

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

**Friday, April 20, 2018**

Presiding: Kevin H. Smith, Chairman  
Present: Peter J. Loughlin, Vice Chairman; Margaret F. Lamson and Franklin G. Torr  
By Telephone: Robert A. Allard, Treasurer and Robert Preston  
Absent: John P. Bohenko  
Attending: David R. Mullen, Pease Development Authority (“PDA”) Executive Director; Lynn M. Hinchee, PDA Deputy Executive Director and General Counsel; PDA staff members; members of the public.

**I. Call to Order**

Chairman Smith called the meeting to order at 8:08 a.m. in the Board conference room on the Pease International Tradeport at 55 International Drive, Portsmouth, New Hampshire.

**II. Acceptance of Minutes: March 15, 2018**

Director Loughlin moved and Director Lamson seconded that **The Pease Development Authority Board of Directors hereby accepts the minutes of the March 15, 2018 Board meeting.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

**III. Public Comments**

Rick Becksted, City of Portsmouth City Council member and PDA liaison, stated that he has been contacted by a couple of residents who looking for more information, particularly on the web site and the schedules of the meetings. Mr. Becksted further stated that he has looked at prior agreements regarding the Tradeport and hopes that the PDA will hold Lonza to the highest standard during the expansion projects. Even though there are huge benefits to expanding and providing jobs, Mr. Becksted explained the costs associated with expansion, including housing and traffic, and requests that PDA take these issues into account.

**IV. Old Business**

**A. Reports**

**1. Air Force Airfield Interim Mitigation System**

Maria J. Stowell, Engineering Manager, reported that the Air Force is working on three main projects pertaining to the PFAS problems as a result of Air Force (“AF”) activities. The AF is working with the City of Portsmouth (“COP”) at the Grafton Road water treatment plant to put a system in there so all the drinking water is treated. The AF is also putting in two groundwater systems, one is almost in operation and will head off groundwater heading north into Newington. This report is about the other ground water treatment system that will take water from the airfield. The AF will be building a new building across from the air traffic control tower on Airline Avenue to filter the groundwater. *Note: Director Torr left the room at 8:10 a.m. and returned at 8:12 a.m. and left at 8:13 a.m. and returned at 8:15 a.m.* They will be putting extraction wells, mostly on the airfield, to pull the water out, and the water will go to the treatment plant and run back to the injection wells. In response to Director Lamson’s comment that this is similar to the McIntyre Road structure, Ms. Stowell stated that the pipes were above ground for that system but this system will have the pipes running below ground. Ms. Stowell further stated that, because this is an Air Force project, the Board will not see anything coming for approvals. The project is scheduled for tree cutting next month and construction will be done this summer with the intention of it being online in

January 2019 and will run indefinitely. Ms. Hinchee explained that this project is in parallel to the Haven Well project and will treat the aquifer only. Ms. Stowell explained that the EPA ordered the AF to treat the Haven Well and clean the aquifer and this project is one of the three things the AF is doing. In response to Director Lamson's questions regarding the tree cutting, Ms. Stowell stated that the AF is cutting trees to build the building on Airline Avenue which is across the street from the air traffic control tower.

## **2. Spyglass – Lease Amendment No. 6**

Chairman Smith reported that the lease for Spyglass expired on July 31, 2017. Michael Kane called him regarding a change to Amendment No. 6 for the 30 New Hampshire Avenue property, asking for a minor change to the Amendment. Ms. Hinchee explained that the business terms that the Board has approved will remain the same. There was some concern that, in the remote event that PDA does not pursue utilizing that building for aeronautical use and its own use, that Spyglass wanted a provision that, before it went out to a third party in the market, that PDA will meet and negotiate with them for use of the building since they had the initial investment of the construction of the 16,500 square feet of the facility and they would be interested in continuing their use of the building.

