. Jim indicated that he would be attending the next meeting and will bring the new person with him if possible. Inauguration is Jan 2, 2018.

## 5. COMMITTEE REPORTS

### FISHERIES

Erik Anderson, Ground fishing update, at this time as far as he knows, there are 2 going out of Hampton, 1 in Rye and no one out of Portsmouth. 95% + of the business right now is lobstering. Erik spoke about the Marine Fisheries meeting last night and asked the Director if he wanted to elaborate. The Director talked about the state boats with Federal Permits in Area 1 and use the Portsmouth Fish Pier. There is always the concern with people coming in that we don't know therefore before issuing a pier use permits and landing licenses there is research done to determine if they have any violations in another state, as there is a statute that prohibits someone to get a landing license in NH who has lost their license in another state. There is ongoing communication between the NH and Maine. Erik mentioned that there is a problem in Maine that doesn't allow Maine residents to land their catch in Maine which is why they seem to be coming to NH. Erik indicated that Doug Grout reported on the Menhaden fisheries and NH may receive some allocation for this fishery.

### GOVERNMENT

Jim Splaine, there was nothing more to add to the prior discussion.

### MOORINGS

Chris Snow talked about the mooring application and in particular the section that asks for "last date of inspection" which is not required by statute and maybe the Port should consider removing it from the form. Tracy Shattuck was present and indicated this is something they are still researching, consulting legal and proceeding cautiously as they want to be sure before they make any changes to the form. Will keep us posted.

### PDA LIASON

Roger Groux, the council package is lengthy this month and Roger urged everyone to read the Nova Scotia report that they should make some time to read that. He tries to forward as much information as possible to everyone as he gets it, especially the FTZ paperwork. Roger mentioned that he didn't make it to Stonington Lobster Boat races, first time in 15 years, but

found out that Andy Gove at 84 years old won first place in his class with Uncles UFO there is life ahead for all of us regardless of age.

#### MARITIME/PUBLIC AFFAIRS

Don Coker was excused from the meeting, however there was discussion regarding the Oliver Hazard Perry tall ship again this year. The USS Manchester being commissioned sometime around the end of March. Senator Shaheen is the sponsor of the ship and will be here. Director Marconi let Chris Holt know that the navigation officer will most likely be reaching out regarding piloting the ship prior to its commissioning. Porter Davis, the president of the Navy League is going to be arranging the commissioning of the vessels along with a consulting firm that was hired. They had a meeting here at the Port last Friday, in attendance were the commander of the vessel, Emily Basset, the navigator of the vessel, who is from Nashua, and 3 leaders of the group who are all former master chiefs. Will keep us posted.

#### DREDGING

Chris Holt did not make the last meeting due to the replacing of the Sarah Long bridge span, but from what he understands there is no money for dredging. Roger congratulated the pilots for doing such a great job on the first pass!

#### RECREATIONAL PIER COMMITTEE

Brad Cook reported that all is quiet as the recreational season has been "put to bed for the winter".

#### 6. NEW BUSINESS

- a.) The present mayor has been reelected and Cliff Lazenby is the new assistant mayor. Jim let us know that we are all invited on January 2<sup>nd</sup> for the swearing in for his new position on the Police Commission. Discussion took place regarding how to express our recommendations for the new council member appointment, Jim suggested that it does not need to be a formal recommendation and that a verbal conversation with Mayor Blalock should suffice. Erik will talk to Don and come up with a plan of action.
- b.) The PDA board meeting has been moved up a week, with that, Roger motioned that we move our Dec meeting to Dec 6 and Brad seconded. Motion carried, all in favor as this is beneficial to the Port staff.
- c.) Roger has knee surgery on Jan 8<sup>th</sup> and requested to move the annual Jan meeting to Jan 3<sup>rd</sup>. Jim made a motion to move the meeting and Brad seconded, motion passed and all in favor.

#### 7. OLD BUSINESS

#### 8. PUBLIC COMMENT

There were no members of the public present.


#### 9. PRESS QUESTIONS

No members of the press were present.

