

Place: 55 International Drive –Board Conference Room  
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**BOARD OF DIRECTORS' MEETING**

**AGENDA**

- I. Call to Order / Roll Call:**
- II. Acceptance of Meeting Minutes: Board of Directors' Meeting of October 20, 2022 \* (Anderson)**
- III. Public Comment:**
- IV. Committee:**
  - A. Report:
    - 1. Audit Committee \*
- V. Old Business:**
  - A. Report:
    - 1. Aviation Avenue Group LLC – 100 New Hampshire Avenue – Presentation (See Materials at V.B.1.)
  - B. Approval:
    - 1. Aviation Avenue Group LLC – 100 New Hampshire Avenue – Concept Approval and Amendment of Option Agreement \* **(Fournier)**
    - 2. North Forty Group LLC – Termination of Option Agreement \* **(Lamson)**
- VI. Finance:**
  - A. Executive Summary \*
  - B. Reports:
    - 1. FY2023 Financial Report for the Two Month Period Ending August 31, 2022 \*
    - 2. Cash Flow Projections for the Nine Month Period Ending June 30, 2023 \*
    - 3. Audit Summary and GASB 87 – Presentation by Berry Dunn \*
  - C. Approval:
    - 1. Certified Annual Financial Statements and the Uniform Guidance Audit of Federal Awards Update \* **(Ferrini)**
- VII. Licenses/ROEs/Easements/Rights of Way:**
  - A. Approvals:
    - 1. Lonza Biologics, Inc. – Parking License for 55 International Drive \* **(Parker)**
    - 2. Wood Environment & Infrastructure Solutions, Inc. – 35 Airline Avenue \* **(Levesque)**

**VIII. Leases:**

- A. Report \*:
  - 1. Sublease between 222 International, Limited Partnership and the Housing Partnership – 222 International Drive
  
- B. Approvals:
  - 1. T-Aviation LLC – Skyhaven Airport – Exercise of last one year option \*  
**(Fournier)**
  - 2. Seacoast Newspaper, Inc. – 111 New Hampshire Avenue –Special Exception` Application and Lease Amendment \* **(Ferrini)**

**IX. Contracts:**

- A. Approvals:
  - 1. Portsmouth International Airport at Portsmouth - Digital Communications Radios \*  
**(Lamson)**
  - 2. Piscataqua Landscaping and Tree Service, LLC – Landscaping / Snow Removal – Option Exercise and Rate Increase \* **(Levesque)**

**X. Signs:**

- A. Reports \*:
  - 1. Lonza Biologics, Inc. – 164 Corporate Drive
  - 2. RafterOne – 75 New Hampshire Avenue
  
- B. Approvals:
  - 1. City of Portsmouth Water Treatment Plant – 97 Grafton Drive \* **(Anderson)**

**XI. Executive Director:**

- A. Reports:
  - 1. Golf Course Operations \*
  - 2. Airport Operations
    - a) Portsmouth International Airport at Pease (PSM) \*
    - b) Skyhaven Airport (DAW)
    - c) Noise Line Report
      - (i) September, 2022 \*
  
- B. Approvals:
  - 1. Bills for Legal Services \* **(Parker)**
  - 2. Northeast Chapter of AAAE – 2024 Annual Conference – PSM Host Sponsorship \*  
**(Ferrini)**
  - 3. New Positions - PDA Director of Operations & Executive Administrative Assistant \* **(Levesque)**

**XII. Division of Ports and Harbors:**

- A. Reports:
  - 1. Port Advisory Council Meeting Minutes of June 14, 2022 \*
  - 2. Port Advisory Council Meeting Minutes of September 14, 2022 \*
  - 3. Portsmouth Fish Pier Borings and Sampling - Fuel System \*

**XIII. New Business:**

**XIV. Special Event:**

**XV. Upcoming Meetings:**


Golf Committee	November 14, 2022 @ 8:30 a.m.
Finance Committee	November 14, 2022 @ 9:00 a.m.
Board of Directors	November 17, 2022 @ 8:30 a.m.

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

**XVI. Directors' Comments:**

**XVII. Adjournment:**

**XVIII. 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 accept the meeting minutes of the Board of Directors' meeting held on September 15, 2022.



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

**Thursday, September 15, 2022**

Presiding: Stephen M. Duprey, Chairman  
Present: Neil Levesque, Vice Chair; Thomas G. Ferrini, Treasurer; Erik Anderson; Margaret F. Lamson; and Susan B. Parker  
Absent: Steve Fournier  
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; Grant Nichols, Asst. Director of DPH; Scott DeVito, Pease Golf Course General Manager; Jessica Patterson, IT Administrator; Andrew Pomeroy, Manager, Aviation Planning & Regulatory Compliance; Chasen Congreves, Manager of Airport Administration and Raeline A. O'Neil, Legal Executive Assistant

**I. Call to Order / Roll Call:**

Chairman Duprey ("Duprey") called the roll with only Director Steve Fournier not in attendance; the meeting commenced at **8:30 a.m.**

**II. Acceptance of Meeting Minutes: Board of Directors' Meeting of August 18, 2022**

Director Anderson moved the motion and Director Lamson seconded to approve the minutes of the Pease Development Authority Board of Directors meeting dated Thursday, August 18, 2022.

Discussion: None. Disposition: Resolved by unanimous (6-0) vote for; motion carried.

**III. Public Comment:**

Susan Reynolds (*Rye Harborside*) stated she previously provided a letter dated September 1, 2022, addressed to the Board to correct erroneous comments made regarding Rye Harborside and she requested that the letter (including attachments) be affixed to the September 15, 2022 minutes.

**IV. Finance:**

**A. Executive Summary**

Suzy Anzalone ("Anzalone") Finance Director spoke to the Executive Summary and stated revenues are favorable to budget by just under 20% (seeing strong performance in fuel flowage fees, parking fees, public play at the golf course as well income on short term options). Operating expenses are performing under budget by approximately 10%; looking out, Anzalone does not see anything that may challenge the budget. Where it is early in the year, there is nothing to report regarding the individual business units as currently all are performing favorable to budget. Further, she spoke to the financial strength of the organization helping PDA as it embarks on its capital initiatives during FY23. Anzalone spoke to non-current liabilities at year end, there is an adjustment made to the pension and OPEB liability which is based on the valuation done by the actuarial consultants from the State. Whether PDA's liability goes up or down, is dependent on

investment performance. Anzalone informed the Board that the valuations are a year behind (June 30, 2021) and for the plan year the returns on investments were 29.4% versus 1.1% in 2020.

PDA's cash flow is looking steady and as capital projects progress, this may change, but does not anticipate having to draw on PDA's Revolving Line of Credit ("RLOC") in the near future.

Duprey asked of the Division of Ports and Harbors ("DPH") operating sales revenues as being favorable which is indicated by higher fuel sales. Anzalone indicated it was a result of fuel sales and stated how fuel sales are strong against what was budgeted; this is an estimated figure that tends to vary during the seasons.

Anderson asked if any appropriations from Concord are a consideration in the revenues; Anzalone indicated there are no appropriations included in operating revenues.

Parker asked if the number of customers are increasing or is the increase as a result of higher fuel costs; Anzalone indicated she thought some was as a result of the higher fuel costs as fuel purchases are unfavorable. Anzalone reminded the Board that last year at this time the Portsmouth Fish Pier was not operational.

Ferrini asked what percentage of operating revenue are not fuel and rather contractual income; Anzalone estimated it to be about 25% being fuel sales and then wharfage / dockage fees and mooring fees. Brean indicated there had also been an increase in the wharfage due to the work being performed at the Portsmouth Naval Shipyard ("PNSY") as the contractor was utilizing the Market Street facility as a staging area during certain aspects of the project.

Geno Marconi ("Marconi"), Division Director of DPH, stated DPH is self-funding and it has a couple of base tenants and the use of the wharfage area utilized by the PNSY contractor will be ramping back up shortly with the next phase of the project. Marconi spoke to the various revenue streams (dockage, wharfage and ground rentals) at the facility.

**B. Reports:**

- 1. FY2023 Financial Report for the One Month Period Ending July 31, 2022**
- 2. Cash Flow Projections for the Nine Month Period Ending May 31, 2023**

**C. Approvals:**

- 1. Updated Corporate Resolution – Bank Accounts**

Director Levesque moved the motion and Director Parker seconded that the Pease Development Authority ("PDA") Board of Directors hereby authorizes PDA employee Michael R. Mates to endorse all checks, drafts, depository agreements and/or other related bank documents in accordance with the powers previously granted by this Board to the Treasurer, Executive Director, General Counsel, and Manager of Engineering of the PDA concerning PDA bank accounts, and consistent with bank resolutions previously adopted; The authority hereby conferred shall be and remain in full force and effect until written notice of the revocation is presented.

The following appointed official and employees are authorized to endorse all checks, drafts, depository agreements and/or other related bank documents in accordance with the powers so granted:

<b>Thomas G. Ferrini</b>	<b>Treasurer</b>
<b>Paul E. Brean</b>	<b>Executive Director</b>
<b>Anthony I. Blenkinsop</b>	<b>Deputy Director/General Counsel</b>
<b>Michael R. Mates</b>	<b>Engineering Project Manager</b>

The authority hereby conferred upon the above named Agents shall be and remain in full force and effect until written notice of the revocation is presented;

Further, the Board respectfully revokes such authority of Manager of Engineering Maria J. Stowell;

All in accordance with a memorandum from Suzy Anzalone, Finance Director, dated September 1, 2022.

Discussion: Disposition: Resolved by unanimous (6–0) vote for; motion carried.

**V. Licenses/ROEs/Easements/Rights of Way:**

**A. Report:**

**1. PlaneSense – Right of Entry – 105 Flightline Road**

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: PlaneSense
- License: Right of Entry
- Location: 105 Flightline Road
- Purpose: For the purpose of survey / site inspection
- Term: September 1, 2022 through November 30, 2022

**VI. Leases:**

**A. Reports:**

- 1. **Sublease from One New Hampshire Avenue, LLC to Boulos Holdings, LLC – 1 New Hampshire Avenue (Suite #207)**
- 2. **Sublease from 200 International Limited Partnership to IPC TFIC LLC d/b/a Infraspect**

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

- 1. Tenant: Boulos Holdings, LLC
- Space: One New Hampshire Avenue (Suite 207)
- Use: Office and Related Use
- Term: Five (5) years with commencement anticipated to be no later than August 1, 2022.
- 2. Tenant: IPS TFIC LLC d/b/a Infraspect
- Space: 200 International Drive
- Use: General Office Use and Light Industrial
- Term: Five (5) years and three (3) months



**VII. Contracts:**

**A. Report:**

**1. US Ecology (successor to NRC East Environmental) – Exercise of option**

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

1. Project Name: US Ecology (successor to NRC East Environmental)  
Board Authority: In accordance with the authorization provided by the Board of Directors at its meeting on August 22, 2019  
Summary: Exercise the first of its two, one year options to September 30, 2023 for emergency spill response & waste disposal services

**B. Approvals:**

**1. Insurance Producer / Broker Services**

Director Ferrini moved the motion and Director Lamson seconded that the Pease Development Authority Board of Directors authorizes the Executive Director to enter into an insurance producer service agreement with Fred C. Church, Inc., for up to a five (5) year term, in an amount not to exceed \$216,355.00; all in accordance with the memorandum of Anthony I. Blenkinsop, Deputy Director / General Counsel, dated September 14, 2022.

Discussion: Anderson asked for confirmation that the amount referenced was for the five (5) year period; Blenkinsop affirmed it was the total for the five (5) year term.

Ferrini thanked Blenkinsop for the time and effort expended on the RFP process regarding the specialty use insurance that PDA has and in understanding the differences in price coverage.

Duprey too thanked Blenkinsop for the detailed memo and thorough review provided to the Board. Provides the confidence necessary to move forward.

Blenkinsop did inform the Board that PDA is taking a different view than it has in the past; previously the brokers have worked off commission through the insurance companies. This has been set up so that a single producer / broker will be working for PDA so there will be streamlined capability to work with one company so it will advise / assist over all lines of coverage. Blenkinsop indicated we will be back before the Board to bind specific lines of coverage.

Disposition: Resolved by unanimous (6–0) vote for; motion carried.

**2. Non-Hazardous Solid Waste Removal – Bid Award**

Director Lamson moved the motion and Director Parker seconded that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into a contract with Win Waste Innovations of Northern New England Inc. for the purpose of providing non-hazardous solid waste removal services at Pease Development Authority facilities for a period of two (2) years at an estimated monthly cost of \$4,917.00, with potential fluctuations due to increased trash pick-ups at PDA facilities during business seasonality, along with two (2) one (1) year options to extend; all in accordance

with the memorandum of Jared Sheehan, Environmental Compliance Coordinator, dated September 2, 2022.

Discussion: None. Disposition: Resolved by unanimous (6-0) vote for; motion carried.

### 3. Seacoast Security – Duress Alarm System

Director Anderson moved the motion and Director Levesque seconded that the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into an agreement with Seacoast Security of Portsmouth, NH, in the amount of \$11,110.00 for the provision and installation of emergency duress alarm systems at certain PDA facilities, as well as a monthly monitoring fee of \$210.00; all in accordance with the memorandum of Ed Pottberg, Airport Security Administrator, dated September 7, 2022.

In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement as Seacoast Security is under contract with the PDA for the provision of security services.

Discussion: Duprey asked for confirmation these were emergency duress buttons for the various facilities; Brean affirmed.

Disposition: Resolved by unanimous (6-0) vote for; motion carried.

### 4. HID Security – Airport Badge System Updates

Director Levesque moved the motion and Director Parker seconded that the Pease Development Authority Board of Directors authorizes the Executive Director to enter into an agreement with HID in a total amount not to exceed \$12,000.00 for the purpose completing an upgrade to the Airport Badge System at Portsmouth International Airport at Pease (“PSM”); all in accordance with the memorandum of Ed F. Pottberg, Airport Security Administrator, dated August 31, 2022.

In accordance with the provisions of RSA 12-G:8, VIII, the Board justifies the waiver of the RFP requirement as HID is the existing provider of PSM’s badging equipment and software.

Discussion: Duprey asked if this were to comply with TSA regulations; Brean affirmed (insider threat).

Disposition: Resolved by unanimous (6-0) vote for; motion carried.

### 5. Skyhaven LED Taxiway Lighting

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 ADB Safegate Americas LLC, at a cost not to exceed \$31,000.00, for the purchase of one hundred fifty (150) LED taxiway light fixtures for Skyhaven Airport; all in accordance with the memorandum of Andrew B. Pomeroy, Manager Aviation Planning and Regulatory Compliance, dated September 8, 2022.

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

1. The Portsmouth International Airport at Pease (“PSM”) currently uses ADB LED Taxiway lights, and utilizing the same taxiway lights will save considerable amounts of time, money, and effort by maintaining one common interchangeable parts inventory to serve both

- airports.**
2. **ADB LED taxiway edge lights have performed well at PSM over the past decade.**

Discussion: None. Disposition: Resolved by unanimous (6-0) vote for; motion carried.

**VIII. Executive Director:**

**A. Reports:**

**1. Golf Course Operations**

Scott DeVito (“DeVito”) Pease Golf Course (“PGC”) General Manager recapped information contained on the PGC slide in the Board packet. The public rounds played have been very strong through the month of August and are currently at approximately 58,000 total rounds for the calendar year; anticipate by the weekend will be over 60,000 rounds played. Averaging out the typical rounds played in the months of October and November, DeVito anticipates seeing the total rounds of play to exceed 70,000 for the calendar year, a record high.

The August figures indicated for Grill 28 have been the largest numbers they have seen since starting in 2011.

Group / Tournament play continues to be high; on pace to do 4,200 tournament rounds of play with 75% being charity fundraisers. DeVito indicated that during the Sig Sauer event, which utilized all 27 holes, it raised \$125,000 of charitable funds (donated to Disabled Veterans); Portsmouth Rotary raised \$20,000 for its charitable scholarship fund.

DeVito indicated that through the month of July, PGC utilized just over 12 million gallons of water.

**2. Corporate Drive Project Update**

Jared Sheehan (“Sheehan”), Environmental Compliance Coordinate, spoke to the Board regarding the joint Corporate Drive project between PDA and the City of Portsmouth (“City”). Several digital photos were displayed showing various outfall locations along (231, 249 and 273) Corporate Drive in order for the Board view the improvements. Sheehan indicated the 273 Corporate Drive improvements involved building a road out to the outfall area resulting in a wetland impact. This is just the first phase of the project and the City will be going out to bid by the end of the year for improvement to the utilities along Corporate Drive.

Blenkinsop reminded the Board that it authorized the funds for this work earlier this year. This work is a prerequisite to getting the road repaved.

**3. Airport Operations**

**a) Portsmouth International Airport at Pease (PSM)**

Brean spoke to the airport slides in the Board’s packet and stated PSM had a successful August with a 39.1% increase in aeronautical revenues tied commercial enplanements. Of which, there were 5,182 Allegiant passenger enplanements contributing to revenues received regarding pay for parking. There has been a strong and consistent military tech stop supporting several geo-political missions, also generating 1.2 million gallons in fuel flowage for the month. This is also carrying over to the commercial aviation sector which is utilizing PSM for technical stops as well.



Brean also spoke to the overall enplanements for the year trending well at approximately 61,000 and indicated it has surpassed last year's goals.

Further, Brean stated that UNH Wildcats athletic teams will be flying out of PSM through Avelo Airlines for out of town athletic events. Further, Allegiant has contracted with many of the visiting UNH sports teams.

Brean spoke to diminished support by US Customs and Board Patrol due to staffing issues.

Brean spoke to a second slide provided to the Board so it could see how the activity of Allegiant passengers has progressed over the past five years during the months of May to November. Staff have been working hard to prove to Allegiant that PSM / Portsmouth is a gateway destination to New England during the summer months as well as a year round gateway into New England. The only capacity reduction with Allegiant has been on its end due to labor / resources. Flights are going out very full (except Myrtle Beach which has not responded as well since COVID). Brean indicated this helps to provide an overview on how the marketing funds are utilized which can be seen with the receptiveness of flights to Florida and Nashville.

**b) Skyhaven Airport (DAW)**

**c) Noise Line Report**

**(i) August, 2022**

Brean indicated PSM received a total of six (6) noise complaints for the month of August, 2022. Two were received when Runway 34 was in use regarding the increased military aircraft activity arriving which included based and non-based aircraft.

Further, there were four (4) noise complaints when Runway 16 was in use. Three (3) from Portsmouth residents asking if the flight paths had changed as a result of military practice procedures and transportation of military personnel.

Brean spoke to a digital display showing work being performed at 30 New Hampshire regarding the Aclara's Corporate World Headquarters (manufacturer of utility metering systems).

Duprey asked if Aclara were already in New Hampshire; Brean indicated Somersworth. Duprey asked whether there would be an addition of employees from its current base; Brean indicated it is anticipated there will be an onboarding of employees eventually.

Anderson asked if there was any new information to be relayed to the Board concerning PROCON/Kane projects and the status of the Million Air development. Brean stated PROCON/Kane continues to perform its due diligence / feasibility study on the proper fit at PDA and believes conceptual plans are in the works for the 100 New Hampshire Avenue parcel. They have not brought anything forward regarding the North Apron option. Million Air's consultants and PDA staff have been working on 90% drawings and the next step would be a submittal to bring forward for Technical Review.

Lamson spoke to Million Air having planes and refueling; Brean affirmed that they would be a Fixed Base Operator ("FBO") that fuels planes.

Duprey asked about having the same level of service being requirements written into the Minimum Standards to ensure that PSM does not have a lower level of overall service between FBO entities. Brean spoke to PSM's Airport Minimum Standards for FBO's outlining all requirements (hangar, lobby space, staff, equipment, equipment to support a variety of aircraft etc.) which are to protect the airport's interest and FAA requirements to protect the flying public. Further, Brean stated that PSM's Minimum Standards are appropriate for its size of airport. The current FBO has requirements within its private contractual agreements with certain entities which may go beyond PSM's Minimum Standards.

Lamson indicated the United States Air Force always had fuel at the north apron and after PDA took over, there had been a push to have the fuel tank on the aquifer. Lamson stated her trepidations about the location of Million Air's fuel tanks and the need to be very cautious.

Duprey indicated Million Air has undergone permitting with the State and has been provided a wetland's permit, although the permit is being appealed.

Anderson asked if the Board, in a land use position have the ability to question the DES approval; Blenkinsop indicated DES has jurisdiction to issue a wetlands permit, which has been issued for the construction of the access road. PDA does not have the ability to deny the wetlands permit. Maria Stowell ("Stowell"), Engineering Manager, indicated DES looks solely at the demarcation of wetland itself. Beyond that, locally PDA has wetland buffer rules. Stowell indicated Million Air proposes to fill in some of the wetland buffer to build the access road. Further, a special conditional use permit will be requested and reviewed by a PDA Committee and then the full Board.

Ferrini indicated some municipalities have in its zoning ordinances that exceed the state minimum and asked if that were something in PDA zoning. Stowell indicated the State does not have any wetland buffer. Stowell stated Portsmouth has a municipal ordinances for buffers and PDA has its own buffers, which are not the same. Ferrini asked why they are not the same. Stowell informed the Board that Portsmouth has a blanket 100' buffer so all land owners would be treated equally. PDA, who owns the land, did a study on the wetlands and have graduated wetland buffers ranging from 25' to 100'.

Duprey asked about the location of the access road and the type of wetland where it would be located; Stowell stated the area has been designated with a 25' buffer. Duprey asked if the buffer (25') had been previously determined prior to the suggestion of the access road; Stowell affirmed.

Brean spoke to an Op-Ed in the Herald which stated the access road would be utilized for the fuel trucks. However, that is not the case; it is an access road for the "front of the house" retail (passenger vehicles, limousines, shuttle buses) component of the FBO. Further the fuel trucks would access the facility as they do already through a commercial gate for commercial activity; exception would be the Air National Guard ("ANG"), which has a different location for fuel delivery.

Parker asked if military servicing has increased in 2022 in comparison to last year. Brean indicated there had been recent upticks due to certain geo-political events, but believes PSM is on track from last year. However, what has been seen is an uptick in commercial activity (technical stops, troop flights being moved under commercial airlines). Parker asked if the Air Guard has been re-designated by the Air Force as a more active squadron. Brean stated the NH ANG is self-sustaining and the ramp up of the KC-46 was a five (5) year process (these planes do more than the previous KC-135). Parker asked of articles seen regarding the



addition of approximately 160 Air Force personnel; Brean affirmed and further stated that at one point the 160 employees were removed from the base during the transition from the KC-135 to the KC-46, but they will be returning to the ANG.

**B. Approvals:**

**1. Bills for Legal Services**

Director Ferrini 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 \$4,466.00 for legal services rendered to the Pease Development Authority from Sheehan, Phinney, Bass & Green for the period of July 1, 2022 – July 31, 2022, in the amount of \$522.00 for Permit Implementation; July 1, 2022 – July 31, 2022, in the amount of \$667.00 (for Ports and Harbors; August 1, 2022 – August 31, 2022, in the amount of \$638.00 for Tradeport General Representation; and August 1, 2022 – August 31, 2022, in the amount of \$2,639.00 for Permit Implementation. And, to expend funds in the amount of \$531.00 for legal services rendered to the Pease Development Authority from Anderson Kreiger as outside counsel for Federal Regulatory Advice from July 1, 2022 through July 31, 2022. For a total amount of \$4,997.00 in legal services.

Discussion: Duprey asked if there would be a consideration to approve the bills on a quarterly basis instead of monthly. Blenkinsop indicated it can be handled whichever manner the Board prefers, but historically the Board wanted them on a monthly basis.

Disposition: Resolved by unanimous (6–0) vote for; motion carried.

**IX. Division of Ports and Harbors:**

**A. Reports:**

**1. Foreign-Trade Zones Board - Annual Report**

Division Director Geno Marconi (“Marconi”) spoke to the excerpt provided on this matter to indicate they are areas designed by the US Foreign Trade Zone Board and are under the supervision of the US Customs and Board Patrol. The purposes of assessment is to allow duty on foreign merchandise, the merchandise is considered to not have entered the commerce of the US while in the FTZ. Marconi spoke to Millipore Corporation, a company which has been operating in a FTZ for a long time as it has some extensive imported merchandise; also, Textiles Coated International in Manchester. Both entities are two companies engaged in manufacturing. Further, Marconi also spoke to Rochester Electronics, a facility located on Pease, is doing FTZ general warehousing. There is another company which will be utilizing a FTZ in the near future, being a company that manufactures aluminum cans.

Ferrini asked of the reference of employees (1,501 to 2,000); Marconi responded number refers to the number of employees with the company utilizing the FTZ. Ferrini further asked if there were revenues tied to the companies who utilize the FTZ areas; Marconi affirmed. Further, the fees collected can only be utilized to offset administrative costs, education and promotion.

Marconi indicated due to timing, the Port Advisory Council minutes will be provided in the October Board materials.

Marconi spoke to digital photos displayed so the Board to see the ongoing project at the Market Street

terminal. Duprey asked of the anticipated completion; Marconi indicated the entire project would not be completed until next fall due to a delay with wetlands permits that DPH has encountered. It is anticipated the deck should be completed by 1<sup>st</sup> of November in order to receive ships. Marconi commended his staff in overseeing this project which includes a vast amount of paperwork that accompanied the grant received for the project.

Lastly, Marconi informed the Board that in working with DOT, DPH is setting up a date of mid-July to go out to bid for the work to be performed on the functional replacement. This will be done after the pier is operational.

**B. Approvals:**

**1. Appledore Marine Engineering, LLC – Proposal for Portsmouth Fish Pier Repairs**

Director Parker moved the motion and Director Lamson seconded that the Pease Development Authority Board of Directors authorizes the Executive Director to finalize and execute a contract with the Division of Ports and Harbors contracted on-call marine engineering service provider, Appledore Marine Engineering, LLC, for the purpose of providing marine engineering and construction services related to the repair of the pier at the Portsmouth Commercial Fish Pier facility, in an amount not to exceed \$193,174.00; all in accordance with the memorandum of Geno J. Marconi, Division Director of Ports and Harbors, dated August 26, 2022.

Discussion: Anderson asked when this project would be going out to bid; Marconi indicated as soon as drawings / specs are received.

Disposition: Resolved by unanimous (6–0) vote for; motion carried.

**2. Swell Oyster Company LLC – Hampton Harbor – Proposed Expansion of Back Building**

Director Lamson moved the motion and Director Levesque seconded that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to approve an amendment to the Right of Entry with Swell Oyster Company to enlarge the size of its approved building at the Hampton Harbor Marine Facility; all in accordance with the terms and conditions set forth in the memorandum of Geno J. Marconi, Division Director, dated September 1, 2022.

Discussion: Marconi indicated one of the owners, Connor, was available to speak to the Board regarding this request. Connor indicated what his company has been allowed to do has afforded them to bring Swell Oyster to the next level as it is the only oyster farm with a brick and mortar facility in New Hampshire; are now looking to grow the wholesale side of the business.

Disposition: Resolved by unanimous (6–0) vote for; motion carried.

**X. Special Event:**

**A. Reports:**

- 1. Newington School Supporters – Road Race on Arboretum Drive**
- 2. Wentworth Douglass – Seacoast Cancer 5k**

Brean reported that Newington School Supporters, Fox Point Sunset, will be having a 5 Miler Course and will use a portion of Arboretum Drive for a race to be held on Saturday, September 24, 2022; and Wentworth Douglass Hospital will be holding a 5K race to benefit Seacoast Cancer which will be held on Sunday, September 25, 2022. Brean indicated historically the Wentworth Douglass road race has been held in Dover and it is being moved to Pease this year.

**XI. Upcoming Meetings:**

Port Committee October 6, 2022 @ 8:00 a.m.

**Brean reported the Port Committee meeting will be rescheduled.**

Audit Committee October 17, 2022 @ 8:30 a.m.

Board of Directors October 20, 2022 @ 8:30 a.m.

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

**XII. Directors' Comments:**

Lamson asked Blenkinsop whether or not she would be able to sit in the audience during the Audit Committee meeting; Blenkinsop indicated it could be discussed further but it would put a quorum of the Board in the meeting room. Having a quorum raises a question of a Board meeting versus a Committee meeting. Blenkinsop indicated past practice had been a certain way but he could look into it and get back to her. Brean indicated a summary of the Committee meeting could be provided to the Board.

Brean thanked Ferrini on his guidance on procurement of insurance services (his insight was very helpful to Blenkinsop). Further, Brean commended Blenkinsop for his efforts in taking a comprehensive look at insurance policies, spearheading the RFP, and coordinating a committee to review the bids received.

Presentation to Maria J. Stowell, Engineering Manager who is retiring the end of September. Brean provided background regarding Stowell and presented her with a runway taxi light which symbolizes guiding Stowell to her PDA home. He further indicated Stowell has agreed to assist PDA on a part-time basis in the future. Duprey read several initiatives that Stowell has achieved during her 29 years at PDA. Stowell thanked everyone and especially PDA co-workers who have assisted her throughout the years and who have educated her on everything from airports to boats.

**XIII. Non-public Session:**

Director Lamson moved the motion and Director Levesque seconded that the Pease Development Authority Board of Directors will enter non-public session pursuant to NH RSA 91-A:3 for the purpose of discussing:

1. Dismissal, Promotion, or Compensation of any Public Employee [NH RSA 91-A:3, II (a)]; and
2. Consideration of Legal Advice provided by Legal Counsel [NH RSA 91-A:3, II (I)].

Discussion: None. Disposition: Resolved by unanimous (6-0) vote for; motion carried.

Entered Non-public session at approximately 9:56 a.m.



Director Parker moved the motion and Director Lamson seconded to return to public session.

Discussion: None. Disposition: Resolved by unanimous (6-0) vote for; motion carried.

Came out of non-public session at 10:20 a.m.

**XIV. Vote of Confidentiality:**

Director Parker moved the motion and Director Ferrini seconded that be it resolved, pursuant to NH RSA 91-A:3, the Pease Development Authority Board of Directors hereby determines that the divulgence of information discussed and decisions reached in the non-public session of its September 15, 2022, regarding Dismissal, Promotion, or Compensation of any Public Employee; and Consideration of Legal Advice provided by Legal Counsel are confidential matters which, if disclosed publically, would render the proposed actions ineffective and further agrees that the minutes of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply.

Discussion: None. Disposition: Resolved by unanimous (6-0) vote for; motion carried.

**XV. Adjournment:**

Director Ferrini moved the motion and Director Lamson seconded to adjourn the Board meeting. Meeting adjourned at 10:21 a.m.

**XVI. Press Questions:**

No comments from the press.

Respectfully submitted,



Paul E. Brean  
Executive Director

**PEASE DEVELOPMENT AUTHORITY**  
**Monday, October 17, 2022**

**AUDIT COMMITTEE AGENDA**

**Time:** 8:30 A.M. – Board Meeting Room  
**Place:** 55 International Drive  
Pease International Tradeport  
Portsmouth, New Hampshire 03801

- I. Call to Order (*Ferrini*)
- II. Acceptance of Committee Meeting Minutes: April 18, 2022 \*
- III. Public Comment
- IV. FY 2022 External Audit (*Suzy Anzalone, Robert Smalley, and Katherine Balukas*)
  - A. Reports
    1. Management Representation Letter \*
    2. Executive Summary of Audit Engagement \*
    3. Auditor Required Communication Letter \*
  - B. Approvals (*Anderson*)\* +
    1. Certified Financial Statements \*
    2. Uniform Guidance Audit of Federal Awards \*
- V. Next Meeting- TBD
- VI. Director's Comments
- VII. Adjournment
- VIII. Press Questions

\* **Related Materials Attached**  
+ **Proposed Motion**

## MOTION

Director Fournier:

The Pease Development Authority Board of Directors approves the concept plan for 100 New Hampshire Avenue as submitted by Aviation Avenue Group LLC for the development at 100 New Hampshire Avenue, and authorizes the Executive Director to execute any and all documents necessary to amend the Option Agreement between the PDA and Aviation Avenue Group LLC by terminating the agreement as it relates to 7 Lee Street, and to refund a pro rata share of the remaining option payment to Aviation Avenue Group LLC consistent with the amendment and partial termination; all in accordance with the memoranda of Paul E. Brean Executive Director dated October 13, 2022, and Michael R. Mates, Engineering Manager, dated October 13, 2022.

N:\RESOLVES\2022\Aviation Group LLC Concept Plan for 100 NH Avenue.docx

## MEMORANDUM

**To:** Pease Development Authority Board of Directors  
**From:** Paul Brean, Executive Director   
**Date:** October 13, 2022  
**Re:** Aviation Avenue Group LLC – Partial Termination of Option Agreement

---

In January of 2022, the Pease Development Authority (“PDA”) Board of Directors granted an Option Agreement to Aviation Avenue Group LLC (“Aviation Avenue”) regarding potential development at 14 Aviation Avenue, 7 Lee Street, and 100 New Hampshire Avenue. In June of 2022, the Option Agreement was amended to remove 14 Aviation Avenue, the only aeronautically zoned parcel, from the option area. At that time, Aviation Avenue indicated a desire to focus its due diligence on a potential commercial/manufacturing development in the Pease Industrial Zone consistent with other developments at the Pease Tradeport.

At this month’s PDA Board meeting, Aviation Avenue is seeking concept approval for an advance manufacturing facility development on the 11+/- acre parcel at 100 New Hampshire Avenue. This is an exciting development opportunity for a parcel at the Tradeport that has remained vacant for over a decade since an old Air Force warehouse was removed from the parcel to spur economic development opportunities. Detailed information on the proposed development has been provided by Aviation Avenue and its engineers at Tighe & Bond, as well as in a PDA staff memorandum prepared by Engineering Manager Michael Mates, which I incorporate herein.

Given the development proposed by Aviation Avenue involves only the parcel at 100 New Hampshire Avenue, it is requesting a partial termination of the Option Agreement concerning the parcel at 7 Lee Street and removal of obligations under the Option Agreement to construct a new PDA Maintenance Facility should the option agreement be exercised and a lease agreement negotiated. In light of the advanced manufacturing development being proposed at 100 New Hampshire Avenue and given no development is proposed that involves the parcel at 7 Lee Street, I have no objection to the partial termination that has been requested. The parcel at 7 Lee Street will continue to serve the PDA as the location of its maintenance operations headquarters.

At the PDA Board of Directors’ October 2022 meeting, I request authorization to partially terminate the Option Agreement with Aviation Avenue in regards to the parcel at 7 Lee Street and amend the Option Agreement consistent therewith, and to refund a pro rata share of the remaining option payment to Aviation Avenue.

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## MEMORANDUM

To: Paul E. Brean, Executive Director *PEB*  
From: Michael R. Mates, PE, Engineering Manager *MRM*  
Date: October 13, 2022  
Subject: 100 New Hampshire Avenue Concept Approval

In January of this year, the PDA Board of Directors authorized entry into an Option Agreement with Aviation Avenue Group, LLC, regarding potential development at 14 Aviation Avenue, 7 Lee Street, and 100 New Hampshire Ave. Consistent with the intent of the agreement, staff recently received concept plans from the developer regarding a development on 100 New Hampshire Avenue. The developer is proposing to create a parcel of approximately 11.4 acres and construct a 209,750 square foot building as shown on the attached plans. An end user has not been identified at this juncture as explained by the developer in the attached correspondence. The intended uses include 18,144 square feet of office space and 191,606 square feet of advanced manufacturing space, both of which are allowed uses in the Industrial Zone.

The site will be accessed from both New Hampshire Avenue and Rochester Avenue. New Hampshire Avenue will serve as the main entrance for general passenger vehicles and Rochester Avenue will be used for access to the loading areas. Sidewalk access has been provided along the entire frontage on New Hampshire Avenue as well as along Stratham Street with two connections to the building at the north and south ends. In addition, site improvements include six loading docks at both the north and south ends of the facility, 147 parking stalls, utilities, lighting, landscaping, and other appurtenances. As part of the site design, stormwater management and treatment measures will be provided by filtration best management practices in accordance with NHDES and PDA rules and regulations. A Traffic Impact Assessment (attached) was conducted by Tighe & Bond, Professional Engineers licensed in NH, who estimate that the development is expected to generate 149 passenger vehicle trips and 6 truck trips during the weekday, peak hour. This estimate is based on formulas and data presented in the Institute of Transportation Engineers (ITE) Handbook for historical manufacturing and office uses. The actual number of trips may differ once a specific end user is identified. If the Board grants conceptual approval for this development, PDA will engage VHB, our on call transportation engineer, to complete a third party peer review of the assessment.

There are no wetlands on the subject parcel so there will be no wetland or wetland buffer impacts associated with this proposal. Parking and open space requirements have been met.

One variance is requested to reduce the front yard setback from 70' to 51'±. According to the project memo submitted by the applicant and attached hereto, the most common layout for these types of advanced manufacturing buildings includes 50' x 50' bays and a building footprint with a 2 to 1 length to width ratio. It is for this reason the applicant is seeking relief from the front yard setback.



Staff has reviewed the proposal and we believe the use is appropriate for this site and the development can be constructed in conformance with PDA's Land Use Controls with the exception of the front yard setback. If received favorably by the PDA Board, Aviation Avenue Group, LLC will continue with design work and, with staff concurrence, submit plans for a variance, as well as subdivision and site review applications to the City of Portsmouth for consideration.

Representatives from Aviation Avenue Group, LLC will be at the October meeting to present the project and answer questions.

At the October PDA Board of Directors meeting, please ask the Board to provide concept approval for the proposed development at 100 New Hampshire Avenue.

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Aviation Avenue Group LLC

October 13, 2022

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

Re: PDA Concept Approval  
Proposed Advanced Manufacturing Building  
100 New Hampshire Avenue  
Portsmouth, NH 03801

Dear Mr. Brean,

Aviation Avenue Group LLC is pleased to submit this project memo and the attached conceptual site plans for our proposed Advanced Manufacturing facility project at 100 New Hampshire Avenue located in the PDA Industrial Zone. This memo provides a project history, general project overview, and strategy for project advancement, and detailed summaries of key project features.

**PROJECT HISTORY:**

In December of 2021, following months of preliminary site investigation, this project team requested Option Agreements from the PDA for parcels including 14 Aviation Avenue, 7 Lee Street and 100 New Hampshire Avenue, as well as an additional Option Agreement for 19.8 +/- acres on the North Apron. The Options were granted and each Option Period commenced in February 2022. The term of each Option Agreement was thereafter extended through January 31, 2023 pursuant to those certain Amended Option Agreements effective as of June 22, 2022. We have used the time since then to thoroughly investigate each site and the impact our development will have on Pease and the surrounding communities. We have worked with multiple local consultants and experts to better understand each Option Area and explore detailed development plans. The exclusivity provided by our Option Agreements during that time has enabled us to engage with multiple potential end users so that we can find the best users for the sites and for Pease

It was this development team's original intention to investigate and pursue air cargo distribution developments for these parcels, but after receiving feedback from the community and a deep exploration of the market, including many conversations with real end users, we pivoted, deciding to focus our development on 1) non-airside uses at 100 New Hampshire Avenue and 7 Lee Street, and 2) non-air cargo-focused development on the North Apron.

We have widely marketed the 100 New Hampshire Avenue and 7 Lee Street properties and have been pursuing numerous potential tenants. Most of the interest has been from manufacturing companies for built-to-suit opportunities, and we have entered serious conversations with several companies. We're thrilled to report that these companies have consistently expressed their interest in developing a facility with our team at Pease. They have reviewed the quality of the labor force on the Seacoast, and the manufacturing infrastructure at Pease. These end users understand that their facilities would fit in naturally and complement the existing roster of world-class manufacturing organizations at Pease. They appreciate New Hampshire's pro-business environment and the willingness of the Pease Development Authority to partner with out-of-state organizations to bring high-quality business leadership and job opportunities to New Hampshire. In planning for our development, there are some distinct commonalities among the companies we have been talking to:

1. All are involved in highly automated manufacturing processes or what we are referring to as "Advanced Manufacturing" where intensive unskilled labor manufacturing has been substituted by robotized assembly requiring fewer, but more highly skilled and highly compensated employees. These processes require fewer truck bays and far less traffic than a traditional manufacturing facility, while providing more high-quality jobs and leadership opportunities.
2. Their program requirements range between 100,000-250,000 sf.
3. All are currently Massachusetts-based and are apprehensive about committing to an unapproved and unentitled project. This apprehension stems from having immediate needs and the inability to plan for (with certainty) the timing of taking possession of space. We have high confidence that the removal of the uncertainty surrounding entitlements will allow and inspire one or more of these high-end Advanced Manufacturing users to commit to New Hampshire, Pease, and our project.

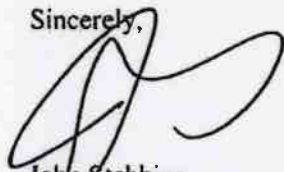
Based on the quantity and quality of discussions we have had with prospective tenants, and these commonalities, it is our intention to proceed with entitling the project at 100 New Hampshire Avenue. As you will see in the following site materials, we are proposing a 209,750 SF building which allows us to offer maximum flexibility to these potential Advanced Manufacturing tenants while minimizing disruptions to the existing infrastructure. After much due diligence, we feel confident that an Advanced Manufacturing facility represents the highest and best use of the 100 New Hampshire Avenue site.

We think this program works cleanly with the existing area and infrastructure and we know it fits well within the zoning requirements with one exception: the most common structural column layout distance (bay size) for these types of Advanced Manufacturing buildings is 50' by 50' and the building footprint most desired is a 2-to-1 length-to-width ratio. To achieve these goals and provide a 200,000 sf building, we are requesting a front-yard setback variance along New Hampshire Avenue, consistent with the existing building directly across the street.

Included in this package for the board are a conceptual site plan and technical memo from Tighe and Bond as well as building renderings from PROCON. As the project, as proposed, does not require the use of the 7 Lee Street parcel, we are requesting a partial termination of the Aviation Avenue Group LLC Option Agreement solely as it relates to the 3.6 +/- acre Lee Street parcel. Additionally, via separate

correspondence, we are requesting a termination of the Option Agreement concerning the North Apron parcel. Thank you and the entire Board for consideration of our project.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Stebbins', with a large, stylized flourish extending to the right.

John Stebbins

Member

Aviation Avenue Group LLC

## 100 New Hampshire Avenue – Technical Overview

**TO:** Paul Brean, Executive Director, Pease Development Authority  
Michael Mates, P.E., Pease Development Authority

**FROM:** Patrick Crimmins, PE, Vice President, Tighe & Bond  
Neil Hansen, PE, Project Manager, Tighe & Bond

**COPY:** Aviation Avenue Group LLC

**DATE:** October 10, 2022

---

Tighe & Bond has prepared this technical memorandum to supplement the Conceptual project overview prepared by Aviation Avenue Group LLC. This memo provides additional technical summaries of key project features including stormwater and utilities, and calculations for parking and open space.

### Wetlands

There are no wetlands located on the project site. Off-site wetlands in the vicinity of the site are located to the northwest of Aviation Avenue, Rochester Avenue, and Stratham Street and to the southwest of Rochester Avenue, and opposite Newfields Street. There is no work proposed in the wetlands or wetland buffers.

### Site History

The proposed project site was the location of an air force industrial building that was demolished approximately 10 years ago in order to attract potential development. The site was leveled off after the building and foundations were removed.

### Excess Soils

It is anticipated that excess soils will be generated by the project that are unsuitable for use under the building. All excess soils will remain on-site and will be used to construct the landscape berms along the New Hampshire Avenue frontage.

### Stormwater

All the stormwater from the impervious surfaces on site will be directed to offline deep sump catch basins for pre-treatment. As the entire site is located within a Groundwater Management Zone (GMZ) infiltration of stormwater is not permitted on the site. Stormwater runoff will be treated via off-line deep sump catch basin, two (2) underground detention systems, before being directed to a stormwater filtration device to provide full treatment prior to being discharged into the existing municipal closed drainage system. The stormwater will be designed to meet PDA's updated stormwater regulations as well as the regulations for an Alteration of Terrain Permit as required by New Hampshire Department of Environmental Services.

### Utilities

Proposed water, sewer, gas, electric, telecom and cable for the project are anticipated to be connected to the existing services along Rochester Ave.



## Parking Calculations

Our understanding from coordination with the project team is that typical parking demand for an advanced manufacturing facility such as this is one (1) space per 1,500 SF, which is approximately 140 spaces. The proposed parking provided is 147 spaces.

The PDA regulations require two (2) spaces for every three (3) employees on the largest manufacturing shift and one (1) space per two (2) employees for office use. Given the end user is not known at this time, we have assumed the number of employees on the largest shift for advanced manufacturing will be 1 employee per 2,000 SF (96 employees) and office will be 1 employee per 350 SF (52 employees). Using these employee estimates, the parking required by PDA regulations is 92 spaces and the parking provided exceeds this requirement.

If the future tenant(s) require additional parking beyond the 147 spaces provided, the applicant acknowledges that it will need to seek amended Site Plan approval from the PDA Board to provide additional parking.

## Traffic Impact

A traffic impact study has been included in the submission package.

## Open Space

The proposed lot is approximately 11.4 acres. The PDA regulations require 25% of the upland area be retained as open space which is 2.85 acres. Proposed plan calls for approximately 35% (3.99 acres) open space on site.

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① 3D PERSPECTIVE VIEW 1



② 3D PERSPECTIVE VIEW 2



**PROPOSED ADVANCED  
MANUFACTURING FACILITY  
100 NEW HAMPSHIRE AVENUE  
PORTSMOUTH, NEW HAMPSHIRE  
CONCEPTUAL SITE PLAN**

**SITE DATA:**  
**LOCATION:** TAX MAP 308, LOT 1  
 80 ROCHESTER AVENUE  
 PORTSMOUTH, NEW HAMPSHIRE

**ZONING DISTRICT:** INDUSTRIAL  
**ALLOWED USE:** INDUSTRIAL / WAREHOUSE

**DIMENSIONAL REQUIREMENTS:**

	REQUIRED	PROPOSED
MINIMUM LOT AREA:	10 ACRES	±11.4 ACRES
MINIMUM STREET FRONTAGE:	200 FT	±1,200 FT
MINIMUM SETBACKS:		
• FRONT:	70 FT	±51 FT <sup>(1)</sup>
• SIDE:	50 FT	±202 FT
• REAR:	50 FT	±50 FT <sup>(2)</sup>
MAXIMUM BUILDING HEIGHT:	PER FAA	36 FT
MINIMUM OPEN SPACE:	25%	±35%

(1) - VARIANCE REQUIRED  
 (2) - REQUIRES TAKING PORTION OF ROCHESTER AVENUE RIGHT OF WAY

**PARKING REQUIREMENTS:**  
**PARKING STALL LAYOUT:**  
 • STANDARD 90°

	REQUIRED	PROPOSED
WIDTH: 8.5' MIN		9' X 18' (162 SF)
AREA: 160 SF MIN		

**DRIVE AISLE WIDTH:**  
 • 90° (2-WAY TRAFFIC)

	REQUIRED	PROPOSED
	24 FT	24 FT (MIN)

**PARKING SPACE REQUIREMENTS:**  
**INDUSTRIAL:**  
 2 / 3 EMPLOYEES (LARGEST SHIFT)  
 + 1 / COMPANY-OWNED-VEHICLE  
 = 161 EMPLOYEES X 2/3 EMPLOYEES)  
 + 2 COMPANY-OWNED-VEHICLE = 110 SPACES

**OFFICE:**  
 1 / 2 EMPLOYEES  
 = 73 EMPLOYEES X (1 / 2 EMPLOYEES) = 37 SPACES

**TOTAL REQUIRED PARKING:** 147 SPACES 147 SPACES<sup>(1)</sup>

(1) - SIX (6) ADA SPACES PROVIDED

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**Tighe & Bond**





Advanced Manufacturing Facility  
100 New Hampshire Avenue

# TRAFFIC IMPACT ASSESSMENT

Procon, INC.

October 7, 2022

**Tighe&Bond**

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**Section 2 Existing Conditions**

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- B. NHDOT Historical Traffic Volumes, Seasonal Adjustment Factors & Historical Growth Rates
- C. Traffic Volume Adjustment Calculation
- D. Background Development Traffic Volumes
- E. Collision History Summary
- F. Capacity Analysis Methodology
- G. Capacity Analysis Worksheets
- H. Site Development Plan
- I. Traffic Control Signal Plans
- J. COAST Bus Schedule & Map

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## Section 1 Introduction

This Traffic Impact Assessment (TIA) evaluates the potential traffic impact of the proposed manufacturing facility, located at 100 New Hampshire Avenue within the Pease International Tradeport in Portsmouth, NH. The TIA was prepared in accordance with NHDOT and industry standards. The Project Site is bounded by Rochester Avenue to the west, New Hampshire Avenue to the east, Stratham Street to the north, and Newfields Street to the south. The site is bounded by industrial, manufacturing, and office land uses, consistent with the Tradeport as a whole. The Site location is shown in Figure 1.

The applicant plans to construct a 209,750± square foot advanced manufacturing facility on the presently vacant lot on site and within a portion of the roadway right-of-way of Rochester Avenue from Stratham Street to Newfields Street. Access to the Site will be provided via four driveways – two on New Hampshire Avenue providing access to employee and visitor parking, and two on Rochester Avenue providing access to loading areas at the north and south ends of the proposed facility. As part of the project, parking will be provided by two on-site surface parking lots accessible with a total of 147 parking spaces. The proposed Site Plan Layout is enclosed in Appendix H. The proposed facility is expected to be complete and occupied in 2025.

Based on the analyses conducted herein, it is the professional opinion of Tighe & Bond that the traffic expected to be generated by the proposed manufacturing development is has a negligible effect on traffic operations within the study area.



## Section 2

# Existing Conditions

The Project Site is bounded by Aviation Avenue to the west, New Hampshire Avenue to the east, Stratham Street to the north, and Newfields Street to the south. The following sections describe the roadways and intersections included within the study area.

### 2.1 Roadways

#### 2.1.1 New Hampshire Avenue

New Hampshire Avenue is classified as an urban major collector and maintained by the City of Portsmouth. The roadway runs primarily in the north to south direction connecting Pease Boulevard to the north and Durham Street, International Drive and Corporate Drive to the south. Near the project site, New Hampshire Avenue is generally a two-lane roadway with approximate 15-foot travel lanes separated by a double yellow center line. No marked shoulder or edge lines are provided. The roadway widens to provide marked left turn lanes northbound at Rochester Avenue, and both northbound and southbound at Exeter Street/Manchester Square.

A five-foot (min.) sidewalk is located on the east side of the roadway for the entirety of New Hampshire Avenue. The speed limit is posted at 35 mph in both directions.

#### 2.1.2 Pease Boulevard

Pease Boulevard is classified as an urban major collector and is maintained by the City of Portsmouth and Town of Newington. The roadway is located north of the site location and runs primarily in the east-west direction connecting US Route 4 On/Off Ramps to the east and Pease Air National Guard Base to the west. Between Arboretum Drive/New Hampshire Avenue and International Drive, the Pease Boulevard cross section varies. Pease Boulevard at Arboretum/New Hampshire Avenue starts as a three-lane roadway (two westbound, one eastbound) with 11-foot travel lanes and narrow shoulders. The single eastbound travel lane widens to two lanes approaching International Drive, with two 11-foot travel lanes in each direction and narrow shoulders, a dedicated eastbound left turn lane, and two westbound left turn lanes. Pease Boulevard widens to a five-lane section eastbound with four 11-foot wide through lanes and a right-turn lane to the US Route 4 southbound on-ramp, with the four travel lanes aligning with two left turn lanes and two through lanes at the US Route 4 northbound ramps. Four 11-foot travel lanes are also carried westbound under the US Route 4 overpass, with two left turn lanes to the southbound on-ramp and two through lanes. The roadway continues west of US Route 4 as Gosling Road.

A five-foot sidewalk is provided on both sides of Pease Boulevard between Arboretum Drive/New Hampshire Avenue and International Drive, with a 10-foot buffered multi-use path provided on the north side of the roadway between International Drive and the US Route 4 southbound off-ramp. A 6-foot sidewalk is provided on the north side of Pease Boulevard between the US Route 4 ramps. The speed limit is posted at 35 mph in both directions.

### 2.1.3 Grafton Road

Grafton Road is classified as an urban major collector and maintained by the City of Portsmouth. The roadway runs in a northeast to southwest alignment connecting Corporate Drive to the northeast and Route 33 (Greenland Road) to the southwest. Grafton Road is typically a two-lane roadway with 12-foot travel lanes, widening to provide a two-lane approach with separate left and right turn lanes at its northeastern termini at Corporate Drive and its southern termini at Route 33. Shoulder lane widths vary along the roadway. Narrow shoulder widths are found near the Aviation Avenue intersection which gradually increases to 3-foot shoulders on the west side of the roadway and 5-foot shoulder on the east side of the roadway. Near Pease Golf Course Driveway/Park & Ride Driveway, the shoulder lane width increases to 10 feet on the east side of the roadway. Between Pease Golf Course Driveway/Park & Ride Driveway and Route 33, the shoulder width on both sides of the roadway is 10 feet which reduces to 3 feet on the west side of the roadway with no marked shoulder on the east at Route 33 intersection. A 10-foot buffered multi-use path is provided on the northwest side of the roadway. The speed limit is posted at 35 mph in both directions.

### 2.1.4 Route 33 (Greenland Road)

Route 33 (Greenland Road) is classified as an urban minor arterial and maintained by the State of New Hampshire. The roadway runs primarily in the east to west direction connecting Route 151 (Portsmouth Avenue) to the west of the study area and US Route 1 (Lafayette Road) to the east of the study area. Between the I-95 Southbound ramps and Grafton Road, Route 33 is a four-lane divided roadway with 11-foot travel lanes and 8-foot-wide shoulders on both sides of the roadway. Route 33 continues as an undivided four-lane roadway east of Grafton Road, with 11-foot travel lanes and 8-foot shoulders. Shoulder widths are narrower where dedicated turn lanes are provided at Grafton Road and at the I-95 Northbound ramps. No pedestrian accommodations are provided east of Grafton Road, with a speed limit of 35 mph.

## 2.2 Study Area Intersections

### 2.2.1 Gosling Road at US Route 4 Northbound Ramps

Gosling Road intersects the US Route 4 Northbound Ramps to the east of the US Route 4 (Spaulding Turnpike) overpass at a signalized intersection, with the Northbound off-ramp approaching from the south and the Northbound on-ramp departing to the north. The Gosling Road eastbound approach provides four lanes, with two left-turn lanes and two through travel lanes. The Gosling Road westbound approach consists of three lanes, with two through lanes and one shared through/right-turn lane. The left-most westbound through lane aligns with a left-turn lane at the downstream southbound ramp intersection. The northbound off-ramp approach provides four lanes, with two left-turn lanes and two right-turn lanes. Left turn movements from Gosling Road eastbound and from the northbound off-ramp are controlled with exclusive signal phases. The northbound on-ramp provides two lanes departing the intersection. As previously described, a sidewalk is provided on the north side of Gosling Road through the intersection, with a crosswalk across the northbound on-ramp. A concurrent pedestrian traffic signal phase is provided for this crosswalk. Marked edge lines are provided on all approaches with a 1-to-2-foot offset from the curb or edge of roadway.

### **2.2.2 Pease Boulevard at US Route 4 Southbound Ramps**

Pease Boulevard intersects the US Route 4 Southbound Ramps to the west of the US Route 4 (Spaulding Turnpike) overpass at a signalized intersection, with the Southbound off-ramp approaching from the north and the Southbound on-ramp departing to the south. The Pease Boulevard westbound approach provides four lanes, with two left-turn lanes and two through travel lanes. The Pease Boulevard eastbound approach consists of five lanes, with four through lanes and one exclusive right-turn lane. The two left-most eastbound through lanes align with the left-turn lanes at the downstream northbound ramp intersection. The southbound off-ramp approach provides four lanes, with two left-turn lanes and two right-turn lanes. Left turn movements from Pease Boulevard westbound and from the southbound off-ramp are controlled with exclusive signal phases. The southbound on-ramp provides two lanes departing the intersection. As previously described, a sidewalk is provided on the north side of Pease Boulevard through the intersection, with a crosswalk across the southbound off-ramp. A concurrent pedestrian traffic signal phase is provided for this crosswalk. Marked edge lines are provided on all approaches with a 1-to-2-foot offset from the curb or edge of roadway.

### **2.2.3 Pease Boulevard at International Drive**

International Drive intersects Pease Boulevard from the north and south to form a 4-way, signalized intersection. Pease Boulevard is median divided, with the eastbound approach providing an exclusive left-turn lane and two through travel lanes, while the westbound approach provides two left-turn lanes and two through lanes. The north leg of International Drive is median divided and provides a wide, unmarked southbound approach, which is of adequate width to accommodate two vehicles side-by-side. International Drive northbound provides one shared left/through lane and two channelized right turn lanes under signal control. Sidewalks are provided on both sides of Pease Boulevard west of the intersection, on both sides of International Drive to the south, on the west side of International Drive to the north, and on the north side of Pease Boulevard to the east. Crosswalks are provided across all four approaches and across the channelized northbound right-turn lanes, and concurrent pedestrian traffic signal phases are provided. Marked edge lines are provided on Pease Boulevard, with a 1-to-2-foot offset from the curb or edge of roadway. Variable width shoulders are provided on International Drive south of the intersection, ranging from 2 to 8 feet.

### **2.2.4 Pease Boulevard at Arboretum Drive and New Hampshire Avenue**

Arboretum Drive intersects Pease Boulevard from the north and New Hampshire Avenue intersects from the south to form a 4-way, stop controlled intersection. Pease Boulevard provides two lanes eastbound, with an exclusive left-turn lane and a shared through/right-turn lane. All other approaches provide one general purpose lane. Sidewalks are provided on the north side of Pease Boulevard on both sides of the intersection, and on the south side of Pease Boulevard east of the intersection. Crosswalks are provided across the east and north legs of the intersection. Marked edge lines with a 1-to-2-foot offset are provided on Pease Boulevard east of the intersection, with 6-foot shoulders on Arboretum Drive north of the intersection.

### **2.2.5 New Hampshire Avenue at Exeter Street and Manchester Square**

Exeter Street intersects New Hampshire Avenue from the west and Manchester Square intersects from the east to form a 4-way, unsignalized intersection with stop control on Exeter Street and Manchester Square. Exclusive left turn lanes are provided on New Hampshire Avenue in both directions, and an exclusive right turn lane is provided on



Manchester Square westbound. All other movements are provided through single general purpose or shared lanes on each approach. Sidewalks are present on the east side of New Hampshire Avenue and on the south side of Exeter Street and Manchester Square, with crosswalks across the south and east legs of the intersection. No marked shoulders are present.

