

Time: 8:30 a.m.

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

AGENDA

- I. Call to Order
- II. Acceptance of Meeting Minutes: May 16, 2019*
- III. Non-Public Session* (Lamson)
- IV. Vote of Confidentiality* (Levesque)
- V. Public Comment
- VI. Finance
 - A. Reports
 - 1. Operating Results for Nine Month Period Ending April 30, 2019 *
 - 2. Nine Month Cash Flow Projections to February 29, 2020 *
 - B. Approvals
 - 1. FY 2020 Operating Budget and FY 2021 -- FY 2023 Forecast * (Torr)
- VII. Licenses/ROE/Easements/Rights of Way
 - A. Reports
 - 1. Enterprise Rent-A-Car of Boston LLC *
 - 2. Deal Rent-A-Car, LLC * - Right of Entry for Terminal Space
 - 3. New Hampshire Air National Guard – Exercise Extension of Right of Entry for Mobile Air Traffic Control Tower to March 2, 2024 *
 - 4. Jalbert Leasing, Inc. d/b/a C & J Bus Lines – Exercise Extension of Right of Entry through October 31, 2019*
 - B. Approvals
 - 1. Experimental Aircraft Association “EAA 225” – Right of Entry at Skyhaven Airport (DAW) through June 30, 2019 with a request of the Board to extend through December 31, 2019 * (Allard)
 - 2. U.S. Coast Guard – Right of Entry at 14 Aviation Avenue through June 30, 2020 * (Lamson)
- VIII. Signs
 - A. Approvals
 - 1. 119 International, LLC * (Lamson)

- IX. Leases
 - A. Approvals
 - 1. B & H Airpower, L.L.C. for Hangar 5 at Skyhaven Airport (DAW) * (Levesque)
 - 2. Deal Rent-A-Car, LLC – Car Rental Concession Lease and Operating Agreement for terminal space * (Torr)

- X. Contracts/Agreements
 - A. Reports
 - 1. Purchase of Replacement Computers from Dell *
 - 2. Purchase of Used Greens Roller *
 - 3. Builder’s Risk Insurance / Terminal Expansion Project *

- XI. Executive Director’s Reports/Approvals
 - A. Reports
 - 1. Golf Course Operations

 - 2. Airport Operations
 - a) Portsmouth International Airport at Pease (PSM)
 - b) Skyhaven Airport (DAW)
 - c) Noise Line Report *

 - B. Approvals
 - 1. Personnel Policies * (Allard)
 - a) Merit and COLA Adjustments
 - b) Maximum Annual Leave Accrual in Twelve (12) Month Period
 - c) Maximum Annual Leave Accrual Carry Forward
 - d) Holiday Leave
 - e) Declination of Health Benefits

 - 2. Engagement of PDA Deputy Executive Director/PSM Airport Director *** (Allard)

 - 3. Bills for Legal Services * (Levesque)
 - a) Sheehan, Phinney, Bass & Green, P.A. in the amount of \$29,870.50

- XII. Division of Ports and Harbors
 - A. Reports
 - 1. Port Advisory Council Minutes of April 10, 2019 *
 - 2. Les Eastman-Charter ROE, Hampton *
 - 3. Commercial Mooring Transfers *

a)	Rye Harbor	Permit No. 950	Business	Date of Approval
	Transferor:	Andrew Widden	Commercial	6/4/19
	Transferee:	Adam Baker		
b)	Seabrook Harbor	Permit No. 6933	Business	Date of Approval
	Transferor:	Norman Pike	Commercial	6/4/19
	Transferee:	Alexander Gonzalez		
 - 4. Portsmouth Fish Pier Sea Wall

- XIII. New Business

XIV. Upcoming Meetings


Residential Housing Committee	July 18, 2019 @ 9:00 a.m.
Golf Committee	August 12, 2019 @ 8:00 a.m.
Finance Committee	August 12, 2019 @ 8:30 a.m.
Board of Directors	August 15, 2019 @ 8:00 a.m.

All Meetings begin at 8:00 a.m. unless otherwise posted.

XV. Directors' Comments

XVI. Adjournment

XVII. Press Questions

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

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

Thursday, May 16, 2019

Presiding: Kevin H. Smith, Chairman
Present: Peter J. Loughlin, Vice Chairman; Robert A. Allard, Treasurer; John P. Bohenko; Margaret F. Lamson; Neil Levesque and Franklin G. Torr
Attending: David R. Mullen, Pease Development Authority (“PDA”) Executive Director; Lynn M. Hinchee, PDA 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 8:03 a.m. in the Board conference room on the Pease International Tradeport at 55 International Drive, Portsmouth, New Hampshire.

II. Acceptance of Meeting Minutes: April 18, 2019

Director Lamson moved and Director Allard seconded that **the Pease Development Authority Board of Directors hereby accepts the minutes of the April 18, 2019 Board meeting.** Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

III. Public Comment

There was no public comment.

IV. Old Business

A. Reports

1. **Ad Hoc Advisory Committees changes per request of Chairman Smith
Golf Committee - Neil Levesque will be removed and Frank Torr appointed; Port Committee appointment of Neil Levesque**

Chairman Smith updated some appointments to the Committees as follows: the removal of Neil Levesque and the appointment of Frank Torr to the Golf Committee; and the appointment of Neil Levesque to the Port Committee.

2. **254 Corporate Drive – Right of First Refusal**

Executive Director Mullen (Mullen) reported that Summit Land Development, LLC has been provide with a six (6) month Right of First Refusal (RFR) for property located at 254 Corporate Drive; the RFR shall terminate on September 20, 2019.

3. 100 New Hampshire Avenue – Right of First Refusal

Mullen reported that Two International Group, LLC has been provided with a six (6) month Right of First Refusal (RFR) for property located at 100 New Hampshire Avenue (formerly known as 80 Rochester Avenue); the RFR shall terminate on September 15, 2019.

Director Lamson indicated that the reports were self-explanatory and thanked Mullen very much.

V. Finance

A. Reports

1. Operating Results for Nine Month Period Ending March 31, 2019

Finance Director Irv Canner (Canner) spoke to the operating results for the nine month period ending March 31, 2019. Canner indicated that we are still positive; the variances are that revenues are up by about 7% and operating costs are up by about 3%. The increase in revenues are driven by the fuel fees as well as a dockage fees at DPH. The change in operating costs in March is due to the recording of the liability of the settlement with CLF.

Director Lamson inquired into the number of employees at the present time being 118.

Canner indicated that it was 118 as of May 1st, but as of today we are at 130 employees (which includes seasonal employees). PDA still maintains 60 benefited positions, with three open positions listed on the organization chart. Personnel service costs on labor side are slightly over budget. Organizational chart shows the 60 permanent positions filled (49 here at PDA and 11 at Division of Ports and Harbor) with three open positions indicated in red.

This year PDA has not had to go into debt other than the current repayment to the City of Portsmouth which is anticipated to be extinguished by end of December/beginning of January. It is also anticipated during that time period PDA will have to utilize the Revolving Line of Credit (RLOC) due to the increase in capital expenditures. The primary expenditures that require the use of the RLOC are the terminal; functional replacement of the bridge; runway design work; and pay-for-parking.

Director Bohenko inquired into the Cash Balance Sheet and asked for clarification on amounts and dates associated with the same.

Director Lamson inquired about the restricted cash.

Canner indicated that restricted cash is related to the Foreign Trade Zone, Revolving Loan Fund and the Harbor Dredging. The variance in numbers is the repayments of the Revolving Loan Funds and the increase in some of the revenues associated with the Harbor Dredging Fund; those funds need to be kept separate and cannot be comingled.

Canner spoke to the two new revenue streams that have contributed to the 2019 revenue; the airport's pay-for-parking and the fuel flowage fees. Enplanements are at 49,000 through end of April. Canner indicated that we are about 75% of where we were last year in passenger count which is almost at 100,000, nearly double that from last year.

Skyhaven revenue is on budget for the current 9 months.

Canner spoke to the Board regarding the Golf Course; the numbers indicated are through March and do not reflect where the Golf Course is now. This year PDA is ahead by 40% in rounds of golf played. The variances in revenues are up by about 5% which offset some small increases in operating costs. Currently, ahead 20% of where the simulators were at this time last year and regarding Grill 28, sales are up slightly from last year by about 2.5%.

Canner spoke to the Board about the Division of Ports and Harbors (DPH) regarding the increase in revenue which is related to the wharfage and dockage fees and fuel sales.

Director Torr requested for the next Board meeting a financial updated concerning the Housing Study Committee. Canner indicated that information could be provided as we have a work order that captures the costs.

Director Lamson stated that the parking at the airport has done very well and thinks it is very good to elaborate on that.

Mullen indicated the expansion of parking to Lot C and setting up another gate as there were several times that capacity was exceeded during April vacation.

2. Nine Month Cash Flow Projections to January 31, 2020

Taking a look at the chart there is a transition in the upcoming January projections which will require the use of the RLOC. This is due to capital expenditures both non grant and grant related projects. There is \$9.3 million in capital expenditures during this timeframe; 92% of that amount revolves around the terminal; impact to cash flow drawing down balances by 85%.

Director Allard asked what the out-of-pocket expenses for the terminal project are.

Canner indicated that there is \$1.8 million in federal funding with net being \$21 million for the project. Following that is the \$20 million runway project of which 5% would be PDA's responsibility.

Canner indicated that there are over forty-five (45) projects listed in capital expenditures projects through the end of January.

DPH chart shows unrestricted funds which is consistent with how this DPH operates (given that its major source of revenue streams come in January, February March with mooring permits). Overall the DPH carries a positive balance.

3. Revolving Loan Fund – April Loan Closings

Three loans closed in April and going forward new loans will be reported. One closing is scheduled for next month and two large loans are scheduled for the fall (custom built fishing boats).

Director Levesque inquired as to how much is in the RLF; Canner indicated \$1.2 million with \$1 million in outstanding loans.

VI. Licenses/ROE/Easements/Rights of Way

In accordance with the “Delegation to Executive Director: Consent, Approval and Execution of License Agreements and Rights of Entry,” Executive Director Mullen reported on the following Rights of Entry (“ROE”):

A. Reports

1. Right of Entry – Siemens Gamesa Renewable Energy, Inc. - North Apron

Mullen reported that Siemens Gamesa Renewal Energy, Inc. has been granted a ROE for the period of May 7, 2019 through July 31, 2019 for the purpose of storing wind energy generating equipment on the Premises (North Apron). PDA is working collaboratively with the Port to provide Siemens lay down space on the North Apron for towers related to a windmill project heading to Antrim. Last indication received was the space would utilized be through June 19th.

2. Right of Entry – International Association of Privacy Professionals – 14 Aviation Avenue

Mullen reported that International Association of Privacy Professionals (IAPP) has been granted an ROE for June 19, 2019 through June 20, 2019 for the purpose of parking 25+/- vehicles, and for July 10, 2019 for the purpose of parking 150+/- vehicles in connection with a company meeting on 14 Aviation Avenue. Mullen stated that IAPP is a tenant located at 75 Rochester Avenue who hold an annual event and convert its parking lot into a game area for staff members/family; so we provide them alternative parking at 14 Aviation Avenue for the event.

Director Levesque asked if the Siemens ROE was the reason that the cash flow increased at the Tradeport. Mullen indicated no, as the Siemens’ fee is \$4,300/mo.

Chairman Smith asked if Director Levesque wanted to know what caused the increase and an affirmative response was received. Canner indicated that the increase was due to significant wharfage monies.

VII. Leases

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

A. Reports

1. 200 International Limited Partnership – 200 International Drive (Suite 290)

Mullen reported that 200 International Limited Partnership entered into a sublease with New England Controls, Inc. (d/b/a: NECI) for 4,982 square feet within the leased premises at 200 International Drive from July 1, 2019 until June 16, 2023. The premises will be used for general office use; Director Lamson approved the sublease.

B. Approvals

1. GEB, Inc. - Assignment of Lease to Rochester Electronics

Director Loughlin moved and Director Allard seconded that the Pease Development Authority Board of Directors hereby:

- a. approves of the sale of the facility and the assignment of the Lease by GEB, Inc., to Rochester Electronics, LLC for the premises located at 20 Durham Street; and
- b. authorizes the Executive Director and General Counsel to negotiate and execute without limitation, such agreements and documents as shall be necessary or appropriate, in their opinion, to facilitate the sale of the facility and the assignment of the ground lease;

all in accordance with the memorandum of David R. Mullen, Executive Director, dated May 8, 2019. Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

VIII. Contracts/Agreements

A. Environmental Contract Reports

1. Ransom Report

Mullen reported that last month Pease Development Authority (PDA) authorized Ransom Consulting, Inc. to proceed with two (2) task assignments associated with the CLF settlement and PDA’s pending ms4 permit application.

1. The first task assignment, in the amount of \$41,545, directed Ransom to establish a baseline inventory of impervious surface areas and update the information yearly until January of 2024; and
2. The second task assignment, in the amount of \$5,318, directed Ransom to conduct

baseline storm water sampling for the pending application.

All work will be in conformance with the terms of Ransom's on-call agreement.

B. Approvals

1. Janitorial Services Pease Development Authority Properties

Director Levesque moved and Director Loughlin seconded that the Pease Development Authority Board of Directors authorizes the Executive Director to enter into a three (3) year agreement with two (2) additional one (1) year options exercisable on the sole discretion of the Executive Director with Compass Facility Services, for the purpose of janitorial services to Pease Development Authority facilities (Division of Ports and Harbors Market Street Facility, Portsmouth International Airport at Pease, Pease Golf Course and the PDA Corporate Offices) in a projected bid amount of \$203,432.00 per year; all in accordance with the memorandum of Paul Brean, dated May 8, 2019.

Discussion:

Director Bohenko asked how we found the level of cleaning service (i.e.; A+, C).

Airport Director Paul Brean (Brean) indicated that there was an extensive RFQ; five companies responded and from those companies it was narrowed down to two candidates (went through a thorough checklist). The company that is being recommended, Compass Facilities, is vast and has a large footprint. Currently PDA struggles with the service it has now and financially Compass is actually 40% to 65% cheaper in its services and uses an asset data management type of system which utilizes resources at a variety of locations.

Director Bohenko stated it would be something to look at long term to bring janitorial service back in-house when we update the terminal. Indicated that they (City of Portsmouth) tried outsourcing a couple of times. The maintenance company needs to make a profit; cleaning is a human function and the City has not had much success at it (outsourcing).

Brean indicated that there will be a quality control added as a maintenance manager.

Mullen indicated to date, in-house has not worked out. This is sort of a demand driven requirement. PDA looked at cost savings as we had coverage, but when compared to the services with Compass it was about a 40% savings.

Director Bohenko stated he wondered where they (Compass) is making up the 40% savings.

General Counsel Lynn Hinchee (Hinchee) indicated that one of the issues that has occurred with in-house is the ability to handle the increased activity which means adding staff and benefits.

Director Lamson spoke to the need of keeping the terminal clean among chaos.

Mullen indicated that it would be monitored closely.

Director Allard asked what are the services, what buildings are they handling.

Brean indicated the following locations: (PDA Corporate Offices; Division of Ports and Harbors – Market Street Terminal; Dept. of Defense Air Traffic Control Tower), the Terminal will be added. Compass will provide daily service to the golf course and the clubhouse, including the restaurant.

Mullen indicated that the restaurant and golf course is daily, some of the other locations will be once or twice a week.

Director Allard inquired how often the other buildings are cleaned.

Mullen responded, twice a week.

Brean did indicate further that the terminal would be based on the flight schedule.

Director Loughlin stated that we had this discussion four (4) or five (5) years ago about benefits, costs and quality and that Lynn is probably right about going back and forth.

Brean indicated that there is a labor component; we value the benefited positions. We can struggle to get quality class operators, so if we want to create a fulltime position it would be preferred to have a heavy equipment operator to support the airfield.

Disposition: Resolved by unanimous vote for; motion carried.

2. PSM Runway Reconstruction

Director Bohenko moved and Director Torr seconded that in conjunction with the Portsmouth International Airport at Pease (PSM) Runway Reconstruction Project, the Pease Development Authority Board of Directors hereby approves and authorizes the Executive Director to:

- (1) accept a grant offer for the runway reconstruction at Portsmouth International Airport at Pease including up to \$16,083,196;
- (2) accept up to \$892,771.04 in matching funds from NHDOT Division of Aeronautics;
- (3) expend up to \$892,771.04 in PDA matching funds;
- (4) authorize the Executive Director to enter into a contract with Pike Industries for the PSM Runway Reconstruction project in an amount up to \$22,598,687.36;

- (5) authorize the Executive Director to enter into contracts with Hoyle, Tanner & Associates for the construction phase engineering services in an amount up to \$1,274,100, and \$43,000 for additional taxiway design;
- (6) authorize the Executive Director to enter into a contract with ADB Safegate for ALCMS equipment in the amount of \$14,436.78;
- (7) authorize the Executive Director to execute a MCCA based upon cost sharing substantially similar to that described in this memorandum;
- (8) accept a grant offer for an FAA Reimbursable Agreement associated with the runway reconstruction at Portsmouth International Airport at Pease including \$129,987 in AIP funding from FAA;
- (9) accept \$7,221 in matching funds from NHDOT Bureau of Aeronautics;
- (10) expend \$7,222 in PDA matching funds; and
- (11) authorize the Executive Director to enter into an FAA Reimbursable Agreement in the amount of \$144,430.

In the event that FAA offers a multi-year grant which would make funds for one or both of the additive alternates available with future year funds, the Executive Director is authorized to:

1. Award the work of one or both of the add alternates to Pike Industries and HTA as necessary to hold prices and maintain the current schedule; and
2. Make payment to Hoyle, Tanner and Associates in the amount of \$43,000 for taxiway reconstruction design.

The grant funding at the specified sharing would be realized at the time of the future grant awards;

all in accordance with the memoranda from Maria Stowell, Engineering Manager dated May 8, 2019 and May 15, 2019.

Discussion:

Director Allard asked when does this start, and when does this end?

Engineering Manager Maria Stowell (Stowell) asked to speak and explain the Motion and Replacement Motion. The two memos provide the Board with information that PDA asked of the FAA for funding and for approval to award contracts; also, if the FAA decided to provide a lower amount of funding then only award contracts based on that lower funding. Up to now, PDA has been successful in receiving discretionary money from the FAA and they have awarded the full amount that we have asked for. This year because of the bidding climate and prices coming in so high and further conversation with the FAA, FAA is doubtful they will be able to give us all of the money. We bid this contract on a base bid and additive alternates so we could break it up to the base bid and two add alternates. The FAA has indicated that it is doubtful we will get the money this year for the add alternates. So, the FAA is working with us to let us award the entire

contract (base bid and two add alternates) because we received good bid prices; we were one of a few airports in New England who received competitive bid prices. If we could award this now we could take advantage of the bids we got now. The approval that was sought last week was that if the FAA gave less than the full amount requested then we would only award contracts for that amount of money. However, the FAA has indicated that they could give us a multi-year grant (this year they would only give us money for the base bid but in the next year or two we would have entitlement money coming to put towards the add alternates because it is entitlement money). If it is discretionary money you can't spend it before the FAA gives it to you, but entitlement money we can award it now and be reimbursed later on. New memo is asking that instead of awarding contract based on what the FAA is giving us now, to allow us to award contract to HTA and Pike on the whole contract and one or two add alternates. Still looking at which if the two add alternates to award. Looking for Board to give approval to award the contracts knowing that this year's grant will not cover the whole thing but knowing in the next year or two PDA will receive grants covering the amounts for the whole project (base bid and two add alternates).

Director Allard reiterated his first question of beginning date, ending date, completion of the project, what are the parameters.

Stowell indicated we still don't know when we will receive the FAA funding (might receive the grant next month or so). After grant is received it will be necessary to go to Governor and Council for approval; don't anticipate signing the construction contract until roughly October. The first phase of the project will start in the fall, main paving of runway will begin in 2020 and hope to get most of paving done in 2020. One of the add alternatives may go into 2021; by the end of 2021 we will be done.

Director Allard asked how the main runway will be paved with the activity that we have now.

Stowell indicated that there are 8 or 9 phases to the project. The runway will be broken up into thirds for the project. When working on the middle we need to have a complete shutdown which will encompass two (2) weeks. Not sure if this will be two (2) consecutive weeks or one week with a break in between to land some aircrafts. There will be necessary night closures associated with the North and South apron segments of the project.

Director Allard asked how this would affect the Air National Guard and the two airlines at the airfield now.

Stowell indicated that there has been a lot of discussions and coordination between all.

Brean indicated that the airlines and Guard schedulers have been informed. Without the two (2) week closure, would need to have nightly closure from 9 p.m. to 8 a.m. for the entire summer. After survey with airlines and Guard, it was decided that two (2) week closure was less burdensome.

Disposition: Resolved by unanimous vote for; motion carried.

IX. Executive Director's Reports/Approvals

A. Reports

1. Golf Course Operations

a) Advertising

Golf Course General Manager Scott DeVito indicated that the course has been open since March 31st and has had the best April ever. Limitations because of weather as to what is open, but as of last week all twenty-seven (27) holes are open. There are two hundred twenty-three (223) season pass holders out of the general capacity of two hundred fifty (250). Previous discussions with the Golf Committee has led to capping of the four (4) week pass to eighty-five (85); that capacity has been met. A waiting list has been established for four (4) week passes. In tournament mode with a couple of big events this weekend.

Director Lamson congratulated Scott for the work done at the Golf Course.

Mullen spoke to the advertising expenses associated with the Golf Course which are: CTM Media Group, Inc. for the period of May 1, 2019 through September 30, 2019 for distribution of brochures to locations in the specified market sectors in the amount of \$2,200; and WOSQ – FM Portsmouth (iHeartMedia) with one hundred ninety-five (195) 30-second scheduled spots for \$3,420 in cash and \$1,000 in trade.

2. Airport Operations

a) Portsmouth International Airport at Pease (PSM)

Airport Director Paul Brean reported that it was the busiest April in history, moving 14,000 people through the terminal. This is primarily due to Allegiant committing to daily service over April school vacation and increased capacity on the newer aircraft. The month of April there was 1.2 million gallons of fuel flowage which is a direct reflection of the increased activity as well as the capital investment of Port City ground handling equipment. Port City purchased several fuel trucks in support of the military operations as a result of a “spin up with geo-politics”. Revenue for fuel flowage fee is up about 2%. Revenue parking is strong, went into a small overflow lot during the overlap of Massachusetts and New Hampshire April vacations. Under budget for the parking implementation project which was budgeted at \$250,000. Therefore, utilizing \$30,000 of that budgeted money to upgrade Lot C to get it ready for revenue parking which will provide an additional two hundred sixteen (216) spaces which should be sufficient until next spring. With the revenue received it will help the terminal project long-term.

Brean commended Chairman Smith as the NH Congressional delegation was able to secure \$2 million in supplemental grant for the terminal project. PDA had previously received \$1.8 million in entitlement and this is an additional \$2 million. There were many grant applications received from various airports nationwide for supplemental projects; the primary focus is rehabilitating pavement. PDA is glad it was received for the terminal project and will definitely help the cause as PDA is are self-funding the project so every dollar counts.

Planesense continues to grow and received a third Pilatus PC24 jet in April which brings

its fleet total to 39 aircraft.

Brean introduced Eric Fletcher, Director of Government Affairs, and Daniel Meier, Manager Airport Affairs of Allegiant Airlines who were providing a corporate update. Allegiant individuals and Brean will attend the "Hit the Decks" in downtown Portsmouth to kick off to summer with other members of the Chamber Collaborative.

Daniel Meier indicated that he is the liaison between the airline and the airport. He has discussions with Paul and Dan Fortnam on routes to fly, data received for review/research and the interests of Allegiant when it comes to terminal expansions, ticket counters etc.

Eric Fletcher stated he was available to answer any questions or to find out the answers if necessary. He further spoke of his role when dealing with local/state/federal government to answer questions and offer airline feedback. He has been involved with Allegiant since it reentered the market with PDA in 2013. With the current routes, have done approximately 80,000 passengers since last year (when first arrived Allegiant did approximately 10,000 passengers so the growth since has been consistent). Allegiant's core focus is to provide a service to vacationing travelers. However, over the last year have seen about a third (1/3) of passengers are coming to New Hampshire to vacation without being marketed, so there is a dual draw. PSM fares are lower (\$91 average without options and fees) than surrounding airports. Allegiant has transitioned from MD80s to Airbus 319s and 320s which are 25% more fuel efficient and more seats.

Director Allard asked if Allegiant was planning on expanding to other locations.

Meier indicated that Allegiant was planning on expanding but provided no locational information.

Director Allard indicated that Allegiant is currently going up and down the east coast and wondered if there was a potential for routes to the west.

Director Bohenko asked how Meier arrived from Las Vegas, Meier responded through Logan.

Meier indicated that a lot has to do with the business model. Traditionally, Allegiant is an out and back flight. Other airlines overnight its crew and return next morning; Allegiant's flight crews and planes return to home base every night. With FAA restrictions on pilots' flight time on duty days it restricts the locations where flights are able to go and return each day. Due to the location of Portsmouth and travel to Las Vegas – geographically is too far to stay within its current business model. If there is a change in the business model, it may become a reality.

Director Allard asked about the impact Frontier has on Allegiant.

Fletcher responded that it is early at this point as Frontier just started in December of last year.

Meier indicated they have not seen an impact at this time as the routes are slightly different and Allegiant has a better market presence.

Mullen stated that previously there had been discussions on going to Cancun or locations of that sort and asked if there were any additional thoughts on that expansion.

Meier indicated that they have filed paperwork with DOT from anywhere in US to anywhere in Mexico. At this time routes and dates are being explored and a lot will go into the considerations (where the planes coming from – going to, routing, hours of travel, getting crews back to base same day, etc.)

Fletcher indicated that there are no plans at this time but they are looking at the options. It is anticipated that with the research received from Meier's team, additional information will be forthcoming by the end of the year.

Dan Fortnam stated that the answer may be to set Portsmouth up as a base.

Fletcher indicated that a crew base is always a goal; Allegiant's goal is to grow market to 20 flights per week for consideration of crew base.

b) Noise Line Report

There were a total of four noise inquiries in April, 2019. Three of the inquiries were for fixed wing aircraft and one inquiry was for a rotor-wing aircraft. It was determined that one of the fixed wing inquiries was concerning a single engine aircraft flying who had permission to fly in the class D airspace for a photo shoot. The last two fixed wing inquiries were concerning the noise from a group of F-16's deploying overseas. The fourth caller was inquiring about a red helicopter flying over downtown Portsmouth.

Chairman Smith indicated that if it weren't for the well-developed grant application provided by Paul and staff, PSM wouldn't have received the funding of the grant.

3. Residential Housing Committee Report of April 18, 2019 meeting

Chairman Smith spoke to the recent Residential Housing Committee meeting of April 18, 2019. The Committee met with various developers to speak to ability and the interest of housing on Pease. Chairman Smith described their (developers) comments as tepid.

Hinchee indicated that the developers are always interested, but a project such as this would have to meet their financial models and concerns; they also had concerns on the environmental conditions.

Mullen indicated that the speakers spoke to the lack of a retail component necessary to support housing / apartments which would be a detriment to this location.

B. Approvals

1. Airline Data Inc. Database and Software Lease Agreement

Director Allard moved and Director Torr seconded that the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into a lease with Airline Data Inc. of Dallas, Texas for proprietary information to be used for air service development at Portsmouth International Airport at Pease (“PSM”). The lease will be for a three (3) year commitment commencing as of July 1, 2019 through June 30, 2022. The fee associated with this lease will be \$15,600 for the first year and \$7,800 per year for the second and third years; all in accordance with the memorandum of Paul Breaun, dated May 2, 2019 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. Airline Data Inc.’s Airport Catchment Analytics Data is the only database that contains pre-adjusted ready to use point of origin sales passenger and revenue data by U.S. airports. This dataset contains data from every U.S. airline and is compiled from a variety of airline ticketing sources that ensures full inclusion of ultra-low cost passengers from virtually every potential booking channel.
2. Due to the varied seasonal schedules of airlines serving PSM, access to timely data is critical to determine and implement seasonal service changes. Airline Data Inc.’s Hub Data Set is a web based application that provides real time data that is always accessible to the subscriber allowing the airport and airline to converge quickly and make fast educated decisions.
3. Airline Data Inc.’s Airport Catchment Analytics Data is the only data suite in existence that accurately quantifies such data in a credible pre-adjusted, ready to use format. PSM would be unable to internally adjust a conventional database due to the small Air Service Development Team at PSM.

Note: This motion required 5 affirmative votes. Discussion: None. Disposition: Resolved by roll call vote; motion carried.

2. Bills for Legal Services

Director Torr moved and Director Allard seconded that the Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$28,165.00 for the following legal services rendered to the Pease Development Authority:

<u>Sheehan Phinney Bass + Green</u>	
Through March 31, 2019	\$ 116.00
Through March 31, 2019	\$ 6,351.00
Through March 31, 2019	\$ 1,276.00
Through March 31, 2019	<u>\$20,219.00</u>
TOTAL:	\$28,165.00

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

X. Division of Ports and Harbors

Geno J. Marconi, Division Director of the Division of Ports and Harbors (DPH) was unable to attend the meeting. Chief Harbormaster Tracy Shattuck (Shattuck) attended in Director Marconi’s absence and reported on Division activities, and the approvals sought before the Board represent the current business at the Division of Ports and Harbors (“DPH”).

A. Reports

1. Port Advisory Council

Shattuck reported that the Port Advisory Council met on April 4, 2019 and the minutes of the March 6, 2019 are self-explanatory.

2. FTZ Annual Report

- a) Millipore Corporation
- b) Textiles Coated International

Shattuck reported that the FTZ report was due on the 10th of this month, it was submitted on time and DPH submitted the report as the grantee. The necessary proprietary information was submitted by the businesses on time; DPH doesn’t have additional information.

3. Commercial Mooring for Hire Permit Application – Diane Szmyd – Mooring Permit #6292 - Sagamore Creek

Shattuck reported that a request was made by property owner Diane Szmyd who advised that the property is rental property and that the new tenant wished to have use of the mooring as part of the rental. Therefore, Ms. Szmyd was guided through the process of submitting the Commercial Mooring for Hire paperwork and Shattuck recommended approval of this application as it meets all criteria.

4. Piscataqua Maritime Commission - Right of Entry and Waiver of Fees for the “Sail Portsmouth 2019 Event, Tall Ships America Eagle”, Market St. Terminal

Shattuck reported that a Right of Entry has been provided for the Tall Ship events in the past and the ROE commences the day before the start of event and day after the event concludes. The Tall Ship event is a juggling act for DPH but it has been done in the past and DPH will resurrect previous plans.

5. Riverside Marine Construction d/b/a Riverside & Pickering Marine Contractors Right of Entry – Buoy Project – Market Street Terminal

Shattuck reported that this Right of Entry is in association with a Buoy Project being performed by UNH and Appledore Marine Engineering, Inc. for the use of ½ (one-half) acre of laydown area and Barge Dock for the “Buoy Project”. This project is being performed as a means to measure the rise and fall of the ocean waves as a means to see how much electricity may be generated from waves. The ROE will be for the period of April 1, 2019 to September 30, 2019 and the month fee for use of the area will be \$2,625.00, and any applicable terminal fees.

6. Bait Cooler Right of Entry, Portsmouth Fish Pier

Shattuck reported that PDA provided a ROE to Bait Cooler for the use of purpose of cold storage of fresh and frozen lobster bait in the existing cooler at Portsmouth Fish Pier. The ROE will commence on June 1, 2019 through May 31, 2020, with 1 (one) 1 (one) year option, June 1, 2020 through May 31, 2021; the fee for this term will be \$9,100.00.

B. Approvals

1. Right of Entry - Juliet Marine – Amendment to Extend Lease

Director Lamson moved and Director Loughlin seconded that the Pease Development Authority Board of Directors hereby approves of and consents to issuing a Right of Entry (“ROE”) to Juliet Marine Systems, Inc. (“Juliet”) for the use of the facilities at the Market Street Terminal for the purpose of storage and loading of vessel; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated May 7, 2019. Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

2. Right of Entry, Swell Oyster Co., Hampton Harbor Marine Facility

Director Torr moved and Director Loughlin seconded that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations and execute a Right of Entry with Swell Oyster Company to use the building for storage of gear, sorting and retail sales of oysters in support of its oyster business in association with Swell Oyster Company’s Right of Entry upon the final sale of the building through June 30, 2020, two (2) one (1) year options to extend the agreement in the sole discretion of the Executive Director; all in accordance with the terms and conditions set forth in the memorandum of Geno J. Marconi, Division Director, dated May 8, 2019.

Discussion: Director Lamson asked if the oyster company was out of Hampton. Shattuck indicated that it is an aquaculture program out of Hampton.

Disposition: Resolved by unanimous vote for; motion carried.

3. **Right of Entry - Smitty's State Pier Lobster Pound, Hampton Harbor Marine Facility - Cooler**

Director Bohenko moved and Director Loughlin seconded the Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations and execute a Right of Entry with Smitty's State Pier Lobster Pound to locate a 12'6" x 12' deck to hold a 8' x 10' foot cooler for the storage of seafood for the period of June 1, 2019 through June 30, 2020, the Right of Entry shall run concurrently with Smitty's State Pier Lobster Pound's existing Right of Entry; all in accordance with the terms and conditions set forth in the memorandum of Geno J. Marconi, Division Director, dated May 8, 2019.

Discussion: Director Allard asked about this ROE being for a thirteen (13) month period. Hinchee indicated that she was advised by Deputy General Counsel Anthony Blenkinsop that it is to bring it in concurrence with another Right of Entry.

Disposition: Resolved by unanimous vote for; motion carried.

XI. Special Events

A. Report of 5k Road Race for Girls on the Run New Hampshire

Mullen reported that Girls on the Run will be holding a 5k road race on June 1st and this year Medtronics will allow them to utilize their facility to stage the event.

XII. New Business

No new business.

XIII. Upcoming Meetings

Residential Housing Committee	May 23, 2019 @ 8:30 a.m.
Golf Committee	June 17, 2019 @ 8:00 a.m.
Finance Committee	June 17, 2019 @ 8:30 a.m.
Board of Directors	June 20, 2019 @ 8:00 a.m.
Residential Housing Committee	June 27, 2019 @ 8:30 a.m.

All Meetings begin at 8:00 a.m. unless otherwise posted.

XIV. Directors' Comments

XV. Adjournment

Director Lamson moved and Director Allard seconded to **adjourn the Board meeting**. Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried. Meeting adjourned at 9:15 a.m.

XVI. Press Questions

There were no questions from the press who attended the meeting.

Respectfully submitted,



David R. Mullen
Executive Director



MOTION

RIGHT TO KNOW UPDATE: Effective January 1, 2018, RSA 91-A, the Right to Know Law was modified to include that "If a member of the public body believes that any discussion in a meeting of the body, including in a nonpublic session, violates this chapter, the member may object to the discussion. If the public body continues the discussion despite the objection, the objecting member may request that his or her objection be recorded in the minutes and may then continue to participate in the discussion without being subject to the penalties of RSA 92-A:8, IV or V. Upon such request, the public body shall record the member's objection in its minutes of the meeting. If the objection is to a discussion in nonpublic session, the objection shall also be recorded in the public minutes, but the notation in the public minutes shall include only the members name, a statement that he or she objected to the discussion in nonpublic session, and a reference to the provision of RSA 91-A:3, II, that was the basis for the discussion."

Director Lamson:

The Pease Development Authority Board of Directors will enter non-public session pursuant to NH RSA 91-A:3 for the purpose of discussing the following:

1. Personnel matters (Hiring/Firing/Compensation),
2. Security Matters; and
3. Sale or lease of property.

Note: Roll Call Vote

MOTION

Director Levesque:

Resolved, pursuant to NH RSA 91-A:3, Paragraph III, the Pease Development Authority Board of Directors hereby determines that the divulgence of information discussed at the non-public session with the exception of item XI. (B)(2) of its June 20, 2019 meeting related to:

1. Personnel matters (Dismissal, promotion or compensation of public employee),
2. Security matters; and
3. Sale or Lease of Property

would, if disclosed publically, a) affect adversely the reputation of any person other than a member of the public body itself; b) render the proposed actions ineffective; c) compromise the emergency functions pertaining to security;

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



**FY 2019 FINANCIAL REPORT
FOR THE TEN MONTH PERIOD
ENDING APRIL 30, 2019**



**BOARD OF DIRECTOR'S MEETING
JUNE 20, 2019**



CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2019

(\$ 000's)

BUDGET VARIANCE ANALYSIS

- OPERATING REVENUES-
HIGHER BY 6.7 % ...
- TIMING DIFFERENCES ASSOCIATED WITH RENTAL OF FACILITIES, OFFSET BY INCREASES IN:
 - GOLF FEES- ESCALATION IN NONMEMBER ROUNDS PLAYED
 - CONCESSION REVENUES FROM GRILL 28 SALES
 - PSM PAY FOR PARKING DEFERRED FROM JULY 2018 TO JANUARY 2019
 - DPH AND DAW FUEL SALES
- OPERATING COSTS
HIGHER BY 3.9 %...

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	CURRENT YEAR BUDGET
OPERATING REVENUES (PAGE #3)	12,254	12,418	164	12,254
OPERATING EXPENSES				
PERSONNEL SERVICES AND BENEFITS (PAGE #4 AND #5)	4,601	4,784	(183)	5,903
BUILDINGS AND FACILITIES MAINTENANCE	2,001	2,119	(58)	2,482
GENERAL AND ADMINISTRATIVE (PAGE #6)	990	977	13	1,207
UTILITIES (PAGE #6)	577	593	(16)	712
PROFESSIONAL SERVICES (PAGE #6)	1,363	745	618	911
MARKETING AND PROMOTION	159	264	(105)	315
ALL OTHER (PAGE #6)	926	795	131	1,033
OPERATING INCOME	10,672	10,272	400	12,583
OPERATING INCOME	2,577	2,141	436	2,661
NONOPERATING (INCOME) AND EXPENSE (PAGE #7)	(38)	109	(147)	130
DEPRECIATION	4,773	5,365	592	6,437
NET OPERATING INCOME	(2,159)	(3,335)	1,176	(3,906)

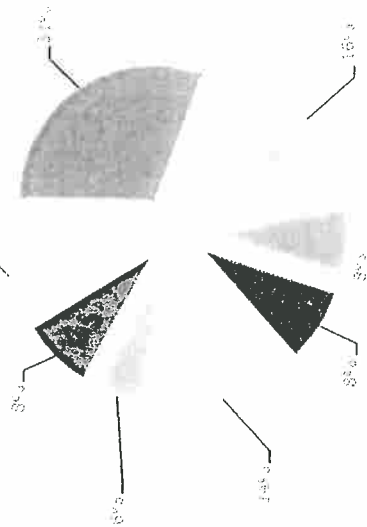
- INCLUDES \$800 CLF LITIGATION SETTLEMENT- ATTORNEY FEES
- BENEFITED EMPLOYEE OVERTIME IN SUPPORT OF INCREASED GOLF AND WHARFAGE ACTIVITIES (DPH).

CONSOLIDATED OPERATING REVENUES FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2019

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VAR	CURRENT YEAR BUDGET
RENTAL OF FACILITIES	8,381	8,376	5	9,968
FEE REVENUES (SEE PIE CHART)	3,300	2,728	572	3,603
FUEL SALES (SEPARABLE BELOW)	756	552	204	704
CONCESSION REVENUE	320	315	5	400
GOLF MERCHANDISE	180	164	16	235
ALL OTHER- NET	317	283	34	314
	<u>13,254</u>	<u>12,118</u>	<u>1,136</u>	<u>15,274</u>

FEE REVENUES YEAR TO DATE



- GOLF FEES
- PASSENGER FEES
- FUEL USAGE AND RES
- WHARFAGE AND DORAGE
- GOLF MEMBERSHIP
- FUEL BLOWAGE
- PARKING FEES
- ALL OTHER

FUEL ANALYSES	ACTUAL SALES	BUDGETED SALES	BUDGET VARIANCE	ACTUAL COGS	BUDGETED COGS	BUDGET VARIANCE
PORTSMOUTH FISH PIER	412	226	86	331	325	6
RYE HARBOR	140	88	52	125	82	43
HAMPTON HARBOR	152	85	67	123	78	45
SKYHAVEN AIRPORT	52	53	(1)	48	43	5
	<u>756</u>	<u>552</u>	<u>204</u>	<u>627</u>	<u>528</u>	<u>99</u>

CONSOLIDATED PERSONNEL SERVICES AND BENEFITS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2019

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	CURRENT YEAR BUDGET	SAL/ BEN	HR/ BEN	HR/ NON	SE	TOTAL
<i>CURRENT STAFF ANALYSIS (FILLED POSITIONS) AS OF JUNE 3, 2019</i>									
PERSONNEL SERVICES									
BENEFITED	3,030	3,056	(26)	3,667	3	4	-	45	52
NONBENEFITED	602	605	(3)	759	3	9	13	-	25
OVERTIME	255	102	63	236	-	-	-	1	19
ACCRUED VACATION/ SICK	35	-	35	-	-	18	-	-	-
	<u>3,922</u>	<u>3,853</u>	<u>69</u>	<u>4,662</u>	1	10	4	17	32
CHARGE OUT	(650)	(307)	(343)	(388)	2	2	1	-	5
	<u>3,272</u>	<u>3,546</u>	<u>(274)</u>	<u>4,274</u>	2	3	-	-	5
FINANCE BENEFITS									
HEALTH INSUR	942	855	87	1,026	2	3	-	-	5
RETIREMENT	503	401	102	605	3	1	-	-	4
DENTAL INSURANCE	54	53	1	63	-	-	3	-	3
LIFE INSURANCE	35	20	5	25	1	-	-	-	1
	<u>1,524</u>	<u>1,329</u>	<u>195</u>	<u>1,719</u>	15	47	24	63	146
CHARGE OUT	(195)	(91)	(104)	(110)	-	-	-	-	-
	<u>1,329</u>	<u>1,238</u>	<u>91</u>	<u>1,609</u>					
	<u>4,601</u>	<u>4,784</u>	<u>(183)</u>	<u>5,893</u>					

CONSOLIDATED OTHER OPERATING EXPENSES FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2019

(\$ 000's)

GENERAL AND ADMINISTRATIVE	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
FICA	283	294	(11)	357	LEGAL	1,143	616	527	750
INSURANCE	156	140	16	168	INFORMATION TECHNOLOGY	92	58	34	69
TELEPHONE / COMMUNICATIONS	103	87	16	104	EXTERNAL AUDIT	48	44	4	60
WORKERS' COMPENSATION	50	62	(12)	75	ALL OTHER- NET	80	27	53	32
BANK FEES	48	65	(17)	81					
ALL OTHER-NET	350	329	21	422					
	290	277	13	320		1,362	746	616	911
UTILITIES					ALL OTHER				
ELECTRICITY	350	322	28	394	FUEL	627	528	99	653
WATER	37	104	(67)	117	GOLF MERCHANDISE	135	128	7	175
WASTE DISPOSAL	79	80	(1)	96	COAST TROLLEY	92	82	10	120
NATURAL GAS AND OIL	75	58	17	70	GOLF CART LEASE	72	57	15	85
PROPANE	36	29	7	35		926	795	131	1,035
	277	222	(16)	212					

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**CONSOLIDATED NONOPERATING (INCOME) EXPENSE
FOR THE TEN MONTH PERIOD ENDING
APRIL 30, 2019**

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	CURRENT YEAR BUDGET	INTEREST EXPENSE	YEAR TO DATE	FISCAL BUDGET
INTEREST EXPENSE	9	123	(114)	148	PROVIDENT BANK- RLOC	-	138
INTEREST INCOME AND OTHER	(47)	(14)	34	(18)	CITY OF PORTSMOUTH	9	10
	<u>(38)</u>	<u>109</u>	<u>(147)</u>	<u>130</u>	TOTAL	<u>9</u>	<u>148</u>

CONSOLIDATED STATEMENTS OF NET POSITION

(\$ 000's)

	APR 30 2019	JUN 30 2018	APR 30 2019	JUN 30 2018	<u>CASH AND EQUIVALENTS</u> <u>AT APRIL 30, 2019</u>	
ASSETS					<u>UNRESTRICTED</u>	<u>RESTRICTED</u>
CURRENT ASSETS						
CASH AND EQUIVALENTS	8,503	6,134	2,745	1,593	7,106	-
ACCOUNTS RECEIVABLE- NET	891	2,058	281	2,423	-	-
OTHER ASSETS	521	500	663	681	-	-
TOTAL CURRENT ASSETS	<u>9,915</u>	<u>8,692</u>	<u>3,689</u>	<u>4,697</u>	<u>7,106</u>	<u>-</u>
RESTRICTED ASSETS						
CASH AND EQUIVALENTS	531	489	14	-	14	-
ACCOUNTS RECEIVABLES- NET	1,033	1,152	621	828	2,120	-
TOTAL RESTRICTED ASSETS	<u>1,564</u>	<u>1,641</u>	<u>635</u>	<u>828</u>	<u>2,134</u>	<u>-</u>
CAPITAL ASSETS						
LAND, BUILDINGS AND EQUIPMENT	61,850	65,030	2,612	2,612	-	360
CONSTRUCTION IN PROCESS (pages #10-#12)	2,735	2,026	63,935	64,400	-	169
TOTAL CAPITAL ASSETS	<u>64,585</u>	<u>67,056</u>	<u>66,547</u>	<u>67,012</u>	<u>-</u>	<u>529</u>
TOTAL ASSETS	<u>76,064</u>	<u>77,389</u>	<u>70,871</u>	<u>72,537</u>	<u>9,340</u>	<u>529</u>
DEFERRED OUTFLOWS OF RESOURCES						
PENSION / OPEB	1,753	1,253	1,196	1,198	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,753</u>	<u>1,253</u>	<u>1,196</u>	<u>1,198</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>1,509</u>	<u>1,253</u>	<u>2,382</u>	<u>2,396</u>	<u>9,340</u>	<u>529</u>
NET INVESTMENT IN CAPITAL ASSETS	<u>63,076</u>	<u>65,803</u>	<u>64,189</u>	<u>64,641</u>	<u>-</u>	<u>-</u>
NET POSITION	<u>74,555</u>	<u>76,136</u>	<u>68,489</u>	<u>70,141</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
PENSION / OPEB	1,196	1,198	1,196	1,198	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,196</u>	<u>1,198</u>	<u>1,196</u>	<u>1,198</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>2,705</u>	<u>2,451</u>	<u>3,578</u>	<u>3,594</u>	<u>9,340</u>	<u>529</u>
NET POSITION	<u>74,555</u>	<u>76,136</u>	<u>68,489</u>	<u>70,141</u>	<u>-</u>	<u>-</u>
NET INVESTMENT IN CAPITAL ASSETS	<u>63,076</u>	<u>65,803</u>	<u>64,189</u>	<u>64,641</u>	<u>-</u>	<u>-</u>
RESTRICTED FOR:						
REVOLVING LOAN FUND	1,196	1,198	1,196	1,198	-	-
HARBOR DREDGING	353	180	-	-	-	-
FOREIGN TRADE ZONE	1	10	-	-	-	-
UNRESTRICTED	(8,022)	(8,214)	-	-	-	-
TOTAL NET POSITION	<u>65,502</u>	<u>67,974</u>	<u>64,189</u>	<u>66,741</u>	<u>-</u>	<u>-</u>

SUMMARY OF CONSTRUCTION WORK IN PROGRESS

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-18	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT W/ SERVICE	NET CURRENT YEAR CHARGE	BALANCE AT 04-30-19
PORTSMOUTH AIRPORT					
RUNWAY 16-34 DESIGN (AIP 58)	661	421	(231)	190	851
TERMINAL PLANNING STUDY (AIP 61)	351	42	(351)	(309)	42
TERMINAL BUILDING EXPANSION (AIP 62)	725	(725)	-	(725)	-
REPLACE TERMINAL RTUS	180	66	(246)	(180)	-
OBSTRUCTION REMOVAL- CONSTRUCTION	2	106	(103)	3	5
AIRFIELD SINAGE	-	50	(50)	-	-
PAY FOR PARKING PROJECT	-	224	(224)	-	-
TERMINAL CARPETING	-	24	(24)	-	-
TREE REPLACEMENT PROJECT	-	13	-	13	13
TERMINAL ROOF LIGHTS	-	9	9	-	-
SNOW PUSHER	-	4	(4)	-	-
TERMINAL EXPANSION (NON-GRANT)	-	751	-	751	751
AIR NATIONAL GUARD TAXIWAY	-	41	(39)	2	2
	<u>1,919</u>	<u>1,026</u>	<u>(1,281)</u>	<u>(255)</u>	<u>1,664</u>

SUMMARY OF CONSTRUCTION WORK IN PROGRESS

(CONTINUED)

(\$ 000's)

PROJECT NAME	BALANCE AT 06-30-18	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 04-30-19
SKYHAVEN AIRPORT					
TAXILANE PAVEMENT AND DRAINAGE	-	21	(7)	14	14
SNOW REMOVAL EQUIPMENT	-	1	(1)	-	-
	-	<u>22</u>	<u>(8)</u>	<u>14</u>	<u>14</u>
TRADEPORT					
GOLF COURSE					
TORO TOP DRESSING BRUSH	-	3	(3)	-	-
TORO PROCARE PUSHER	-	27	(27)	-	-
GR3150 GREENS MOWERS	-	74	(74)	-	-
GM 3500 TRIM MOWER	-	<u>32</u>	<u>(32)</u>	-	-
	-	<u>136</u>	<u>(136)</u>	-	-
ADMINISTRATION					
WEBSITE REDESIGN PROJECT	29	10	(39)	(29)	-
COMPUTER REPLACEMENTS	-	8	(8)	-	-
	<u>29</u>	<u>18</u>	<u>(47)</u>	<u>(29)</u>	-
MAINTENANCE					
MITAS ERD 30 TIRES	-	<u>17</u>	<u>(17)</u>	-	-

SUMMARY OF CONSTRUCTION WORK IN PROGRESS

(CONTINUED)

(\$ 000'S)

PROJECT NAME	BALANCE AT 06-30-18	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 04-30-19
DIVISION OF PORTS AND HARBORS (DPH)					
UPGRADE PORT SECURITY AND SOFTWARE	47	-	(47)	(47)	-
FUNCTIONAL REPLACEMENT- BARGE DOCK	21	972	-	972	993
FASTLANE GRANT APPLICATION	11	(11)	-	(11)	-
EMERGENCY GENERATOR RETROFIT	-	105	(105)	-	-
BUILD GRANT APPLICATION	-	24	-	24	24
RYE HARBOR RIP RAP REPAIRS	-	20	-	20	20
PPP CONCEPT STUDY	-	20	-	20	20
HAMPTON FLOATING DOCKS REPLACEMENT	-	14	(14)	-	-
PPP DRAINAGE IMPROVEMENTS	-	11	(11)	-	-
FURNACE REPLACEMENT	-	10	(10)	-	-
RYE STORM DAMAGES	-	8	(8)	-	-
EMERGENCY GENERATOR FUEL TANKS	-	8	(8)	-	-
EVANRUDE 75 HP ENGINE	-	7	(7)	-	-
RYE FUEL SYSTEM REPLACEMENT	-	6	(6)	-	-
	<u>29</u>	<u>1,194</u>	<u>(216)</u>	<u>978</u>	<u>1,057</u>
TOTAL	2,027	2,413	(1,705)	708	2,735

LONG TERM LIABILITIES AS OF APRIL 30, 2019

(\$ 000's)

SCHEDULE OF LONG TERM LIABILITY REPAYMENT

	CURRENT PORTION	LONG TERM PORTION	TOTAL AMOUNT DUE
STATE OF NEW HAMPSHIRE POST RETIREE HEALTH CARE PROGRAM	91	273	364
DPH- DEPARTMENT OF ARMY	-	252	252
CITY OF PORTSMOUTH- WATER POLLUTION CONTROL NOTE @ 4.50%	116	-	116
ACCRUED SICK LIABILITY	-	96	96

FISCAL YEAR	CITY OF PORTSMOUTH	STATE OF NEW HAMPSHIRE (1)
2019	116	91
2020	116	91
2021	-	91
2022	-	91
2023	-	91
	232	455
<i>PAID IN FY 2019</i>	<u>(116)</u>	<u>(91)</u>
	<u>116</u>	<u>364</u>

NOTE:
1. ALLOCATION OF ANNUAL PAYMENT IS \$63 CHARGED TO THE PDA AND \$28 TO THE DPH.

