PEASE DEVELOPMENT AUTHORITY
Thursday, January 21, 2021

PUBLIC AGENDA
Time: 8:30 a.m.
Non-Public Session: 8:30 a.m. to 9:00 a.m.
Public Meeting to commence at 9:00 a.m.

BOARD OF DIRECTORS' MEETING

Pursuant to NH RSA 91-A:2 III (b) PDA Chairman Kevin Smith has declared COVID-19 an emergency condition and has waived the requirement that a quorum be physically present at the Board meeting in accordance with the Governor's Executive Order 2020-04, Section 8, as extended by Executive Order 2020-25, and Emergency Order #12, Sections 3 and 4. PDA Directors will be participating remotely and will identify their location and any person present with them at that location. All votes will be by roll call. Members of the public may participate by using the access information provided. Please note that this meeting will be video / audio recorded.

Join Zoom Meeting:
https://us02web.zoom.us/j/86549522498?pwd=bTJzWGZ5M2ZWbHhvS1VyaEQ1eTk0UT09

Meeting ID: 865 4952 2498
Passcode: 467045

Dial by your location: 1 929 205 6099 US (New York)

***Any member of the public having difficulty accessing the Zoom meeting listed above during the public meeting should e-mail: zoom@peasedev.org.

AGENDA

I. Call to Order:

II. Non-public Session: (Anderson)

III. Vote of Confidentiality: (Ferrini)

IV. Acceptance of Meeting Minutes: December 22, 2020 * (Loughlin)

V. Public Comment:

VI. Committee Meetings:
A. Reports: *
   1. Airport Committee Agenda
VII. Old Business:
A. Report: *
   1. Lonza Biologics, Inc. – Iron Parcel Option Extension Agreement #3

B. Approvals:
   1. Pease Aviation Partners, LLC (d/b/a Million Air Portsmouth) at 53 Exeter Street – FBO Application * (Fournier)
   2. Pease Aviation Partners, LLC (d/b/a Million Air Portsmouth) at 53 Exeter Street – Conceptual Site Plan Approval * (Lamson)
   3. Lonza – 70 / 80 Corporate Drive (Iron Parcel) Site Review Extension and Referral of Conditional Use Permit * (Levesque)
   4. AIP 64 (Reconstruction RW 16-34) Change Order to Include the Reconstruction of Taxiways “B” and “C” * (Loughlin)

VIII. Finance:
A. Executive Summary *

B. Reports:
   1. FY2021 Financial Report for the Five Month Period Ending November 30, 2020 *
   2. Cash Flow Projections for the Nine Month Period Ending September 30, 2021 *

IX. Licenses/ROEs/Easements/Rights of Way:
A. Reports: *
   1. Lonza Biologics – 70 / 80 Corporate Drive (Iron Parcel) Exercise Third One Year Option for Contractor – Employee Parking through December 31, 2021

B. Approvals:
   1. Non-Aeronautical Easement (Water/Sewer) – City of Rochester * (Fournier)

X. Leases:
A. Reports:*
   1. Sublease between 30 International Drive, LLC to Prosperity Realty, LLC d/b/a Exit Realty Prosperity

B. Approvals:
   1. Lonza – Conceptual Approval of Column Packing Room Addition * (Anderson)

XI. Contracts/Agreements:
A. Approvals:
   1. Airport Architectural & Engineering Consultant * (Lamson)
   2. USDA / WS Wildlife Control Proposal at Airports * (Ferrini)

XII. Executive Director:
XII. Executive Director:
A. Reports:
   1. Committee Appointments
   2. Golf Course Operations
   3. Airport Operations
      a) Portsmouth International Airport at Pease (PSM)
      b) Skyhaven Airport (DAW)
      c) Noise Line Report
         (i) December 2020*

B. Approvals:
   1. Bills for Legal Services * (Levesque)

XIII. Division of Ports and Harbors:
A. Reports:
   1. Port Advisory Council – Minutes of November 15, 2020 *
   2. Portsmouth Fish Pier – Change Order #3 (Credit) / H.L. Patten *
   3. Commercial Mooring Transfer – Nugent to Nugent *

XIV. New Business:

XV. Special Event:
A. Report:
   1. Millennium Running - St. Patty's 5k/10k Road Race to be held on March 13, 2021

XVI. Upcoming Meetings:

   Board of Directors                     January 28, 2021 @ 9:00 a.m.
   (Planning Board Public Hearing)

   Board of Directors                     March 18, 2021 @ 8:30 a.m.

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

XVII. Directors’ Comments:

XVIII. Adjournment:

XIX. Press Questions:

* Related Materials Attached
** Related Materials Previously Sent
*** Related Materials will be provided under separate cover
+ Materials to be distributed at Board Meeting
- Confidential Materials
RIGHT TO KNOW UPDATE: Effective January 1, 2018, RSA 91-A, the Right to Know Law was modified to include that "If a member of the public body believes that any discussion in a meeting of the body, including in a nonpublic session, violates this chapter, the member may object to the discussion. If the public body continues the discussion despite the objection, the objecting member may request that his or her objection be recorded in the minutes and may then continue to participate in the discussion without being subject to the penalties of RSA 92-A:8, IV or V. Upon such request, the public body shall record the member's objection in its minutes of the meeting. If the objection is to a discussion in nonpublic session, the objection shall also be recorded in the public minutes, but the notation in the public minutes shall include only the member's name, a statement that he or she objected to the discussion in nonpublic session, and a reference to the provision of RSA 91-A:3, II, that was the basis for the discussion."

MOTION

Director Anderson:

The Pease Development Authority Board of Directors will enter nonpublic session pursuant to NH RSA 91-A:3 for the purpose of discussing:

1. Sale or Lease of Real or Personal Property [RSA 91-A:3, II (d)]; and
2. Consideration of Legal Advice provided by Legal Counsel [NH RSA 91-A:3, II (l)].

NOTE: Roll Call Vote Required
MOTION

Director Ferrini:

Resolved, pursuant to NH RSA 91-A:3, the Pease Development Authority ("PDA") Board of Directors hereby determines that the divulgence of information discussed and decisions reached in the non-public session of its January 21, 2021, meeting related to the sale or lease of property and the consideration of legal advice from legal counsel are matters which, if disclosed publically, would render the proposed actions ineffective and further agrees that the minutes of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply.

NOTE: Roll Call vote required
MOTION

Director Loughlin:

I make a motion to approve the minutes of the Pease Development Authority Board of Directors Meeting dated Tuesday, December 22, 2020.

NOTE: Roll Call vote required.
Pursuant to NH RSA 91-A:2 II (b) PDA Chairman Kevin Smith has declared COVID-19 an emergency condition and has waived the requirement that a quorum be physically present at the Board meeting in accordance with the Governor's Executive Order 2020-04, Section 8, as extended by Executive Order 2020-24, and Emergency Order #12, Sections 3 and 4. PDA Directors will be participating remotely and will identify their location and any person present with them at that location. All votes will be by roll call.

Presiding: Kevin H. Smith, Chairman
Present: Peter J. Loughlin, Vice Chair; Erik Anderson; Thomas Ferrini; Steve Fournier; Margaret F. Lamson; and Neil Levesque
Attending: Paul E. Brean, Pease Development Authority (“PDA”) Executive Director; Anthony I. Blenkinsop, Deputy Director /General Counsel; Maria Stowell Engineering Manager; Irv Canner, Finance Director; Scott DeVito, Pease Golf Course General Manager; Geno Marconi, Division of Ports and Harbors (“DPH”) Director; Raeline A. O’Neil, Legal Executive Assistant; and Greg Siegenthaler PDA, IT Director.

AGENDA

I. Call to Order:
Chairman Smith (“Smith”) called the meeting to order at 8:33 a.m.

Smith welcomed the PDA Board of Directors, PDA Staff, members of the public to the meeting of the Board of Directors. Smith then welcomed Director Thomas Ferrini (“Ferrini”), who was recently appointed by the Speaker of the House, to his first meeting of the PDA Board of Directors. Smith thanked Director Allard for his years of service to the PDA Board and hoped to be able to thank Director Allard in person for his time and service on the Board.

The Board of Directors confirmed their presence on the call, physical location, and advised if there were any other individuals present with them:

Chairman Kevin Smith was located in Londonderry, NH with no other individual(s) present in the room.
Vice Chair Peter Loughlin was located in Portsmouth, NH with no other individual(s) present in the room.
Erik Anderson was located in Portsmouth, NH with no other individual(s) present in the room.
Thomas Ferrini was located in Dover, NH with no other individual(s) present in the room.
Steve Fournier was located in Dover, NH with no other individual(s) present in the room.
Peggy Lamson was located in Newington, NH with no other individual(s) present in the room. Director Lamson (“Lamson”) was having difficulties connecting to the call and was assisted by PDA IT personnel to connect to the Zoom meeting.
Neil Levesque was located in Springfield, NH with no other individual(s) present in the room.

Director Ferrini ("Ferrini") indicated that he has known Director Allard for quite a while, knows Allard’s service was exemplary and agrees that he has large shoes to fill.

Pease Development Authority ("PDA") staff on the Zoom meeting were Executive Director Paul E. Brean ("Brean"); PDA Deputy Director / General Counsel Anthony I. Blenkinsop ("Blenkinsop"); Finance Director Irv Canner ("Canner"); Engineering Manager Maria Stowell ("Stowell"); Golf Course General Manager Scott DeVito ("DeVito"); Division of Port and Harbors Director Geno Marconi ("Marconi"); IT Director Greg Siegenthaler ("Siegenthaler"), and members of the public.

II. Non-public Session:

Director Anderson moved the motion and Director Loughlin 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.) Sale or Lease of Real or Personal Property [RSA 91-A:3, II (d)]; (2.) Consideration of Legal Advice provided by Legal Counsel [NH RSA 91-A:3, II (l)]; and (3.) Consideration of matters which, if discussed in public, would likely affect adversely the reputation of any person, other than a member of the public body itself [NH RSA 91-A:3, II (e)].

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

Director Lamson ("Lamson") was having difficulties connecting to the Zoom meeting and did not vote; she was assisted by PDA IT personnel and was properly connected to the Zoom meeting.

The non-public discussions commenced at 8:38 a.m. via Zoom.

Director Lamson moved the motion and Director Levesque seconded that the Board of Directors come out of non-public, at 9:38 a.m.

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

The public meeting resumed.

PDA IT Director Greg Siegenthaler was the moderator for the meeting. He advised that meeting was being audio recorded and asked individuals to please follow the guidelines for the duration of the meeting:
1. In an effort to minimize background noise, we ask that all members of the public keep their microphones muted, and PDA Board members and staff are encouraged to stay on mute when not speaking during the meeting.

2. For members of the public wishing to speak during the public comment portion of the meeting, please press *9 on your phone to ‘raise your hand’, or press ALT+Y on your computer keyboard. The moderator will see your ‘hand’ and prompt you to make your comment. It is requested that no public comment be longer than 3 minutes.

3. This is a public meeting. If any member of the public causes a disruption to the meeting that would not allow the meeting to continue, the moderator will request that the Chair temporarily recess the meeting so that the disruption may be addressed. The moderator will then inform the Chair when the meeting may continue. If the Board is unable to continue the meeting due to the disruption, the Chair may elect to suspend the meeting to a later date/time, to be noticed in accordance with State law.

4. Once again, this meeting is being audio recorded. Following the meeting, a copy of the recording will be posted on the PDA’s website – www.peasedev.org

III. Vote of Confidentiality:

Director Loughlin moved the motion and Director Anderson seconded that pursuant to NH RSA 91-A:3, the Pease Development Authority ("PDA") Board of Directors hereby determines that the divulgence of information discussed and decisions reached in the non-public session of its December 17, 2020, meeting related to the sale or lease of property and the consideration of legal advice from legal counsel and matters which, if discussed in public, would likely affect adversely the reputation of any person, other than a member of the public body itself, would, if disclosed publically, render the proposed actions ineffective and likely affect adversely the reputation of any person other than a member of the public body itself; and further agrees that the minutes of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply.

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

IV. Acceptance of Meeting Minutes of November 19, 2020

Director Levesque moved the motion and Director Lamson seconded a motion to approve the minutes of the Pease Development Authority Board of Directors Meeting dated Thursday, November 19, 2020.

Discussion: None. Disposition: Resolved by unanimous (6-0) roll call vote with one abstention for; motion carried.