### **2.2.6 New Hampshire Avenue and Corporate Drive at Durham Street and International Drive**

New Hampshire Avenue and Corporate Drive form the north and south legs, respectively, of a 4-way unsignalized intersection, with Durham Street approaching from the west and International Drive approaching from the east under stop control. All approaches provide single general-purpose lanes, with no marked shoulders. Sidewalks are provided on the north side of Durham Street and International Drive, on the east side of New Hampshire Avenue, and on both sides of Corporate Drive. Crosswalks are provided across the north and west legs of the intersection.

### **2.2.7 Corporate Drive at Grafton Road**

Grafton Road intersects Corporate Drive from the southwest under stop control at a 3-way, T-intersection. Corporate Drive southbound provides a through travel lane and a right-turn lane, while Corporate Drive northbound provides a left-turn lane and a through lane. Grafton Road widens at its approach to Corporate Drive to provide separate left and right turn lanes. No shoulders or edge lines are present. Sidewalks are provided on the south side of Grafton Road and on the east side of Corporate Drive, with a crosswalk across the south leg of the intersection.

### **2.2.8 Grafton Road at Aviation Avenue**

Aviation Avenue intersects Grafton Road from the north to form a 3-way, T-intersection, with Aviation Avenue under stop control. All approaches provide a single general-purpose lane, with a wide departure lane on Aviation Avenue to accommodate truck turns from Grafton Road. A multi-use path is provided along the northwest side of Grafton Road, with a wide crosswalk across Aviation Avenue. 1-to-2-foot shoulders are provided on Grafton Road, with 1-to-4-foot shoulders on Aviation Avenue.

### **2.2.9 Grafton Road at Golf Course and Park & Ride Driveways**

The driveway for the Pease Golf Course approaches from the west and the combined driveway for the Portsmouth Transportation Center and Park & Ride lot approaches from the east to form a 4-way, unsignalized intersection with Grafton Road. The golf course and Park & Ride driveways are stop controlled. Grafton Road provides a single general-purpose lane in each direction at this intersection with typical 8-foot shoulders that taper and narrow to approximately 1-foot at the intersection. The driveway approaches also feature a single general-purpose lane, with no marked shoulders. A multi-use path is provided along the west side of Grafton Road, with a wide crosswalk across the golf course driveway.

### **2.2.10 Grafton Road at I-95 Southbound Off-Ramp**

I-95 Southbound Exit 3A includes a direct off-ramp to Grafton Road. Grafton Road is median divided in the vicinity of the off-ramp, prohibiting left turns to Grafton Road southbound. The ramp provides a single-lane approach under stop control, while Grafton Road provides a single lane northbound through the intersection.

### **2.2.11 Grafton Road at Route 33 (Greenland Road)**

Grafton Road intersects Route 33 (Greenland Road) from the north to form a 3-way, T-type, signalized intersection. Grafton Road southbound has a two-lane approach with exclusive left and right turn lanes. Route 33 eastbound provides an exclusive left-turn lane and two through lanes, while the westbound approach provides two through lanes and a right-turn lane. The north and west legs of the intersection are median divided. The multi-use path along the west side of Grafton Road continues adjacent to the intersection, turning towards the west and continuing on the north side of Route 33; however, no connection to the intersection is provided and no crosswalks or other pedestrian accommodations are provided. A narrow 2-foot shoulder is provided on the Grafton Road approach, with 7-to-10-foot shoulders provided on Route 33.

### **2.2.12 Route 33 (Greenland Road) at I-95 Southbound Ramps**

I-95 Southbound Exit 3B provides an off-ramp to Route 33 (Greenland Road) to the west of Grafton Road, creating a 3-way, T-type signalized intersection. Route 33 westbound provides a four-lane approach with two left-turn lanes and two through lanes, while Route 33 eastbound provides three through lanes and a right-turn lane to the I-95 southbound on-ramp. The I-95 southbound off-ramp provides two left turn lanes and a right turn lane, while the on-ramp contains two lanes departing the intersection. The multi-use path continues along the north side of Route 33, but does not directly connect to the intersection, and no crosswalks or other pedestrian accommodations are provided.

### **2.2.13 Route 33 (Greenland Road) at I-95 Northbound Ramps**

The I-95 Northbound ramps intersect Route 33 (Greenland Road) at a 3-way, T-type signalized intersection. Route 33 eastbound provides two through lanes at the intersection, with a channelized ramp departing Route 33 in advance of the intersection, yielding to, and merging with the on-ramp serving the left turn from Route 33 westbound, which provides an exclusive left-turn lane and two through lanes. The northbound off-ramp provides separate left and right turn lanes. 6-foot shoulders are provided on Route 33, with 1-to-2-foot left and right shoulders on the off-ramp. No pedestrian accommodations are provided in the vicinity of the intersection.

## **2.3 Traffic Volumes**

Turning movement counts (TMC) were collected at the study area intersections on a typical weekday in February 2022 during the weekday morning (7:00 AM to 9:00 AM) and afternoon peak hour (4:00 PM to 6:00 PM). Automatic traffic recorder (ATR) data was collected on Pease Boulevard, just west of the US Route 4 southbound ramps during a 96-hour period from Wednesday thru Saturday. The ATR location was strategically chosen to align with the NHDOT Count Station (LOC ID 82379024) to serve as a basis for comparison of existing traffic volumes to recent NHDOT traffic volumes to determine if adjustments to traffic volumes should be made. The historical traffic volumes on Pease Boulevard at this location are presented below in Table 1 below.

**TABLE 1**

Pease Boulevard Historical Traffic Volumes

Year	AADT	Peak Hour Traffic Volumes		Source
		AM Peak (8:00 AM to 9:00 AM)	PM Peak (4:00 PM to 5:00 PM)	
2015	21,000	2,160	2,272	NHDOT (October) <sup>1</sup>
2016	21,420	Not Available		NHDOT Growth Estimate <sup>2</sup>
2017	21,848	Not Available		NHDOT Growth Estimate <sup>2</sup>
2018	20,100	1,835	2,052	NHDOT July <sup>3</sup>
2019	20,341	Not Available		NHDOT Growth Estimate <sup>2</sup>
2020	17,168	Not Available		NHDOT Growth Estimate <sup>2</sup>
2021	15,807	1,212	1,558	NHDOT (August)
2022	12,894	1,161	1,428	Tighe & Bond February 2022 ATR <sup>4</sup>

<sup>1</sup>Peak Hour Traffic Volumes Adjusted based on 2017 Seasonal Adjustment Factor to Peak<sup>2</sup>Based on NHDOT Yearly Growth Rates<sup>3</sup>Peak Hour Traffic Volumes Adjusted based on 2018 Seasonal Adjustment Factor to Peak<sup>4</sup>Total Daily Traffic and Peak Hour Traffic Volumes Adjusted based on 2019 Seasonal Adjustment Factor to Peak

The variance in volumes over time, and specifically the decrease in volume between 2018 and 2021, represent the impact of the COVID-19 pandemic on work schedules and commuting patterns. Traffic volume trends nation- and region-wide confirm that traffic volumes have generally returned to pre-pandemic levels in 2022. Based on this understanding, it is prudent to assume that post-2020 traffic volumes represent current conditions, and that it would be overly conservative to apply adjustment factors to conform current traffic volumes to a pre-pandemic level. Adjustments were considered and have been applied to peak hour intersection volumes based on a comparison of post-pandemic 2022 traffic volumes to 2021 volumes.

Based on a review of the collected traffic volumes and comparison to the historical volumes, it was determined the existing morning and afternoon peak hour traffic volumes should be adjusted by a factor of 4% during the weekday morning peak period, and 9% during the weekday afternoon peak period. These adjustment factors were determined by reviewing the historical NHDOT traffic volume data during the peak hour time periods and comparing it to the 2021 peak hour volumes. NHDOT seasonal adjustment factors were applied to both the historical volumes and existing traffic volumes per NHDOT guidelines. The raw TMC and ATR data are provided in Appendix A. The Traffic Volume Adjustment Factor calculation and NHDOT traffic volumes on Pease Boulevard are provided in Appendix B. Adjusted 2022 Existing Peak Hour Traffic Volumes are provided in Figure 2.

## 2.4 Capacity and Queue Analyses - Existing Conditions

Capacity and queue analyses were performed for the study intersections for the 2022 Existing Conditions during the weekday morning and weekday afternoon peak hours. Analyses were conducted using Trafficware Synchro Studio 11 software, which conducts the analysis based on *Highway Capacity Manual (HCM)* methodology. Consistent with NHDOT guidelines, analyses for signalized intersections were conducted using methods of the 2000 HCM, while analysis for unsignalized intersections utilized the HCM 6<sup>th</sup> Edition



methodology. The analysis results are categorized in terms of Level of Service (LOS), which describes the qualitative intersection operational conditions based on the calculated average delay per vehicle. A summary of the HCM capacity analysis methodology and a detailed definition of LOS is provided in Appendix F. The queue analysis results are summarized based upon the length of vehicle queueing on an intersection approach. For unsignalized intersections, queues are quantified for 95<sup>th</sup> percentile (design queues). For signalized intersections, queues are quantified by 95<sup>th</sup> percentile (design) and 50<sup>th</sup> percentile (average) queues. Tables 4 and 5 in Section 7 summarize the capacity and queue analyses results, respectively. Capacity analysis worksheets with full inputs, settings, and results are provided in Appendix G.

As shown in Table 3, most of the overall intersections and individual intersection approaches operate at acceptable LOS D or better during the peak hours with the exception of the following:

- **Route 33 (Greenland Road) at Grafton Road:**
  - The eastbound left movement operates at LOS F during the weekday morning and weekday afternoon peak hour.
  - The intersection operates at overall LOS E during the weekday afternoon peak, with failing operations on the eastbound left and southbound right movements.
- **Route 33 (Greenland Road) at I-95 Northbound Ramps:**
  - The westbound left turn from Route 33 operates at LOS E during the weekday morning and weekday afternoon peak hour. Predicted 50<sup>th</sup> and 95<sup>th</sup> percentile queues exceed available storage.
  - The northbound left turn from the off-ramp operates at LOS E during the weekday morning and weekday afternoon peak hour.
- **Grafton Road at Pease Golf Course/Park & Ride Driveways:**
  - The westbound movement from the Park & Ride and Portsmouth Transportation Center driveway operates at LOS F during both peak periods.
- **New Hampshire Avenue/Corporate Drive at International Drive/Durham Street:**
  - The stop-controlled International Drive approach operates at LOS F during the weekday afternoon peak hour.

## 2.5 Collision History

Crash data was collected from police reports from the City of Portsmouth Police Department and Town of Newington Police Department for the most recent three-year period between January 2019 and December 2021 for the study area intersections. At the time of study completion, updated crash data was not available for the intersections of New Hampshire Avenue/Corporate Drive at Durham Street/International Drive and Corporate Drive at Grafton Road; in lieu of updated data, crash data from 2007 to 2009 has been provided from a historical report, and will be supplemented by more recent data once available. Table 2 on the following page provides a summary of the collisions within the study area. Appendix E includes detailed collision summaries for each of the study intersections.

As shown in Table 2, there were 66 motor vehicle collisions reported in the study area during the three-year period analyzed. Crashes occurred most frequently at the intersection of New Hampshire Avenue at Exeter Street and Manchester Square, with eleven collisions, accounting for about 17% of the reported total. The intersection of Grafton Road at the Pease Golf Course and Park & Ride Driveways experienced the second highest number of collisions with nine, accounting for about 14% of the reported total. The Route 33 (Greenland Road) at Grafton Road and Corporate Drive at Grafton Road each experienced eight collisions, each representing approximately 12 percent of the total. The intersections of Pease Boulevard at the US Route 4 Southbound Ramps and New Hampshire Avenue/Corporate Drive at Durham Street/International Drive each experienced seven collisions, each representing approximately 11 percent of the total. The remaining intersections experienced five or fewer crashes within the study period. For the three-year period, the intersections of Grafton Road at the I-95 Southbound off-ramp and Route 33 (Greenland Road) at the I-95 Southbound ramps did not have any reported collisions based on data provided by the City of Portsmouth.

**TABLE 2**

Study Area Collision History Summary

	2007	2008	2009	2019	2020	2021	Total	Percent
Gosling Road at US Route 4 NB Ramps				1	0	3	4	6.1%
Pease Boulevard at US Route 4 SB Ramps				1	3	3	7	10.6%
Pease Boulevard at International Drive				1	0	0	1	1.5%
Pease Blvd at NH Ave/ Arboretum Dr				1	1	3	5	7.6%
NH Ave at Exeter St/ Manchester Sq				4	4	3	11	16.7%
Grafton Road at Aviation Avenue				2	2	0	4	6.1%
Grafton Road at Golf Course/Park and Ride				4	1	4	9	13.6%
Route 33 at Graton Road				5	1	2	8	12.1%
Route 33 at I-95 NB Ramps				1	1	0	2	3.0%
NH Ave at International Dr/ Durham Street	1	2	4				7	10.6%
Corporate Drive at Graton Road	3	5	0				8	12.1%
<b>TOTAL</b>	<b>4</b>	<b>7</b>	<b>4</b>	<b>20</b>	<b>13</b>	<b>18</b>	<b>66</b>	<b>100%</b>

More detailed collision history summary data is provided in Appendix E. The most frequent types of collision were angle and rear-end, accounting for about 39% and 24% of the total collisions within the study area, respectively. The third most frequent collision type was single vehicle crashes with animal or fixed objects which made up about 8% of the total collisions. The remaining crashes were sideswipe – same direction, accounting for about 5% of the total collisions. The fifteen crashes summarized from historical data from 2007 to 2009 are unclassified, as detailed data was not available for these intersections.

About 86% of collisions occurred on weekdays, spread throughout the day. With the remaining 14% occurring on weekends. Weather and road surface conditions were only provided by the Newington Police Department and was available for the two intersections where historical data was utilized. 24 out of the 32 reported collisions in the study area for which weather data was available occurred when the weather was clear. The remaining eight collisions occurred when it was raining or snowing. 22 of the 32 reported collisions occurred when the road surface was dry.

The collision data indicates no reported fatalities. One reported serious injury was reported for an angle collision at the intersection of New Hampshire Avenue at Exeter Street/Manchester Square. An additional serious injury crash was reported in the historical data reviewed for the intersection of Corporate Drive at Grafton Road. The remaining 64 crashes resulted in minor injuries or property damage only. There were no pedestrian or cyclist crashes reported in the three-year period.

## **2.6 Public Transportation**

The Cooperative Alliance for Seacoast Transportation (COAST) provides transit service within the study area. Bus Route 42 is the primary bus route in the study area with stops along New Hampshire Avenue including two bus stops at the site location (New Hampshire Ave at Stratham Street and New Hampshire Avenue at Newfields Street). Bus Route 42 also have bus stops along Grafton Road to the Portsmouth Transportation Center/Park & Ride and provides service to downtown Portsmouth. The route operates from 6:43AM to 6:34PM Monday through Friday. Bus Route 40 also operates in the study area with a bus stop at the Portsmouth Transportation Center and provides access to downtown Portsmouth. The route operates from 7:24 AM to 7:46 PM Monday through Friday. Bus Route 42 and 40 map and schedule are included in Appendix J.



## Section 3

# No Build Conditions

The No-Build Condition represents the projection of traffic volumes and operating conditions without the anticipated additional site generated traffic. Consistent with NHDOT guidelines, the study area is analyzed for an Opening Year (2025) and Design Year (2035). This section describes the growth and development considerations included in the 2025 and 2035 No-Build traffic volumes.

### 3.1 Traffic Growth

To develop the traffic volumes for the 2025 and 2035 No-Build Conditions, the 2022 Existing traffic volumes were grown by one percent per year to represent the general growth of traffic on the study area roadways. This growth rate is consistent with the average growth rate in NHDOT Region E - Southeast, the region in which Portsmouth is located. Background NHDOT growth data is included in Appendix B.

NHDOT and the Pease Development Authority (PDA) were contacted about other planned/approved developments in the area that may add new traffic to the study area prior to 2025. The following developments were identified:

- **Lonza Biologics:** This project proposes to construct 1,046,000± sf of new industrial space and 700 new parking spaces contained within two garages along Corporate Drive as an expansion of existing facilities located between Goose Bay Drive and International Drive.
- **73 Corporate Drive:** This project proposes to construct additional medical office space adjacent to the existing Wentworth-Douglass facility on Corporate Drive.
- **Pease Surface Transportation Master Plan:** Traffic volumes for the full occupancy of existing buildings and projects that are planned or under construction are included in the No-Build Condition.

Traffic volumes for these projects were obtained from record studies and assigned to the study area intersections in the No-Build conditions. Data for background development projects are included in Appendix D. It is assumed that other smaller developments or small vacancies in existing developments are captured by the background traffic growth rate.

The 2025 and 2035 No-Build traffic volumes for the weekday morning and weekday evening peak hours are shown in Figures 3 and 4, respectively.

### 3.2 Capacity and Queue Analyses - No-Build Conditions

Capacity and queue analyses were conducted for the 2025 and 2035 No-Build Conditions traffic volumes for both peak periods using the methodology described in Section 2.4. Tables 3 and 4 in Section 7 summarize the capacity and queue results, respectively. Capacity analysis worksheets with full inputs, settings, and results are provided in Appendix G.

The increase in expected future traffic based on the 1 percent per year compounded growth rate and the site-specific development added to the future No-Build Conditions result in some degradation of operations when compared to existing conditions. Most of the overall intersections and individual intersection approaches operate at acceptable LOS D or better during the peak hours except for the following:

- **Route 33 (Greenland Road) at Grafton Road:**
  - The eastbound left movement continues to operate at LOS F during the weekday morning and weekday afternoon peak hour, with increases in approach delay and queue increases of approximately one vehicle in the 2025 No-Build Condition and up to four vehicles in the 2035 No-Build Condition in the weekday morning peak, and up to two vehicles in 2035 in the weekday afternoon peak.
  - The intersection degrades to LOS F in the 2035 No-Build Condition during the weekday morning peak hour. It continues to operate at LOS E in the weekday afternoon peak hour in the 2025 No-Build Condition, degrading to LOS F overall in the 2035 No-Build Condition.
- **Route 33 (Greenland Road) at I-95 Northbound Ramps:**
  - The westbound left turn from Route 33 continues to operate at LOS E during the weekday morning and weekday afternoon peak hour in both No-Build conditions. Predicted queue lengths continue to exceed available storage.
  - The northbound left turn from the off-ramp continues to operate at LOS E during the weekday morning peak hour in the 2025 No-Build Condition and during the weekday afternoon peak hour in both No-Build conditions. It degrades to LOS F in the weekday morning peak hour in 2035, with increases in predicted 95<sup>th</sup> percentile queues which are still contained within the available storage.
  - The eastbound right turn to I-95 degrades from LOS D to LOS F in the weekday afternoon peak hour between the 2025 and 2035 No-Build conditions.
  - The overall intersection degrades to LOS E in the 2035 No-Build condition in the weekday afternoon peak hour.
- **Grafton Road at Pease Golf Course/Park & Ride Driveways:**
  - The westbound movement from the Park & Ride and Portsmouth Transportation Center driveway continues to operate at LOS F during both peak periods.
  - The eastbound movement from the Pease Golf Course degrades from LOS D to LOS F during the weekday afternoon peak hour between the 2025 and 2035 No-Build conditions.
- **Pease Boulevard at International Drive:**

- The signal-controlled northbound right turn from International Drive degrades from LOS C to LOS F in the weekday afternoon peak hour between the 2025 and 2035 No-Build conditions.
- The overall intersection also degrades from LOS C to LOS F in the weekday afternoon peak hour between the 2025 and 2035 No-Build conditions.
- **Pease Boulevard at US Route 4 Southbound Ramps:**
  - The southbound right turn from the US Route 4 southbound off-ramp degrades from LOS C to LOS F in the weekday morning peak hour between the 2025 and 2035 No-Build conditions.
- **Pease Boulevard/Gosling Road at US Route 4 Northbound Ramps:**
  - The northbound left turn from the US Route 4 northbound off-ramp degrades from LOS D to LOS E in the weekday morning peak hour between the 2025 and 2035 No-Build conditions.
- **Pease Boulevard at Arboretum Drive/New Hampshire Avenue:**
  - The northbound New Hampshire Avenue approach operates at LOS E in the weekday afternoon peak hour 2035 No-Build condition.
- **Route 33 (Greenland Road) at I-95 Southbound Ramps:**
  - The left turn from the I-95 southbound off-ramp degrades to LOS E in the both peak periods in the 2025 No-Build condition, and to LOS F in the 2035 No-Build condition. Increases in predicted 95<sup>th</sup> percentile queues are contained within the available storage.
  - The left turn from Route 33 to the I-95 on-ramp operates at LOS F in the weekday afternoon peak hour in the 2035 No-Build condition.
- **New Hampshire Avenue/Corporate Drive at International Drive/Durham Street:**
  - The stop-controlled International Drive approach continues to operate at LOS F during the weekday afternoon peak hour during both No-Build conditions.
- **Corporate Drive at Grafton Road:**
  - The eastbound left turn to Grafton Road degrades from LOS C to LOS F between the 2025 and 2035 No-Build conditions in the weekday morning peak hour, and from LOS D to LOS F between the 2025 and 2035 No-Build conditions in the weekday afternoon peak hour.
- **Grafton Road at Aviation Avenue:**
  - The Aviation Avenue approach degrades from LOS C to LOS E between the 2025 and 2035 No-Build conditions in the weekday afternoon peak hour.



## Section 4

# Proposed Conditions

The proposed 209,750± square foot manufacturing facility will include approximately 147 surface parking spaces. The proposed development is expected to be complete and occupied in 2025. The Site Layout Plan is presented in Appendix H.

### 4.1 Site Access

Access to the Site will be provided via four full access, unsignalized driveways, with two on New Hampshire Avenue for passenger cars, and two on Rochester Avenue for trucks. The proposed northern site driveway on New Hampshire Avenue is located approximately 280 feet south of Stratham Street and provides access to a 68-vehicle space surface parking lot, while the second driveway is located approximately 700 feet south on New Hampshire Avenue and provides access to a 47-space surface parking lot. The two proposed driveways on Rochester Avenue provide access to two truck loading dock areas at the northern and southern end of the proposed facility. It is anticipated that trucks will access the Site to/ from Rochester Avenue to the south.

Intersection sight distance was reviewed at the proposed Site driveways in accordance with criteria set forth in the AASHTO publication *A Policy on the Geometric Design of Highways and Streets*, 7<sup>th</sup> Edition, 2018. Available site distances were estimated based on the site layout plan and available aerial mapping. The posted speed of 35 miles per hour on New Hampshire Avenue was used as a basis for the analysis.

Based on AASHTO guidelines and the posted speed of the roadway, the intersection sight distance requirement is 386 feet for passenger cars and 592 feet for combination trucks turning left under *Case B – Left Turn from Stop*. Each site driveway provides intersection sight distance exceeding the AASHTO requirements for passenger vehicles and combination trucks except for the northern site driveway on Rochester Avenue. Intersection sight distance is limited looking to the north due to the sharp curvature at Rochester Avenue/ Stratham Street. While the available sight distance is approximately 250 feet, this is not expected to be a safety issue due to the perceived low traffic volumes in this industrial area and the expected reduced vehicle speeds due to the 90 degree turn between Rochester Avenue and Stratham Street.

### 4.2 Multi-Modal Accommodations

Multi-modal access is provided in the general vicinity of the proposed development. Site improvements include a sidewalk along the western side of the facility, with connections to the employee and visitor parking areas and the building itself, as well as a proposed crosswalk across New Hampshire Avenue at Newfields Street which connects to existing sidewalk on the east side of New Hampshire Avenue. Near the site location there is a sidewalk network that connects to Pease Boulevard and to Grafton Road. Just east of the proposed development on the eastern side of New Hampshire Avenue there is a 5-foot-wide sidewalk that connects to the multi-use path along Grafton Road and Route 33 (Greenland Road). These facilities may encourage cycling and walking to the development. In addition, the previously mentioned COAST bus stops are located at the intersection of Stratham Street at New Hampshire Avenue and Newfields Street at New Hampshire

Avenue directly in front of the proposed development with bus connection at the Portsmouth Transportation Center to downtown Portsmouth.

### 4.3 Trip Generation

Site generated traffic volumes were estimated using rates published in the Institute of Transportation Engineers (ITE) Trip Generation, 11<sup>th</sup> Edition, 2021. The proposed land use for the project site is advanced manufacturing, which uses innovative technologies in the manufacturing process, which in turn reduces the number of employees needed over a traditional manufacturing process; however, since ITE does not have a comparable Land Use Code (LUC) for advancing manufacturing, and in the absence of end user data for similar facilities, LUC 140 - Manufacturing was used to estimate traffic for the development. This likely represents a conservative estimate of expected trips for the proposed use. Table 3 summarizes the trip generation estimates, which have been separated into passenger car trips and truck trips.

**TABLE 3**

Site-Generated Traffic Summary

<b>Proposed - 209,750 SF Manufacturing Facility (Passenger Cars)</b>			
<b>Peak Hour Period</b>	<b>Enter</b>	<b>Exit</b>	<b>Total</b>
Weekday Morning	105	32	137
Weekday Afternoon	46	103	149
Weekday	451	451	902
<b>Proposed - 209,750 SF Manufacturing Facility (Trucks)</b>			
<b>Peak Hour Period</b>	<b>Enter</b>	<b>Exit</b>	<b>Total</b>
Weekday Morning	3	3	6
Weekday Afternoon	2	4	6
Weekday	47	47	94
<b>Proposed - 209,750 SF Manufacturing Facility (Total Vehicles)</b>			
<b>Peak Hour Period</b>	<b>Enter</b>	<b>Exit</b>	<b>Total</b>
Weekday Morning	108	35	143
Weekday Afternoon	48	107	155
Weekday	498	498	996

Based on the ITE data, the proposed development is expected to generate 996 vehicles over a typical weekday, comprised of 902 passenger car vehicle trips and 94 truck trips. During the weekday morning peak hour, the project is expected to generate 143 vehicle trips, with 108 entering and 35 exiting, comprised of 137 passenger car trips and 6 truck trips. During the weekday afternoon peak hour, the project is expected to generate 155 vehicle trips, with 48 entering and 107 exiting, comprised of 149 passenger car trips and 6 truck trips.

While the nearby COAST bus stop and sidewalk facilities in the area may provide additional options for employees to travel to the proposed development, no credit was taken for these trips.

#### 4.4 Arrival and Departure Distribution

The distribution of the proposed site generated traffic entering and exiting the Site was applied to the roadway network based on existing travel patterns within the study area. Separate distribution patterns were determined for passenger car and truck trips. Truck trip distribution is partially based on prior consultation with PDA and distributes trucks exclusively to and from I-95 to the south, prohibiting site-generated truck distribution on Pease Boulevard.

Arrive and distribution patterns are shown in Figures 5 and 6, and are as follows:

##### Passenger Cars:

- 25% East to/from Pease Boulevard/Gosling Road
- 25% South to/from I-95
- 20% Northeast to/from I-95
- 20% Northwest to/from US Route 4
- 10% East (Local) to/from Route 33

##### Trucks:

- 55% South to/from I-95
- 45% Northeast to/from I-95

Site generated employee and visitor passenger car trips are expected to balance between the two site driveways on New Hampshire Avenue based on parking availability and the proximity of parking to the employee's work area. Similarly, truck trips are expected to be split between the two driveways on Rochester Avenue based on availability and proximity of loading dock locations.

Figures 7 and 8 show the proposed site generated traffic distributed to the study area roadways for the weekday morning and afternoon peak hours.



## Section 5

# Build Conditions

The anticipated site generated traffic volumes associated with the proposed development were added to the 2025 and 2035 No-Build Conditions traffic volumes to develop the 2025 and 2035 Build Conditions traffic volumes, which are presented in Figure 9 and 10, respectively, for the weekday morning and afternoon peaks.

### 5.1 Capacity and Queue Analyses – Build Conditions

Capacity and queue analyses were conducted for the 2025 and 2035 Build Conditions for the peak hours using the methodology described in Section 2.4. Tables 4 and 5 in Section 7 summarize the capacity and queue results, respectively. Capacity analysis worksheets with full inputs, settings, and results are provided in Appendix D.

Many of the study area intersections and individual intersection approaches continue to operate at acceptable LOS D or better during the peak hours in the 2025 and 2035 Build Conditions. Study area intersections that were identified in Section 2.4 and 3.2 to operate at LOS E or LOS F in the No-Build Conditions continue to operate at the same LOS under Build Conditions, except for the following:

- **Pease Boulevard at Arboretum Drive/New Hampshire Avenue:**
  - For the weekday afternoon peak hour, the northbound New Hampshire Avenue approach degrades from LOS C to LOS E in the 2025 Build condition and from LOS E to LOS F in the 2035 Build condition.
  - The overall intersection LOS degrades from LOS D in the 2035 No-Build to LOS E in the 2035 Build condition.

A review of calculated queue lengths in Table 5 reveals that the majority of queues are unchanged between the No-Build and Build Conditions for both 2025 and 2035 or increase by one car length or fewer. An exception is the Route 33 (Greenland Road) at I-95 Northbound ramps intersection, which experiences increasing queues extending beyond available capacity in the weekday afternoon peak hour for both the eastbound right turn and westbound left turn to I-95 Northbound. Storage is limited for the westbound left turn by the adjacent signalized intersection of Sherburne Road approximately 500 feet east of the I-95 Northbound ramp intersection, and the existing accommodation of back-to-back left turn lanes for Route 33 westbound at I-95 and eastbound at Sherburne Road.

Increasing queues are also predicted for the Grafton Road eastbound left turn at Corporate Drive in both peak periods, which operates at LOS F in both the 2035 No-Build and 2035 Build conditions.

## Section 6

# Conclusions & Recommendations

1. A 209,750± square foot advanced manufacturing facility is proposed to be constructed on the presently vacant lot on New Hampshire Avenue in the Pease Tradeport area in Portsmouth, NH. The development will provide approximately 115 parking spaces to accommodate employee and visitor parking. The proposed development is expected to be complete and occupied by 2025.
2. Access to the Site will be provided via for full access, unsignalized driveways. Two driveways on New Hampshire Avenue will serve passenger cars, while two driveways on Rochester Avenue will serve truck traffic to and from the proposed loading docks. Trucks will access the site to and from Rochester Avenue to the south.
3. The proposed land use for the project site is advanced manufacturing, which uses innovative technologies in the manufacturing process, which in turn reduces the number of employees needed over a traditional manufacturing process. ITE Land Use Code 140 – Manufacturing was used to estimate traffic for the development, which is based on more traditional manufacturing methods. This likely represents a conservative estimate of expected trips for the proposed use.
4. Based on the ITE data, the proposed manufacturing facility is expected to generate 996 vehicles over a typical weekday, comprised of 902 passenger car vehicle trips and 94 truck trips. During the weekday morning peak hour, the project is expected to generate 143 vehicle trips, with 108 entering and 35 exiting, comprised of 137 passenger car trips and 6 truck trips. During the weekday afternoon peak hour, the project is expected to generate 155 vehicle trips, with 48 entering and 107 exiting, comprised of 149 passenger car trips and 6 truck trips.
5. The project proposes internal and adjacent roadway sidewalk connections, creating and promoting connections to a robust existing sidewalk network along study area roadways.
6. Vehicle collision history, compiled from local police and historic reports, do not indicate a significant or notable pattern of collisions in the study area.
7. The capacity analyses show that the study area intersections will continue to operate at the same LOS under Build Conditions as in No-Build Conditions for both the 2025 opening year and 2035 design year. One exception is the intersection of Pease Boulevard at Arboretum Drive and New Hampshire Avenue, which degrades to LOS E in the weekday afternoon peak hour in the 2035 No-Build condition and further degrades to LOS F in the 2035 Build condition.
8. Based on the results of the foregoing analysis, it is the professional opinion of Tighe & Bond that while the addition of background growth on a 13-year horizon to the 2035 design year results in undesirable LOS at some area intersections, the addition of site-generated traffic has a negligible effect on traffic operations within the study area.

## Section 7 Additional Tables

The table contains multiple columns and rows of data, but the content is too faint to read. It appears to be a detailed data table related to the traffic impact assessment.



**TABLE 4**  
Intersection Operation Summary - Capacity

Lane Use	Weekday Morning Peak Hour												Weekday Afternoon Peak Hour																		
	2022 Existing				2025 No-Build				2025 Build				2035 No-Build				2035 Build														
	LOS	Delay	V/C	LOS	Delay	V/C	LOS	Delay	V/C	LOS	Delay	V/C	LOS	Delay	V/C	LOS	Delay	V/C	LOS	Delay	V/C										
<b>Traffic Signal - Pease Boulevard at International Drive</b>																															
<b>Overall</b>	B	15.0	0.71	B	15.3	0.71	B	15.3	0.73	C	25.4	0.88	C	25.6	0.88	B	19.8	0.86	C	21.0	0.89	C	22.0	0.90	F	124.8	1.50	F	129.7	1.54	
Pease Boulevard	EBL	A	0.0	0.00	A	0.0	0.00	A	0.0	0.00	A	0.0	0.00	A	0.0	0.00	C	25.5	0.11	C	25.7	0.11	C	26.3	0.11	C	32.2	0.09	C	33.0	0.09
	EBTR	C	25.0	0.27	C	25.7	0.28	C	25.9	0.32	D	42.4	0.43	D	42.5	0.47	B	19.7	0.58	B	19.8	0.59	C	20.3	0.64	C	22.7	0.55	C	23.0	0.59
	WBL	B	17.8	0.71	B	18.1	0.71	B	18.4	0.72	C	26.4	0.88	C	27.1	0.88	C	24.9	0.17	C	25.0	0.17	C	25.6	0.18	C	27.9	0.59	C	28.9	0.59
	WBTR	A	5.6	0.30	A	5.7	0.31	A	5.8	0.34	A	6.8	0.32	A	6.9	0.34	B	16.3	0.32	B	16.3	0.33	B	16.3	0.37	B	13.5	0.28	B	13.5	0.29
International Drive	NBL	C	21.1	0.03	C	21.6	0.03	C	21.9	0.03	C	31.1	0.03	C	31.3	0.03	B	10.6	0.02	B	10.7	0.02	B	11.1	0.02	B	18.5	0.03	B	19.4	0.03
	NBR	C	23.6	0.47	C	24.3	0.48	C	24.6	0.49	D	46.1	0.82	D	46.8	0.82	C	22.5	0.86	C	25.0	0.89	C	27.0	0.90	F	259.0	1.50	F	277.9	1.54
	SB	C	21.0	0.02	C	21.5	0.02	C	21.8	0.02	C	31.0	0.02	C	31.2	0.02	B	11.3	0.17	B	11.5	0.18	B	11.9	0.18	C	20.2	0.27	C	21.1	0.28
<b>Traffic Signal - Pease Boulevard at US Route 4 SR On/Off Ramps</b>																															
<b>Overall</b>	C	24.8	0.61	C	25.6	0.67	C	26.5	0.73	C	62.6	1.25	C	69.5	1.30	C	28.8	0.72	C	29.2	0.74	C	29.1	0.74	C	30.2	0.79	C	30.2	0.79	
Pease Boulevard	EBT	C	24.8	0.14	C	24.9	0.14	C	24.9	0.15	C	25.2	0.21	C	25.2	0.22	C	24.1	0.44	C	24.7	0.46	C	25.0	0.49	C	27.8	0.58	C	28.1	0.61
	EBR	C	24.4	0.08	C	24.6	0.08	C	24.5	0.08	C	24.6	0.13	C	24.5	0.13	C	23.5	0.34	C	24.0	0.35	C	24.0	0.35	C	27.8	0.51	C	27.8	0.51
	WBL	C	25.2	0.18	C	25.1	0.18	C	26.3	0.18	C	27.3	0.20	C	28.1	0.20	D	53.3	0.72	D	53.8	0.74	D	53.4	0.74	D	52.8	0.79	D	52.6	0.79
	WBTR	B	15.8	0.40	B	15.9	0.41	B	15.5	0.42	B	16.5	0.55	B	16.3	0.56	A	6.7	0.17	A	7.1	0.17	A	7.3	0.18	B	10.8	0.28	B	11.1	0.29
US Route 4 SB On/ Off Ramps	SBL	C	29.7	0.52	C	30.7	0.54	C	31.4	0.55	D	35.2	0.63	D	35.5	0.64	C	33.7	0.48	C	33.9	0.49	C	33.9	0.49	C	34.7	0.52	C	34.8	0.52
	SBR	C	31.8	0.61	C	33.7	0.67	D	36.6	0.73	F	159.4	1.25	F	182.7	1.30	C	29.8	0.05	C	29.7	0.05	C	29.7	0.06	C	30.4	0.11	C	30.5	0.11
<b>Traffic Signal - Pease Boulevard at US Route 4 NB On/Off Ramps</b>																															
<b>Overall</b>	C	29.9	0.70	C	30.7	0.73	C	30.7	0.74	D	41.8	1.01	D	41.9	1.01	C	25.0	0.65	C	25.5	0.67	C	26.0	0.69	C	31.7	0.82	C	32.2	0.84	
Pease Boulevard	EBL	C	20.4	0.09	C	20.4	0.10	C	20.2	0.11	B	16.4	0.17	B	16.2	0.18	C	30.7	0.65	C	30.2	0.67	C	32.4	0.69	D	48.1	0.82	D	49.7	0.84
	EBT	C	36.7	0.57	D	37.3	0.58	D	36.8	0.58	D	35.1	0.64	C	34.6	0.64	B	17.3	0.56	B	17.7	0.59	B	17.4	0.61	B	19.0	0.71	B	18.9	0.73
	WBL	B	18.6	0.18	B	18.5	0.18	B	18.4	0.20	C	20.5	0.27	C	20.6	0.29	C	23.5	0.55	C	24.7	0.58	C	25.3	0.60	C	30.9	0.75	C	31.6	0.77
	WBTR	B	18.6	0.18	B	18.5	0.18	B	18.4	0.20	C	20.5	0.27	C	20.6	0.29	C	23.5	0.55	C	24.7	0.58	C	25.3	0.60	C	30.9	0.75	C	31.6	0.77
US Route 4 NB On/ Off Ramps	NBL	C	33.6	0.70	D	35.2	0.73	D	36.2	0.74	E	70.1	1.01	E	71.6	1.01	C	31.1	0.23	C	31.2	0.23	C	31.2	0.23	C	32.7	0.36	C	32.8	0.36
	NBR	C	25.7	0.11	C	26.2	0.12	C	26.8	0.12	C	28.9	0.13	C	29.1	0.13	C	30.7	0.17	C	30.8	0.18	C	30.8	0.18	C	31.7	0.20	C	31.3	0.20
<b>Traffic Signal - Greenland Road (State Route 33) at I-95 SR On/Off Ramps</b>																															
<b>Overall</b>	C	30.7	0.95	C	32.5	0.97	C	32.7	0.97	D	43.3	1.08	D	43.8	1.08	C	32.2	0.95	C	34.2	0.98	C	34.9	0.98	D	49.2	1.09	D	51.8	1.09	
I-95 SB On/ Off Ramps	WBL	D	51.8	0.95	E	57.6	0.97	E	57.6	0.97	F	87.0	1.08	F	87.0	1.08	D	52.0	0.55	E	59.3	0.98	E	59.3	0.98	F	89.7	1.09	F	89.7	1.09
	WBR	C	27.2	0.27	C	27.4	0.28	C	27.4	0.28	C	28.5	0.39	C	28.5	0.39	C	25.7	0.10	C	25.7	0.10	C	25.8	0.10	C	25.8	0.11	C	25.8	0.11
	NBT	C	27.2	0.27	C	28.2	0.29	C	28.6	0.80	D	38.0	0.93	D	39.1	0.94	C	34.0	0.83	D	35.5	0.86	D	36.0	0.87	D	46.3	0.96	D	46.3	0.96
	NBR	B	16.5	0.13	B	16.7	0.13	B	16.9	0.13	C	20.3	0.15	C	20.5	0.15	C	23.0	0.17	C	23.2	0.17	C	23.3	0.17	C	23.7	0.19	C	23.7	0.19
Greenland Road (State Route 33)	SBL	D	38.5	0.53	D	39.5	0.54	D	39.5	0.56	D	39.2	0.61	D	38.2	0.62	D	43.7	0.83	D	45.3	0.85	D	46.9	0.89	F	81.9	1.04	F	97.1	1.09
	SBT	A	8.9	0.25	A	9.0	0.25	A	9.0	0.25	A	9.2	0.28	A	9.2	0.28	B	12.6	0.59	B	12.8	0.60	B	12.8	0.60	B	14.0	0.67	B	14.0	0.67
<b>Traffic Signal - Greenland Road (State Route 33) at Grafton Road</b>																															
<b>Overall</b>	D	39.1	1.31	D	43.8	1.38	D	46.6	1.43	F	86.9	2.01	F	94.0	2.13	E	80.1	1.75	F	86.0	1.81	F	70.4	1.81	F	107.8	1.99	F	114.9	1.99	
Greenland Road (State Route 33)	EBL	F	183.1	1.31	F	211.3	1.38	F	232.4	1.43	F	494.4	2.01	F	547.0	2.13	F	392.5	1.75	F	415.5	1.81	F	415.5	1.81	F	496.0	1.99	F	496.8	1.99
	EBT	B	10.5	0.74	B	11.2	0.77	B	11.7	0.78	C	20.6	0.92	C	22.5	0.94	B	16.4	0.80	B	17.2	0.82	B	17.2	0.82	C	22.1	0.91	C	22.1	0.91
	WBL	B	16.5	0.50	B	16.7	0.51	B	16.7	0.51	B	19.5	0.57	B	19.5	0.57	D	36.5	0.94	D	41.4	0.97	D	41.4	0.97	E	69.5	1.07	E	69.5	1.07
	WBTR	B	16.5	0.24	B	16.6	0.25	B	16.9	0.27	B	17.4	0.31	B	17.8	0.34	B	15.2	0.11	B	15.2	0.11	B	15.3	0.12	B	15.4	0.13	B	15.5	0.15
Grafton Road	SBL	C	22.5	0.42	C	22.4	0.42	C	22.3	0.45	C	22.4	0.58	C	22.3	0.59	B	19.4	0.59	B	19.9	0.61	C	21.8	0.68	D	40.4	0.92	E	55.4	0.99
	SBR	C	20.2	0.10	C	20.1	0.11	B	19.8	0.11	B	18.1	0.15	B	17.8	0.16	F	84.6	1.08	F	99.4	1.12	F	124.3	1.19	F	238.5	1.46	F	267.2	1.53
<b>Traffic Signal - Greenland Road (State Route 33) at I-95 NB On/Off Ramps</b>																															
<b>Overall</b>	C	31.3	0.89	C	32.1	0.90	C	33.7	0.94	D	39.6	1.05	D	43.9	1.12	C	30.5	0.82	C	31.8	0.83	C	33.4	0.87	E	55.6	1.16	E	62.7	1.22	
Greenland Road (State Route 33)	EBT	C	24.6	0.55	C	25.4	0.57	C	26.6	0.58	C	29.6	0.67	C	29.7	0.67	C	24.6	0.45	C	25.6	0.47	C	26.5	0.48	C	32.0	0.60	C	33.4	0.62
	EBR	C	22.3	0.37	C	22.8	0.38	C	23.7	0.39	C	26.0	0.46	C	26.1	0.46	D	37.6	0.78	D	41.9	0.83	D	46.7	0.87	F	127.1	1.16	F	151.5	1.22
	WBL	E	63.0	0.51	E	63.2	0.52	E	63.2	0.52	E	63.2	0.54	E	63.2	0.54	E	62.1	0.82	E	62.0	0.83	E	62.0	0.83	E	60.9	0.84	E	60.7	0.84
	WBTR	B	11.0	0.27	B	11.3	0.28	B	12.0	0.29	B	12.7	0.32	B	12.7	0.33	A	6.0	0.41	A	6.2	0.43	A	6.2	0.43	A	7.9	0.49	A	8.5	0.50
I-95 NB On/ Off Ramps	NBL	E	66.9	0.89	E	68.9	0.90	E	75.4	0.94	F	102.8	1.05	F	126.7	1.12	E	62.6	0.86	E	62.7	0.87	E	62.7	0.88	E	62.2	0.70	E	61.2	0.71
	NBR	D	4																												

**TABLE 4 (CONTINUED)**  
Intersection Operation Summary - Capacity

Lane Use	Weekday Morning Peak Hour												Weekday Afternoon Peak Hour																		
	2022 Existing			2025 No-Build			2025 Build			2025 No-Build			2025 Build			2022 Existing			2025 No-Build			2025 Build									
	LOS	Delay	V/C	LOS	Delay	V/C	LOS	Delay	V/C	LOS	Delay	V/C	LOS	Delay	V/C	LOS	Delay	V/C	LOS	Delay	V/C	LOS	Delay	V/C							
<b>Unsignalized AWSC - Pease Boulevard at Arboretum Drive/New Hampshire Avenue</b>																															
Overall	B	13.7	0.52	B	13.7	0.54	C	15.4	0.61	C	15.5	0.62	C	18.0	0.69	C	17.9	0.75	C	18.6	0.78	D	26.8	0.89	D	28.2	0.91	E	43.6	1.02	
Pease Boulevard	EB	A	9.7	0.09	A	9.8	0.09	B	10.1	0.09	B	10.3	0.10	B	10.6	0.10	B	12.1	0.30	B	12.5	0.31	B	13.3	0.33	B	14.1	0.37	B	14.9	0.39
	WBL	B	14.9	0.47	C	15.4	0.48	C	19.6	0.61	C	17.7	0.55	C	23.8	0.69	B	14.1	0.37	B	14.5	0.39	C	16.5	0.45	C	16.8	0.45	C	16.9	0.52
	WBTR	B	11.3	0.34	B	11.6	0.36	B	11.8	0.36	B	12.7	0.41	B	13.0	0.42	A	9.4	0.06	A	9.6	0.06	A	9.9	0.06	B	10.1	0.07	B	10.4	0.07
	NB	B	10.6	0.26	B	10.8	0.27	B	11.5	0.30	B	11.7	0.31	B	12.5	0.35	C	22.0	0.75	C	24.4	0.78	E	38.8	0.89	E	41.9	0.91	F	69.9	1.02
	SR	B	14.9	0.52	C	15.6	0.54	C	16.6	0.58	C	18.3	0.62	C	19.8	0.64	B	11.4	0.25	B	11.7	0.26	B	12.4	0.27	B	13.0	0.31	B	13.6	0.32
<b>Unsignalized TWSC - New Hampshire Avenue at Exeter Street/Manchester Square</b>																															
Exeter Street	EB	C	16.3	0.09	C	16.7	0.09	C	18.5	0.10	C	18.8	0.12	C	21.0	0.13	C	16.3	0.08	C	16.7	0.08	C	18.2	0.09	C	18.6	0.10	C	20.5	0.12
	WBLT	C	20.7	0.12	C	21.4	0.13	C	24.5	0.16	D	25.1	0.17	D	29.0	0.20	C	21.6	0.21	C	22.5	0.22	D	25.9	0.26	D	27.3	0.29	D	32.1	0.33
	WBR	A	9.6	0.02	A	9.6	0.02	A	9.7	0.02	A	9.8	0.02	A	9.9	0.02	B	11.2	0.05	B	11.3	0.05	B	11.9	0.06	B	11.8	0.06	B	12.4	0.07
	NBL	A	8.4	0.03	A	8.4	0.03	A	8.6	0.03	A	8.6	0.03	A	8.8	0.03	A	7.9	0.01	A	7.9	0.01	A	8.0	0.01	A	8.0	0.01	A	8.1	0.01
	SBL	A	7.8	0.04	A	7.8	0.04	A	7.9	0.04	A	7.9	0.04	A	8.0	0.04	A	8.3	0.01	A	8.4	0.01	A	8.6	0.02	A	8.5	0.02	A	8.7	0.02
<b>Unsignalized TWSC - New Hampshire Avenue/Corporate Drive at International Drive/Durham Street</b>																															
Durham Street	EB	C	15.1	0.06	C	15.4	0.06	C	16.9	0.07	C	16.8	0.08	C	18.5	0.09	C	15.6	0.08	C	16.0	0.08	C	17.7	0.09	C	17.5	0.10	C	19.6	0.12
	WB	C	16.6	0.18	C	17.2	0.19	C	19.4	0.21	C	19.5	0.23	C	22.5	0.27	F	53.3	0.84	F	63.5	0.89	F	106.7	1.04	F	133.6	1.13	F	211.1	1.32
	NBL	A	7.5	0.00	A	7.6	0.00	A	7.6	0.00	A	7.6	0.00	A	7.7	0.01	A	0.0	0.00	A	0.0	0.00	A	0.0	0.00	A	0.0	0.00	A	0.0	0.00
	SBL	A	8.8	0.02	A	8.8	0.02	A	9.1	0.02	A	9.1	0.02	A	9.3	0.02	A	7.8	0.00	A	7.9	0.00	A	7.9	0.01	A	7.9	0.01	A	8.0	0.01
<b>Unsignalized TWSC - Corporate Drive at Grafton Road</b>																															
Grafton Road	EBL	C	18.1	0.70	C	19.3	0.73	C	23.8	0.80	F	140.3	1.23	F	191.0	1.35	C	24.7	0.99	D	27.3	0.83	D	33.2	0.72	F	612.9	2.19	F	793.9	2.59
	EBR	A	9.6	0.24	A	9.7	0.25	A	9.7	0.25	B	10.7	0.38	B	10.7	0.38	A	8.9	0.11	A	8.9	0.12	A	8.9	0.12	A	9.1	0.17	A	9.1	0.17
	NBL	A	7.7	0.02	A	7.7	0.02	A	7.8	0.02	A	8.0	0.11	A	8.1	0.12	B	10.3	0.23	B	10.5	0.24	B	10.9	0.25	B	14.6	0.54	C	15.9	0.58
<b>Unsignalized TWSC - Grafton Road at Aviation Avenue</b>																															
Aviation Avenue	EB	A	9.7	0.03	A	9.8	0.03	B	10.0	0.03	B	11.1	0.05	B	11.3	0.05	C	21.0	0.41	C	22.2	0.43	D	25.2	0.48	E	49.5	0.71	F	62.4	0.79
	NBL	A	8.7	0.14	A	8.2	0.15	A	8.3	0.15	A	8.9	0.19	A	9.0	0.19	A	9.5	0.02	A	9.6	0.03	A	9.9	0.03	B	11.0	0.04	B	11.4	0.04
<b>Unsignalized TWSC - Grafton Road at Pease Golf Course Driveway/Park &amp; Ride Driveway</b>																															
Pease Golf Course Driveway	EB	B	10.3	0.02	B	10.3	0.02	B	10.5	0.02	B	11.9	0.03	B	12.2	0.03	D	26.3	0.20	D	27.8	0.21	D	31.7	0.24	F	62.3	0.44	F	77.4	0.51
	WB	F	90.3	0.48	F	105.8	0.54	F	150.0	0.67	F	576.3	1.51	F	953.4	2.15	F	75.9	0.53	F	89.3	0.59	F	123.9	0.70	F	501.2	1.55	F	683.1	1.88
	NBL	A	7.9	0.02	A	7.9	0.03	A	8.0	0.03	A	8.5	0.03	A	8.6	0.03	B	10.3	0.07	B	10.5	0.07	B	10.8	0.08	B	12.5	0.11	B	13.0	0.12
	SBL	B	12.3	0.02	B	12.5	0.02	B	13.1	0.02	B	14.7	0.02	C	15.5	0.03	A	8.5	0.01	A	8.5	0.01	A	8.6	0.01	A	8.8	0.02	A	8.9	0.02
<b>Unsignalized TWSC - Grafton Road at I-95 SR ON Ramp</b>																															
I-95 SR ON Ramp	WBR	C	23.1	0.48	C	24.9	0.51	D	31.4	0.62	F	61.4	0.85	F	97.8	1.01	B	11.1	0.07	B	11.2	0.07	B	11.5	0.09	B	12.1	0.11	B	12.4	0.13

**TABLE 5**  
Intersection Operation Summary - Queues (In Feet)

Lane Use	Available Storage	Weekday Morning Peak Hour								Weekday Afternoon Peak Hour													
		2022 Existing		2025 No-Build		2025 Build		2035 No-Build		2035 Build		2022 Existing		2025 No-Build		2025 Build		2035 No-Build		2035 Build			
		50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>		
<b>Traffic Signal - Pease Boulevard at International Drive</b>																							
Pease Boulevard	EBL	290	0	0	0	0	0	0	0	0	0	0	0	1	8	1	8	1	8	3	9	3	9
	EBTR	>1000	22	43	23	45	28	51	44	57	51	65	52	91	53	94	62	105	104	118	121	134	
	WBL	690	150	186	159	195	161	199	418	378	423	385	3	15	3	16	3	16	65	110	68	113	
	WBTR	>1000	50	67	53	71	59	80	86	85	97	95	22	74	23	76	28	88	29	103	34	117	
International Drive	NBLT	840	2	12	2	12	2	12	5	16	5	16	1	12	1	12	1	12	3	15	3	16	
	NBR	530	47	84	50	88	50	89	157	190	158	192	91	356	96	374	102	387	385	618	402	639	
	SB	>1000	2	9	2	9	2	9	3	13	4	13	14	59	14	61	15	63	38	82	39	85	
<b>Traffic Signal - Pease Boulevard at US Route 4 SB On/Off Ramps</b>																							
Pease Boulevard	EBT	>1000	31	41	32	42	34	44	53	64	56	67	143	163	148	169	158	179	190	211	200	222	
	EBR	530	0	27	0	27	0	27	0	31	0	31	0	51	0	52	0	52	34	113	34	113	
	WBL	370	41	61	42	62	43	62	47	55	47	55	195	251	202	258	202	258	224	282	224	282	
	WBT	370	207	242	215	248	220	249	312	311	314	312	37	50	38	54	39	56	66	119	70	123	
US Route 4 SB On/ Off Ramps	SBL	520	128	161	134	166	137	166	172	184	172	184	110	125	113	129	113	129	127	142	127	142	
	SBR	520	112	137	128	153	152	175	423	407	452	434	0	15	0	14	0	14	0	14	0	14	
<b>Traffic Signal - Pease Boulevard at US Route 4 NB On/Off Ramps</b>																							
Pease Boulevard	EBL	375	19	38	20	39	21	40	36	55	37	56	148	195	159	207	171	220	227	277	236	286	
	EBT	175	134	180	139	185	141	184	160	284	160	287	92	110	95	113	96	113	105	122	106	123	
	WBTR	460	44	72	46	73	52	81	73	110	79	117	178	246	189	256	196	261	267	327	271	331	
	NBL	360	181	228	189	235	193	235	324	346	324	346	48	77	50	79	50	79	81	119	81	119	
US Route 4 NB On/ Off Ramps	NBR	360	0	18	0	19	0	19	0	18	0	18	0	43	0	43	0	43	0	45	0	45	
<b>Traffic Signal - Greenland Road (State Route 33) at I-95 SB On/Off Ramps</b>																							
I-95 SB On/ Off Ramps	WBL	675	250	346	259	363	259	363	325	422	325	422	257	372	268	389	268	389	337	451	337	451	
	WBR	675	0	60	1	61	1	61	21	98	21	98	0	43	0	44	0	44	0	45	0	45	
	NBT	600	274	354	287	371	289	375	348	500	350	504	278	337	289	350	289	350	332	439	332	439	
	NBR	385	0	41	0	42	0	42	0	46	0	46	0	49	0	50	0	50	0	52	0	52	
Greenland Road (State Route 33)	SBL	785	70	92	72	94	76	98	95	117	98	121	174	215	180	223	192	252	256	329	277	351	
	SBT	>1000	66	81	68	84	68	84	77	93	77	93	218	247	228	259	228	259	268	301	268	301	
	SBR	1000	0	24	0	24	0	24	0	24	0	25	212	374	229	392	254	419	359	530	384	557	
<b>Traffic Signal - Greenland Road (State Route 33) at Grafton Road</b>																							
Greenland Road (State Route 33)	EBL	400	227	412	240	428	246	435	316	500	331	500	145	261	151	269	151	269	172	295	172	295	
	EBT	>1000	176	288	187	307	193	323	272	464	289	464	199	267	210	281	210	281	249	388	249	388	
	WBT	>1000	76	116	79	120	79	120	89	134	89	134	162	298	190	312	190	312	248	360	248	360	
	WBR	275	0	52	0	52	0	55	0	58	0	60	0	35	0	36	0	37	0	40	0	41	
Grafton Road	SBL	300	42	64	44	65	48	70	74	100	77	105	96	161	100	167	114	188	169	315	187	348	
	SBR	1000	0	24	0	24	0	24	0	24	0	25	212	374	229	392	254	419	359	530	384	557	
	SBT	>1000	321	416	335	434	337	436	403	519	405	520	233	352	246	371	254	382	326	477	336	494	
Greenland Road (State Route 33)	EBR	700	0	67	0	69	0	69	0	78	0	78	240	645	297	708	350	760	818	1093	870	1146	
	WBL	200	71	123	73	126	73	126	81	136	81	136	304	368	313	376	313	376	344	410	344	408	
	WBT	475	118	151	123	155	126	159	145	181	148	184	158	227	168	241	176	252	218	308	228	320	
	NBL	>1000	340	403	353	417	394	483	494	587	560	649	135	195	140	200	151	212	168	231	179	243	
I-95 NB On/ Off Ramps	NBR	340	22	53	35	68	42	79	116	168	157	211	0	81	0	82	0	81	0	81	0	80	

