

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

Thursday, April 18, 2024

Presiding: Stephen M. Duprey, Chairman
 Present: Neil Levesque, Vice Chair; Thomas G. Ferrini, Treasurer; Steve Fournier; Margaret F. Lamson; Susan B. Parker, and Karen Conard
 Attending: Paul E. Brean, Pease Development Authority ("PDA") Executive Director; Anthony I. Blenkinsop, Deputy Director / General Counsel; Suzy Anzalone, Director of Finance; Michael R. Mates, Director of Engineering; Scott DeVito, Pease Golf Course ("PGC") General Manager; Geno Marconi, Director of Ports and Harbors ("DPH") (departed meeting during meeting recess); Myles Greenway, Deputy Director of DPH; Jared Sheehan, Environmental Compliance Manager; Andrew Pomeroy, Director of Aviation Planning & Regulatory Compliance; Chasen Congreves, Director of Operations, Jessica Patterson, IT Administrator; and Raeline A. O'Neil, Executive Administrative Assistant

BOARD OF DIRECTORS' MEETING

AGENDA

I. Call to Order:

Chair Stephen Duprey ("Duprey") called the meeting to order; the meeting commenced at **8:30 a.m.**

II. Non-Public Session

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

1. Consideration of personnel matters and hiring of employees etc. [NH RSA 91-A:3, II (a)]

Discussion: None. **Disposition:** Resolved **unanimous** roll call (7-0) vote for; motion **carried.**

The Board went into Non-Public Session at 8:32 a.m. and came out of Non-Public Session at 9:22 a.m.

III. Return to Public Session:

Director Conard moved the motion and Director Ferrini seconded to return to public session of the Pease Development Authority Board of Directors' meeting dated Thursday, April 18, 2024.

Discussion: None. Disposition: Resolved unanimous roll call (7-0) vote for; motion carried.

Returned to Public Session at 9:22 a.m.

IV. Vote of Confidentiality:

Director Fournier moved the motion and Director Lamson 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 April 18, 2024, regarding the consideration of the dismissal, promotion, or compensation of any public employee or the disciplining of such employee or the investigation of any charges against him/her, and the consideration of legal advice from legal counsel, if disclosed publicly, would render the proposed action ineffective and likely benefit a party or parties whose interests are adverse to those of the general community, 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 unanimous roll call (7-0) vote for; motion carried.

Chairman Duprey briefly recessed the meeting at 9:24 a.m.; the meeting resumed at 9:35 a.m.

V. Acceptance of Meeting Minutes: Board of Directors' Meeting of March 14, 2024

Director Lamson moved the motion and Director Fournier seconded to accept the meeting minutes of the Board of Directors' meetings held on March 14, 2024.

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

VI. Public Comment:

No members of the public spoke at the meeting.

VII. Committees:

A. Report:

1. Port Committee

Director Levesque stated the meeting was held on April 2, 2024, and referred to the agenda regarding the items discussed.

VIII. Consent Agenda Items:

A. Consent Agenda Approvals:

Director Ferrini moved the motion and Director Parker seconded that the Pease Development Authority Board of Directors hereby moves that item numbers 1-6 from the consent agenda list below be approved as a single consent agenda item, and that the proposed motions included for each be incorporated into such approval as the operative motion for each item.

1. Pease Golf Course – Harriman Proposal for Event Center Study - Scope and Fee *
2. Skyhaven Terminal Apron Rehabilitation – Accept Grant and Award Contracts *
3. Legal Services *
4. In-House Signage Program *
5. PSM Airfield Painting: Products, Equipment Parts, and Service Contract – Franklin Paint Co., Inc. *
6. S.U.R. Construction, Inc. – Amended Right of Entry – Jones School Property, Ashland Road and North Apron area for Corporate Drive Reconstruction Project *

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

IX. Old Business:

A. Approval:

~~1. 165 Arboretum, LLC – Development Agreement Extension~~

~~Director Conard moved the motion and Director _____ seconded that The Pease Development Authority (“PDA”) Board of Directors approves of and authorizes the Executive Director to finalize and enter into a six (6) month extension of the Development Agreement with 165 Arboretum, LLC regarding a potential development at 165 Arboretum Drive; all in accordance with the memorandum of Paul E. Brean, Executive Director, dated April 8, 2024.~~

Discussion: Duprey indicated this item was pulled / removed from the agenda.

