

Place: 55 International Drive - Board Conference Room

Watch Meeting Via Live Stream: https://townhallstreams.com/towns/pease_dev_nh

BOARD OF DIRECTORS' MEETING

AGENDA

I. Call to Order:

**II. Acceptance of Meeting Minutes: Board of Directors' Meeting of December 16, 2021 *
(Anderson)**

III. Public Comment:

IV. Old Business:

A. Approvals:

1. Port City Air Site Review Approval Extension, North Fuel Farm at 14 Aviation Avenue * **(Parker)**
2. Lonza Biologics – Six Month Extension of Site Plan and Conditional Use Permit * **(Ferrini)**

V. Finance:

A. Executive Summary *

B. Reports:

1. FY2022 Financial Report for the Five Month Period Ending November 30, 2021 *
2. Cash Flow Projections for the Nine Month Period Ending September 30, 2022 *

VI. Licenses/ROEs/Easements/Rights of Way:

A. Reports *:

1. Port City Air – Hangar 227 – Cold Storage of two Vehicles
2. PROCON – 14 Aviation Avenue – Right of Entry Extension to January 31, 2022
3. PROCON – North Apron – Right of Entry Extension to January 31, 2022
4. City of Portsmouth – Police Department – North Apron – Right of Entry from April 1, 2022 through August 31, 2022 for Emergency Vehicle Operator Training
5. Falcon Systems Transportation (d/b/a East West Aeronautical) – North Apron – Right of Entry to May 31, 2022

B. Approvals:

1. Wood Environment & Infrastructure Solutions, Inc. – 35 Airline Avenue * **(Levesque)**

VII. Leases:

- A. Reports *:
 - 1. Sublease between NH Avenue Retail Center, LLC and Laboratory Billing Solutions (Suite #245)

- B. Approvals:
 - 1. Option Requests *:
 - a. Aviation Avenue Group, LLC – 100 New Hampshire Avenue; 7 Lee Street and 14 Aviation Avenue (Hangar 227) – Option Agreement * **(Fournier)**
 - b. North 40 Group, LLC – North Apron – Option Agreement * **(Lamson)**

VIII. Contracts:

- A. Approvals:
 - 1. Eco Systems Pest Control - Pest Control Agreement ***(Ferrini)**
 - 2. Pease Golf Course – Toro Walking Greens Mower * **(Anderson)**
 - 3. Pease Golf Course – Cushman Large Utility Cart * **(Fournier)**
 - 4. Pease Golf Course – Driving Range Ball Dispenser * **(Parker)**
 - 5. Airport Digital Communications Upgrade (Repeater and Mobile Radios) * **(Levesque)**
 - 6. American Association of Airport Executives (AAAE) – Interactive Employee Training and Learning Suite (IET-LS) + **(Ferrini)**

IX. Signs:

- A. Reports *:
 - 1. Laborie Medical Technologies Corp. – 180 International Drive
 - 2. Port City Air – 104 Grafton Drive

X. Executive Director:

- A. Reports:
 - 1. IT Report
 - 2. Golf Course Operations *
 - 3. Airport Operations
 - a) Portsmouth International Airport at Pease (PSM)
 - (i) Pease Aviation Partners
 - b) Skyhaven Airport (DAW)
 - c) Noise Line Report
 - (i) December 2021 *

- B. Approval:
 - 1. Appraisal Request – Potential Land Swap - PDA and NH ANG * **(Lamson)**

XI. Division of Ports and Harbors:

A. Reports:

1. Port Advisory Council Minutes of December 8, 2021 *
2. Commercial Mooring Transfer – Eaton to Eaton *
3. L.W. Morgridge & Son, Inc. – Right of Entry - Exercise of First One Year Option *
4. Commercial Mooring Transfer – O'Brien to Golter Lobster Sales, LLC *

B. Approvals:

1. Compensatory Wetlands Mitigation Project * **(Levesque)**

XII. Upcoming Meetings:

Board of Directors


March 17, 2022 @ 8:30 a.m.

All Meetings begin at 8:30 a.m. unless otherwise posted.

XIII. Directors' Comments:

XIV. Adjournment:

XV. Press Questions:

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



MOTION

Director Anderson:

I make a motion to approve the minutes of the Pease Development Authority Board of Directors meeting dated Thursday, December 16, 2021.

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

Thursday, December 16, 2021

Presiding: Kevin H. Smith, Chairman
 Present: Neil Levesque, Vice Chair; Erik Anderson; Steve Fournier; Margaret F. Lamson; and Susan B. Parker
 Not Present: Thomas G. Ferrini, Treasurer
 Attending: Paul E. Brean, Pease Development Authority ("PDA") Executive Director; Anthony I. Blenkinsop, Deputy Director /General Counsel; Maria Stowell Engineering Manager; Suzy Anzalone, Finance Director; Geno Marconi, Division of Ports and Harbors ("DPH") Director; Scott DeVito, Pease Golf Course General Manager; Andrew Pomeroy, Manager, Aviation Planning & Regulatory Compliance and Raeline A. O'Neil, Legal Executive Assistant

AGENDA

I. Call to Order:

Chairman Smith ("Smith") called the meeting to order at **8:37 a.m.**

II. Acceptance of Meeting Minutes: Board of Directors' Meeting of November 18, 2021

Director Levesque **moved** the **motion** and Director Parker **seconded** to approve the minutes of the Pease Development Authority Board of Directors meeting dated Thursday, November 18, 2021.

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

III. Employee Recognitions: *

Executive Director Paul Brean ("Brean") introduced Employee Relations Manager Tanya Coppeta (Coppeta) who indicated there were three employees being recognized for their years of service with the Pease Development Authority and whose contributions have made the Tradeport the success it is today.

The first is for 15 years of service and this employee started as an intern in the Airport Operations Department and over the last 15 years he has worked hard to become an airport security expert. He has an extremely important job and PDA appreciates having him do the work necessary to keep the airport safe; Airport Security Coordinator Ed Pottberg.

Director Lamson ("Lamson") indicated she has known Pottberg since he started at Pease and expressed how fortunate PDA is to have him as an employee and thanked him for keeping things safe.

Coppeta stated in her over 20+ years of services in Human Resources, she has had the privilege of recognizing employees for their years of service, but she has never given away a 30 year award, but today there are two.

This individual started in 1991 and she has worked in the Finance, Legal and IT Departments, where she is now. The contributions she has made to PDA and its employees are very valuable; speaking

for the employees at PDA, working with her is an absolute pleasure and Coppeta hopes to be before the Board in 10 years to present her with a 40 year recognition; IT Coordinator Jessica Patterson.

Coppeta indicated the last award recipient was not in the audience. However, this individual was originally hired as an Assistant / Helper at Pease Golf Course in 1991. He progressed through the years from Assistant Golf Pro to Head Golf Pro and finally to Golf Course General Manager and has proceeded over several years of record revenue and rounds of golf. PDA is happy to have this individual as an employee and recognize the commitment he has made to the Golf Course over the last three decades and that is Golf Course General Manager Scott DeVito.

IV. Public Comment:

Ryan FitzSimmons (“FitzSimmons”) spoke to the Board about the execution of a vision that came from Renee Plummer for Veterans Count which was held during the weekend of the Air Show. FitzSimmons indicated the coordinators of this event wanted to commemorate the festivities and weekend which also included the 20th anniversary of the 9-11 tragedy. There was a tremendous amount of coordination that took place for this event; not only did it raise money, but also honored all of the Veterans of the surrounding communities. FitzSimmons displayed a photo on canvas that displayed the great tail (airplane tail) of New Hampshire and two beams of light which were cast upward for an awe inspiring photo. Each of the Board members were presented with a smaller version of the photo. FitzSimmons indicated the size presented to the Board are the smallest that can be done and also indicated if requested can make additional copies for other locations (i.e.; Golf Course, Terminal, etc.). Renee Plummer spoke and stated she has been at Pease for 25 years and it has been a pleasure. She took her vision to FitzSimmons and James and explained what she wanted to achieve and they made it happen. Plummer painted the picture of the evening of the event with Taps playing and 700 people on the tarmac and the beam of lights being cast upwards was breathtaking. Plummer indicated that the creation of photo was a way to say thank you to everyone, the military who have served and our country for the freedom we have. FitzSimmons indicated all involved did the event proud through to its execution.

Smith thanked FitzSimmons and James for the execution of the idea and being able to capture the essence of the evening. Smith indicated Plummer has incredible vision and makes those ideas come to life. Further, what Plummer has done for the community, Veterans and the Tradeport is incredible.

FitzSimmons indicated that anyone who may be interested in the photo could reach out to him and let him know the size and they will accommodate. However, it may take a little time as they are also providing 40 copies to the ANG and other entities who have requested copies.

There was no further public comment.

Smith requested to move an agenda item VII. B. 1. up in the agenda prior to the Finance Summary as there are representatives from Northeast Rehab in attendance. Attorney Ari Pollack (“Pollack”) came from Concord to attend the meeting and be available to the Board for any questions it may have.

Pease Rehab, LLC (aka Northeast Rehabilitation) – 105 Corporate Drive - Lease Extension

Director Fournier moved the motion and Director Lamson seconded that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations

with Pease Rehab, LLC and Neuro-Rehab Associates, Inc. and to execute a 24-year lease extension and related side agreement amendments regarding the premises located at 105 Corporate Drive, Portsmouth, New Hampshire, on terms acceptable to the Executive Director and the General Counsel; substantially in accordance with the memorandum from Anthony I. Blenkinsop, Deputy Director / General Counsel, dated December 9, 2021.

Discussion: Director Anderson (“Anderson”) asked if the HUD factor that weighs in on this lease could be explained. Pollack introduced himself to the Board and indicated he was in attendance as representation for Northeast Rehab and Pease Rehab. Pollack indicated that HUD provided the financing for the project and because of the way HUD financed, side arrangements were necessary. Pollack indicated everything would be adjusted so that the term could be extended.

Parker indicated that Pease Rehab accommodated HUD; Pollack indicated the terms of the lending proposal were accepted and it hasn’t changed. Parker asked for confirmation the financing was for 50 years; Pollack affirmed. Blenkinsop stated for clarification there is a reasonable expectation that HUD will be out of the picture in 2048; Pollack affirmed and further stated the financing with HUD has a term and anticipate it would be paid to maturity and then discharged as a lender.

Disposition: Resolved by unanimous vote for; motion carried.

V. Finance:

A. Executive Summary

Finance Director Suzy Anzalone (“Anzalone”) stated that looking at operating revenues on a year-to-date (“YTD”) basis, PDA is at a 6% favorable position during the first four months of the fiscal year. Some of the favorable variances are golf – public play; facility rental; wharfage and dockage fee and merchandise sales. Also, underruns are being seen in fuel airport flowage fees; airport parking fees; registration fees and fuel sales; some of the revenue line items with underruns have been impacted due to COVID. Anzalone indicated she reviewed last year’s numbers and indicated FY22 numbers are ahead of FY21 as well as FY19 (pre-pandemic). Further, operating expenses are trending favorably by 11% with cost underruns in wages (due to open positions throughout the year), buildings and facilities, legal expenses and marketing. There are a couple of line items that have cost overruns such as pre-paid expenses for golf course fertilizer and vegetation control (purchasing now for next season), audit expenses (this is budgeted evenly over the year and a majority of the audit fees have already been paid for the next fiscal year). Anzalone indicated we have already received the bill for the FY21 audit so by the end of the year we anticipate being on budget. However, the only thing that might impact the audit fees is working with auditors on compliance for the GASB 87 regarding lease requirements. Nothing significant occurring in any of the business units that needed to be brought to the attention of the Board.

The balance sheet shows the current assets of PDA, a strong cash position (unrestricted) has led to the reprioritization of some of the capital projects by moving some to higher priority or some that were scheduled further out have been moved up to FY2022. This is being done by focusing on those projects that would help to increase revenue, cut expenses or are part of PDA’s environmental initiative.

Anzalone spoke of restricted assets which consists primarily of the Revolving Loan Fund (RLF); at this time there are 18 loans outstanding (were 21 loans previous with 3 being paid off). Anzalone anticipates a loan closing within the next week or so which will bring outstanding fishing loans to 19.

Regarding YTD capital expenditures we have spent approximately \$1.4 million which includes expenditures for the terminal expansion, Lowry Lane paving, construction at the Portsmouth Fish Pier and equipment replacement at the airport.

B. Reports:

1. FY2022 Financial Report for the Four Month Period Ending October 31, 2021

Anzalone informed the Board that on page 13 of the Financial report there is a list of open projects. Anzalone spoke to current liabilities and indicated that a large amount consists of accrued expenses being carried on the balance sheet such as accrued vacation and sick time; Municipal Service Fees (“MSF”) and outstanding gift certificates at the golf course.

Lamson asked Anzalone if she knew the amount of the bill from the City of Portsmouth for the Municipal Service Fee (“MSF”); Anzalone indicated it was just under \$1.4 million and it would be paid at the end of the month. Lamson asked if Anzalone could clarify how the billing occurs; Anzalone indicated that some MSFs are billed directly to the tenant; some are billed directly to PDA who then bills the tenants.

Lamson asked for clarification as she had been approached by various members of the public who assumed that Arboretum Drive was owned by the City of Portsmouth (“COP”) as they performed work on the road. Rather, COP was fulfilling a requirement under the MSF which is why the repairs were performed and felt members of the public should know this. Parker agreed with the need to be transparent so the perception is known regarding the how and why regarding concrete expenditures.

2. Cash Flow Projections for the Nine Month Period Ending August 31, 2022

Anzalone spoke to the various inflows and outflows over the next nine months that are attributed to the cash flow projections. Further, some of the expenditures incorporate grant and non-grant related capital expenditures; it is not anticipated that PDA will need to draw on its line of credit. Anzalone indicated PDA anticipates receiving just under a \$2 million grant from the Airport Rescue Act which was approved yesterday from the FAA and therefore has not been incorporated into the current report.

Levesque asked of the Airport Rescue Act \$2 million, was there any appropriate for Skyhaven; Anzalone anticipated approximately \$30,000 of that amount has been allocated for Skyhaven.

Parker asked how the unexpectedly high inflation is being managed; Anzalone indicated the budget builds in some inflation. At this time staff are being careful regarding expenses. Also, inflation is built in to rent increases (CPI) and therefore the rent increases may have been higher than they have been in past years. Anzalone indicated inflation will affect fixed assets and the cost of construction but staff are working to manage those. Parker wondered about the reference Anzalone made to moving of capital projects up; Anzalone spoke to various capital projects being moved forward due to the strong cash balances.

Anderson asked with respect to the lowering of the RLF interest rate whether or not it is covering the administrative overhead; Anzalone affirmed.

VI. Licenses/ROEs/Easements/Rights of Way:

A. Reports:

1. 2-Way Communications Service, Inc. – Right of Entry – 360 Corporate Drive

2. **Port City Air – Hangar 227 – Cold Storage of two Vehicles**
3. **Skyhaven Flying Club – Exercise option to September 30, 2022**

Brean stated that in accordance with the “Delegation to Executive Director: Consent, Approval and Execution of License Agreements,” PDA entered into the following Rights-of-Entry:

1. Name: 2-Way Communications Service, Inc.
License: Right-of-Entry
Location: 360 Corporate Drive
Purpose: Inspection Purposes for potential expansion
Term: December 1, 2021 through March 31, 2021 with a one month extension option
2. Name: Port City Air
License: Right-of-Entry
Location: Hangar 227
Purpose: Cold storage of two Vehicles
Term: November 16, 2021 through November 30, 2021 with a one month extension option
3. Name: Skyhaven Flying Club
License: Right-of-Entry
Location: Skyhaven Airport
Purpose: For the purpose of housing and using a flight simulator
Term: Extended one year through September 30, 2022

Director Fournier was consulted and granted his consent to all three Rights of Entry

B. Approvals:

1. Pease Greeters – Right of Entry Extension

Director Lamson moved the motion and Director Anderson seconded the **Pease Development Authority Board of Directors approves of and authorizes the Executive Director to extend a Right of Entry (“ROE”) entered into with the Pease Greeters dated June 29, 2021 to perform greeting services to inbound and outbound troop movements at Portsmouth International Airport for a period of twelve (12) months, effective from January 1, 2022 through December 31, 2022, to also include the validation of the necessary badges through this time period; substantially in accordance with the memorandum of Sandra McDonough, Airport Community Liaison dated December 7, 2021.**

Discussion: Anderson indicated this organization is considered a positive asset and why this wouldn’t be extended out further than a year. Brean stated Right of Entry’s (“ROE”) vary but this particular ROE has a key component of it being linked to badges that carry airport credentials that PSM is responsible for. Therefore, PSM needs to ensure it has the ability to collect the badges so it is a safeguard for airport security that the badges are tied to. Brean indicated an extension could be provided, but again stated the limitation of a specific time period is done as a means for a mechanism to control the badging pollution required by TSA.

Lamson indicated the Greeters were started by Renee Plummer as a means to meet the troops upon arrival and it is a wonderful thing to be a part of.

Smith thanked Brean and McDonough for their work regarding this because the ROE had to be worked out due to security requirements at the terminal. Further he stated that Executive Councilor Stevens had reached out to him and had expressed her understanding of the importance and the role of the Greeters.

Disposition: Resolved by unanimous vote for; motion carried.

VII. Leases:

A. Reports:

1. **Sublease between NH Avenue Retail Center, LLC and Family Ear, Nose & Throat, LLC (Suite #210)**
2. **Sublease between NH Avenue Retail Center, LLC and Family Ear, Nose & Throat, LLC (Suite #170)**
3. **Sublease between 30 International Drive, LLC and St. Mary's Bank**
4. **Sublease between 100 International, LLC and TIC – The Industrial Company, Cianbro Corporation and The Middlesex Corporation (Suite #100)**

Brean indicated that in accordance with the “Delegation to Executive Director: Consent, Approval of Sub-Sublease Agreements” PDA approved the following lease option with:

- | | | |
|----|---------|---|
| A. | Tenant: | Family Ear, Nose & Throat, LLC |
| | Space: | 2,341 square feet at 14 Manchester Square (Suite #170) |
| | Use: | Profession office and related use |
| | Term: | Ten (10) Years Commencing 120 days from full execution of the sublease |
| | | |
| B. | Tenant: | Family Ear, Nose & Throat, LLC |
| | Space: | 2,500 square feet at 14 Manchester Square (Suite #210) |
| | Use: | Profession office and related use |
| | Term: | Ten (10) Years Commencing 120 days from full execution of the sublease |
| | | |
| C. | Tenant: | St. Mary's Bank |
| | Space: | 3,291 square feet at 20 International Drive |
| | Use: | Profession office and related use |
| | Term: | Seven (7) Years Commencing September 1, 2021 |
| | | |
| D. | Tenant: | TIC – The Industrial Company, Cianbro Corporation, and The Middlesex Corporation |
| | Space: | 16,822 square feet at 100 International Drive, Suite #100 |
| | Use: | Office and Related Use |
| | Term: | Six (6) Years commencing on the earlier of 90 days from the full Sublease execution or Sublessee's receipt of a certificate of occupancy and expiring on the last day of the 72 nd month of the lease between the Lessee and the Sublessee |

Director Lamson was consulted and granted her consent to these subleases.

B. Approval:

1. Pease Rehab, LLC (aka Northeast Rehabilitation) – 105 Corporate Drive - Lease Extension

Director Fournier **moved** the **motion** and Director Lamson **seconded** that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations with Pease Rehab, LLC and Neuro-Rehab Associates, Inc. and to execute a 24-year lease extension and related side agreement amendments regarding the premises located at 105 Corporate Drive, Portsmouth, New Hampshire, on terms acceptable to the Executive Director and the General Counsel; substantially in accordance with the memorandum from Anthony I. Blenkinsop, Deputy Director / General Counsel, dated December 9, 2021.

Discussion: This item had been moved up in the meeting. Disposition: Resolved by **unanimous** vote for; motion **carried**.

VIII. Contracts:

A. Reports:

- 1. Honeywell - Access Control Media Purchase at Portsmouth International Airport at Pease**
- 2. HID – Maintenance Renewal Form Regarding Assure ID Data Capture (3M) Equipment**
- 3. HID - Maintenance Renewal Form – Year 3 of 5 year contract**
- 4. On-Call Electrical Maintenance Services – Martineau Electric**

In accordance with Article 3.9.1.1 of the PDA Bylaws, Brean reported on the following:

1. Project Name: Honeywell Internation
PDA Obligation: \$2,875.00
Summary: Invoice for access cards for Portsmouth International Airport at Pease
2. Project Name: HID Global SAFE, Inc.
Board Authority: Prior authorization to extend services per Board's authorization in 2018
PDA Obligation: \$29,280.00
Summary: Invoice for Maintenance and Renewal for year 3 of 5 year agreement for services
3. Project Name: HID Global SAFE, Inc.
PDA Obligation: \$900.00
Summary: Invoice for Assure ID Data Capture (3M) Equipment
4. Project Name: On-Call Electrical Maintenance Services
Board Authority: Prior authorization to extend services per Board's authorization in 2018
Summary: PDA Exercised Its First of Two, One Year Options with Martineau Electric

B. Approvals:

1. Cross Insurance – PDA Insurance

Director Parker **moved** the **motion** and Director Fournier **seconded** that the Pease Development Authority (“PDA”) Board of Directors authorizes the Executive Director to accept and bind insurance coverages for the PDA to be provided by Cross Insurance, Inc. as outlined in the premium summary attached hereto, in the projected total premium amount of \$173,077.09 for the period of December 31, 2021 through December 31, 2022, in accordance with the memorandum of Anthony I. Blenkinsop, Deputy Director/General Counsel, dated December 9, 2021.

Discussion: Anderson asked if this were the last year of the RFP and whether PDA would be going out for a new RFP in the foreseeable future. Blenkinsop indicated it is the last renewal option under the 2017 approval provided by the Board and he anticipated going out for a RFQ/RFP process in 2022.

Fournier indicated he did not see anything out of the ordinary with this renewal as he too has seen increases for the Town of Newmarket which is the post pandemic increase in insurance.

Disposition: Resolved by **unanimous** vote for; motion **carried**.

2. USI-New England, Inc. – PDA Insurance

Director Lamson **moved** the **motion** and Director Fournier **seconded** that the Pease Development Authority (“PDA”) Board of Directors authorizes the Executive Director to accept and bind PDA property insurance coverage with USI – New England, Inc. as outlined on the schedule attached hereto, in the projected total premium amount of \$153,486.00 for the period of December 31, 2021 through December 31, 2022; all in accordance with the attached memorandum of Anthony I. Blenkinsop, Deputy Director/General Counsel dated December 9, 2021.

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

3. HVAC Bid

Director Anderson **moved** the **motion** and Director Lamson **seconded** that the Pease Development Authority (“PDA”) Board of Directors hereby approves and authorizes the Executive Director to enter into a contract with Alliance Mechanical of Bow, NH for the purpose of providing on-call heating, ventilation and air conditioning maintenance services for PDA and Division of Ports and Harbors facilities, for an initial term of three (3) years with two (2) one (1) year extension options exercisable at the Executive Director’s sole discretion; all in accordance with the memorandum from Chasen Congreves, Manager of Airport Administration, dated November 30, 2021.

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

4. Vaisala Data Service - Surface Sensor System for Runway Conditions and Aerodrome Weather Renewal

Director Parker **moved** the **motion** and Director Anderson **seconded** that the Pease Development

Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with Vaisala for management and maintenance of the Portsmouth International Airport at Pease (“PSM”) runway surface and sub-surface sensor system for a seven (7) year period, in the total amount of \$65,384.00; all in accordance with the memorandum of Chasen Congreves, Manager of Airport Administration, dated December 6, 2021.

In accordance with the provisions of RSA 12–G:8, VIII, the Board justifies the waiver of the RFP requirement as the Vaisala system was installed as part of the runway reconstruction bid and project and is the sensor system preferred by the FAA for PSM.

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

5. USDA / WS Wildlife Control Proposal at Airports

Director Fournier moved the motion and Director Lamson seconded that the Pease Development Authority (“PDA”) Board of Directors authorizes the Executive Director to enter into a Cooperative Service Agreement with the United States Department of Agriculture Animal and Plant Health Inspection Service and Wildlife Services (USDA / WS), to continue its integrated wildlife control and monitoring duties at Portsmouth International Airport at Pease (PSM) and Skyhaven Airport (DAW), for the period of January 1, 2022, through December 31, 2022, in the amount of \$32,914.85; any taking of wildlife at Pease will be confined within the airport perimeter fence and be in compliance with Federal and State permits; all in accordance with the memorandum of Andrew B. Pomeroy, Manager Aviation Planning and Regulatory Compliance, dated November 23, 2021, and attached hereto.

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

1. the PDA has a long standing relationship with USDA/WS stemming back to the time the PDA was formed;
2. as part of that relationship the USDA/WS has maintained ongoing wildlife surveys, with data dating back to its first work at Pease and PDA does not want to interrupt this data stream;
3. the USDA/WS conducts training classes for PDA Airport Operations Personnel on Airport Wildlife Hazard Management to meet 14 CFR 139 requirements; and
4. the USDA/WS is the FAA recognized federal authority for airport wildlife hazard management and training.

Discussion: Lamson indicated PDA is fortunate to have this entity as they know what they are doing and how to handle things.

Disposition: Resolved by unanimous roll call vote for; motion carried.

6. SHI International Corp – Purchase of Dell Server

Director Levesque moved the motion and Director Lamson seconded that the Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with SHI International Corp for the purchase of a Dell Server in an amount not to exceed \$25,862.00; all in accordance with the memorandum of Greg Siegenthaler, IT Director, dated December 2, 2021, attached hereto.

In accordance with the provisions of RSA 12-G:8, VIII, the Board justifies the waiver of the RFP requirement as SHI International Corp is a State of New Hampshire approved vendor.

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

IX. Executive Director:

A. Reports:

1. 2022 Meeting Schedule

Brean indicated the schedule stays with the 3rd Thursday of the month for Board meetings along with a start time of 8:30 a.m. and the scheduled Committee meetings as well.

2022 MEETING SCHEDULE

Month	BOARD		FINANCE		GOLF		AUDIT		PORT	
	Day	Date	Day	Date	Day	Date	Day	Date	Day	Date
January	Thursday	01/20/22							Thursday	1/6/2022 @ 8:00 a.m.
February	None									
March	Thursday	03/17/22								
April	Thursday	04/21/22	Monday	4/18/2022 @ 9:30 a.m.	Monday	4/18/2022 @ 9:00 a.m.	Monday	4/18/2022 @ 8:30 a.m.	Thursday	4/7/2022 @ 8:00 a.m.
May	Thursday	05/19/22								
June	Thursday	06/16/22	Monday	6/13/2022 @ 8:30 a.m.						
July	None								Thursday	7/7/2022 @ 8:00 a.m.
August	Thursday	08/18/22								
September	Thursday	09/15/22	Monday	9/12/2022 @ 9:00 a.m.	Monday	9/12/2022 @ 8:30 a.m.				
October	Thursday	10/20/22					Monday	10/17/2022 @ 8:30 a.m.	Thursday	10/6/2022 @ 8:00 a.m.
November	Thursday	11/17/22	Monday	11/14/2022 @ 9:00 a.m.	Monday	11/14/2022 @ 8:30 a.m.				
December	Annual!	Thursday 12/15/22								
NOTE: ALL MEETINGS BEGIN AT 8:30 A.M. UNLESS OTHERWISE POSTED.										
Legend										
Board	3rd Thursday		No meetings Feb or July							
Finance	Quarterly - Monday before Board									
Golf	Quarterly - Monday before Board									
Audit	Semi-Annually-Monday before Board (April/Oct)									
Port	Quarterly - 1st Thursday									
*Monday Holiday			P:\BOARDMTG\2021\2022 Proposed Mtg.							

2. Elections (Vice-Chair and Treasurer)

Brean indicated that in accordance with Article III, Section 3.4 of the PDA By-Laws, the agenda includes the election of officers and stated the officers to be elected are a Vice-Chairman and a Treasurer of the Board, both of whom will serve in such capacity for a term of one (1) year or until the next Annual Meeting, whichever first occurs.

A. Vice-Chair:

Director Anderson moved the motion and Director Fournier seconded that Director Levesque be elected as Vice-Chairman of the Pease Development Authority Board of Directors.

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

B. Treasurer:

Director Lamson **moved** the **motion** and Director Fournier **seconded** that **Director Ferrini be elected as Treasurer of the Pease Development Authority Board of Directors**.

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

3. Committee Appointments

Blenkinsop indicated the list provided indicates the current appointments.

Fournier asked if the some of the various Committees should be reviewed and wondered if it were necessary to have all of the Committees as some have never met; streamlining isn't a bad thing.

Levesque indicated he once thought the same thing, but indicated they are there in the event something were to come up and a meeting became necessary there would already be Committee members assigned.

Smith asked if four members could be on an Ad Hoc advisory Committee; **Blenkinsop indicated** it would not be ideal as four members represents quorum issues of the entire Board. **Smith indicated** that Director Parker has been interested in transportation issues and not sure how often the Committee has met. Lamson indicated it hasn't met and further stated she speaks with PDA's Engineering Manager on any concerns. Lamson suggested Parker could reach out to Maria Stowell ("Stowell") Engineering Manager with any concerns she may have; Parker indicated this is what she has been doing. Fournier stated he would yield his seat on this Committee to Director Parker.

Parker indicated she has come from a long history of public service and the organizations she has worked with are public service, most typically private non-profits and 501C (3) capacities and it has been her experience that often Committees become overweighted and organizations evolve. Further it is important to the have the Committee function(s) identified. Parker indicated the Ad Hoc Committees function are important and the PDA Board is a healthy group and it is understood what functions are needed. Parker stated in a future Board meeting it would be good to have a self-examination because if a Board does not understand "the footsteps in the snow" it will not be able to make a determination of a very healthy present / future.

Levesque asked if a motion would need to be made to place Parker on the Transportation Committee and to remove Fournier; Blenkinsop indicated the determination of the Committee members is made by the Chairman and therefore he can make the change to the members on a Committee.

Smith noted for the record the removal of Director Fournier from the Transportation Management Committee and the addition of Director Parker to this Committee.

PDA COMMITTEE LISTING – EFFECTIVE December 16, 2021**Standing Committees****Executive Committee**

Kevin H. Smith, **Chair**
 Neil Levesque, Vice Chairman
 Thomas G. Ferrini, Treasurer
 Staff Contact: Brean/Blenkinsop

Finance Committee

Thomas G. Ferrini, **Chair (Treasurer)**
 Margaret Lamson
 Neil Levesque
 Staff Contact: Brean/Anzalone

Airport Committee

Kevin H. Smith, **Chair**
 Steve Fournier
 Margaret Lamson
 Staff Contact: Brean/Stowell

Marketing and Economic Development Committee

Thomas G. Ferrini, **Chair**
 Neil Levesque
 Susan Parker
 Staff Contact: Brean

Zoning Adjustment & Appeals Committee

Steve Fournier, **Chair**
 Susan Parker
 Kevin H. Smith
 Staff Contact: Blenkinsop/Stowell

Ad Hoc Advisory Committees**Capital Improvement and Land Planning Committee**

Steve Fournier, **Chair**
 Thomas G. Ferrini
 Neil Levesque
 Staff Contact: Blenkinsop/Stowell

Golf Committee

Erik Anderson, **Chair**
 Thomas G. Ferrini
 Steve Fournier
 Staff Contact: Brean/DeVito

Audit Committee

Thomas G. Ferrini, **Chair**
 Kevin Smith
 Erik Anderson
 Staff Contact: Anzalone

Transportation Management Committee

Margaret Lamson, **Chair**
 Erik Anderson
 Steve Fournier Susan Parker
 Staff Contact: Stowell

Port Committee

Neil Levesque, **Chair**
 Steve Fournier
 Erik Anderson
 Ex Officio: Chair DPH Advisory Council
 Staff Contact: Brean/Marconi

Legal Bill Review

Kevin H. Smith, **Chair**
 Thomas G. Ferrini
 Erik Anderson
 Staff Contact: Blenkinsop

Notes: Executive Committee must have Board Chairman as Executive Committee Chair and Board Vice-Chair as Executive Committee Vice-Chair. Finance Committee must have Board Treasurer as Chairman of Finance Committee. Other than that, each Committee must have a minimum of three Directors appointed

to each Committee with a Chairman selected from such appointees; appointments to Committees are at sole discretion of Board Chairman.

4. PDA Holiday Schedule – 2022

Smith indicated this is pretty standard to what State employees received for holidays; Brean affirmed and further indicated it mirrors last year's PDA holiday schedule.

New Year's Day	Observed	Friday	12/31/2021
Martin Luther King/Civil Rights Day		Monday	1/17/2022
Presidents' Day		Monday	2/21/2022
Memorial Day		Monday	5/30/2022
Independence Day	Observed	Monday	7/4/2022
Labor Day		Monday	9/5/2022
Columbus Day		Monday	10/10/2022
Veterans' Day		Friday	11/11/2022
Thanksgiving Day		Thursday	11/24/2022
Day after Thanksgiving		Friday	11/25/2022
Christmas Day	Observed	Monday	12/26/2022

5. Golf Course Operations

Brean announced Scott DeVito ("DeVito"), Pease Golf Course General Manager, as being one of the 30 year recognized employees.

DeVito indicated that the season has been wrapped up with a record high of 66,500 rounds of golf played. Further, DeVito stated that events have already started to pre-book for next season, events put on by PGC and there is a wait list for the membership; feels PGC will be in good shape for next season. Also, Grill 28 numbers are definitely up and they too are booking into the summer season as well.

DeVito stated it is anticipated PGC will bring a couple of capital items to the Board at its January meeting. DeVito indicated he has been informed by some of the companies regarding the items PGC plans on putting bids out for, will not be available through them until 2023.

Smith indicated he was going to recess the Board meeting so that they could be moved into the Planning Board hearing scheduled for 9:30 a.m. and then we would return to its Board meeting.

The Board of Directors' meeting recessed at 9:29 a.m. to hold the Planning Board meeting scheduled for 9:30 a.m. with respect to Executive AirDock, LLC; the Board meeting reconvened at 9:51 a.m.

6. Airport Operations

a) Portsmouth International Airport at Pease (PSM)

Brean thanked the Engineering Department, Andrew Pomeroy and staff for their interactions with the City of Portsmouth and Tighe & Bond regarding discussions held concerning the planning and development of the new corporate hangars being pursued by Executive AirDock. The hangars have been

well planned and believes they will create an environmental and stormwater friendly corporate hangar development in the Northeast.

Brean indicated staff have been working on initiatives heard from the Board such as hybrid technology vehicles and a pilot of an electric vehicle charging station at the golf course which will provide Grill 28 and golf course customers with the ability to charge electric vehicles.

Further Brean spoke of potentially bringing to the Board during the first quarter of the new year discussions regarding solar panels at the PDA facility (55 International Drive) which could provide electricity to the facility and provide the ability to net meter any excess. Brean also spoke of legislation being pursued by Senator Perkins-Kwoka which would allow PDA to be included in locations utilized for net metering above 1 megawatt. With this new legislation it could be that PDA could install solar arrays on locations such as the Jones School property or areas within the Natural Resource Protection Zone for a greater than 1 megawatt facility that would be beneficial to PDA's sustainable and environmental initiatives it is working towards.

Smith spoke to the importance of Perkins-Kwoka including Pease to the piece of legislation because there is potential on land at Pease which may never be developed due to contamination but which could generate power for the Tradeport itself.

Anderson asked if the solar panels for this facility were included in the CIP previously provided; Brean affirmed and indicated staff felt PDA was in a position to expedite the projects to earlier in the schedule of CIP projects. Brean also indicated it would be a way for PDA to hedge inflation as a way to offset utility expenses via solar then the CIP project could be expedited to move it ahead due to available funding.

Brean indicated for the month ending November 2021, PSM had tracked better than last year and obviously Delta and Omicron viruses are impacting aviation again. Brean stated the total passenger enplanement of approximately 67,000 for the year, which puts PSM in line with numbers from 2017. Further, Brean indicated that the majority of PSM flights were sold out for the next two months. Also, Allegiant has added a couple of extra schedules such as Christmas Eve and throughout the holiday season which shows an uptick in travel. Brean also stated that due to the increased travel there has also been an uptick in passenger revenue parking at the airport putting PSM back on track to pre-COVID numbers. Brean stated that Allegiant will resume its Tampa/St. Pete service starting February 16th.

Brean informed the Board that Port City Air had a strong November and pumped 884,000 gallons of jet fuel which breaks down to 65% to the DOD Craft programs; 15% for Commercial (primarily Allegiant) and 15% for General / Corporate Aviation consumption.

Brean stated the grant has been executed under the American Rescue Plans for Airports in the amount of \$1.9 million, which is based on the 2019 passenger enplanements, and will allow PDA to bring some of the CIP projects to fruition earlier than anticipated.

Brean stated he had been in contact with Parker who asked whether PSM has seen an increase in base aircraft registrations at PSM since the State reduced the registration fees and he indicated that there has been a significant increase. Brean stated that there have been 23 new aircraft based at PSM since the registration fees were reconfigured. This puts PSM on the same playing field as Vermont, Maine, Massachusetts and Connecticut. Brean indicated there are currently 158 aircraft based at PSM and most

of the influx has been through PlaneSense or corporate entities. Also, CHI Aerospace has decided to have its base at PSM and they continue to build a model which will feed the pilot path for airlines and commercial operators. Brean indicated because of the base demand for aircraft at PSM, PDA has seen PCA invest in redevelopment of Hangar 229 which will eventually house high tail aircraft, as well as the new hangar development by Executive AirDock.

b) Skyhaven Airport (DAW)

Brean indicated that Andrew Pomeroy (“Pomeroy”), Manager Aviation, Planning & Regulatory Compliance, participated with NH Department of Aeronautics yesterday for the annual audit of Skyhaven and Brean is anticipating good news in the debrief as the facility is in good shape.

**c) Noise Line Report
(i) November 2021**

Brean stated there was one noise inquiry at Portsmouth International Airport (PSM) at Pease in November from a Portsmouth resident located in the Sherburne Village neighborhood. The inquiry concerned a helicopter; contact was made with the Fixed Base Operator where the helicopter in question was refueling. PSM staff spoke with the pilot and advised of the proper procedures when coming in to PSM.

B. Approvals:

1. Bills for Legal Services

Director Fournier moved the motion and Director Lamson seconded that the Pease Development Authority (“PDA”) Board of Directors approves of and authorizes the Executive Director to expend funds in the amount of \$1,160.00 for legal services rendered to the Pease Development Authority from Sheehan Phinney Bass & Green regarding Trade Port General Representation during November 1, 2021 – November 30, 2021 in the amount of \$667.00 and in support of MS4 and CLF settlement implementation during November 1, 2021 – November 30, 2021 in the amount of \$493.00 for a total of \$1,160.00.

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

2. Runway Deicing Solid

Director Parker moved the motion and Director Levesque seconded that the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a contract with Clariant Corporation of Mount Holly, North Carolina, for the purpose of purchasing sodium formate based runway deicing solid for three (3) years as follows:

I.	Year 1	\$0.78 per pound,
II.	Year 2	\$0.81 per pound; and
III.	Year 3	\$0.84 per pound

for the period of January 1, 2022 through December 31, 2024; all in accordance with the memorandum of Sandra McDonough, Airport Operations Specialist, dated December 8, 2021.

Discussion: Lamson asked of the de-icing material being environmentally safe should it go down into the McIntyre Brook and if it were approved by the FAA; Brean affirmed.

Anderson asked of the projected total cost of the product to be used; Brean indicated it is weather driven but that \$40,000 is budgeted in solid and \$200,000 in liquid de-icing.

Parker asked if there is a shelf life on the product; Brean indicated there is and PSM has approximately 26,000 pounds on shelf stock. However, in a major ice event it could be necessary to use a large amount.

Smith indicated that the subject came up at one of his recent Town meetings in Londonderry regarding the environmental safety of de-icing materials and he indicated he would provide Lamson with some information on it. Lamson indicated it is important that we stay aware of the environmental impacts to the brooks and Great Bay.

Disposition: Resolved by **unanimous** vote for; motion carried.

3. Annual Leave Buy Back

Director Levesque **moved** the **motion** and Director Lamson **seconded** that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to conduct a voluntary 2021 annual leave buy-back program for qualified PDA employees on the terms and conditions set forth in the memorandum from Tanya Coppeta, Employee Relations Manager, dated December 9, 2021.

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

4. Two Hybrid Vehicles – CIP Items

Director Lamson **moved** the **motion** and Director Fournier **seconded** that the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to purchase two (2) 2022 Hybrid Ford Explorer Interceptors from McFarland Ford of Exeter, NH in a total amount not to exceed \$81,430.00; all in accordance with the memorandum of Ken Conley, Fleet Manager, dated December 9, 2021.

In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement as the vehicles will be purchased under the State of New Hampshire's Vehicle Procurement Contract.

Discussion: The Board members spoke generally to the expense of vehicles at this time.

Disposition: Resolved by **unanimous** roll call vote for; motion carried.

X. Division of Ports and Harbors:

A. Reports:

1. Port Advisory Council Meeting Minutes - October 13, 2021
2. Port Advisory Council Meeting Minutes – November 10, 2021

Geno Marconi ("Marconi"), Division of Ports and Harbors Director, indicated the Board had in its packet the minutes of the Port Advisory Council meetings of October 13, 2021 and November 10, 2021 that were recently approved

3. Commercial Mooring Transfer – Kasztejna – Jalbert

Marconi indicated the request is reviewed by the local Harbormaster who makes a recommendation to the Chief Harbor Master, who makes a recommendation to Marconi who reviews to make sure it is consistent with the Code of Administrative Rules. Marconi passes the request along to Brean to be signed off through the Delegation of Authority.

4. Change Order Regarding Time Extension - Portsmouth Fish Pier

Marconi stated the reason this was done was there are a couple of items that could not be completed at this time (electrical components on backorder). The electrical system is up and running but there are some lights that have not been delivered yet. Also, as Marconi has previously reported, the specs call for stainless steel electrical boxes outside on the dock to help against corrosion and those will be installed once received.

Marconi indicated that the final paving has not been done yet as Pike closed down its batching plant early this year. While the base coat is in, the finish coat will be done in the spring. Marconi indicated this would be advantageous to DPH as it will allow time for the area to settle over the winter. Marconi also indicated the contractor has provided DPH with an extension of the construction bond.

5. Rye Harbor - Lights – Commercial Pier

Marconi indicated that a couple of lights went out at Rye Harbor and when DPH went down to inspect, DPH found that all of the light fixtures had really deteriorated and needed to be replaced for safety and security reasons.

Marconi indicated DPH went out to bid for the Rehabilitation and Modification of the Main Ship Wharf and the BUILD Grant was short from the bid; there is also a mitigation component put into the wetlands application. Marconi indicated DPH went to the State through the Fiscal Committee and the Governor and Council and were approved for the funds as DPH was short on the bid; the Notice of Award has been executed. Marconi indicated from that the contractor has 15 business days to provide various documentation which will be reviewed. Marconi indicated the mitigation component was a surprise as previous permits had expired but previously waived compensatory mitigation component due to mitigation work previously done by DPH for a project that was never built. However, due to a change in personnel at DES and keeping in mind mitigation was going to have to be done with the functional replacement project, DES recommended that DPH agree to a new mitigation project (completion of the shoreline restoration which was started five years ago in front of Bohenko Park). Marconi indicated this is the project that the money had been previously approved by the Governor and Council for. A letter of approval has been issued for the Wetlands Permit but it is still necessary to have final permit approval by the Governor and Council. After conversations with DOT regarding the functional replacement, Marconi believes things will start moving again after the first of the year.