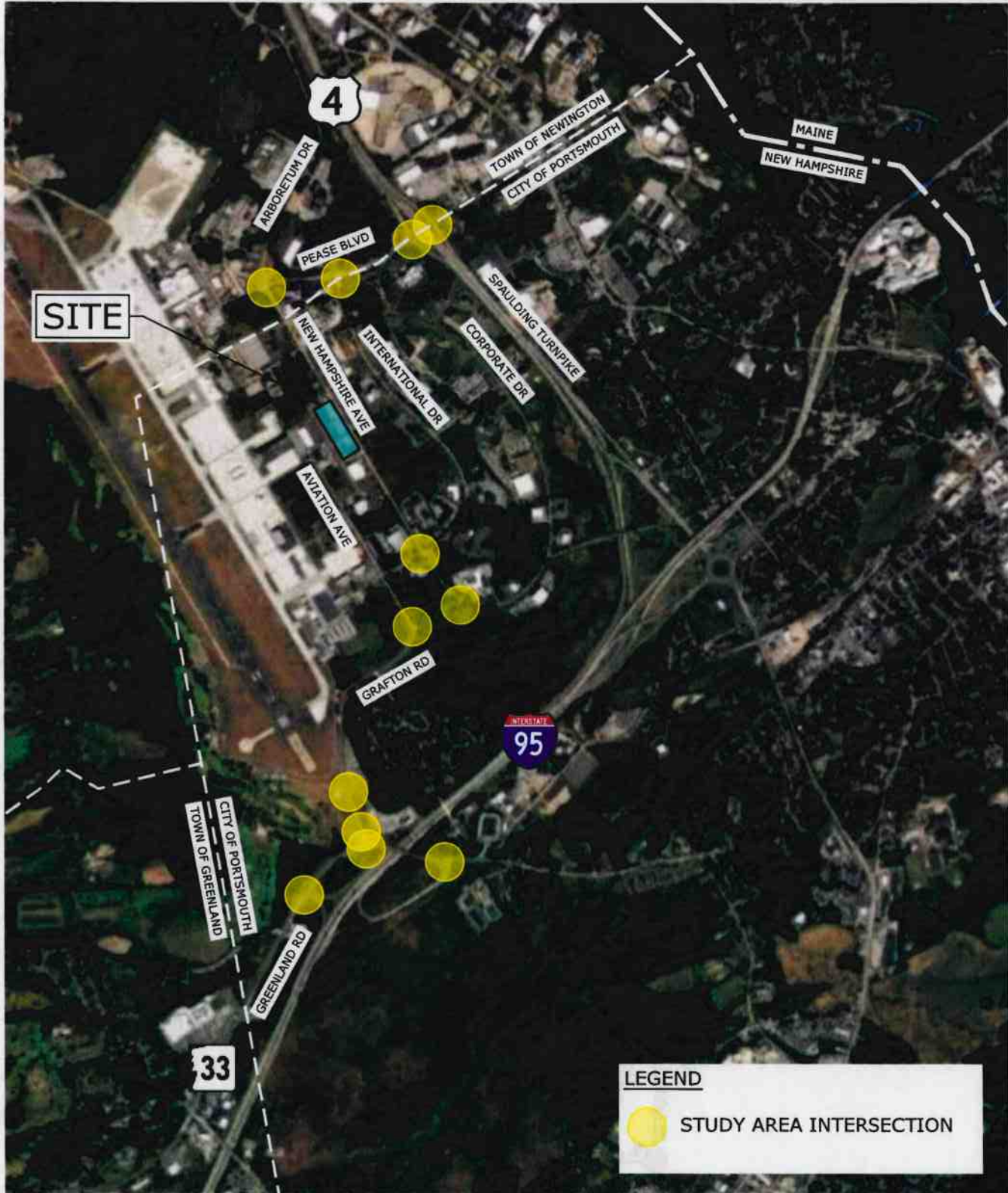


**TABLE 5 (CONTINUED)**  
Intersection Operation Summary - Queues (In Feet)

Lane Use	Available Storage	Weekday Morning Peak Hour										Weekday Afternoon Peak Hour												
		2022 Existing		2025 No-Build		2025 Build		2025 No-Build		2025 Build		2022 Existing		2025 No-Build		2025 Build		2025 No-Build		2025 Build				
		50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>	50 <sup>th</sup>	95 <sup>th</sup>			
<b>Unsignalized AWSC - Pease Boulevard at Arboretum Drive/New Hampshire Avenue</b>																								
Pease Boulevard	EB	900	--	8	--	8	--	8	--	8	--	8	--	8	--	30	--	33	--	35	--	43	--	45
	WBL	>1000	--	63	--	65	--	102	--	83	--	133	--	43	--	45	--	57	--	57	--	57	--	70
	WBTR	>1000	--	38	--	40	--	40	--	50	--	50	--	5	--	5	--	5	--	5	--	5	--	5
New Hampshire Avenue	NB	>1000	--	25	--	28	--	33	--	33	--	38	--	170	--	188	--	290	--	300	--	300	--	433
Arboretum Drive	SB	>1000	--	75	--	83	--	88	--	105	--	113	--	25	--	25	--	28	--	33	--	33	--	33
<b>Unsignalized TWSC - New Hampshire Avenue at Exeter Street/Manchester Square</b>																								
Exeter Street	EB	>1000	--	8	--	8	--	8	--	10	--	10	--	8	--	8	--	8	--	8	--	8	--	10
Manchester Square	WBLT	950	--	10	--	13	--	13	--	15	--	18	--	10	--	20	--	25	--	25	--	30	--	35
	WBR	80	--	3	--	3	--	3	--	3	--	3	--	3	--	3	--	5	--	5	--	5	--	5
New Hampshire Avenue	NBL	85	--	3	--	3	--	3	--	3	--	3	--	3	--	0	--	0	--	0	--	0	--	0
	SBL	165	--	3	--	3	--	3	--	3	--	3	--	3	--	0	--	0	--	0	--	3	--	3
<b>Unsignalized TWSC - New Hampshire Avenue/Corporate Drive at International Drive/Durham Street</b>																								
Durham St	EB	860	--	5	--	5	--	5	--	5	--	8	--	5	--	8	--	8	--	8	--	8	--	10
International Drive	WB	>1000	--	15	--	18	--	20	--	23	--	28	--	15	--	210	--	278	--	335	--	335	--	418
Corporate Drive	NBL	920	--	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0	--	0
New Hampshire Avenue	SBL	>1000	--	3	--	3	--	3	--	3	--	3	--	3	--	0	--	0	--	0	--	0	--	0
<b>Unsignalized TWSC - Corporate Drive at Grafton Road</b>																								
Grafton Road	EBL	220	--	148	--	163	--	217	--	648	--	830	--	148	--	105	--	138	--	608	--	720	--	720
	EBR	220	--	23	--	25	--	25	--	45	--	45	--	23	--	10	--	10	--	15	--	15	--	15
Corporate Drive	NBL	>1000	--	3	--	3	--	3	--	10	--	10	--	3	--	23	--	25	--	83	--	83	--	93
<b>Unsignalized TWSC - Grafton Road at Aviation Avenue</b>																								
Aviation Avenue	EB	>1000	--	3	--	3	--	3	--	3	--	3	--	3	--	53	--	60	--	120	--	120	--	140
Grafton Road	NBL	>1000	--	13	--	13	--	13	--	18	--	18	--	13	--	3	--	3	--	3	--	3	--	3
<b>Unsignalized TWSC - Grafton Road at Pease Golf Course Driveway/Park &amp; Ride Driveway</b>																								
Golf Course Driveway	EB	>1000	--	0	--	0	--	0	--	3	--	3	--	0	--	20	--	23	--	48	--	48	--	55
Park and Ride Driveway	WB	>1000	--	50	--	57	--	70	--	123	--	138	--	50	--	68	--	83	--	158	--	158	--	170
	NBL	800	--	3	--	3	--	3	--	3	--	3	--	3	--	5	--	8	--	10	--	10	--	10
Grafton Road	SBL	>1000	--	3	--	3	--	3	--	3	--	3	--	3	--	0	--	0	--	3	--	3	--	3
<b>Unsignalized TWSC - Grafton Road at I-95 SR Off Ramp</b>																								
I-95 SB Off Ramp	WB	>1000	--	63	--	70	--	100	--	188	--	263	--	63	--	5	--	8	--	10	--	10	--	10

## **Section 8 Figures**

Oct. 06, 2022-11:43am Plotted By: MStoutz  
Tighe & Bond, Inc. J:\P\0595 Pro Con General Proposals\0595-015 100 NH Avenue\Drawings\_Figures\AutoCAD\Figures\0595-015 Site Location Map.dwg



100 NEW HAMPSHIRE AVENUE MANUFACTURING FACILITY  
PORTSMOUTH, NH

### SITE LOCATION MAP

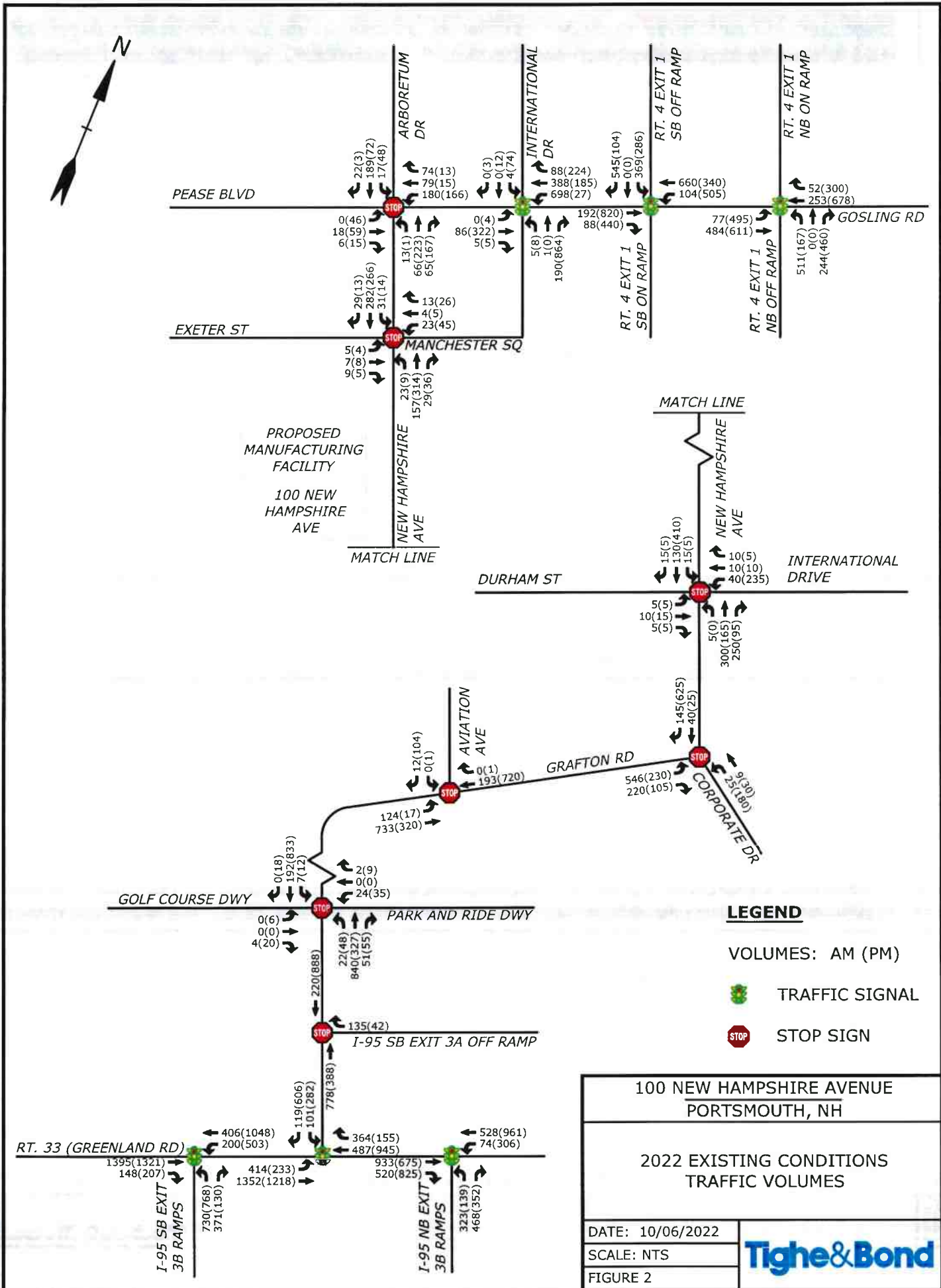


NO SCALE

FIGURE 1

**Tighe & Bond**





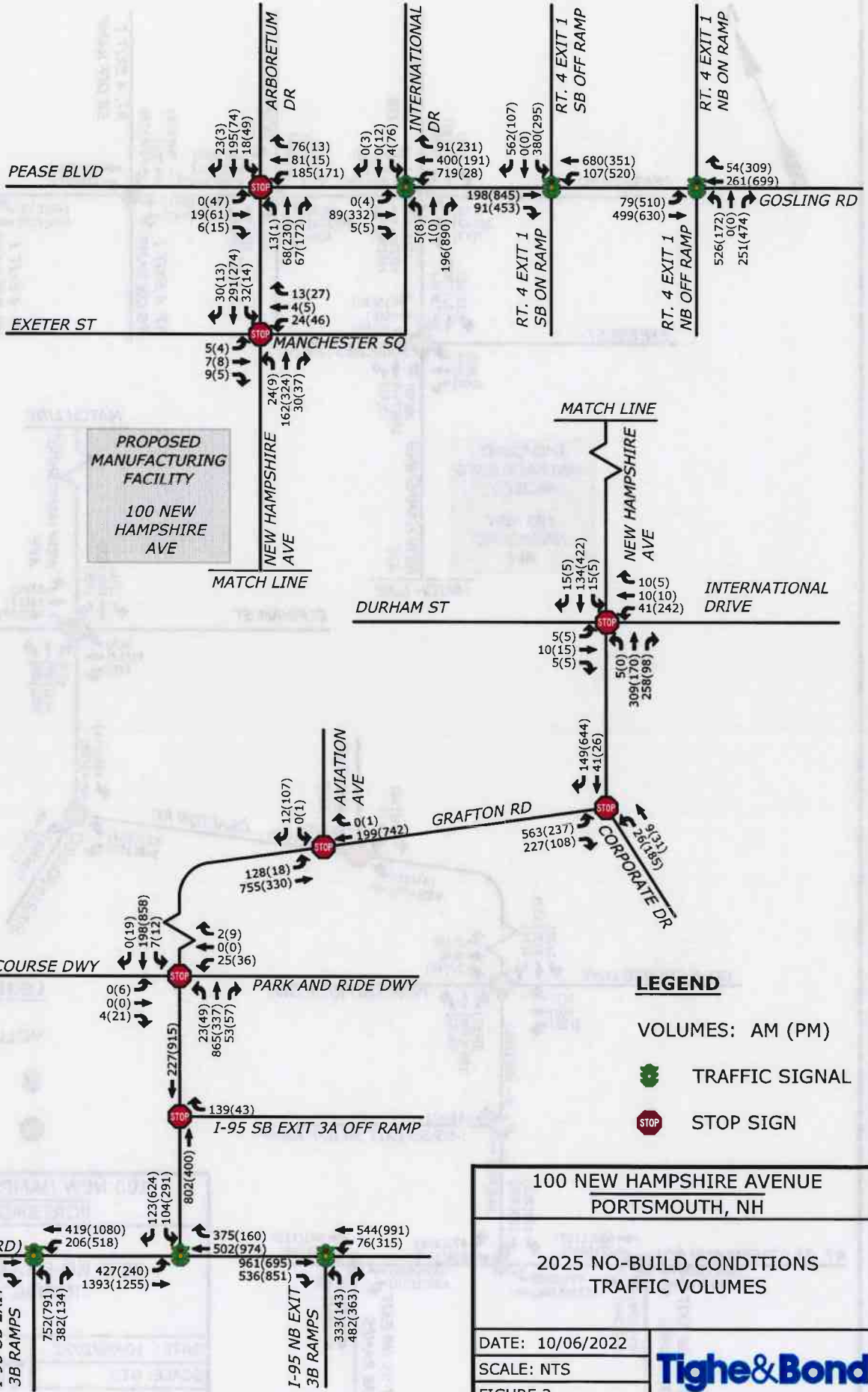
PROPOSED  
MANUFACTURING  
FACILITY  
100 NEW  
HAMPSHIRE  
AVE

**LEGEND**

- VOLUMES: AM (PM)
- TRAFFIC SIGNAL
- STOP SIGN

<b>100 NEW HAMPSHIRE AVENUE PORTSMOUTH, NH</b>	
<b>2022 EXISTING CONDITIONS TRAFFIC VOLUMES</b>	
DATE: 10/06/2022	
SCALE: NTS	
FIGURE 2	

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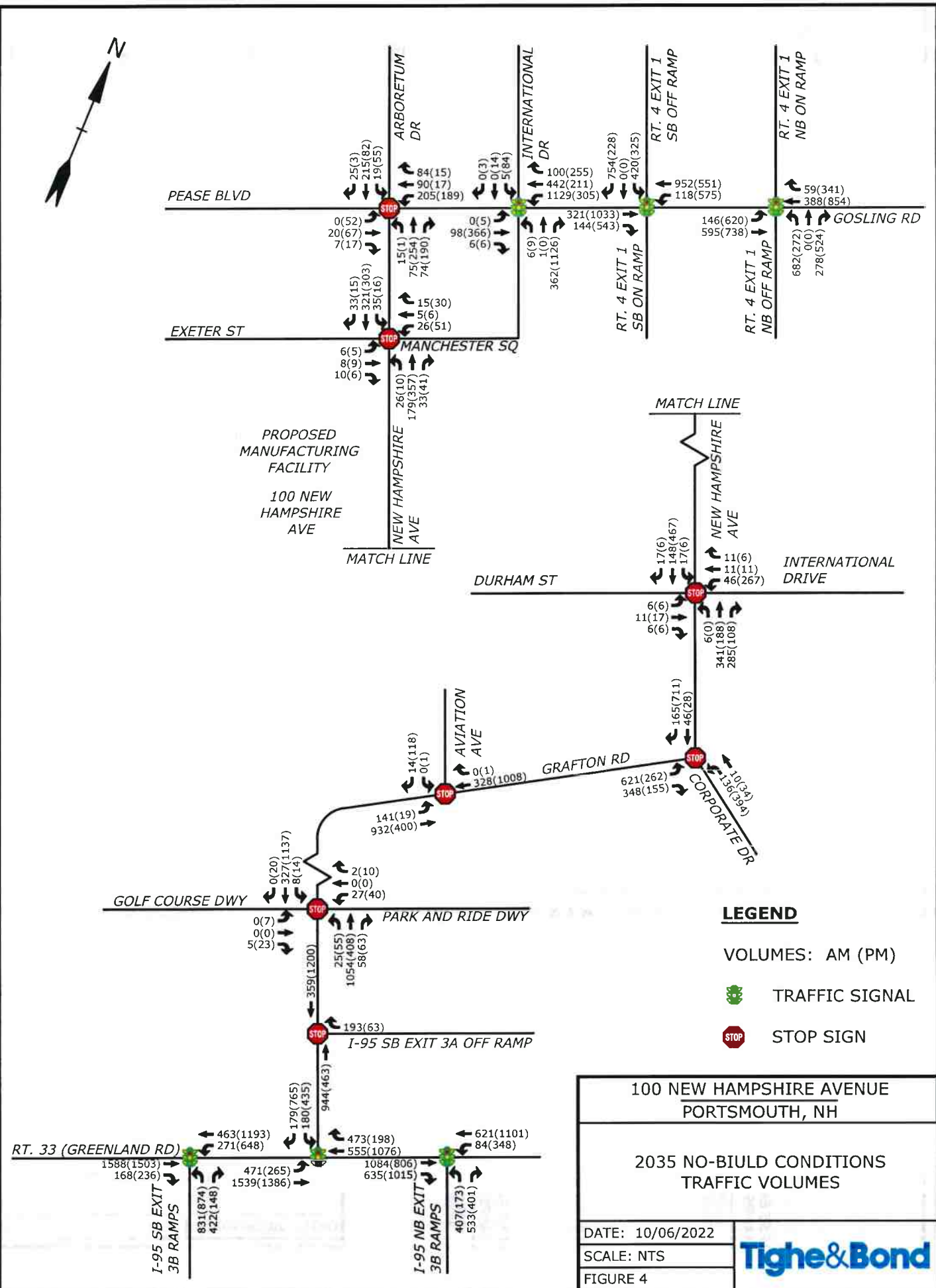


PROPOSED  
MANUFACTURING  
FACILITY  
100 NEW  
HAMPSHIRE  
AVE

- LEGEND**
- VOLUMES: AM (PM)
  - TRAFFIC SIGNAL
  - STOP SIGN

100 NEW HAMPSHIRE AVENUE PORTSMOUTH, NH	
2025 NO-BUILD CONDITIONS TRAFFIC VOLUMES	
DATE: 10/06/2022	
SCALE: NTS	
FIGURE 3	

Oct 05, 2022 3:57pm Plotted By: KJLiang  
 Figure 3 - Blvd, Inc. C:\Users\KJLiang\AppData\Local\Temp\AutoPlot\20221005\FracTrc\_Volume\_Figures.dwg



**LEGEND**

- VOLUMES: AM (PM)
- TRAFFIC SIGNAL
- STOP SIGN

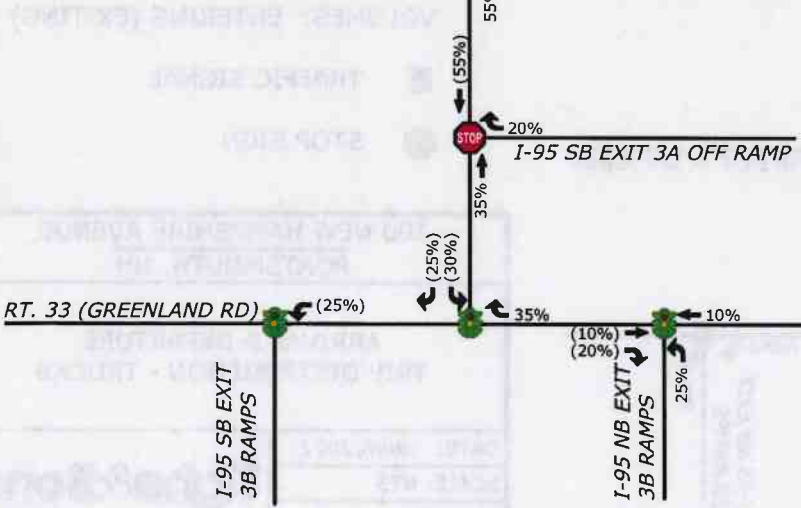
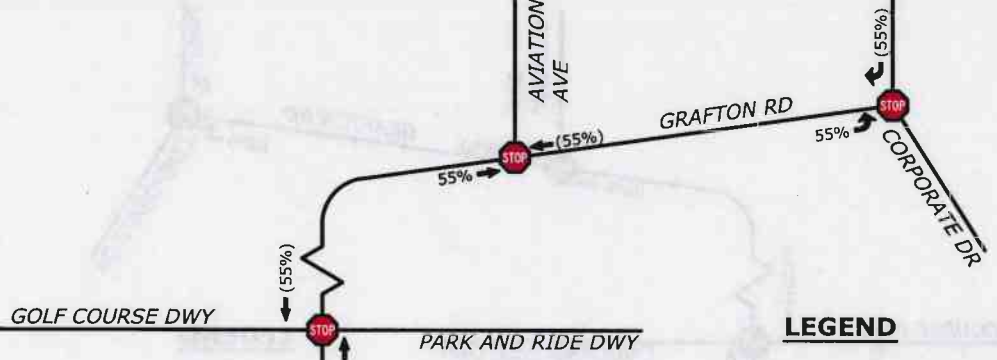
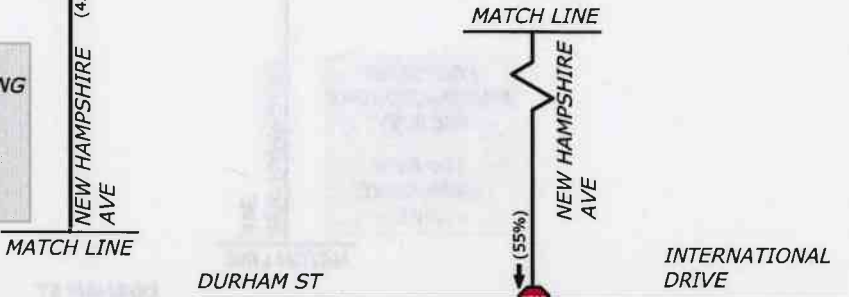
<b>100 NEW HAMPSHIRE AVENUE PORTSMOUTH, NH</b>	
<b>2035 NO-BUILD CONDITIONS TRAFFIC VOLUMES</b>	
DATE: 10/06/2022	
SCALE: NTS	
FIGURE 4	

Oct 06, 2022 3:57pm Modified By: J. H. Bond  
 Tighe & Bond, Inc. C:\Users\JHB\OneDrive\Documents\100NH\100NH\_Traffic\_Volumes\_Figuresheet.rvt





**PROPOSED MANUFACTURING FACILITY**  
100 NEW HAMPSHIRE AVE

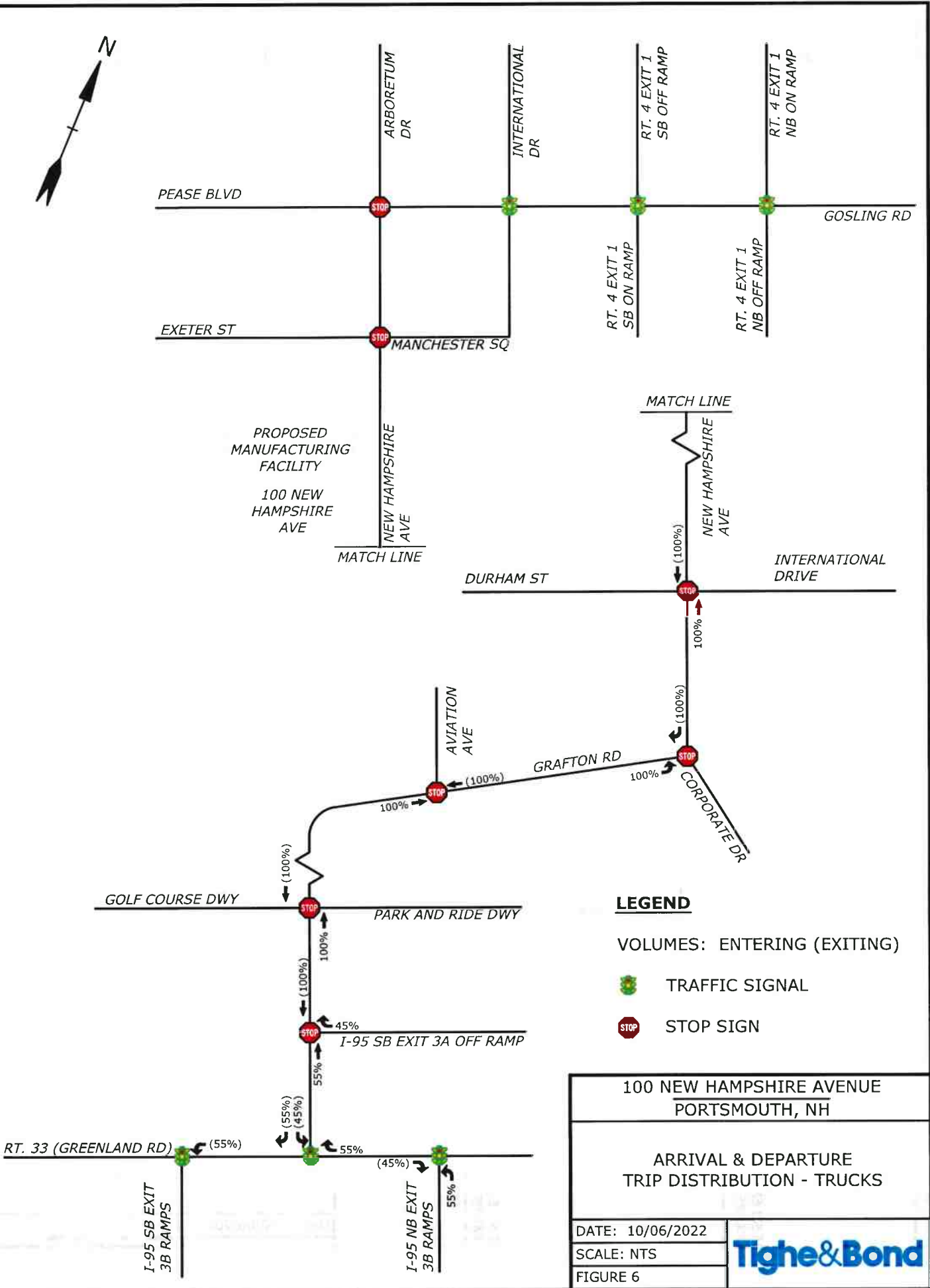


**LEGEND**

- VOLUMES: ENTERING (EXITING)
- TRAFFIC SIGNAL
- STOP SIGN



100 NEW HAMPSHIRE AVENUE PORTSMOUTH, NH	
ARRIVAL & DEPARTURE TRIP DISTRIBUTION - PASSENGER CARS	
DATE: 10/06/2022	
SCALE: NTS	
FIGURE 5	

Oct 05, 2022 2:28pm Plotted By: KHuang  
 Tighe & Bond, Inc. C:\Users\KHuang\AppData\Local\Temp\AutoCAD\202210\Traffic\_Volumes\_Figures.dwg



PROPOSED  
MANUFACTURING  
FACILITY  
100 NEW  
HAMPSHIRE  
AVE

**LEGEND**

- VOLUMES: ENTERING (EXITING)
-  TRAFFIC SIGNAL
-  STOP SIGN

100 NEW HAMPSHIRE AVENUE PORTSMOUTH, NH	
ARRIVAL & DEPARTURE TRIP DISTRIBUTION - TRUCKS	
DATE: 10/06/2022	
SCALE: NTS	
FIGURE 6	

Oct 06, 2022 3:58pm (Printed by: r.hoddy)  
 Tighe & Bond, Inc. C:\Users\mhorvath\OneDrive\Documents\100NH\100NH\_100NH\_100NH\_100NH\_100NH.dwg



PROPOSED  
MANUFACTURING  
FACILITY  
100 NEW  
HAMPSHIRE  
AVE

MATCH LINE

MATCH LINE

DURHAM ST

INTERNATIONAL  
DRIVE

AVIATION  
AVE

GRAFTON RD

CORPORATE DR

GOLF COURSE DWY

PARK AND RIDE DWY

**LEGEND**

VOLUMES: AM (PM)

 TRAFFIC SIGNAL

 STOP SIGN

RT. 33 (GREENLAND RD)

I-95 SB EXIT  
3B RAMP

I-95 NB EXIT  
3B RAMP

100 NEW HAMPSHIRE AVENUE  
PORTSMOUTH, NH

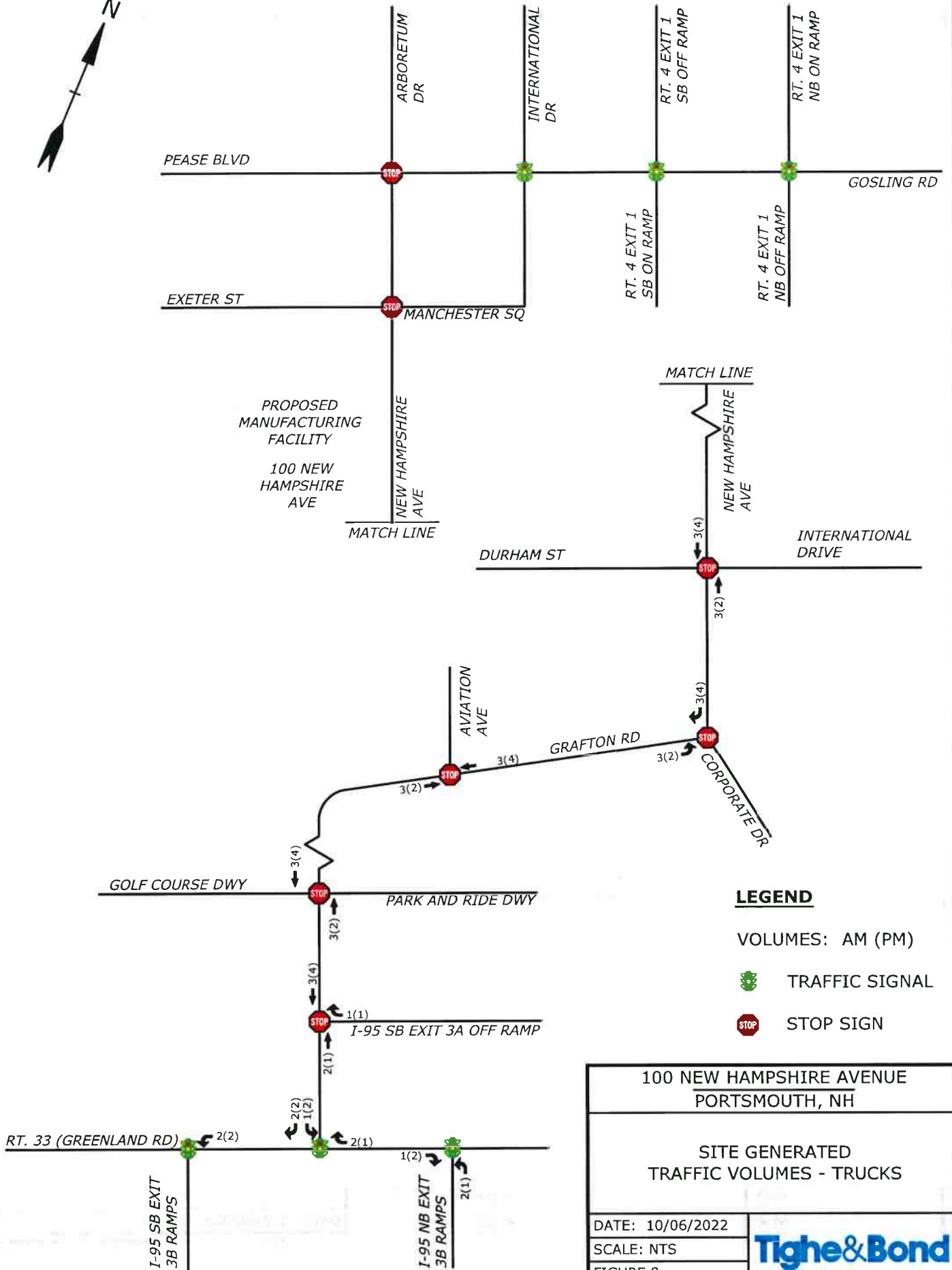
SITE GENERATED  
TRAFFIC VOLUMES - PASSENGER CARS

DATE: 10/06/2022



SCALE: NTS


FIGURE 7





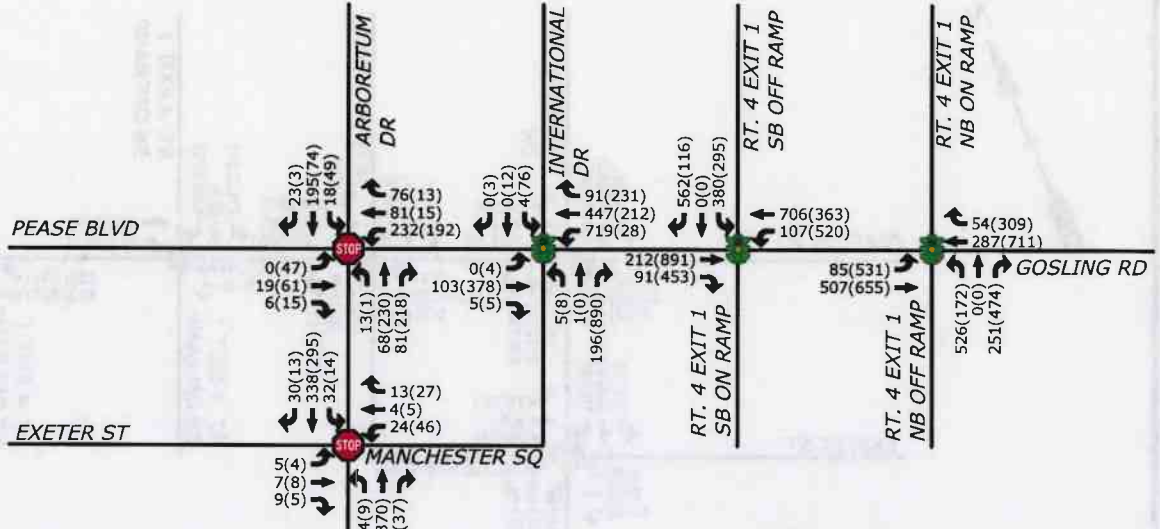
**LEGEND**

- VOLUMES: AM (PM)
-  TRAFFIC SIGNAL
-  STOP SIGN

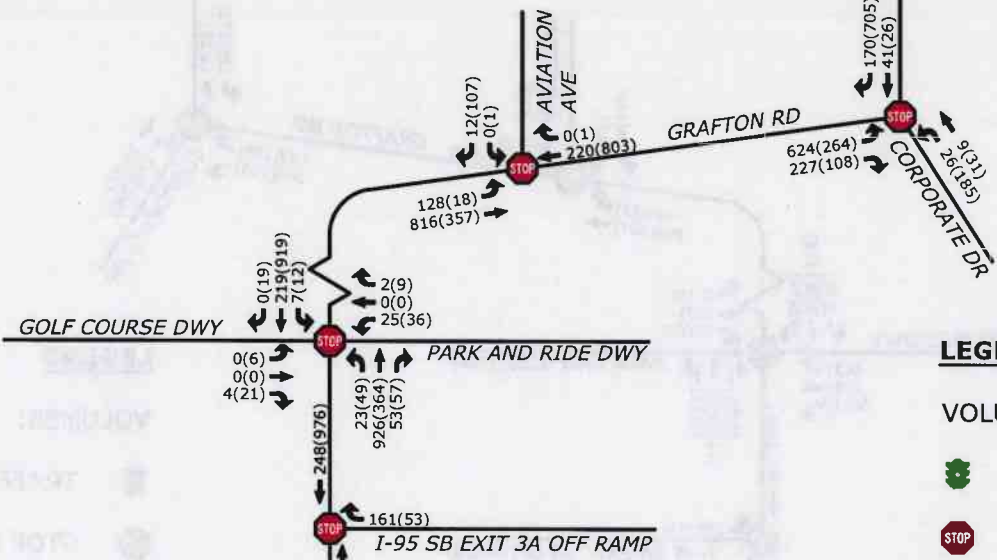
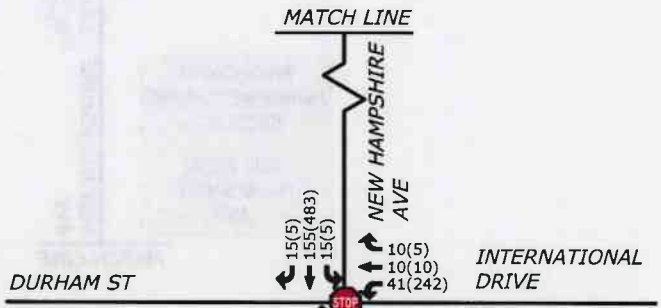
<b>100 NEW HAMPSHIRE AVENUE PORTSMOUTH, NH</b>	
<b>SITE GENERATED TRAFFIC VOLUMES - TRUCKS</b>	
DATE: 10/06/2022	
SCALE: NTS	
FIGURE 8	

Doc No: 2022-0588; Rev: 01; Date: 10/06/2022; Project: 100 New Hampshire Ave., Portsmouth, NH; Client: Tighe & Bond, Inc.; Designer: Tighe & Bond, Inc.; Date: 10/06/2022; Project: 100 New Hampshire Ave., Portsmouth, NH; Client: Tighe & Bond, Inc.; Designer: Tighe & Bond, Inc.





PROPOSED MANUFACTURING FACILITY  
100 NEW HAMPSHIRE AVE



**LEGEND**

VOLUMES: AM (PM)

TRAFFIC SIGNAL

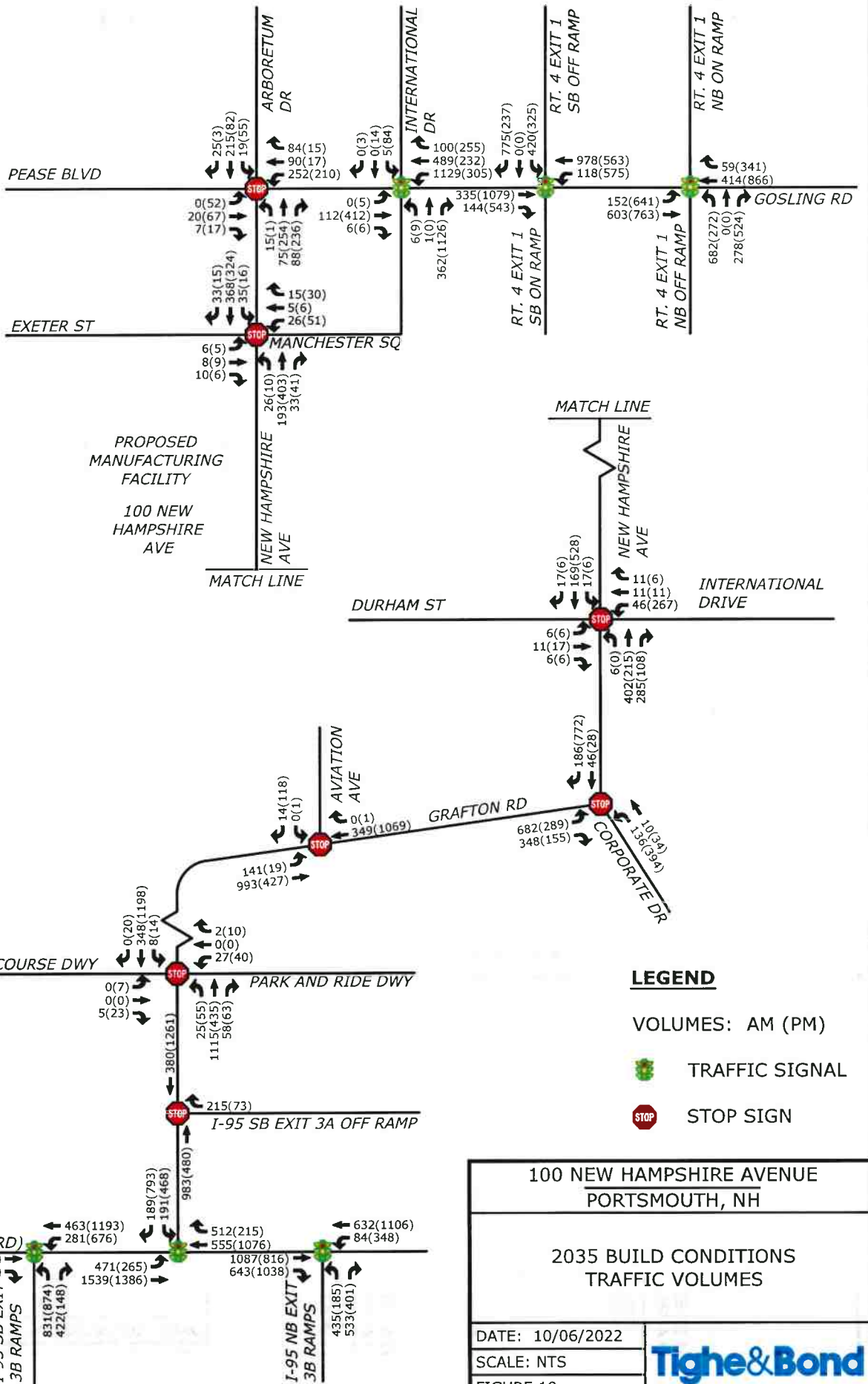
STOP SIGN

100 NEW HAMPSHIRE AVENUE  
PORTSMOUTH, NH

2025 BUILD CONDITIONS  
TRAFFIC VOLUMES

DATE: 10/06/2022  
SCALE: NTS  
FIGURE 9





Oct 06, 2022 3:58:00pm B:\Proj\10\100 New Hampshire Ave\100 New Hampshire Ave\100 New Hampshire Ave.dwg  
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## MOTION

Director Lamson:

The Pease Development Authority (“PDA”) Board of Directors authorizes the Executive Director to execute any and all documents necessary to terminate the PDA’s Option Agreement with North Forty Group LLC, and to return a pro rata portion of the Option Agreement payment for the remainder of the current option term; all in accordance with the memorandum from Paul E. Brean, Executive Director, dated October 13, 2022.

## MEMORANDUM

**To:** Pease Development Authority Board of Directors  
**From:** Paul Brean, Executive Director *PB*  
**Date:** October 13, 2022  
**Re:** North Forty Group LLC – Termination of Option Agreement

---

In January of 2022, the Pease Development Authority (“PDA”) Board of Directors approved an Option Agreement with North Forty Group LLC (“North Forty”) concerning the potential development of 19.8 +/- acres of land on the North Apron of Pease International Airport. The Option Agreement, which became effective February 1, 2022, provided North Forty with exclusivity over the parcel for a limited period of time during which it intended to conduct due diligence regarding a development. In June of this year, the Board approved a 6 month extension of the Option Agreement through January of 2023.

Since February, North Forty has actively explored potential development opportunities, but, to date, has not found a development scenario that it believes makes business sense and is in the best interests of the PDA and seacoast area. As a result, North Forty has reached the conclusion that based on current market conditions development on the North Apron is not something it wishes to actively pursue further at this time. Therefore, via the attached correspondence, North Forty requests a termination of the Option Agreement and a pro rata refund on its Option Agreement payment for the remainder of the term (from date of termination through January 30, 2023).

I appreciate the considerable time and effort that North Forty has dedicated to exploring aeronautical development opportunities at Portsmouth International Airport and understand the decision it has reached concerning the Option Agreement. As such, at the October 20, 2022, Board of Directors’ meeting, I request authority to terminate the Option Agreement with North Forty and return a pro rata portion of the Option Agreement payment for the remainder of the current option term.



North Forty Group LLC

October 13, 2022

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

Re: Request for Termination of Option Agreement for a Portion of the North Apron (19.8 +/- acres)  
Newington, NH 03801

Dear Mr. Brean,

On February 1, 2022, North 40 Group LLC (N40G) entered into an Option Agreement with the Pease Development Authority (PDA) for the exclusive right and option to lease the Land and Improvements thereon located on a portion of the North Apron at Portsmouth International Airport at Pease. The Initial Option Term was six (6) months, expiring on July 31, 2022. N40G and the PDA subsequently extended the term of the Option Agreement through January 31, 2023 pursuant to that certain Amended Option Agreement effective as of June 22, 2022.

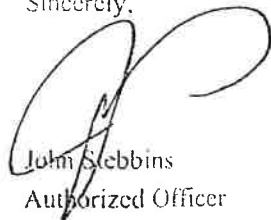
As we indicated in our letter to the PDA on December 1, 2021 requesting consideration for Option Agreements, we have used the last fourteen months during our Option and Right of Entry periods to thoroughly investigate this site and the impact our development will have on Pease and the surrounding communities. We have worked with multiple local consultants and experts to better understand each Option Area and explore detailed development plans. The exclusivity provided by our Option Agreements during that time has enabled us to engage with multiple potential end users to explore the best use for the site and for Pease.

After months of due diligence and conversations with potential tenants, we have been unable to locate an end user who is prepared to move forward with development on the North Apron at this time given the current market conditions. Therefore, we are requesting the termination of N40G's Option Agreement for the 19.8 +/- acre Portion of the North Apron. This termination would eliminate the requirement for any Option payments for the remainder of the Option Extension term, and would trigger a refund for payments already made, proportionate with the time remaining on the current term. Should you have any questions or concerns, please advise.

In closing, we wanted to take this opportunity to thank the PDA for its patience during our due diligence period. We continue to appreciate the support and partnership of the PDA as we work collaboratively to find the highest and best use for each Option Area. We are encouraged by the market demand for our Advanced Manufacturing project at 100 New Hampshire Avenue, and grateful for the opportunity to seek PDA Board Concept Approval for that development.

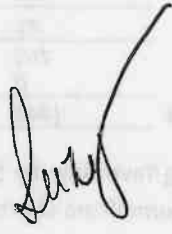
Thank you for your consideration. Please do not hesitate to contact us directly if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Stebbins', with a large, stylized flourish extending to the right.

John Stebbins  
Authorized Officer  
North Forty Group LLC

**Date:** October 11, 2022  
**To:** Paul Brean, Executive Director  
**From:** Suzy Anzalone, Director of Finance  
**Subject:** Executive Summary- Financial Reports



In anticipation of the upcoming October 20, 2022 Pease Development Authority Board meeting, the following is an Executive Summary of the financial results for the two months ended August 31, 2022:

<b>Consolidated Results</b>			
<b>Pease Development Authority - Consolidated</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	4,162	3,706	456
Operating Expenses	2,466	2,705	239
<b>Operating Income</b>	<b>1,696</b>	<b>1,001</b>	<b>695</b>
Depreciation	1,152	1,125	(27)
Non Oper. (Inc)/Exp	(2)	0	3
<b>Net Operating Income (Loss)</b>	<b>547</b>	<b>(125)</b>	<b>671</b>

Consolidated operating revenues of \$4.2 million for the two months ended August 31<sup>st</sup> are favorable to budget by \$456,000 (12.3%). Notable positive variances include fuel flowage fees, golf course public play, fuel sales, parking fees and income from short-term option agreements.

Year-to-date operating expenses of \$2.5 million are under budget by \$239,000 (8.8%). Cost underruns include wages and benefits, facilities and maintenance, professional services, and marketing. Offsetting this is fuel purchases which were over budgeted projections due to higher fuel sales.

Year-to-date net operating income was \$547,000, performing favorably against the budgeted loss of \$125,000.

## Business Unit Performance

### Portsmouth Airport

<b>Portsmouth Airport ( PSM) incl Security</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	510	297	213
Operating Expenses	490	535	45
<b>Operating Income</b>	<b>21</b>	<b>(238)</b>	<b>259</b>
Depreciation	762	702	(60)
Non Oper. (Inc)/Exp	0	0	0
<b>Net Operating Income (Loss)</b>	<b>(742)</b>	<b>(940)</b>	<b>199</b>

Portsmouth Airport operating revenues are trending favorably by \$213,000 (71.9%) year-to-date. Revenue variances include higher parking revenues, fuel flowage and income from short term option payments. Airport operating expenses are also under budget by \$45,000 year-to-date.

### Skyhaven Airport

<b>Skyhaven ( DAW)</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	56	40	16
Operating Expenses	53	38	(15)
<b>Operating Income</b>	<b>4</b>	<b>2</b>	<b>2</b>
Depreciation	69	82	12
Non Oper. (Inc)/Exp	0	0	0
<b>Net Operating Income (Loss)</b>	<b>(66)</b>	<b>(79)</b>	<b>14</b>

Year-to-date operating revenues at Skyhaven are favorable by 40.9% due to higher fuel sales. Year-to-date fuel sales totaled 4,938 gallons vs. 3,063 gallons in FY22. The selling price per gallon is averaging \$6.59 against FY22 pricing of \$4.78 per gallon. Operating expenses are \$15,000 over budget resulting from higher fuel consumption as a result of the increased sales volume.

### Tradeport

<b>Tradeport</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	1,724	1,731	(7)
Operating Expenses	67	82	15
<b>Operating Income</b>	<b>1,657</b>	<b>1,649</b>	<b>8</b>
Depreciation	125	150	25
Non Oper. (Inc)/Exp	0	0	0
<b>Net Operating Income (Loss)</b>	<b>1,532</b>	<b>1,499</b>	<b>34</b>

Operating revenues for the Tradeport are under budget by \$7,000. Miscellaneous revenue was under budget by \$13,000, but is offset by facility rent which was favorable by \$6,000. Year-to-date operating expenses are under budget by \$15,000 mainly resulting from lower building and facility costs.



## Golf Course

<b>Pease Golf Course</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	1,128	1,088	40
Operating Expenses	498	495	(3)
<b>Operating Income</b>	<b>630</b>	<b>593</b>	<b>37</b>
Depreciation	64	63	(1)
Non Oper. (Inc)/Exp	(0)	(0)	0
<b>Net Operating Income (Loss)</b>	<b>567</b>	<b>531</b>	<b>36</b>

Golf Course revenues are trending favorably as year-to-date results are 3.7% higher than budget, attributable to public play revenue. Operating expenses are slightly over budget (0.6%) due to significant fertilizer expenditures in August.

## Division of Ports and Harbors-Unrestricted

<b>Division of Ports and Harbors (Unrestricted)</b>			
(\$ 000's)	YTD Actual	YTD Budget	Variance Fav (unfav)
Operating Revenues	711	523	188
Operating Expenses	665	615	(50)
<b>Operating Income</b>	<b>46</b>	<b>(92)</b>	<b>138</b>
Depreciation	103	104	0
Non Oper. (Inc)/Exp	(0)	(0)	0
<b>Net Operating Income (Loss)</b>	<b>(57)</b>	<b>(195)</b>	<b>138</b>

Unrestricted operating revenues for the DPH are \$188,000 (36.0%) higher than budget mainly due to higher fuel sales as well as parking revenue. Operating expense overruns of \$50,000 (8.2%) stem from higher fuel consumption expense driven by the higher sales volume.

## Balance Sheet/Statement of Net Position

(\$ 000's)	As of 8/31/2022	As of 8/31/2021
<b>Assets</b>		
Current Assets	19,509	11,883
Restricted Assets	1,557	1,577
Non-Current Assets	292,850	265,439
<b>Total Assets</b>	<b>313,916</b>	<b>278,899</b>
<b>Deferred Outflows of Resources</b>	<b>3,705</b>	<b>4,202</b>
<b>Liabilities</b>		
Current Liabilities	3,435	5,430
Non-Current Liabilities	12,004	14,554
<b>Total Liabilities</b>	<b>15,439</b>	<b>19,984</b>
<b>Deferred Inflows of Resources</b>	<b>201,506</b>	<b>175,253</b>
<b>Net Position</b>		
Net Invest. in Cap Assets	95,047	92,719
Restricted	1,290	1,223
Unrestricted	4,339	(6,077)
<b>Total Net Position</b>	<b>100,676</b>	<b>87,864</b>

You will note some changes to our balance sheet due to the adoption of GASB 87, the new lease accounting standard, which was adopted in FY22. Current Assets now include a lease receivable which reflects the present value of lease payments expected over the next twelve month period. The amounts for FY23 and FY22 are \$5.1 million and \$4.4 million respectively. Current assets also include unrestricted cash, which was \$10.8 million at August 31<sup>st</sup>.

Restricted assets total \$1.6 million and consist primarily of the Revolving Loan Fund. At present, there are 21 participant loans outstanding with a principal balance outstanding of \$1.2 million.

Non-current assets include capital assets as well as a long term lease receivable related to the new accounting standard. The long term receivable represents the present value of lease payments for the remaining terms of all active long-term lease agreements, which will be received in more than one year. The amounts for FY23 and FY22 is \$197.2 million and \$169.9 million respectively. Fiscal Year 2023 capital expenditures through August total \$670,000, mainly represented by expenses for repairs to the Main Wharf at Market Street.

Current liabilities of \$3.4 million are largely related to trade accounts payable and various accrued expenses. The majority of non-current liabilities of \$12.0 million represent the current pension and OPEB liability which is currently \$11.6 million. The actuarial consultant reports were received in late August for the period ended June 30, 2021 (pension reporting is always one year in arrears). The pension/OPEB liability decreased by \$2.5 million over the previous year, mainly as a result of significantly higher return on investments than the previous reporting year. Return on investments for the plan were 29.4% for the fiscal year ended June 30, 2021 vs. 1.1% for the year ended June 30, 2020.

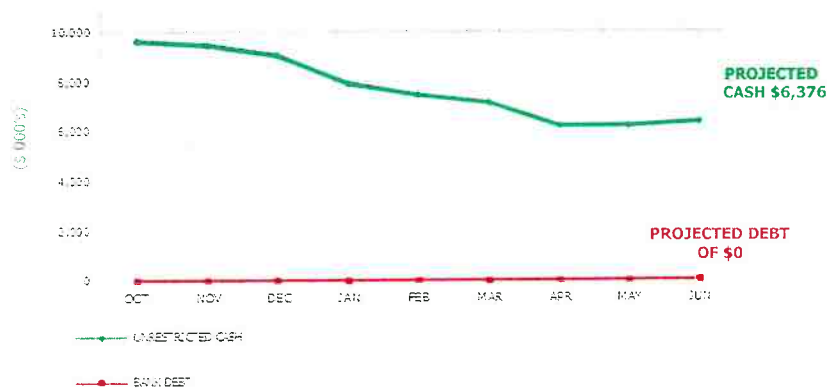
Deferred Inflows of Resources now include deferred lease revenue, also associated with the new lease accounting standard, and represent the present value of expected lease revenue for the remaining terms of all active long-term lease agreements. Amounts shown on the balance sheet for FY23 and FY22, net of amortization, are \$198.5 million and 172.3 million respectively.

A more detailed balance sheet is shown on page 6 of the FY2023 Financial Report.

**Cash Flow Projections for the Nine Month Period Ending June 30, 2023**

During the next nine-month period, cash inflows are projected at \$16.1 million, mainly provided by operating revenues and include \$2.8 million in grant funding.

Cash outflows of \$19.6 million during this same period include \$7.7 million in non-grant capital expenditures and \$1.2 million in grant related expenditures, as well as outflows from normal operating expenses. Current projections indicate that we will not need to draw on our line of credit over the next nine months, and estimate unrestricted cash at approximately \$6.4 million in June, 2023. The chart below outlines cash and debt balances over the next nine month period.