## **3. Wentworth-Douglass Hospital – Option Exercise Effective May 1**

Mr. Mullen reported that he was officially notified that Wentworth-Douglass Hospital ("WDH") wishes to exercise the option to add 67 Corporate Drive and 121 Corporate Drive properties to the Leased Premises. PDA will bring this to the Board of Directors at either its May or June meeting with a signed package for approval. Director Lamson stated that WDH has a wonderful reputation, especially with their walk-in service.

### **B. Approvals**

#### **1. 70/80 Corporate Drive – Letter of Intent and Concept Plan**

Director Lamson moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby authorized the Executive Director to complete negotiations with Lonza Biologics, Inc. ("Lonza") and to execute a Lease for the premises located at 101 International Drive and 70/80 Corporate Drive on terms and conditions substantially similar to those set forth in the Letter of Intent dated April 6, 2018; attached hereto.**

**Further, the Pease Development Authority Board of Directors hereby approves of the Concept Plan submitted by Lonza for the premises located at 70/80 Corporate Drive; all on terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated April 10, 2018, attached hereto. Note: Roll Call vote required. Discussion:** Pat Crimmins from Tighe & Bond ("T&B") reported on the details of the project. Mr. Crimmins explained that this project will consolidate 70/80 Corporate Drive with Lonza's existing premises at 101 International Drive. Part of Goose Bay Drive will be closed off to the public and used as the main employee entrance. The total finished premises will be a 40+ acre parcel and will total approximately 1 million square feet which will include two parking garages. The building will be done in phases with Phase I containing Building 1 and Garage 1 as shown on Lonza's Overall Site Master Plan ("Lonza's Master Plan"). The wetlands impact will total approximately 55,000 square feet. Rain gardens will be installed and T&B will work with the NH Department of Environmental Services regarding stormwater management. Mr. Crimmins also explained the changes to the Hodgson Brook. In response to Director Lamson's remark that stormwater runoff is crucial, Mr. Crimmins explained the proposed gravel areas shown on the Lonza Master Plan. In response to Vice-Chairman Loughlin and Director Lamson questions regarding "daylighting" Hodgson Brook, Mr. Crimmins stated that there is currently a culvert that crosses Goose Bay Drive and the plan is to create an open channel stream to bring the water above the surface. Vice-Chairman Loughlin reported that less than

one acre of wetlands have been impacted to date during the redevelopment of Pease and that he would consider this a “low quality wetland.” In response to Director Preston’s question regarding the liability of PDA in connection with the Lonza expansion project, Mr. Mullen indicated that the interest rate has not yet been determined. Ms. Hinchee added that this would be non-recourse debt to PDA, it would all be on Lonza. In response to Chairman Smith’s question about traffic mitigation, Mr. Crimmins reported that T&B studied the impacts of traffic and that there would be no level of service impacts. Mr. Mullen stated that the balance of the expansion could take up to 10 years to complete. Chairman Smith asked George Combes, Engineer for Lonza, to send along to his colleagues that PDA is very excited to have Lonza choose to expand here in Portsmouth in lieu of the strong competition for building locations throughout the country. Mr. Combes indicated Lonza was equally excited. Disposition: Resolved by unanimous roll call vote for; motion carried.

## **V. Audit Committee Report**

Vice-Chairman Loughlin reported that, due to a lack of quorum, the Audit Committee did not meet on April 16, 2018.

## **VI. Finance Committee Report**

Irv Canner, PDA Finance Director, reported that the Finance Committee met on April 16, 2018 to review the status of PDA finances.

### **A. Financial Reports**

#### **1. Operating Results for Eight Month Period Ending February 28, 2018**

Mr. Canner reported that the operating revenues were higher by \$336,000 or 3.5% and the operating costs were lower by \$62,000 or 0.8%. The fee revenues are \$185,000 above budget which is 55% of the overall budget variance for PDA. The operating income for the year is \$2.1 million is slightly ahead of the \$1.75 million budget amount. The \$398,000 helps to reduce the operating deficit PDA had at the start of the FY18 in terms of the net position on the operating income variance balance sheet.