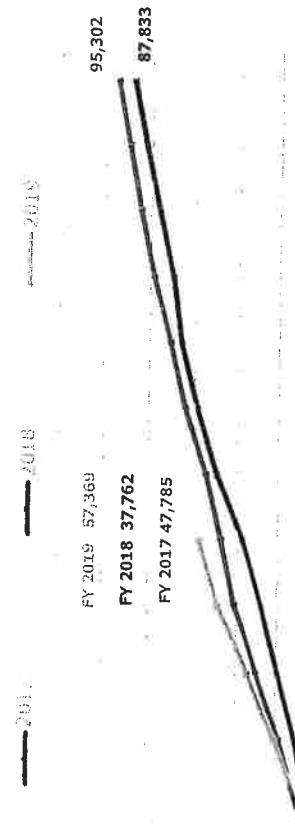
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STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2019 PORTSMOUTH AIRPORT

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET
OPERATING REVENUES	1,459	1,261	198	1,540
FACILITIES RENTAL	656	663	(7)	811
PAY FOR PARKING	382	229	153	307
FUEL FLOWAGE	177	167	10	200
AVIATION FEES	128	125	3	125
CONCESSION REVENUES	65	60	5	71
ALL OTHER	51	17	34	26
	1,459	1,261	198	1,540
OPERATING EXPENSES	1,031	843	188	970
PERSONNEL SERVICES AND BENEFITS	787	695	92	837
BUILDINGS AND FACILITIES MAINTENANCE	1,031	843	188	970
GENERAL AND ADMINISTRATIVE	303	216	87	259
UTILITIES	275	264	11	317
PROFESSIONAL SERVICES	12	-	12	-
MARKETING AND PROMOTION	91	36	55	43
ALL OTHER	-	-	-	-
OPERATING INCOME	(1,048)	(793)	(247)	(886)
NONOPERATING (INCOME) AND EXPENSE	-	-	-	-
DEPRECIATION	2,741	3,250	508	3,900
NET OPERATING INCOME	(5,281)	(4,943)	262	(4,786)

SUPPLEMENTARY DATA



STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2019 SKYHAVEN AIRPORT

(\$ 000's)

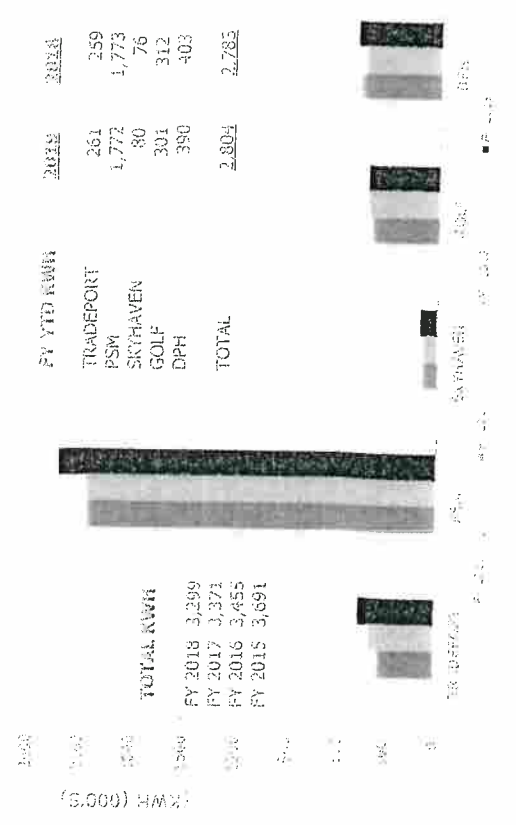
	YEAR TO DATE ACTUAL		YEAR TO DATE BUDGET		CURRENT YEAR VARIANCE		FISCAL YEAR BUDGET	
	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	YEAR TO DATE BUDGET	FISCAL YEAR BUDGET	
OPERATING REVENUES	156	154	156	154	2	156	185	
FACILITIES RENTAL	103	100	103	100	3	103	120	
FUEL SALES	52	53	52	53	(1)	52	64	
ALL OTHER	1	1	1	1	-	1	1	
	<u>156</u>	<u>154</u>	<u>156</u>	<u>154</u>	<u>2</u>	<u>156</u>	<u>185</u>	
OPERATING EXPENSES								
PERSONNEL SERVICES AND BENEFITS	41	55	41	55	(14)	41	66	
BUILDINGS AND FACILITIES MAINTENANCE	75	59	75	59	16	75	71	
GENERAL AND ADMINISTRATIVE	29	30	29	30	(1)	29	36	
UTILITIES	24	25	24	25	(1)	24	30	
PROFESSIONAL SERVICES	4	5	4	5	(1)	4	6	
MARKETING AND PROMOTION	-	-	-	-	-	-	-	
ALL OTHER- FUEL	48	43	48	43	5	48	51	
	<u>221</u>	<u>217</u>	<u>221</u>	<u>217</u>	<u>4</u>	<u>221</u>	<u>260</u>	
OPERATING INCOME	(65)	(63)	(65)	(63)	(2)	(65)	(75)	
NONOPERATING (INCOME) AND EXPENSE	-	-	-	-	-	-	-	
DEPRECIATION	437	375	437	375	67	437	450	
NET OPERATING INCOME	<u>(502)</u>	<u>(498)</u>	<u>(502)</u>	<u>(498)</u>	<u>(64)</u>	<u>(502)</u>	<u>(525)</u>	
GALLONS OF FUEL SOLD								
	CURRENT MONTH	YEAR TO DATE	TOTAL YEAR	YTD AVE PRICE				
FY 2019	994	10,856	10,856	\$4.77				
FY 2018	980	12,236	15,476	\$4.40				
NET CASH FLOW								
	OPERA	CAPITAL EXPEND	DEBT REPAY	GRANT FUNDS	TOTAL			
FY 2019	(65)	(22)	-	512	425			
FY 2018	(74)	(1,193)	-	1,370	103			
FY 2017	(91)	(929)	-	301	(719)			
FY 2009-2016	(744)	(4,670)	(100)	4,054	(1,460)			
	<u>(974)</u>	<u>(6,814)</u>	<u>(100)</u>	<u>6,237</u>	<u>(1,651)</u>			

STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2019 TRADEPORT

(\$ 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
OPERATING REVENUES	7,044	7,152	(108)	7,329	7,323	6	8,557
RENTAL OF FACILITIES							
ALL OTHER	285	171	114				
	7,329	7,323	6				
OPERATING EXPENSES							
PERSONNEL SERVICES AND BENEFITS							
BUILDINGS AND FACILITIES MAINTENANCE	254	403	(149)				483
GENERAL AND ADMINISTRATIVE UTILITIES	40	40	-				48
PROFESSIONAL SERVICES	94	90	4				108
MARKETING AND PROMOTION	1	-	1				-
ALL OTHER	92	82	10				434
OPERATING INCOME	5,848	6,708	(140)				7,798
NONOPERATING (INCOME) AND EXPENSE							
DEPRECIATION	630	708	(78)				850
NET OPERATING INCOME	5,218	6,000	(216)				6,948

KWH CONSUMPTION ANALYSIS BY BUSINESS UNIT



STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2019 GOLF COURSE

(\$ 000's)

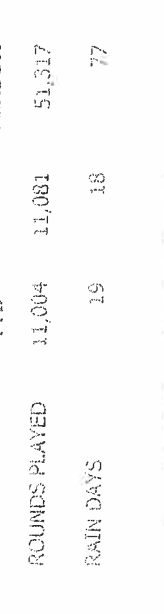
	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	OPERATING REVENUES	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET
OPERATING REVENUES	1,368	1,748	120	2,468	CONCESSION REVENUES	253	252	1	325
OPERATING EXPENSES					FEE REVENUES				
PERSONNEL SERVICES AND BENEFITS	768	673	95	863	GOLF FEES	1,008	952	56	1,425
BUILDINGS AND FACILITIES MAINTENANCE	279	266	13	319	MEMBERSHIPS	265	249	16	340
GENERAL AND ADMINISTRATIVE	190	192	(2)	238	SIMULATOR	133	119	14	120
UTILITIES	89	127	(38)	13	LESSONS	14	8	6	17
PROFESSIONAL SERVICES	17	13	4	16	MERCHANDISE AND OTHER	1,420	1,328	92	1,902
MARKETING AND PROMOTION	43	46	(3)	55		195	168	27	241
ALL OTHER	208	185	23	260		1,868	1,748	120	2,468
OPERATING INCOME	274	246	28	564					
NONOPERATING (INCOME) AND EXPENSE	-	-	-	-	BUSINESS UNIT ANALYSIS				
DEPRECIATION	340	332	8	397	PRO SHOP	180	1,297	258	1,868
NET OPERATING INCOME	(66)	(86)	20	167	COURSE OPERA	173	1,204	172	1,594
					FOOD / BEV	2	93	96	274
					SIM				
					TOTAL				

KEY GOLF COURSE BENCHMARKING DATA AS OF APRIL 30, 2019

ROUNDS OF GOLF PLAYED (SEASON)



2019 MEMBER / NONMEMBER ROUNDS (SEASON)



GRILL 28 GROSS SALES	FY 2019	FY 2018
JULY	\$ 208,701	\$ 195,199
AUGUST	221,354	210,451
SEPTEMBER	188,411	178,766
OCTOBER	134,258	156,482
NOVEMBER	89,731	98,447
DECEMBER	110,593	115,699
JANUARY	102,321	100,736
FEBRUARY	101,282	95,902
MARCH	115,092	86,828
APRIL	134,616	127,356
MAY	209,511	194,537
JUNE	-	248,212
TOTAL	\$ 1,615,850	\$ 1,808,615

GOLF SIMULATOR REVENUES	FY 2019	FY 2018
JULY	\$ 331	\$ 253
AUGUST	485	992
SEPTEMBER	479	251
OCTOBER	5,292	3,135
NOVEMBER	16,312	14,913
DECEMBER	22,559	18,951
JANUARY	28,994	23,260
FEBRUARY	25,591	23,406
MARCH	26,907	23,198
APRIL	3,910	10,006
MAY	229	841
JUNE	-	97
TOTAL	\$ 133,079	\$ 119,353

CLUB/ COURSE FUNCTIONS	FY 2019 YTD	FY 2018 YTD
GROUPS 12-40	36,044	35,716
TOURNAMENT PLAY	176,709	187,134
LEAGUES	89,164	85,479
FOOD AND ROOM FEES	208,677	214,795

2019 ROUNDS- SEASON	MEMBER	NONMEMBER	TOTAL
MEMBER	2,693		
NONMEMBER		8,311	
TOTAL		11,004	

2018 ROUNDS- SEASON	MEMBER	NONMEMBER	TOTAL
MEMBER	3,865		
NONMEMBER		7,416	
TOTAL		11,081	

19

(\$ 000's)

STATEMENT OF OPERATIONS FOR THE TEN MONTH PERIOD ENDING APRIL 30, 2019 PORT AUTHORITY OF NEW HAMPSHIRE (UNRESTRICTED)

	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	2,274	1,788	486	2,294	FACILITY RENTALS	430	449	(19)	647
OPERATING EXPENSES					CONCESSION REVENUE	1	3	(2)	4
PERSONNEL SERVICES AND BENEFITS	952	865	87	1,084	FEE REVENUE				
BUILDINGS AND FAC AND MAINTENANCE	145	189	(44)	192	MOORING FEES	282	292	(10)	350
GENERAL AND ADMINISTRATIVE	115	154	(39)	215	PARKING	85	91	(6)	116
UTILITIES	94	86	8	103	REGISTRATIONS	190	125	65	150
PROFESSIONAL SERVICES	19	15	4	18	WHARF / DOCK	530	279	251	335
MARKETING AND PROMOTION	3	1	2	1	FUEL SALES	1,087	787	300	951
ALL OTHER - FUEL	576	485	91	602	ALL OTHER	704	499	205	640
	1,904	1,795	109	2,215	TOTAL	2,274	1,788	486	2,294
OPERATING INCOME	370	(7)	377	79	BUSINESS UNIT ANALYSIS				
NONOPERATING (INCOME) AND EXPENSE	(2)	(2)	-	(2)	RYE HARBOR	256	210	430	472
DEPRECIATION	510	591	(81)	708	PORTSMOUTH FISH PIER		430	889	17
NET OP INCOME	(158)	(596)	438	(627)	MARKET STREET			356	319
					HARBOR MAINT				375
					ADMIN				(302)

**STATEMENT OF OPERATIONS FOR THE TEN MONTH
PERIOD ENDING APRIL 30, 2019
PORT AUTHORITY OF NEW HAMPSHIRE (RESTRICTED)**

	YEAR TO DATE ACTUAL		YEAR TO DATE BUDGET		CURRENT YEAR VARIANCE		FISCAL YEAR BUDGET		FISCAL YEAR BUDGET
	5	12	6	12	6	12	7	12	
FOREIGN TRADE ZONES									
OPERATING REVENUES	95	75	20	100					
OPERATING EXPENSES									
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES MAINTENANCE	25	42	(17)	60					
GENERAL AND ADMINISTRATIVE	-	4	(4)	4					
UTILITIES	1	-	1	-					
PROFESSIONAL SERVICES	-	-	-	-					
MARKETING AND PROMOTION	-	-	-	-					
ALL OTHER	-	-	-	-					
OPERATING INCOME	69	29	40	36					
NONOPERATING (INCOME) AND EXPENSE	(1)	(1)	-	-					
DEPRECIATION	66	57	9	70					
NET OPERATING INCOME	4	(22)	31	(34)					

(\$ 000's)

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**STATEMENT OF OPERATIONS FOR THE TEN MONTH
PERIOD ENDING APRIL 30, 2019
PORT AUTHORITY OF NEW HAMPSHIRE (RESTRICTED)**

(CONTINUED)

(\$ 000's)

	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	CURRENT YEAR VARIANCE	FISCAL YEAR BUDGET	
REVOLVING LOAN FUND RECONCILIATION					
REVOLVING LOAN FUND					
OPERATING REVENUES	52	32	15	44	BALANCE AT 04-30-2019
OPERATING EXPENSES					BALANCE AT 06-30-2018
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	CASH BALANCES
BUILDINGS AND FACILITIES MAINTENANCE	8	-	8	-	GENERAL FUNDS
GENERAL AND ADMINISTRATIVE	3	1	2	-	SEQUESTERED FUNDS
UTILITIES	-	-	-	-	LOANS OUTSTANDING
PROFESSIONAL SERVICES	43	26	17	32	CURRENT
MARKETING AND PROMOTION	-	-	-	-	LONG TERM
ALL OTHER	-	-	-	-	
OPERATING INCOME	(2)	10	(12)	12	1,032
NONOPERATING (INCOME) AND EXPENSE	-	-	-	-	1,201
DEPRECIATION	-	-	-	-	95.9
NET OPERATING INCOME	(2)	10	(12)	12	96.0
					FUND EXCESS (DEFICIENCY)- % (*)
					35.9
					46.0

(*) EXCLUDES SEQUESTERED FUNDS.

PEASE DEVELOPMENT AUTHORITY STATEMENT OF NET POSITION

(EXCLUDING PORT AUTHORITY OF NEW HAMPSHIRE)

(\$ 000's)

	APR 30 2019	JUN 30 2018	APR 30 2019	JUN 30 2018
DISCUSSION AND ANALYSIS				
	LIABILITIES			
	CURRENT LIABILITIES			
ACCOUNTS PAYABLE	7,120	5,197	2,123	1,326
ACCOUNTS RECEIVABLE- NET	557	2,547	26	2,415
OTHER ASSETS	477	454	368	410
TOTAL CURRENT ASSETS	<u>8,154</u>	<u>8,198</u>	-	-
RESTRICTED ASSETS				
CASH AND EQUIVALENTS				
ACCOUNTS RECEIVABLES- NET			579	178
TOTAL RESTRICTED ASSETS			<u>579</u>	<u>178</u>
CAPITAL ASSETS				
LAND, BUILDINGS AND EQUIPMENT	52,513	55,335		
CONSTRUCTION IN PROCESS (PAGES #10-#14)	1,677	1,947		
TOTAL ASSETS	<u>54,190</u>	<u>57,281</u>		
DEFERRED OUTFLOWS OF RESOURCES PENSION / OPEB	62,344	65,100		
TOTAL NET POSITION	<u>1,496</u>	<u>1,493</u>	(6,785)	(6,279)
NET UNRESTRICTED POSITION AT JUNE 30				
	LIABILITIES			
	CURRENT LIABILITIES			
ACCOUNTS PAYABLE	10,955	11,219	2,201	2,201
ACCOUNTS PAYABLE- CONSTRUCTION	264	-	-	-
UNEARNED REVENUE	3,896	4,320	-	-
REVOLVING LOC FACILITY				
CURRENT PORTION- LT LIABILITIES				
TOTAL CURRENT LIABILITIES	<u>15,115</u>	<u>15,539</u>	-	-
NONCURRENT LIABILITIES				
NET PENSION / OPEB LIABILITY	10,955	11,399	-	-
OTHER LT LIABILITIES	264	-	-	-
TOTAL LIABILITIES	<u>16,379</u>	<u>16,938</u>	-	-
DEFERRED INFLOWS OF RESOURCES				
PENSION / OPEB	2,201	-	-	-
NET POSITION	54,048	55,265	-	-
NET INVEST IN CAPITAL ASSETS				
RESTRICTED FOR:				
REVOLVING LOAN FUND				
HARBOR DREDGING				
FOREIGN TRADE ZONE				
UNRESTRICTED	(6,785)	-	-	-
TOTAL NET POSITION	<u>47,263</u>	<u>48,985</u>	-	-

* CONTINUED FINANCIAL OBLIGATION TO SUPPORT NONGRANT RELATED CAPITAL PROJECTS AND DEBT REPAYMENT.

* ACCRUED PENSION LIABILITY FOR JUNE 30, 2018 REDUCED BY \$504

* REVENUE ESCALATION / CPI HAS BEEN EXCEEDED BY COST ESCALATION RELATIVE TO PERSONNEL SERVICES AND BENEFITS.

**NET UNRESTRICTED POSITION
AT JUNE 30**

0.000

1.000

2.000

3.000

4.000



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

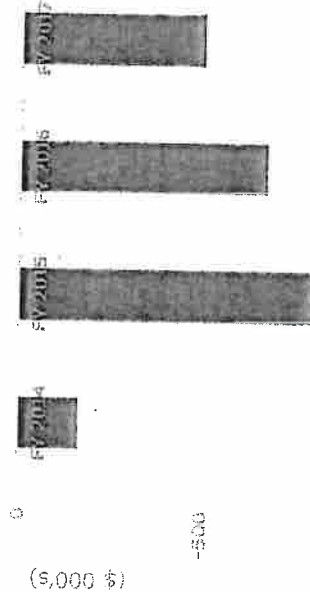
(\$ 000's)

	APR 30 2019	JUN 30 2018	APR 30 2019	JUN 30 2018
ASSETS			LIABILITIES	
CURRENT ASSETS			CURRENT LIABILITIES	
CASH AND EQUIVALENTS	1,383	936	ACCOUNTS PAYABLE	208
ACCOUNTS RECEIVABLE- NET	334	199	ACCOUNTS PAYABLE- CONSTRUCTION	255
OTHER ASSETS	44	48	UNEARNED REVENUE	294
TOTAL CURRENT ASSETS	<u>1,761</u>	<u>1,183</u>	REVOLVING LOC FACILITY	-
RESTRICTED ASSETS			CURRENT PORTION- LT LIABILITIES	29
CASH AND EQUIVALENTS	-	-	TOTAL CURRENT LIABILITIES	<u>786</u>
ACCOUNTS RECEIVABLES- NET	-	-	NONCURRENT LIABILITIES	
TOTAL RESTRICTED ASSETS	-	-	NET PENSION / OPEB LIABILITY	2,270
CAPITAL ASSETS			OTHER LT LIABILITIES	131
LAND, BUILDINGS AND EQUIPMENT	8,454	8,902	TOTAL LIABILITIES	<u>2,374</u>
CONSTRUCTION IN PROCESS (PAGES #10-114)	1,017	79	DEFERRED INFLOWS OF RESOURCES	<u>2,402</u>
TOTAL ASSETS	<u>9,471</u>	<u>9,981</u>	PENSION / OPEB	<u>2,966</u>
DEFERRED OUTFLOWS OF RESOURCES	318	318	NET POSITION	<u>411</u>
PENSION / OPEB	-	-	NET INVEST IN CAPITAL ASSETS	9,216
TOTAL NET POSITION	<u>7,279</u>	<u>7,105</u>	RESTRICTED FOR:	
			REVOLVING LOAN FUND	-
			HARBOR DREDGING	-
			FOREIGN TRADE ZONE	-
			UNRESTRICTED	(1,237)
			TOTAL NET POSITION	<u>7,105</u>

* 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)

	APR 30 2019	JUN 30 2018	APR 30 2019	JUN 30 2018
ASSETS				
CURRENT ASSETS				
CASH AND EQUIVALENTS	-	-	-	-
ACCOUNTS RECEIVABLE- NET	-	-	-	-
OTHER ASSETS	-	-	-	-
TOTAL CURRENT ASSETS	-	-	-	-
RESTRICTED ASSETS				
CASH AND EQUIVALENTS	2	10	-	-
ACCOUNTS RECEIVABLES- NET	-	-	-	-
TOTAL RESTRICTED ASSETS	2	10	-	-
CAPITAL ASSETS				
LAND, BUILDINGS AND EQUIPMENT	-	-	-	-
CONSTRUCTION IN PROCESS (PAGES 210-214)	-	-	-	-
TOTAL ASSETS	2	10	-	-
DEFERRED OUTFLOWS OF RESOURCES PENSION / OPEB	-	-	-	-
NET POSITION	2	10	-	-

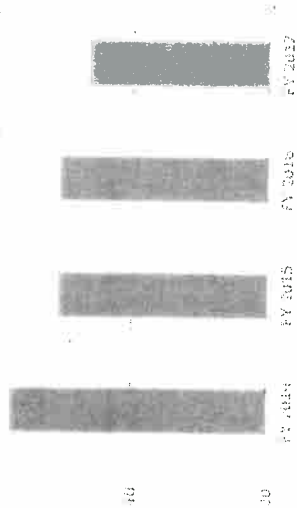
	APR 30 2019	JUN 30 2018	APR 30 2019	JUN 30 2018
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	1	-	1	-
ACCOUNTS PAYABLE- CONSTRUCTION	-	-	-	-
UNEARNED REVENUE	-	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	-	-	-	-
TOTAL CURRENT LIABILITIES	1	-	1	-
NONCURRENT LIABILITIES				
NET PENSION / OPEB LIABILITY	-	-	-	-
OTHER LT LIABILITIES	-	-	-	-
TOTAL LIABILITIES	1	-	1	-
DEFERRED INFLOWS OF RESOURCES PENSION	-	-	-	-
NET INVEST IN CAPITAL ASSETS	-	-	-	-
RESTRICTED FOR:				
REVOLVING LOAN FUND	-	-	-	-
HARBOR DREDGING	-	-	-	-
FOREIGN TRADE ZONE	1	10	1	10
UNRESTRICTED	-	-	-	-
TOTAL NET POSITION	1	10	1	10

DISCUSSION AND ANALYSIS

- CURRENTLY EXPLORING ACCELERATED MARKETING PLAN TO ATTRACT POTENTIAL VENDORS.
- EFFECTIVE OCTOBER 1, 2018, NEW TENANT SECURES LEASE AGREEMENT.

**NET RESTRICTED POSITION
- AT JUNE 30**

(\$ 000 \$)



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

(\$ 000's)

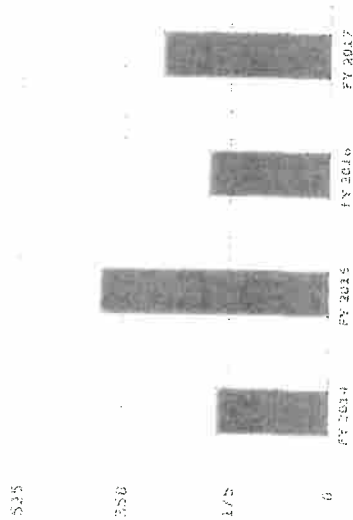
	APR 30 2019	JUN 30 2018	APR 30 2019	JUN 30 2018
ASSETS			LIABILITIES	
CURRENT ASSETS			CURRENT LIABILITIES	
CASH AND EQUIVALENTS	-	-	ACCOUNTS PAYABLE	8
ACCOUNTS RECEIVABLE- NET	-	-	ACCOUNTS PAYABLE- CONSTRUCTION	-
OTHER ASSETS	-	-	UNEARNED REVENUE	-
TOTAL CURRENT ASSETS	-	-	REVOLVING LOC FACILITY	-
RESTRICTED ASSETS			CURRENT PORTION- LT LIABILITIES	-
CASH AND EQUIVALENTS	360	431	TOTAL CURRENT LIABILITIES	8
ACCOUNTS RECEIVABLE- NET	1	1	NONCURRENT LIABILITIES	
TOTAL RESTRICTED ASSETS	<u>361</u>	<u>432</u>	NET PENSION / OPEB LIABILITY	252
CAPITAL ASSETS			OTHER LT LIABILITIES	253
LAND, BUILDINGS AND EQUIPMENT	883	793	TOTAL LIABILITIES	<u>260</u>
CONSTRUCTION IN PROCESS (PAGES #10-#14)	40	-	DEFERRED INFLOWS OF RESOURCES	
TOTAL ASSETS	<u>923</u>	<u>793</u>	PENSION	-
DEFERRED OUTFLOWS OF RESOURCES	<u>1,224</u>	<u>1,225</u>	NET POSITION	
PENSION / OPEB	-	-	NET INVEST IN CAPITAL ASSETS	671
			RESTRICTED FOR:	
			REVOLVING LOAN FUND	-
			HARBOR DREDGING	353
			FOREIGN TRADE ZONE	-
			UNRESTRICTED	-
			TOTAL NET POSITION	<u>964</u>

DISCUSSION AND ANALYSIS

CONTINUED FINANCIAL OBLIGATION TO SUPPORT UNREIMBURSED CAPITAL PROJECTS OR REPAIRS AND MAINTENANCE FOR PORT OPERATIONS. FOR FY 2018:

VESSEL SERVICE POWER REPLAC	94
RYE STORM DAMAGE	36
PPP FISH PIER INSPECTION	25
PPP ELECTRICAL DESIGN	21
SECURITY LIGHTING UPGRADE	15
PPP ICE COMPRESSOR REPAIR	9
ALL OTHER	41

**NET RESTRICTED POSITION
AT JUNE 30**



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

(\$ 000's)

APR 30
2019

JUN 30
2018

APR 30
2019

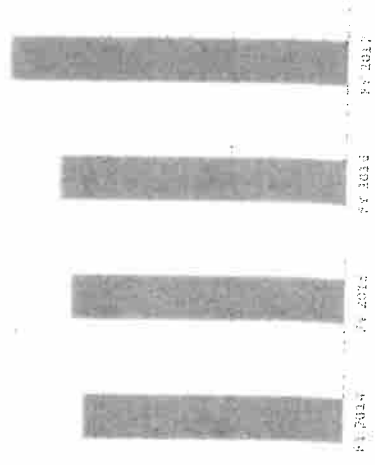
JUN 30
2018

DISCUSSION AND ANALYSIS

- * IN JULY 2018, EDA AWARDS PDA WITH INITIAL RISK RATING OF "A" (HIGHEST).
- * STEADY STATE WITH NO INDICATION OF ANY FINANCIAL CHALLENGES RELATIVE TO THE FUND BALANCE.
- * CURRENT REGULATORY CLIMATE DOES HOWEVER POTENTIALLY CHALLENGE THE DEMAND FOR FUTURE LOANS AND POTENTIALLY, REPAYMENT OF CURRENT LOANS OUTSTANDING.

**NET RESTRICTED POSITION
AT JUNE 30**

	APR 30 2019	JUN 30 2018	APR 30 2019	JUN 30 2018
ASSETS				
CURRENT ASSETS				
CASH AND EQUIVALENTS	-	-	-	-
ACCOUNTS RECEIVABLE- NET	-	-	-	-
OTHER ASSETS	-	-	-	-
TOTAL CURRENT ASSETS	-	-	-	-
RESTRICTED ASSETS				
CASH AND EQUIVALENTS	169	48	-	-
ACCOUNTS RECEIVABLES- NET	1,032	1,152	-	-
TOTAL RESTRICTED ASSETS	1,201	1,200	-	-
CAPITAL ASSETS				
LAND, BUILDINGS AND EQUIPMENT	-	-	-	-
CONSTRUCTION IN PROCESS (PAGES #10-#14)	-	-	-	-
TOTAL ASSETS	1,201	1,200	-	-
DEFERRED OUTFLOWS OF RESOURCES				
PENSION / OPEB	-	-	-	-
TOTAL NET POSITION	-	-	-	-
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	5	-	-	-
ACCOUNTS PAYABLE- CONSTRUCTION	-	-	-	-
UNEARNED REVENUE	-	-	-	-
REVOLVING LOC FACILITY	-	-	-	-
CURRENT PORTION- LT LIABILITIES	-	-	-	-
TOTAL CURRENT LIABILITIES	5	-	-	-
NONCURRENT LIABILITIES				
NET PENSION / OPEB LIABILITY	-	-	-	-
OTHER LT LIABILITIES	-	-	-	-
TOTAL LIABILITIES	5	-	-	-
DEFERRED INFLOWS OF RESOURCES				
PENSION	-	-	-	-
NET POSITION				
NET INVEST IN CAPITAL ASSETS	-	-	-	-
RESTRICTED FOR:				
REVOLVING LOAN FUND	1,196	-	-	-
HARBOR DREDGING	-	-	-	-
FOREIGN TRADE ZONE	-	-	-	-
UNRESTRICTED	-	-	-	-
TOTAL NET POSITION	1,196	-	-	-



CASH FLOW PROJECTIONS FOR THE NINE MONTH PERIOD ENDING FEBRUARY 29, 2020

**BOARD OF DIRECTOR'S MEETING
JUNE 20, 2019**



PEASE DEVELOPMENT AUTHORITY CASH FLOW SUMMARY OVERVIEW JUNE 1, 2019 TO FEBRUARY 29, 2020

(EXCLUDING DIVISION OF PORTS AND HARBORS)

(\$ 000's)

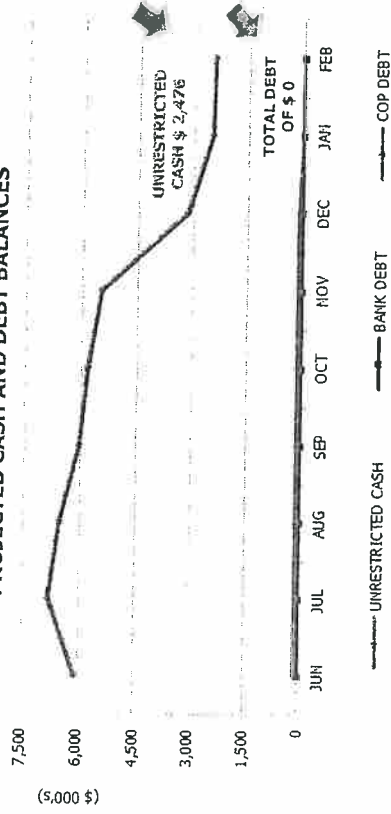
	AMOUNT
OPENING FUND BALANCE	<u>7,337</u>
SOURCES OF FUNDS	
TRADEPORT TENANTS	7,250
PSM AIRPORT- LEASES, FUEL FLOWAGE FEES AND PARKING	1,150
GOLF COURSE FEE AND CONCESSION REVENUES	1,110
GRANT AWARDS (SEE PAGE #8)	375
SKYHAVEN AIRPORT HANGAR AND FUEL REVENUES	140
MUNICIPAL SERVICE FEE (COP)- NET	(76)
EXTERNAL BANK FINANCING- NET	=
	<u>9,949</u>
USES OF FUNDS	
OPERATING EXPENSES	8,485
CAPITAL EXPENDITURES- NON GRANT (SEE PAGES #5-#7)	5,741
CAPITAL EXPENDITURES- GRANT (SEE PAGE #4)	405
LONG TERM DEBT RETIREMENT	116
STATE OF NH- POST RETIREMENT	63
	<u>14,810</u>
NET CASH FLOW	<u>(4,861)</u>
CLOSING FUND BALANCE	<u>2,476</u>

DISCUSSION

AT THIS TIME, THE PDA DOES NOT ANTICIPATE THE NEED TO UTILIZE IT'S CREDIT FACILITIES WITH THE PROVIDENT BANK TO FINANCE PROJECTED NON-GRANT RELATED CAPITAL EXPENDITURES AND OR WORKING CAPITAL REQUIREMENTS.

CURRENT SENSITIVITIES TOWARD FUTURE PROJECTIONS INCLUDE 1) RECEIPT OF FEDERAL / STATE GRANT AWARDS, INCLUSIVE OF THE PSM TERMINAL EXPANSION 2) ACCURACY OF THE CAPITAL EXPENDITURE AND REIMBURSEMENT FORECAST, 3) POTENTIAL LITIGATION CLAIMS AND OR 4) TRADEPORT REVENUE STREAMS.

PROJECTED CASH AND DEBT BALANCES



TOTAL FUND BALANCES	BALANCE AT 05-31-2019	BALANCE AT 06-30-2018
PDA UNRESTRICTED	7,337	5,162
PDA DESIGNATED	14	19
TOTAL	<u>7,351</u>	<u>5,181</u>

PEASE DEVELOPMENT AUTHORITY STATEMENT OF CASH FLOW

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
OPENING FUND BALANCE	7,337	6,101	6,838	6,548	6,047	5,841	5,484	3,145	2,510	7,337
SOURCES OF FUNDS										
TRADEPORT TENANTS	710	1,515	710	715	715	720	720	720	725	7,250
MUNICIPAL SERVICE FEE	250	250	375	250	250	375	250	250	375	2,625
GOLF COURSE	125	175	175	150	150	100	50	85	100	1,110
PAY FOR PARKING- PSM	50	45	45	45	45	50	65	80	80	505
PORTSMOUTH AIRPORT	45	45	50	45	45	50	45	45	50	420
GRANT AWARDS (SEE PAGE #8)	-	200	95	10	-	70	-	-	-	375
FUEL FLOWAGE FEES- PSM	20	25	20	20	25	25	30	30	30	225
SKYHAVEN AIRPORT	17	17	17	16	16	15	14	14	14	140
EXTERNAL FINANCING- NET	-	-	-	-	-	-	-	-	-	-
	1,217	2,272	1,487	1,251	1,246	1,405	1,174	1,224	1,374	12,650
USE OF FUNDS										
OPERATING EXPENSES	875	870	825	850	840	1,250	1,325	850	800	8,485
CAPITAL- NONGRANT (SEE PAGES #5-#7)	168	577	952	881	612	512	838	743	458	5,741
MUNICIPAL SERVICE FEE	1,330	-	-	21	-	-	1,350	-	-	2,701
CAPITAL- GRANT RELATED (SEE PAGE #4)	80	25	-	-	-	-	-	150	150	405
STATE OF NH- POST RETIREMENT	-	63	-	-	-	-	-	-	-	63
LONG TERM DEBT RETIREMENT	-	-	-	-	-	-	-	116	-	116
	2,453	1,535	1,777	1,752	1,452	1,762	3,513	1,959	1,408	17,511
	(1,236)	737	(290)	(501)	(206)	(357)	(2,339)	(635)	(34)	(4,861)
NET CASH FLOW										
CLOSING FUND BALANCE	6,101	6,838	6,548	6,047	5,841	5,484	3,145	2,510	2,476	2,476

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>TOTAL</u>
<u>GRANT REIMBURSEMENT</u>										
PORTSMOUTH AIRPORT										
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 63- \$1.6M)	-	-	-	-	-	-	-	150	150	300
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP XX- \$2.0M)	-	-	-	-	-	-	-	-	-	-
RUNWAY 16-34 DESIGN (AIP 58)	80	-	-	-	-	-	-	-	-	80
OBSTRUCTION MITIGATION- CONSTRUCT (AIP 60)	-	10	-	-	-	-	-	-	-	10
SKYHAVEN AIRPORT										
TL AND DRAINAGE (SBG 7)	-	15	-	-	-	-	-	-	-	15
TOTAL	80	25	-	-	-	-	-	150	150	405

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

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

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<u>NONGRANT REIMBURSEMENT</u>										
SKYHAVEN AIRPORT										
ADMINISTRATION										
COMPUTERS / PRINTERS / SOFTWARE / SERVERS / TELECOMMUNICATIONS **	-	10	-	15	-	-	-	15	-	40
PROPERTY MANAGEMENT SOFTWARE **	-	-	-	5	-	-	-	-	-	5
GOLF COURSE	-	<u>10</u>	-	<u>20</u>	-	-	-	<u>15</u>	-	<u>45</u>
FAIRWAY AERATOR **	-	-	-	-	-	-	-	-	75	75
VINYL FENCE- POST AND BEAN **	-	12	-	-	-	-	-	-	-	12
USED GREENS ROLLER **	-	7	-	-	-	-	-	-	-	7
WOMEN'S BATHROOM MOP CLOSEST FLOOR **	-	12	-	-	-	-	-	-	-	12
PATIO UMBRELLA / FIRE PIT**	-	10	-	-	-	-	-	-	-	10
RESTAURANT MODIFICATIONS	9	-	-	-	-	-	-	-	-	9
	<u>9</u>	<u>41</u>	-	-	-	-	-	-	<u>75</u>	<u>125</u>

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

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

(\$ 000'S)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<u>NONGRANT REIMBURSEMENT</u> (CONTINUED):										
PORTSMOUTH AIRPORT										
TERMINAL CONSTRUCTION	159	325	922	861	487	512	838	683	383	5,170
TERMINAL EXPANSION DESIGN	-	25	-	-	-	-	-	-	-	25
PAY FOR PARKING	-	15	-	-	-	-	-	-	-	15
GROUND TRANSPORTATION BUS **	-	-	-	-	100	-	-	-	-	100
NORTH WEATHER STATION GENERATOR **	-	35	-	-	-	-	-	-	-	35
TERMINAL LED LIGHTING **	-	-	20	-	-	-	-	-	-	20
DAC CONNECTION UPGRADE **	-	-	10	-	-	-	-	-	-	10
TREE REPLACEMENT **	-	20	-	-	-	-	-	-	-	20
	<u>159</u>	<u>420</u>	<u>952</u>	<u>861</u>	<u>587</u>	<u>512</u>	<u>838</u>	<u>683</u>	<u>383</u>	<u>5,395</u>

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY

CAPITAL EXPENDITURES

(CONTINUED)

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
<u>NONGRANT REIMBURSEMENT</u>										
TRADEPORT										
STORMWATER TREATMENT	-	<u>10</u>	-	-	-	-	-	-	-	<u>10</u>
MAINTENANCE										
VEHICLE FLEET REPLACEMENT **	-	45	-	-	-	-	-	45	-	90
RUNWAY PAINT MACHINE **	-	31	-	-	-	-	-	-	-	31
WEED SPRAYER **	-	20	-	-	-	-	-	-	-	20
TRACTOR ADD ON COMPONENTS **	-	-	-	-	25	-	-	-	-	25
	-	<u>96</u>	-	-	<u>25</u>	-	-	<u>45</u>	-	<u>166</u>
TOTAL	<u>168</u>	<u>577</u>	<u>952</u>	<u>881</u>	<u>612</u>	<u>512</u>	<u>838</u>	<u>743</u>	<u>458</u>	<u>5,741</u>

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY RECEIPT GRANT AWARDS

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
PORTSMOUTH AIRPORT										
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 63- \$1.6M)	-	-	-	-	-	-	-	-	-	-
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP xx- \$2.0M)	-	-	-	-	-	-	-	-	-	-
PSM TERMINAL PLANNING STUDY (AIP 61)	-	41	-	-	-	-	-	-	-	41
OBSTRUCTION MITIGATION / CONSTRUCT (AIP 60)	-	-	2	-	-	-	-	-	-	2
PSM RUNWAY REIMBURSEMENT AGREEMENT (AIP 59)	-	-	3	-	-	70	-	-	-	73
RUNWAY 16-34 DESIGN (AIP 58)	-	-	90	-	-	-	-	-	-	90
AIR NATIONAL GUARD TAXIWAY PROJECT	-	159	-	-	-	-	-	-	-	159
SKYHAVEN AIRPORT										
TAXIWAY PAVEMENT AND DRAINAGE (SBG-7)	-	-	-	10	-	-	-	-	-	10
TOTAL	=	200	95	10	=	70	=	=	=	375

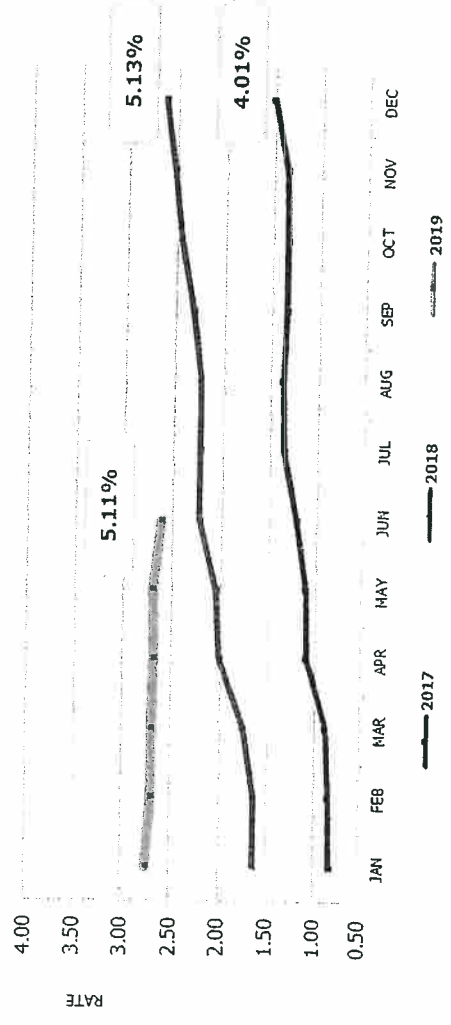
PEASE DEVELOPMENT AUTHORITY CREDIT FACILITIES AND OUTSTANDING DEBT ANALYSIS

(\$ 000's)

REVOLVING LETTER OF CREDIT (RLOC)	THE PROVIDENT BANK
AMOUNT OF CREDIT FACILITY	15,000
AMOUNT CURRENTLY AVAILABLE	15,000
TERM DATE	12-31-2022
PURPOSE	TO FUND CAPITAL IMPROVEMENTS AND WORKING CAPITAL NEEDS.
INTEREST RATE	ONE MONTH FHLB (CLASSIC) + 250 BASIS POINTS
MINIMUM SIZE OF DRAWDOWN	NO MINIMUM
OTHER	DOES NOT CARRY THE STATE GUARANTEE

OUTSTANDING DEBT ANALYSIS	BALANCE AT 05-31-2019	BALANCE AT 06-30-2018	MATURITY DATE	INTEREST RATE %
THE PROVIDENT BANK (RLOC)	-	-	12-31-2022	VARIABLE
CITY OF PORTSMOUTH	116	233	01-31-2020	4.50
	<u>116</u>	<u>233</u>		
WEIGHTED AVERAGE	4.50	4.50		

TRENDING THE ONE MONTH FHLB (CLASSIC) INTEREST RATE + MARK-UP



DIVISION OF PORTS AND HARBORS CASH FLOW SUMMARY OVERVIEW

(EXCLUDING RESTRICTED FUNDS)

(\$ 000's)

	AMOUNT
OPENING FUND BALANCE	<u>1,370</u>
SOURCES OF FUNDS	
FACILITY RENTALS	575
FUEL SALES	290
PARKING FEES AND CONCESSIONS	225
MOORING FEES	220
REGISTRATIONS / WHARFAGE	75
	<u>1,385</u>
USES OF FUNDS	
PERSONNEL SERVICES AND BENEFITS	1,330
OPERATING EXPENSES	376
FUEL PROCUREMENT	300
CAPITAL EXPENDITURES AND OTHER	30
STATE OF NH- POST RETIREMENT	28
	<u>2,064</u>
NET CASH FLOW	<u>(679)</u>
CLOSING FUND BALANCE	<u>691</u>

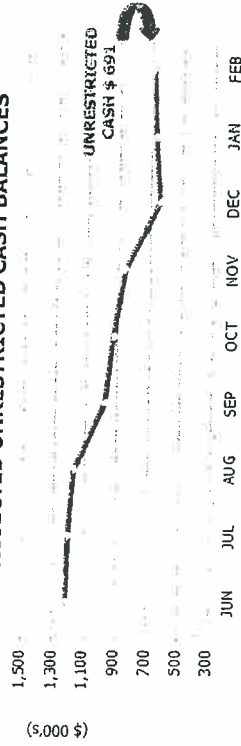
DISCUSSION

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

LEASE AGREEMENT WITH GRANITE STATE MINERALS WAS 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. LONG TERM LIABILITY.