Director Ferrini abstained as he was not seated or present for the November 19, 2020 meeting.

Pease Development Authority Board of Directors December 22, 2020
V. Employee Recognitions:

Brean informed the Directors of the employees being recognized for their years of service to the Pease Development Authority: for 10 years of service - Airport Maintenance Equipment Operator John Anastas who is an and skilled carpenter who works independently and updates the PDA facilities; for 15 years of service - Deputy Chief Harbormaster Grant Nichols who safeguards the Ports and Harbors and is also a conduit to law enforcement, Grant also works closely with the IT Department regarding cyber security; DPH Administrative Assistant Lana LaRochelle who is a lighthouse to the harbor that keeps the facility going and supports Director Marconi’s operations; and Senior Accountant Ron Jodz, who will be retiring in March of 2021, who is an old school debit and credit accountant, he is working to get someone up to speed who will be replacing him in the near future; and for 25 years of service is Planning and Compliance Manager for the aviation facilities is Andrew Pomeroy who is an integral part of the Portsmouth International Airport operations and who has overseen the runway reconstruction project and the airport terminal project, he works closely with the NHANG and is the point of contact up at Skyhaven Airport in Rochester, and Director of Ports and Harbors Geno Marconi, who continues to take an outdated facility with outdated infrastructure and fights for appropriations in order to update the facility, he does an incredible amount of work with the Foreign Trade Zone program and will also be serving on the offshore Wind Energy Commission.

Brean thanked all of the employees for these milestones.

Smith congratulated the employees on their longevity, dedication, and service to the PDA.

Lamson also thanked the employees and especially Marconi who helped her to understand the Division of Ports and Harbors.

VI. Public Comment:

Siegenthaler reminded members of the public wishing to speak to press *9 on the phone to “raise your hand” or to press ALT+Y on your computer keyboard. At that time the moderator would prompt individual(s) to make their comments and asked that public comment be no longer than 3 minutes. Siegenthaler indicated he saw no hands raised.

There were no public comments.

VII. Finance:

A. Executive Summary

Lamson indicated that the Executive Summary is helpful and it assists the Board as there has not been a Finance Committee meeting recent; the summary gets to the point on everything. Smith affirmed that the Executive Summary report has been very helpful.

B. Reports:

1. FY 2021 Financial Report for the Four Month Period Ending October 31, 2020

Pease Development Authority          Board of Directors          December 22, 2020
Canner stated that the operating revenues are up by about 15% from budget and operating costs are below budget by approximately 9%. The variance in operating revenue is driven by the fee revenue, of which 60% is related to golf fees (the course exceeded 62,000 rounds of golf played). Canner spoke to other variances such as fuel sales at the Portsmouth Fish Pier as it is not fully operational as well as the impacts COVID has had on parking and fuel flowage fees.

Canner spoke of staffing and indicated there 120 employees of which 60 are benefited PDA employees (18 salaried and 42 hourly); currently PDA is actively recruiting for six open positions.

Canner spoke to the various business units, such as Portsmouth International Airport (PSM) being below operating revenue as a result of the runway construction project impacting the fuel flowage fees and pay for parking. Canner further indicated that through November enplanements were at 37,000; PSM is doing as well as it can under the current impact due to COVID.

Canner also indicated that Skyhaven Airport has a positive operating income and the variance in revenues is generated primarily by the fuel sales (in 2020 just over 10,000 gallons versus in 2019 just over 7,000 gallons) and a 4% decrease in the overall cost of fuel. Canner indicated that since taking over Skyhaven Airport in 2009, there has been a financial impact of $1.7 million to PDA.

Canner also spoke to the positive variance that has come out of the public play at the Golf Course with revenues being above projection as well as a watchful eye on the additional expenses incurred due to COVID and the excess play. These variances have helped to support the capital campaign and minimized the need to borrow. Canner indicated that through November there were 62,315 rounds of golf played and indicated that Grill 28 is 7.5% below budget due to the impact from COVID.

Canner indicted that unrestricted operations at the Division of Ports and Harbors (“DPH”) revenues are slightly under budget in direct relation to the reduction in fuel sales at the Portsmouth Fish Pier (“PFP”) due to construction.

2. Nine Month Cash Flow Projections to August 31, 2021

The summary overview shows the cash balances (excluding DPH) have a reduction of approximately 37.5%. Canner indicated that as previously presented to the Board in November, PDA borrowed $4 million and has since paid that back; as of a few weeks ago PDA had to go into the Revolving Line of Credit (RLOC) for $5.5 million ($500,000 has been paid back). Canner projected by the end of August it is anticipated that PDA will be at a debt level of $5.5 million. When reviewing the use of funds it indicates that the primary reason are the capital expenditures totaling $16.8 million between grant and non-grant related projects (i.e.; $11 million for the terminal project and $5 million for the runway project). Lamson asked if PDA has been receiving the money back from the FAA regarding the runway project; Canner affirmed. Canner informed the Board that of the $16 million in projects referenced above, $9 million is granted related / source of funding. Canner further stated that Finance and Engineering work closely to project when the monies will be received, this is tracked.
aggressively to keep trace the reimbursements (at this time there is a $15 million RLOC and currently the interest is down to 2.88%).

VIII. Licenses/ROEs/Easements/Rights of Way:
A. Reports:
   1. TIG – Right-of-Entry (ROE) - 165 Arboretum Drive
      Brean indicated in accordance with the “Delegation to Executive Director: Consent, Approval and Execution of License Agreements,” PDA entered into a ROE with Two International Group (TIG) for a parcel located at 165 Arboretum Drive for the purpose for Site Inspection purposes through December 31, 2020. Brean indicated that 165 Arboretum Drive is located in Newington, NH at the outermost area of the Tradeport by the new DOT rotary.

B. Approvals:
   1. NH DOT – Portsmouth Transportation Center Extension of Right-of-Entry
      Director Lamson moved the motion and Director Anderson seconded that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to enter into an Extension of the Right-of-Entry with the New Hampshire Department of Transportation for the Portsmouth Transportation Center and associated parking facility located at Pease International Tradeport for a period of one (1) year; all in accordance with the draft Extension of Right of Entry.

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

      Director Fournier moved the motion and Director Lamson seconded that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to execute a Right of Entry with New England Aerobatic Club for the purpose of holding periodic airplane aerobatic practices at Skyhaven Airport through December 31, 2021; all in accordance with the Memorandum from Andrew Pomeroy, Airport Operations Manager, dated December 8, 2020.

      Discussion: Director Anderson ("Anderson") asked if the ROE created revenue for Skyhaven; Brean responded the revenue received is in fuel sales from the participating aircraft.

      Disposition: Resolved by unanimous (7-0) roll call vote for; motion carried.

IX. Leases:
A. Reports:
   1. Sublease between One New Hampshire, LLC to Triple Crown Consulting
      In accordance with the “Delegation to Executive Director: Consent, Approval of Sub-Sublease Agreements” PDA approved the following lease with Triple Crown Consulting, LLC for
4,467 square feet of office and related use for a period of Seven (7) Years and Three Months commencing late January 2021; and Director Lamson was consulted and granted her consent.

X. Contracts/Agreements:
   A. Approvals:
      1. Cross Insurance – PDA Insurance

         Director Ferrini moved the motion and Director Lamson seconded to approve the contracts of insurance as offered in the Board packet.

         That the Pease Development Authority ("PDA") Board of Directors authorizes the Executive Director to accept and bind insurance coverages for the PDA to be provided by Cross Insurance, Inc. as outlined in the premium summary attached hereto, in the projected total premium amount of $158,337.06 for the period of December 31, 2020 through December 31, 2021, in accordance with the memorandum of Anthony I. Blenkinsop, Deputy Director/General Counsel, dated December 14, 2020.

         Discussion: Blenkinsop stated for clarification purposes that Director Ferrini’s motion was related to Cross Insurance. Disposition: Resolved by unanimous (7-0) roll call vote for; motion carried.

         2. USI-New England, Inc. – PDA Insurance

         Chairman Smith reminded the Directors that an updated chart of the rates had been forwarded to the Board.

         Director Anderson moved the motion and Director Levesque seconded that the Pease Development Authority ("PDA") Board of Directors authorizes the Executive Director to accept and bind PDA property insurance coverage with USI – New England, Inc. as outlined on the schedule attached hereto, in the projected total premium amount of $125,912.00 for the period of December 31, 2020 through December 31, 2021, as well as a 6 month extension of the builders risk policy for the ongoing Airport Terminal project in an projected amount of $5,755.00, all in accordance with the memorandum of Anthony I. Blenkinsop, Deputy Director/General Counsel, dated December 14, 2020.

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

XI. Executive Director:
   A. Reports:
      1. 2021 Meeting Schedule

      2. Elections (Vice-Chair and Treasurer)
         A. Vice-Chair:

         Director Smith moved the motion and Director Anderson seconded that Director Loughlin be elected as Vice-Chairman of the Pease Development Authority.
Discussion: None. Disposition: Resolved by roll call (7-0) vote for; motion carried.

B. Treasurer:
Director Lamson moved the motion and Director Levesque seconded that Director Ferrini be elected as Treasurer of the Pease Development Authority.

Discussion: Lamson indicated Ferrini is taking Bob Allard’s place; Ferrini indicated he would happy to serve. Disposition: Resolved by roll call (7-0) vote for; motion carried.

3. Committee Appointments:
Chairman Smith appointed Directors to the following Committees:

PDA COMMITTEE LISTING – EFFECTIVE December 22, 2020

Standing Committees

Executive Committee
Kevin H. Smith, Chair
Peter J. Loughlin, Vice Chairman
Tom Ferrini, Treasurer
Staff Contact: Brean/Blenkinsop

Finance Committee
Tom Ferrini, Chair (Treasurer)
Margaret Lamson
Neil Levesque
Staff Contact: Brean/Canner

Airport Committee
Kevin H. Smith, Chair
Steve Fournier
Margaret Lamson
Staff Contact: Brean/Stowell

Marketing and Economic Development Committee
Peter Loughlin, Chair
Neil Levesque
Thomas Ferrini
Staff Contact: Brean

Zoning Adjustment & Appeals Committee
Thomas Ferrini, Chair
Peter Loughlin
Kevin H. Smith
Staff Contact: Blenkinsop/Stowell

Ad Hoc Advisory Committees

Capital Improvement and Land Planning Committee
Peter Loughlin, Chair
Steve Fournier
Thomas Ferrini
Neil Levesque
Staff Contact: Blenkinsop/Stowell

Transportation Management Committee
Margaret Lamson, Chair
Erik Anderson
Thomas Ferrini
Staff Contact: Stowell
Golf Committee
Erik Anderson, Chair
Steve Fournier
Thomas Ferrini
Staff Contact: Brean/DeVito

Audit Committee
Peter Loughlin, Chair
Kevin Smith
Erik Anderson
Staff Contact: Canner

Port Committee
Peter Loughlin, Chair
Thomas Ferrini
Neil Levesque
Ex Officio: Chair DPH Advisory Council
Staff Contact: Brean/Marconi

Legal Bill Review
Kevin H. Smith, Chair
Peter Loughlin
Thomas Ferrini
Staff Contact: Blenkinsop

4. PDA Holiday Schedule – 2021

- New Year’s Day
- Martin Luther King/Civil Rights Day
- Presidents’ Day
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veterans’ Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day
- New Year’s Day

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<td>New Year’s Day</td>
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Golf Course Operations
Golf Course General Manager Scott DeVito (“DeVito”) indicated that the last day of play was November 30, 2020 and the season ended with 62,430 rounds played (7,000 more rounds than any prior year). Since all outdoor operations have closed, the indoor simulators have picked up and at this time are on target to match the numbers for last December.

For 2021, confirmation has been received from all seven leagues of their return. DeVito indicated that there are only a handful of weekend dates (specifically Friday, Saturday & Sunday) available for outside tournament bookings.

6. Airport Operations
a) Portsmouth International Airport at Pease (PSM)
Brean indicated that through November, there has been a total of 37,000 enplanements (a bulk from Allegiant activity). Brean also stated that for the month of November, Allegiant had
approximately 2,000 enplanements and the return of the Atlas troop flights with 2,500 charter enplanements. Brean indicated that this year it is anticipated that there was a loss of approximately 40,000 troop enplanements due to the runway reconstruction project and a reduction in capacity of approximately 20,000 Allegiant enplanements due to COVID. Brean anticipated closing out the year with approximately 40,000 passenger enplanements and further stated he is confident that numbers will be returning quickly. Brean indicated that there is troop activity going forward out to January and that Allegiant has provided its schedule to PSM through July (with an increase in capacity during March and April).