Marconi indicated the dredge project at the Uppermost Turning Basin has begun and they have

been moving a lot of material and it is anticipated that a second dredge will be brought up during the second or third week of January. Further there is a drilling and blasting rig completing projects in Boston Harbor that should be moved up shortly; this project involves moving 762,000 cubic yards of material, of which there is only 16,000 or 17,000 yards of ledge that needs to be removed.

Levesque asked Marconi how many yards was the dredging performed at Rye Harbor; Marconi indicated he thought it were around 36,000 or 37,000. Marconi also indicated the scows utilized in Rye Harbor held 900 yards and the ones being used at the Turning Basin are 5,000 yard scows. Marconi stated that after the top layer of material was removed and brought out to the Isles of Shoals site, the clean sand has been transported down to Salisbury and Plum Island.

Lamson indicated she was watched the operations out at the Turning Basin and it is an amazing operation and an education of what is being done to help the river basin.

Anderson asked about the mitigation issue discussed earlier, Marconi indicated the Governor and Council approved approximately \$900,000 for construction and \$500,000 towards mitigation. Anderson asked if there were an agent yet to perform the mitigation; Marconi indicated there are current discussions between DES, City of Portsmouth, and the UNH. The City of Portsmouth owns the property and they have the wetlands permit so there have been discussions asking if DPH can go in and complete the City's project. The City is excited about this possibility as DPH can do two mitigation projects at once as the contractor would only have to breach the new park area once. Marconi indicated that the City contracted with UNH to oversee the design and construction; UNH contracted with an engineering firm to do the design. They went out to bid for the construction component of this and the contract given to the construction company was to do the complete 600' of the shoreline but only 200' was completed. Therefore, DPH is looking to go in and complete the remaining 400' and where the contracts are already in place and there was a public bid for those contracts, Marconi believes this is the most expeditious way to complete the project. Marconi indicated there are two options: either DPH contracting with the engineering firm to oversee the project or the City oversees the project.

Parker asked with respect to the dredging project if they are working 7 days a week; Marconi affirmed (24/7) but indicated they may not be digging all of that time. Further, if the weather is bad and can't get to the dump site they will take the dredge and move it off to the side but during this time they manage down time with maintenance on the equipment. Marconi indicated they may take Christmas Day off. Also, there are two scows in rotation. Parker asked if the scows can travel only in calm waters; Marconi indicated it isn't so much the scow but the tugboat.

B. Approvals:

1. Trailer Mounted Generators – NH Port Authority

Director Anderson moved the motion and Director Lamson seconded that the Pease Development Authority Board of Directors authorizes the Executive Director to accept the lowest qualified bid for the Trailer Mounted Emergency Diesel Generators in conjunction with a Port Security Grant from the U.S. Department of Homeland Security, and award the contract for the generators to Authorized Services of New England ("ASNE") in an amount not to exceed \$119,070; all in accordance with a memorandum from Geno J. Marconi, Division of Ports and Harbors Director, dated December 7, 2021.

Discussion: Anderson asked if the units in the various bids were like for like; Marconi indicated they are per specifications.

Brean pointed out the strong relationship between State Department of Emergency Management and DPH in order to make this grant possible.

Disposition: Resolved by **unanimous** vote for; motion carried.

XI. Upcoming Meetings:

Board of Directors

January 20, 2022 @ 8:30 a.m.

All Meetings begin at 8:30 a.m. unless otherwise posted.

XII. Directors' Comments:

XIII. Adjournment:

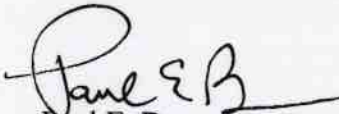
Director Fournier **moved** the **motion** and Director Parker **seconded** to adjourn the Board meeting. Meeting adjourned at **10:24 a.m.**

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

XIV. Press Questions:

No questions from the press.

Respectfully submitted,



Paul E. Brean
Executive Director

MOTION

Director Parker:

The Pease Development Authority (“PDA”) Board of Directors hereby approves of and authorizes a one (1) year extension to the Site Review approval granted to Port City Air (“PCA”) for improvements to the fuel farm located at 14 Aviation Avenue in accordance with PDA Site Plan Review Regulations Part 403.03(a); all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated January 7, 2022, attached hereto.

MEMORANDUM

To: Paul E. Brean, Executive Director *PB*
From: Maria J. Stowell, P.E., Engineering Manager *Maria*
Date: January 7, 2022
Subject: Port City Air Site Review Approval Extension, North Fuel Farm at 14 Aviation Avenue

In January of last year, the PDA Board, acting as a planning board, approved the site plans submitted by Port City Air ("PCA") for improvements to the fuel farm located on the airfield at 14 Aviation Avenue. The improvements included upgrades to the fuel dispensing system and the refueling truck parking areas that will provide enhanced operational and safety measures.

The PDA Site Plan Review Regulations provide that site review approvals shall lapse in one year if applicants do not obtain a building permit. The Regulations also allow the Board to waive this provision when "strict conformance would present an unnecessary hardship to the applicant and waiver would not be contrary to the spirit and intent of these regulations."

PCA, through its agent, is requesting that the site review approval for the fuel farm be extended for one year. (See attached letter dated January 7, 2022.)

Staff has reviewed PCA's request and we agree that the project has been delayed for the reasons stated. Moreover, as there have been no revisions to rules or regulations that would impact the approved design, we agree that the extension is not contrary to the regulations.

At the January 20th Board meeting, please seek Board approvals to grant a one year extension to PCA's Site Review Approval as allowed by Part 403.03(a) of the PDA Site Plan Review Regulations.

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AMBIT ENGINEERING, INC. CIVIL ENGINEERS AND LAND SURVEYORS

200 Griffin Road, Unit 3, Portsmouth, NH 03801
Phone (603) 430-9282 Fax 436-2315

7 January 2022

Ms. Maria Stowell, PE
Engineering Manager, Pease Development Authority
Pease International Tradeport
55 International Drive, Portsmouth, NH 03801

**RE: Site Plan Approval, Port City Air, North Fuel Farm, 14 Aviation Avenue
Request for One Year Site Plan Approval Extension**

Dear Maria,

We hereby submit, on behalf of Port City Air, a request for a One Year Extension of the **Site Plan** Approval granted on January 28, 2021 for the project. The extension is needed to complete the process of getting the contractors engaged for the construction process, made particularly difficult by the continued presence of Covid. In addition there was time spent in review of the subsurface soil conditions to insure that the project will meet all related environmental requirements.

In accordance with the Site Plan Regulations Section 407.01 the applicant has one year to obtain a building permit. This work is ongoing. We hereby request, under Site Review Regulations Part 403.03(a), that this requirement be provided a waiver by the Pease Development Authority to allow the applicant an additional year to obtain the required building permit. We propose that strict conformance with this requirement poses an unnecessary hardship on the applicant. Since the project was approved, and is important to the operations of the Airport at the Tradeport, the granting of the waiver would not be contrary to the spirit and intent of the regulations.

We request that the PDA vote to approve this request. Please feel free to call to discuss any question that you might have about this request.

Sincerely,

John Chagnon

John Chagnon, PE; Ambit Engineering, Inc.
CC: Peter Britz (Interim Portsmouth Planning Director), PCA – Ned Denney & Austin
Pietchman, Project Design Team – via email

MOTION

Director Ferrini:

The Pease Development Authority (“PDA”) Board of Directors hereby approves of and authorizes the following:

- A. a six (6) month extension, to July 21, 2022, to the Site Review approval granted to Lonza Biologics, Inc. (“Lonza”) for the premises located at 70/80 Corporate Drive; and
- B. a six (6) month extension, to September 18, 2022, of Lonza’s Conditional Use permit application for 70 / 80 Corporate Drive;

all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated January 13, 2022, attached hereto.

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MEMORANDUM

To: Paul E. Brean, Executive Director *Paul*
From: Maria J. Stowell, P.E., Engineering Manager *Maria*
Date: January 13, 2022
Subject: Lonza Site Plan Approval Extensions

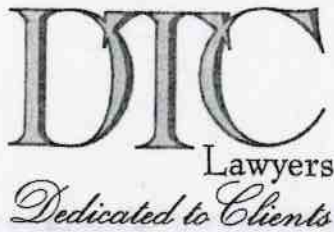
Lonza continues to work toward the commencement of construction of the iron parcel improvements as approved by the PDA Board and City of Portsmouth Land Planning Boards. Lonza has previously requested and been granted time extensions for both its site review approval and conditional use permit. (The conditional use permit relates to work in the wetland buffer.) With those extensions, the site review approval is set to expire at the end of this month and the conditional use permit will lapse in March.

Despite an earnest effort by Lonza, as of this day work has not started and Lonza is concerned that work may not begin before the approval deadlines. The attached letter with enclosures from Lonza's counsel, Attorney Justin Pasay, explains the causes for the delay and asks that the PDA Board grant additional extensions.

Lonza, Attorney Pasay, and PDA staff have been in frequent contact regarding this issue. We concur with the basis of the request and believe that granting a six month extension for both Lonza's site review approval and conditional use permit would be reasonable and not contrary to the spirit and intent of the regulations.

At the January Board meeting, please seek the requisite Board approvals to grant extensions to Lonza's Site Review Approval and Conditional Use Permit.

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DOUGLAS M. MANSFIELD
KATHERINE B. MILLER
CHRISTOPHER T. HILSON
HEIDI J. BARRETT-KITCHEN
JUSTIN L. PASAY
ERIC A. MAHER
CHRISTOPHER D. HAWKINS
BRENDAN A. O'DONNELL
BLAINA L. HOEPPNER
WILLIAM K. WARREN

RETIRED
MICHAEL J. DONAHUE
CHARLES F. TUCKER
ROBERT D. CIANDELLA
NICHOLAS R. AESCHLIMAN

12 January 2022

Via email: A.Blenkinsop@peasedev.org
and U.S. Mail

Anthony Blenkinsop, Esquire
Deputy Director/General Counsel
Pease Development Authority
55 International Drive
Portsmouth, NH 03801

Re: Request by Lonza Biologics Inc. ("Lonza") from the Pease Development Authority
("PDA") Board of Directors

Dear Anthony:

I write on behalf of Lonza to: 1) request that the PDA Board of Directors grant a six-month waiver of Lonza's deadline to vest its Site Plan Review Approval and 2) a corresponding six-month extension of Lonza's current Conditional Use Permit related to same. Lonza makes these requests in an abundance of caution as it plans to vest and perfect its Site Plan Review and Conditional Use Permit Approvals (collectively, the "Approvals") in the immediate future, as detailed bellow. I understand from our recent phone conversations that Lonza's requests will be taken up at PDA Board of Directors (the "Board") meeting on Thursday, 20 January 2022. Under the circumstances, and considering the significant progress Lonza has made recently with respect to the Iron Parcel, including recently signing a new Lease Agreement with PDA inclusive of the Iron Parcel, Lonza's waiver and extension requests satisfy the standards detailed within PDA 403.03(a) and 304-A.08(g), respectively.

Factual Context

As the Board is aware, in January of 2019, the City of Portsmouth's Planning Board recommended conditional approval of Lonza's Subdivision, Site Plan Review and Conditional Use Permit Applications to facilitate the construction of three industrial buildings and related site

DONAHUE, TUCKER & CIANDELLA, PLLC
16 Acadia Lane, P.O. Box 630, Exeter, NH 03833
111 Maplewood Avenue, Suite D, Portsmouth, NH 03801
Towle House, Unit 2, 164 NH Route 25, Meredith, NH 03253
83 Clinton Street, Concord, NH 03301

improvements on the Iron Parcel, which is now part of Lonza's leased property at 101 International Drive (the "Project"). In addition, the Planning Board recommended granting a Conditional Use Permit and recommended granting Site Plan approval for Phase 1 of the Project. On 1 February 2019, the recommended approvals became final decisions of the PDA.¹

On 31 January 2019, Lonza requested through counsel, that the PDA Board grant a waiver under PDA 403.03 (a) of the requirements stated at PDA 407.01 (a), that upon granting of a site plan approval, applicants have one year to obtain a building permit to vest the permit. Lonza also requested that the PDA grant a one-year extension to the Conditional Use Permit, which also has a one-year duration pursuant to PDA 304-A.08(g).

In March of 2019, the PDA Board reviewed and approved Lonza's requested waiver and extension, which approvals had the effect of extending Lonza's deadline to vest its Site Plan Review Approval and exercise its Conditional Use Permit to 1 February 2021.

In January of 2021, the PDA Board granted Lonza's request for a one-year extension of its Site Plan Review Approval and voted to authorize Lonza to immediately file a new Conditional Use Permit Application with the PDA's Building Inspector for referral to the City of Portsmouth's Planning Board. A new Conditional Use Permit was required in light of the 1 February 2021 expiration of Lonza's only available extension pursuant to PDA 304-A.08(g). Currently, Lonza's Site Plan Review Approval is scheduled to expire on 21 January 2022.

In March of 2021, the City of Portsmouth recommended approval of Lonza's renewed Conditional Use Permit Application. Lonza's new Conditional Use Permit Approval is scheduled to expire on 18 March 2022 per PDA 304-A.09(b)(1)(h).

Between April and the end of September 2021, Lonza worked with PDA to negotiate and finalize the terms of its new Lease Agreement for 101 International Drive, inclusive of the property formerly identified as 70/80 Corporate Drive (the Iron Parcel). The Lease was executed by the parties at the end of September and became effective on 1 October 2021.

Recently, Lonza sent PDA **correspondence**² seeking to confirm the vesting of Lonza's Site Plan Review Approval and Conditional Use Permit Approval upon the commencement of certain work depicted on the enclosed "Phase 1A Commencement of Work Plan" from Tighe & Bond (the "Plan").³ PDA's response to Lonza, dated 22 December 2021, provided such

¹ See PDA Site Plan Review Regulations, § 404.02(h); PDA Zoning Ordinance, § 304-A.09(b)(1)(h).

² See Enclosure 1.

³ See Enclosure 2.

confirmation.⁴ Lonza is ready to commence the work described and depicted in Enclosures 1 and 2 immediately, and is actively working with PDA to finalize the terms of the required Site Review Agreement and obtain necessary bonding for the proposed improvements, so that it may do so.

Waiver Request

As noted above, the PDA has already confirmed that commencement of the work described and depicted in Enclosures 1 and 2 before 21 January 2022 will vest Lonza's Approvals. In an abundance of caution, however, and in light of the fact that Lonza must still execute a Site Review Agreement and secure bonding for the improvements which may not occur before 21 January 2022, Lonza requests a six-month waiver from PDA 407.01(a), which requires the vesting of Site Plan Review Approvals within one (1) year of issuance.

Pursuant to PDA 403.03(a) the PDA Board may waive any portion of the PDA's Site Plan Review Regulations when, in its opinion, strict conformity would pose an unnecessary hardship to the applicant and waiver would not be contrary to the spirit and intent of the PDA's Land Use Controls.

Here, Lonza is ready to begin site work and perfect its Approvals as described above. Beyond this, Lonza has made considerable progress towards development of the Project since the PDA Board granted its January 2021 extension request to include the permitting and receipt of a new Conditional Use Permit Approval and the negotiation and execution of Lonza's new Lease Agreement with PDA. These efforts are in addition to Lonza's other projects at Pease for which it obtained approval in 2021 to include the Lynx Parking Lot expansion and corresponding Generator Expansion project. These efforts also follow the considerable time Lonza was burdened by the confusion, delays and complications associated with COVID-19. Additionally, Lonza has been impacted by issues relating to the review and issuance of the Total Nitrogen Permit. Until resolution was reached in the spring of 2021, this issue adversely affected Lonza's ability to comply with condition 2.7 of the Site Plan Approval, which requires Lonza to obtain an Industrial User Permit from the City for the increased wastewater flows and loads associated with the Project.

Under the unique circumstances of this case, and particularly in light of the vesting of its Approvals that Lonza anticipates securing in the immediate future, strict conformity of PDA 407.01(a) would pose an unnecessary hardship and a waiver would not be contrary to the spirit

⁴ See Enclosure 3.

and intent of the PDA's Land Use Controls. Rather, granting the waiver will facilitate the progress Lonza and PDA have been collectively working towards for years.

Extension Request

Pursuant to PDA 304-A.08(g), Conditional Use Permits expire one year after the date of approval of the reviewing Board unless a building permit is issued. The PDA Board, however, may grant an extension of up to one (1) additional year.

Lonza's Conditional Use Permit Approval, recommended for approval by the City of Portsmouth's Planning board on 18 March 2021, authorizes work within the jurisdictional wetland and its corresponding buffer in furtherance of the approved Site Plan and is the basis for the 1,000 LF of Hodgson Brook restoration which is a part of the Phase 1A improvements. This restoration effort will result in 42,500 SF of wetland creation.⁵

For the reasons articulated above in the Lonza's Waiver Request, incorporated herein by reference, a six-month extension is reasonable and appropriate.

Conclusion

Thank you for your attention. Please let us know if you have any questions or comments regarding the foregoing or the enclosed. We stand ready to assist you and the PDA Board of Directors as is required in acting on the requests stated above.

Yours truly,

DONAHUE, TUCKER & CIANDELLA, PLLC



Justin L. Pasay, Esq.
ipasay@dtclawyers.com
JLP:sc

cc: Lonza Biologics Inc.
Patrick Crimmins, P.E.

⁵ See Enclosures 1 and 2.



CELEBRATING OVER 35 YEARS OF SERVICE TO OUR CLIENTS

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ELAINA L. HOEPPNER
WILLIAM K. WARREN
SAM M. GONYEA

20 December 2021

Anthony Blenkinsop, General Counsel
Pease Development Authority
55 International Drive
Portsmouth, NH 03801

RETIREE

MICHAEL J. DONAHUE
CHARLES F. TUCKER
ROBERT D. CIANDELLA
NICHOLAS R. AESCHLIMAN

Re: Lonza Biologic Site Plan Review and Conditional Use Permit
Approval Vesting

Dear Anthony:

This letter follows our productive telephone discussion on 6 December with Maria Stowell and Tighe & Bond, and our follow-up call this morning, and is intended to confirm the vesting of Lonza's Site Plan Review Approval and Conditional Use Permit Approval (the "Approvals") upon the commencement of certain work, described and defined herein and depicted on the enclosed "Phase 1A Commencement of Work Plan" from Tighe & Bond (the "Plan"), under Pease Development Authority's ("PDA") Land Use Controls. We would appreciate written confirmation that the PDA concurs with the conclusions we advance herein at your convenience.

By way of brief background, Lonza originally obtained the Approvals in January of 2019. In March of 2019, the PDA Board granted one-year extensions on the Approvals such that they were each valid until January of 2021. On 21 January 2021, the PDA Board granted another one-year extension of Lonza's Site Plan Review Approval. In March of 2021, Lonza obtained a renewed Conditional Use Permit. The net result of these efforts is that Lonza's Site Plan Review Approval is valid until 21 January 2022, and Lonza's Conditional Use Permit is valid until 18 March 2022.

DONAHUE, TUCKER & CIANDELLA, PLLC
16 Acadia Lane, P.O. Box 630, Exeter, NH 03833
111 Maplewood Avenue, Suite D, Portsmouth, NH 03801
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Anthony Blenkinsop, General Counsel
Pease Development Authority
20 December 2021
Page 2

Pursuant to PDA 407.01(a), upon the granting of Site Plan Approval, applicants have one year to obtain a building permit, or the approval expires. In this case, Lonza is obligated by the terms of its Site Plan Review Approval, copy enclosed herewith as Enclosure 1, to conduct significant site work on the Property before erecting any buildings. Specifically, Lonza must complete Phase 1(A) of the Site Plan Review Approval which includes the daylighting and restoration of Hodgson Brook, which work is covered by the Conditional Use Permit, and associated site improvements.

Lonza proposes to commence this work in the immediate future to vest the Approvals. Specifically, Lonza proposes to undertake the following scope of work, provided by Tighe & Bond:

Contractor shall furnish and install silt sock, inlet protection barriers and other erosion control measures where shown on plans to protect areas outside the limits of work during the construction. Sediment trapping devices are to be installed in catch basins located in existing paved areas to minimize the transport of sediment through the subsurface stormwater collection system.

Contractor shall furnish and install stabilized construction entrances prior to any excavation activities.

Contractor shall cut, remove, and dispose of all trees, stumps, brush, shrubs, roots and any other objectionable material within the limits of the Work on the site and where required to construct Phase 1A of the work. Trees or groups of trees, designated by the Engineer to remain, shall be protected from damage by all construction operations by erecting suitable barriers, or by other approved means. Clearing operations shall be conducted to prevent falling trees from damaging trees designated to remain.

(Collectively, the "Improvements"). These Improvements are depicted on the Plan enclosed herewith as Enclosure 2.

By this correspondence, Lonza confirms its understanding that Lonza's commencement of the Improvements before 21 January 2022 will vest its Site Plan Review and Conditional Use Permit

Anthony Blenkinsop, General Counsel
Pease Development Authority
20 December 2021
Page 3

Approvals under any applicable PDA Land Use Control even though no building permit is required or will be issued to conduct the same. In the meantime, Lonza will continue to work on the conditions precedent to issuance of a building permit, memorialized in Enclosure 1, though those conditions will not be complete before 21 January 2022.

If you have any questions about Lonza's interpretation advanced herein, please let me know at your earliest convenience. Otherwise, we greatly appreciate your written confirmation of the above. Thank you very much for your time and I hope you and your family have an enjoyable Holiday season.

Very truly yours,
DONAHUE, TUCKER & CIANDELLA, PLLC



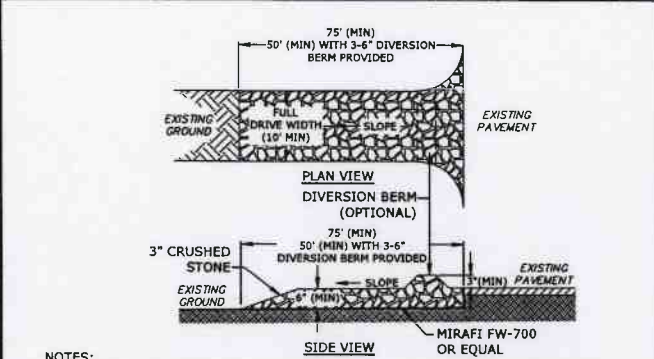
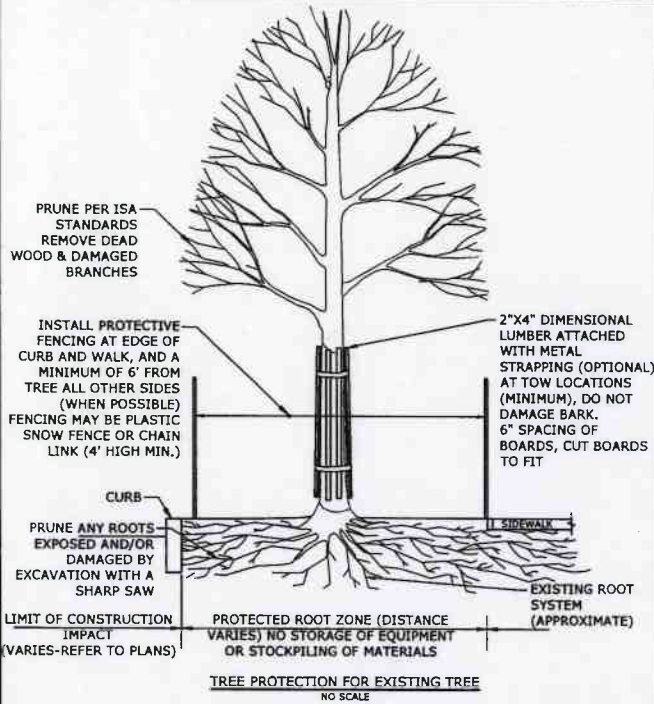
Justin L. Pasay
JLP/sac
Enclosures (2)

cc: Maria Stowell, Engineering Manager
Lonza Biologic
Patrick Crimmins, Tighe & Bond



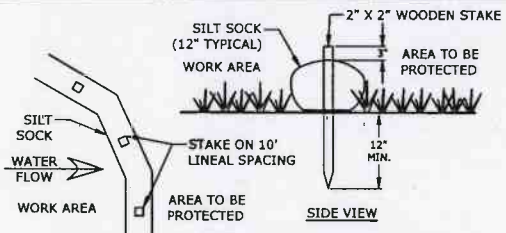
LEGEND

- LIMIT OF WORK
- STABILIZED CONSTRUCTION ENTRANCE
- SILT SOCK
- TREE PROTECTION
- INLET PROTECTION



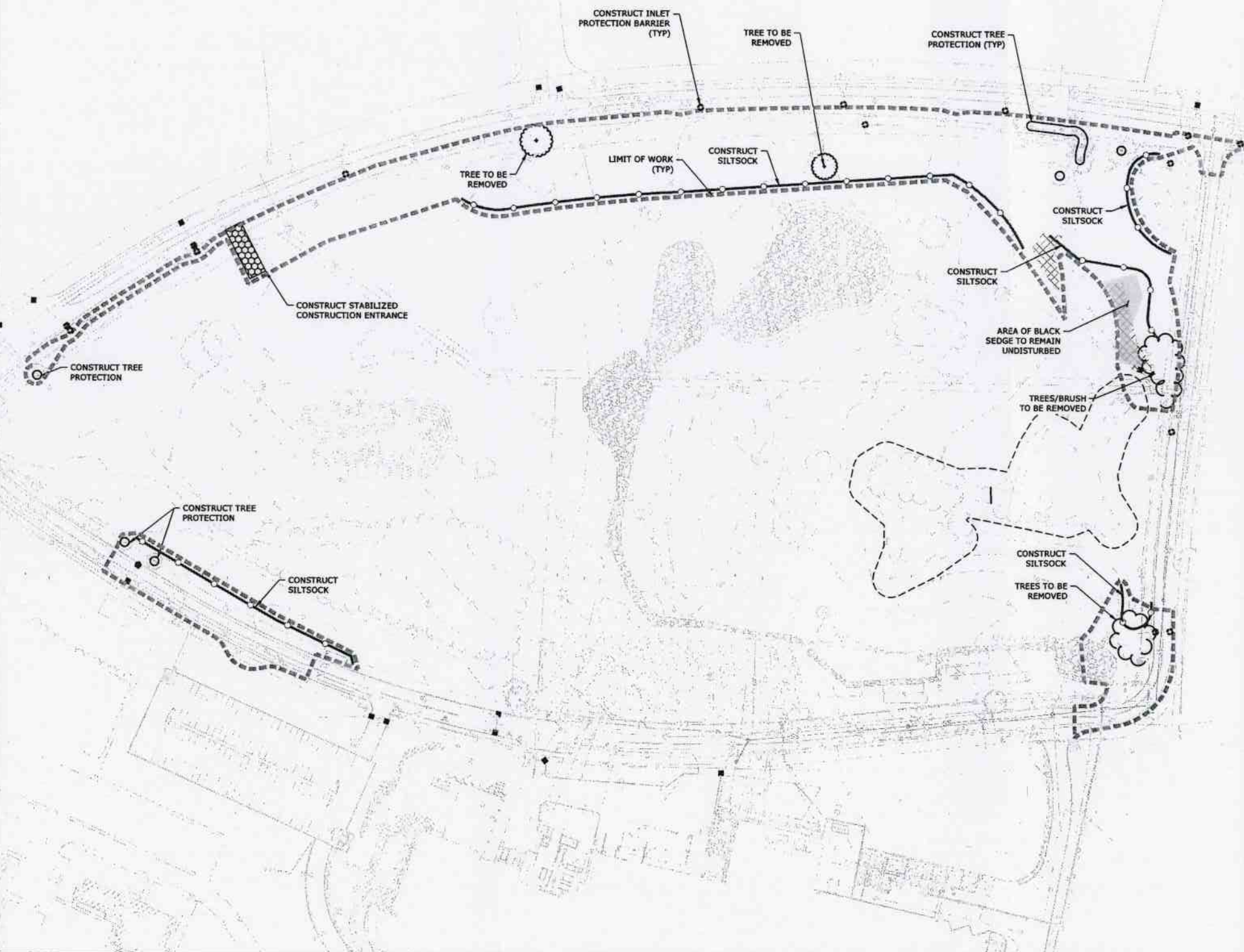
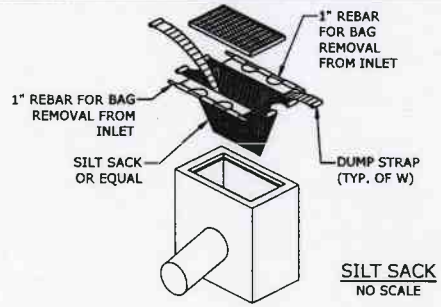
NOTES:
1. THE ENTRANCE SHALL BE MAINTAINED IN A CONDITION WHICH WILL PREVENT TRACKING OF SEDIMENT FROM THE SITE. WHEN WASHING IS REQUIRED, IT SHALL BE DONE SO RUNOFF DRAINS INTO AN APPROVED SEDIMENT TRAPPING DEVICE. ALL SEDIMENT SHALL BE PREVENTED FROM ENTERING STORM DRAINS, DITCHES, OR WATERWAYS.

STABILIZED CONSTRUCTION ENTRANCE
NO SCALE



NOTES:
1. SILT SOCK SHALL BE SILT SOCK BY FILTREXX OR APPROVED EQUAL
2. INSTALL SILT SOCK IN ACCORDANCE WITH...

SILT SOCK
NO SCALE



Proposed Industrial Development

Lonza Biologics

Portsmouth, New Hampshire

MARK	DATE	DESCRIPTION
H	12/10/2021	Planning Board Stipulation
G	8/19/2019	Admin. Approval Submission
F	11/6/2018	P.B. Submission
E	8/30/2018	Revised AoT Submission
D	8/21/2018	Revised TAC Submission
C	6/18/2018	MHDES AoT Submission
B	5/21/2018	TAC Submission
A	4/3/2018	TAC W.S. Submission

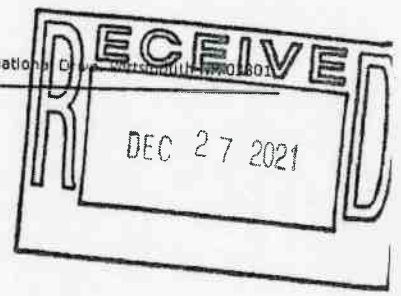
PROJECT NO: L-0700-013
DATE: 04/03/2018
FILE: L0700-CD-101 to C-103.dwg
DRAWN BY: NAH
CHECKED: PHC
APPROVED: BLH

PHASE 1A COMMENCEMENT OF WORK PLAN
SCALE: AS SHOWN

Last Save Date: December 20, 2021 2:00 PM By: NUNANSEN
Plot Date: Wednesday, January 05, 2022 Plotted By: Neil A. Hansen
Title File Location: Z:\L0700 Lonza Biologics Expansion.wva 2/17/2022 1:03:13 from Parcel Redevelopment\Drawings - Figures\AutoCAD\Sheets\L0700-CD-101 to C-103.dwg Layout Tab: 1 OF 1



55 International Drive, Portsmouth, NH 03801



December 22, 2021

Justin L. Pasay, Esq.
Donahue, Tucker & Ciandella, PLLC
111 Maplewood Ave., Suite D
Portsmouth, NH 03801

RE: Site Plan Review and Conditional Use Permit Approval Vesting

Dear Justin,

Thank you for your letter dated December 20, 2021, regarding Lonza Biologic's Site Plan Review and Conditional Use Permit Approval Vesting. PDA Engineering Manager Maria Stowell and I have reviewed your letter and agree that the described scope of work, if commenced before January 21, 2022, and moved expeditiously to completion thereafter, will vest its Site Plan Review and Conditional Use Permit Approvals under the applicable PDA Land Use Controls. Please be advised that a Site Review Agreement must be in place before any work commences and a draft agreement will be provided to you in the very near future.

Please let us know if you have any questions or wish to discuss.

Sincerely,

Anthony I. Blenkinsop
Deputy Director / General Counsel

cc: Maria J. Stowell, Engineering Manager

p:\lonza\letters\ltr to atty pasay re- Site Plan Review and Conditional Use Permit Approval Vesting

○○○○ TAKING YOU THERE

Phone: 603.433.6088 Fax: 603.427.0433 www.peasedev.org

Date: January 5, 2022

To: Paul Brean, Executive Director

From: Suzy Anzalone, Director of Finance



Subject: Executive Summary- Financial Reports

In anticipation of the upcoming January 20, 2022 Pease Development Authority Board meeting, the following is an Executive Summary of the financial results for the five months ended November 30, 2021:

Consolidated Results

Pease Development Authority - Consolidated			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	9,833	7,523	2,310
Operating Expenses	5,136	5,749	613
Operating Income	4,697	1,774	2,923
Depreciation	2,893	2,966	73
Non Oper. (Inc)/Exp	(4)	51	55
Net Operating Income	1,808	(1,243)	3,051

Consolidated operating revenues of \$9.8 million are favorable by \$2.3 million (30.7%) year- to- date. The sale of 30 New Hampshire Ave for \$1.75 million is included in operating revenues and represents a significant portion of the favorable variance. Other favorable revenue line items consist of golf course public play, facility rental, wharfage and dockage fees and merchandise sales. Revenue underruns include airport fuel flowage fees, airport parking fees, registration fees and fuel sales at the Harbors.

Year-to-date operating expenses of \$5.1 million are also trending favorably by \$613,000 (10.7%). Expense underruns include wages (partly due to open positions) building and facilities expenses, legal expenses, marketing and fuel. We are realizing cost overruns in retirement expense, golf course fertilizer and vegetation control, cost of goods sold for golf merchandise and audit fees. As mentioned previously, because the majority of our audit fees are paid early in the fiscal year for the prior year's audit, this variance will "even out" during the remainder of the year.

Information technology is also over budget by \$35,000 year-to-date and includes \$23,000 for the cost of our new Lease Management software. This was originally included in our capital budget, but after discussion with our auditors it was determined that this expenditure should be classified as an operating expense. Lastly, navigation expenses for November include \$57,000 in dredging expenses related to the Piscataqua River Turning Basin project. This expense is reflected in the Harbor Dredging and Pier Maintenance cost center as a budgeted expense and represents the portion of dredging costs not sponsored by Federal or State funding.

Year-to-date consolidated Net Operating Income is \$1.8 million, which is favorable to budget by just over \$3 million.

Business Unit Performance

Portsmouth Airport

Portsmouth Airport (PSM) incl Security			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	824	838	(14)
Operating Expenses	1,076	1,313	237
Operating Income	(252)	(475)	223
Depreciation	1,901	1,935	34
Non Oper. (Inc)/Exp	0	0	0
Net Operating Income	(2,153)	(2,410)	257

Portsmouth Airport operating revenues are under budget by \$14,000 on a year-to-date basis as fuel flowage and parking fees are trending lower. Operating expense are favorable by \$237,000 (18.1% favorable) mainly attributable to underruns in building and facilities, wages (due to open positions) and marketing. Notable year-to-date cost overruns include liability insurance as a result of builders risk insurance renewal extensions, technology expenses, and event expenses related to the September airshow.

Skyhaven Airport

Skyhaven (DAW)			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	97	100	(3)
Operating Expenses	107	98	(9)
Operating Income	(10)	2	(12)
Depreciation	213	226	13
Non Oper. (Inc)/Exp	0	0	0
Net Operating Income	(223)	(224)	1

Operating revenues at Skyhaven are under budget by \$3,000 year-to-date mainly driven by lower fuel sales (7,699 gallons YTD for FY22 vs. 12,185 YTD in FY21). Operating expenses are \$9,000 over budget, largely due to higher building and facilities costs. As mentioned in previous reports, our in-house maintenance staff have been performing much needed repairs such as new windows, doors, decks and addressing ADA compliance requirements. Profit margins on fuel sales are also trending lower than budget driven by higher fuel prices at Skyhaven.

Tradeport

Tradeport			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	5,837	3,819	2,018
Operating Expenses	157	239	82
Operating Income	5,680	3,580	2,100
Depreciation	309	319	10
Non Oper. (Inc)/Exp	0	0	0
Net Operating Income	5,371	3,261	2,110

Year-to-date Tradeport revenue is favorable by \$2.0 million as this cost center's revenue includes the sale of 30 New Hampshire Ave for \$1.75 million. In addition, facility rentals are also performing favorably to budget. Operating expenses are under budget by \$82,000 on a year-to-date basis with the majority of cost underruns in building and facilities as well as utilities expense.

Golf Course

Pease Golf Course			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	1,852	1,519	333
Operating Expenses	955	996	41
Operating Income	897	523	374
Depreciation	150	152	2
Non Oper. (Inc)/Exp	0	0	0
Net Operating Income	747	371	376

Year-to-date Golf Course operating revenues are \$333,000 (21.9%) favorable to budget. Favorable results include fees for public play and merchandise sales. Operating expenses are trending favorably by \$41,000 year-to-date. Favorable variances include utilities and general and administrative expenses. Cost overruns mainly consist of fertilizer and vegetation control, audit fees and cost of goods sold for merchandise.

Division of Ports and Harbors (DPH) -Unrestricted

Division of Ports and Harbors (Unrestricted)			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	1,179	1,176	3
Operating Expenses	970	1,035	65
Operating Income	209	141	68
Depreciation	257	265	8
Non Oper. (Inc)/Exp	(1)	(2)	0
Net Operating Income	(47)	(122)	75

Unrestricted operating revenues for the DPH were slightly favorable to budget (\$3,000). Favorable variances consist of facility rentals and wharfage/dockage fees but are offset by lower registration fees and fuel sales. Operating expenses are under budget by \$65,000 year-to-date. Wages are trending favorably due to open positions during part of the year (Deputy Harbormaster) as well as lower seasonal labor expenses. We are experiencing cost underruns in fuel purchases as well.

Balance Sheet/Statement of Net Position

(\$ 000's)	As of 11/30/2021	As of 6/30/2021
Assets		
Current Assets	10,756	8,884
Restricted Assets	1,552	7,604
Capital Assets	95,167	96,350
Total Assets	107,475	112,838
Liabilities		
Current Liabilities	6,007	14,237
Non-Current Liabilities	14,554	14,558
Total Liabilities	20,561	28,795
Net Position		
Net Invest. in Cap Assets	92,228	92,492
Restricted	1,240	(4,791)
Unrestricted	(5,260)	(2,365)
Total Net Position	88,208	85,336

Current assets of \$10.8 million and are comprised of \$8.9 million in unrestricted cash, \$1.4 million in receivable and \$0.5 million in inventory and other.

Restricted assets total \$1.6 million and consist primarily of the Revolving Loan Fund which has total assets of \$1.2 million. There were 18 loans outstanding as of November 30th.

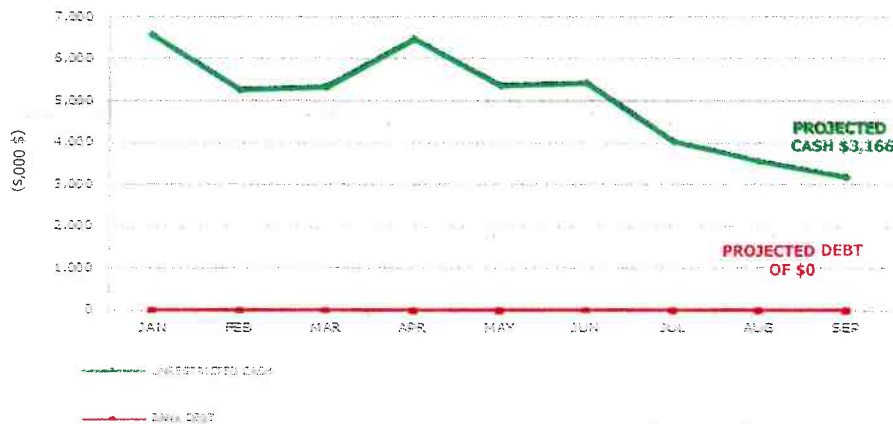
Year-to-date capital expenditures total \$1.7 million and include expenditures for the PSM Terminal Expansion, Lowery Lane, Loughlin memorial park, construction at the Portsmouth Fish Pier as well as various equipment purchases.

Current liabilities total \$6.0 million and are comprised of \$2.9 million in accounts payable and accrued expenses, \$2.7 million in construction project retainage and \$0.4 million in unearned revenue and other.

Cash Flow Projections for the Nine Month Period Ending September 30, 2022

Nine-month cash inflow projections (excluding DPH) are estimated at \$16.4 million mainly provided by operating revenue, but also include \$1.9 million in grant funds from the Airport Rescue Plan Act. Covid related grant funding over this past year, as well as the sale of 30 New Hampshire Ave, have contributed to strong cash balances. As such, cash outflows of \$19.5 million over the next nine months include \$9.5 million in grant and non-grant related capital spending as we re-prioritized certain capital expenditures. The chart below reflects the reduction in cash driven by these proposed changes. However, we will still retain sufficient cash balances for ongoing operations without incurring additional debt.

Please let me know if you have any questions or require supplemental information.