PROJECTED UNRESTRICTED CASH BALANCES



TOTAL FUND BALANCES	BALANCE AT 05-31-2019	BALANCE AT 06-30-2018
UNRESTRICTED FUNDS	<u>1,370</u>	<u>940</u>
RESTRICTED FUNDS:		
HARBOR DREDGING	370	431
REVOLVING LOAN FUND	188	50
FOREIGN TRADE ZONE	6	10
TOTAL	<u>564</u>	<u>491</u>

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

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
OPENING FUND BALANCE	<u>1,370</u>	<u>1,212</u>	<u>1,207</u>	<u>1,171</u>	<u>978</u>	<u>926</u>	<u>859</u>	<u>636</u>	<u>671</u>	<u>1,370</u>
SOURCES OF FUNDS										
FACILITY RENTALS	62	62	63	63	65	65	65	65	65	575
FUEL SALES	35	40	35	35	35	30	30	25	25	290
PARKING FEES	40	40	40	25	20	10	-	-	-	175
REGISTRATIONS / WHARFAGE	-	25	-	-	25	-	-	25	-	75
CONCESSION REVENUES	10	30	10	-	-	-	-	-	-	50
MOORING FEES	-	-	-	-	-	-	-	100	120	220
	<u>147</u>	<u>197</u>	<u>148</u>	<u>123</u>	<u>145</u>	<u>105</u>	<u>95</u>	<u>215</u>	<u>210</u>	<u>1,385</u>
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	240	105	100	245	100	95	240	100	105	1,330
FUEL PROCUREMENT	30	25	40	30	45	30	40	30	30	400
UTILITIES	12	12	12	12	14	15	15	16	16	124
GENERAL AND ADMINISTRATIVE	13	12	12	14	13	12	13	14	14	117
BUILDINGS AND FACILITIES	10	10	10	15	15	10	10	10	15	105
PROFESSIONAL SERVICES	-	10	-	-	10	-	-	10	-	30
CAPITAL EXPENDITURES AND OTHER	-	-	10	-	-	10	-	-	10	30
STATE OF NH- POST RETIREMENT	-	28	-	-	-	-	-	-	-	28
	<u>305</u>	<u>202</u>	<u>184</u>	<u>316</u>	<u>197</u>	<u>172</u>	<u>318</u>	<u>180</u>	<u>190</u>	<u>2,064</u>
NET CASH FLOW	(158)	(5)	(36)	(193)	(52)	(67)	(223)	35	20	(679)
CLOSING FUND BALANCE	<u>1,212</u>	<u>1,207</u>	<u>1,171</u>	<u>978</u>	<u>926</u>	<u>859</u>	<u>636</u>	<u>671</u>	<u>691</u>	<u>691</u>

DIVISION OF PORTS AND HARBORS STATEMENT OF CASH FLOW- HARBOR DREDGING FUND (RESTRICTED)

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
-OPENING FUND BALANCE	370	389	391	425	402	430	415	434	435	370
S2OURCES OF FUNDS										
PI-ER USAGE FEES	15	25	-	25	25	-	15	-	10	115
RE-GISTRATIONS	-	-	10	-	-	10	-	-	10	30
FUE50L FLOWAGE FEES	4	4	3	4	3	4	4	3	4	33
GRAN52T FUNDING	-	-	23	-	-	-	-	-	-	23
	19	29	36	29	28	14	19	3	24	201
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	2	-	2	-	2	-	2	-	8
GENERAL AND ADMINISTRATIVE	-	-	2	-	-	2	-	-	2	6
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER- (CBOC)	-	25	-	50	-	25	-	-	50	150
	-	27	2	52	-	29	-	2	52	164
NET CASH FLOW	19	2	34	(23)	28	(15)	19	1	(28)	37
CLOSING FUND BALANCE	389	391	425	402	430	415	434	435	407	407

DIVISION OF PORTS AND HARBORS

STATEMENT OF CASH FLOW- REVOLVING LOAN FUND

(RESTRICTED)

(\$ 000's)

	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>TOTAL</u>
OPENING FUND BALANCE	<u>188</u>	<u>197</u>	<u>161</u>	<u>173</u>	<u>183</u>	<u>85</u>	<u>97</u>	<u>108</u>	<u>120</u>	<u>188</u>
SOURCES OF FUNDS										
LOAN REPAYMENTS	10	10	11	11	11	11	11	12	12	99
INTEREST INCOME-LOANS	2	2	2	3	3	3	3	3	3	24
INTEREST INCOME- FUND BALANCE	1	-	1	-	1	-	1	-	1	5
	<u>13</u>	<u>12</u>	<u>14</u>	<u>14</u>	<u>15</u>	<u>14</u>	<u>15</u>	<u>15</u>	<u>16</u>	<u>128</u>
USE OF FUNDS										
NEW LOANS ISSUED	-	45	-	-	110	-	-	-	80	235
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	2	-	-	2	-	-	2	-	-	6
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	2	3	2	2	3	2	2	3	3	22
ALL OTHER	-	-	-	-	-	-	-	-	-	-
NET CASH FLOW	4	48	2	4	113	2	4	3	83	263
	9	(36)	12	10	(98)	12	11	12	(67)	135
CLOSING FUND BALANCE	<u>197</u>	<u>161</u>	<u>173</u>	<u>183</u>	<u>85</u>	<u>97</u>	<u>108</u>	<u>120</u>	<u>53</u>	<u>53</u>

DIVISION OF PORTS AND HARBORS

STATEMENT OF CASH FLOW- FOREIGN TRADE ZONE FUND

(RESTRICTED)

(\$ 000's)

	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL
	6	6	4	4	4	4	12	12	12	6
OPENING FUND BALANCE	6									6
SOURCES OF FUNDS										
FACILITY RENTALS	-	-	-	-	-	10	-	-	-	10
ALL OTHER	-	-	-	-	-	-	-	-	-	-
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	10	-	-	-	10
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	2	-	-	-	2	-	-	2	6
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER	-	-	-	-	-	-	-	-	-	-
NET CASH FLOW	-	2	-	-	-	2	-	-	2	6
	-	(2)	-	-	-	8	-	-	(2)	4
CLOSING FUND BALANCE	6	4	4	4	4	12	12	12	10	10



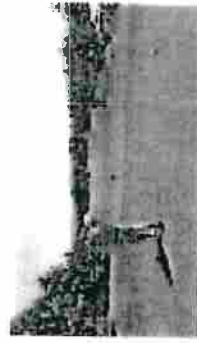
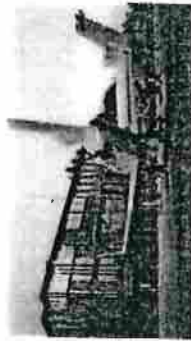
MOTION

Director Torr:

The Pease Development Authority Board of Directors hereby accepts the proposed FY 2020 Operations and Maintenance (O & M) Budget and FY 2021 - FY 2023 O & M Forecast; all in accordance with the documentation submitted by Irving Canner, Finance Director and attached hereto.

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**PEASE DEVELOPMENT AUTHORITY
PROPOSED FY 2020 OPERATING BUDGET
AND FY 2021 - FY 2023 FORECAST**



**PEASE DEVELOPMENT AUTHORITY
BOARD OF DIRECTOR'S MEETING
JUNE 20, 2019**

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EXECUTIVE OVERVIEW

\$ (000's)

THE PROPOSED FY 2020 OPERATING REVENUES OF \$16,237 IS AN INCREASE OF 6.7 % OR \$1,013 VERSUS THAT OF THE FY 2019 BUDGET. THE PRIMARY VARIANCES INCLUDE:

	\$	%
	CHANGE	CHANGE
FEE REVENUES		
PSM- PAY FOR PARKING	551	3.6
PSM- FUEL FLOWAGE FEES	18	0.1
WHARFAGE AND DOCKAGE ACTIVITIES (DPH)	215	1.4
FUEL SALES (SKYHAVEN AND DPH)	210	1.4
FACILITIES RENTAL	200	1.3
MOORING, BERTHING AND PIER USAGE FEES (DPH)	41	0.3
MISCELLANEOUS OTHER-NET	(222)	(1.4)
	1,013	6.7

THE PROPOSED FY 2020 OPERATING EXPENDITURES OF \$19,906 IS AN INCREASE OF 4.4 % OR \$835 VERSUS THAT OF THE FY 2019 BUDGET. THE PRIMARY VARIANCES INCLUDE:

	\$	%
	CHANGE	CHANGE
EMPLOYEE LABOR INCLUDING \$513 IN FULLTIME POSITIONS	546	2.9
CITY OF PORTSMOUTH POLICE COVERAGE AT PSM	164	0.9
EMPLOYEE FRINGE BENEFITS- PRIMARILY NHRS PENSION SUBSIDY	160	0.8
MUNICIPAL SEPARATE STORM SEWER SYSTEM (MS4)	160	0.8
INTEREST EXPENSE- NET OF INTEREST INCOME	149	0.8
PROPERTY INSURANCE	25	0.1
LITIGATION SUPPORT	(600)	(3.1)
MISCELLANEOUS AND OTHER	231	1.2
	835	4.4

EXECUTIVE OVERVIEW

(CONTINUED):

THERE IS POTENTIAL FOR SEVERAL OPERATING BUDGET ISSUES THAT NEED TO BE FURTHER VETTED INCLUDING:

- ENVIRONMENTAL COMPLIANCE PROGRAM COSTS / STORMWATER CONSULTANT (MS4)
- DPH \$252,000 DEBT REPAYMENT TO STATE OF NEW HAMPSHIRE- PISCATAQUA TURNING BASIN (HB 25-FN-A)
- INCREMENTAL STAFFING TO SUPPORT ORGANIZATIONAL DEPTH AND SUCCESSION PLANNING:
 - DIRECTOR OF INFORMATION TECHNOLOGY
 - AIRPORT OPERATIONS (TRANSITIONAL)
 - TRUSTED SECURITY AGENT
 - FINANCE GROUP- SUCCESSION PLANNING (TRANSITIONAL)
- REVOLVING LINE OF CREDIT- PROJECTED INTEREST RATE- 5.25% FOR THE FOUR YEAR PERIOD.
- PSM TERMINAL EXPANSION- TIMING AND FAA FUNDING
- PSM RUNWAY RECONSTRUCTION OF RUNWAY 16-34 PROJECT WITH AIR NATIONAL GUARD- COMMENCEMENT DATE

KEY OPERATIONAL ACTIVITIES AND INITIATIVES EXPECTED TO BE UNDERTAKEN:

- MAINTAINING AND EXPANDING CURRENT COMMERCIAL AIRLINES SERVICES
- UNDERTAKING INDEPENDENT REVIEW OF SECURITY OPERATIONS AND INFORMATION TECHNOLOGY
- TRANSPORTATION TRAFFIC FLOW STUDY UPDATE
- SEEK PERMANENT LONG TERM BONDING FOR TRADEPORT ROADWAYS / ROUNDABOUTS- DESIGN AND CONSTRUCTION
- DEVELOPMENT OF A PREVENTIVE MAINTENANCE WORK SCHEDULE- GENERATORS, HVAC, ETC.
- DEVELOPMENT OF AN INTERNAL STUDY FOR PARKING LOT MAINTENANCE AND RENOVATIONS
- SERVICE CONTRACT NEGOTIATIONS INCLUDING ELECTRICITY, AND INFORMATION TECHNOLOGY

KEY PLANNING ASSUMPTIONS

\$ (000's)

- STAFFING, PERSONNEL SERVICES AND BENEFIT ESCALATION**

 - INCREMENTAL STAFFING** IS PROPOSED IN FY 2020 AT A PROJECTED COST OF APPROXIMATELY \$400. FOCUS AREAS, DEFINED AS TRANSITIONAL, INCLUDE SUCCESSION PLANNING IN FINANCE AND AIRPORT OPERATIONS. PERMANENT STAFFING HAS BEEN IDENTIFIED TO SUPPORT INFORMATION TECHNOLOGY AND SECURITY OPERATIONS.
 - EMPLOYEE ANNUAL SALARY **MERIT INCREASE** CAPPED AT **2.00%** PLUS A **COLA ADJUSTMENT** NOT TO EXCEED 1.50% FOR ALL ELIGIBLE EMPLOYEES.
 - COLLECTIVE BARGAINING AGREEMENT (CBA)**, AS OF JUNE 7, 2018, PROVIDES FOR A **1.50%** PAY RAISE FOR ALL FIVE (5) FULL-TIME PDA-DPH STATE CLASSIFIED POSITIONS.
 - FRINGE BENEFIT RATES** HAVE YET TO BE FULLY VETTED BY THE STATE OF NEW HAMPSHIRE. FOR BUDGETING PURPOSES, THE FOLLOWING RATES, AS A PERCENTAGE OF ELIGIBLE WAGES, HAVE BEEN INCORPORATED:

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
HEALTH INSURANCE	25.26%	26.50%	27.00%	27.00%	27.25%
NH RETIREMENT SYSTEM					
GROUP I	12.66	12.93	13.00	13.25	13.25
GROUP II	26.38	28.00	28.50	28.50	29.00
DENTAL	1.62	1.55	1.55	1.55	1.55
LIFE INSURANCE	0.95	0.96	0.97	0.97	0.97

PROPOSED FY 2020 OPERATING BUDGET AND FY 2020 - FY 2023 FORECAST
JUNE 2019

\$ (000's)

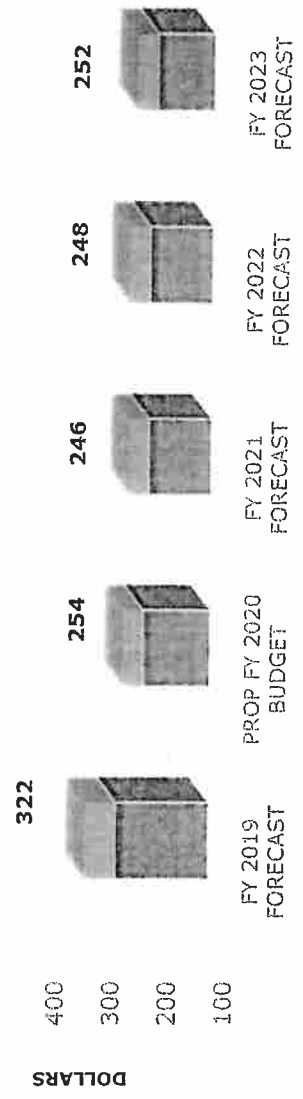
KEY PLANNING ASSUMPTIONS (CONTINUED)

STAFFING, PERSONNEL SERVICES AND FRINGE BENEFIT ESCALATION (CONTINUED)

• **POST RETIREMENT HEALTH CARE COSTS-** RATE REVIEW EVERY JANUARY 1ST.

• THE PDA CONTINUES TO AGGRESSIVELY MONITOR **OVERTIME COSTS**. ALTHOUGH A VARIABLE COST, INFLUENCED BY SNOW FALL, AIRPORT FLIGHT SCHEDULES AND WHARFAGE AND DOCKAGE ACTIVITIES. AS A PERCENTAGE OF DIRECT PAYROLL, THE PDA / DPH AVERAGES APPROXIMATELY 5.0% ANNUALLY.

OVERTIME LABOR COSTS



■ BENEFITED ■ NONBENEFITED

KEY PLANNING ASSUMPTIONS

(CONTINUED)

\$ (000's)

PORTSMOUTH INTERNATIONAL AIRPORT

FUEL FLOWAGE FEES:

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
PROJECTED GALLONS	10,250,000	11,350,000	12,000,000	12,480,000	12,934,000
RATE PER GALLON	\$ 0.020	\$ 0.020	\$ 0.030	\$ 0.030	\$ 0.030
PROJECTED REVENUES	205	215	345	480	625

PASSENGER PAY FOR PARKING:

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2021 FORECAST	FY 2023 FORECAST
RATE PER DAY	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00
AVAILABLE SPACES	961	1,120	1,120	1,120	1,120
OCCUPANCY RATE	29.2	30%	30%	32%	34%
PROJECTED REVENUES	350	858	858	916	973

KEY PLANNING ASSUMPTIONS (CONTINUED)

\$ (000's)

PORTSMOUTH INTERNATIONAL AIRPORT (CONTINUED)

- CONTINUE TO BE A "NO FEE" AIRPORT RELATIVE TO PASSENGER FACILITIES CHARGES AND LANDING FEES.
- ELIMINATION OF NEW HAMPSHIRE REGISTRATION FEES- **HB 124-FN**.
- CONTINUED MARKETING FINANCIAL COMMITMENT TO ATTRACT NEW AIRLINE(S) AND CONTINUATION OF CONSULTANT CONTRACT (DAN FORTNAM).
- UNDERTAKING INDEPENDENT REVIEW OF CURRENT SECURITY PROGRAM.
- **LAW ENFORCEMENT OFFICER PROGRAM** (LEO) TOWARD CITY OF PORTSMOUTH SECURITY COVERAGE REMAINS IN PLACE. CONTRACT DUE TO EXPIRE ON JUNE 30, 2019. ASSUMPTION OF HOURLY POLICE RATE OF \$63.25 EXCLUDING ADMINISTRATIVE AND VEHICLE EXPENSES.
- INCREMENTAL **INTERNAL SECURITY STAFFING** IS BASED UPON AN INCREASED FLIGHT SCHEDULE OF AN ANTICIPATED TWO PER DAY. STAFF REQUIREMENT PROJECTED TO BE 15 NON-BENEFITED EMPLOYEES WORKING 29 HOURS PER WEEK AT AN AVERAGE FY 2020 LABOR RATE OF \$13.00 PER HOUR.
- COMPREHENSIVE REVIEW OF LEASE AGREEMENTS WITH PSM **FIXED BASED OPERATOR** EXPECTED TO BE COMPLETED NO LATER THAN JUNE 30, 2019 WITH A RETROACTIVE EFFECTIVE DATE OF APRIL 1, 2019.

\$ (000's)

KEY PLANNING ASSUMPTIONS (CONTINUED)

SKYHAVEN AIRPORT

- NO CHANGES IN HANGAR AND OR TIE DOWN RENTAL RATES.
- NO CHANGE IN CURRENT OCCUPANCY FOR HANGARS (33) OR TIEDOWNS (6). THERE ARE PRESENTLY NO HANGAR VACANCIES.
- ELIMINATION OF NEW HAMPSHIRE REGISTRATION FEES- HB 124-FN.
- FUELING OPERATIONS ARE EXPECTED TO GENERATE APPROXIMATELY \$57 IN NET CASH FLOW DURING THE 48 MONTH PERIOD ENDING JUNE 30, 2023 REPRESENTING AN APPROXIMATE 20% MARK-UP.

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2021 FORECAST	FY 2023 FORECAST
GROSS SALES	64	64	68	71	76
COST OF GOODS SOLD	57	51	54	57	60
NET CASH FLOW	7	13	14	14	16
FUEL SOLD (GALLONS)	13,500	15,000	15,500	16,000	16,500
AVERAGE SELLING PRICE (GALLON)	\$ 4.74	\$ 4.27	\$ 4.39	\$ 4.44	\$ 4.61

PROPOSED FY 2020 OPERATING BUDGET AND FY 2020 - FY 2023 FORECAST
JUNE 2019

KEY PLANNING ASSUMPTIONS

(CONTINUED)

\$ (000's)

INTERNATIONAL TRADEPORT

- MAJORITY OF BUILDING AND OR GROUND LEASES HAVE INCORPORATED AN ANNUAL INFLATION RATE, AS MEASURED BY THE UNITED STATES DEPARTMENT OF LABOR FOR ALL URBAN CONSUMERS- BOSTON-CAMBRIDGE-NEWTON, OF **2.0%**.
- PROJECTED **NEW OR MODIFIED REVENUE STREAMS**, AS ASSOCIATED WITH EITHER BUILDING AND OR GROUND LEASES, DURING THE BUDGET PERIOD:
 - WENTWORTH DOUGLAS- 67, 73 AND 121 CORPORATE DRIVE (19.54 ACRES +/-). MOVES TO A BLENDED RATE COMMENCING MAY 1, 2019.
 - PORT CITY AIR- COMPREHENSIVE MODIFICATIONS BEING IMPLEMENTED JULY 1, 2019 WHICH INCLUDES ADDITIONAL HANGAR CAPACITY.
 - LONJA BIOLOGICS- 70-80 CORPORATE DRIVE (25.97 ACRES +/-). NO LATER THAN OCTOBER 1, 2021.
- **DEPARTMENT OF STATE FUNDING-** REVENUE STREAM COMMENCED IN OCTOBER 2014, AT THE NET RATE OF \$5.75 / PER SQUARE FOOT FOR 60 MONTHS. COMMENCING OCTOBER 2019, THE NEW NET RATE WILL INCREASE 4.3% TO \$6.00 PER SQUARE FOOT.

KEY PLANNING ASSUMPTIONS (CONTINUED)

\$ (000's)

INTERNATIONAL TRADEPORT (CONTINUED):

- EXTERNAL LEGAL SUPPORT AND INCREMENTAL ENGINEERING COSTS ASSOCIATED WITH **MUNICIPAL SEPARATE STORM SEWER SYSTEM (MS4)**.
- PDA'S ANNUAL FUNDING SUPPORT TO **COAST TROLLEY** REMAINS CONSISTENT AT \$120. SCHEDULED SERVICE ROUTES BEING EVALUATED BY COAST PERSONNEL.
- CURRENT **ELECTRICITY SUPPLY RATE** (\$0.06583) IS SCHEDULED TO EXPIRE ON OCTOBER 31, 2018. FUTURE FISCAL YEAR ELECTRICITY CONSUMPTION PROJECTED AT APPROXIMATELY 3.35 MILLION KWH.

KEY PLANNING ASSUMPTIONS (CONTINUED)

GOLF OPERATIONS

PHASED INCREASE TO CURRENT GOLF COURSE FEE STRUCTURE- MEMBERSHIPS, SIMULATORS AND PUBLIC PLAY WAS PRESENTED TO GOLF COMMITTEE IN 2013. PROPOSED FY 2020 BUDGET AND SUBSEQUENT THREE YEAR FORECAST INCORPORATES THE FOLLOWING PUBLIC PLAY RATE STRUCTURE WITH PROPOSED RATES BEING EFFECTIVE MAY 1, 2020.

NONMEMBER PLAY	PROPOSED FEES	CURRENT FEES	MEMBER PLAY	PROPOSED FEES	CURRENT FEES
WEEKDAY			WEEKDAY		
9 HOLE	\$ 30	\$ 29	ADULT	\$ 1,700	\$ 1,600
18 HOLE	49	48	STUDENT	750	700
SENIOR 9 HOLE	23	22	JUNIOR	450	400
SENIOR 18 HOLE	37	36	SENIOR	1,500	1,400
ADULT TWILIGHT 18 HOLE	36	35	COUPLES	3,050	2,900
WEEKEND			COUPLES- SENIORS	2,650	2,500
9 HOLE	\$ 33	\$ 32	FULL WEEK		
18 HOLE	53	52	ADULT	\$ 2,000	\$ 1,900
ADULT TWILIGHT 18 HOLE	36	35	COUPLES	3,650	3,500
CART FEES			SIMULATOR		
9 HOLE	\$ 13	\$ 12	WEEKDAY / HOURLY	\$ 33	\$ 32
18 HOLE	20	18	WEEKEND / HOURLY	40	39
TWILIGHT	12	10			

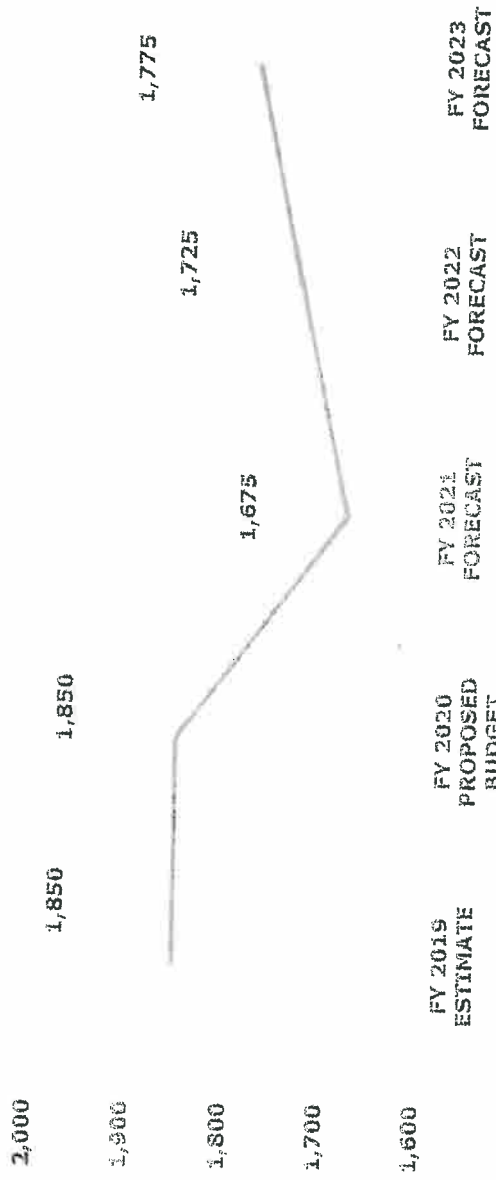
KEY PLANNING ASSUMPTIONS

\$(000's)

(CONTINUED)

GOLF OPERATIONS (CONTINUED):

- GRILL 28 GROSS RESTAURANT AGREEMENT AMENDMENT # 3 EXTENDS CONTRACT THROUGH OCTOBER 31, 2019 WITH AN ONE YEAR OPTION.



ROUNDS OF GOLF PLAYED:

	ACTUAL 2018 SEASON	PROPOSED 2019 SEASON	FORECAST 2021 SEASON	FORECAST 2022 SEASON	FORECAST 2023 SEASON
PUBLIC PLAY	38,851	35,500	35,750	36,000	36,250
ANNUAL PASS	14,383	13,750	14,000	14,250	14,500
	53,234	49,250	49,750	50,250	50,750

PROPOSED FY 2020 OPERATING BUDGET AND FY 2020 - FY 2023 FORECAST
JUNE 2019

KEY PLANNING ASSUMPTIONS (CONTINUED)

\$ (000's)

DIVISION OF PORTS AND HARBORS

- **SECURITY OPERATIONS** REMAIN IN-HOUSE WITH NO INCREMENTAL STAFFING FROM CURRENT FY 2019 AUTHORIZED LEVELS.
- OVERTIME AND SEASONAL PERSONNEL LABOR HOURS CONTINUE TO BE ACTIVELY MANAGED.
- **WORKERS COMPENSATION** INSURANCE REMAINS SELF-FUNDED.
- **NEW RATE STRUCTURE** ASSOCIATED WITH MOORING FEES AND WAIT LIST FEES, WENT INTO EFFECT APRIL 1, 2019.
- **PROJECTED RATE INCREASES** FOR PIER USE PERMIT FEES, FROM \$10.00 / FOOT TO \$12.00 FOOT EFFECTIVE JANUARY 1, 2020.
- WITH CAPITAL BUDGET OVERVIEW COMMITTEE APPROVAL, HARBOR DREDGING FUND CONTINUES TO PROVIDE ANNUAL FUNDING SUPPORT TO MEET EMERGING REPAIRS AND MAINTENANCE NEEDS.
- **FOREIGN TRADE ZONE** PROPOSES NO NEW TENANTS FROM CURRENT BASE OF TWO VENDORS.

KEY PLANNING ASSUMPTIONS (CONTINUED)

\$ (000's)

DIVISION OF PORTS AND HARBORS (CONTINUED):

FUELING OPERATIONS ARE EXPECTED TO GENERATE APPROXIMATELY \$204 IN NET CASH FLOW DURING THE 48 MONTH PERIOD ENDING JUNE 30, 2023 REPRESENTING AN APPROXIMATE 6.0% MARK-UP.

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
GROSS SALES					
PORTSMOUTH FISH PIER	500	500	500	500	500
HAMPTON HARBOR	200	200	200	200	200
RYE HARBOR	170	150	150	150	150
	<u>870</u>	<u>850</u>	<u>850</u>	<u>850</u>	<u>850</u>

COMPOSITE BUDGET PROJECTIONS

\$ (000's)

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
OPERATING REVENUES (SEE PAGES #17-#18)	<u>15,411</u>	<u>16,237</u>	<u>16,652</u>	<u>16,800</u>	<u>17,234</u>
OPERATING EXPENSES					
PERSONNEL SERVICES AND FRINGE BENEFITS (SEE PAGES #19-#21)	6,842	7,188	7,059	7,233	7,481
BUILDING AND FACILITIES (SEE PAGE #22)	1,443	2,223	2,371	2,214	2,246
GENERAL AND ADMINISTRATION (SEE PAGE #23)	1,196	1,295	1,316	1,344	1,375
UTILITIES (SEE PAGE #24)	624	716	728	740	754
PROFESSIONAL SERVICES (SEE PAGE #25)	1,300	309	283	284	282
MARKETING AND PROMOTION (SEE PAGE #26)	146	327	329	331	330
OTHER OPERATING EXPENSES (SEE PAGE #27)	1,278	1,265	1,268	1,276	1,282
OPERATING INCOME	<u>12,829</u>	<u>13,323</u>	<u>13,354</u>	<u>13,422</u>	<u>13,750</u>
DEPRECIATION	2,582	2,914	3,298	3,378	3,484
INTEREST EXPENSE	5,824	6,302	6,209	6,334	6,518
INTEREST INCOME	(10)	(310)	(368)	(278)	(147)
NET OPERATING INCOME	<u>(3,202)</u>	<u>(3,669)</u>	<u>(3,260)</u>	<u>(3,220)</u>	<u>(3,167)</u>

PROPOSED FY 2020 OPERATING BUDGET AND FY 2020 - FY 2023 FORECAST
JUNE 2019

COMPOSITE OPERATING REVENUES

\$ (000's)

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
RENTAL OF FACILITIES					
FACILITIES AND AIRPORT HANGARS	9,435	10,091	10,269	10,139	10,336
FEE REVENUES					
GOLF					
PUBLIC PLAY	1,400	1,425	1,485	1,505	1,520
MEMBERSHIP	340	340	360	365	370
SIMULATORS AND LESSONS	147	138	143	145	148
	1,887	1,903	1,988	2,015	2,038
PORTSMOUTH INTERNATIONAL AIRPORT AND SKYHAVEN					
PARKING	350	858	858	916	973
FUEL FLOWAGE	205	215	345	480	625
AVIATION FEES AND SECURITY BADGING	136	18	20	20	20
	691	1,091	1,223	1,416	1,618
DIVISION OF PORTS AND HARBORS					
WHARFAGE AND DOCKAGE	650	550	550	575	575
MOORING FEES	340	365	365	365	365
PIER USAGE, REGISTRATIONS AND BERTHING FEES	227	263	264	267	268
PARKING AND FUEL FLOWAGE	126	127	127	130	131
	1,343	1,305	1,306	1,337	1,339
	3,921	4,299	4,517	4,768	4,995

\$ (000's)

COMPOSITE OPERATING REVENUES (CONTINUED)

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
FUEL SALES	935	914	918	921	926
CONCESSION REVENUES	382	326	333	348	348
INTEREST INCOME- REVOLVING LOAN FUND	42	43	43	42	42
OTHER REVENUES					
GOLF MERCHANDISE	230	235	240	245	250
ALL OTHER	466	329	332	337	337
	<u>696</u>	<u>564</u>	<u>572</u>	<u>582</u>	<u>587</u>
	15,411	16,237	16,652	16,800	17,234

COMPOSITE PERSONNEL SERVICES AND FRINGE BENEFITS

\$ (000's)

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
PERSONNEL SERVICES					
PERMANENT LABOR	3,780	4,167	4,007	4,154	4,299
NON-BENEFITTED LABOR	712	792	890	848	877
OVERTIME	320	254	246	248	252
	<u>4,812</u>	<u>5,213</u>	<u>4,143</u>	<u>5,250</u>	<u>5,428</u>
FRINGE BENEFITS					
HEALTH CARE	1,060	1,208	1,165	1,205	1,246
RETIREMENT	880	668	653	678	705
DENTAL	65	71	71	72	73
LIFE INSURANCE	25	28	27	28	29
	<u>2,030</u>	<u>1,975</u>	<u>1,916</u>	<u>1,983</u>	<u>2,053</u>
	<u>6,842</u>	<u>7,188</u>	<u>7,059</u>	<u>7,233</u>	<u>7,481</u>

STAFFING PLAN

\$ (000's)

	SALARIED BENEFITTED POSITIONS	HOURLY BENEFITTED POSITIONS	PROPOSED FY 2020	TOTAL AT 06-01-19
PDA				
MAINTENANCE	-	18	18	19
PORTSMOUTH AIRPORT (SEE NOTE #3)	9	3	12	11
GOLF OPERATIONS	2	5	7	7
FINANCE (SEE NOTE #1)	3	4	7	5
ENGINEERING	3	1	4	4
LEGAL AND HUMAN RESOURCES	2	2	4	4
EXECUTIVE	1	-	1	1
SECURITY (SEE NOTE #2)	1	1	2	1
TOTAL PDA	21	34	55	52
DIVISION OF PORTS AND HARBORS	1	10	11	11
	22	44	66	63

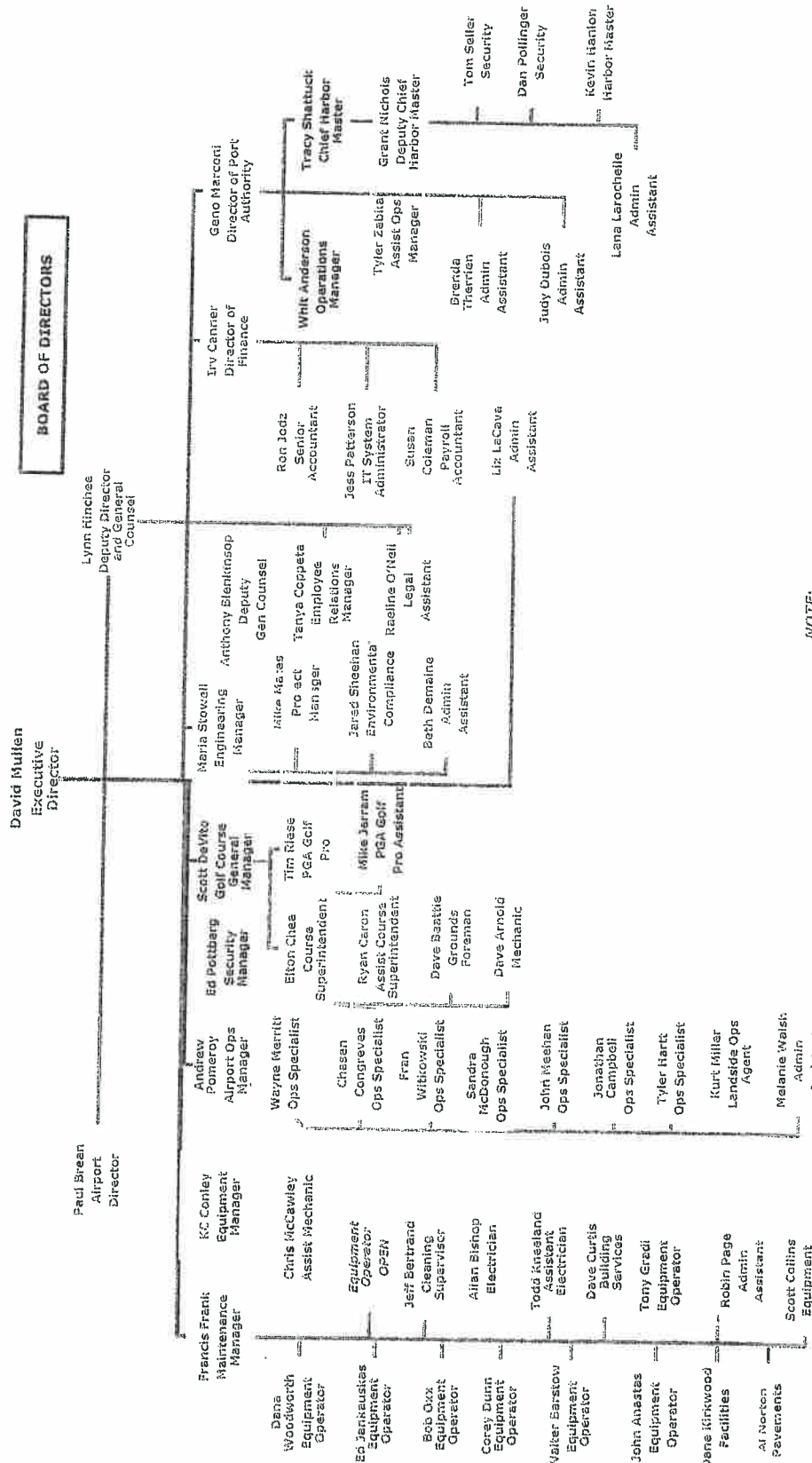
PROJECTED SEASONAL AND PART TIME LABOR HOURS (NON-BENEFITTED)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
SECURITY	12,500	22,620	22,620	22,620	22,620
GOLF	14,000	14,000	14,000	14,000	14,000
SKYHAVEN	3,300	3,300	3,300	3,300	3,300
MAINTENANCE	2,450	2,450	2,450	2,450	2,450
PSM	1,500	1,500	1,500	1,500	1,500
LEGAL	=	1,040	=	=	=
	<u>33,750</u>	<u>44,910</u>	<u>43,870</u>	<u>43,870</u>	<u>43,870</u>
DPH	<u>7,800</u>	<u>7,800</u>	<u>7,800</u>	<u>7,800</u>	<u>7,800</u>
	<u>41,550</u>	<u>52,710</u>	<u>51,670</u>	<u>51,670</u>	<u>51,670</u>

NOTE ON PROPOSED FY 2020 BUDGET:

1. INCLUDES THE HIRING OF A PERMANENT POSITION ASSOCIATED WITH INFORMATION TECHNOLOGY AND A TRANSITIONAL POSITION TO ADDRESS SUCCESSION PLANNING.
2. REFLECTS THE HIRING OF A PERMANENT POSITION OF A TRUSTED AGENT WITHIN SECURITY OPERATIONS.
3. INCLUDES THE HIRING OF A MANAGER OF AIRPORT ADMINISTRATION TO SUPPORT TRANSITION OF AIRPORT DIRECTOR TO EXECUTIVE DIRECTOR.

PEASE DEVELOPMENT AUTHORITY ORGANIZATION CHART - JUNE 30, 2019 (BENEFITED POSITIONS ONLY)



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

PROPOSED FY 2020 OPERATING BUDGET AND FY 2020 - FY 2023 FORECAST
JUNE 2019

\$ (000's)

COMPOSITE BUILDING AND FACILITIES

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
SECURITY	152	386	371	373	373
SNOW REMOVAL	246	358	376	366	372
ENVIRONMENTAL TESTING	37	313	465	314	314
CONTRACT SERVICES	142	159	157	150	152
GASOLINE AND DIESEL	121	138	148	148	148
CLEANING CONTRACT	87	89	91	93	95
VEGETATION CONTROL	72	80	84	87	89
EQUIPMENT PARTS	63	72	74	63	64
LANDSCAPING AND IRRIGATION	62	71	84	83	85
PAVEMENT AND RUBBER REMOVAL	51	53	48	38	41
HVAC REPAIRS	53	53	66	65	67
EQUIPMENT RENTAL	42	47	43	45	45
VEHICLE PARTS	32	29	29	38	38
ENGINEERING SERVICES	23	25	25	30	35
AIRFIELD LIGHTING	40	25	17	17	17
ALL OTHER	220	325	293	304	311
	1,443	2,223	2,371	2,214	2,246

PROPOSED FY 2020 OPERATING BUDGET AND FY 2020 - FY 2023 FORECAST
JUNE 2019

COMPOSITE GENERAL AND ADMINISTRATIVE

\$ (000's)

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
FEDERAL INSURANCE CONTRIBUTION ACT	368	399	394	401	415
INSURANCE	252	270	275	280	286
TELEPHONES AND COMMUNICATIONS	110	106	108	110	112
COMPUTER EXPENSES	83	80	84	87	85
SUPPLIES	67	67	70	71	72
BANK FEES	50	49	50	50	53
TRAVEL AND MILEAGE	34	43	45	48	49
POSTAGE AND PRINTING	33	35	37	37	38
PROFESSIONAL DEVELOPMENT	31	35	33	36	34
TAXES IN LIEU- MUNICIPAL SERVICE FEE	30	30	30	30	30
EQUIPMENT UNDER \$5,000	25	32	37	34	38
CLOTHING AND UNIFORMS	14	21	21	22	22
SAFETY EQUIPMENT AND RENTAL	14	14	14	15	15
SUBSCRIPTIONS AND PUBLICATIONS	11	11	11	11	11
ALL OTHER	74	103	107	112	115
	<u>1,196</u>	<u>1,295</u>	<u>1,316</u>	<u>1,344</u>	<u>1,375</u>

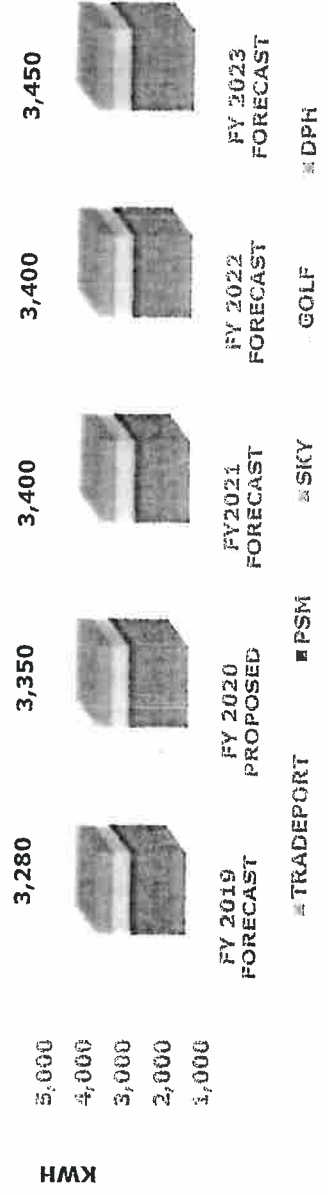
PROPOSED FY 2020 OPERATING BUDGET AND FY 2020 - FY 2023 FORECAST
JUNE 2019

\$ (000's)

COMPOSITE UTILITIES

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
ELECTRICITY	392	400	413	423	429
WATER	46	118	121	122	123
WASTE DISPOSAL	66	83	92	93	95
NATURAL GAS	81	76	65	65	68
PROPANE AND HEATING OIL	39	39	37	37	39
	<u>624</u>	<u>716</u>	<u>728</u>	<u>740</u>	<u>754</u>

ELECTRICITY KWH CONSUMPTION PROJECTIONS



PROPOSED FY 2020 OPERATING BUDGET AND FY 2020 - FY 2023 FORECAST
JUNE 2019

COMPOSITE PROFESSIONAL SERVICES

\$ (000's)

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
LEGAL (PRIMARILY LITIGATION FEES INCURRED UNDER CLF AGREEMENT DURING FY 2019)	1,117	125	100	100	100
INFORMATION TECHNOLOGY- EXTERNAL SUPPORT	80	73	70	71	68
EXTERNAL AUDIT	61	69	69	70	70
ALL OTHER	42	42	44	43	44
	<u>1,300</u>	<u>309</u>	<u>283</u>	<u>284</u>	<u>282</u>

\$ (000's)

COMPOSITE MARKETING AND PROMOTION

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
BUSINESS DEVELOPMENT	15	200	200	200	200
GENERAL ADVERTISING (EMPLOYEE RECRUITMENT, REQUEST FOR PROPOSALS, ETC.)	131	127	129	131	130
	<u>146</u>	<u>327</u>	<u>329</u>	<u>331</u>	<u>330</u>

\$ (000's)

COMPOSITE OTHER OPERATING EXPENSES

	FY 2019 FORECAST	PROPOSED FY 2020 BUDGET	FY 2021 FORECAST	FY 2022 FORECAST	FY 2023 FORECAST
FUEL- COST OF GOODS SOLD	874	850	853	856	859
GOLF MERCHANDISE	184	180	180	180	180
COAST TROLLEY	120	120	120	120	120
GOLF CART LEASE	100	115	115	120	123
	1,278	1,265	1,268	1,276	1,282

PEASE DEVELOPMENT AUTHORITY

LICENSE

This LICENSE is made by and between the PEASE DEVELOPMENT AUTHORITY, 55 International Drive, Portsmouth, NH 03801 established under New Hampshire RSA 12-G ("PDA") and Enterprise Rent-A-Car Company of Boston, LLC, a Delaware limited liability company, with an address of 10 Navigator Road, Londonderry, New Hampshire 03053 ("Enterprise" or "Licensee").

RECITALS

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

B. By Quitclaim Deeds made and entered into on October 15, 2003 and September 16, 2005 (the "Deeds"), the Government, acting by and through the Secretary of the Air Force, did grant to PDA the land and improvements located in the City of Portsmouth, Town of Newington and Town of Greenland which deeds included the licensed Premises. The Parties acknowledge that the Deeds impose certain requirements on Licensee with respect to licenses which are addressed in the terms and conditions of this License. Copies of the Deeds are recorded in the Rockingham Registry of Deeds at Book 4227, Page 1 and Book 4564, Page 985 respectively.

C. The Parties acknowledge that a Federal Facilities Agreement ("FFA") required under Section 120 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq, has been entered into by the Air Force, the New Hampshire Department of Environmental Services ("NHDES") and the United States Environmental Protection Agency ("EPA") regarding certain contamination at Pease and that this FFA also imposes certain requirements upon PDA and Licensee which are addressed in the terms

and conditions of this License. A copy of the current FFA recorded at the Rockingham County Registry of Deeds at Book 4227, Book 0078 (see Exhibit F to Quitclaim deed dated October 15, 2003). Unless the context refers specifically to the document constituting the FFA document, the term FFA shall include any amendments to said document.

NOW, THEREFORE, in consideration of the covenants herein contained and other valuable consideration, the receipt of which is hereby acknowledged, PDA and Licensee hereby agree as follows: PDA grants to Licensee, on a month to month basis for a period beginning on June 3, 2019 and extending through November 30, 2019, a License to use all of 35 Airline Avenue (a 2,400+/- square foot building) in Portsmouth, NH as more specifically shown on **Exhibit A** ("Licensed Premises"), attached hereto and made a part of this License. Each Party reserves the right to terminate this License without cause upon providing the other party with thirty (30) days written notice.

Licensee may use the Licensed Premises during the period of June 3, 2019 through midnight November 30, 2019 only for the purpose the short-term storage and prepping of motor vehicles related to its car rental business at the Portsmouth International Airport at Pease, and other uses incidental thereto, and for no other use without the prior express written consent of the PDA.

Licensee is strictly prohibited from the washing of motor vehicles with water or other liquid that would cause a discharge to the ground, sewer, or drainage system on the Licensed Premises and from the storing any "Hazardous Substances" (as that term is defined in **Exhibit B** attached hereto) on the Licensed Premises.

Licensee is strictly prohibited from engaging in any subsurface excavation, drilling, digging or any related activities which would involve disturbing the surface of the Licensed Premises.

This License is granted subject to the following conditions:

1. The use, occupation and maintenance of the Licensed Premises shall be (a) without cost or expense to the PDA; (b) subject to the general supervision and approval of the PDA; and (c) subject to such rules and regulations as the PDA may prescribe from time to time.

2. Licensee acknowledges that it has inspected the condition of the Licensed Premises and that said Licensed Premises are in good and tenantable condition for the use contemplated in this License. Licensee accepts the Licensed Premises in an "as is," "where is" condition without any representation, warranty or obligation on the part of the PDA to make any alterations, repairs, or improvements or as to the use or occupancy which may be made thereon. PDA shall not be responsible for any latent or other defect or change in condition in said Licensed Premises.

3. Licensee understands and acknowledges that (a) this License allows only temporary use of the facilities and (b) this License may be revoked at will by PDA or terminated as provided in Paragraph 12, and that PDA need not state a reason for any such revocation or termination. Licensee's use of the Licensed Premises shall be orderly and efficient, shall not constitute a nuisance and shall not cause disruption to other Airport activities.

4. Licensee will, at all times, protect, repair and maintain the Licensed Premises in good order and condition at its expense and without cost or expense to PDA but shall have no duty to repair any condition that existed at the commencement of this License. Licensee will be responsible for snow removal in connection with the use of the Licensed Premises.

