

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

Thursday, April 20, 2017

Presiding: George M. Bald, Chairman
Present: John P. Bohenko; Margaret F. Lamson; Peter J. Loughlin, Vice Chairman; and
Franklin G. Torr
Via Telephone: Robert A. Allard, Treasurer; and Robert F. Preston;
Attending: David R. Mullen, PDA Executive Director; Lynn Marie Hinchee, PDA Deputy
Director/General Counsel; PDA staff members; members of the public;

I. Call to Order

Chairman Bald called the meeting to order at 8:03 a.m. in the Board conference room at 55 International Drive, Pease International Tradeport, Portsmouth, New Hampshire.

Note: Due to Directors participating by telephone, all votes will be taken by roll call.

II. Acceptance of Minutes: March 16, 2017*

Director Torr moved and Director Lamson seconded that **The Pease Development Authority Board of Directors hereby accept the Minutes of the March 16, 2017 Board meeting.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

III. Public Comments

There were no public comments.

IV. Old Business

No old business was brought before the Board.

V. Audit Committee Report

Director Bohenko, Committee Chair, reported that the Audit Committee met on April 19, 2017 with Rob Smalley of Berry Dunn McNeil & Parker, PDA's external auditors, to review the FY 2017 audit engagement letter and plan for PDA's annual external audit.

VI. Finance Committee Report

Irv Canner, PDA Director of Finance, reported that the Finance Committee met on April 19, 2017 to review the status of PDA finances.

A. Financial Reports

1. Operating Results for Eight Month Period Ending February 28, 2017

Mr. Canner reported on the status of the PDA FY 2017 finances for the eight month period ending February 28, 2017: including reviews of PDA's operating income and expenses; budget variances; status of the Balance Sheet; and the analysis of PDA business units. Director Lamson confirmed the status of the Airport Obstruction project grant funding.

2. Nine Month Cash Flow Projections to December 31, 2017

Mr. Canner reviewed PDA cash flow projections for the nine month period ending December 31, 2017, including a review of PDA's debt status; grant funded capital improvement projects including the runway rehabilitation and the airport obstruction removal projects; status of PDA's revolving line of credit; and the status of the Division of Ports and Harbors unrestricted funds.

3. Capital Improvement Plan -- FY 2017 -- FY 2023

Mr. Canner presented a review of ongoing and proposed capital improvement projects through FY 2023 including the expansion of the Portsmouth International Airport at Pease ("PSM") Terminal; the airport obstruction removal; purchase of snow removal equipment; and traffic intersection upgrades.

VII. Licenses/Easements/Rights of Way/Options

A. Approvals

1. Port City Air, Inc. -- Tow Tractor License Amendments

Director Preston moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute:**

- a. License Agreement Amendment No. 1 ("License") retroactively effective October 15, 2014 for use of the Hough T-500 Aircraft Tug; and
- b. License Agreement Amendment No. 3 retroactively effective September 25, 2012 for use of aircraft tow tractors including: a) 1978 International Hough tow tractor; b) 1980 American Coleman tow tractor; and c) 1982 Stewart Stevenson tow tractor;

between the Pease Development Authority and Port City Air, Inc. ("PCA") on substantially the same terms and conditions set forth in License Agreement Amendment No. 1 and License Agreement Amendment No. 3 attached hereto. Note: Roll Call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

2. Great Circle Catering, LLC -- Airport Terminal

Director Lamson moved and Director Preston seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute the Third Extension to the Right of Entry with Great Circle Catering, LLC attached hereto to extend the term for a period of six (6) months beginning April 1, 2017 and to include one (1) six (6) month option to extend the term through March 31, 2018 exercisable at the Executive Director's sole discretion; all on the same terms and conditions set forth in the Right of Entry dated September 16, 2014. Note: Roll Call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.**

VIII. Leases

A. Approvals

1. Sig Sauer Real Estate, Inc. -- Parking Lot Concept Plan

Director Torr moved and Director Lamson seconded that **The Pease Development Authority Board of Directors hereby approves of:**

1. **The conceptual site plan attached hereto submitted by Sig Sauer Real Estate, Inc. attached hereto for the premises located at 72 Pease Boulevard; and**