Brean indicated PSM is in a good position to weather COVID and will be looking into the recently approved $900 billion COVID bill. Specifically, $2 billion has been targeted to airports (believes that PSM will receive similar support as it did last year – received $1.6 million in COVID aid in March) and optimistic to see some support to offset lost revenue from parking and concessions. Director Levesque asked if the current bill is in the amount of $2 billion, what was the amount back in March; Brean indicated he thought that airports were provided $4 billion. Brean indicated that potentially in this round some of the smaller general aviation facilities that have not been impacted on the same scale as the major hub airports have been, may not get as much support as previously provided in the first round.

Brean indicated in November there were approximately 500 parking transactions (strongest since March).

Brean also stated that PSM is trending in the proper direction as the fuel flowage has increased (typically the months of November and December have been quiet).

Brean informed the Board the runway project is buttoned up for the winter (at full length and full compliance); the terminal expansion project is moving along nicely and it is anticipated that as of January 20th PSM will start utilizing the facility. Brean indicated that there will be a punch list of items that will need to be completed. TSA has confirmed its two lane equipment allocation for the security checkpoint. Also, Brean indicated that PSM is currently in discussions with Allegiant on a spring/summer destination (seasonal route). Further, Brean informed the Board that troop activity has returned and PSM is receiving flights from Atlas, Sun Country, and National Airlines.

Brean stated that there was one snow event with a successful snow removal and thanked the Board for the support of the recently purchased front-end loader through a DERA grant.

b) Skyhaven Airport (DAW)

Brean further affirmed Canner’s earlier discussion of the increase in revenues and a reduction of expenses; anticipates continuing this momentum.

Brean spoke to a press release regarding T-Aviation (aircraft maintenance facility) located at Hangar 5; hope to see more business development at the airport.
c) Noise Line Report

(i) November 2020

Brean indicated that there were three noise inquiries in November, 2020; all inquiries were related to heavy military operations. Two of the calls originated from Portsmouth and the third call from Greenland.

Lamson asked Brean if the Atlas aircrafts flying over Newington are bringing back military personnel; Brean affirmed and further indicated that a majority of the Atlas flights are troop charter flights that are coming from, or going to, theater.

C. Approvals:

1. Bills for Legal Services

Director Fournier moved the motion and Director Lamson seconded that the Pease Development Authority ("PDA") Board of Directors approves of and authorizes the Executive Director to expend funds in the amount of $37,120.00 for legal services rendered to the Pease Development Authority to Sheehan Phinney Bass & Green for October 1, 2020 – October 31, 2020 in the amount of $174.00 for General Employment Matters and $36,946.00 in support of MS4 and CLF settlement implementation.

Discussion: Director Ferrini ("Ferrini") asked regarding to the items related to the implementation of settlement with CLF whether this a pending suit - going to a Consent Decree back in time, and same with the MS4; Blenkinsop indicated this was a suit initiated back in 2016 or 2017 which was resolved in early 2019 with a Consent Decree entered with the Federal U.S. District Court (closed out a couple of months ago). The case has been complied with; however, there are still elements that are being finalized. Further, the MS4 work was the outgrowth of the need to apply for an MS4 permit; the permit is pending (and has been for a period of time) with the EPA (has not progressed). Blenkinsop indicated the heavy lifting of the settlement and lawsuit is over but there are items that are being worked on. Blenkinsop indicated while there will be some reduction in legal bills, there will be a continuance of services over the coming months. Disposition: Resolved by unanimous (7-0) roll call vote for; motion carried.

2. Bathroom Renovations at Golf Course

Director Anderson moved the motion and Director Lamson seconded that the Pease Development Authority Board of Directors hereby approves of and authorizes the Executive Director to execute a contract for restroom renovations at the golf course clubhouse to the lowest qualified bidder, Solid Roots Construction, LLC, of Manchester, New Hampshire, in an amount not to exceed $75,000.00; and further authorizes the expenditure of the remaining $5,000.00 of the project budget for project contingencies, if such expenditures are approved by the Executive Director; all in accordance with the memorandum from Scott DeVito, PGA General Manager, dated December 3, 2020.

Discussion: None. Disposition: Resolved by unanimous (7-0) roll call vote for; motion carried.
3. 30 New Hampshire Ave. — Authorization to sell PDA owned building and to enter long-term ground lease with Spyglass, LLC

Chairman Smith pulled this item from the agenda and indicated that it would be placed on the January Board agenda.

4. Volaire Aviation Consulting - Consultant for the preparation of Small Community Air Service Development (SCASD) Grant Application

Director Lamson moved the motion and Director Anderson seconded that the Pease Development Authority ("PDA") Board of Directors hereby approves of and authorizes the Executive Director to enter into an agreement with Volaire Aviation Consulting for the purpose of facilitating an application for the 2020 Small Community Air Service Development Grant (SCASD) program in an amount not to exceed $17,500; all in accordance with the memorandum of Andrew Pomeroy, C.M., Manager, Aviation Planning and Regulatory Compliance, dated December 8, 2020 [Pomeroy's memo was updated and provided to the Board on December 21, 2020].

In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement as:

1. Volaire has an existing relationship with Allegiant Air and Punta Gorda and Sanford, Florida Airport Authorities, whose support will be important for a successful application;
2. Volaire will only execute the agreement and apply for the grant if they identify airline support in advance; and
3. Volaire has been writing and negotiating successful SCASD grants since the program's inception.

Discussion: Anderson asked if the memo could be simplified (verbal clarification if the grant was in the amount of $17,500 or are Volaire's services $17,500); Brean indicated that this is a consultant agreement to sole source to Volaire Consulting for a fee of $17,500. Brean indicated that Volaire will be preparing and submitting a small grant application through the DOT on behalf of PDA to enable the utilization of its existing budget for airport servicing marking funds in order to obtain a grant match from the DOT (double PDA's budgeted funds). Brean further stated that there are about five entities that need to make up the SCASD (Airline support; DOT support; Airport the plane is leaving from and going to; and the Consultant). Volaire will pair all of the entities together to put PDA's best effort forward in the application. Brean indicated that this is also a timing issue as the grant was announced on December 8th and bid packets have to be submitted by January 26, 2021 (PDA does not have the time to perform a conventional RFP). Brean further indicated that the allocation of funds are for a period of five (5) years and have an insight that PDA's existing airline partner is willing to utilize the SCASD funds if they are allocated to PDA. Essentially this doubles the air service marketing with DOT support.

Disposition: Resolved by unanimous (7-0) roll call vote for; motion carried.

Pease Development Authority Board of Directors December 22, 2020
XII. Division of Ports and Harbors:
A. Reports:
   1. Port Advisory Council – Minutes of October 14, 2020
   Director Marconi ("Maroni") indicated as has been past practice, DPH has included the approved minutes for the review of the Board.

   2. Portsmouth Fish Pier – Change Order Approval / H.L. Patten
   Marconi indicated that the change order is in the amount of $836,847 which includes several items (i.e.; changes to the floating dock versus the fixed timber system originally contemplated; railing and work that needs to be done along the wall; sheet pile wall and due to the elevation of the sheet pile wall was higher than anticipated in the design and therefore there is a need to pin the toe of the wall; the fuel structure enclosure and received a variance from the State Fire Marshall to add an additional section of enclosure; additional work required to the jib cranes used to load and unload the vessels; due to a delay in the project there is overhead costs that DPH is responsible for to the contractor). Marconi reminded the Board that the original appropriation was for $3.25 million and with the original contract and the current change order there will be $341,047 remaining in the appropriation as the project moves forward.

   3. Commercial Mooring Transfer – Willwerth to Belhumeur
   Marconi indicated that in accordance with the Code of Administrative Rules, commercial moorings have the ability to be transferred upon meeting certain criteria. Marconi indicated that the Delegation of Authority (from the Board to the Executive Director) requires the first review be performed by a local harbormaster who makes a recommendation to Chief and Deputy Chief who then makes a recommendation to Marconi who reviews and provides a recommendation of transfer to the Executive Director.

   Marconi updated the Board of the activity at the DPH Market Street terminal, both Morton Salt and Eastern Minerals have been hauling salt and there will be an arrival of a salt ship after the first of the year.

   Marconi also indicated that the activity with Cianbro’s operation regarding the super flood basin at PNSY, is active and is bringing aggregate, sand, dry cement and fly ash which supplies the concrete batching plant on the barge at the construction site.

   Marconi also informed the Board that a considerable amount of steel has been offloaded from railcars and that railroad tracks are being placed on the wall of the flood basin as well as some along the sheet pile. Marconi indicated that the railcars were offloaded across the Sarah Long Bridge; had been working with NH and ME DOT during the design. There had been an area where the rail cut through the Port terminal, DPH made sure that there was access to the rail from the Port because when the rail was upgraded last year the tracks that originally came in from the old Sarah Long Bridge were not up to standard so they were discontinued. Marconi indicated that this had been anticipated several years ago; this was the first time that any railcars had been offloaded. Marconi indicated it worked well and DPH is looking forward to bringing railcars over.
Marconi informed the Board that DPH has been having cooperative activity between the DMV and NH Fish and Game to provide a commercial mooring / boat registration / fisheries license day held on two Saturdays at Dover Point in order to avoid the general public doing regular DMV activities. The licensing days provides the fishermen / commercial boat operators with an opportunity to go in and get the commercial registration for their boats, fishing licenses, mooring permits, pier use permits and berthing permits. It was done in this manner this year due to COVID so there were not a lot of people in the office (it was by appointment). Marconi indicated the reports he has received indicated it was very successful. Marconi thanked the counterparts from DMV and Fish and Game.

Anderson asked Marconi if he were confident that the cost of change orders for the Portsmouth Fish Pier project are complete at this point in time / that there is no prospect of any additional change orders with money left over in the appropriation; Marconi indicated he does not anticipate anything at this time (plan for the worst and hope for the best). Marconi indicated that the electricity has been switched over, new electrical feed has been provided into the buildings and that a lot of the little things that need to be done have been addressed. Marconi indicated that there are a couple of expenses that DPH will deal with that are not part of the contract (i.e.; acquiring the hydraulic hoist for the jib cranes) but nothing of any major concern at this time. Anderson asked if the anchors necessary for the pilings are sufficient; Marconi indicated there was a tremendous amount of negotiating that went into the change order. DPH is confident from the calculations provided by the engineers that there are a sufficient number of toe pins (the whole wall will be pinned from the terminus - left and right) so he is confident that the situation has been taken care of.

Anderson also thanked DPH, as well as all of the agencies that were involved in the annual event of the licensing; it provides a great assistance to the industry.

Director Loughlin ("Loughlin") talked of the upgrading of the railcars to accommodate the additional cargo and believes that this was as a result of a lot of hard work on Marconi’s part.

Ferrini indicated that the change order is $836,000 and there was approximately $345,000 in the appropriation and asked if this would be something that would go through the RLOC, enterprise fund, bonding, what the procedure would be and how does it work; Marconi indicated that this was a direct appropriation from the NH legislature. Marconi indicated DPH submitted a capital request and it went through the process and DPH was told to fix the wall. Ferrini wondered where the difference of $500,000 between the change order and the $345,000 would be paid from; Blenkinsop stated that the $345,000 is what would be left from the appropriation after the current change order is paid. Ferrini appreciated the clarification.

Lamson thanked Marconi for all of his hard work throughout the year; Marconi indicated that he has a great crew.

XIII. New Business:

Pease Development Authority
Board of Directors
December 22, 2020
XIV. Upcoming Meetings:

<table>
<thead>
<tr>
<th>Committee</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airport Committee</td>
<td>TBD</td>
</tr>
<tr>
<td>Port Committee</td>
<td>January 7, 2021 @ 8:00 a.m.</td>
</tr>
<tr>
<td>Board of Directors</td>
<td>January 21, 2021 @ 8:30 a.m.</td>
</tr>
</tbody>
</table>

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

XV. Directors’ Comments:

Smith took a moment to wish everyone a very Merry Christmas / Happy Holiday Season and that hopefully all will have an opportunity to enjoy it and spend it with family. Smith also spoke to a much brighter, happier, and healthier 2021.

Lamson also reiterated Smith’s comments and further welcomed Director Ferrini.