PEASE DEVELOPMENT AUTHORITY
FY2022 FINANCIAL REPORT
FOR THE FIVE MONTH PERIOD
ENDING NOVEMBER 30, 2021



BOARD OF DIRECTORS MEETING
JANUARY 20, 2022



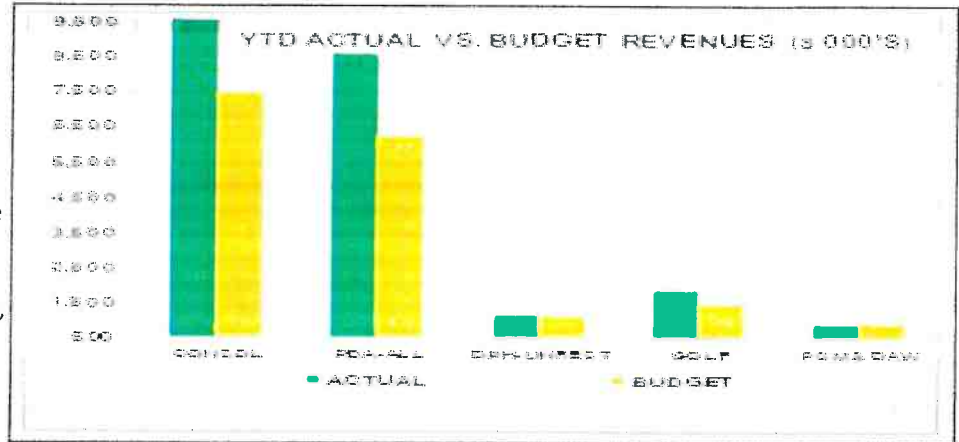
PEASE DEVELOPMENT AUTHORITY

Revenues and Expenditures – Five Months Ended November 30, 2021

Trends:

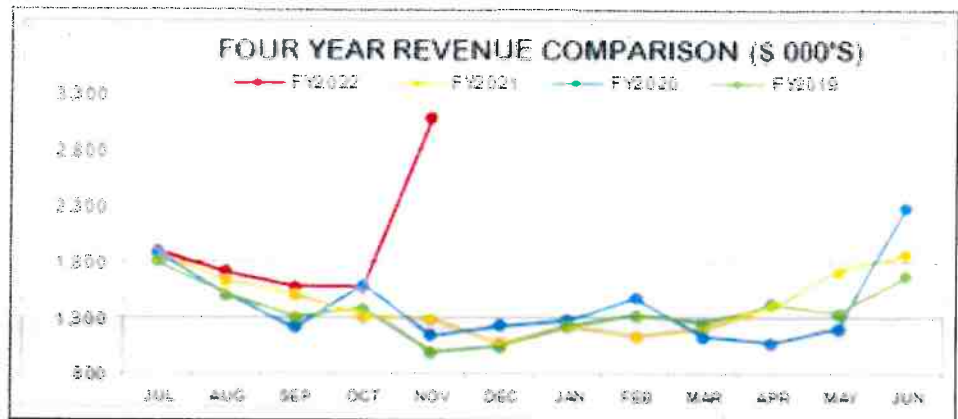
YTD revenue higher by 30.7%:

- Golf & Merchandise Revenues, Facility Rental, Wharfage/Dockage
- Sale of 30 NH Ave for \$1.75M
- Offset by lower Parking, Fuel sales, Registration fees, Fuel flowage



Trends:

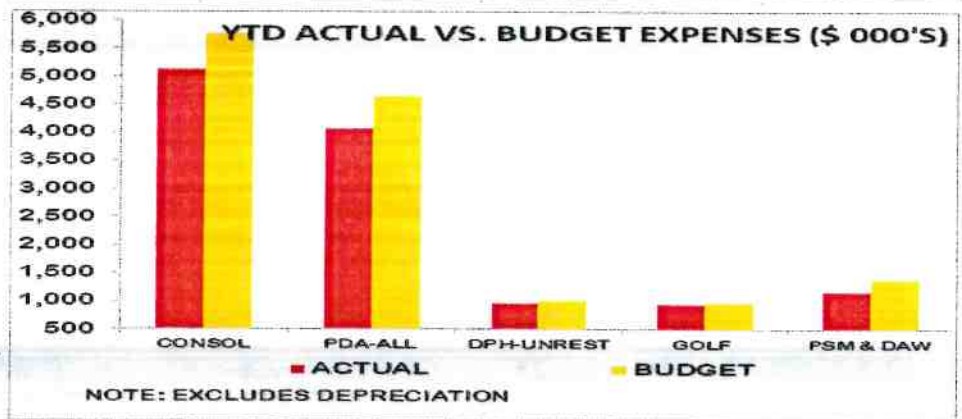
- **November 2021** includes sale of 30 NH Ave
- **July revenues** include annual rent payment-Great Bay Comm. College
- **June revenues** include increase in Golf fee revenue.



Trends:

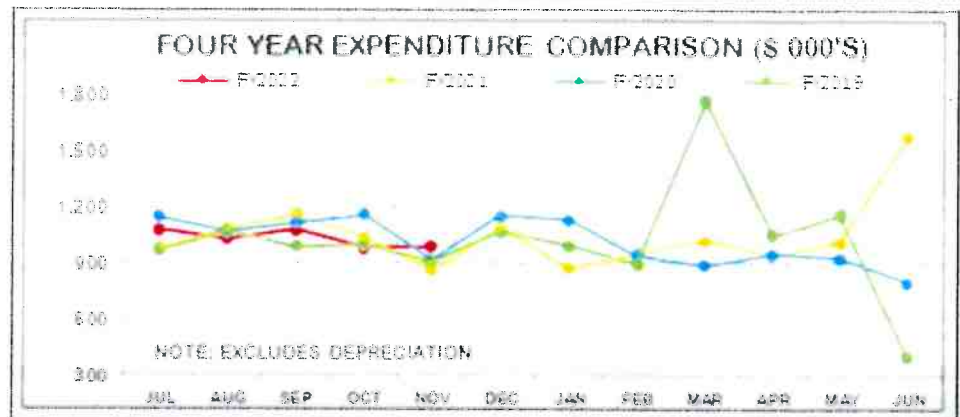
Operating Expenses lower by 10.7%:

- Wages & Benefits, Building & Facilities, Professional Fees, Marketing & Fuel trending lower than budget
- Offset by cost overruns in Chemicals (golf course), Golf merchandise, Retirement expense, Audit Fees, Technology expenses



Trends:

- **March 2019**-\$800k CLF settlement
- **June 2019-June 2021** – Retirement OPEB year end adjustments



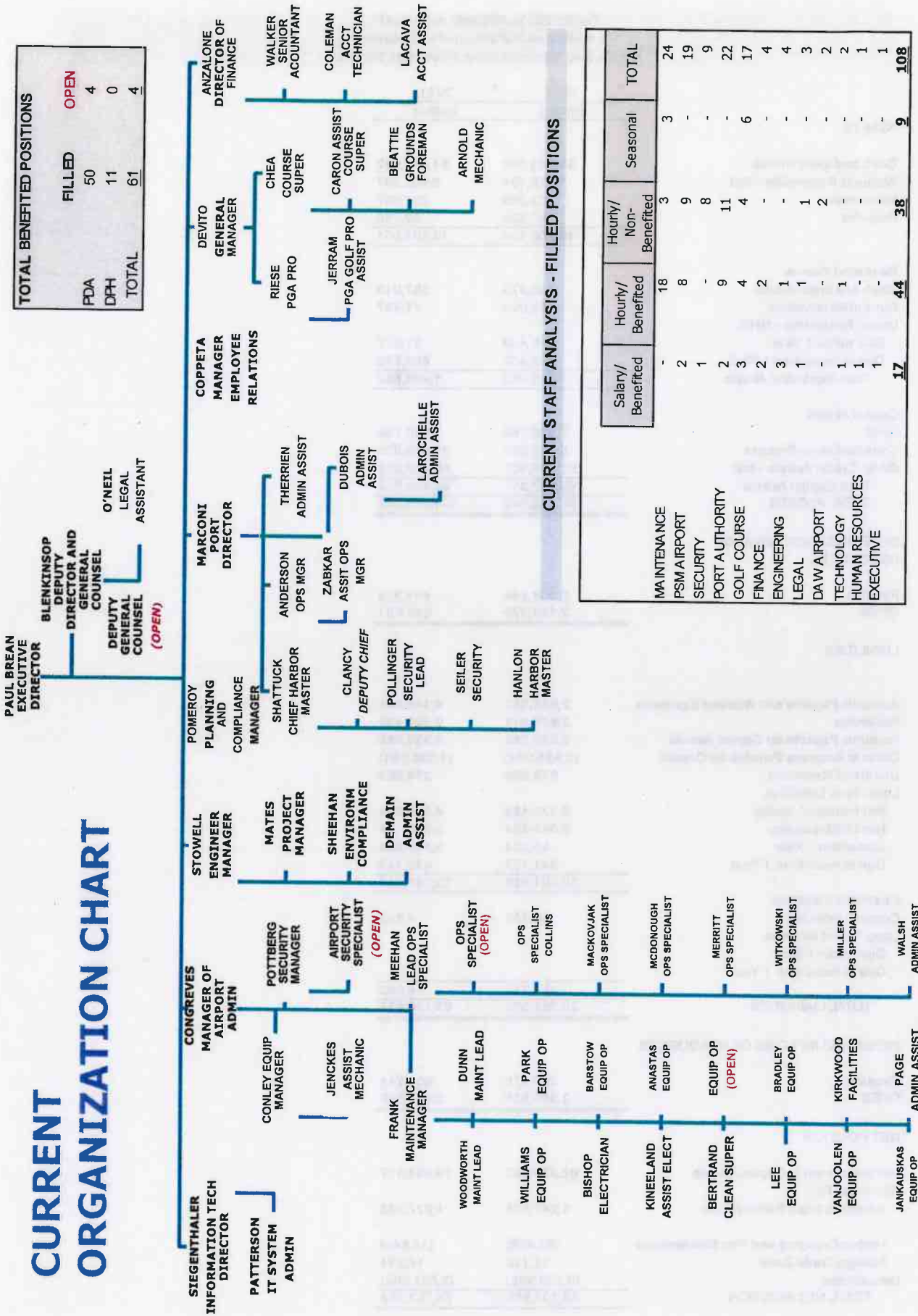
PEASE DEVELOPMENT AUTHORITY
Consolidated Statement of Revenues and Expenses
For the Five Months Ending November 30, 2021

	Actual Nov FY 2022	Budget Nov FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL								
FACILITIES	\$893,143	\$784,833	\$108,310	13.8%	\$4,538,599	\$4,317,192	\$221,407	5.1%
CARGO AND HANGARS	13,931	12,655	1,275	10.1%	69,140	66,439	2,701	4.1%
	<u>907,074</u>	<u>797,488</u>	<u>109,585</u>	<u>13.7%</u>	<u>4,607,739</u>	<u>4,383,631</u>	<u>224,108</u>	<u>5.1%</u>
CONCESSION REVENUE	21,893	26,513	(4,620)	(17.4%)	226,746	245,476	(18,730)	(7.6%)
FEE REVENUE								
AVIATION FEES	1,020	667	353	53.0%	1,020	3,333	(2,313)	(69.4%)
FUEL FLOWAGE	37,057	39,007	(1,951)	(5.0%)	253,428	272,604	(19,177)	(7.0%)
PSM TSALEO REVENUE	2,395	1,667	728	43.7%	10,195	8,333	1,862	22.3%
PSM SECURITY REVENUE	2,920	1,167	1,753	150.3%	12,940	5,833	7,107	121.8%
GOLF FEES	71,530	40,000	31,530	78.8%	1,197,383	920,000	277,383	30.2%
GOLF SIMULATORS	10,097	1,877	8,220	437.9%	14,037	3,120	10,917	349.9%
GOLF MEMBERSHIPS	50,642	50,642	0	0.0%	253,212	253,210	2	0.0%
GOLF LESSONS	352	2,125	(1,773)	(83.4%)	21,204	10,625	10,579	99.6%
MOORING FEES	38,940	36,333	2,607	7.2%	194,701	181,667	13,034	7.2%
PARKING	36,719	37,020	(300)	(0.8%)	212,693	233,033	(20,340)	(8.7%)
PIER USAGE FEES	1,890	8,417	(6,527)	(77.5%)	22,193	42,083	(19,890)	(47.3%)
REGISTRATIONS	4,862	18,667	(13,805)	(74.0%)	5,998	93,333	(87,335)	(93.6%)
TERMINAL FEES				-				-
WHARFAGE AND DOCKAGE	65,740	46,975	18,765	39.9%	319,079	234,873	84,205	35.9%
COVID 19 REIMBURSEMENT				-				-
	<u>324,164</u>	<u>284,564</u>	<u>39,603</u>	<u>13.9%</u>	<u>2,518,083</u>	<u>2,262,047</u>	<u>256,034</u>	<u>11.3%</u>
FUEL SALES	42,635	56,137	(13,502)	(24.1%)	331,086	387,286	(56,200)	(14.5%)
INTEREST INCOME								
LOAN INTEREST	3,203	2,750	453	16.5%	13,486	13,750	(264)	(1.9%)
OTHER REVENUES								
MERCHANDISE	12,609	23,417	(10,807)	(46.2%)	170,678	117,083	53,594	45.8%
ALL OTHER	1,771,377	15,679	1,755,698	11197.7%	1,965,109	114,176	1,850,933	1621.1%
	<u>1,783,986</u>	<u>39,096</u>	<u>(1,744,891)</u>	<u>(4463.1%)</u>	<u>2,135,787</u>	<u>231,259</u>	<u>(1,904,527)</u>	<u>(823.5%)</u>
TOTAL OPERATING REVENUE	<u>3,082,955</u>	<u>1,206,548</u>	<u>1,876,410</u>	<u>155.5%</u>	<u>9,832,927</u>	<u>7,523,449</u>	<u>2,309,474</u>	<u>30.7%</u>
OPERATING EXPENSES								
WAGES AND FRINGE BENEFITS								
WAGES								
BENEFITED REGULAR	330,276	316,731	(13,545)	(4.3%)	1,675,445	1,684,599	(9,154)	0.5%
BENEFITED OVERTIME	16,784	19,145	(2,361)	12.3%	87,473	99,302	(11,829)	11.9%
NON-BENEFITED REGULAR	38,897	42,680	(3,783)	8.9%	333,953	376,863	(42,910)	11.4%
NON-BENEFITED OVERTIME	1,900	1,523	(377)	(24.7%)	13,878	9,132	(4,745)	(52.0%)
ACCRUED VACATION BENEFITS	5,041		(5,041)	-	(21,867)		21,867	-
ACCRUED SICK TIME BENEFITS	447		(447)	-	(3,374)		3,374	-
WAGE TRANSFERS OUT				-	(3,558)		3,558	-
	<u>393,345</u>	<u>380,079</u>	<u>(13,265)</u>	<u>(3.5%)</u>	<u>2,081,950</u>	<u>2,169,896</u>	<u>(87,947)</u>	<u>4.1%</u>
FRINGE BENEFITS								
DENTAL INSURANCE	5,509	5,940	(431)	7.3%	27,957	29,696	(1,739)	5.9%
HEALTH INSURANCE	103,914	110,833	(6,919)	6.2%	525,632	554,115	(28,484)	5.1%
LIFE INSURANCE	176	2,462	(2,285)	92.8%	9,461	12,334	(2,873)	23.3%
NEW HAMPSHIRE RETIREMENT	48,292	42,994	(5,298)	(12.3%)	244,587	215,223	(29,363)	(13.6%)
POST RETIREMENT BENEFITS	9,677	10,414	(737)	7.1%	50,207	52,070	(1,863)	3.6%
OPEB EXPENSE				-				-
BENEFIT TRANSFERS OUT				-				-
	<u>167,568</u>	<u>172,643</u>	<u>(5,075)</u>	<u>2.9%</u>	<u>857,844</u>	<u>863,438</u>	<u>(5,595)</u>	<u>0.6%</u>
TOTAL WAGES & FRINGES	<u>560,913</u>	<u>552,722</u>	<u>(8,190)</u>	<u>(1.5%)</u>	<u>2,939,794</u>	<u>3,033,334</u>	<u>93,542</u>	<u>3.1%</u>
BUILDING AND FACILITIES								
AIRFIELD MAINTENANCE	797	6,900	(6,103)	88.5%	4,512	34,500	(29,988)	86.9%
COVID-19		2,671	2,671	100.0%	518	13,353	(12,835)	96.1%
CHEMICALS		7,810	7,810	100.0%	59,640	39,049	(20,591)	(52.7%)
ENVIRONMENTAL TESTING	9,680	7,992	(1,688)	(21.1%)	15,698	39,958	(24,260)	60.7%
EQUIPMENT MAINTENANCE	19,369	28,068	(8,699)	31.0%	96,778	148,096	(51,318)	34.7%
FACILITIES MAINTENANCE	59,682	65,832	(6,150)	9.3%	285,242	329,161	(43,919)	13.3%
LANDSCAPING	3,250	2,293	(957)	(41.7%)	12,281	11,467	(814)	(7.1%)
NAVIGATION MAINTENANCE	57,445	12,833	(44,612)	(347.6%)	57,445	64,167	(6,721)	10.5%
OTHER EXPENSES		2,500	2,500	100.0%		12,500	(12,500)	100.0%
SECURITY	15,105	11,112	(3,992)	(35.9%)	61,650	84,574	(22,924)	27.1%
SNOW REMOVAL	171	14,750	(14,579)	98.8%	171	73,750	(73,579)	99.8%
EXPENSE TRANSFERS				-				-
WAGE TRANSFERS IN				-				-
BENEFIT TRANSFERS IN				-				-
	<u>165,499</u>	<u>162,761</u>	<u>(2,737)</u>	<u>(1.7%)</u>	<u>593,935</u>	<u>850,575</u>	<u>(256,641)</u>	<u>30.2%</u>

PEASE DEVELOPMENT AUTHORITY
Consolidated Statement of Revenues and Expenses
For the Five Months Ending November 30, 2021

	Actual Nov FY 2022	Budget Nov FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
GENERAL AND ADMINISTRATIVE								
EMPLOYEE DRUG TESTS	188	178	(10)	(5.4%)	782	892	110	12.3%
EMPLOYER FICA	28,186	27,371	(815)	(3.0%)	157,562	164,355	6,793	4.1%
UNEMPLOYMENT INSURANCE		593	593	100.0%		2,967	2,967	100.0%
WORKERS COMPENSATION	6,498	6,586	88	1.3%	32,491	32,930	439	1.3%
BAD DEBT EXPENSE		83	83	100.0%		417	417	100.0%
BANK FEES	5,129	7,472	2,343	31.4%	41,649	37,359	(4,290)	(11.5%)
COMPUTER EXPENSES	5,505	8,633	3,128	36.2%	34,995	43,167	8,172	18.9%
DISCOUNTS AND LATE FEES	(155)		155	-	(973)		973	-
EQUIPMENT UNDER \$5,000	4,684	6,117	1,433	23.4%	22,249	32,222	9,973	31.0%
FEES AND LICENSES	1,086	4,732	3,646	77.0%	39,272	23,662	(15,610)	(66.0%)
INSURANCE	29,158	23,593	(5,565)	(23.6%)	135,296	120,674	(14,622)	(12.1%)
OFFICE EQUIPMENT	1,482	1,707	225	13.2%	7,265	8,535	1,270	14.9%
PROFESSIONAL DEVELOPMENT	3,194	5,025	1,831	36.4%	16,869	25,125	8,256	32.9%
SUPPLIES	7,637	6,586	(1,051)	(16.0%)	46,004	32,930	(13,075)	(39.7%)
TELEPHONES AND COMMUNICATIONS	10,680	11,782	1,102	9.4%	53,037	59,159	6,122	10.3%
TRAVEL AND MILEAGE	3,660	2,619	(1,041)	(39.8%)	13,943	13,094	(849)	(6.5%)
OTHER EXPENSES	8,103	5,242	(2,861)	(54.6%)	16,307	26,210	9,903	37.8%
	<u>115,035</u>	<u>118,319</u>	<u>3,285</u>	<u>2.8%</u>	<u>616,748</u>	<u>623,698</u>	<u>6,949</u>	<u>1.1%</u>
UTILITIES								
ELECTRICITY	40,068	43,692	3,624	8.3%	224,882	218,461	(6,421)	(2.9%)
ELECTRICITY TRANSFERS				-				-
HEATING OIL	291	497	206	41.4%	373	975	602	61.8%
NATURAL GAS	2,159	5,418	3,259	60.1%	6,486	27,084	20,598	76.1%
NATURAL GAS TRANSFERS				-				-
PROPANE	4,268	3,518	(750)	(21.3%)	12,625	14,412	1,786	12.4%
WASTE REMOVAL	4,196	7,300	3,104	42.5%	43,501	36,500	(7,001)	(19.2%)
WASTE REMOVAL TRANSFERS				-				-
WATER	3,991	20,565	16,574	80.6%	16,061	47,996	31,936	66.5%
WATER TRANSFERS				-				-
	<u>54,973</u>	<u>80,990</u>	<u>26,015</u>	<u>32.1%</u>	<u>303,928</u>	<u>345,428</u>	<u>41,500</u>	<u>12.0%</u>
PROFESSIONAL SERVICES								
AUDIT		5,275	5,275	100.0%	63,259	26,375	(36,884)	(139.8%)
INFORMATION TECHNOLOGY	29,255	4,957	(24,298)	(490.2%)	81,865	46,465	(35,401)	(76.2%)
LEGAL	3,669	10,625	6,956	65.5%	14,698	53,125	38,427	72.3%
LEGAL PERMIT IMPLEMENT	1,711	14,583	12,872	88.3%	7,453	72,917	65,464	89.8%
ADMINISTRATIVE SERVICES	2,473	4,750	2,277	47.9%	21,215	23,750	2,535	10.7%
	<u>37,108</u>	<u>40,190</u>	<u>3,082</u>	<u>7.7%</u>	<u>188,490</u>	<u>222,632</u>	<u>34,141</u>	<u>15.3%</u>
MARKETING AND PROMOTION								
ADVERTISING	2,276	4,279	2,003	46.8%	10,744	22,889	12,146	53.1%
OTHER MARKETING	3,728	31,208	27,480	88.1%	31,841	156,042	124,201	79.6%
FLIGHT INCENTIVES				-				-
	<u>6,004</u>	<u>35,487</u>	<u>29,484</u>	<u>83.1%</u>	<u>42,585</u>	<u>178,931</u>	<u>136,347</u>	<u>76.2%</u>
OTHER OPERATING EXPENSES								
COAST TROLLEY	10,000	10,000		-	50,000	50,000		-
FUEL	31,838	47,038	15,200	32.3%	246,420	302,252	55,832	18.5%
GOLF CART LEASE		10,833	10,833	100.0%	41,433	54,167	12,733	23.5%
MERCHANDISE	949	17,563	16,613	94.6%	113,155	87,813	(25,343)	(28.9%)
	<u>42,787</u>	<u>85,434</u>	<u>42,646</u>	<u>49.9%</u>	<u>451,008</u>	<u>494,232</u>	<u>43,223</u>	<u>8.7%</u>
TOTAL OPERATING EXPENSES	982,319	1,075,903	93,586	8.7%	5,136,488	5,748,830	612,342	10.7%
OPERATING INCOME	2,100,636	130,645	1,969,995	1507.9%	4,696,439	1,774,619	2,921,817	164.6%
DEPRECIATION AMORTIZATION	567,995	593,160	25,165	4.2%	2,892,439	2,966,697	74,258	2.5%
NON-OPERATING EXPENSES								
INTEREST EXPENSE		11,250	11,250	100.0%		56,250	56,250	100.0%
INTEREST INCOME	(982)	(1,061)	(79)	7.4%	(4,002)	(5,306)	(1,304)	24.6%
GAIN/LOSS ON ASSETS				-				-
OTHER NON-OPERATING				-				-
	<u>(982)</u>	<u>10,189</u>	<u>11,171</u>	<u>109.6%</u>	<u>(4,002)</u>	<u>50,944</u>	<u>54,946</u>	<u>107.9%</u>
NET OPERATING INCOME	1,533,623	(472,704)	2,006,332	(424.4%)	1,808,002	(1,243,022)	3,051,020	(245.5%)

CURRENT ORGANIZATION CHART



CURRENT STAFF ANALYSIS - FILLED POSITIONS

	Salary/ Benefited	Hourly/ Benefited	Hourly/ Non-Benefited	Seasonal	TOTAL
MAINTENANCE	-	18	3	3	24
PSM AIRPORT SECURITY	2	8	9	-	19
PORT AUTHORITY GOLF COURSE	1	-	8	-	9
FINANCE	2	9	11	-	22
ENGINEERING	3	4	4	6	17
LEGAL	2	2	-	-	4
DAW AIRPORT TECHNOLOGY	3	1	-	-	4
HUMAN RESOURCES EXECUTIVE	1	1	1	-	3
	1	1	2	-	2
	1	1	-	-	2
	1	1	-	-	1
	1	1	-	-	1
	1	1	-	-	1
	17	44	38	9	108

	FILLED	OPEN
FDA	50	4
DFH	11	0
TOTAL	61	4

PEASE DEVELOPMENT AUTHORITY
Consolidated Statement of Net Position
For the Five Months Ending November 30, 2021

	2022	2021
	Ending	Ending
ASSETS		
Cash and Investments	\$8,915,585	\$4,217,912
Accounts Receivable - Net	1,419,434	8,852,507
Inventories	353,285	291,667
Prepays	67,829	39,766
	<u>10,756,134</u>	<u>13,401,851</u>
Restricted Assets		
Cash and Investments	458,978	567,010
Current Receivables	55,093	11,487
Loans Receivable - NHFL		
Due within 1 Year	116,499	81,577
Due in more than 1 Year	921,432	806,779
Total Restricted Assets	<u>1,552,003</u>	<u>1,466,852</u>
Capital Assets		
Land	7,520,786	7,520,786
Construction-in-Process	5,789,023	31,006,029
Other Capital Assets - Net	81,857,507	50,913,866
Total Capital Assets	<u>95,167,317</u>	<u>89,440,682</u>
TOTAL ASSETS	<u>107,475,453</u>	<u>104,309,386</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	2,008,286	691,375
OPEB	2,193,378	558,601
	<u>4,201,664</u>	<u>1,250,000</u>
LIABILITIES		
Accounts Payable and Accrued Expenses	2,941,352	4,144,904
Retainage	2,637,011	2,903,439
Accounts Payable for Capital Assets	2,939,054	4,336,065
Offset to Accounts Payable for Capital	(2,939,054)	(4,336,065)
Unearned Revenues	278,065	274,963
Long-Term Liabilities		
Net Pension Liability	6,170,435	4,197,804
Net OPEB Liability	8,041,994	5,630,108
Due within 1 Year	90,924	5,590,924
Due in more than 1 Year	341,757	439,745
Total Long-Term Liabilities	<u>20,501,538</u>	<u>23,181,886</u>
Restricted Liabilities		
Current Liabilities	59,767	4,652
Long-Term Liabilities		
Due within 1 Year		
Due in more than 1 Year		
Total Restricted Liabilities	<u>59,767</u>	<u>4,652</u>
TOTAL LIABILITIES	<u>20,561,305</u>	<u>23,186,538</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	360,975	604,714
OPEB	2,546,921	3,484,546
	<u>2,907,896</u>	<u>4,089,260</u>
NET POSITION		
Net Investment in Capital Assets	92,228,263	79,604,617
Restricted For:		
Revolving Loan Fishery Fund	1,247,895	1,227,563
Harbor Dredging and Pier Maintenance	(20,439)	(34,844)
Foreign Trade Zone	12,118	17,231
Unrestricted	(5,259,920)	(2,531,004)
TOTAL NET POSITION	<u>88,207,916</u>	<u>78,283,563</u>

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - PORTSMOUTH AIRPORT incl Security
For the Five Months Ending November 30, 2021

	Actual Nov FY 2022	Budget Nov FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	\$91,826	\$86,644	\$5,182	6.0%	\$341,641	\$339,043	\$2,598	0.8%
CARGO AND HANGARS	\$2,462	\$2,404	\$58	2.4%	\$12,215	\$12,020	\$195	1.6%
CONCESSION REVENUE	\$1,291	\$2,442	(\$1,151)	(47.1%)	\$38,743	\$40,934	(\$2,191)	(5.4%)
FEE REVENUE	\$71,814	\$73,955	(\$2,141)	(2.9%)	\$386,064	\$417,613	(\$31,549)	(7.6%)
FUEL SALES								
INTEREST								
MERCHANDISE								
OTHER REVENUE	\$11,582	\$2,912	\$8,670	297.7%	\$45,046	\$28,671	\$16,375	57.1%
TOTAL OPERATING REVENUES	178,975	168,357	10,618	6.3%	823,709	838,281	(14,572)	(1.7%)
EXPENSES								
WAGES AND FRINGE BENEFITS	94,077	100,616	6,539	6.5%	486,438	525,161	38,723	7.4%
BUILDING AND FACILITIES	49,164	75,812	26,648	35.2%	244,089	415,736	171,647	41.3%
GENERAL AND ADMINISTRATIVE UTILITIES	35,226	28,794	(6,432)	(22.3%)	173,894	147,003	(26,891)	(18.3%)
UTILITIES	26,326	31,487	5,161	16.4%	143,883	159,468	15,585	9.8%
PROFESSIONAL SERVICES	740	1,458	718	49.2%	8,420	7,292	(1,128)	(15.5%)
MARKETING AND PROMOTION	2,500	11,708	9,208	78.6%	19,114	58,542	39,428	67.3%
OTHER OPERATING EXPENSES								
TOTAL OPERATING EXPENSES	208,033	249,875	41,842	16.7%	1,075,838	1,313,202	237,364	18.1%
OPERATING INCOME	(29,058)	(81,518)	52,460	64.4%	(252,129)	(474,921)	222,792	46.9%
NON-OPERATING (INCOME) EXPENSE								
DEPRECIATION	374,029	387,000	12,971	3.4%	1,900,670	1,935,000	34,330	1.8%
NET OPERATING INCOME	(403,087)	(468,518)	(65,431)	14.0%	(2,152,799)	(2,409,921)	(257,122)	10.7%

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - SKYHAVEN AIRPORT
For the Five Months Ending November 30, 2021

	Actual Nov FY 2022	Budget Nov FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL								
CARGO AND HANGARS	11,469	10,251	1,218	11.9%	56,925	54,419	2,506	4.6%
CONCESSION REVENUE	210		210	-	1,373		1,373	-
FEE REVENUE	1,020	667	353	53.0%	1,020	3,333	(2,313)	(69.4%)
FUEL SALES	7,511	5,171	2,340	45.3%	37,225	42,312	(5,088)	(12.0%)
INTEREST								
MERCHANDISE								
OTHER REVENUE		42	(42)	(100.0%)	25	208	(183)	(88.0%)
TOTAL OPERATING REVENUES	20,210	16,131	4,080	25.3%	96,568	100,272	(3,705)	(3.7%)
EXPENSES								
WAGES AND FRINGE BENEFITS	2,757	4,328	1,572	36.3%	15,674	22,923	7,249	31.6%
BUILDING AND FACILITIES	5,194	3,941	(1,254)	(31.8%)	24,795	19,795	(5,000)	(25.3%)
GENERAL AND ADMINISTRATIVE UTILITIES	4,575	3,612	(962)	(26.6%)	20,831	18,044	(2,787)	(15.4%)
UTILITIES	2,510	2,590	79	3.1%	8,926	10,917	1,991	18.2%
PROFESSIONAL SERVICES		501	501	100.0%	3,695	2,506	(1,189)	(47.4%)
MARKETING AND PROMOTION	399	83	(316)	(379.2%)	1,198	417	(781)	(187.5%)
OTHER OPERATING EXPENSES	6,437	4,800	(1,637)	(34.1%)	31,382	24,000	(7,382)	(30.8%)
TOTAL OPERATING EXPENSES	21,872	19,855	(2,017)	(10.2%)	106,501	98,602	(7,899)	(8.0%)
OPERATING INCOME	(1,662)	(3,724)	2,063	(55.4%)	(9,933)	1,670	(11,604)	(694.6%)
NON-OPERATING (INCOME) EXPENSE								
DEPRECIATION	41,686	45,167	3,480	7.7%	212,601	225,833	13,232	5.9%
NET OPERATING INCOME	(43,348)	(48,891)	5,543	(11.3%)	(222,534)	(224,163)	1,628	(0.7%)

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - TRADEPORT OPERATIONS
For the Five Months Ending November 30, 2021

	Actual Nov FY 2022	Budget Nov FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	\$757,246	\$658,028	\$99,218	15.1%	\$3,983,259	\$3,796,040	\$187,219	4.9%
CARGO AND HANGARS								
CONCESSION REVENUE								
FEE REVENUE								
FUEL SALES								
INTEREST								
MERCHANDISE								
OTHER REVENUE	1,749,985	4,662	1,745,323	37437.9%	1,854,168	23,310	1,830,859	7854.5%
TOTAL OPERATING REVENUES	2,507,231	662,690	1,844,541	278.3%	5,837,427	3,819,350	2,018,078	52.8%
EXPENSES								
WAGES AND FRINGE BENEFITS								
BUILDING AND FACILITIES	10,216	22,263	12,047	54.1%	43,058	111,317	68,259	61.3%
GENERAL AND ADMINISTRATIVE	7,486	7,037	(449)	(6.4%)	34,929	34,997	68	0.2%
UTILITIES	5,768	8,492	2,724	32.1%	29,499	42,457	12,958	30.5%
PROFESSIONAL SERVICES								
MARKETING AND PROMOTION		138	138	100.0%		688	688	100.0%
OTHER OPERATING EXPENSES	10,000	10,000	-	-	50,000	50,000	-	-
TOTAL OPERATING EXPENSES	33,470	47,930	14,460	30.2%	157,486	239,459	81,973	34.2%
OPERATING INCOME	2,473,761	614,760	1,859,001	302.4%	5,679,941	3,579,891	2,100,051	58.7%
NON-OPERATING (INCOME) EXPENSE								
DEPRECIATION	60,520	63,750	3,230	5.1%	308,502	318,750	10,248	3.2%
NET OPERATING INCOME	2,413,241	551,010	1,862,231	338.0%	5,371,439	3,261,141	2,110,298	64.7%

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - GOLF COURSE
For the Five Months Ending November 30, 2021

	Actual Nov FY 2022	Budget Nov FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL								
CARGO AND HANGARS								
CONCESSION REVENUE	20,392	23,821	(3,429)	(14.4%)	183,629	203,292	(19,662)	(9.7%)
FEE REVENUE	132,622	94,644	37,978	40.1%	1,485,837	1,186,955	298,882	25.2%
FUEL SALES								
INTEREST								
MERCHANDISE	12,609	23,417	(10,807)	(46.2%)	170,678	117,083	53,594	45.8%
OTHER REVENUE	1,290	2,333	(1,043)	(44.7%)	11,790	11,667	123	1.1%
TOTAL OPERATING REVENUES	166,913	144,215	22,698	15.7%	1,851,934	1,518,997	332,937	21.9%
EXPENSES								
WAGES AND FRINGE BENEFITS	85,733	75,789	(9,944)	(13.1%)	503,569	508,802	5,233	1.0%
BUILDING AND FACILITIES	10,959	24,218	13,260	54.7%	112,092	121,092	9,001	7.4%
GENERAL AND ADMINISTRATIVE	12,561	19,523	6,962	35.7%	83,884	99,437	15,554	15.6%
UTILITIES	13,449	29,257	15,808	54.0%	64,101	85,717	21,616	25.2%
PROFESSIONAL SERVICES	17	3,701	3,684	99.5%	26,420	18,506	(7,914)	(42.8%)
MARKETING AND PROMOTION	1,228	4,175	2,947	70.6%	10,487	20,875	10,388	49.8%
OTHER OPERATING EXPENSES	949	28,396	27,446	96.7%	154,588	141,979	(12,609)	(8.9%)
TOTAL OPERATING EXPENSES	124,896	185,059	60,163	32.5%	955,141	996,408	41,268	4.1%
OPERATING INCOME	42,017	(40,844)	82,861	(202.9%)	896,793	522,589	374,205	71.6%
NON-OPERATING (INCOME) EXPENSE	(6)	(9)	(3)	35.2%	(131)	(46)	85	(185.2%)
DEPRECIATION	29,513	30,333	820	2.7%	149,793	151,667	1,874	1.2%
NET OPERATING INCOME	12,510	(71,168)	83,678	(117.6%)	747,131	370,968	376,164	101.4%

BUSINESS UNIT ANALYSIS	COURSE OPERATIONS				TOTAL
	PRO SHOP	FOOD/BEV	SIMULATOR	OPERATIONS	
OPERATING REVENUES	170,678	1,477,232	189,987	14,037	1,851,934
OPERATING EXPENSES* *Excluding Depreciation	132,543	728,721	67,043	26,834	955,141
OPERATING INCOME	38,135	748,511	122,944	(12,797)	896,793

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - DIVISION OF PORTS AND HARBORS-UNRESTRICTED
For the Five Months Ending November 30, 2021

	Actual Nov FY 2022	Budget Nov FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	\$44,070	\$35,160	\$8,910	25.3%	\$206,700	\$175,110	\$31,590	18.0%
CARGO AND HANGARS				-				-
CONCESSION REVENUE		250	(250)	(100.0%)	3,000	1,250	1,750	140.0%
FEE REVENUE	111,270	103,297	7,973	7.7%	599,499	594,148	5,351	0.9%
FUEL SALES	35,124	50,966	(15,842)	(31.1%)	293,861	344,974	(51,113)	(14.8%)
INTEREST	236		236	-	833		833	-
MERCHANDISE				-				-
OTHER REVENUE	13,685	7,772	5,913	76.1%	74,789	60,529	14,259	23.6%
TOTAL OPERATING REVENUES	204,385	197,445	6,940	3.5%	1,178,682	1,176,011	2,669	0.2%
EXPENSES								
WAGES AND FRINGE BENEFITS	103,663	96,556	(7,107)	(7.4%)	563,762	581,675	17,913	3.1%
BUILDING AND FACILITIES	19,954	12,955	(6,999)	(54.0%)	67,658	64,775	(2,883)	(4.5%)
GENERAL AND ADMINISTRATIVE	6,966	10,941	3,975	36.3%	52,115	54,703	2,589	4.7%
UTILITIES	6,922	9,106	2,184	24.0%	54,257	46,571	(7,686)	(16.5%)
PROFESSIONAL SERVICES	944	1,683	739	43.9%	16,481	8,417	(8,064)	(95.8%)
MARKETING AND PROMOTION	435	217	(219)	(100.9%)	746	1,083	337	31.1%
OTHER OPERATING EXPENSES	25,401	42,238	16,837	39.9%	215,037	278,252	63,215	22.7%
TOTAL OPERATING EXPENSES	164,285	173,696	9,410	5.4%	970,056	1,035,476	65,421	6.3%
OPERATING INCOME	40,100	23,749	16,349	68.8%	208,626	140,535	68,090	48.5%
NON-OPERATING (INCOME) EXPENSE	(195)	(492)	(297)	60.4%	(1,381)	(2,458)	(1,077)	43.8%
DEPRECIATION	50,321	52,917	2,595	4.9%	257,489	264,583	7,095	2.7%
NET OPERATING INCOME	(10,026)	(28,676)	18,648	(65.0%)	(47,482)	(121,590)	74,108	(60.9%)

BUSINESS UNIT ANALYSIS	RYE HARBOR	HAMPTON HARBOR	PORTS. FISH PIER	MARKET ST.	HARBOR MGMT	ADMIN	TOTAL
OPERATING REVENUES	184,127	204,060	64,629	524,670	200,363	833	1,178,682
OPERATING EXPENSES*	155,606	191,794	99,185	174,942	171,153	177,376	970,056
*Excluding Depreciation							
OPERATING INCOME	28,521	12,266	(34,556)	349,728	29,210	(176,543)	208,626

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - FOREIGN TRADE ZONE
For the Five Months Ending November 30, 2021

	Actual Nov FY 2022	Budget Nov FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL		\$5,000	(\$5,000)	(100.0%)	\$7,000	\$7,000	-	-
CARGO AND HANGARS								
CONCESSION REVENUE								
FEE REVENUE								
FUEL SALES								
INTEREST								
MERCHANDISE								
OTHER REVENUE								
TOTAL OPERATING REVENUES		5,000	(5,000)	(100.0%)	7,000	7,000		
EXPENSES								
WAGES AND FRINGE BENEFITS								
BUILDING AND FACILITIES								
GENERAL AND ADMINISTRATIVE UTILITIES		83	83	100.0%	1,250	417	(833)	(200.0%)
PROFESSIONAL SERVICES								
MARKETING AND PROMOTION					1,539	1,494	(45)	(3.0%)
OTHER OPERATING EXPENSES								
TOTAL OPERATING EXPENSES		83	83	100.0%	2,789	1,911	(878)	(46.0%)
OPERATING INCOME		4,917	(4,917)	(100.0%)	4,211	5,089	(878)	(17.3%)
NON-OPERATING (INCOME) EXPENSE	0		0	-	(2)		2	-
DEPRECIATION								
NET OPERATING INCOME	0	4,917	(4,916)	(100.0%)	4,213	5,089	(877)	(17.2%)

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - HARBOR DREDGING
For the Five Months Ending November 30, 2021

	Actual Nov FY 2022	Budget Nov FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL								
CARGO AND HANGARS								
CONCESSION REVENUE								
FEE REVENUE	2,124	9,167	(7,043)	(76.8%)	22,529	45,833	(23,304)	(50.8%)
FUEL SALES								
INTEREST								
MERCHANDISE								
OTHER REVENUE	150	750	(600)	(80.0%)	2,050	3,750	(1,700)	(45.3%)
TOTAL OPERATING REVENUES	2,274	9,917	(7,643)	(77.1%)	24,579	49,583	(25,004)	(50.4%)
EXPENSES								
WAGES AND FRINGE BENEFITS								
BUILDING AND FACILITIES	64,415	13,750	(50,665)	(368.5%)	74,556	68,750	(5,806)	(8.4%)
GENERAL AND ADMINISTRATIVE UTILITIES	400	167	(233)	(140.0%)	10,995	833	(10,162)	(1219.4%)
PROFESSIONAL SERVICES								
MARKETING AND PROMOTION								
OTHER OPERATING EXPENSES								
TOTAL OPERATING EXPENSES	64,815	13,917	(50,898)	(365.7%)	85,551	69,583	(15,968)	(22.9%)
OPERATING INCOME	(62,541)	(4,000)	(58,541)	1463.5%	(60,972)	(20,000)	(40,972)	204.9%
NON-OPERATING (INCOME) EXPENSE	(36)	(67)	(31)	45.9%	(202)	(333)	(132)	39.5%
DEPRECIATION	5,886	6,250	364	5.8%	29,509	31,250	1,741	5.6%
NET OPERATING INCOME	(68,391)	(10,183)	(58,207)	571.6%	(90,279)	(50,917)	(39,363)	77.3%

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - REVOLVING LOAN FUND
For the Five Months Ending November 30, 2021

	Actual Nov FY 2022	Budget Nov FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL				-				-
CARGO AND HANGARS				-				-
CONCESSION REVENUE				-				-
FEE REVENUE				-				-
FUEL SALES				-				-
INTEREST	2,968	2,750	218	7.9%	12,654	13,750	(1,096)	(8.0%)
MERCHANDISE				-				-
OTHER REVENUE		42	(42)	(100.0%)	376	208	168	80.5%
TOTAL OPERATING REVENUES	2,968	2,792	176	6.3%	13,030	13,958	(929)	(6.7%)
EXPENSES								
WAGES AND FRINGE BENEFITS				-				-
BUILDING AND FACILITIES				-				-
GENERAL AND ADMINISTRATIVE UTILITIES	50	50		-	158	250	92	36.8%
PROFESSIONAL SERVICES	2,698	2,083	(614)	(29.5%)	10,097	10,417	319	3.1%
MARKETING AND PROMOTION				-				-
OTHER OPERATING EXPENSES				-				-
TOTAL OPERATING EXPENSES	2,748	2,133	(614)	(28.8%)	10,255	10,667	411	3.9%
OPERATING INCOME	220	659	(438)	(66.5%)	2,775	3,291	(517)	(15.7%)
NON-OPERATING (INCOME) EXPENSE DEPRECIATION	(27)	(77)	(50)	64.9%	(203)	(385)	(183)	47.4%
NET OPERATING INCOME	247	736	(488)	(66.4%)	2,978	3,676	(700)	(19.0%)

REVOLVING LOAN FUND (\$ 000's)	BALANCE AT 11-30-21	BALANCE AT 06-30-2021
CASH BALANCES		
GENERAL FUNDS	210	225
SEQUESTERED FUNDS	-	-
	<u>210</u>	<u>225</u>
LOANS OUTSTANDING (18)		
CURRENT	111	98
LONG TERM	921	921
	<u>1,032</u>	<u>1,019</u>
TOTAL CAPITAL BASE	<u>1,242</u>	<u>1,244</u>
CAPTIAL UTILIZATION RATE -% *	83.1%	81.9%

*EXCLUDES SEQUESTERED FUNDS

**SUMMARY OF INTERGOVERNMENTAL RECEIVABLES
AS OF NOVEMBER 30, 2021**

(\$000's)

<u>BUSINESS UNIT</u>	TOTAL PROJECT	GRANT AWARD	EXPENDED TO DATE	PDA SHARE	RECEIVED TO DATE	BALANCE DUE PDA	AMOUNT SUBMITTED
PORTSMOUTH AIRPORT	30,659	24,105	27,324	(1,317)	24,470	211	68
DIVISION OF PORTS AND HARBORS	13,253	0	5,412	0	5,196	216	216
	<u>43,912</u>	<u>24,105</u>	<u>32,736</u>	<u>(1,317)</u>	<u>29,666</u>	<u>427</u>	<u>284</u>

**SUMMARY OF CONSTRUCTION WORK IN PROCESS
AS OF NOVEMBER 30, 2021**

(\$000's)

<u>PROJECT NAME</u>	BALANCE AT 06-30-21	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 11-30-21
PORTSMOUTH AIRPORT					
TERMINAL EXPANSION (NON-GRANT)	278	525	(502)	23	301
RUNWAY 16-34 DESIGN (AIP 58)	-	-	-	-	-
RUNWAY 16-34 RECONSTRUCTION (AIP 64)	1,548	(261)	(1,556)	(1,817)	(269)
TERMINAL BUILDING EXPANSION (AIP 66)	6	4	(7)	(3)	3
TERMINAL BUILDING EXPANSION (AIP 62)	24	3	(24)	(21)	3
ALPHA SOUTH HOLD BAY (AIP 67)	1	4	(3)	1	2
LOUGHLIN MEMORIAL PARK	8	19	(17)	2	10
SNOW REMOVAL EQUIPMENT (AIP69)	2	18	-	18	20
LOWERY LANE (AIP 70)	-	300	-	300	300
PSM ACCESS CONTROL BOARD	-	40	(40)	-	-
SNOW PLOW	-	6	-	6	6
PSM MOBILE RADIO PURCHASE	-	19	(19)	-	-
	<u>1,867</u>	<u>677</u>	<u>(2,168)</u>	<u>(1,491)</u>	<u>376</u>
SKYHAVEN AIRPORT	-	-	-	-	-
GOLF COURSE					
GOLF CARTS (2)	-	20	(20)	-	-
IT/ADMINISTRATION					
LEASEQUERY SOFTWARE	-	23	(23)	-	-
MAINTENANCE	-	-	-	-	-
DIVISION OF PORTS AND HARBORS (DPH)					
FUNCTIONAL REPLACEMENT- BARGE DOCK	1,304	-	-	-	1,304
PPF BULKHEAD REPAIR AND CONSTRUCTION	1,826	959	-	959	2,785
MAIN PIER (BUILD GRANT)	1,284	38	-	38	1,322
VIDEO RECORDER REPLACEMENT & CAMERA	-	15	(15)	-	-
	<u>4,414</u>	<u>1,012</u>	<u>(15)</u>	<u>997</u>	<u>5,411</u>
TOTAL	<u>6,281</u>	<u>1,732</u>	<u>(2,226)</u>	<u>(494)</u>	<u>5,787</u>

CASH FLOW PROJECTIONS FOR THE NINE MONTH PERIOD ENDING SEPTEMBER 30, 2022

**BOARD OF DIRECTORS MEETING
JANUARY 20, 2022**



2022-2023 TO SEPTEMBER 30, 2023
CASH FLOW PROJECTIONS
BY DEPARTMENTAL REPRESENTATIVES

PEASE DEVELOPMENT AUTHORITY CASH FLOW SUMMARY OVERVIEW JANUARY 1, 2022 TO SEPTEMBER 30, 2022

(EXCLUDING DIVISION OF PORTS AND HARBORS)

(\$ 000'S)

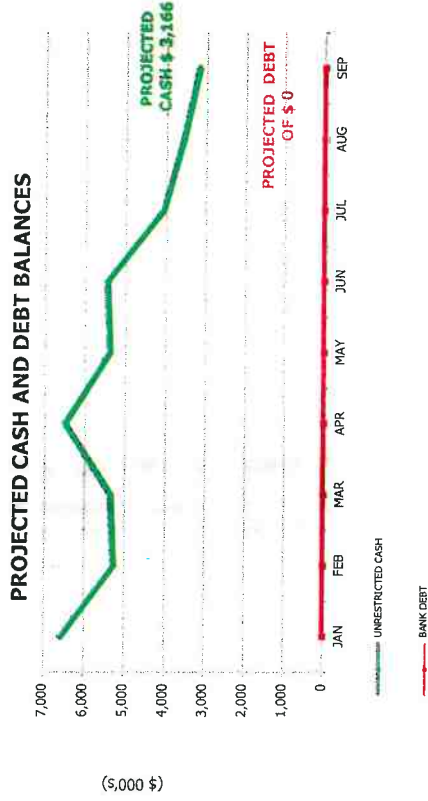
	<u>AMOUNT</u>
OPENING FUND BALANCE	<u>6,215</u>
<u>SOURCES OF FUNDS</u>	
GRANT AWARDS (SEE PAGE #9)	2,108
TRADEPORT TENANTS	7,177
MUNICIPAL SERVICE FEE (COP)	1,860
GOLF COURSE FEE AND CONCESSION REVENUES	1,977
REVOLVING LINE OF CREDIT (PROVIDENT BANK)	0
PSM AIRPORT- LEASES, FUEL FLOWAGE FEES AND PARKING	1,245
ARPA GRANT	1,964
SKYHAVEN AIRPORT HANGAR AND FUEL REVENUES	122
	<u>16,453</u>

<u>USES OF FUNDS</u>	
OPERATING EXPENSES	8,524
CAPITAL EXPENDITURES- NON-GRANT (SEE PAGES #5-#8)	7,171
CAPITAL EXPENDITURES- GRANT (SEE PAGE #4)	2,389
MUNICIPAL SERVICE FEE (COP)- NET	1,350
STATE OF NH- POST RETIREMENT	68
	<u>19,502</u>

NET CASH FLOW	(3,049)
CLOSING FUND BALANCE	<u>3,166</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. DRIVEN BY STRONG CASH FLOW, SOME FUTURE NON-GRANT CAPITAL EXPENSES MAY BE RE-PRIORITIZED OVER THE NEXT 12 MONTHS.