The Licensee shall during its occupancy of the Licensed Premises pick-up and secure any and all trash or debris observed on the Licensed Premises. All trash and debris shall be removed from the Licensed Premises on a daily basis.

PDA shall have no obligation to bring or to cause utility lines to be brought to the Licensed Premises. PDA makes no representation with respect to the capacity of utility lines existing as the execution date of the License Agreement. Licensee shall not at any time overburden or exceed the capacity of the mains, feeders, ducts, conduits, or other facilities by which such utilities are supplied to, distributed in or serve the Licensed Premises.

During the term of this License, PDA shall not be responsible for providing any meters or other devices for the measurement of utilities supplied to the Licensed Premises. To the extent applicable, Licensee shall install or make application and arrange for the installation of all such meters or other devices. Licensee shall be solely responsible for and promptly pay, as and when the same become due and payable, all charges for water, sewer, electricity, telephone and any other utility used or consumed in the Licensed Premises and supplied by PDA, any public utility or authority, or any other person, firm or corporation.

5. Licensee shall, at its own expense, promptly repair or replace to the satisfaction of the PDA any PDA, State of New Hampshire or Air Force property damaged or destroyed by Licensee incident to the exercise of the privileges granted herein. Alternatively, if required by PDA, Licensee shall pay PDA money in an amount sufficient to compensate for the loss sustained by PDA or State of New Hampshire for damage to or destruction of PDA, State of New Hampshire or Air Force property.

6. No addition, alteration, change, or improvement (including erection of signage) to the Licensed Premises shall be made without the prior written consent of PDA, which consent shall not be unreasonably withheld or delayed. PDA reserves the right to impose conditions on any such work to the extent such conditions are consistent with applicable governmental regulations, codes, standards or other requirements, including fire, safety and building codes and Land Use

Controls promulgated by PDA, applicable provisions of the FFA and the Deeds.

7. Licensee will at all times during the existence of this License, 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.

a. Responsibility for compliance with such laws, rules, regulations and standards rests exclusively with Licensee. PDA assumes no enforcement or supervisory responsibility except for matters committed to its jurisdiction. Licensee shall assume responsibility for and pay all costs relating to (i) any modification to the Licensed Premises required, as a result of Licensee's use of the Licensed Premises, to meet applicable federal, state and local standards relative to on-site sewage treatment or compliance with other applicable laws, regulations, or standards, or (ii) associated with compliance, defense of enforcement actions or suits, payment of fines, penalties, or other sanctions and remedial costs arising or directly resulting from Licensee's use of the Licensed Premises.

b. This condition does not constitute a waiver of Federal Supremacy or State or federal sovereign immunity. Only laws and regulations applicable to the Licensed Premises under the Constitution and statutes of the United States and State of New Hampshire are covered by this condition.

8. PDA or any other agency of the State of New Hampshire, their officers, agents, employees, and contractors may enter upon the Licensed Premises, upon reasonable prior notice, to inspect the Licensed Premises for compliance with environmental, safety and occupational health laws and regulations, whether or not PDA is responsible for enforcing them and Licensee

shall have no claim on account of such entries against PDA, the State of New Hampshire or any officer, agent, employee, or contractor thereof.

a. Licensee acknowledges that Pease has been identified as a National Priority List (NPL) Site under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) of 1980, as amended. Licensee acknowledges that PDA has provided it with a copy of the FFA entered into by the EPA, NHDES, and the Air Force on April 24, 1991 and Modification No. 1 thereto, effective March 18, 1993 and agrees that it will comply with the terms of the FFA to the extent the same may be applicable to the Licensed Premises and that should any conflict arise between the terms of the FFA or the provisions of this License, the terms of the FFA will take precedence.

b. The Air Force, the EPA, and NHDES and their officers, agents, employees, contractors, and subcontractors have the right, upon reasonable notice to Licensee, to enter upon the Licensed Premises to conduct investigations and surveys, including, where necessary drilling, test-pitting, borings, and any other response or remedial action related to the Pease Air Force Base Installation Restoration Program (IRP) or FFA. These inspections, surveys or other response or remedial actions will, to the extent practicable, be coordinated with a representative designated by Licensee. Licensee agrees to comply with the provisions of any health or safety plan implemented by any person during the course of such response or remedial action. Licensee shall have no claim on account of such entries against the United States or the State of New Hampshire or any officer, agent, employee, or contractor thereof except for any intentional or negligent act or omission by PDA or any of PDA's officers, agents, employees, contractors and subcontractors.

c. The Licensed Premises may have environmental monitoring wells situated

on or around it which are maintained by the US Air Force. Licensee agrees to ensure that its activities on the Licensed Premises will not interfere with or damage said wells.

9. Except to the extent caused by any intentional or negligent act or omission by PDA or any of PDA's officers, agents, employees, contractors or subcontractors, PDA shall not be responsible for damage to property or injuries to persons which may arise from or be attributable or incident to the exercise of the privileges granted under this License (including the condition or state of repair of the Licensed Premises and its use and occupation by Licensee), or for damage to the property of Licensee, or for damage to the property or injuries to the person of Licensee's officers, employees, servants, agents, contractors, or others who may be on the Licensed Premises at their invitation or the invitation of any one of them, arising from governmental activities on the Licensed Premises.

a. Licensee agrees to assume all risks of loss or damage to the Licensed Premises including any building(s), improvements, fixtures or other property and bodily injury or death to persons by reason of the exercise by Licensee of the privileges granted herein, and will settle and pay any claims arising out of the use and occupancy of the Licensed Premises. Except to the extent caused by any intentional or negligent act or omission by PDA or any of PDA's officers, agents, employees, contractors or subcontractors, Licensee expressly waives all claims against PDA, the State of New Hampshire and the United States of America, including the Air Force, for any such loss, damage, personal injury or death caused by or occurring by reason of or incident to the possession and/or use of the Licensed Premises or as a consequence of the conduct of activities or the performance of responsibilities under this License.

b. Licensee agrees to indemnify, save, hold harmless, and defend PDA and the State of New Hampshire (the "State") their officers, employees, and agents from and against all

suits, claims, or actions of any sort resulting from, related to or arising out of any activities conducted under this License and any costs, expenses, liabilities, fines, or penalties resulting from discharges, emissions, spills, releases, storage, disposal of any substance or matter, or any other action by Licensee giving rise to PDA or the State liability, civil or criminal, or responsibility under federal, state or local environmental laws except to the extent caused by any intentional or negligent act or omission by PDA or any of PDA's officers, agents, employees, contractors or subcontractors. This provision shall survive the expiration or termination of this License and Licensee's obligations hereunder shall apply whenever PDA or the State incur costs or liabilities for Licensee's actions of the types described herein.

c. Licensee shall bear all risk of loss or damage to the Licensed Premises, including any building(s), improvements, fixtures or other property thereon, arising from any causes whatsoever except to the extent caused by any intentional or negligent act or omission by PDA or any of PDA's officers, agents, employees, contractors or subcontractors.

d. During the entire period this License shall be in effect, the Licensee at its expense will carry and maintain personal property insurance coverage against loss or damage by fire and lightning and against loss or damage or other risks embraced by coverage of the type now known as the broad form of extended coverage (including but not limited to riot and civil commotion, vandalism, and malicious mischief and earthquake) in an amount not less than 100% of the full replacement value of the improvements and personal property on the Licensed Premises. The policies of insurance carried in accordance with this Section shall contain a "Replacement Cost Endorsement." Such full replacement cost shall be determined from time to time, upon the written request of the PDA, but not more frequently than once in any twenty-four (24) consecutive calendar month period (except in the event of substantial changes or alterations to the Licensed

Premises undertaken by Licensee as permitted under the provisions hereof) by written agreement of PDA and Licensee, or if they cannot agree within thirty (30) days of such request, by an insurance consultant, appraiser, architect, or contractor who shall be mutually and reasonably acceptable to the PDA and the Licensee. Any such determination by a third party shall be subject to approval by PDA and Licensee, which approval shall not be unreasonably withheld. The insurance maintained per the requirements of this Section shall be adjusted to 100% of the new full replacement cost consistent with the approved determination.

e. During the entire period this License shall be in effect, the Licensee at its expense will carry and maintain commercial general liability coverage on an occurrence basis for "personal injury", including without limitation bodily injury, death and property damage insurance occurring on, in or about the Licensed Premises (limits of liability shall not be less than Two Million (\$2,000,000) per occurrence; workers' compensation and employee's liability insurance in an amount and form which meets all applicable labor laws of the State of New Hampshire, as amended from time to time, and which specifically covers the persons and risks involved in this License; and automobile liability insurance coverage to a limit of not less than One Million dollars (\$1,000,000) per incident for owned, hired and non-owned automobiles, for any loss, damage, personal injury or death caused by or occurring by reason of or incident to the possession and/or use of the Licensed Premises or as a consequence of the conduct of activities or the performance of responsibilities under this License. Licensee shall also obtain contents insurance to insure its property and equipment.

f. With the exception of Workers Compensation coverage all policies or certificates issued by the respective insurers shall name the PDA as an additional insured, provide that any losses shall be payable notwithstanding any act or failure to act or negligence of

PDA or any other person, provide that the insurer shall have no right of subrogation against the PDA, be primary and non-contributing with respect to coverages carried by PDA, provide that the policies shall not be canceled without first providing PDA with thirty (30) days advance written notice, except in cases involving the non-payment of a premium, in which case ten (10) days shall be acceptable and be reasonably satisfactory to the PDA in all other respects. In no circumstances will the Licensee be entitled to assign to any third party rights of action which Licensee may have against PDA. Licensee shall deliver or cause to be delivered to PDA a certificate or certificates of insurance evidencing the insurance required by this License prior to occupancy of the Licensed Premises.

10. On or before the date of expiration of this License, or expiration of the 30 day notice period after its revocation by PDA or relinquishment by Licensee set forth in paragraph 12 below, Licensee shall vacate the Licensed Premises, remove all its personal property therefrom and restore and return the Licensed Premises to PDA, broom clean and in the same or better condition than their condition at the commencement of the term of this License, reasonable wear and tear excepted. If Licensee shall fail or neglect to remove its personal property and to restore the premises, then at the option of PDA, such property shall either become the property of PDA without compensation therefor, or PDA may cause the property to be removed and the premises to be so restored at the expense of Licensee, and no claim for damage against PDA or its officers, employees or agents shall be created by or made on account of such removal and restoration work.

11. [Reserved]

12. This License may be revoked by the PDA or terminated by either party with or without cause on thirty (30) days written notice to the other party concerned, and if such notice shall

be so given this License shall terminate on the thirtieth (30th) day following the date of such notice.

13. This License shall not be transferred or assigned.

14. No notice, order, direction, determination, requirement, consent and/or approval under this License shall be of any effect unless it is in writing. All notices to be given pursuant to this License shall be sent by certified mail, postage prepaid, return receipt requested; addressed, if to PDA:

Pease Development Authority
Attn: Executive Director
55 International Drive
Portsmouth, NH 03801

and if to Licensee to:

Enterprise Rent-A-Car
10 Navigator Road
Londonderry, NH 03053

or at such other address or addresses as PDA or Licensee may from time to time designate by notice given by certified mail.

Every notice, demand, request or communication hereunder sent by mail shall be deemed to have been given or served as of the third (3rd) business day following the date of such mailing.

15. [Reserved]

16. Licensee shall not discriminate against any person or persons or exclude any persons from participation in Licensee's operations, program, or activities conducted on the Licensed Premises because of race, color, age, sex, handicap, national origin or religion. Licensee, by acceptance of this License, hereby gives assurance that the provisions of Title VI of the Civil Rights Act, as amended (42 U.S.C. 2000d); the Age Discrimination Act of 1975 (42 U.S.C. § 6102); the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794) and the

Department of Defense Directive 5500.11, May 27, 1971, as amended 32 CFR pt 300) will be complied with.

17. This License shall be construed and enforced in accordance with the laws of the State of New Hampshire and may only be modified or amended by mutual agreement of the parties in writing signed by a duly authorized representative of each of the respective parties hereto.

18. This License may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

19. This License is subject and subordinate to any agreements heretofore or hereafter made between PDA and the United States or the Air Force, the execution of which is required to enable or permit transfer of rights or property to PDA for airport purposes or expenditure of federal grant funds for airport improvement, maintenance or development, including, without limitation the Deeds and FFA. Licensee shall abide by requirements of any agreement between PDA and the United States or the Air Force applicable to the Licensed Premises or Licensee's activities at the Airport and shall consent to amendments and modifications of this License if required by such agreements or as a condition of PDA's entry into such agreements.

20. The rights of Licensee under this License shall be subordinate to PDA's rights to manage the Airport and other common areas and roadways, which rights shall include, without limitation, the right to impose, reasonable rules and regulations relating to use of the Airport common areas and roadways and the right to add, delete, alter or otherwise modify the designation and use of all airfield facilities and parking areas, entrances, exits, roadways and other areas of the Airport, to the extent all of the foregoing are not part of the Licensed Premises.

Licensee shall comply with all federal, state and local laws, rules and regulations which apply to the conduct of the use contemplated, including rules and regulations promulgated by

PDA. Licensee shall pay to PDA an amount equal to all fines levied by the FAA against PDA for any breach of FAA requirements by Licensee or any of its contractors, agents, servants or invitees. Licensee acknowledges and agrees that the uses authorized herein are not granted on an exclusive basis and that PDA may enter into licenses, leases or other agreements with tenants and/or other users of the Airport for similar, identical or competing uses.

21. Licensee shall pay, on a monthly basis, a License Fee of \$750.00 for the Licensed Premises. The License Fee shall be payable in advance in each case on the first day of each month without offset in lawful money of the United States at the office of PDA or at such other address as PDA may hereafter designate. The first monthly payment shall be made in advance on or before the commencement date of this License Agreement. The License Fee for any fractional portion of a calendar month at the beginning or end of the term of this License shall be prorated based on the number of days in said month.

22. In addition to the License Fee required to be paid under Section 21 of this License, Licensee shall also pay to PDA 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. The municipal services fee, which is based on the square footage of 35 Airline Avenue, is \$600.00 per calendar quarter (\$200.00 per month). The municipal services fee shall be paid in equal monthly installments over the term of this License, as Additional Rent, at the times and in the fashion provided in Section 21 for the payment of the License Fee. The municipal service fee for any fractional portion of a calendar month at the beginning or end of the term of this License shall be prorated based on the number of days in said month.

To the extent the Licensed Premises are subject to municipal taxation, and provided such municipal taxes include the costs of the provision of fire, police and roadway services, Licensee

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 Licensed Premises, or on Licensee as Licensee, 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 Section 22 shall terminate.

In the event the Licensed Premises, or any portion thereof, are removed from the Airport District, Licensee 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.

23. Both parties acknowledge that they have not worked with a broker or agent in connection with the negotiation or finalization of this License.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 2019, by authority of the Pease Development Authority.

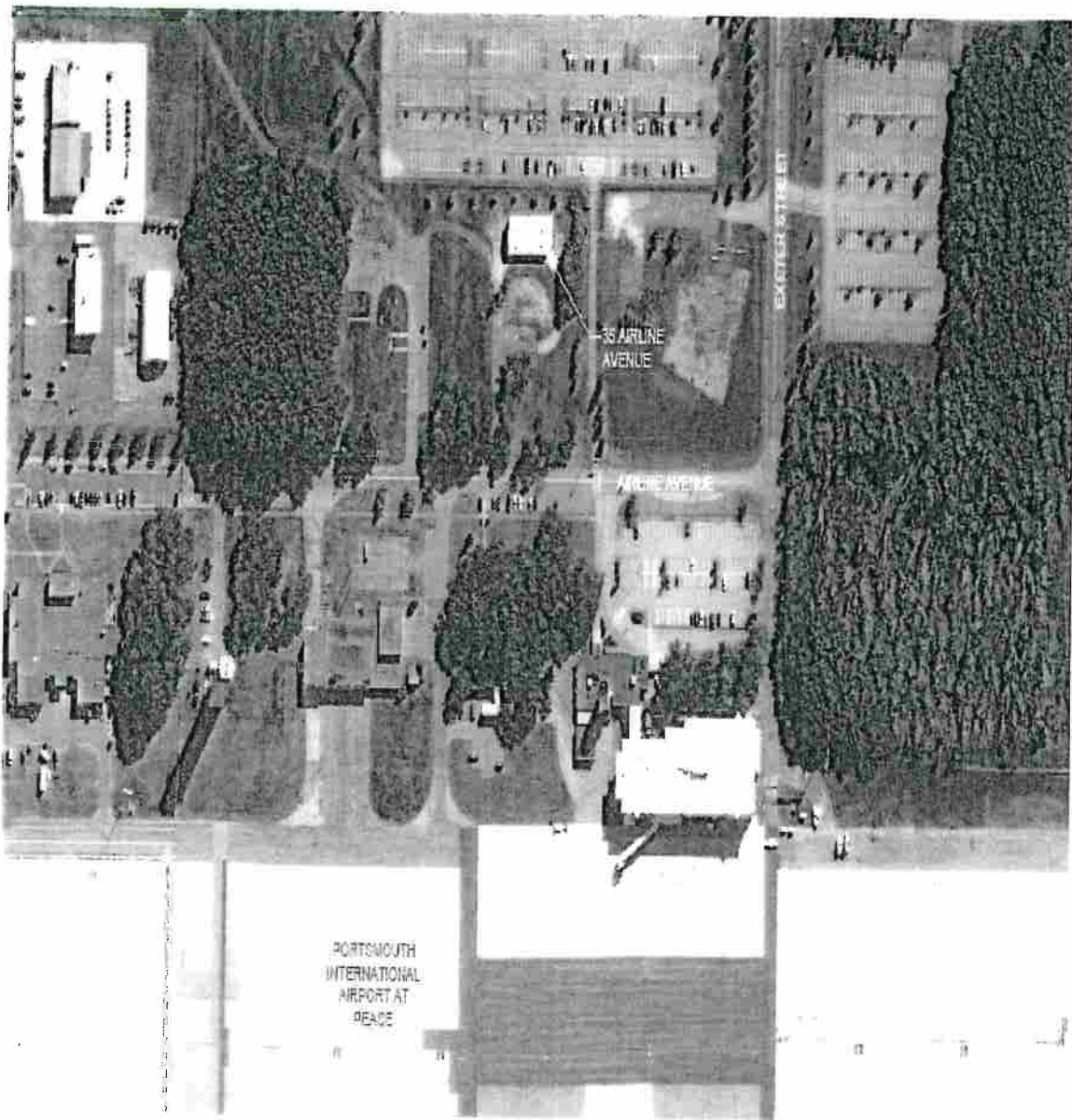
PEASE DEVELOPMENT AUTHORITY

By: _____
David R. Mullen, Executive Director

This License, together with all terms and conditions thereof, is hereby accepted and executed by Licensee, Enterprise Rent-A-Car Company of Boston, LLC this _____ day of _____, 2019.

ENTERPRISE RENT-A-CAR COMPANY OF BOSTON, LLC

By: _____
Print Name: Chryssa N. Alexis
Print Title: Regional Vice President



35 Airline Avenue Right of Entry

DESIGNED BY: MRM DATE: 5/22/19 SCALE: 1"=200'

1"=200'

LNH 03801



55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

EXHIBIT B

As used in this License, the term "Hazardous Substances" means any hazardous or toxic substance, material or waste, oil or petroleum product, which is or becomes regulated by any local governmental authority, the State of New Hampshire or the United States Government. The term "Hazardous Substances" includes, without limitation, any material or substance which is (i) defined as a "hazardous waste," under New Hampshire RSA ch.147-A, (ii) defined as a "hazardous substance" under New Hampshire RSA ch.147-B, (iii) oil, gasoline or other petroleum product, (iv) asbestos, (v) listed under or defined as hazardous substance pursuant to Part Hc. P 1905 ("Hazardous Waste Rules") of the New Hampshire Code of Administrative Rules, (vi) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. §1317, (vii) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. (42 U.S.C. §6903), or (viii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 et seq. (42 U.S.C. §9601) and (ix) so defined in the regulations adopted and publications promulgated pursuant to any of such laws, or as such laws or regulations may be further amended, modified or supplemented (collectively "Hazardous Substance Laws").

As used in this License, the terms "release" and "storage" shall have the meanings provided in RSA 147-B:2, as amended, and the term "disposal" shall have the meaning provided in RSA 147-A:2.

June 6, 2019

Deal Rent-A-Car, LLC
549 Route 1 Bypass
Portsmouth, NH 03801

Re: Right of Entry for Designated Portion of the Air Passenger Terminal Building @ Portsmouth International Airport at Pease, with Associated Vehicle Parking

Dear _____:

1. In anticipation of Pease Development Authority Board approval of a Car Rental Concession Lease and Operating Agreement (the "Agreement") at its June 20, 2019 meeting, this Right of Entry will authorize Deal Rent-A-Car, LLC. (DEAL) at its sole risk, to enter upon portions of the above referenced Premises as shown on **Exhibit B** for the purpose of utilizing an approximate 87 +/- foot area for a car rental services operation and for no other use without the express written consent of the Pease Development Authority ("PDA"). In addition, DEAL shall have access to a 24-hour DEAL drop box and the six (6) motor vehicle parking spaces shown on **Exhibit B-1**. Collectively, these areas are referred to herein as the "Premises."
2. The use, occupation and maintenance of the Premises shall be; (a) except as otherwise set forth herein, without cost or expense to the PDA; (b) subject to the general supervision and approval of the PDA; and (c) subject to such rules and regulations as the PDA may prescribe from time to time.
3. This Right of Entry will commence on June 10, 2019 and shall continue through June 30, 2019, unless sooner replaced by the approved and fully executed Agreement. Terminal rent, annual minimum concession fee, percentage fees, and municipal services fees shall be paid by DEAL to the PDA pursuant to the Agreement when approved and executed. If the Agreement is not approved and executed, DEAL shall pay to the PDA all rent and fees for the term of this Right of Entry as calculated based on the provisions of Article 4 of the draft Agreement.
4. The use of the Premises shall be orderly and efficient, shall not constitute a nuisance and shall not cause disruption to other Airport activities.

5. **Insurance & Indemnification.** DEAL agrees to provide PDA with proof of insurance which meet the coverage requirements set forth in **Exhibit A** of this Right of Entry.

DEAL'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 risks 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. DEAL expressly waives all claims against the PDA for any such loss, damage, bodily injury or death caused by or occurring as a consequence of DEAL's use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. DEAL 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, judgments, costs and attorney's fees arising out of DEAL's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

6. Janitorial Services - PDA will provide janitorial services to DEAL. Such services shall include sweeping, vacuuming, floor waxing and trash removal.
7. Utilities - PDA shall furnish utility services for lighting, heating and air conditioning.
8. The Air Passenger Terminal Building and areas behind the Portsmouth International Airport security fence are part of the Airport Security Identification Display Area ("SIDA"). DEAL personnel will, to the extent as may be required, obtain security badges in order to gain access to and remain in the SIDA. While in the SIDA, escort procedures per the requirements of the Portsmouth International Airport at Pease Security Program (if applicable) must be met. Prior to accessing the SIDA, DEAL personnel must undergo verification of their employment history for the past ten (10) years, attend a training class that is offered no more than once every two weeks. Information regarding SIDA requirements can be obtained by calling the Airport Management Department at (603) 433-6536, Monday through Friday, 8:00 a.m. to 5:00 p.m. No representative, employee or agent of the DEAL will be allowed in the SIDA without authorized escorts unless such individuals have been issued security badges pursuant to the Pease International Tradeport Security Program. No administrative processing fee will be assessed in connection with issuing security badges to DEAL personnel. However, PDA reserves the right to assess a fee for lost or unreturned badges.
9. PDA reserves the right to relocate the DEAL to alternate facilities within the Air Passenger Terminal Building if such becomes necessary due to Air Passenger Terminal Building expansion plans or other business reasons. In the event relocation becomes necessary, PDA agrees it will make a good faith effort to provide the DEAL with comparable facilities to the ones being occupied and utilized in connection with this Right of Entry.

10. MODIFICATION. This Right of Entry may be modified upon the mutual consent of the both parties.
11. OTHER PROVISIONS. Nothing in this Right of Entry is intended to conflict with current law or provisions or the directives of DEAL or the PDA. If a term of this Right of Entry is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of this Right of Entry shall remain in full force and effect.

Please indicate by your signature or the signature of a duly authorized representative, the consent of the DEAL to the terms of this Right of Entry and return the same to me at you earliest convenience.

Sincerely,

David R. Mullen
Executive Director

Agreed and accepted this _____ day of _____, 2019.

DEAL Rent-A-Car, LLC

By: _____
Sign and Print

cc: Paul Brean, Airport Director
Anthony I. Blenkinsop, Deputy General Counsel

EXHIBIT A

7.1 INSURANCE

A. Risk of Loss. DEAL shall bear all risk of loss or damage to the Premises, including any building(s), improvements, fixtures or other property thereon, arising from any causes whatsoever.

B. Insurance. During the entire period this Right of Entry shall be in effect, the DEAL at its expense will carry and maintain:

(1) Personal property insurance coverage against loss or damage by fire and lightning and against loss or damage or other risks embraced by coverage of the type now known as the broad form of extended coverage (including but not limited to riot and civil commotion, vandalism, and malicious mischief and earthquake) in an amount not less than 100% of the full replacement value of the improvements and personal property on the Premises. The policies of insurance carried in accordance with this Section shall contain a "Replacement Cost Endorsement." Such full replacement cost shall be determined from time to time, upon the written request of PDA, but not more frequently than once in any twenty-four (24) consecutive calendar month period (except in the event of substantial changes or alterations to the Premises undertaken by DEAL as permitted under the provisions hereof) by written agreement of PDA and DEAL, or if they cannot agree within thirty (30) days of such request, by an insurance consultant, appraiser, architect or contractor who shall be mutually and reasonably acceptable to PDA and DEAL. Any such determination by a third party shall be subject to approval by PDA and DEAL, which approval shall not be unreasonably withheld. The insurance maintained in this Section shall be adjusted to one hundred percent (100%) of the new full replacement cost consistent with the approved determination.

(2) Commercial General Liability insurance, including, but not limited to, products and completed operations liability insurance, on an "occurrence basis" against claims for "personal injury," including without limitation, bodily injury, death or property damage, occurring upon, in or about the Premises, passageways, adjoining sidewalks, streets and parking areas, such insurance to afford immediate minimum protection at the time of the Term Commencement Date, and at all times during the term of this Right of Entry, to a limit of not less than Two Million (\$2,000,000.00) Dollars with respect to damage to property, personal/bodily injury or death to any one or more persons and with no deductible or such deductible amount as may be approved by PDA. Such insurance shall also include coverage against liability for bodily injury or property damage arising out of the acts or omissions by or on behalf of DEAL, or any other person or organization, or involving any owned, non-owned, leased or hired automotive equipment in connection with Lessee's activities.

(3) Workers' compensation and employer's liability insurance in an amount and form which meets all applicable requirements of the labor laws of the State of New Hampshire, as amended from time to time, and which specifically covers the persons and risks involved in this Right of Entry.

(4) Automobile liability insurance in amounts approved from time to time by PDA, but not less than one million dollars (\$1,000,000) combined single limit for owned, hired and non-owned automobiles.

7.2. All policies of insurance required to be carried under this Exhibit shall be effected under valid and enforceable policies, in such forms and amounts as may, from time to time, be required under this Right of Entry, issued by insurers of recognized responsibility which are authorized to transact such insurance coverage in the State of New Hampshire, and which have been approved in writing by PDA, which approval shall not be withheld unreasonably. The policy of insurance required in section 7.1.B. (1) shall name the PDA as loss payee. The policies of insurance required in Sections 7.1.B. (2) and (4) shall be for the mutual benefit of DEAL and the PDA with the PDA named as an additional insured as its interest may appear for liabilities arising out of the conduct of DEAL. Upon the execution of this Lease (and thereafter not less than fifteen (15) days prior to the expiration date of each policy furnished pursuant to this Article) the original of each policy required to be furnished pursuant to this Article (or, with the consent of PDA, which consent shall not be unreasonably withheld a certificate of the insurer reasonably satisfactory to PDA) shall be delivered by DEAL to PDA.

7.3. All policies of insurance, as applicable, shall provide for loss thereunder to be adjusted and payable to PDA or DEAL in accordance with the terms of this Right of Entry.

7.4. Each such policy or certificate therefor issued by the insurer shall to the extent obtainable contain (i) a provision that no act or omission of DEAL, or any employee, officer or agent of DEAL, 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, for covered acts caused by DEAL, (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 PDA, and (iv) provide that DEAL's insurance coverage shall be primary and non-contributing with respect to any insurance coverages carried by PDA.

7.5. To the extent applicable, personal property insurance required to be maintained by DEAL shall have attached thereto the PDA's Loss Payable Endorsement, or its equivalent, or a loss payable clause acceptable to PDA, for the benefit of any Mortgagee, but the right of any Mortgagee to the payment of insurance proceeds shall at all times be subject to the provisions of this Lease with respect to the application of the proceeds of such insurance.

7.6. DEAL shall observe and comply with the requirements of all policies of insurance at any time in force with respect to the Premises and DEAL shall also perform and satisfy the requirements of the companies writing such policies so that at all times companies of good standing reasonably satisfactory to PDA shall be willing to write or to continue such insurance.

DEAL shall, in the event of any violations or attempted violations of the provisions of this Section 7.6 by a subtenant, take steps, immediately upon knowledge of such violation or attempted violation, to remedy or prevent the same as the case may be.

7.7. Any insurance provided for in this Right of Entry may be effected by a policy or policies of blanket insurance or may be continued in such form until otherwise required by PDA; provided, however, that the amount of the total insurance allocated to the Premises shall be such as to furnish in protection the equivalent of separate policies in the amounts herein required, and provided further that in all other respects, any such policy or policies shall comply with the other provisions of this Right of Entry. In any such case it shall not be necessary to deliver the original of any such blanket policy to PDA, but DEAL shall deliver to PDA and to any Mortgagee a certificate in form and content acceptable to PDA.

7.8. The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.

7.9. Over the term of this Right of Entry and any extensions thereof, PDA reserves the right to request increases in mandatory insurance coverage limits for each respective coverage area required under this Right of Entry as the same may be appropriate, commercially reasonable and prudent in view of then existing conditions and circumstances. PDA agrees to provide DEAL with a thirty (30) day written notice when making any request for an increase in required insurance coverage limits.

EXHIBIT B

PLANS DESIGNATING THE LEASED PREMISES

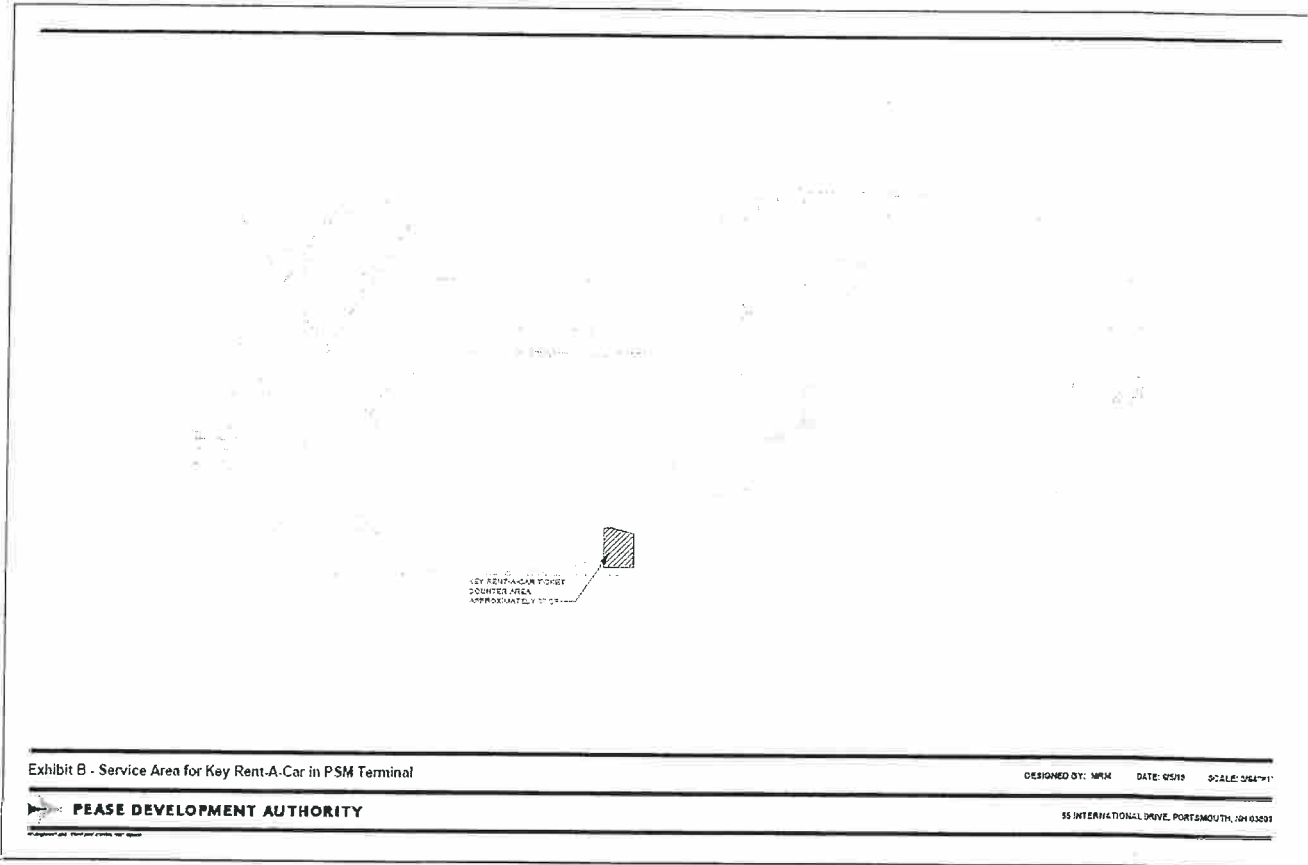
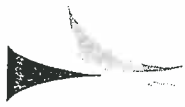


EXHIBIT "B-1"
PARKING AREAS



Exhibit B-1 - Location of Key Rent-A-Car Dedicated Parking & Key Drop

DESIGNED BY: MRM DATE: 9/9/19 SCALE: 1"=120'



PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

June 10, 2019

John R. Cantin
Real Estate Manager
157 CES/DER
302 Newmarket St.
Pease ANGS, NH 03803-0157

**Re: Exercise of Option - Right of Entry for Mobile Air Traffic Control Tower
PDA-ATC-03-04**

Dear Mr. Cantin:

In accordance with the terms of the Right of Entry dated March 4, 2004, this letter will serve to confirm that the New Hampshire Air National Guard has exercised its third option to extend the term of the Right of Entry for the Mobile Air Traffic Control Tower through March 2, 2024. The Right of Entry will expire at midnight on March 2, 2024, unless otherwise extended by agreement of the NHANG and the Pease Development Authority.

All other terms and conditions of the Right of Entry dated March 4, 2004 shall remain in full force and effect. If you have any questions, please call me.

Very truly yours,

David R. Mullen
Executive Director

cc: Paul Brean, Airport Director
Anthony Blenkinsop, Deputy General Counsel

P:\NHANG\Proc\mobile air traffic control tower ROE 3rd Ext (2019).docx



PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

May 14, 2019

Mr. James Jalbert
Jalbert Leasing, Inc. d/b/a C&J Bus Lines
185 Grafton Drive
Portsmouth, NH 03801

Re: Exercise of Extension Option, Right of Entry for Use of Parking Area
4 Lots-Durham and Hampton Streets, Portsmouth, NH

Dear Mr. Jalbert:

This letter shall authorize the exercise of the six (6) month extension option of the Right of Entry granted to C&J Bus Lines ("C&J") via letter dated October 25, 2018, which is attached hereto with exhibits. As such, the Right of Entry is extended from May 1, 2019 through October 31, 2019. All other terms, conditions, and requirements of the Right of Entry remain in full force and effect during the extension term.

Please indicate by your signature below C&J's consent to the extension of the Right of Entry and to the terms and conditions of the Right of Entry and return the same to me with evidence of insurance and payment of fee as required.

Very truly yours,

David R. Mullen
Executive Director

Agreed and accepted this 16 day of May, 2019

Jalbert Leasing, Inc., d/b/a C&J Bus Lines

By: Jamie Lesmak
Duly Authorized

enclosure

October 25, 2018

Mr. James Jalbert
Jalbert Leasing, Inc. d/b/a C & J Bus Lines
185 Grafton Drive
Portsmouth, NH 03801

Re: Right of Entry for Use of Parking Area
4 Lots-Durham and Hampton Streets, Portsmouth, NH

Dear Mr. Jalbert:

This letter will authorize C & J Bus Lines ("C & J") to use and to enter upon and utilize four parking lots situated on Durham Street and Hampton Street, Portsmouth, New Hampshire as shown on the attached Exhibit A (the "Premises") for the period commencing November 1, 2018 through midnight April 30, 2019 for the purposes of parking C & J customer vehicles on a valet basis only. C & J is also granted a six (6) month option to extend the ROE through October 31, 2019 subject to the approval of the Executive Director of Pease Development Authority ("PDA"). The privileges granted under this Right of Entry will expire at midnight on April 30, 2019, unless extended by C & J's exercise of the option.

This authorization is conditioned upon the following:

1. C & J'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, patrons, or invitees upon the Premises and/or the exercise of any of the authorities granted herein. C & J expressly waives all claims against the Pease Development Authority for any such loss, damage, personal injury or death caused by or occurring as a consequence of C & J's and its employees, agents, patrons, or invitees use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. C & J further agrees to indemnify, save, hold harmless, and defend the Pease Development Authority, 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 or related to C & J's, and its employees, agents, patrons, or invitees use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

2. C & J understands and acknowledges that this Right of Entry: (a) allows only temporary use of the Premises; (b) is granted on a non-exclusive basis; and (c) may be revoked at

Mr. James Jalbert
Jalbert Leasing, Inc. d/b/a C & J Bus Lines
October 25, 2018
Page 2

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.

3. C & J, and/or any agent of C & J, providing to the Pease Development Authority satisfactory evidence of comprehensive general liability insurance to a limit of not less than Four Million Dollars (\$4,000,000.00) per occurrence, naming the Pease Development Authority as an additional insured; automobile liability insurance in the amount of One Million Dollars (\$1,000,000.00) and evidence of workers compensation coverage to statutory limits.

Each such policy or certificate therefor issued by the insurer shall contain: (i) a provision that no act or omission of any employee, officer or agent of C & J which would otherwise result in forfeiture or reduction of the insurance therein provided shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained; (ii) provide that the insurer shall have no right of subrogation against Pease Development Authority; and (iii) a provision that any liability insurance coverage required to be carried shall be primary and non-contributing with respect to any insurance carried by PDA. It is the intent of C & J that such policies will not be cancelled. Should a policy cancellation occur, PDA will be advised in accordance with policy provisions.

4. C & J's agreement that all vehicles parked at the Premises will be driven to and from the Premises by a valet service provided by C & J at its sole expense and that its patrons will not be allowed to self-park vehicles on the Premises. *C & J's further agreement to use its best efforts to ensure that vehicles are not left on the Premises in excess of the term limits of this Right of Entry and to assume full responsibility for the removal of vehicle(s) left on the Premises, time being of the essence.*

5. C & J agrees the vehicles may be parked in the areas depicted in Exhibit A. PDA has the right, in its sole discretion, to terminate all of or any portion of the Premises used for vehicle parking as a priority for PDA operations.

6. C & J shall provide snow removal and salting, as necessary, for the Premises during the periods of use provided for under the terms of this Right of Entry. C & J or any contractor of C & J shall also obtain certification by the New Hampshire Department of Environmental Services as a Commercial Salt Applicator. Certification includes the successful completion of the Green SnoPro training program. All personnel employed in snow removal operations shall be familiar with salt reduction measures.

7. C & J shall coordinate the initial snow removal with the Pease Maintenance Department. All snow removal, sanding, and salting shall be at C & J's own cost and expense.

8. PDA shall not be responsible for damages to property or injuries to persons which may arise from or be attributable or incident to the condition or state or repair of the Premises, or the use and occupation thereof, or for damages to the property or injuries to the person of C & J's patrons, officers, agents, servants or employees, or others who may be on the Premises at its invitation.

9. C & J's agreement that C & J's maintenance and management of the Premises shall be done at C & J's own costs and expense.

10. Prior to termination of the Right of Entry, C & J agrees to restore the Premises to the same or better conditions than the Premises were in before C & J's use.

12. C & J'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.

13. C & J's agreement to pay a fee for each lot per month for the period of use under this Right of Entry and pro-rated for partial periods broken down as follows:

Lot 1	Durham/Aviation	0.93 acres	\$1,181.57/mo.
Lot 2	47 Durham Street	0.94 acres	\$1,194.27/mo.
Lot 3	Hampton Street South	0.90 acres	\$1,143.45/mo.
Lot 4	Hampton Street North	0.89 acres	<u>\$1,130.75/mo.</u>
	Total		\$4,650.04/mo.

C & J agrees to vacate the premises after receiving a 60 day notice by the PDA for Lots 1, 2 and 4. C & J agrees to vacate the premises after receiving a 30 day notice by the PDA for Lot 3.

14. Municipal Services Fee. In addition to the Fee required to be paid under the terms of this ROE, C & J 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 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 ROE Fee. To the extent the ROE Premises are subject to municipal taxation, and provided such municipal taxes include the costs of the provision of fire, police and roadway services, C & J 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 ROE Premises, or on C & J for all three of fire, police and roadway services and PDA either has no obligation to provide such services (or ceases to

Mr. James Jalbert
Jalbert Leasing, Inc. d/b/a C & J Bus Lines
October 25, 2018
Page 4

provide such services), the municipal services fee required to be paid under this ROE shall terminate.

In the event the ROE Premises, or any portion thereof, are removed from the Airport District, C & J 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.

15. Parking Spaces Adjacent to 47 Durham Street / Lot 2. C & J's agreement that a certain number of parking spaces situated on Lot 2 which are immediately adjacent to 47 Durham Street are being set aside and excluded in the ROE and leased to the tenant at 47 Durham Street (see Exhibit A, Lot 2). In the event the number of parking spaces for the 47 Durham Street tenant is increased or decreased, the fee assessed for the use of Lot 2 will be decreased or increased accordingly.

16. C & J's agreement that it may not pave any portion of the parking lots which it has been granted the use of pursuant to this ROE.

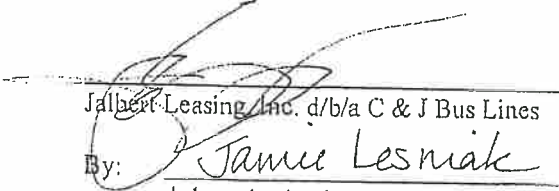
Please indicate by your signature below C & J's consent to the terms and conditions of this Right of Entry and return the same to me with evidence of insurance and payment of fee as required.