2. The application to allow a waiver from Part 405.03(a)(4)d of the PDA Land Use Controls;

all on terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated April 13, 2017 attached hereto. Note: Roll Call Vote required. Discussion: Maria Stowell, Engineering Manager, gave a brief presentation of the parking lot concept plan presented by Sig Sauer to add additional parking spaces at the premises located at 72 Pease Boulevard, and Sig Sauer's request to reduce the size of landscape islands. Joe Cornardi, Engineer with Jones & Beach, reviewed the plans including the stormwater filtration, lighting, and location of the additional parking. Director Loughlin noted his concerns regarding the lack of planting strips and wants standard sized islands to be used. Director Torr felt that there was need to change the plans. Jeff Chierepko reviewed Sig Sauer's possible future expansion and the reasons for not using the front area of the building for parking at the present time. Disposition: Resolved by unanimous roll call vote; motion carried.

2. City of Portsmouth – Wastewater Treatment Concept Plan

Director Loughlin moved and Director Bohenko seconded that **The Pease Development Authority Board of Directors hereby approves of the Wastewater Treatment Plant Expansion Concept Plan submitted by the City of Portsmouth attached hereto for the premises located at 135 Corporate Drive; all in accordance with the memorandum of Maria J. Stowell, P.E., Manager - Engineering, dated April 13, 2017 attached hereto. Note: Roll Call vote required.** *Note: In accordance with the Right to Know law, Directors Allard and Preston recused themselves from the matter as they did not have access to the materials presented by the City of Portsmouth.* Discussion: Terry Desmarais, City of Portsmouth Engineer, reviewed the concept plan for the expansion of the wastewater treatment facility including sitework, the building plan, and odor control. Peter Britz, City of Portsmouth Environmental Planner, reviewed the project's impact to the wetland buffers, the permitting process, and use of stone infiltration systems. Disposition: Resolved by unanimous roll call vote; motion carried.

IX. Signs

A. Reports

In accordance with the "Delegation to Building Inspector: Consent and Approval of Minor Revisions to Existing Signs" Mr. Mullen reported that PDA approved of the modification to the Oxford Network sign to change the business name to "FirstLight". Director Loughlin approved the sign modification.

X. Contracts/Agreements

A. Reports

In accordance with Article 3.9.1.1 of the PDA Bylaws, Mr. Mullen reported that PDA entered into the following contracts:

1. Fishnet Media – Golf Course Website

PDA contracted with Fishnet Media to update the Pease Golf Course website. The expenditure of \$5,000 was approved by Vice-Chairman Loughlin.

B. Approvals

1. Pinard Waste Systems Co., Inc. – Contract Extension

Director Allard moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to extend the contract with Pinard Waste**

Systems Co., Inc. ("Pinard") for the purpose of providing non-hazardous solid waste removal services at Pease Development Authority facilities for a period of one year effective May 1, 2017 at the rate of \$4,303.38 per month; all in accordance with the memorandum of Mark H. Gardner, Deputy General Counsel, dated April 12, 2017 attached hereto.

In accordance, with the provisions of RSA 12-G:8, VIII the Board waives the RFP requirement for Pinard Waste Systems Co., Inc. based upon the following justification:

1. On May 1, 2015, PDA entered into its first universal agency wide waste removal contract with Pinard for a one year period with a one year option to extend.
2. The agency wide contract has resulted in substantial savings to PDA; and
3. Pinard has agreed to a one year extension of the contract at a monthly rate of \$4,303.38 which represents a 2% increase from the previous year's rate of \$4,219.00. Note: This motion requires 5 Affirmative Votes.

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

2. Electricity Provider

Director Bohenko moved and Director Loughlin seconded that The Pease Development Authority Board of Directors authorizes the Executive Director to complete negotiations and enter into a contract with ENH Power for the supply of electrical power for the 18 month period month period effective May 1, 2017 through October 31, 2018 at the fixed price of \$0.06583 per kWh; all in accordance with the memorandum of Irving Canner, Director of Finance, dated April 19, 2017, attached hereto. Note: Roll call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

3. Military Cooperative Construction Agreement

Director Loughlin moved and Director Torr seconded that The Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations with the NH Air National Guard and to enter into a Military Construction Cooperative Agreement (MCCA) for design work in connection with the runway reconstruction project at PSM all upon substantially similar terms and conditions set forth in the attached draft MCCA and the memorandum of Maria J. Stowell, PE., Engineering Manager, dated April 18, 2017, attached hereto; subject, however, to final legal review by PDA's General Counsel. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

XI. Executive Director's Reports/Approvals

A. Reports

1. Golf Course Operations

Scott DeVito, PGA General Manager, reported on the activities at the Pease Golf Course, including course opening dates, simulator activities, and Golf Course maintenance work.