TOTAL FUND BALANCES	BALANCE AT 12-31-2021	BALANCE AT 06-30-2021
UNRESTRICTED	6,215	2,469
DESIGNATED	14	14
TOTAL	<u>6,229</u>	<u>2,483</u>

PEASE DEVELOPMENT AUTHORITY STATEMENT OF CASH FLOW (UNRESTRICTED FUNDS)

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
OPENING FUND BALANCE	<u>6,215</u>	<u>6,563</u>	<u>5,254</u>	<u>5,336</u>	<u>6,481</u>	<u>5,365</u>	<u>5,439</u>	<u>4,048</u>	<u>3,553</u>	<u>6,215</u>
SOURCES OF FUNDS										
GRANT AWARDS (SEE PAGE #8)	-	-	25	1,620	418	25	10	10	-	2,108
TRADEPORT TENANTS	734	923	771	757	749	840	1,055	735	613	7,177
MUNICIPAL SERVICE FEE	135	135	350	135	135	350	135	135	350	1,860
GOLF COURSE	125	74	86	187	305	305	295	295	305	1,977
PORTSMOUTH AIRPORT- (PSM)	91	52	52	52	91	52	41	76	82	589
PSM PAY FOR PARKING	44	88	90	8	18	30	48	39	12	377
PSM FLOWAGE FEES	41	40	27	12	3	11	46	50	49	279
SKYHAVEN AIRPORT	13	13	13	14	14	14	13	13	15	122
ARPA GRANT	1,964	-	-	-	-	-	-	-	-	1,964
EXTERNAL FINANCING- NET	-	-	-	-	-	-	-	-	-	-
	<u>3,147</u>	<u>1,325</u>	<u>1,414</u>	<u>2,785</u>	<u>1,733</u>	<u>1,627</u>	<u>1,643</u>	<u>1,353</u>	<u>1,426</u>	<u>16,453</u>
USE OF FUNDS										
CAPITAL- GRANT RELATED (SEE PAGE #4)	1,261	469	72	82	65	40	-	300	100	2,389
CAPITAL- NONGRANT (SEE PAGES #5-#7)	565	1,245	328	667	1,880	405	681	615	785	7,171
OPERATING EXPENSES	973	920	932	891	904	1,040	1,003	933	928	8,524
MUNICIPAL SERVICE FEE	-	-	-	-	-	-	1,350	-	-	1,350
STATE OF NH- POST RETIREMENT	-	-	-	-	-	68	-	-	-	68
	<u>2,799</u>	<u>2,634</u>	<u>1,332</u>	<u>1,640</u>	<u>2,849</u>	<u>1,553</u>	<u>3,034</u>	<u>1,848</u>	<u>1,813</u>	<u>19,502</u>
NET CASH FLOW	348	(1,309)	82	1,145	(1,116)	74	(1,391)	(495)	(387)	(3,049)
CLOSING FUND BALANCE	<u>6,563</u>	<u>5,254</u>	<u>5,336</u>	<u>6,481</u>	<u>5,365</u>	<u>5,439</u>	<u>4,048</u>	<u>3,553</u>	<u>3,166</u>	<u>3,166</u>

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

4

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
<u>GRANT REIMBURSEMENT PROJECTS</u>										
<u>PORTSMOUTH AIRPORT</u>										
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 62- \$1.6M)	-	180	-	-	-	-	-	-	-	180
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 66- \$2.0M)	-	200	-	-	-	-	-	-	-	200
RUNWAY 16-34 RECONSTRUCTION (AIP 64)	1,150	25	25	25	25	-	-	-	-	1,250
TW A SOUTH HOLD BAY (AIP 67)	60	2	2	2	-	-	-	-	-	66
PEASE BOULEVARD-ARBORETUM AVE	-	20	5	30	30	30	-	300	100	515
LOWERY LANE PAVING	26	2	-	-	-	-	-	-	-	28
SNOW REMOVAL EQUIPMENT	-	-	-	-	-	-	-	-	-	-
	<u>1,236</u>	<u>429</u>	<u>32</u>	<u>57</u>	<u>55</u>	<u>30</u>	-	<u>300</u>	<u>100</u>	<u>2,239</u>
<u>SKYHAVEN AIRPORT</u>										
TERMINAL APRON DESIGN (SRG 9)	25	40	40	25	10	10	-	-	-	150
TOTAL GRANT REIMBURSEMENT PROJECTS	<u>1,261</u>	<u>469</u>	<u>72</u>	<u>82</u>	<u>65</u>	<u>40</u>	-	<u>300</u>	<u>100</u>	<u>2,389</u>

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

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

(\$ 000'S)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
<u>NON-GRANT REIMBURSEMENT PROJECTS</u>										
<u>TECHNOLOGY</u>										
COMPUTERS / PRINTERS / SOFTWARE / TELECOMMUNICATIONS **	-	5	-	-	5	-	-	-	5	15
MICROSOFT SOFTWARE UPGRADES **	20	-	-	-	-	-	-	-	20	40
PAYCHEX PAYROLL KIOSKS **	5	-	-	-	-	-	-	-	-	5
TECHNOLOGY ENHANCEMENTS **	15	-	5	-	-	-	-	-	10	30
MAIN SERVER REPLACEMENT **	45	-	-	-	-	-	-	-	-	45
	<u>85</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>35</u>	<u>135</u>
<u>GOLF COURSE</u>										
COURSE EQUIPMENT **	70	-	110	-	-	-	-	-	-	180
PATIO UPGRADE**	26	-	-	24	-	-	-	-	-	50
SIM ROOM UPGRADE**	-	-	-	-	-	30	-	-	-	30
CLUBHOUSE KITCHEN EQUIPMENT	10	-	-	10	-	-	-	-	-	20
COURSE IMPROVEMENTS**	-	-	-	-	-	10	-	-	-	10
	<u>106</u>	<u>5</u>	<u>110</u>	<u>34</u>	<u>5</u>	<u>40</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>290</u>

NOTE:
** PENDING BOARD APPROVAL

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

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
<u>NON-GRANT REIMBURSEMENT PROJECTS (CONTINUED):</u>										
<u>PORTSMOUTH AIRPORT</u>										
TERMINAL EXPANSION	95	1,075	202	142	25	25	6	-	-	1,570
TERMINAL CARPETING **	-	-	5	-	-	-	-	-	-	5
AIRFIELD SIGNAGE- LED **	-	-	-	55	-	-	-	-	-	55
MOBILE RADIO UPGRADE **	50	-	-	-	-	-	-	-	-	50
FENCE CONSTRUCTION **	-	-	-	35	-	-	-	-	-	35
GENERATOR UPGRADE **	-	-	-	-	10	-	-	-	-	10
REPEATERS **	50	-	-	-	-	-	-	-	-	50
HIGH LIFT **	-	-	-	-	20	-	-	-	-	20
TICKETING AREA UPGRADES**	-	-	-	-	-	-	-	600	-	600
FLIGHTLINE RD PIPE RELOCATION**	-	-	-	-	1,500	-	-	-	-	1,500
	195	1,075	207	232	1,555	25	6	600		3,895

NOTE:
 ** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

(CONTINUED):

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
<u>NON-GRANT REIMBURSEMENT PROJECTS</u>										
<u>SECURITY</u>										
PSM										
CCTV SECURITY GATES **	-	50	-	-	-	-	-	-	-	50
REPLACE BADGING WORKSTATIONS**	-	90	-	-	-	-	-	-	-	90
DOOR ACCESS CONTROL **	-	-	-	-	75	-	-	-	-	75
SECURITY SYSTEM UPGRADE **	-	-	-	-	170	100	-	-	-	270
	-	140	-	-	245	100	-	-	-	485
DAW										
DOOR ACCESS CONTROL **	25	-	-	-	-	-	-	-	-	25
JET A FUEL TANK **	-	-	-	-	-	20	-	-	-	20
FUEL SYSTEM CREDIT CARD **	-	-	-	-	-	5	-	-	-	5
REROOF TERMINAL BUILDING **	-	-	-	-	25	-	-	-	-	25
	25	-	-	-	25	25	-	-	-	75

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

(CONTINUED)

	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>TOTAL</u>
<u>NON-GRANT REIMBURSEMENT PROJECTS (CONTINUED)</u>										
<u>TRADEPORT</u>										
STORMWATER BMP'S	15	-	-	15	-	15	-	15	-	60
GRAFTON RD AND GOLF COURSE INTERIM**	-	-	-	-	-	200	-	-	550	750
GRAFTON RD AND AVIATION AVE**	-	-	-	-	-	-	250	-	-	250
INCINERATOR BLDG DEMOLITION**	-	-	-	-	-	-	-	-	200	200
CORPORATE DRIVE- DRAINAGE **	44	25	6	-	-	-	425	-	-	500
	<u>59</u>	<u>25</u>	<u>6</u>	<u>15</u>	<u>-</u>	<u>215</u>	<u>675</u>	<u>15</u>	<u>750</u>	<u>1,760</u>
<u>MAINTENANCE</u>										
VEHICLE FLEET REPLACEMENT	-	-	-	81	-	-	-	-	-	81
PAINT MACHINE **	15	-	-	-	-	-	-	-	-	15
BUILDING INFRASTRUCTURE **	-	-	-	-	-	-	-	-	-	-
MOWER REPLACEMENT **	-	-	-	15	-	-	-	-	-	15
JOHN DEERE TRACTOR REPLACEMENT **	-	-	-	140	-	-	-	-	-	140
CRACK SEALING MACHINE **	-	-	-	-	50	-	-	-	-	50
SWPPP WASH RACK*	-	-	-	150	-	-	-	-	-	150
TRACK SKID MOWER	80	-	-	-	-	-	-	-	-	80
	<u>95</u>	<u>-</u>	<u>-</u>	<u>386</u>	<u>50</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>531</u>
TOTAL NON-GRANT REIMBURSEMENT PROJECTS	<u>565</u>	<u>1,245</u>	<u>328</u>	<u>667</u>	<u>1,880</u>	<u>405</u>	<u>681</u>	<u>615</u>	<u>785</u>	<u>7,171</u>

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY RECEIPT GRANT AWARDS

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
<u>PORTSMOUTH AIRPORT</u>										
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 62-\$1.6M)	-	-	-	-	167	-	-	-	-	167
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 66-\$2.0M)	-	-	-	-	211	-	-	-	-	211
RUNWAY 16-34 RECONSTRUCTION (AIP 64)	-	-	-	1,100	-	-	-	-	-	1,100
RUNWAY- AIR NATIONAL GUARD	-	-	-	300	-	-	-	-	-	300
TW A SOUTH HOLD BAY (AIP 67)	-	-	-	90	-	-	-	-	-	90
PEASE BOULEVARD- ARBORETUM AVE	-	-	-	60	-	-	-	-	-	60
SNOW REMOVAL EQUIPMENT (AIP 69)	-	-	-	-	-	-	-	-	-	-
LOWERY LANE PAVING (AIP 70)	-	-	-	30	-	-	-	-	-	30
<u>SKYHAVEN AIRPORT</u>										
TERMINAL APRON DESIGN (SBG-7)	-	-	25	40	40	25	10	10	-	150
TOTAL	-	-	25	1,620	418	25	10	10	-	2,108

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.

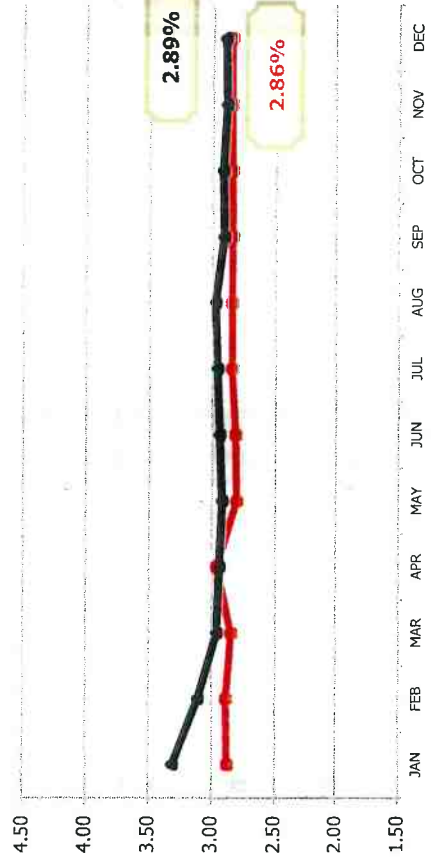
INTEREST RATE ONE MONTH FHLB (CLASSIC) + 250 BASIS POINTS

MINIMUM SIZE OF DRAWDOWN NO MINIMUM

OTHER DOES NOT CARRY THE STATE GUARANTEE

OUTSTANDING DEBT ANALYSIS	BALANCE AT 12-31-2021	BALANCE AT 06-30-2021	MATURITY DATE	INTEREST RATE %
THE PROVIDENT BANK (RLOC)	-	-	12-31-2022	VARIABLE
WEIGHTED AVERAGE	=	=		
	2.85%	=		

TRENDING THE ONE MONTH FHLB (CLASSIC) INTEREST RATE + MARK-UP 2021 VERSUS 2020



DIVISION OF PORTS AND HARBORS CASH FLOW SUMMARY OVERVIEW (EXCLUDING RESTRICTED FUNDS) JANUARY 1, 2022 TO SEPTEMBER 30, 2022

(\$ 000's)

	<u>AMOUNT</u>	
	<u>1,493</u>	
OPENING FUND BALANCE		
SOURCES OF FUNDS		
FUEL SALES	486	
FACILITY RENTALS AND CONCESSIONS	498	
REGISTRATIONS / WHARFAGE	680	
MOORING FEES	450	
PARKING FEES	95	
	<u>2,209</u>	
USES OF FUNDS		
PERSONNEL SERVICES AND BENEFITS	901	
FUEL PROCUREMENT	432	
OPERATING EXPENSES	382	
CAPITAL EXPENDITURES AND OTHER	40	
STATE OF NH- POST RETIREMENT	28	
	<u>1,783</u>	
NET CASH FLOW	<u>426</u>	
CLOSING FUND BALANCE	<u>1,919</u>	

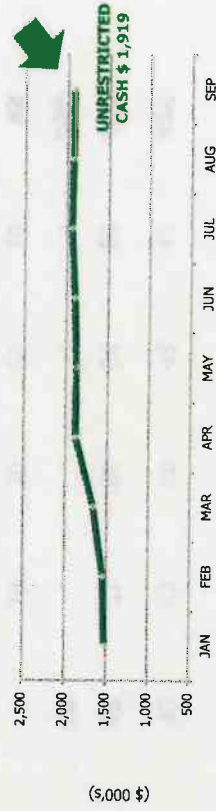
	<u>AMOUNT</u>	
	<u>1,493</u>	
TOTAL FUND BALANCES		
UNRESTRICTED FUNDS	<u>1,493</u>	
DESIGNATED FUNDS	<u>160</u>	
RESTRICTED FUNDS:		
HARBOR DREDGING	245	
REVOLVING LOAN FUND	219	
FOREIGN TRADE ZONE	7	
	<u>471</u>	
BALANCE AT 12/31/2021		
BALANCE AT 06/30/21	<u>1,888</u>	
BALANCE AT 06/30/21	<u>153</u>	

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.

\$ 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



DIVISION OF PORTS AND HARBORS

STATEMENT OF CASH FLOW

(UNRESTRICTED FUNDS)

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
OPENING FUND BALANCE	<u>1,493</u>	<u>1,518</u>	<u>1,541</u>	<u>1,661</u>	<u>1,877</u>	<u>1,868</u>	<u>1,894</u>	<u>1,938</u>	<u>1,926</u>	<u>1,493</u>
SOURCES OF FUNDS										
FACILITY RENTALS AND CONCESSIONS	36	41	63	69	49	83	60	43	42	486
FUEL SALES	44	38	35	34	48	71	86	84	58	498
MOORING FEES	-	-	200	200	50	-	-	-	-	450
PARKING FEES	-	-	1	1	4	14	30	29	16	95
REGISTRATIONS / WHARFAGE	131	115	46	76	22	95	65	65	65	680
	<u>211</u>	<u>194</u>	<u>345</u>	<u>380</u>	<u>173</u>	<u>263</u>	<u>241</u>	<u>221</u>	<u>181</u>	<u>2,209</u>
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	100	89	96	95	93	115	89	123	101	901
FUEL PROCUREMENT	46	42	39	29	48	46	69	67	46	432
UTILITIES	10	10	10	10	11	12	9	9	10	91
GENERAL AND ADMINISTRATIVE	14	14	14	14	14	15	14	16	14	129
BUILDINGS AND FACILITIES	16	16	16	16	16	16	14	16	16	142
PROFESSIONAL SERVICES	-	-	10	-	-	5	2	2	1	20
CAPITAL EXPENDITURES AND OTHER	-	-	40	-	-	-	-	-	-	40
STATE OF NH- POST RETIREMENT	-	-	-	-	-	28	-	-	-	28
	<u>186</u>	<u>171</u>	<u>225</u>	<u>164</u>	<u>182</u>	<u>237</u>	<u>197</u>	<u>233</u>	<u>188</u>	<u>1,783</u>
NET CASH FLOW	25	23	120	216	(9)	26	44	(12)	(7)	426
CLOSING FUND BALANCE	<u>1,518</u>	<u>1,541</u>	<u>1,661</u>	<u>1,877</u>	<u>1,868</u>	<u>1,894</u>	<u>1,938</u>	<u>1,926</u>	<u>1,919</u>	<u>1,919</u>

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

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
OPENING FUND BALANCE	245	255	215	173	133	143	99	109	117	245
SOURCES OF FUNDS										
PIER USAGE FEES	9	9	9	9	9	9	9	9	9	81
REGISTRATIONS	1	1	1	1	1	1	1	1	1	9
FUEL FLOWAGE FEES	-	-	-	-	-	-	-	-	-	-
GRANT FUNDING	-	-	-	-	-	-	-	-	-	-
	10	10	10	10	10	10	10	10	10	90
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	50	-	50	-	2	-	2	-	104
GENERAL AND ADMINISTRATIVE	-	-	2	-	-	2	-	-	-	4
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER- (CBOC)	-	-	50	-	-	50	-	-	-	100
	-	50	52	50	-	54	-	2	-	208
NET CASH FLOW	10	(40)	(42)	(40)	10	(44)	10	8	10	(118)
CLOSING FUND BALANCE	255	215	173	133	143	99	109	117	127	127

DIVISION OF PORTS AND HARBORS

STATEMENT OF CASH FLOW- REVOLVING LOAN FUND

(RESTRICTED FUNDS)

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
OPENING FUND BALANCE	219	232	243	207	221	233	247	261	273	219
SOURCES OF FUNDS										
LOAN REPAYMENTS	12	12	12	12	12	12	12	12	12	108
INTEREST INCOME-LOANS	3	3	3	3	3	3	3	3	3	27
INTEREST INCOME- FUND BALANCE	-	-	-	-	-	-	-	-	-	-
	15	15	15	15	15	15	15	15	15	135
USE OF FUNDS										
NEW LOANS PROJECTED	-	-	50	-	-	-	-	-	-	50
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	2	-	-	2	-	-	2	-	6
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	2	2	1	1	1	1	1	1	-	10
ALL OTHER	-	-	-	-	-	-	-	-	-	-
	2	4	51	1	3	1	1	3	-	66
NET CASH FLOW	13	11	(36)	14	12	14	14	12	15	69
CLOSING FUND BALANCE	232	243	207	221	233	247	261	273	288	288

DIVISION OF PORTS AND HARBORS
STATEMENT OF CASH FLOW- FOREIGN TRADE ZONE FUND
(RESTRICTED FUNDS)

(\$ 000's)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
OPENING FUND BALANCE	7	7	7	5	4	4	3	5	5	7
SOURCES OF FUNDS										
FACILITY RENTALS	-	-	-	-	-	-	2	-	-	2
ALL OTHER	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	2	-	-	2
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	-	-	1	-	-	-	-	-	1
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER	-	-	2	-	-	1	-	-	-	3
	-	-	2	1	-	1	-	-	-	4
NET CASH FLOW	-	-	(2)	(1)	-	(1)	2	-	-	(2)
CLOSING FUND BALANCE	7	7	5	4	4	3	5	5	5	5

MEMORANDUM

TO: Pease Development Authority Board of Directors *PEB*
FROM: Paul E. Brean, Executive Director
RE: Licenses / ROEs / Easements / Rights of Way
DATE: January 10, 2022

In accordance with the "Delegation to Executive Director: Consent, Approval and Execution of License Agreements," PDA entered into the following Right-of-Entry:

1. Name: Port City Air
License: Right-of-Entry
Location: Hangar 227
Purpose: Cold storage of Four (4) Vehicles
Term: Through December 31, 2021

Director Fournier was consulted and granted his consent.

2. Name: PROCON LLC
License: Right-of-Entry
Location: North Apron
Purpose: Site Inspection Purposes
Term: Through January 31, 2022

Director Fournier was consulted and granted his consent.

3. Name: PROCON LLC
License: Right-of-Entry
Location: 14 Aviation Avenue (a/k/a Hangar 227)
Purpose: Site Inspection Purposes
Term: Through January 31, 2022

Director Fournier was consulted and granted his consent.

4. Name: City of Portsmouth – Police Department
License: Right-of-Entry
Location: North Apron
Purpose: Emergency Vehicle Operation Training
Term: April 1, 2022 through August 31, 2022

Director Fournier was consulted and granted his consent.

5. Name: Falcon Systems Transportation, LLC (dba) East West Aeronautical
License: Right-of-Entry
Location: North Apron
Purpose: Survey / Site Inspection Purposes
Term: January 1, 2022 through May 31, 2022

Director Fournier was consulted and granted his consent.

6. Name: Port City Air
License: Right-of-Entry
Location: Hangar 227
Purpose: Cold storage of Four (4) Vehicles
Term: Through January 31, 2022

Director Fournier was consulted and granted his consent.

December 8, 2021

Ned Denney
Port City Air
104 Grafton Road
Portsmouth, NH 03801

**Re: Right of Entry - Portion of Hangar 227, 14 Aviation Avenue
Pease International Tradeport, Portsmouth, NH**

Dear Mr. Denney:

This letter will authorize Port City Air ("PCA") and/or its agents and contractors to enter Hangar 227 and use a portion of Hangar 227, as designated by PDA Airport Operations (the "Premises") totaling 2,730 square feet as shown on the attached **Exhibit A**, commencing December 1, 2021, through December 31, 2021, for the for the storage of four (4) vehicles, at its sole expense and risk. This Right of Entry will expire at the end of day on December 31, 2021, unless otherwise extended by agreement of PCA and the Pease Development Authority.

This authorization is conditioned upon the following:

1. 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.
2. PCA's understanding that Hangar 227 has potential environmental contamination and active environmental contamination monitoring and mitigation systems in place, and its acceptance of the risks such conditions present. PDA shall not be responsible for damages to property or injuries to persons which may arise or be attributable or incident to the condition or state of repair of the Premises, or the use and occupation thereof, or for damages to the property or injuries to the persons of PCA's officers, agents, servants or employees, or others who may be on the Premises at PCA's invitation or the invitation of any one of them. PCA's further understanding that the Premises is not heated and there is no fire suppression system(s) within the Premises or Hangar 227.
3. PCA'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 the Premises, real or personal property, including the items stored on

Page Two

December 8, 2021

**Re: Right of Entry - Portion of Hangar 227, 14 Aviation Avenue
Pease International Tradeport, Portsmouth, NH**

the Premises, 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. PCA 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 PCA's use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. PCA further agrees to indemnify, save, hold harmless, and defend (with counsel acceptable to the PDA) 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 PCA's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

4. PCA understands and acknowledges that this Right of Entry is solely for aviation-related purposes and: (a) allows only temporary use of the Premises for PCA only (no maintenance or other activities are permitted) and the movement of PCA in and out of the Premises shall be conducted by PCA personnel without spending any unnecessary or additional time within Hangar 227; (b) requires PCA to move any equipment stored within the Premises upon the request of the PDA; (c) is granted on a non-exclusive basis; and (d) may be revoked at will by PDA, or terminated at will, upon 15 days notice 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. PCA, and/or any agent of PCA, providing to the Pease Development Authority satisfactory evidence of comprehensive aviation general liability insurance and hangarkeepers liability insurance, both 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); environmental 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; 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 PCA 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 PCA that such policies will not be cancelled. Should a policy cancellation occur, PDA will be advised in accordance with policy provisions.

Page Three

December 8, 2021

**Re: Right of Entry - Portion of Hangar 227, 14 Aviation Avenue
Pease International Tradeport, Portsmouth, NH**

6. PCA's agreement herein that, PCA shall, upon fifteen (15) days written notice from Pease Development Authority, vacate and, at Pease Development Authority's election, restore said premises to its condition prior to the storage of its equipment.

7. PCA's agreement herein to coordinate with PDA Airport Operations to access Hangar 227 for the purposes of delivery and retrieval of its equipment stored on the Premises. The Airport Operations may be reached at (603) 433-6536, Monday through Friday, 8:00 a.m. to 5:00 p.m.

8. PCA'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. PCA acknowledges and agrees that, except as otherwise set forth herein, no legal obligations shall arise with respect to the Premises.

9. PCA agrees to pay PDA a user's fee (2,730 sq. ft. @ \$1.00 per sf per annum) in the amount of seven dollars and forty-eight cents (\$7.48) per day, in advance, prorated, for each month, or portion thereof, that the Premises are used. Payment for the term of this Right of Entry in the amount of \$231.88 (31 days) shall be due upon execution of this Right of Entry.

10. To the extent applicable, in addition to the Fee required to be paid under the terms of this Right of Entry, PCA 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 Right of Entry Premises are subject to municipal taxation, and provided such municipal taxes include the costs of the provision of fire, police and roadway services, PCA may offset against any fee paid to PDA the portion of such municipal taxes as are attributable to fire, police and roadway services, and PDA shall have no further obligation to provide such services. For so long as municipal taxes are imposed against the Right of Entry Premises, or on PCA for all three of fire, police and roadway services and PDA either has no obligation to provide such services (or ceases to provide such services), the municipal services fee required to be paid under this Right of Entry shall terminate.

In the event the Right of Entry Premises, or any portion thereof, are removed from the Airport District, PCA 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)

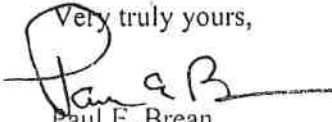
Page Four

December 8, 2021

Re: **Right of Entry - Portion of Hangar 227, 14 Aviation Avenue
Pease International Tradeport, Portsmouth, NH**

regarding taxation by a municipality of property that is within the boundaries of Pease, but outside the Airport District.

Please indicate by your signature below PCA's consent and return the same to me along with the payment set forth in paragraph 9.

Very truly yours,

Paul E. Brean
Executive Director

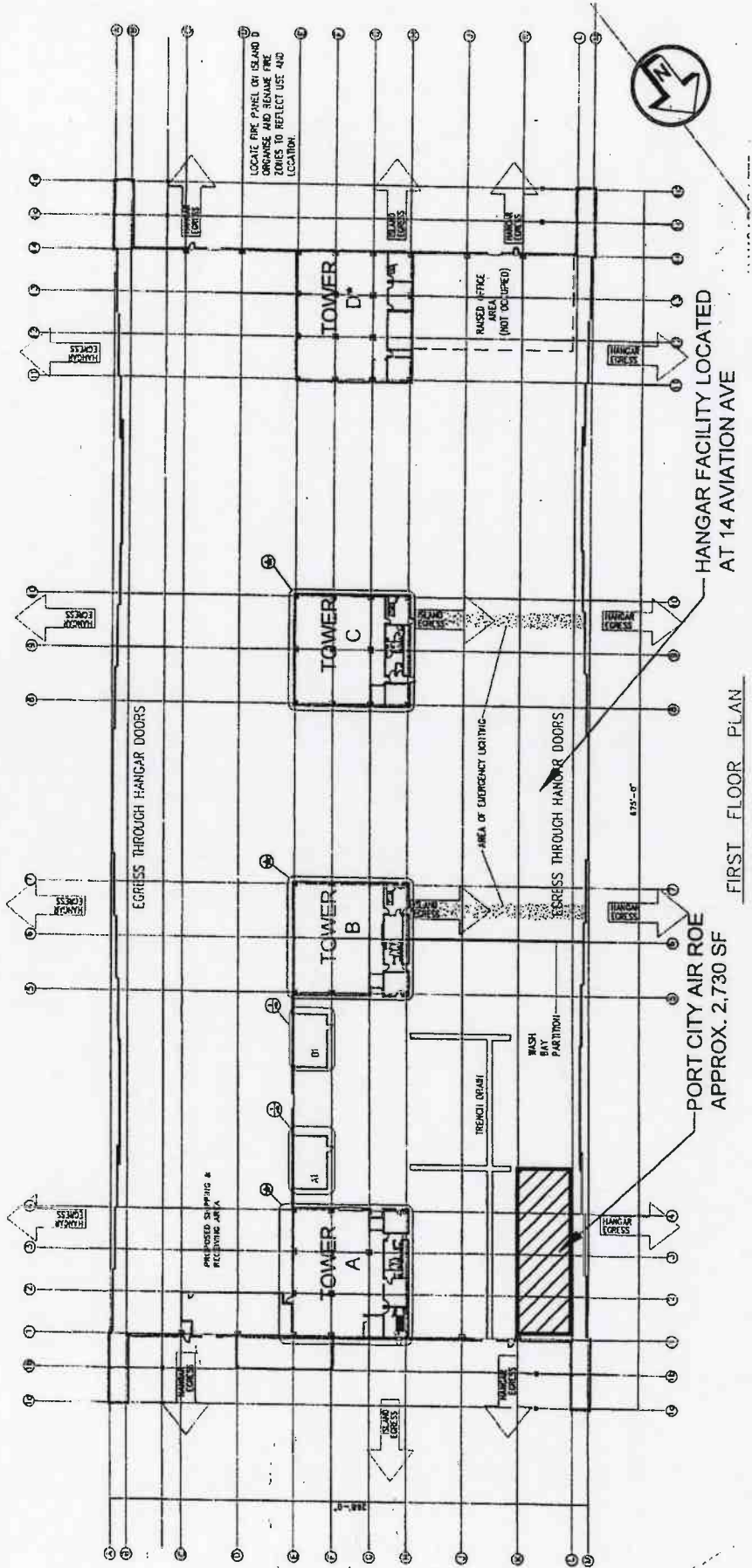
Agreed and accepted this 15th day of December, 2021

PORT CITY AIR

By: Austin Pietschman

Print Name: Austin Pietschman

Its: Director of Operations



FIRST FLOOR PLAN

HANGAR FACILITY LOCATED AT 14 AVIATION AVE

PORT CITY AIR ROE APPROX. 2,730 SF

DESIGNED BY: MRM DATE: 12/9/2021 SCALE: NTS

Exhibit A - Port City Air Right of Entry

PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

Engineering Plan 14-A-000000-001-002

December 28, 2021

Paul Roy
Director of Business Development
PROCON LLC
1359 Hooksett Road
Hooksett, NH 03106

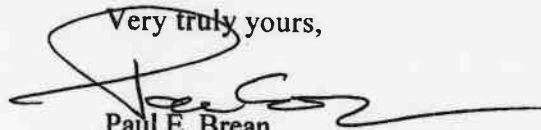
Re: Right of Entry — North Apron, Portsmouth International Airport, Portsmouth, NH

Dear Paul:

This letter will grant to PROCON and/or its agents and contractors an extension of its Right of Entry ("ROE") dated July 29, 2021, to enter the North Apron at Portsmouth International Airport, and the surrounding designated premises. This ROE is extended to January 31, 2022, for continued survey / site inspection purposes.

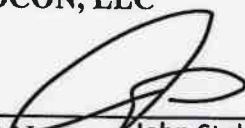
Please indicate by your signature below PROCON's consent and return the same to me with updated evidence of insurance should there have been any changes to the policy or coverages since the ROE was finalized.

Very truly yours,


Paul E. Brean
Executive Director

Agreed and accepted this 28 day of December, 2021.

PROCON, LLC

By: 
Print Name: John Stebbins
Its Duly Authorized: Managing Director

December 28, 2021

Paul Roy
Director of Business Development
PROCON LLC
1359 Hooksett Road
Hooksett, NH 03106

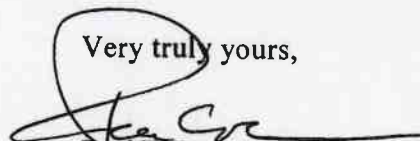
Re: Right of Entry — 14 Aviation Avenue (a/k/a Hangar 227), Pease International Tradeport, Portsmouth, NH

Dear Paul:

This letter will grant to PROCON and/or its agents and contractors an extension of its Right of Entry ("ROE") dated July 29, 2021, to enter 14 Aviation Ave (Hangar 227) and the surrounding designated premises. This ROE is extended to January 31, 2022, for continued survey / site inspection purposes.


Please indicate by your signature below PROCON's consent and return the same to me with updated evidence of insurance should there have been any changes to the policy or coverages since the ROE was finalized.

Very truly yours,


Paul E. Brean
Executive Director

Agreed and accepted this 28 day of December, 2021.

PROCON, LLC

By: 
Print Name: John Stebbins
Its Duly Authorized: Managing Director

December 17, 2021

Chief Mark Newport
Portsmouth Police Department
3 Junkins Avenue
Portsmouth, NH 03801

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

Dear Chief Newport:

This Right of Entry will authorize the City of Portsmouth Police Department ("COPPD") to enter upon a portion of the above referenced Premises as shown on the attached Exhibit A for the purpose of conducting, at its sole risk, an emergency vehicle operator's driver training course and for no other use without the express written consent of the Pease Development Authority ("PDA"). This Right of Entry shall be valid through from April 1, 2022 through August 31, 2022 provided that COPPD has completed the Airport Security Identification Display Area ("SIDA") requirements as outlined in Paragraph 10. This Right of Entry shall terminate on August 31, 2022 (the "Term").

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.

1. The COPPD 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 or terminated at will by PDA and that PDA need not state a reason for any such revocation or termination. The use of the Premises shall be orderly and efficient, shall not constitute a nuisance and shall not cause disruption to other Airport activities.

2. COPPD understands and acknowledges that for each specific period of use requested during the Term, COPPD shall coordinate with and shall obtain prior approval from the Pease Development Authority Airport Management Department for use of the Premises. Authorization to use the Premises shall be granted on a "first come first served" basis.

COPPD understands and agrees that it will not enter the premises or conduct emergency vehicle driver training during the Term of this Right of Entry without the express prior approval of PDA.

Page Two

December 17, 2021

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

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

4. To the extent caused by the negligence of COPPD, COPPD'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 bodily 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. COPPD expressly waives all claims against the Pease Development Authority for any such loss, damage, bodily injury or death caused by or occurring as a consequence of COPPD's use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. COPPD 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 attorneys' fees arising out of COPPD's use of the Premises or any activities conducted or undertaken by it in connection with or pursuant to this authorization subject, however, to the extent of available insurance coverage afforded to the COPPD.

5. COPPD, expressly waives all claims against PDA for any such loss, damage, bodily injury or death caused by or occurring as a consequence of COPPD's possession and/or use of the Premises or the conduct of activities or the performance of responsibilities by it under this Right of Entry.

6. Notwithstanding the preceding provisions of set forth in Sections 4 and 5, COPPD shall be under no obligation to PDA in respect to such matters described above in existence prior to the effective date of this ROE or caused by the negligence of PDA, its officers, agents or employees.

7. COPPD and any agent or contractor of COPPD providing to the Pease Development Authority satisfactory evidence of comprehensive general liability insurance to a limit of not less than One Million Dollars (\$1,000,000.00) 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.

Page Three

December 17, 2021

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

Each such policy or certificate therefor issued by the insurer shall contain: i) to the extent obtainable, 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 Pease Development Authority; (ii) provide that the insurer shall have no right of subrogation against Pease Development Authority; and (iii) a provision that any liability coverage required to be carried by COPPD shall be primary and non-contributory with respect to any liability coverage carried by the Pease Development Authority.

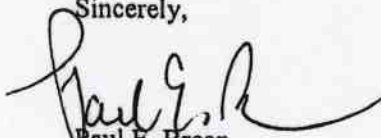
8. COPPD covenants and agrees that at no time during the use of the North Apron shall any training be performed within 200 feet of the area utilized by the National Guard.

9. COPPD hereby acknowledges that vehicles transiting Flight Line Road from Gate 13 and proceeding to the North Ramp shall pass through property under the control of the New Hampshire Air National Guard ("NHANG Cantonment Area"). The COPPD hereby acknowledges and agrees for itself, its contractors, agents, servants and invitees that vehicle trips through the NHANG Cantonment Area shall be as limited in number as is reasonably possible, shall observe the 15 MPH speed limit, and shall be made in vehicles which are lighted and marked as required in the sole discretion of the PDA Airport Operations Manager.

10. The North Apron is part of the Airport Security Identification Display Area ("SIDA"). Designated representatives of the COPPD will be required to obtain security badges and qualify as escorts in order for representatives, employees and agents of the COPPD to gain access to and remain on the North Apron. While in the SIDA, escort procedures per the requirements of the Pease International Airport Security Program must be met. Prior to accessing the North Apron, all persons providing SIDA escort must undergo verification of their criminal history for the past ten (10) years, attend a training class that is offered no more than once every two weeks and pay any applicable fees. Information regarding escort requirements can be obtained by calling the Airport 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 COPPD will be allowed in the SIDA without escorts meeting the requirements of the Pease International Airport Security Program.