Very truly yours,



David R. Mullen
Executive Director

Agreed and accepted this 25 day of October, 2018



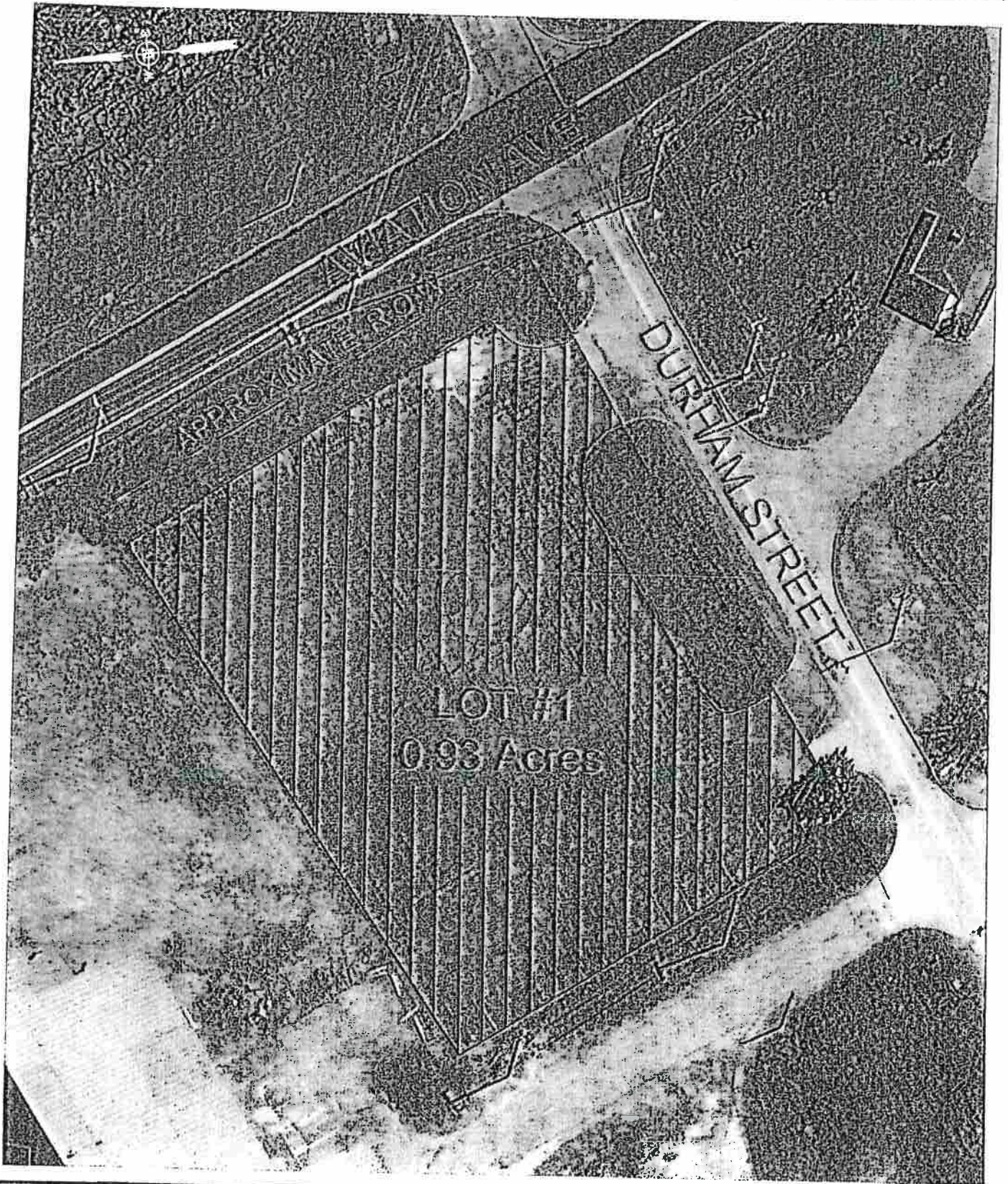
Jalbert Leasing, Inc. d/b/a C & J Bus Lines

By: Jamie Lesniak
duly authorized

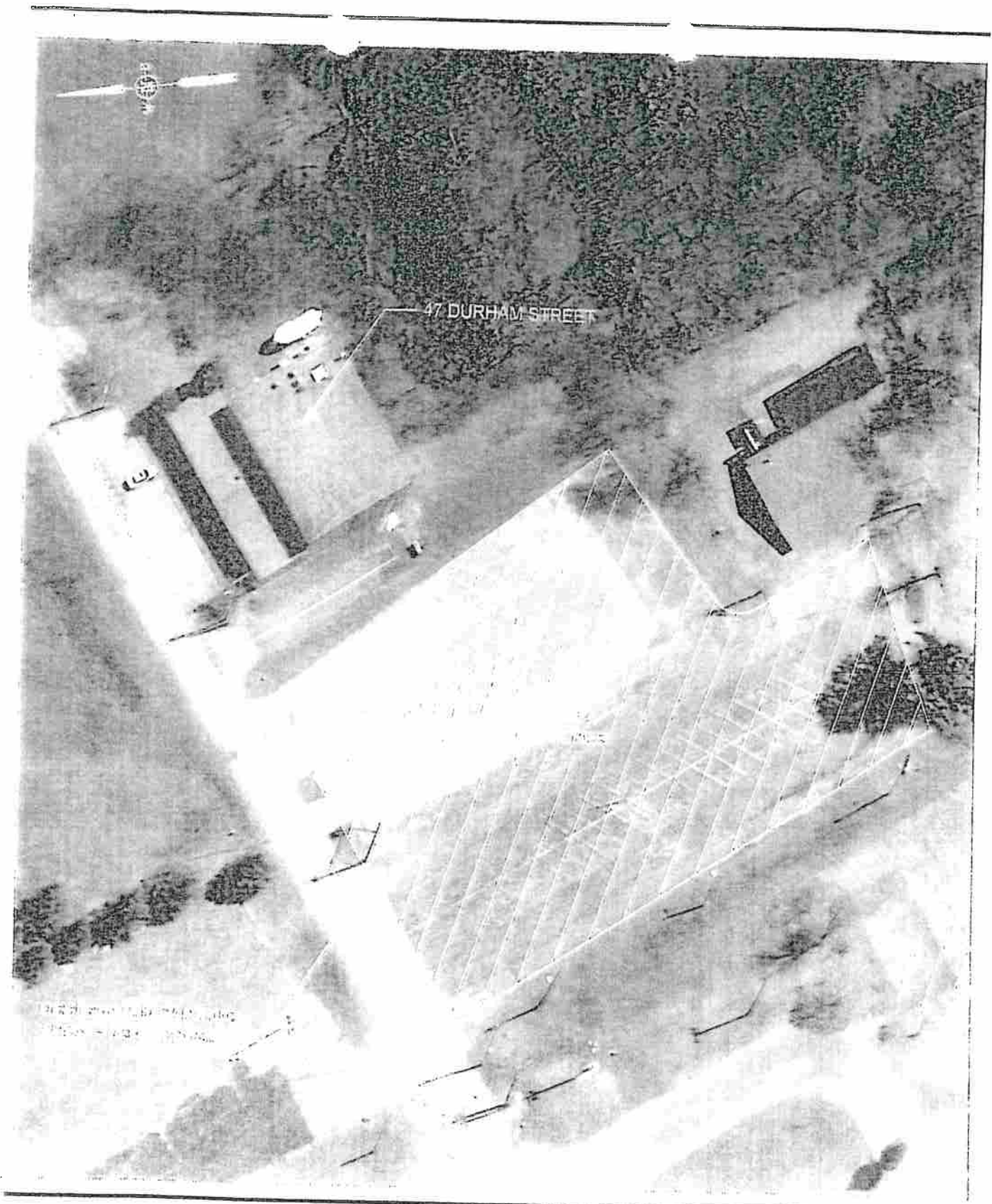
Mr. James Jalbert
Jalbert Leasing, Inc. d/b/a C & J Bus Lines
October 25, 2018
Page 5

EXHIBIT A

PREMISES



C&J Trailways Satellite Parking at 42 Durham Street DESIGNED BY: MRM DATE: 11/9/17 SCALE: 1"=50'



47 DURHAM STREET

Satellite Parking for C&J

DESIGNED BY: MRM

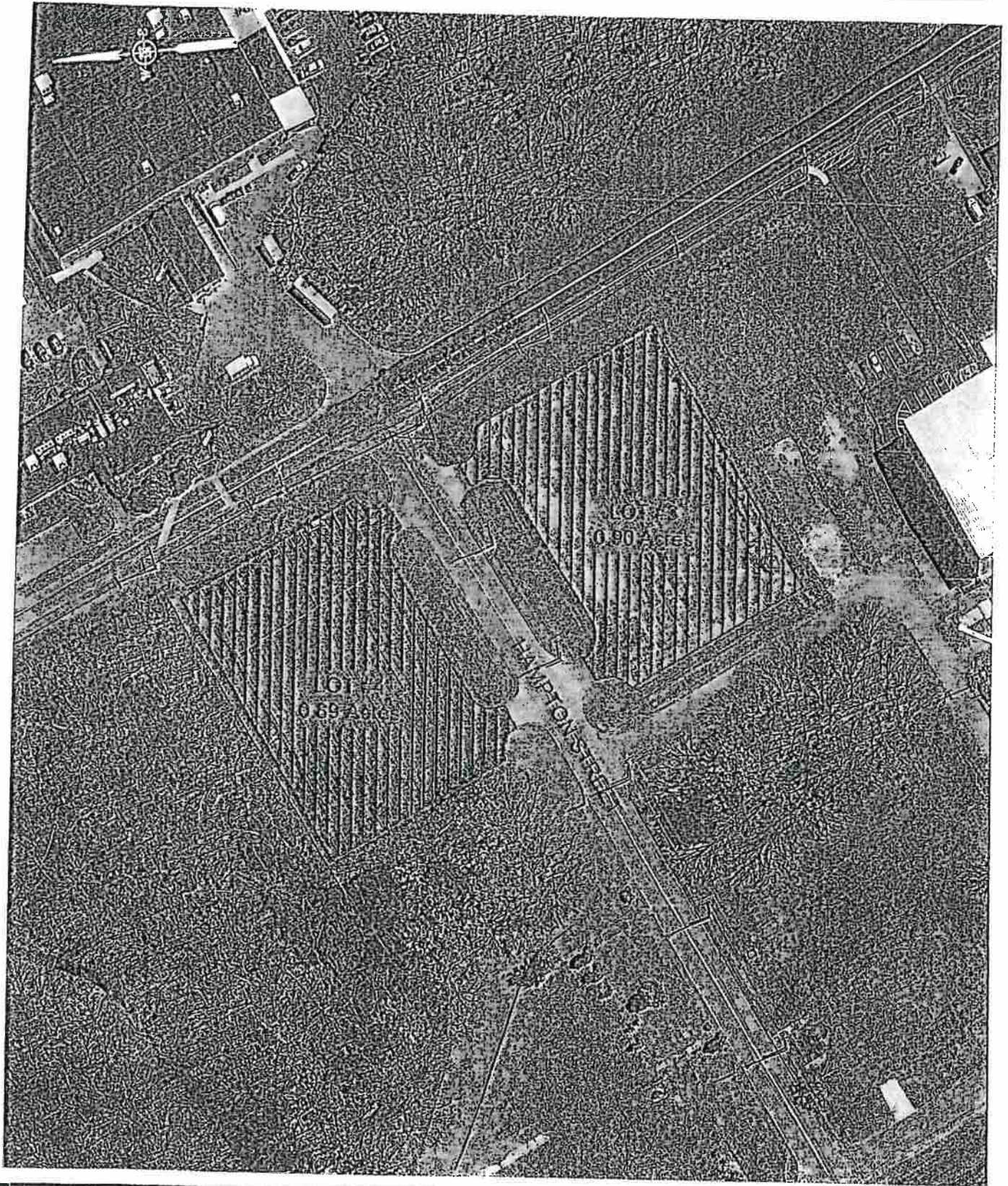
DATE: 10/10/18

SCALE: 1"=60'±



PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801



Satellite Parking for C&J

DESIGNED BY: MRM DATE: 11/9/17 SCALE: 1"=100'



MOTION

Director Allard:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Right of Entry with New England Seacoast Region Chapter 225 of the Experimental Aircraft Association (EAA) at Skyhaven Airport for the purpose of staging and hosting EAA 225 Young Eagle Flight Rally events through December 31, 2019; all in accordance with the Right of Entry dated May 16, 2019, attached hereto.



May 16, 2019

EAA Chapter 225
c/o Gerard Peterson
523 Ridge Road
Middleton, NH 03887-6221

**Re: Right of Entry - EAA 225 Young Eagle Flight Rally
Skyhaven Airport, Rochester, New Hampshire**

Dear Mr. Peterson:

This Right of Entry will authorize the New England Seacoast Region Chapter 225 of the Experimental Aircraft Association and its agents (collectively "EAA 225") to enter upon a portion of Skyhaven Airport, Rochester, New Hampshire (the "Premises") as shown on Exhibit A for the purpose of staging and hosting EAA 225 Young Eagle Flight Rally events (the "events") and for no other use without the express written consent of the Pease Development Authority ("PDA").

This Right of Entry shall be valid through June 30, 2019. The Right of Entry may be extended through midnight on December 31, 2019 (the "Term"), subject to the approval of the Board of Directors at its June 20, 2019 meeting.

The use, occupation and maintenance of the Premises shall be: (a) without cost or expense to the PDA; (b) subject to the general supervision and approval of the PDA; and (c) subject to such rules and regulations as the PDA may prescribe from time to time.

This authorization is conditioned upon the following:

1. EAA 225 understands and acknowledges that for each specific period of use requested during the Term, EAA 225 shall coordinate with and shall obtain prior approval from the Pease Development Authority Airport Management Department for use of the Premises.

EAA 225 understands and agrees that it will not enter the Premises or conduct events during the Term of this Right of Entry without the express prior approval of PDA.

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 or repair of the Premises, or the use and occupation thereof, or for damages to the property or injuries to the person of the EAA 225'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 if such damage is caused by the negligence of EAA 225.

3. EAA 225'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. EAA 225 expressly waives all claims against PDA and the State of New Hampshire for any such loss, damage, personal injury or death caused by or occurring as a consequence of such possession and/or use of the Premises or the conduct of activities or the performance of responsibilities under this Right of Entry, unless such loss, damage, injury or death is caused by the negligence of PDA or the State of New Hampshire. EAA 225 further agrees to indemnify, save, hold harmless, and defend the Pease Development Authority, 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 EAA 225's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

4. EAA 225 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.

5. EAA 225 agrees to assume all risks of loss or damage to property and injury or death to persons by reason of or incident to the possession and/or use of the Premises, or the activities conducted by it under this Right of Entry if such loss, damage of injury is caused by the negligence of EAA 225.

6. EAA 225 providing to the Pease Development Authority satisfactory evidence of commercial general liability insurance to a limit of not less than One Million Dollars (\$1,000,000.00), naming PDA and the State of New Hampshire as additional insureds.

Each such policy or certificate therefor issued by the insurer shall to the extent obtainable contain: (i) a provision that no act or omission of any employee, officer or agent of the EAA 225, 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 PDA or the State of New Hampshire; 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 or the State of New Hampshire.

7. EAA 225's agreement to secure all necessary municipal and/or local permits prior to each event.

8. EAA 225's agreement to leave the Premises in the same or better condition as existed at the time of the event.

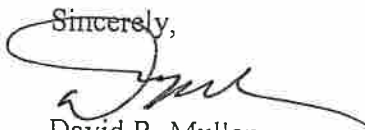
9. EAA 225's agreement to coordinate the management of the events with appropriate local law enforcement officials, as the same may be required, and to otherwise ensure that all appropriate precautions are taken to protect the health and safety of event attendees.

10. EAA 225's agreement to coordinate the placement of signs, including directional signs, with the PDA's Airport Management Department prior to the placement of any signs at Skyhaven; and to secure permission from the New Hampshire Department of Transportation to place event signs along Route 108. EAA 225's agrees to remove all signs placed at Skyhaven at the end of the Right of Entry period.

11. EAA 225's agreement to provide a sufficient number of portable toilets for use by participants during each event if so required in the discretion of the Airport Manager or his designee.

12. EAA 225's agreement that by 12:00 p.m. on the day following an event, all waste containers and portable toilets that were placed on the Premises for use during the event will be removed from the Premises.

Please indicate by your signature or the signature of a duly authorized representative, the consent of the EAA 225 to the terms of this Right of Entry and return the same to me in advance of the first event.

Sincerely,

David R. Mullen
Executive Director

Agreed and accepted this 18 day of May, 2019

**New England Seacoast Region Chapter 225
of the Experimental Aircraft Association**

By: Gerard R. Peterson
Print Name/Title: Gerard Peterson
EAA 225 Young Eagle
Coordinator

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

EAA Chapter 225
Gerard Peterson
May 16, 2019
Page 4

EXHIBIT A

PREMISES

EAA YOUNG EAGLES STAGING AREA

TERMINAL BUILDING

108

© 2009 Europa Technologies
© 2009 Tele Atlas

Image © 2009/MapInfo Geolibriary

Imagery © 2009/USDA Farm Service Agency

43° 16' 52.04" N 70° 55' 40.28" W elev. 336 ft



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
(3/4/2019)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
MARSH USA INC.
540 W. MADISON
CHICAGO, IL 60661
Attn: Chicago.CertRequest@marsh.com | Fax: 212-948-0770

CONTACT NAME:
PHONE:
I/A/C No. Ext): FAX I/A/C, Not:
E-MAIL ADDRESS:

503656-ChapE-18-19

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A :	See Attached Schedule of Insurers	
INSURER B :		
INSURER C :		
INSURER D :		
INSURER E :		
INSURER F :		

INSURED
EAA Chapter 225, Inc., 238 Rochester Hill Road, Rochester, NH
Attn: Karen Kryzaniak
PO Box 3086
Oshkosh, WI 54903-3086

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Aviation Operations Liability GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:			See Attached Schedule of Insurers	12/01/2018	12/01/2019	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ N/A
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ N/A
							PRODUCTS - COMP/OP AGG	\$ 1,000,000
								\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION S						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						PER STATUTE	OTH-ER
							E.L. EACH ACCIDENT	\$
							E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
As respects the event being sponsored by the Chapter on the following dates:

Saturday, June 1, 2019, Rain Date(s): Saturday, June 1, 2019 The certificate holder is included as an additional insured but solely as respects to the use of their facility and solely for the operations of the named insured. This insurance is not the primary event insurance for Wings & Wheels event and excludes coverage for activities organized by others that may be taking place.

CERTIFICATE HOLDER

Pease Development Authority
55 International Drive
Portsmouth, NH 03801

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
of Marsh USA Inc.

AGENCY CUSTOMER ID: 503666

LOC #: Chicago



ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY MARSH USA INC.		NAMED INSURED Experimental Aircraft Association and EAA Aviation Foundation, Inc., et al. Attn: Karen Kryzaniak PO Box 3086 Oshkosh, WI 54903-3086	
POLICY NUMBER		EFFECTIVE DATE: (3/4/2019)	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

The Insured Chapter named above is covered per the terms and conditions of Endorsement - SPM001 (12/2009) - ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION (Activities Of And Events Sponsored Directly By A Chapter) attached to the Aviation Operations Liability policy evidenced above

Experimental Aircraft Association and EAA Aviation Foundation, Inc. etal
 Schedule of Insurers for the period December 1, 2018 - December 1, 2019 under Insurer letter A.

Insurers:

Global Aerospace, Inc.
 Policy No. 13000709

Various London Underwriters
 Policy No. B0509AVNPN1700496

Old Republic Insurance Co.
 Policy No. AP00887B17

XL Specialty Insurance Co.
 Policy No. UA00001893AV18A

National Union Fire Insurance Co. of Pittsburgh
 Policy No. PL001853274-14

Starr Indemnity and Liability Company
 Policy No. SASICOM60111418-04

North American Elite Insurance Company
 Policy No. FGG3000179-01

The insurance is provided by separate insurers. The liability of these is several and not joint.



MOTION

Director Lamson:

The Pease Development Authority Board of Directors hereby approves of and consents to issuing a Right of Entry ("ROE") to the United States Coast Guard ("USCG") for long term parking at 14 Aviation Avenue for the purpose of utilizing 75 ± designated motor vehicle parking spaces from July 22, 2019 through July 31, 2020; all in accordance with the memorandum of Paul E. Brean, Airport Director, dated June 13, 2019, attached hereto.



Memorandum

To: David R. Mullen, Executive Director

From: Paul E. Brean, Airport Director *PM*

Date: 6/13/2019

Subj: United States Coast Guard Long Term Parking Right of Entry

The Pease Development Authority (“PDA”) seeks approval of the Board of Directors at the June 20, 2019 meeting to authorize the United States Coast Guard (“USCG”) to enter upon and utilize 75 +/- designated motor vehicle parking spaces at 14 Aviation Avenue, Portsmouth, New Hampshire. Parking will be limited to long-term parking of USCG member vehicles while units are deployed at sea.

The Right of Entry would commence on July 22, 2019 and expire July 31, 2020 with a lease rate of \$9,452.52 for the term. I have received approval from F.A.A. for Non-Aeronautical use of the property and this activity will have no impact on airport operations.

June 13, 2019

Peter C. Spinella
Real Property Specialist
Department Of Homeland Security
United States Coast Guard
Civil Engineering Unit Providence
475 Kilvert St., STE 100
Warwick, RI 02886-1379
Peter.C.Spinella@uscg.mil

**Re: Right of Entry
75 Parking Spaces – 14 Aviation Avenue, Portsmouth, NH**

Dear Mr. Spinella:

This letter will authorize the United States Coast Guard, (“USCG”), with an address of 475 Kilvert Street, Warwick, RI, to enter upon and utilize 75 +/- designated motor vehicle parking spaces at 14 Aviation Avenue, Portsmouth, New Hampshire, as shown on the attached **Exhibit A** (the “Premises”) for the period commencing July 22, 2019 through July 31, 2020 (the “Term”) for the purposes of the long-term parking of USCG member vehicles while stationed at the Portsmouth Naval Shipyard. USCG is also granted an option to extend the ROE through July 14, 2021 subject to the approval of the Executive Director of Pease Development Authority (“PDA”). The privileges granted under this Right of Entry will expire on July 31, 2020, unless extended by the exercise and approval of the option.

This authorization is conditioned upon the following:

1. USCG’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, patrons, or invitees upon the Premises and/or the exercise of any of the authorities granted herein. USCG expressly waives all claims against the Pease Development Authority for any such loss, damage, personal injury or death caused by or occurring as a consequence of USCG’s and its employees, agents, patrons, or invitees use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. This assumption of liability by USCG is coextensive with and in accordance with the liability of the Federal Government under the Federal Tort Claims Act. Claims for tort damages shall be submitted and adjudicated in accordance with the procedures of the Federal Tort Claim Act and applicable state and federal law.

Page Two
June 13, 2019

Re: Right of Entry
75 Parking Spaces – 14 Aviation Avenue, Portsmouth, NH

2. USCG understands and acknowledges that this Right of Entry: (a) allows only temporary use of the Premises; (b) is granted on a non-exclusive basis; and (c) permits the PDA to relocate the parking spaces provided to another PDA property at the Pease International Tradeport at any time subject to a 7-day advanced notice requirement. The use of the Premises shall be orderly and efficient, shall not constitute a nuisance and shall not cause disruption to other Airport activities.

3. USCG is self-insured and is liable for tort claims under the provisions of the Federal Tort Claims Act, 28 U.S.C. 2671 et seq.

4. USCG's agreement to use its best efforts to ensure that vehicles are not left on the Premises in excess of the term limit of this Right of Entry and to assume full responsibility for the immediate removal of vehicle(s) left on the Premises, time being of the essence.

5. USCG agrees the vehicles may be parked in the areas depicted in Exhibit A. PDA has the right, in its sole discretion, to terminate all of or any portion of the Premises used for vehicle parking as a priority for PDA operations, and to relocate the USCG to an equivalent number of spaces on other PDA property.

6. USCG may provide snow removal and salting, as necessary, for the Premises during the periods of use provided for under the terms of this Right of Entry. USCG or any contractor of USCG shall also obtain certification by the New Hampshire Department of Environmental Services as a Commercial Salt Applicator. Certification includes the successful completion of the Green SnoPro training program. All personnel employed in snow removal operations shall be familiar with salt reduction measures.

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

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

9. USCG's agreement that USCG's maintenance and management of the Premises shall be done at its own costs and expense.

10. Prior to termination of the Right of Entry, USCG agrees to restore the Premises to the same or better conditions than the Premises were in before its use pursuant to this Right of Entry.

**Re: Right of Entry
75 Parking Spaces – 14 Aviation Avenue, Portsmouth, NH**

12. USCG'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.

13. USCG's agreement to pay PDA a \$.35/square foot fee for each space per year for the period of use under this Right of Entry:

Lot 1	14 Aviation Ave.	0.62 acres	\$9,452.52/yr.
--------------	-------------------------	-------------------	-----------------------

This annual rent shall be payable in advance in monthly installments and pro-rated for any partial periods. Payment shall be delivered to the PDA, 55 International Drive, Portsmouth, NH, 03801.

14. Municipal Services Fee. In addition to the Fee required to be paid under the terms of this ROE, USCG 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 cost of providing such services increases. The municipal services fee shall be paid quarterly pursuant to an invoice issued by the PDA. To the extent the ROE Premises are subject to municipal taxation, and provided such municipal taxes include the costs of the provision of fire, police and roadway services, USCG 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 ROE Premises, or on USCG 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 ROE shall terminate.

In the event the ROE Premises, or any portion thereof, are removed from the Airport District, USCG 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.

15. USCG's agreement that it may not pave any portion of the parking lots which it has been granted the use of pursuant to this ROE.

Page Four
June 11, 2019

Re: Right of Entry
75 Parking Spaces – 14 Aviation Avenue, Portsmouth, NH

Please indicate by your signature below USCG's consent to the terms and conditions of this Right of Entry and return the same to me with evidence of insurance and payment of fee as required.

Very truly yours,

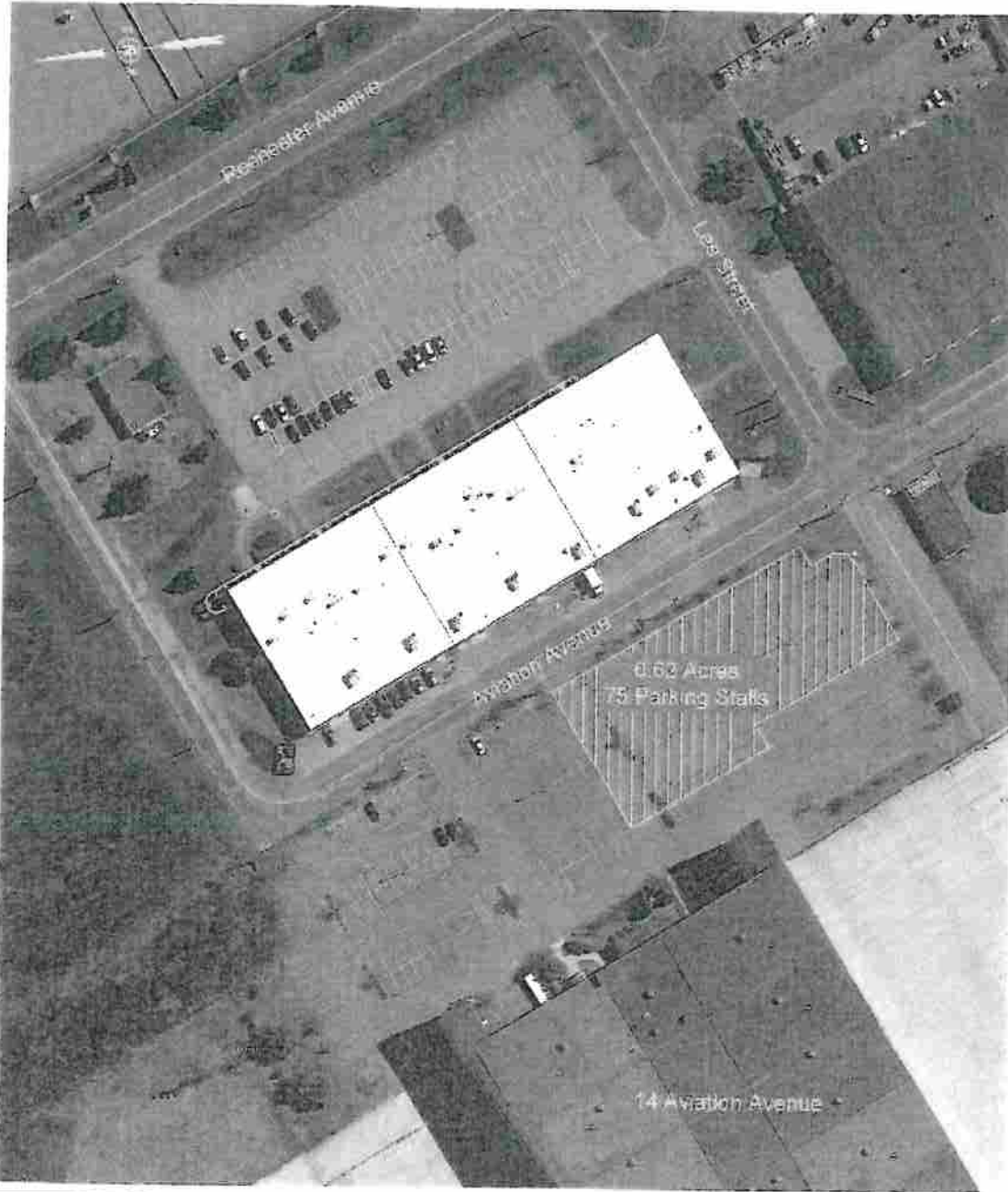
David R. Mullen
Executive Director

Agreed and accepted this ___ day of _____, 2019

The United States Coast Guard

By: _____
Print Name/Title _____
Duly Authorized

EXHIBIT A
PREMISES



Potential Parking Area for USCG

DESIGNED BY: MRM DATE: 8/10/19 SCALE: 1"=100'



PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

© Pease Development Authority, 2019



MOTION

Director Lamson:

The Pease Development Authority Board of Directors hereby approves of the proposed signs for 119 International, LLC, for the premises located at 119 International Drive, 15 Rye Street and 19 Rye Street; all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated June 7, 2019, attached hereto.



MEMORANDUM

To: David R. Mullen, Executive Director
 From: Maria J. Stowell *Maria*
 Date: June 7, 2019
 Subject: Signage at 119 International Drive, 15 & 19 Rye Street

119 International, LLC/19 Rye Street, LLC has submitted a request to erect door and ground signs for the new building located at 19 Rye Street. The Department of Health and Human Services is the tenant in this building and the details of each sign are attached.

19 Rye Street is situated on a parcel that contains three buildings including 119 International Drive, 15 and 19 Rye St. As such, staff prepared an inventory of signage to determine a total signage square footage for the parcel. Typically, parcels that contain multiple buildings need variances because they exceed the 200 square foot maximum for the parcel. The following table describes the existing signage on site as well as the proposed signage and the attached photographs detail each existing sign.

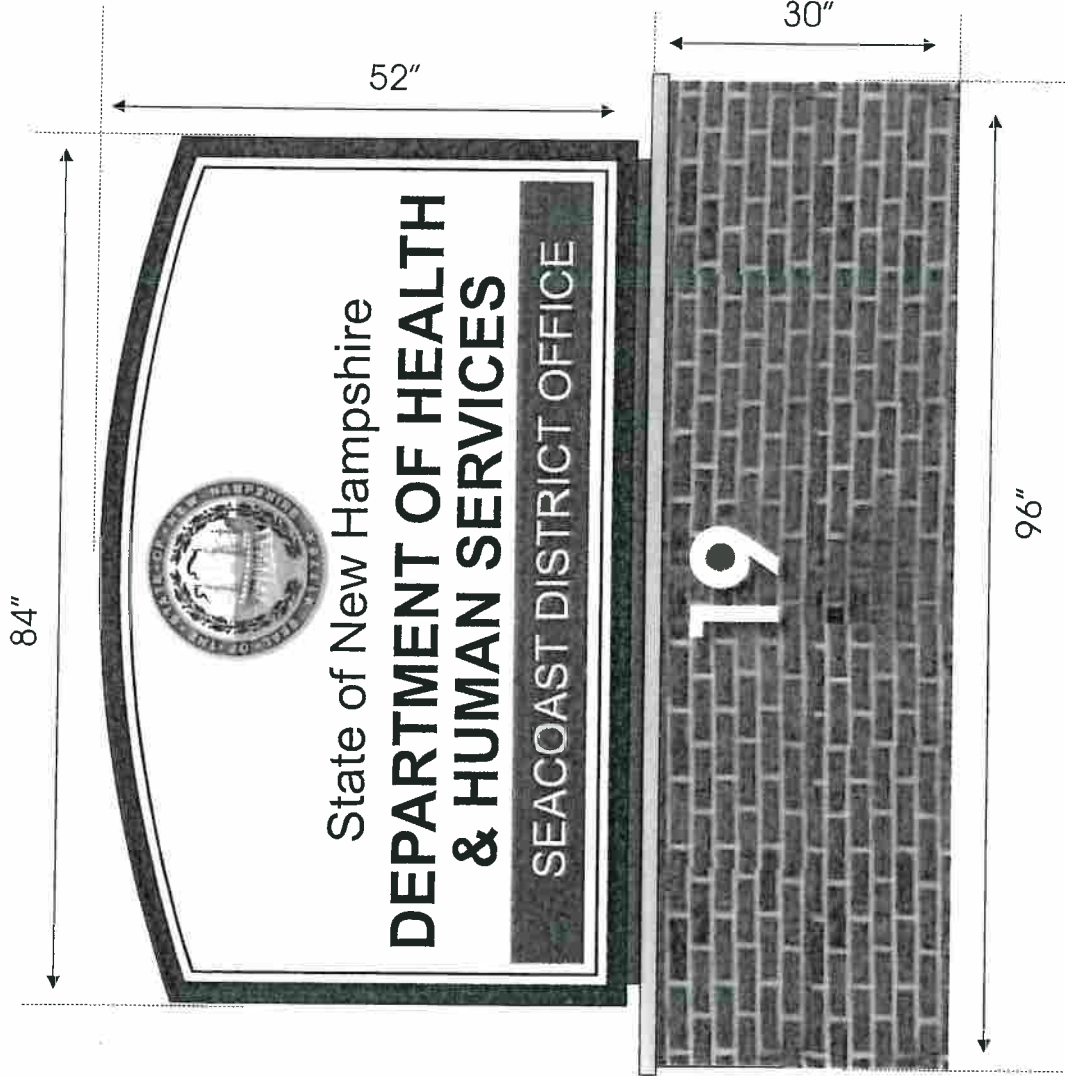
Sign #	Address	Tenant	Sign Type	Sign Area (sq. ft.)
1	15 Rye Street	Smile	Door Sign	2.66
2	15 Rye Street	Abilities	Door Sign	2.66
3	15 Rye Street	2 International Group	Wall sign	7*
4	15 Rye Street	Directory Sign	Ground Sign	18
5	119 International Drive	Crown Castle	Door sign	2
6	119 International Drive	Franklin Pierce	Ground Sign	25
7	15/19 Rye Street		Ground Sign	29
8	19 Rye Street	DHHS	Door Sign	2.33
9	19 Rye Street	DHHS	Ground Sign	30.33
	*Estimated, Proposed		TOTAL	119.0

As you can see, the total square footage for existing and proposed signage is less than 200 square feet. This means a variance is not required to exceed the maximum allowable signage. However, research from our files indicate signs 1, 2, 3, 4, and 5 were never brought to the PDA for approval. As such, the applicant would like an after the fact approval from the Board of Directors to allow these signs to remain.

With regard to PDA Board approval, the signs are consistent with other Tradeport door and monument signs. The ground sign is internally lit and complements the materials of the building facade. The door sign is similar to other Tradeport building signs.

Staff has reviewed the zoning ordinance as it relates to signage and we believe the proposal is in harmony with the general purpose and intent of the ordinance. At next month's board meeting, please ask the Board of Directors to approve the sign proposal of 19 Rye St, LLC.

N:\ENGINEER\Board Memos\2019\19 Rye St Signage.docx



LOCATION TBD (CONCEPTUAL ONLY)

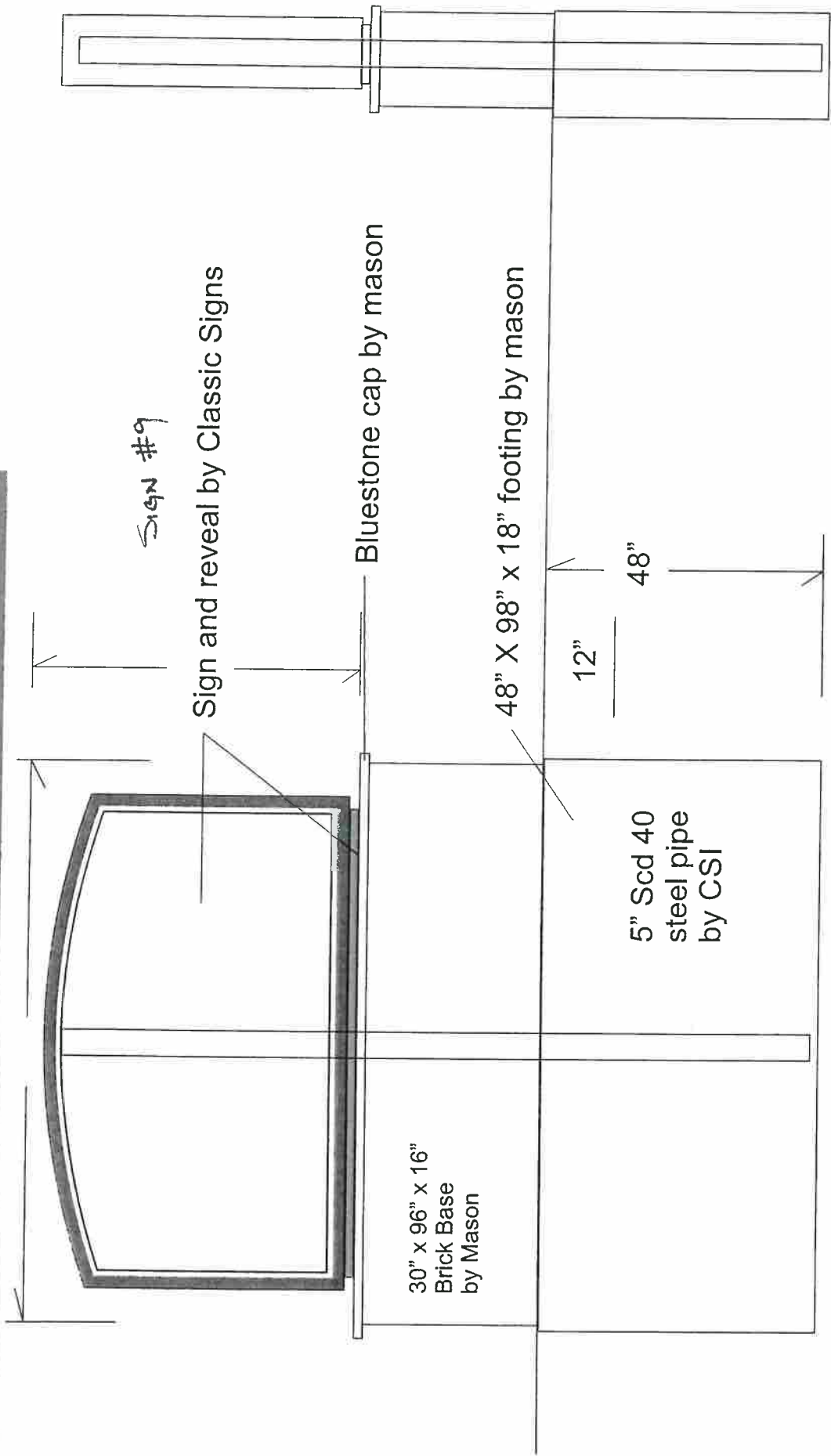
Sign #9



Measurements on this artistic rendering may vary slightly from the actual "AS BUILT" upon final engineering. Color and Resolution in proof are not representative of final project due to individual monitor settings.

This drawing protected by U.S. copyright laws. Any use, reproduction, copying or exhibiting this drawing without the express written consent of Classic Signs is illegal.

Job Name:

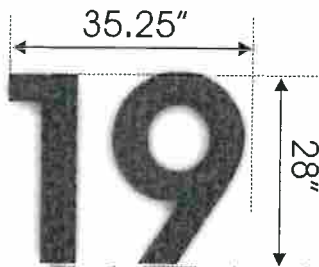
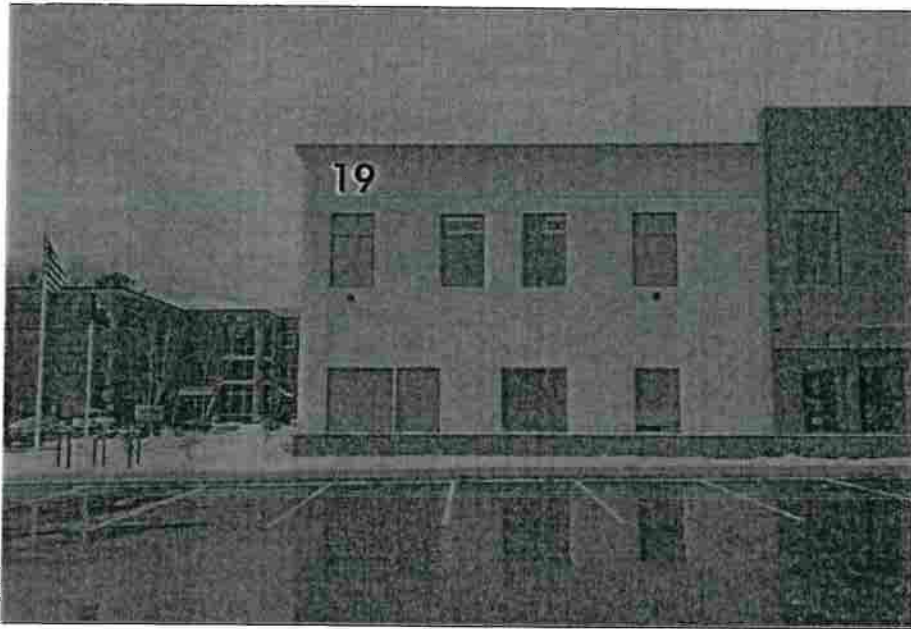


Scale 3/4" = 1'



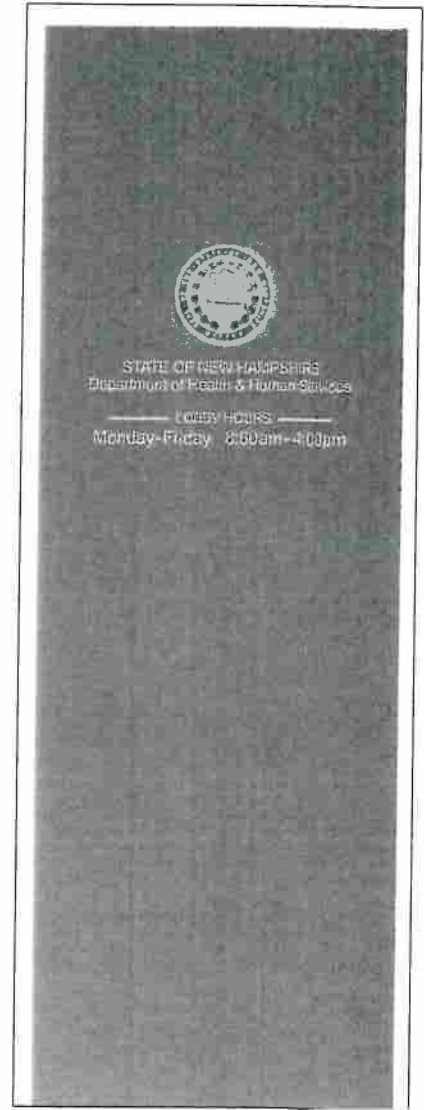
Measurements on this artistic rendering may vary slightly from the actual "AS BUILT" upon final engineering. Color and Resolution in proof are not representative of final project due to individual monitor settings.

This drawing protected by U.S. copyright laws. Any use, reproduction, copying or exhibiting this drawing without the express written consent of Classic Signs is illegal.

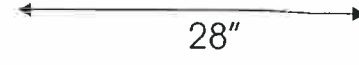


DARK GREY HALLO LIT NUMBER

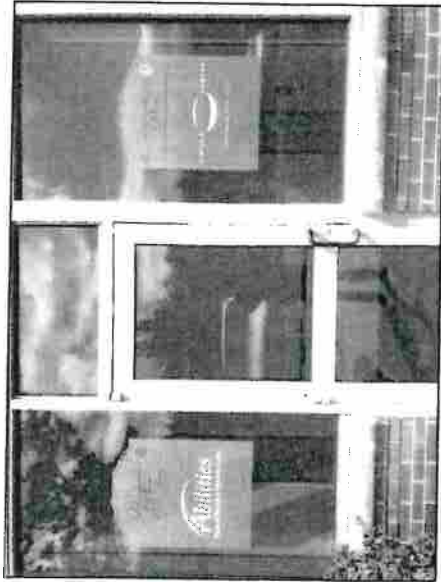
OVERALL SIZE OF DOOR GRAPHICS 14"x21"



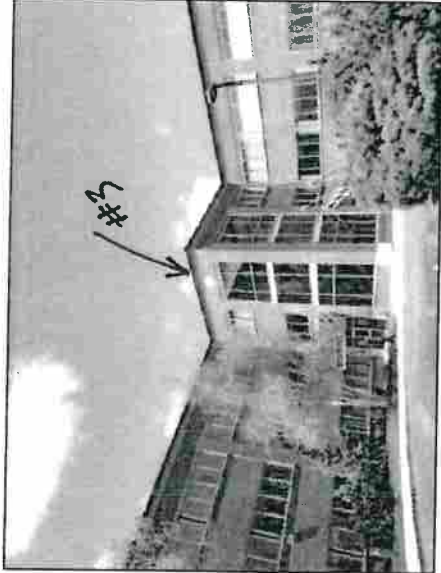
Sign #8
↙



Measurements on this artistic rendering may vary slightly from the actual "AS BUILT" upon final engineering. Color and Resolution in proof are not representative of final project due to individual monitor settings.



**Signs #1 & 2 - Smile & Abilities
Approximately 2.7 SF Each**



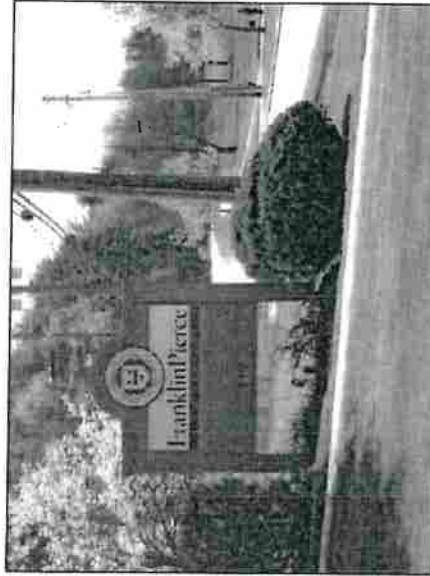
**Sign #3 - 2 International Logo
Approximately 7 SF**



**Sign #4 - 15 Rye St Directory
Approximately 18 SF**



**Sign #5 - Crown Castle
Approximately 2 SF**



**Sign #6 - Franklin Pierce
Approximately 25 SF**



**Sign #7 - 15/19 Rye St
Approximately 29 SF**

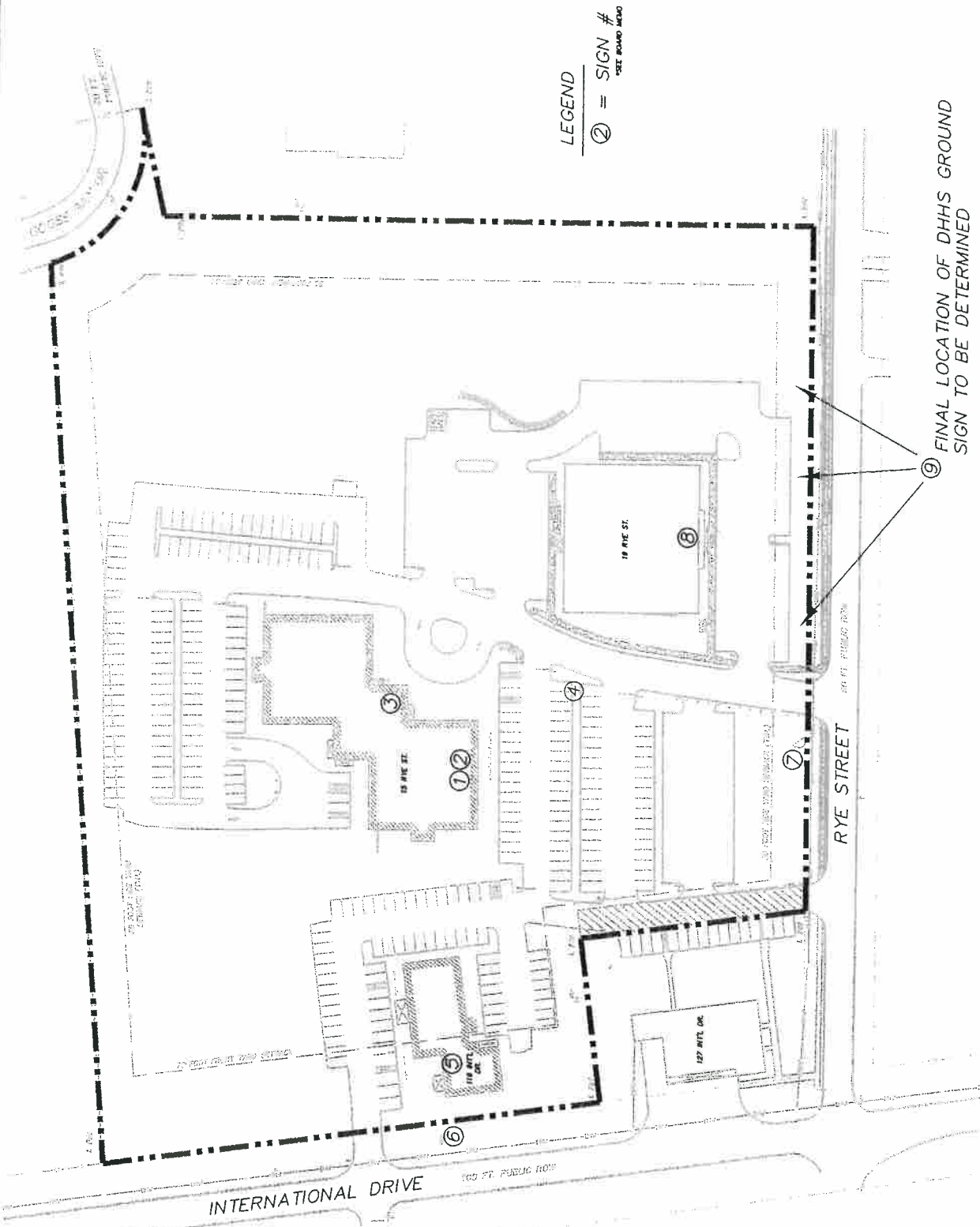
Signage for 119 International Dr, 15 & 19 Rye St

DESIGNED BY: MRM DATE: 5/28/19 SCALE: NTS



PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801



LEGEND
 ② = SIGN #
 *SEE BOARD MAP

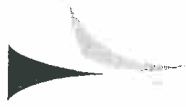
⑨ FINAL LOCATION OF DHHS GROUND
 SIGN TO BE DETERMINED

19 Rye St Sign Inventory

DESIGNED BY: MRM DATE: 5/30/19 SCALE: NTS

PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801



MOTION

Director Levesque:

The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to complete negotiations and to execute a lease with B & H Airpower, L.L.C. for the purpose of storage and operation of its corporate Cessna 525 Citation Jet and BE-55 Beech Baron for the premises known as Hangar 5 located at Skyhaven Airport (DAW); substantially in accordance with the memorandum from Andrew Pomeroy, C.M. Airport Operations Manager, dated June 14, 2019 and attached hereto.

Memorandum

Pease Development Authority, Airport Management Department

To: David R. Mullen, Executive Director
From: Andrew Pomeroy, C.M. Airport Operations Manager *AP*
CC: Paul Brean, Airport Director
Date: June 14, 2019
Re: Skyhaven Hangar 5 Lease for B&H Airpower

I request that you seek Board of Directors approval at the June 20, 2019 meeting for the Pease Development Authority to enter into a lease agreement with B&H Airpower, L.L.C. (“B&H”) of Somersworth, NH, for Hangar 5 at the Rochester Skyhaven Airport (see Plan attached). Hangar 5 has been vacant since the departure of GP Aviation in November 2016.

The lease is for the storage and operation of B&H’s corporate Cessna 525 Citation Jet and BE-55 Beech Baron. The lease of this 4,875 square foot maintenance hangar will commence on July 1, 2019 and run for one (1) year with up to two (2), one (1) year renewal options. PDA will retain a right of termination upon six months written notice to B&H in the event a fixed base operator is interested in locating at Skyhaven, as this is a higher priority aeronautic use of Hangar 5.

B&H has agreed to a rental fee of \$1,200.00/month for the use of Hangar 5 on a triple net basis. B&H will receive a \$6,000.00 rent credit for the first 5 months of the lease term as a result of pavement improvements made to the hangar entrance area by B&H, at its sole cost and expense, to facilitate access to Hangar 5.