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

PEASE DEVELOPMENT AUTHORITY  
FY2023 FINANCIAL REPORT  
FOR THE TWO MONTH PERIOD  
ENDING AUGUST 31, 2022



BOARD OF DIRECTORS MEETING  
OCTOBER 20, 2022





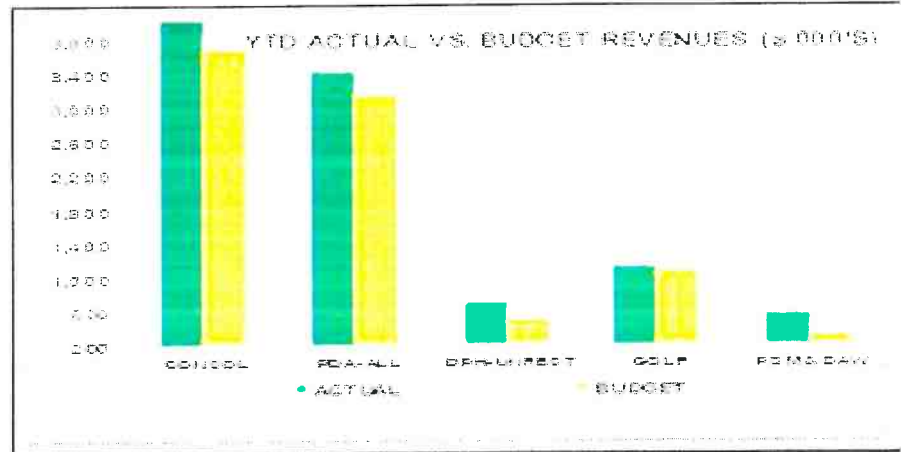
# PEASE DEVELOPMENT AUTHORITY

## Revenues and Expenditures – Two Months Ended August 31, 2022

**Trends:**

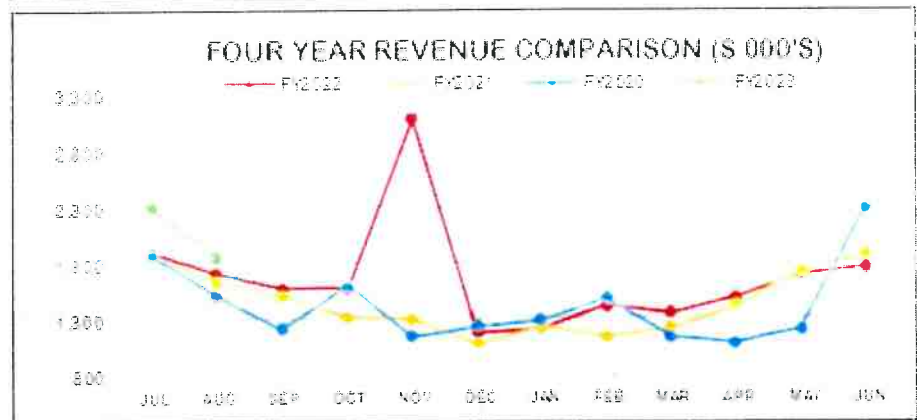
**YTD revenue higher by 12.3%:**

- Golf Fees, Fuel Flowage, Parking fees, Fuel Sales and income from Short-Term Option payments trending higher than budget



**Trends:**

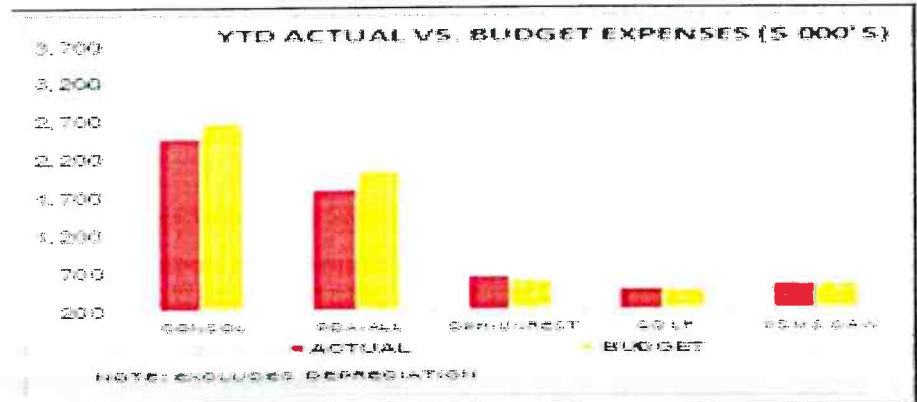
- **November 2021** includes sale of 30 NH Ave
- **July revenues** include annual rent payment-Great Bay Comm. College
- **June revenues** include increase in Golf fee revenue



**Trends:**

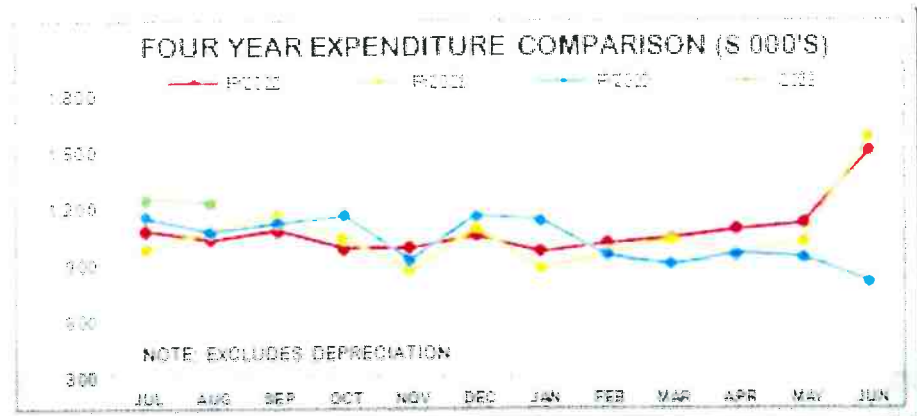
**YTD Operating Expenses lower by 8.8%:**

- Wages & Benefits, Facilities, Professional Svcs. & Marketing trending lower than budget
- Offset by cost overruns fuel purchases (due to higher fuel sales)



**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 Two Months Ending August 31, 2022**

	Actual	Budget	Variance	%	Actual	Budget	Variance	%
	Aug FY 2023	Aug FY 2023	From Monthly Budget	Variance	YTD FY 2023	YTD FY 2023	From YTD Budget	Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL								
FACILITIES	\$889,085	\$886,321	\$2,764	0.3%	\$1,935,751	\$1,926,574	\$9,177	0.5%
CARGO AND HANGARS	13,808	12,617	1,191	9.4%	28,042	27,855	187	0.7%
	<u>902,893</u>	<u>898,938</u>	<u>3,955</u>	<u>0.4%</u>	<u>1,963,793</u>	<u>1,954,429</u>	<u>9,364</u>	<u>0.5%</u>
CONCESSION REVENUE	65,068	53,486	11,582	21.7%	120,138	112,749	7,389	6.6%
<b>FEE REVENUE</b>								
AVIATION FEES		74	(74)	(100.0%)		147	(147)	(100.0%)
FUEL FLOWAGE	60,615	44,626	15,989	35.8%	105,860	54,868	50,992	92.9%
PSM TSALEO REVENUE	2,230	1,856	374	20.1%	5,990	3,713	2,277	61.3%
PSM SECURITY REVENUE	2,435	2,411	24	1.0%	4,740	4,821	(81)	(1.7%)
GOLF FEES	390,677	386,043	4,634	1.2%	810,364	771,584	38,780	5.0%
GOLF SIMULATORS	547	230	317	137.8%	1,502	1,380	122	8.8%
GOLF MEMBERSHIPS	51,058	54,375	(3,317)	(6.1%)	102,117	108,750	(6,633)	(6.1%)
GOLF LESSONS	6,556	6,647	(91)	(1.4%)	18,147	15,307	2,840	18.6%
MOORING FEES	39,637	38,750	887	2.3%	79,274	77,500	1,774	2.3%
PARKING	71,330	43,180	28,150	65.2%	142,299	90,571	51,728	57.1%
PIER USAGE FEES	8,424	8,417	7	0.1%	21,438	16,833	4,605	27.4%
REGISTRATIONS	10,889	12,682	(1,793)	(14.1%)	26,889	13,516	13,373	98.9%
TERMINAL FEES				-				-
WHARFAGE AND DOCKAGE	4,500		4,500	-	4,500		4,500	-
	<u>648,898</u>	<u>599,291</u>	<u>49,608</u>	<u>8.3%</u>	<u>1,323,120</u>	<u>1,158,990</u>	<u>164,131</u>	<u>14.2%</u>
FUEL SALES	185,222	150,412	34,810	23.1%	445,718	299,608	146,110	48.8%
<b>INTEREST INCOME</b>								
LOAN INTEREST	2,800	2,583	217	8.4%	5,911	5,167	745	14.4%
<b>OTHER REVENUES</b>								
MERCHANDISE	35,999	40,539	(4,540)	(11.2%)	79,664	82,140	(2,476)	(3.0%)
ALL OTHER	21,465	36,736	(15,271)	(41.6%)	223,741	92,550	131,192	141.8%
	<u>57,464</u>	<u>77,275</u>	<u>19,812</u>	<u>25.6%</u>	<u>303,405</u>	<u>174,690</u>	<u>(128,716)</u>	<u>(73.7%)</u>
<b>TOTAL OPERATING REVENUE</b>	<b>1,862,345</b>	<b>1,781,985</b>	<b>80,359</b>	<b>4.5%</b>	<b>4,162,085</b>	<b>3,705,633</b>	<b>456,455</b>	<b>12.3%</b>
<b>OPERATING EXPENSES</b>								
<b>WAGES AND FRINGE BENEFITS</b>								
<b>WAGES</b>								
BENEFITED REGULAR	380,948	399,628	18,680	4.7%	719,177	842,916	123,738	14.7%
BENEFITED OVERTIME	15,990	11,585	(4,406)	(38.0%)	33,181	29,327	(3,854)	(13.1%)
NON-BENEFITED REGULAR	118,135	85,927	(32,208)	(37.5%)	226,939	183,463	(43,476)	(23.7%)
NON-BENEFITED OVERTIME	1,082	1,632	550	33.7%	6,699	6,887	187	2.7%
ACCRUED VACATION BENEFITS	(6,043)	1,008	7,051	699.3%	(8,067)	2,017	10,084	500.0%
ACCRUED SICK TIME BENEFITS	1,615	433	(1,182)	(272.7%)	3,273	867	(2,406)	(277.7%)
	<u>511,727</u>	<u>500,213</u>	<u>(11,515)</u>	<u>(2.3%)</u>	<u>981,202</u>	<u>1,065,477</u>	<u>84,274</u>	<u>7.9%</u>
WAGE TRANSFERS OUT				-				-
	<u>511,727</u>	<u>500,213</u>	<u>(11,515)</u>	<u>(2.3%)</u>	<u>981,202</u>	<u>1,065,477</u>	<u>84,274</u>	<u>7.9%</u>
<b>BENEFITS</b>								
DENTAL INSURANCE	5,336	5,902	565	9.6%	10,582	11,804	1,221	10.3%
HEALTH INSURANCE	100,312	112,153	11,841	10.6%	199,094	224,306	25,213	11.2%
LIFE INSURANCE	2,692	2,676	(16)	(0.6%)	5,232	5,352	120	2.2%
NEW HAMPSHIRE RETIREMENT	49,694	64,212	14,518	22.6%	102,345	128,424	26,079	20.3%
POST RETIREMENT BENEFITS	9,472	10,216	744	7.3%	18,944	20,432	1,489	7.3%
EMPLOYEE DRUG TEST	110	170	60	35.3%	367	340	(27)	(7.9%)
OPEB EXPENSE				-				-
EMPLOYER FICA	38,808	38,918	110	0.3%	74,161	83,548	9,387	11.2%
UNEMPLOYMENT INS				-				-
	<u>206,424</u>	<u>234,247</u>	<u>27,822</u>	<u>11.9%</u>	<u>410,725</u>	<u>474,206</u>	<u>63,482</u>	<u>13.4%</u>
BENEFIT TRANSFERS OUT				-				-
	<u>206,424</u>	<u>234,247</u>	<u>27,822</u>	<u>11.9%</u>	<u>410,725</u>	<u>474,206</u>	<u>63,482</u>	<u>13.4%</u>
<b>TOTAL WAGES &amp; BENEFITS</b>	<b>718,151</b>	<b>734,460</b>	<b>16,307</b>	<b>2.2%</b>	<b>1,391,927</b>	<b>1,539,683</b>	<b>147,755</b>	<b>9.6%</b>

**PEASE DEVELOPMENT AUTHORITY**  
**Consolidated Statement of Revenues and Expenses**  
**For the Two Months Ending August 31, 2022**

	Actual Aug FY 2023	Budget Aug FY 2023	Variance From Monthly Budget	% Variance	Actual YTD FY 2023	Budget YTD FY 2023	Variance From YTD Budget	% Variance
<b>BUILDING AND FACILITIES</b>								
AIRFIELD MAINTENANCE	1,315	8,284	6,969	84.1%	1,641	16,569	14,928	90.1%
COVID-19		590	590	100.0%		1,180	1,180	100.0%
SOIL & VEGETATION CONTROL	13,286	9,637	(3,649)	(37.9%)	16,042	19,274	3,232	16.8%
ENVIRONMENTAL TESTING		8,050	8,050	100.0%	8,357	16,099	7,743	48.1%
EQUIPMENT MAINTENANCE	30,436	33,555	3,119	9.3%	67,180	68,726	1,546	2.2%
FACILITIES MAINTENANCE	62,609	66,674	4,065	6.1%	124,469	133,348	8,878	6.7%
LANDSCAPING	7,789	3,668	(4,120)	(112.3%)	9,018	6,837	(2,182)	(31.9%)
NAVIGATION MAINTENANCE	954	4,642	3,687	79.4%	954	9,283	8,329	89.7%
OTHER EXPENSES				-				-
SECURITY	13,561	19,893	6,332	31.8%	35,438	39,787	4,349	10.9%
SNOW REMOVAL				-				-
EXPENSE TRANSFERS				-				-
	129,950	154,993	25,043	16.2%	263,099	311,103	48,003	15.4%
WAGE & BENEFIT TRANSFER IN				-				-
	129,950	154,993	25,043	16.2%	263,099	311,103	48,003	15.4%
<b>GENERAL AND ADMINISTRATIVE</b>								
BAD DEBT EXPENSE		42	42	100.0%		83	83	100.0%
BANK FEES	13,865	10,939	(2,927)	(26.8%)	30,027	21,942	(8,085)	(36.8%)
COMPUTER EXPENSES	6,010	5,788	(222)	(3.8%)	12,213	11,577	(636)	(5.5%)
DISCOUNTS AND LATE FEES	(499)	(171)	329	(192.4%)	(965)	(342)	624	(182.6%)
EQUIPMENT UNDER \$5,000	2,939	5,993	3,054	51.0%	6,895	11,985	5,091	42.5%
FEES AND LICENSES	1,925	7,407	5,482	74.0%	5,481	14,843	9,162	62.6%
INSURANCE	34,647	32,566	(2,081)	(6.4%)	69,293	65,132	(4,161)	(6.4%)
OFFICE EQUIPMENT	1,612	1,834	221	12.1%	3,001	3,667	666	18.2%
PROFESSIONAL DEVELOPMENT	1,526	4,788	3,262	68.1%	2,901	9,576	6,675	69.7%
SUPPLIES	4,890	8,829	3,939	44.6%	12,829	17,659	4,830	27.4%
TELEPHONES AND COMMUNICATIONS	13,329	13,272	(57)	(0.4%)	25,909	26,544	635	2.4%
TRAVEL AND MILEAGE	1,007	4,092	3,084	75.4%	2,226	8,183	5,957	72.8%
OTHER EXPENSES	1,228	5,659	4,431	78.3%	2,820	11,317	8,497	75.1%
	82,479	101,038	18,559	18.4%	172,630	201,966	29,336	14.5%
<b>UTILITIES</b>								
ELECTRICITY	50,877	56,257	5,380	9.6%	96,269	109,389	13,119	12.0%
ELECTRICITY TRANSFERS				-				-
HEATING OIL				-				-
NATURAL GAS	1,144	1,226	82	6.7%	2,910	1,540	(1,370)	(89.0%)
NATURAL GAS TRANSFERS				-				-
PROPANE	4,054	1,031	(3,023)	(293.1%)	6,623	3,758	(2,865)	(76.2%)
WASTE REMOVAL	5,175	9,270	4,095	44.2%	11,629	18,539	6,910	37.3%
WASTE REMOVAL TRANSFERS				-				-
WATER	2,669	4,684	2,015	43.0%	5,228	5,209	(20)	(0.4%)
WATER TRANSFERS				-				-
	63,919	72,468	8,548	11.8%	122,659	138,435	15,775	11.4%
<b>PROFESSIONAL SERVICES</b>								
AUDIT	10,884		(10,884)	-	10,884		(10,884)	-
INFORMATION TECHNOLOGY	6,483	9,722	3,239	33.3%	17,628	19,445	1,817	9.3%
LEGAL		10,767	10,767	100.0%		21,533	21,533	100.0%
LEGAL PERMIT IMPLEMENT		14,583	14,583	100.0%		29,167	29,167	100.0%
ADMINISTRATIVE SERVICES	3,940	5,917	1,977	33.4%	8,569	11,833	3,264	27.6%
	21,307	40,989	19,682	48.0%	37,081	81,978	44,896	54.8%
<b>MARKETING AND PROMOTION</b>								
ADVERTISING	1,531	4,489	2,957	65.9%	4,071	8,977	4,906	54.6%
OTHER MARKETING	10,761	25,588	14,828	57.9%	14,361	51,177	36,815	71.9%
FLIGHT INCENTIVES				-				-
	12,292	30,077	17,785	59.1%	18,432	60,154	41,721	69.4%
<b>OTHER OPERATING EXPENSES</b>								
COAST TROLLEY	10,000	10,000		-	20,000	20,000		-
FUEL	140,664	124,737	(15,927)	(12.8%)	349,650	249,066	(100,584)	(40.4%)
GOLF CART LEASE	20,717	20,500	(217)	(1.1%)	41,433	41,000	(433)	(1.1%)
MERCHANDISE	23,658	30,404	6,746	22.2%	49,065	61,605	12,540	20.4%
	195,039	185,641	(9,397)	(5.1%)	460,148	371,671	(88,477)	(23.8%)
<b>TOTAL OPERATING EXPENSES</b>	<b>1,223,137</b>	<b>1,319,666</b>	<b>96,527</b>	<b>7.3%</b>	<b>2,465,976</b>	<b>2,704,990</b>	<b>239,010</b>	<b>8.8%</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>639,208</b>	<b>462,319</b>	<b>176,886</b>	<b>38.3%</b>	<b>1,696,109</b>	<b>1,000,643</b>	<b>695,466</b>	<b>69.5%</b>
DEPRECIATION	575,525	552,869	(22,656)	(4.1%)	1,151,952	1,125,094	(26,858)	(2.4%)
AMORTIZATION				-				-
<b>NON-OPERATING (INCOME)/EXPENSES</b>								
INTEREST EXPENSE		833	833	100.0%		1,667	1,667	100.0%
INTEREST INCOME	(1,384)	(735)	649	(88.2%)	(2,473)	(1,471)	1,003	(68.2%)
NON-OPERATING GRANT FUNDING				-				-
GAIN/LOSS ON ASSETS				-				-
OTHER NON-OPERATING				-				-
	(1,384)	98	1,482	1512.4%	(2,473)	196	2,669	1361.9%
<b>NET OPERATING INCOME/(LOSS)</b>	<b>65,067</b>	<b>(90,648)</b>	<b>155,713</b>	<b>(171.8%)</b>	<b>546,630</b>	<b>(124,647)</b>	<b>671,276</b>	<b>(538.5%)</b>



**PEASE DEVELOPMENT AUTHORITY**  
**Consolidated Statement of Net Position**  
**For the Two Months Ending August 31, 2022**

	<u>2023</u>	<u>2022</u>
	<u>Ending</u>	<u>Ending</u>
<b>ASSETS</b>		
Cash and Investments	\$10,796,026	\$4,858,653
Accounts Receivable - Net	8,103,678	6,566,311
Inventories	405,044	314,315
Prepays	204,085	143,925
	<u>19,508,832</u>	<u>11,883,204</u>
Restricted Assets		
Cash and Investments	341,048	584,304
Current Receivables	62,239	1,460
Loans Receivable - NHFL		
Due within 1 Year	113,204	105,249
Due in more than 1 Year	1,040,466	885,878
Total Restricted Assets	<u>1,556,958</u>	<u>1,576,890</u>
Noncurrent Assets		
Leases Receivable-Net of Current Portion	197,230,941	169,907,424
Land	7,520,786	7,520,786
Construction-in-Process	11,018,030	4,705,251
Other Capital Assets - Net	77,080,714	83,305,711
Total Noncurrent Assets	<u>292,850,472</u>	<u>265,439,172</u>
<b>TOTAL ASSETS</b>	<u>313,916,262</u>	<u>278,899,265</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	1,424,984	2,008,286
OPEB	<u>2,279,876</u>	<u>2,193,378</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	2,891,540	2,261,309
Retainage	85,000	2,594,225
Accounts Payable for Capital Assets	572,928	2,813,107
Offset to Accounts Payable for Capital	(572,928)	(2,813,107)
Unearned Revenues	458,138	460,201
Long-Term Liabilities		
Net Pension Liability	4,279,644	6,170,435
Net OPEB Liability	7,378,664	8,041,994
Due within 1 Year		90,924
Due in more than 1 Year	345,817	341,551
	<u>15,438,802</u>	<u>19,960,638</u>
Restricted Liabilities		
Current Liabilities		22,969
Long-Term Liabilities		
Due within 1 Year		
Due in more than 1 Year		
		<u>22,969</u>
<b>TOTAL LIABILITIES</b>	<u>15,438,802</u>	<u>19,983,607</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	1,382,954	360,975
OPEB	1,651,884	2,546,921
Lease Revenue	<u>198,471,605</u>	<u>172,345,488</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	95,046,603	92,718,641
Restricted For:		
Revolving Loan Fishery Fund	1,252,412	1,244,980
Harbor Dredging and Pier Maintenance	24,815	(32,316)
Foreign Trade Zone	12,920	9,905
Unrestricted	4,339,127	(6,077,271)
<b>TOTAL NET POSITION</b>	<u>100,675,877</u>	<u>87,863,939</u>



**PEASE DEVELOPMENT AUTHORITY**  
**Statement of Revenues and Expenses - PORTSMOUTH AIRPORT incl Security**  
**For the Two Months Ending August 31, 2022**

	Actual Aug FY 2023	Budget Aug FY 2023	Variance From Monthly Budget	% Variance	Actual YTD FY 2023	Budget YTD FY 2023	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL	\$94,577	\$93,917	\$660	0.7%	\$150,619	\$148,049	\$2,570	1.7%
CARGO AND HANGARS	\$2,594	\$2,545	\$49	1.9%	\$5,069	\$5,081	(\$12)	(0.2%)
CONCESSION REVENUE	\$3,727	\$3,957	(\$230)	(5.8%)	\$4,721	\$4,832	(\$111)	(2.3%)
FEE REVENUE	\$94,246	\$66,483	\$27,763	41.8%	\$179,446	\$105,319	\$74,127	70.4%
FUEL SALES								
INTEREST								
MERCHANDISE								
OTHER REVENUE	\$4,665	\$16,767	(\$12,102)	(72.2%)	\$170,380	\$33,534	\$136,846	408.1%
<b>TOTAL OPERATING REVENUES</b>	<b>199,809</b>	<b>183,669</b>	<b>16,140</b>	<b>8.8%</b>	<b>510,235</b>	<b>296,815</b>	<b>213,420</b>	<b>71.9%</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	107,106	103,778	(3,328)	(3.2%)	212,797	217,354	4,557	2.1%
BUILDING AND FACILITIES	68,369	73,437	5,068	6.9%	140,224	148,490	8,266	5.6%
GENERAL AND ADMINISTRATIVE	28,688	31,976	3,288	10.3%	62,278	64,404	2,126	3.3%
UTILITIES	31,941	39,419	7,478	19.0%	60,564	77,599	17,035	22.0%
PROFESSIONAL SERVICES	2,038	4,917	2,879	58.6%	4,938	9,833	4,895	49.8%
MARKETING AND PROMOTION	5,514	8,542	3,028	35.4%	8,880	17,083	8,203	48.0%
OTHER OPERATING EXPENSES								
<b>TOTAL OPERATING EXPENSES</b>	<b>243,656</b>	<b>262,069</b>	<b>18,413</b>	<b>7.0%</b>	<b>489,681</b>	<b>534,763</b>	<b>45,082</b>	<b>8.4%</b>
<b>OPERATING INCOME</b>	<b>(43,847)</b>	<b>(78,400)</b>	<b>34,553</b>	<b>44.1%</b>	<b>20,554</b>	<b>(237,948)</b>	<b>258,502</b>	<b>108.6%</b>
NON-OPERATING (INCOME) EXPENSE	0	0	0	-	0	0	0	-
DEPRECIATION	381,194	341,473	(39,721)	(11.6%)	762,388	702,423	(59,965)	(8.5%)
<b>NET OPERATING INCOME</b>	<b>(425,041)</b>	<b>(419,873)</b>	<b>5,168</b>	<b>(1.2%)</b>	<b>(741,834)</b>	<b>(940,371)</b>	<b>(198,537)</b>	<b>21.1%</b>

**PEASE DEVELOPMENT AUTHORITY**  
**Statement of Revenues and Expenses - SKYHAVEN AIRPORT**  
**For the Two Months Ending August 31, 2022**

	Actual Aug FY 2023	Budget Aug FY 2023	Variance From Monthly Budget	% Variance	Actual YTD FY 2023	Budget YTD FY 2023	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL								
CARGO AND HANGARS	11,214	10,072	1,142	11.3%	22,973	22,774	199	0.9%
CONCESSION REVENUE		250	(250)	(100.0%)	712	500	212	42.4%
FEE REVENUE		74	(74)	(100.0%)		147	(147)	(100.0%)
FUEL SALES	9,061	8,486	574	6.8%	32,458	16,236	16,222	99.9%
INTEREST								
MERCHANDISE								
OTHER REVENUE		92	(92)	(100.0%)		183	(183)	(100.0%)
<b>TOTAL OPERATING REVENUES</b>	<b>20,275</b>	<b>18,974</b>	<b>1,301</b>	<b>6.9%</b>	<b>56,143</b>	<b>39,840</b>	<b>16,302</b>	<b>40.9%</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	6,725	3,922	(2,804)	(71.5%)	8,851	7,958	(892)	(11.2%)
BUILDING AND FACILITIES	1,910	3,996	2,086	52.2%	4,290	7,993	3,703	46.3%
GENERAL AND ADMINISTRATIVE	3,665	4,372	707	16.2%	7,909	8,745	836	9.6%
UTILITIES	1,955	1,788	(167)	(9.3%)	3,245	3,577	332	9.3%
PROFESSIONAL SERVICES	1,214	385	(829)	(215.2%)	1,214	771	(444)	(57.6%)
MARKETING AND PROMOTION	225	292	67	22.9%	450	583	133	22.9%
OTHER OPERATING EXPENSES	6,911	4,100	(2,811)	(68.6%)	26,665	8,200	(18,465)	(225.2%)
<b>TOTAL OPERATING EXPENSES</b>	<b>22,605</b>	<b>18,855</b>	<b>(3,750)</b>	<b>(19.9%)</b>	<b>52,624</b>	<b>37,827</b>	<b>(14,797)</b>	<b>(39.1%)</b>
<b>OPERATING INCOME</b>	<b>(2,330)</b>	<b>119</b>	<b>(2,449)</b>	<b>(2072.5%)</b>	<b>3,519</b>	<b>2,013</b>	<b>1,505</b>	<b>74.7%</b>
NON-OPERATING (INCOME) EXPENSE								
DEPRECIATION	34,736	40,752	6,017	14.8%	69,471	81,505	12,033	14.8%
<b>NET OPERATING INCOME</b>	<b>(37,066)</b>	<b>(40,633)</b>	<b>3,568</b>	<b>(8.8%)</b>	<b>(65,952)</b>	<b>(79,492)</b>	<b>13,538</b>	<b>(17.0%)</b>

**PEASE DEVELOPMENT AUTHORITY**  
**Statement of Revenues and Expenses - TRADEPORT OPERATIONS**  
**For the Two Months Ending August 31, 2022**

	Actual Aug FY 2023	Budget Aug FY 2023	Variance From Monthly Budget	% Variance	Actual YTD FY 2023	Budget YTD FY 2023	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL	\$762,766	\$761,823	\$943	0.1%	\$1,720,358	\$1,714,210	\$6,148	0.4%
CARGO AND HANGARS								
CONCESSION REVENUE								
FEE REVENUE								
FUEL SALES								
INTEREST								
MERCHANDISE								
OTHER REVENUE	1,182	8,333	(7,152)	(85.8%)	3,894	16,667	(12,772)	(76.6%)
<b>TOTAL OPERATING REVENUES</b>	<b>763,948</b>	<b>770,156</b>	<b>(6,209)</b>	<b>(0.8%)</b>	<b>1,724,252</b>	<b>1,730,877</b>	<b>(6,624)</b>	<b>(0.4%)</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS								
BUILDING AND FACILITIES	5,341	17,746	12,405	69.9%	18,000	35,493	17,492	49.3%
GENERAL AND ADMINISTRATIVE	7,918	6,821	(1,097)	(16.1%)	15,787	13,642	(2,145)	(15.7%)
UTILITIES	6,204	6,489	285	4.4%	13,022	12,361	(661)	(5.3%)
PROFESSIONAL SERVICES								
MARKETING AND PROMOTION		192	192	100.0%		383	383	100.0%
OTHER OPERATING EXPENSES	10,000	10,000	-	-	20,000	20,000	-	-
<b>TOTAL OPERATING EXPENSES</b>	<b>29,463</b>	<b>41,248</b>	<b>11,785</b>	<b>28.6%</b>	<b>66,809</b>	<b>81,879</b>	<b>15,070</b>	<b>18.4%</b>
<b>OPERATING INCOME</b>	<b>734,485</b>	<b>728,908</b>	<b>5,576</b>	<b>0.8%</b>	<b>1,657,443</b>	<b>1,648,998</b>	<b>8,446</b>	<b>0.5%</b>
<b>NON-OPERATING (INCOME) EXPENSE</b>								
DEPRECIATION	62,577	75,210	12,633	16.8%	125,154	150,420	25,266	16.8%
<b>NET OPERATING INCOME</b>	<b>671,908</b>	<b>653,698</b>	<b>18,209</b>	<b>2.8%</b>	<b>1,532,289</b>	<b>1,498,578</b>	<b>33,712</b>	<b>2.2%</b>

**PEASE DEVELOPMENT AUTHORITY**  
**Statement of Revenues and Expenses - GOLF COURSE**  
**For the Two Months Ending August 31, 2022**

	Actual Aug FY 2023	Budget Aug FY 2023	Variance From Monthly Budget	% Variance	Actual YTD FY 2023	Budget YTD FY 2023	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL								
CARGO AND HANGARS								
CONCESSION REVENUE	61,341	49,280	12,061	24.5%	111,705	104,417	7,288	7.0%
FEE REVENUE	448,838	447,295	1,543	0.3%	932,130	897,021	35,109	3.9%
FUEL SALES								
INTEREST								
MERCHANDISE	35,999	40,539	(4,540)	(11.2%)	79,664	82,140	(2,476)	(3.0%)
OTHER REVENUE	1,775	2,333	(558)	(23.9%)	4,748	4,667	82	1.7%
<b>TOTAL OPERATING REVENUES</b>	<b>547,953</b>	<b>539,447</b>	<b>8,506</b>	<b>1.6%</b>	<b>1,128,247</b>	<b>1,088,245</b>	<b>40,003</b>	<b>3.7%</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	127,569	121,249	(6,319)	(5.2%)	261,619	264,612	2,993	1.1%
BUILDING AND FACILITIES	35,471	25,883	(9,589)	(37.0%)	64,431	51,265	(13,166)	(25.7%)
GENERAL AND ADMINISTRATIVE	15,667	21,105	5,438	25.8%	39,884	43,210	3,326	7.7%
UTILITIES	13,488	12,126	(1,361)	(11.2%)	28,077	21,410	(6,666)	(31.1%)
PROFESSIONAL SERVICES	1,693	2,818	1,125	39.9%	7,142	5,636	(1,506)	(26.7%)
MARKETING AND PROMOTION	5,807	3,034	(2,773)	(91.4%)	6,364	6,068	(296)	(4.9%)
OTHER OPERATING EXPENSES	44,375	50,904	6,530	12.8%	90,499	102,605	12,107	11.8%
<b>TOTAL OPERATING EXPENSES</b>	<b>244,070</b>	<b>237,119</b>	<b>(6,950)</b>	<b>(2.9%)</b>	<b>498,016</b>	<b>494,806</b>	<b>(3,209)</b>	<b>(0.6%)</b>
<b>OPERATING INCOME</b>	<b>303,883</b>	<b>302,328</b>	<b>1,556</b>	<b>0.5%</b>	<b>630,231</b>	<b>593,439</b>	<b>36,794</b>	<b>6.2%</b>
NON-OPERATING (INCOME) EXPENSE	(11)	(17)	(6)	33.5%	(33)	(33)	0	0.3%
DEPRECIATION	31,774	31,287	(488)	(1.6%)	63,549	62,574	(975)	(1.6%)
<b>NET OPERATING INCOME</b>	<b>272,120</b>	<b>271,058</b>	<b>1,063</b>	<b>0.4%</b>	<b>566,715</b>	<b>530,898</b>	<b>35,819</b>	<b>6.7%</b>

<b>BUSINESS UNIT ANALYSIS</b>	PRO SHOP	COURSE OPERATIONS	FOOD/BEV	SIMULATOR	TOTAL
OPERATING REVENUES	79,664	934,787	112,294	1,502	1,128,247
OPERATING EXPENSES* *Excluding Depreciation	57,276	403,319	29,007	8,414	498,016
<b>OPERATING INCOME</b>	<b>22,388</b>	<b>531,468</b>	<b>83,287</b>	<b>(6,912)</b>	<b>630,231</b>

**PEASE DEVELOPMENT AUTHORITY**  
**Statement of Revenues and Expenses - DIVISION OF PORTS AND HARBORS-UNRESTRICTED**  
For the Two Months Ending August 31, 2022

	Actual Aug FY 2023	Budget Aug FY 2023	Variance From Monthly Budget	% Variance	Actual YTD FY 2023	Budget YTD FY 2023	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL	\$31,741	\$30,581	\$1,161	3.8%	\$62,773	\$62,314	\$459	0.7%
CARGO AND HANGARS				-				-
CONCESSION REVENUE				-	3,000	3,000		-
FEE REVENUE	92,308	71,922	20,386	28.3%	177,960	129,469	48,491	37.5%
FUEL SALES	176,161	141,926	34,236	24.1%	413,260	283,372	129,888	45.8%
INTEREST				-				-
MERCHANDISE				-				-
OTHER REVENUE	18,008	12,653	5,355	42.3%	53,799	44,383	9,416	21.2%
<b>TOTAL OPERATING REVENUES</b>	<b>318,218</b>	<b>257,082</b>	<b>61,137</b>	<b>23.8%</b>	<b>710,792</b>	<b>522,538</b>	<b>188,254</b>	<b>36.0%</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	147,084	137,474	(9,610)	(7.0%)	272,252	287,738	15,485	5.4%
BUILDING AND FACILITIES	16,074	18,896	2,822	14.9%	26,483	37,793	11,310	29.9%
GENERAL AND ADMINISTRATIVE	12,529	11,690	(839)	(7.2%)	22,825	21,991	(834)	(3.8%)
UTILITIES	10,332	12,519	2,187	17.5%	17,752	23,236	5,484	23.6%
PROFESSIONAL SERVICES	1,921	1,270	(651)	(51.3%)	2,287	2,539	252	9.9%
MARKETING AND PROMOTION		268	268	100.0%	412	535	124	23.1%
OTHER OPERATING EXPENSES	133,753	120,637	(13,116)	(10.9%)	322,984	240,866	(82,118)	(34.1%)
<b>TOTAL OPERATING EXPENSES</b>	<b>321,693</b>	<b>302,754</b>	<b>(18,940)</b>	<b>(6.3%)</b>	<b>664,995</b>	<b>614,698</b>	<b>(50,297)</b>	<b>(8.2%)</b>
<b>OPERATING INCOME</b>	<b>(3,475)</b>	<b>(45,672)</b>	<b>42,198</b>	<b>(92.4%)</b>	<b>45,797</b>	<b>(92,160)</b>	<b>137,957</b>	<b>(149.7%)</b>
NON-OPERATING (INCOME) EXPENSE	(228)	(183)	45	(24.6%)	(428)	(367)	61	(16.6%)
DEPRECIATION	51,658	51,871	212	0.4%	103,316	103,620	303	0.3%
<b>NET OPERATING INCOME</b>	<b>(54,905)</b>	<b>(97,360)</b>	<b>42,455</b>	<b>(43.6%)</b>	<b>(57,091)</b>	<b>(195,413)</b>	<b>138,321</b>	<b>(70.8%)</b>

<b>BUSINESS UNIT ANALYSIS</b>	<b>RYE HARBOR</b>	<b>HAMPTON HARBOR</b>	<b>PORTS. FISH PIER</b>	<b>MARKET ST.</b>	<b>HARBOR MGMT</b>	<b>ADMIN</b>	<b>TOTAL</b>
OPERATING REVENUES	143,009	226,812	159,897	76,328	104,746	0	710,792
OPERATING EXPENSES*	121,285	194,671	147,789	69,203	62,634	69,413	664,995
*Excluding Depreciation							
<b>OPERATING INCOME</b>	<b>21,724</b>	<b>32,141</b>	<b>12,108</b>	<b>7,125</b>	<b>42,112</b>	<b>(69,413)</b>	<b>45,797</b>



**PEASE DEVELOPMENT AUTHORITY**  
**Statement of Revenues and Expenses - FOREIGN TRADE ZONE**  
For the Two Months Ending August 31, 2022

	Actual Aug FY 2023	Budget Aug FY 2023	Variance From Monthly Budget	% Variance	Actual YTD FY 2023	Budget YTD FY 2023	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL	-	-	-	-	\$2,000	\$2,000	-	-
CARGO AND HANGARS	-	-	-	-	-	-	-	-
CONCESSION REVENUE	-	-	-	-	-	-	-	-
FEE REVENUE	-	-	-	-	-	-	-	-
FUEL SALES	-	-	-	-	-	-	-	-
INTEREST	-	-	-	-	-	-	-	-
MERCHANDISE	-	-	-	-	-	-	-	-
OTHER REVENUE	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>2,000</b>	<b>-</b>	<b>-</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	-	-	-	-	-	-	-	-
BUILDING AND FACILITIES	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE UTILITIES	-	104	104	100.0%	-	208	208	100.0%
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-
MARKETING AND PROMOTION	-	708	708	100.0%	-	1,417	1,417	100.0%
OTHER OPERATING EXPENSES	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING EXPENSES</b>	<b>-</b>	<b>812</b>	<b>813</b>	<b>100.0%</b>	<b>-</b>	<b>1,625</b>	<b>1,625</b>	<b>100.0%</b>
<b>OPERATING INCOME</b>	<b>-</b>	<b>(812)</b>	<b>813</b>	<b>(100.0%)</b>	<b>2,000</b>	<b>375</b>	<b>1,625</b>	<b>433.3%</b>
NON-OPERATING (INCOME) EXPENSE DEPRECIATION	0	0	0	(36.4%)	(1)	(1)	0	(27.3%)
<b>NET OPERATING INCOME</b>	<b>0</b>	<b>(812)</b>	<b>813</b>	<b>(100.1%)</b>	<b>2,001</b>	<b>376</b>	<b>1,625</b>	<b>432.6%</b>

**PEASE DEVELOPMENT AUTHORITY**  
**Statement of Revenues and Expenses - HARBOR DREDGING**  
For the Two Months Ending August 31, 2022

	Actual Aug FY 2023	Budget Aug FY 2023	Variance From Monthly Budget	% Variance	Actual YTD FY 2023	Budget YTD FY 2023	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL	-	-	-	-	-	-	-	-
CARGO AND HANGARS	-	-	-	-	-	-	-	-
CONCESSION REVENUE	-	-	-	-	-	-	-	-
FEE REVENUE	8,841	9,250	(409)	(4.4%)	22,855	18,500	4,355	23.5%
FUEL SALES	-	-	-	-	-	-	-	-
INTEREST	-	-	-	-	-	-	-	-
MERCHANDISE	-	-	-	-	-	-	-	-
OTHER REVENUE	500	750	(250)	(33.3%)	1,650	1,500	150	10.0%
<b>TOTAL OPERATING REVENUES</b>	<b>9,341</b>	<b>10,000</b>	<b>(659)</b>	<b>(6.6%)</b>	<b>24,505</b>	<b>20,000</b>	<b>4,505</b>	<b>22.5%</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS	-	-	-	-	-	-	-	-
BUILDING AND FACILITIES	-	5,917	5,917	100.0%	-	11,833	11,833	100.0%
GENERAL AND ADMINISTRATIVE UTILITIES	-	2,000	2,000	100.0%	(1)	4,000	4,001	100.0%
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-
MARKETING AND PROMOTION	-	-	-	-	-	-	-	-
OTHER OPERATING EXPENSES	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING EXPENSES</b>	<b>-</b>	<b>7,917</b>	<b>7,917</b>	<b>100.0%</b>	<b>(1)</b>	<b>15,833</b>	<b>15,834</b>	<b>100.0%</b>
<b>OPERATING INCOME</b>	<b>9,341</b>	<b>2,083</b>	<b>7,258</b>	<b>348.4%</b>	<b>24,506</b>	<b>4,167</b>	<b>20,339</b>	<b>488.1%</b>
NON-OPERATING (INCOME) EXPENSE DEPRECIATION	(30)	(35)	(5)	13.2%	(60)	(70)	(10)	13.7%
	6,078	5,833	(244)	(4.2%)	12,156	11,667	(489)	(4.2%)
<b>NET OPERATING INCOME</b>	<b>3,293</b>	<b>(3,715)</b>	<b>7,009</b>	<b>(188.7%)</b>	<b>12,410</b>	<b>(7,430)</b>	<b>19,840</b>	<b>(267.0%)</b>

**PEASE DEVELOPMENT AUTHORITY**  
**Statement of Revenues and Expenses - REVOLVING LOAN FUND**  
**For the Two Months Ending August 31, 2022**

	Actual Aug FY 2023	Budget Aug FY 2023	Variance From Monthly Budget	% Variance	Actual YTD FY 2023	Budget YTD FY 2023	Variance From YTD Budget	% Variance
<b>OPERATING REVENUES</b>								
FACILITY RENTAL								
CARGO AND HANGARS								
CONCESSION REVENUE								
FEE REVENUE								
FUEL SALES								
INTEREST	2,800	2,583	217	8.4%	5,911	5,167	745	14.4%
MERCHANDISE								
OTHER REVENUE		75	(75)	(100.0%)		150	(150)	(100.0%)
<b>TOTAL OPERATING REVENUES</b>	<b>2,800</b>	<b>2,658</b>	<b>142</b>	<b>5.3%</b>	<b>5,911</b>	<b>5,317</b>	<b>595</b>	<b>11.2%</b>
<b>EXPENSES</b>								
WAGES AND FRINGE BENEFITS								
BUILDING AND FACILITIES								
GENERAL AND ADMINISTRATIVE		46	46	100.0%		92	92	100.0%
UTILITIES								
PROFESSIONAL SERVICES	845	1,000	155	15.5%	2,340	2,000	(340)	(17.0%)
MARKETING AND PROMOTION								
OTHER OPERATING EXPENSES								
<b>TOTAL OPERATING EXPENSES</b>	<b>845</b>	<b>1,046</b>	<b>201</b>	<b>19.2%</b>	<b>2,340</b>	<b>2,092</b>	<b>(248)</b>	<b>(11.9%)</b>
<b>OPERATING INCOME</b>	<b>1,955</b>	<b>1,612</b>	<b>343</b>	<b>21.3%</b>	<b>3,571</b>	<b>3,225</b>	<b>347</b>	<b>10.7%</b>
NON-OPERATING (INCOME) EXPENSE	(8)		8	-	(15)		15	-
DEPRECIATION								
<b>NET OPERATING INCOME</b>	<b>1,963</b>	<b>1,612</b>	<b>351</b>	<b>21.8%</b>	<b>3,586</b>	<b>3,225</b>	<b>361</b>	<b>11.2%</b>

REVOLVING LOAN FUND (\$ 000's)	BALANCE AT 08-31-2022	BALANCE AT 06-30-2022
<b>CASH BALANCES</b>		
GENERAL FUNDS	97	75
SEQUESTERED FUNDS	-	-
	<u>97</u>	<u>75</u>
<b>LOANS OUTSTANDING (21)</b>		
CURRENT	113	113
LONG TERM	1,040	1,059
	<u>1,153</u>	<u>1,172</u>
<b>TOTAL CAPITAL BASE</b>	<u>1,250</u>	<u>1,247</u>
<b>CAPITAL UTILIZATION RATE -% *</b>	<u>92.2%</u>	<u>94.0%</u>

\*EXCLUDES SEQUESTERED FUNDS

**SUMMARY OF INTERGOVERNMENTAL RECEIVABLES  
AS OF AUGUST 31, 2022**

(\$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	28,119	26,200	25,207	(1,299)	22,177	1,725	45
SKYHAVEN AIRPORT	141	141	145	(26)	78	52	52
DIVISION OF PORTS AND HARBORS	13,253	0	9,679	(39)	9,041	571	571
	<b><u>41,513</u></b>	<b><u>26,341</u></b>	<b><u>35,031</u></b>	<b><u>(1,364)</u></b>	<b><u>31,296</u></b>	<b><u>2,348</u></b>	<b><u>668</u></b>

**SUMMARY OF CONSTRUCTION WORK IN PROCESS  
AS OF AUGUST 31, 2022**

(\$000's)

<u>PROJECT NAME</u>	BALANCE AT 06-30-22	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 08-31-22
<b>PORTSMOUTH AIRPORT</b>					
TERMINAL EXPANSION (NON-GRANT)	581	(1)	-	(1)	580
RUNWAY 16-34 RECONSTRUCTION (AIP 64)	(26)	5	-	5	(21)
TERMINAL BUILDING EXPANSION (AIP 66)	3	-	-	-	3
TERMINAL BUILDING EXPANSION (AIP 62)	25	-	-	-	25
ALPHA SOUTH HOLD BAY (AIP 67)	6	-	-	-	6
SNOW REMOVAL EQUIPMENT (AIP 69)	21	-	-	-	21
LOWERY LANE (AIP 70)	312	-	-	-	312
PSM ACCESS CONTROL BOARD	39	5	-	5	44
GATE ACCESS CONTROL	44	0	-	-	44
CORPORATE DRIVE DRAINAGE	84	6	-	6	90
TAXIWAY A REPAIRS	7	10	-	10	17
SNOW REMOVAL EQUIPMENT (AIP 74)	10	-	-	-	10
PSM MOBILE RADIO PURCHASE	26	0	(26)	(26)	-
	<b><u>1,132</u></b>	<b><u>25</u></b>	<b><u>(26)</u></b>	<b><u>(1)</u></b>	<b><u>1,131</u></b>
<b>SKYHAVEN AIRPORT</b>					
TERMINAL APRON DESIGN (SBG 15-09)	145	0	-	0	145
TERMINAL UPGRADES	17	1	-	1	18
	<b><u>162</u></b>	<b><u>1</u></b>	<b><u>-</u></b>	<b><u>1</u></b>	<b><u>163</u></b>
<b>MAINTENANCE</b>					
CRACK SEALING MACHINE	-	91	(91)	0	0
	<b><u>-</u></b>	<b><u>91</u></b>	<b><u>(91)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>DIVISION OF PORTS AND HARBORS (DPH)</b>					
FUNCTIONAL REPLACEMENT- BARGE DOCK	1,801	65	-	65	1,866
PFP BULKHEAD REPAIR AND CONSTRUCTION	3,073	-	-	-	3,073
MAIN PIER (BUILD GRANT)	3,754	488	-	488	4,242
MARKET ST SITE LIGHTING IMPROVEMENTS	157	-	-	-	157
HAMPTON DOCK REPLACEMENT (ARPA)	342	-	-	-	342
RYE WATER LINE INSTALL	7	-	-	-	7
RYE FUEL LINE INSTALL	37	-	-	-	37
	<b><u>9,171</u></b>	<b><u>553</u></b>	<b><u>0</u></b>	<b><u>553</u></b>	<b><u>9,724</u></b>
<b>TOTAL</b>	<b><u>10,465</u></b>	<b><u>670</u></b>	<b><u>(117)</u></b>	<b><u>553</u></b>	<b><u>11,018</u></b>

# CASH FLOW PROJECTIONS FOR THE NINE MONTH PERIOD ENDING JUNE 30, 2023

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



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# PEASE DEVELOPMENT AUTHORITY CASH FLOW SUMMARY OVERVIEW OCTOBER 1, 2022 TO JUNE 30, 2023

(EXCLUDING DIVISION OF PORTS AND HARBORS)

(\$ 000's)

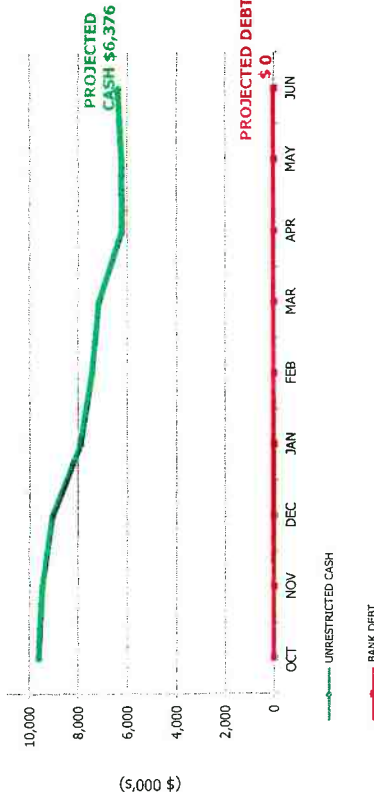
	<u>AMOUNT</u>
<b>OPENING FUND BALANCE</b>	<b><u>9,902</u></b>
<b><u>SOURCES OF FUNDS</u></b>	
GRANT AWARDS (SEE PAGE #9)	2,790
TRADEPORT TENANTS	7,874
MUNICIPAL SERVICE FEE (COP)	2,079
GOLF COURSE FEE AND CONCESSION REVENUES	1,774
REVOLVING LINE OF CREDIT (PROVIDENT BANK)	0
PSM AIRPORT- LEASES, FUEL FLOWAGE FEES AND PARKING	1,417
SKYHAVEN AIRPORT HANGAR AND FUEL REVENUES	159
	<b><u>16,093</u></b>

<b><u>USES OF FUNDS</u></b>	
OPERATING EXPENSES	9,344
CAPITAL EXPENDITURES- NON-GRANT (SEE PAGES #5-#8)	7,660
CAPITAL EXPENDITURES- GRANT (SEE PAGE #4)	1,215
MUNICIPAL SERVICE FEE (COP)- NET	1,400
	<b><u>19,619</u></b>
	<b><u>(3,526)</u></b>
<b>NET CASH FLOW</b>	<b><u>14</u></b>
<b>CLOSING FUND BALANCE</b>	<b><u>6,376</u></b>

**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.

**PROJECTED CASH AND DEBT BALANCES**



TOTAL FUND BALANCES	BALANCE AT 09-30-2022	BALANCE AT 06-30-2023
UNRESTRICTED	9,902	6,967
DESIGNATED	14	14
TOTAL	<b><u>9,916</u></b>	<b><u>6,981</u></b>

# PEASE DEVELOPMENT AUTHORITY

## STATEMENT OF CASH FLOW (EXCLUDING THE DIVISION OF PORTS AND HARBORS)

### (UNRESTRICTED FUNDS)

(\$ 000's)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b>OPENING FUND BALANCE</b>	<u>9,902</u>	<u>9,631</u>	<u>9,471</u>	<u>9,042</u>	<u>7,897</u>	<u>7,442</u>	<u>7,158</u>	<u>6,205</u>	<u>6,219</u>	<u>9,902</u>
<b>SOURCES OF FUNDS</b>										
GRANT AWARDS (SEE PAGE #9)	40	1,430	-	920	320	20	20	20	20	2,790
TRADEPORT TENANTS	833	894	841	935	892	852	880	869	878	7,874
MUNICIPAL SERVICE FEE	423	135	135	423	135	135	423	135	135	2,079
GOLF COURSE	272	138	46	33	34	88	247	423	493	1,774
PORTSMOUTH AIRPORT- (PSM)	37	26	22	42	22	145	43	62	95	494
PSM PAY FOR PARKING	22	33	31	36	51	82	102	53	55	465
PSM FLOWAGE FEES	15	46	59	39	36	58	71	68	66	458
SKYHAVEN AIRPORT	19	17	16	16	16	17	20	19	19	159
EXTERNAL FINANCING- NET	-	-	-	-	-	-	-	-	-	-
	<u>1,661</u>	<u>2,719</u>	<u>1,150</u>	<u>2,444</u>	<u>1,506</u>	<u>1,397</u>	<u>1,806</u>	<u>1,649</u>	<u>1,761</u>	<u>16,093</u>
<b>USE OF FUNDS</b>										
CAPITAL- GRANT RELATED (SEE PAGE #4)	55	1,030	30	30	30	40	-	-	-	1,215
CAPITAL- NONGRANT (SEE PAGES #5-#8)	833	849	518	1,170	907	580	1,714	589	500	7,660
OPERATING EXPENSES	1,044	1,000	1,031	989	1,024	1,061	1,045	1,046	1,104	9,344
MUNICIPAL SERVICE FEE	-	-	-	1,400	-	-	-	-	-	1,400
	<u>1,932</u>	<u>2,879</u>	<u>1,579</u>	<u>3,589</u>	<u>1,961</u>	<u>1,681</u>	<u>2,759</u>	<u>1,635</u>	<u>1,604</u>	<u>19,619</u>
<b>NET CASH FLOW</b>	<u>(271)</u>	<u>(160)</u>	<u>(429)</u>	<u>(1,145)</u>	<u>(455)</u>	<u>(284)</u>	<u>(953)</u>	<u>14</u>	<u>157</u>	<u>(3,526)</u>
<b>CLOSING FUND BALANCE</b>	<u>9,631</u>	<u>9,471</u>	<u>9,042</u>	<u>7,897</u>	<u>7,442</u>	<u>7,158</u>	<u>6,205</u>	<u>6,219</u>	<u>6,376</u>	<u>6,376</u>



# PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000'S)

(CONTINUED):

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b><u>NON-GRANT REIMBURSEMENT PROJECTS</u></b>										
<b><u>TECHNOLOGY/ADMINISTRATION</u></b>										
MICROSOFT SOFTWARE UPGRADES **	-	40	-	-	-	-	-	-	-	40
PAYCHEX PAYROLL KIOSKS **	5	-	-	-	-	-	-	-	-	5
TECHNOLOGY ENHANCEMENTS **	10	-	-	10	10	-	-	-	-	30
WEBSITE UPGRADES**	-	-	-	30	-	-	-	-	-	30
ADMIN ELECTRIC VEHICLE	-	-	-	-	26	-	-	-	-	26
	<u>15</u>	<u>40</u>	<u>-</u>	<u>40</u>	<u>36</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>131</u>
<b><u>GOLF COURSE</u></b>										
COURSE EQUIPMENT	-	-	-	-	45	-	-	89	-	134
WATER LINE REPLACEMENT CLUBHOUSE	25	30	-	-	-	-	-	-	-	55
VIDEO SURVEILLANCE SYSTEM**	-	-	15	20	-	-	-	-	-	35
COURSE IMPROVEMENTS**	-	50	50	-	-	-	-	-	-	100
	<u>25</u>	<u>80</u>	<u>65</u>	<u>20</u>	<u>45</u>	<u>-</u>	<u>-</u>	<u>89</u>	<u>-</u>	<u>324</u>

NOTE:  
 \*\* PENDING BOARD APPROVAL



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

(\$ 000's)

(CONTINUED);

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b><u>NON-GRANT REIMBURSEMENT</u></b>										
<b><u>PROJECTS (CONTINUED):</u></b>										
<b><u>PORTSMOUTH AIRPORT</u></b>										
TERMINAL EXPANSION	125	68	-	-	-	-	-	-	-	193
AIRFIELD SIGNAGE **	-	-	-	-	-	-	-	-	-	-
MOBILE RADIO UPGRADE **	10	-	20	-	-	-	-	-	-	30
FENCE CONSTRUCTION **	-	-	-	-	-	-	35	-	-	35
GENERATOR UPGRADE **	10	-	-	-	-	-	-	-	-	10
TAXIWAY A REPAIRS	-	-	-	-	-	-	-	-	-	-
TERMINAL ARRIVALS AREA-DESIGN	500	500	200	-	-	-	-	-	-	1,200
TERMINAL ARRIVALS AREA-CONSTRUCT**	-	-	-	500	500	500	500	500	500	3,000
FLIGHTLINE RD PIPE RELOCATION**	-	-	-	-	-	-	750	-	-	750
	<b>645</b>	<b>568</b>	<b>220</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>1,285</b>	<b>500</b>	<b>500</b>	<b>5,218</b>
<b><u>SKYHAVEN AIRPORT</u></b>										
SRE DOOR REPLACEMENT**	-	-	20	-	-	-	-	-	-	20
FUEL SYSTEM CREDIT CARD **	-	-	-	5	-	-	-	-	-	5
RENOVATION WORK-TERMINAL BLDG	16	-	-	-	-	-	-	-	-	16
TIRES -FRONT END LOADER	10	-	-	-	-	-	-	-	-	10
LED LIGHT REPLACEMENT	31	-	-	-	-	-	-	-	-	31
INTERIOR LIGHTING - T-HANGARS**	-	7	-	-	-	-	-	-	-	7
TOW BEHIND MOWER ATTACHMENT	11	-	-	-	-	-	-	-	-	11
REROOF TERMINAL BUILDING **	-	-	25	-	-	-	-	-	-	25
	<b>68</b>	<b>7</b>	<b>45</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125</b>

NOTE:  
\*\* PENDING BOARD APPROVAL

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

(\$ 000's)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b><u>NON-GRANT REIMBURSEMENT PROJECTS (CONTINUED):</u></b>										
<b><u>SECURITY</u></b>										
<b><u>PORTSMOUTH AIRPORT</u></b>										
CCTV SECURITY GATES	-	50	-	-	-	-	-	-	-	50
DOOR ACCESS CONTROL	-	-	-	-	-	-	-	-	-	-
REPLACE BADGING WORKSTATIONS	-	-	-	90	-	-	-	-	-	90
DURESS ALARM SYSTEMS	12	-	-	-	-	-	-	-	-	12
TRAINING VIDEO PRODUCTION	-	-	115	-	-	-	-	-	-	115
BADGE READER & MEDIA REPLACEMENT	16	-	73	-	-	-	-	-	-	89
SECURITY SYSTEM UPGRADE **	-	-	-	170	100	-	-	-	-	270
	<u>28</u>	<u>50</u>	<u>188</u>	<u>260</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>626</u>
<b><u>SECURITY</u></b>										
<b><u>SKYHAVEN AIRPORT</u></b>										
DOOR ACCESS CONTROL **	-	25	-	-	-	-	-	-	-	25
	<u>-</u>	<u>25</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25</u>