X. Finance:**A. Executive Summary:****B. Reports:**

1. **FY2024 Financial Report for the Eight Month Period Ending February 29, 2024**
2. **Cash Flow Projections for the Nine Month Period Ending December 31, 2024**
3. **Capital Improvement Plan FY 2024 – FY 2030**

Suzu Anzalone (“Anzalone”), Director of Finance, spoke to the Executive Summary and the three (3) reports.

Anzalone indicated the PDA’s year-to-date (“YTD”) revenues are on budget, with its operating expenses being under by approximately 10%. Further she stated that YTD \$8.6 million had been spent on capital expenditures, with larger expenditures being outlined in the summary.

Anzalone spoke to PDA’s cash inflows of \$22.5 million with \$7 million in grant funding with cash out flows of approximately \$28.4 million and just under \$15 million in grant and non-grant capital expenditures over the next nine months.

Duprey spoke to the financial reports presented by PDA as being very informative, accurate and everyone should have confidence in the financial management of PDA due to the Finance team; Anzalone stated she is always open to suggestions. Duprey further stated the complexity of the organization and all its moving parts, the PDA Finance team does it well.

PDA’s operations, with the exception of the Division of Ports and Harbors (“DPH”), typically generates a \$3 million cash margin used to fund any internally capital funded projects or portions of grant funded projects for the upkeep of the Tradeport/Airport/Golf Course. The Capital Improvement Plan (“CIP”) covers 6 to 6.5 years showing both grant and internally funded potential projects. Anzalone reminded the Board that each project would be brought to the Board before a project would be initiated. There have been \$66.3 million addressed in capital projects and spoke to the summary provided of the cash and investments as well as anticipated debt incurred for the projects as presented. There are currently 20 grant projects that have been identified and approximately 98 internally funded projects. With the concentration of funds and the money spent for each of the business units indicating the majority of the spending being at the airport.

Anzalone spoke to PDA’s Line of Credit (“LOC”) available through Provident Bank and if it is necessary to use the LOC, PDA tries to use it on a short-term basis. It is anticipated that in FY28 it may be necessary to utilize the LOC.

Ferrini spoke to PDA not incurring debt other than short-term debt; self-funding of PDA capital projects and the fact that PDA does not incur bonds. Anzalone indicated PDA has the

ability to do so; however, unless something comes up unexpectedly PDA could utilize LOC funds, and pay it down as soon as possible.

Finally, Anzalone spoke to the classification of the various projects and the impacts projects would have to PDA depending on the priority of proposed projects.

Duprey spoke to the sensitivities that could impact projects and asked of the starred projects; Anzalone stated those were the “A” projects. Paul Brean (“Brean”) Executive Director indicated that the “A” projects are classified as safety, security and restoration of former Air Force facilities that may be deteriorating which may need addressing.

Parker spoke to the grant funded requests and federal monies; Anzalone affirmed. Parker asked of the federal commitment or were the requests anticipated receipt of funds; Brean stated the FAA requires a forward projection of twelve (12) years. Brean further indicated PDA, on a yearly basis, has meetings to discuss long-term projects and its funding.

XI. Licenses/Rights of Entry/Easements/Rights of Way:

A. Report:

1. CDM Constructors Inc. and Northam Survey LLC – Survey Work off Arboretum Drive – Right of Entry

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

1. Name: CDM Constructors Inc. and Northam Survey LLC
- License: Right of Entry
- Location: Arboretum Drive
- Purpose: Site Survey Purposes off Arboretum Drive
- Term: April 3, 2024, through April 13, 2024

XII. Leases:

A. Report:

1. Sublease / License Agreement between 100 International, LLC and What a Crock! – 100 International Drive

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

1. Tenant: What a Crock!
- Space: 100 International Drive
- Use: Café Space
- Term: Commencing December 1, 2023, through November 30, 2026, with option to review for an additional three (3) year term.

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.

B. Approval:

1. One New Hampshire Avenue LLC – 1 New Hampshire Avenue - Lease Extension

Director Lamson **moved** the **motion** and Director Conard **seconded** that **the Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations with One New Hampshire Avenue LLC and to execute a 15-year lease extension regarding the premises located at 1 New Hampshire Avenue, Portsmouth, New Hampshire, on terms acceptable to the Executive Director and the General Counsel; substantially in accordance with the memorandum from Paul E. Brean, Executive Director, dated April 15, 2024.**

Discussion: Brean stated that Two International Group is looking to rework an existing loan for this premises.

Duprey asked if this extension was coterminous that could be allowed; Brean indicated it was not as a full extension out to the maximum term which requires major capital improvements to the premises for justification.