Mr. Canner discussed the operating expenses and the trends. The operating expenses are under budget by just under 1%. Mr. Canner reported that there are no open positions regarding staffing. The current number of employees is 105 as of the end of February. In response to Director Lamson’s question about the number of employees being 105 on staff, Mr. Canner explained that there are 112 employees for which they are cutting checks next week which is due to the startup of the Golf Course and the beginning of recruitment for the Division of Ports and Harbors (“DPH”). Of that number, 60 are permanent benefitted and the remainder are non-benefitted seasonal positions. Current staffing is complete, there are no open positions at this time.

Mr. Canner reviewed the Balance Sheet. The cash balance increased from the end of June and is \$4.8 million. That represents the operating income shown on the income statement. PDA had construction expenditures of \$4.6 million to date, primarily related to the Air National Guard project, the obstruction removal, finishing of the Skyhaven Airport (“DAW”) taxi lane project and the Golf Course bridge project. Overall, the cash balance has increased by \$800,000. The pension numbers received for the year ending June 2017 and will be incorporated into the balance sheet over the next two months. The pension liability number hasn’t changed yet but overall our pension expense will be reduced because the good performance the pension fund had at the end of FY17.

Mr. Canner discussed the finances for the business units. The Portsmouth International Airport at Pease (“PSM”) had close to 26,000 enplanements through the end of March. The positive impact of those

enplanements is shown under concession revenues. The primary driver associated with the \$46,000 positive variance is car rental business. Car rentals have gone well beyond budget.

DAW fuel sales are below budget. The credit balance is due to credit given to tenants during the construction project last fiscal year. Net cash flow for the fiscal year is positive \$610,000, mostly associated with the timing of grant funds. Overall, the cumulative deficit net cash flow of DAW is \$1.6 million.

The net operating revenues for the Golf Course at the end of February is ahead of budget by 9%, while operating expenses, primarily driven by labor, was over budget by 3%. The net operating income amount is \$319,000 is 43% above budget, or by \$97,000. The business unit analysis of the \$319,000 comes from the pro shop contributes \$15,000, food and beverage contributes \$145,000 which is 45% of the operating income. The fee revenues and membership fees are over budget. Grill 28 sales through the end of March is \$1.2 million which is 6% ahead of last year at this time.

The operating income for the DPH is \$118,000. The wharfage and dockage fees are the driver for revenues for DPH at \$159,000 which is \$77,000 ahead of budget. The labor costs are \$24,000 over budget.

## **2. Nine Month Cash Flow Projections to December 31, 2018**

Mr. Canner reviewed PDA cash flow projections (excluding DPH) for the nine month period ending December 31, 2018 including sources of funds for grant funded and non-grant funded projects. Unrestricted cash balances are projected to be \$3.4 million. Key activities during the period is the introduction of fuel flowage fees and pay for parking. The capital expenditures use of funds of \$4.1 million for grant related activities primarily associated with the completion of the Air National Guard taxiway, start of the runway design and the design of the expansion of the terminal. The non-grant related capital expenditures of \$2.8 million include the terminal expansion planning, terminal roof replacement and the costs associated with pay for parking. Over the next nine months the average cash flow balance will be \$3.4 million. The decrease in June represents the payment of the City of Portsmouth municipal services fee. After the January payment, there will be one payment of \$116,000 remaining. The fuel flowage fees will start in July and the pay for parking will start in October. These will bring revenues of \$310,000. In response to Director Lamson's question about whether the fuel flowage fee mentioned in the operating result report is incorporated in these figures, Mr. Mullen reported it was.

The \$5 million revolving line of credit will expire at the end of December. The current interest rate is 4.5%. Last year at the end of December the interest rate was 4.01%.