NOTE:  
 \*\* PENDING BOARD APPROVAL

**PEASE DEVELOPMENT AUTHORITY**  
**CAPITAL EXPENDITURES** (EXCLUDING THE DIVISION OF PORTS AND HARBORS)  
 (CONTINUED) (\$ 000's)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b><u>NON-GRANT REIMBURSEMENT PROJECTS (CONTINUED)</u></b>										
<b><u>TRADEPORT</u></b>										
STORMWATER UPGRADES	-	25	-	-	-	25	-	-	-	50
GRAFTON RD AND GOLF COURSE INTERIM**	-	-	-	10	10	20	20	-	-	60
GRAFTON RD AND AVIATION AVE**	-	-	-	10	10	20	20	-	-	60
CORPORATE DRIVE- DRAINAGE	-	-	-	325	125	-	-	-	-	450
	-	25	-	345	145	65	40	-	-	620
<b><u>MAINTENANCE</u></b>										
VEHICLE FLEET REPLACEMENT	-	54	-	-	81	-	60	-	-	195
PAINT MACHINE **	-	-	-	-	-	15	-	-	-	15
BUILDING INFRASTRUCTURE **	-	-	-	-	-	-	50	-	-	50
HIGH LIFT **	-	-	-	30	-	-	-	-	-	30
ZERO TURN MOWER	22	-	-	-	-	-	-	-	-	22
JD DIESEL TRACTORW/TOW BEHIND MOWER	-	-	-	-	-	-	129	-	-	129
SWPPP WASH RACK	-	-	-	-	-	-	150	-	-	150
	22	54	-	30	81	15	389	-	-	591
<b>TOTAL NON-GRANT REIMBURSEMENT PROJECTS</b>	<b>803</b>	<b>849</b>	<b>518</b>	<b>1,200</b>	<b>907</b>	<b>580</b>	<b>1,714</b>	<b>589</b>	<b>500</b>	<b>7,660</b>

NOTE:  
 \*\* PENDING BOARD APPROVAL

# PEASE DEVELOPMENT AUTHORITY RECEIPT GRANT AWARDS (EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000'S)

	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>TOTAL</u>
<b><u>PORTSMOUTH AIRPORT</u></b>										
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)	-	932	-	-	-	-	-	-	-	932
RUNWAY- AIR NATIONAL GUARD	-	-	-	-	300	-	-	-	-	300
TW A SOUTH HOLD BAY (AIP 67)	-	90	-	-	-	-	-	-	-	90
PEASE BOULEVARD- ARBORETUM AVE	-	-	-	20	20	20	20	20	20	120
SNOW REMOVAL EQUIPMENT (AIP 69)	-	-	-	900	-	-	-	-	-	900
LOWERY LANE PAVING (AIP 70)	-	30	-	-	-	-	-	-	-	30
<b><u>SKYHAVEN AIRPORT</u></b>										
TERMINAL APRON DESIGN (SBG-9)	40	-	-	-	-	-	-	-	-	40
<b>TOTAL</b>	<b>40</b>	<b>1,430</b>	<b>-</b>	<b>920</b>	<b>320</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>2,790</b>



# 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

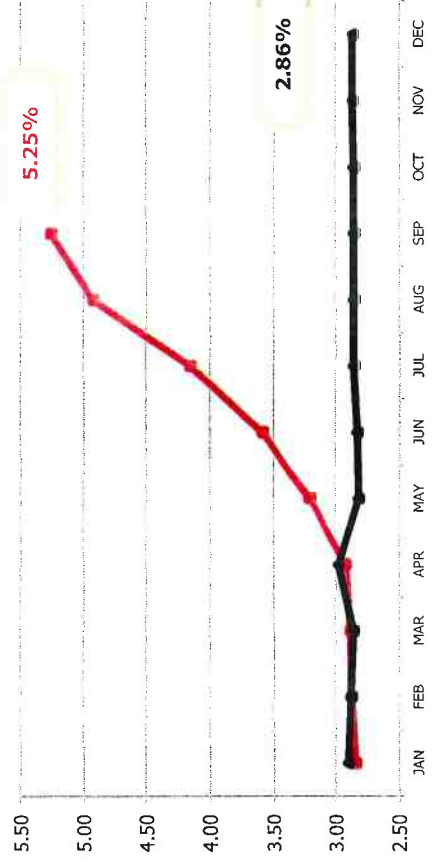
MINIMUM SIZE OF DRAWDOWN NO MINIMUM

OTHER DOES NOT CARRY THE STATE GUARANTEE

OUTSTANDING DEBT ANALYSIS	BALANCE AT 09-30-2022	BALANCE AT 06-30-2022	MATURITY DATE	INTEREST RATE %
THE PROVIDENT BANK (RLOC)	-	-	12-31-2022	VARIABLE

WEIGHTED AVERAGE 3.63% = 2.86%

TRENDING THE ONE MONTH FHLB (CLASSIC) INTEREST RATE + MARK-UP 2022 VERSUS 2021



# DIVISION OF PORTS AND HARBORS CASH FLOW SUMMARY OVERVIEW OCTOBER 1, 2022 TO JUNE 30, 2023

(EXCLUDING RESTRICTED FUNDS)

(\$ 000's)

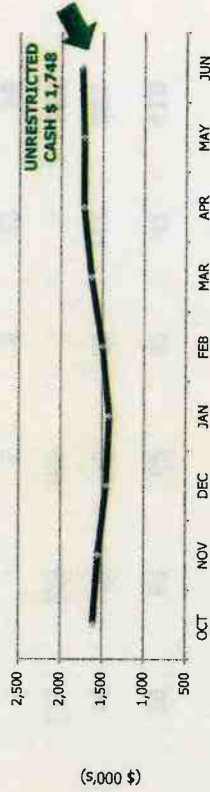
	<u>AMOUNT</u>
<b>OPENING FUND BALANCE</b>	<b><u>1,725</u></b>
<b><u>SOURCES OF FUNDS</u></b>	
FACILITY RENTALS AND CONCESSIONS	418
FUEL SALES	351
REGISTRATIONS / WHARFAGE	749
MOORING FEES	465
PARKING FEES	39
	<b><u>2,022</u></b>
<b><u>USES OF FUNDS</u></b>	
PERSONNEL SERVICES AND BENEFITS	1,157
FUEL PROCUREMENT	281
OPERATING EXPENSES	461
CAPITAL EXPENDITURES AND OTHER	100
	<b><u>1,999</u></b>
<b>NET CASH FLOW</b>	<b><u>23</u></b>
<b>CLOSING FUND BALANCE</b>	<b><u>1,748</u></b>

**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**



<b>TOTAL FUND BALANCES</b>	<b>BALANCE AT 09/30/2022</b>	<b>BALANCE AT 06/30/22</b>
<b>UNRESTRICTED FUNDS</b>	<b>1,725</b>	<b>1,520</b>
<b>DESIGNATED FUNDS</b>	<b>160</b>	<b>160</b>
<b>RESTRICTED FUNDS:</b>		
HARBOR DREDGING	233	279
REVOLVING LOAN FUND	76	75
FOREIGN TRADE ZONE	13	11
	<b><u>322</u></b>	<b><u>365</u></b>

## DIVISION OF PORTS AND HARBORS STATEMENT OF CASH FLOW (UNRESTRICTED FUNDS)

(\$ 000's)

	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>TOTAL</u>
<b>OPENING FUND BALANCE</b>	<u>1,725</u>	<u>1,608</u>	<u>1,547</u>	<u>1,449</u>	<u>1,411</u>	<u>1,497</u>	<u>1,628</u>	<u>1,719</u>	<u>1,721</u>	<u>1,725</u>
<b><u>SOURCES OF FUNDS</u></b>										
FACILITY RENTALS AND CONCESSIONS	48	43	41	37	39	64	62	42	42	418
FUEL SALES	39	22	22	18	14	17	26	81	112	351
MOORING FEES	-	-	-	-	125	175	165	-	-	465
PARKING FEES	5	-	-	-	-	-	5	6	23	39
REGISTRATIONS / WHARFAGE	3	50	72	88	92	81	81	125	157	749
	<u>95</u>	<u>115</u>	<u>135</u>	<u>143</u>	<u>270</u>	<u>337</u>	<u>339</u>	<u>254</u>	<u>334</u>	<u>2,022</u>
<b><u>USE OF FUNDS</u></b>										
PERSONNEL SERVICES AND BENEFITS	134	116	124	122	119	134	124	143	141	1,157
FUEL PROCUREMENT	31	18	18	14	11	14	21	65	90	281
UTILITIES	13	12	12	14	12	15	15	13	13	119
GENERAL AND ADMINISTRATIVE	10	10	10	10	10	10	10	10	12	92
BUILDINGS AND FACILITIES	19	19	19	19	31	32	28	19	49	235
PROFESSIONAL SERVICES	5	1	1	1	1	1	1	2	2	15
CAPITAL EXPENDITURES AND OTHER	-	-	50	-	-	-	50	-	-	100
	<u>212</u>	<u>176</u>	<u>234</u>	<u>180</u>	<u>184</u>	<u>206</u>	<u>249</u>	<u>252</u>	<u>307</u>	<u>1,999</u>
<b>NET CASH FLOW</b>	(117)	(61)	(99)	(37)	86	131	90	2	27	23
<b>CLOSING FUND BALANCE</b>	<u>1,608</u>	<u>1,547</u>	<u>1,449</u>	<u>1,411</u>	<u>1,497</u>	<u>1,628</u>	<u>1,719</u>	<u>1,721</u>	<u>1,748</u>	<u>1,748</u>

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

(\$ 000's)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b>OPENING FUND BALANCE</b>	233	241	201	211	167	177	185	145	103	233
<b>SOURCES OF FUNDS</b>										
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
<b>USE OF FUNDS</b>										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	50	-	2	-	2	-	50	-	104
GENERAL AND ADMINISTRATIVE	2	-	-	2	-	-	-	2	-	6
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER- (CBOC)	-	-	-	50	-	-	50	-	-	100
	2	50	-	54	-	2	50	52	-	210
<b>NET CASH FLOW</b>	8	(40)	10	(44)	10	8	(40)	(42)	10	(120)
<b>CLOSING FUND BALANCE</b>	241	201	211	167	177	185	145	103	113	113



**DIVISION OF PORTS AND HARBORS**  
**STATEMENT OF CASH FLOW- REVOLVING LOAN FUND**  
**(RESTRICTED FUNDS)**

(\$ 000'S)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<b>OPENING FUND BALANCE</b>	<u>76</u>	<u>87</u>	<u>97</u>	<u>56</u>	<u>18</u>	<u>29</u>	<u>39</u>	<u>52</u>	<u>36</u>	<u>76</u>
<b>SOURCES OF FUNDS</b>										
LOAN REPAYMENTS	9	9	9	10	10	10	11	12	12	92
INTEREST INCOME-LOANS	3	3	3	3	3	3	3	3	3	27
INTEREST INCOME- FUND BALANCE	-	-	-	-	-	-	-	-	-	-
	<u>12</u>	<u>12</u>	<u>12</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>14</u>	<u>15</u>	<u>15</u>	<u>119</u>
<b>USE OF FUNDS</b>										
NEW LOANS PROJECTED	-	-	50	50	-	-	-	30	-	130
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	-	2	-	-	2	-	-	-	4
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	1	2	1	1	2	1	1	1	1	11
ALL OTHER	-	-	-	-	-	-	-	-	-	-
	<u>1</u>	<u>2</u>	<u>53</u>	<u>51</u>	<u>2</u>	<u>3</u>	<u>1</u>	<u>31</u>	<u>1</u>	<u>145</u>
<b>NET CASH FLOW</b>	11	10	(41)	(38)	11	10	13	(16)	14	(26)
<b>CLOSING FUND BALANCE</b>	<u>87</u>	<u>97</u>	<u>56</u>	<u>18</u>	<u>29</u>	<u>39</u>	<u>52</u>	<u>36</u>	<u>50</u>	<u>50</u>

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

(\$ 000's)

	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>TOTAL</u>
<b>OPENING FUND BALANCE</b>	13	12	11	16	18	18	18	16	16	13
<b><u>SOURCES OF FUNDS</u></b>										
FACILITY RENTALS	-	-	5	5	-	-	-	-	-	10
ALL OTHER	-	-	-	-	-	-	-	-	-	-
	-	-	5	5	-	-	-	-	-	10
<b><u>USE OF FUNDS</u></b>										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	1	-	-	1	-	-	1	-	-	3
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER	-	1	-	2	-	-	1	-	-	4
	1	1	-	3	-	-	2	-	-	7
<b>NET CASH FLOW</b>	(1)	(1)	5	2	-	-	(2)	-	-	3
<b>CLOSING FUND BALANCE</b>	12	11	16	18	18	18	16	16	16	16



## Annual Audit Summary

BerryDunn has been engaged to perform the annual audits of the financial statements and Federal Uniform Guidance (Federal funds) as of and for the year ended June 30, 2022

### Roles and Responsibilities

#### PDA Management

- ✓ The preparation and fair presentation of the financial statements
- ✓ The preparation of the Management's Discussion and Analysis (MD&A) on pages 6-18 of the financial statements
- ✓ Design and maintain an appropriate level of internal controls
- ✓ Provide fair and complete data and information to the auditors including a written attestation

#### BerryDunn

- ✓ To express an opinion on PDA's financial statements
- ✓ To design an audit to obtain reasonable assurance that the financial statements are free of material misstatement
  - Risk-based audit approach to design our audit procedures
  - Does not provide absolute assurance – procedures are performed on a test basis
- ✓ To gain an understanding of system internal controls, but not to express an opinion
- ✓ To work with management to complete the audit, but engaged by and work for the audit committee
- ✓ To express an opinion on PDA's compliance under Federal Uniform Guidance

#### The Audit Committee

- ✓ Engage the auditors as well as review and accept the financial statements and reports

### Impact of GASB 87, Leases

#### Statement Net Position

	2021 Restated	2021 Previously Issued	\$ Increase (Decrease)	% Increase (Decrease)
	<i>In Thousands</i>			
Current Assets*	\$ 19,300	\$ 14,917	\$ 4,383	29.4%
Restricted Assets	1,571	1,571	-	0.0%
Non-Current Assets*	266,257	96,350	169,907	176.3%
Total Assets	287,128	112,838	174,290	154.5%
Deferred Outflows of Resources	4,202	4,202	-	0.0%
Current Liabilities	14,147	14,147	-	0.0%
Noncurrent Liabilities	14,649	14,649	-	0.0%
Total Liabilities	28,796	28,796	-	0.0%
Deferred Inflows of Resources	175,254	2,908	172,346	5926.6%
Net Investment in Capital Assets	92,492	92,492	-	0.0%
Restricted Net Position	1,308	1,308	-	0.0%
Unrestricted Net Position	(6,520)	(8,464)	1,944	-23.0%
Total Net Position	\$ 87,280	\$ 85,336	\$ 1,944	2.3%

\*Includes Leases Receivable

#### Statement of Revenues, Expenses and Changes in Net Position

	2021 Restated	2021 Previously Issued	\$ Increase (Decrease)	% Increase (Decrease)
	<i>In Thousands</i>			
Total Operating Revenues	\$ 13,851	\$ 17,150	\$ (3,299)	-19.24%
Total Operating Expenses	24,429	24,429	-	0.00%
Total Nonoperating Income (Expense)	12,832	7,589	5,243	69.09%
Contributed Capital	17,163	17,163	-	0.00%
Increase in Net Position	19,417	17,473	1,944	11.13%
Net Position at Beginning of Year	67,864	67,864	-	0.00%
Net Position at End of Year	\$ 87,281	\$ 85,337	\$ 1,944	2.28%



## Financial Statement Highlights

### Statement of Net Position

	2022	2021 Restated	\$ Increase (Decrease)	% Increase (Decrease)
		<i>In Thousands</i>		
Current Assets*	\$ 19,313	\$ 19,300	\$ 13	0.1%
Restricted Assets	1,563	1,571	(8)	-0.5%
Non-Current Assets*	293,332	266,257	27,075	10.2%
<b>Total Assets</b>	<b>314,208</b>	<b>287,128</b>	<b>27,080</b>	<b>9.4%</b>
<b>Deferred Outflows of Resources</b>	<b>3,705</b>	<b>4,202</b>	<b>(497)</b>	<b>-11.8%</b>
Current Liabilities	5,148	14,147	(8,999)	-63.6%
Noncurrent Liabilities	12,001	14,649	(2,648)	-18.1%
<b>Total Liabilities</b>	<b>17,149</b>	<b>28,796</b>	<b>(11,647)</b>	<b>-40.4%</b>
<b>Deferred Inflows of Resources</b>	<b>201,506</b>	<b>175,254</b>	<b>26,252</b>	<b>15.0%</b>
Net Investment in Capital Assets	93,873	92,492	1,381	1.5%
Restricted Net Position	1,275	1,308	(33)	-2.5%
Unrestricted Net Position	4,110	(6,520)	10,630	-163.0%
<b>Total Net Position</b>	<b>\$ 99,258</b>	<b>\$ 87,280</b>	<b>\$ 11,978</b>	<b>13.7%</b>

\*Includes Leases Receivable

### Statement of Revenues, Expenses and Changes in Net Position

	2022	2021 Restated	\$ Increase (Decrease)	% Increase (Decrease)
		<i>In Thousands</i>		
Total Operating Revenues	\$ 16,017	\$ 13,851	\$ 2,166	15.64%
Total Operating Expenses	17,834	24,429	(6,595)	-27.00%
Total Nonoperating Income (Expense)	7,832	12,832	(5,000)	-38.97%
Contributed Capital	5,962	17,163	(11,201)	-65.26%
Increase in Net Position	11,977	19,417	(7,440)	-38.32%
Net Position at Beginning of Year	87,281	67,864	19,417	28.61%
<b>Net Position at End of Year</b>	<b>\$ 99,258</b>	<b>\$ 87,281</b>	<b>\$ 11,977</b>	<b>13.72%</b>

## Overall Audit Results

- ✓ Financial Statement Audit
  - Opinion – Unmodified
  - No significant audit adjustments
  - No passed audit adjustment
  - No internal control findings reported
- ✓ Federal Uniform Guidance Audit
  - Audited two major programs
  - Opinions - Unmodified
  - No current year audit findings
  - No prior year audit findings



## MOTION

Director Ferrini:

The Pease Development Authority (PDA) Board of Directors accepts and approves the recommendation of the Audit Committee and 1.) accepts receipt of the draft Certified Annual Financial Statements for the years ending June 30, 2021 and June 30, 2022, and the Uniform Guidance Audit of Federal Awards for the year ending June 30, 2022, *both attached in draft form*, all as otherwise prepared and submitted by PDA's independent auditor Berry, Dunn, McNeill and Parker, LLC; and 2.) authorizes the Executive Director to forward the Certified Financial Statements to the State of New Hampshire when final for inclusion in the Comprehensive Annual Financial Report.

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# **Pease Development Authority**

(A Component Unit of the State of New Hampshire)

## **Financial Statements, Management's Discussion and Analysis, and Supplementary Information**

*Years Ended June 30, 2022 and 2021  
With Independent Auditor's Report*



**PEASE**

**INTERNATIONAL**

**PEASE DEVELOPMENT AUTHORITY**

**PORTSMOUTH, NH**

**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

**FINANCIAL STATEMENTS**

**Years Ended June 30, 2022 and 2021**

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**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

**BOARD OF DIRECTORS**

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**Stephen M. Duprey, Chairman**  
Appointed by the New Hampshire State Governor and Executive Council

**Neil Levesque, Vice Chairman**  
Appointed by the New Hampshire Senate President

**Thomas G. Ferrini, Treasurer**  
Appointed by the New Hampshire Speaker of the House

**Erik Anderson**  
Appointed by the City of Portsmouth

**Margaret F. Lamson**  
Appointed by the Town of Newington

**Steve Fournier**  
Appointed by Strafford County Legislative Delegation

**Susan B. Parker**  
Appointed by the Towns of Newington and Greenland

**Paul E. Brean**  
Executive Director and Secretary  
Hired by the Pease Development Authority Board of Directors

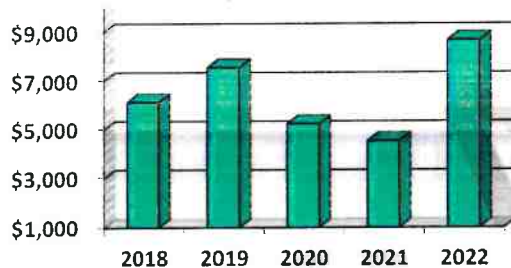




**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**  
**FINANCIAL HIGHLIGHTS (UNAUDITED)**  
(\$ in Thousands)

	2018	2019	2020	2021	2022
<b>Consolidated Operating Revenues</b>					
Tradeport	\$ 8,361	\$ 8,723	\$ 9,319	\$ 6,056	\$ 7,249
Ports and Harbors	2,702	2,869	2,680	2,477	2,774
Golf Course	2,693	2,672	2,492	3,384	3,489
Aviation	<u>1,267</u>	<u>2,006</u>	<u>1,838</u>	<u>1,934</u>	<u>2,505</u>
<b>Total</b>	<b>\$ 15,023</b>	<b>\$ 16,270</b>	<b>\$ 16,329</b>	<b>\$ 13,851</b>	<b>\$ 16,017</b>

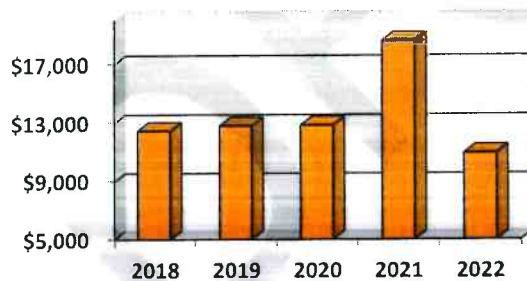
**UNRESTRICTED CASH AND CASH EQUIVALENTS**



➤ PDA currently has no outstanding debt, reflecting lower non-grant related capital expenditure requirements across all business units:

June 30	Amount
2018	\$ 233
2019	116
2020	-
2021	-
2022	-

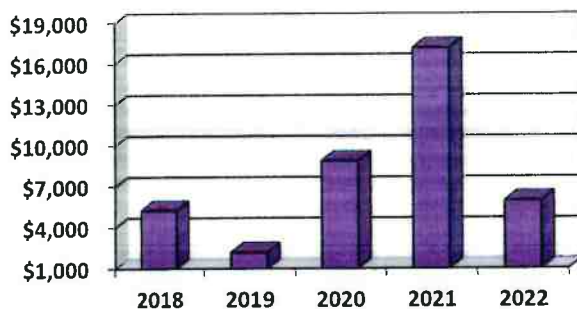
**OPERATING EXPENSES (EXCLUDING DEPRECIATION)**



➤ Capital assets excluding accumulated depreciation, primarily due to third party grant funding and renovations to the Portsmouth International Airport, Portsmouth Tradeport and Skyhaven Airport have continued to increase during the past several fiscal years:

June 30	Amount
2018	\$ 170,623
2019	173,770
2020	189,692
2021	216,304
2022	222,903

**CONTRIBUTED CAPITAL**



➤ Net cash provided (used) by operating activities has stabilized during the past several fiscal years.

June 30	Amount
2018	\$ 3,189
2019	3,182
2020	3,434
2021	(5,521)
2022	(350)

## INDEPENDENT AUDITOR'S REPORT

Board of Directors of  
Pease Development Authority  
(A Component Unit of the State of New Hampshire)

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the accompanying financial statements of the business-type activities of Pease Development Authority (PDA), a component unit of the State of New Hampshire, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise PDA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PDA as June 30, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

#### **Basis for Opinion**

We conducted our audits in accordance with U.S. generally accepted auditing standards (U.S. GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PDA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Change in Accounting Principle**

As discussed in Note 3 to the basic financial statements in 2022, PDA adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about PDA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor’s Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of PDA’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about PDA’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audits.

***Required Supplementary Information***

U.S. generally accepted accounting principles require that Management’s Discussion and Analysis of Financial Condition and Results of Operations on pages 6 to 18 and the required supplementary information on pages 53 to 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the listing of the Board of Directors on page 1 and financial highlights on page 2 but does not include the basic financial statements and our auditor’s report thereon. Our opinion on the basis financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated **REPORT DATE** on our consideration of PDA’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of PDA’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PDA’s internal control over financial reporting and compliance.

Manchester, New Hampshire  
**REPORT DATE**



**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED)**

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This report identifies the Pease Development Authority's ("PDA") financial position and describes PDA's financial activities over the past three fiscal years. This section of PDA's annual financial report is known as "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" ("MD&A") and presents our discussion and analysis of PDA's consolidated financial performance during the fiscal years ended June 30, 2022, 2021 and 2020.

The MD&A is an analysis of the financial condition and operating results of PDA and is intended to introduce the basic financial statements and notes to those statements. For governmental entities, an MD&A must be presented in every financial report that includes basic financial statements prepared in accordance with accounting principles generally accepted in the United States of America. It is intended to provide an objective and easily readable analysis of PDA's financial activities based on currently known facts, decisions, or conditions. This MD&A should be read in conjunction with PDA's financial statements and accompanying notes.

***Overview of the Financial Statements***

This annual report consists of three parts: a) Management's discussion and analysis of financial condition and results; b) the basic audited financial statements which include notes explaining some of the information in the financial statements and provide detailed data; and c) required supplementary information.

PDA is a self-supporting entity and follows enterprise fund reporting; accordingly, the financial statements are presented using the accrual basis of accounting. The component unit financial statements offer short and long-term financial information about the activities and operations of PDA. These statements are presented in a manner similar to a private business.

The statements of net position show the financial position of PDA at the end of each fiscal year and include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The total net position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Over time, an increase in net position is one indicator of an institution's financial health.

The statements of revenues, expenses and changes in net position report total operating revenues, operating expenses, non-operating income (expense), contributed capital and the change in net position for the years ended June 30, 2022 and 2021.

The statements of cash flows summarize transactions involving cash and cash equivalents during each fiscal year. The statements provide an additional tool to assess the financial health of the institution and its ability to generate future cash flows to meet its obligations.

***Change in Accounting Principle***

As disclosed in Note 3 to the basic financial statements, in 2022 PDA adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. The changes made to the basic financial statements to comply with the new accounting standards have been applied retrospectively as an adjustment as of the beginning of the year ended June 30, 2021. The adoption of the standard at July, 1, 2020, required recognition of \$3,527,284 of short-term lease receivables, \$173,824,929 of long-term lease receivables, and \$177,352,212 in deferred inflows of resources. At June 30, 2021, those balances were short-term lease receivables of \$4,382,378 long-term lease receivables of \$169,907,424, and deferred inflows of resources net of accumulated amortization of \$172,345,488. The impact of the adoption of the standard for the year ended June 30, 2021 was an increase in net position of \$1,944,313.

**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)**

**Current Assets**

Current assets are those assets that are expected to be used (sold or consumed) within a year, unlike non-current assets. Current assets are reflected on the statement of net position and are listed in order of decreasing liquidity. The current asset position of an entity is important, both for assessing its financial strength and for gauging its operational efficiency.

**Comparison of 2022 to 2021**

**Changes in Current Assets**

(\$ in Thousands)	June 30, 2022	June 30, 2021	\$ Increase (Decrease)	% Increase (Decrease)
Cash and Cash Equivalents	\$ 8,669	\$ 4,531	\$ 4,138	91.3
Accounts Receivable - Net	9,932	14,197	(4,265)	(30.0)
Other Current Assets	712	572	140	24.5
<b>Total Current Assets</b>	<b>\$ 19,313</b>	<b>\$ 19,300</b>	<b>\$ 13</b>	<b>0.1</b>

PDA's current assets reflect an increase in operating cash of \$4.1 million, or 91.3%. This increase reflects \$ 2.0 million in American Rescue Plan Act of 2021 (ARPA) funding for both the Portsmouth International Airport and Skyhaven Airport as well as the sale of a building at 30 New Hampshire Ave for \$1.7 million. A significant decrease in capital construction activities also contributed to the growth in unrestricted operating cash. Offsetting this is a decrease of \$4.3 million in receivables, as the prior year included \$6.0 million in state appropriations for the dredging of the Piscataqua River. Receivables also reflect the current portion of lease receivable. This represents the impact of the adoption of GASB 87 as described in *Change in Accounting Principle* on page 6, and reflects the present value of lease payments expected over the next twelve month period. Accounts receivable included an allowance for doubtful accounts of approximately 0.2% and of total accounts receivable at June 30, 2022 and 2021, respectively.

**Comparison of 2021 to 2020**

**Changes in Current Assets**

(\$ Thousands)	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Cash and Cash Equivalents	\$ 4,531	\$ 5,238	\$ (707)	(13.5)
Accounts Receivable - Net	14,197	8,942	5,255	58.8
Other Current Assets	572	503	69	13.7
<b>Total Current Assets</b>	<b>\$ 19,300</b>	<b>\$ 14,683</b>	<b>\$ 4,617</b>	<b>31.4</b>

PDA's current assets increased by \$4.6 million, or 31.4%. The \$5.3 million increase in current portion of accounts receivable represents the impact of the adoption of GASB 87 as noted above. PDA also reflected a \$707 thousand decrease in cash which went to support capital construction projects at both PSM and non-grant related projects. Accounts receivable included an allowance for doubtful accounts of approximately 0.2% and 0.1% of total accounts receivable at June 30, 2021 and 2020, respectively.

**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

**Restricted Assets**

Restricted assets represent amounts that are subject to externally imposed restrictions on their use by creditors, grantors, laws, regulations, or through constitutional restrictions or enabling legislation.

**Comparison of 2022 to 2021**

**Changes in Restricted Assets**

(\$ in Thousands)

	June 30, 2022	June 30, 2021	\$ Increase (Decrease)	% Increase (Decrease)
Cash and Cash Equivalents	\$ 368	\$ 550	\$ (182)	(33.1)
Revolving Loan Fishery Fund Receivable	1,173	1,019	154	15.1
Accounts Receivable Other - Net	<u>23</u>	<u>2</u>	<u>21</u>	<u>1,050.0</u>
Total Restricted Assets	<u>\$ 1,564</u>	<u>\$ 1,571</u>	<u>\$ (7)</u>	<u>(0.4)</u>

Total restricted assets were consistent year over year primarily due to the net impact of PDA issuing new loans under the Revolving Loan Fishery Fund (RLF), which reduced the restricted cash balance. Total assets associated with the RLF had a composite valuation of approximately \$1.2 million at June 30, 2022 and 2021. There were 21 individual loans outstanding at June 30, 2022 and June 30, 2021.

**Comparison of 2021 to 2020**

**Changes in Restricted Assets**

(\$ in Thousands)

	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Cash and Cash Equivalents	\$ 550	\$ 447	\$ 103	23.0
Revolving Loan Fishery Fund Receivable	1,019	1,011	8	0.8
Accounts Receivable Other - Net	<u>2</u>	<u>4</u>	<u>(2)</u>	<u>(50.0)</u>
Total Restricted Assets	<u>\$ 1,571</u>	<u>\$ 1,462</u>	<u>\$ 109</u>	<u>7.5</u>

Total restricted assets increased by approximately \$109 thousand, or 7.5%, primarily due to an increase in operating cash. This increase is a result of lower expenditures related to repairs and renovations associated with DPH operations at Hampton Harbor, Rye Harbor and the Portsmouth Fish Pier. Total assets associated with the Revolving Loan Fishery Fund had a composite valuation of approximately \$1.2 million at June 30, 2021 and 2020. There were 21 and 22 individual loans outstanding at June 30, 2021 and 2020 respectively.



**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

**Non-Current Assets**

Non-Current assets represent capital acquisitions and other long term assets whose benefits will be realized over more than one year.

PDA independently develops and maintains the Tradeport. Through the DPH, PDA maintains and develops New Hampshire's ports, harbors, and navigable tidal rivers. Capital expenditures typically extend the useful life of an asset and can be financed through internal funds, grant related funding or access to the capital markets.

**Comparison of 2022 to 2021**

**Changes in Capital Assets**

(\$ in Thousands)				
	June 30, 2022	June 30, 2021	\$ Increase (Decrease)	% Increase (Decrease)
Land	\$ 7,521	\$ 7,521	\$ -	-
Facilities Improvements	188,667	186,610	2,057	1.1
Equipment	16,250	15,891	359	2.3
Construction in Process	10,465	6,282	4,183	66.6
Gross Capital Assets	222,903	216,304	6,599	3.1
Accumulated Depreciation	(126,802)	(119,954)	(6,848)	5.7
Total Capital Assets	\$ 96,101	\$ 96,350	\$ (249)	(0.3)

PDA's capital acquisitions (excluding sales/retirements) totaled approximately \$6.7 million in 2022, primarily in support of either federal or state funded projects. The more significant capital projects at the PDA included terminal expansion activities at PSM, roadway and drainage improvements and equipment purchases. Significant capital expenditures through the DPH included repairs to the Portsmouth Fish Pier and the Main Wharf at Market Street. Other DPH projects included replacement of the Barge Dock at Market Street, dock replacement at Hampton Harbor and lighting improvements at Market Street. Approximately \$6 million of the total capital expenditures were either grant funded or supported by the State for purposes of PDA-DPH.

PDA/DPH had commitments under construction contracts associated with state and federal grants totaling approximately \$9.1 million and \$13.3 million at June 30, 2022 and 2021, respectively. The more significant commitments under construction contracts at June 30, 2022 included \$4.1 million for the PSM Runway Reconstruction project, \$3.2 million for the DPH Functional Replacement of the Barge Dock and \$1.2 million for the Main Wharf repair and rehabilitation.

**Comparison of 2021 to 2020**

**Changes in Capital Assets**

(\$ in Thousands)				
	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Land	\$ 7,521	\$ 7,521	\$ -	-
Facilities Improvements	186,610	151,239	35,371	23.4
Equipment	15,891	15,465	426	2.8
Construction in Process	6,282	15,467	(9,185)	(59.4)
Gross Capital Assets	216,304	189,692	26,612	14.0
Accumulated Depreciation	(119,954)	(114,160)	(5,794)	(5.1)
Total Capital Assets	\$ 96,350	\$ 75,532	\$ 20,818	27.6



**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

**Non-Current Assets (concluded)**

PDA's capital acquisitions totaled approximately \$26.6 million in 2021, primarily in support of either federal or state funded projects. The more significant capital projects included runway reconstruction and terminal expansion activities at PSM. Additional funds were expended in support of equipment needs and various infrastructure improvements at the DPH, including repairs to the Portsmouth Fish Pier and the Main Wharf at Market Street. Approximately \$18 million of the total capital expenditures were either grant funded or supported by the State for purposes of PDA-DPH.

PDA had commitments under construction contracts associated with federal grants totaling approximately \$13.3 million and \$23.6 million at June 30, 2021 and 2020, respectively. The more significant commitments under construction contracts at June 30, 2021 included \$4.1 million for the PSM Runway Reconstruction project, \$3.7 million for the DPH Functional Replacement of the Barge Dock and \$3.7 million for the Main Wharf repair and rehabilitation.

**Comparison of 2022 to 2021**

**Changes in Lease Receivable, Non-Current**

	June 30, 2022	Restated June 30, 2021	\$ Increase (Decrease)	% Increase (Decrease)
Lease Receivable, Non-Current	\$ 197,231	\$ 169,907	\$ 27,324	16.1

Non-current assets include a lease receivable brought about by the adoption of the GASB 87 lease accounting standard. The balance represents the present value of expected lease payments for the remaining terms of all active long-term lease agreements, which will be received in more than one year. The increase of \$27.3 million is reflective of additional leases or lease extensions granted during the fiscal year.

**Comparison of 2021 to 2020**

**Changes in Lease Receivable, Non-Current**

(\$ In Thousands)

	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Lease Receivable, Non-Current	\$ 169,907	-	\$ 169,907	100.0

Because GASB 87 was adopted as of the fiscal year ended June 30, 2021, a lease receivable has been recorded. The balance represents the present value of expected lease payments for the remaining terms of all active long-term lease agreements, which will be received in more than one year.

**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

**Noncurrent Liabilities**

**Comparison of 2022 to 2021**

**Changes in Noncurrent Liabilities**

(\$ in Thousands)				
	June 30, 2022	June 30, 2021	\$ Increase (Decrease)	% Increase (Decrease)
Other Postemployment Benefits	\$ 7,379	\$ 8,042	\$ (663)	(8.2)
Net Pension Liability	4,280	6,171	(1,891)	(30.6)
Retiree Health Benefit Program	-	91	(91)	(100.0)
State of New Hampshire Account Payable	252	252	-	-
Compensated Absences - Net	90	93	(3)	(3.2)
<b>Total Noncurrent Liabilities</b>	<b>\$ 12,001</b>	<b>\$ 14,649</b>	<b>\$ (2,648)</b>	<b>(18.1)</b>

The PDA decreased its total noncurrent liabilities outstanding during the fiscal year by approximately \$2.6 million, or 18.1%. The more significant decreases were associated with the changes in the Net Other Postemployment Benefits and Net Pension Liability. This fluctuation is associated with the investment returns of the plan assets being significantly higher than the prior year. The retirement system realized a 29.4% return on investments in the fiscal year ended June 30, 2021 compared to 1.1% in the previous year. The three-year, five-year and 10-year investment returns for the periods ended June 30, 2021, 2020 and 2019 were 11.4%, 11.3% and 9.3%, respectively. The retirement system's assumed rate of investment return is 6.75%.

**Comparison of 2021 to 2020**

**Changes in Noncurrent Liabilities**

(\$ in Thousands)				
	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Other Postemployment Benefits	\$ 8,042	\$ 5,630	\$ 2,412	42.8
Net Pension Liability	6,171	4,198	1,973	47.0
Retiree Health Benefit Program	91	182	(91)	(50.0)
State of New Hampshire Account Payable	252	252	-	-
Compensated Absences - Net	93	100	(7)	(7.0)
<b>Total Noncurrent Liabilities</b>	<b>\$ 14,649</b>	<b>\$ 10,362</b>	<b>\$ 4,287</b>	<b>41.4</b>

The PDA increased its total noncurrent liabilities outstanding during the fiscal year by approximately \$4.3 million, or 41.4%. The more significant increases were associated with the changes in the Net Other Postemployment Benefits and Net Pension Liability. The retirement system realized a 1.1% return on investments in the fiscal year ended June 30, 2020. The three-year, five-year and 10-year investment returns for the periods ended June 30, 2020 were 5.2%, 5.9% and 8.7%, respectively. The retirement system's assumed rate of investment return is 6.75%.

**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

**Net Position**

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of debt and adding back any unspent proceeds.

**Comparison of 2022 to 2021**

**Statements of Net Position**

(\$ in Thousands)

	June 30, 2022	Restated June 30, 2021	\$ Increase (Decrease)	% Increase (Decrease)
Current Assets	\$ 19,313	\$ 19,300	\$ 13	0.1
Restricted Assets	1,563	1,571	(8)	(0.5)
Non-Current Assets	<u>293,332</u>	<u>266,257</u>	<u>27,075</u>	<u>10.2</u>
Total Assets	<u>314,208</u>	<u>287,128</u>	<u>27,080</u>	<u>9.4</u>
Deferred Outflows of Resources	<u>3,705</u>	<u>4,202</u>	<u>(497)</u>	<u>(11.8)</u>
Current Liabilities	5,148	14,147	(8,999)	(63.6)
Noncurrent Liabilities	<u>12,001</u>	<u>14,649</u>	<u>(2,648)</u>	<u>(18.1)</u>
Total Liabilities	<u>17,149</u>	<u>28,796</u>	<u>(11,647)</u>	<u>(40.4)</u>
Deferred Inflows of Resources	<u>201,506</u>	<u>175,254</u>	<u>26,252</u>	<u>15.0</u>
Net Investment in Capital Assets	93,873	92,492	1,381	1.5
Restricted Net Position	1,275	1,308	(33)	(2.5)
Unrestricted Net Position	<u>4,110</u>	<u>(6,520)</u>	<u>10,630</u>	<u>(163.0)</u>
Total Net Position	<u>\$ 99,258</u>	<u>\$ 87,280</u>	<u>\$ 11,978</u>	<u>13.7</u>

PDA's total assets increased \$27.1 million, or 9.4%, primarily due to the increase the long term lease receivable balance due to additional leases that were entered into and lease extensions that were granted during the fiscal year.

PDA's total liabilities decreased by \$11.6 million, or 40.4%. The decrease in current liabilities of \$9.0 million is primarily due to the prior year's inclusion of \$6.0 million in state appropriations payable to the Army Corps of Engineers related to dredging of the Piscataqua River. The decrease in non-current liabilities of \$2.6 million represents the change in Other Postemployment Benefits and Net Pension Liability. The fluctuation is associated with the investment returns of plan assets being significantly higher than prior year.

Deferred inflows of resources increased by \$26.2 million, or 15%, and reflect the change in deferred inflow due to additional leases that were entered into and lease extensions that were granted during the fiscal year. The value of deferred inflows reflects the present value of expected lease revenue for remaining terms of all active long-term lease agreements.



**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

**Net Position (concluded)**

**Comparison of 2021 to 2020**

**Statements of Net Position**

(\$ in Thousands)	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Current Assets	\$ 19,300	\$ 14,683	\$ 4,617	31.4
Restricted Assets	1,571	1,462	109	7.5
Non-Current Assets	266,257	75,532	190,725	252.5
<b>Total Assets</b>	<b>287,128</b>	<b>91,677</b>	<b>195,451</b>	<b>213.2</b>
Deferred Outflows of Resources	4,202	1,250	2,952	236.2
Current Liabilities	14,147	10,612	3,535	33.3
Noncurrent Liabilities	14,649	10,362	4,287	41.4
<b>Total Liabilities</b>	<b>28,796</b>	<b>20,974</b>	<b>7,822</b>	<b>37.3</b>
Deferred Inflows of Resources	175,253	4,089	171,164	4186.0
Net Investment in Capital Assets	92,492	67,847	24,645	36.3
Restricted Net Position	1,308	1,225	83	6.8
Unrestricted Net Position	(6,520)	(1,208)	(5,312)	439.7
<b>Total Net Position</b>	<b>\$ 87,280</b>	<b>\$ 67,864</b>	<b>\$ 19,416</b>	<b>28.6</b>

PDA's total assets increased \$195.4 million, or 213.2%, primarily due to the adoption of GASB 87 which resulted in the addition of \$174.3 million in short and long-term receivables. This represents the present value of expected lease revenue over the remaining terms of all current lease agreements. The remaining increase in total assets is mainly comprised of the increase in capital assets.

PDA's total liabilities increased by \$7.8 million, or 37.3%. The increase in current liabilities of \$3.6 million is primarily represented by the \$6.0 million in state appropriations due to the Army Corps of Engineers related to dredging of the Piscataqua River. This is offset by the decrease in payables associated with capital construction activities. The increase in non-current liabilities of \$4.3 million represents increases in Other Postemployment Benefits and the Net Pension Liability. These increases are associated with the investment returns of plan assets being lower than targeted benchmarks.

Deferred inflows of resources increased by \$171.2 million, or 4186.0% which include deferred inflows of lease revenue of \$172.3 million resulting from adoption GASB of 87. The value of deferred inflows reflects the present value of expected lease revenue for remaining terms of all active long-term lease agreements.



**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

**Change in Net Position**

PDA charges various types of fees for the rental or usage of its land and facilities.

**Comparison of 2022 to 2021**

**Statements of Revenues, Expenses and Changes in Net Position**

	(\$ in Thousands)			
	June 30, 2022	Restated June 30, 2021	\$ Increase (Decrease)	% Increase (Decrease)
Operating Revenue				
Rental of Facilities	\$ 6,863	\$ 7,366	\$ (503)	(6.8)
Fee Revenues	5,412	4,995	417	8.3
Fuel Sales	709	416	293	70.4
Proceeds From Sale of Building	1,750	-	1,750	100.0
Concession and Other Miscellaneous	<u>1,283</u>	<u>1,074</u>	<u>209</u>	<u>19.5</u>
Total Operating Revenues	<u>16,017</u>	<u>13,851</u>	<u>2,166</u>	<u>15.6</u>
Operating Expenses				
Personnel Services and Benefits	5,725	7,635	(1,910)	(25.0)
Depreciation	6,861	5,833	1,028	17.6
Building and Facilities Maintenance	1,939	7,772	(5,833)	(75.1)
Professional Services	518	630	(112)	(17.8)
Other	<u>2,791</u>	<u>2,559</u>	<u>232</u>	<u>9.1</u>
Total Operating Expenses	<u>17,834</u>	<u>24,429</u>	<u>(6,595)</u>	<u>(27.0)</u>
Operating Income (Loss)	(1,817)	(10,578)	8,761	(82.8)
Nonoperating Income (Expense)				
State appropriations	-	6,086	(6,086)	(100.0)
CARES ACT	1,977	1,569	408	26.0
Gain (Loss) on Disposition of Assets	31	(2)	33	(1650.0)
Interest Expense	-	(73)	73	(100.0)
Interest Income	12	10	2	20.0
Interest Income-Leases	<u>5,812</u>	<u>5,242</u>	<u>570</u>	<u>10.9</u>
Net Nonoperating Income	<u>7,832</u>	<u>12,832</u>	<u>(5,000)</u>	<u>(39.0)</u>
Gain Before Contributed Capital	6,015	2,254	3,761	166.9
Contributed Capital	<u>5,962</u>	<u>17,163</u>	<u>(11,201)</u>	<u>(65.3)</u>
Change in Net Position	11,977	19,417	(7,440)	(38.3)
Net Position at Beginning of Year	<u>87,281</u>	<u>67,864</u>	<u>19,417</u>	<u>28.6</u>
Net Position at End of Year	<u>\$ 99,258</u>	<u>\$ 87,281</u>	<u>\$ 11,977</u>	<u>13.7</u>

**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)**

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***Change in Net Position (continued)***

***Comparison of 2022 to 2021 (concluded)***

Total operating revenues increased \$2.2 million, or 15.6%, year over year. The increase in revenue is largely due to the sale of a building at 30 NH Avenue for \$1.75 million, which is included in Concessions and other miscellaneous revenue. With the adoption of GASB 87, a portion of PDA's facility rent has been re-classed to interest income, which is non-operating income. This new standard requires the PDA to account for all long-term building and ground leases as financing leases with an implicit interest rate. Other factors contributing to higher operating revenues include an increase in golf course operations revenue. Marine fuel sales have also increased as we re-opened the Portsmouth Fish Pier now that construction has been completed. Total non-operating revenues decreased by \$5.0 million as prior year revenues included state appropriations of \$6.0 million related to the Piscataqua River dredging.

Total operating expenses decreased by approximately \$6.6 million, or 27.0%, as prior years Building and Facilities Maintenance included \$6.0 million for the Piscataqua River dredging project. The decrease in Personnel Services and Benefits of \$1.9 million resulted from the year-end adjustment to the pension and OPEB liability. Depreciation Expense increased by \$1.0 million due to the significant investment in construction projects at PSM which are now being depreciated.

The decrease in contributed capital of \$11.2 million, or 65.3%, reflects decrease in grant related construction projects at PSM and DPH now that the Airport runway, terminal and the Portsmouth Fish Pier projects are substantially complete.

***Economic Outlook***

The economic impact of the COVID-19 pandemic has lessened during fiscal year 2022, as PDA experienced an uptick in airline traffic, fuel flowage fees and pay for parking revenues. Expenses related to the purchase of materials and supplies and PPE equipment have decreased to pre-pandemic levels as well. However, at present there is uncertainty as to whether the effects of this pandemic will re-surface, resulting in additional potential economic ramifications to PDA's operations and any additional governmental actions to mitigate them.

**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

**Change in Net Position (continued)**

**Comparison of 2021 to 2020**

**Statements of Revenues, Expenses and Changes in Net Position**

	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Operating Revenue				
Rental of Facilities	\$ 7,366	\$ 10,535	\$ (3,169)	(30.1)
Fee Revenues	4,995	4,299	696	16.2
Fuel Sales	416	423	(7)	(1.7)
Concession and Other Miscellaneous	<u>1,074</u>	<u>1,072</u>	<u>2</u>	<u>0.2</u>
Total Operating Revenues	<u>13,851</u>	<u>16,329</u>	<u>(2,478)</u>	<u>(15.2)</u>
Operating Expenses				
Personnel Services and Benefits	7,635	7,083	552	7.8
Depreciation	5,833	5,112	721	14.1
Building and Facilities Maintenance	7,772	2,738	5,034	183.9
Professional Services	630	600	30	5.0
Other	<u>2,559</u>	<u>2,375</u>	<u>184</u>	<u>7.7</u>
Total Operating Expenses	<u>24,429</u>	<u>17,908</u>	<u>6,521</u>	<u>36.4</u>
Operating Loss	(10,578)	(1,579)	(8,999)	(569.9)
Nonoperating Income (Expense)				
State appropriations	6,086	680	5,406	795.0
CARES Act	1,569	1,515	54	3.6
Gain (Loss) on Disposition of Assets	(2)	79	(81)	(102.5)
Interest Expense	(73)	(3)	(70)	2333.3
Interest Income	10	69	(59)	85.5
Interest Income-Leases	<u>5,242</u>	<u>-</u>	<u>5,242</u>	<u>100.0</u>
Net Nonoperating Income	<u>12,832</u>	<u>2,340</u>	<u>10,492</u>	<u>448.4</u>
Gain Before Contributed Capital	2,254	761	1,493	196.2
Contributed Capital	<u>17,163</u>	<u>8,884</u>	<u>8,279</u>	<u>3.2</u>
Change in Net Position	19,417	9,645	9,772	101.3
Net Position at Beginning of Year	<u>67,864</u>	<u>58,219</u>	<u>9,645</u>	<u>16.6</u>
Net Position at End of Year	<u>\$ 87,281</u>	<u>\$ 67,864</u>	<u>\$ 19,417</u>	<u>28.6</u>



**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

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***Change in Net Position (concluded)***

***Comparison of 2021 to 2020 (concluded)***

Total operating revenues decreased 2.5 million or 15.2%. With the adoption of GASB 87, a portion of PDA's facility rent has been re-classed to interest income, which is non-operating income. This is noted by the decrease in facility rent, offset by an increase in interest income-leases. The adoption of this new standard requires the PDA to account for all long-term building and ground leases as financing leases with an implicit interest rate. The decrease in facility rent, however, was offset by an increase in golf course operations revenue of \$696 thousand. Total non-operating revenues increased by \$10.5 million, or 448.4% and reflect state appropriations of \$6.0 million related to the Piscataqua River dredging, as well as the \$5.2 million in interest income from leases.

Total operating expenses increased by approximately \$6.5 million, or 36.4%, and include \$6.0 million in Building and Facilities Maintenance for the dredging project. Other changes in operating expenses include Personnel Services and Benefits which increased by \$552 thousand, driven by the increase in pension expenses. Depreciation Expense also increased by \$721 thousand due to the significant investment in construction projects at PSM.

As mentioned previously, the PDA received state appropriations to dredge the Piscataqua River. As required under Governmental Accounting Standards, the PDA reports appropriations received from the State as non-operating revenue, while expenses related to the appropriations are reported as operating expenses. The impact of this reporting requirement, as well as the movement of interest income from leases to non-operating, is reflected in the operating loss of \$10.6 million.

The increase in contributed capital of \$8.3 million, or 93.2%, reflects increased grant related construction projects at PSM and DPH during the current fiscal year. During the year ended June 30, 2021, a total of \$26.6 million was spent on the purchase of capital assets, of which approximately \$18.0 million were either grant funded or supported by the State for purposes of PDA-DPH.

***Economic Outlook***

Due to the COVID-19 global pandemic, certain fiscal year 2021 operating revenues and expenses associated with the PDA operations were negatively impacted. Lower revenue examples, particularly due to reduced airline traffic, include fuel flowage fees and pay for parking revenues. Expenses were impacted for the purchase of materials and supplies including cleaning disinfection, hand sanitizers, gloves, masks, disposal wipes and related PPE equipment. In total, the overall financial impact to the PDA this fiscal year was relatively immaterial. However, at present there is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications to our operations and or any additional governmental actions to mitigate them.



**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS (UNAUDITED) (CONCLUDED)**

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***Contacting the PDA's Leadership Team***

This financial report is designed to provide a general overview of PDA's finances and to demonstrate PDA's accountability for the grants that it receives. If you have questions about this report or need additional financial information, please contact Paul E. Brean, Executive Director, at 55 International Drive Portsmouth, NH 03801 via email at [p.brean@peasedev.org](mailto:p.brean@peasedev.org) or by telephone at 603.433.6088. Visit the PDA website at: [www.peasedev.org](http://www.peasedev.org).

Other members of the PDA's Leadership Team, effective July 1, 2022, include:

Anthony Blenkinsop  
Deputy Director/General Counsel

Captain Geno Marconi  
Director - Division of Ports and Harbors

Greg Siegenthaler  
Director of Information Technology

Susanne Anzalone, C.P.A.  
Director of Finance

Maria Stowell, P.E.  
Engineering Manager

Tanya Coppeta  
Employee Relations Manager

Scott DeVito  
Golf Course General Manager

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**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

**STATEMENTS OF NET POSITION**

**June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 8,669,372	\$ 4,530,945
Accounts and Grants Receivable - Net	9,931,294	14,196,690
Other Current Assets	712,368	571,999
Total Current Assets	<u>19,313,034</u>	<u>19,299,634</u>
Restricted Assets:		
Cash and Cash Equivalents	368,171	549,963
Loans and Accounts Receivable - Net	1,195,512	1,020,970
Total Restricted Assets	<u>1,563,683</u>	<u>1,570,933</u>
Noncurrent Assets:		
Leases Receivable, net of Current Portion	197,230,941	169,907,424
Capital Assets	96,100,952	96,350,077
Total Noncurrent Assets	<u>293,331,893</u>	<u>266,257,501</u>
<b>Total Assets</b>	<u>314,208,610</u>	<u>287,128,068</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Other Postemployment Benefits	2,279,876	2,193,378
Pension	1,424,984	2,008,286
<b>Total Deferred Outflows of Resources</b>	<u>3,704,860</u>	<u>4,201,664</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable and Accrued Expenses	2,053,163	9,598,671
Accounts Payable for Capital Assets	2,227,972	3,858,399
Unearned Revenues	867,102	690,183
Total Current Liabilities	<u>5,148,237</u>	<u>14,147,253</u>
Noncurrent Liabilities:		
Other Postemployment Benefits	7,378,664	8,041,994
Net Pension Liability	4,279,644	6,170,435
Other Noncurrent Liabilities	342,544	436,055
Total Noncurrent Liabilities	<u>12,000,852</u>	<u>14,648,484</u>
<b>Total Liabilities</b>	<u>17,149,089</u>	<u>28,795,737</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Other Postemployment Benefits	1,651,884	2,546,921
Pension	1,382,954	360,975
Lease Revenue	198,471,605	172,345,488
<b>Total Deferred Inflows of Resources</b>	<u>201,506,443</u>	<u>175,253,384</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	93,872,980	92,491,678
Restricted For:		
Revolving Loan Fishery Fund	1,248,826	1,242,596
Harbor Dredging and Pier Maintenance	14,810	57,953
Foreign Trade Zone	10,919	7,905
Unrestricted	4,110,403	(6,519,521)
<b>Total Net Position</b>	<u>\$ 99,257,938</u>	<u>\$ 87,280,611</u>

*See accompanying notes to financial statements.*

**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**For the Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating Revenues</b>		
Rental of Facilities	\$ 6,862,835	\$ 7,365,470
Fee Revenues:		
Golf Course Operations	2,728,744	2,843,009
Mooring, Dockage, Pier Usage and Boat Registrations	2,567,976	1,444,121
All Other	115,584	707,957
Total Fee Revenues	<u>5,412,304</u>	<u>4,995,087</u>
Fuel Sales	709,020	416,534
Proceeds from Sale of Building	1,749,985	-
Concession and Other Miscellaneous	1,283,098	1,074,011
Total Operating Revenues	<u>16,017,242</u>	<u>13,851,102</u>
<b>Operating Expenses</b>		
Personnel Services and Benefits	5,724,558	7,635,363
Depreciation	6,860,974	5,833,557
Building and Facilities Maintenance	1,939,422	7,771,504
General and Administrative	992,878	918,227
Utilities	798,545	814,854
Professional Services	517,641	629,749
All Other	1,000,111	825,582
Total Operating Expenses	<u>17,834,129</u>	<u>24,428,836</u>
<b>Operating Loss</b>	<u>(1,816,887)</u>	<u>(10,577,734)</u>
<b>Nonoperating Income (Expense)</b>		
State of New Hampshire appropriations	-	6,085,643
COVID funding	1,977,072	1,569,065
Interest Income - Leases	5,812,536	5,242,695
Interest Income - Other	11,268	9,998
Interest Expense	-	(72,920)
Gain (Loss) on Disposition of Capital Assets	31,086	(2,537)
Net Nonoperating Income	<u>7,831,962</u>	<u>12,831,944</u>
Gain Before Contributed Capital	6,015,075	2,254,210
Contributed Capital	5,962,252	17,162,807
Change in Net Position	11,977,327	19,417,017
Net Position at Beginning of Year, Restated	<u>87,280,611</u>	<u>67,863,594</u>
<b>Net Position at End of Year</b>	<u>\$ 99,257,938</u>	<u>\$ 87,280,611</u>

*See accompanying notes to financial statements.*

**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**  
**STATEMENTS OF CASH FLOWS**  
**For the Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash Flows From Operating Activities</b>		
Cash Received from Customers	\$ 20,332,506	\$ 5,604,999
Cash Payments to Personnel for Services and Benefits	(7,654,933)	(7,383,899)
Cash Payments to Suppliers of Goods and Services	(13,027,985)	(3,742,530)
Net Cash Used by Operating Activities	<u>(350,412)</u>	<u>(5,521,430)</u>
<b>Cash Flows From Noncapital Financing Activities</b>		
State Appropriations	-	6,085,643
CARES Act Funding Cash Received	<u>1,993,937</u>	<u>3,066,883</u>
Net Cash Provided by Noncapital Financing Activities	<u>1,993,937</u>	<u>9,152,526</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Contributed Capital Received	4,700,496	21,065,520
Payments for acquisition of Capital Assets	(8,331,645)	(30,480,296)
Proceeds from the Sale of Capital Assets	120,455	-
Interest Paid on Capital Debt	-	(72,910)
Net Cash Used by Capital and Related Financing Activities	<u>(3,510,694)</u>	<u>(9,487,686)</u>
<b>Cash Flows From Investing Activities</b>		
Interest Income Received	<u>5,823,804</u>	<u>5,252,693</u>
(Decrease) / Increase in Cash and Cash Equivalents	3,956,635	(603,897)
Cash and Restricted Cash - Beginning of Year	<u>5,080,908</u>	<u>5,684,805</u>
<b>Cash and Restricted Cash - End of Year</b>	<u>\$ 9,037,543</u>	<u>\$ 5,080,908</u>
<b>Composition of Cash, Cash Equivalents and Restricted Cash</b>		
Cash and Cash Equivalents	\$ 8,669,372	\$ 4,530,945
Restricted Cash	<u>368,171</u>	<u>549,963</u>
	<u>\$ 9,037,543</u>	<u>\$ 5,080,908</u>

*See accompanying notes to financial statements.*



**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**  
**STATEMENTS OF CASH FLOWS (CONCLUDED)**  
**For the Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Reconciliation of Operating Loss to Net Cash Used by Operating Activities</b>		
<b>Operating Loss</b>	\$ (1,816,887)	\$ (10,577,734)
<b>Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities</b>		
Depreciation	6,860,974	5,833,557
Compensated Absences - Net	(6,631)	(6,631)
Changes in Operating Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:		
Accounts Receivable	(21,987,772)	(180,568,294)
Other Current Assets	(140,369)	(69,556)
Deferred Outflows of Resources - OPEB	(86,498)	(1,634,777)
Deferred Outflows of Resources - Pension	583,302	(1,316,911)
Accounts Payable and Accrued Expenses	(7,545,508)	7,384,496
Unearned Revenues	176,919	(23,297)
Retiree Health Benefit Program	(86,880)	(90,924)
Other Postemployment Benefits (OPEB)	(663,330)	2,411,886
Net Pension Liability	(1,890,791)	1,972,631
Deferred Inflows of Resources - Leases	26,126,117	172,345,488
Deferred Inflows of Resources - OPEB	(895,037)	(937,625)
Deferred Inflows of Resources - Pension	1,021,979	(243,739)
<b>Net Cash Used by Operating Activities</b>	<u>\$ (350,412)</u>	<u>\$ (5,521,430)</u>
<b>Reconciliation of Noncash Activity:</b>		
Contributed Capital Income	\$ 5,962,252	\$ 17,162,807
Less: Grants Receivable as of End of Year	(4,169,498)	(2,907,742)
Add: Grants Receivable as of Prior Year End	2,907,742	6,810,455
Add: Contributed Capital Received	<u>\$ 4,700,496</u>	<u>\$ 21,065,520</u>
Acquisition of Capital Assets	\$ 6,701,218	\$ 26,653,878
Less: Accounts Payable for Capital Assets as of End of Year	(2,227,972)	(3,858,399)
Add: Payments on Short-Term Trade Accounts to Finance Acquisitions of Capital Assets	3,858,399	7,684,817
Payments for the Acquisition of Capital Assets	<u>\$ 8,331,645</u>	<u>\$ 30,480,296</u>

*See accompanying notes to financial statements.*

**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022 and 2021**

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**1. Reporting Entity**

The Pease Development Authority ("PDA"), a component unit of the State of New Hampshire (the "State"), is the successor entity to the Pease Redevelopment Commission ("PRC"). The PRC was created on March 21, 1989 by an act of the General Court of the State. The mandate of the PRC was to prepare a comprehensive plan for the conversion and redevelopment of Pease Air Force Base. The guiding principles of the plan were job creation, fiscal viability, economic development, and environmental quality.