Ferrini indicated that it appears as though there is a lot of work to do.

XVI. Adjournment:

Director Anderson moved the motion and Director Levesque seconded to adjourn the Board meeting. Meeting adjourned at 10:51 a.m.

Discussion: None. Disposition: Resolved (7-0) for; motion carried.

XVII. Press Questions:

There were no questions from the press.

Respectfully submitted,

[Signature]
Paul E. Brean
Executive Director
Pursuant to NH RSA 91-A:2 III (b) PDA Chairman Kevin Smith has declared COVID-19 an emergency condition and has waived the requirement that a quorum be physically present at the Airport Committee meeting in accordance with the Governor's Executive Order 2020-04, Section 8, as extended by Executive Order 2020-25, and Emergency Order #12, Sections 3 and 4. PDA Committee members will be participating remotely and will identify their location and any person present with them at that location. All votes will be by roll call. Members of the public may participate by using the access information provided. Please note that this meeting will be video/audio recorded.

Join Zoom Meeting:
https://us02web.zoom.us/j/4518051994?pwd=RExyWVt4ZnhLM2s4eVVQYXkzY315UT09

Meeting ID: 451 805 1994
Passcode: 557711

Dial by your location: 1 929 205 6099 US (New York)

***Any member of the public having difficulty accessing the Zoom meeting listed above during the public meeting should e-mail: zoom@peasedev.org.

I. Call to Order:

II. Public Comment:

III. New Business:
   A. Review:
      1. Pease Aviation Partners, LLC (d/b/a Million Air Portsmouth) at 53 Exeter Street - FBO Application – * (Fournier)
      2. Aviation Rates and Charge

IV. Adjournment

V. Press Questions

* Related Materials Attached
** Related Materials Previously Sent
*** Related Materials will be provided under separate cover
+ Materials to be distributed at Board Meeting
■ Confidential Materials
Option Extension Agreement #3

Good Afternoon,

Please accept this letter as Lonza’s request to renew the six (6) month option as specified in Option Extension Agreement #3 at the price of $35,318.00 per the agreement dated 27 December 2017. This option extension will begin 01 Jan 2021 through 01 July 2021.

Best regards
Mark Caswell

Lonza Biologics Inc.
MOTION

Director Fournier:

In accordance with the recommendation of the Pease Development Authority ("PDA") Airport Committee, the PDA Board of Directors finds that the Fixed Based Operator ("FBO") application of Pease Aviation Partners, LLC d/b/a Million Air Portsmouth ("PAP"), dated January 7, 2021 (the "Application"), to become a FBO at Portsmouth International Airport at Pease pursuant to the Minimum Standards for Commercial and Noncommercial General Aviation Operators dated August 16, 2007 ("Minimum Standards"), satisfies said Minimum Standards and:

1. Approves the Application;
2. Authorizes PAP to become a FBO at Portsmouth International Airport at Pease ("PSM") in accordance with and subject to the Minimum Standards; provided, however, that the commencement of FBO operations by PAP at PSM shall be subject to and contingent upon:
   a. Site plan, subdivision, and any other requisite approvals and permits for use of a temporary facility and construction of PAP's proposed facility at 53 Exeter Street, consistent with project phasing;
   b. Execution of a lease agreement for the property at 53 Exeter Street, subject to separate PDA Board approval, on terms and conditions substantially similar to those set forth in the Letter of Intent dated January 7, 2021,
attached hereto, including such other terms as the Executive Director shall deem necessary and appropriate; and

c. Verification by the Executive Director that all provisions of the Application and requirements of the Minimum Standards to act as an FBO remain satisfied in full force and effect at such time as PAP shall commence providing FBO service;

all in accordance with the memorandum of Paul E. Brean, Executive Director, dated January 14, 2021.

NOTE: Roll Call vote required.
To: Pease Development Authority Board of Directors

From: Paul E. Brean, Executive Director

Date: 1/14/2021

Subj: Pease Aviation Partners, LLC d/b/a Million Air Portsmouth Fixed Base Operator Application

Via application dated January 7, 2021, Pease Aviation Partners, LLC d/b/a Million Air Portsmouth ("PAP") has applied to establish itself as a Fixed Base Operator ("FBO") at the Portsmouth International Airport at Pease ("PSM"). The application is attached hereto. An FBO is a commercial enterprise which has been granted a right by an airport authority to operate at an airport and provide aviation services, such as fuel, airplane parking, hangar space, deicing, snow removal, line services, and the like. As the application provides, PAP is part of an FBO system that operates throughout North America. PAP’s application details its proposed FBO development and services at PSM. PAP would be a second FBO at PSM. The current FBO, Port City Air ("PCA") did provide a response to the FBO application, which was provided to the Airport Committee and is also included herein.

The Pease Development Authority ("PDA") has adopted Minimum Standards and Requirements for Full-Service Fixed Base Operators which have been in effect since 2007. The PDA Minimum Standards for Commercial and Noncommercial General Aviation Operators are attached hereto (see Article 2). The Minimum Standards define the minimum standards for the conduct of commercial and noncommercial general activities at PSM and state the privileges and restrictions associated with operating an FBO at PSM. Specifically the Minimum Standards set forth the minimum standards that must be met for facilities, land area, improvements, services required, equipment, personnel, operating requirements, and hours of operation.

The Minimum Standards also set forth the PDA’s general aviation development goals:

a. Ensure that general aviation activities at the Airport are conducted in a safe, fair, and equitable manner, in accordance with PDA, state, and federal standards;

b. Promote first-class general aviation services and facilities; and

c. Assist private developers in promoting business interests at the Airport
These goals are consistent with the Federal Aviation Administration’s ("FAA") objectives in encouraging the development of minimum standards by airport sponsors for commercial services providers at airports. Specifically, the FAA recognizes that a sponsor’s establishment of minimum standards contributes to non-discriminatory treatment of airport tenants and users, and helps the sponsor avoid granting an exclusive right. As long as minimum standards are reasonable and not unjustly discriminatory, the Airport is protected against charges that it has violated grant assurances.

Further, the FAA notes that minimum standards typically promote safety at airports, maintain a higher quality of service, protect airport users, enhance the availability of services, promote orderly airport development, provide clear distinctions between adequate services levels, and prevent disputes between aeronautical providers.

In conjunction with submitting its application pursuant to the Minimum Standards to operate an FBO, PAP is seeking to lease and develop a parcel of Airport land at 53 Exeter Street. PAP intends to implement its development in two phases. The first phase includes approvals for and construction of the fuel farm, as well as approvals for the temporary use of the existing hangar located at 120 Aviation Avenue for other FBO functions. FBO operations are intended to commence with the completion of this phase. Approvals for and construction of the new access driveway, building and other improvements at 53 Exeter Street would be part of the second phase. Upon completion of the second phase, PAP intends to cease use of the temporary facility. Both phases are intended to be completed within 30 months.

PAP’s site/subdivision plans are attached hereto for reference. PAP is seeking conceptual approval of these plans at the January Board meeting via a separate agenda item. Upon receipt of final site plan and subdivision approval (consistent with project phasing), and subject to Board authorization, PAP will enter into a long-term ground lease with the PDA, make a substantial investment in infrastructure and development and commence operations. The lease would be consistent with the letter of intent between PDA and PAP, dated January 7, 2021 ("LOI"), which is included in this packet, as well as other terms deemed necessary by PDA staff.

Section 1.03 of the Minimum Standards, in conjunction with Article 2, sets forth the FBO application requirements and procedures. Consistent therewith, on January 12, 2021, the Airport Committee reviewed the application and recommended to the Board that it:

1) Find that the application satisfies the Minimum Standards; and

2) Approve the application and authorize PAP to become a FBO at PSM in accordance with the Minimum Standards.

As such, I respectfully request that at its meeting on January 21, 2021, the PDA Board of Directors approve PAP’s FBO application and authorize PAP to become a FBO at Portsmouth International Airport at Pease in accordance with and subject to the Minimum Standards, with commencement of FBO operations being subject to and conditioned upon: 1) land use approvals and permits, consistent with planned project phasing; 2) execution of a lease agreement consistent with the LOI and such other terms deemed necessary and appropriate; and 3) verification that all provisions of the Application and requirements of the Minimum Standards to act as an FBO are satisfied at such time as PAP shall commence providing FBO services.

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PEASE DEVELOPMENT AUTHORITY
AIRPORT COMMITTEE

AGENDA

Date: Tuesday, January 12, 2021
Time: 9:00 a.m.

AIRPORT COMMITTEE MEETING

Pursuant to NH RSA 91-A:2 III (b) PDA Chairman Kevin Smith has declared COVID-19 an emergency condition and has waived the requirement that a quorum be physically present at the Airport Committee meeting in accordance with the Governor’s Executive Order 2020-04, Section 8, as extended by Executive Order 2020-25, and Emergency Order #12, Sections 3 and 4. PDA Committee members will be participating remotely and will identify their location and any person present with them at that location. All votes will be by roll call. Members of the public may participate by using the access information provided. Please note that this meeting will be video/audio recorded.

Join Zoom Meeting:
https://us02web.zoom.us/j/4518051994?pwd=RExYWWI4ZnhLM2s4eVVQYXkzY315UT09

Meeting ID: 451 805 1994
Passcode: 557711

Dial by your location: 1 929 205 6099 US (New York)

***Any member of the public having difficulty accessing the Zoom meeting listed above during the public meeting should e-mail: zoom@peasedev.org.

I. Call to Order:

II. Public Comment:

III. New Business:
   A. Review:
      1. Pease Aviation Partners, LLC (d/b/a Million Air Portsmouth) at 53 Exeter Street - FBO Application – * (Fournier)
      2. Aviation Rates and Charge

IV. Adjournment

V. Press Questions

* Related Materials Attached
** Related Materials Previously Sent
*** Related Materials will be provided under separate cover
+ Materials to be distributed at Board Meeting

Confidential Materials

P:\BOARDMTG\AGENDAS - Committees\Airport\Airport Agenda 1-12-2021.docx
MOTION

Director Fournier:

The Pease Development Authority Airport Committee finds that the Fixed Based Operator ("FBO") application of Pease Aviation Partners, LLC d/b/a Million Air Portsmouth ("PAP"), dated January 7, 2021 (the "Application"), to become a FBO at Portsmouth International Airport at Pease pursuant to the Minimum Standards for Commercial and Noncommercial General Aviation Operators dated August 16, 2007 (the "Minimum Standards"), satisfies the Minimum Standards and recommends that the PDA Board of Directors approve the Application and authorize PAP to become a FBO at Portsmouth International Airport at Pease; all in accordance with the Minimum Standards and the memorandum of Paul E. Brean, Executive Director, dated January 8, 2021.

NOTE: Roll Call Vote Required.
To: Airport Committee

From: Paul Brean, Executive Director

Date: 1/8/2021

Subj: Pease Aviation Partners, LLC d/b/a Million Air Portsmouth Fixed Base Operator Application

Via application dated January 7, 2021, Pease Aviation Partners, LLC d/b/a Million Air Portsmouth ("PAP") has applied to establish itself as a Fixed Base Operator ("FBO") at the Portsmouth International Airport at Pease ("PSM"). The application is attached hereto. An FBO is a commercial enterprise which has been granted a right by an airport authority to operate at an airport and provide aviation services, such as fuel, airplane parking, hangar space, deicing, snow removal, line services, and the like. As the application provides, PAP is part of an FBO system that operates throughout North America. PAP’s application details its proposed FBO development and services at PSM. PAP would be a second FBO at PSM.

The Pease Development Authority ("PDA") has adopted Minimum Standards and Requirements for Full-Service Fixed Base Operators which have been in effect since 2007. The PDA Minimum Standards for Commercial and Noncommercial General Aviation Operators are attached hereto (see Article 2). The Minimum Standards define the minimum standards for the conduct of commercial and noncommercial general activities at PSM and state the privileges and restrictions associated with operating an FBO at PSM. Specifically the Minimum Standards set forth the minimum standards that must be met for facilities, land area, improvements, services required, equipment, personnel, operating requirements, and hours of operation.