## **3. Capital Improvement Plan – FY 2018-FY 2025**

Mr. Canner presented a brief overview of capital improvement projects that may be proposed through FY 2025 including grant funded and non-grant funded projects. There are currently approximately 75 projects listed in this report, the majority of which are not yet approved by the Board. The potential spending is close to \$87,000,000 for this time period of which \$61,000,000 is grant related. Of the grant related funds, a reimbursement of 95% is usually received. The net amount for internally funded projects is \$26,000,000. The key sensitivities include: implementation of the pay for parking and fuel flowage fees which will contribute close to \$7 million over this time period; Tradeport traffic flow, Allegiant Airlines and any other airlines that may come to PSM; interest rate environment; and borrowing capacity. It is expected that the Revolving Line of Credit will be used and will be used. Other funding sources will be explored.

The major grant funded projects include: runway reconstruction and reconstruction of the taxiways at PSM representing \$36 million, terminal expansion at PSM will be funded both by grant (\$12 million)

and internally (\$13 million). The internally funded projects include: the intersection improvements, terminal expansion, parking lot renovations, and golf course enhancements; totaling \$26 million. In response to Director Lamson's comments about the importance of the intersection improvements, Ms. Stowell responded there is money included in this plan to monitor all intersections and it includes New Hampshire Avenue and Manchester Square. Mr. Canner reported that the money for the intersection improvements is \$3.68 million and there is money set aside for updates of studies. Mr. Canner reported on the financing the 75 projects and impact on the debt capacity as well as the overall cash balances. . Mr. Canner discussed the cash balances and the net cash flow during this timeframe and how the RLC will be affected.

## **VII. Leases**

### **A. Reports**

In accordance with the "Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements," Mr. Mullen reported on the following subleases:

#### **1. Shaines & McEachern Company Portsmouth, LLC – SDE, Inc. dba Staff Development for Educators and Stenhouse Publishers**

Mr. Mullen reported that Shaines & McEachern Company Portsmouth, LLC entered into a sublease with SDE, Inc. dba Staff Development for Educators and Shenhouse Publishers ("SDE") for 11,332 square feet within the leased premises at 282 Corporate Drive, Units A and C for a period of five years effective May 1, 2018, with one (1) three to five year option to extend. SDE will use the premises for office and related uses. Director Lamson approved the sublease.

## **VIII. Signs**

### **A. Approvals**

#### **1. ADB Safegate –Replacement of Airfield Signs**

Director Loughlin moved and Director Lamson seconded that **The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a contract with ADB Safegate ("ADB") in a total amount not to exceed \$45,682.29 for the purchase and installation of airfield signs for the Portsmouth International Airport at Pease ("PSM"); all in accordance with the memorandum of Andrew B. Pomeroy, Airport Operations Manager, dated April 12, 2018, attached hereto.**

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

- 1. There are very few vendors who produce FAA-approved airfield signs;**
- 2. ADB provided the lowest of three estimates; and**
- 3. PSM currently uses ADB signs on the airfield allowing for interchangeable parts with existing signs and PSM inventory of replacement parts.**

**Note: This motion requires 5 affirmative votes. Discussion: None. Disposition: Resolved by unanimous roll call vote; motion carried.**

## **IX. Executive Director's Reports/Approvals**

### **A. Reports**

#### **1. State Transparency Quarterly Status Reports**

Mr. Mullen reported that Governor Sununu is requesting certain State agencies provide a quarterly report to the General Court and Governor and Council as part of their transparency initiative in providing information to the general public. PDA is in the process of preparing the first report.

## **2. Golf Course Operations**

Tim Reise, PGA Professional, reported on the activities at the Golf Course. The Golf Course opened nine holes and the driving range on Friday, April 6 and another nine holes on April 12. It is anticipated that all 27 holes will be open by April 27. The bridge work is complete on the Blue Nine. The Golf Course will again offer the discount on Tuesdays for Tradeport employees. There currently are 4300 pre-booked tournaments rounds for the season which is an increase from last year's figure of 4100. Season passes are down slightly with 215 so far this year compared to 224 last year.

## **3. Airport Operations**

Paul E. Brean, Airport Director, reported on aviation activities.