Effective June 1, 1990, the PRC was dissolved and PDA was established as its successor with the goals of converting and redeveloping the Pease International Tradeport ("Tradeport"). PDA is a component unit of the State and is discretely presented in the Comprehensive Annual Financial Report of the State.

PDA is a body corporate and politic with a governing body of seven members. The Governor and State legislative leadership appoint four members, the City of Portsmouth ("COP") appoints one member, the Town of Newington appoints one member and the Towns of Newington and Greenland jointly appoint one member.

Pursuant to Chapter 290, Laws of 2001, the New Hampshire State Port Authority ("Port"), a former agency of the primary State government, was transferred to PDA effective July 1, 2001. In doing so, the State authorized the transfer of functions, powers and duties of the Port to PDA, acting through the Division of Ports and Harbors ("PDA-DPH"). The PDA-DPH is charged with the responsibility to: 1) plan for the maintenance and development of the ports, harbors and navigable tidal rivers of the State; 2) foster and stimulate commerce and the shipment of freight; 3) aid in the development of salt water fisheries and associated industries; 4) cooperate with any federal agencies or departments in planning the maintenance, development, and use of the State ports, harbors, and navigable tidal rivers; and 5) plan, develop, maintain, use and operate land transportation facilities within a 15 mile radius of the PDA-DPH headquarters in Portsmouth, New Hampshire.

As a result of the transfer of the Port to PDA, the Harbor Dredging and Pier Maintenance Fund was transferred to PDA. This fund was set up for the purposes of initiating and implementing harbor dredging projects and maintaining public piers. On July 1, 2001, also as a result of the transfer of the Port to the PDA, the Revolving Loan Fishery Fund was transferred to the PDA. The Revolving Loan Fishery Fund was established in July 1994 by the Port through a Federal Economic Development Administration grant in the amount of \$810,000. The grant funds and related interest earned thereon provide a revolving loan fund to offer direct assistance to the fishing industry and to aid in the creation of economic opportunities within the industry.

Pursuant to Chapter 356, Laws of 2008, House Bill 65 was enacted by the State Legislature on July 11, 2008. The bill: 1) provides that service of non-classified employees of PDA shall be credited as continuous State service for all purposes; 2) makes PDA fund a non-lapsing fund for the benefit of PDA-DPH; 3) requires a biennial report of the PDA-DPH; and 4) repeals provisions relative to coordination with the Department of Resources and Economic Development, reports on economic development programs and the Harbor Management Fund.

**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

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**1. Reporting Entity (concluded)**

On May 12, 2008, the State, through House Bill 1168-FN-LOCAL, passed legislation that required the New Hampshire Department of Transportation ("NHDOT") to negotiate a lease, which became effective November 1, 2008, with PDA for the operation of Skyhaven Airport ("DAW") located in Rochester, New Hampshire. With the passage of Chapter 113, Laws of 2009, enacted on June 22, 2009, the NHDOT was directed to convey ownership of DAW to PDA. The law required that PDA accept ownership of, manage and operate DAW, and act as the official Airport owner, operator, and sponsor. PDA accepted this transfer of ownership, from and after July 1, 2009 with no liability relative to any regulatory matters or causes of action arising prior to November 1, 2008.

**2. Summary of Significant Accounting Policies**

Basis of Accounting

The accompanying financial statements of PDA were prepared in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP") and as prescribed by the Governmental Accounting Standards Board ("GASB"), which is the primary standard-setting body for establishing governmental accounting and financial reporting principles. PDA uses enterprise fund reporting, which uses the economic resources measurement focus and the accrual basis of accounting.

Cash and Cash Equivalents

Cash and cash equivalents, for purposes of the Statements of Cash Flows, include cash which is either held in demand deposit or short-term money market accounts, and highly liquid savings deposits and investments with original maturities less than three months from the date acquired.

PDA maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. PDA has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk on cash and cash equivalents.

Loans and Accounts Receivable

Loans and accounts receivable are carried at cost, less an allowance for doubtful accounts. Receivable balances also include outstanding loans from the Revolving Loan Fishery Fund, including principal plus accrued interest. Management provides an allowance for doubtful accounts based on an analysis of accounts that are delinquent based on payment terms. Accounts are written off when deemed uncollectible.



**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

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**2. Summary of Significant Accounting Policies (continued)**

Capital Assets

Land, equipment, and buildings and facilities improvements are stated at cost. Depreciation is computed using a straight-line method over the estimated useful lives of the assets, which is principally five to thirty-five years. Capital asset acquisitions that equal or exceed \$5,000 are capitalized. The cost of maintenance and repairs is charged against income as incurred, while significant renewals and betterments are capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

<u>Capital Asset</u>	<u>Years</u>
Buildings	35
Facilities Improvements	20
Equipment	5

Leases

In accordance with GASB Statement No. 87, *Leases*, the discounted value of future lease payments and receipts is included in deferred outflows or deferred inflows of resources, respectively. PDA has leases with third party tenants who lease portions of the Tradeport owned and operated by PDA. The present value of these leases is valued at inception and periodically revalued in accordance with Statement No. 87 and presented as a deferred inflow of resources. These deferred inflows are amortized as lease revenue in a systematic and rational manner over the life of the lease. During the year ended June 30, 2022 and 2021, \$6,063,812 and \$5,461,881 respectively, was recognized as lease revenue.

Compensated Absences

Employees are granted sick and vacation leave in varying amounts. Upon retirement, termination, or death, certain employees are compensated for unused sick and vacation leave (subject to certain limitations) at their then current rates of pay. The liability for vacation leave is based on the amount earned but not used; for sick leave, it is an estimated amount based on the amount accumulated at the balance sheet date that would be paid upon retirement. The liability for sick leave is reflected within noncurrent liabilities while vacation leave is included in accounts payable and accrued expenses. The calculation is based on the salary rates in effect as of the date of the statements of net position.

Unearned Revenues

Unearned revenues include advance greens fees for the golf course, which are based upon a percentage allocation of the total days the course expects to operate. In addition, unearned revenues are recorded for mooring permits for the harbors and tidal waters and are based on the expiration date of the permit. Rental income received in advance is also classified as unearned revenues.

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Hampshire Retirement System ("NHRS") and additions to/deductions from the NHRS's fiduciary net position has been determined on the same basis as it is reported by the NHRS.



**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

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**2. Summary of Significant Accounting Policies (continued)**

Other Postemployment Benefits

For the purposes of measuring the net liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits ("OPEB"), and OPEB expense, information about the fiduciary net position of the NHRS OPEB Plan and the State of New Hampshire OPEB Plan ("the State OPEB Plan") has been determined on the same basis as they are reported by NHRS and the State OPEB Plan.

Net Position

Net position is presented in the following categories:

- *Net investment in capital assets* represents capital assets, net of long- and short-term debt that relates to the purchase of those assets.
- *Restricted for specific purpose* represents amounts that are expendable but whose use is subject to an externally imposed restriction.
- *Unrestricted* represents the remaining balance of net position after the above net position categories have been determined.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position. PDA's policy concerning which to apply first varies with the intended use and legal requirements. Management typically makes this decision on a transactional basis at the incurrence of the expenditure.

Revenue Recognition

Income from rental of facilities is recognized over the term of the lease net of provisions for uncollectible accounts. Various other revenues are recorded when earned which is generally when the related services are performed.

Operating and Nonoperating Income and Expenses

PDA distinguishes between operating revenues and expenses from nonoperating items in the preparation of its financial statements. PDA's principal operating revenues result from charges to tenants for the lease or license of property, providing services, and delivering goods.

Operating expenses for PDA include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating income (expense).

Contributed Capital and Grants

Federal grants, received on a reimbursement basis, are recorded as contributed capital when the related expenditures are capital related. Non-capital related grants consist of funds from the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and are recognized on the statements of revenues, expenses and changes in net position as other nonoperating income.

**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

**2. Summary of Significant Accounting Policies (concluded)**

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**3. Change in Accounting Principle**

During the year ended June 30, 2022, PDA adopted new accounting guidance, GASB Statement No. 87, *Leases*. The retrospective adjustments made to the basic financial statements to comply with the new accounting standards have been reported as an adjustment of prior periods, and the financial statements presented for the periods affected have been restated.

The adoption of the standard at July 1, 2020, required recognition of \$3,527,284 of short-term lease receivables, \$173,824,929 of long-term lease receivables, and \$177,352,212 in deferred inflows of resources. At June 30, 2021, those balances were short-term lease receivables of \$4,382,378 long-term lease receivables of \$169,907,424, and deferred inflows of resources net of accumulated amortization of \$172,345,488. The impact of the adoption of the standard for the year ended June 30, 2021 was an increase in net position of \$1,944,313.

**4. Cash and Cash Equivalents**

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, PDA's deposits may not be returned to it. Revised Statue Annotated (RSA) 12-G: 8 (XIII) empowers PDA to invest and reinvest its funds and take and hold property as security for the payment of funds so invested. PDA's investment policy is more restrictive than applicable New Hampshire law in that it restricts investments to the following: New Hampshire public deposit investment pool, federal agency securities, repurchase agreements, commercial paper, money market funds, and certificates of deposit. PDA's policy does not explicitly address custodial credit risk.

As of June 30, 2022 and 2021, substantially all of PDA's cash and equivalents were insured by the Federal Deposit Insurance Corporation and the Depositors Insurance Fund.

**5. Current Accounts and Grants Receivable - Net**

Current accounts and grants receivable - net was represented by the following at June 30:

	<b>2022</b>	<b>2021</b>
Lease Revenue Receivable	\$ 5,234,584	\$ 4,498,421
Intergovernmental	4,169,49	8,940,885
Tenants and Other	533,712	763,884
Allowance for Doubtful Accounts	(6,500)	(6,500)
	<b>\$ 9,931,294</b>	<b>\$ 14,196,690</b>

**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

**6. Other Current Assets**

Other current assets was represented by the following at June 30:

	<b>2022</b>	<b>2021</b>
Inventories	\$ 429,297	\$ 311,762
Prepaid Insurance	209,618	195,415
All Other	73,453	64,822
	<b>\$ 712,368</b>	<b>\$ 571,999</b>

**7. Restricted Cash and Cash Equivalents**

Restricted cash and cash equivalents was represented by the following at June 30:

	<b>2022</b>	<b>2021</b>
Harbor Dredging and Pier Maintenance	\$ 281,867	\$ 317,326
Revolving Loan Fishery Fund	75,385	224,733
Foreign Trade Zone	10,919	7,904
	<b>\$ 368,171</b>	<b>\$ 549,963</b>

**8. Restricted Loans and Accounts Receivable**

Restricted loans and accounts receivable was represented by the following at June 30:

	<b>2022</b>	<b>2021</b>
Revolving Loan Fishery Fund		
Due Within One Year	\$ 113,204	\$ 105,249
Due in More Than One Year	1,059,363	913,947
Tenants	22,945	1,774
	<b>\$ 1,195,512</b>	<b>\$ 1,020,970</b>

**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

**9. Capital Assets**

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Additions	Disposals	Transfers	Balance June 30, 2022
Land	\$ 7,520,786	\$ -	\$ -	\$ -	\$ 7,520,786
Buildings and Facilities Improvements	186,610,251	-	(101,652)	2,158,718	188,667,317
Equipment	15,891,409	-	-	359,131	16,250,540
Construction in Process	<u>6,281,349</u>	<u>6,701,218</u>	<u>-</u>	<u>(2,517,849)</u>	<u>10,464,718</u>
	216,303,795	<b>6,701,218</b>	<b>(101,652)</b>	-	222,903,361
Less Accumulated Depreciation	(119,953,718)	(6,860,974)	12,283	-	(126,802,409)
	<b>\$ 96,350,077</b>	<b>\$ (159,756)</b>	<b>\$ (89,369)</b>	<b>\$ -</b>	<b>\$ 96,100,952</b>

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Additions	Disposals	Transfers	Balance June 30, 2021
Land	\$ 7,520,786	\$ -	\$ -	\$ -	\$ 7,520,786
Buildings and Facilities Improvements	151,239,167	-	(42,604)	35,413,688	186,610,251
Equipment	15,465,539	-	-	425,870	15,891,409
Construction in Process	<u>15,467,029</u>	<u>26,653,878</u>	<u>-</u>	<u>(35,839,558)</u>	<u>6,281,349</u>
	189,692,521	26,653,878	(42,604)	-	216,303,795
Less Accumulated Depreciation	(114,160,228)	(5,833,557)	40,067	-	(119,953,718)
	<b>\$ 75,532,293</b>	<b>\$ 20,820,321</b>	<b>\$ (2,537)</b>	<b>\$ -</b>	<b>\$ 96,350,077</b>



**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

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**10. Leases**

During the year ended June 30, 2022, PDA adopted GASB Statement No. 87, *Leases*. This statement requires the recording of a lease receivable asset and a deferred inflow of resources by lessors even in the case of a lease which does not transfer ownership of the leased asset.

The total lease receivables were \$202,465,525 and \$174,405,845 as of June 30, 2022 and 2021, respectively. During the years ended June 30, 2022 and 2021, PDA received \$5,812,537 and \$5,242,695, respectively, in interest revenue related to lease receivables.

The resource inflows represent principal payments received. The total deferred inflows amounted to \$198,471,605 and \$172,345,488 as of June 30, 2022 and 2021, respectively. During the years ended June 30, 2022 and 2021, PDA recognized \$6,063,812 and \$5,461,881, respectively, in rental revenue amortized from the deferred inflow of resources.

PDA presently has 79 active agreements for its long term ground and building leases. The majority of the agreements are ground leases tied to a per acre rate with rent adjusted annually based on the Consumer Price Index (CPI) for All Urban Consumers in the Boston-Cambridge Newton area. Initial ground lease terms range from 20-40 years, with option periods that can extend the total lease term to between 50 and 74 years.

Building leases are generally based on a square foot rate with annual increases based on the same CPI index. Typical building leases, including option periods, normally do not exceed 50 years.

As annual rent amounts are adjusted, or if a new lease agreement is executed, the lease receivable and deferred inflow of resources will need to be recalculated in accordance with GASB Statement No. 87.

Long-term lease agreements existing prior to the implementation date of July 1, 2020 were valued at the discounted value of future expected scheduled lease payments as of the implementation date. Long-term lease agreements entered into subsequent to the implementation date of July 1, 2020 were valued at the discounted value of future expected scheduled lease payments as of the commencement date of the individual lease. The discount rate for leases as of June 30, 2022 and 2021 was 3%. The expected future payments include extension option periods as their exercise is reasonably certain.

**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

**10. Leases (concluded)**

At June 30, 2022, the projected minimum future revenue and interest from noncancelable rental agreements is approximately:

Year	Principal	Interest
2023	\$ 5,234,584	\$ 6,011,907
2024	4,469,843	5,895,343
2025	4,352,975	5,747,268
2026	4,351,390	5,618,228
2027	4,490,582	5,486,145
2028-2032	24,505,108	25,331,095
2033-2037	25,627,715	21,466,686
2038-2042	21,784,427	17,962,416
2043-2047	21,330,644	14,798,143
2048-2052	19,670,394	11,606,915
2053-2057	16,723,083	8,954,396
2058-2062	10,909,244	6,871,814
2063-2067	7,695,121	5,480,419
2068-2072	5,941,717	4,476,328
2073-2077	5,495,106	3,661,873
2078-2082	5,281,777	2,869,788
2083-2087	6,135,757	2,015,808
2088-2092	7,127,522	1,024,043
2093-2097	1,338,535	122,576
	<b>\$ 202,465,525</b>	<b>\$ 155,401,191</b>

**11. Unearned Revenues**

Unearned revenues (which are recognized when cash, receivables or other assets are recorded prior to their being earned) consisted of the following at June 30:

	2022	2021
Mooring Permits	\$ 356,734	\$ 350,461
Golf Course Membership Fees	255,291	253,212
All Other	255,077	86,510
	<b>\$ 867,102</b>	<b>\$ 690,183</b>

Mooring permits and golf course membership fees are collected primarily during the months of January through March and amortized ratably over the corresponding seasons.

**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

**12. Revolving Line of Credit Facility**

PDA currently has a \$15,000,000 unsecured Revolving Line of Credit Facility ("RLOC") secured through The Provident Bank, which matures December 31, 2022. The terms of the RLOC provide that a) the loan shall bear interest at a per annum rate equal to the thirty (30) day Federal Home Loan Bank rate plus 250 basis points; and b) PDA shall maintain various covenants that are to be reported on an annual basis. The proceeds of any draw on the RLOC are to be used for general working capital purposes of PDA and cash flow needs for capital projects. There were no amounts outstanding on this RLOC as of June 30, 2022 and 2021.

**13. Changes in Noncurrent Liabilities**

Noncurrent liability activity for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Due in One Year
Other Postemployment Benefits	\$ 8,041,994	\$ -	\$ (663,330)	\$ 7,378,664	\$ 155,000
Net Pension Liability	6,170,435	-	(1,890,791)	4,279,644	445,000
Retiree Health Benefit Program	90,924	-	(90,924)	-	-
State of New Hampshire Account Payable	252,250	-	-	252,250	-
Compensated Absences-Net	92,881	-	(2,587)	90,294	-
	\$ 14,648,484	\$ -	\$ (2,647,633)	\$ 12,000,852	\$ 600,000

Noncurrent liability activity for the year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Due in One Year
Other Postemployment Benefits	\$ 5,630,108	\$ 2,411,886	\$ -	\$ 8,041,994	\$ 190,000
Net Pension Liability	4,197,804	1,972,631	-	6,170,435	500,000
Retiree Health Benefit Program	181,848	-	(90,924)	90,924	-
State of New Hampshire Account Payable	252,250	-	-	252,250	-
Compensated Absences-Net	99,512	-	(6,631)	92,881	-
	\$ 10,361,522	\$ 4,384,517	\$ (97,555)	\$ 14,648,484	\$ 690,000



**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

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**14. Municipal Service Fees**

Effective July 1, 1998, PDA entered into an amended municipal services agreement with COP and the Town of Newington to provide various municipal services, including police, fire, and public works at the Tradeport. This agreement specifies that PDA, through its tenant's payments, shall pay COP a fee for the cost of services equal to the amount that would have been paid annually as *ad valorem* taxes excluding any school tax component in respect to such property within the Airport District. COP is responsible for service costs owed to the Town of Newington. This agreement excludes, as part of the allocated area, the space occupied by PDA and any space for public use in the PSM Terminal. The agreement includes completed facilities other than PDA's golf course or airport terminals within the Airport District operated by PDA for public or other use. This agreement shall continue to be in force until one of the parties terminates the agreement in writing.

Any tenant located outside the Airport District, unless otherwise exempt from taxation, shall pay to COP a payment in lieu of taxes in accordance with the provisions of the New Hampshire law.

**15. Airport Joint Use Agreement**

The Department of the Air Force and PDA are parties to an Airport Joint Use Agreement ("Agreement") regarding the required use of the airport facilities at the Tradeport by the New Hampshire Air National Guard, as well as for other occasional government aircraft. Subject to the terms and conditions of the Agreement, the federal government has the use of the airport facilities in common with other users of the airport together with all necessary and conventional rights of ingress and egress to and from the related facilities located at the airport.

The federal government is responsible for the functions detailed in the Agreement, including, but not limited to, the following: air traffic control services, aircraft fire protection and crash rescue. PDA is responsible for certain services and functions, including, but not limited to, the following: maintenance of certain facilities, utilities, and other related services in connection with maintaining an airport facility in accordance with Federal Aviation Administration (FAA) requirements. The current Agreement, which expired on September 30, 2018, is currently under review by both parties.

**16. Risk Management**

PDA is exposed to various risks of loss at the Tradeport and DAW related to torts; theft of, damage to and destruction of assets; and natural disaster for which the PDA carries insurance.

PDA has a comprehensive airport liability insurance policy that will provide coverage generally up to \$50,000,000 for each occurrence and in the aggregate in any one annual period of insurance. Other insurance coverage includes automotive, crime, employment practices, fire, general liability, pollution, theft, and workers' compensation. Settlements did not exceed coverage amounts during fiscal years 2022 and 2021.

In addition to purchasing insurance coverages, PDA maintains a risk transfer program. The PDA's agreements and leases include requirements to provide insurance coverage and coverage provisions, which include: 1) naming PDA as an additional insured; 2) naming PDA as loss payee on property coverage; 3) a waiver of subrogation; and 4) providing that such coverages be primary and non-contributing with respect to coverage PDA maintains.



**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

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**17. Defined Benefit Pension Plan**

**Plan Description**

PDA participates in the NHRS, which, as governed by RSA 100-A, is a cost-sharing multiple-employer contributory public employee defined benefit pension plan qualified under section 401(a) of the Internal Revenue Code ("Code") and funded through a trust, which is exempt from tax under Code section 501(a). NHRS is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. NHRS retired members receive a lifetime pension. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State are eligible to participate in NHRS. RSA 100-A specifies the benefit terms provided to the members of NHRS.

Although benefits are funded by member contributions, employer contributions and trust fund assets, NHRS computes benefits on the basis of members' Average Final Compensation ("AFC") and years of creditable service. Unlike a defined contribution plan, NHRS benefits provided to members are not dependent upon the amount of contributions paid into NHRS or the investment return on trust assets.

To qualify for a normal service retirement, members must have attained the age of 60 years old. However, a member who commenced service on or after July 1, 2011 shall not receive a service retirement allowance until attaining the age of 65. The member may receive a reduced allowance after age 60 if the member has at least 30 years of creditable service. The allowance shall be reduced based on a formula, for each month by which the date on which benefits commence precedes the month after which the member attains 65 years of age, by  $\frac{1}{4}$  of one percent.

For members retiring prior to the age of 65, the yearly pension amount is 1.67% of AFC, multiplied by years of creditable service. For members retiring at 65 or older, the yearly pension amount is 1.52% of AFC, multiplied by years of creditable service. For members vested prior to January 1, 2012, AFC is based on the highest three years of creditable service. For members not vested prior to January 1, 2012, or hired on or after July 1, 2011, AFC is based on a member's highest five years of creditable service. At age 65, the yearly pension amount is recalculated with an appropriate graduated reduction based on years and months of creditable service that the member has at the time of retirement.

**Contributions Required and Made**

The Retirement Plan is financed by contributions from the members, PDA, and investment earnings. Contributions required to cover that amount of cost not met by the members' contributions are determined by a biennial actuarial valuation by the Retirement Plan's actuary. By statute, the Board of Trustees of NHRS administers the plan and is responsible for the certification of employer and member contribution rates.

Commencing July 1, 2011, all Group I employees are responsible to accrue contributions at 7.00% while Group II (Police) employees accrue contributions at a rate of 11.55%. In terms of the employer share of contributions made to the Retirement Plan, the pension contribution rate for Group I employees was 10.88% for the two-year period ended June 30, 2021. Effective July 1, 2021, the employer share was increased to 13.75% and will remain fixed through June 30, 2023. For Group II employees, effective July 1, 2019, the contribution rate was 24.77% and remained fixed through June 30, 2021. Effective July 1, 2021, the contribution rate increased to 30.67% and will remain fixed through June 30, 2023.

**PEASE DEVELOPMENT AUTHORITY**  
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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

**17. Defined Benefit Pension Plan (continued)**

For the years ended June 30, 2022 and 2021, contributions to NHRS were \$593,320 and \$499,733, respectively.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2022, PDA reported a liability of \$4,279,644 for its proportionate share of the net pension liability. The net pension liability is based on an actuarial valuation performed as of June 30, 2020 and a measurement date of June 30, 2021. The net pension liability was rolled forward from June 30, 2020 to June 30, 2021. PDA's proportion of the net pension liability was based on a projection of PDA's long-term share of contributions to NHRS relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2021, PDA's proportion of the net pension liability was 0.0966%.

At June 30, 2021, PDA reported a liability of \$6,170,435 for its proportionate share of the net pension liability. The net pension liability is based on an actuarial valuation performed as of June 30, 2019 and a measurement date of June 30, 2020. The net pension liability was rolled forward from June 30, 2019 to June 30, 2020. PDA's proportion of the net pension liability was based on a projection of PDA's long-term share of contributions to NHRS relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2020, PDA's proportion of the net pension liability was 0.0965%.

For the years ended June 30, 2022 and 2021, PDA recognized pension expense of \$307,810 and \$911,714, respectively.

At June 30, 2022, PDA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net differences between projected and actual investment earnings on pension plan investments	\$ -	\$ 1,196,918
Changes in assumptions	446,985	-
Differences between expected and actual experience	119,836	44,805
Changes in proportion and differences between employer contributions and share of contributions	264,843	141,231
Contributions subsequent to the measurement date	593,320	-
	<b>\$ 1,424,984</b>	<b>\$ 1,382,954</b>

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**17. Defined Benefit Pension Plan (continued)**

At June 30, 2021, PDA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net differences between projected and actual investment earnings on pension plan investments	\$ 381,648	\$ -
Changes in assumptions	610,378	-
Differences between expected and actual experience	166,632	66,253
Changes in proportion and differences between employer contributions and share of contributions	349,895	294,722
Contributions subsequent to the measurement date	499,733	-
	<b>\$ 2,008,286</b>	<b>\$ 360,975</b>

Amounts reported as deferred outflows related to pensions resulting from PDA contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June 30</b>	<b>Amount</b>
2023	\$ (124,436)
2024	(19,396)
2025	(19,125)
2026	(388,333)
	<b>\$ (551,290)</b>



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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021**

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**17. Defined Benefit Pension Plan (continued)**

**Actuarial Assumptions**

The collective total pension liability at June 30, 2022 was determined by a roll forward of the actuarial valuation as of June 30, 2021, using the following actuarial assumptions, which apply to 2020 measurements:

Actuarial cost method	Entry-Age Normal
Amortization method	Level Percentage-of-Payroll, Closed
Remaining amortization period	19 years beginning July 1, 2020 (30 years beginning July 1, 2009)
Asset Valuation Method	5 Year smoothed market for funding purposes; 20% corridor
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation for 2021 and 2020 valuations
Salary Rate Increase	5.60% average, including inflation 2021 and 2020 valuations
Price Inflation	2.00% for the 2021 and 2020 valuations
Wage Inflation	2.75% for the 2021 and 2020 valuations

Mortality rates were based on the Pub-2010 Healthy Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019, based on the results of the most recent actuarial experience study, which was for the period of July 1, 2016 – June 30, 2019.

The actuarial assumptions for contributions made in the years ended June 30, 2021 and June 30, 2020 can be found in the June 30, 2017 actuarial valuation report.

**Long-Term Rates of Return**

The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation.



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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**17. Defined Benefit Pension Plan (continued)**

Following is a table presenting target allocations and the geometric real rates of return for each asset class:

Asset Class	Target Allocation 2020	Target Allocation 2021	Weighted Average Long- Term Expected Real Rate of Return	
			2020	2021
Large Cap Equities	22.50%	22.50%	3.71%	6.46%
Small/Mid Cap Equities	<u>7.50</u>	<u>7.50</u>	4.15	1.14
Total Domestic Equity	<u>30.00</u>	<u>30.00</u>		
International Equities (Unhedged)	13.00	14.00	3.96	5.53
Emerging International Equities	<u>7.00</u>	<u>6.00</u>	6.20	2.37
Total International Equity	<u>20.00</u>	<u>20.00</u>		
Core Bonds	9.00	-	0.42	-
Global Multi-Sector Fixed Income	10.00	-	1.66	-
Absolute Return Fixed Income	6.00	-	0.92	-
Core US Fixed Income	<u>0</u>	<u>25.00</u>	-	3.60
Total Fixed Income	<u>25.00</u>	<u>25.00</u>		
Private Equity	10.00	10.00	7.71	8.85
Private Debt	<u>5.00</u>	<u>5.00</u>	4.81	7.25
Total Alternative Investments	<u>15.00</u>	<u>15.00</u>		
Real Estate	<u>10.00</u>	<u>10.00</u>	2.95	6.60
	<u>100.00%</u>	<u>100.00%</u>		

**Discount Rate**

The discount rate used to measure the total pension liability was 6.75% for the 2021 and 2020 valuations. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the pension plan's actuarial funding policy and as required by RSA 100-A:16. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021**

**17. Defined Benefit Pension Plan (concluded)**

**Sensitivity Analysis**

The following presents PDA's proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what PDA's proportionate share of the pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	<b>1% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1% Increase (7.75%)</b>
PDA's Proportionate Share of the Net Pension Liability	6,120,380	\$ 4,279,644	\$ 2,744,169

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued NHRS annual report available from NHRS' website at <https://www.nhrs.org>.

The pension plan's fiduciary net position has been determined on the same basis used by NHRS. NHRS's financial statements are prepared using the accrual basis of accounting. Both plan member and employer contributions are recognized in the period in which contributions are legally due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Investments in both domestic and non-U.S. securities are valued at current market prices and expressed in U.S. dollars. NHRS uses a trade-date accounting basis for these investments. Investments in non-registered commingled funds are valued at net asset value as a practical expedient to estimate fair value.

**Changes in Assumption for Purposes of Contribution Rates**

On July 1, 2016, the Board of Trustees of NHRS announced a change to adopt revised actuarial assumptions based on the results of a five-year experience study conducted by the retirement systems consulting actuary. Included in these changes was the lowering of the assumed rate of return from 7.75% to 7.25%. This rate was used to set employer contribution rates for fiscal years 2019, 2020 and 2021. On June 9, 2020, the Board of Trustees voted to reduce the retirement system's investment assumptions, lowering the assumed rate of return from 7.25% to 6.75%. By statute, this valuation will determine employer contribution rates for fiscal years 2022 and 2023.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021**

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**18. Other Postemployment Benefits – New Hampshire Retirement System**

**Plan Description**

In addition to providing pension benefits, NHRS administers a cost-sharing multiple-employer defined postemployment medical subsidy healthcare plan designated in statute (RSA 100-A:52, RSA 100-A:52a and RSA 100-A:52-b) by membership type. The membership types are Group II Police Officer and Firefighters, Group I Teachers, Group I Political Subdivision Employees and Group I State Employees. The NHRS OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical subsidy is a payment made by NHRS to the former employer or their insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certifiably dependent children with a disability who are living in the household and being cared for by the retiree. Under specific conditions, the qualified beneficiaries of members who die while in service may also be eligible for the medical subsidy. For qualified retirees not eligible for Medicare the subsidy amounts were \$375.56 for a single-person plan and \$751.12 for a two-person plan. For those qualified retirees eligible for Medicare, the amounts were \$236.84 for a single-person plan and \$473.68 for a two-person plan. There have been no increases in the monthly maximum subsidy amounts since July 1, 2007. The plan is closed to new entrants.

Substantially all of the State's employees who were hired on or before June 30, 2003 and have 10 years of service may become eligible for these benefits if they reach normal retirement age while working for the State and receive their pensions on a periodic basis rather than a lump sum. During fiscal year 2004, legislation was passed that requires State Group I employees hired on or after July 1, 2003 to have 20 years of State service in order to qualify for health coverage benefits. These and similar benefits for active employees are authorized by RSA 21-I:30 and provided through the Employee and Retiree Benefit Risk Management Fund (the "Fund"), which is the State's self-insurance fund implemented in October 2003 for active State employees and retirees.

**Contributions Required and Made**

The State Legislature has indicated it plans to only partially fund (on a pay-as-you-go basis) the annual required contribution ("ARC"), an actuarially determined rate.

Plan members are not required to contribute to the OPEB Plans. PDA makes annual contributions to the OPEB Plans equal to the amount required by RSA 100-a: 52. For all Group I employees, effective July 1, 2019 the annual contribution rate was decreased from 1.07% to 1.05% and remained fixed through June 30, 2021. Effective July 1, 2021, the contribution rate decreased to 0.78% and will remain fixed through June 30, 2023. For Group II employees, effective July 1, 2019 the annual contribution rate was decreased from 4.10% to 3.66% and remained fixed through June 30, 2021. Effective July 1, 2021, the contribution rate decreased to 3.21% and will remain fixed through June 30, 2023

PDA's contributions to NHRS for the OPEB Plans for the years ended June 30, 2022 and 2021 were \$39,283 and \$51,285, respectively, which were equal to its ARC.



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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021**

**18. Other Postemployment Benefits – New Hampshire Retirement System (continued)**

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2022, PDA reported a liability of \$356,789 for its proportionate share of the net OPEB liability. The net OPEB liability is based on an actuarial valuation performed as of June 30, 2020 and a measurement date of June 30, 2021. The net OPEB liability was rolled forward from June 30, 2020 to June 30, 2021. PDA's proportion of the net OPEB liability was based on a projection of the PDA's long-term share of contributions to NHRS relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2021 PDA's proportion of the net OPEB liability was 0.0891%.

At June 30, 2021, PDA reported a liability of \$390,020 for its proportionate share of the net OPEB liability. The net OPEB liability is based on an actuarial valuation performed as of June 30, 2019 and a measurement date of June 30, 2020. The net OPEB liability was rolled forward from June 30, 2019 to June 30, 2020. PDA's proportion of the net OPEB liability was based on a projection of the PDA's long-term share of contributions to NHRS relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2020 PDA's proportion of the net OPEB liability was 0.0891%.

For the years ended June 30, 2022 and 2021, PDA recognized OPEB expense of \$21,143 and \$77,880, respectively.

At June 30, 2022, PDA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net differences between projected and actual investment earnings on OPEB plan investments	\$ -	\$ 4,457
Differences between expected and actual experience	-	74
Contributions subsequent to the measurement date	39,283	-
	<b>\$ 39,283</b>	<b>\$ 4,531</b>



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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**18. Other Postemployment Benefits – New Hampshire Retirement System (continued)**

At June 30, 2021, PDA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between projected and actual investment earnings on OPEB plan investments	\$ 1,459	\$ -
Changes in proportion and differences between employer contributions and share of contributions	4,783	-
Differences between expected and actual experience	-	1,130
Changes in assumptions	2,508	
Contributions subsequent to the measurement date	51,285	-
	<b>\$ 60,035</b>	<b>\$ 1,130</b>

Amounts reported as deferred outflows related to OPEB resulting from PDA contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	Amount
2022	\$ (1,094)
2023	(936)
2024	(1,050)
2025	(1,451)
	<b>\$ (4,531)</b>

**Actuarial Assumptions**

The collective total OPEB liability was determined by a roll forward of the actuarial valuation as of June 30, 2021, using the following actuarial assumptions, which apply to 2020 measurements:

Actuarial cost method	Entry-Age Normal
Amortization method	Level Percentage-of-Payroll, Closed
Remaining amortization period	Not applicable, under statutory funding
Investment Rate of Return	6.75% net of investment expenses, including inflation
Salary Rate Increase	5.60% average, including inflation
Price Inflation	2.00% per year
Wage Inflation	2.75% per year
Healthcare cost trend rates	Not applicable, given the benefits are fixed stipends
Aging factors	Not applicable, given the benefits are fixed stipends

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**18. Other Postemployment Benefits – New Hampshire Retirement System (continued)**

Mortality rates used in the June 30, 2021 valuation were based on the Pub-2010 Healthy Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019, based on the results of the most recent actuarial experience study, which was for the period of July 1, 2016 – June 30, 2019.

**Long-Term Rates of Return**

The long-term expected rate of return on OPEB plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation.

Following is a table presenting target allocations and the geometric real rates of return for each asset class:

Asset Class	Target Allocation 2020	Target Allocation 2021	Weighted Average Long-Term Expected Real Rate of Return	
			2020	2021
<b>Large Cap Equities</b>	22.50%	22.50%	3.71%	6.46%
<b>Small/Mid Cap Equities</b>	<u>7.50</u>	<u>7.50</u>	4.15	1.14
<b>Total Domestic Equity</b>	<u>30.00</u>	<u>30.00</u>		
<b>International Equities (Unhedged)</b>	13.00	14.00	3.96	5.53
<b>Emerging International Equities</b>	<u>7.00</u>	<u>6.00</u>	6.20	2.37
<b>Total International Equity</b>	<u>20.00</u>	<u>20.00</u>		
<b>Core Bonds</b>	9.00	-	0.42	-
<b>Global Multi-Sector Fixed Income</b>	10.00	-	1.66	-
<b>Absolute Return Fixed Income</b>	6.00	-	0.92	-
<b>Core US Fixed Income</b>	<u>0</u>	<u>25.00</u>	-	3.60
<b>Total Fixed Income</b>	<u>25.00</u>	<u>25.00</u>		
<b>Private Equity</b>	10.00	10.00	7.71	8.85
<b>Private Debt</b>	5.00	5.00	4.81	7.25
<b>Total Alternative Investments</b>	<u>15.00</u>	<u>15.00</u>		
<b>Real Estate</b>	<u>10.00</u>	<u>10.00</u>	2.95	6.60
	<u>100.00%</u>	<u>100.00%</u>		

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021**

**18. Other Postemployment Benefits – New Hampshire Retirement System (concluded)**

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.75% for the 2021 and 2020 valuations. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made under the current statute by RSA 100-A:16. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

**Sensitivity Analysis**

The following presents PDA’s proportionate share of the net OPEB liability calculated using the discount rate of 6.75%, as well as what PDA’s proportionate share of the OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	<b>1% Decrease (5.75%)</b>	<b>Current Discount Rate (6.75%)</b>	<b>1% Increase (7.75%)</b>
PDA’s Proportionate Share of the Net OPEB Liability	\$ 387,858	\$ 356,789	\$ 329,758

**OPEB Plan Fiduciary Net Position**

Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued NHRS annual report available from NHRS’ website at <https://www.nhrs.org>.

The OPEB plan’s fiduciary net position has been determined on the same basis used by NHRS. NHRS’s financial statements are prepared using the accrual basis of accounting. Both plan member and employer contributions are recognized in the period in which contributions are legally due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Investments in both domestic and non-U.S. securities are valued at current market prices and expressed in U.S. dollars. NHRS uses a trade-date accounting basis for these investments. Investments in non-registered commingled funds are valued at net asset value as a practical expedient to estimate fair value.



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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

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**19. Other Postemployment Benefits – The State of New Hampshire**

**Plan Description**

RSA 21-I:30 specifies that the State provide certain health care benefits for retired employees and their spouses through a single-employer (primary government and component units) defined benefit plan. These benefits include group hospitalization, hospital medical care, surgical care, and other medical care. Substantially all of the State's employees who were hired on or before June 30, 2003 and have 10 years of service may become eligible for these benefits if they reach normal retirement age while working for the State and receive their pensions on a periodic basis rather than in a lump sum. During fiscal year 2004, legislation was passed that requires State Group I employees hired on or after July 1, 2003 to have 20 years of state service in order to qualify for retiree health benefits. During fiscal year 2011, legislation was passed that requires Group II employees to have 20 years of State service to qualify for retiree health benefits. Additionally, during fiscal year 2012, legislation was passed requiring Group I employees hired after July 1, 2011 to have 25 years of State service and increasing Group I and II employees hired after July 1, 2011. These and similar benefits for active employees and retirees are authorized by RSA 21-I:30 and provided through the Employee and Retiree Benefit Risk Management Fund which is the State's self-insurance internal service fund. The state OPEB Plan funds the cost of medical and prescription drug claims by charging actuarially developed working rates to State agencies for participating employees, retirees, and eligible spouses. An additional major source of funding for retiree benefits is from the NHRS medical subsidy payment described in Note 19. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The State administers the plan. It does not issue a separate stand-alone financial report.

**Contributions Required and Made**

The State Legislature has indicated it currently plans to only fund the plan to cover benefit payments (on a pay-as-you-go basis). PDA's contributions to the State for the OPEB Plans for the years ended June 30, 2022 and 2021 were \$97,034 and \$133,113, respectively, which were equal to PDA's share of benefit payments.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2022, PDA reported a liability of \$7,021,875 for its proportionate share of the State OPEB Plan liability. The OPEB liability is based on an actuarial valuation performed as of December 31, 2020 (adjusted forward using standard actuarial techniques), and a measurement date of June 30, 2021. The OPEB liability was rolled forward from December 31, 2020 to June 30, 2021. PDA's proportion of the OPEB liability was based on a projection of the PDA's long-term share of contributions to the State relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2021, PDA's proportion of the State OPEB Plan's liability was 0.3433%.



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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

**19. Other Postemployment Benefits – The State of New Hampshire (continued)**

At June 30, 2021, PDA reported a liability of \$7,651,974 for its proportionate share of the State OPEB Plan liability. The OPEB liability is based on an actuarial valuation performed as of December 31, 2018 (adjusted forward using standard actuarial techniques), and a measurement date of June 30, 2020. The OPEB liability was rolled forward from December 31, 2018 to June 30, 2020. PDA's proportion of the OPEB liability was based on a projection of the PDA's long-term share of contributions to the State relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2020, PDA's proportion of the State OPEB Plan's liability was 0.3438%.

For the years ended June 30, 2022 and 2021, PDA recognized OPEB credits of \$(1,529,691) and \$(53,998), respectively.

At June 30, 2022, PDA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes in assumptions	\$ 1,430,653	\$ 961,564
Differences between expected and actual experience	-	167,959
Changes in proportion and differences between employer contributions and share of contributions	712,906	526,892
Contributions subsequent to the measurement date	97,034	-
	<b>\$ 2,240,593</b>	<b>\$ 1,656,415</b>

At June 30, 2021, PDA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes in assumptions	\$ 985,388	\$ 1,669,126
Differences between expected and actual experience	-	101,068
Changes in proportion and differences between employer contributions and share of contributions	1,014,842	775,597
Contributions subsequent to the measurement date	133,113	-
	<b>\$ 2,133,343</b>	<b>\$ 2,545,791</b>

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2022 and 2021**

**19. Other Postemployment Benefits – The State of New Hampshire (continued)**

Amounts reported as deferred outflows related to OPEB resulting from PDA contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	Amount
2023	\$ (302,776)
2024	75,356
2025	568,806
2026	145,758
	\$ 487,144

**Actuarial Assumptions**

The collective total OPEB liability was determined by a roll forward of the actuarial valuation as of December 31, 2020, using the following actuarial assumptions, which apply to 2021 measurements:

Actuarial cost method	Entry Age Normal
Amortization method	Level percent of payroll, open
Remaining amortization period	30 years
Investment Rate of Return	Not applicable as there are no invested assets
Salary Rate Increase – Group I	14.75% decreasing over 12 years to an ultimate level of 3.25%
Salary Rate Increase – Group II	27.75% decreasing over 8 years to an ultimate level of 4.25%
Discount rate	2.16% for the June 30, 2021 valuation; 2.21% for the June 30, 2020 valuation
Price Inflation	3.25% per year
Wage Inflation	2.75% per year

Health care trend rates are based on the following:

- **Medical**
  - Non-Medicare: 0% for one year, then 5.50% decreasing by 0.25% each year to an ultimate level of 4.5% per year. For 2020, (17.05%) for one year, then 17.20% for one year, then 5.50% decreasing by 0.25% per year to 4.5% per year.
  - Medicare: n/a through contract period, then 4.5% per year. For 2020, (12.2%) for one year then 4.5% per year.
- **Prescription Drugs**
  - Non-Medicare: 15.0% for one year, then 7.50% decreasing by 0.25% each year to an ultimate level of 4.5% per year. For the 2020 valuation, (12.17%) for one year, 3.30% for one year then 7.5% decreasing by 0.25% each year to 4.5% per year.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
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**19. Other Postemployment Benefits – The State of New Hampshire (continued)**

**Actuarial Assumptions (continued):**

- Medicare: 9.5% for one year, decreasing by 0.5% each year to an ultimate level of 4.5% per year. For the 2020 valuation, 9.75% for one year, 6.20% for one year then 6.5%, decreasing by 0.25% per year to 4.5% per year.
- Contributions
  - Retiree contributions are expected to increase with a blended medical, prescription drugs and administrative expense trend.

Mortality rates were based on the following:

- Pre-retirement – PubG-2010 Headcount-Weighted Employee General Mortality Tables for Group I and PubS-2010 Headcount-Weighted Employee Safety Mortality Tables for Group II projected generationally for males and females with scale MP-2019; the same mortality tables were used for the 2020 valuation.
- Postretirement:
  - Healthy: PubG-2010 Headcount-Weighted Healthy Retiree General Mortality Tables for Group I and PubS-2010 Headcount-Weighted Health Retiree Safety Mortality Tables for Group II projected generationally for males and females with Scale MP-2019; the same mortality tables were used for the 2020 valuation.
  - Disabled: PubNS-2010 Headcount-Weighted Non-Safety Disabled Retiree Mortality Tables for Group I and PubS-2010 Headcount-Weighted Safety Disabled Retiree Mortality Tables for Group II projected generationally for males and females with Scale MP-2019; the same mortality tables were used for the 2020 valuation.
- The following scale factors for each member classification are applied to all mortality tables:

	<b>Group I</b>	<b>Group II</b>
Scale – Male	101%	96%
Scale – Female	109%	99%

Effective January 1, 2019, the State implemented a Medicare Advantage plan which contributed to the reduction in the overall plan liability in the year of implementation.

**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021**

**19. Other Postemployment Benefits – The State of New Hampshire (concluded)**

**Discount Rate**

Because the State OPEB Plan is not funded, the discount rate is based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rate of AA/Aa or higher as shown in the Bond Buyer 20-Bond General Obligation Index (2.16% as of June 30, 2021 and 2.21% as of June 30, 2020). This determination is in accordance with GASB Statement No. 75.

**Changes in Assumptions**

The discount rate was decreased from 2.21% as of June 30, 2020 to 2.16% as of June 30, 2021. The trend assumptions were revised to reflect known changes in claims experience and future expectations. Per capita health costs and administrative expenses were recalculated based on more recent data.

**Sensitivity Analysis**

The following presents PDA's proportionate share of the net OPEB liability at June 30, 2022 calculated using the discount rate of 2.16%, as well as what PDA's proportionate share of the OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	<b>1% Decrease (1.16%)</b>	<b>Current Discount Rate (2.16%)</b>	<b>1% Increase (3.161%)</b>
PDA's Proportionate Share of the Net OPEB Liability	\$ 8,396,623	\$ 7,021,875	\$ 5,943,913

The following presents PDA's proportionate share of the net OPEB liability calculated using the current trend rates, as well as what PDA's proportionate share of the OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rates:

	<b>1% Decrease</b>	<b>Current Trend Rates</b>	<b>1% Increase</b>
PDA's Proportionate Share of the Net OPEB Liability	\$ 5,772,033	\$ 7,021,875	\$ 8,668,426



**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021**

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**20. Commitments and Contingencies**

**Subsurface Investigation**

During site subsurface investigations conducted at the Market Street Terminal (performed, in part, to support storm water system improvements), the PDA-DPH's environmental consultant found several areas of subsurface soils contaminated with significant levels of the heavy metal mercury. Initial investigations reveal that this contamination is most likely associated with a commercial wood preservation process that was located on a portion of the site and probably operated on the site sometime after 1875 and terminated operations before the State acquired title to the property in the 1960's and prior to July 1, 2001 when PDA-DPH operations were transferred from the State to the PDA. The completed study has been submitted to the New Hampshire Department of Environmental Services and management is awaiting its review and comment. As of June 30, 2022, no liability has been recorded for future pollution remediation obligations, as the amount of any such liability is not reasonably determinable.

**Grant Administration**

PDA receives federal grants, which are subject to review and audit by the grantor agencies. Although these audits could result in expenditure disallowances under the terms of the grants, it is believed that any required reimbursements would not have a material effect on the financial statements.

**Construction Contracts**

PDA had commitments under construction contracts associated with federal grants totaling approximately \$9,100,000 and \$13,312,000 at June 30, 2022 and 2021, respectively. The more significant commitments under construction contracts at June 30, 2022 included \$4,127,000 for the PSM Runway Reconstruction project, \$3,199,000 for the DPH Functional Replacement of the Barge Dock and \$1,250,000 for the Main Wharf Rehabilitation.

**Litigation**

From time to time, PDA is involved in pending or threatened lawsuits encountered in the normal course of business. Management of PDA believes that the ultimate outcome of these matters, to the extent not covered by insurance, will not have a material impact on PDA's financial position or operations.

**Joint Stipulation of Dismissal - Conservation Law Foundation**

On November 10, 2016, in an action brought under the Citizen Suit provision of the Clean Water Act ("CWA"), the Conservation Law Foundation ("CLF") filed a complaint in the United States District Court for the District of New Hampshire (the "court") against PDA, its Executive Director, and Board Members, alleging certain violations of the CWA's permitting requirements. The matter is captioned Conservation Law Foundation, Inc. v. Pease Development Authority, et al., Civil Action No. 1:16-cv-00493-SM. In particular, the Complaint alleged PDA failed to obtain and comply with a Small Municipal Separate Storm Sewer System (Small MS4) permit and the associated permit requirements. CLF's Complaint sought injunctive relief and civil penalties.

**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021**

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**20. Commitments and Contingencies (continued)**

On January 11, 2019, the Court issued a Joint Notice of Settlement. Elements of the Settlement, which became effective March 9, 2019 (the "Effective Date"), require that the PDA shall:

1. Design and implement various measures concerning the PDA small MS4 including:
  - Submit an application for and supplementary information related to a NPDES Permit, renewal, or modification, for coverage of discharges subject to the Small MS4 permitting program;
  - Design and implement:
    - A public education and outreach program;
    - An illicit discharge detection and elimination system;
    - A construction and post-construction runoff and control programs;
    - A pollution prevention and good housekeeping program; and
  - Provide annual reporting to the CLF.

As of June 30, 2022, the application and supplementary information noted above has been submitted to the EPA for review. The noted programs have been designed and their implementation continues.

2. Within five years of the Effective Date, remove a minimum of five acres of Impervious Surface, as defined. As of June 30, 2020, the five acres had been removed.
3. Pay to CLF \$800,000 as full and complete satisfaction of CLF's claim for attorneys' fees and costs incurred or to be incurred, including any future attorneys' fees and costs related to the implementation or monitoring of compliance with the Settlement. As of June 30, 2020, the full \$800,000 had been paid.

On October 6, 2020, the Conservation Law Foundation and the Pease Development Authority filed a Stipulation of Dismissal in the case of Conservation Law Foundation, Inc. v. Pease Development Authority, et al, case number 1:16-cv-00493-SM, in the United States District Court for the District of New Hampshire. This filing concluded the ongoing litigation between the parties concerning the permitting and handling of stormwater at the Pease Tradeport, which had been stayed during the implementation of the parties' settlement agreement reached in early 2019. The District Court entered the dismissal as a judgment on October 19, 2020.

**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2022 and 2021**

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**21. COVID-19 Considerations**

On March 11, 2020, the World Health Organization declared coronavirus disease (COVID-19) a global pandemic. Local, U.S., and world governments encouraged self-isolation to curtail the spread of COVID-19 by mandating the temporary shut-down of business in many sectors and imposing limitations on travel and the size and duration of group gatherings. Most sectors are experiencing disruption to business operations and may feel further impacts related to delayed government reimbursement. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and additional government actions to mitigate them. Accordingly, while management expects this matter to impact operating results, the related financial impact and duration cannot be reasonably estimated.

In April 2020, PDA was awarded \$1,637,474 of CARES Act funding through the FAA. Under the terms of the FAA grant agreement, only expenses incurred or debt service payments made on or after January 20, 2020 are eligible for reimbursement. The CARES Act grant assurances for eligible expenses will remain in effect through May 25, 2024. At June 30, 2020, PDA had expended \$1,514,684 of the FAA CARES Act funding and this amount is in accounts and grants receivable at year end. During the year ended June 30, 2021, the remaining \$122,790 was expended and received.

In May 2021, PDA was awarded \$1,427,609 in CARES Act funding through the FAA. Under the terms of the FAA grant agreement, only expenses incurred or debt service payments made on or after January 20, 2020 are eligible for reimbursement. The CARES Act grant assurances for eligible expenses will remain in effect through May 25, 2024. At June 30, 2021, PDA has expended and received the full award of the FAA CARES Act funding.

In June 2021, PDA was awarded a grant from the State of New Hampshire's Governor's Office for Emergency Relief and Recovery (GOFERR) in the amount of \$16,865. The GOFERR grant is to be used by PDA to cover eligible costs outlined in the grant agreement that were incurred through December 30, 2020. At June 30, 2021, the PDA had satisfied the terms and conditions of the grant agreement and the amount is in accounts and grants receivable at year end.

In December 2021, PDA was awarded \$1,964,072 in Airport Rescue Grant funding through the FAA. Under the terms of the FAA grant agreement, only expenses incurred or debt service payments made no earlier than January 20, 2020 are eligible for reimbursement. At June 30, 2022, PDA has expended and received the full award of the Airport Rescue Grant funding.

In January 2022, PDA was awarded \$13,000 in Airport Coronavirus Relief Grant Program (ACRGP) funding for a grant of Federal funds associated with Skyhaven airport. Under the terms of the grant agreement, only expenses incurred or debt service payments made no earlier than January 20, 2020 are eligible for reimbursement. At June 30, 2022, PDA has expended and received the full award of the ACRGP funding.

**REQUIRED SUPPLEMENTARY INFORMATION**

**DRAFT**

High-resolution electron microscopy (HREM) and X-ray diffraction (XRD) were used to determine the crystal structure of the material. The HREM images were obtained using a JEOL JEM-2010F transmission electron microscope (TEM) operating at 200 kV. The XRD patterns were recorded using a Bruker D8 Advance X-ray diffractometer with Cu K $\alpha$  radiation (40 kV, 15 mA) and a Debye-Scherrer camera. The data were analyzed using the Rietveld refinement method with the software package GSAS-EXPGUI.

The crystal structure was determined from the HREM images and XRD patterns. The space group was identified as  $R\bar{3}m$  (No. 228) based on the systematic absences and the intensity distribution of the reflections. The lattice parameters were refined using the least-squares method. The atomic positions were determined from the HREM images and refined using the Rietveld method. The final structure is shown in Figure 1.

The crystal structure of the material is shown in Figure 1. The structure is based on the  $R\bar{3}m$  space group. The lattice parameters are  $a = b = 3.54 \text{ \AA}$ ,  $c = 11.78 \text{ \AA}$ . The atomic positions are listed in Table 1. The structure is shown in Figure 1.

The crystal structure of the material is shown in Figure 1. The structure is based on the  $R\bar{3}m$  space group. The lattice parameters are  $a = b = 3.54 \text{ \AA}$ ,  $c = 11.78 \text{ \AA}$ . The atomic positions are listed in Table 1. The structure is shown in Figure 1.