The Minimum Standards also set forth the PDA’s general aviation development goals:

a. Ensure that general aviation activities at the Airport are conducted in a safe, fair, and equitable manner, in accordance with PDA, state, and federal standards;

b. Promote first-class general aviation services and facilities; and

c. Assist private developers in promoting business interests at the Airport.
These goals are consistent with the Federal Aviation Administration’s ("FAA") objectives in encouraging the development of minimum standards by airport sponsors for commercial services providers at airports. Specifically, the FAA recognizes that a sponsor’s establishment of minimum standards contributes to non-discriminatory treatment of airport tenants and users, and helps the sponsor avoid granting an exclusive right. As long as minimum standards are reasonable and not unjustly discriminatory, the Airport is protected against charges that it has violated grant assurances.

Further, the FAA notes that minimum standards typically promote safety at airports, maintain a higher quality of service, protect airport users, enhance the availability of services, promote orderly airport development, provide clear distinctions between adequate service levels, and prevent disputes between aeronautical providers.

In conjunction with submitting its application pursuant to the Minimum Standards to operate an FBO, PAP is seeking to lease and develop a parcel of Airport land at 53 Exeter Street. PAP’s site/subdivision plans are attached hereto. PAP plans to seek conceptual approval of these plans at the PDA Board of Director’s meeting on January 21, 2021. Upon receipt of final site plan and subdivision approval, and subject to Board authorization, PAP will enter into a long-term ground lease with the PDA, make a substantial investment in infrastructure and development and commence operations.

Section 1.03 of the Minimum Standards, in conjunction with Article 2, sets forth the FBO application requirements and procedures. Based on PDA staff’s favorable review of this application, I respectfully submit this application for Airport Committee review and ask that you recommend to the PDA Board of Directors that it:

1) Find that the application satisfies the Minimum Standards; and

2) Approve the application and authorize PAP to become a FBO at PSM in accordance with the Minimum Standards.
Paul Brean  
Executive Director  
Pease Development Authority  
55 International Drive  
Portsmouth, NH 03801

Re. Application Procedure

On behalf of REW Investments, via its assignee Pease Aviation Partners, LLC d/b/a Million Air Portsmouth ("PAP"), I am pleased to submit to the Pease Development Authority ("PDA") the following application procedure to establish a fixed base operation at Portsmouth International Airport at Pease ("PSM"), located within the Pease International Tradeport ("FBO") ("Airport").

Application as per 1.03 of PSM Minimum Standards for Commercial and Noncommercial General Aviation Operators

Name and address of the applicant:
Pease Aviation Partners, LLC, a Texas limited liability company  
7555 Ipswich Road  
Houston, TX 77061

Proposed land use and/or services to be offered:
The proposal is that PAP would construct and operate a full service FBO (all services as per article 2 of PSM Minimum Standards for GA) as follows:

During Phase I of the construction, Million Air will operate from the facility at 120 Aviation Avenue. Transitioning to the new FBO building in Phase II (See attached conceptual design).

Aircraft Fuel and Oil Sales
1. A permanent fuel farm storage facility is to be constructed. It will contain 90,000 gallons of Jet-A and 15,000 gallons of 100LL (Avgas). The FBO will also contain storage for a selection of lubricants to meet the needs of general aviation.
2. Million Air will have 3 X 10,000-gallon Jet-A refuellers and 2 X 1,000-gallon Avgas refuellers available for the operation.
3. Our full-time fuel accountant is trained in inventory management and will provide such report to the airport for auditing. These dispensing reports will be stored for a minimum of 12 months.
Aircraft Deicing

Million Air will have 2 deicing trucks on site utilized by our trained line service persons. Our supervisor will then complete the PDA required forms and submit within 1 hour of the deicing event.

Ground Handling

1. Our line service professionals are fully trained in the military style 212 marshalling technique to guide aircraft safely in and out the parking areas. Million Air will have a follow me pick up truck equipped with two-way radio allowing control tower communication on the ramp frequency.

2. Million Air’s “stage ready” policy has our agents ready with tie down ropes and wheel chocks for every arrival. We track all incoming GA flights though our internal CSI system and are prepared for their arrival.

3. Our equipment list provides for the necessary tugs and tow bars needed to pull aircraft. With a focus on safety, it is Million Air’s policy to have 3 agents present at every hangar move, no exceptions.

Customer Services

1. During Phase I, the temp facility will provide 3,000 sq ft of space. This includes a passenger facility with lounge area, refreshments, TV, and Phone access. Phase II will see a 6,000 sq ft new FBO that will house an impressive passenger facility. It will include 5-star level lounge areas with access to refreshments, TV service and public telephones if needed.

2. Heated and Air-Conditioned Crew Areas will be included in both the temp location and the new facility

3. Restroom facilities available in the temp facility and in Phase II upgraded to luxury restroom facilities with touchless flush, touchless faucets, and touchless soap dispensers.

4. 2 crew cars and a crew minivan on site as courtesy transportation.

5. The flight planning facility will feature high speed internet accessible computers pre-loaded with common use planning tools and a wireless printer for crews with their own devices. A large charging area will also be available for passengers and crew

6. Million Air sales counter will feature several for sale items to include pilot supplies, flight planning equipment, survival equipment, aircraft equipment and manuals.
Line Service
1. Our trained team will have a nitrogen cart to inflate aircraft tires and specialized aircraft cleaning products (Celeste) to clean aircraft interiors and windows.
   a. We will apply (as we have in our other locations) for an International Trash License from USDA.
   b. Million Air has contracted with Gama Aviation Aircraft Maintenance company to provide onsite routine and preventative aircraft maintenance (such as repair of aircraft tires, service aircraft braking systems, change aircraft engine oil, recharge oxygen systems, replace engine starters, and recharge aircraft batteries).
2. An equipment list is provided below of ground support items. This includes everything needed for normal aircraft turnaround, including energizers and starters, GPUs and fire extinguishers.
3. Our Lektro Tugs are capable of moving aircraft up to and beyond 75,000 pounds gross weight.

Hangar Space
The temp facility provides 17,000 square feet of Hangar space.
The new FBO design has included a hangar of 12,000 square feet to provide transient, temp, and long-term aircraft storage.

Aircraft Recovery
Our tugs, nitro cart and fully trained team are equipped to move a disabled aircraft of up to 12,500 pounds gross take of weight. They would accomplish this with communication through the ATC control tower and Airport Operations Team.

Collection of Fees
Our qualified team includes a full-time fuel accountant who is dedicated to manage collection of landing, parking and fuel flowage fees from aircraft using the FBO.

Snow Removal
Million Air will have a pickup truck, F250 with snow blade for light removal. We will also contract the services of Piscataqua Landscaping for snow removal and summer landscape maintenance. The area where removed snow will be stored is noted on the attached conceptual designs.

As a term of the Agreement, PDA would grant PAP reasonable access to all common use Apron areas adjoining the Leased Premises for fueling operations and other purposes related to the operation of the FBO.
Proposed date for commencement of the activity and term:
The Proposed Lease Agreement shall be effective upon PDA board approval and execution, approximately late spring 2021. The lease term shall be for a base term of forty-seven (47) years, commencing on the Effective Date (the "Term").

Facilities and/or amount of land to be leased:
Initially during Phase I, a lease of corporate aircraft hangar at 120 Aviation Avenue (see attached scope of business during Phase I).

Additionally, also in Phase 1, a permanent fuel farm facility on the land area (2.65 acres to the west of existing hanger 227) generally described as 53 Exeter Street (collectively the "Leased Premises" or "Premises"). Final lot dimensions and access areas to be determined through survey work and/or subdivision and site plan review process.

Phase 2 will see this land developed with new permanent 6,500 Square ft FBO and Hangar facilities (see attached concept designs). The FBO will be staffed 24 hours per day and will have a permanent full time General Manager, Customer Service team, Line Service team and Fuel Accountant.

Cost of building facilities and method of financing:

- **Phase 1** -
  - $20,000 per month lease of facility at 120 Aviation Avenue
  - $2,500,000 cost of new permanent fuel farm on land at 53 Exeter Street.
  - $6,000,000 cost of fuel trucks and ground equipment

- **Phase 2** -
  - $8,000,000 Additional development of new permanent FBO and Hangar at 53 Exeter Street.

Financial responsibility and ability of the entity to carry out the activity:
With more than 30 years of experience and 31 current Fixed Base Operations, Million Air is uniquely qualified to design, develop, and operate on a global level. The Million Air system is operated throughout the US, Canada, and the Caribbean, comprised of 1,000 employees and more than 800 aircraft within the leasehold of our facilities which sets the stage for enhancing the service standards of the industry.

The structure of Million Air starts with Roger Woolsey who purchased Million Air in April of 2002 and moved the headquarters to Houston TX.
The group is divided into several sections as shown in Exhibit A.
Under REW Investments, 7 FBOs are directly owned and 2 are managed on behalf of the Airport. The remaining FBOs (Interlink) are franchised locations set up similarly to Chick-Fil-A, Inc.

Each of the owned locations are incorporated in the state they operate in. This is done for ease of compliance with local and state regulations. See diagram on Exhibit A

Financial responsibility will be solely with Pease Aviation Partners, LLC which is owned by REW Investments Inc. Financing will be established through a bond financing program.

Names and qualifications of key personnel to be involved:

**CHIEF EXECUTIVE OFFICER**
Mr. Roger Woolsey is the Owner and CEO of Million Air Interlink (MAI) and REW Investments Inc. (REW). Mr. Woolsey is an entrepreneur that has successfully launched several companies, all in the aviation sector. Woolsey is clearly a visionary and charismatic leader, with a passion for results and quality. He has been featured in and quoted in numerous books, magazines, and news media outlets. Woolsey served as a bank board member, frequent guest speaker for both Universities and corporate keynote addresses. He holds the highest pilot rating available, the Airline Transport License, and is a Licensed Insurance Agent with authority to practice in 14 states. Alumnus of the University of Arkansas, USAF War College, Harvard Business School’s Executive Education (Achieving Breakthrough Service, Executive Finance for Senior Leaders, and Owner President & Management (OPM-37)).

**CHIEF OPERATING OFFICER**
Charles “Chuck” M. Suma serves as Chief Operating Officer in the Houston Headquarters Office, providing strategic leadership and managing all operations of the company. Chuck is a senior level executive with 40 years of experience in the design, manufacturing, sale, and support of Business Aviation Aircraft. He joins the Million Air family following an impressive 30 years with Piper Aircraft. Chuck has served on the Board of Directions for the Aircraft Owners and Pilot Association (AOPA), National Business Aircraft Association, National Aviation Transportation Association, AOPA Air Safety Foundation, and National Chamber of Commerce. Additionally, he has served as the Chairman of the General Aviation Manufacturers Association (GAMA) and Air Safety Investigation Committee.

**EXECUTIVE VICE PRESIDENT, FBO OPERATIONS**
Jennifer A. Gomes has a 15-year multi country track record of delivering outstanding customer service in conjunction with seamless business operations. She was responsible for one of the largest single sourced fueling operations in the world, with over 800 daily departures at Charlotte Douglas International Airport. She coordinated an international airline startup in
Singapore organizing full operations above and below wing with resources and employees from over 6 countries. Jennifer joined Million Air as the General Manager in Tallahassee where she revitalized the front and backend operations to create a culture of safety, pride, ownership, and mutual respect. This transformation was recognized in the 2020 AIN FBO Survey, for one of the most improved FBOs in 2019.

**GENERAL MANAGER**

Colonel Jeffrey N. Stout U.S.A.F. (Ret) has over 39 years of experience in general aviation and military aviation. Stout completed a 26-year career with the United States Air Force before joining Million Air. Stout has served as a pilot, aircraft commander and instructor pilot in KC-135, U-2 and T-38 aircraft. Jeff is a New Jersey native and holds a Bachelor of Science degree in Aeronautical Science and a Master of Applied Science degree in Aeronautical Science and Aviation Management. He holds an FAA Airline Transport pilot’s license and was a USAF command pilot.