#### 10. ADJOURNMENT

A motion to adjourn was made by Chris Holt and seconded by Brad Cook. All in favor. The meeting adjourned at 7:25 P.M. The next meeting will be Wednesday December 6, 2017.

MEMORANDUM

To: Pease Development Authority Board of Directors  
From: David R. Mullen, Executive Director   
Date: December 14, 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>
Rye Harbor Transferor: Transferee:	No. 838 Richard Anderson Mary Hauze	Commercial Fishing	11/13/17
Rye Harbor Transferor: Transferee:	No. 7281 Richard Anderson James Jones	Commercial Fishing	11/13/17


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: November 8, 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 #838, from Richard Anderson to James Jones.

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

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

Division of Ports & Harbors  
Memorandum

To: Capt. Geno J. Marconi  
From: Chief H/M Tracy R. Shattuck *TRS*  
Re: Commercial Transfer  
Date: November 8, 2017

---

Richard Anderson and Mary Hauze are requesting the transfer of a Mooring Permit (#838) in the Rye Harbor mooring field. Attached is documentation of Hauze's commercial enterprise in the form of her fishing license and that of her son Zachary Griggs. Also attached is Anderson's permit and commercial documentation. Attached is a transfer request from Anderson with the assertion that he sold his boat, the Bridget Leigh, to Hauze. Hauze has asserted that she understands that the mooring must remain in commercial use.

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

I recommend that permit #838 be transferred to:

Mary Hauze  
81 Centennial Street  
Seabrook, NH 03874

November 13, 2017

Richard Anderson  
2020 Avenue H  
Marathon, FL 33050

RE: Request to Transfer Commercial Moorings  
Commercial Mooring No. 838, Rye Harbor, New Hampshire

Dear Mr. Anderson:

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 Mary Hauze, of 81 Centennial Street Seabrook NH in connection with the sale of your commercial business.

You and Mary Hauze have represented that Mary Hauze 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 Mary Hauze 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 Mary Hauze 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  
Mary Hauze,  
PDA Legal Dept.

PART Pda 508 TRANSFER OF MOORING PERMITS

Pda 508.01 Transfer of Commercial Use Mooring Permits.

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

- (1) The buyer's submitting an application for a commercial use mooring permit for the same type of business or another type of business that would qualify for a commercial use mooring permit and all applicable documentation;
- (2) Payment of the commercial use mooring permit transfer fee for transfers pursuant to Pda 508.01(a), provided that fees paid in the form of a check or a money order shall be made payable to "Pease Development authority, Division of Ports and Harbors;" and
- (3) Approval of the transfer by the authority upon the buyer's showing that he or she has complied with all the requirements for a commercial use mooring permit.

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

- (1) The buyer's submitting an application for a commercial use mooring permit for a water-dependent business as described in Pda 502.30(b) and all applicable documentation;
- (2) Payment of the commercial use water dependent business mooring permit transfer fee for transfers pursuant to Pda 508.01(b), provided that fees paid in the form of a check or a money order shall be made payable to "Pease Development Authority, Division of Ports and Harbors;" and
- (3) Approval of the transfer by the authority upon the buyer's showing that he or she has complied with all the requirements for a commercial use mooring permit.

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

Deliver To:

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

Mail To:

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

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

Richard Anderson  
2095 Ocean Blvd.  
Rye, NH 03870

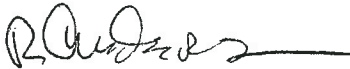
NOV 17 9:36AM

To Whom It May Concern:

I respectfully request the transfer of my commercial mooring permit to Mary Hauze who recently purchased my commercial fishing business including all fishing gear and F/V Bridget Leigh. The mooring permit is # 838.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Anderson", with a long horizontal flourish extending to the right.

Richard Anderson



**PEASE**

INTERNATIONAL

PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

TO: David Mullen, Executive Director, PDA  
FROM: Geno J. Marconi, Director, DPH *GM*  
DATE: November 8, 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 #7281, from Richard Anderson to James Jones.

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.

November 13, 2017

Richard Anderson  
2020 Avenue H  
Marathon, FL 33050

RE: Request to Transfer Commercial Moorings  
Commercial Mooring No. 7281, Rye Harbor, New Hampshire

Dear Mr. Anderson:

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 James Jones, of 207 Atlantic Avenue North Hampton NH in connection with the sale of your commercial business.