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**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

**Schedule of Collective Net Pension Liability**

The following information is as of June 30:

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer Proportion of the Collective Net Pension Liability	0.0966%	0.0965%	0.0872%	0.0911%	0.1014%	0.1032%	0.1074%	0.0982%	0.0967%
Employer's Proportionate Share of the Collective Net Pension Liability	\$4,279,644	\$6,170,435	\$4,197,804	\$4,384,392	\$4,986,400	\$5,489,977	\$4,255,991	\$3,687,154	\$4,163,828
Employer's Covered-Employee Payroll	\$4,515,000	\$4,261,000	\$3,735,000	\$3,765,000	\$3,803,000	\$3,848,000	\$3,430,000	\$3,029,000	\$2,843,000
Employer's Proportionate Share of the Collective Net Pension Liability as a % of the Employer's Covered-Employee Payroll	94.79%	144.81%	112.39%	116.45%	131.12%	142.67%	124.08%	121.73%	146.46%
Plan Fiduciary Net Position as a % of the Total Pension Liability	72.22 %	58.72 %	65.59 %	64.73 %	62.266 %	58.30 %	65.47 %	66.32 %	59.81 %

*Schedule is intended to show 10 years. Additional years will be added as they become available.*

*Information above is presented as of the measurement date for the respective reporting periods.*

**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

**REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED) (UNAUDITED)**

**Schedule of Employer Contributions**

The following information is for the years ended June 30:

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Required Employer Contribution	\$ 593,320	\$ 499,733	\$ 489,081	\$ 439,882	\$ 452,516	\$ 413,003	\$ 417,908	\$ 360,425	\$ 318,681
Actual Employer Contributions	\$ 593,320	\$ 499,733	\$ 489,081	\$ 439,882	\$ 452,516	\$ 413,003	\$ 417,908	\$ 360,425	\$ 318,681
Excess / (Deficiency) of Employer Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered Employee Payroll	\$ 4,323,000	\$ 4,515,000	\$ 4,261,000	\$ 3,735,000	\$ 3,765,000	\$ 3,803,000	\$ 3,848,000	\$ 3,430,000	\$ 3,029,000
Employer Contribution as a % of the Employer's Covered-Employee Payroll	13.72%	11.07%	11.48%	11.78%	12.02%	10.86%	10.86%	10.51%	10.52%

*Schedule is intended to show 10 years. Additional years will be added as they become available.*

*Information above is presented as of PDA's fiscal year for the respective reporting periods.*

**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

**REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED) (UNAUDITED)**

**Notes to the Required Supplementary Information**

- Notes:** The roll-forward of the total pension liability from June 30, 2020 to June 30, 2021 reflects expected service and interest costs reduced by actual benefit payments.
- The roll-forward of the total pension liability from June 30, 2019 to June 30, 2020 reflects expected service and interest costs reduced by actual benefit payments.
- The roll-forward of the total pension liability from June 30, 2018 to June 30, 2019 reflects expected service and interest costs reduced by actual benefit payments.
- The roll-forward of the total pension liability from June 30, 2017 to June 30, 2018 reflects expected service and interest costs reduced by actual benefit payments.
- The roll-forward of the total pension liability from June 30, 2016 to June 30, 2017 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.
- The roll-forward of the total pension liability from June 30, 2015 to June 30, 2016 reflects expected service cost and interest reduced by actual benefit payments.
- Actuarial determined contribution rates for the 2012-2013 biennium were determined based on the June 30, 2009 actuarial valuation.
- Actuarial determined contribution rates for the 2014-2015 biennium were determined based on the June 30, 2011 actuarial valuation.
- Actuarial determined contribution rates for the 2016-2017 biennium were determined based on the June 30, 2013 actuarial valuation.
- Actuarial determined contribution rates for the 2018-2019 biennium were determined based on the June 30, 2015 actuarial valuation.
- Actuarial determined contribution rates for the 2019-2020 biennium were determined based on the June 30, 2017 actuarial valuation.
- Actuarial determined contribution rates for the 2020-2021 biennium were determined based on the June 30, 2019 actuarial valuation.
- Actuarial determined contribution rates for the 2022-2023 biennium were determined based on the June 30, 2021 actuarial valuation.

**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

**REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED) (UNAUDITED)**

**Schedule of Collective Net Other Postemployment Benefits (OPEB) Liability  
(NHRS OPEB PLAN)**

The following information is as of June 30:

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Employer Proportion of the Collective Net OPEB Liability	0.0891%	0.0891%	0.0803%	0.0840%	0.0946%	0.0961%
Employer's Proportionate Share of the Collective Net OPEB Liability	\$ 356,789	\$ 390,020	\$ 352,220	\$ 384,676	\$ 432,717	\$ 465,117
Employer's Covered-Employee Payroll	\$ 2,648,784	\$ 2,579,327	\$ 2,269,615	\$ 2,311,755	\$ 2,523,561	\$ 2,499,949
Employer's Proportionate Share of the Collective Net OPEB Liability as a % of the Employer's Covered-Employee Payroll	3.47%	15.12%	15.52%	16.64%	17.15%	18.61%
Plan Fiduciary Net Position as a % of the Total OPEB Liability	11.06%	7.74%	7.75%	7.53%	7.91%	5.21%

*Schedule is intended to show 10 years. Additional years will be added as they become available.*

*Information above is presented as of the measurement date for the respective reporting periods.*

**Schedule of Employer Contributions**

The following information is for the years ended June 30:

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Required Employer Contribution	\$ 39,283	\$ 51,285	\$ 50,499	\$ 45,758	\$ 45,795	\$ 56,092
Actual Employer Contributions	\$ 39,283	\$ 51,285	\$ 50,499	\$ 45,758	\$ 45,795	\$ 56,092
Excess / (Deficiency) of Employer Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered Employee Payroll	\$ 2,701,760	\$ 2,648,784	\$ 2,579,327	\$ 2,269,615	\$ 2,311,755	\$ 2,523,561
Employer Contribution as a % of the Employer's Covered-Employee Payroll	1.45%	1.94%	1.96%	2.02%	1.98%	2.22%

*Schedule is intended to show 10 years. Additional years will be added as they become available.*

*Information above is presented as of PDA's fiscal year for the respective reporting periods.*



**PEASE DEVELOPMENT AUTHORITY**  
**(A Component Unit of the State of New Hampshire)**

**REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED) (UNAUDITED)**

**Notes to the Required Supplementary Information**

**Notes:** The roll-forward of the total OPEB liability from June 30, 2020 to June 30, 2021 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

The roll-forward of the total OPEB liability from June 30, 2019 to June 30, 2020 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

The roll-forward of the total OPEB liability from June 30, 2018 to June 30, 2019 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

The roll-forward of the total OPEB liability from June 30, 2017 to June 30, 2018 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

The roll-forward of the total OPEB liability from June 30, 2016 to June 30, 2017 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

**REQUIRED SUPPLEMENTARY INFORMATION (CONCLUDED) (UNAUDITED)**

**Schedule of Collective Net OPEB Liability (STATE OPEB PLAN)**

The following information is as of June 30:

	2022	2021	2020	2019	2018	2017
Employer Proportion of the Collective Net OPEB Liability	0.3433%	0.3438%	0.2940%	0.3616%	0.3501%	0.3345%
Employer's Proportionate Share of the Collective Net OPEB Liability	\$7,021,875	\$7,651,974	\$5,277,888	\$6,907,205	\$7,806,000	\$9,618,388
Employer's Covered-Employee Payroll	\$4,515,000	\$4,261,000	\$3,735,000	\$3,765,000	\$3,803,000	\$3,848,000
Employer's Proportionate Share of the Collective Net OPEB Liability as a % of the Employer's Covered-Employee Payroll	155.52 %	179.58 %	141.31 %	183.46 %	205.26 %	249.96%
Plan Fiduciary Net Position as a % of the Total OPEB Liability	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00%

*Schedule is intended to show 10 years. Additional years will be added as they become available.*

*Information above is presented as of the measurement date for the respective reporting periods.*

**Notes to the Required Supplementary Information**

There are no assets accumulated in a trust that meets the criteria in GASB 75 paragraph 4 to pay related benefits.

**Changes of assumptions:** Changes in assumptions reflect trend assumption revisions to reflect current experience and future expectations. The discount rate decreased from 2.21% as of June 30, 2020 to 2.16% as of June 30, 2021. The discount rate decreased from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020.

**Notes:** The roll-forward of the total OPEB liability from December 31, 2020 to June 30, 2021 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

The roll-forward of the total OPEB liability from December 31, 2018 to June 30, 2020 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

The roll-forward of the total OPEB liability from December 31, 2018 to June 30, 2019 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
Pease Development Authority  
(A Component Unit of the State of New Hampshire)

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Pease Development Authority (PDA), a component unit of the State of New Hampshire, which comprise the statement of net position as of June 30, 2022, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended and the related notes to the financial statements, which collectively comprise PDA's basic financial statements, and have issued our report thereon dated **REPORT DATE**.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered PDA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of PDA's internal control. Accordingly, we do not express an opinion on the effectiveness of PDA's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of PDA's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether PDA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of PDA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PDA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Manchester, New Hampshire  
**REPORT DATE**

DRAFT



# Pease Development Authority

(A Component Unit of the State of New Hampshire)

## Section II Reports Required by *Government Auditing Standards* and Uniform Guidance

*Year Ended June 30, 2022*



**PEASE DEVELOPMENT AUTHORITY  
(A Component Unit of the State of New Hampshire)**

**REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS  
AND UNIFORM GUIDANCE**

**Year Ended June 30, 2022**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
Pease Development Authority  
(A Component Unit of the State of New Hampshire)

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Pease Development Authority (PDA), a component unit of the State of New Hampshire, which comprise the statement of net position as of June 30, 2022, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended and the related notes to the financial statements, which collectively comprise PDA's basic financial statements, and have issued our report thereon dated **REPORT DATE**.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered PDA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of PDA's internal control. Accordingly, we do not express an opinion on the effectiveness of PDA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of PDA's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Board of Directors  
Pease Development Authority  
(A Component Unit of the State of New Hampshire)

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether PDA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of PDA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PDA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Manchester, New Hampshire  
**REPORT DATE**





**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;  
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors  
Pease Development Authority  
(A Component Unit of the State of New Hampshire)

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Pease Development Authority's (PDA) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of PDA's major federal programs for the year ended June 30, 2022. PDA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, PDA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of PDA and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the PDA's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to PDA's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the PDA's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the PDA's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with U.S. generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the PDA's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the PDA's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the PDA's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.



Board of Directors  
Pease Development Authority  
(A Component Unit of the State of New Hampshire)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the basic financial statements of PDA as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise PDA's basic financial statements. We have issued our report thereon dated **REPORT DATE**, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Manchester, New Hampshire  
**REPORT DATE**

**PEASE DEVELOPMENT AUTHORITY**  
(A Component Unit of the State of New Hampshire)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2022

<u>Federal Grant/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing</u>	<u>Pass-Through Identifying Number</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Transportation:</u>			
Direct:			
Airport Improvement Program:			
3-33-0016-062-2018	20.106		\$ 22,758
3-33-0016-064-2019	20.106		281,717
3-33-0016-066-2019	20.106		3,996
3-33-0016-067-2020	20.106		6,665
3-33-0016-069-2021	20.106		17,745
3-33-0016-070-2021	20.106		11,908
SBG 15-09-2020	20.106		118,588
3-33-0016-073-2022 - <b>COVID-19</b>	20.106		1,964,072
SBG-15-11-2021 - <b>COVID-19</b>	20.106		13,000
3-33-0016-074-2022	20.106		<u>8,574</u>
Total AL 20.106			2,449,023
National Infrastructure Investments 693JF71910009	20.933		<u>1,070,432</u>
Total U.S. Department of Transportation			3,519,456
<u>U.S. Department of Treasury:</u>			
Passed-Through State of New Hampshire:			
Coronavirus - State and Local Fiscal Recovery Funds	21.027	N/A	<u>1,496,003</u>
<u>U.S. Department of Homeland Security:</u>			
Direct:			
Port Security Grant Program	97.056		<u>117,728</u>
Total Expenditures of Federal Awards			\$ <u>5,133,187</u>

See accompanying notes to the schedule of expenditures of federal awards.



**PEASE DEVELOPMENT AUTHORITY**  
(A Component Unit of the State of New Hampshire)

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2022

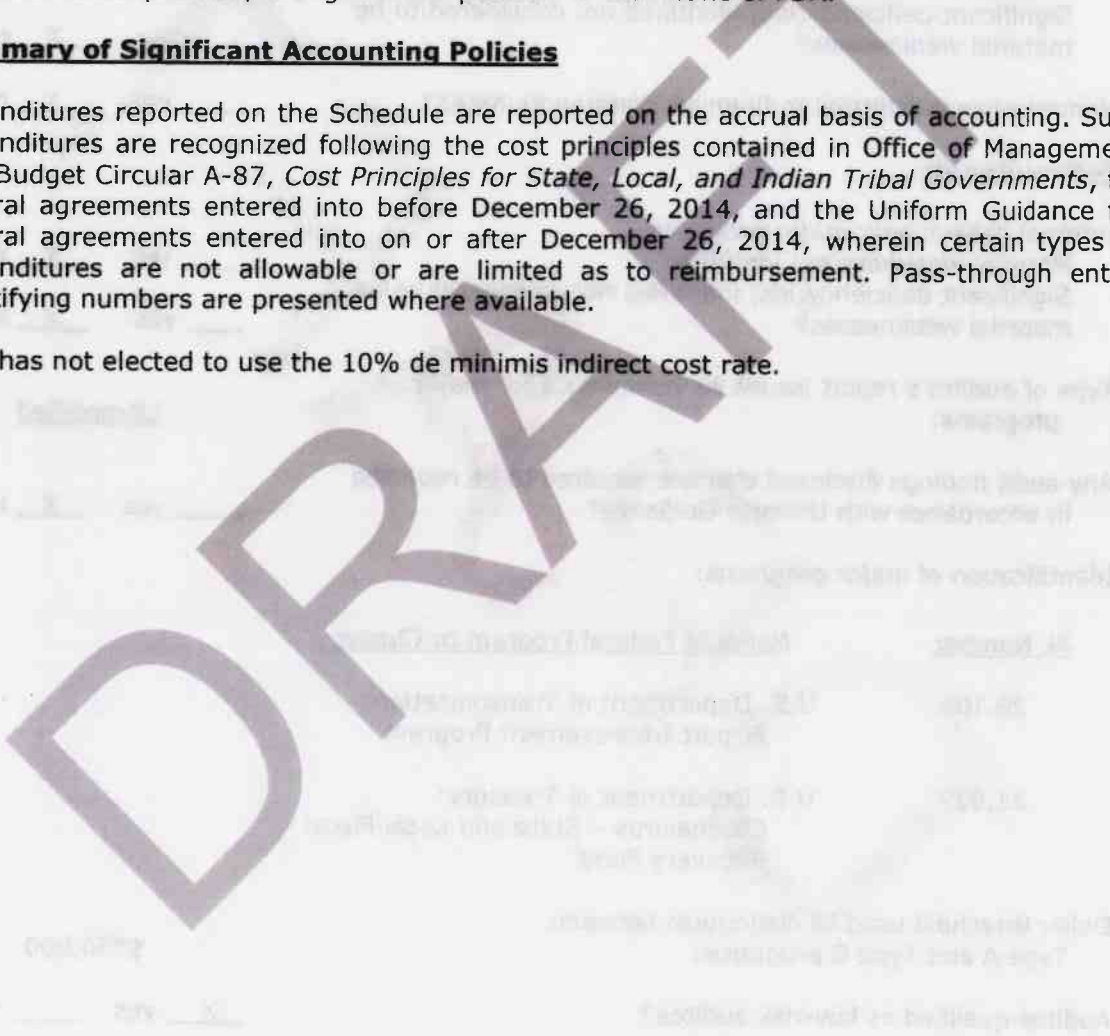
**1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Pease Development Authority (PDA) during the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a portion of the operations of PDA, it is **not intended to, and does not, present the net position, changes in net position or cash flows of PDA.**

**2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Office of Management and Budget Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, for federal agreements entered into before December 26, 2014, and the Uniform Guidance for federal agreements entered into on or after December 26, 2014, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

PDA has not elected to use the 10% de minimis indirect cost rate.



**PEASE DEVELOPMENT AUTHORITY**  
 (A Component Unit of the State of New Hampshire)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year Ended June 30, 2022

**Section I. Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unmodified  
 Internal control over financial reporting:  
   Material weakness(es) identified?  yes  no  
   Significant deficiency(ies) identified not considered to be  
   material weaknesses?  yes  none reported  
 Noncompliance material to financial statements noted?  yes  no

Federal Awards

Internal control over major programs:  
   Material weakness(es) identified?  yes  no  
   Significant deficiency(ies) identified not considered to be  
   material weaknesses?  yes  none reported  
 Type of auditor's report issued on compliance for major  
 programs: Unmodified  
 Any audit findings disclosed that are required to be reported  
 in accordance with Uniform Guidance?  yes  no

Identification of major programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
20.106	U.S. Department of Transportation: Airport Improvement Program
21.027	U.S. Department of Treasury: Coronavirus – State and Local Fiscal Recovery Fund

Dollar threshold used to distinguish between  
 Type A and Type B programs: \$750,000  
 Auditee qualified as low-risk auditee?  yes  no

**PEASE DEVELOPMENT AUTHORITY**  
(A Component Unit of the State of New Hampshire)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2022

**Section II** **Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with *Government Auditing Standard***

None noted.

**Section III.** **Findings and Questioned Costs for the Major Federal Program**

None noted.

DRAFT

## MOTION

Director Parker:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to finalize and execute Amendment No. 11 to the Parking License Agreement with Lonza Biologics, Inc. for parking spaces located at 55 International Drive; extending the Agreement from November 1, 2022 through October 31, 2023; all in accordance with the draft License Agreement Amendment No. 11, attached hereto.



**License Agreement Amendment No. 11**

Licensor: Pease Development Authority ("PDA" or "Licensor")  
Licensee: Lonza Biologics, Inc. ("Lonza" or "Licensee")  
Licensed Premises: Parking area adjacent to 55 International Drive, Portsmouth, NH  
License Date: October 31, 2011

---

This License Agreement Amendment No. 11 made effective November 1, 2022, by and between PDA and Licensee:

WHEREAS, Licensee desires to extend its License, as amended, through October 31, 2023 for the continued use of certain parking area adjacent to 55 International Drive, Portsmouth, NH (the "License Premises");

WHEREAS, PDA has agreed to extend the term of the License through October 31, 2023;

NOW THEREFORE, for good and valuable consideration, the receipt of which is acknowledged, the Parties agree to amend the License Agreement as follows:

1. The term of the License is extended for one (1) year from November 1, 2022 through October 31, 2023.
2. Exhibit A showing the "Licensed Premises" of 79 parking spaces is removed and replaced by a new Exhibit A, attached hereto, showing the "Licensed Premises" of 99 parking spaces.
3. Licensee shall pay PDA a License Fee of Twelve Hundred and no/100 Dollars (\$1,200.00) per month, in advance, for use of the Licensed Premises.
4. Should any PDA parking spaces at 55 International Drive be occupied or unavailable due to construction of Lonza's Lynx Parking project, PDA shall have the right upon at least twenty-four (24) hours' notice to Lonza, to use a concurrent number of parking spaces from the Licensed Premises for PDA use without charge or reduction in the License Fee.
5. All other terms and conditions of the License shall remain in full force and effect and continue to be binding upon the Parties.

Date: \_\_\_\_\_, 2022

Date: \_\_\_\_\_, 2022

**Lonza Biologics, Inc.**

**Pease Development Authority**

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

\_\_\_\_\_  
Paul E. Brean  
Executive Director

(Print Name)

Title: \_\_\_\_\_

**EXHIBIT A**

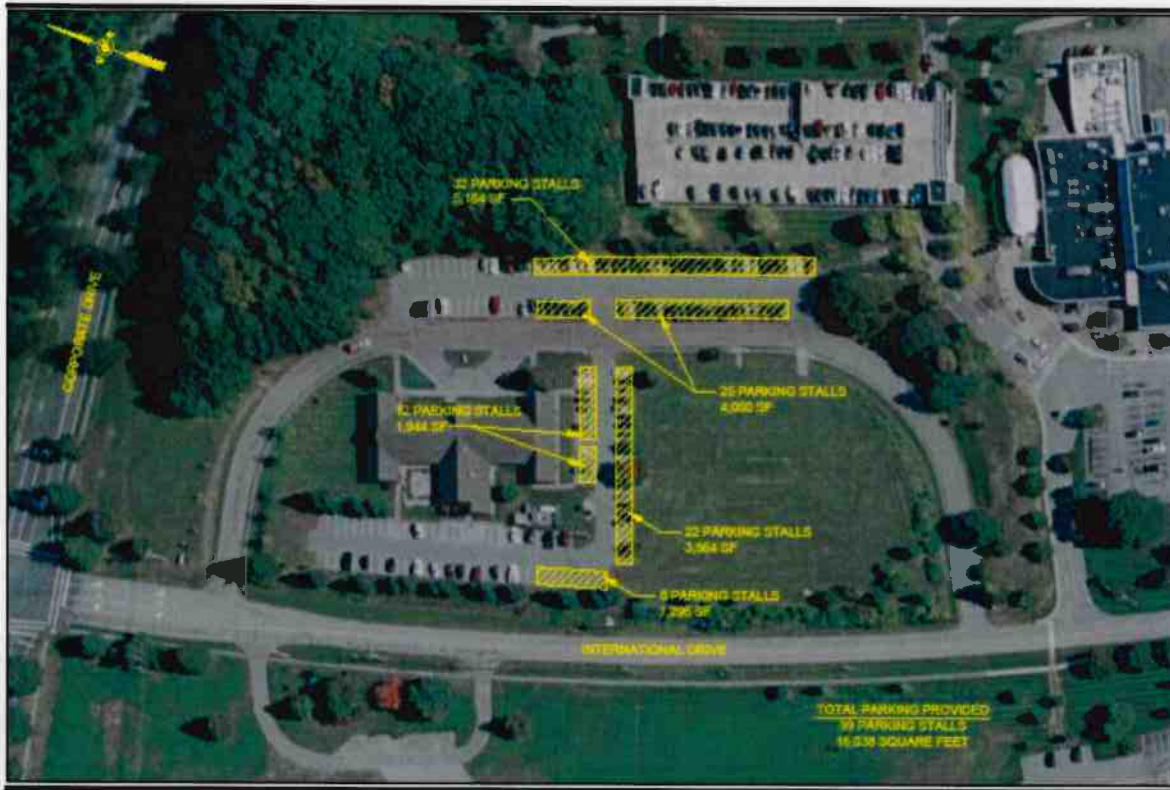


Exhibit Depicting Lonza Parking at 55 International Dr

DESIGNED BY: NPSM DATE: 10/4/22 SCALE: 1"=120'

 **PEASE DEVELOPMENT AUTHORITY**

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

## MOTION

Director Anderson:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Right of Entry with WSP USA (fka Wood Environmental & Infrastructure Solutions, Inc.) for the premises located at 35 Airline Avenue from November 1, 2022 through May 31, 2023; all in accordance with the draft Right of Entry dated October 11, 2022 attached hereto.

October 11, 2022

**VIA Email: [joe.malone@wsp.com](mailto:joe.malone@wsp.com)**

Kathy Gross, Project Administrator

WSP USA (fka Wood Environment & Infrastructure Solutions, Inc.)

511 Congress Street

Portland, ME 04101

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

Dear Ms. Gross:

This letter will authorize WSP USA (fka Wood Environment & Infrastructure Solutions, Inc.) ("WSP") 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 November 1, 2022 through May 31, 2023, 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 WSP. In no event will Right of Entry extend beyond May 31, 2023, unless otherwise extended by agreement of WSP and PDA.

1. WSP'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. WSP expressly waives all claims against the PDA for any such loss, damage, personal injury or death caused by or occurring as a consequence of WSP's use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. WSP 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 WSP's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.



Page Two

October 11, 2022

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

2. WSP 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. WSP and any agent or contractor of WSP 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. WSP and any agent or contractor of WSP 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. WSP 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. WSP understands and acknowledges that during the Term, WSP 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 WSPs' 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. WSP 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 use of the Premises or the conduct of activities or the performance of responsibilities under this Right of Entry.

Page Three

October 11, 2022

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

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

9. WSP'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. WSP'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. WSP'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 May 31, 2023 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  
October 11, 2022

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

Agreed and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**WSP USA (fka Wood Environment &  
Infrastructure Solutions, Inc.)**

By: \_\_\_\_\_  
Duly Authorized  
(Sign and Print)

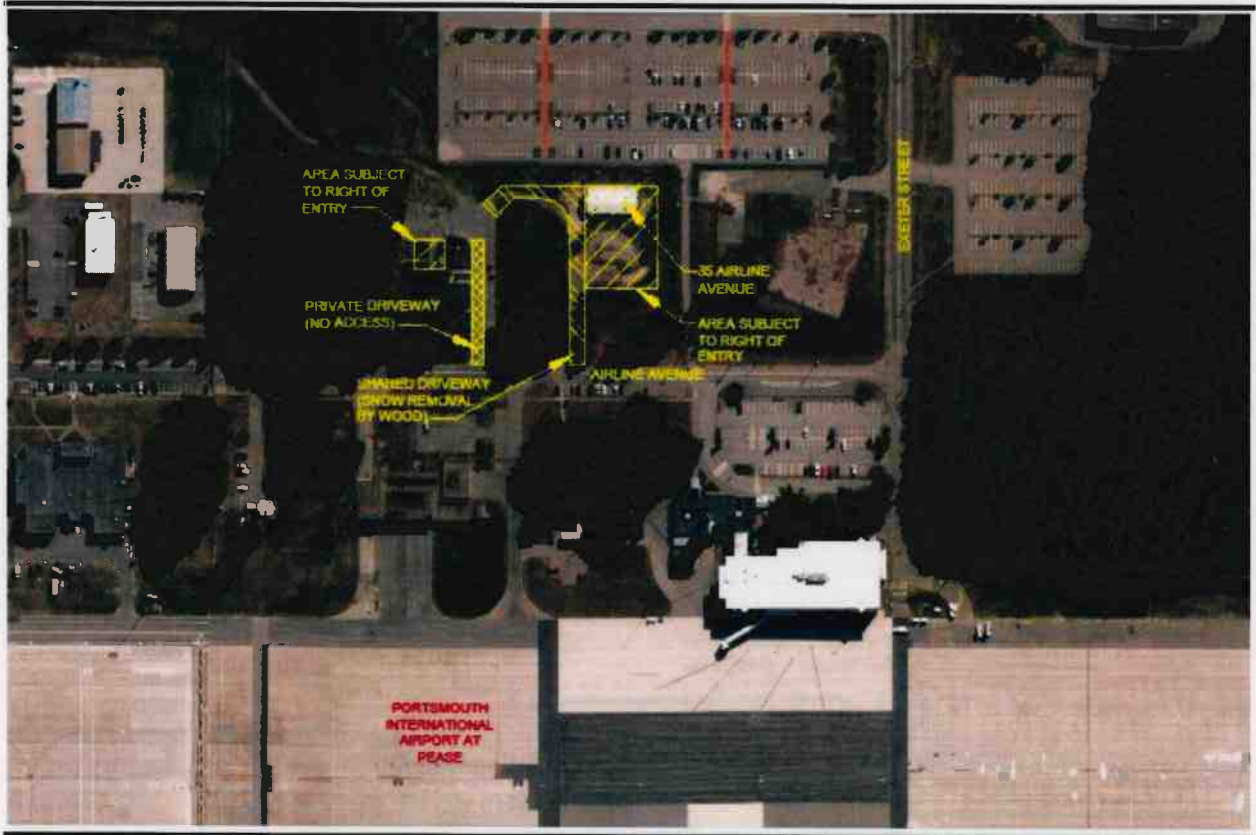
Its: \_\_\_\_\_



Page Five  
October 11, 2022

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

**EXHIBIT "A"**  
**PREMISES**



**35 Airline Avenue Right of Entry**

DESIGNED BY: MRN    DATE: 8/22/21    SCALE: 1"=200'

 **PEASE DEVELOPMENT AUTHORITY**

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801



## MEMORANDUM

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


\*\*\*\*\*

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

1. Tenant: The Housing Partnership  
Space: 222 International Drive  
Use: General Office  
Term: Three (3) years commencing October 1, 2022 with two (2) three (3) year options) anticipated to be no later than August 1, 2022.

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 these instances, Director Lamson was consulted and granted her consent.

## MEMORANDUM

To: Pease Development Authority Board of Directors  
From: Paul E. Brean, Executive Director   
Date: October 6, 2022  
Re: Sublease between 222 International, Limited Partnership and The Housing Partnership

In accordance with the Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements adopted by the Board on August 8, 1996, I am pleased to report that PDA has approved of a sublease between 222 International, Limited Partnership ("222ILP") and **The Housing Partnership ("HP")** for 1,213 square feet at 222 International Drive for a period of three (3) years, effective October 1, 2022 with two (2) three (3) year options. **HP** will use the premises for general office use.

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

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

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

Conditions one through three have been met. As to condition four, PDA relies on 222ILP's continued primary liability for payment of rent and other obligations pursuant to the PDA/200ILP Sublease.

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

PEASE INTERNATIONAL 222 International Drive, Portsmouth, NH 03801

## NOTICE OF CONSENT

This NOTICE OF CONSENT ("Notice") is given by the PEASE DEVELOPMENT AUTHORITY ("Lessor") to 222 INTERNATIONAL, LIMITED PARTNERSHIP ("Lessee"). Lessor and Lessee may be referred to jointly as the "Parties."

### RECITALS

A. The Parties entered into a Lease for 222 International Drive at Pease International Tradeport on September 7, 1999 (the "Lease") and amended by Lease Amendment No. 1 effective April 1, 2000 to include 195 New Hampshire Avenue, Pease International Tradeport, Portsmouth, New Hampshire.

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 Lease is permitted under the original Lease;
2. the sublease is consistent with the terms and conditions of the original Lease;
3. 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 approximately 1,213 square feet within the Leased Premises at 222 International Drive to **The Housing Partnership** ("HP") a not-for-profit entity duly organized and existing under the laws of the State of New Hampshire, and qualified to do business in the State of New Hampshire.

D. The proposed sublease to HP is for general office use and for no other uses.

### TERMS AND CONDITIONS

1. Lessor hereby authorizes Lessee to execute the sublease, attached hereto as Exhibit A, with HP for approximately 1,213 square feet within the Leased Premises.
2. Upon execution of the sublease with HP, 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 HP.
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 26 day of September, 2022 by the Pease Development Authority.

**PEASE DEVELOPMENT AUTHORITY**



By: \_\_\_\_\_  
Its: Executive Director

AGREED AND ACCEPTED

**222 INTERNATIONAL, LIMITED PARTNERSHIP**

9.14.22  
Date


By:   
Its: Co-Manager



EXHIBIT A  
SUBLEASED PREMISES

THIS AGREEMENT

IS MADE

BETWEEN THE LESSOR AND THE LESSEE

AS

WITNESSETH

AND

THE PARTIES HERETO

AS

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THE PARTIES HERETO

TO HAVE

IN WITNESS WHEREOF

THEY HAVE HEREUNTO SET THEIR HANDS

ORIGINAL

SUBLEASE

BETWEEN

222 INTERNATIONAL, LIMITED PARTNERSHIP

AS  
"SUBLESSOR"

AND

THE HOUSING PARTNERSHIP

AS  
"SUBLESSEE"

222 INTERNATIONAL DRIVE

SUITE #165

PORTSMOUTH, NEW HAMPSHIRE 03801



DATED AS OF <sup>September</sup>~~AUGUST~~ 1, 2022

## MOTION

Director Fournier:

The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to consent to T-Aviation, L.L.C.'s request to exercise its last one year lease extension option for the premises known as Hangar 5, including certain surrounding apron area, located at Skyhaven Airport (DAW), through October 31, 2023; substantially in accordance with the memorandum from Andrew Pomeroy, Manager, Aviation Planning and Regulatory Compliance, dated October 11, 2022, attached hereto.

## Memorandum

**To:** Paul Bean, Executive Director   
**From:** Andrew Pomeroy, Manager, Aviation Planning and Regulatory Compliance   
**Date:** 10/11/2022  
**Subj:** T-Aviation, LLC

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On November 1, 2020, the PDA entered into a lease agreement with T-Aviation, LLC of Kensington, NH to operate an aircraft maintenance and repair facility in Hangar 5 at Skyhaven Airport, providing a much needed service to Skyhaven and increasing the marketability of the airport.

Despite the difficulties of starting a new aviation business over the winter months, as well as the challenges posed by the Global Pandemic of 2020, T-Aviation has experienced slow and steady growth and has brought the desired attention to the airfield. This has continued steadily over the past two years.

Under the lease, Lessee currently pays the PDA building area rent ("Building Area Rent") in the amount of \$1,200 per month on a triple net basis for the Leased Premises. In addition to the Building Area Rent, the Lessee pays to the PDA 3% of its net earnings from its operations on the Leased Premises ("Concession Fee").

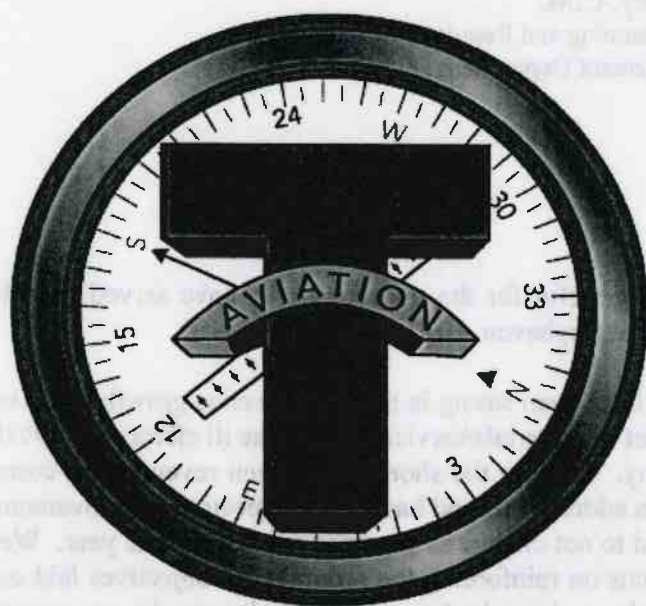
T-Aviation has requested to exercise its last one year option to extend, under the same terms and conditions, and at the same rate for both Building Area Rent and Profit Share that they currently pay, in order to continue their growth at Skyhaven Airport. Over this coming year, T-Aviation intends to work with the PDA in an attempt to negotiate a new lease with a possible larger land lease area. Please see attached letter.

The aviation industry is currently experiencing a shortage of qualified aviation mechanics. Skyhaven is extremely fortunate to have acquired the services of T-Aviation. T-Aviation has proven to be an asset to the airfield bringing in business and providing services such as aircraft recovery for disabled aircraft. As such, I request that you seek approval from the PDA Board of Directors at its October 20, 2022, meeting, to approve the exercise of T-Aviation's last one year option under the current terms and rate structure in order to continue the lease of Hangar 5 at Skyhaven Airport, through October 31, 2023.

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*"World Class Maintenance Logistics Support"*



# REQUEST TO EXERCISE OPTION YEAR 2 LEASE EXTENSION

SKYHAVEN AIRPORT (KDAW)  
ROCHESTER, NH

T-Aviation, LLC.

10/12/22

Pease Development Authority



T-Aviation, LLC.

Tel 703-932-7078

Tom.taviation@gmail.com

12 October, 2022

**T-Aviation, LLC**  
120 South Rd  
Kensington, NH 03833  
Cell: 703-932-7078

**Andrew B. Pomeroy, C.M.**  
Manager, Aviation Planning and Regulatory Compliance  
Pease Airport Management Department  
KPSM & KDAW  
(603) 433-6536

Mr. Pomeroy,

T-Aviation, LLC is grateful for the opportunity to have served the PDA as its aircraft maintenance vendor at Skyhaven Airport, Rochester, NH.

The last 12 months have been strong in terms of revenue growth to the tune of 15.5%, but have seen a 23% cost in materials/services due to the ill effects of COVID and the current state of the economy. Despite the shortfall between revenue and costs, we continue to make adjustments to address this and have great expectations to overcome them by 1Q23. This rate is expected to not change as we close out our second year. We remain steadfast in our continued focus on reinforcing the groundwork objectives laid out in our business plan/model. Though we have had numerous challenges in our expansion to establish additional capabilities and provide services to Skyhaven, we remain confident these shall be overcome. For example, the revenue generated by small aircraft is not sufficient to support current and estimated expansion overhead; especially in light of the lack of additional qualified/willing workforce. To overcome these shortfalls, we've modified, albeit temporarily, our targeted aircraft/customer class/base. As of this letter to the PDA Board, we have accepted a business class/private VIP Hawker 800XP as our next major project. At the conclusion of the project, we'll be able to see the cost benefit analysis of this dynamic shift and whether it merits a permanent shift in this direction. Our activities continue to support the tenant community at the airport by providing expedient and top-notch aircraft maintenance and customer services. As in our previous letter to you, we have great expectations that these growth factors are prime indicators that our continued presence at Skyhaven will continue to mutually benefit our organization and the PDA.

1

Please accept this correspondence as official notification that T-Aviation, LLC requests to extend its operations at Skyhaven Airport, Rochester, NH for an additional year. Furthermore, we request to exercise Option Year 2 as indicated under Article 4 of the lease agreement signed in 2020. Lastly, we request the lease terms remain unchanged during the Option Year 2 extension and begin the process of laying out the groundwork of a lease renegotiation in anticipation of a November 2023.

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<b>T-Aviation, LLC.</b>	120 South Rd
<b>Tel 703-932-7078</b>	Kensington, NH 03833
<b>Tom.taviation@gmail.com</b>	

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*"World Class Maintenance Logistics Support"*

Thank you again for considering T-Aviation, LLC for the opportunity to serve PDA as a vendor at SkyHaven Airport; as we are excited and anxious to continue serving the tenant aviation community at Skyhaven and the area at large.

Best Regards,

*Thomas E. Morgera*  
THOMAS E. MORGERA  
Co-Owner, Managing Partner  
[Tom.Taviation@gmail.com](mailto:Tom.Taviation@gmail.com)  
703-932-7078

*Virginia L. Morgera*  
VIRGINIA L. MORGERA  
Co-Owner,  
[Ginny.Taviation@gmail.com](mailto:Ginny.Taviation@gmail.com)  
703-932-6267



## MOTION

Director Ferrini:

The Pease Development Authority Board of Directors hereby approves of and authorizes Seacoast Newspapers, Inc. ("Seacoast") and/or Optima Dermatology Partners LLC to submit an application for a Special Exception to permit testing laboratories and facilities as a permitted use at 111 New Hampshire Avenue, and authorizes the Executive Director to negotiate and finalize a Lease Amendment with Seacoast to permit testing laboratories and facilities as a permitted use at the premises at 111 New Hampshire Avenue, conditioned upon the granting of the Special Exception; all otherwise on terms and conditions substantially similar to those set forth in the memorandum from Michael R. Mates, Engineering Manager, dated October 6, 2022, and draft lease Amendment No. 1, attached hereto.



## MEMORANDUM

To: Paul E. Brean, Executive Director *PEB*  
From: Michael R. Mates, P.E., Engineering Manager *MRM*  
Date: October 6, 2022  
Subject: Special Exception for 111 New Hampshire Avenue

The PDA and Seacoast Newspapers, Inc. are parties to a ground lease concerning the development at 111 New Hampshire Avenue. For many years, Seacoast Newspapers has subleased a portion of the building at 111 New Hampshire Avenue to Convenient MD, LLC for its corporate offices. Convenient MD is planning to move its corporate offices to a new Portsmouth location. Seacoast Newspapers, Inc. has notified the PDA that it is in the process of subleasing the Convenient MD space to Optima Dermatology Partners ("Optima"). Optima intends to utilize the space for two purposes: business offices and a testing laboratory related to its dermatology practice.

When reviewing subtenant uses at Pease, we look to both permitted uses under PDA zoning and permitted uses under a ground lease. Here, the PDA Land Use Controls allow for the business office use in the Industrial Zone, however a testing laboratory use is only allowed in this zone as a special exception per Part 303-A.03. This special exception will require Optima to submit a Special Exception Application to the City of Portsmouth Zoning Board of Adjustment for consideration, if the PDA Board of Directors first approves of the submittal of such an application. In terms of the ground lease, business office is a permitted use, however, the lease does not currently permit a testing laboratory. As such, should Optima receive a special exception, the ground lease would need to be amended to permit the laboratory use. Staff believes that Optima's proposed use is appropriate at this location and that Optima should be authorized to submit a Special Exception Application. Consistent therewith, a lease amendment to add laboratory use should be authorized conditioned upon the approval of the special exception.

Optima's proposal also includes construction of a 5'± wide by 15'± long sidewalk from the existing sidewalk to a new entry doorway it would construct on the building. Consistent with longstanding PDA procedure, this site improvement can be approved administratively as long as any site changes are unlikely to have an impact on traffic, safety, or intensity of use as determined by the applicable enforcement official, which in this case is the PDA Engineering Manager. I have determined that the site changes (additional sidewalk) are unlikely to have an impact on traffic, safety, or intensity of use, so an administrative approval of the site changes is appropriate in this case. Consistent with PDA practice, I shared my determination with the Portsmouth Planning Director, who agreed with my conclusion.

As additional background, upon completion of the fit up of the subleased space, Optima will require a Certificate of Occupancy from the City of Portsmouth prior to occupancy.

At the October board meeting, please request approval for the submission of an Application for a Special Exception to the City of Portsmouth Zoning Board of Adjustment to allow a testing laboratory use at 111 New Hampshire Avenue, located in the Industrial Zone, and approval of a lease amendment to permit laboratory use conditioned on receiving the special exception approval form the City of Portsmouth.

N:\ENGINEER\Board Memos\2022\111 NH Ave Special Expection.docx

**LEASE AMENDMENT NO. 1**

**Lessor:** Pease Development Authority ("Lessor" or "PDA")  
**Lessee:** Seacoast Newspapers, Inc. ("Lessee")  
**Premises:** 111 New Hampshire Avenue - Pease International Tradeport  
Portsmouth, New Hampshire  
**Lease Date:** December 23, 2005

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This Lease Amendment No. 1 effective \_\_\_\_\_, 2022 by and between the above referenced Lessor and Lessee:

**WHEREAS**, Seacoast Newspapers, Inc. ("Seacoast") as Sublessee and Pease Development Authority, as Sublessor entered into a certain Sublease effective December 23, 2005 (the "Sublease") for property located at 111 New Hampshire Avenue, Pease International Tradeport, consisting of 435,600 square feet (approximately 10 acres), Statutory Notice of Sublease of which is recorded at the Rockingham County Registry of Deeds at Book 4613, Page 1338 (the "Property");

**WHEREAS**, by Quitclaim Deed (and Exhibits A-G, inclusive) made and entered into on October 15, 2003 and Quitclaim Deed dated September 16, 2005 (the "Deeds"), the government, acting by and through the Secretary of the Air Force did grant to PDA the land and improvements located in the City of Portsmouth, Town of Newington and Town of Greenland, as contemplated by the Master Lease, Application and Acceptances, which Deed included the Premises. In accordance with the provisions of Article 3, Section 3.1 of the Sublease and the Deeds, the sublease is now a direct lease, (the "Lease");

**WHEREAS**, LESSEE has requested and LESSOR has agreed to make certain amendments to the Lease;

**NOW, THEREFORE**, Lessor and Lessee agree for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, that the Lease be amended as set forth below:

1. **Article 9, Use of Leased Premises**, Section 9.1, is deleted in its entirety and replaced with the following language:

9.1 The purposes for which Lessee may use the Leased Premises are business office, testing laboratories and facilities, newspaper production facility, and customary accessory uses thereto, including but not limited to multimedia gathering and dissemination, printing, assembling, producing and distributing its newspapers, print material and other media off-street parking and loading, and such further accessory uses as are consistent

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

2. All other terms and conditions of the Lease shall remain in full force and effect and shall continue to be binding upon Lessor and Lessee.

WITNESS WHEREOF, Lessor and Lessee have executed this Lease Amendment No. 1 made effective \_\_\_\_\_, 2022.

Lessee: **Seacoast Newspapers, Inc.**

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Lessor: **PEASE DEVELOPMENT AUTHORITY**

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

Name: Paul E. Brean

Its: Executive Director

(REMAINING PAGE HAS BEEN LEFT BLANK)

STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINGHAM, ss.

On this \_\_ day of \_\_\_\_\_ 2022, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared **Paul E. Brean**, personally known to me (or proved to me on the basis of satisfactory evidence) to be the **Executive Director** of the **Pease Development Authority** and on oath stated that he was authorized to execute this instrument and acknowledged it to be his free and voluntary act for the uses and purposes set forth herein.

\_\_\_\_\_  
Notary Public in and for said County and State  
Printed Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_

STATE OF NEW HAMPSHIRE  
COUNTY OF ROCKINHSM ss.

On this \_\_ day of \_\_\_\_\_, 2022, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the \_\_\_\_\_ of **Seacoast Newspapers, Inc.** and on oath stated that he was authorized to execute this instrument and acknowledged it to be his free and voluntary act for the uses and purposes set forth herein.

\_\_\_\_\_  
Notary Public in and for said County and State  
Printed Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_



## MOTION


Director Lamson:

The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with Motorola, for the purchase of four (4) portable radios at a cost not to exceed \$10,610.80; all in accordance with the memorandum of Chasen Congreves, Manager of Airport Administration, dated October 11, 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.

**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:** 10/11/2022

**Re:** Digital Communications Upgrade

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Recently, four mobile radios used within Pease Development Authority ("PDA") vehicles to communicate with the air traffic control tower, mutual aid, and co-workers, stopped functioning and require immediate replacement.

PDA staff would like to purchase four mobile vehicle radios to replace the inoperable units. 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, staff is also requesting authority to waive the bid requirement. Please see the attached line item invoice for a total cost of \$10,610.80.

At the October 20, 2022, PDA Board of Director's meeting, please request authority from the Board to waive the formal RFP process and to purchase four mobile vehicle radios, along with the supporting accessories, under New Hampshire State Contract 8001937 in an amount not to exceed \$10,610.80.



**CUSTOMER:**

Chasen Congreves

Manager of Airport Administration

**DATE:** 9/15/2022

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](mailto:c.congreves@peasedev.org)

DESCRIPTION	MODEL	QTY.	LIST	DCST	D. EXT.	D.TOTAL
APX4500 ENHANCED VHF						
APX4500 ENHANCED VHF	M22KSS9PW1BN	4	\$2,036.00	35%	\$ 1,323.40	\$ 5,293.60
ADD: REMOTE MOUNT O2 WWM	G67	4	\$327.00	35%	\$ 212.55	\$ 850.20
ADD: APX CONTROL HEAD SOFTWARE	G444	4	\$0.00	0%	\$ -	\$ -
ADD: APX O2 CONTROL HEAD	GA00804	4	\$541.00	35%	\$ 351.65	\$ 1,406.60
ADD: 1/4 WAVE ROOF TOP 150.8-162	G299	4	\$21.00	35%	\$ 13.65	\$ 54.60
ADD: SOFTWARE P25 CONVENTIONAL	Q811	4	\$715.00	35%	\$ 464.75	\$ 1,859.00
ADD: ADP ONLY (NON-P25 CAP COMPLIANT)	G193	4	\$0.00	0%	\$ -	\$ -
ENH: HAND MIC,GCAI WATER RESISTANT	G892	4	\$79.00	35%	\$ 51.35	\$ 205.40
ADD: SPKR 15W WATER RESISTANT	G831	4	\$66.00	35%	\$ 42.90	\$ 171.60
ADD: RF PREAMP	W12	4	\$73.00	35%	\$ 47.45	\$ 189.80
ADD: 3Y ESSENTIAL SERVICE	G24	4	\$145.00	0%	\$ 145.00	\$ 580.00
<b>TOTAL</b>						<b>\$ 10,610.80</b>

**ORDERING:**

PLEASE CONTACT

Scott Cruikshank (978)270-5505

[scott.cruikshank@motorolasolutions.com](mailto:scott.cruikshank@motorolasolutions.com)

15-30 DAYS

NET 45 FROM INVOICE AS SHIPPED

NASPO VALUE POINT Discounts Applied

Terms and condition are per the NVP contract

**DELIVERY:**

**TERMS:**



## MOTION

Director Levesque:

The Pease Development Authority ("PDA") Board of Directors authorizes the Executive Director to exercise the last one-year option to renew the contract with Piscataqua Landscaping and Tree Service, LLC, effective November 1, 2022, for the purpose of providing landscaping, tree, and snow removal services to the PDA, and approves the price increases for certain provided services; all in accordance with the memorandum of Ken Conley, Maintenance Manager, dated October 13, 2022, attached hereto.



## Memorandum

**To:** Paul Brean, Executive Director   
**From:** Ken Conley, Maintenance Manager   
**Date:** 10/13/2022  
**Subj:** Piscataqua Landscaping Service Contract

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The Pease Development Authority (“PDA”) has one option year remaining on its contract with Piscataqua Landscaping & Tree Services, LLC (“Piscataqua”) for landscaping, tree service, and snow clearing services, which PDA Maintenance would like to exercise effective, November 1, 2022, through October 31, 2023. Since 2018, when the current contract was entered into, there have been significant pricing increases in market and Piscataqua has requested to amend the pricing of various services which they provide to the PDA, as set forth below.

- Tree Maintenance: from \$75.00 to \$85.00 per tree
- Other Work as Requested: from \$50.00 to \$55.00 per hour
- Tree Trimming Bucket Truck: from \$70.00 to \$75.00 every 20 hours
- Annuals:
  - 6” from \$6.15 to \$6.80
  - 4.5” from \$3.75 to \$4.75
  - 1 Gallon Perennial from \$9.00 to \$14.00
- Sidewalk Clearing: \$60.00 to \$62.00 per man per hour
- Salt: reflection of current market price from \$85.50 to \$105.50 per ton

PDA Maintenance has reviewed the pricing amendment requests and believes they are reasonable in light of current market conditions. As such, please request that the PDA Board of Directors authorize the Executive Director to exercise PDA’s last one year option for landscaping and snow services with Piscataqua Landscaping and Tree Services, LLC, with price increases as proposed above, through October 31, 2023.

## MEMORANDUM

TO: Pease Development Authority Board of Directors  
FROM: Paul E. Brean, Executive Director *PEB*  
RE: Signage Report

DATE: October 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: Lonza Biologics  
Location: 164 Corporate Drive  
Summary: Modification of the existing monument sign at the entrance as well as the building façade sign to reflect the change in tenancy to Lonza.
  
2. Entity: RafterOne (fka Pixelmedia)  
Location: 75 New Hampshire Avenue  
Summary: Modification of the existing sign, utilizing the same monument sign base and the installation of new panels reflecting the name change to RafterOne.

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 regarding the sign changes.

## MEMORANDUM

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

From: Mike Mates, P.E., Engineering Manager *MRM*

Date: October 6, 2022

Subject: Sign Revisions Report for 164 Corporate Avenue and 75 New Hampshire Avenue

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:

Lonza Biologics as the new tenant at 164 Corporate Drive, previously occupied by John Hancock, wishes to modify the existing monument sign at the entrance as well as the building façade sign to reflect the change in tenancy to Lonza. They will be using the existing monument sign base and the façade sign will be in the same location and similarly sized as the original. The sign revisions are on the attached sign proof sheets.

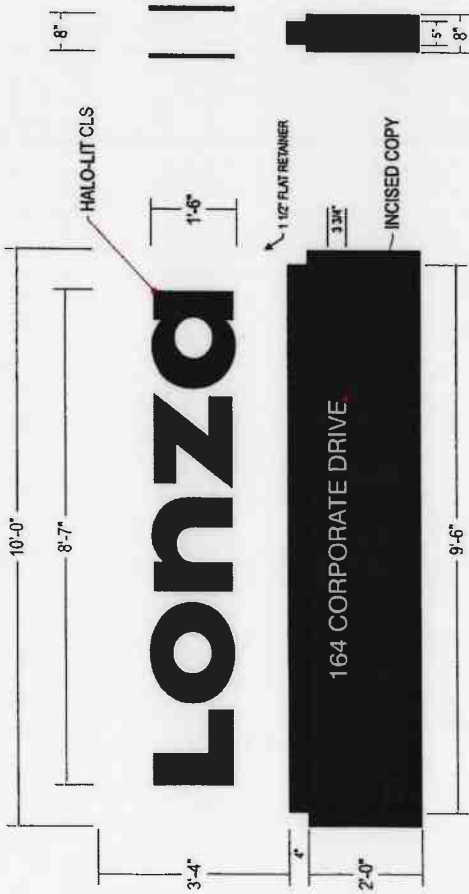
Additionally, RafterOne, formally known as Pixelmedia, wishes to modify their signage located at the 75 New Hampshire Avenue. The tenant will be using the same monument sign base and installing new panels to reflect their name change to RafterOne. The tenant logo revisions were approved by the building owner and are on the attached sign proof sheet.

These sign revisions meet the all of the following conditions:

1. In-kind replacement when required for maintenance; revision to sign graphics to reflect a new name or logo for an existing tenant; or a revision to sign graphics reflecting a change in tenancy.
2. No substantive change in size or style of 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 both of the tenants' sign revisions and has given his approval. At this month's Board meeting, please report the revisions of the 164 Corporate Drive signs and the 75 New Hampshire Avenue sign.

SCALE: 1/2"=1'-0"



EXISTING SIGN



EXISTING SIGN



SCOPE OF WORK

REMOVE & DISPOSE (1) EXISTING "JOHN HANCOCK" MONUMENT SIGN. SAVE STEEL POSTS/POSTS AND CONCRETE BASE.  
 MANUFACTURE & INSTALL (1) LED ILLUMINATED DIF. MONUMENT SIGN W/ DIMENSIONAL HALO-LIT CHANNEL LETTERS MOUNTED W/ SPACERS.  
 SIGN WILL HAVE A POLE COVER BASE W/ INCISED ACRYLIC ADDRESS NUMBER AND COPY.  
 INSTALL SIGN IN SAME FOOTPRINT AS PREVIOUS SIGN. SIGN WILL BE ILLUMINATED.

**\*\* REMOVE 5' X 10' 50 SF  
 INSTALL 3'4" X 10' 33.33 SF**

**SITE SURVEY  
 REQUIRED**

INFO. SPECIFICATIONS - MONUMENT SIGN

LED LIT MONUMENT SIGN  
 CANOPY/FACE BEA - SG WHITE  
 RETAINER: 1/2" FLAT - BEA WHITE  
 COPY: 3" SG BLACK - HALO-LIT CHANNEL LETTERS MOUNTED WITH SPACERS  
 REVEALS: 4" BEA - BLACK  
 BASE BEA - BLACK W/ INCISED 7328 WHITE ACRYLIC ADDRESS COPY  
 ILLUMINATION: White LED 7100K

TOTAL SQUARE FEET 33.33  
 EXISTING SQUARE FEET 49

VARIANCE REQUIRED: N/A

**BARLO**



**PRINTED APPROVAL**  
 Client: \_\_\_\_\_ Date: \_\_\_\_\_  
 Design: CLB Date: 09/09/00  
 Sales: \_\_\_\_\_ Date: \_\_\_\_\_  
 Updating: \_\_\_\_\_ Date: \_\_\_\_\_  
 Production: \_\_\_\_\_ Date: \_\_\_\_\_

DESIGNER: CB  
 SALES REP: HARN  
 PM: TBD

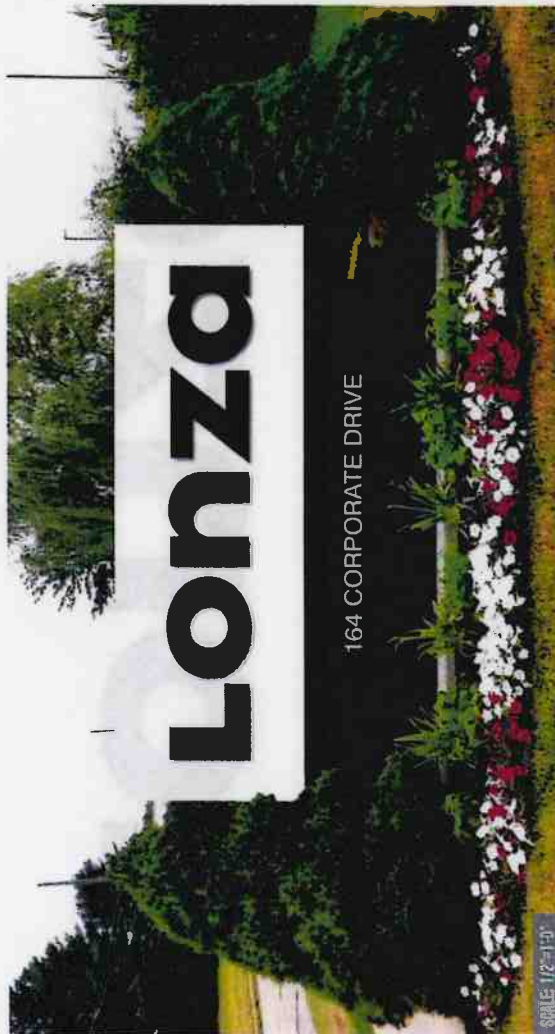
**LONZA BIOLOGICS**  
 164 CORPORATE DRIVE  
 PORTSMOUTH, NH 03801

07/21/2022

**ITEM B**

**SHEET 2.0**

QUOTE #: 95658 JOB #:



SCALE: 1/2"=1'-0"

FILE NAME: Lonza Biologics\_Portsmouth NH\_220709565\_2





REMOVE EXISTING 52 SF  
INSTALL NEW 61.25 SF

**SCOPE OF WORK**

REMOVE & DISPOSE (1) EXISTING "JOHN HANCOCK" CHANNEL LETTERS FROM FRONT ELEVATION.

MANUFACTURE & INSTALL (1) SET OF HALO-LIT CHANNEL LETTERS ON BACKERS.

**MFG. SPECIFICATIONS - HALO-LIT CHANNEL LETTERS**

**LETTERS**

FACERETURNS: 3"D S/G BLACK  
SPACERS: 1 1/2" WHITE SPACERS  
BACKER: 2" X .125 WHITE BEA  
ILLUMINATION: White LED 7100K

TOTAL SQUARE FEET: FRONT - 61.25 SQ FT  
EXISTING SQUARE FEET: FRONT - 52.11

VARIANCES REQUIRED: NA

**Site electrical**

ELECTRICAL WORK BY:  BARLO  OTHERS

New      CIRCUITS REQ: 1    AMPS: 20    VOLTS: 120

Existing    CIRCUITS REQ: \_\_\_\_\_ AMPS: \_\_\_\_\_ VOLTS: \_\_\_\_\_

UIL REQ:  YES  NO    LOCATION:  WET  DAMP  DRY    SERVICE SWITCH:  YES  NO

TIME CLOCK REQ:  YES  NO    PHOTO EYE REQ:  YES  NO

**SITE SURVEY  
REQUIRED**



CLIENT: \_\_\_\_\_ Date: \_\_\_\_\_  
DESIGN: C.B      Date: 009/09/00  
SALES: \_\_\_\_\_ Date: \_\_\_\_\_  
UPDATING: \_\_\_\_\_ Date: \_\_\_\_\_  
PRODUCTION: \_\_\_\_\_ Date: \_\_\_\_\_

DESIGNER: CB  
SALES REP: HAHN  
PM: 180

**LONZA BIOLOGICS**

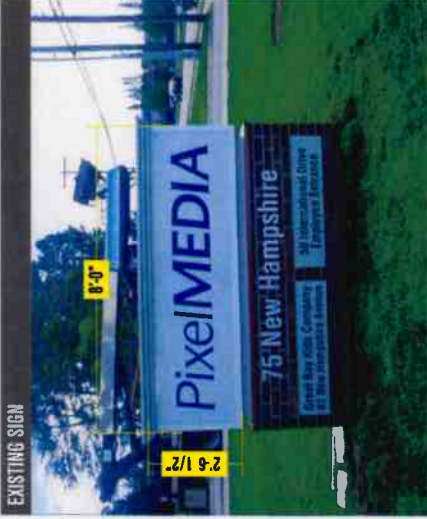
164 CORPORATE DRIVE  
PORTSMOUTH, NH 03801

07/21/2022

**ITEM A**

**SHEET 1.1**

JOB #:



SIMULATED NIGHT VIEW

# RafterOne

### SCOPE OF WORK

REMOVE & DISPOSE (2) FACES IN EXISTING MONUMENT SIGN CABINET.  
 MANUFACTURE & INSTALL (2) 3/16" THICK WHITE LEXAN FACES WITH DIGITALLY PRINTED VINYL GRAPHICS APPLIED. FACES TO BE INSTALLED IN EXISTING MONUMENT SIGN CABINET.

