

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

Thursday, November 14, 2024

Presiding: Steve Duprey, Chairman
Present: Neil Levesque, Vice Chair; Thomas G. Ferrini, Treasurer; Steve Fournier; Susan B. Parker, Karen Conard, and Brian Semprini
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; Myles Greenway, Interim Director of Division of Ports and Harbors; Jared Sheehan, Environmental Compliance Manager; Chasen Congreves, Director of Operations; Andrew Pomeroy, Director of Aviation Planning & Regulatory Compliance; Greg Siegenthaler, IT Director; and Raeline A. O’Neil, Executive Administrative Assistant

AGENDA

I. Call to Order:

Chairman Steve Duprey (“Duprey”) called the meeting to order; the meeting commenced at **8:36 a.m.**

Chairman Duprey moved the non-public portion of the meeting, to the beginning of the meeting instead of the end of the meeting.

II. Non-Public Session:

- 1. NH RSA 91-A:3, II (a); and
- 2. NH RSA 91-A:3, II (l).

Director Fournier **moved** the **motion** and Director Ferrini **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. The dismissal, promotion or compensation of a public employee or the disciplining of such employee, or the investigation of any charges against him/her, unless the employee affected (1) has a right to a meeting and (2) requests that the meeting be open, in which case the request shall be granted; [NH RSA 91-A:3, II (a)]; and
2. Consideration of Legal Advice provided by Legal Counsel [NH RSA 91-A:3, II (l)].

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

All individuals vacated the room, with the exception of the Board and Raeline A. O’Neil.

At 8:41 a.m. the Board of Directors went into non-public session.

At 9:00 a.m. the Board of Directors returned to public session.

Chairman Duprey call for a brief recess as staff and the public reentered the room.

Director Conard departed the room at 9:01 a.m. and returned at 9:04 a.m.; Director Parker departed the room at 9:01 a.m. and returned at 9:03 a.m.; and Director Semprini departed the room at 9:01 a.m. and returned at 9:03 a.m.

Chairman Duprey called the meeting to order at 9:04 a.m.

III. Confidentiality:

Director Fournier moved the motion and Director Ferrini seconded that 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 November 14, 2024, meeting 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 vote (7-0) for; motion carried.

IV. Acceptance of Meeting Minutes: Board of Directors' Meeting of October 17, 2024

Director Levesque moved the motion and Director Parker seconded to accept the meeting minutes of the Board of Directors' meeting held on October 17, 2024.

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

V. Public Comment:

Beth Tuttle – Asked how to obtain monthly P&Ls for each PDA division; Paul E. Brean (“Brean”) Executive Director, stated he would be her point of contact for the information.

James Jalbert (“Jalbert”) - C&J Transportation – as a means to clarify misinformation that has been disseminated to the public, Jalbert spoke to C&J being the first tenant (1991) after the base closed with its operations located at the guard shack, the various Rights-of-Entry, the current transportation facility off Route 33 and the current P3. The transportation center opened in 2000; with federal funding, the state provided another access to Pease and Grafton Road off Routes 95 and 33. Since 2000, C&J, through a bid process, has occupied the facility under five (5) year contracts (requirement

to provide bus service and maintenance / upkeep of facility). C&J pays a simple contract fee to state and taxes for nonpublic portion of facility to COP; spoke of needed upgrades to the terminal and original pavement. Jalbert highlighted a P3 (public, private, partnership) pilot project of various state facilities and transparency of the process via various hearings and meetings held over the years. DOT utilizes a portion of PDA property for use by the transportation facility. Jalbert spoke to vehicles utilizing the parking area as having no controls (i.e., parking bans, unregistered vehicles, vehicle storage, individuals living in vehicles, airport vehicle parking, etc.). Jalbert spoke to EDA requirements for what parking revenue can be utilized for (i.e., recapping, operation of terminal, rent and taxes). Jalbert also spoke of departure fees paid as well as the facility not being for a sole source provider, anyone can utilize (i.e., company operating transportation to Portland). Jalbert spoke of the use of various PDA lots, via fee related ROEs, due to parking needs.

Duprey thanked Jalbert for the information provided, clarity and history; sees this as an arrangement that will benefit transportation, PDA and the State.