You and James Jones have represented that James Jones 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 James Jones 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 James Jones 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  
James Jones,  
PDA Legal Dept.

PART Pda 508 TRANSFER OF MOORING PERMITS

Pda 508.01 Transfer of Commercial Use Mooring Permits.

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

- (1) The buyer's submitting an application for a commercial use mooring permit for the same type of business or another type of business that would qualify for a commercial use mooring permit and all applicable documentation;
- (2) Payment of the commercial use mooring permit transfer fee for transfers pursuant to Pda 508.01(a), provided that fees paid in the form of a check or a money order shall be made payable to "Pease Development authority, Division of Ports and Harbors;" and
- (3) Approval of the transfer by the authority upon the buyer's showing that he or she has complied with all the requirements for a commercial use mooring permit.

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

- (1) The buyer's submitting an application for a commercial use mooring permit for a water-dependent business as described in Pda 502.30(b) and all applicable documentation;
- (2) Payment of the commercial use water dependent business mooring permit transfer fee for transfers pursuant to Pda 508.01(b), provided that fees paid in the form of a check or a money order shall be made payable to "Pease Development Authority, Division of Ports and Harbors;" and
- (3) Approval of the transfer by the authority upon the buyer's showing that he or she has complied with all the requirements for a commercial use mooring permit.

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

Deliver To:

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

Mail To:

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

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



Division of Ports & Harbors  
Memorandum

To: Capt. Geno J. Marconi  
From: Chief H/M Tracy R. Shattuck *TS*  
Re: Commercial Transfer  
Date: November 8, 2017

---

Richard Anderson and James Jones are requesting the transfer of a Mooring Permit (#7281) in the Rye Harbor mooring field. Attached is documentation of Jones' commercial enterprise in the form of his fishing license. Also attached is Anderson's permit and commercial documentation. Attached is a transfer request from Anderson with the assertion that he sold his fishing equipment to Jones. Jones has asserted that he understands that the mooring must remain in commercial use.

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

I recommend that permit #7281 be transferred to:

James Jones  
207 Atlantic Avenue  
North Hampton, NH 03862

AUG15 17 11:08

Richard Anderson  
2095 Ocean Blvd.  
Rye, NH 03870

To Whom It May Concern:

I respectfully request the transfer of my commercial mooring permit to Jim Jones who recently purchased my commercial fishing business including all fishing gear. The mooring permit is # 7281.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Anderson", with a long horizontal flourish extending to the right.

Richard Anderson

**MEMORANDUM**

TO: Pease Development Authority Board of Directors  
FROM: David R. Mullen, Executive Director *DRM*  
RE: Contract Reports for the Division of Ports and Harbors  
DATE: December 14, 2017

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

1. Project Name: Richardson Electrical Co., Inc.  
PDA Obligation: \$15,430.00  
Board Authority: Vice-Chairman Loughlin  
Summary: For the emergency repair of Lighting at the Port Authority

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# RICHARDSON ELECTRICAL

November 13, 2017

Grant Nichols  
Deputy Chief Harbor Master  
Port of New Hampshire  
555 Market Street  
Portsmouth, NH 03801

6 POLES / 12 LIGHT FIXTURES TOTAL

\$15,430

Approved By Director Loughlin  
under Emergency Delegation  
of authority 11/14/17  
Yan

Re: Port Security Lighting System Repairs

Dear Grant:

We have evaluated the failures of the existing lighting system as you requested to determine what fixtures are operating and which have failed and why. It appears many of the failed fixtures have corroded to a point where fixing the existing lighting fixtures is not feasible, the units must be replaced. We evaluated several fixture types to determine what your best option is. We looked at cost, light output, wattage, source type and settled on an LED style fixture with a variable light distribution pattern. This is needed for your application to address the conditions of the initial design and pole placement, which cannot be changed.