COLOR SCHEDULE - CLIENT TO VERIFY

DIGITALLY PRINTED

## MOTION

Director Anderson:

The Pease Development Authority Board of Directors hereby approves of the addition of a 5.7 square foot sign below the address of the City of Portsmouth's ground sign at 97 Grafton Drive; all in accordance with the memorandum of Michael R. Mates, P.E., Engineering Manager dated October 11, 2022, attached hereto.

## MEMORANDUM

To: Paul E Brean, Executive Director *PEB*  
From: Michael R. Mates, P.E., Engineering Manager *MRM*  
Date: October 11, 2022  
Subject: Sign at Water Treatment Plant, 97 Grafton Drive

In March of 2021, the Board approved a 24 square foot sign for the water treatment plant located at 97 Grafton Drive. The City of Portsmouth has recently added an additional 5.7 square foot sign below the address as shown in the attached photos and is seeking formal approval.

As you can see, the sign includes the "Think Blue!" mascot. According to the City's website "...the Portsmouth Department of Public Works introduced "Blue, the Happy Fish" as a mascot for its efforts to educate the public about increasing their water use efficiency and protecting Portsmouth's water resources."

The proposal conforms to the PDA Zoning Regulations and staff recommends approval.

At the October Board of Directors meeting, please ask the Board to approve the City of Portsmouth's sign request for the water treatment plant at 97 Grafton Drive.

N:\ENGINEER\Board Memos\2022\Sign Addition 97 Grafton WTP.docx



# Pease Water Treatment Facility Sign Think Blue Logo Addition

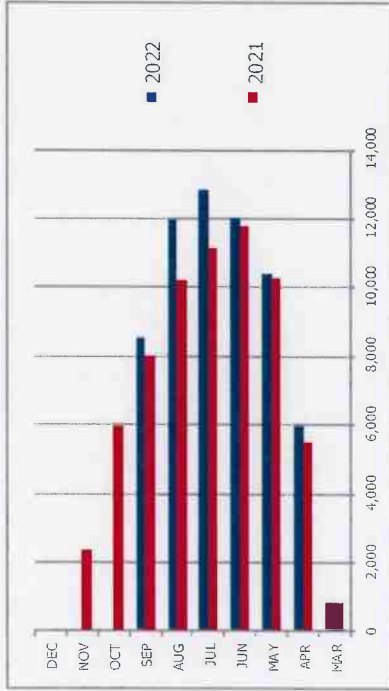
	Proof #: 6/22/
<b>Company:</b> Pease Water Treatment <b>Job:</b> Think Blue!	
<b>Type:</b> Riders ONLY	
<b>Quantity:</b> 1	
<b>Size:</b> #135: 64" x 12" (15" w/fish) #97: 58.5" x 12" (15" w/fish)	



# KEY GOLF COURSE BENCHMARKING DATA



ROUNDS OF GOLF PLAYED (SEASON)

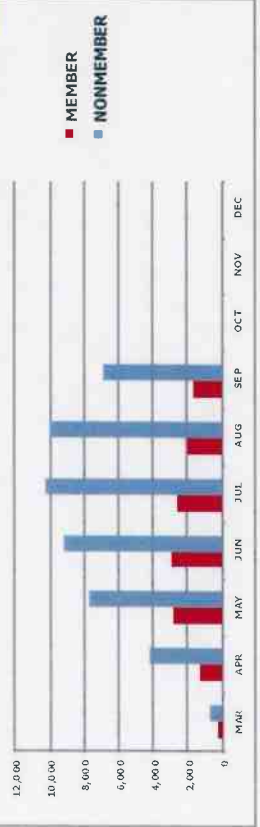


SEASON	2020	2021	2022
SEASON	62,315	66,590	62,657

ROUNDS PLAYED 62,657 66,590 62,315

RAIN DAYS 38 49 66

2022 MEMBER / NONMEMBER ROUNDS (SEASON)



GOLF SIMULATOR REVENUES

	FY 2023	FY 2022
JULY	\$495	\$ 1,158
AUGUST	\$827	\$915
SEPTEMBER	\$1,509	\$326
OCTOBER		\$4,244
NOVEMBER		\$14,746
DECEMBER		\$23,112
JANUARY		\$24,253
FEBRUARY		\$26,580
MARCH		\$23,360
APRIL		\$4,429,
MAY		\$135
JUNE		\$517
<b>TOTAL</b>	<b>\$2,831</b>	<b>\$123,358</b>

GRILL 28 GROSS SALES

	FY 2023	FY 2022
JULY	296,042	\$262,957
AUGUST	360,829	270,631
SEPTEMBER	297,268	235,234
OCTOBER		191,416
NOVEMBER		119,952
DECEMBER		138,710
JANUARY		94,159
FEBRUARY		109,814
MARCH		150,980
APRIL		190,483
MAY		284,835
JUNE		312,758
<b>TOTAL</b>	<b>\$954,139</b>	<b>\$2,361,932</b>

2022 ROUNDS-SEASON

MEMBER	13,359
NONMEMBER	49,298
<b>TOTAL</b>	<b>62,657</b>

2021 ROUNDS-SEASON

MEMBER	18,489
NONMEMBER	48,101
<b>TOTAL</b>	<b>66,590</b>

CLUB / COURSE FUNCTIONS

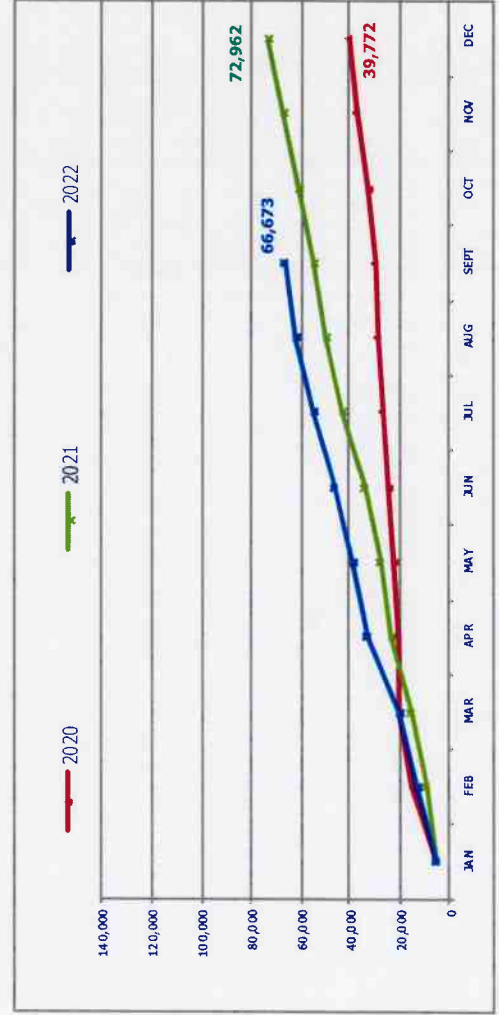
	FY 2023 YTD	FY 2022 YTD
GROUPS 20-59	37,614	28,032
TOURNAMENT PLAY	119,562	60,881
LEAGUES	37,864	39,297
FOOD AND ROOM FEES	130,413	84,897

# AIRPORT REPORT PERIOD ENDING SEPTEMBER 2022



<b>REVENUE PARKING</b>	\$17,752
	455 Transactions @ \$39.01
<b>FUEL FLOWAGE FEES</b>	\$56,151.22
Total Gallons	1,123,024.4
CRAF and DOD	69%
Commercial	12%
General Aviation	19%

<b>ENPLANEMENTS</b>	2022
Scheduled Enplanements	2,503
Chartered Enplanements	2,178
<b>Total Enplanements</b>	<b>4,681</b>
<b>2022 Enplanements YTD</b>	<b>66,673</b>



- Break Bulk Technical Stops
  - Airbus Beluga
  - Antonov Airways
  - Silk Way
- Allegiant
  - Hurricane Ian Impact
- CBP
  - Denying After Hours Access at PSM

## Memorandum

**To:** John Meehan, Lead Airport Operations Specialist *JM*

**From:** Sandy McDonough, Airport Community Liaison *SM*

**Date:** 10/11/2022

**Subj:** Noise Report for September, 2022

---

The Portsmouth International Airport at Pease received one noise complaint in September, 2022, when Runway 34 was in use.

- On September 23, 2022, a noise complaint was submitted by a resident of Rye, New Hampshire concerning two based aircraft flying into Portsmouth International Airport between 12:00 AM and 4:00 AM. The caller tracked the two PC12 aircraft flights and included their altitudes. The caller was not concerned about the altitudes of the two aircraft just nighttime flying in general. Both aircraft were flying within the traffic pattern altitudes published in the Airport Facilities Directory.



## MOTION

Director Parker:

The Pease Development Authority (“PDA”) Board of Directors approves of and authorizes the Executive Director to expend funds in the amount of \$236.00 for legal services rendered to the Pease Development Authority from Anderson Kreiger as outside counsel for Federal Regulatory Advice from August 1, 2022 through August 31, 2022.

# ANDERSON KREIGER

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

September 16, 2022

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

Reference # 143812 / 1047-4136

In Reference To: Federal Regulatory Advice

## Professional Services

Hours      Amount

### Attorney/Paralegal Summary

Name	Hours	Rate	Amount
David S. Mackey	1.30	590.00	767.00

## Payments

08/30/2022      Payment      CK#036147

7,173.00

Sub-total Payments: \$7,173.00

Total Current Billing: \$767.00

Previous Balance Due: (\$531.00)

Total Now Due: \$236.00


## MOTION

Director Ferrini:

The Pease Development Authority ("PDA") Board of Directors hereby authorizes the Executive Director to enter into an agreement with the Northeast Chapter of AAAE to be the host airport of its 2024 Annual Conference on a date yet to be determined in 2024 and to be the premier sponsor for a fee up to \$60,000; all in accordance with the memorandum from Paul E. Brean, Executive Director, dated October 5, 2022, attached hereto.

# Memo

**To:** Board of Directors

**From:** Paul E. Brean, Executive Director 

**Date:** 10/5/22

**Re:** NCE/AAAE 2024 Annual Conference

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The Northeast Chapter of the American Association of Airport Executives (NEC/AAAE) serves to support and develop leaders in the aviation industry through education and the creation of networking and professional development opportunities that bring added value to members within an environment of integrity and camaraderie. Pease Development Authority has been a longtime member of the Chapter and I currently serve on the Chapter's Executive Committee as a member of the Board of Directors.

Several members of our Airport Staff participate on a variety of Chapter committees involving regulatory compliance, environmental initiatives, and airport development. Additionally our airport personnel participate in Chapter sponsored training and accreditation programs focused on airport administration, aviation security, and airfield maintenance.

The Chapter has invited Portsmouth International Airport to host the 2024 NEC/AAAE 65th Annual Conference in Portsmouth, NH. Historically, this is a three day conference in early August with an itinerary focusing on current and proposed aviation policy, environmental and sustainable initiatives, and a review of specific aviation projects within the Northeast. Approximately 350 attendees representing airports, airlines, regulatory agencies, and aviation companies will visit Portsmouth International Airport, the city of Portsmouth, and the greater seacoast area to collaborate as an industry.

There is a close partnership between the Chapter and host airport for the annual conference. The attached Sponsorship Agreement clearly outlines the respective roles and responsibilities of both the NEC and host airport. Most significant is a premier sponsor value ranging between \$35,000 - \$60,000 in the form of cash, conference registrations, or in-kind sponsorship. As a past conference committee member for several NEC events, I am confident PDA can offset a



significant portion of this expense through in-kind sponsorship. Remaining obligations under the sponsorship agreement would be funded in the FY25 airport marketing budget. I have no doubt this event would be a fantastic marketing event for Portsmouth International Airport and the entire seacoast area.

At the October 20, 2022, Pease Development Authority Board of Directors meeting, please authorize me to enter into a sponsorship agreement with Northeast Chapter NEC/AAAE and to allocate up to \$60,000 dollars in marketing funds to host the 2024 NEC/AAAE Annual Conference in Portsmouth, NH.



## NEC AAAE Annual Conference

### PRESIDENT

Melinda Montgomery, A.A.E.

### VICE PRESIDENT

Zachary Sundquist, A.A.E.

### TREASURER

Darren Large, A.A.E.

### SECRETARY

Derek Martin, MBA, A.A.E.

### PAST PRESIDENT

Carlton Braley Jr., A.A.E.

### BOARD OF DIRECTORS

David W. Jones, P.E., C.M.

Kurt Rodman, A.A.E.

David Staples, A.A.E.

Jason Terreri, IAP, A.A.E.

Paul Brean, C.M.

Chad Nixon

Stephen Williams

### AAAE NATIONAL DIRECTORS

Melinda Montgomery, A.A.E.

Scott McMahon, A.A.E.

### REGIONAL EXAMINER

Marshall Stevens, A.A.E.

## Roles and Responsibilities of NEC and Host Airport

The Northeast Chapter AAAE (NEC) closely collaborates with the host airport for its annual conference. Outlined below are the respective roles and responsibilities of both the NEC and Host Airport.

### NEC Roles and Responsibilities

- NEC is the conference **underwriter**. The procurement and purchase of most goods and services is conducted by the NEC. These include but are not limited to hotel contracts, food & beverage orders, event/venue management, audio/visual, awards, transportation to events as required, signage and registration materials.
- NEC is the **conference manager**. Management includes but is not limited to planning, marketing, registration, printing, assembling materials, surveys, accounting, procurement, and purchasing. NEC also solicits and sells exhibitor space/booths and sponsorships.
- NEC develops the **conference agenda** including the keynote speaker as well as the Conference theme and tagline. The NEC'S Executive Committee largely develops the conference agenda. Input and coordination from the Host Airport is welcomed.

### Host Airport Roles and Responsibilities

- Host Airport will coordinate with NEC for the appearance of a Military Color Guard and National Anthem performance for the Opening Session.
- Host Airport may invite a public official (s) to welcome the delegates at the Opening Session.
- Host Airport will assist as necessary in securing key industry leaders as speakers for the General Sessions.
- Host Airport will provide airport staff to actively participate on the Conference Committee.
  - Committee should consist of the following sub committees
    - Presenters
    - Social Events
    - Volunteers
- Host Airport is encouraged to provide welcome signage at the airports [typically placed in baggage claim areas) to assist participants upon arrival to the airport.
- Host Airport will staff an exhibit booth to promote its facilities. The exhibit booth will be provided without charge by NEC.
- Host Airport will provide a tour of its airport(s) which will be included in the conference program.



**PRESIDENT**

Melinda Montgomery, A.A.E.

**VICE PRESIDENT**

Zachary Sundquist, A.A.E.

**TREASURER**

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Stephen Williams

**AAAE NATIONAL DIRECTORS**

Melinda Montgomery, A.A.E.

Scott McMahon, A.A.E.

**REGIONAL EXAMINER**

Marshall Stevens, A.A.E.

- Host Airport will provide airport staff to support NEC staff at specific areas and times throughout the conference for the purposes of delegate and exhibitor registration, directional assistance, airport tour, bus loading, etc.
- Host Airport is typically the premier sponsor at a value ranging between \$35,000 - \$60,000 in the form of cash, conference registrations or in-kind sponsorship, (or via a combination of these options).

I, \_\_\_\_\_ agree to the aforementioned stipulations.

Host

City: \_\_\_\_\_

Date: \_\_\_\_\_

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

## MOTION

Director Levesque:

In accordance with the provisions of Section 3.11 of the Second Amendment to By-Laws of the Pease Development Authority (“PDA”), the PDA Board of Directors hereby approves of and authorizes the Executive Director to create and fund, two full-time benefited positions: 1.) a PDA Director of Operations; and 2.) an Executive Administrative Assistant; all in accordance with the memorandum of Paul E. Brean, Executive Director, dated October 12, 2022 attached hereto.





55 International Drive Portsmouth NH 03801

## Memorandum

**To:** PDA Board of Directors  
**From:** Paul Brean, Executive Director *PB*  
**CC:** Tanya Coppeta, Human Resources  
**Date:** 10/12/2022  
**Subj:** New positions: PDA Director of Operations & Executive Administrative Assistant

---

Over recent years, the Pease Development Authority (“PDA”) has undergone some significant changes with the retirement of a number of long-standing employees. One of my objectives since assuming the role of Executive Director in 2020 has been to examine the PDA organizational chart and identify areas where the organization can be strengthened in order to better meet the goals and objectives of the PDA Board. Throughout 2022, I have worked closely with Human Resources Manager Tanya Coppeta to examine staff positions and responsibilities. We have identified four existing positions where responsibilities will be shifted and job titles changed, as well as the need for two new positions. These situations are described in greater detail below. Creation of the two new positions requires the approval of the PDA Board of Directors.

### Four current position job description enhancements/title changes:

**Environmental Manager (formerly Environmental Coordinator):** This position will be tasked with increasing PDA’s involvement in sustainable initiatives, overseeing compliance issues, and educating staff regarding environmental issues.

**Director of Aviation Planning and Compliance (Formerly Planning and Compliance Manager):** With recent changes in PDA’s Engineering Department, an individual with PDA and airport institutional knowledge to liaise with NHANG and the FAA is needed in our Engineering Department as our new Engineering Director transitions to his new position. The Director of Aviation Planning and Compliance will assume this responsibility, as well as oversee certain airport related contracts and agreements currently housed in Engineering.

**Purchasing Agent/AP Clerk (Formerly Receptionist/AP Clerk):** In order to streamline and bring consistency to PDA’s purchasing operations, our current Receptionist/AP Clerk position will transition to a role combining Purchasing Agent/AP duties. We anticipate hiring a part time employee as our new receptionist.

**Airport Operations Manager (Formerly Manager of Airport Administration):** As explained in further detail below, I am seeking approval for the creation of the position of PDA Director of Operations. In anticipation of the creation of this new position with oversight over the entirety of PDA operations, the

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○○○○ TAKING YOU THERE

Phone: 603.433.6088 Fax: 603.427.0433 www.peasedev.org



55 International Drive Portsmouth NH 03801

Manager of Airport Administration position will be transitioned to an Airport Operations Manager, who will be responsible for oversight of all daily operations at Portsmouth International Airport.

**Two new full-time, benefitted positions:**

**Pease Development Authority Director of Operations:** This new position will assume responsibility for oversight of day-to-day operations issues for the PDA. This position will work closely with the Executive Director across all units of the PDA.

**Executive Administrative Assistant:** This new position will oversee PDA's administrative functions, as well as create, implement, and disseminate standards for PDA documents. This position will hold regular meetings with PDA administrative staff to address administrative issues or questions.

At this time, all job duty realignments, title changes, and new FT, benefitted positions have been funded in the PDA FY 2023 budget. Detailed job descriptions will be prepared for all positions.

At the October 20, 2022, meeting of the Board, please authorize the addition of the two full-time benefitted positions of PDA Director of Operations and Executive Administrative Assistant.

Thank you for your consideration and support.



*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, JUNE 14, 2022 6:00 PM**

**PRESENT:** Roger Groux, Chair  
Brad Cook, Vice-Chair  
Erik Anderson  
Mike Donahue  
Chris Holt  
Geno Marconi, Director, PDA-DPH  
Grant Nichols, Assistant Port Director

1. CALL TO ORDER

The meeting was called to order at 6:00 PM

2. APPROVE MINUTES

Erik made a motion to accept the May 11, 2022 minutes, Brad seconded, no further discussion, the council voted and the motion carried.

3. FINANCE REPORT

The Division is running in the black. The main pier (Market St.) is not open due to the rehabilitation project, there should be no loss of income due to the closure. Although construction will still be ongoing, the pier will be open again in October for salt ships.

4. PISCATAQUA RIVER VESSEL TRANSIT REPORT

The May report was presented. Chris reported that it was a slow month, other ports (Portland, Boston, and Penobscot Bay) seem to be slow as well.

5. DIRECTOR'S REPORT

Marconi reported and presented materials from the May 21, 2022 PDA Board Meeting which included the following items:

• **Reports**

- Commercial Mooring for Hire, Great Bay Yacht Club
- Rye Harbor Informational Summary
- Rye Fuel System, Sump purchase
- Commercial Mooring Transfer, Kimball to Kimball

• **Approvals**

- Army Corp of Engineers, use of facility for Hampton Jetty project
- Appledore Marine, 6 month contract extension
- Right of Entry, 381 Constructions
- BUILD mitigation efforts, ARM fund payment

Geno passed around photos of repairs made to the Hampton docks, which are now completed, the completed paving and painting of the driveway in Rye, an aerial view of

the Portsmouth Fish Pier (also completed), and lastly an aerial photo of the Market St. Marine Terminal main pier showing the beginning of the construction efforts (BUILD Grant).

6. NEW BUSINESS

The PDA Board will be presented with a request (in packet) to create a new position of Assistant Director of the Division of the Ports and Harbors (APD) at their June 15<sup>th</sup> meeting (tomorrow). After discussion, which included the importance of the Port's role in the Navy Yard projects and the increased activity at the Divisions facilities, Bill made a motion to strongly support the addition of an APD. Chris H. seconded. A vote was taken, all were in favor, with one member (Erik Anderson) abstaining from the vote, citing that he will vote at the PDA meeting tomorrow.

Geno spoke on the Master Plan for the Rye Harbor Marine Facility, proposed by the PDA Board, and provided a copy of the Statute, RSA 12-G:43, which outlines the purpose of the Division. The Council will likely be asked to submit their recommendations for guidelines for the Master Plan at some point and asked the Council to review this RSA as a reminder.

7. OLD BUSINESS

The earliest fuel could be available at Great Bay Marine is July 15<sup>th</sup>.

8. COMMITTEE REPORTS

- Business Development/FTZ- Discussion surrounded Off Shore Wind and Mike reported that the 3 state consortium was reconvened by BOEM, and the first meeting was done by ZOOM. Things are moving along quickly, despite the unknowns. As of May 19<sup>th</sup> the leases will be out by the end of 2024. Prior to that they will act on Maine's request for a research array, which will be of significant size. BOEM has a mandate to get the units out there. Massachusetts has identified Salem and Massport as facilities that could accommodate the large cargo needs for Offshore Wind. Salem is currently being developed toward that end. Two NH bills passed recently to help keep the efforts moving, 1 outlines the criteria to participate in purchasing, and the second allows coastal zone management to participate under federal authority outside of the 3 mile limit. Maine has identified Searsport as a location to support the offshore wind industry. Federal stakeholders have significant concerns. Further discussion included talks on the purchase agreements, the federal money that Maine received, and the availability of leasing areas. There is a 45 day comment period for any areas being considered for offshore wind leases. The Coast Guard went on record with concerns about Maine's proposal. The Coast Guards Port Access Study is in the works, keep an eye out for more information. Roger reported that Senator Watters is planning to set up an Offshore Wind Summit in the Portsmouth area, which will include a tour of the river, in September. The offshore wind local group meeting will be held July 11<sup>th</sup>.
- Dredging-Chris reported that there is a rock on the line of the Turning Basin dredge area. The ACOE has not signed off on the Turning Basin project yet and



so the ships are still being turned in the original turning basin. No new information for dredging the simplex shoal or Hampton.

- Fisheries- Considering all the people that will be impacted by the offshore wind, it was a disappointing turnout from the fishing community at the Offshore Wind meeting. Commercial operators are starting to get set up, but costs are up on everything, and some locals are trying to catch bait locally to help with costs. Supply chain issues are impacting availability for boat parts (such as filters & lube oil).
- Government-The Round Island Regatta is Aug 27<sup>th</sup> from noon to 4 pm. Geno mentioned the Division is meeting with City Manager and her group about parking for the tall ship event, which is being held Aug 11-14<sup>th</sup>. The meeting is next Wed at 2:45 PM.
- Moorings- There is an administrative appeal hearing next week for someone who lost his mooring during this last renewal period.
- Recreational Piers-Brad reported the Division facilities are up and running. Weather & price of fuel has negativity impacted the recreational activity. The 6-pack charter vessels cost about \$1000 for a full day trip. The advance bookings are down and it appears both the large (whale watches, harbor cruises) and small operators are consolidating trips in an effort to take less trips out to save on expenses.

9. PUBLIC COMMENT

Peter Welch (Newington) asked about the New Castle Bridge replacement project, Geno will reach out to NH DOT. Roger reported that the letter regarding the water line under the General Sullivan Bridge. Sylvia Cheever (Rye Harbor Lobster Pound) was in attendance and asked with the new driveway configuration in Rye will any flex parking be available in Rye. Geno reported that the flex parking moved inside the guardrail in the staff parking section. Each shack will have 1 spot (but not assigned a specific spot). If the shacks spot is taken, the customers will be directed to the paid parking area. Efforts will be made to accommodate any customers that want to visit the harbor short term seeking information etc. Erik commended Del Record for all the hard work on cleaning up the Commercial side of Rye Harbor.

10. PRESS QUESTIONS

There were no members of the press present.

11. ADJOURNMENT

Prior to adjournment Roger reminded the Council that there are no meetings in July or August. Chris H. made a motion to adjourn and Erik seconded. The meeting adjourned at 7:20 PM.



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, SEPTEMBER 14, 2022 6:00 PM**

PRESENT: Roger Groux, Chair  
Brad Cook, Vice-Chair  
Erik Anderson  
Mike Donahue  
Chris Holt  
Bill McQuillen  
Chris Snow  
Geno Marconi, Director, PDA-DPH  
Grant Nichols, Assistant Port Director

1. CALL TO ORDER  
The meeting was called to order at 6:00 PM
2. APPROVE MINUTES  
Bill made a motion to accept the June 15, 2022 minutes, Chris H. seconded, no further discussion, all members were in favor and the motion passed.
3. FINANCE REPORT  
There were no questions on the finance report, Bill made a motion to accept the report into the record. Chris H. seconded. All were in favor and the motion passed.
4. PISCATAQUA RIVER VESSEL TRANSIT REPORT  
The June, July and August reports were presented. Traffic has been moderate for the summer. Dec, Jan, Feb, March will be fairly busy. Discussion included the 3 coal barges with about 17,000 tons each to the Schiller Station, the coal is being trucked to Bow, NH.
5. DIRECTOR'S REPORT  
Marconi reported on items from the June and August 2022 PDA Board Meeting which included the following items:
  - From the PDA Board Meeting, June 16, 2022
    - Reports
      - Commercial Mooring Transfers & Commercial Moorings for Hire
      - Andy Widen, Charter Right of Entry, Rye Harbor
      - Portsmouth Fish Pier, Change order 10, \$9,915.86
      - Harbormaster position, Rye Harbor, Judy Dubois retired from full-time work, the Division hired Mandy Huff to take her place. Judy is working with Mandy and training her on the administrative duties. Additionally, there is a new harbormaster in Hampton, Don Barnard left and Chris Devine filled that position.
      - Rye Police Detail Report

- Approvals
  - Right of Entry, Rye Harbor, Independent Boat Haulers
  - Morton Salt, request for deferred payment
  - Assistant Port Director position-Grant Nichols
- From the PDA Board Meeting, August 18, 2022
  - Reports
    - Commercial Mooring Transfers & Commercial Moorings for Hire
    - Portsmouth Fish Pier, Change order 10, additional items, \$2,513.00
    - Hampton Water Line repairs
    - Right of Entry, Swell Oyster, Farm Tours
  - Approvals
    - Right of Entry, XI Northeast Fisheries, Portsmouth Fish Pier
    - Hampton floats, Change Order 1, Riverside & Pickering-original estimate, ARPA funds award \$560,000. Phase I, replace commercial floating docks and concrete dock. Phase II, replace remaining floats which will be installed in the spring of 2023.
    - Functional Replacement, Amendment 1, Marine Engineering
    - Delegation of Authority, BUILD Project Construction Change Orders
    - Riverside & Pickering Marine Contractors-2 projects
      - Portsmouth Fish Pier, Fender Pile replacement (6)
      - Burge Wharf-Guide Pile re-set

Prior to the proceeding, Roger recognized Bill McQuillen on his promotion to City of Portsmouth Fire Chief.

6. NEW BUSINESS

A presentation on Offshore Wind was given by Grant Nichols and Tom Reis, the 2 had just attended a 2 day seminar called FLOTE in Portland, ME. The detailed presentation lasted about an hour. Discussion included the role the Port of NH will play, the “Request for Interest” that BOEM has introduced (deadline Oct 3<sup>rd</sup>), the NH Task Force, timelines, Jones Act requirements, floating turbines vs. fixed turbines, leases of OSW areas, impacts on the job market, and all of the infrastructure that goes along with the OSW industry (ex: availability of land). Tom described the size of the units which are the size of 2 soccer fields and will not fit underneath the bridges once assembled. The units are assembled in sections on land, constructed on a platform then floated out to the location for placement and anchoring. Pier facilities require 6000 psi at a minimum for assembly purposes. Miles and miles of high voltage DC cables will be needed to support each turbine. A factory in SC is currently being built to provide cable. Supply chain and material shortages will be epic, both on the east and west coast. China put in 14GW of wind turbine power last year. The NH Port could be a place used to support Operation and Maintenance once the turbines are installed as this will be a permanent maritime job to maintain these units. The Port could also be used as a “tie in point”. The insurance process and funding mechanisms are tragically undefined at this point. Cost of the units need to be brought down, there is about a 20 year life cycle on the units. There is a pilot program that Maine is doing but it appears that things will not happen quickly, especially regarding permitting. Input sessions are being held. A



cooperative approach will be needed across the states to be successful. Service work is done by smaller boats, about 60' and less than 100 tons. A graphic was shown on the big screen to show the area in the Gulf of Maine that is proposed for the wind farm. There is an epic amount of raw materials that go into each unit as well. Further discussion included US oil use and US oil reserves (running low), and Hydropower. Bottom line, it seems the push now should be to get electricity working and address the challenge of replacing the US dependency on oil. Tom also recommended a book called *Arctic Blue Deserts*, which talks about Hydropower, for anyone interested in this type of power. The Port should try to focus on figuring out a collaboration with the State of Maine for the long term work that will be required in the future. Erik passed out a letter from the NH Commercial Fisherman's industry which will be submitted to BOEM in response to their RFI. Tom indicated that the BOEM group is relatively small, and seem to be open to comment and working very hard on the OSW efforts.

Geno discussed the Main Pier Rehab project and showed some drone photos of the work being done. Pending a few more tests, the contractor is hoping to pour concrete deck before the end of September to allow it plenty of time to set up before winter. Discussion centered mainly on the installation of the pilings. Mike asked about the Functional Replacement Project, and more specifically the fee increase from the August board package. The increase is mainly due to delays in the project, but also includes construction services, which is the bulk of the additional fee. Discussion on the maintenance dredge on the face of the pier, which is separate from the FR dredging.

Grant presented a power point and indicated he will be spearheading the "Study Committee for the future of Rye Harbor" and discussed the plan and timeline. It is in the very early stages still but the plan will include reviewing every aspect of the business in Rye, revenues, expenses, right of entries, moorings, parking, boat storage, pier use permits, and immediate needs that need to be addressed, such as the rip-rap, floats, and boat launch ramp. Grant will gather facts and information and eventually compile a report to present to the PDA Board. Grant will be reaching out to the Port Council, and the Port Committee folks. The parking study that was completed will be included in the report. Also taking into consideration potential climate change impact and future sea level rise. Roger mentioned the NOAA website which has an interactive tool to estimate sea level rise by area. Brad asked if Grant will go back to determine how the facility was built in the first place, as this will be important information environmentally wise. Other discussion included if any changes would impact the Hampton facility, which remains to be seen, and availability of ARPA Funding. Any ARPA funding received would be used immediately towards efforts to protect and improve the existing infrastructure, rip rap, fuel systems, floats and the boat ramp.

Roger reported on a meeting that he and Tracy Shattuck attended on Monday regarding boat registrations and how the fees are dispersed throughout the State agencies and municipalities. Meetings will continue but most likely no changes will be made for this renewal period. It came up in the meeting that some towns are collecting boat registration fees and it is being deposited into their general funds rather than being used for water related programs.

## 7. OLD BUSINESS



There have been no public hearing posted for the New Castle/Rye Bridge replacement, if it doesn't happen this Friday it will be in a couple weeks. Roger reminded the Council of the DOT Navigational Impact Report which was previously sent out to the Council.

8. COMMITTEE REPORTS

- Business Development/FTZ- Reiterated that the Port can play a role in supporting OSW in the Operation & Maintenance sector.
- Dredging- The 34.5' rock is still there, when Simplex Shoal area gets dredged, it should be removed at that time. There is no official sign off from the ACOE on the Turning Basin up the river, Chris was told that it's done and there would be no approval or disapproval. Chris added that the high spot (rock) shouldn't pose a problem since the ships do not go down that deep. Geno added he saw an ACOE survey vessel coming up the river today. Not sure why as the Port was not notified.
- Fisheries-Erik commented on the OSW and the fisheries industry has taken the time to attend public hearings with BOEM. 3 more hearings, one tomorrow in Hampton, one on the 20<sup>th</sup> by DES and one on the 22<sup>nd</sup>. He passed out the letter he spoke of earlier. Any public comments must be validated with data and are due by Oct 3rd. A federal court decision was made last Friday will require additional protections for Right Whales. These new regulations will destroy the lobster fishery in New England. One regulation allows no buoy line fishing in closed areas, but that would be like driving a car with square wheels. Discussion on the adjustment on the coastal zone (for OSW areas only), and now NH can comment on regulations that apply in federal waters (25 miles out) rather than only state waters (3 miles out). The main concern for the fisheries is the high voltage transmission lines as there is no information on the impact of those lines to the fisheries.
- Government-Bill spoke about Prescott Park and Peirce Island area and the impact projected sea level rise may have for future decisions on those locations.
- Moorings-Chris S. commented on the Bailey mooring appeal and complimented the Port on the service they provided to the customer. Chris shared the waitlist data from the Port website. The long wait time in some areas is unfortunate and hopes there is a way to shorten those wait times. Rye Harbor has a 24 year wait. Sagamore Creek has 30 folks waiting for moorings, this could be improved or made worse based on what decision is made on the Rt. 1B bascule bridge.
- PDA Liaison-There is a Port Committee meeting scheduled for Oct 6<sup>th</sup>.
- Recreational Piers-Brad reported that the recreational folks had a better year than anticipated, the gross sales were good but the fuel costs did ,

9. PUBLIC COMMENT

No public comment.

10. PRESS QUESTIONS

There were no members of the press present.

11. ADJOURNMENT

Erik made a motion to adjourn the meeting, Chris S. seconded. The meeting adjourned at 8:05 PM.

Date: October 7, 2022  
To: Pease Development Authority (PDA) Board of Directors  
From: Geno Marconi, Division Director *GM for GM*  
Subject: Report: Portsmouth Fish Pier, Borings & Samplings, Fuel System

When the seawall at the Portsmouth Fish Pier failed in 2019, it was imperative that due to the close proximity of the fuel dispensing system to the failed wall, the fuel system be shut down, purged, and secured. The Division contacted Lakes Region Environmental (LRE), the Company that services the Division's fuel systems, with a request to close the system and secure it, which they did.

The construction project to repair the seawall was completed in June of 2022. However, when the Division and the general contractor, HL Patten Construction Inc. ("Patten") were getting ready to close the project, NHDES notified both entities that the formal "closure" of the old fuel system was not completed properly and required reports were not filed. This closure procedure would have included soil samples from the excavation area where the fuel transmission lines were located. NHDES informed the Division that soil samples are required. Please note that during the installation of the replacement lines, NHDES was on site conducting inspections.

The Division contacted Patten for a proposal to do boring samples and testing in accordance with NHDES Regulations. The original proposal (attached), through Patten's subcontractor, GZA Engineering, was to do 15 borings (with lab samples for each) at a projected cost of \$15,200. Since that original proposal, NHDES informed the Division that additional samples at a greater depth would be necessary. However, there was some debate over the scope of that additional work of collecting the samples and the additional cost of lab testing. Once those issues were resolved, GZA provided a revised quote of \$19,300 to perform the required sampling.

On September 19, 2022, the Division met with NHDES Assistant Commissioner Mark Sanborn at the Fish Pier to discuss the additional lab sampling. The Division was informed that because the area of excavation and back fill now has co-mingled soils, the regulations require the additional lab sampling of the deeper samples which were not excavated and therefore not co-mingled with fill brought in from the gravel pit. The additional cost of the lab testing for the 15 deeper samples is \$3,795, increasing the total cost of drilling, sampling, and testing to \$23,095.

Through the Delegation of Authority for the Project, the Division requested and received authorization from PDA Treasurer Tom Ferrini, and PDA Executive Director Paul Brean to proceed with the soil sampling and expend funds from the Portsmouth Fish Pier appropriation in an amount of \$23,095, which has an unencumbered balance of \$177,278, to cover the cost.



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F: 603.624.9463  
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## Via Email

August 24, 2022  
File No. 09.P000078.23

Bruce Anderson  
H.L. Patten, Inc.  
4 Shapleigh Rd  
Kittery, ME 03904

Re: Proposal for Soil Sampling and Piping Closure  
Commercial Fish Pier  
Portsmouth, New Hampshire

Dear Mr. Anderson:

As requested, GZA GeoEnvironmental, Inc. (GZA) has prepared this Proposal for H.L. Patten, Inc. to provide soil characterization services related to historical piping removal at the Commercial Fish Pier, located on Pierce Island in Portsmouth, New Hampshire (Site). Based on the information provided to GZA, we understand that as part of reconstruction of the Commercial Fish Pier, approximately 150 feet of marine fuel piping was removed between the building and retaining wall. We further understand that New Hampshire Department of Environmental Services (NHDES) is requiring the Site owner to submit closure documentation for the previously removed piping that includes soil samples collected approximately every 10 feet along the historical piping run.

The objective of GZA's services will be to assist H.L. Patten with soil sample collection and analysis, characterization, and preparing documentation to support Permanent Closure of Underground Storage Tank (UST) Piping for NHDES in accordance with Env-Or 408.06.

### SCOPE OF SERVICES

GZA's Scope of Services includes:

- Preparation of a soil sampling plan for review by H.L. Patten;
- Collection and laboratory analysis of soil samples along and at the depth of the historical piping; and
- Preparation of piping closure documentation for submittal to NHDES.

Based on NHDES's recommended sampling frequency (*i.e.*, one sample per 10 linear feet of piping), we anticipate that 15 soil samples would be required to satisfy the NHDES requirements.

In addition to meeting the DigSafe utility clearance requirements, GZA will pre-clear the soil boring locations using ground penetrating radar (GPR) and then collect the soil



samples using direct push methodologies. Soil samples will be collected for laboratory analysis at the depth of the historical piping. Soil sampling procedures will consist of 5 discrete grab samples from each location that will be composited consistent with guidance included in Env-Or 408.08, as applicable to the Site conditions and based on our discussions with NHDES.

Based on the NHDES's requirements, laboratory analyses will include total petroleum hydrocarbons (TPH) by EPA Method 8100 (level 2 fingerprint analysis) and VOCs by EPA Method 624, and the estimated cost of the laboratory analyses included in this list is \$253 per sample (\$3,795 for the fifteen samples).

Following review of the analytical laboratory data and if the data support a request for closure, GZA will prepare the piping closure documentation specified in Env-Or 408. GZA will provide H.L. Patten, Inc. with a draft of the documentation for review prior to finalization and submittal to NHDES. We have included up to 8 hours of coordination time with NHDES since the piping removal was completed without required documentation or sampling, and therefore NHDES may require a modified submittal. If contamination is detected at concentrations that do not support closure, GZA will discuss strategies with you that may include supplemental sampling and targeted soil removal or treatment.

#### **ASSUMPTIONS**

GZA's Scope of Services and budget estimate for the project includes the assumptions noted in the Scope of Services and the following.

- There are no utilities other than those shown on the as-built plan dated February 16, 2022 and the area is accessible using a track-mounted direct push rig.
- Soil samples can be collected during one 8-hour day on-Site.
- Analysis of 15 composite samples for the parameters listed in the Scope of Services.

#### **SCHEDULE**

The intent of the schedule is to begin coordination with NHDES within one week of your authorization to proceed and complete the soil sampling at the GPR and direct push contractors' first availability (currently late October). GZA will provide draft piping closure documentation within two week following receipt of the final laboratory report from the laboratory.

#### **BASIS OF BILLINGS**

Billings for GZA professional services will be based on actual accrued time and expenses, in accordance with the attached Schedule of Fees. GZA's estimated cost to complete the Scope of Services outlined above is \$15,200.

This estimate is based on the anticipated Scope of Services described above, which represents our present judgment as to the level of effort required. Actual charges may vary, either upward or downward, depending upon the execution of the work. All services will be charged as incurred on a monthly basis.

#### **CONDITIONS OF ENGAGEMENT**

GZA will complete this project in accordance with the terms set forth in the attached Terms and Conditions for Professional Services and Schedule of Fees.





**ACCEPTANCE**

***This proposal may be accepted by signing in the appropriate spaces below and returning one complete copy (with attachment) to us.*** The executed agreement must be received prior to the initiation of the services described above. This Proposal for Services and the attached Terms and Conditions for Professional Services and Schedule of Fees constitute the entire agreement between the parties.

GZA greatly appreciates the opportunity to be of continued service to Dartmouth EHS on this important project. If you have any questions, please call Katherine McDonald at 207-229-7562.

Very truly yours,

GZA GEOENVIRONMENTAL, INC.

Katherine (Kate) McDonald  
Senior Project Manager

James M. Wieck, P.G  
Consultant/Reviewer

  
Steven R. Lamb, P.G., C.G.W.P.  
Principal

KHM/SRL/JMW

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Cc:

Attachments: Terms and Conditions for Professional Services, Schedule of Fees

This proposal for services, the attached Terms and Conditions for Professional Services, and Schedule of Fees are hereby accepted and executed by a duly authorized signatory, who by execution hereof warrants that he/she has full authority to act for, in the name of, and on behalf of H.L. Patten Inc.

**H.L. PATTEN, INC.**

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

Typed Name: \_\_\_\_\_ Date: \_\_\_\_\_

Billing Address (if different from above): \_\_\_\_\_



## TERMS AND CONDITIONS FOR PROFESSIONAL SERVICES

© 2016 by GZA GeoEnvironmental, Inc.



Client ("You"): H.L. Patten, Inc.

Proposal No: 09.P000078.23

Site: Commercial Fish Pier, Portsmouth, NH

These Terms and Conditions, together with GZA's Proposal, make up the Agreement between GZA and you, Client, named above.

**BEFORE SIGNING THE PROPOSAL, BE SURE YOU READ AND UNDERSTAND THE PARAGRAPHS ENTITLED "INDEMNIFICATION" AND "LIMITATION OF REMEDIES" WHICH DEAL WITH THE ALLOCATION OF RISK BETWEEN YOU AND GZA.**

**1. Services.** GZA will perform the services set forth in its Proposal and any amendments or change orders authorized by you. Any request or direction from you that would require extra work or additional time for performance or would result in an increase in GZA's costs will be the subject of a negotiated amendment or change order.

**2. Standard of Care.** GZA will perform the services with the degree of skill and care ordinarily exercised by qualified professionals performing the same type of services at the same time under similar conditions in the same or similar locality. **NO WARRANTY, EXPRESS OR IMPLIED, INCLUDING WARRANTY OF MARKETABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IS MADE OR INTENDED BY GZA'S PROPOSAL OR BY ANY OF GZA'S ORAL OR WRITTEN REPORTS.**

**3. Payment.**

- a. Except as otherwise stated in the Proposal, you will compensate GZA for the services at the rates set forth in the applicable Proposal, amendment or change order; reimburse its expenses, which will include a communication fee calculated as a percentage of labor invoiced; and pay any sales or similar taxes thereon.
- b. Any retainer specified in GZA's Proposal shall be due prior to the start of services and will be applied to the final invoice for services.
- c. GZA will submit invoices periodically, and payment will be due within 20 days from invoice date. Overdue payments will bear interest at 1½ percent per month or, if lower, the maximum lawful rate. GZA may terminate its services upon 10 days' written notice anytime your payment is overdue on this or any other project and you will pay for all services through termination, plus termination costs. You will reimburse GZA's costs of collecting overdue invoices, including reasonable attorneys' fees.

**4. Your Responsibilities.**

- a. Except as otherwise agreed, you will secure the approvals, permits, licenses and consents necessary for performance of the services. If you are the owner or operator of the Site, you will provide GZA with all documents, plans, information concerning underground structures (including but not limited to utilities, conduits, pipes, and tanks), information related to hazardous materials or other environmental or geotechnical conditions at the site and other information that may be pertinent to the services or, if you are not the owner or operator of the Site, you agree to make reasonable efforts to obtain these same documents and provide them to GZA. Unless otherwise indicated in writing, GZA will be entitled to rely on documents and information you provide.
- b. If you use the services of a construction contractor at the Site, you agree to use best and reasonable efforts to include in your agreement(s) with the construction contractor provisions obligating the latter:
  - (i) to indemnify, defend and hold harmless, to the fullest extent permitted by law, you and GZA, its officers, employees and principals, for or on account of any claims, liabilities, costs and expenses, including attorneys' fees, arising out of or relating to the design or implementation of construction means, methods, procedures, techniques, and sequences of construction, including safety precautions or programs, of the contractor, or any of its subcontractors or any engineer engaged by it;
  - (ii) to name you and GZA as additional insureds under general liability and builder's risk insurance coverages maintained by the contractor, or any of its subcontractors; and
  - (iii) to require that all of its subcontractors agree and be bound to the obligations set forth in (i) and (ii) above.
- c. In the event that you are unable to secure such provisions in the agreement(s) with the construction contractor, you shall promptly notify GZA and GZA shall have the opportunity to negotiate with you reasonable substitute risk allocation and insurance indemnities and protections.

**5. Right of Entry.** You grant GZA and its subcontractor(s) permission to enter the site to perform the services. If you do not own the site, you represent and warrant that the owner has granted permission for GZA to enter the site and perform the services; you will provide reasonable verification on request; and you will indemnify GZA for any claims by the site owner related to alleged trespass by GZA or its subcontractors.



**6. Reliance.** The services, information, and other data furnished by you shall be at your expense, and GZA may rely upon all information and data that you furnish, including the accuracy and completeness thereof. You acknowledge that the quality of the services provided by GZA is directly related to the accuracy and completeness of the information and data that you furnish to GZA. **GZA'S REPORTS ARE PREPARED FOR AND MADE AVAILABLE FOR YOUR SOLE USE. YOU ACKNOWLEDGE AND AGREE THAT USE OF OR RELIANCE UPON THE REPORT OR THE FINDINGS IN THE REPORT BY ANY OTHER PARTY, OR FOR ANY OTHER PROJECT OR PURPOSE, SHALL BE AT YOUR OR SUCH OTHER PARTY'S SOLE RISK AND WITHOUT ANY LIABILITY TO GZA.**

**7. GZA Professionals.** GZA employees or consultants may act as licensed, certified or registered professionals (including but not limited to Professional Engineers, Licensed Site or Environmental Professionals, or Certified Industrial Hygienists, collectively referred to in this section as "GZA Professionals") whose duties may include the rendering of independent professional opinions. You acknowledge that a federal, state or local agency or other third party may audit the services of GZA or other contractor/consultant(s), which audit may require additional services, even though GZA and such GZA Professionals have each performed such services in accordance with the standard of care set forth herein. You agree to compensate GZA for all services performed in response to such an audit, or to meet additional requirements resulting from such an audit, at the rates set forth in the applicable Proposal, amendment or change order.

**8. Hazardous Materials; GZA "Not a Generator".** Before any hazardous or contaminated materials are removed from the site, you will sign manifests naming you as the generator of the waste (or, if you are not the generator, you will arrange for the generator to sign). You will select the treatment or disposal facility to which any waste is taken. GZA will not be the generator or owner of, nor will it possess, take title to, or assume legal liability for any hazardous or contaminated materials at or removed from the site. GZA will not have responsibility for or control of the site or of operations or activities at the site other than its own. GZA will not undertake, arrange for or control the handling, treatment, storage, removal, shipment, transportation or disposal of any hazardous or contaminated materials at or removed from the site, other than any laboratory samples it collects or tests. You agree to defend, indemnify and hold GZA harmless for any costs or liability incurred by GZA in defense of or in payment for any legal actions in which it is alleged that GZA is the owner, generator, treater, storer or disposer of hazardous waste.

**9. Limits on GZA's Responsibility.** GZA will not be responsible for the acts or omissions of contractors or others at the site, except for its own subcontractors and employees. GZA will not supervise, direct or assume control over or the authority to stop any contractor's work, nor shall GZA's professional activities or the presence of GZA or its employees and subcontractors be construed to imply that GZA has authority over or responsibility for the means, methods, techniques, sequences or procedures of construction, for work site health or safety precautions or programs, or for any failure of contractors to comply with contracts, plans, specifications or laws. Any opinions by GZA of probable costs of labor, materials, equipment or services to be furnished by others are strictly estimates and are not a guarantee that actual costs will be consistent with the estimates.

**10. Changed Conditions.**

- a. You recognize the uncertainties relating to the furnishing of professional services, which often require a phased or exploratory approach, with the need for additional services becoming apparent during the initial services. You also recognize that actual conditions encountered may vary significantly from those anticipated, that laws and regulations are subject to change, and that the requirements of regulatory authorities are often unpredictable.
- b. If changed or unanticipated conditions or delays make additional services necessary or result in additional costs or time for performance, GZA will notify you and the parties will negotiate appropriate changes to the scope of services, compensation and schedule.
- c. If no agreement can be reached, GZA will be entitled to terminate its services and to be equitably compensated for the services already performed. GZA will not be responsible for delays or failures to perform due to weather, labor disputes, intervention by or inability to get approvals from public authorities, acts or omissions on your part or any other causes beyond GZA's reasonable control, and you will compensate GZA for any resulting increase in its costs.

**11. Documents and Information.** All documents, data, calculations and work papers prepared or furnished by GZA are instruments of service and will remain GZA's property. Designs, reports, data and other work product delivered to you are for your use only, for the limited purposes disclosed to GZA. Any delayed use, use at another site, use on another project, or use by a third party will be at the user's sole risk, and without any liability to GZA. Any technology, methodology or technical information learned or developed by GZA will remain its property. Provided GZA is not in default under this Agreement, GZA's designs will not be used to complete this project by others, except by written agreement relating to use, liability and compensation.

**12. Electronic Media.** In accepting and utilizing any drawings, reports and data on any form of electronic media generated by GZA, you covenant and agree that all such electronic files are instruments of service of GZA, who shall be deemed the author, and shall retain all common law, statutory law and other rights, including copyrights. In the event of a conflict between the signed documents prepared by GZA and electronic files, the signed documents shall govern. You agree not to reuse these electronic files, in whole or in part, for any purpose or project other than the project that is the subject of this Agreement. Any transfer of these electronic files to others or reuse or modifications to such files by you without the prior written consent of GZA will be at the user's sole risk and without any liability to GZA.

**13. Confidentiality; Subpoenas.** Information about this Agreement and GZA's services and information you provide to GZA regarding your business and the site, other than information available to the public and information acquired from third parties, will be maintained in confidence and will not be disclosed to others without your consent, except as GZA reasonably believes is necessary: (a) to perform its services; (b) to comply with professional standards to protect public health, safety and the environment; and (c) to comply with laws and court orders. GZA will make reasonable efforts to give you prior notice of any disclosure under (b) or (c) above. You will reimburse GZA for responding to any subpoena or governmental inquiry or audit related to the services, at the rates set forth in the applicable Proposal, amendment or change order.

**14. Insurance.** During performance of the services, GZA will maintain workers compensation, commercial general liability, automobile liability, and professional liability insurance. GZA will furnish you certificates of such insurance on request.

**15. Indemnification.** You agree to hold harmless, indemnify, and defend GZA and its affiliates and subcontractors and their employees, officers, directors and agents (collectively referred to in this paragraph as "GZA") against all claims, suits, fines and penalties, including mandated cleanup costs and attorneys' fees and other costs of settlement and defense, which claims, suits, fines, penalties or costs arise out of or are related to this Agreement or the services, except to the extent they are caused by GZA's negligence or willful misconduct.

**16. Limitation of Remedies.**

- a. To the fullest extent permitted by law and notwithstanding anything else in this Agreement to the contrary, the aggregate liability of GZA and its affiliates and subcontractors and their employees, officers, directors and agents (collectively referred to in this paragraph as "GZA") for all claims arising out of this Agreement or the services is limited to \$50,000 or, if greater, 10% of the compensation received by GZA under this Agreement.
- b. You may elect to increase the limit of liability by paying an additional fee, such fee to be negotiated prior to the execution of this Agreement.
- c. Any claim will be deemed waived unless received by GZA within one year of substantial completion of the services.
- d. GZA will not be liable for lost profits, loss of use of property, delays, or other special, indirect, incidental, consequential, punitive, exemplary or multiple damages.
- e. GZA will not be liable to you or the site owner for injuries or deaths suffered by GZA's or its subcontractors' employees.
- f. You will look solely to GZA for your remedy for any claim arising out of or relating to this Agreement, including any claim arising out of or relating to alleged negligence or errors or omissions of any GZA principal, officer, employee or agent.

**17. Disputes.**

- a. All disputes between you and GZA shall be subject to non-binding mediation.
- b. Either party may demand mediation by serving a written notice stating the essential nature of the dispute, the amount of time or money claimed, and requiring that the matter be mediated within forty-five (45) days of service of notice.
- c. The mediation shall be administered by the American Arbitration Association in accordance with its most recent Construction Mediation Rules, or by such other person or organization as the parties may agree upon.
- d. No action or suit may be commenced unless mediation has occurred but did not resolve the dispute, or unless a statute of limitation period would expire if suit were not filed prior to such forty-five (45) days after service of notice.

**18. Miscellaneous.**

- a. Massachusetts law shall govern this Agreement.
- b. The above terms and conditions regarding Limitation of Remedies and Indemnification shall survive the completion of the services under this Agreement and the termination of the contract for any cause.
- c. Any amendment to these Terms and Conditions must be in writing and signed by both parties.
- d. Having received these Terms and Conditions, your oral authorization to commence services, your actions, or your use of the Report or Work Product constitutes your acceptance of them.
- e. This Agreement supersedes any contract terms, purchase orders or other documents issued by you.
- f. Neither party may assign or transfer this Agreement or any rights or duties hereunder without the written consent of the other party.
- g. Your failure or the failure of your successors or assigns to receive payment or reimbursement from any other party for any reason whatsoever shall not absolve you, your successors or assigns of any obligation to pay any sum to GZA under this agreement.
- h. These Terms and Conditions shall govern over any inconsistent terms in GZA's Proposal.
- i. The provisions of this Agreement are severable; if any provision is unenforceable it shall be appropriately limited and given effect to the extent it is enforceable.
- j. The covenants and agreements contained in this Agreement shall apply to, inure to the benefit of and be binding upon the parties hereto and upon their respective successors and assigns.





# Schedule of Fees – Fiscal Year 2023

Page | 1 of 1

Client (“You”): H.L. Patten, Inc

Proposal No: 09.P000078.23

Date: August 24, 2022

Principals	\$ 220 per hour
Senior Technical Consultant	\$ 200 per hour
Senior Project Manager	\$ 185 per hour
Project Manager	\$ 160 per hour
Assistant Project Manager	\$ 140 per hour
Engineer/Scientist I	\$ 115 per hour
Engineer/ Scientist II	\$ 105 per hour
CAD Designer Grade I	\$ 140 per hour
CAD Designer Grade II	\$ 110 per hour
CAD Designer Grade III	\$ 100 per hour
Senior Administrative Assistant	\$ 100 per hour
Administrative Assistant	\$ 85 per hour
Project Support	\$ 70 per hour
Outside Services and Out-of-Pocket Expenses	Cost Plus 10%

The above rates for Technical and Support Personnel will be charged for actual time worked on the project. In addition there will be charges for:

- ... Time required for travel from Company office to job or meeting site and return, or from/to home if mileage is less.
- ... For work requiring out-of-town overnight stay, the minimum charge for work on the project will be eight (8) hours per day.
- ... Laboratory service charges based on standard unit prices.
- ... Communication fee charged at 3.0% of labor invoiced for total cost of local, long distance, and cellular phone equipment and connectivity; electronic data communication and transmission; facsimile and document scanning; and USPS postage.
- \* *A fifty percent (50%) premium will be added to the above rates for expert witness and other special services of Senior Principals, Principals, and Associate Principals.*
- \* *Labor rates may be adjusted on an annual basis commensurate to salary increases.*



GZA GeoEnvironmental, Inc.  
 707 Sable Oaks Drive, Suite 150  
 South Portland, Maine 04106  
 Voice: 207.879.9190 / Fax: 207.879.0099

**CHANGE ORDER**

**NO. 01**

<b>To:</b> Bruce Anderson H.L. Patten, Inc. PO Box 450 Kittery, Maine 03904  <b>Phone:</b> 207-439-2008	<b>Job Name:</b> Soil Sampling & Piping Closure Portsmouth Commercial Fish Pier	<b>Date:</b> 9/15/2022
	<b>Location:</b> Pierce Island Portsmouth, New Hampshire	<b>Project No.:</b> 09.0026166.00
	<b>Existing Contract Information:</b> <b>Purchase Order/Contract Date:</b> 9/6/2022 <b>Existing Contract Amount:</b> \$15,200	

**We agree to perform the additional scope of services specified below:**

Advance soil borings to a depth of approximately 12 feet below grade and collect up to 15 additional samples from the native material underlying the piping backfill.

Submit the additional samples "on hold" to the analytical laboratory for VOCs by EPA Method 8260 and TPH level 2 fingerprint by EPA Method 8100.

If analysis is required by DES and requested by the Client, GZA will coordinate with the laboratory for analysis of samples and incorporate the results into the piping closure documentation.

Cost presented below includes 2.5 hours of staff coordination time and laboratory fees for 15 samples.

**CONTRACT INFORMATION**

- Lump Sum                       Total Contract Change Amount  
 T&M                                 Estimated Contract Change Amount

<input checked="" type="checkbox"/> Increase by this Change Order <input type="checkbox"/> Decrease by this Change Order	\$4,100
Net Change by previous Change Orders:	\$0
Original Contract Amount:	\$15,200
Revised Contract Amount including this Change Order:	\$19,300

**NOTES:**

<b>GZA GEOENVIRONMENTAL, INC.</b>	<b>H.L. Patten, Inc.</b>
By: _____ Date: <u>9/15/2022</u>	By: _____ Date: _____