### **a. PSM**

The number of enplanements so far this year is 11,391 which is a decrease from last year at this time due to not having the Tampa Bay and Ft. Lauderdale flights. Terminal activity is still strong. PCA has aggressively been going after troop flights so there has been a steady stream of flights.

Mr. Brean read a prepared statement regarding the story Allegiant Airlines ("Allegiant") which aired on the "60 Minutes" show recently. The FAA exercises rigorous oversight of Allegiant and all airlines operating in the US and Allegiant is fully compliant. FAA has not found a systemic issues with Allegiant. Allegiant self-reported 100 serious mechanical problems which mostly stemmed from the McDonnell Douglas MD-80 aircraft. In 2015, Allegiant started phasing out the MD-80s and by year end will replace them with Airbus A320. It was determined that the news piece was derived from a former employee suing Allegiant for wrongful termination. Feedback from local passengers is positive; they are at ease with the Airbus but not the MD-80. Only limited passengers at PSM requested to cancel their reservation. Mr. Brean further states that, since 2015, Allegiant has seen a downward trend in mechanical issues from 0.003225 events per 1000 departures to 0.0015 events per 1000 departure in 2018. Director Preston commended Mr. Brean for the report. Vice-Chairman Loughlin indicated he flew back from Florida on an Airbus and it was a good flight. Vice-Chairman Loughlin reported that the staff at PSM provided outstanding service. Directors Lamson and Preston concurred with the sentiment about PSM staff.

### **b. Skyhaven Airport**

Mr. Brean reported that there have been a series of avionic thefts in the T-hangars isolated to one area. Security infrastructure improvements are being identified.

### **c. Noise Line Report**

There were a total of nine noise inquiries at PSM during the month of March. There were four inquiries regarding rotor activities originating from two residences in Portsmouth and Eliot, Maine. There were five inquiries regarding fixed wing activities from residences in Durham, Hampton, Newington, New Hampshire and Eliot, Maine, which were all heavy aircraft.

## **B. Approvals**

### **1. Bills for Legal Services**

Director Allard moved and Director Loughlin seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to expend funds up to \$50,910.68 for the following legal services rendered for the Pease Development Authority:**

1.	<b>Anderson &amp; Kreiger, LLP Through February 28, 2018</b>	<b><u>\$1,395.84</u></b>	<b>\$1,395.84</b>
2.	<b>Kutak Rock LLP CLF/Through February 28, 2018 General/Through February 28, 2018</b>	<b>\$492.00 <u>\$246.00*</u></b>	<b>\$738.00</b>
3.	<b>Sheehan Phinney Bass + Green CLF/Through February 28, 2018 Tradeport-General Representation Through February 28, 2018</b>	<b>\$48,341.84 <u>\$435.00</u></b>	<b><u>\$48,776.84</u></b>
<b>Total</b>			<b><u>\$50,910.68</u></b>

\*The balance will be paid by the City of Portsmouth. Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

**2. Amendment to Delegation of Authority to Executive Director – License Agreements to include Rights of Entry**

Director Torr moved and Director Allard seconded that **WHEREAS, RSA ch. 12-G vests the management of the Pease Development Authority (“Authority”) in its Board of Directors;**

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

**WHEREAS, the By-Laws provide that the Executive Director shall have all the authority of the Chairman with respect to the signing of contracts, leases, releases, bond, note and other instruments and documents approved by the Authority; and**

**WHEREAS, the Authority deems it necessary to the management and regulation of its affairs to delegate to the Executive Director the authority to consent to, approve and execute required documents for License Agreements and Rights of Entry.**

**NOW, BE IT RESOLVED, that the Authority does hereby delegate to the Executive Director the authority to consent to, approve and execute certain required documentation in accordance with the terms and conditions of the “Limited Delegation to Executive Director: Consent, Approval, and Execution of License Agreements and Rights of Entry,” by expanding the existing delegated authority to include Rights of Entry, as attached hereto and incorporated herein by reference. Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.**