Please indicate by your signature or the signature of a duly authorized representative, the consent of the COPPD to the terms of this Right of Entry and return the same to me in advance of commencement of the term.

Sincerely,



Paul E. Brean

Executive Director


Page Four

December 17, 2021

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

Agreed and accepted this 21 day of December, 2021.

Portsmouth Police Department

By: 
Duly Authorized
Print Name: Mark Wendland
Title: Chief of Police

cc: Anthony I Blenkinsop, Deputy Director / General Counsel
Andrew Pomeroy, Manager, Aviation Planning and Regulatory Compliance

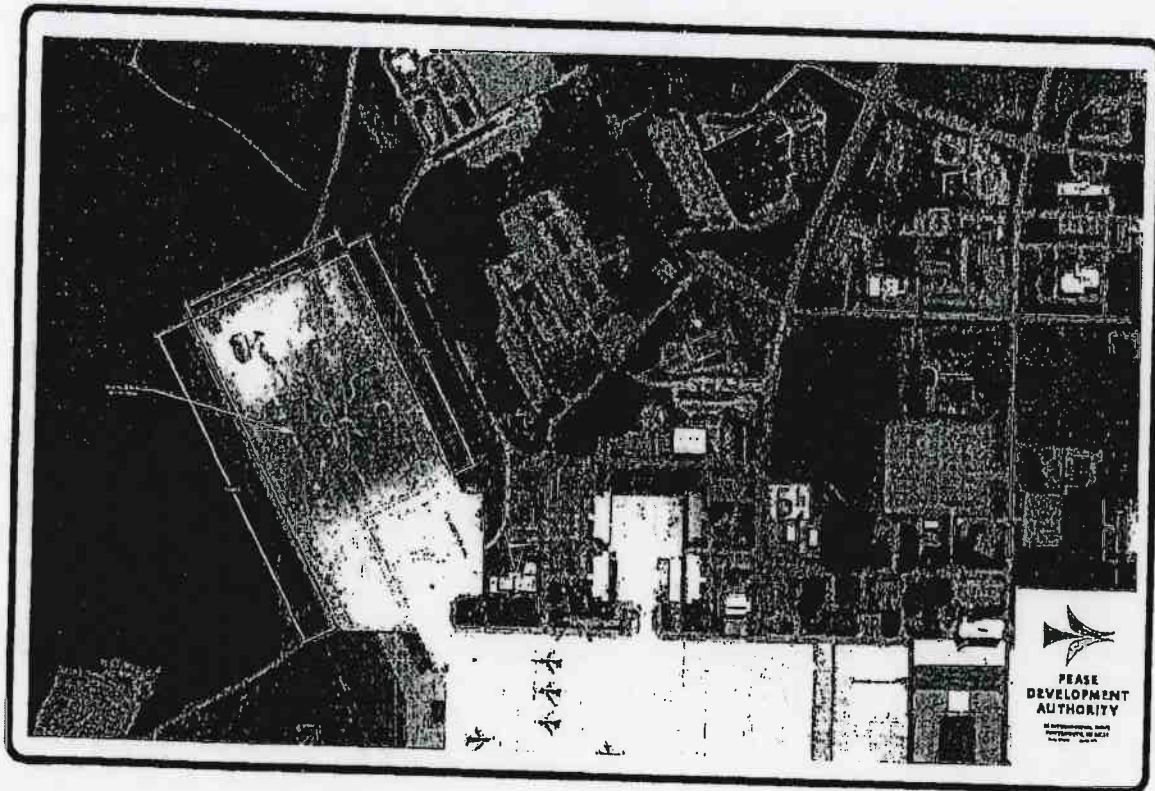
Page Five

December 17, 2021

Re: Right of Entry - North Apron
Pease International Tradeport, Portsmouth, NH

EXHIBIT A

PREMISES



December 20, 2021

Eric Robinson, CEO
Falcon Systems Transportation LLC (dba) East West Aeronautical
Pease International Tradeport
1 New Hampshire Ave #125
Portsmouth, NH 03801

**Re: Right of Entry — North Apron, Portsmouth International Airport,
Portsmouth, NH**

Dear Mr. Robinson:

This letter, when fully executed, will authorize Falcon Systems Transportation LLC ("FST") and/or its agents and contractors to enter the premises at the North Apron of the Portsmouth International Airport at Pease, as shown on the attached Exhibit A (the "Premises") for the period beginning January 1, 2022 through May 31, 2022, for survey / site inspection purposes. Such inspection may include a review of environmental matters, including soils testing, availability/adequacy of utility services, general site conditions, and any other similar inspection or evaluation of the Premises you deem reasonably necessary. This Right of Entry will expire at the close of business on May 31, 2022, unless otherwise extended by written agreement of FST and the Pease Development Authority ("PDA").

This Right of Entry is conditioned upon the following:

1. FST providing PDA, upon execution of this letter of authorization or promptly upon completion of its inspection, with a copy of any report, letter, plan, or summary with respect to conditions found at the Premises;
2. FST'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. FST expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of FST's use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. FST 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,

Page Two

December 20, 2021

**Re: Right of Entry — North Apron, Portsmouth International Airport,
Portsmouth, NH**

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

3. FST and any agent or contractor of FST providing PDA with satisfactory evidence of Commercial General Liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), and Environmental Pollution Liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), both naming the PDA as an additional insured as its interests may appear. FST and any agent or contractor of FST shall provide PDA with satisfactory evidence of automobile liability insurance coverage in the amount of One Million Dollars (\$1,000,000) and workers' compensation coverage to statutory limits.

Each such policy or certificate therefor issued by the insurer shall contain: (i) a provision that the insurer shall have no right of subrogation against PDA; (ii) a provision that any liability insurance coverage required to be carried shall be primary and non-contributory with respect to any insurance carried by PDA; and, to the extent obtainable, (iii) 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.

4. FST obtaining the prior written consent of the Engineering Department of the PDA before conducting any drilling, testpitting, borings, or other soil/ground disturbing activities on the Premises, and thereafter complying with all terms and conditions of said consent. No geotechnical exploration shall be done on the Site without proper clearance from PDA Engineering Department. No trees or vegetation may be cut without written permission from the PDA. PDA shall make available information it has related to any existing conditions at the site including the location and type of utilities, underground tanks or structures, and any hazardous substances. The information is approximate and not guaranteed. FST shall have no liability or responsibility to the PDA for environmental impacts and damage caused by the prior use of hazardous substances on the Premises by the United States of America - Department of the Air Force ("Air Force" or "Government"), and/or the PDA. FST and PDA acknowledge the potential obligation of the Air Force to indemnify PDA and FST to the extent required by the provisions of Public Law No. 101-511 Section 8056 and/or Public Law 102-484, as amended. FST understands that the Premises is in an Area of Special Notice ("ASN"), as identified by the U.S. Air Force, EPA and NHDES, and that any future construction plans which may be authorized under a potential Lease agreement requiring excavation are subject to Air Force approval prior to the excavation(s) being initiated, and construction work may also involve Air Force conducted environmental remediation.

The North Apron is part of the Airport Security Identification Display Area ("SIDA"). Designated representatives of FST will be required to obtain security badges and qualify as escorts in order for representatives, employees and agents of the FST to gain access to and remain on the Premises. While in the SIDA, escort procedures per the requirements of the Pease International Airport Security Program must be met. Prior to accessing the North Apron, all persons

Page Three
December 20, 2021

Re: Right of Entry — North Apron, Portsmouth International Airport,
Portsmouth, NH

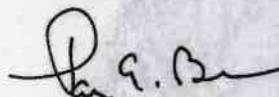
providing SIDA escort must undergo verification of their criminal history for the past ten (10) years, attend a training class that is offered no more than once every two weeks and pay any applicable fees. Information regarding escort requirements can be obtained by calling the Airport Management Department at (603) 433-6536, Monday through Friday, 8:00 a.m. to 5:00 p.m. No representative, employee or agent of FST will be allowed in the SIDA without escorts meeting the requirements of the Pease International Airport Security Program.

5. FST's agreement to restore said Premises to its condition as the same existed prior to the commencement of any work undertaken pursuant to this Right of Entry.

6. FST's agreement herein that this Right of Entry 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. FST acknowledges and agrees that, except as otherwise set forth herein, no legal obligations shall arise with respect to the Premises or lease thereof until a Lease Agreement is executed by the parties, subject to the approval of the PDA Board of Directors. This Right of Entry may be terminated by the PDA at its discretion upon notice to FST sent to the address noted on page one of this Right of Entry. This Right of Entry may be terminated by the PDA at its discretion upon written notice to FST sent to the address noted on page one of this Right of Entry.

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

Very truly yours,



Paul E. Brean
Executive Director

Agreed and accepted this 4th day of January, 2022.

FALCON SYSTEMS TRANSPORTATION
LLC



By: _____
Print Name: Eric Robinson
Its Duly Authorized: Chief Executive Officer

Page Four

December 20, 2021

Re: Right of Entry — North Apron, Portsmouth International Airport,
Portsmouth, NH

EXHIBIT "A"

PREMISES

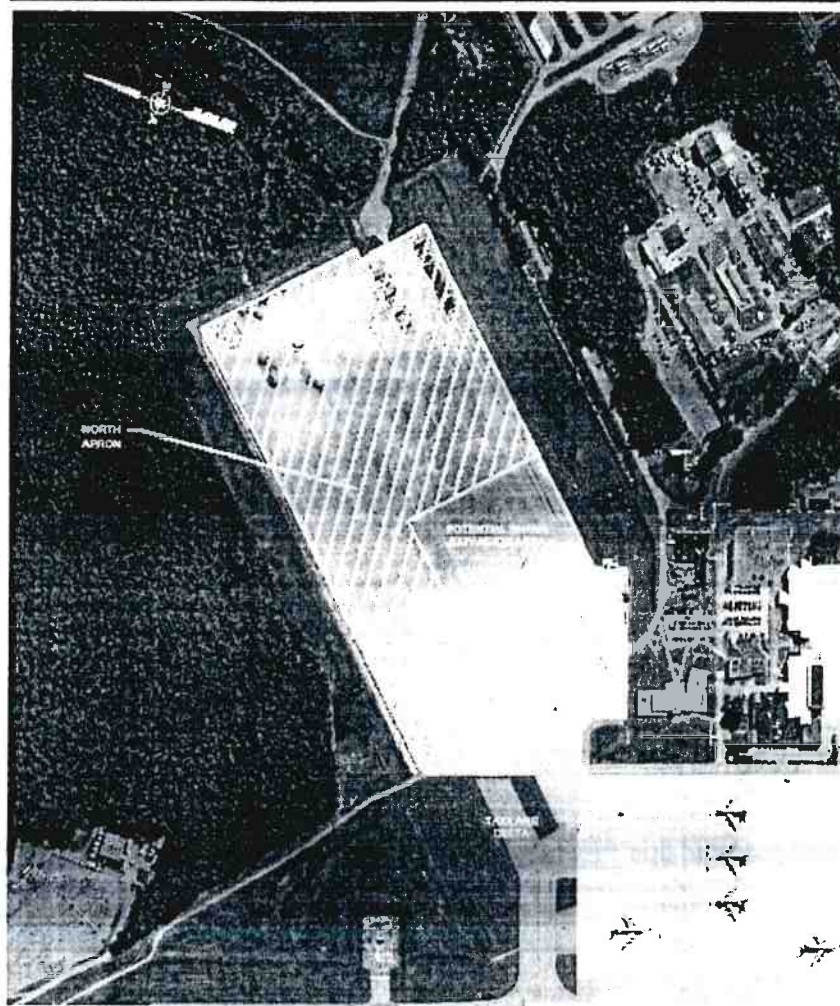


Exhibit Depicting Right of Entry at PSM North Apron DESIGNED BY: MRM DATE: 7/7/21 SCALE: NTS

 **PEASE DEVELOPMENT AUTHORITY**

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

December 23, 2021

Ned Denney
Port City Air
104 Grafton Road
Portsmouth, NH 03801

**Re: Right of Entry - Portion of Hangar 227, 14 Aviation Avenue
Pease International Tradeport, Portsmouth, NH**

Dear Mr. Denney:

This letter will authorize Port City Air ("PCA") and/or its agents and contractors to enter Hangar 227 and use a portion of Hangar 227, as designated by PDA Airport Operations (the "Premises") totaling 2,730 square feet as shown on the attached **Exhibit A**, commencing January 1, 2022, through January 31, 2022, for the for the storage of four (4) vehicles, at its sole expense and risk. This Right of Entry will expire at the end of day on January 31, 2022, unless otherwise extended by agreement of PCA and the Pease Development Authority.

This authorization is conditioned upon the following:

1. 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.
2. PCA's understanding that Hangar 227 has potential environmental contamination and active environmental contamination monitoring and mitigation systems in place, and its acceptance of the risks such conditions present. PDA shall not be responsible for damages to property or injuries to persons which may arise or be attributable or incident to the condition or state of repair of the Premises, or the use and occupation thereof, or for damages to the property or injuries to the persons of PCA's officers, agents, servants or employees, or others who may be on the Premises at PCA's invitation or the invitation of any one of them. PCA's further understanding that the Premises is not heated and there is no fire suppression system(s) within the Premises or Hangar 227.
3. PCA'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 the Premises, real or personal property, including the items stored on

Page Two

December 23, 2021

**Re: Right of Entry - Portion of Hangar 227, 14 Aviation Avenue
Pease International Tradeport, Portsmouth, NH**

the Premises, 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. PCA 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 PCA's use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. PCA further agrees to indemnify, save, hold harmless, and defend (with counsel acceptable to the PDA) 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 PCA's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

4. PCA understands and acknowledges that this Right of Entry is solely for aviation-related purposes and: (a) allows only temporary use of the Premises for PCA only (no maintenance or other activities are permitted) and the movement of PCA in and out of the Premises shall be conducted by PCA personnel without spending any unnecessary or additional time within Hangar 227; (b) requires PCA to move any equipment stored within the Premises upon the request of the PDA; (c) is granted on a non-exclusive basis; and (d) may be revoked at will by PDA, or terminated at will, upon 15 days notice 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. PCA, and/or any agent of PCA, providing to the Pease Development Authority satisfactory evidence of comprehensive aviation general liability insurance and hangarkeepers liability insurance, both 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); environmental 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; 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 PCA 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 PCA that such policies will not be cancelled. Should a policy cancellation occur, PDA will be advised in accordance with policy provisions.

Page Three

December 23, 2021

**Re: Right of Entry - Portion of Hangar 227, 14 Aviation Avenue
Pease International Tradeport, Portsmouth, NH**

6. PCA's agreement herein that, PCA shall, upon fifteen (15) days written notice from Pease Development Authority, vacate and, at Pease Development Authority's election, restore said premises to its condition prior to the storage of its equipment.

7. PCA's agreement herein to coordinate with PDA Airport Operations to access Hangar 227 for the purposes of delivery and retrieval of its equipment stored on the Premises. The Airport Operations may be reached at (603) 433-6536, Monday through Friday, 8:00 a.m. to 5:00 p.m.

8. PCA'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. PCA acknowledges and agrees that, except as otherwise set forth herein, no legal obligations shall arise with respect to the Premises.

9. PCA agrees to pay PDA a user's fee (2,730) sq. ft. @ \$1.00 per sf per annum) in the amount of seven dollars and forty-eight cents (\$7.48) per day, in advance, prorated, for each month, or portion thereof, that the Premises are used. Payment for the term of this Right of Entry in the amount of \$231.88 (31 days) shall be due upon execution of this Right of Entry.

10. To the extent applicable, in addition to the Fee required to be paid under the terms of this Right of Entry, PCA 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 Right of Entry Premises are subject to municipal taxation, and provided such municipal taxes include the costs of the provision of fire, police and roadway services, PCA may offset against any fee paid to PDA the portion of such municipal taxes as are attributable to fire, police and roadway services, and PDA shall have no further obligation to provide such services. For so long as municipal taxes are imposed against the Right of Entry Premises, or on PCA for all three of fire, police and roadway services and PDA either has no obligation to provide such services (or ceases to provide such services), the municipal services fee required to be paid under this Right of Entry shall terminate.

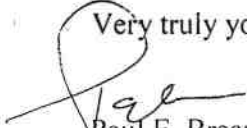
In the event the Right of Entry Premises, or any portion thereof, are removed from the Airport District, PCA shall make payments in lieu of taxes to the appropriate municipality in accordance with the provisions of RSA 12-G:14, II (or any successor statute)

Page Four
December 23, 2021

Re: **Right of Entry - Portion of Hangar 227, 14 Aviation Avenue
Pease International Tradeport, Portsmouth, NH**

regarding taxation by a municipality of property that is within the boundaries of Pease, but outside the Airport District.

Please indicate by your signature below PCA's consent and return the same to me along with the payment set forth in paragraph 9.

Very truly yours,

Paul E. Brean
Executive Director

Agreed and accepted this 01 day of January, ~~2021~~ 2022

PORT CITY AIR

By: Austin Pietschman
Print Name: Austin Pietschman
Its: Director of Operations

EXHIBIT A

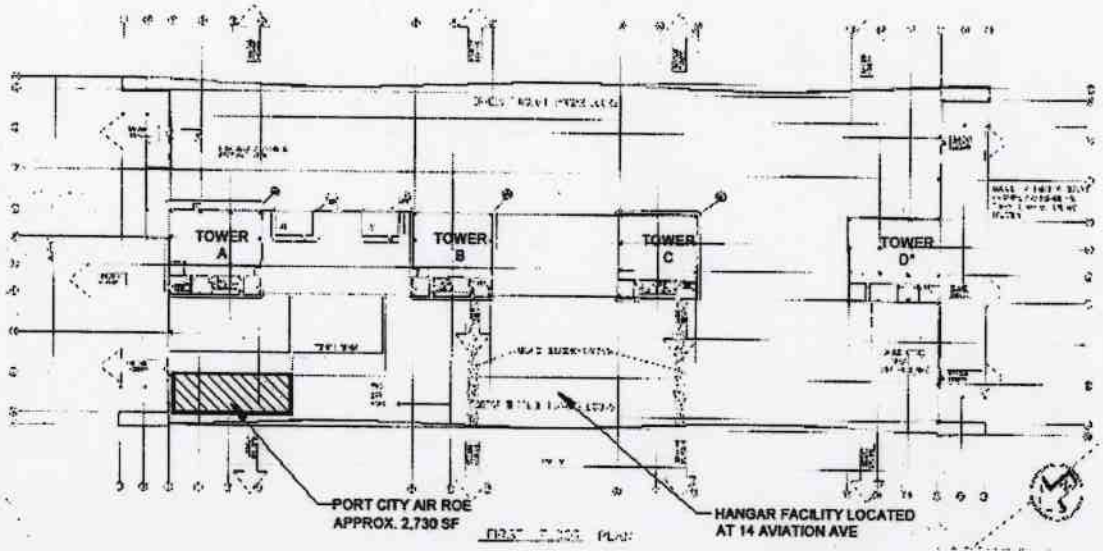


Exhibit A - Port City Air Right of Entry

DESIGNED BY: MRM DATE: 12/2/2021 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 consents to issuing a six (6) month extension to the Right of Entry ("ROE") issued to Wood Environment & Infrastructure Solutions, Inc. for the extension period of February 1, 2022 through July 31, 2022, for use of 3,200 square feet of the premises at 35 Airline Avenue, at its sole risk, for storage of well testing equipment and associated materials; all in accordance with a memorandum from Jared Sheehan, Environmental Compliance Coordinator, dated January 10, 2022, attached hereto.

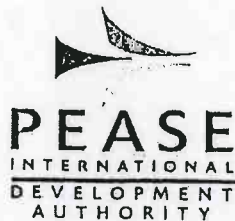
MEMORANDUM

To: Paul E. Brean, Executive Director 
From: Jared Sheehan, Environmental Compliance Coordinator 
Date: January 10, 2022
Subject: 35 Airline Avenue Right of Entry

In August of last year, The PDA granted Wood Environmental & Infrastructure Solutions, Inc. (WEIC) a six month right of entry (ROE) to the premises located at 35 Airline Avenue. WEIC is an Air Force environmental contractor working to delineate the extent of PFAS impact in groundwater at Pease. WEIC has requested a six month extension to the existing ROE, which expires on January 31, 2022. Staff is supportive of a six month extension with a slight revision to the ROE exhibit to remove a small area subject to the ROE.

At the January 20th Board meeting, please seek Board approval to grant a six month extension of the right of entry provided to WEIC.

N:\ENGINEER\Board Memos\2022\35Airline Ave ROW-Wood.docx



August 9, 2021

VIA Email: joe.malone@woodplc.com

Kathy Gross
Project Administrator
Wood Environment & Infrastructure Solutions, Inc.
511 Congress Street
Portland, ME 04101

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

Dear Ms. Gross:

This letter will authorize Wood Environment & Infrastructure Solutions, Inc. ("WEIC") and/or its agents and contractors to continue to use and enter upon the premises located at 35 Airline Avenue in Portsmouth, NH, as shown on the attached Exhibit A (the "Premises") for the period on beginning August 4, 2021 through January 31, 2022, for the purpose of utilizing 3,200 square feet within the Premises at its sole risk, for storage of well testing equipment and associated materials; and for no other use without the prior express written consent of Pease Development Authority ("PDA"). This Right of Entry may be terminated by PDA at any time with or without cause **upon providing one month's advance written notice to WEIC**. In no event will Right of Entry extend beyond January 31, 2022, unless **otherwise extended** by agreement of WEIC and PDA.

1. WEIC'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. WEIC expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of WEIC's use of the Premises or the conduct of activities or the performance of responsibilities under this

Page Two

August 9, 2021

RE: Right of Entry - 35 Airline Avenue

Pease International Tradeport, Portsmouth, NH 03801

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

2. WEIC agrees to pay PDA a total of \$350.00 per month, in advance, for the use of the Premises for the purpose of utilizing 3,200 square feet for storage of well testing equipment and associated materials; and for no other use without the prior express written consent of Pease Development Authority ("PDA").

3. WEIC and any agent or contractor of WEIC providing PDA with satisfactory evidence of comprehensive general liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), naming the PDA as an additional insured as its interests may appear. WEIC and any agent or contractor of WEIC providing PDA with satisfactory evidence of automobile liability insurance coverage in the amount of \$1,000,000.00 and workers' compensation coverage to statutory limits. Each such policy or certificate therefor issued by the insurer shall contain: (i) an agreement by the insurer that such policy shall not be canceled without thirty (30) days prior written notice by mail to PDA; (ii) with the exception of workers compensation coverage, provide that the insurer shall have no right of subrogation against the PDA; and (iii) a provision that any liability insurance coverage required to be carried shall be primary and non-contributory with respect to any insurance carried by PDA.

4. WEIC 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. WEIC understands and acknowledges that during the Term, WEIC shall coordinate its work schedule with the PDA's Engineering Department to ensure that the ongoing operations at the Tradeport are not unduly disrupted.

6. 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 WEICs' officers, agents, servants or employees, or others who may be on the Premises at their invitation or the invitation of any one of them.

7. WEIC and its contractors expressly waive all claims against PDA for any such loss damage, bodily injury or death caused by or occurring as a consequence of such possession and/or

Page Three

August 9, 2021

RE: **Right of Entry - 35 Airline Avenue**
Pease International Tradeport, Portsmouth, NH 03801

use of the Premises or the conduct of activities or the performance of responsibilities under this Right of Entry.

8. WEIC's agreement herein that WEIC shall be responsible for the cleanup of all debris on the Premises resulting from work performed by WEIC and/or its agents and contractors.

9. WEIC's agreement to maintain the Premises in a neat and orderly manner for the duration of this Right of Entry and to leave the Premises in a neat and orderly condition which is equal to or better than the condition of the Premises upon the commencement of this Right of Entry.

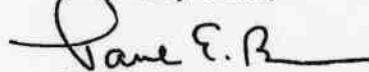
10. WEIC's agreement herein that that PDA can terminate this Right of Entry with or without cause at any time. WEIC further agrees that upon receipt of thirty (30) days written notice from PDA it shall vacate the Premises and, at PDA's election, restore said premises to its condition prior to the commencement of any work.

11. No ground disturbing activities may occur without written approval from PDA Engineering through a PDA Dig Permit.

12. WEIC's agreement that it is responsible for snow removal/treatment on the shared driveway as shown on Exhibit A to access the Premises from Airline Avenue.

Any term of this Right of Entry beyond January 31, 2022 is subject to the approval of the PDA Board of Directors.

Very Truly Yours,



Paul E. Brean
Executive Director

cc: Anthony I. Blenkinsop, Deputy Director / General Counsel
Jared Sheehan, Environmental Compliance Coordinator

Page Four

August 9, 2021

RE: Right of Entry - 35 Airline Avenue
Pease International Tradeport, Portsmouth, NH 03801

Agreed and accepted this 09 day of August, 2021.

**Wood Environmental & Infrastructure
Solutions, Inc.**

By: Joe Malone



Duly Authorized
(Sign and Print)

Its: Real Estate Manager

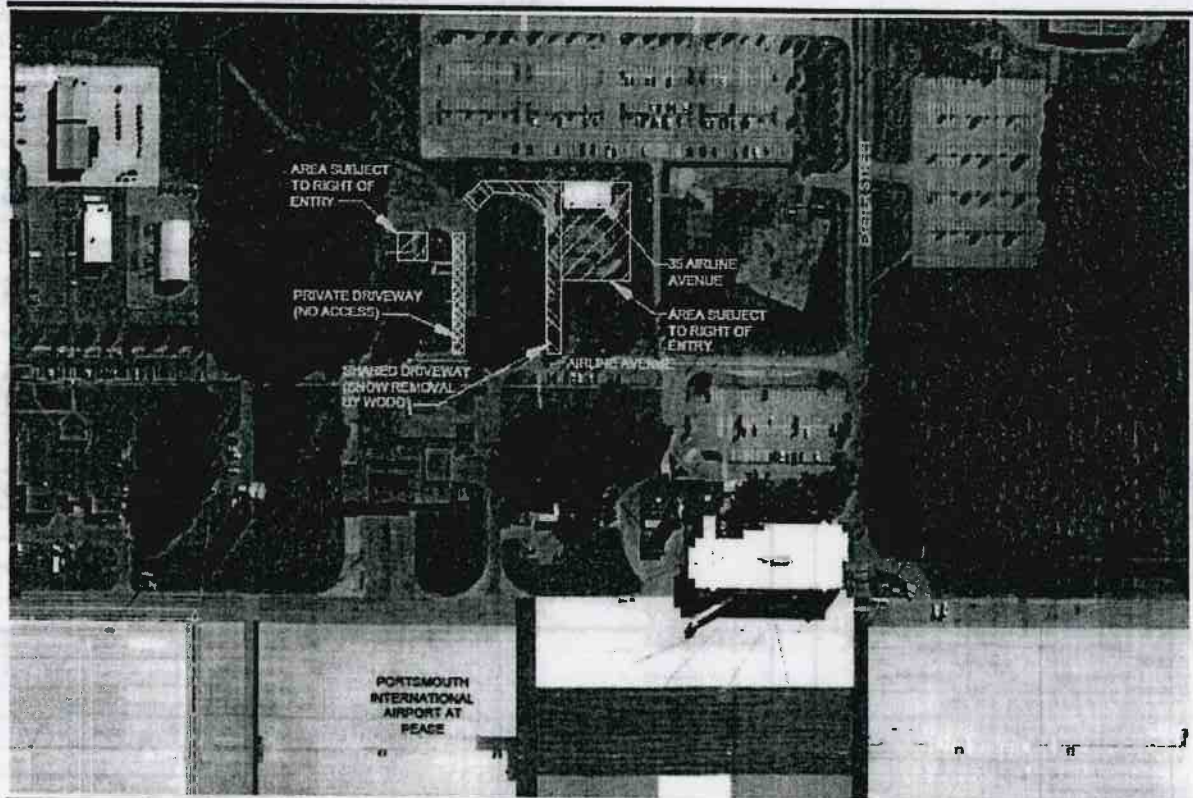
Page Five

August 9, 2021

RE: Right of Entry - 35 Airline Avenue

Pease International Tradeport, Portsmouth, NH 03801

EXHIBIT "A"
PREMISES



35 Airline Avenue Right of Entry

DESIGNED BY: MRM DATE: 8/2/21 SCALE: 1"=200'

 **PEASE DEVELOPMENT AUTHORITY**

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
07/29/2021

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 have ADDITIONAL INSURED provisions or 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).

Holder Identifier:

PRODUCER Aon Risk Services Southwest, Inc. Houston TX Office 5555 San Felipe Suite 1500 Houston TX 77056 USA	CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): (800) 363-0105	
	E-MAIL ADDRESS:	
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURED JWUSA Holdings, Inc. and its Subsidiaries and Affiliates 17325 Katy Freeway Houston TX 77084 USA	INSURER A:	American Guarantee & Liability Ins Co 26247
	INSURER B:	Zurich American Ins Co 16535
	INSURER C:	ACE American Insurance Company 22667
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES CERTIFICATE NUMBER: 570088628530 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. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER			GLO484608501	07/01/2021	07/01/2022	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$500,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COM/OP AGG \$2,000,000
C	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY			ISA H2555047A	07/01/2021	07/01/2022	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10,000			AUC484608601	07/01/2021	07/01/2022	EACH OCCURRENCE \$4,000,000 AGGREGATE \$4,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N N/A				PER STATUTE OTH EL EACH ACCIDENT EL DISEASE-EA EMPLOYEE EL DISEASE-POLICY LIMIT

Certificate No.: 570088628530

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 See Attached Addendum for Additional Named Insured Wood Companies. RE: Under Contract FA8903-16-D-0027, Task Order FA8903-21-F-1037, Project Number 775361603. Project Description: "Optimization and Performance Monitoring of Site 8 and the AIMS PFOS/PFOA Treatment Systems Operations, Performance Evaluation of Supporting well Networks, and Continued Remedial Assessment of Groundwater Management Zones, Pease Development Authority, and NH DOT Bureau of Turnpikes are included as Additional Insured in accordance with the policy provisions of the General Liability, Automobile Liability and Umbrella Liability policies.

CERTIFICATE HOLDER AFCEE JBSA Lackland AFB Lackland AFB TX 78236 USA	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 <i>Aon Risk Services Southwest, Inc.</i>
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MEMORANDUM

TO: Pease Development Authority Board of Directors *P.E.B.*
FROM: Paul E. Brean, Executive Director
RE: Lease Reports
DATE: January 11, 2022

In accordance with the "Delegation to Executive Director: Consent, Approval of Sub-Sublease Agreements" PDA approved the following lease option with:

- A. Tenant: Laboratory Billing Solutions, Inc.
Space: 2,027 square feet at 14 Manchester Square (Suite #245)
Use: Office and related use
Term: Three (3) Years

The Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements also requires the consent of one member of the PDA Board of Directors. In this instance, Director Lamson was consulted and granted her consent.

MEMORANDUM

To: Pease Development Authority Board of Directors
From: Paul E. Brean, Executive Director *Peb*
Date: January 11, 2022
Re: Sublease between NH Avenue Retail Center, LLC and Laboratory Billing Solutions, Inc.

In accordance with the "Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements" adopted by the Board on August 8, 1996, I am pleased to report that PDA has approved of a sublease between NH Avenue Retail Center, LLC ("NH Avenue") and Laboratory Billing Solutions, Inc. ("LBS") for **2,027 square feet at 14 Manchester Square (Suite #245)** with a **base term of three (3) years** commencing one hundred twenty days from full execution. LBS will use the premises for professional office and related uses.

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

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

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

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

The Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements also requires the consent of one member of the PDA Board of Directors. In this instance, Director Lamson was consulted and granted her consent.

NOTICE OF CONSENT

This NOTICE OF CONSENT ("Notice") is given by the PEASE DEVELOPMENT AUTHORITY ("Lessor") to 25, 29 Retail LLC and NH AVENUE RETAIL CENTER, LLC (collectively "Lessee"). Lessor and Lessee may be referred to jointly as the "Parties."

RECITALS

A. The Parties entered into a Lease for 14 Manchester Square at Pease International Tradeport on June 28, 2004 (the "Lease").

B. Section 19.3 of the Lease states that Lessor shall not unreasonably withhold its consent to sublease if:

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

C. Lessee has requested authorization to sublease 2,027 square feet (Suite # 245) within the Leased Premises to Laboratory Billing Solutions, Inc. ("LBS"), qualified to do business in the state of New Hampshire.

D. The proposed sublease to LBS is for office and related uses.

TERMS AND CONDITIONS

1. Lessor hereby authorizes Lessee to execute the sublease, attached hereto as Exhibit A, with PFA, for approximately 2,027 square feet within the Leased Premises.
2. Upon execution of the sublease with PFA, Lessee shall provide Lessor with a copy of the executed sublease, copies of all required insurance certificates and a certificate of good standing from the State of New Hampshire for LBS.
3. Lessee hereby agrees that occupancy shall be subject to the issuance of a Certificate of Occupancy as may be required in accordance with PDA Zoning Regulations, Section 315.03(a).
4. Lessee hereby agrees and affirms that it shall remain primarily liable to Lessor to pay rent and to perform all other obligations to be performed by Lessee under the original Lease.

This Notice of Consent is executed, effective this 6 day of January, 2021 by the Pease Development Authority.


PEASE DEVELOPMENT AUTHORITY

By: 
Its: Executive Director

AGREED AND ACCEPTED

25, 29 Retail LLC

12-9-21
Date

By: 
Its: Manager

AGREED AND ACCEPTED

NH AVENUE RETAIL CENTER, LLC

12-9-21
Date

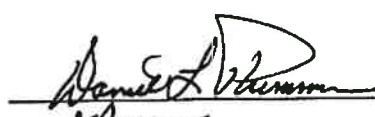
By: 
Its: Manager

EXHIBIT A

SUBLEASE

THIS AGREEMENT IS MADE THIS 15th DAY OF
MAY 2001 BETWEEN
LAINHARTER WILLIAMS & KORTLANDT INC.
AS
LANDLORD
OF THE PREMISES
KNOWN AS
1000 BROADWAY
NEW YORK, NY 10018
AND
AS
TENANT
OF THE PREMISES
KNOWN AS
1000 BROADWAY
NEW YORK, NY 10018
THE PARTIES HERETO HAVE AGREED TO THE
FOLLOWING TERMS AND CONDITIONS:

SUBLEASE

BETWEEN

NH AVENUE RETAIL CENTER, LLC

AS
"SUBLESSOR"

AND

LABORATORY BILLING SOLUTIONS, INC.

AS
"SUBLESSEE"

14 MANCHESTER SQUARE


SUITE #245

PORTSMOUTH, NEW HAMPSHIRE 03801

DATED AS OF DECEMBER 2, 2021

MEMORANDUM

To: Pease Development Authority Board of Directors

From: Paul Brean, Executive Director 

Date: January 11, 2022

Re: Option Agreements:

- a. Aviation Avenue Group, LLC – 100 New Hampshire Avenue; 7 Lee Street and 14 Aviation Avenue (Hangar 227)
- b. North 40 Group, LLC – North Apron

Since the inception of the Pease Development Authority (“PDA”) in 1991, there has been a concerted effort to redevelop the former Pease Airforce Base with a mix of **non-aeronautical** commercial development and aeronautical development. These are often viewed as “land side” and “air side” development or “Tradeport” and “Airport” development. While Pease is rightly referred to as the most successful example of a BRAC redevelopment in the country, it is fair to say that the **non-aeronautical** commercial development has generally come easier over the past three decades. While the PDA has been fortunate to have successful partnerships on aeronautical development with entities such as PlaneSense and Port City Air, largescale aeronautical development has been more elusive. However, over recent years interest in airside development has grown.

In 2019, conversations began with the late Mark Stebbins and Paul Roy of PROCON, a New Hampshire based design and construction company, about development of air cargo facilities at Portsmouth International Airport. Separate discussions on air cargo development began with Michael and John Kane of the Kane Company by late 2020. The changing retail landscape, rapid development of global e-commerce, and the increasing need for modern warehouse distribution have all dramatically increased the need for such air cargo facilities. This need has only been enhanced during the pandemic. Both PROCON and Kane were interested in potential development at Hangar 227 location, as well as on the North Apron. By early 2021 these two entities were working together on potential development projects. In July 2021, the PDA issued right of entry agreements for both parcels so these entities could get onto the parcels and advance their due diligence.

Over the summer and fall, through multiple conversations and meetings, the outline of potential projects began to take shape. At 14 Aviation Avenue, PROCON/Kane is interested in an air cargo facility of upwards of 400,000 sf. Over the past many years, PROCON has reviewed the

possibilities for redevelopment of Hangar 227, the old USAF nose dock hangar located at 14 Aviation Avenue. As a result of that work, PROCON has concluded that redevelopment of the existing Hangar 227 structure would cost over \$20 million and that the better path forward is removal of the existing structure and construction of a modern facility in that location. On the North Apron, PROCON/Kane would develop a facility of approximately 324,000 sf. Development of both facilities would be phased.

At 14 Aviation Avenue the project would include the development of parcels located at 100 New Hampshire Avenue, as well as 7 Lee Street, where the PDA Maintenance Department is currently headquartered. As such, PROCON/Kane would design and construct a new PDA Maintenance and storage facility in an agreed upon location, the cost of which the PDA would pay back as an interest free rent credit over a portion of the lease term. On the North Apron, PROCON/Kane had discussions with the NHANG to ensure any potential concerns were addressed in the planning and design process.

PROCON/Kane appreciates the need to utilize professional engineers and consultants to design these projects. Toward that end, PROCON/Kane has already retained these professionals and made clear its intention to study the potential environmental, traffic, and noise impacts its projects may have, and to incorporate recommendations into its design plans for these state of the art facilities. Furthermore, PROCON/Kane has indicated that there is significant interest in these projects from a large number of potential end users, the names of which are not currently subject to public disclosure, but would likely be familiar to all Board members.

Given the significant upfront costs that would be incurred to plan these projects and engage end users in order to get both projects to the point of seeking conceptual site plan approval from the Board, early last month PROCON/Kane requested option agreements on both parcels, so as to have a period of exclusivity concerning entry into potential lease agreements (see request attached). The granting of an option agreement provides the recipient with a period of time during which they have the exclusive right to enter into lease negotiations/agreements with the PDA for the parcel in question, conditioned upon the payment of an option fee. The PDA has granted option agreements in the past, including most recently to Lonza Biologic on the Iron Parcel.

Given the status of the projects, following receipt of the request draft Option Agreements were prepared for the two LLC's formed by PROCON/Kane for these projects. These drafts are generally consistent with prior PDA option agreements and based on a traditional PDA option fee structure. They provide for a six month option period, which may be extended a maximum of two times for a potential total of 18 months. On January 6, 2022, the proposed developments and draft Option Agreements were presented to the PDA Airport Committee for its review, questions, and feedback. The Committee's review was favorable.

It is exciting to have an established entity with significant development experience in the local area interested in aeronautical developments at Pease. Here, the granting of an option agreement should be viewed as an early step in the necessary planning of these projects and does not guarantee that lease agreements will be entered into, nor limit the necessary planning and review. Both PROCON and the Kane Company have experience with large-scale developments, have the

financial backing for projects of this scope as evidenced by their significant development portfolio, work with well-known planning and engineering companies, and have contacts throughout the air cargo industry. PROCON and Kane also understand the need to plan projects that will work for Pease and the surrounding municipalities.

As we look toward the long term growth and viability of the Portsmouth International Airport at Pease the diversification of our airport development portfolio and increased opportunities for the generation of air traffic, are key to the airport's long-term success. Additionally, the job growth and economic development these projects will spur is consistent with the underlying mission and objectives of the PDA.

With the foregoing in mind, at the Board's January 20, 2022, meeting I request that the PDA Board of Directors grant me the authority to complete negotiations with the PROCON/Kane group and enter into Option Agreements generally consistent with the attached drafts, for the parcels described herein.

December 1, 2021

Paul Brean
Pease Development Authority
55 International Drive
Portsmouth, NH 03801

Re: Option Agreements for 14 Aviation Way (aka Hangar 227) and North Apron, Pease International Tradeport, Portsmouth, NH

Dear Mr. Brean:

It was a pleasure meeting with you and the members of the PDA Board last month to discuss our proposed development at Hangar 227 and the North Apron. We're extremely appreciative of the Board's time, consideration, and thoughtful feedback. As a New Hampshire based company with a deep history in this state, we are excited about the New Hampshire seacoast region and potential development at Pease.

We understand and appreciate the need for thorough studies to fully understand and plan for the effects that our buildings may have on Pease and the surrounding communities. In particular, we recognize the importance of understanding the road traffic and air traffic that our buildings will generate. We have lined up trusted consultants and engineers to embark on these studies, and they are ready to begin their work immediately.

We are also keenly aware of the need to construct a PDA maintenance and storage facility and have met with Ken "KC" Conley to develop a scope to replace the current PDA facilities in and around Hangar 227. We've engaged surveyors, engineers, and planners, and met with Mr. Conley, to identify the best location, and we have an architecture team to ensure the long-term stability and usefulness of the new facility. In addition, we will utilize these same professionals to plan the development of state-of-the-art facilities at both locations that will create jobs for the local economy and continue to enhance the development of the Portsmouth International Airport at Pease as a regional transportation hub.

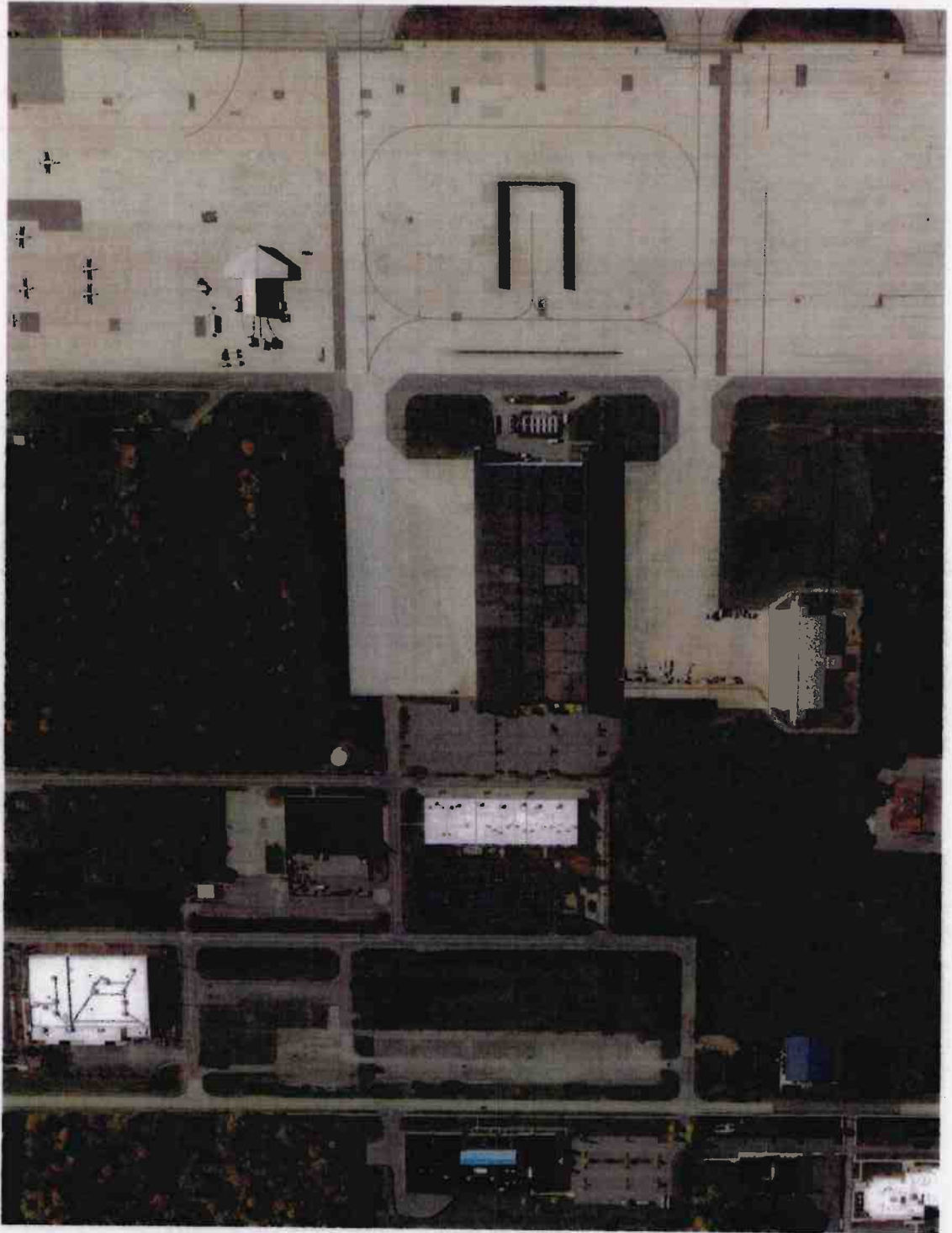
It will take time and effort to thoughtfully work through these matters. Additionally, it will be a significant up front financial commitment to see this planning through. In order to give these projects the thoroughness they deserve and develop a plan that we can all be proud of, our team is respectfully requesting to enter into an Option Agreement with the PDA for each of the two parcels. This will give us the time we need to undertake the necessary detailed planning and get real answers, while also allowing us to maintain an exclusive right to develop the properties in order to continue meaningful conversations in real time with potential end users.