PEASE/ADMIN/ Hangar 5 lease (B&H doc)

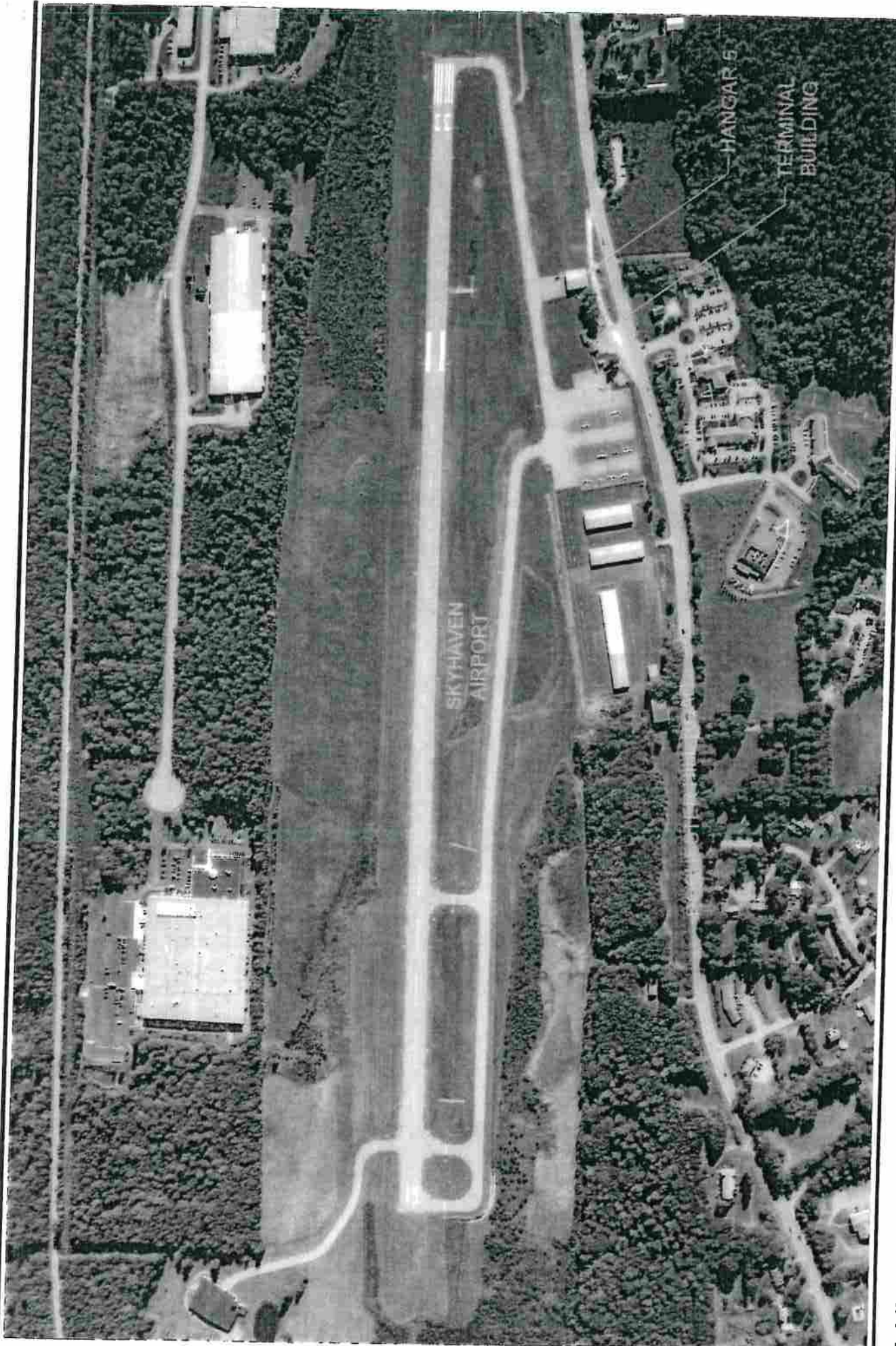


Exhibit Depicting Skyhaven Airport

DESIGNED BY: MRM DATE: 6/14/19 SCALE: NTS

PEASE DEVELOPMENT AUTHORITY



55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

Engineering Services Hangar 5



MOTION

Director Torr:

The Pease Development Authority Board of Directors authorizes the Executive Director to enter into a Car Rental Concession Lease and Operating Agreement with Deal Rent-A-Car, LLC, substantially in the form attached hereto for the purpose of providing rental car services at the Portsmouth International Airport at Pease.

N:\RESOLVES\2019\Deal Rent-A-Car 06-20

CAR RENTAL CONCESSION LEASE AND OPERATING AGREEMENT

BETWEEN

PEASE DEVELOPMENT AUTHORITY

AS

“LESSOR”

AND

DEAL RENT-A-CAR, LLC

AS

“LESSEE”

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EXHIBITS TO LEASE

Exhibit

- “A” FEDERAL FACILITIES AGREEMENT
- “B” PLANS DESIGNATING THE LEASED PREMISES
- “B-1” PARKING AREAS
- “C” EXAMPLE OF A 10% CONCESSION RECOVERY FEE
- “D” LIST OF ENVIRONMENTAL LAWS AND REGULATIONS
- “E” CERTIFICATE OF CORPORATE GOOD STANDING/EXISTENCE
- “F” FAA REQUIREMENTS

LEASE

THIS CAR RENTAL CONCESSION LEASE AND OPERATING AGREEMENT ("Lease") is made by and between the PEASE DEVELOPMENT AUTHORITY ("Lessor") and DEAL RENT-A-CAR, LLC ("Lessee"). (Lessor and Lessee may be referred to jointly as the "Parties.")

RECITALS

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

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

C. By Quitclaim Deed made and entered into on October 15, 2003 and Quitclaim Deed dated September 16, 2005 (the "Deeds"), the Government, acting by and through the Secretary of the Air Force did grant to PDA the land and improvements located in the City of Portsmouth, Town of Newington and Town of Greenland, as contemplated by the Master Lease, Application and Acceptances, and which deed dated September 16, 2005 included the Leased Premises. The Parties acknowledge that the Deeds impose certain requirements on Lessee with respect to leases which are addressed in the terms and conditions of this Lease. Copies of the Deeds are recorded in the Rockingham County Registry of Deeds at Book 4227, Page 1 and Book 4564, Page 985 respectively.

D. The Parties acknowledge that a Federal Facilities Agreement ("FFA") required under Section 120 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. 9601 *et seq.* has been entered into by the Air Force, the New Hampshire Department of Environmental Services ("NHDES") and the United States

Environmental Protection Agency (“EPA”) regarding certain contamination at Pease and that this FFA also imposes certain requirements upon Lessor and Lessee which are addressed in the terms and conditions of this Lease. A copy of the FFA is attached to this Lease as **Exhibit A**. Unless the context refers specifically to the document constituting **Exhibit A**, the term FFA shall include any amendments to said document.

E. Lessee is a limited liability company and is registered to do business in New Hampshire with a place of business at its office located at 549 Route 1 Bypass, Portsmouth, NH 03801.

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

ARTICLE 1.

LEASED PREMISES - TERMINAL COMMON USE AREAS

1.1 Description of Leased Premises

Lessor, for and in consideration of the rents and covenants herein specified to be paid and performed by Lessee, hereby leases to Lessee, and Lessee hereby hires from Lessor, the following areas (excluding exterior walls, the roof over such areas and sub-floor lying beneath such areas) located within the Portsmouth International Airport @ Pease Domestic and International Air Passenger Terminal (the "Terminal") and described generally below and more particularly on the plans attached as **Exhibit B**:

- The area designated "Deal Rent-A-Car Ticket Counter Area"

(Total square feet for Ticket Counter area = 87 sq. ft. +/-)

In addition, Lessor also leases to Lessee, and Lessee hereby hires from Lessor, the following areas contiguous to the Terminal, also shown on **Exhibit B-1**:

- The area designated "Deal Rent-A-Car Parking Area" consisting of a total of three (3) parking spaces
- The area designated "Deal Rent-A-Car Overflow Parking Area" consisting of three (3) parking spaces (collectively the "Parking Areas")
- A 24-hour key drop box

(All of the areas described in this Section 1.1 may be referred to collectively as the "Leased Premises" or the "Premises")

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

1.2. Terminal Common Use Areas

Lessee is also granted the right, in common with others, to use the lobby area shown on **Exhibit B** in connection with its processing of car rental passengers utilizing its services.

The foregoing area described in this section 1.2 may be referred to as the "Terminal Common Use Areas."

Lessee's use of the Terminal Common Use Areas is subject to the general direction and supervision of Lessor, and/or Lessor's designee, as Terminal manager as well as other applicable provisions of this Lease.

1.3. Easements - Rights-of-Way

This Lease is subject to existing easements and rights-of-way of record and to the Utility Lease and License Agreement dated July 31, 1992 by and between PDA and Public Service Company of New Hampshire ("PSNH"); to the utility Lease and License Agreement dated May 10, 1995 by and between PDA and New England Telephone and Telegraph Company ("NETEL"); to the Wastewater Disposal and Water Service Facilities Lease and License Agreement dated as of January 1, 1993 by and between PDA and the City of Portsmouth; and to the Pipeline Easement and Transfer Agreement dated August 12, 1998 by and between PDA, Portland Natural Gas Transmission System and Maritimes & Northeast Pipeline, L.L.C.

The Government reserves for the use and benefit of the public, an aviation easement and a right of way for the free and unobstructed passage of aircraft in the airspace above the surface of the Airport, together with the right to cause in such airspace such sound, vibrations, fumes, dust, fuel particles, and all other effects as may be caused by the operation of aircraft, now known or hereafter used, for the navigation through or flight in the said airspace, and for use of said airspace for landing on, taking off from, or operating on the Airport.

1.4. General Rights of Access/Common Use Areas.

Subject to the provisions and additional restrictions set forth in Article 9 and other pertinent provisions of this Lease, Lessee shall have in common with other authorized Airport users the right to use the entrances, exits and roadways designated by Lessor for common use at the Airport.

The rights of Lessee under this Section 1.4 shall be subordinate to Lessor's rights to manage the Airport and other common areas and roadways, which rights shall include, without limitation, the right to impose reasonable rules and regulations or to issue management directives relating to use of the Terminal Common Area, roadways and parking areas and the right to add, delete, alter or otherwise modify the designation and use of all Airport facilities and parking areas, entrances, exits, roadways and other areas of the Airport, to the extent all of the foregoing are not part of the Leased Premises; provided, however, that Lessee shall continue at all times to have reasonable access to and use of the Leased Premises.

Lessee shall comply with all federal, state and local laws, rules and regulations which apply to the conduct of the uses contemplated under this Lease, including, without limitation, rules and regulations promulgated by Lessor. Lessee shall pay to Lessor an amount equal to all fines levied by any governmental body against Lessor for any breach of applicable requirements by Lessee or any of its employees, contractors, subcontractors, agents, servants or invitees.

END OF ARTICLE 1.

ARTICLE 2.

CONDITION OF LEASED PREMISES

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

2.2. Lessee shall be responsible for the following "fit-up" work required to make these Leased Premises ready for Lessee's intended use.

- the connection of all computer and related equipment;
- the installation of appropriate signage displaying Lessee's logo or other appropriate signage.

All such fit-up work performed by Lessee shall comply with the provisions of this Lease applicable to Alternations.

END OF ARTICLE 2.

ARTICLE 3.

TERM

3.1. This Lease shall be for a base term of one (1) year (“Base Term”) which term shall commence retroactively effective as of June 10, 2019 (the “Term Commencement Date”) and shall expire on June 30, 2020, unless terminated earlier or extended in accordance with the provisions of this Lease. Lessor shall have two (2) options of one (1) year each to extend this Lease upon such terms and conditions as Lessor and Lessee shall mutually agree to.

3.2. The options granted in Section 3.1 of this Lease, if exercised, are subject to the approval of the Executive Director of Pease Development Authority. Lessee has the right, without penalty, to reject Lessor’s renewal terms and conditions and to discontinue providing car rental services at the end of the initial one (1) year term of this Lease or at the end of the first option period. Lessor shall provide Lessee with proposed renewal terms and conditions ninety (90) days prior to the end of the initial one (1) year term of this Lease and, if applicable, ninety (90) days prior to the expiration of the first option period. In either event, Lessee shall have thirty (30) days thereafter to accept or reject Lessor’s renewal proposal. If Lessee rejects any of Lessor’s renewal proposals, Lessee will vacate the Leased Premises at the end of one (1) year or the end of the first option period, whichever is applicable.

3.3. The options granted hereunder may not be exercised by the Lessee if it is in default under the terms of this Agreement and such default has not been cured within any applicable cure period.

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

3.5. Early Termination. Notwithstanding the above, Lessee shall have the right to terminate the Lease with thirty (30) days written notice to Lessor in the event: a.) of a 15% or higher drop in deplanements in any month as compared to the same month in the prior year, or in the same month of 2018, or b.) the Airport no longer has any commercial air carrier service.

END OF ARTICLE 3.

ARTICLE 4.

TERMINAL AREA RENT - ANNUAL MINIMUM CONCESSION FEE - PERCENTAGE FEES & MUNICIPAL SERVICES FEE

4.1. Subject to Section 4.3 of this Lease, Lessee shall pay to Lessor Terminal Area Rent ("Terminal Area Rent") at the following annual rates for the areas of the Leased Premises described in Section 1.1:

Year 1	\$15.00 per square foot of terminal area plus \$144.00 for each terminal parking space, \$96.00 for each overflow parking space and \$100.00 for a 24 hour key drop box.
Option Years 1 & 2 -	To be negotiated

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

4.3. For the privilege of operating its car rental service at the Airport throughout the term of this Lease, Lessee shall pay to Lessor each year, a fee equal to a sum of money which represents the greater of the guaranteed Annual Minimum Concession Fee (which shall be deemed to include Terminal Area Rent) or the Percentage Fee applicable to Gross Revenues, as hereinafter defined.

- A. The Annual Minimum Concession Fee shall be \$7,100.00 in Year 1. Said Annual Minimum Concession Fee shall be payable in equal monthly installments of one-twelfth thereof, in advance and without demand, on the first day of each month in the fashion provided in Section 4.2 for the payment of Terminal Area Rent.
- B. The Percentage Fees to be applied to Gross Revenues, as hereinafter defined, shall be ten percent (10%). Lessee will pay the Percentage Fee on Gross Revenue on a

cash basis, after final charges have been determined and rental tickets are closed. Lessee will not remit the Percentage Fee on any tickets that remain open at the end of the month.

- C. Gross Revenues shall include the gross revenues from all sales made and services performed for cash or credit at the Airport, regardless of when or whether paid or not.

Excluded from Gross Revenues shall be sales taxes separately stated: all fuel sold, vehicle licensing fees ("VLF"); Carbon offsets; reimbursements received for payment and administration of parking and traffic violations, citations, fines, tolls, towing, and impounded fees; toll pass device rental charge, toll convenience charge; acceptance of Personal Accident Insurance ("PAI"), Supplemental Liability Protection ("SLP"), or other insurance coverage; any sums received as insurance or otherwise for damage to automobiles or other property of Lessee, or for the loss, conversion, or abandonment of such automobiles or other property of Lessee.

- D. Within fifteen (15) days after the end of each three (3) month period during the term of this Lease, Lessee shall pay to Lessor a sum of money which represents the excess, if any, of the difference between the Percentage Fee and the Annual Minimum Concession Fee for the previous three (3) month period. To the extent the Lessee overpays the Percentage Fee in any given year it shall be entitled to a credit on the anniversary date of this Lease.

- E. All payments of Annual Minimum Concession Fees and Percentage Fees shall be accompanied by documentation of daily Gross Revenues for the preceding month. Lessee agrees to keep in the Leased Premises or in its home office, full and complete records of all sales and services, in, upon or from the Leased Premises (including deductions or exclusions therefrom). Such records shall be retained by Lessee agency for not less than three (3) years after the expiration of the Lease. Lessor or its agents may, at reasonable times and on reasonable notice inspect and audit such records.

4.4. Concession Recovery Fee. Lessee may recover from its customers the 10% concession fee paid to Lessor at a rate of 11.11% pursuant to the formula described by way of an example as more fully set forth in **Exhibit C**.

4.5. [RESERVED]

4.6. All rent and fees, including the Annual Minimum Concession Fees and Percentage Fees payable hereunder, shall be net to Lessor, free and clear of any and all Impositions (as defined in Section 5.1), or expenses of any nature whatsoever in connection with the Premises. The Parties agree that, except as expressly provided herein, all costs, expenses and charges of every kind and nature relating to the Leased Premises which may be attributed to, or become due during the initial or any renewal term of this Lease, shall constitute additional rent or fees (whichever is applicable) to be paid by Lessee and, upon failure of Lessee to pay any such costs, expenses or

charges, Lessor shall have the same rights and remedies as otherwise provided in this Lease for the failure of Lessee to pay such rent or fees. It is the intention of the Parties that Lessee shall in no event be entitled to any abatement or reduction in rent or fees payable hereunder, except as expressly provided herein. Any present or future law to the contrary shall not alter the agreement of the Parties.

4.7. In addition to the fees or rent required to be paid under this Article 4, Lessee shall also pay to Lessor a municipal services fee in accordance with the Municipal Services Agreement by and between the City of Portsmouth, the Town of Newington and the Pease Development Authority effective July 1, 1998. This fee is for fire, police and roadway services provided by or on behalf of Lessor at the Airport and will be subject to increases each year only to the extent the cost to Lessor of providing such services increases. The municipal services fee shall be paid quarterly in advance at the times and in the fashion provided in Section 4.2 of this Lease.

To the extent the Leased Premises are subject to municipal taxation, and provided such municipal taxes include the costs of the provision of fire, police and roadway services, Lessee may offset against any fee paid to Lessor the portion of such municipal taxes as are attributable to fire, police and roadway services, and Lessor shall have no further obligation to provide such services. For so long as municipal taxes are imposed against the Leased Premises, or on Lessee as Lessee, for all three of fire, police and roadway services and Lessor either has no obligation to provide such services (or ceases to provide such services), the municipal services fee required to be paid under this Section 4.7 shall terminate.

In the event the Leased Premises, or any portion thereof, are removed from the Airport District, Lessee shall make payments in lieu of taxes to the appropriate municipality in accordance with the provisions of RSA 12-G:11, II (or any successor statute) regarding taxation by a municipality of property that is within the boundaries of Pease, but outside the Airport District.

4.8. Any municipal services fee or tax imposed for fire, police, and/or roadway services shall be considered an imposition under Article 5 of this Lease.

END OF ARTICLE 4.

ARTICLE 5.

IMPOSITIONS

5.1. During the term of this Lease, Lessee shall pay when due, all taxes, charges, excises, license and permit fees, assessments, and other governmental charges, general and special, ordinary and extraordinary, unforeseen, as well as foreseen, of any kind and nature whatsoever, which during the term of this Lease are assessed or imposed upon or become due and payable or a lien upon: (i) the Leased Premises or any part thereof or any personal property, equipment or other facility used in the operation thereof; or (ii) the rent or income received from subtenants or licensees; or (iii) any use or occupancy of the Leased Premises; or (iv) this transaction or any document to which Lessee is a party creating or transferring an estate or interest in the Leased Premises (all of which taxes, charges, excises, fees, assessments and other governmental charges are hereinafter collectively referred to as "Impositions"). If, by law, any such Imposition is payable, or may at the option of Lessee be paid in installments, Lessee may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same respectively become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest. Any Imposition relating to a fiscal period of the taxing authority a part of which period is included prior to the commencement of the term of this Lease, shall be prorated as between Lessor and Lessee so that Lessee shall pay only the portion thereof attributable to any period during the term of this Lease. Lessee hereby acknowledges and agrees that failure to make payment of any required municipal services fees in accordance with the provisions of Section 4.7 of this Lease shall constitute a default and breach of this Lease as set forth in Article 18.

5.2. Lessee covenants to furnish to Lessor within fourteen (14) days of receipt of a written request from Lessor, official receipts of the appropriate taxing authority, or other proof satisfactory to Lessor, evidencing the payment thereof.

5.3. Lessee shall have the right before any delinquency occurs to contest or object to the amount or validity of any such Imposition by appropriate legal proceedings. This right shall not be deemed or construed in any way as relieving, modifying or extending Lessee's covenant to pay any such Imposition at the time and in the manner in this Article, unless Lessee shall have obtained a stay of such proceedings. Lessor shall not be required to join in any such proceedings unless it shall be necessary for it to do so in order to prosecute such proceedings and Lessor shall have been fully indemnified to its satisfaction against all costs and expenses in connection therewith. Lessor shall not be subjected to any liability for the payment of any costs or expenses (including attorneys' and expert witness fees) in connection with any such proceedings brought by Lessee, and Lessee covenants to indemnify and save Lessor harmless from any such costs or expenses.

5.4. As between the Parties, Lessee alone shall have the duty of attending to, making or filing any declaration, statement or report which may be provided or required by law as the basis of or in connection with the determination, equalization, reduction or payment of any and every Imposition which is to be borne or paid or which may become payable by Lessee under the provisions of this Article, and Lessor shall not be or become responsible to Lessee therefor, nor for the contents of any such declaration, statement or report.

END OF ARTICLE 5.

ARTICLE 6.

SURRENDER OF LEASED PREMISES

6.1. On the expiration or termination of this Lease, Lessee shall surrender to Lessor the Leased Premises, including all buildings and improvements on the Leased Premises whether leased to or otherwise owned by Lessee, broom clean and in good order, condition and repair, reasonable wear and tear excepted, together with all alterations, decorations, additions and improvements that may have been made in, to or on the Leased Premises, except that Lessee shall be allowed to remove its personal property or any improvements made by Lessee at its sole expense that can be removed without damage to any buildings, facilities or other improvements to the Leased Premises. The Leased Premises, including the buildings and improvements thereon, shall be delivered free and clear of all subtenancies, liens and encumbrances, other than those, if any, permitted hereby or otherwise created or consented to by Lessor, and, if requested to do so, Lessee shall execute, acknowledge and deliver to Lessor such instruments of further assurance as in the opinion of Lessor are necessary or desirable to confirm or perfect Lessor's right, title and interest in and to the Leased Premises including said building and improvements. On or before the end of the Lease term, Lessee shall remove all of Lessee's personal and other property allowed to be removed hereunder, and all such property not removed shall be deemed abandoned by Lessee and may be utilized or disposed of by Lessor without any liability to Lessee. Lessee's obligation under this Article 6 shall survive the expiration or termination of this Lease.

END OF ARTICLE 6.

ARTICLE 7.

INSURANCE

7.1.

A. Risk of Loss. Lessee shall bear all risk of loss or damage to the Leased Premises, including any building(s), improvements, fixtures or other property thereon, arising from any causes whatsoever.

B. Insurance. During the entire period this Lease shall be in effect, the Lessee at its expense will carry and maintain:

(1) Personal property insurance coverage against loss or damage by fire and lightning and against loss or damage or other risks embraced by coverage of the type now known as the broad form of extended coverage (including but not limited to riot and civil commotion, vandalism, and malicious mischief and earthquake) in an amount not less than 100% of the full replacement value of the improvements and personal property on the Leased Premises. The policies of insurance carried in accordance with this Section shall contain a "Replacement Cost Endorsement." Such full replacement cost shall be determined from time to time, upon the written request of Lessor, but not more frequently than once in any twenty-four (24) consecutive calendar month period (except in the event of substantial changes or alterations to the Premises undertaken by Lessee as permitted under the provisions hereof) by written agreement of Lessor and Lessee, or if they cannot agree within thirty (30) days of such request, by an insurance consultant, appraiser, architect or contractor who shall be mutually and reasonably acceptable to Lessor and Lessee. Any such determination by a third party shall be subject to approval by Lessor and Lessee, which approval shall not be unreasonably withheld. The insurance maintained in this Section shall be adjusted to one hundred percent (100%) of the new full replacement cost consistent with the approved determination.

(2) Commercial General Liability insurance, including, but not limited to, products and completed operations liability insurance, on an "occurrence basis" against claims for "personal injury," including without limitation, bodily injury, death or property damage, occurring upon, in or about the Leased Premises, passageways, adjoining sidewalks, streets and parking areas, such insurance to afford immediate minimum protection at the time of the Term Commencement Date, and at all times during the term of this Lease, to a limit of not less than Two Million (\$2,000,000.00) Dollars with respect to damage to property, personal/bodily injury or death to any one or more persons and with no deductible or such deductible amount as may be approved by Lessor. Such insurance shall also include coverage against liability for bodily injury or property damage arising out of the acts or omissions by or on behalf of Lessee, or any other person or organization, or involving any owned, non-owned, leased or hired automotive equipment in connection with Lessee's activities.

(3) Workers' compensation and employer's liability insurance in an amount and form which meets all applicable requirements of the labor laws of the State of New

Hampshire, as amended from time to time, and which specifically covers the persons and risks involved in this Lease.

(4) Automobile liability insurance in amounts approved from time to time by Lessor, but not less than one million dollars (\$1,000,000) combined single limit for owned, hired and non-owned automobiles.

7.2. All policies of insurance required to be carried under this Article shall be effected under valid and enforceable policies, in such forms and amounts as may, from time to time, be required under this Lease, issued by insurers of recognized responsibility which are authorized to transact such insurance coverage in the State of New Hampshire, and which have been approved in writing by Lessor, which approval shall not be withheld unreasonably. The policy of insurance required in section 7.1.B. (1) shall name the Lessor as loss payee. The policies of insurance required in Sections 7.1.B. (2) and (4) shall be for the mutual benefit of Lessee and the Lessor with the Lessor named as an additional insured as its interest may appear for liabilities arising out of the conduct of the Lessee. Upon the execution of this Lease (and thereafter not less than fifteen (15) days prior to the expiration date of each policy furnished pursuant to this Article) the original of each policy required to be furnished pursuant to this Article (or, with the consent of Lessor, which consent shall not be unreasonably withheld a certificate of the insurer reasonably satisfactory to Lessor) shall be delivered by Lessee to Lessor.

7.3. All policies of insurance, as applicable, shall provide for loss thereunder to be adjusted and payable to Lessor or Lessee in accordance with the terms of this Lease.

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

7.5. To the extent applicable, personal property insurance required to be maintained by Lessee shall have attached thereto the Lender's Loss Payable Endorsement, or its equivalent, or a loss payable clause acceptable to Lessor, for the benefit of any Mortgagee, but the right of any Mortgagee to the payment of insurance proceeds shall at all times be subject to the provisions of this Lease with respect to the application of the proceeds of such insurance.

7.6. Lessee shall observe and comply with the requirements of all policies of insurance at any time in force with respect to the Leased Premises and Lessee shall also perform and satisfy the requirements of the companies writing such policies so that at all times companies of good standing reasonably satisfactory to Lessor shall be willing to write or to continue such insurance. Lessee shall, in the event of any violations or attempted violations of the provisions of this Section 7.6 by a subtenant, take steps, immediately upon knowledge of such violation or attempted violation, to remedy or prevent the same as the case may be.

7.7. Any insurance provided for in this Lease may be effected by a policy or policies of blanket insurance or may be continued in such form until otherwise required by Lessor; provided, however, that the amount of the total insurance allocated to the Leased Premises shall be such as to furnish in protection the equivalent of separate policies in the amounts herein required, and provided further that in all other respects, any such policy or policies shall comply with the other provisions of this Lease. In any such case it shall not be necessary to deliver the original of any such blanket policy to Lessor, but Lessee shall deliver to Lessor and to any Mortgagee a certificate in form and content acceptable to Lessor.

7.8. The insurance requirements herein are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement.

7.9. Over the term of this Lease and any extensions thereof, Lessor reserves the right to request increases in mandatory insurance coverage limits for each respective coverage area required under this Lease as the same may be appropriate, commercially reasonable and prudent in view of then existing conditions and circumstances. Lessor agrees to provide Lessee with a thirty (30) day written notice when making any request for an increase in required insurance coverage limits.

END OF ARTICLE 7.

ARTICLE 8.

LESSOR'S RIGHT TO PERFORM LESSEE'S COVENANTS

8.1. If Lessee shall at any time fail to pay when due any Imposition or other charge or to pay for or maintain any of the insurance policies required under Article 7, or to make any other payment or perform any other act on Lessee's part required by this Lease, then Lessor, after ten (10) days written notice to Lessee (or, in case of any emergency, without notice, or with such notice as may be reasonable under the circumstances) and without waiving or releasing Lessee from any obligation of Lessee hereunder, may (but shall not be required to):

- (i) pay such Imposition or other charge, or
- (ii) pay for and maintain such insurance policies, or
- (iii) make such other payment or perform such other act on Lessee's part to be made or performed as provided in this Lease, and may enter upon the Leased Premises for such purpose and take all such action as may be deemed or appropriate by Lessor to correct such failure of Lessee.

8.2. All sums so paid by Lessor and all costs and expenses incurred by Lessor in connection with the performance of any such act (together with interest thereon at the rate specified in Section 26.1 from the respective date(s) of Lessor's making of each such payment or incurring of each cost or expenses) shall constitute additional rent payable by Lessee under this Lease and shall be paid by Lessee to Lessor on demand.

END OF ARTICLE 8.

ARTICLE 9.

USE OF LEASED PREMISES

9.1. The sole purpose for which Lessee may use the Leased Premises is to operate a rental car service and for no other uses without Lessor's prior written consent. Lessee shall not use, or permit to be used, the Leased Premises for any other purpose without the prior express written consent of Lessor. Lessor's consent shall be subject to the execution of an appropriate agreement which shall include a provision requiring the payment of established fees and charges that may be applicable to any such additional uses consented to by Lessor. Lessee is prohibited from any use of the Leased Premises not specifically granted in this Section 9.1.

Lessee shall have no right to conduct any commercial or other activities at the Leased Premises, other than what is expressly granted in this Section 9.1. The Parties acknowledge that among the uses not authorized at the Airport are the sale of food, beverages, consumer goods or services other than those related to or commonly provided in connection with the provision of rental car services. Vehicle fueling, washing, maintenance and overflow parking (except as authorized in this Lease) shall be prohibited on Airport property.

9.2. Lessee recognizes that the uses authorized in Section 9.1 are not granted on an exclusive basis and that Lessor may enter into Leases or other agreements with other tenants or users at areas of the Airport other than the Leased Premises for similar, identical, or competing uses. No provision of this Lease shall be construed as granting or authorizing the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act as the same may be amended from time to time.

9.3. Lessee agrees that it will keep the Premises in a neat, clean and orderly condition and shall be responsible for trash removal in accordance the provisions of Chapters 300 through 500 of the Pease Development Authority ("PDA") Zoning Requirements, Site Plan Review Regulations and Subdivision Regulations (collectively the "Land Use Controls") and such other rules and regulations from time to time promulgated, provided that Lessee shall not be bound by any such rules and regulations until such time as it receives a copy thereof. Lessee agrees to cause trash receptacles to be emptied and trash removed at Lessee's sole cost and expense.

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

9.5. Lessee shall have the right to contest by appropriate proceedings diligently conducted in good faith, without cost or expense to Lessor, the validity or application of any law, ordinance, order, rule, regulation or requirement of the nature referred to in this Article. If compliance with any such law, ordinance, order, rule, regulation or requirement may be delayed on the basis of an order from a court of competent jurisdiction pending the prosecution of any such proceeding without the incurrence of any lien, charge or liability of any kind against the Leased Premises or Lessee's interest therein and without subjecting Lessor to any liability, civil or criminal, for failure so to comply therewith, Lessee may delay compliance therewith consistent with such court order. Even if such lien, charge or civil liability would be incurred by reason of any such delay, Lessee may, with the prior written consent of Lessor, contest as aforesaid and delay as aforesaid, provided that such contest or delay does not subject Lessor to criminal liability, damages or expense and provided that Lessee: (i) furnishes to Lessor security, reasonably satisfactory to Lessor, against any loss or injury by reason of such contest or delay; and (ii) prosecutes the contest with due diligence.

Lessor shall not be required to join in any proceedings referred to in this Section unless the provisions of any applicable laws, rules or regulations at the time in effect shall require that such proceedings be brought by and/or in the name of Lessor and Lessor determines that such action is in its best interests, in which event Lessor shall join in the proceedings, or permit the same to be brought in its name, if Lessee shall pay all expenses in connection therewith.

9.6. All employees of Lessee at the Airport terminal, Terminal Common Use Areas and Common Use Areas shall be neatly attired and clearly identified as employees of Lessee and shall at all times visibly carry an appropriate Airport identification badge.

9.7. Responsibility for compliance with all federal, state and local laws as required by this Article rests exclusively with the Lessee. The Lessor assumes no enforcement or supervisory responsibility except with respect to matters committed to its jurisdiction and authority.

9.8. Lessee's use of the Leased Premises shall be orderly and efficient and shall not cause any disruptions to other airport activities. Lessee shall not cause or maintain any nuisance on the Leased Premises. Lessee shall conduct all of its activities hereunder in an environmentally responsible manner.

9.9. Lessee shall have the right to obtain supplies or services from suppliers, vendors or contractors of its own choice at the Leased Premises, provided that Lessor reserves the right to prohibit persons from engaging in "aeronautical activities" (as defined in Advisory Circular AC 150/5190-2A of the Federal Aviation Administration) or the provision of ground transportation services at the Airport except in accordance with concession contracts or operating agreements entered into between Lessor and said persons.

9.10. Lessee agrees to provide, throughout the term of this Lease, the following:

- A. Rental car services to the public during the hours necessary to meet normal demands of airline flight schedules. Such services will include providing one-way rentals "rent it here, leave it here" services. Lessor may require periodic reports

of Lessee which would indicate the degree of satisfactory response to requests for such services;

- B. A sufficient number of automobiles to meet the reasonable demands of the traveling public at the Airport. Such automobiles shall be of current model (an in no event older than the two previous years' model of such automobile); and they shall be maintained in first-class condition free from known mechanical defects;
- C. Personnel performing services are to be neat and courteous. Lessee shall not permit its agents, or employees so engaged, to conduct business or otherwise to behave in a loud, noisy, boisterous, offensive or objectionable manner, or to solicit business outside the space assigned in any manner, except through the use of signs approved by Lessor.
- D. An attendant for the purpose of providing rental car service for such periods during each day and on such days during each week as may be necessary to meet reasonable demands for services, or during such minimum hours as may be determined by the Lessor.
- E. Participation in an a nationwide or regional car rental system; and
- F. Accept for payment of services at least two (2) major credit cards.
- G. Charge prices in accordance with its usual standards on a basis substantially similar to those charged for similar services at airports of similar size within the same general area. Lessor shall have the right to approve all prices and adjustments thereto.

9.11. Lessee acknowledges that Lessor is subject to certain restrictions on the use of the Airport Property in accordance with Paragraph V.B of the Deed. Notwithstanding any other provision of this Lease, the Lessee shall also comply with and be subject to all other restrictions and conditions of the Deed to the extent applicable to the Leased Premises.

END OF ARTICLE 9.

ARTICLE 10.

LIENS

10.1. During the term of this Lease, Lessee shall not permit to remain, and shall promptly discharge, at its cost and expense, all liens, encumbrances and charges upon the Leased Premises or any part thereof; provided, that the existence of any mechanics', laborers', materialmen's, suppliers' or vendors' liens or rights thereto shall not constitute a violation of this Article if payment is not yet due under the applicable contract. Lessee shall, however, have the right to contest with due diligence the validity or amount of any lien or claimed lien, if Lessee shall give to Lessor such security as Lessor may reasonably require to insure payment thereof and prevent any sale, foreclosure or forfeiture of Lessee's interest in the Leased Premises or any portion thereof by reason of such nonpayment. On final determination of the lien or claim for lien, Lessee shall immediately pay any judgment rendered with all proper costs and charges and shall have the lien released or judgment satisfied at Lessee's own expense, and if Lessee shall fail to do so, Lessor may at its option pay any such final judgment and clear the Leased Premises therefrom. If Lessee shall fail to contest with due diligence the validity or amount of any such lien or claimed lien, or to give Lessor security as hereinabove provided, Lessor may, but shall not be required to, contest the validity or amount of any such lien or claimed lien or settle or compromise the same without inquiring into the validity of the claim or the reasonableness of the amount thereof.

10.2. Should any lien be filed against the Leased Premises or should any action of any character affecting the title thereto be commenced, Lessee shall give to Lessor written notice thereof as soon as notice of such lien or action comes to the knowledge of Lessee.

END OF ARTICLE 10.

ARTICLE 11.

REPAIRS AND MAINTENANCE

Lessee covenants and agrees, throughout the term of this Lease, without cost to Lessor, to maintain the Leased Premises and to keep the same in good order and condition, and shall promptly at Lessee's own cost and expense, make all necessary repairs, to keep the Leased Premises and related improvements in safe, clean and sanitary condition. The obligations of Lessee to make repairs shall extend to any damage caused to the Leased Premises or Terminal Common Areas caused by Lessee or its passengers, agents, servants, contractors, suppliers or other invitees of Lessee at the Airport.

END OF ARTICLE 11.

ARTICLE 12.

RIGHT OF LESSOR TO INSPECT AND REPAIR

12.1. Lessee will permit Lessor and its authorized agents and representatives to enter the Leased Premises at all reasonable times and upon reasonable notice for the purpose of: (i) inspecting the same; and (ii) making any necessary repairs and performing any other work that may be necessary by reason of Lessee's failure to comply with the terms of this Lease within ten (10) days after written notice from Lessor, unless an emergency situation (as determined in Lessor's sole discretion) requires earlier action by Lessor. Nothing herein shall imply any duty upon the part of Lessor to do any such work and performance thereof by Lessor shall not constitute a waiver of Lessee's default in failing to perform the same. Lessor may during the progress of such work keep and store in or on the Leased Premises all necessary materials, tools, supplies and equipment. Lessor shall not be liable for inconvenience, annoyance, disturbance, loss of business or other damage of Lessee by reason of making such repairs or the performance of any such work, on or account of bringing materials, tools, supplies or equipment into or through the Leased Premises during the course thereof and the obligations of Lessee under this Lease shall not be affected thereby. Nothing herein shall limit the provisions of Article 8.

12.2. Lessee acknowledges that from time to time Lessor may undertake construction, repair or other activities related to the operation, maintenance and repair of the Airport which will require temporary accommodation by Lessee. Lessee agrees to accommodate Lessor in such matters, even though Lessee's own activities may be inconvenienced or partially impaired, and Lessee agrees that no liability shall attach to Lessor, its members, employees or agents by reason of such inconvenience or impairment, unless such activities of Lessor hereunder are performed in a negligent manner.

12.3. Lessee shall allow any agency of the United States, its officers, agents, employees and contractors to enter upon the Leased Premises for any purposes not inconsistent with Lessee's quiet use and enjoyment, including but not limited to the purpose of inspection. Notwithstanding the preceding sentence, in the event the Air Force (or any other agency having a right of entry under the Federal Facilities Agreement (FFA) as defined in Section 25.8) determines that immediate entry is required for safety, environmental, operations or security purposes it may effect such entry without prior notice. The Lessee shall have no claim against Lessor or against the United States or any officer, agent, employee or contractor thereof on account of any such entries.

END OF ARTICLE 12.

ARTICLE 13.

GENERAL INDEMNIFICATION BY LESSEE

13.1. In addition to any other obligation of Lessee under this Lease to indemnify, defend and hold harmless Lessor, Lessee agrees to indemnify, defend and hold harmless Lessor against and from any and all claims, judgments, damages, penalties, fines, assessments, costs and expenses, liabilities and losses (including, without limitation, diminution in value of the Premises, damages for the loss or restriction on the use of the Premises, sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees) resulting or arising during the term of this Lease:

- (1) from any condition of the Premises (except as otherwise set forth in Article 25), including any building structure or improvement thereon;
- (2) from any breach or default on the part of Lessee in the performance of any covenant or agreement on the part of Lessee to be performed pursuant to the terms of this Lease, or from any act or omission of Lessee, or any of its agents, contractors, servants, employees, Lessees, licensees or invitees; or
- (3) from any accident, injury, death, loss or damage whatsoever caused to any person or property occurring during the term of this Lease, on or about the Leased Premises (including Terminal Common Areas and Parking Areas), or upon the land, streets, curbs or parking areas adjacent thereto.

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

13.2. The term "Person" as used in this Article and Article 25 shall include individuals, corporations, partnerships, governmental units and any other legal entity entitled to bring a claim, action or other demand or proceeding on its own behalf or on behalf of any other entity.

END OF ARTICLE 13.

ARTICLE 14.

UTILITIES

14.1. Lessee acknowledges that the utility lines serving the Terminal as of the Term Commencement Date are sufficient to enable Lessee to obtain, as of the date of commencement of Lessee's activities, sufficient water, electricity, gas for heating, telephone and sewer service. Lessee shall not at any time overburden or exceed the capacity of the mains, feeders, ducts, conduits, or other facilities by which such utilities are supplied to, distributed in or serve the Leased Premises. If Lessee desires to install any equipment which shall require additional utility facilities or utility facilities of a greater capacity than the facilities provided by Lessor, such installation shall be subject to Lessor's prior written approval of Lessee's plans and specifications therefor, which approval shall not be unreasonably withheld. If such installation is approved by Lessor and if Lessor agrees to provide any additional facilities to accommodate Lessee's installation, Lessee agrees to pay Lessor, in advance and on demand, the cost for providing such additional utility facilities or utility facilities of greater capacity.

Lessor also reserves the right to run such utility lines as it deems necessary in connection with the development of the Airport to, from, or through the Leased Premises, provided, however, that Lessor in exercising such reserved right shall provide reasonable prior notice and the opportunity to confer with Lessee and shall exercise reasonable efforts to avoid or minimize interference with use of the Leased Premises.

Lessor, at its sole discretion, shall have the right from time to time, to alter the method and source of supply of the above enumerated utilities to the Leased Premises and Lessee agrees to execute and deliver to Lessor such documentation as may be required to effect such alteration.

Lessor shall have the option to supply any of the above enumerated utilities to the Leased Premises. If Lessor shall elect to supply any of such utilities to the Leased Premises, Lessee will purchase its requirements for such services tendered by Lessor, and Lessee will pay Lessor, within ten (10) days after mailing by Lessor to Lessee of statements therefor, at the applicable rates determined by Lessor from time to time which Lessor agrees shall not be in excess of the public utility rates for the same service, if applicable, to other aviation tenants at the Airport. If Lessor so elects to supply any of such utilities, Lessee shall execute and deliver to Lessor, within ten (10) days after request therefor, any documentation reasonably required by Lessor to effect such change in the method of furnishing of such utilities.

14.2. Except as otherwise provided for in Section 14.1 of this Lease, Lessee shall not be charged for utilities, including heat, air conditioning, water and electricity.

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

14.4. [Omitted].

END OF ARTICLE 14.

ARTICLE 15.

ALTERATIONS - SIGNS

15.1. Lessee shall not place or construct any improvements, changes, structures, alterations or additions (cumulatively referred to in this Article as "Alterations") in, to or upon the Leased Premises without Lessor's written consent. Unless Lessee is subject to an earlier notice requirement under the Lessor's land use controls or other applicable requirements with respect to the information required under this section, any request for Lessor's consent shall be made upon sixty (60) days written notice and shall be accompanied by preliminary engineering or architectural plans or, if consented to by Lessor, working drawings. If Lessor grants its consent all such work shall be done at Lessee's sole cost and expense, subject, in all cases, to the following covenants:

(1) All work and Alterations shall be done in compliance with all applicable governmental regulations, codes, standards or other requirements, including fire, safety and building codes and Land Use Regulations promulgated by Lessor and with the provisions of Article 25 of this Lease. This obligation shall include compliance with all applicable provisions of the FFA (as defined in Section 25.8), including obligations imposed upon Lessor in respect to construction and construction related work.

(2) All Alterations shall be of such a character as not to materially reduce the value and usefulness of any of the buildings or other improvements below their value and usefulness immediately before such Alteration. All work performed hereunder shall be performed in a good and workmanlike manner, shall conform to drawings and specifications approved by Lessor and shall not be disruptive of the overall operation the Airport. All contractors engaged by Lessee to perform such work shall employ labor that can work in harmony with all elements of labor at the Airport.

(3) During the period of construction of any Alterations, Lessee or any contractor, subcontractor or sublessee of Lessee shall maintain or cause to be maintained the following insurance:

(i) The Commercial General Liability and automobile liability insurance provided for in Article 7.1.B.(2) and (4) shall be maintained for the limits specified thereunder and shall provide coverage for the mutual benefit of Lessor and Lessee as named insured in connection with any Alteration permitted pursuant to this Article 15;

(ii) Property and fire and any other applicable insurance provided for in Article 7 which if not then covered under the provisions of existing policies shall be covered by special endorsement thereto in respect to any Alteration, including all materials and equipment therefor incorporated in, on or about the Leased Premises (including excavations, foundations, and footings) under a broad form all risks builder's risk completed value form or equivalent thereof; and

(iii) Workers' compensation insurance covering all persons employed in connection with the work and with respect to whom death or bodily injury claims could

be asserted against Lessor, Lessee or the Leased Premises, with statutory limits as then required under the laws of the State of New Hampshire.

The provisions of all applicable Sections of Article 7 of this Lease shall apply to all insurance provided for in this Section.

(4) Lessee shall provide Lessor with MYLAR as-built drawings when any Alteration authorized hereunder is completed.

15.2. Lessee may erect and maintain suitable signs only within the Leased Premises and upon receiving the prior written approval of Lessor. Lessee shall submit drawings of proposed signs and information on the number, size, type, and location, all of which Lessor may review for harmony and conformity with the overall structure and architectural and aesthetic setting of the Leased Premises and the Airport as well as with Lessor's own land use control regulations and may approve or disapprove accordingly.

15.3. The Lessee, its sublessees and assignees shall not conduct any excavation, digging, drilling or other disturbance of areas denoted as "Use Restriction Zones" on **Exhibit C** of the Deed, referenced in Section C of the Recitals of this Lease.

15.4. Notwithstanding any other provision of this Lease, the right of Lessee to place or construct Alterations in, to or upon the Leased Premises shall be subject to Paragraph B of the Deed, referenced in Section C of the Recitals of this Lease.

15.5. In addition to the requirements to provide notice to Lessor under this Article 15 in respect to any Alteration, Lessee shall also provide notice to the Air Force, EPA and NHDES in the same manner and to the extent required of Lessor under the Deed and/or the FFA.

END OF ARTICLE 15.

ARTICLE 16.

DESTRUCTION AND RESTORATION

16.1. In the event the Terminal is damaged by fire or other casualty to the extent of fifty per cent (50%) or greater, as determined solely by Lessor, Lessor shall have the right to elect not to rebuild, in which event this Lease shall be terminated upon seven (7) days notice by Lessor to Lessee. In such event all proceeds of insurance shall be distributed in the same priority as set forth in Section 16A.1. Lessee shall not be deemed to be in default of the Lessee Service Obligations herein if Lessor terminates this Lease under this provision unless Lessor makes available within seven (7) days alternate premises suitable for Lessee's commercial passenger transportation services as reasonably determined by Lessee. In the event the Leased Premises, including improvements or facilities located on the Leased Premises, (but excluding movable trade fixtures, furniture and equipment), shall be damaged by fire or other casualty, and Lessor does not terminate this Lease in accordance with the first sentence of this Section 16.1, such damage shall be repaired by Lessee as promptly as possible and at Lessee's expense so as to restore the same as nearly as possible to the condition prior to such damage. In discharging this obligation Lessee may utilize available insurance in accordance with the provisions of Section 16.2 and Section 16.5 and shall perform such work in accordance with Section 16.6. The repair obligations of Lessee under this Section 16.1 extend to the Leased Premises only.

16.2. All insurance proceeds payable as the result of any damage to the Leased Premises shall be endorsed by Lessee and the Air Force, to the extent of its interests and shall be held by Lessor and shall be paid out from time to time as the repair/restoration work progresses as follows:

(a) Lessee shall give a written request for payment to Lessor which shall be accompanied by a verified statement from Lessee setting forth that the sum then requested either has been paid by Lessee or is justly due to contractors, subcontractors, materialmen, engineers, architects, or other persons who have rendered services or furnished materials for certain work. Such statement shall give a description of such services and materials, shall list the several amounts so paid or due to each of such persons, and shall state that no part of such expenditures has been or is being made the basis for any other request for payment. Such statement shall state also that except for the amounts listed therein, there is no outstanding indebtedness known to Lessee after due inquiry, which is then due for labor, wages, materials, supplies, or services in connection with such work which, if unpaid, might become the basis of a vendor's, mechanic's, laborer's, materialman's, or similar lien upon such work or upon the Leased Premises.

(b) Within fourteen (14) days after the receipt of such statement from Lessee, Lessor shall out of the fund held by Lessor pay to the person(s) named in such statement the respective amounts stated in such statement to be due to them, or shall pay to Lessee the amount stated in such certificate to have been paid by Lessee; provided, however, that such payments shall not exceed in amount the fair value of the relevant work as stated in such certificate. If the total insurance proceeds exceed the amount required to pay the cost of all construction when completed, Lessor shall be entitled to retain such excess.