VI. Old Business:

A. Approval:

1. Executive Airdock – Hampton Street - Site Review Approval Extension

Director Ferrini moved the motion and Director Fournier seconded that **the Pease Development Authority Board of Directors hereby approves of and authorizes a one (1) year extension to the Site Review approval granted in December, 2021, to Executive AirDock, LLC for a development on the premises located at 5, 7, 19 and 21 Hampton Street; all in accordance with the memorandum of Michael R. Mates, P.E., Director of Engineering, dated October 22, 2024.**

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

2. Thermo Fisher Scientific, Inc. – 85 Flightline Road - Concept Approval and Letter of Intent

Director Fournier moved the motion and Director Parker seconded that **in accordance with the recommendation by the Airport Committee at its meeting of July 15, 2024, the Pease Development Authority (“PDA”) Board of Directors hereby:**

1. **Approves the draft Letter of Intent (“LOI”) between the PDA and Thermo Fisher Scientific, Inc. (“TF”) dated November 5, 2024, regarding the potential development at 85 Flightline Road (the “Premises”); and**
2. **Authorizes the Executive Director to complete negotiations with TF and to finalize and execute a Lease Agreement for the Premises on terms and conditions substantially in accordance with those set forth in said LOI, as well as such other terms and conditions recommended by PDA General Counsel, following receipt of all required land use approvals for the potential development; and**
3. **Approves the concept plan as submitted by TF for a new corporate hangar and**

office facility located at 85 Flightline Road.

All in accordance with the memoranda from Paul E. Brean, Executive Director, dated November 5, 2024, and Michael R. Mates, Director of Engineering dated November 4, 2024.

Discussion: Brean indicated an updated redline draft LOI was provided for consideration as TF provided updated information. Disposition: Resolved **unanimous** vote for; motion **carried**.

VII. Consent Agenda Items:

A. Consent Agenda Approvals:

Director Parker **moved** the **motion** and Director Fournier **seconded** that the Pease Development Authority Board of Directors hereby moves that item numbers **1-4 and 6 - 8** 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. Legal Services
2. On-Call Airport Planning Services – McFarland Johnson
3. Annual Leave Buy Back
4. Berwick Academy - Right of Entry – 200 Grafton Drive Transportation Area
6. University of New Hampshire – Wildcat Sponsorship / Portsmouth International Airport at Pease Marketing
7. Breeze Aviation Group, Inc. – Terminal Space Lease and Airfield Operating Agreement
8. On-Call Transportation Engineer and Planning Services – Vanasse Hangen Brustlin, Inc. and McClure / CMA Engineers

Discussion: Director Fournier requested item 5 on the agenda be pulled from the Consent Agenda.

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

5. Lease and Service Agreement of Golf Cars and Utility Vehicles – Five Star Golf Cars and Utility Vehicles, LLC

Director Fournier **moved** the **motion** and Director Conard **seconded** that the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to enter into a contract with Five Star Golf Cars and Utility Vehicles (“Five Star”) of Laconia, NH for the lease and servicing of one hundred (100) lithium 4.2 battery powered golf cars and two (2) lithium 6.2 battery powered utility cars, in an amount not to exceed Two Hundred Four Thousand Three Hundred (\$204,300.00) per year, for a period of five (5) years; all in accordance with the memo of Scott DeVito, Golf Course General Manager, dated November 4, 2024.

Discussion: Fournier read an updated motion as PDA staff further negotiate the terms of the lease with a reduction in price by the extension of a year from what had originally been provided by the only bidder.

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

VIII. Finance:

A. Executive Summary

B. Reports:

1. **FY2025 Financial Report for the Three-Month Period Ending September 30, 2024**
2. **Cash Flow Projections for the Nine Month Period Ending July 31, 2025**

Finance Director Suzy Anzalone (“Anzalone”) spoke to the Executive Summary and two (2) reports; on a year-to-date (“YTD”) basis consolidated revenue is trending slightly favorable. Anzalone reminded the Board that the Division of Ports and Harbors (“DPH”) fuel sales are under budget due to the fuel services at both Rye and Hampton Harbors being non-operational; Brean stated the pumps are down due to storms.

Anzalone spoke to operating expenses trending 10.2% favorable, a typographical error under non-operating income, and operating income trending favorable to budget. Further stated no business unit concerns, DPH is running favorably, and PDA’s balance sheet remains strong.

Anzalone anticipates a decrease in cash flow over the next nine months with capital expenditures.

Regarding DPH, anticipates cash inflows / outflows which include grant funding to provide an increase in unrestricted cash to trend favorably.

Duprey inquired into “deferred outflows of resources”; Anzalone stated this relates to GASB 87 (leases).

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

A. Report:

1. **Delos, LLC – Right of Entry – Hangar 227 (14 Aviation Avenue), Portsmouth International Airport at Pease**

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: Delos, LLC
License: Right of Entry
Location: Hangar 227 (14 Aviation Avenue), Portsmouth International Airport at Pease
Purpose: Aircraft Storage
Term: October 18, 2024, through November 8, 2024

Director Fournier was consulted and granted his consent regarding this Right of Entry.