**Specific types and amounts of insurance to be maintained:**

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Carrier</th>
<th>Policy Number</th>
<th>Expiration</th>
<th>Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property ($100M)</td>
<td>Starr Surplus Lines</td>
<td>SLSTPTY11376820</td>
<td>11/01/2021</td>
<td>$100,000,000 any one occurrence plus applicable sub-limits</td>
</tr>
<tr>
<td>Inland Marine</td>
<td>New Hampshire Insurance Co.</td>
<td>01-LX-012419522-1</td>
<td>11/01/2021</td>
<td>$14,147.936 Scheduled contractors equipment limit</td>
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<tr>
<td>Automobile</td>
<td>New Hampshire Ins Co.</td>
<td>01-CA-019046558-9</td>
<td>11/01/2021</td>
<td>$1,000,000 CSL any one accident $1,000 deductible each for collision &amp; comprehensive</td>
</tr>
<tr>
<td>Work Compensation</td>
<td>Starr Specialty Insurance Co.</td>
<td>1000003895</td>
<td>11/01/2021</td>
<td>Workers Compensation: Statutory Employers Liability: $1M/$1M/$1M</td>
</tr>
<tr>
<td>Pollution Liability</td>
<td>Allied World Assurance Company (U.S.)</td>
<td>0312-5337</td>
<td>11/01/2023</td>
<td>$10,000,000 each incident limit/coverage section aggregate limit</td>
</tr>
<tr>
<td>D&amp;O/EPL/Fiduciary/Crime</td>
<td>QBE Insurance Corporation</td>
<td>10041721</td>
<td>11/01/2021</td>
<td>$1,000,000 limit of liability – each claim $3,000,000 policy aggregate limit</td>
</tr>
<tr>
<td>Aviation General Liability</td>
<td>USAIG Lead, AIG, W. Brown, QBE &amp; Starr</td>
<td>Various</td>
<td>11/01/2021</td>
<td>$100,000,000 CSL any one occurrence plus applicable sub-limits</td>
</tr>
</tbody>
</table>

**Number of aircraft to be provided:**

N/A
Tools, equipment, services, and inventory:
Fuel Farm inventory capacity of Jet-A and 100LL (see conceptual designs). Initial Jet A storage for 60,000 gallons with space for an additional 30,000 gallons in the farm area. Rolling storage capacity of 30,000 for a total of 120,000 gallons. During growth mode as the operation increases rolling storage would be utilized to increase total volume.

During Phase I build, all runoff water will be collected and separated through an oil water separator. Both the water and any oil residue will be pumped into trucks and removed from the site using ACV Enviro.

During Phase II build, an outlet pipe from the water side of the separator will be installed to allow release of clean water into storm drains, after testing.

Million Air REW is a World Fuel Service branded operation in all locations and this provides us security of an uninterrupted fuel supply from the refinery. Unlike FBOs who buy on the open market directly, we have an exclusive agreement with World Fuel Service to ensure Million Air is priority every time when needed. World Fuel also assists with providing replacement equipment during repairs and through their extensive global network have immediate access to vendors.

In addition, the following equipment will be used to provide aeronautical services. Where possible we have selected an electric option in line with our company pledge to reduce our carbon footprint in 2021.

- 3 New 10,000-gallon Jet A tanker trucks
- 2 New 1,000-gallon Avgas trucks
- Multiple sets of Air Stairs. (TLD Products)
- 1 De-Icing truck with high lift boon (78’) Elephant Beta-15
- 1 De-Icing truck with 48’ lift for regional jets. (Vestergaard)
- Multiple 400hz GPUs. (AGE 6000 Series)
- 50-gallon LOX cart. (Essex Industries)
- 2 push tugs. (Jetporter JP100S and Eagle XM-30)
- 1 catering truck with scissor lift
- 1 forklift capable of lifting 5,000lbs
- 1 K-Loader
- Multiple tow bars
- Lav carts. (AERO LC270-RJ3 Electric Lavatory Service Cart)
- 2 crew cars
- 1 crew van
- Multiple engine stands, including a B5 stand
- 1 beltloader (HBL-Electric)
• 1 baggage tug and 5 baggage carts. (TUG JST-Electric)
• 1 pickup truck F250 with snow blade (contract services with Piscataqua Landscaping)

Number of persons to be employed:

Employees to cover 24hr operations
3 Line service and 2 customer service per morning and evening shift
2 Line service employees overnight
1 General Manager
1 Fuel Accountant

21 Total Employees

Hours of operation:

24-hour operations

Additional Information:

What course of action will Million Air take should they not secure the Military Contract in 2021?
Million Air is committed to an operation at PSM and will continue with the Phase II build of the FBO without the military contract. We would look to grow the GA business and use our close connections with the commercial airlines to attract divert, charter, and fuel stop options for PSM. Million Air has many network wide agreements (for example, NetJets, Vista Jet, Solaris etc.) and our customers choose the Million Air brand when possible. PSM today does not capture this market and the current FBO is not part of our national branding programs.

What is the backup plan for equipment should Million Air have a break down?
Million Air has agreements in place with American Airlines to rent equipment at MAGSA rates in these situations. We will also be using C&G Truck and Heavy Repair Inc. to perform maintenance on the equipment. Additionally, through our network we can reposition equipment from our ALB and HPN locations within hours if needed.

What happens if there is an environmental spill?
Million Air will use the services of ACV Enviro who are a national company with a local facility near Portsmouth. They are available 24/7 and have a 30-minute response time to the airport.

How many parking spots are needed for the FBO?
A traffic analysis was performed using the 2018 and 2019 average flight arrivals to KPSM and an evaluation of Million Air staffing number. The following graph for GA traffic (including PSM tenant Plane Sense, who have their own hangar facility) shows a daily average of 14 flights.
We can assume the following:

- 6 employee parking spots
- 2 crew cars
- 2 rental cars
- 1 crew van
- Passengers – 6 parking spots
- Additional peak times spots – 3

Total Parking Spot requirement - 20

Upon receipt of this application, please forward to the Pease Development Authority Airport Committee for consideration at the next scheduled meeting of the Authority.

Sincerely,

Charles Suma, COO
<table>
<thead>
<tr>
<th>Minimum Standard</th>
<th>Phase 1</th>
<th>Phase 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aircraft Fuel and Oil Sales</strong></td>
<td>1. Storage and intermediate - Jet A and 100LL and Lubricants: 3 X 30,000gal Double walled fuel storage, 5,000gal SKM FLR Storage, 1 X 30,000gal Double walled fuel storage, 1 X 30,000gal Double walled fuel storage, 1 X 30,000gal Double walled fuel storage.</td>
<td>1 X 30,000gal Double walled fuel storage, 5,000gal SKM FLR Storage, 1 X 30,000gal Double walled fuel storage, 1 X 30,000gal Double walled fuel storage, 1 X 30,000gal Double walled fuel storage.</td>
</tr>
<tr>
<td><strong>Aircraft Deicing</strong></td>
<td>1. Min one Deicing vehicle - heated (sled)</td>
<td>2. Deicing truck with installed heater system (see Equipment List)</td>
</tr>
<tr>
<td><strong>Paint, Repair, Trim (PRT)</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Custodial Services</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Cargo Handling Aircraft (Passengers, Parking and Tarmac)</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Aircraft Guidance - Radio equipped - Follow me</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Two 5,000 gal Jet A dispensing Trucks</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Equipment List of Tower aircraft</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Customer Service</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Hangar Space</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Aircraft Recovery</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Collection of Fees</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Terror Response</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Linesman Services</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Minimum Land and Facility Requirements</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Management of Paved Runway not less than 150,000 sq ft</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Paved off Street Parking outside ARA but within leased premises (per PDA)</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Minimum Management and Staffing</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>On-Site Manager</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Airport Security Standards/Permitted Services</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Additional Services? Min standards for those</strong></td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td><strong>Paved Services/Authorized Services</strong></td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>RATES AND CHARGES for services filed with PDA</strong></td>
<td>GPD: $1.50/hour</td>
<td>GPD: $2.50/hour</td>
</tr>
<tr>
<td><strong>NH STATE Registration (Natural Gas, etc.)</strong></td>
<td>NH Business Permit, Fuel Farm build</td>
<td>NH Business Permit, Required construction permits</td>
</tr>
</tbody>
</table>

See attachment (Application Procedure)
EXHIBIT A

Structure of Million Air

Roger Woolsey | REW Investments
---|---

Million Air Interlink | Million Air Interlink

**Branding:**
- Albany
- Austin
- Alexandria
- Burbank
- Dallas
- Gigey
- Houston
- Lake Exe
- Casper
- Orlando
- Medford
- Honolulu
- Kiev
- Toronto
- Vancouver
- Washington
- Tel Aviv
- Indianapolis
- Tallahassee
- Houston
- Austin
- White Plains
- Gulfport-Biloxi
- Indianapolis
- Tallahassee
- Houston
- Austin
- Albany
- Beijing

**Legend:**
- Executive Agreement
- Joint Venture
- Managed Property Agreement

---

American Jet International (AJI)

Million Air Aircraft Technical Support (MAATS)
Certificate of Formation
Limited Liability Company

Article 1 - Entity Name and Type
The filing entity being formed is a limited liability company. The name of the entity is:
Pease Aviation Partners, LLC

Article 2 - Registered Agent and Registered Office
A. The initial registered agent is an organization (cannot be company named above) by the name of:

OR

B. The initial registered agent is an individual resident of the state whose name is set forth below:
Name: THOMAS A. DICKINSON

C. The business address of the registered agent and the registered office address is:
Street Address: 7660 Woodway Drive, Suite 460 HOUSTON TX 77063

Consent of Registered Agent
A. A copy of the consent of registered agent is attached.

OR

B. The consent of the registered agent is maintained by the entity.

Article 3 - Governing Authority
A. The limited liability company is to be managed by managers.

OR

B. The limited liability company will not have managers. Management of the company is reserved to the members.
The names and addresses of the governing persons are set forth below:
Manager 1 (Business Name) REW Investments, Inc.
Address: 7555 Ipswich Road Houston TX, USA 77061

Article 4 - Purpose
The purpose for which the company is organized is for the transaction of any and all lawful business for which limited liability companies may be organized under the Texas Business Organizations Code.

Supplemental Provisions / Information
Organizer

The name and address of the organizer are set forth below.

Roger Woolsey 7555 Ipswich Road, 7555 Ipswich Road, Houston, TX 77061

Effectiveness of Filing

☐ A. This document becomes effective when the document is filed by the secretary of state.

OR

☐ B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Roger Woolsey

Signature of Organizer
**Business Information**

**Business Details**
- **Business Name:** MILLION AIR PORTSMOUTH
- **Business Type:** Trade Name
- **Expiration Date:** 11/20/2025
- **Business Creation Date:** 11/20/2020
- **Date of Formation in Jurisdiction:** 11/20/2020
- **Principal Office:** 7555 Ipswich Road, Houston, TX, 77061, USA
- **Business Email:** lwilliams@millionair.com
- **Notification Email:** NONE
- **Business ID:** 856584
- **Business Status:** Active
- **Last Renewal Date:** Not Available
- **Name in State of Formation:** Not Available

**Principal Purpose**

<table>
<thead>
<tr>
<th>S.No</th>
<th>NAICS Code</th>
<th>NAICS Subcode</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>OTHER / FBO Ops 48</td>
<td>Transportation 190</td>
</tr>
<tr>
<td></td>
<td>Other support activities for air transportation</td>
<td></td>
</tr>
</tbody>
</table>

**Trade Name Information**

<table>
<thead>
<tr>
<th>Business Name</th>
<th>Business ID</th>
<th>Business Status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

**Trade Name Owned By**

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEASE AVIATION PARTNERS, LLC</td>
<td>Good Standing</td>
<td></td>
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</tbody>
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(online/businessInquire/TradeNameInformation?Business businessID=685573)
<table>
<thead>
<tr>
<th>Trademark Number</th>
<th>Trademark Name</th>
<th>Business Address</th>
<th>Mailing Address</th>
</tr>
</thead>
</table>

No records to view.
MINIMUM STANDARDS
FOR COMMERCIAL AND NONCOMMERCIAL
GENERAL AVIATION OPERATORS

PORTSMOUTH INTERNATIONAL AIRPORT AT PEASE
PEASE INTERNATIONAL TRADEPORT
PORTSMOUTH, NEW HAMPSHIRE
Dated: November 13, 1997
Revised: August 17, 2006
Revised: August 16, 2007
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1.01 Statement of Purpose
1.02 Definitions
1.03 Application Procedure

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Minimum Standards and Requirements for Full-Service Fixed Base Operators

2.01 Full-Service Fixed Base Operator Required Services
2.02 Minimum Standards for Required Services
2.03 Minimum Land and Facility Requirements
2.04 Minimum Management and Staffing Requirements
2.05 Minimum Hours of Operation
2.06 Minimum Insurance Requirements
2.07 Minimum Service Standards-Permitted Services
2.08 Rates and Charges for Services
2.09 State Registration

3

Minimum Standards and Requirements for Limited-Service Specialty Operators

3.01 Limitations on Limited-Service Specialty Operators
3.02 Limited-Service Specialty Operator Permitted Services
3.03 Minimum Standards for Permitted Services
3.04 Minimum Land and Improvement Requirements
3.05 Minimum Insurance Requirements
3.06 Multiple Permitted Services
3.07 Sub-operators
3.08 Rates and Charges for Services
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4

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4.01 General
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Noncommercial Operators

5.01 Permitted Activities
5.02 Prohibited Activities
5.03 Flying Clubs

6

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6.02 Aircraft Fractional Ownership Management Company Authorized Services
6.03 Minimum Standards for Aircraft Fractional Ownership Management Company Authorized Services
6.04 Minimum Land and Facility Requirements
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6.06 Insurance
6.07 State Registration
6.08 Aircraft Hangar Space Subletting Services
ARTICLE 1
INTRODUCTION

1.01 STATEMENT OF PURPOSE

These Minimum Standards define minimum standards for the conduct of commercial and noncommercial general aviation activities at Portsmouth International Tradeport at Pease (the "Airport"). This document states the privileges and restrictions associated with each category of activity and sets forth the minimum standards for facilities, land area, improvements, services required, equipment, personnel, operating requirements and hours of operation.