2. Airport Operations

Andrew Pomeroy, Airport Operations Supervisor, reported on aviation activities.

a) PSM

Enplanements as of March 31, reached 30,659 (ahead of last year). Allegiant Air will continue some of its operations during the summer.

b) Skyhaven Airport

The taxilane drainage project will begin on May 1, 2017.

c) Noise Line Report

Nine inquiries were made to the PSM noise. Fiver inquiries were regarding rotor activities; three were regarding fixed wing activities; and one inquiry was informational.

Director Lamson commended the staff for the work at the PSM Terminal during arriving and departing flights. Mr. Mullen introduced Paul Brean, PDA’s new Airport Director.

B. Approvals

1. Bills for Legal Services

Director Lamson moved and Director Torr seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to expend funds in the total amount of \$19,187.47 for legal services rendered to the Pease Development Authority by:**

1. Kutak Rock LLP		
Through February 28, 2017	\$ 475.00*	
	<u>\$ 6,155.47</u>	
		\$ 6,630.47
2. Sheehan Phinney Bass + Green		
Through February 28, 2017		<u>\$12,557.00</u>
	Total	<u>\$19,187.47</u>

Note: Roll Call Vote required*Note: The City of Portsmouth will pay the remaining balance.
Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

XII. Division of Ports and Harbors

A. Reports

1. Port Advisory Council

Geno Marconi, Division Director, reported that the Port Advisory Council met on April 12, 2017. No action was taken by the Council.

a. Annual Report

Mr. Marconi reported that the Port Advisory Council prepared its annual report for the Board.

2. Commercial Mooring Transfer

Mr. Marconi reported that in accordance with the "Delegation to Executive Director: Consent, Approval and Execution of Mooring Permit Transfers", commercial moorings were transferred for:

Applicant	Permit	Business	Date of Approval
Seabrook Harbor	No. 6056	Commercial Fishing	03/13/17
Transferor:	David Takesian		
Transferee:	Steven K. Wojcicki		
Seabrook Harbor	No. 4724	Commercial Fishing	03/13/17
Transferor:	Neal Pike		
Transferee:	Norman Pike		

3. Commercial Mooring for Hire

Mr. Marconi reported that in accordance with the "Delegation to Executive Director: Consent, Approval and Execution of Commercial Mooring for Hire Permits", PDA approved of the following Commercial Moorings for Hire permits:

Applicant	Number of Permits	Business	Date of Approval
Bayview Marina, LLC	3	Marina	3/13/17
Esther's Marina, LLC	2	Marina	3/13/17
Charles Felch, Sr.	1	Shorefront tenant	3/13/17
Jay Gingrich	1	Shorefront tenant	3/13/17
Great Bay Marina	73	Marina	3/13/17
Great Bay Yacht Club	11	Yacht Club	3/13/17
Hampton River Boat Club	2	Boat Club	3/13/17
Island Club New Castle, Inc.	1	Boat Club	3/13/17
Kittery Point Yacht Club	8	Yacht Club	3/13/17
Lamprey River Marina	6	Marina	3/13/17
Little Bay Marina	4	Marina	3/13/17
Matthew Metivier	1	Shorefront tenant	3/13/17
Mud Cove Boat Yard	1	Shorefront tenant	3/13/17
Dorothy Oliver	1	Shorefront tenant	3/13/17
Portsmouth Yacht Club	14	Yacht Club	3/13/17
Sagamore Landing Homeowners Assn	1	Shorefront Condo	3/13/17
Southend Yacht Club	1	Yacht Club	3/13/17
Split Rock Cove Ltd	1	Shorefront tenant	3/13/17
Warpath Family Farm	1	Shorefront tenant	3/13/17
Wentworth by the Sea Dockside Condominium Association	1	Shorefront Condo	3/13/17
Wentworth By the Sea Marina (Pier People LLC)	2	Marina	3/13/17