We realize this is a first step in the process and are excited to continue working with you. We are grateful for your partnership.

Thank you,

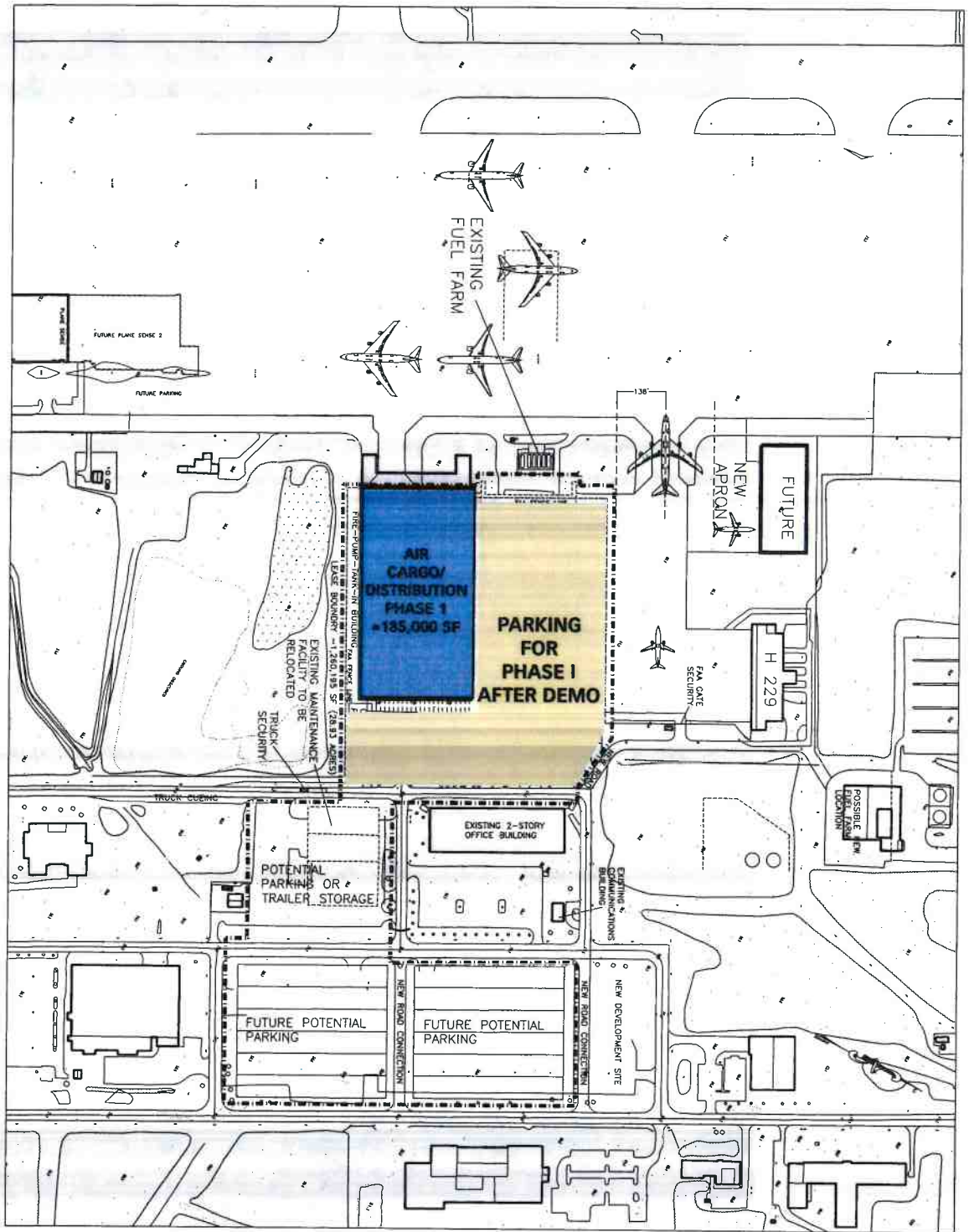

John Stebbins
Managing Director
PROCON


Michael Kane
Chief Executive Officer
The Kane Company



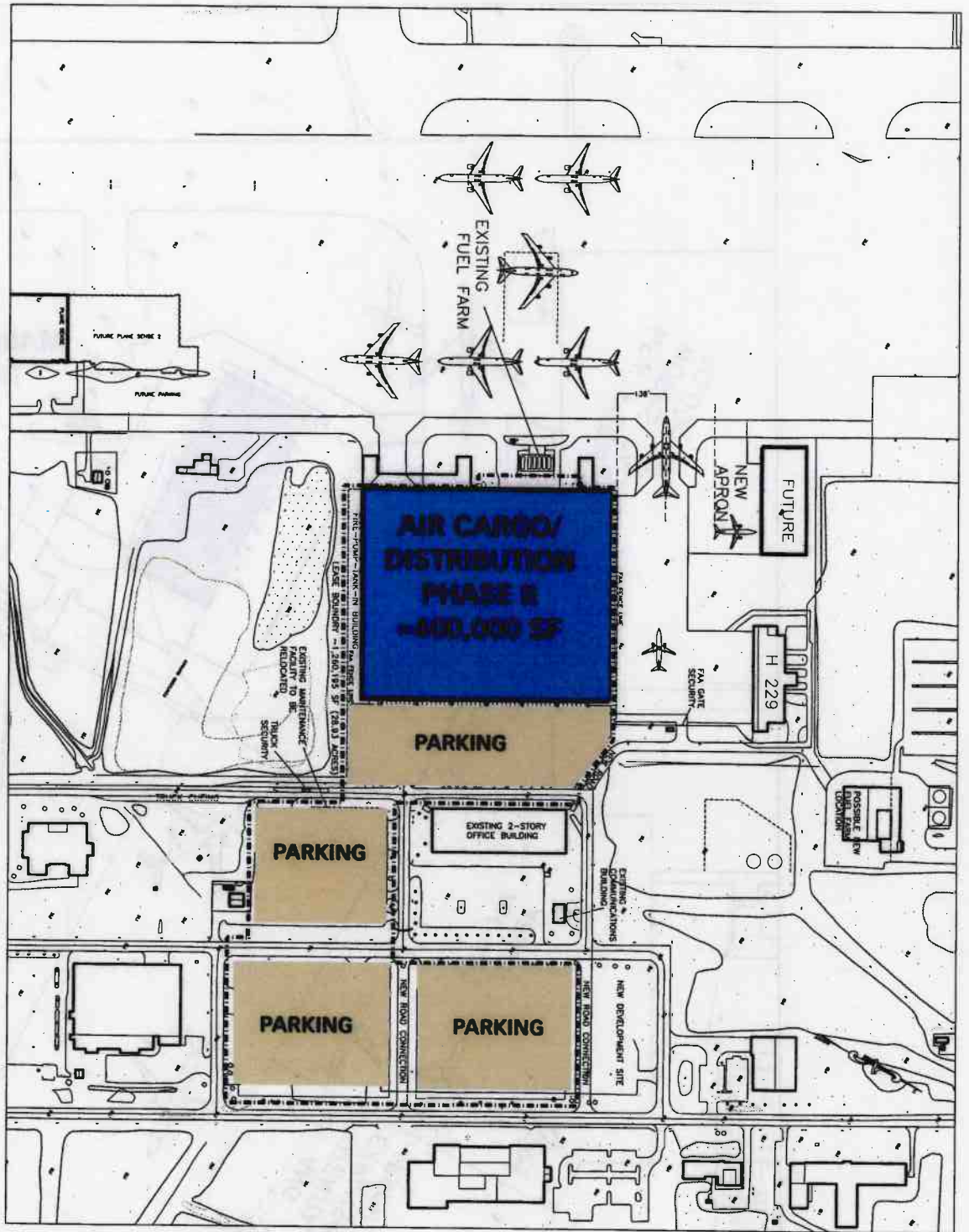
**EXISTING CONDITIONS
OF HANGAR 227**
January 2022





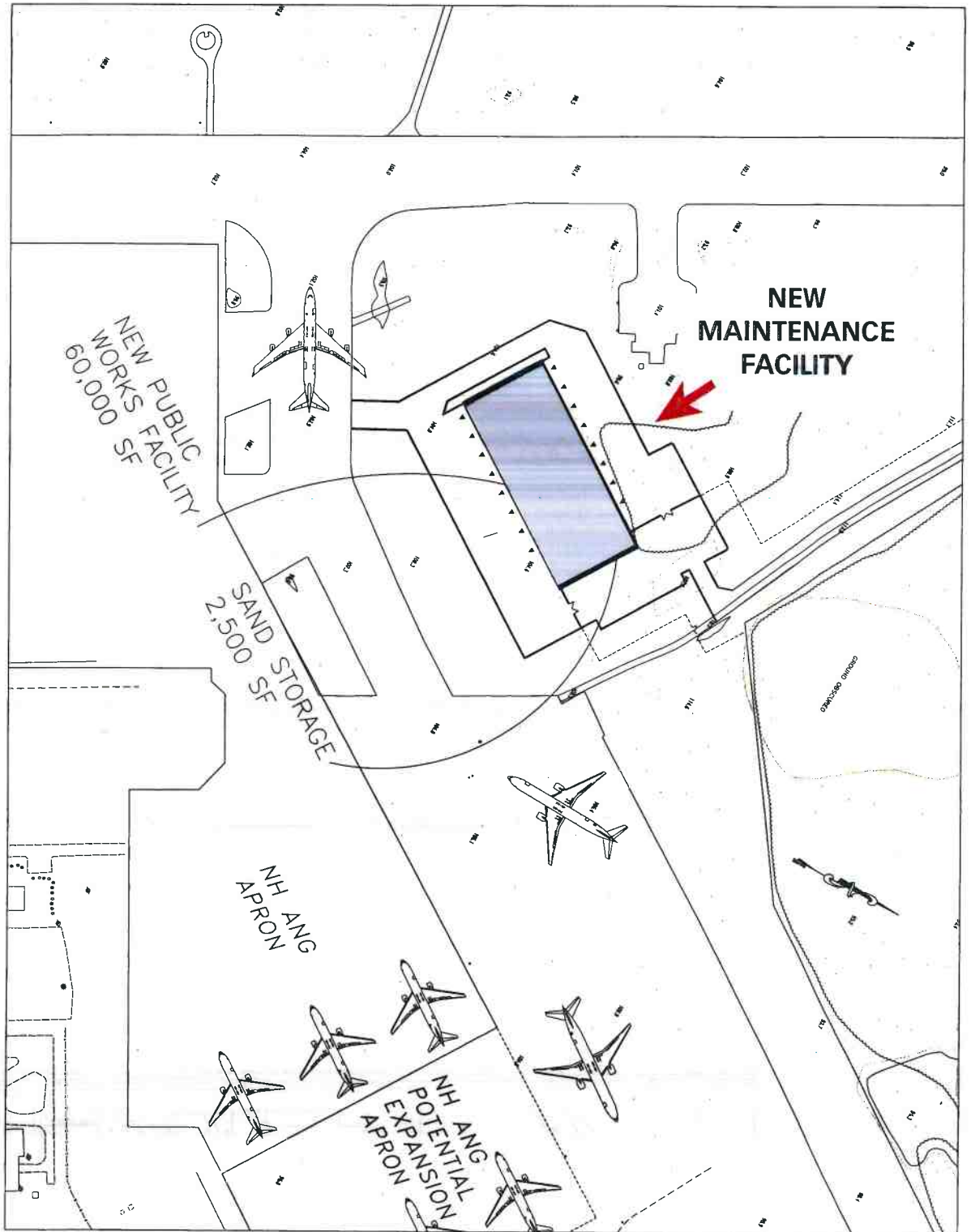
**AREA OF HANGAR 227
PHASE I**
January 2022





**AREA OF HANGAR 227
PHASE II**
January 2022





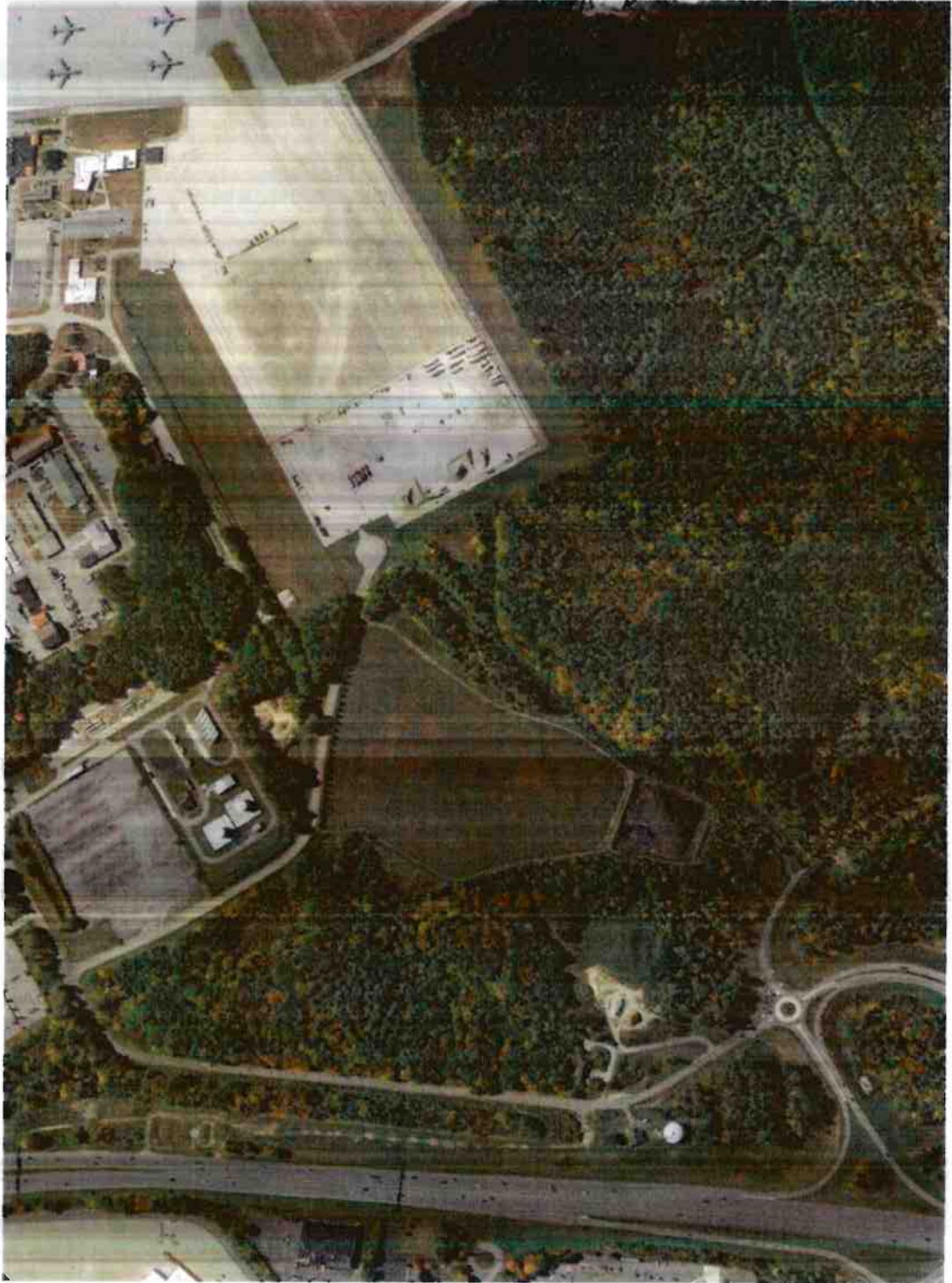
NEW MAINTENANCE FACILITY
January 2022





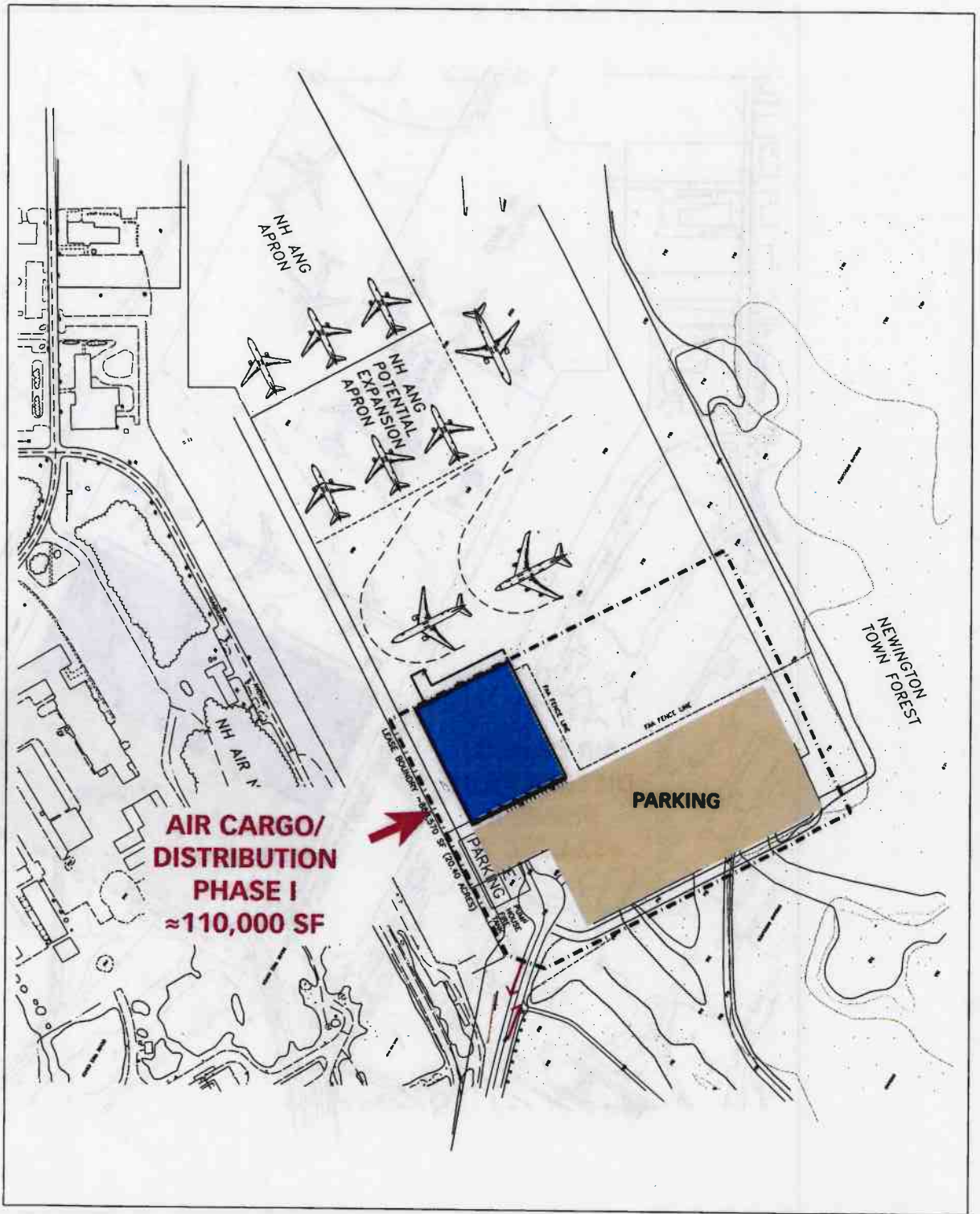
**AREA OF HANGAR 227
TRAFFIC PATTERN**
January 2022





**EXISTING CONDITIONS
OF NORTH APRON**
January 2022

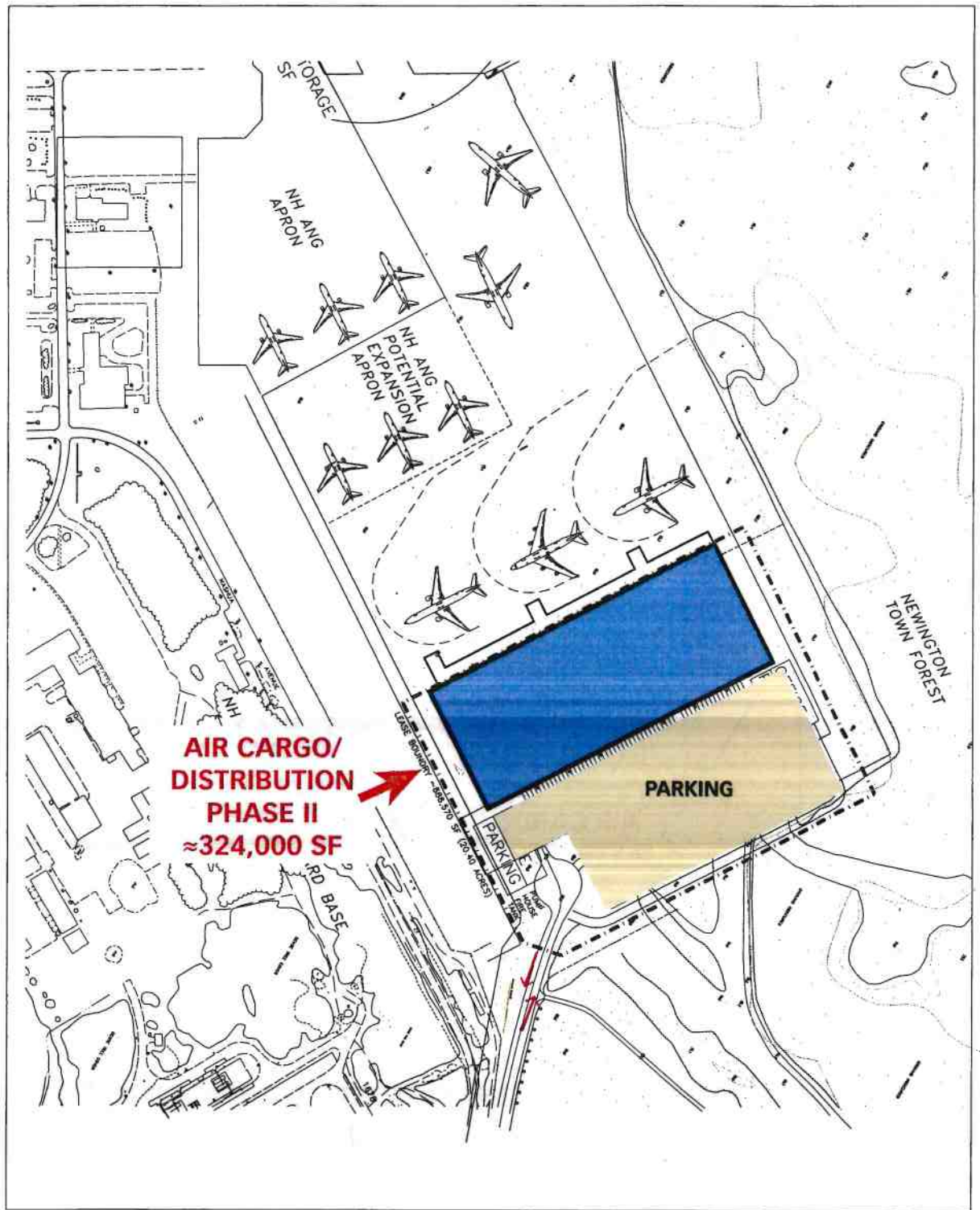




**AIR CARGO/
DISTRIBUTION
PHASE I
≈110,000 SF**

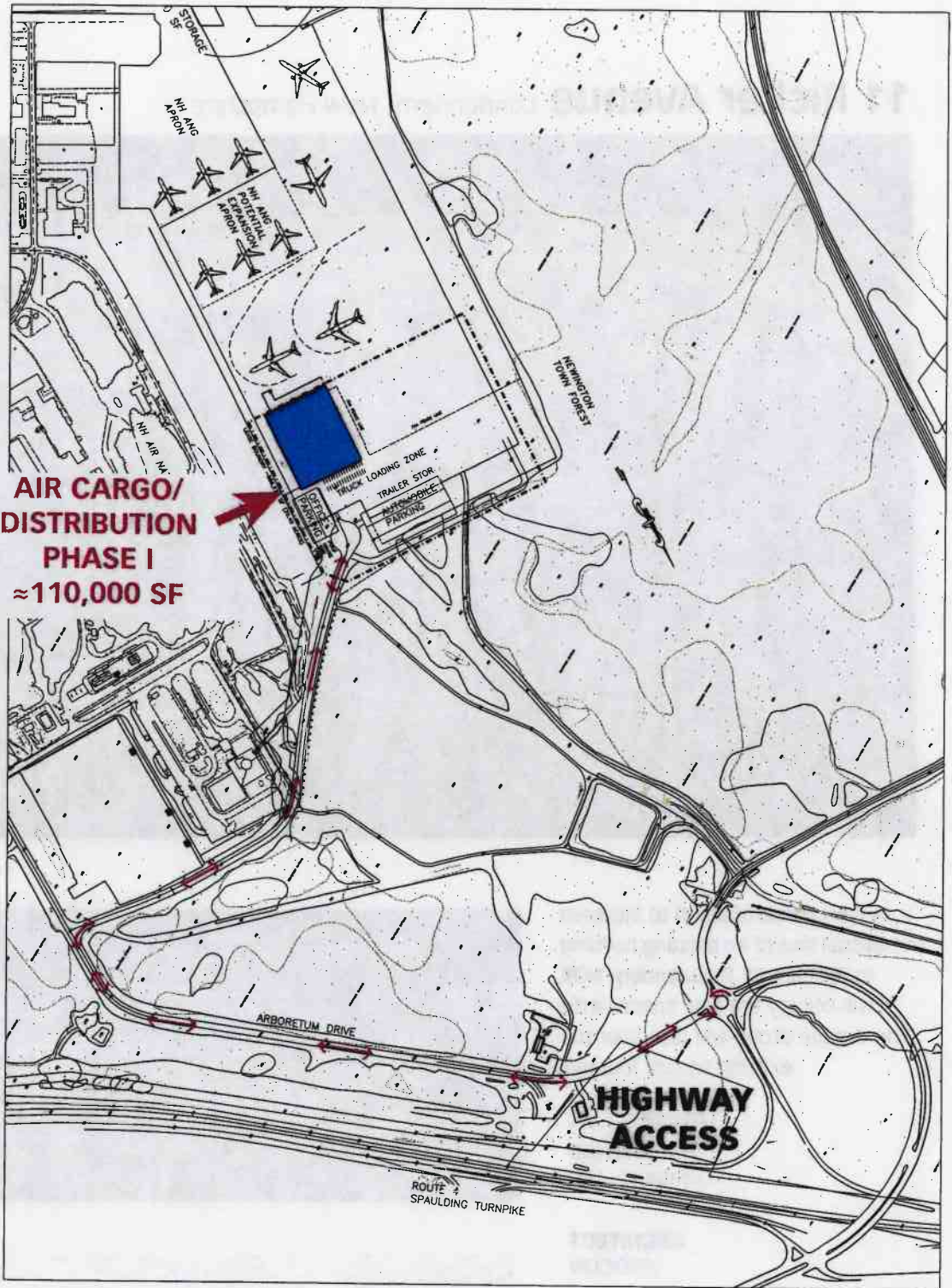
**NORTH APRON
PHASE I**
January 2022





**NORTH APRON
PHASE II**
January 2022





**AIR CARGO/
DISTRIBUTION
PHASE I
≈110,000 SF**

**HIGHWAY
ACCESS**

**NORTH APRON
PHASE I**
January 2022



PROCON

11 Ricker Avenue Londonderry, New Hampshire



A warehouse addition to increase the overall size of an existing building to 305,624 SF. Freudenberg-NOK will occupy the new space while The Granite Group will take over the existing square footage.

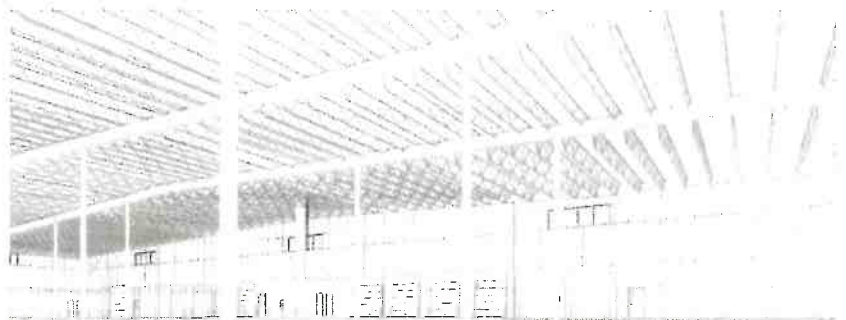
Project Facts

OWNER
Glenberrie LLC

ARCHITECT
PROCON

DELIVERY TYPE
Design-Build

SIZE
64,000 SF





In order to keep up with product demand of hand-assembled gift baskets, a new manufacturing warehouse and distribution facility was designed and built for Gourmet Gift Baskets.

Project Facts

OWNER
GourmetGiftBaskets.com

ARCHITECT
PROCON

DELIVERY TYPE
Design-Build

SIZE
106,600 SF

PROJECT DURATION
11 months



DHL Bow, New Hampshire



New warehouse/distribution center for DHL Logistics to provide storage for New Hampshire's State Liquor Commission with the capacity of six million cases of liquor.

Project Facts

OWNER
Exel Inc.

ARCHITECT
PROCON

DELIVERY TYPE
Design-Build

SIZE
243,500 SF

PROJECT DURATION
7 months



Rand-Whitney Container - Warehouse Dover, New Hampshire



Rand-Whitney, a pioneer in environmentally friendly packaging, selected PROCON to design and build their new warehouse facility which will include office space and 9 loading bays.

Project Facts

OWNER

Rand-Whitney Container

ARCHITECT

PROCON

DELIVERY TYPE

Design-Build

SIZE

118,750 SF

CONSTRUCTION DURATION

8 months



F.W. Webb Company Amherst, New Hampshire



Built on 42 acres, the new distribution center acts as a central warehouse with 330,840 SF of high-bay pallet rack storage, 63,520 SF of parts storage, 14,200 SF of office space with 26 loading docks.

Project Facts

OWNER

F. W. Webb Company

ARCHITECT

PROCON

DELIVERY TYPE

Design-Build

SIZE

408,560 SF

PROJECT DURATION

12 months



Coca-Cola Bottling Co. Londonderry, New Hampshire



The Coca-Cola distribution center and state-of-the-art bottling plant was constructed on a fast-track schedule. The warehouse consists of a distribution center, production facility and office space.

Project Facts

OWNER

Coca Cola Bottling of NE

ARCHITECT

Stalman Engineering

DELIVERY TYPE

Construction Management

SIZE

365,000 SF



Pro Star Aviation Londonderry, New Hampshire



State-of-the-art headquarters consisting of a 15,000 SF 2-story office building with a 35,000 SF single story Type II aircraft hangar and shop space. The space enhances Pro Star's aircraft maintenance business.

Project Facts

OWNER
Pro Star Aviation

ARCHITECT
PROCON

DELIVERY TYPE
Design-Build

SIZE
50,000 SF

PROJECT DURATION
10 months



Planesense, Inc. Portsmouth, New Hampshire



A new 40,000 SF aircraft hangar with 44,000 SF of corporate office space designed for energy efficiency with the use of natural daylight at Pease International Tradeport.

Project Facts

OWNER

Planesense, Inc.
(formerly Alpha Flying Inc.)



ARCHITECT
PROCON

DELIVERY TYPE
Design-Build

SIZE
84,000 SF

PROJECT DURATION
12 months



Signature Flight Support (formerly Wiggins Airways)

Manchester, New Hampshire



First full service general aviation facility in NH has a 87,000 SF hangar and 3-story 20,000 SF office building.

Project Facts

OWNER
Wiggins Airways



ARCHITECT
PROCON

DELIVERY TYPE
Design-Build

SIZE
169,100 SF

PROJECT DURATION
8 months



Signature Flight Support (formerly Wiggins Airways) Fuel Facility + Ground Services

Manchester, New Hampshire



A 12,000 SF general aviation services building with 6 maintenance bays, offices and support spaces. Two, 210,000 gallon fuel off-loading and pumping stations with dual expansion pad.

Project Facts

OWNER

Signature Flight Support
(formerly Wiggins Airways)

ARCHITECT

PROCON

DELIVERY TYPE

Design-Build

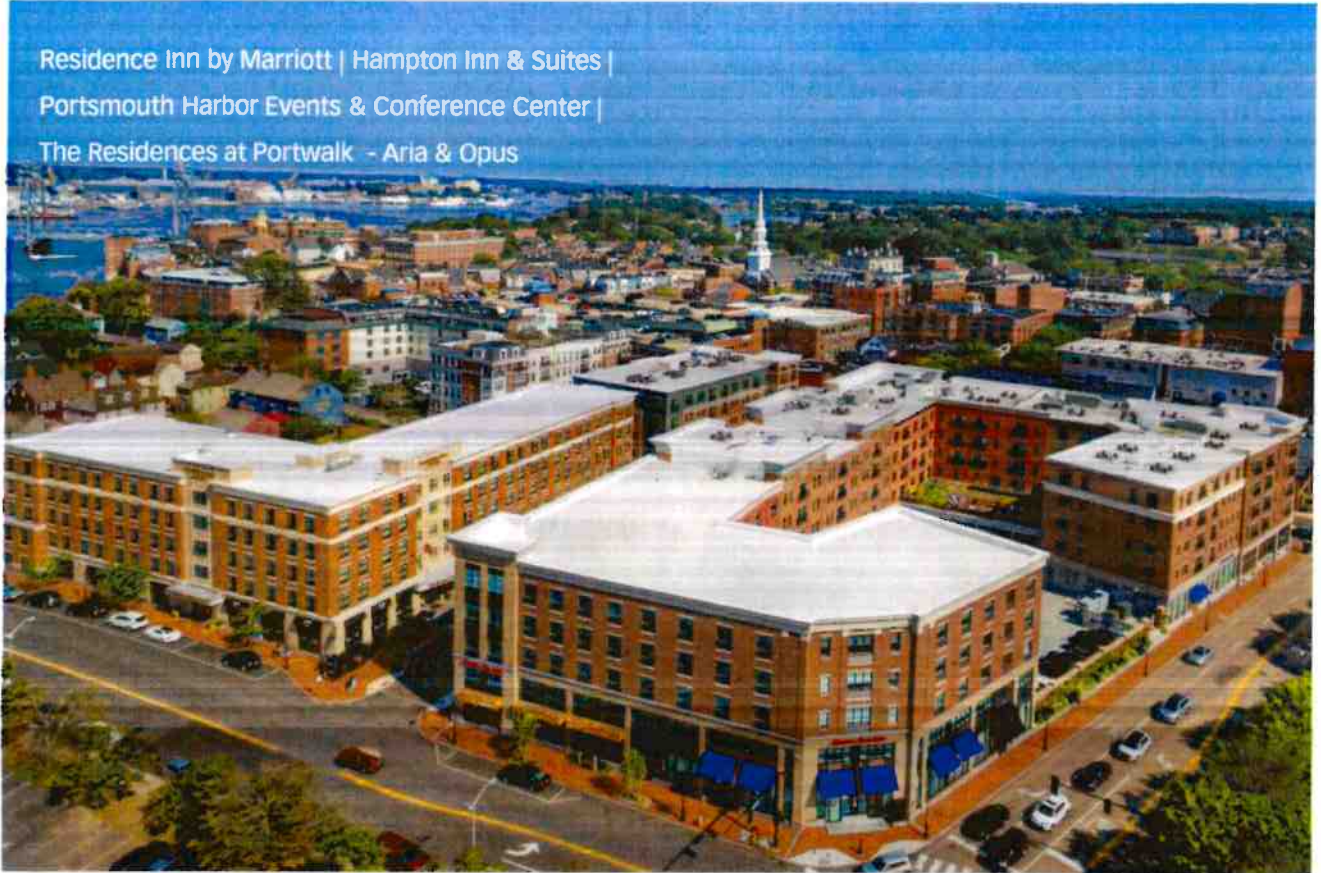
SIZE

12,000 SF



Portwalk Place Portsmouth, New Hampshire

Residence Inn by Marriott | Hampton Inn & Suites |
Portsmouth Harbor Events & Conference Center |
The Residences at Portwalk - Aria & Opus



Portwalk is a pedestrian friendly, urban development in historic downtown Portsmouth. Covering a full city block the development provides hotels, restaurants, an event center, office space and apartments.

Project Facts

OWNERS

Carthates Investments
XSS Hotels, LLC

ARCHITECT

PROCON

DELIVERY TYPE

Design-Build

PROJECT DURATION

Phased over 48 months



PEASE INTERNATIONAL TRADEPORT PROPERTIES



Milliken/Andover Healthcare
130 International Drive - Portsmouth, NH
50,687 SF



Teledyne Instruments, Inc.
162 Corporate Drive - Portsmouth, NH
102,400 SF



Lonza Biologics, Inc. (Projected)
164 Corporate Drive - Portsmouth, NH
103,000 SF



Lonza Biologics, Inc.
230 Corporate Drive - Portsmouth, NH
30,000 SF



Aclara
30 New Hampshire Ave -
Portsmouth, NH
52,600 SF



IPSUMM & Bauer
68 New Hampshire Ave -
Portsmouth, NH
18,500 SF



Lonza Biologics, Inc.
166 Corporate Drive -
Portsmouth, NH
102,400 SF

MANUFACTURING/INDUSTRIAL PROPERTIES



**Granite State Manufacturing | First Student |
PODS Enterprises**
140 Burke Street - Nashua, NH
124,361 SF



KJ Can (USA)
141 Burke Street - Nashua, NH
229,800 SF



**HUB Office Installations | Balanced Healthcare
Receivables | Granite State Manufacturing**
164 Burke Street - Nashua, NH
58,054 SF



Didax Incorporated
| CNA Stores
57 South Hunt - Amesbury, MA
85,410 SF



Mersen USA Newburyport | Boston Ballet Company
372 Merrimac Street - Newburyport, MA
149,425 SF



True Value Company, LLC | XPO/Raytheon
333 Harvey Road - Manchester, NH
723,875 SF

MANUFACTURING/INDUSTRIAL PROPERTIES



Pace Industries
29.5 Littleworth, LLC - Dover, NH
130,000 SF



Novocure (USA)
195 Commerce Way - Portsmouth, NH
35,000 SF



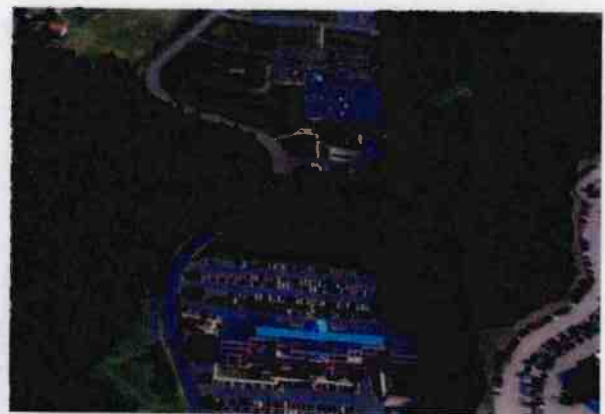
Cirrus
200 West Rd - Portsmouth, NH
31,058 SF



Osram Sylvania
131 Portsmouth Ave - Exeter, NH
75,747 SF



Cobham, Inc.
11 Continental Drive - Exeter, NH
80,000 SF



Brueckner | Cognia
50 & 100 Education Way - Dover, NH
145,688 SF

PEASE INTERNATIONAL TRADEPORT OFFICE PORTFOLIO



273 Corporate Drive - Portsmouth, NH
100,006 SF



325 Corporate Drive - Portsmouth, NH
96,108 SF



231 Corporate Drive - Portsmouth, NH
24,558 SF

ENGINEERING AND ENVIRONMENTAL SERVICES

PORTSMOUTH, NH

OWNER Lonza Biologics



Lonza Biologics is a subsidiary of Lonza Group AG, one of the world's leading suppliers to the pharmaceutical, biotech and specialty ingredients markets. Tighe & Bond has been providing engineering and environmental consulting services to this manufacturer at its Portsmouth campus for more than 20 years.

This has included providing site/civil engineering services for large-scale expansion at Lonza's Portsmouth facility located on International Drive in Pease International Tradeport from 2004 to 2009. The project included the construction of a **300,000-square-foot** unfinished building shell at the south end of the existing facility. Associated site improvements included parking, stormwater management, utilities, landscaping, and off-site roadway improvements. Services included site design, local and state permitting, construction documents and construction administration.

Tighe & Bond was then asked to advance the project for the unfinished shell at the south end of the building in 2015. We provided design and permitting engineering services associated for the build out of new manufacturing space inside the unfinished shell. The project included a building expansion for a new loading area, new sewer main and significant electric service improvements. Tighe & Bond also performed structural design services adding new exterior pads to support various transformers, generators and liquid nitrogen tanks associated with the fit-up.

Since 2016, Tighe & Bond has provided engineering and environmental services for another large scale expansion to a vacant site across the street from the rear of Lonza's existing facility. The proposed project includes the construction of three new buildings totaling approximately one million SF of gross floor area, and a new parking garage with site improvements such as utilities, lighting, landscaping and Low Impact Development (LID) stormwater management systems that include three gravel wetlands and one rain garden. The project also includes a stream restoration design that daylights an existing culvert across the property to create a new 1,000-linear-foot stream at the headwaters of the impaired Hodgson Brook.