The general aviation development goals of the Pease Development Authority (the "PDA" or the "Authority") are to:

a. Ensure that general aviation activities at the Airport are conducted in a safe, fair, and equitable manner, in accordance with PDA, state, and federal standards.

b. Promote first-class general aviation services and facilities.

c. Assist private developers in promoting business interests at the Airport.

The operating standards outlined in this document are the minimum requirements that must be met by Commercial Operators as a condition of their right to conduct stated commercial activities on the Airport and by Noncommercial Operators as a condition of their right to lease premises on the Airport.

1.02 DEFINITIONS

As used in these Minimum Standards, the following terms will have the following meanings:

a. "Aircraft" means any aeronautical device including, but not limited to, powered aircraft, gliders, ultra lights, kites, helicopters, gyroscopes, gyro copters, ground effect machines, and balloons.

b. "Airport" means the entirety of Airport.

c. "Apron" means a paved area suitable for aircraft parking.

d. "Building" means the main portion of each structure; all projections or extensions there from; any additions or changes thereto; and all garages, outside platforms and docks, carports, canopies, eaves, and porches. Paving, ground cover, fences, signs, and landscaping shall not be included.
e. "Commercial Operator" means an Entity engaging in an activity that involves, or makes possible, the offering for sale of a general aviation service for the purpose of obtaining earnings, income, compensation, or profit, whether or not such objective is accomplished. All commercial operators must be duly registered with the New Hampshire Department of Transportation, Division of Aeronautics.

f. "Entity" means any person, proprietorship, association, firm, joint venture, partnership, limited liability corporation, corporation, other business organization, or any combination of the above.

g. "Equipment" means all machinery, together with the necessary supplies, tools, and apparatus necessary to the proper conduct of the activity being performed.

h. "Exclusive Right" means a power, privilege, or other right excluding or debarring another from enjoying or exercising a like power, privilege, or right. The granting of an Exclusive Right to conduct a commercial aeronautical activity on an airport developed or improved with federal funds is expressly prohibited.

i. "FAA" as used in this document shall mean the Federal Aviation Administration.

j. "Full-Service Fixed Base Operator" means a general aviation Commercial Operator that is required to offer for sale to the public a range of basic and essential general aviation services and products as specified in Article 2. Additionally, a Full-Service Fixed Base Operator may be permitted to provide for sale other specialized general aviation services as specified in Article 3.

k. "General Aviation" means that portion of civil aviation, which encompasses all facets of aviation except air carriers holding a certificate of public convenience and necessity from the Federal Aviation Administration and large aircraft commercial operators.

l. "Improvements" means all buildings, structures, and facilities including paving, ground cover, fences, signs, and landscaping constructed, installed, or placed on, under, or above any leased area by or with the concurrence of a Lessee and the Airport. Plans and specifications for all Improvements must be approved by the PDA and must meet development standards established by the PDA.

m. "Lease" means a contractual agreement between the PDA and an Entity in which the PDA leases or subleases real property and grants rights and privileges on the Airport to the Entity for the purpose of conducting stated general aviation activities, which agreement is defined in writing and enforceable under law.

n. "Leased Premises" means the entirety of the ground area leased to an entity including all buildings, improvements, and fixed and removable structures identified as the premises in the lease.
o. “Lessee” means an entity having a valid lease with the PDA.

p. “Limited-Service Specialty Operator” means a commercial operator that is permitted to offer for sale one or more of the permitted services listed in Article 3, but is not a Full-Service Fixed Base Operator.

q. “Line Service” means routine day-to-day servicing necessary for the safe operation of an Aircraft and may include recharging batteries, oxygen, braking, and lubrication systems; cleaning Aircraft windows, etc.

r. “Noncommercial Operator” means an entity or governmental agency, which maintains a facility or provides a general aviation service solely for its own benefit, and not for the benefit of the public. Such noncommercial operators are specifically prohibited from offering general aviation products or services for sale to others.

s. “Sublease” means a sublease on the Airport granted to an entity by a lessee and approved by the Airport for the use of all or part of the property leased by the Airport to the lessee.

t. “Sub-Operator” means an entity engaged in any of the general aviation services that a Limited-Service Specialty Operator may provide, which services are provided under a sublease with a Full-Service Fixed Base Operator having a valid Lease with the Airport.

u. “Tie down” means the paved area on the airport suitable for the parking of aircraft wherein suitable aircraft tie down points have been installed.

1.03 APPLICATION PROCEDURE

Any entity wishing to establish a commercial or noncommercial general aviation activity on the airport shall be furnished a copy of these minimum standards and shall be required to make an application in writing to the PDA Executive Director detailing the following:

a. The name and address of the applicant.

b. The proposed land use and/or services to be offered.

c. The requested or proposed date for commencement of the activity and the term.

d. The facilities and/or amount of land to be leased.

e. The cost of building facilities and the method of financing, if applicable.

f. The financial responsibility and ability of the entity to carry out the activity.
g. The names and qualification of key personnel to be involved.

h. The specific types and amounts of insurance to be maintained.

i. The number of aircraft to be provided, if applicable.

j. The tools, equipment, services and inventory.

k. The number of persons to be employed.

l. The hours of operation.

Upon receipt of the application, it shall be referred to the Pease Development Authority Airport Committee with the recommendations of the Executive Director and considered at the next scheduled meeting of the Authority.
ARTICLE 2

MINIMUM STANDARDS AND REQUIREMENTS
FOR FULL-SERVICE FIXED BASE OPERATORS

2.01 FULL-SERVICE FIXED BASE OPERATOR REQUIRED SERVICES

A Full-Service Fixed Base Operator shall provide the following aeronautical services:

a. Aircraft fuel and oil sales
b. Aircraft deicing
c. Ground handling (aircraft guidance, parking, and tie down)
d. Customer services
e. Line service
f. Hangar Space
g. Aircraft recover
h. Collection of fees
i. Snow removal

2.02 MINIMUM STANDARDS FOR REQUIRED SERVICES

a. Aircraft Fuel and Oil Sales

1. Storage and into-plane dispensing of Jet A and 100LL fuel together with a
   selection of lubricants of sufficient ratings, grades, quality, and quantity to meet the needs of
general aviation aircraft using the airport.

2. A minimum of two metered, filter-equipped fueling trucks for dispensing jet fuel,
of which at least one has a capacity of not less than 5,000 gallons, which meet all applicable
safety requirements.

3. A minimum of two metered, filter-equipped fueling trucks for dispensing 100LL
gasoline, of which at least one has a minimum capacity of 500 gallons, which meet all applicable
safety requirements.
4. Maintain fuel dispensing reports on file for a minimum of 12 months, and have such reports available for auditing at any time by the Authority.

b. Aircraft Deicing
   1. A minimum of one deicing vehicle capable of applying heated propylene glycol to general aviation aircraft using the Airport.
   2. Complete forms provided by the PDA documenting the type and amount of deicing fluid used and the location of the deicing event. Submit completed forms to the PDA Engineering Department within one hour of completion of the deicing event.

c. Ground Handling (Aircraft Guidance, Parking, and Tie Down)
   1. Aircraft arrival and departure guidance on the apron to include a properly marked and lighted follow me vehicle capable of two way radio communications with the Air Traffic Control Tower on ramp net frequency.
   2. Tie down facilities and equipment, including ropes, chains, or other types of restraining devices and wheel chocks for transient aircraft.
   3. Equipment capable of towing aircraft into and out of the hangar(s).

d. Customer Services
   1. Passenger facilities for checking in general aviation passengers and baggage, together with a comfortably appointed lounge area with public telephone, light refreshments, current periodicals, and TV service.
   2. Conveniently located, heated, and air conditioned lounge area for crews.
   3. Restroom facilities for passengers and crews.
   4. Courtesy transportation for passengers and crews to general aviation facilities, the air carrier terminal, and downtown locations.
   5. A fully equipped flight planning facility with direct communication to the FAA Flight Service Station, local air traffic control, and National Weather Service briefers; adequate supplies of VFR and IFR navigational charts; and other necessary flight planning equipment.
6. An aviation sales counter offering for sale a reasonable variety of pilot supplies, navigation and flight planning equipment, survival equipment, and aircraft and equipment manuals.

e. **Line Service**

1. Proper equipment for: inflating aircraft tires, cleaning aircraft windows and interiors, servicing aircraft lavatories, and disposal of aircraft waste (domestic and international). A full-service FBO may provide qualified personnel and equipment to repair aircraft tires, service aircraft braking systems, change aircraft engine oil, recharge oxygen systems, replace engine starters, and recharge aircraft batteries.

2. Adequate ground support equipment for normal turnaround of aircraft, including energizers and starters, ground power units, and fire extinguishers.

3. Adequate towing equipment to move aircraft up to 75,000 pounds gross weight safely and efficiently.

f. **Hangar Space**

A minimum of 12,000 square feet of hangar space to meet public demand for transient, temporary, and long-term aircraft storage.

g. **Aircraft Recovery**

Equipment, material, and personnel sufficient to remove a disabled aircraft of up to 12,500 pounds gross takeoff weight.

h. **Collection of Fees**

Personnel to collect landing, parking, and fuel flowage fees from aircraft using the FBO.

i. **Snow Removal Services**

Adequate owned, leased or contracted equipment to remove snow from the parking apron managed by the FBO.

2.03 **MINIMUM LAND AND FACILITY REQUIREMENTS**

a. Lease a minimum ground area determined by the PDA.

b. One aircraft hangar with not less than 12,000 square feet of aircraft storage space.
c. An office/terminal facility of not less than 2,000 square feet adequate to accommodate an office, pilot lounge, passenger lounge, telephone, and restroom facilities. This facility may be attached to/part of the aircraft hangar.

d. Management of paved apron area of not less than 150,000 square feet for general aviation parking and tie downs with access to the aircraft hangar. Management responsibilities include installation and maintenance of tie down equipment, sweeping/FOD control, and snow removal.

e. Permanent fuel storage for a minimum of 36,000 gallons of jet fuel and 5,000 gallons of 100LL. The fuel storage tanks shall comply with all applicable federal, state, local, and PDA rules and regulations pertaining to installation, maintenance, operation, fuel handling safety, and environmental protection.

f. Paved off-street parking outside the airport restricted area, but within the leased premises, for the minimum number of paved parking spaces approved by the PDA.

The facility requirements may be met by leasing existing facilities or by new construction. Where existing facilities are to be leased, the foregoing criteria will be used as a general measure of the adequacy of such existing facilities.

All improvements shall be constructed or leased in areas designated for general aviation use in the currently approved Airport Master Plan and shall be in conformance with local laws, ordinances, and regulations and such future property development and design standards as may be adopted by the PDA.

2.04 MINIMUM MANAGEMENT AND STAFFING REQUIREMENTS

a. The activities of a Full-Service Fixed Base Operator on the Airport shall be supervised by an on-site manager who shall at all times be responsible for conducting, in a first-class manner, the services required and permitted herein and in the Full-Service Fixed Base Operator's Lease.

b. An adequate number of properly trained, qualified and, where applicable, licensed staff shall be on duty during required minimum hours of operation, or on call during other times, to provide the level of service specified herein.

c. All employees shall wear uniforms and protective clothing and equipment as appropriate or necessary.