Anthony I. Blenkinsop (“Blenkinsop”) indicated the original term of the lease was fifty (50) years and this would extend the original lease to sixty-five (65) years; FAA allows leases to go out to seventy-four (74) years.

Ferrini stated when extensions are permitted if there were a need to be capital improvements to the business entity so PDA’s lease is stronger; Brean affirmed. Brean further stated that by extending the term the FAA is obtaining a better premises and provides stability.

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

Levesque departed the meeting at 9:55 a.m. and returned at 9:57 a.m.

XIII. Contracts:

A. Report:

- 1. Knox Company – Purchase of 2, 4400 Surface, Black, 2-Lock Independent Boxes**
- 2. Knox Company – Purchase of 1, 4400 Surface, Black, 2-Lock Independent Boxes**
- 3. Lakes Region Environmental – Skyhaven Airport Fuel Farm**
- 4. Martineau Electric - On-Call Services – Hampton Harbor Marine Facility**

5. Clean Restroom Rentals, Inc. – Pease Golf Course – 7 Portable Toilets and Service

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

1. Project Name: Knox Company
Board Authority: Director Ferrini
Cost: \$1,992.00
Summary: Purchase of two 4400 Surface, Black, 2 – Lock Independent – Keyed for Police Departments
2. Project Name: Knox Company
Board Authority: Director Ferrini
Cost: \$996.00
Summary: Purchase of one two 4400 Surface, Black, 2 – Lock Independent – Keyed for Fire Departments
3. Project Name: Lakes Region Environmental
Board Authority: Director Ferrini
Cost: \$3,026.10
Summary: Perform required annual inspection, calibration and service of Skyhaven Airport Fuel Farm due in April
4. Project Name: Hampton Harbor Marine Facility
Board Authority: Director Levesque
Cost: \$25,050.00
Summary: Martineau Electric, Inc., On-call provider to PDA/DPH, service of the fuel pump at Hampton Harbor Marine Facility damaged due to recent storm.
5. Project Name: Pease Golf Course
Board Authority: Director Levesque
Cost: \$17,640.00 - \$5,880.00 (2024), Two one-year options (\$5,880.00/each option year)
Summary: Seven (7) Portable Toilets, serviced weekly on Mondays and Thursday and placed at six (6) locations on the PGC. One (1) designated location will have two (2) toilets.

Director Ferrini indicated that should any approvals be required regarding item #4, he would abstain from any vote.

XIV. Executive Director:

A. Reports:

1. Golf Course Operations

Scott DeVito (“DeVito”), Pease Golf Course (“PGC”) General Manager, spoke to its operations and informed the Board that the patio cover was installed on April 17th; installation of the Special Event tent is anticipated on April 24th; all seven (7) leagues start the week of April 29th; golf maintenance has started construction of a new forward tee on the second hole of the Blue Course which should be completed by Memorial Day; and all 27 holes should be operational by April 20th.

Duprey asked of the comparison of timing to last season; DeVito indicated all holes were open last year as of April 9th. However, due to the weather, that has not been possible for the current season.

2. Airport Operations

- a) Portsmouth International Airport at Pease (PSM)**
- b) Skyhaven Airport (DAW)**

Brean indicated PSM is busy at the commercial airside due to the school vacations and this month PSM has provided support to the NATO, US and Italian Air Forces utilizing PSM as a transient technical stop.

Brean spoke to the requirement of 10,000 annual enplanements has been achieved, keeping the facility in compliance with the FAA with its airport improvement program. Allegiant has commenced its service to St. Pete/Clearwater recently and those flights have been high. Revenues for fuel flowage from commercial, fractional ownerships and military activity; also parking revenues are doing well. Further Brean spoke to Enterprise rentals being up which is a good story for the community as it indicates an uptick to area tourism.

Brean also spoke to PSM having two grant projects underway being Arrivals’ Hall and Taxiway Alpha.

Duprey asked of the reference to the Arrivals’ Hall; Brean indicated Hutter has the steel up and hitting all milestones. Duprey asked of anticipated completion; Michael Mates (“Mates”) Director of Engineering stated the anticipated completion is the end of the year.

- c) Noise Line Report**
 - (i) March 2024**

Brean stated for the month of March there were no noise issues to report.