X. Leases:

A. Report:

- 1. Sublease between Tower Hill Development, LLC and Hoyle Tanner & Associates – 183 International Drive**
- 2. Sublease between John Turner Consulting, Inc. and 119 International Drive, L.L.C. - 15 Rye Street (Suite #125)**

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

1. Tenant: Hoyle Tanner & Associates
Space: 183 International Drive
Use: Professional and Business Office Use
Term: Commencing January 1, 2025, for a period of seven (7) years with one five (5) year option to renew.
2. Tenant: John Turner Consulting, Inc.
Space: 15 Rye Street (Suite #125)
Use: Professional and Business Offices and customary accessory uses thereto.
Term: Three Years with one (1) two-year option commencing November 1, 2024

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 Fournier was consulted and granted his consent.

XI. Contracts:

A. Report:

- 1. Northeast Landcare, LLC – Easterly Side of Grafton Road – Overgrowth Removal**

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

1. Project Name: Northeast Landcare, LLC
Board Authority: Chairman Duprey
Cost: \$23,675.00
Summary: On the easterly side of Grafton Drive between the entrance of the Park and Ride to PDA’s property line adjacent to Route 33 for the removal of overgrowth in swale (overflow / stormwater (water retention) area).

XII. Signs:

A. Report:

No items to report

XIII. Executive Director:

A. Reports:

1. Golf Course Operations

Scott DeVito (“DeVito”), Pease Golf Course (“PGC”) General Manager, spoke of the 62 team simulator league (up from last year), Grill 28 has 12 prebooked functions for December, and currently at 73,000 rounds for the season, anticipate with weather forecast may exceed last year (73,897); the courses will be closed as of December 1st.

Duprey spoke to room and meals being down statewide; DeVito indicated Grill 28 has modified its menu to help with costs and are prebooking functions. Duprey spoke to the revenue for the restaurant / hotel industry being down.

2. Airport Operations

a) Portsmouth International Airport at Pease (PSM)

b) Skyhaven Airport (DAW)

Brean stated enplanements are strong (anticipates 100,000 for the year), the terminal is busy, uptick in parking revenue, rental car concession fees and fuel flowage are up. Spoke to flight load to Orlando being down at this time but anticipate an uptick during the holiday season.

Brean spoke to federal funding of the Alpha Taxiway project being underway with meetings, this is for the reconstruction of PSM’s main egress to the runway.

Brean appreciated the work of DeVito and Toni-Marie Vaughn, Contract Purchasing Administrator, who worked with golf car bidder and obtained better pricing and term extension.

Levesque spoke to a story in today’s Portsmouth Herald regarding air service and the two airlines at PSM.

Duprey asked about the terminal project; Michael R. Mates (“Mates”), P.E., Director of Engineering, stated he considered the project 98% complete, waiting on the delivery of furniture and tying up some loose ends/small punch list items; anticipate completion by end of year. Mates indicated this was the second contract with Hutter and it is a great general contractor to work with.

Brean spoke to preconstruction meetings for Skyhaven’s terminal ramp rehab from a Block Grant from State DOT Aeronautics.

c) Noise Line Report

(i) October 2024

Brean stated there was one noise report for the month of October, associated with a KC-46 mission flight departing from Runway 34.

XIV. Division of Ports and Harbors:

A. Reports:

1. Division of Ports and Harbors Facilities Report

Myles Greenway (“Greenway”), Interim Director of Ports and Harbors spoke to the detailed report provided in the Board materials.

Greenway also spoke to another operation not referenced in the report of a “cold box” heavy lift item that arrived from Germany and departed from the DPH Main Terminal last Tuesday. Also, salt ships from Chile are scheduled to discharge salt at the Main Terminal. Greenway also indicated it is anticipated the last heavy lift ship will arrive December 8th from Virginia which is associated with the Navy drydock project.

Greenway spoke to recent discussions with Legislative Services to submit HB2 budget packages for the Market Street Terminal and Portsmouth Fish Pier projects. This would be to request additional funding for the Portsmouth Fish Pier (“PFP”) for all options as well as funding for the Market Street terminal project (removal of the warehouse and new building).

Duprey asked the procedure when going about capital budget planning for the different PDA Divisions and review / approval by Board; Brean indicated capital improvement plan is provided to the Board for consideration and provide the State with the top priorities. Brean spoke to the anticipated FEMA funding reimbursement, PFP project and the Main Terminal building as priorities.

Levesque inquired further about the Main Terminal building; Brean spoke to the instability of the building and where the warehouse isn’t utilized would replace the building area for the office.