16.3. All insurance money paid on account of any damage or destruction (less the actual cost, fees and expenses, if any, incurred by Lessor in connection with the adjustment of the loss, which costs, fees and expenses shall be paid to Lessor shall be applied, to the payment of the cost of the aforesaid restoration, repairs, replacement, rebuilding or alterations, including the cost or demolition and temporary repairs and for the protection of property pending the completion of permanent restoration, repairs, replacements, rebuilding or alterations (all of which temporary repairs, protection of property and permanent restoration, repairs, replacement, rebuilding or alterations are hereinafter collectively referred to as the "restoration"). Such insurance money shall be endorsed by Lessor, Lessee, and held and applied in accordance with the terms of this Article.

Notwithstanding any other provisions of this Lease, any insurance proceeds received by Lessor shall not be required to be paid out if at the time of the request for payment from Lessee, Lessee is in default in the performance of any term of this Lease as to which notice of default has been given and which has not been remedied within the time specified for remedying the same.

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

16.5. Upon completion of the restoration, and after taking into account other applicable requirements in respect to the application of such proceeds, any balance of the insurance money held by Lessor (or by Lessee) shall be paid to Lessor or the State in their order of priority in order to reduce the outstanding amount of indebtedness, of any loan provided to Lessee by Lessor and/or the State.

16.6. Except as otherwise expressly provided in this Article, no destruction of, or damage to the Leased Premises or any part thereof by fire or any other cause shall permit Lessee to surrender this Lease or shall relieve Lessee from its obligations to pay the full Terminal Area Rent, and additional rent payable under this Lease or from any of its other obligations under this Lease, and Lessee waives any rights now or hereafter conferred upon it by statute or otherwise to quit or surrender this Lease or the Leased Premises or any suspension, diminution, abatement or reduction of rent on account of any such destruction or damage other than as allowed under this Article.

Notwithstanding the preceding provision of this Section 16.6 Lessee shall be entitled to an abatement of rent to the extent all or any portion of the Leased Premises is rendered untenable as the result of such damage or destruction.

END OF ARTICLE 16.

ARTICLE 16(A).

EMINENT DOMAIN

16A.1. In the event that there is a taking by eminent domain of the whole of the Leased Premises, this Lease shall terminate and the entire damages attributable to the land area shall accrue to Lessor, and that portion of the damages attributable to the capital improvements or buildings shall be divided between Lessor and Lessee as follows:

First, to Lessee an amount equal to the unamortized balance of leasehold improvements made at Lessee's expense calculated on a straight line basis over the useful life of said improvement.

Second, to Lessor any remaining balance.

16A.2. In the event that there is a taking by eminent domain of a portion of the Leased Premises, then this Lease shall terminate as to the portion taken and the amount of the damages attributable to the area taken shall be apportioned between Lessor and Lessee in the same manner as set forth in Section 16A.1. In the event that the taking shall not be of the entire Leased Premises, but the part of the Leased Premises remaining shall not be reasonably sufficient and suitable for Lessee's use and occupancy for the purposes permitted hereunder, then Lessee may terminate this Lease forthwith. If Lessee so determines and terminates this Lease, the damages attributable for improvements made by Lessee at its expense shall be divided between Lessor and Lessee as follows: Lessee will receive that amount equal to the unamortized balance of any such improvements made by Lessee at its sole expense calculated over their useful life on a straight line basis, and Lessor will receive any balance.

In the event of such partial taking and an election by Lessee not to terminate this Lease as herein provided, the total amount of damages shall accrue to Lessor, and the rental paid by Lessee shall be reduced in the proportion which the area of the portion taken bears to the area demised under the provisions hereof.

16A.3. Notwithstanding any other provision of this Lease, in the event of a temporary taking (i.e., 6 months or less) this Lease shall not terminate but shall resume at the expiration of the period within which the taking authority exercises dominion of the area subject to the temporary taking, provided, however, that in such event Lessee shall be under no obligation to pay rent and shall be allowed to share in any damages to the extent that the award reflects the fair rental value of the property taken and such value exceeds the established rental, including all applicable charges, required to be paid by Lessee to Lessor under this Lease.

END OF ARTICLE 16(A).

ARTICLE 17.

DEFAULT BY LESSOR

17.1. The occurrence of the following events shall constitute a default and breach of this Lease by Lessor:

The failure by Lessor to observe or perform any covenant required to be observed or performed by it where such failure continues for thirty (30) working days after written notice thereof by Lessee to Lessor, provided that if the default is such that the same cannot reasonably be cured within such 30-day period, Lessor shall not be deemed to be in default if it shall have commenced the cure and thereafter diligently prosecutes the same to completion.

17.2. In the event of any such default by Lessor, Lessee may elect among any of the following remedies:

1. termination of this Lease;
2. a rental abatement based on the degree of uninhabitability (as determined by agreement of the Parties) of the Leased Premises caused by Lessor's default but only for the period that such default remains in effect;
3. subject to available legal and factual defenses,
 - a decree or order of a court of competent jurisdiction compelling specific performance by Lessor of its obligations under the Lease;
 - a decree or order by a court of competent jurisdiction restraining or enjoining the breach by Lessor of any of its obligations under the Lease;
4. to the extent allowed by law, the right to undertake to cure Lessor's default, in which event Lessor shall pay Lessee the reasonable costs incurred in such undertaking, provided that such cost does not exceed the value of the rental payments to Lessor due under this Lease for any one year period.

Notwithstanding any other provision of this Lease, this right to undertake to cure Lessor's default shall not extend beyond the Leased Premises and shall not be exercised in any way that causes disruption or interference with the overall operation of the Airport.

END OF ARTICLE 17.

ARTICLE 18.

DEFAULT BY LESSEE

18.1. The occurrence of any of the following events shall constitute a default and breach of this Lease by Lessee:

A. The failure by Lessee to pay when due the ground rent or additional rent or to make any other payment required to be made by Lessee to Lessor hereunder where such failure continues for seven (7) working days after written notice thereof by Lessor to Lessee.

B. The abandonment or vacation of the Leased Premises by Lessee while in breach or default of any provision of this Lease or that lasts for 14 days or more.

C. The failure by Lessee to observe and perform any other provision of this Lease (including without limitation compliance with federal, state and local laws and regulations) to be observed or performed by Lessee, where such failure continues for thirty (30) working days after written notice thereof by Lessor to Lessee; provided that if the nature of such default is such that the same cannot reasonably be cured within such thirty-day period, Lessee shall not be deemed to be in default if Lessee shall within such period commence such cure and thereafter diligently prosecutes the same to completion.

D. The making by Lessee of any general assignment for the benefit of creditors; the filing by or against a Lessee of a petition to have Lessee adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy where possession is not restored to Lessee within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Leased Premises or of Lessee's interest in this Lease, where such seizure is not discharged within thirty (30) days.

18.2. In the event of any Default by Lessee, Lessor shall have the option to terminate this Lease and all rights of Lessee hereunder by giving written notice of such intention to terminate in the manner specified herein, or Lessor may elect among any one or more of the following remedies without limiting any other remedies available to Lessor:

- (1) subject to available legal and factual defenses,
 - a decree or order of a court of competent jurisdiction compelling specific performance by Lessee of its obligations under the Lease;
 - a decree or order by a court of competent jurisdiction restraining or enjoining the breach by Lessee of any of its obligations under the Lease; and
- (2) to the extent allowed by law, the right to undertake to cure Lessee's default, in which event Lessee shall pay Lessor the reasonable costs incurred in such undertaking, provided that such cost does not exceed the value of the rental payments to Lessor due under this Lease for the year in which such default occurs. Except for emergency conditions, Lessor shall provide Lessee with two

(2) business days prior written notice of its intent to exercise the right to undertake to cure Lessee's default. In the event Lessee commences to cure such default within this two (2) day period and diligently prosecutes the same to completion, Lessor shall refrain from exercising the right to undertake its own cure of Lessee's default.

In the event that Lessor shall elect to so terminate this Lease, then Lessor may recover from Lessee:

- (i) any unpaid rent up to the effective date of termination; plus
- (ii) any other amount necessary to compensate Lessor for all the detriment proximately caused by Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom including the discounted value of the rental payments to Lessor under the full term of this Lease not otherwise offset by rentals realized from a subsequent Lease with a third party, including a Lessee provided by Lessee and reasonably acceptable to Lessor; plus
- (iii) such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable New Hampshire law.

18.3. In the event of any such default by Lessee, Lessor shall also have the right, with or without terminating this Lease, to reenter the Leased Premises and remove all persons and property from the Leased Premises to the extent allowed under New Hampshire law. Such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Lessee. Under no circumstances shall Lessor be held liable in damages or otherwise by reason of any such reentry or eviction or by reason of the exercise by Lessor of any other remedy provided in this Article. All property of Lessee which is stored by Lessor may be redeemed by Lessee within thirty (30) days after Lessor takes possession upon payment to Lessor in full of all obligations then due from Lessee to Lessor and of all costs incurred by Lessor in providing such storage. If Lessee fails to redeem such property within this thirty (30) day period, Lessor may sell the property in any reasonable manner, and shall apply the proceeds of such sale actually collected first against the costs of storage and sale and then against any other obligation due from Lessee.

18.4. In the event of the vacation or abandonment of the Leased Premises by Lessee for seven (7) days or in the event that Lessor shall elect to reenter as provided in Section 18.3 or shall take possession of the Leased Premises pursuant to any provision of New Hampshire law or pursuant to any notice provided by law, then if Lessor does not elect to terminate this Lease as provided in Section 18.2, Lessor may from time to time, without terminating this Lease, either recover all rental as it becomes due or relet the Leased Premises or any part thereof for such terms and conditions as Lessor in its sole discretion may deem advisable, including the right to make alterations and repairs to the Leased Premises. In the event that Lessor shall elect to relet, then rentals received by Lessor from such reletting shall be applied: first, to the payment of any indebtedness other than rent due hereunder from Lessee to Lessor; second, to the payment of any cost of such reletting; third, to the payment of the cost of any alterations and repairs to the Leased Premises; fourth, to the payment of rent due and unpaid hereunder; and the residue, if any, shall

be held by Lessor and applied in payment of future rent as the same may become due and payable hereunder. Should the amount of rental received from such reletting during any month which is applied to the payment of rent be less than that required to be paid during that month by Lessee under this Lease, then Lessee shall pay such deficiency to Lessor immediately upon demand by Lessor. Such deficiency shall be calculated and paid monthly. Lessee shall also pay to Lessor, as soon as ascertained, any costs and expenses incurred by Lessor in such reletting or in making such alterations and repairs not covered by the rentals received from such reletting.

18.5. The various rights and remedies reserved to Lessor, including those not specifically described under this Lease, shall be cumulative, and, except as otherwise provided by New Hampshire statutory law in force and effect at the time of the execution of this Lease, Lessor may pursue any or all of such rights and remedies, whether at the same time or otherwise.

18.6. No delay or omission of Lessor to exercise any right or remedy shall be construed as a waiver of any such right or remedy or of any default by Lessee.

18.7. Notwithstanding any other provision of this Lease in the event the breach by Lessee in the reasonable opinion of Lessor affects or is likely to affect the efficient operation of the Airport or give rise to public safety concerns, in addition to any other remedy it may have under this Lease, Lessor shall also be entitled (but shall not be obligated) to take whatever actions is deemed necessary by Lessor to abate or cure such situation and Lessee shall reimburse Lessor for all costs incurred by Lessor in taking such action.

END OF ARTICLE 18.

ARTICLE 19.

PROHIBITION AGAINST TRANSFERS - BANKRUPTCY

19.1. Lessee shall not have the right to delegate any of its responsibilities or obligations, to assign any of its rights, or to mortgage or otherwise transfer any of its rights or interests under this Lease or to mortgage any portion of the Leased Premises.

19.2. If a petition is filed by or against Lessee for relief under Title 11 of the United States Code, as amended (the "Bankruptcy Code"), and Lessee (including for purposes of this Section Lessee's successor in bankruptcy, whether a trustee or Lessee as debtor-in-possession) assumes and proposes to assign, or proposes to assume and assign, this Lease pursuant to the provisions of the Bankruptcy Code to any person or entity who has made a bona fide offer to accept an assignment of this Lease, then notice of the proposed assignment setting forth (a) the name and address of the proposed assignee, (b) all of the terms and conditions of the offer and proposed assignment, and (c) the adequate assurance to be furnished by the proposed assignee of its future performance under the Lease, shall be given to Lessor by Lessee no later than twenty (20) days (or such other period of time as the court may allow) after Lessee has made or received such offer, but in no event later than thirty (30) days (or such other period of time as the court may allow) prior to the date on which Lessee applies to a court of competent jurisdiction for authority and approval to enter into the proposed assignment. If this Lease is assigned pursuant to the provisions of the Bankruptcy Code, Lessor may request from the assignee a guarantee similar to that requested of Lessee under Article 27. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed, without further act or documentation, to have assumed all of Lessee's obligations arising under this Lease on and after the date of such assignment. Any such assignee shall, upon demand, execute and deliver to Lessor an instrument confirming such assumption. No provision of this Lease shall be deemed a waiver of Lessor's rights or remedies under the Bankruptcy Code to oppose any assumption and/or assignment of this Lease, to require a timely performance of Lessee's obligations under this Lease, or to regain possession of the Premises if this Lease has neither been assumed nor rejected within sixty (60) days after the date of the order for relief or within such additional time as a court of competent jurisdiction may have fixed. Notwithstanding anything in this Lease to the contrary, all amounts payable by Lessee to or on behalf of Lessor under this Lease, whether or not expressly denominated as rent, shall constitute rent for the purposes of Section 502(b)(6) of the Bankruptcy Code.

END OF ARTICLE 19.

ARTICLE 20.

[RESERVED]

END OF ARTICLE 20.

ARTICLE 21.

ESTOPPEL CERTIFICATES AND FINANCIAL STATEMENTS

21.1. Lessor, on or before twenty (20) days following receipt of a written request from Lessee, and Lessee, on or before twenty (20) days following receipt of a written request from Lessor, shall deliver to the party making such request a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there shall have been modifications that the same is in full force and effect as modified and stating the modifications) and the date to which the rent and any other deposits or charges have been paid and stating whether or not, to the best knowledge of the party executing such certificate (based on reasonable investigation), the party requesting such statement is in default in the performance of any covenant, agreement or condition contained in this Lease and, if so, specifying each such default of which the executing party may have knowledge.

21.2. Lessee, on or before twenty (20) days following receipt of a written request from Lessor, shall deliver to Lessor its annual audited financial statements of Lessee and any parent, subsidiary, or affiliated entities as requested by Lessor

END OF ARTICLE 21.

ARTICLE 22.

INVALIDITY OF PARTICULAR PROVISIONS

If any term or provision of this Lease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

END OF ARTICLE 22.

ARTICLE 23.

NOTICES

Whenever Lessor or Lessee shall desire to give or serve upon the other any notice, demand, request or other communication with respect to this Lease or with respect to the Leased Premises each such notice, demand, request or other communication shall be in writing and shall not be effective for any purpose unless same shall be given or served by personal delivery to the party or parties to whom such notice, demand, request or other communication is directed or by mailing the same, in duplicate, to such party or parties by certified mail, postage prepaid, return receipt requested, addressed as follows:

If to Lessor: Pease Development Authority
 55 International Drive
 Portsmouth, NH 03801

 Attention: Executive Director

If to Lessee:

 Deal Rent-A-Car, LLC
 549 Route 1 Bypass
 Portsmouth, NH 03801

 Attention: _____

or at such other address or addresses as Lessor or Lessee may from time to time designate by notice given by certified mail.

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

END OF ARTICLE 23.

ARTICLE 24.

QUIET ENJOYMENT

Lessor covenants and agrees that Lessee, upon paying the rent and all other charges herein provided for and observing and keeping all covenants, agreements, and conditions of this Lease on its part to be observed and kept, shall quietly have and enjoy the Leased Premises during the term of this Lease without hindrance or molestation by anyone claiming by or through Lessor, subject, however, to the exceptions, reservations and conditions of this Lease including, but not limited to the provisions of Article 25, Environmental Protection.

END OF ARTICLE 24.

ARTICLE 25.

ENVIRONMENTAL PROTECTION

25.1. Lessee and any sublessee or assignee of Lessee shall comply with all federal, state, and local laws, regulations, and standards that are or may become applicable to Lessee's or sublessee's or assignee's activities at the Leased Premises, including but not limited to, the applicable environmental laws and regulations identified in **Exhibit "D"**, as amended from time to time.

25.2. Lessee and any sublessee or assignee of Lessee shall be solely responsible for obtaining at their cost and expense any environmental permits required for their operations under this Lease or any Lease or assignment, independent of any existing Airport permits.

25.3. Lessee shall indemnify, defend and hold harmless Lessor and the Air Force against and from all claims, judgments, damages, penalties, fines, costs and expenses, liabilities and losses (including, without limitation, diminution in value of the Premises, damages for the loss or restriction on the use of the Premises, and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees), resulting or arising from discharges, emissions, spills, releases, storage, or disposal of any Hazardous Substances, or any other action by the Lessee, or any sublessee or assignee of the Lessee, giving rise to Lessor or Air Force liability, civil or criminal, or responsibility under federal, state or local environmental laws.

This indemnification of Lessor and Air Force by Lessee includes, without limitation, any and all claims, judgment, damages, penalties, fines, costs and expenses, liabilities and losses incurred by Lessor or Air Force in connection with any investigation of site conditions, or any remedial or removal action or other site restoration work required by any federal, state or local governmental unit or other person for or pertaining to any discharges, emissions, spills, releases, storage or disposal of Hazardous Substances arising or resulting from any act or omission of the Lessee or any sublessee or assignee of the Lessee at the Leased Premises after the Occupancy Date. "Occupancy Date" as used herein shall mean the earlier of the first day of Lessee's occupancy or use of the Leased Premises or the date of execution of this Lease. "Occupancy" or "Use" shall mean any activity or presence including preparation and construction in or upon the Leased Premises.

The provisions of this Section shall survive the expiration or termination of the Lease, and the Lessee's obligations hereunder shall apply whenever the Lessor or the Air Force incurs costs or liabilities for the Lessee's actions of the types described in this Article.

25.4. Notwithstanding any other provision of this Lease, Lessee and its sublessees and assignees do not assume any liability or responsibility for environmental impacts and damage caused by the use by the Air Force of Hazardous Substances on any portion of the Airport, including the Leased Premises. The Lessee and its sublessees and assignees have no obligation to undertake the defense, remediation and cleanup, including the liability and responsibility for the costs of damages, penalties, legal and investigative services solely arising out of any claim or action in existence now, or which may be brought in the future by any person, including governmental units against the Air Force, because of any use of, or release from, any portion of

the Airport (including the Leased Premises) of any Hazardous Substances prior to the Occupancy Date. Furthermore, the parties recognize and acknowledge the obligation of the Air Force to indemnify the Lessor and Lessee to the extent required by the provisions of Public Law No. 101-511, Section 8056.

In addition, Lessor shall indemnify, defend and hold harmless Lessee against and from any and all claims, judgments, damages, penalties, fines, costs and expenses, liabilities and losses (including, without limitation, diminution in value of the Premises, damages for the loss or restriction on the use of the Premises, and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees), resulting or arising from discharges, emissions, spills, releases, storage or disposal of Hazardous Substances, or any other action by Lessor giving rise to Lessee liability or responsibility under federal, state or local environmental laws. This provision shall survive the expiration or termination of the Lease, and the Lessor's obligations hereunder shall apply whenever the Lessee incurs costs or liabilities for the Lessor's actions of the types described in this Article.

25.5. As used in this Lease, the term "Hazardous Substances" means any hazardous or toxic substance, material or waste, oil or petroleum product, which is or becomes regulated by any local governmental authority, the State of New Hampshire or the United States Government. The term "Hazardous Substances" includes, without limitation, any material or substance which is (i) defined as a "hazardous waste," under New Hampshire RSA ch.147-A, (ii) defined as a "hazardous substance" under New Hampshire RSA ch.147-B, (iii) oil, gasoline or other petroleum product, (iv) asbestos, (v) listed under or defined as hazardous substance pursuant to Parts Env-Wm 110, 211-216, 351-353, 400-100 ("Hazardous Waste Rules") of the New Hampshire Code of Administrative Rules, (vi) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1317, (vii) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. (42 U.S.C. §6903), or (viii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 et seq. (42 U.S.C. §9601) and (ix) so defined in the regulations adopted and publications promulgated pursuant to any of such laws, or as such laws or regulations may be further amended, modified or supplemented (collectively "Hazardous Substance Laws").

As used in this Lease, the terms "release" and "storage" shall have the meanings provided in RSA 147-B:2, as amended, and the term "disposal" shall have the meaning provided in RSA 147-A:2.

25.6. Lessor's rights under this Lease specifically include the right for Lessor to inspect the Leased Premises and any buildings or other facilities thereon for compliance with environmental, safety, and occupational health laws and regulations, whether or not the Lessor is responsible for enforcing them. Such inspections are without prejudice to the right of duly constituted enforcement officials to make such inspections.

25.7. Notwithstanding any other provision of this Lease, Lessor is not responsible for any removal or containment of asbestos. If Lessee and any sublessee or assignee intend to make any improvements or repairs that require the removal of asbestos, an appropriate asbestos disposal

plan must be incorporated in the plans and specifications. The asbestos disposal plan shall identify the proposed disposal site for the asbestos. In addition, non-friable asbestos which becomes friable through or as a consequence of the activities of Lessee will be abated by Lessee at its sole cost and expense.

25.8. Lessor and Lessee acknowledge that the Airport has been identified as a National Priority List (NPL) Site under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, as amended. Lessee acknowledges that Lessor has provided it with a copy of the Pease Federal Facility Agreement (“FFA”) entered into by EPA, and the Air Force on April 24, 1991, and Modification No. I thereto, effective March 18, 1993, agrees that it will comply with the terms of the FFA to the extent the same may be applicable to the Leased Premises and that should any conflict arise between the terms of the FFA and the provisions of this Lease, the terms of the FFA will take precedence. The Lessee further agrees that the Lessor assumes no liability to the Lessee or any Lessee or assignee of Lessee should implementation of the FFA interfere with their use of the Leased Premises. The Lessee and its sublessee(s) and assignee(s) shall have no claim on account of any such interference against the Lessor or any officer, agent, employee or contractor thereof, other than for abatement of rent.

25.9. The Air Force, EPA, and NHDES and their officers, agents, employees, contractors, and subcontractors have the right, upon reasonable notice to the Lessee and any sublessee or assignee, to enter upon the Leased Premises for the purposes enumerated in this subparagraph and for such other purposes consistent with the FFA:

(1) to conduct investigations and surveys, including, where necessary, drilling, testpitting, borings and other activities related to the Pease Installation Restoration Program (“IRP”) or the FFA;

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

(3) to conduct any test or survey required by the EPA or NHDES relating to the implementation of the FFA or environmental conditions at the Leased Premises or to verify any data submitted to the EPA or NHDES by the Air Force relating to such conditions;

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

25.10. Lessee and its sublessees and assignees agree to comply with the provisions of any health or safety plan in effect under the IRP or the FFA during the course of any of the above described response or remedial actions. Any inspection, survey, investigation, or other response or remedial action will, to the extent practicable, be coordinated with representatives designated by the Lessee and any sublessee or assignee. Lessee and any sublessee or assignee shall have no claim on account of such entries against the State as defined in FFA or any officer, agent, employee, contractor, or subcontractor thereof.

25.11. Lessee further agrees that in the event of any authorized Lease or assignment of the Leased Premises, it shall provide to the Air Force, EPA and NHDES by certified mail a copy of the agreement of Lease or assignment of the Leased Premises within fourteen (14) days after the effective date of such transaction. Lessee may delete the financial terms and any other proprietary information from any Lease or assignment submitted to the above mentioned entities.

25.12. The Airport air emissions offsets and Air Force accumulation points for hazardous and other wastes will not be made available to Lessee. Lessee shall be responsible for obtaining from some other source(s) any air pollution credits that may be required to offset emissions resulting from its activities under the Lease.

25.13. Any permit required under Hazardous Substance Laws for the management of Hazardous Substances stored or generated by Lessee or any sublessee or assignee of Lessee shall be obtained by Lessee or its sublessees or assignee and shall be limited to generation and transportation. Any violation of this requirement shall be deemed a material breach of this Lease. Lessee shall provide at its own expense such hazardous waste storage facilities, complying with all laws and regulations, as it needs for management of its hazardous waste.

25.14. Lessee, and any sublessee or assignee of Lessee whose operations utilize Hazardous Substances, shall have a completed and approved plan for responding to Hazardous Substances spills prior to commencement of operations on the Leased Premises. Such plan shall be independent of, but not inconsistent with, any plan or other standard of Lessor applicable to the Airport and except for initial fire response and/or spill containment, shall not rely on use of the Airport or Lessor personnel or equipment. Should the Lessor provide any personnel or equipment, whether for initial fire response and/or spill containment or otherwise, on request of the Lessee, or because the Lessee was not, in the opinion of Lessor, conducting timely cleanup actions, the Lessee agrees to reimburse the Lessor for its costs.

25.15. Lessee, and any sublessee or assignee of Lessee, must maintain and make available to Lessor, the Air Force, EPA and NHDES all records, inspection logs, and manifests that track the generation, handling, storage, treatment and disposal of hazardous waste, as well as all other records required by applicable laws and requirements. The Lessor and the Air Force reserve the right to inspect the Leased Premises and Lessee's, its sublessee's or assignee's records for compliance with Federal, State, local laws, regulations, and other requirements relating to the generation, handling, storage, treatment and disposal of hazardous waste, as well as the discharge or release of hazardous substances. Violations may be reported by Lessor and the Air Force to appropriate regulatory agencies, as required by applicable law. The Lessee, its sublessees or assignees shall be liable for the payment of any fines and penalties which may accrue as a result of the actions of Lessee, its sublessees or assignees, respectively.

25.16. Lessee, its sublessees and assignees agree to comply with the provisions of any Wetlands Management Plan in effect at Pease. Lessee, its sublessees and assignees will minimize the destruction, loss or degradation of wetlands on the Leased Premises. Lessee, its sublessees and assignees will obtain prior written approval from Lessor and the Air Force before conducting any new construction in wetland areas. Lessee, its sublessees and assignees will obtain all necessary permits or waivers under Section 404 of the Clean Water Act and the New Hampshire Fill and Dredge in Wetlands Act.

25.17. Prior to the development of any portion of the Leased Premises on which a wetland has been identified in the Final Supplemental Environmental Impact Statement dated August 1995 (“SEIS”), the Lessee, its sublessees and assignees, as applicable, shall, if one has not previously been completed, perform a wetland delineation.

25.18. Prior to the storage, mixing, or application of any pesticide, as that term is defined under the Federal Insecticide, Fungicide, and Rodenticide Act, the Lessee, its sublessees and assignees shall prepare a plan for storage, mixing and application of pesticides (“Pesticide Management Plan”). The Pesticide Management Plan shall be sufficient to meet all applicable Federal, State and local pesticide requirements. The Lessee, its sublessees and assignees shall store, mix and apply all pesticides within the Leased Premises only in strict compliance with the Pesticide Management Plan. The pesticides will only be applied by a licensed applicator.

25.19. The Lessee, its sublessees and assignees must notify the Lessor and the Site Manager of its intent to possess, store, or use any licensed or licensable source or byproduct materials, as those terms are defined under the Atomic Energy Act and its implementing regulations; of Lessee’s, its sublessees and assignees intent to possess, use, or store radium; and of Lessee’s, its sublessees and assignees intent to possess or use any equipment producing ionizing radiation and subject to specific licensing requirements or other individual regulations, at least sixty (60) days prior to the entry of such materials or equipment upon the Airport. Upon notification, the Lessor and the Site Manager may impose such requirements, including prohibition of possession, use, or storage, as deemed necessary to adequately protect health and human environment. Thereafter, the Lessee must notify the Lessor and the Site Manager of the presence of all licensed or licensable source or other byproduct materials, of the presence of all radium, and of the presence of all equipment producing ionizing radiation and subject to specific licensing requirements or other individual regulation; provided, however, that the Lessee, its sublessees and assignees need not make either of the above notifications to the Lessor and the Site Manager with respect to source and byproduct material which is exempt from regulation under the Atomic Energy Act. The Lessee shall not, under any circumstances, use, own, possess or allow the presence of special nuclear material on the Leased Premises.

25.20. The Lessee, its sublessees and assignees acknowledge that lead-based paint may be present in and on facilities within the Leased Premises. Prior to beginning any Alterations, other construction or construction related work, (to include paint stripping or sanding, excavating, demolition, or restoration), the Lessee, any sublessee or assignee must test any paint which would be disturbed unless a conclusive determination has been made that lead-based paint is not present. If paint is lead-based, the Lessee, any sublessee or assignee is required to handle it in accordance with the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. Section 4852(d) and all applicable Federal, State and local laws and regulations at its own expense. The Lessee is required to ensure that any lead-based paint is maintained in good condition.

END OF ARTICLE 25.

ARTICLE 26.

MISCELLANEOUS

- 26.1. All rent or fees and all other sums which may from time to time become due and payable by Lessee to Lessor under any of the provisions of this Lease shall be made payable to the "Pease Development Authority" and forwarded by the Lessee direct to Lessor's Executive Director at the address specified in Article 23. All such rent and other sums if not paid on the due date shall bear interest from and after the due date thereof at the higher of the then current rate applied to legal judgments by the courts of the State of New Hampshire or the rate of eighteen percent (18%) per annum; provided, however, that such interest shall in no event exceed the maximum rate permitted by law.
- 26.2. In all cases the language in all parts of this Lease shall be construed simply, according to its fair meaning and not strictly for or against Lessor or Lessee.
- 26.3. The word titles underlying the Article designations contained herein are inserted solely for convenience and under no circumstances are they or any of them to be treated or construed as any part of this instrument.
- 26.4. In any action or proceeding which either Party may take to enforce such Party's rights hereunder, whether prior to or after breach or termination, or to which such Party may be made a party because of any matters arising or growing out of this Lease, and due to the act or default of the other, the Party whose act or default caused the other Party, without fault to become involved in such litigation, or who shall be defeated in such litigation, agrees to pay all costs incurred by the winning or other party therein, including reasonable attorneys' fees.
- 26.5. If Lessee should remain in possession of the Leased Premises after the expiration of the term of this Lease and without executing a new lease, then such holding over shall be construed as a tenancy from month to month, subject to all the conditions, provisions and obligations of this Lease insofar as the same are applicable to a month to month tenancy.
- 26.6. The individual executing this Lease on behalf of Lessee represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said entity, and that this Lease is binding upon said entity in accordance with its terms. A Certificate of Corporate Good Standing issued by the New Hampshire Secretary of State is attached to this Lease as **Exhibit E**.
- 26.7. This Lease covers in full each and every agreement of every kind or nature whatsoever between the Parties hereto concerning the Leased Premises and all preliminary negotiations and agreements of every kind or nature whatsoever with respect to the Leased Premises; and no other person, firm or corporation has at any time had any authority from Lessor to make any representations or promises on behalf of Lessor, and Lessee expressly agrees that if any such representations or promises have been made by Lessor or others, Lessee hereby waives all right to rely thereon. No verbal agreement or implied covenant shall be held to vary the provisions hereof, any statute, law, or custom to the contrary notwithstanding. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. Lessee acknowledges that it has read this Section and understands it to be a waiver of any right to rely on any representations or agreements not expressly set forth in this Lease.

26.8. Subject to the provisions hereof, this Lease shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and assigns, and wherever a reference in this Lease is made to either of the Parties hereto such reference shall be deemed to include, wherever applicable, also a reference to the successors and assigns of such party, as if in every case so expressed.

26.9. Nothing contained in this Lease shall be deemed or construed by the Parties hereto or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Lessor and Lessee, and neither the method of computation of rent nor any other provision contained in this Lease nor any acts of the Parties hereto shall be deemed to create any relationship between Lessor and Lessee other than the relationship of landlord and tenant.

26.10. Lessee hereby acknowledges that late payment by Lessee to Lessor of rent and other sums due under this Lease will cause Lessor to incur additional costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such additional costs include, without limitation, processing and accounting charges, and late charges which may be imposed upon Lessor by the terms of the mortgage or deed of trust covering the Premises. Therefore, if any installment of rent, fee or any other sum due from Lessee shall not be received on the date that such amount shall be due, Lessee agrees to pay, and shall pay, to Lessor a late charge equal to ten percent (10%) of the overdue amount. The Parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of late payment by Lessee. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's default with respect to such overdue amount or prevent Lessor from exercising any or all of the other rights and remedies granted under this Lease.

26.11. Each party hereto warrants to the other that it has no dealings with any real estate broker or agent in connection with the negotiation of this Lease.

26.12. This Lease shall be construed and enforced in accordance with the laws of the State of New Hampshire.

26.13. Any actions or proceedings with respect to any matters arising under or growing out of this Lease shall be instituted and prosecuted only in courts located in the State of New Hampshire. Notwithstanding any other provision of this Lease, no provision of this Lease shall be deemed to constitute or effect a waiver of the sovereign immunity of the State of New Hampshire and no provision of this Lease, other than the provisions of Article 25 in which Lessor agrees to indemnify Lessee, shall be deemed to constitute or effect a waiver of the sovereign immunity of Lessor as a body politic and corporate of the State of New Hampshire. The sovereign immunity of the State of New Hampshire is reserved to the State of New Hampshire to the fullest extent allowed under law and the sovereign immunity of Lessor is reserved to Lessor to the fullest extent allowed under law with the sole exception of Lessor's indemnification obligations to Lessee under Article 25, provided, however, that Lessor agrees to waive immunity for contractual claims under this Lease to the extent permitted by New Hampshire RSA Ch. 491:8, as the same may be amended.

26.14. This instrument may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

26.15. Lessee shall faithfully observe and comply with such rules and regulations as Lessor may adopt for the operation of the Airport, which rules and regulations are reasonable and nondiscriminatory as well as all modifications thereof and additions thereto. Lessor shall not be responsible to Lessee for the violation or nonperformance by any other tenant of Lessor of any of such Rules and Regulations.

26.16. Lessee agrees to conform to such additional provisions required, from time to time, by the FAA ("FAA Requirements") or its successor with respect to the operation of the Airport, or a portion thereof. The current FAA Requirements are attached hereto as **Exhibit "F"** and incorporated herein by reference.

26.17. This Lease is subject and subordinate to any agreements heretofore or hereafter made between Lessor and the United States or the Air Force, the execution of which is required to enable or permit transfer of rights or property to Lessor for airport purposes or expenditure of federal grant funds for airport improvement, maintenance or development, including, without limitation, the Application and Acceptance, Master Lease and FFA. Lessee shall abide by requirements of any agreement between Lessor and the United States or the Air Force applicable to the Leased Premises or Lessee's activities at the Airport and shall consent to amendments and modifications of this Lease if required by such agreements or as a condition of Lessor's entry into such agreements.

26.18. Lessor, in its sole discretion, shall determine and may from time to time change the routes of surface ingress and egress connecting the Leased Premises. Lessor also reserves the right to further develop the Airport, or such portion of the Airport as is owned or controlled by Lessor, as it sees fit, regardless of the desires or views of Lessee and without interference or hindrance.

26.19. The Lessee herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through it, that this Lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, national origin, or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the Premises herein leased nor shall the Lessee, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, Lessees, subtenants, or vendees in the Leased Premises herein leased.

26.20. All obligations of Lessee to indemnify, defend and hold harmless Lessor and to make any monetary payment to Lessor, shall survive the termination or expiration of this Lease.

END OF ARTICLE 26.

EXECUTION

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease effective as of
the _____ day of _____, 2019

PEASE DEVELOPMENT AUTHORITY

By: _____
David R. Mullen, Executive Director

DEAL RENT-A-CAR, LLC

By: _____
Print Name: _____
Print Title: _____

STATE OF NEW HAMPSHIRE
COUNTY OF ROCKINGHAM

On this ____ day of _____, 2019, before me, _____, a Notary Public in and for said County and State, personally appeared David R. Mullen, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Executive Director of the Pease Development Authority and on oath stated that he was authorized to execute this instrument and acknowledged it to be his free and voluntary act for the uses and purposes set forth herein.

Notary Public
Printed Name: _____
My commission expires: _____

STATE OF NEW HAMPSHIRE
COUNTY OF ROCKINGHAM

On this ____ day of _____, 2019, before me, _____, a Notary Public in and for said County and State, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the _____ of Deal Rent-A-Car, LLC, and on oath stated that he was authorized to execute this instrument and acknowledged it to be his free and voluntary act for the uses and purposes set forth herein.

Notary Public
Printed Name: _____
My commission expires: _____

EXHIBIT A

FEDERAL FACILITIES AGREEMENT
(See Exhibit F to Quitclaim Deed dated October 15, 2003)

EXHIBIT "B"

PLANS DESIGNATING THE LEASED PREMISES

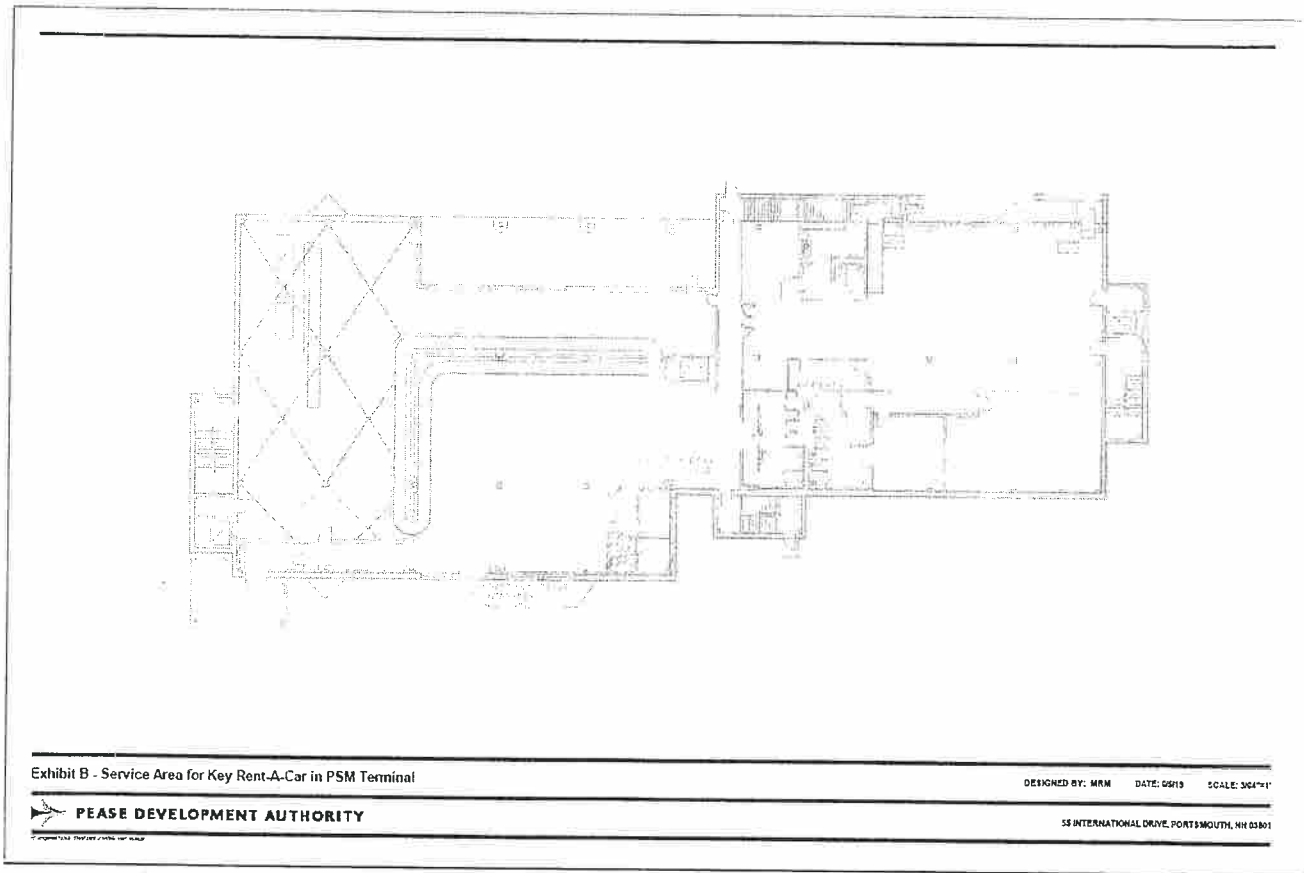


EXHIBIT "B-1"
PARKING AREAS

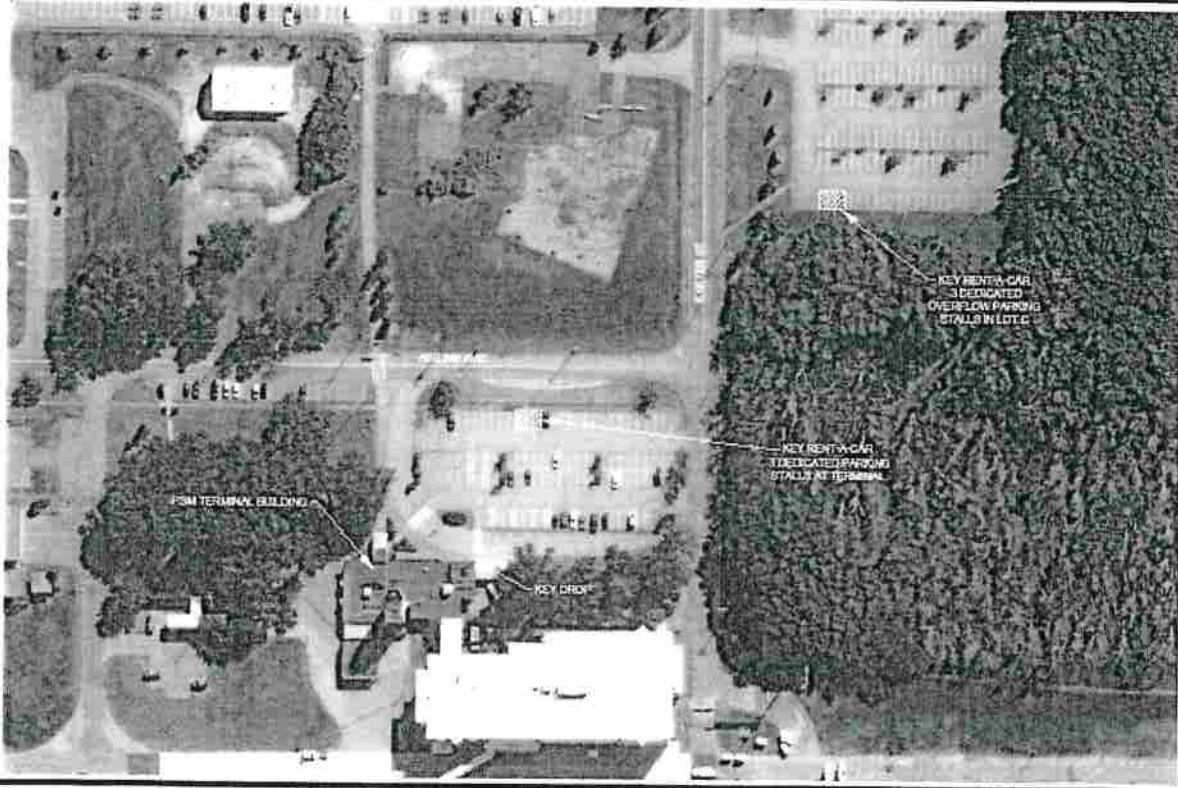


Exhibit B-1 - Location of Key Rent-A-Car Dedicated Parking & Key Drop

DESIGNED BY: MRM DATE: 9/5/19 SCALE: 1"=120'

 **PEASE DEVELOPMENT AUTHORITY**

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

EXHIBIT "C"

EXAMPLE OF A 10% CONCESSION RECOVERY FEE (CRF)

(Concession Fee included in Gross Revenues)

The Concession Recovery Fee is outlined below:

The Lessee owes the Lessor 10% of its revenue. However, Lessee collects that amount from its customers by way of the Concession Recovery Fee of 11.11%. Lessee uses 11.11% because once it pays the Lessor 10% of that collected amount, Lessee is left with only the original amount charged the customer. The Lessor receives the additional 1.11%, which is the 10% of the Concession Recovery Fee. This is the standard Concession Recovery Fee handled in this market at other major airports.

Example of a 10% Concession Recover Fee (CRF), with the Concession Fee being included in Gross Revenues:

On a \$100 rental the Lessee owes the Lessor 10%, which is \$10 for the concession fee. Lessee collects that \$10 from the customer. Since Lessor would like that \$10 included in Gross Revenue, Lessee owes the Lessor 10% of that (or \$1), so Lessee collects and additional \$1 from the customer. Lessee repeats this again until Lessee eventually gets to the 11.11% that Lessee collects from the customer (based on a 10% Concession Fee and the CRF included the definition of Gross Revenues). So, on a \$100 rental, Lessee collects an additional \$11.10 from the customer for a total of \$111.10. When Lessee makes payment to Lessor 10% of that amount (\$11.11) Lessee is left with the original \$100 rental fee.

EXHIBIT "D"

LIST OF ENVIRONMENTAL LAWS AND REGULATIONS

- Air Quality:
- (a) Clean Air Act & Amendments, 42 U.S.C. 7401-7642
 - (b) 40 CFR Parts 50-52, 61, 62, 65-67, 81
 - (c) RSA ch. 125-C, Air Pollution Control, and rules adopted thereunder
 - (d) RSA ch. 125-H, Air Toxic Control Act, and rules adopted thereunder
- Hazardous Materials:
- (a) Hazardous Materials Transportation Act, 49 U.S.C. 1801-1813, and Department of Transportation Regulations thereunder
 - (b) Emergency Planning and Community Right-To-Know Act, 42 U.S.C. 11001-11050
 - (c) 49 CFR Parts 100-179
 - (d) 40 CFR Part 302
 - (e) RSA ch. 277-A, Toxic Substances in the Workplace, and rules adopted thereunder
- Hazardous Waste:
- (a) Resource Conservation and Recovery Act (RCRA) of 1976 and RCRA Amendments of 1984, 42 U.S.C. 6901-6991i
 - (b) Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended, 42 U.S.C. 9601-9675
 - (c) 40 CFR Parts 260-271, 300, 302
 - (d) RSA ch. 147-A, Hazardous Waste Management and rules adopted thereunder
- Water Quality:
- (a) Federal Water Pollution Control Act (Clean Water Act) and Amendments, 33 U.S.C. 1251-1387
 - (b) Safe Drinking Water Act, as amended, 42 U.S.C. 300f-300j-26
 - (c) 40 CFR Title 100-143, 401 and 403
 - (d) RSA ch. 146-A, Oil Spillage in Public Waters, and rules adopted thereunder
 - (e) RSA ch. 485, New Hampshire Safe Drinking Water Act, and rules adopted thereunder
 - (f) RSA ch. 485-A, Pollution and Waste Disposal, and rules adopted thereunder

EXHIBIT "E"
CERTIFICATE OF GOOD STANDING

EXHIBIT "F"

SUMMARY OF LEASE PROVISIONS REQUIRED
BY THE FEDERAL AVIATION ADMINISTRATION

1. Lessee, for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby agree that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises, for a purpose for which a United States Department of Transportation ("DOT") program or activity is extended or for another purpose involving the provision of similar services or benefits, Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. (Ref Deed Paragraph VII.B.16)
2. Lessee, for himself, his personal representative, successors in interest, and assigns, as a part of the consideration hereof, does hereby agree that: (i) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities; (ii) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination; and (iii) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulation may be amended. (Ref Deed Paragraphs VII.B.16 and VII.G)
3. That in the event of breach of any of the above nondiscrimination covenants, Lessor shall have the right to terminate the Lease, and to reenter and repossess said land and the facilities thereon, and hold the same as if said Lease, had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are allowed and completed including expiration of appeal rights.
4. Lessee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED THAT the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.
5. Non-compliance with Provision 4 above shall constitute a material breach thereof and in the event of such noncompliance Lessor shall have the right to terminate this Lease, and the estate hereby created without liability therefore or at the election of the Lessor or the United States either or both of Lessor or the United States shall have the right to judicially enforce provisions.