**3. Defense Fuel Supply Point Pipeline**

Director Preston moved and Director Torr seconded that **The Pease Development Authority Board of Directors hereby authorizes the Executive Director to negotiate and to execute a Right of Entry allowing the Department of Defense to undertake the deconstruction and removal of the abandoned fuel supply point pipeline and, further, approves of the submission of a wetland permit by notification to the New Hampshire Department of Environmental Services by the Department of Defense; all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated April 10, 2018, attached hereto.** Discussion: In response to Director Lamson's question about the location of the pipe removal and the wetland impact, Ms. Stowell explained that there is only 2500 feet of pipe on Pease that will be removed. The Air Force had an easement to construct and maintain the fuel pipe. It is unclear whether the AF has a right to remove it and this approval will give the AF to come onto the property to remove the pipe. The residential property owners have been notified by the AF. Disposition: Resolved by unanimous roll call vote for; motion carried.

#### 4. Fuel Flowage Fee

Director Lamson moved and Director Torr seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to take all such action as may be required or appropriate to facilitate the implementation of an aviation fuel flowage fee at a rate of \$.02 per gallon on 100 low lead fuel and Jet A fuel, commencing July 1, 2018; all in accordance with the memorandum of Paul E. Brean, Airport Director, dated April 11, 2018, attached hereto.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

#### 5. Paid Parking Concept

Director Loughlin moved and Director Lamson seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to take all such action as may be required or appropriate to facilitate the implementation of an airport passenger parking fee of \$7.00 per day, commencing October 1, 2018; all in accordance with the memorandum of Paul E. Brean, Airport Director, dated April 12, 2018, attached hereto.** Discussion: In response to Director Preston's question about the revenue pay for parking will bring in, Mr. Mullen stated that it would bring in approximately \$613,000 based on 25% of the 961 spaces of lot coverage, or 240 cars, 365 days a year. Mr. Brean stated that he has received feedback from the local community and a system will be put into place for short term parking (such as the greeters). Vice-Chairman Loughlin stated that pay for parking is a wise business decision and that it has been discussed for a long time. Vice-Chairman Loughlin further stated that there is a need to implement it due to the increase in traffic which can impose more of a strain on the staff and resources. Director Lamson concurred. Disposition: Resolved by unanimous roll call vote for; motion carried.

**NOTE:** The Board of Directors suspended the rules of procedure pertaining to public comment to allow Ryan Fitzsimmons from Galileo RMF, LLC, a PDA tenant, to offer his comments about Allegiant. Mr. Fitzsimmons stated that the statement read by Mr. Brean regarding Allegiant Air was great. Ms. Fitzsimmons feels that the 26 minutes of media time that Allegiant got was probably the best thing for them. Allegiant is bringing forth an issue and challenge that is already being rectified and people are seeing through this. Mr. Fitzsimmons stated he could see the number of enplanements actually increasing because Allegiant is in the people's mind.

#### X. Division of Ports and Harbors



Tracy Shattuck, Chief Harbormaster, reported on Division activities, and the approvals sought before the Board represent the current business at the Division of Ports and Harbors (“DPH”). Mr. Shattuck stated that a ship has come in with 40,000 metric tons of road salt.

**A. Reports**

**1. Port Advisory Council**

Mr. Shattuck reported that the Port Advisory Council (“PAC”) met on February 14, 2018 and March 14, 2018. The approved minutes of the meetings for February 14 and March 14 are included for the Board’s information.

**2. Piscataqua Maritime Commission – ROE**

Mr. Shattuck reported that the Piscataqua Maritime Commission executed a ROE for the visit by the SSV Oliver Hazard Perry beginning July 25, 2018 through July 31, 2018.