SERVICES

Master Planning

Site/Civil Engineering

Local, State & Federal Permitting

Traffic Engineering

Geotechnical Engineering

Environmental Consulting

MOTION

Director Fournier;

The Pease Development Authority (“PDA”) Board of Directors approves of and authorizes the Executive Director to finalize and execute an Option Agreement with Aviation Avenue Group, LLC regarding potential air cargo facility development at 100 New Hampshire Avenue, 7 Lee Street and 14 Aviation Avenue / Hangar 227; substantially consistent with the terms and conditions set forth in the draft Option Agreement attached hereto and pursuant to the memorandum from Paul E. Brean, Executive Director, dated January 11, 2022.

OPTION AGREEMENT

OPTIONOR: Pease Development Authority (“PDA” or “Lessor”), 55 International Drive, Portsmouth, New Hampshire

OPTIONEE: Aviation Avenue Group, LLC (“AAG”), 210 Commerce Way, Suite 300, Portsmouth, New Hampshire

PREMISES: The land and improvements thereon located on three distinct parcels located at 100 New Hampshire Avenue; 7 Lee Street; and 14 Aviation Avenue (Hangar 227), at Pease International Tradeport, Portsmouth, New Hampshire

DATE: January __, 2022

This Option Agreement (the “Agreement”), when executed, shall be effective as of February 1, 2022.

WHEREAS, PDA, an agency of the State of New Hampshire established under NH RSA 12-G, is the owner of property described herein and located within both the Airport Industrial Zone and Industrial Zone of the Pease International Tradeport, Portsmouth, NH, (the “Premises”); and

WHEREAS, PDA and AAG desire to enter into this Agreement to grant AAG an option to lease the Premises from PDA pursuant to the terms and conditions set forth in this Agreement. PDA and AAG may be referred to in this Agreement as a “Party” and may be collectively referred to as the “Parties.”

NOW, THEREFORE, and in consideration of the mutual covenants and agreements contained herein, the Option Payment(s) as defined below, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Option and Option Area

Following execution and subject to the terms of this Agreement, AAG shall have an exclusive right and option to lease the land and improvements thereon (the "Option") described generally as:

- 100 New Hampshire Ave (10.6 +/- acres)
- 7 Lee Street (3.6 +/- acres)
- 14 Aviation Avenue (14.8 +/- acres)

located within both the PDA Airport Industrial and Industrial Zones, all as more generally shown on the plan attached hereto and incorporated herein as **Exhibit "A"** (the "Option Area" or "Premises"), for development of an air cargo/distribution facility consistent with PDA Land Use Controls. The Parties acknowledge that the area of the Premises as described above is subject to survey and is estimated based on the most current information available. During the Option Period and Option Extension Period(s), PDA shall continue to have control over, and use of, the Premises, including but not limited to continued operation of its Maintenance Department from the 7 Lee Street location and such other uses as PDA deems consistent with the management and operation of Portsmouth International Airport at Pease. Except as otherwise specifically set forth below, this Option does not grant to AAG a right to access, use, or occupy the Option Area prior to execution of a Lease as contemplated in Paragraph 6 below. The Option Area is subject to existing easements and rights of way of record.

2. Option Period

The "Option Period" shall be a period of six (6) months beginning on the effective date first above written.

3. Option Payment

Upon execution of this Agreement, AAG shall pay PDA an option payment, subject to retroactive adjustment, of \$48,734.68 (the "Option Payment")¹ for the Option Period, which payment represents 10% of the 2021 annual base rent of \$487,346.80 for the Option Area, as shown on the attached **Exhibit "B"**.

4. Option Extension Periods and Payments

At least sixty (60) days prior to the expiration of the Option Period, AAG shall provide written notice to PDA of its request to extend the Option Period for an additional six (6) month period through January 31, 2023 (the "Option Extension Period 1"). Said notice shall be accompanied by payment in an amount representing 20% of the PDA's 2022 per acre rate established in accordance with Exhibit B. See fn 1.

1. The Option Payment shall be adjusted after the PDA 2022 per acre rate is established effective January 1, 2022 and the minimum 2022 annual base rent per acre is set. See Exhibit B. The 2021 per acre rate calculation is attached hereto as **Exhibit "C"**.

At least sixty (60) days prior to the expiration of the Option Extension Period 1, AAG shall provide written notice to PDA of its request to extend the Option for one final six (6) month period, through July 30, 2023 (the "Final Option Extension Period"). Said notice shall be accompanied by payment in an amount representing 30% of the PDA 2022 per acre rate, subject to retroactive adjustment following establishment of the PDA 2023 per acre rate.

AAG acknowledges that any extension of the Option Period shall require consent of the PDA Board of Directors and be further subject to AAG demonstrating to PDA that it has made substantial progress with respect to the development of the Option Area, including but not limited to the development of site and subdivision plans (which may be subject to ongoing adjustment), the development of traffic, roadway, and/or noise studies as may be warranted/required, and entry into a non-binding letter of intent with the PDA prior to requesting the Final Option Extension Period. In the event the PDA Board of Directors does not consent to either the Option Extension Period 1 or the Final Option Extension Period, the accompanying Option Payment shall be returned to AAG and the Option shall be deemed to have terminated effective as of the conclusion of the then-current period.

5. Exercise of Option

The Option may be exercised by AAG at any time prior to the expiration of the Option Period, or any Option Extension Period, by providing written notice (the "Option Exercise Notice"), signed by a duly authorized representative of AAG, of such exercise to PDA (Attn: Executive Director) prior to the expiration of the Option Period, Option Extension Period 1, or the Final Option Extension Period.

6. Lease Agreement

Upon the valid exercise of the Option, AAG and PDA shall negotiate, in good faith, for a period not to exceed sixty (60) days, a Lease Agreement (the "Lease") for the Option Area, subject to any required land use review/approvals, including but not limited to subdivision and site plan approval and a transportation impact study, on terms and conditions mutually agreeable to the parties, but generally consistent with PDA ground leases at the Pease International Tradeport. In the event the Parties have not executed a Lease within sixty (60) days, continued negotiation if agreed to by the PDA may be subject to an additional payment based on a 10% increase per six (6) month period as established.

The Lease shall include, but not be limited to, the following provisions by which the Parties:

- (i) agree to an initial base term of not more than thirty (30) years, with up to three (3) five (5) year options, and one (1) four (4) year option, to renew (for a total potential term of forty-nine (49) years);
- (ii) agree to an initial base rent at the PDA annual base per acre and/or square foot formula, or a blended rate thereof, (consistent with zone and intended use) and subject to annual escalation, as such escalation shall be set forth in the Lease;

- (iii) agree to payment of a municipal services fee in accordance with the provisions of RSA 12-G:14 and the Municipal Services Agreement between the PDA, the Town of Newington, and the City of Portsmouth dated July 1, 1998;
- (iv) agree that the Lease shall be triple net to the PDA and subject and subordinate to the Federal Grant Assurances established from time to time by the Federal Aviation Administration, to which PDA is subject with respect to operation of the Airport;
- (v) agree that no rent shall be due and owing for an agreed upon period of the Lease as a construction abatement (historically the PDA has provided up to a 9 month rent abatement for construction);
- (vi) agree to permit airfield access to Hangar 229 and 53 Exeter Street, and as otherwise required for PDA's management of the Airport, over the Premises;
- (vii) agree to make provision for the relocation of PDA Maintenance Operations from 7 Lee Street and cold storage from Hangar 227 to new facilities designed and constructed by AAG (the "New Construction"), in an appropriate location(s) designated by the PDA, all as approved by the PDA (and FAA as may be required) and subject to all required permits/approvals, with reimbursement for approved development costs by the PDA to the Lessee, without interest, and as a percentage rent credit over no less than the first twenty (20) years of the Lease (unless another reimbursement method is agreed to), and permit continued/uninterrupted PDA use of existing facilities at said locations, without charge, until such construction of new facilities and relocation to those facilities is completed; and
- (viii) agree to the demolition and removal of obsolete improvements and structures at 7 Lee Street and 14 Aviation Avenue, at AAG's sole cost and expense, subject to any required permits, within a reasonable period of time following completion of the New Construction.

7. Governmental Approvals/Lease Execution

AAG shall endeavor to obtain all necessary governmental approvals as may be required for its development within one hundred and eighty (180) days of the Option Exercise Notice. PDA agrees to reasonably cooperate with AAG, at AAG's sole cost and expense, in respect to obtaining any such required approvals. In the event that all necessary governmental approvals have not been obtained within 180 days of the Option Exercise Notice and AAG continues to diligently in good faith pursue such approvals, said 180-day period shall be extended for one additional period not to exceed another one hundred and eighty (180) days. Except as otherwise specifically agreed in writing by the Parties, if a Lease has not been executed or if all necessary governmental approvals required to commence construction on the Option Area, as contemplated by AAG, have not been obtained within 180 days of the Option Exercise Notice, or the additional 180 day extension thereof, AAG shall have no further rights to the Option Area and the property shall revert to PDA. Should the then current Option Period expire during either of the one hundred eighty (180) day extensions referenced herein, the AAG shall pay PDA an Option Payment at a pro rata rate for each such day beyond the expiration at the most recent Option Payment rate for a six (6) month period.

8. Access to Option Area and Due Diligence

Subject to the terms of this Agreement, and execution of a separate Right-of-Entry agreement substantially in the form attached hereto as Exhibit "D", PDA agrees to permit AAG or its representative to access the Premises and to undertake such reasonable utility, environmental, and/or geotechnical investigations of the Option Area as AAG shall request in writing to PDA, provided that such rights may be exercised only during the time that this Agreement or the Right of Entry have not terminated. Access to areas within the building at 7 Lee Street and Hangar 227 shall require coordination with PDA staff and shall not be disruptive of regular PDA business operations.

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

AAG is responsible for maintaining airport security requirements for SIDA badges and for facilities that provide direct or indirect access to the airfield. Any TSA fines incurred by the PDA due to AAG's actions or inaction will be fully reimbursed by the AAG.

9. Termination of Option

Notwithstanding any other provision of this Agreement, and in addition to the termination provisions provided herein, this Agreement shall terminate automatically on the failure to exercise the additional six (6) month Option Extension Period 1, the six (6) month Final Option Extension Period, or to exercise the Option itself.

Upon expiration or termination of the Option without exercise of the Option Exercise Notice, AAG shall have no further right to the Option Area.

10. Federal and State Approvals

The Parties acknowledge that the Premises is subject to a 1995 Record of Decision (ROD) which identified contamination sources under the concrete slab of Hangar 227 due to discharges of solvents and petroleum to the floor drain system. The ROD was amended in 2019 to address the vapor intrusion pathway (Zone 3 ROD Amendment for Vapor Intrusion). The

amendment resulted in the installation of a soil vapor extraction ("SVE") treatment system and in situ enhanced bioremediation ("ISEB") treatment. The SVE operation is on-going with performance monitoring.

AAG understands that the Option Area is also in an Area of Special Notice ("ASN"), as identified by the U.S. Air Force, EPA and NHDES, and that any future construction plans which may be authorized under the Lease agreement requiring excavation are subject to Air Force approval prior to the excavation(s) being initiated, and construction work may also involve Air Force conducted environmental remediation. The party proposing the construction is required to have a Construction Work Plan in place and to follow the Pease Health and Safety Plan ("HASP") during all excavation activities. In addition, a Request for Construction Approval must be filed with the Air Force, through the PDA, no later than 60 days prior to the anticipated construction start date. This request must include as a minimum, a full description of the proposed construction (plans, specifications, CWP, etc.), and identify the potential for encountering contaminated soil and/or groundwater.

11. Inspection Reports

PDA shall make available information it has related to any existing conditions at the site including the location and type of utilities, underground tanks or structures, and any hazardous substances. The information is approximate and not guaranteed. AAG shall provide PDA, upon execution of this Agreement or promptly upon completion of its inspection, with a copy of any report, letter, or summary with respect to conditions found at the Premises.

12. Risk of Loss

AAG agrees that any use of the Premises/Option Area is at its sole risk and subject to the provisions of the Right of Entry between the parties (see Exhibit D) 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. AAG expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of AAG's use of the Premises/Option Area or the conduct of activities or the performance of responsibilities under this Agreement or the Right of Entry.

13. Counterparts

This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all together will constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by facsimile or by electronic delivery in PDF format shall be sufficient to bind the Parties to the terms and conditions of this Agreement.

14. Severability

If any term of this Agreement shall become declared illegal, invalid, or unenforceable, it

will not affect the validity or enforceability of any other provision of this Agreement.

15. Governing Law

This Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of New Hampshire, without reference to its choice of law principles. Each party agrees to submit to the exclusive jurisdiction of the federal and state courts sitting in the State of New Hampshire.

EXECUTION

IN WITNESS WHEREOF, PDA and AAG have executed this Agreement to be effective as noted above, on the _____ day of _____, 2022

PEASE DEVELOPMENT AUTHORITY

By: _____

Paul E. Brean

Its: Executive Director

AVIATION AVENUE GROUP, LLC

By: _____

Print Name: _____

Its: _____

EXHIBIT A
OPTION AREA



Exhibit Depicting PROCON Option 2021

DESIGNED BY: MAM DATE: 03/21 SCALE: 1"=300'



PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

EXHIBIT B

100 New Hampshire Ave (10.6 +/- acres)
Industrial Zone - \$18,430/acre (2021 rate*)
Annual Rent - \$195,358.00

7 Lee Street (3.6 +/- acres)
Industrial Zone - \$18,430/acre (2021 rate*)
Annual Rent - \$66,348.00

14 Aviation Avenue (14.8 +/- acres or 644,688 +/- sf)
Airport Industrial Zone - \$.35/sf
Annual Rent - \$225,640.80

Total Annual Base Rent: \$487,346.80

*The per acre rate is adjusted annually effective January 1st for the following calendar year.

EXHIBIT C

DRAFT

**PEASE DEVELOPMENT AUTHORITY
BUSINESS / COMMERCIAL ZONE PROPERTIES- JANUARY 2021**

<u>Property Location / Description</u>	<u>Lessee</u>	<u>Monthly Lease Rate</u>	<u>Annual Lease Rate</u>	<u>Acres</u>	<u>Rate Per Acre</u>
1 International Drive	Resport LLC	\$ 15,837	\$ 190,049	10.00	\$ 19,006
2 International Drive	Two International Group	8,618	103,420	5.00	20,684
101 International Drive	Lonza Biologics Inc.	3,045	36,536	2.10	17,398
183 185 International Drive	Tower Hill Development, LLC	12,780	153,366	8.80	17,428
207 International Drive	Pioneer International Dev	13,078	156,939	8.10	19,375
1 New Hampshire Avenue	One New Hampshire Ave LLC	8,786	105,434	5.40	19,525
25-29 New Hampshire Avenue	25, 29, Retail LLC	16,546	198,552	11.10	17,888
68 New Hampshire Avenue	Cinthesys Real Estate	5,134	61,603	3.50	17,602
75-80 New Hampshire Avenue	75-80 New Hampshire	19,740	236,880	13.04	18,166
35 Corporate Drive	Redhook Craft Brewer Alliance	10,084	121,011	8.00	15,126
73 Corporate Drive	Wentworth Douglass	44,851	538,212	19.54	27,546
105 Corporate Drive	Pease Rehab, LLC	11,040	132,480	7.40	17,903
161 Corporate Drive	Martins Point Health Center	6,204	74,451	5.00	14,891
162 Corporate Drive	Kanerd Development II, LLC	13,237	158,847	10.50	15,128
164 - 166 Corporate Drive	Kanerd Development I, LLC	29,590	355,078	20.80	17,071
177 Corporate Drive	177 Pease, LLC	2,382	28,584	1.60	17,865
249 Corporate Drive	249 Corporate Drive, LLC	4,963	59,562	3.50	17,018
320 Corporate Drive	Great Bay Community College	14,962	179,538	12.80	14,027
325 Corporate Drive	325 Corporate Dr II, LLC	11,468	137,616	7.30	18,852
230 Corporate Drive	Portmarnock. LLC	7,036	84,429	5.00	16,886
231 Corporate Drive	Kingsbarn, LLC	6,051	72,608	4.20	17,288
273 Corporate Drive	273 Corporate Drive, LLC	16,976	203,712	11.20	18,189
AVERAGE BLENDED RATE			\$ 3,388,905	183.88	\$ 18,430

DRAFT

EXHIBIT D

DRAFT

January __, 2022

Aviation Avenue Group, LLC
210 Commerce Way
Suite 300
Portsmouth, New Hampshire 03801

**Re: Right of Entry — 14 Aviation Avenue (a/k/a Hangar 227), 7 Lee St., 100
New Hampshire Ave., Pease International Tradeport, Portsmouth, NH**

Dear _____:

This letter, when fully executed, will authorize Aviation Avenue Group, LLC (“AAG”) and/or its agents and contractors to enter the premises at 14 Aviation Avenue (a/k/a Hangar 227), 7 Lee Street, and 100 New Hampshire Avenue, as shown on the attached **Exhibit A** (the “Premises”) for the period beginning _____ through _____, for survey / site inspection purposes. Such inspection may include a review of environmental matters, including soils testing, adequacy of utility services, general site conditions, and any other similar inspection or evaluation of the Premises you deem reasonably necessary. Access to areas within buildings at 14 Aviation Avenue and 7 Lee Street shall require coordination with PDA staff and shall not be disruptive of regular PDA business operations. This Right of Entry will expire at the close of business on _____, unless otherwise extended an additional thirty (30) days by written agreement of AAG and the Pease Development Authority (“PDA”).

This Right of Entry is conditioned upon the following:

1. AAG providing PDA, upon execution of this letter of authorization or promptly upon completion of its inspection, with a copy of any report, letter, plan, or summary with respect to conditions found at the Premises;
2. AAG’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. AAG expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of AAG’s use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. AAG further agrees to indemnify, save, hold harmless, and defend the PDA, its officers, board

Page Two

January __, 2022

Re: Right of Entry — 14 Aviation Avenue (a/k/a Hangar 227), 7 Lee St., 100 New Hampshire Ave., Pease International Tradeport, Portsmouth, NH

members, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgments, costs and attorney's fees arising out of AAG's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

3. AAG and any agent or contractor of AAG providing PDA with satisfactory evidence of Commercial General Liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), and Environmental Pollution Liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), both naming the PDA as an additional insured as its interests may appear. AAG and any agent or contractor of AAG shall provide PDA with satisfactory evidence of automobile liability insurance coverage in the amount of One Million Dollars (\$1,000,000) and workers' compensation coverage to statutory limits.

Each such policy or certificate therefor issued by the insurer shall contain: (i) a provision that the insurer shall have no right of subrogation against PDA; (ii) a provision that any liability insurance coverage required to be carried shall be primary and non-contributory with respect to any insurance carried by PDA; and, to the extent obtainable, (iii) 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.

4. AAG obtaining the prior written consent of the Engineering Department of the PDA before conducting any drilling, testpitting, borings, or other soil/ground disturbing activities on the Premises, and thereafter complying with all terms and conditions of said consent. No geotechnical exploration shall be done on the Site without proper clearance from PDA Engineering Department. No trees or vegetation may be cut without written permission from the PDA. PDA shall make available information it has related to any existing conditions at the site including the location and type of utilities, underground tanks or structures, and any hazardous substances. The information is approximate and not guaranteed. AAG shall have no liability or responsibility to the PDA for environmental impacts and damage caused by the prior use of hazardous substances on the Premises by the United States of America - Department of the Air Force ("Air Force" or "Government"), and/or the PDA. AAG and PDA acknowledge the potential obligation of the Air Force to indemnify PDA and AAG to the extent required by the provisions of Public Law No. 101-511 Section 8056 and/or Public Law 102-484, as amended. AAG understands that the Premises is in an Area of Special Notice ("ASN"), as identified by the U.S. Air Force, EPA and NHDES, and that any future construction plans which may be authorized under a potential Lease agreement requiring excavation are subject to Air Force approval prior to the excavation(s) being initiated, and construction work may also involve Air Force conducted environmental remediation.

14 Aviation Avenue is part of the Airport Security Identification Display Area ("SIDA"). Designated representatives of AAG will be required to obtain security badges and qualify as escorts in order for representatives, employees and agents of the AAG to gain access to and remain on 14

Re: Right of Entry — 14 Aviation Avenue (a/k/a Hangar 227), 7 Lee St., 100 New Hampshire Ave., Pease International Tradeport, Portsmouth, NH

Aviation Avenue. While in the SIDA, escort procedures per the requirements of the Pease International Airport Security Program must be met. Prior to accessing 14 Aviation Avenue all persons providing SIDA escort must undergo verification of their criminal history for the past ten (10) years, attend a training class that is offered no more than once every two weeks and pay any applicable fees. Information regarding escort requirements can be obtained by calling the Airport Management Department at (603) 433-6536, Monday through Friday, 8:00 a.m. to 5:00 p.m. No representative, employee or agent of AAG will be allowed in the SIDA without escorts meeting the requirements of the Pease International Airport Security Program.

5. AAG's agreement to restore said Premises to its condition as the same existed prior to the commencement of any work undertaken pursuant to this Right of Entry.

6. AAG's agreement herein that this Right of Entry 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. AAG acknowledges and agrees that, except as otherwise set forth herein, no legal obligations shall arise with respect to the Premises or lease thereof until a Lease Agreement is executed by the parties, subject to the approval of the PDA Board of Directors.

7. This Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of New Hampshire, without reference to its choice of law principles. Each party agrees to submit to the exclusive jurisdiction of the federal and state courts sitting in the State of New Hampshire.

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

Very truly yours,

Paul E. Brean
Executive Director

Agreed and accepted this ____ day of _____, 2021.

AVIATION AVENUE GROUP, LLC

By: _____
Print Name: _____
Its Duly Authorized: _____

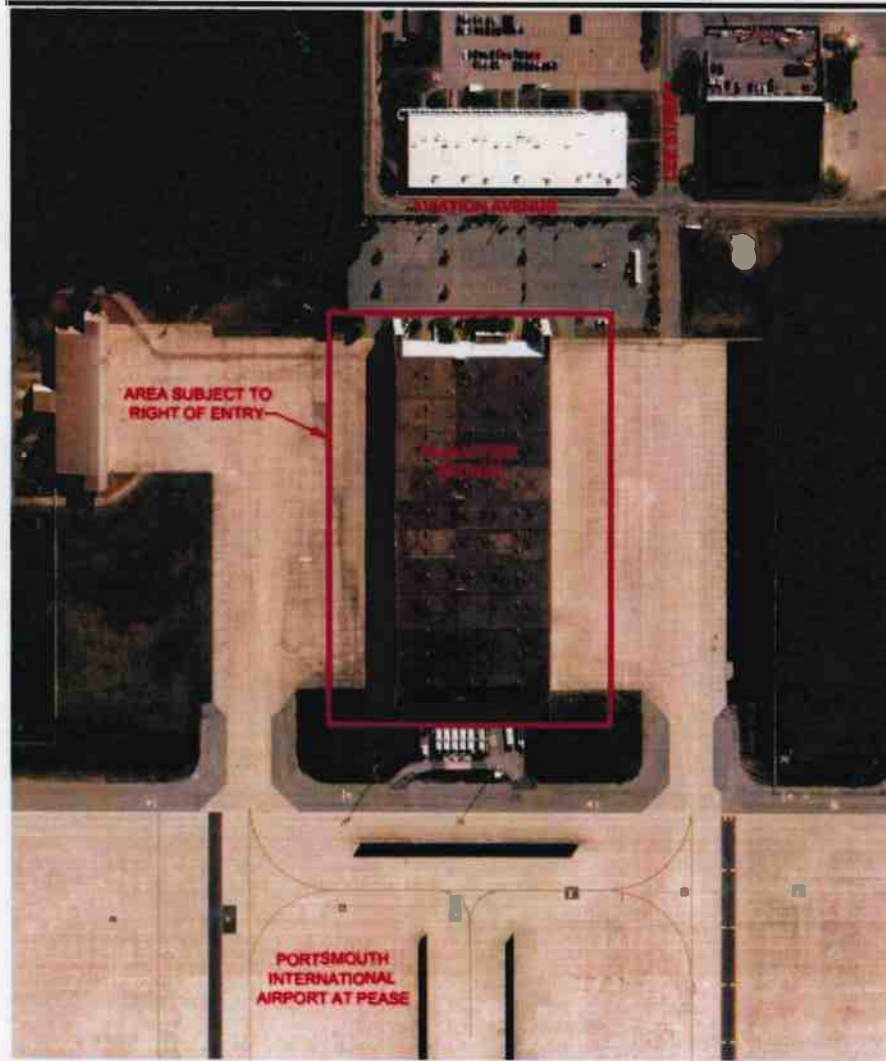
Page Four

January __, 2022

Re: **Right of Entry — 14 Aviation Avenue (a/k/a Hangar 227), 7 Lee Street, 100 New Hampshire Ave., Pease International Tradeport, Portsmouth, NH**

EXHIBIT "A"

PREMISES



PROJECT: 14 Aviation Ave Right of Entry

DESIGNED BY: MRM

DATE: 6/23/21

SCALE: 1"=200'



PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

MOTION

Director Lamson:

The Pease Development Authority ("PDA") Board of Directors approves of and authorizes the Executive Director to finalize and enter into an Option Agreement with North 40 Group, LLC regarding potential air cargo facility development on the North Apron, substantially consistent with the terms and conditions set forth in the draft Option Agreement attached hereto and pursuant to the memorandum from Paul E. Brean, Executive Director dated January 11, 2022.

OPTION AGREEMENT

OPTIONOR: Pease Development Authority (“PDA” or “Lessor”), 55 International Drive, Portsmouth, New Hampshire

OPTIONEE: North 40 Group, LLC (“N40G”), 210 Commerce Way, Suite 300, Portsmouth, New Hampshire

PREMISES: The land and any improvements thereon located on a portion of the North Apron at the Portsmouth International Airport at Pease.

DATE: January __, 2022

This Option Agreement (the “Agreement”), when executed, shall be effective as of February 1, 2022.

WHEREAS, PDA, an agency of the State of New Hampshire established under NH RSA 12-G, is the owner of property described herein located within the Airport Zone of the Portsmouth International Tradeport, Portsmouth, NH (the “Premises”); and

WHEREAS, PDA and N40G desire to enter into this Agreement to grant N40G an option to lease the Premises from PDA pursuant to the option terms and conditions set forth in this Agreement. PDA and N40G may be referred to in this Agreement as a “Party” and may be collectively referred to as the “Parties.”

NOW, THEREFORE, and in consideration of the mutual covenants and agreements contained herein, the Option Payment as defined below, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Option and Option Area

Following execution, and subject to the terms of this Agreement, N40G shall have an exclusive right and option to lease the land and any improvements thereon (the “Option”) described generally as:

- A portion of the North Apron (19.8 +/- acres or 863,500 square feet)

located within the PDA Airport Zone, all as more generally shown on the plan attached hereto and incorporated herein as **Exhibit "A"** (the "Option Area" or "Premises"), for development of an air cargo/distribution facility consistent with applicable PDA Land Use Controls. The parties acknowledge the area of the Premises is subject to survey and is estimated based on the most current information available. During the Option Period and Option Extension Periods, PDA shall continue to have control over, and use of, the Premises. Except as otherwise specifically set forth below, this Option does not grant N40G right to access, use, or occupy the Option Area prior to execution of a Lease as contemplated in Paragraph 6 below. The Option Area is subject to existing easements and rights of way of record.

2. Option Period

The "Option Period" shall be a period of six (6) months beginning on the effective date first above written.

3. Option Payment

Upon execution of this Agreement, N40G shall pay PDA an option payment of \$30,222.50 (the "Option Payment") for the Option Period, which payment represents 10% of the annual base rent of \$302,225.00 for the Option Area, as shown on the attached **Exhibit "B"**.

4. Option Extension Periods and Payments

At least sixty (60) days prior to the expiration of the Option Period, N40G shall provide written notice to PDA of its request to extend the Option Period for an additional six (6) month period (the "Option Extension Period 1"), through January 31, 2023. Said notice shall be accompanied by payment of a second Option Payment to PDA for the Option Extension Period 1 in the amount of \$60,445.00, which payment represents 20% of the annual base rent of \$302,225.00.

At least sixty (60) days prior to the expiration of the Option Extension Period 1, N40G shall provide written notice to PDA of its request to extend the Option one final six (6) month period (the "Final Option Extension Period"), through July 30, 2023. Said notice shall be accompanied by payment of a third Option Payment to PDA for the Final Option Extension Period in the amount of \$90,667.50, which payment represents 30% of the annual base rent of \$302,225.00.

N40G acknowledges that any extension of the Option Period shall require consent of the PDA Board of Directors and be further subject to N40G demonstrating to PDA that it has made substantial progress with respect to the development of the Option Area, including, but not limited to the development of site and subdivision plans (which may be subject to ongoing adjustment), the development of traffic, roadway, and/or noise studies as may be warranted/required, and entry into a non-binding letter of intent with the PDA prior to requesting the Final Option Extension Period. In the event the PDA Board of Directors does not consent to

either the Option Extension Period 1 or the Final Option Extension Period, the additional Option Payment for said Option Extension Period 1 or Final Option Extension Period shall be returned to N40G and the Option shall be deemed to have terminated effective as of the conclusion of the then-current period.

5. Exercise of Option

The Option may be exercised by N40G at any time prior to the expiration of the Option Period, or either Option Extension Period, by providing written notice (the "Option Exercise Notice"), signed by a duly authorized representative of N40G, of such exercise to PDA (Attn: Executive Director) prior to the expiration of the Option Period or either Option Extension Period.

6. Lease Agreement

Upon the valid exercise of the Option, N40G and PDA shall negotiate, in good faith, for a period not to exceed sixty (60) days, a Lease Agreement (the "Lease") for the Option Area, subject to any required land use review/approvals, including but not limited to subdivision and site plan approval and a transportation impact study, on terms and conditions mutually agreeable to the parties, but generally consistent with PDA ground leases at the Pease International Tradeport. In the event the Parties have not executed a Lease within sixty (60) days, continued negotiation if agreed to by the PDA may be subject to an additional payment based on a 10% increase per six (6) month period as established.

The Lease shall include, but not be limited to, the following provisions by which the Parties:

- (i) agree to an initial base term of not more than thirty (30) years, with up to three (3) five (5) year options, and one (1) four (4) year option, to renew (for a total potential term of forty-nine (49) years);
- (ii) agree to an initial base rent at the PDA annual base per acre and/or square foot formula (consistent with zone and intended use) and subject to annual escalation, as such escalation shall be set forth in the Lease;
- (iii) agree to payment of a municipal services fee in accordance with the provisions of RSA 12-G:14 and the Municipal Services Agreement between the PDA, the Town of Newington, and the City of Portsmouth dated July 1, 1998;
- (iv) agree that the Lease shall be triple net to the PDA and subject and subordinate to the Federal Grant Assurances established from time to time by the Federal Aviation Administration, to which PDA is subject with respect to operation of the Airport;
- (v) agree that no rent shall be due and owing for an agreed upon period of the Lease as a construction abatement (historically the PDA has provided up to a 9 month rent abatement for construction);
- (vi) agree to cost share any improvements necessary to make the "preferred use apron" as depicted on Exhibit A passable by Group V aircraft; and
- (vii) agree to permit airfield access over the Premises.

7. Governmental Approvals/Lease Execution

N40G shall endeavor to obtain all necessary governmental approvals as may be required for its development within one hundred and eighty (180) days of the Option Exercise Notice. PDA agrees to reasonably cooperate with N40G, at N40G's sole cost and expense, in respect to obtaining any such required approvals. In the event that all necessary governmental approvals have not been obtained within 180 days of the Option Exercise Notice and N40G continues to diligently in good faith pursue such approvals, said 180-day period shall be extended for one additional period not to exceed another one hundred and eighty (180) days. Except as otherwise specifically agreed in writing by the Parties, if a Lease has not been executed or if all necessary governmental approvals required to commence construction on the Option Area, as contemplated by N40G, have not been obtained within 180 days of the Option Exercise Notice, or the additional 180 day extension thereof, N40G shall have no further rights to the Option Area and the property shall revert to PDA. Should the then current Option Period expire during either of the one hundred eighty (180) day extensions referenced herein, the N40G shall pay PDA an Option Payment at a pro rata rate for each such day beyond the expiration at the most recent Option Payment rate for a six (6) month period.

8. Access to Option Area and Due Diligence

Subject to the terms of this Agreement, and execution of a separate Right-of-Entry agreement substantially in the form attached hereto as Exhibit "C", PDA agrees to permit N40G or its representative to access the Premises and to undertake such reasonable utility, environmental, and/or geotechnical investigations of the Option Area as N40G shall request in writing to PDA, provided that such rights may be exercised only during the time that this Agreement or the Right of Entry have not terminated.

N40G shall ensure that its agents and contractors comply with all PSM Airport and TSA security requirements and is required to inform the PDA's Airport Management Department when contractors will be on site conducting work authorized under this Option and Right of Entry. N40G acknowledges that the Premises is in the Security Identification Display Area (SIDA) at PSM. Designated representatives of N40G will be required to obtain airport SIDA badges and qualify as escorts in order for representatives, employees and agents of Lessee to gain access to and remain in the SIDA. While in the SIDA, escort procedures per the requirements of the PSM's Security Program must be met. Prior to accessing the Premises, all persons who are going to obtain a SIDA badge must undergo criminal history check, and pass a TSA security threat assessment, and attend a training class that is offered no more than two times a month and pay any applicable fees. Information regarding escort requirements can be obtained by calling the Airport Management Department at (603) 433-6536, Monday through Thursday, 8:00 a.m. to 5:00 p.m. and 8:00am to 4:00pm on Fridays. No representative, employee or agent of the N40G will be allowed in the SIDA without escorts meeting the requirements of the PSM's Security Program.

N40G is responsible for maintaining airport security requirements for SIDA badges and for facilities that provide direct or indirect access to the airfield. Any TSA fines incurred by the PDA due to N40G's actions or inaction will be fully reimbursed by the N40G.

9. Termination of Option

Notwithstanding any other provision of this Agreement, and in addition to the termination provisions provided herein, this Agreement shall terminate automatically on the failure to exercise the additional six (6) month Option Extension Period 1, the six (6) month Final Option Extension Period, or to exercise the Option itself.

Upon expiration or termination of the Option without exercise of the Option Exercise Notice, N40G shall have no further right to the Option Area.

10. Federal and State Approvals

N40G understands that the Option Area or related areas is in or adjacent to an Area of Special Notice ("ASN"), as identified by the U.S. Air Force, EPA and NHDES, and that any future construction plans which may be authorized under the Lease requiring excavation are subject to Air Force approval prior to the excavation(s) being initiated, and construction work may also involve Air Force conducted environmental remediation. The party proposing the construction is required to have a Construction Work Plan in place and to follow the Pease Health and Safety Plan ("HASP") during all excavation activities. In addition, a Request for Construction Approval must be filed with the Air Force, through the PDA, no later than 60 days prior to the anticipated construction start date. This request must include as a minimum, a full description of the proposed construction (plans, specifications, CWP, etc.), and identify the potential for encountering contaminated soil and/or groundwater.

11. Inspection Reports

PDA shall make available information it has related to any existing conditions at the site including the location and type of utilities, underground tanks or structures, and any hazardous substances. The information is approximate and not guaranteed. N40G shall provide PDA, upon execution of this Agreement or promptly upon completion of its inspection, with a copy of any report, letter, or summary with respect to conditions found at the Premises.

12. Risk of Loss

N40G agrees that any use of the Premises/Option Area is at its sole risk and subject to the provisions of the Right of Entry between the parties (see Exhibit C) 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. N40G expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of N40G's use of the Premises/Option Area or the conduct of activities or the performance of responsibilities under this Agreement or the Right of Entry.

13. Counterparts

This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all together will constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by facsimile or by electronic delivery in PDF format shall be sufficient to bind the Parties to the terms and conditions of this Agreement.

14. Severability

If any term of this Agreement shall become declared illegal, invalid, or unenforceable, it will not affect the validity or enforceability of any other provision of this Agreement.

15. Governing Law

This Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of New Hampshire, without reference to its choice of law principles. Each party agrees to submit to the exclusive jurisdiction of the federal and state courts sitting in the State of New Hampshire.

EXECUTION

IN WITNESS WHEREOF, PDA and N40G have executed this Agreement to be effective as noted above, on the _____ day of _____, 2022

PEASE DEVELOPMENT AUTHORITY

By: _____
Paul E. Brean
Its: Executive Director

NORTH 40 GROUP, LLC

By: _____
Print Name: _____
Its: _____

EXHIBIT A



Exhibit A

DESIGNED BY: MRM DATE: 11/29/21 SCALE: 1"=400'

 PEASE DEVELOPMENT AUTHORITY

25 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

EXHIBIT B

Portion of North Apron (19.8 +/- acres or 863,500 sf)

Airport Zone - \$0.35/sf

Annual Rent - \$302,225.00

DRAFT

EXHIBIT C

DRAFT

January __, 2022

North 40 Group, LLC
210 Commerce Way
Suite 300
Portsmouth, New Hampshire 03801

**Re: Right of Entry — North Apron, Portsmouth International Airport,
Portsmouth, NH**

Dear _____:

This letter, when fully executed, will authorize North 40 Group, LLC ("North 40") and/or its agents and contractors to enter the premises at the North Apron of the Portsmouth International Airport at Pease, as shown on the attached **Exhibit A** (the "Premises") for the period beginning _____ through _____, for survey / site inspection purposes. Such inspection may include a review of environmental matters, including soils testing, availability/adequacy of utility services, general site conditions, and any other similar inspection or evaluation of the Premises you deem reasonably necessary. This Right of Entry will expire at the close of business on _____, unless otherwise extended by written agreement of North 40 and the Pease Development Authority ("PDA").

This Right of Entry is conditioned upon the following:

1. North 40 providing PDA, upon execution of this letter of authorization or promptly upon completion of its inspection, with a copy of any report, letter, plan, or summary with respect to conditions found at the Premises;
2. North 40'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. North 40 expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of North 40's use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. North 40 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,

Page Two

January __, 2022

**Re: Right of Entry — North Apron, Portsmouth International Airport,
Portsmouth, NH**

judgments, costs and attorney's fees arising out of North 40's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

3. North 40 and any agent or contractor of North 40 providing PDA with satisfactory evidence of Commercial General Liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), and Environmental Pollution Liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), both naming the PDA as an additional insured as its interests may appear. North 40 and any agent or contractor of North 40 shall provide PDA with satisfactory evidence of automobile liability insurance coverage in the amount of One Million Dollars (\$1,000,000) and workers' compensation coverage to statutory limits.

Each such policy or certificate therefor issued by the insurer shall contain: **(i)** a provision that the insurer shall have no right of subrogation against PDA; **(ii)** a provision that any liability insurance coverage required to be carried shall be primary and non-contributory with respect to any insurance carried by PDA; and, to the extent obtainable, **(iii)** 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.

4. North 40 obtaining the prior written consent of the Engineering Department of the PDA before conducting **any drilling, testpitting, borings, or other soil/ground disturbing activities on the Premises, and thereafter complying with all terms and conditions of said consent.** No geo-technical exploration shall be done on the Site without proper clearance from PDA Engineering Department. No trees or vegetation may be cut without written permission from the PDA. PDA shall make available information it has related to any existing conditions at the site including the location and type of utilities, underground tanks or structures, and any hazardous substances. The information is approximate and not guaranteed. North 40 shall have no liability or responsibility to the PDA for environmental impacts and damage caused by the prior use of hazardous substances on the Premises by the United States of America - Department of the Air Force ("Air Force" or "Government"), and/or the PDA. **North 40 and PDA acknowledge the potential obligation of the Air Force to indemnify PDA and North 40 to the extent required by the provisions of Public Law No. 101-511 Section 8056 and/or Public Law 102-484, as amended.** North 40 understands that the Premises is in an Area of Special Notice ("ASN"), as identified by the U.S. Air Force, EPA and NHDES, and that any future construction plans which may be authorized under a potential Lease agreement requiring excavation are subject to Air Force approval prior to the excavation(s) being initiated, and construction work may also involve Air Force conducted environmental remediation.

The North Apron is part of the Airport Security Identification Display Area ("SIDA"). Designated representatives of North 40 will be required to obtain security badges and qualify as escorts in order for representatives, employees and agents of the North 40 to gain access to and remain on the Premises. While in the SIDA, escort procedures per the requirements of the Pease International Airport Security Program must be met. Prior to accessing the North Apron, all persons

Page Three

January __, 2022

**Re: Right of Entry — North Apron, Portsmouth International Airport,
Portsmouth, NH**

providing SIDA escort must undergo verification of their criminal history for the past ten (10) years, attend a training class that is offered no more than once every two weeks and pay any applicable fees. Information regarding escort requirements can be obtained by calling the Airport Management Department at (603) 433-6536, Monday through Friday, 8:00 a.m. to 5:00 p.m. No representative, employee or agent of North 40 will be allowed in the SIDA without escorts meeting the requirements of the Pease International Airport Security Program.

5. North 40's agreement to restore said Premises to its condition as the same existed prior to the commencement of any work undertaken pursuant to this Right of Entry.

6. North 40's agreement herein that this Right of Entry 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. North 40 acknowledges and agrees that, except as otherwise set forth herein, no legal obligations shall arise with respect to the Premises or lease thereof until a Lease Agreement is executed by the parties, subject to the approval of the PDA Board of Directors.

7. This Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of New Hampshire, without reference to its choice of law principles. Each party agrees to submit to the exclusive jurisdiction of the federal and state courts sitting in the State of New Hampshire.

Please indicate by your signature below North 40's consent and return the same to me with evidence of insurance as required.

Very truly yours,

Paul E. Brean
Executive Director

Agreed and accepted this ____ day of _____, 2022.

North 40 Group, LLC

By: _____
Print Name: _____
Its Duly Authorized: _____

Re: **Right of Entry — North Apron, Portsmouth International Airport,
Portsmouth, NH**

EXHIBIT "A"
PREMISES



Exhibit Depicting Right of Entry at PSM North Apron

DESIGNED BY: MRM DATE: 7/7/21 SCALE: NTS



PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

MOTION

Director Ferrini:

The Pease Development Authority (“PDA”) Board of Directors hereby approves and authorizes the Executive Director to enter into a contract with Eco Services Pest Control of Hanover, MA for the purpose of providing pest control services at PDA and Division of Ports and Harbors (“DPH”) maintained facilities, for an initial term of three (3) years, with two (2) one (1) year extension options exercisable at the Executive Director’s discretion; all in accordance with the memorandum from Chasen Congreves, Manager of Airport Administration, dated January 5, 2022, attached hereto.

In accordance with the provisions of RSA 12-G:8, VIII, the Board waives the RFP requirement as Eco Services Pest Control is a State of New Hampshire approved vendor.

**NOTE: This motion requires 5 affirmative votes.
Roll Call vote.**

Memo

To: Paul E. Brean, Executive Director *fab*

From: Chasen Congreves, Manager of Airport Administration *CS*

Date: 1/5/2022

Re: Pest Control Services

The Pease Development Authority ("PDA") utilizes a pest control company to monitor and treat its facilities for rodents and insects at the Pease Tradeport, Skyhaven Airport, and the Division of Ports and Harbors facility on Market Street in Portsmouth. As such, PDA requires an agreement with a vendor that provides the necessary pest control services. The agreement with PDA's previous vendor has expired. I have researched and vetted the available pest control services through the New Hampshire ("NH") state procurement system for companies that are able to satisfy our pest control program.