You have six poles, each with two lighting fixtures that must be replaced. We estimate the cost of replacing these fixture at \$15,430, for fixtures, mounting hardware, equipment, transportation and labor. Because we do not know how long these fixtures have been out we cannot provide an exact energy savings calculation. If we assume the existing fixtures were operating normally on a dusk to dawn schedule, the proposed installation would save 15,242 Kilo-watt hours annually, based on a \$0.15 cost per KWH you would save \$2,286 per year.

There is an available utility rebate of about \$2,100, based on this year's rebate level. We understand the rebate next year will be less, so we strongly suggest if you are considering this work we submit the paperwork soon and get the rebate locked in at the higher value. We have included the cost associated with preparing and submitting this documentation in our pricing. You should also see a significant savings in maintenance costs as the LED fixtures typically have a much longer life expectancy. We would also suggest you consider adding Sea Gull deterrents to these fixtures to reduce the damage caused by them.

As always, we would be happy to meet with you and discuss this work or answer any questions you may have.

Thank you for the opportunity to support the work of the NH port.

Sincerely

RICHARDSON ELECTRICAL CO., INC.

Vaughan A. Richardson

Digitally signed by Vaughan A. Richardson  
DN: C=US,  
E=vrichardson@richardsonelectrical.us,  
O=Richardson Electrical Co., Inc.,  
CN=Vaughan A. Richardson  
Location: Seabrook, NH USA  
Reason: I am the author of this document  
Contact info: 603-474-3900 x118  
Date: 2017.11.13 21:39:46-0500

Vaughan Richardson  
Project Manager/Estimator

2016 New Hampshire Business Review Top 50 Women Owned Business

2015 New Hampshire Business Review Top 100 Women Owned Business, Top 10 Electrical Contractor

2014, 2015 New Hampshire Business Review Legacy Company

2012 SBA Region 1 Small Business Subcontractor of the Year

2012 New Hampshire Small Business Subcontractor of the year Certified WOSB DBE -- New Hampshire, Maine, Massachusetts

Commercial & Industrial Retrofit  
**2017 Lighting Incentive**



**Section A: CUSTOMER INFORMATION**

Customer Name <i>Pease Development NH Port Authority Authority</i>	Electric Account Number 5626 655 1001	Rate G	Application Number
Facility Address 555 Market Street	City Portsmouth	State NH	Zip Code 03801
Service Location Identification Market Street Terminal (State Pier)		Email g.nichols@peasedev.org	
Mailing Address (if different from above) Same as above	City	State	Zip Code
Contact Person/Title Grant M. Nichols/Deputy Chief	Telephone Number 603-436-8500	Incorporated? (Check one.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Exempt	
Please Assign Payment to Contractor. Customer Signature: <i>[Signature]</i>	Additional Information Please pay the contractor (Richardson Electrical) directly.	Incentive Payment Preference (Check one.) <input type="checkbox"/> Check <input type="checkbox"/> Bill Credit <input checked="" type="checkbox"/> Pay Contractor	

**Section B: CONTRACTOR INFORMATION**

Contractor Name Richardson Electrical Co., Inc.	Contact Person/Title (Print) S. Richardson/PM	Contact Person Signature <i>[Signature]</i>	
Mailing Address 17 Batchelder Road	City Seabrook	State NH	Zip Code 03874
Email sara@richardsonelectrical.us	Telephone Number 603-474-3900	Additional Information Incorporated? (Check one.) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Exempt	

**Section C: DOCUMENT APPROVALS**

**PRE-INSTALLATION INSPECTION**

Utility Signature	Date
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**PRE-APPROVAL OFFER**

Technical Review - Utility Signature	Date
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Utility Signature <i>[Signature]</i>	Date 11/17/17	Amount of Incentive Offer (\$) 2400	Offer Valid Through 6/1/18
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By signing and dating below, customer accepts this incentive offer and agrees to the Utility Terms and Conditions available from your Utility. Pursuant to a Commission order, customers also agree that the utility alone may capture all kW and kWh savings and any ISO-NE capacity payments resulting from this energy efficiency project. This agreement is contingent upon continued approval and authorization by the Commission to recover said amounts from the System Benefits Charge. The Incentive, in conjunction with all other sources of funding, cannot exceed the total project cost.