**3. Piscataqua Maritime Commission – Waiver of Fees**

Mr. Shattuck reported that in accordance with the “Delegation to Executive Director: Consent and Approval for the Waiver of Wharfage, Dockage and Related Fees for Qualified Non-profit Organizations Using Facilities of the Division of Ports and Harbors,” the Executive Director waived the wharfage and dockage fees for the visit by the SSV Oliver Hazard Perry.

**4. Mooring Permit Application Analysis**

Mr. Shattuck reported on the mooring permit applications analysis chart which reflects applications from 2008 through 2018. It was a good season.

**5. Commercial Use Mooring Transfers**

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

	<u>Permit</u>	<u>Business</u>	<u>Date of Approval</u>
Hampton Harbor Transferor: Transferee:	No. 7723 Michael Sprague Randy Campolini	Commercial Charter	03/09/18
Seabrook Harbor Transferor: Transferee:	No. 397 Randell Collins Jeffrey Redican	Commercial Charter	03/09/18
Hampton Harbor Transferor: Transferee:	No. 1465 James Willwerth Aaron Diamond	Commercial Charter	03/09/18
Seabrook Harbor Transferor: Transferee:	No. 7535 Aaron Diamond James Willwerth	Commercial Charter	03/09/18

**6. Commercial Mooring For Hire Permits**

Mr. Shattuck 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:

<u>Applicant</u>	<u>Number of Permits</u>	<u>Business</u>	<u>Date of Approval</u>
Bayview Marina, LLC	3	Marina	3/15/18
Esther's Marina, LLC	2	Marina	3/15/18
Jay Gingrich	1	Shorefront tenant	3/15/18
Great Bay Marina	73	Marina	3/15/18
Great Bay Yacht Club	11	Yacht Club	3/15/18
Hampton River Boat Club	2	Boat Club	3/15/18
Island Club New Castle, Inc.	1	Boat Club	3/15/18
Kittery Point Yacht Club	8	Yacht Club	3/15/18
Lamprey River Marina	6	Marina	3/15/18
Little Bay Marina	4	Marina	3/15/18
Matthew Melivier	1	Shorefront tenant	3/15/18
Mud Cove Boat Yard	1	Shorefront tenant	3/15/18
Dorothy Oliver	1	Shorefront tenant	3/15/18
Portsmouth Yacht Club	14	Yacht Club	3/15/18
Sagamore Landing Homeowners Assn	1	Shorefront Condo	3/15/18
Southend Yacht Club	1	Yacht Club	3/15/18
Split Rock Cove Ltd	1	Shorefront tenant	3/15/18
Warpath Family Farm	1	Shorefront tenant	3/15/18
Wentworth by the Sea Dockside Condominium Assn	1	Shorefront Condo	3/15/18
Wentworth By the Sea Marina (Pier People LLC)	2	Marina	3/15/18

## 7. Expenditures

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

### a) BRP US, Inc. – Purchase of Workskiff Motor

PDA contracted with BRP US, Inc. for the purchase of a 115 hp Evinrude motor for the workskiff. The expenditure of \$7,892.61 was approved by Vice-Chairman Loughlin.

### b) Dover Marine – Installation of Workskiff Motor

PDA contracted with Dover Marine for the installation of a 115 hp Evinrude motor for the workskiff. The expenditure of \$700.00 was approved by Vice-Chairman Loughlin.

### c) Lakes Region Environmental – Plans for Storm Damage Repair

In accordance with the “Delegation to Executive Director: Consent, Approval and Execution of Documents and Expenditure of Funds for Emergency Repairs,” PDA contracted with Lakes Region Environmental for engineering services required for the emergency repair due to storm damage. The expenditure of \$3,500.00 was approved by Vice-Chairman Loughlin.