With the foregoing in mind, I am requesting authorization to negotiate and enter into a contract with Eco Systems Pest Control of Hanover, MA, for three (3) years with two (2) one (1) year extension options for a potential total of five (5) years. Eco Systems is an approved State of New Hampshire vendor and holds state contract number 8002836 for provision of the associated service. As such, I am also requesting authority to waive the bid requirement. The cost for the service is broken down as follows:

Portsmouth Airport: \$675 initial - \$275 per month

Pease Golf Course: \$275 initial - \$75 per month

Ports and Harbors (Market Street facility): \$145 initial - \$65 per month

Skyhaven Airport: \$375 initial - \$150 per month

PDA Corporate Offices: \$155 initial - \$70 per month


As such, at the January 20, 2022, PDA Board of Director's meeting, please request authority from the Board to waive the formal RFP process and to finalize and enter into a contract with Eco Systems Pest Control for the provision of pest control services described herein.


MOTION

Director Anderson:

The Pease Development Authority ("PDA") Board of Directors hereby authorizes the Executive Director to enter into a contract with Turf Products LLC to purchase a Toro Walk Behind Greens Mower for use at the PDA Golf Course for a purchase price of \$15,715.40, all in accordance with the memorandum from Scott DeVito, PGA General Manager dated January 7, 2022 attached hereto.

MEMORANDUM

To: Paul Brean, Executive Director 

From: Scott DeVito, PGA General Manager 

Date: January 7, 2022

Subject: Request to purchase a Toro Walk Behind Greens Mower

This is a request to purchase a Toro Walk Behind Greens Mower to be used on a daily basis in the golf course maintenance department from Turf Products LLC, 157 Moody Road, Enfield, CT 06082, in an amount of \$15,715.40. The funds have been scheduled in the FY2022 golf course capital plan. The purchase was over \$10,000 so the golf course went through the formal request for bids process. The only company to respond to the bid request was Turf Products, LLC.

The new walk behind greens mower is currently in stock and the vendor has confirmed the equipment will be delivered by March 31, 2022.


Thank you for your consideration.

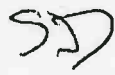
MOTION

Director Fournier:

The Pease Development Authority ("PDA") Board of Directors hereby authorizes the Executive Director to enter into a contract with MTE New England to purchase a Cushman Large Diesel Utility Golf Car for use at the PDA Golf Course for a purchase price of \$39,817.40, all in accordance with the memorandum from Scott DeVito, PGA General Manager, dated January 7, 2022 attached hereto.

MEMORANDUM

To: Paul Brean, Executive Director 

From: Scott DeVito, PGA General Manager 

Date: January 7, 2022

Subject: Request to purchase a Large Diesel Utility Golf Car

This is a request to purchase a Cushman Large Diesel Utility Golf Car to be used on a daily basis in the golf course maintenance department from MTE New England, 115 Franklin Street Ext., Derry, N.H. 03038, in an amount of \$39,817.40. The funds have been scheduled in the FY2022 golf course capital plan. The purchase was over \$10,000 so the golf course went through the formal requests for bids process. There were two companies that submitted bids MTE and Turf Products, LLC.

- MTE: \$39,817.40
- Turf Products LLC: Non-responsive to bid requirements as product not available until spring 2023 and price subject to change.

MTE has the confirmed equipment will be delivered by the bid request date of March 31, 2022.

Thank you for your consideration.

MOTION

Director Parker:

The Pease Development Authority (“PDA”) Board of Directors hereby authorizes the Executive Director to enter into a contract with Easy Picker Golf Products to purchase a Driving Range Ball Dispenser for use at the PDA Golf Course for a price not to exceed \$10,846.00, all in accordance with the memorandum from Scott DeVito, PGA General Manager, dated January 10, 2022 attached hereto.

In accordance with the provisions of RSA 12-G:8, VIII, the Board justifies the waiver of the RFP requirement due to the limited number of vendors for this product and given staff obtained three (3) price quotes from national suppliers.

**NOTE: This motion requires 5 affirmative votes.
Roll Call vote.**

N:\RESOLVES\2022\Golf - Driving Range Ball Dispenser (1-20-2022).docx

MEMORANDUM

To: Paul Brean, Executive Director *P.B.*
From: Scott DeVito, PGA General Manager *SD*
Date: January 10, 2022
Subject: Request to purchase a Driving Range Ball Dispenser

This is a request to purchase an Easy Picker Driving Range Ball Dispenser to be used on a daily basis at the golf course from Easy Picker Golf Products, Inc., 415 Leonard BLVD North, Lehigh Acres, FL 33971, in an amount of \$10,846.00. The funds have been scheduled in the FY2022 golf course capital plan. With no local representatives to participate in the RFP process, and the limited number of companies that provide this product, the golf course staff requested pricing from the three catalog companies that distribute range ball dispensers.

- Easy Picker Golf Products \$10,846.00
- Range Servant \$13,469.16
- Wittek Golf Supply \$13,768.79

The Easy Picker Range Dispenser was the lowest quoted price. Equipment is due to be delivered by March 31, 2022, when quotes were solicited.

It is requested that the formal RFP requirement be waived given the limited number of vendors for this product and given staff obtained three (3) quotes from national suppliers.

Thank you for your consideration.

MOTION

Director Levesque:

The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with Motorola, at a cost not to exceed \$28,922.80, for the purchase of four (4) mobile vehicle radios and a new repeater; all in accordance with the memorandum of Chasen Congreves, Manager of Airport Administration, dated January 3, 2022, attached hereto.

In accordance with the provisions of RSA 12-G:8, VIII, the Board justifies the waiver of the RFP requirement as Motorola is a State approved vendor for the radio equipment under contract number 8001937.

**Note: This motion requires 5 affirmative votes.
Roll Call vote required.**

Memo

To: Paul Brean, Executive Director



From: Chasen Congreves, Manager of Airport Administration



Date: 1/3/2022

Re: Digital Communications Upgrade

The FY22 Capital Improvement Plan (CIP) allocated \$50,000 for replacing the Pease Development Authority's aging repeaters that support the airport's communications operations.

The airport has identified a potential public safety issue involving interoperability communication with mutual aid entities. Airport radio communications are supported by an analog repeater that was purchased over 20 years ago and typically has a 10 year life span. This outdated repeater is currently responsible for erratic and inaudible radio transmissions. The existing repeater would be able to serve as a secondary backup repeater on stock, as currently there is no fail safe.

With the foregoing in mind, I am requesting authorization to utilize the \$50,000 that was appropriated in the FY22 CIP for the immediate purchase of 4 mobile vehicle radios and a new repeater from Motorola. The installation and programming of the equipment will be completed by the NH Department of Safety and PDA personnel with no external labor fees. Motorola is an approved State of New Hampshire vendor and holds state contract number 8001937 for provision of the associated equipment. As such, I am also requesting authority to waive the bid requirement. Please see the attached line item invoice for a total of \$28,922.80.

As such, at the January 20, 2022 PDA Board of Director's meeting, please request authority from the Board to waive the formal RFP process and to purchase 4 mobile vehicle radios, supporting accessories, and a GTR8000 repeater, under New Hampshire State Contract 8001937.



CUSTOMER:

Chasen Congreves

Manager of Airport Administration

Portsmouth International Airport at Pease

36 Airline Avenue, Portsmouth, NH 03801

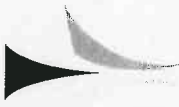
C: (603) 957-2273 W: (603) 766-9239 F: (603)

334-6135

c.congreves@peasedev.org

DATE: 1/12/2021

DESCRIPTION	MODEL	QTY.	LIST	DCST	D. EXI.	D. TOTAL
APX4500 REMOTE MOUNT VHF						
APX4500 ENHANCED VHF	M22KSS9PW1BN	4	\$ 2,036.00	27%	\$ 1,486.28	\$ 5,945.12
ADD: REMOTE MOUNT O2 WWMM	G67	4	\$ 327.00	27%	\$ 238.71	\$ 954.84
ADD: APX CONTROL HEAD SOFTWARE	G444	4	\$ -	0%	\$ -	\$ -
ADD: APX O2 CONTROL HEAD	GA00804	4	\$ 541.00	27%	\$ 394.93	\$ 1,579.72
ALT: 1/4 WV BDBD ANT 136-162 MHZ	W652	4	\$ 53.00	27%	\$ 38.69	\$ 154.76
ADD: SOFTWARE P25 CONVENTIONAL	Q811	4	\$ 715.00	27%	\$ 521.95	\$ 2,087.80
ADD: ADP ONLY (NON-P25 CAP COMPLIANT)	G193	4	\$ -	0%	\$ -	\$ -
ENH: HAND MIC,GCAI WATER RESISTANT	G892	4	\$ 79.00	27%	\$ 57.67	\$ 230.68
ADD: SPKR 15W WATER RESISTANT	G831	4	\$ 66.00	27%	\$ 48.18	\$ 192.72
ADD: RF PREAMP	W12	4	\$ 73.00	27%	\$ 53.29	\$ 213.16
ADD: 3Y ESSENTIAL SERVICE	G24	4	\$ 145.00	0%	\$ 145.00	\$ 580.00
GTR8000 VHF					TOTAL	\$ 11,938.80
GTR 8000 Base Radio	T7039	1	\$ -	0%	\$ -	\$ -
ADD: VHF (136-174 MHZ)	X5308G	1	\$ 6,300.00	20%	\$ 5,040.00	\$ 5,040.00
ADD: DUPLEXER, 158-174 MHZ	X182CA	1	\$ 1,380.00	20%	\$ 1,104.00	\$ 1,104.00
BR PRESELECTION, 150-174 MHZ	X265AM	1	\$ 500.00	20%	\$ 400.00	\$ 400.00
ADD: POWER EFFICIENCY PACKAGE	CA01953AA	1	\$ 500.00	20%	\$ 400.00	\$ 400.00
ADD: CONVENTIONAL SOFTWARE	CA01948AA	1	\$ 12,500.00	20%	\$ 10,000.00	\$ 10,000.00
ADD: RACK MOUNT HARDWARE	X153AW	1	\$ 50.00	20%	\$ 40.00	\$ 40.00
					TOTAL	\$ 16,984.00
					EQ.TOTAL	\$ 28,922.80



MEMORANDUM

TO: Pease Development Authority Board of Directors
FROM: Paul E. Brean, Executive Director *PJB*
RE: Signage Report
DATE: January 11, 2022

In accordance with the "Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs" PDA reports as follows:

1. Entity: Laborie Medical Technologies Corp.
Location: 180 International Drive
Summary: Modification of signage to reflect new logo

2. Entity: Port City Air
Location: 104 Grafton Drive
Summary: In-kind sign replacement with wooden posts replaced with granite posts and in addition to the Port City Air name and logo, the sign will include a panel for its subtenant, Air New England, and display some of the general aviation services provided on site.

The Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs also requires the consent of one member of the PDA Board of Directors. In this instance, Director Fournier was consulted and granted his consent to these signage modifications.

MEMORANDUM

To: Paul Brean, Executive Director *Peb*

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

Date: January 12, 2022

Subject: Sign Revision Report for Laborie at 180 International

In accordance with your authority under the "Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs" adopted by the Board on June 20, 2005, I am reporting the following:

Laborie will modify their signage at 180 International Drive to reflect their new logo. They will use the same monument structure at the entrance to their facility replacing the panels on both sides with new polycarbonate sign panels featuring their new logo. The existing façade sign will be replaced with a similarly sized channel letter sign reflecting their new logo. Parking signs will also be replaced with similar aluminum signs with the updated logo utilizing the existing sign posts.

This sign revision meets the all of the following conditions:

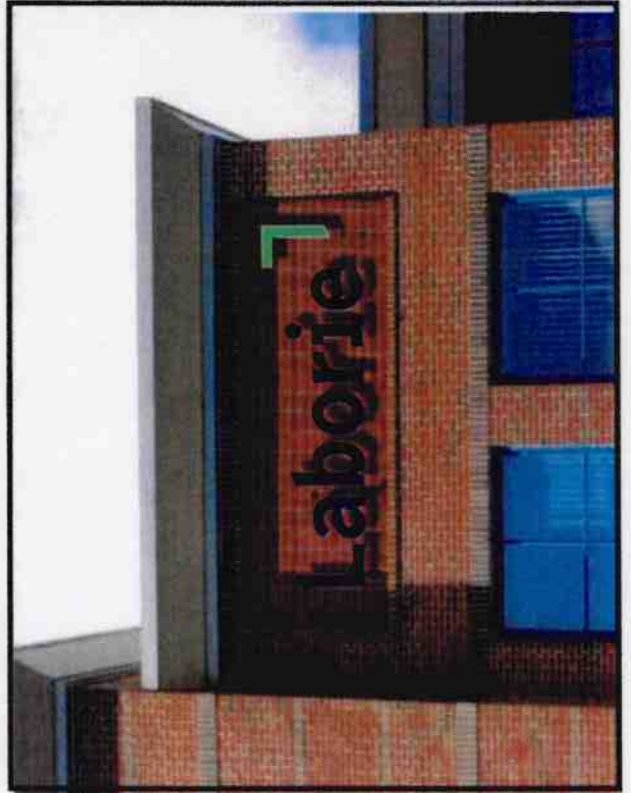
1. Required for maintenance and a revision to sign graphics reflecting a new name or logo for an existing tenant.
2. No substantive change in size or style of the sign.
3. Consistent with the terms and conditions of the original sign approval.
4. All other conditions of the PDA Land Use Controls are satisfied.

Director Fournier has reviewed the sign revisions and has given his approval. At the upcoming Board meeting, please report the revisions of the Laborie signs.

N:\ENGINEER\Board Memos\2022\Laborie

FASCADE SIGN

135" Wide x 34.65" Tall



MONUMENT SIGN

109.5" Wide x 47" Tall



MEMORANDUM

To: Paul E. Brean, Executive Director *PEB*

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

Date: January 12, 2022

Subject: Sign Revision Report for Port City Air at 104 Grafton Road

In accordance with your authority under the "Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs" adopted by the Board on June 20, 2005, I am reporting the following:

Port City Air will replace its sign located at the entrance of the property at 104 Grafton Drive. The new sign is configured in substantially the same size and shape the previously approved sign. The existing wooden sign posts will be replaced with granite posts. In addition to the Port City Air name and logo, the sign will include a panel for its subtenant, Air New England, and will display some of the general aviation services provided on site. Although this latter information is typically not allowed on street signs at Pease, PDA has allowed airport tenants more latitude with sign displays, this due to the nature of aeronautical uses, including but not limited to the fact their patrons are often not local. The new sign is shown on the attached sign proof sheet.

This sign revision satisfies all of the requisite conditions:

1. In-kind replacement required for maintenance, a revision to sign graphics, and a revision to reflect a change in tenancy.
2. No substantive change in size or style of the sign.
3. Consistent with the terms and conditions of the original sign approval.
4. All other conditions of the PDA Land Use Controls are satisfied.

Director Fournier has reviewed the sign revision and has given his approval. At the upcoming Board meeting, please report the revisions of the Port City Air sign.



**Proof #A2
10/25/21**

**Company: Port City Air
Job: Freestanding Sign**

Type: X

Quantity: 1

**Size: Main: 87" w x 53"
Lower: 87" x 33"
Cap: 120" x 16.5" (8" tall band)**

Sides: 2

Style: Flat Face with Dimensional Logo

Substrate: X

**Posts & Brackets: 10"x10" Granite
10' AG**

Colors: PCA Branded

SUNDANCE SIGN • 89 OAK STREET DOVER, NH 03820 • 603-742-1517

Install: Y/N

Contact Info: Name XXX-XXX-XXXX / @.COM

Complete: Called/Emailed Date: ___/___/___ By: ___



All proofs and drawings are original unpublished artwork, owned by Sundance Sign Company. Artwork is protected under the U.S. Copyright laws. It is being submitted for your viewing only, and is not to be shown to anyone outside of your organization. Any use, reproduction, copying or exhibiting this drawing without express written consent of Sundance Sign Company will constitute your agreement to incur all expenses involved with the creation of this drawing, and all legal costs to acquire those costs if required. I have verified the accuracy of all graphics shown with respect to sizes and content. The specifications are correct and represent our order requirements exactly. I authorize release to production according to this approval submittal.

Customer Approval

Date:



**Proof #A2
10/25/21**

Company: Port City Air
Job: Freestanding Sign

Type: X

Quantity: 1

Size: Main: 87" w x 53"
Lower: 87" x 33"
Cap: 120" x 16.5" (8" tall band)

Sides: 2

Style: Flat Face with Dimensional Logo

Substrate: x

Posts & Brackets: 10" x 10" Granite
10' AG

Colors: PCA Branded

SUNDANCE SIGN • 89 OAK STREET DOVER, NH 03820 • 603-742-1517

Install: Y/N

Contact Info: Name XXX-XXX-XXXX / @.COM
Complete: Called/Emailed Date: ___/___/___ By: ___



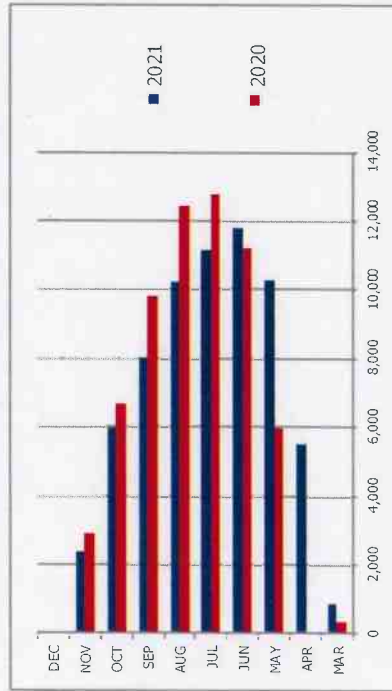
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Customer Approval

Date: _____

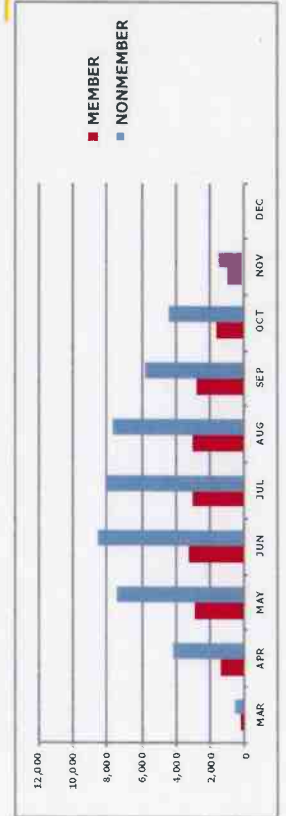
KEY GOLF COURSE BENCHMARKING DATA

ROUNDS OF GOLF PLAYED (SEASON)



	2021	2020	2019
ROUNDS PLAYED	66,590	62,315	55,321
RAIN DAYS	49	66	55

2021 MEMBER / NONMEMBER ROUNDS (SEASON)





2020 ROUNDS- SEASON	
MEMBER	16,004
NONMEMBER	46,311
TOTAL	62,315

2021 ROUNDS- SEASON	
MEMBER	18,489
NONMEMBER	48,101
TOTAL	66,590

GOLF SIMULATOR REVENUES	FY 2022	FY 2021	GRILL 28 GROSS SALES	FY 2022	FY 2021
JULY	\$1,158	\$	JULY	\$262,957	\$204,042
AUGUST	\$915	598	AUGUST	270,631	225,471
SEPTEMBER	\$326	314	SEPTEMBER	235,234	191,445
OCTOBER	\$4,244	4,017	OCTOBER	191,416	138,156
NOVEMBER	\$14,746	12,553	NOVEMBER	119,952	85,187
DECEMBER	\$23,112	23,708	DECEMBER	138,710	71,183
JANUARY	-	30,626	JANUARY	-	77,694
FEBRUARY	-	23,001	FEBRUARY	-	74,967
MARCH	-	48,842	MARCH	-	105,988
APRIL	-	1,032	APRIL	-	134,812
MAY	-	1,062	MAY	-	238,596
JUNE	-	214	JUNE	-	307,875
	\$44,501	\$145,967		\$1,218,901	\$1,855,416

CLUB/ COURSE FUNCTIONS	FY 2022 YTD	FY 2021 YTD
GROUPS 12-40	41,140	25,340
TOURNAMENT PLAY	92,876	95,639
LEAGUES	51,395	48,331
FOOD AND ROOM FEES	142,670	45,636

Memorandum

To: Paul Brean C.M., Executive Director 
From: Sandra McDonough, Airport Community Liaison 
Date: 1/11/2022
Subj: Noise Report for December, 2021

Portsmouth International Airport at Pease ("PSM") received one noise inquiry in December, 2021.

The inquiry was received from a Newmarket resident concerned about the flight altitude of C5 Galaxy Military Aircraft. The caller thought the aircraft was flying too low. Airport Operations spoke with one of the controllers in the tower who stated that the aircraft was flying within the traffic pattern altitudes published in the Airport Facilities Directory.

The C5 Galaxy is based out of Westover Airforce Base in western Massachusetts and utilizes PSM for flight training. As a courtesy, the pilot in command calls Airport Operations prior to their flight and they follow our Voluntary Noise Mitigation Procedures. One of the procedures is to vary their flight pattern slightly to avoid going directly over the same house each time. They are very conscious of all of our voluntary procedures and we work with the Westover Squadron very closely.

MOTION

Director Lamson:

The Pease Development Authority (“PDA”) Board of Directors hereby authorizes the Executive Director to retain the services of a licensed appraiser for the purpose of obtaining an appraisal for two separate locations at the Portsmouth International Airport at Pease (“PSM”) related to a potential land swap / transfer between PDA and the New Hampshire Air National Guard and to expend funds as necessary to pay for the appraisals; all in accordance with the memorandum of Paul E. Brean, Executive Director, dated January 12, 2022, attached hereto.

In accordance with the provisions of RSA 12-G:8, VIII, should the work exceed \$10,000.00, the Board waives the RFP requirement so long

as at least two quotes are obtained for the work, the lower quote is selected, and the total cost does not exceed \$20,000.00

Note: This motion requires 5 affirmative votes.

Roll Call vote.

MEMORANDUM

To: Pease Development Authority Board of Directors *PAB*
From: Paul Brean, Executive Director
Date: January 12, 2022
Re: Appraisal Request

The New Hampshire Air National Guard (“NHANG”) has expressed interest in acquiring some additional land from the Pease Development Authority (“PDA”) on the North Apron of Portsmouth International Airport to accommodate the needs of its mission, through a land swap with the PDA. Specifically, they are interested in transferring the former Airport Rescue and Firefighting (“ARFF”) parcel adjacent to the Terminal building to the PDA in exchange for acreage on the North Apron. Toward that end, the NHANG obtained an appraisal of both the ARFF parcel and the North Apron. On January 12, 2022, I met with a representative of the NHANG and he expressed the NHANG’s desire to move this project forward in 2022.

Consistent with FAA guidance and our own fiduciary obligations, it would be prudent to obtain a second or confirmatory appraisal before proceeding with discussions. With private developers the PDA would generally require the developer to bear the cost of such an appraisal. However, given the involvement of the NHANG and the PDA’s own interests in the possibility of this land swap, staff believes it would be appropriate for the PDA to undertake this work at its own expense.

While I expect the cost of an appraisal will likely be under the \$10,000.00 request for proposal threshold of RSA 12-G:8, and within my delegated authority as Executive Director, given the desires of the NHANG to move this along expeditiously and as the Board does not meet again until March 17th, I am asking for Board authority to contract with a licensed appraiser for this work in the event the cost exceeds \$10,000.00. In such a case, I am also asking for a waiver of the RFP requirement so long as staff obtains at least two quotes for the work and the cost of the selected vendor does not exceed \$20,000.00.

P:\BOARDMTG\2022\Memo to Board re-Appraisal Request Land Swap between PDA & NH ANG (ARF and Portion of North Apron).



*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, DECEMBER 8, 2021 6:00 PM**

PRESENT: Roger Groux, Chair
Brad Cook, Vice-Chair
Erik Anderson
Mike Donahue
Jeff Gilbert
Esther Kennedy-arrived at 6:28 PM
Chris Snow
Geno Marconi

1. CALL TO ORDER

The meeting was called to order at 6:04 PM.

2. APPROVE MINUTES

Chris S. made a motion to accept the November 10, 2021 minutes, with recommended changes clarifying the number of registered boats in NH and the reference to Salem, which is in Massachusetts. Erik A. seconded, no further discussion, the council voted and the motion carried. (Esther not present to vote.)

3. FINANCE REPORT

Jeff commented on the finance report and said the new format is very detailed and appreciates the addition of the notes that were included in this month's report. A summary of the report from the Finance Director would be appreciated. The Council primarily reviews the revenues and expenses in relation to the budget. The operating income is well ahead of the budget. Mike commented that the Year to Date information is there and that it might be helpful to see comparisons to prior years on the major categories. Discussion regarding the wages and benefits being below budget, some is due to the vacancy of the Deputy Chief Harbormaster, and the staff shortages at the Harbors over the summer. Other discussion included the Professional Services category which include engineering, legal fees, etc., the revenue and expenses, the impact that depreciation has on the report, and how the operating income is taken into consideration. The Council recognized Suzy's efforts on providing the information requested from the last meeting and send their compliments to her.

4. PISCATAQUA RIVER VESSEL TRANSIT REPORT

The month of November 2021 was included in the packet. Discussion included the duties of the "Pilot in Training" Vincent "Chip" Taccetta, the amount of Gypsum, and Pilot

requirements based on the type of vessel. Clarification on whether oil was discharged at Schiller, it was actually discharged at Sprague River Road. Discussions on coal and tallow.

5. DIRECTOR'S REPORT

Geno reported on, and materials were provided for, the following items from the November 18, 2021 PDA Board meeting:

- Reports
 - Commercial Mooring Transfer, Devine to Moore
 - PFP Change order # 8A, \$71,500, to drill holes with drill steel and grout due to fractured ledge that could not accommodate the original planned toe pins. The change order was originally over \$80,000 and was negotiated down to the current price. The change order was approved by Director Ferrini and Executive Director Brean by process of delegation of authority. The pier is opening up again for traffic, final paving will be completed in the spring due to the asphalt plant closing for the season (which will actually work to our advantage because any settling over the winter will be repaired). This is the last change order at this point for the project. Overall, the cost of the project is still below the appropriation received from the State and it appears there may be funds left over.
- Approvals
 - Site Lighting Upgrade, Market St. Terminal: 75% FEMA Port Security Grant, the bid was awarded to Yates Electric for \$37,900.00.
 - Granite State Minerals, 5 year license: Currently in the last year of the current agreement, new one will start on Nov 1, 2022. Discussion regarding how the various tenants at the Port work together. With the BUILD Main Pier Rehab project beginning this will be important. Information on past salt ship activity was provided to the bidders.
 - Appledore Marine Engineering Proposal for the Rye Harbor Parking Study: Discussion included the process, which will include stakeholder interviews (to include mooring, parking, skiff, pier use permit holders), the fire lane, how the study relates to Rye Harbor Lobster Pound issue, handicap spots, the existing entrance and other conditions to see if improvements can be made, and the role of local law enforcement. The goal of the study is to determine if improvements can be made on the existing conditions.
 - Right of Entry-F/V Ocean Venture: Market St. Terminal, Menhaden is brought in and sold as lobster bait which also increases the annual quota for NH. The Port works very closely with NH Fish and Game and Atlantic States Fisheries Commission. The lobster bait is primarily sold to the local lobster industry.

6. NEW BUSINESS

- A draft letter to USCG supporting an Aid to Navigation in the Piscataqua River was discussed. The Portsmouth Pilots are requesting support for this. Geno showed a graphic of where the Nav. Aid would be placed (on the Eliot side). Discussion also included the types of ships that will benefit from having the Nav Aid in place. Clarification on whether the buoy will be on the Eastern or Western limitation. Mike made a motion to have the Chairman write a letter of support on behalf of the Council once the location of the buoy is confirmed, Jeff seconded, a vote was taken and all were in favor.
- Notice of Annual Port Advisory Council Meeting, January 12, 2022-Elections will be held for the Council officers. Discussion regarding Esther's replacement as she was not re-elected to the City of Portsmouth Council, the new member will be the mayor or his designee, possibly inviting the mayor to the next meeting or writing a letter to the mayor to explain the Council's position. Discussion regarding whether Esther serves until a replacement is appointed or not in order to help maintain a quorum.

7. OLD BUSINESS

The current dredge report from the contractor doing the Turning Basin was handed out, today was the first run to the Southern Route.

Discussion on possible NH Fish and Game funding and if it could be used to replace the building at the Portsmouth Fish Pier.

8. COMMITTEE REPORTS

Roger mentioned there was an article in the Newington town newsletter that talked about the Turning Basin dredging.

Chris Moorings-the DMV days are set for December 11th and January 8th for the Commercial fishing industry.

Esther-City of Portsmouth: This may be her last official meeting as she was not re-elected to the City of Portsmouth Council. The water line is being laid at Peirce Island, they are going from 2 water lines down to 1.

Roger spoke on a Navy's report to Congress, the goal is to eliminate the 4 year maintenance backlog and return the fleet back to 50 attack submarines and increasing construction efforts to eventually reach a goal 66 attack submarines. The Navy is refueling some of the Los Angeles class subs to extend their service life, and the Virginia class block 5 subs, which are currently under construction and 80' longer than the VA Class, will eventually be coming to the Portsmouth Naval Shipyard as the expansion when completed will allow them to serviced there.

9. PUBLIC COMMENT

There were no members of the public present.

10. PRESS QUESTIONS

There were no members of the press present.

11. ADJOURNMENT

Erik made a motion to adjourn, Jeff seconded, the meeting adjourned at 7:30 PM.



PEASE

INTERNATIONAL

PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

TO: Paul Brean, Executive Director, PDA

FROM: Geno J. Marconi, Director, DPH

DATE: December 20, 2021

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 #880, from Alan Eaton to Michael Eaton.

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

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

○○○○ TAKING YOU THERE

ph. 603-436-8500

fax 603-436-2780

www.peasedev.org

Division of Ports & Harbors

Memorandum

To: Capt. Geno J. Marconi
From: Chief H/M Tracy R. Shattuck *TJS*
Re: Commercial Transfer
Date: December 17, 2021

Alan Eaton and Michael Eaton are requesting the transfer of a Mooring Permit (#880) in the Rye Harbor mooring field. Attached is documentation of Michael's commercial enterprise in the form of his fishing license. Also attached a bill of sale for the business and boat. Michael Eaton 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 #880 be transferred to:

Michael Eaton
12 Elephant Rock Rd
Seabrook, NH



PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

January 4, 2022

William C. Morgridge, President
L.W. Morgridge & Son, Inc.
P.O. Box 53 – Route 236
Eliot, ME 03903

Re: Extension of L.W. Morgridge & Son, Inc.'s Right-of-Entry

Dear Mr. Morgridge,

This letter serves to inform L.W. Morgridge & Son, Inc. grants its request to extend its Right-of-Entry for the use of landing facilities to fill tankers with salt water at the Market Street Terminal to December 31, 2022. The same terms and conditions as approved by the Board at its meeting of December 20, 2018 will remain in full force and effect.

Please let me know if you have any questions.

Sincerely,


Paul E. Brean
Executive Director

cc: Geno J. Marconi, PDA-DPH Director
Anthony I. Blenkinsop, Deputy Director / General Counsel
Suzy Anzalone, Finance Director

P:\PortAuthority\ROE-LOI\2021\L.W. Morgridge Extension of ROE Ltr to 12-31-22.docx

○○○○ TAKING YOU THERE

www.peasedev.org

December 28, 2021

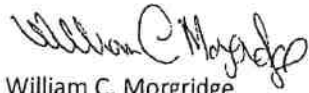
Pease Development Authority
360 Corporate Drive
Pease International Tradeport
Portsmouth, NH 03801

As per our conversation we would like to exercise the agreement to extend our 2(two) 1 (one) year options to extend the ROE. this letter serves as a request of the renewal our contract by extending it for our 1 year option and would agree to a 2 year option if agreed upon for the right of entry for L.W. Morgridge & Son, Inc. to use property of the State of New Hampshire pursuant to the terms of the Right of Entry of the premises located at the Market Street terminal located at 555 Market Street, Portsmouth, NH.

The renewal of this agreement would allow us to utilize the pier at the Market Street Terminal for the purpose of filling tankers with salt water. We agree to work cooperatively with Pease Development Authority and to abide by any reasonable restrictions on use which may be imposed to ensure the interests of the public at large are being served and met at the premises.

Thank you for your consideration,

L.W. Morgridge & Son, Inc.





William C. Morgridge
President
(207) 439-1250



PEASE
INTERNATIONAL
PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

TO: Paul Brean, Executive Director, PDA 
FROM: Geno J. Marconi, Director, DPH 
DATE: January 12, 2022
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 #7284, from Paul O'Brien to Golter Lobster Sales, LLC.

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: January 12, 2022

Paul O'Brien and Joseph Golter of Golter Lobster Sales, LLC are requesting the transfer of a Mooring Permit (#7284) in the Sagamore Creek mooring field. Attached is documentation of Golter's commercial enterprise in the form of his wholesale lobster license and advertising. Also attached is the transfer request and bill of sale from O'Brien. Joseph Golter 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 #7284 be transferred to:

Golter Lobster Sales, LLC
30 Nantucket Place
Greenland, NH 03840

MOTION

Director Levesque:

The Pease Development Authority (“PDA”) Board of Directors hereby authorizes the Executive Director to complete negotiations and enter into a contract with Streamworks PLLC of Madbury, NH for the construction and monitoring of the shoreline restoration required by the NHDES Wetlands Bureau, subject to the availability of funds, as a compensatory mitigation project for the Main Wharf Rehabilitation Project and Functional Replacement Project by the Division of Ports and Harbors at the Market Street Marine Terminal, and, furthermore, authorizes the Executive Director to finalize arrangements with the City of Portsmouth in order to complete the restoration project on City property; all in accordance with the memorandum from Geno J. Marconi, Director of the Division of Ports and Harbors, dated January 12, 2022 attached hereto.

In accordance with the provisions of RSA 12-G:8, VIII, the Board waives the RFP requirement given the ability to utilize a predesigned, preapproved, and permitted project with the contractors that have already constructed a quarter of the total restoration, in order to meet the compensatory mitigation requirements.

**NOTE: This motion requires 5 affirmative votes.
Roll Call vote.**



PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Date: January 12, 2022

To: Pease Development Authority ("PDA") Board of Directors

From: Geno Marconi, Division Director

Re: Compensatory Wetlands Mitigation

The New Hampshire Department of Environmental Services (NHDES) Wetlands Permits for the Main Wharf Rehabilitation Project (funded by the BUILD Grant) and Functional Replacement Project (funded with Federal Highway monies to the State) at the Market Street Marine Terminal, require either a direct payment into the NHDES Aquatic Resource Mitigation (ARM) fund or construction of a compensatory mitigation project. The estimated direct payment to the ARM fund for both projects was estimated at well over one (1) million dollars. However, after discussions with NHDES, a single compensatory mitigation construction project was identified, that would satisfy the mitigation requirements for both project permits, at a reduced cost to the State of New Hampshire.

The project that had been discussed with NHDES would restore approximately four hundred (400) lineal feet, of six hundred (600) of shoreline along the water side of the John Bohenko Park. Two hundred (200) feet of the initial restoration project was constructed under the supervision of the University of New Hampshire (UNH) for the City of Portsmouth and this proposed mitigation would complete the remaining 400' of restoration.

The Division has discussed with the City of Portsmouth the potential of completing the shoreline restoration because the restoration would be on City property and the City holds the Wetlands Permit for the restoration project. This mitigation would complete the shoreline restoration along the City owned property.

In November 2021, the Division received a preliminary estimate for the restoration (\$500,000) and had requested the assistance of the Office of the Governor and the Fiscal Committee of the Legislature in securing funding for this mitigation project. The funds (\$500,000) were approved and are available. Since then, the Division requested a formal written proposal for the combined compensatory mitigation for the two (2) Main Wharf construction project permits. The quoted cost is \$670,328, leaving a delta of \$170,328. The Division will request the additional funding from the Governor and the Fiscal Committee.

The original shoreline restoration project was initiated by the City of Portsmouth that then contracted with UNH to oversee design, construction and monitoring of the restoration. UNH contracted Streamworks, PLLC to design and conduct the restoration. This was all done through a Public Bid process and the contracts remain active. The full 600' project was designed and permitted, however, given only 200' of the 600' were actually constructed the Division has the opportunity to take advantage of a predesigned, preapproved and permitted project with contractors already in place.

○ ○ ○ ○ TAKING YOU THERE

ph: 603-436-8600

fax: 603-436-2780

www.peasedev.org

Therefore, The Division recommends that the PDA Board of Directors authorize the Executive Director to complete negotiations with Streamworks PLLC of Madbury NH and enter into a contract with Streamworks PLLC for the construction and monitoring of the shoreline restoration required in by the NHDES Wetlands Permits, subject to the availability of funds. Waiver of the RFP requirement is requested given the ability to utilize a predesigned, preapproved, and permitted project with the contractors that have already constructed a quarter of the total restoration. Furthermore, please authorize the Executive Director to finalize arrangements with the City of Portsmouth in order to complete the restoration project on City property.



Executive Summary

The restoration concept for the Cutts Cove shoreline is to remove the existing boulder rip rap that extends from elevation -1.5 feet to elevation 8.5 feet, use that rock in part to build the shoreline outwards 35 feet, then fill that footprint to the appropriate elevations to create salt marsh. The original project was conceived in 2015 and consisted of 600 feet of shoreline. Construction of the full 600 feet was permitted in 2016, and that permit was renewed in 2021 for an additional five years. In 2016 the construction was put out for competitive bid and a contractor selected. In 2017, 200 feet were constructed under an Aquatic Resources Mitigation Grant from NHDES. The remaining 400 feet has awaited funding. Funds are now available to construct the remaining 400 feet via targeted mitigation funds.



Created salt marsh two years after construction.



Existing Armored bank

UNH Role in The Cutts Cove Restoration

During Construction, UNH biologists shall be involved with: design review, specifying plants, ordering plants, supervising planting, confirming the site was constructed per the plans, and initial plant monitoring. The mitigation agreement requires five years of post-construction monitoring beginning in the year following the construction and planting. UNH will annually monitor plant species and survival. Our experience shows annual maintenance will be required. UNH will assess maintenance needs during monitoring and provide such maintenance (protection against avian grazing, replanting, and erosion control).

Cutts Cove Phase II - western 400 feet construction and monitoring

Construction	Monitoring	Monitoring	Monitoring	Monitoring
1-Mar-22	1-Jan-23	1-Jan-24	1-Jan-25	1-Jan-26
31-Dec-22	31-Dec-23	31-Dec-24	31-Dec-25	31-Dec-26
	\$28,526.40	\$28,703.18	\$29,839.91	\$30,794.76
				\$31,539.54
Streamworks Budget				
Personnel	Ballestero T			
Labor	Ballestero J			
Total Streamworks direct costs requiring IDC				

Total 5 yr monitoring \$ 149,403.78

Other direct costs	
Plants	\$41,500
Field supplies and mileage	\$2,500
UNH Construction Contract	\$35,661 (see tab 2)
Streamworks IDC	\$23,908 (personnel and labor)
Streamworks profit	\$11,091 (Plants, field supplies, mileage, UNH construction contract)
Streamworks Total Cost	\$157,659 (total of Streamworks direct costs, other costs, IDC & profit)
Construction cost estimate	\$363,266 (see tab 3)
Project Total (not including 5 yr monitoring)	\$520,925

Streamworks
 IDC rate = 0.556
 Streamworks
 profit = 0.1

UNH Contract for Remaining Cutts Cove Construction

UNH Fringe rate - full = 0.376
 UNH Fringe rate - partial = 0.079
UNH IDC rate = 0.26

UNH Labor subcontract 1 Mar 2022 - 31 Dec 2022

Personnel	Burdick Moore	12,000 7,000	
Labor	McKown	2,000	
Fringe	Burdick and Moore Labor	7,144 158	
Other direct costs		0	
total direct costs f&A		28,302 7,359	
UNH Total Cost during construction		35,661	

East Coast Excavation Construction Cost Estimate

Description	Units	Quantity	Unit Price (\$/ur	Cost (\$)
Mobilization	ea	1	\$ 2,000.00	\$ 2,000.00
Traffic Control	ea	1	\$ 4,000.00	\$ 4,000.00
Site Preparation				
Clear and Grub	sf	0	-	-
Access and staging areas	ea	1	\$ 4,000.00	\$ 4,000.00
Accommodate park access	ea	1	\$ 2,500.00	\$ 2,500.00
Materials				
18" coir log roll	lf	1,450	\$ 30.00	\$ 43,500.00
900-gm Coir net	sf	10,000	\$ 3.00	\$ 30,000.00
6-in Biodegradable sod stakes	ea	1,742	\$ 0.50	\$ 870.75
Imported subgrade fill	cy	1,826	\$ 30.00	\$ 54,780.00
Imported topsoil	cy	954	\$ 35.00	\$ 33,390.00
Erosion and Sedimentation	ea		-	-
Earth Work				
Remove "dead" rock and stockpile	cy	200	-	-
Remove "live" rock and stockpile	cy	200	\$ 50.00	\$ 10,000.00
Regrade "dead" rock as base material	cy	200	\$ 50.00	\$ 10,000.00
Place "live" rock in proposed location	cy	200	\$ 100.00	\$ 20,000.00
Grade proposed tidal & upland zone	cy	200	\$ 50.00	\$ 10,000.00
Soil Stabilization and Revegetation	cy	2,000	\$ 50.00	\$ 100,000.00
Seed and mulch above high water line	sf	9,600	\$ 1.00	\$ 9,600.00
Seed and stabilize in intertidal zone	sf	7,500	\$ 0.75	\$ 5,625.00
Demobilization of Staging & Work Area				
Removal of excess material & erosion control	ea	1	-	-
Demobilization and site cleanup	ea	1	\$ 3,000.00	\$ 3,000.00
Allowance for Park Repair		1		\$ 15,000.00
Allowance for Construction Entrance Repair		1		\$ 2,000.00
TOTAL				\$ 363,265.75

Cutts Cove Phase II - western 400 feet construction and monitoring

UNH Monitoring Annual Contract

	Fringe rate - full =		Fringe rate - partial =		UNH IDC rate =		UNH IDC rate =		Totals
	2023	2024	2023	2024	2025	2026	2027	2025	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
	Monitoring	Monitoring	Monitoring	Monitoring	Monitoring	Monitoring	Monitoring	Monitoring	Monitoring
Personnel									
	5,000	5,500	5,775	6,006	6,186	6,186	6,186	6,186	28,467
Ballestero T	5,000	5,500	5,775	6,006	6,186	6,186	6,186	6,186	28,467
Burdick	3,000	3,300	3,465	3,604	3,712	3,712	3,712	3,712	17,080
Moore									
Labor	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	15,000
Ballestero J									
Fringe									
	632	672	693	711	726	726	726	726	3,434
Ballestero and labor	3,008	3,309	3,474	3,613	3,722	3,722	3,722	3,722	17,126
Burdick and Moore									
Other direct costs									
	3000	1,500	1,500	1,500	1,500	1,500	1,500	1,500	9,000
Field supplies and mileage									
total direct costs	22,640	22,780	23,682	24,440	25,031	25,031	25,031	25,031	118,574
IDC	5,886	5,923	6,157	6,354	6,508	6,508	6,508	6,508	30,829
Total Cost	28,526	28,703	29,840	30,795	31,540	31,540	31,540	31,540	149,404