Customer Signature: *[Signature]* Date: *11/22/17*

**POST-INSTALLATION INSPECTION**

Utility Signature	Date	Total Project Cost (\$)	Amount of Incentive (\$)
Customer Signature	Date		

**MANAGEMENT APPROVAL**

Utility Signature	Date
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# 2017 Commercial & Industrial Retrofit Lighting Worksheet



EXISTING LIGHTING					NEW LIGHTING							
Location / Room / Area	Lighting Type (from Table 1)	Lamps per Fixture	Lamp Wattage	Number of Fixtures	Annual Hours	Product Code (Table A)	Lighting Type (from Table 1)	Lamps per Fixture	Lamp Wattage	Number of Fixtures	Incentive per Fixture (\$)	Total Incentive (\$)
Example: Parking Lot	High Pressure Sodium	1	90	8	4,345	90L	LED Lamps and Fixtures-LED	1	90	8	\$150	\$1,200
Site Lighting	MH	1	400	12	4,170	91L	LED	1	175	12	\$200	\$2,400
<b>LIGHTING TOTAL</b>											\$2,400	

LIGHTING CONTROLS INCENTIVE WORKSHEET											
Location / Room / Area	Lighting Control Product Code (Table A-1)	Number of Controls	Lighting Type (from Table 1)	Lamps per Fixture	Lamp Wattage	Number of Fixtures Controlled	Annual Hours without Controls	Annual Hours Reduced with Controls	% Power Reduction for Daylight Dimming	Incentive per Unit (Table A1) (\$)	Total Incentive (\$)
Example: Conference Room	1	6	T8 HP - 4 Foot	2	32	12	3,200	800	N/A	\$50	\$300
Example: Reception	3	8	LED Lamps & Fixtures - LED	35	35	10	3,200	N/A	50%	\$20	\$200
<b>CONTROL TOTAL</b>											0
<b>LIGHTING AND CONTROL TOTAL</b>											\$2,400

TABLE 1: LIGHTING TYPES		
Lighting Type	Footcandle	Footcandle
Biaxial - 2 Foot	Low Voltage Halogen - LVH	T12 - 4 Foot
Compact Fluorescent - CF	Mercury Vapor - MV	T12 - 5 Foot
High Pressure Sodium - HPS	Metal Halide - MH	T12 - 6 Foot
Incandescent - I	Metal Halide Track Lighting - MHT	T12 - 8 Foot
LED Exit Signs - LEDX	Quartz/Halogen - Q	T12HO - 4 Foot
LED Lamps & Fixtures - LED	T12 - 2 Foot	T12HO - 6 Foot
Low Pressure Sodium - LPS	T12 - 3 Foot	T12HO - 8 Foot
		T12VHO - 4 Foot
		T12VHO - 8 Foot
		T5 - 2 Foot
		T5 - 3 Foot
		T5 - 4 Foot
		T5 HO - 4 Foot
		T8 - 2 Foot
		T8 - 3 Foot
		T8 - 4 Foot
		T8 - 5 Foot
		T8 - 8 Foot
		T8 HP - 2 Foot
		T8 HP - 3 Foot
		T8 HP - 4 Foot
		T8 HP - 4 Foot - Low Power Ballast
		T8 HP - 4 Foot - High Power Ballast
		T8 Tandem Wired - 4 Foot
		T8 Tandem Wired - 8 Foot
		T8 HP Tandem Wired - 4 Foot
		Other-Describe

## **NHSaves@work Rebate Program**

### ***EVERSOURCE Terms and Conditions***

This Agreement entered into by and between EVERSOURCE, a New Hampshire corporation having its principal place of business in Manchester, New Hampshire (herein referred to as "EVERSOURCE"), and the Customer as identified on the front of the rebate application (herein referred to as "Customer"). Execution of the rebate application shall constitute acceptance of these Terms and Conditions.