## B. Approvals

### 1. Appledore Marine Engineering, LLC – Functional Replacement – Barge Dock

Director Torr moved and Director Loughlin seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to approve the proposal from Appledore Marine Engineering, LLC for the purpose of conducting design, engineering and permitting work for the Barge Dock Functional Replacement Project provided in the attached proposal and contingent upon the final approval by the Federal Highway Administration; all in accordance with the Memorandum of Geno J. Marconi, Division Director, dated April 9, 2018, attached hereto.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

## **2. Accounts Receivable Write-Off**

Director Preston moved and Director Lamson seconded that **In accordance with the recommendation of the PDA Finance Committee, the PDA Board of Directors hereby approves of and authorizes the write-off of an accounts receivable for barge and crawler cranes associated with the Memorial Bridge construction project in the total amount of \$2,703.60; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated March 29, 2018, attached hereto.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

## **3. Pda 400 Rules – Re-adoption**

Director Allard moved and Director Torr seconded that **The Pease Development Board of Directors hereby approves the re-adoption to Administrative Rules Pda 400 HARBOR MASTERS.**

**Further, the Board authorizes the Division Director to take any necessary or recommended action in furtherance of this matter; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated April 12, 2018, attached hereto.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

## **4. Albany Safran Composites, LLC – FTZ Subzone Agreement**

Director Lamson moved and Director Torr seconded that **The Pease Development Authority Board of Directors authorizes the Executive Director to complete negotiations with Albany Safran Composites, LLC of Rochester, New Hampshire, and to execute an Agreement for the use of a portion of Foreign Trade Zone No. 81 to operate their facility at 85 Innovation Drive, Rochester, NH, in Foreign-Trade status, subject to final approval by the US Department of Commerce Foreign Trade Zones Board; and in accordance with the Memorandum of Geno J. Marconi, Division Director, dated April 11, 2018, attached hereto.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried.

## **XI. Special Events**

### **A. Reports**

Liz LaCava, Executive Assistant, reported on the Special events coming up in the month of May at the Tradeport. Ms. LaCava reported that there were six events last year and there are currently five scheduled for this year. The May events include:

#### **1. American Lung Association**

On Sunday, May 6, 2018, the American Lung Association will host the “Cycle the Seacoast” bicycle tour. Funds raised will be used to support the American Lung Association’s programs.

## 2. Runner's Alley/Redhook Ale Brewery Memorial 5 K

On Sunday, May 27, 2018, Runner's Alley and Redhook Ale Brewery will host a 5k road race. Funds raised will be used to support programs at the Kremple's Brain Injury Foundation.

### **XII. New Business**

There was no new business.

### **XIII. Upcoming Meetings**

Chairman Smith reported that the following meetings will be held:

Board of Directors      May 17, 2018

**All meetings begin at 8:00 a.m. unless otherwise posted.**

### **XIV. Directors' Comments**

Director Lamson expressed thanks to Ms. Stowell and Mr. Brean for their work. Director Torr gave recognition to PDA staff and Mr. Mullen in connection with the negotiations for the Lonza expansion. Chairman Smith concurred and commended Ms. Hinchee and Mr. Mullen for the Lonza expansion project.

### **XV. Non-Public Session**

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

1. **NHRSA 91-A:3, Paragraph II(d) for the purpose of discussion the acquisition, sale or lease of property.**
2. **NHRSA 91-A:3, Paragraph II(a) the dismissal, promotion, or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him, 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;**
3. **NHRSA 91-A:3, Paragraph II(b) for the purpose of discussing the hiring of a public employee;**
4. **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; and**

**Note: Roll Call Vote Required.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried. The Board entered into non-public session at 9:38 a.m. The Board returned to public session at 10:24 a.m.

**XVI. Vote of Confidentiality**

Director Allard moved and Director Lamson 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, 2018 meeting related to:**

1. **Leasing of property;**
2. **Dismissal, promotion or compensation of public employee;**
3. **Hiring public employee; and**
4. **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 roll call vote for; motion carried.

**XVII. Adjournment**

Director Lamson moved and Director Loughlin seconded to **adjourn the Board meeting.** Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried. Meeting adjourned at 10:25 a.m.

**XVIII. Press Questions**

Members of the press left the meeting at 8:38 a.m.

Respectfully submitted,



David R. Mullen  
Executive Director