Duprey asked if the Board approves a separate capital budget; Brean stated the Board is provided consideration of the capital improvements budget which encompasses seven (7) years – per FAA requirements; started doing this for DPH projects.

Duprey spoke to having information provided to the Board regarding various projects that may need legislative endorsement so Board members are able to speak to inquiries.

Ferrini agreed with Duprey’s recommendation and further indicated it would also be helpful to know the placement of projects when looking ahead.

2. Liberty Services LLC – Right of Entry – Hampton Harbor Marine Facility

B. DPH Consent Agenda Approvals:

Consent motion was not utilized as each item was addressed separately.

1. B.M. Matthews, Inc., F/V Ocean Venture – Right of Entry - Market St. Terminal

Director Semprini moved the motion and Director Fournier seconded that the Pease Development Authority Board of Directors authorizes the Executive Director to execute a Right of Entry with B.M. Matthews, Inc. F/V Ocean Venture for three (3) years effective January 1, 2025 through December 31, 2027, for use of the Market Street Terminal to unload its catch of fish from the vessel F/V Ocean Venture; all in accordance with the memorandum from Myles Greenway, Interim Director Division of Ports and Harbors, dated October 28, 2024.

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

2. Portsmouth Fish Pier - Building Replacement

Director Levesque moved the motion and Director Conard seconded that the Pease Development Authority Board of Directors authorizes the Executive Director to:

1. Accept the lowest qualified bid from, and complete negotiations and execute a contract with, Bonette Page & Stone Corporation of Laconia, New Hampshire in an amount not to exceed \$991,845.00, for the Base Bid and Option Item No. 1, regarding the Portsmouth Commercial Fish Pier Building Replacement Project;
2. Authorize the Executive Director to proceed with additional Option Items Nos. 2-6, as he determines appropriate, in a total amount not to exceed \$269,704.00, conditioned on the approval of a member of the Executive Committee and a report to the Board at its following meeting; and
3. Utilize up to \$778,084.00 of the ARPA funding received for this project with any necessary funding difference coming from Division of Ports and Harbors unrestricted funds.

All in accordance with the memorandum of Myles Greenway, Interim Director of the Division of Ports and Harbors, dated November 8, 2024.

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

C. DPH Approval with Waiver:

1. **International Association of Maritime and Port Executives – Terminal Tariff Review**

Director Ferrini moved the motion and Director Parker seconded that the Pease Development Authority Board of Directors, in accordance with the provisions of RSA 12–G:8, VIII, waives the RFP requirement and authorizes the Executive Director to finalize and execute a contract with the International Association of Maritime and Port Executives (“IAMPE”) for a Terminal Tariff Review regarding the Market Street Terminal, in an amount not to exceed \$14,900.00.

The Board justifies the waiver of the RFP requirement due to IAMPE’s expertise and knowledge in the maritime field and the membership pricing provided; all in accordance with the memorandum of Myles Greenway, Interim Director of Ports and Harbors dated November 1, 2024.

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

XV. New Business:

A. Report:

1. 2024 Insurance Renewal – Presentation by Fred C. Church Insurance

Chasen Congreves (“Congreves”), Director of Operations provided the Board with a brief overview of the status of insurance increases of the various coverages. Congreves spoke to a possible means of a price reduction by increasing the deductible of Commercial Property coverage.

Duprey asked if PDA were comfortable with the coverage limits regarding Terrorism Coverage; Brean spoke to risk management at a federal level and PDA having adequate coverage.

Duprey inquired of the Board’s thoughts regarding increase of deductible of Commercial Property to allow for a reduction in cost; the consensus was not to increase the deductible.

B. Grant Applications Filed in October:

No items to report

XVI. Special Event:

A. Report :

No items to report

XVII. Upcoming Meetings:

Finance Committee
Board of Directors

December 9, 2024 @ 9:00 a.m.
December 12, 2024 @ 8:30 a.m.

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

XVIII. Directors’ Comments:

Brean appreciated the forethought of Blenkinsop in suggesting a multi-year agreement for insurance services with a single broker and Congreves’ efforts working with Fred C. Church Ins. to obtain continued coverage and increasing costs.

Duprey spoke to a recent newspaper article that contained inaccuracies (i.e., potential P3 partnership and PDA’s arrangement with Port City Air) and PDA’s operations of transparency.

XIX. Adjournment:

Director Levesque **moved** the **motion** and Director Parker **seconded** to **adjourn the Board meeting. Meeting adjourned at 10:02 a.m.**

XX. Press Questions:

None

Respectfully submitted,

Paul E. Brean
Executive Director

DRAFT