Now, therefore, in consideration of the mutual covenants and agreements contained herein, the Customer and EVERSOURCE agree that the Customer's participation in EVERSOURCE's nhsaves@work Rebate Program (herein referred to as "NHSRP"), shall be subject to the following terms and conditions:

1. No Energy Efficiency Measures (herein referred to as "EEMs") will be deemed eligible for a rebate payment under EVERSOURCE's NHSRP unless the are identified in the rebate application and have met NHSRP acceptance criteria as evidenced by a pre-approval offer on the rebate application signed by the Customer and EVERSOURCE.
2. All rebates are contingent upon continued approval of the NHSRP by the NH Public Utilities Commission and authorization to recover said amounts from the System Benefits Charge. The rebate amount cannot exceed the total project cost.
3. If the Customer installs all the EEM's identified in the rebate application, the Customer will be eligible for a rebate payment as listed on the rebate application.
4. This payment will be made to the Customer after the project is installed and verified by EVERSOURCE and/or EVERSOURCE's Quality Assurance Contractor. The EEMs must be installed, inspected, and accepted by EVERSOURCE before the "Completion Date" on the front of the rebate application. Payment will be made within 60 days of said verification and after EVERSOURCE has received an executed copy of the rebate application and all applicable invoices.
5. In consideration of the rebate payment, the Customer agrees to remain a "Full Requirements Customer" of EVERSOURCE for the term of this Agreement. A "Full Requirements Customer" is defined as a customer obtaining all of its electrical energy requirements through EVERSOURCE's Transmission and Distribution System. This requirement shall preclude any and all forms of self-generation (other than generation used for emergency supply during service outages on EVERSOURCE's transmission and distribution system), cogeneration, and purchases of electricity from a supplier whose supply is not distributed by EVERSOURCE. This provision shall not prohibit the Customer from testing emergency generators on a periodic basis nor prohibit the Customer from participating in a EVERSOURCE demand reduction program using the Customer's emergency generator(s). The Customer is free to purchase its electrical needs from a competitive energy supplier; however, this supply must be delivered through the EVERSOURCE meter.
6. EEMs for which EVERSOURCE has provided monetary rebates under NHSRP must remain operating and in their original location (or a mutually agreed upon location served by EVERSOURCE) for the term of this Agreement. EVERSOURCE reserves the right to inspect for compliance of this provision during the term of this Agreement.
7. Should the Customer breach the terms of article 5 or 6, the Customer agrees to pay damages to EVERSOURCE equal to the full rebate amount within 60 days of EVERSOURCE's demand for said payment as full settlement of the breach. The Customer agrees that the damages specified within this Agreement are not a penalty but represent a reasonable estimate of the damages EVERSOURCE would suffer as a result of the Customer's failure to comply with the terms of this Agreement.
8. The term of this Agreement is the period of time commencing with the date on which EVERSOURCE offers this rebate by delivering a rebate application and ending three (3) years after the Customer receives the rebate payment.
9. In the event that the Customer has any outstanding (overdue) balances due and owing to EVERSOURCE, the rebate payment may be withheld at EVERSOURCE's option, and used to offset such outstanding debt(s).
10. The rights and obligations in this Agreement shall be binding upon any lessees, assigns, and future owners of those facilities at the Customer's Project site. The Customer agrees to include the restrictions contained in this Agreement in leases, purchase and sales agreements, contracts or other similar documents relating to the use and ownership of the facilities at the project site.
11. EVERSOURCE does not guarantee or warrant any energy savings. Factors that are impossible to predict, including but not limited to facility expansion, cutbacks, or weather changes, all may impact the Customer's future electrical energy use and cause actual savings to vary from estimated savings. Any and all warranties are between the Customer and the installer or the manufacturer of installed EEM's.
12. The Customer agrees to allow EVERSOURCE to perform an on-site evaluation of the installed EEMs as part of the NHSRP program evaluation. This evaluation is strictly for informational purposes, to determine the EEM's real and long-term savings. The evaluation will not alter the rebate amount in any way and the results will be treated confidentially by EVERSOURCE.
13. EVERSOURCE IS NOT A MERCHANT IN EEMS. ANY AND ALL WARRANTIES, EITHER EXPRESSED OR IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY DISCLAIMED BETWEEN EVERSOURCE AND CUSTOMER. THE CUSTOMER SHALL LOOK TO THE MANUFACTURER, VENDOR AND/OR INSTALLER FOR COPIES AND ENFORCEMENT OF ANY WARRANTIES OR GUARANTEES.
14. The Customer, as a condition of participation, is responsible for the safe and proper disposal of all wastes, hazardous or otherwise, and equipment, machinery or devices replaced by the EEMs installed under this letter of Agreement, in accordance with all laws, rules and regulation. The Customer must also agree not to install any of the replaced equipment in EVERSOURCE's service territory.
15. This Agreement shall only be amended by a written document executed by duly authorized representatives of both parties.