6. Lessee agrees that it shall insert the above five provisions in any Lease agreement, by which said Lessee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the Leased Premises.
7. Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Lessee assures that it will require that its covered suborganizations provide assurance to the Lessor, that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.
8. Lessor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee and without interference or hindrance.
9. Lessor reserves the right, but shall not be obligated to the Lessee to maintain and keep in repair the landing area of the airport and all publicly-owned facilities of the airport, together with the right to direct and control all activities of the Lessee in this regard.
10. This Lease shall be subordinate to the provisions and requirements of any existing or future agreement between the Lessor and the United States, relative to the development, operation or maintenance of the airport including, but not limited to, Federal Airport Improvement Project Grant Assurances as the same are deemed applicable to this Lease Agreement.
11. There is hereby reserved to Lessor, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Leased Premises. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation on the airport.
12. Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations (14 C.F.R. Part 77) in the event future construction of building is planned for the Leased Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on Leased Premises.
13. Lessee, by accepting this Lease expressly agrees for itself, its successors and assigns that it shall not erect nor permit the erection or alteration of any structure or object nor permit the growth of any tree on the land Leased hereunder above the mean sea level elevation of [INSERT] feet. In the event the aforesaid covenants are breached, Lessor reserves the right to enter upon the Premises and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the Lessee. (Ref Deed Paragraph VII.B.4)
14. Lessee, by accepting this Lease, agrees for itself, its successors and assigns that it will not make use of the Leased Premises in any manner which might interfere with the landing and taking off of aircraft from the airport or otherwise constitute a hazard. In the event the aforesaid covenant

is breached, Lessor reserves the right to enter upon the Leased Premises, and cause the abatement of such interference at the expense of the Lessee.

15. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of the Federal Aviation Act of 1958 (49 U.S.C. 40103(E)), by an person or persons to the exclusion of others in the same class. (Ref Deed, Paragraphs VII.B.2 and VII.B.3)

16. This Lease and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said airport or the exclusive or non-exclusive use of the airport by the United States during the time of war or national emergency. (Ref Deed, Paragraph VII.B.7)

MEMORANDUM

TO: Pease Development Authority Board of Directors
FROM: David R. Mullen, Executive Director *DRM*
RE: Contract Reports
DATE: June 10, 2019

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

1. Project Name: Dell
PDA Obligation: \$6,004.36
Board Authority: Peter Loughlin
Summary: Purchase of Computer Replacement Equipment from Dell

Raeline O'Neil

From: Peter Loughlin <peter.loughlin@pjllaw.com>
Sent: Wednesday, May 22, 2019 11:30 AM
To: Raeline O'Neil
Subject: Re: Consent

Sounds good to me. I just started using two large-side by side-monitors and find it very helpful.

On Wed, May 22, 2019 at 11:17 AM Raeline O'Neil <R.O'Neil@peasedev.org> wrote:

Peter,

I have been asked to reach out to you for your consent to purchase replacement computer(s) with the attached PO. This information will be placed on the upcoming Board agenda.

Please advise

Raeline A. O'Neil, Legal Executive Assistant

Pease Development Authority

55 International Drive

Portsmouth, NH 03801

(603) 766-9291

--

Peter J. Loughlin, Esquire

Leonard Cotton House - Strawberry Banke
144 Washington Street, PO Box 1111
Portsmouth, NH 03802-1111
Phone: (603)431-6466; Fax: (603)436-4079
Email: peter.loughlin@pjllaw.com

The information contained in this electronic communication may be confidential and is intended only for receipt and use by the named recipient. If you have received this communication in error, please notify the sender by REPLY communication and immediately delete the message and remove it from your computer. Thank you.

P.O. Number: PDA2019-03

PURCHASE ORDER

If no P.O. number is specified, the date on the P.O. will be used as the P.O. number.

Customer Agreement Number: -8001863

P.O. Date: 05/22/2019

Payment Terms

*Net 30

Bill to:
 Pease Development Authority
 55 International Drive
 Portsmouth, NH 03801

Phone #: 603-433-6088 or 603-766-9290
 Fax #: 603-433-6317

Ship To:
 Pease Development Authority
 55 International Drive
 Portsmouth, NH 03801

Phone #: 603-433-6088 or 603-766-9290
 Fax #: 603-433-6317

- Customer agrees to purchase the products(s) itemized on the quotation number(s) indicated below at the price(s) indicated, plus applicable taxes and shipping & handling charges, subject to the applicable Dell terms and conditions of sale located at http://www.dell.com/us/en/gen/misc/policy_009_policy.htm.
- *Net 30 Payment Terms are applicable to this purchase order and are subject to Credit Approval. Additional financial information in the form of financial statements from previous years may be required.
- Please attach tax exempt letter/certificate if applicable.
- This Purchase Order may only be used for purchases within the Continental United States.

QTY	QUOTE #	DESCRIPTION	UNIT PRICE	TOTAL
4	3000038615987.1	OptiPlex 7050 SFF	992.03	3,968.12
5		Dell 22" Monitor	145.35	581.40
1	3000038657516.1	Dell Latitude 5400	1,454.84	1,454.84
			SUBTOTAL	6,004.36
			SALES TAX (IF APPLICABLE)	
			SHIPPING & HANDLING	
			TOTAL	\$6,004.36

**ALL pages of the referenced quotation(s) MUST accompany this Purchase Order

Signature (Authorized Buyer):  Date: 5/22/19

Print Name (Authorized Buyer): David R. Mullen Executive Director
Name Title



A quote for your consideration!

Based on your business needs, we put the following quote together to help with your purchase decision. Below is a detailed summary of the quote we've created to help you with your purchase decision.

To proceed with this quote, you may respond to this email, order online through your Premier page, or, if you do not have Premier, use this [Quote to Order](#).

Quote No.	3000038615987.1	Sales Rep	Jay Hass
Total	\$4,549.52	Phone	(800) 456-3355, 5138752
Customer #	6959932	Email	Joseph_Hass@Dell.com
Quoted On	May. 20, 2019	Billing To	JESSICA PATTERSON
Expires by	Sep. 17, 2019		PEASE DEVELOPMENT AUTHORIT
Deal ID	17588151		Y
			55 INTL DR
			PORTSMOUTH, NH 03801-2882

Message from your Sales Rep

Please contact your Dell sales representative if you have any questions or when you're ready to place an order. Thank you for shopping with Dell!

Regards,
Jay Hass

Shipping Group

Shipping To	Shipping Method
JESSICA PATTERSON	Standard Delivery
PEASE DEVELOPMENT AUTHORITY	
55 INTL DR	
PORTSMOUTH, NH 03801	
(603) 766-9290	

Product	Unit Price	Qty	Subtotal
OptiPlex 7050 SFF	\$992.03	4	\$3,968.12
Dell 22 Monitor - P2217H	\$145.35	4	\$581.40

Subtotal:	\$4,549.52
Shipping:	\$0.00
Non-Taxable Amount:	\$4,549.52
Taxable Amount:	\$0.00
Estimated Tax:	\$0.00
Total:	\$4,549.52

Special lease pricing may be available for qualified customers and offers. Please contact your DFS Sales Representative for details.

Shipping Group Details

Shipping To
 JESSICA PATTERSON
 PEASE DEVELOPMENT AUTHORITY
 55 INTL DR
 PORTSMOUTH, NH 03801
 (603) 766-9290

Shipping Method
 Standard Delivery

OptiPlex 7050 SFF
 Estimated delivery if purchased today:
 Jun. 03, 2019
 Contract # 70137
 Customer Agreement # Dell Std Terms

Description	SKU	Unit Price	Qty	Subtotal
OptiPlex 7050 SFF		\$992.03	4	\$3,968.12
OptiPlex 7050 Small Form Factor XCTO	210-AKOK	-	4	-
Intel Core i7-6700 (QC/8MB/8T/3.4GHz/65W); supports Windows 7/8.1/10/Linux	338-BHUH	-	4	-
Win 10 Pro 64 English, French, Spanish	619-AHKN	-	4	-
No AutoPilot	340-CKSZ	-	4	-
Microsoft(R) Office 30 Days Trial	658-BCSB	-	4	-
16GB 2x8GB DDR4 2400MHz Memory	370-ADJS	-	4	-
No Additional Hard Drive	401-AANH	-	4	-
Intel Integrated Graphics. Dell OptiPlex	490-BBFG	-	4	-
M.2 256GB PCIe NVMe Class 40 Self Encrypting OPAL 2.0 Solid State Drive	400-AOZH	-	4	-
Thermal Pad	412-AAIL	-	4	-
OptiPlex 7050 SFF with 180W up to 85% efficient Power Supply (80Plus Bronze)	329-BDHJ	-	4	-
Intel vPro Technology Enabled	631-ABGK	-	4	-
Intel Ready Mode Technology	631-ABGL	-	4	-
NO RAID	817-BBBN	-	4	-
DVD+/-RW Bezel, Small Form Factor	325-BBRJ	-	4	-
Tray load DVD Drive (Reads and Writes to DVD/CD)	429-AAJV	-	4	-
CMS Essentials DVD no Media	658-BBTV	-	4	-
No Bcom required	555-BBKH	-	4	-
No Wireless LAN Card	555-BBFO	-	4	-
No Media Card Reader	385-BBCR	-	4	-
Black Dell KB216 Wired Multi-Media Keyboard English	580-ADJC	-	4	-
Black Dell MS116 Wired Mouse	275-BBBW	-	4	-
No FGA	817-BBBB	-	4	-
No Hard Drive Bracket for Small Form Factor, Dell OptiPlex	575-BBKX	-	4	-
System Power Cord (Philippine/TH/US)	450-AAOJ	-	4	-
No Diagnostic/Recovery CD media	340-ABJI	-	4	-

SupportAssist	525-BBCL	-	4	-
Dell(TM) Digital Delivery Cirrus Client	640-BBLW	-	4	-
Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps)	658-BBMR	-	4	-
Waves Maxx Audio	658-BBRB	-	4	-
Dell Developed Recovery Environment	658-BCUV	-	4	-
Safety/Environment and Regulatory Guide (English/French Multi-language)	340-AGIK	-	4	-
US Order	332-1286	-	4	-
No Quick Reference Guide	340-ABKW	-	4	-
No CompuTrace	461-AABF	-	4	-
TPM Enabled	329-BBJL	-	4	-
No Integrated Stand option	575-BBBI	-	4	-
NO ADAPTER	470-AAJL	-	4	-
Energy Star	387-BBLW	-	4	-
OS-Windows Media Not Included	620-AALW	-	4	-
Ship Material for Opti 5050 SFF	340-BKFK	-	4	-
Shipping Label for DAO	389-BBUU	-	4	-
No Accessories	461-AABV	-	4	-
MOD,LBL,REG,SFF,MEX,EPA,7050	389-BRPU	-	4	-
No UPC Label	389-BCGW	-	4	-
No Wireless LAN Card	555-BBFO	-	4	-
Intel Core i7 vPro Processor Label	389-BHJV	-	4	-
Not selected in this configuration	817-BBBC	-	4	-
Dell Limited Hardware Warranty Plus Service	812-3886	-	4	-
Onsite/In-Home Service After Remote Diagnosis 3 Years	812-3887	-	4	-

Dell 22 Monitor - P2217H
 Estimated delivery if purchased today:
 May. 28, 2019
 Contract # 70137
 Customer Agreement # Dell Std Terms

Description	SKU	Unit Price	Qty	Subtotal
Dell 22 Monitor - P2217H	210-AIIF	-	4	-
Dell Limited Hardware Warranty	814-9381	-	4	-
Advanced Exchange Service, 3 Years	814-9382	-	4	-

Subtotal: \$4,549.52
Shipping: \$0.00
Estimated Tax: \$0.00
Total: \$4,549.52

Important Notes

Terms of Sale

Unless you have a separate written agreement that specifically applies to this order, your order will be subject to and governed by the following agreements, each of which are incorporated herein by reference and available in hardcopy from Dell at your request: Dell's Terms of Sale, which include a binding consumer arbitration provision and incorporate Dell's U.S. Return Policy and Warranty (for Consumer warranties; for Commercial warranties).

If this purchase includes software: in addition to the foregoing applicable terms, your use of the software is subject to the license terms accompanying the software, and in the absence of such terms, then use of the Dell-branded application software is subject to the Dell End User License Agreement - Type A and use of the Dell-branded system software is subject to the Dell End User License Agreement - Type S.

If your purchase is for Mozy, in addition to the foregoing applicable terms, your use of the Mozy service is subject to the terms and conditions located at <https://mozy.com/about/legal/terms>.

If your purchase is for Boomi services or support, your use of the Boomi Services (and related professional service) is subject to the terms and conditions located at <https://booml.com/msa>.

If your purchase is for Secureworks services or support, your use of the Secureworks services (and related professional service) is subject to the terms and conditions located at <https://www.secureworks.com/eula/eula-us>.

If this purchase is for (a) a storage product identified in the DELL EMC Satisfaction Guarantee Terms and Conditions located at ("Satisfaction Guarantee") and (ii) three (3) years of a ProSupport Service for such storage product, in addition to the foregoing applicable terms, such storage product is subject to the Satisfaction Guarantee.

You acknowledge having read and agree to be bound by the foregoing applicable terms in their entirety. Any terms and conditions set forth in your purchase order or any other correspondence that are in addition to, inconsistent or in conflict with, the foregoing applicable online terms will be of no force or effect unless specifically agreed to in a writing signed by Dell that expressly references such terms.

Pricing, Taxes, and Additional Information

All product, pricing, and other information is valid for U.S. customers and U.S. addresses only, and is based on the latest information available and may be subject to change. Dell reserves the right to cancel quotes and orders arising from pricing or other errors. Please indicate any tax-exempt status on your PO, and fax your exemption certificate, including your Customer Number, to the Dell Tax Department at 800-433-9023. Please ensure that your tax-exemption certificate reflects the correct Dell entity name: **Dell Marketing L.P.**

Note: All tax quoted above is an estimate; final taxes will be listed on the invoice.

If you have any questions regarding tax please send an e-mail to Tax_Department@dell.com.

For certain products shipped to end-users in California, a State Environmental Fee will be applied to your invoice. Dell encourages customers to dispose of electronic equipment properly.



A quote for your consideration!

Based on your business needs, we put the following quote together to help with your purchase decision. Below is a detailed summary of the quote we've created to help you with your purchase decision.

To proceed with this quote, you may respond to this email, order online through your Premier page, or, if you do not have Premier, use this [Quote to Order](#).

Quote No.	3000038657516.1	Sales Rep	Jay Hass
Total	\$1,454.84	Phone	(800) 456-3355, 5138752
Customer #	6959932	Email	Joseph_Hass@Dell.com
Quoted On	May. 20, 2019	Billing To	JESSICA PATTERSON
Expires by	Sep. 17, 2019		PEASE DEVELOPMENT AUTHORIT Y 55 INTL DR PORTSMOUTH, NH 03801-2882

Message from your Sales Rep

Please contact your Dell sales representative if you have any questions or when you're ready to place an order. Thank you for shopping with Dell!

Regards,
Jay Hass

Shipping Group

Shipping To	Shipping Method
JESSICA PATTERSON PEASE DEVELOPMENT AUTHORITY 55 INTL DR PORTSMOUTH, NH 03801 (603) 766-9290	Standard Delivery

Product	Unit Price	Qty	Subtotal
Dell Latitude 5400	\$1,454.84	1	\$1,454.84

Subtotal:	\$1,454.84
Shipping:	\$0.00
Non-Taxable Amount:	\$1,454.84
Taxable Amount:	\$0.00
Estimated Tax:	\$0.00
Total:	\$1,454.84

Special lease pricing may be available for qualified customers and offers. Please contact your DFS Sales Representative for details.

Shipping Group Details

Shipping To
 JESSICA PATTERSON
 PEASE DEVELOPMENT AUTHORITY
 55 INTL DR
 PORTSMOUTH, NH 03801
 (603) 766-9290

Shipping Method
 Standard Delivery

Description	SKU	Unit Price	Qty	Subtotal
Dell Latitude 5400		\$1,454.84	1	\$1,454.84
Estimated delivery if purchased today: May. 31, 2019 Contract # 70137 Customer Agreement # Dell Std Terms				
Latitude 5400 XCTO Base	210-ASJJ	-	1	-
8th Generation Intel Core i7-8665U Processor (4 Core,8MB Cache,1.9GHz,15W, vPro-Capable)	379-BDLE	-	1	-
Win 10 Pro 64 English, French, Spanish	619-AHKN	-	1	-
Microsoft(R) Office 30 Days Trial	658-BCSB	-	1	-
Dell Data Protection Encryption Personal Edition Digital Delivery	421-9984	-	1	-
Dell ProSupport for Software, Dell Data Protection Encryption Personal Edition, 1 Year	954-3455	-	1	-
Intel Core i7-8665U Processor with Integrated Intel UHD 620 Graphics	338-BRMH	-	1	-
Intel vPro Technology Enabled	631-ACBI	-	1	-
16GB, 1x16GB, DDR4 Non-ECC	370-AECT	-	1	-
M.2 256GB SATA Class 20 Solid State Drive	400-BDXJ	-	1	-
No AutoPilot	340-CKSZ	-	1	-
No FGA	817-BBBB	-	1	-
No Mouse	570-AADK	-	1	-
SupportAssist	525-BBCL	-	1	-
Dell(TM) Digital Delivery Cirrus Client	640-BBLW	-	1	-
Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps)	658-BBMR	-	1	-
Waves Maxx Audio	658-BBRB	-	1	-
Dell Developed Recovery Environment	658-BCUV	-	1	-
Dell Power Manager	658-BDVK	-	1	-
Dell Latitude 5400 SRV	658-BEGG	-	1	-
Regulatory Label, FCC	389-DPGZ	-	1	-
Direct ship Info Mod	340-AAPP	-	1	-
MIX SHIP Config (DAO/BCC)	340-CMDV	-	1	-
3 Cell 42Whr ExpressCharge Capable Battery	451-BCIR	-	1	-
Single Pointing Non-Backlit US English Keyboard	583-BFMK	-	1	-
Intel® Dual Band Wireless AC 9560 (802.11ac) 2x2 + Bluetooth 5.0	555-BEDV	-	1	-

Important Notes

Terms of Sale

Unless you have a separate written agreement that specifically applies to this order, your order will be subject to and governed by the following agreements, each of which are incorporated herein by reference and available in hardcopy from Dell at your request: Dell's Terms of Sale, which include a binding consumer arbitration provision and incorporate Dell's U.S. Return Policy and Warranty (for Consumer warranties; for Commercial warranties).

If this purchase includes software: in addition to the foregoing applicable terms, your use of the software is subject to the license terms accompanying the software, and in the absence of such terms, then use of the Dell-branded application software is subject to the Dell End User License Agreement - Type A and use of the Dell-branded system software is subject to the Dell End User License Agreement - Type S.

If your purchase is for Mozy, in addition to the foregoing applicable terms, your use of the Mozy service is subject to the terms and conditions located at <https://mozy.com/about/legal/terms>.

If your purchase is for Boomi services or support, your use of the Boomi Services (and related professional service) is subject to the terms and conditions located at <https://boomi.com/msa>.

If your purchase is for Secureworks services or support, your use of the Secureworks services (and related professional service) is subject to the terms and conditions located at <https://www.secureworks.com/eula/eula-us>.

If this purchase is for (a) a storage product identified in the DELL EMC Satisfaction Guarantee Terms and Conditions located at ("Satisfaction Guarantee") and (ii) three (3) years of a ProSupport Service for such storage product, in addition to the foregoing applicable terms, such storage product is subject to the Satisfaction Guarantee.

You acknowledge having read and agree to be bound by the foregoing applicable terms in their entirety. Any terms and conditions set forth in your purchase order or any other correspondence that are in addition to, inconsistent or in conflict with, the foregoing applicable online terms will be of no force or effect unless specifically agreed to in a writing signed by Dell that expressly references such terms.

Pricing, Taxes, and Additional Information

All product, pricing, and other information is valid for U.S. customers and U.S. addresses only, and is based on the latest information available and may be subject to change. Dell reserves the right to cancel quotes and orders arising from pricing or other errors. Please indicate any tax-exempt status on your PO, and fax your exemption certificate, including your Customer Number, to the Dell Tax Department at 800-433-9023. Please ensure that your tax-exemption certificate reflects the correct Dell entity name: **Dell Marketing L.P.**

Note: All tax quoted above is an estimate; final taxes will be listed on the invoice.

If you have any questions regarding tax please send an e-mail to Tax_Department@dell.com.

For certain products shipped to end-users in California, a State Environmental Fee will be applied to your invoice. Dell encourages customers to dispose of electronic equipment properly.

MEMORANDUM

TO: Pease Development Authority Board of Directors
FROM: David R. Mullen, Executive Director 
RE: Contract Reports
DATE: June 13, 2019

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

1. Project Name: Global Turf Equipment
PDA Obligation: \$7,500.00
Board Authority: Robert Allard
Summary: PDA purchased a Used Greens Roller from Global Turf Equipment, LLC of San Antonio, FL. The unit will replace a 2006 Greens Roller which had been purchased used, is in need of a new transmission and has over 900 hours of use. Funding for the Used Greens Roller will come from the FY2019 golf course capital budget.



11644 Uradco Pl
San Antonio, FL 33576

Office: 352-588-3092
Fax: 352-588-3692
info@globalturfequipment.com

Quotation

Doc No	Date
23444	6/5/2019
Terms	Customer PO
Prepay in Full	
Your sales rep is: Steve Wilson (603) 661-2516 swilson@globalturfequipment.com	

Customer			
Pease Golf Course 200 Grafton Drive			
Portsmouth	NH	03801	
attn: EJ Chea ejcheagcs@yahoo.com			

Ship To			
Pease Golf Course 200 Grafton Drive			
Portsmouth	NH	03801	



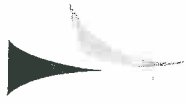
Item	Description	Qty	Price Per	Total Price
9497	Toro GreensPro 1240 Sold in 2015 Built in 2015 S/N: 44912-315000393 Hours: 93 Includes: Honda® GX200 6.5 hp;	1	7,200.00	7,200.00
Shipping	Shipping on semi trailer without ramps. Customer is responsible for unloading. Rental of unloading equipment may be required depending on customer's situation.	1	300.00	300.00

Special Instructions:

Total 7,500.00

Fully Operational with 90-day warranty. All machines are quoted/sold in Fully Operational & Serviced condition, including all new fluids, filters, and spark plugs; reels backlapped; all new bedknives and rotary blades; minimum 50% reel life and 60% tire life. In addition, all parts and systems throughout each machine will be inspected and repaired/replaced as needed to ensure that machines are fully functional and ready to use upon delivery. 90-day major parts warranty on engines, transmissions, hydraulic pumps, hydraulic motors, spray pumps.

Sales tax will be added to final invoice, if applicable. Receiving a quote does not hold equipment - please contact your sales rep to reserve equipment. Quote is valid for 10 days.



Memorandum

To: David R. Mullen, Executive Director
From: Anthony I. Blenkinsop, Deputy General Counsel *AOB*
Re: Builder's Risk Insurance Coverage – Terminal Improvement Project
Date: June 13, 2019

In 2017, the PDA Board selected USI New England, Inc. (“USI”) to be the broker of record for seeking and binding property insurance coverage for the PDA. In 2018, the Board approved obtaining property coverage through USI for the renewal policy period of 12/31/18 through 12/31/19.

The Terminal Improvement Project is slated to break ground in mid-June. This construction project necessitates obtaining builder's risk coverage, a form of property insurance that protects the PDA's insurable interest in the materials, fixtures and/or equipment being used in the construction of the terminal building should those items sustain physical loss or damage from a covered cause.

Per the attached sheet, USI obtained quotes from various insurance providers to add builder's risk coverage for the Terminal Improvement Project to the PDA property coverage through USI. The builder's risk policy period would run from 6/17/19 through 12/17/20. Aspen Insurance submitted the lowest bid for the coverage period in the amount of \$14,641.00 and was recommended by USI.

Based on the foregoing, I request you direct USI to bind the builder's risk coverage through Aspen Insurance for the stated policy period and report the expenditure to the PDA Board of Directors at its next regular meeting.

Pesse Development Authority - Builder's Risk Comparison						
Carrier	Aspen	Chubb	Acadia	Liberty Mutual	Hanover	
Policy Term	6/17/2019 - 12/17/2020	Will endorse onto Policy	6/17/2019 - 12/17/2020	6/17/2019 - 12/17/2020	6/17/2019-6/17/2020	
Notable Coverages/Limits						
Property Limit	\$15,402,000	\$15,402,000	\$15,402,000	\$15,402,000	\$15,402,000	
Deductible	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	
Valuation						
Soft Costs	\$250,000	Replacement Cost	Replacement Cost	Replacement Cost	Replacement Cost	
Rental Income - 30 day limit	\$500,000	N/A	\$250,000	N/A	\$250,000	
Rental Income Occurrence Limit	\$500,000	N/A	\$500,000	N/A	N/A	
Flood Limit	\$7,500,000	\$5,000,000	\$5,000,000	\$5,000,000	N/A	
Earthquake Limit	\$25,000	24 Hours/\$25,000	\$10,000,000	\$5,000,000	N/A	
Waiting Period/Deductible	\$7,500,000	\$25,000	\$25,000	\$25,000	\$25,000	
Equipment Breakdown	Included	24 Hours/\$25,000	\$10,000,000	\$5,000,000	\$15,402,000	
Testing	Included	Included	Included	Included	\$25,000	
Ordinance or Law (undamaged parts of bldg)	\$100,000	Included	Included	Included	Included	
Pollution Clean up	\$1,000,000	Included	Included	Included	Included	
Sewer Backup	\$250,000	Included	\$500,000	\$250,000	Included	
Temporary Location	\$250,000	Included in Flood limit	\$100,000	\$250,000	\$1,000,000	
Transit Limit	\$1,000,000	\$100,000	\$100,000	\$250,000	\$100,000	
Off premises Utility Service Interruption	\$1,000,000	\$1,000,000	\$1,000,000	\$250,000	\$250,000	
Overhead Transmission Lines	\$100,000	Excluded	\$1,000,000	\$250,000	\$500,000	
Debris Removal	25% of the covered loss	Excluded	Excluded	Excluded	Excluded	
Additional Debris Removal	\$1,000,000	25% of the covered loss	\$100,000	\$500,000	Excluded	\$100,000
Premium						
	Incls TRIA \$284.00	\$14,641	\$15,288			
			Optional TRIA \$410.00			\$15,658
			Total w/TRIA			
			\$15,204			
			\$14,794			\$18,343

Memorandum

To: Paul Brean, Airport Director *PJB*
From: Sandra McDonough, Airport Community Liaison *SM*
Date: 6/13/2019
Subj: Noise Report for May 2019

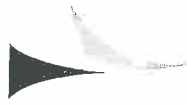
The Portsmouth International Airport at Pease received a total of nine (9) noise inquiries in May, 2019. Five (5) inquiries were for rotor-wing aircraft, two (2) inquiries were for fixed wing aircraft and two (2) inquiries were informational in nature.

All five (5) of the rotor-wing inquiries were from a single resident of Portsmouth concerning Seacoast Helicopters flying over his home.

One (1) fixed wing inquiry, also from a resident of Portsmouth, was concerning the departure of 16 F-16's being deployed. The second inquiry was from a resident of Ayer, MA concerning aircraft flying over her home.

Two (2) additional inquiries were informational in nature. A resident of Freemont, NH who believes that an aircraft had dumped lavatory waste over her home on several occasions. She was provided with the number to the FAA to follow up as a safety concern. The last informational inquiry originated from a City official of Durham, inquiring information from our noise maps which he obtained from the PDA website. He was following up for a resident of Durham.

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.



MOTION

Director Allard:

Effective July 1, 2019 the Pease Development Authority Board of Directors hereby adopts the following modifications to the PDA Employee Handbook, and authorizes the Executive Director to implement the same as follows:

1. Change Annual Leave Policy to indicate:
 - a. any employee currently accruing more than twenty-four (24) days per year will retain their current annual accrual rate, but will not receive any additional days for additional service years; and
 - b. all other benefitted employees, and any new benefitted employee, shall accrue annual leave to a maximum annual rate of twenty-four (24) days;
2. Change Maximum Annual Leave Policy to indicate any employee who reaches their maximum annual leave accrual during the calendar year will continue to accrue their pro-rated accrual each pay period through December 31st of such year and may use such time subject to general policies of coordination. In each instance the first payroll of the following calendar year will reflect only the maximum permitted accrual to be carried over;
3. Change Merit and COLA Adjustments Policy to indicate salary increases to be based on merit and funding, and shall not exceed two percent (2%) per year without the advance approval

of the Executive Director. In addition, PDA will adopt an annual COLA adjustment to provide on July 1st of each year, full time benefitted PDA employees shall receive a COLA based on the U.S. Bureau of Labor Statistics Employment Cost Index for wages and salaries for state and local government workers not to exceed 1.5%;

4. Change Holiday Leave Policy to indicate that PDA Employees will receive eleven (11) paid holidays and two (2) floating holidays for a total of thirteen (13) holiday leave days. The floating holidays do not accrue and must be used in whole day increments during the fiscal year of July 1 to June 30; and
5. Adopt and implement a new policy regarding Payment for Declining Medical Coverage for PDA to pay, subject to review of implications for retiree health benefits and a statutory authority determination by the NHDOJ, to allow eligible employees who decline PDA medical benefits upon employment or at any open enrollment period and obtain such benefits from another provider said employee ten percent (10%) of the annual premium for the qualifying plan available (single, two person or family plan).

Items 1 through 4 to become effective July 1, 2019, all in accordance with the memorandum of Lynn Marie Hinchee, Deputy Director and General Counsel, dated June 13, 2019 attached hereto. Item 5 to become effective following consultation with the NH Retirement System and NHDOJ as to authority.



MEMORANDUM

DATE: June 13, 2019

TO: PDA Board of Directors

FROM: Lynn Marie Hinchee, Deputy Director and General Counsel

RE: Recommendations for Modifications to Leave (Accrual, Annual and Holiday), Merit and COLA Adjustments; and Implementation of Policy concerning Employee Declining of Medical Coverage

CC: David R. Mullen, Executive Director
Irving E. Canner, Finance Director

After review of the Pease Development Authority Employee Handbook and a recent review of benefits to State employees and local contract Municipal employees, outlined below are PDA staff recommendations for consideration by the Board of Directors.

1. **ANNUAL LEAVE:** PDA presently provides that a new employee begin employment with fifteen (15) days of annual leave and may earn one (1) additional day of annual leave for each year in excess of five (5) years of employment, up to a maximum of fifty (50) days. PDA does not believe this was intended language but rather the result of confusion between days earned each year and maximum accrual permitted to be carried over from year to year until separation. At the present time, fourteen (14) PDA employees are earning more than twenty-four (24) days per year (the State maximum for employees with 21+ years of service) up to a current maximum of 30 days.

RECOMMENDATION: In an effort to provide clarity to PDA's Annual Leave Policy, effective July 1, 2019, the Board adopt and authorizes the modification below which is consistent with the benefit received by state classified employees:

Any employee currently accruing more than twenty-four (24) days per year will retain their current annual accrual rate, but will not receive any additional days for additional service years; and all other benefitted employees, and any new benefitted employee, shall accrue annual leave to a maximum annual rate of twenty-four (24) days.

2. **MAXIMUM ANNUAL LEAVE ACCRUAL:** PDA presently provides regular full time employees to accrue annual leave up to a maximum of fifty (50) days or four hundred (400) hours in accordance with the schedule listed below:

Year 0-5	30 days	Year 16 - 20	45 days
Year 6-10	35 days	Year 21+	50 days
Year 11-15	40 days		

At the present time, twenty-four (24) PDA employees (including all of the fourteen (14) discussed above) are within eighty (80) hours of the maximum accrual or are presently losing 9.24 hours of annual leave per pay period. It has been PDA's policy to cease annual leave accrual as soon as an employee reaches their maximum accrual.

Alternatives to the recommendation proposed but determined to have a potential impact on the budget included leave buy-back, a previous policy of PDA's for approximately 8 years; a direct payment of excess accrual up to ten (10) additional days at year end; a contribution of some portion of excess accrual directly to deferred compensation at years end and prior to forfeiture; and/or contribution of 50% of accrued leave to deferred compensation up to maximum contribution during last two years prior to separation by retirement.

RECOMMENDATION: In an effort to provide clarity to PDA's Maximum Annual Leave Accrual Policy, effective July 1, 2019, the Board adopt and authorize the modification below to the permit flexibility in the scheduling of annual leave:

Any employee who reaches their maximum annual leave accrual during the calendar year will continue to accrue their pro-rated accrual each pay period through December 31st of such year and may use such time subject to general policies of coordination. In each instance the first payroll of the following calendar year will reflect only the maximum permitted accrual to be carried over.

3. **MERIT AND COLA ADJUSTMENTS:** For approximately six years, full time benefitted PDA employees who remain in their job title have been eligible for a maximum annual merit adjustment of 2% (effected by Executive Director Dick Green) and no COLA adjustment. During this same period, state classified employees receive regular step adjustments (approximately 4% per step) and at least two COLA adjustments of 1.5% each in 2018 and 2019. Prior to this policy adopted by Executive Director Green, in each instance where state classified employees have received COLA adjustments, the PDA Board has taken an independent vote as to whether or not to similarly adjust PDA employee pay. This policy, and the reality of current cost indexing, has resulted in almost all employees receiving an automatic 2% adjustment without reference to merit. Even with this adjustment, the current competitiveness of the job market has had an impact on hiring and retaining new employees. [Important to note is the fact that PDA employees do not receive regular step adjustments nor are PDA employees classified

by a specific grading system, as is used in the state classified system.] With reference to the recommendation below, note that the applicable COLA, the Index change from March 2018 to March 2019 for all workers was 2.5% and the public administration adjustment was 2.7%. PDA employees would receive a 1.5% COLA adjustment.

RECOMMENDATION: In an effort to provide clarity to PDA's Merit and COLA Adjustment Policy, effective July 1, 2019, the Board adopt and authorize the modification outlined below with respect to pay adjustments to indicate:

Salary increases to be based on merit and funding, and shall not exceed two percent (2%) per year without the advance approval of the Executive Director. On July 1st of each year, full time benefitted PDA employees shall receive a COLA based on the U.S. Bureau of Labor Statistics Employment Cost Index for wages and salaries for state and local government workers not to exceed 1.5%.

4. **HOLIDAY LEAVE.** PDA employees currently received eleven (11) paid holidays and one (1) floating holiday for a total of twelve (12) days. This is consistent with the prior state policy of ten (10) paid holidays and two (2) floating holidays. The state does not recognize Columbus Day as a fixed holiday. Beginning in October 2018, state classified employees received an additional floating holiday for a total of three (3) floating holidays and an overall total of thirteen (13) days.

RECOMMENDATION: In an effort to provide clarity to PDA's Holiday Leave Policy, effective July 1, 2019, the Board adopt and authorize the modification outlined below to indicate:

PDA Employees will receive eleven (11) paid holidays and two (2) floating holidays for a total of thirteen (13) holiday leave days. The floating holidays do not accrue or carry over and must be used in whole day increments during the fiscal year July 1 to June 30.

5. **PAYMENT FOR DECLINING MEDICAL COVERAGE:** This would be a new benefit provided to eligible employees who may decline PDA medical benefits upon employment or any applicable open enrollment period and obtain such benefits from another provider. This option would be an overall cost savings to PDA, with the payment annually to the employee of ten percent (10%) of the annual premium cost. Currently PDA pays monthly estimated employee premiums as follows:

- a. Employee only coverage ranging between \$883 - \$961,
- b. Two person coverage ranging between \$1,760 – \$1,921; and
- c. Family coverage ranging between \$2,828 – \$3,074.

Prior to implementation, this proposed policy would be subject to review of implications for retiree health benefits and a statutory authority determination by the NHDOJ.

RECOMMENDATION: Effective July 1, 2019, the Board authorize the adoption of and implementation, when possible, of a new policy regarding Payment for Declining Medical Coverage, subject to review of implications for retiree health benefits and a statutory authority determination by the NHDOJ, to indicate:

Allow eligible employees who decline PDA medical benefits upon employment or at any open enrollment period obtain such benefits from another provider to receive an annual payment equal to ten percent (10%) of the annual premium for the qualifying plan available (single, two person or family plan).



MOTION

Director Levesque:

The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$29,870.50 for legal services rendered to the Pease Development Authority from Sheehan, Phinney, Bass & Green.

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

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Permit Implementation

CLIENT/CASE NO. 14713-19658
BILLING ATTORNEY:Lynn J. Preston

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$13,659.00
TOTAL EXPENSES:	\$4,846.25

TOTAL THIS BILL:	\$18,505.25

BALANCE DUE:	\$18,505.25

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... \$ _____

To pay by CREDIT CARD, please visit www.sheehan.com, scroll to the bottom and click " ClientPay " or contact our office directly.

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

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Wentworth - Douglas Ground Lease

CLIENT/CASE NO. 14713-19809

BILLING ATTORNEY:Lynn J. Preston

TOTAL FOR PROFESSIONAL SERVICES RENDERED: \$7,047.00

TOTAL EXPENSES: \$0.00

TOTAL THIS BILL: \$7,047.00

BALANCE DUE: \$7,047.00

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... \$ _____

To pay by CREDIT CARD, please visit www.sheehan.com, scroll to the bottom and click " ClientPay " or contact our office directly.

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
Invoice Number: 336462

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$3,857.00
TOTAL EXPENSES:	\$461.25

TOTAL THIS BILL:	\$4,318.25

PREVIOUS BALANCE:	\$6,351.00

TOTAL BALANCE DUE:	\$10,669.25

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... \$ _____



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

**PORT ADVISORY COUNCIL MEETING MINUTES
WEDNESDAY, APRIL 10, 2019**

PRESENT: Roger Groux, Chairman
Jeff Gilbert
Erik Anderson
Chris Snow
Ned Raynolds
Geno Marconi, Secretary, Director, DPH

1. CALL TO ORDER

Chairman Groux called the meeting to order at 6:37 pm following an update on the Portsmouth Fire Department rescue boat.

2. APPROVE MINUTES

Jeff G. made a motion to accept the March 13, 2018 minutes, Erik 2nd, no further discussion, the council voted and the motion carried.

3. FINANCE REPORT

Jeff commented the operating income is considerably higher than the budget. Geno attributed that to the road salt operations. Geno let the council know there are a couple of projects coming up at the Port, one is a heavy lift ship with windmill components and the other is for a buoy assembly project that Riverside & Pickering is doing. Geno explained the details of both projects and we will keep the council updated on arrival dates. Further discussion ensued regarding off-shore wind energy. Geno explained that Granite State Minerals should be done hauling road salt by the end of the month.

4. DIRECTOR'S REPORT

Director reported on the following items from the March 14, 2019 PDA board meeting:

- ROE's Cornell University/Shoals Marine Lab, Star Island, and Isles of Shoals
- Pda 500 rules, initial proposal
- Approval to enter into the memo of agreement and to seek funding for the Hampton/Seabrook dredging project
- Main wharf berth inspection
- Hampton floating dock repair report

Roger asked Geno about the continuing resolution of the budget and how that would affect the Port. Geno said the only thing that could happen would be in October when they go to do the dredging in Hampton, it would tie us up on the removal and replacement of the moorings, in which case the Port would have to go back to CBOC for additional funding.

5. COMMITTEE REPORTS

Fisheries- Erik reminded the council of the lobster bait storage situation due to allocation issues on herring. Geno added that they hope to have 4 fishing vessels coming in to the main pier this summer to unload menhaden (aka pogies) as this is one of the only facilities that can handle the volume and NH needs to get the landings to continue receiving allocations. Since the Right Whales are protected by the Endangered Species Act new proposed regulations are being watched closely by the lobster and gillnet fishing industry as they could bring about very onerous changes with how the fisheries operate. Erik spoke about BOEM (Bureau of Ocean Energy Management) who recently set up a task force to study offshore wind power. Erik thanked the Division for its support in the commercial Trap Cleanup Day.

Government-Ned reported that the City of Portsmouth adopted the Capital Improvement Plan, which includes the Market St. extension. Geno added that the Port received a Homeland Security Grant for new fencing along Market St. and the Port is waiting to see what is happening with the City so the projects can be coordinated. Ned commented that the parking agreement at the Shoals lot is appreciated by the City. Erik asked Ned if he would continue to talk to the City Council about the maritime industry here in Portsmouth, including the Port and Fisheries. Geno asked Ned to let the City know about the heavy lift ship that is coming and if anyone is interested the Port would be happy to show them around. Roger added that if offshore wind gets developed this pier could be a key element in developing that program.

Moorings- Chris spoke on 3 items that were on the PDA board agenda in March, 1) The board adopted the new mooring and waitlist fees, which will become effective April 1, 2019, 2) report on the commercial mooring transfers, and 3) report on the DMV commercial fisherman day. Geno explained in more detail what is going on with the Pda 500 rules and the mooring fees, which became effective April 1st. The fees will only affect new applicants this year and then current permit holders that renew in January 2020. Geno also mentioned that he is still reviewing the pier use, slip, and berthing fees. The pier use fee will be going up as per regulation they must be comparable to the mooring fees. Chris presented and the Council discussed the annual mooring permit report which summarizes the mooring permit re-application numbers for the past few years.

Dredging- No report on dredging

Recreational Piers- No report on rec piers

PDA liaison-Roger reported that there was a Port Committee meeting on April 4th 2019. It was a brief meeting, one of the items that was impressive to the committee is the increase in traffic here at the Port. Geno explained that increases are up over-all on the Piscataqua River.

Maritime/Public Affairs- Don was not in attendance but did send an email to share with the council. The email included updates on the Eagle visit, August 1-5; an award for supporting Sail Training in Maine that PMC received from Tall Ships America; and Naval Sea Cadets will embark on the Sea Challenge, which is scheduled for Aug 4 to Aug 10, 2019, there will be 24 teens and 2 counselors.

On behalf of the **Recreational Piers**, Geno reported the floats are going in at Rye Harbor and Hampton will be done as soon as possible after the replacement float is ready. Erik asked about the Rye repairs and Geno explained the options that are being looked at.

6. NEW BUSINESS

The Sarah Long Bridge temporary deviation dates for the drawbridge operation have been approved for May 8 and May 9th from 7:30 am to 12:30 pm each day. The river will be closed to navigation for vessels that cannot pass under the bridge while it's in the closed (road) position.

7. OLD BUSINESS

Erik asked if the Port will be involved in the Rt. 95 bridge project. Geno said he has not been contacted by anyone as of yet.

8. PUBLIC COMMENT

As a follow up from last month's meeting, Peter looked further into the propane and said he has learned that propane is in fact being discharged and not loaded.


9. PRESS QUESTIONS

There were no members of the press present.

10. ADJOURNMENT

Erik made a motion to adjourn, Ned seconded, and all were in favor. Meeting was adjourned at 7:25 PM.



Date: June 12, 2019
To: David Mullen, Executive Director
From: Geno Marconi, Director 
Subject: Charter Boat Right of Entry – Eastman’s Party Fishing

The Division of Ports and Harbors received a request from Les Eastman, of Eastman’s Party Fishing to exercise the first and only option to renew its Charter Boat Right of Entry (“ROE”) at the Hampton Harbor Marine Facility for one additional year. In accordance with the terms of the ROE the exercise of the renewal option is subject to the approval of the Executive Director. As such, the Division of Ports and Harbors is requesting your approval of the option to renew the ROE for:

Owner: Les Eastman
Company: Eastman’s Fishing Fleet, LLC dba Eastman’s Party Fishing (“Eastman’s”)
Location: Hampton Harbor Marine Facility (“Hampton”)
Term: Commencing July 1, 2019 through June 30, 2020

Although dredging is scheduled for this upcoming winter, the continually deteriorating conditions of Hampton and Seabrook Harbor are still causing problems for the users of the Harbor, at times making it impossible for boats to return to their moorings or docks in Seabrook during low tide. As a result, Eastman’s occasionally finds it necessary to discharge passengers at the Hampton Harbor Marine Facility and bus them back to Seabrook. Therefore, Eastman’s is seeking to renew the ROE for another year. The ROE will be used on an as needed basis for the discharging of passengers only. Eastman’s has met the following required conditions of the ROE:

1. Applied for and secured a Pier Use Permit;
2. Obtained the minimum insurance required by the Pease Development Authority (“PDA”) and provided proof of insurance to the PDA;
3. Provided documentation that Eastman’s is registered and in “Good Standing” with the Secretary of State to conduct business in New Hampshire; and
4. Will provide a bus to shuttle the passengers back to the Seabrook location.

This approval will be reported to the Board at its next meeting.

June 4, 2019

Andrew Widen
1677 Ocean Blvd
Rye, NH 03870

RE: Request to Transfer Commercial Moorings
Commercial Mooring No. 950, Rye Harbor, New Hampshire

Dear Mr. Widen:

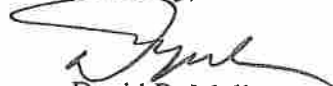
Please be advised that Pease Development Authority - Division of Ports and Harbors has approved of your request to transfer the above referenced commercial mooring to Adam Baker of Vintage Fish Company 1870 Ocean Blvd Rye, NH in connection with the sale of your commercial business.

You and Adam Baker have represented that Adam Baker intends to use the mooring for commercial purposes. Please be advised that the approval to transfer the mooring is subject to the condition that Adam Baker will continue to use the mooring for commercial 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 Henry Lothrop is being put on notice of this provision.

Thank you for your attention to this matter.

Sincerely,



David R. Mullen
Executive Director

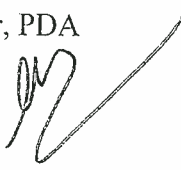
Enclosure

cc: Geno Marconi, Director PDA-DPH
Adam Baker
PDA Legal Dept.



PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

TO: David Mullen, Executive Director, PDA
FROM: Geno J. Marconi, Director, DPH 
DATE: June 3, 2019
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 #950, from Andrew Widen to Vintage Fish Company.

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: June 3, 2019

Andrew Widen of Ray's Seafood is requesting the transfer of a Mooring Permit (#950) in the Rye Harbor mooring field to Adam Baker of Vintage Fish Company. Attached is documentation of Adam Baker's commercial activity in the form of his NH Commercial Fishing License, Captain's License, advertising and Certificate of Good Standing from the Secretary of State. Also attached is commercial documentation for Andrew Widen. Attached is a transfer request from Andrew Widen with the assertion that he sold mooring equipment, fishing business and equipment to Adam Baker, who 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 #950 be transferred to:

Vintage Fish Company
1870 Ocean Blvd
Rye, NH



Adam J. Baker
P.O. Box 86
Rye, NH 03870
Adam@vintagefishcompany.com
603.686.6606

Chief Tracy Shattuck
Chief Harbormaster, NH Port Authority
555 Market Street
Portsmouth, NH 03801

May 13, 2019

Chief Shattuck,

I have made an agreement with Andrew Widen to purchase his commercial mooring permit, number 950, located in Rye Harbor.

Included in the agreement for "value received" are the mooring block, chain and associated gear, as well as assets of Andy Widen's commercial fishing operation doing business as Ray's Seafood.

I intend to use the mooring in conjunction with my current right of entry as Vintage Fish Company offering fishing charters departing from Rye Harbor.

Please consider my request for this transfer and find attached my completed mooring application. Feel free to contact me if you require any further information from me.

Sincerely,

A handwritten signature in black ink that reads "Adam J. Baker". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Adam J. Baker
Vintage Fish Company

June 4, 2019

Norman Pike
44 River St
Seabrook, NH 03874

RE: Request to Transfer Commercial Moorings
Commercial Mooring No. 6933, Seabrook Harbor, New Hampshire

Dear Mr. Pike:

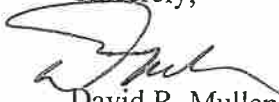
Please be advised that Pease Development Authority - Division of Ports and Harbors has approved of your request to transfer the above referenced commercial mooring to Alexander Gonzalez 11 Farmer Rd Windham, NH in connection with the sale of your commercial business.

You and Alexander Gonzalez have represented that Alexander Gonzalez intends to use the mooring for commercial purposes. Please be advised that the approval to transfer the mooring is subject to the condition that Alexander Gonzalez will continue to use the mooring for commercial 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 Alexander Gonzalez 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
Alexander Gonzalez
PDA Legal Dept.



PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03301

TO: David Mullen, Executive Director, PDA

FROM: Geno J. Marconi, Director, DPH 

DATE: June 3, 2019

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 #6933, from Norman Pike to Alexander Gonzalez

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 *TR*
Re: Commercial Transfer
Date: June 3, 2019

Norman Pike is requesting the transfer of a Mooring Permit (#6933) in the Seabrook Harbor mooring field to Alexander Gonzalez. Attached is documentation of Alexander Gonzalez' commercial activity in the form of his NH Commercial Fishing License. Also attached is commercial documentation for Norman Pike. Attached is a transfer request from Norman Pike with the assertion that he sold mooring equipment, fishing business and equipment to Alexander Gonzalez, who 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 #6933 be transferred to:

Alexander Gonzalez
11 Farmer Road
Windham, NH