XV. Division of Ports and Harbors:

A. Reports:

- 1. Port Advisory Council Meeting Minutes of February 14, 2024**
- 2. Morton Salt – Exercise Last of Three (3) One-Year Options to License and Operating Agreement**
- 3. Commercial Mooring for Hire Applications**

4. Commercial Mooring Transfer – Steaker Charters to Kirland
5. Commercial Mooring Transfer – Nudd to Rydbeck
6. Commercial Mooring Transfer – Tirone to Levine
7. Commercial Mooring Transfer – Carter to Elwell
8. Tasha Fuels and Propane, Inc. – Right of Entry
9. Division of Ports and Harbors - Capital Improvement Plan FY2024 – FY2030

Chairman Duprey informed the Board that reports were all self-explanatory and asked if there were any additional questions; no comments received from the Board.

B. DPH Consent Agenda Approvals:

Director Parker moved the motion and Director Lamson seconded that the Pease Development Authority Board of Directors hereby moves that item numbers 1-6 from the Division of Ports and Harbors consent agenda list below be approved as a single consent agenda item, and that the proposed motions included for each be incorporated into such approval as the operative motion for each item.

1. Star Island Corporation Right of Entry for Parcel A-2 and Burge Wharf *
2. Cornell University - Shoals Marine Lab - Right of Entry *
3. Granite State Minerals – Exercise First of Three (3) One-Year Options to License and Operating Agreement *
4. Diesel Direct, Inc. – Right of Entry *
5. Gauron Fisheries, Inc. dba Hampton Harbor Tackle for Cold Storage - Hampton Harbor Marine Facility– Right of Entry *
6. Riverside & Pickering Marine Contractors - Rye Harbor – Recreational Dock Gangway *

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

C. Approval with Waiver:

1. Lakes Region Environmental Contractors Inc. – Rye Harbor – Fuel System Repairs due to Storm of January 13, 2024

Director Fournier moved the motion and Director Lamson seconded that the Pease Development Authority Board of Directors authorizes the Executive Director to execute a contract with Lakes Region Environmental Contractors, Inc. (“LREC”) of Belmont, NH to repair the fuel system at the Rye Harbor Marine Facility in an amount not to exceed \$29,350.10; all in accordance with the memorandum of Geno J. Marconi, Director of the Division of Ports and Harbors, dated April 10, 2024, attached hereto.

In accordance with the provisions of RSA 12-G:8 VIII, the Board waives the RFP requirement as LREC is an approved State of New Hampshire vendor for such services.

Discussion: None. Disposition: Resolved **unanimous** roll call (7-0) vote for; motion **carried**.

XVI. New Business:

A. Grant Applications Filed in March:

1. PSM – Taxiway Alpha South and Hold Bay Reconstruction Design
2. PSM – Procurement of Snow Removal Equipment

Brean spoke to requesting funding for improvements to item #1, this location is a carve out of the main taxiway egress to the runway. This will allow an aircraft to do work prior to departure so other aircraft can egress by. Brean stated this is a critical airport layout design feature with anticipated funding being 90% by FAA, 5% from State of NH; and 5% PDA.

Duprey asked of the cost of item #1; Brean indicated approximately \$600,000. Anzalone followed up after reviewing the CIP and stated \$537,000.00.

Brean spoke to item #2 being the replacement for twenty (20) year old vehicles to be purchased with the same breakdown as stated above for funding. The agreement with the NH ANG requires upkeep of the runway at all times and these vehicles will help with that requirement. Further Brean indicated the estimated total for these two vehicles to be \$1.6 million.

XVII. Special Event:

A. Report:

1. 27th Annual Cisco Brewers Portsmouth Memorial Day 5K Road Race to be held on May 26, 2024, for the benefit of the Krempels Brain Injury Center

Brean spoke briefly of the event and coordination with the City of Portsmouth and the anticipation of approximately 7,000 participants for the event.

XVIII. Upcoming Meetings:

Noise Compatibility Committee	April 18, 2024 @ 6:30 p.m.
Board of Directors	May 9, 2024 @ 8:30 a.m.

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

XIX. Directors' Comments:

Brean thanked the Board as the CIP projects help PDA to attain the requirement of 10,000 enplanements with the FAA so PDA can continue to receive funding.

Ferrini asked how far into the year PDA typically hits the enplanement number; Brean indicated the mark was achieved at the end of March.

XX. Adjournment:

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

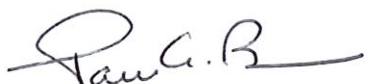
Discussion: None Disposition: Resolved by unanimous roll call (7-0) vote for; motion carried.

XXI. Press Questions:

No questions from the press.

XXII. Consultation with Counsel:

Respectfully submitted,



Paul E. Brean
Executive Director