To participate in the NHSRP project, the Customer must execute the rebate application by a duly authorized representative and return it to EVERSOURCE. A signed copy of the fully executed rebate application will be returned to the Customer.

# nhsaves@work

## *Instructions for completing Sections A, B and C of the Rebate Application*

### General Instructions:

With the assistance of your Utility Representative, complete Sections A (and B only if payment is assigned to the contractor) of the rebate application. Instructions for completing the rebate worksheet (found on the back of the rebate application) are provided with these instructions. Please return the completed rebate application to your Utility Representative for approval.

### Section A: Customer Information

1. Fill in the **Customer's Name** (as it should appear on the rebate check), **Electric Account Number** and **Electric Rate** (i.e. G, GV, LG)
2. A Utility Representative will fill in the **Application Number**.
3. Fill in the **Project Facility Address for the location of the project** (Street, City, State and Zip Code).
4. Fill in project **Service Location Identification** (i.e. Building A, Cafeteria, etc.) only if further clarification is needed to identify the project.
5. Fill in Customer's **Mailing Address** (Street, City, State and Zip Code) for the rebate check.
6. Fill in Customer's **Contact Person's Name, Title, and Telephone Number**.
7. Check off one of the following to indicate whether Customer's business is **Incorporated: (yes/ no/exempt)**.
8. Check off Customer's **Rebate Payment Preference ( check / bill credit / pay contractor )**.
9. If the rebate is to be paid to a contractor or vendor the customer must sign the **Please Assign Payment to Contractor Box**.

### Section B: Contractor Information (Required only if the rebate is to be paid to the contractor)

1. Fill in **Contractor's Name, Contact Person and Title**. If the rebate is to be paid to the contractor, the contractor must sign the rebate application in the **Contact Person Signature** box.
2. Fill in **Contractor's Mailing Address** (Street, City, State and Zip Code) and **Telephone Number**.
3. Check off one of the following to indicate whether Customer's business is **incorporated: (yes/no/exempt)**.

### Section C: Document Approvals

#### Pre-Installation Inspection:

1. A Utility Representative will sign and date the rebate application upon completion of a pre-installation inspection of the project site. This is required for all retrofit projects but may be required for new construction projects.

#### Pre-Approval Offer:

1. A Utility Representative will fill in the **Amount of the Rebate Offer** and project **Completion Date** (the rebate offer is valid until this date). The utility representative will sign and date the rebate application in the **Utility Signature** Box, authorizing an offer of the rebate upon approval of the Technical Review.
2. A Technical Review is required for all projects (it will be the responsibility of the utility representative to obtain the proper signature in the **Technical Review** Box).
3. The Customer will sign and date the rebate application in the **Customer Signature** Box, agreeing that: the information on the rebate worksheet is correct and accurate, the proposed efficiency measures are acceptable and they understand and will agree to the Utility's Terms and Conditions.

#### Post-Installation Inspection:

1. Notify your Utility Representative that the project has been completed and to schedule a post-installation inspection.
2. The customer is to provide copies of the itemized invoices to the utility representative. The invoices must show the cost of the items purchased, date of purchase, where the equipment was purchased, make, model and quantities of purchased equipment. The customer is to also provide the **Total Project Cost**.
3. After project completion and documentation review, the Utility Representative and Customer will sign and date the rebate application in the **Utility Signature** Box and in the **Customer Signature** Box respectively. The utility representative will fill in the **Amount of Rebate** for the rebate payment.

#### Management Approval:

1. Utility Management will review completed application and supporting documentation and will then will sign and date the application in the **Utility Signature** Box to authorize rebate payment.