B. Approvals

1. Delegation of Authority – Charter Boats

Director Bohenko moved and Director Torr seconded that **WHEREAS, RSA ch. 12-G vests the management of the Pease Development Authority, Division of Ports and Harbors ("Division") in the Pease Development Authority Board of Directors ("Authority")**

WHEREAS, RSA ch. 12-G further provides that the Board shall appoint an Executive Director, who shall be the chief executive and administrative officer of the Authority and who shall have general and active supervision and direction over the day-to-day business and affairs of the Pease Development Authority

Authority, subject to the direction and control of the Board, and shall perform all such duties as from time to time may be assigned to him by the Board; and

WHEREAS, the Authority has duly enacted By-Laws in accordance with the provisions of NH RSA 12-G:8, XIX; and

WHEREAS, the Authority deems it necessary to the management and regulation of the affairs of the Division to delegate to the Executive Director the authority to consent, approve, and execute Charter Boat Rights of Entry;

NOW, BE IT RESOLVED, that the Authority does hereby delegate to the Executive Director the authority to consent, approve, and execute Charter Boat Rights of Entry in accordance with the terms and conditions of the "Delegation to Executive Director: Consent, Approval, and Execution of Charter Boat Right of Entry" attached hereto and incorporated herein by reference. Note: Roll Call vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

2. Right of Entry – Adventure Fishing Charters & Rentals, LLC

Director Torr moved and Director Preston seconded that The Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a Right of Entry with Adventure Fishing Charters & Rentals, LLC to operate a concession building at the Hampton Harbor Marine Facility for one year effective July 1, 2017; all in accordance with the terms and conditions set forth in the memo of Geno J. Marconi, Division Director, dated April 13, 2017 attached hereto. Note: Roll Call vote required. Discussion: Disposition: Resolved by unanimous roll call vote; motion carried.

3. Right of Entry – Angler Management 101 LLC

Director Preston moved and Director Lamson seconded that The Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Right of Entry with Angler Management 101 LLC for marine charter vessel operations located at the Hampton Harbor Marine facilities for a three year period effective July 1, 2017; and in accordance with the terms and conditions set forth in the memo of Geno J. Marconi, Division Director, dated April 13, 2017 attached hereto. Note: Roll Call Vote required. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.

XIII. New Business

Non new business was brought before the Board.

XIV. Upcoming Meetings

Chairman Bald reported that the following meeting will be held:

Board of Directors May 18, 2017 at 8 a.m.

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

XV. Directors' Comments

There were no comments from the Directors.

XVI. Non-Public Session

Director Torr moved and Director Lamson seconded that **The Pease Development Authority Board of Directors will enter non-public session pursuant to:**

1. **NHRSA 91-A:3, Paragraph II(b) for the purpose of discussing the hiring of a public employee;**
2. **NHRSA 91-A:3, Paragraph II(d) for the purpose of discussing the acquisition, sale or lease of property; and**
3. **NHRSA 91-A:3, Paragraph II(e) for consideration or negotiation of pending claims or litigation which has been threatened in writing or filed against the body or agency or any subdivision thereof, or against any member thereof because of his or her membership in such body or agency, until the claim or litigation has been fully adjudicated or otherwise settled. Note: Roll Call Vote**

Discussion: None. Disposition: Resolved by unanimous vote; motion carried. The Board entered into non-public session at 9:03 a.m. The Board returned to public session at 10:17 a.m.

XVII. Vote of Confidentiality

Director Loughlin moved and Director Torr seconded that **Resolved, pursuant to NH RSA 91-A:3, Paragraph III, the Pease Development Authority Board of Directors hereby determines that the divulgence of information discussed and decisions reached in the non-public session of its April 20, 2017 meeting related to:**

1. **Leasing of property;**
2. **Personnel; and**
3. **Litigation**

would, if disclosed publically, a) render the proposed actions ineffective; and b) affect adversely the reputation of any person other than a member of the public body itself; and agrees that the minutes of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply. **Note: This motion requires 5 Affirmative Votes**

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

XVIII. Adjournment

Director Bohenko moved and Director Lamson seconded to **adjourn the Board meeting.**
Discussion: Disposition: Resolved by unanimous vote; motion carried. Meeting adjourned at 10:22 a.m.

XIX. Press Questions

Respectfully submitted,



David R. Mullen
Executive Director