2.05 MINIMUM HOURS OF OPERATION
A Full-Service Fixed Base Operator shall be staffed adequately to provide the required services between the hours of 7:00 a.m. and 10:00 p.m. daily. At all other times, the required services must be available on an on call or prior notice basis.

2.06 MINIMUM INSURANCE REQUIREMENTS

A Full-Service Fixed Base Operator shall be required to carry insurance in conformance with the PDA’s risk management requirements.

2.07 MINIMUM SERVICE STANDARDS-PERMITTED SERVICES

A Full-Service Fixed Base Operator may provide any or all of the permitted services listed in Article 3 and shall be subject to the minimum standards and requirements for Limited Service Specialty Operators set forth in Article 3 of these Minimum Standards.

2.08 RATES AND CHARGES FOR SERVICES

Rates and charges shall be determined by the Full Service Fixed Base Operator and shall be reasonable, competitive, and applied fairly to all users of such services. All rates and charges will be filed with the Airport Manager.

2.09 STATE REGISTRATION

All Full-Service Fixed Base Operators must maintain a current registration with the New Hampshire Department of Transportation, Division of Aeronautics, as required.
ARTICLE 3
MINIMUM STANDARDS AND REQUIREMENTS
FOR LIMITED-SERVICE SPECIALTY OPERATORS

3.01 LIMITATIONS ON LIMITED-SERVICE SPECIALTY OPERATORS

The PDA may enter into separate agreements with a Limited-Service Specialty Operator or a Limited-Service Specialty Operator may enter into a Sublease with a Full-Service Fixed Base Operator. In either case, such services will be permitted only in areas designated for such uses on the currently approved Airport Master Plan. Such specialized limited services shall specifically exclude:

a. The sale of aviation fuel.
b. Aircraft deicing services.

Any Commercial Operator desiring to perform the services listed in subparagraphs a. or b. above must enter into a Lease with the Airport as a Full-Service Fixed Base Operator and fulfill the obligations of such an operation.

3.02 LIMITED-SERVICE SPECIALTY OPERATOR PERMITTED SERVICES

A Limited-Service Specialty Operator may provide one or more of the following permitted services:

a. Nonscheduled and Air Charter Services and, as an adjunct to such services, (i) the sublease of aircraft parking space within the hangar facility owned or leased by said Nonscheduled and Air Charter Service Operator, but only if such sublease is allowed explicitly under the applicable lease with PDA or is otherwise approved by PDA, and (ii) the provision of general management services as described in Section 3.03a3 below for aircraft occupying subleased hangar space in accordance with (i) above.
b. Aircraft Engine and Airframe Overhaul and Repair
c. Avionics and Instrument Repair
d. Flight Instruction and Aircraft Rental

3.03 MINIMUM STANDARDS FOR PERMITTED SERVICES

Except as provided in this subsection, Limited-Service Specialty Operators offering the permitted services listed above shall be subject to the minimum standards individually specified
in the Limited-Service Specialty Operator’s agreement with the Airport. The following minimum standards shall apply:

a. **Nonscheduled and Air Charter Services**

1. A Limited-Service Specialty Operator offering nonscheduled and air charter services shall provide the following services and Equipment at least 8 hours per day, 7 days per week and on call at all other times:

   (1) An Aircraft charter or air taxi operation certificated under FAR Part 135.

   (2) Not less than one single-engine Aircraft available for charter or air taxi purposes. All such Aircraft shall be equipped for flight under IFT conditions and shall meet the requirements of FAR Part 135.

   (3) A sufficient number of qualified FAA commercial/instrument or airline transport rated pilots to provide the services required hereunder.

   (4) Adequate services and Equipment for providing passenger check in, handling luggage and ticketing, and suitable courtesy ground transportation.

2. The aircraft hangar space sub-letting service allowed under Section 3.02a(i) shall require a minimum sublease term of ninety (90) consecutive days or greater and a minimum of 3,000 square feet of available hangar space, exclusive of the space occupied by aircraft owned and/or operated by the sublessee Nonscheduled and Air Charter Service Operator.

3. The general management services allowed under Section 3.02a(ii) may include: general walkaround visual aircraft inspection, maintenance record review and development of maintenance plans, preparation of damage history report, airworthiness directive searches, review/preparation of market studies, charter performance analysis, investment and capital model development and analysis, acting as agent to obtain aeronautical services available from other FBOs at the Airport, pilot services (pilot search, pilot pool development, drug testing administration, payroll services, safety and compliance overview assessment and management, and proficiency testing) and other similar general aircraft management and consulting services. The general management services authorized under Section 3.02a(ii) shall not include aircraft maintenance or aircraft inspections that would require the possession of an Airframe and/or Powerplant certificate issued by the FAA or that would require oversight from a holder of an Airframe and/or Powerplant Certificate, brokerage services in connection with any sale of aircraft and/or any of the services authorized under Article 2 and/or Sections 3.02b through d unless such services are authorized pursuant to a written agreement with PDA and otherwise comply with all applicable requirements of these Minimum Standards.
4. All general management services allowed under Section 3.02(ii) shall be provided pursuant to a written agreement with the aircraft owner/operator and by duly qualified personnel pursuant to valid and current licenses or certificates to the extent required by FARs or other applicable provisions of law.

5. Aircraft Fractional Ownership Companies which have been authorized to conduct business at the Airport under the provisions of Article 6 of these Minimum Standards may offer aircraft hangar space subletting services in accordance with Sections 3.02a(i) and 3.03a2 of Article 3.

b. **Aircraft Engine and Airframe Overhaul and Repair**

A Limited-Service Specialty Operator offering Aircraft engine and airframe overhaul and repair shall provide the following services and equipment at least 8 hours per day, 5 days per week, with on call service available on one additional day per week:

1. Sufficient equipment, supplies, and spare parts as required for certification as an FAA-approved repair station, in accordance with FAR Part 43 and FAR Part 145.

2. Uniformed, efficient, and trained personnel in sufficient numbers to meet demand for the services offered, but never less than one person currently FAA certificated as both an airframe and engine mechanic, and (except for FAA certificated repair stations) Aircraft inspector, and one other person not necessarily FAA certificated.

3. A minimum of 5,500 square feet of maintenance shop area.

c. **Avionics and Instrument Repair**

A Limited-Service Specialty Operator offering avionics and instrument repair shall provide the following services and equipment at least 8 hours per day, 5 days per week, with on-call service available on one additional day per week:

1. Sufficient equipment and supplies and have available sufficient parts as required for certification as an FAA-approved repair station.

2. Sufficient uniformed, efficient, and trained personnel to meet the minimum standards set forth herein for this type of specialty operation, but never less than one person appropriate to the work performed.

d. **Flight instruction and Aircraft Rental**
A Limited-Service Specialty Operator offering flight instruction or aircraft rental shall provide the following services and equipment at least 8 hours per day, 5 days per week, with on-call service available during the remaining two days per week:

1. A flight training school authorized to provide IFR and multi-engine flight instruction in accordance with FAR Part 61.
2. Availability for use for flight training or Aircraft rental at least two certificated and currently airworthy Aircraft. Such Aircraft can be owned or leased.

3. Make available as many flight and ground instructors as needed to meet demand.

3.04 MINIMUM LAND AND IMPROVEMENT REQUIREMENTS

A Limited-Service Specialty Operator offering any permitted service shall be required to:

a. Lease a minimum ground area determined by the PDA.

b. Provide a Building of not less than 1,500 square feet equipped with suitable heating, lighting, air conditioning, accommodations for an office and customer lounge, restrooms, and public telephone.

c. Manage a paved Aircraft parking apron of sufficient size for the activities contemplated, with paved access to the Airport taxiway system and suitable tie down Equipment for all owned or leased Aircraft.

d. Provide paved off-street parking outside the airport restricted area, but within the Leased Premises, for the minimum number of paved parking spaces approved by the PDA.

The facility requirements may be met by leasing existing facilities or by new construction. Where existing facilities are to be leased, the foregoing criteria will be used as a general measure of the adequacy of such existing facilities.

All improvements shall be constructed or leased in areas designated for general aviation use in the currently approved Airport Master Plan and shall be in conformance with local laws, ordinances, and regulations and such future property development standards as may be adopted by the PDA.

3.05 MINIMUM INSURANCE REQUIREMENTS

A Limited-Service Specialty Operator shall be required to carry insurance in conformance with the PDA's risk management requirements.

3.06 MULTIPLE PERMITTED SERVICES
A Limited-Service Specialty Operator shall be permitted to provide two or more of the permitted services listed in this Article only where it can be demonstrated to the satisfaction of the PDA that the services are in the public interest.

The minimum standards for Limited-Service Specialty operators providing multiple services shall be the same as those established for the individual services outlined herein. Where the individual minimum standards are repetitious, the provisions will not necessarily be cumulative. In such cases, applicable minimum standards will be determined and agreed upon between the Limited-Service Specialty Operator and the PDA in their agreement.

3.07 SUB-OPERATORS

A Sub-Operator shall conduct its business on the Airport in compliance with the same minimum standards and the same terms and conditions as are applicable to the Operator. A copy of all Subleases shall be provided to the Airport Manager.

3.08 RATES AND CHARGES FOR SERVICES

Rates and charges shall be determined by the Limited-Service Specialty Operator and shall be reasonable, competitive and applied fairly to all users of such services. All rates and charges will be filed with the Airport Manager.

3.09 STATE REGISTRATION

All Limited Service Specialty Operators must maintain a current registration with the New Hampshire Department of Transportation, Division of Aeronautics, as required.
ARTICLE 4
AIRCRAFT SALES

4.01 GENERAL

Any Entity wishing to sell new or used Aircraft shall be required either to (1) enter into a Full-Service Fixed Base Operator agreement and meet the requirements of this class of service provider or (2) enter into a subcontractor arrangement with an Entity that has a valid Full-Service Fixed Base Operator agreement with the Airport.

4.02 MINIMUM SERVICE STANDARDS

If Aircraft sales services are offered by an Entity, that Entity shall meet the following requirements and provide the following services at least 8 hours per day, 5 days per week, and shall offer on-call services on at least one additional day per week.

a. Obtain a sales franchise or dealership agreement with an accredited Aircraft manufacturer, if the sale of new Aircraft is proposed.

b. Employ as many qualified pilots (current and rated) as needed to demonstrate all the models being offered for sale.

c. Establish an inventory of all new and used Aircraft for sale and provide a quarterly inventory report to the Airport Manager stating all Aircraft transactions.
ARTICLE 5
NONCOMMERCIAL OPERATORS

5.01 PERMITTED ACTIVITIES

A Noncommercial Operator may undertake the following activities:

a. The parking on the Leased Premises of any Aircraft owned, leased, or operated by the Noncommercial Operator, and the housing on the Leased Premises of any function necessary to the permitted noncommercial activities.

b. The maintenance and servicing of its own Aircraft, which shall include overhauling, rebuilding, repairing, inspection, and licensing.

c. Using public Airport facilities and navigational aids and facilities for purposes of noncommercial landings, takeoffs, and taxiing.

d. The acquisition, sale, exchange, or disposal of any Aircraft engines, motors, instruments, devices, supplies, and accessories associated with any Aircraft owned, leased, or operated by the Noncommercial Operator, as incidental to its noncommercial activities on the Airport.

e. The location, construction, erection, maintenance, and removal of Improvements on the Leased Premises (including hangars, shops, and related office space) in accordance with the PDA Land Use Controls and applicable provisions of federal and state law for the purpose of carrying out noncommercial activities.

f. Aircraft must have a current New Hampshire aircraft registration.

5.02 PROHIBITED ACTIVITIES

a. The rights and privileges granted to Noncommercial Operators are expressly limited to noncommercial aviation activities, as defined above. These rights and privileges specifically exclude the sale of aviation services, the sale of Equipment or supplies, and repairs of any type whatsoever on aircraft other than those owned or leased by the Noncommercial Operator.

b. Noncommercial Operators shall not be permitted to acquire, store, or dispense fuel in connection with the operation of Aircraft other than the Aircraft owned, leased, or otherwise operated by the Noncommercial Operator.
5.03 FLYING CLUBS

a. Exempt Flying Clubs

A flying club shall be exempt from the requirements of these Minimum Standards if that flying club meets the following conditions. Violation of such conditions shall be grounds for termination of a flying club's exempt status.

1. The flying club must be a non-profit New Hampshire corporation or partnership.

2. Each member of the flying club must be a bona fide owner of the Aircraft or be a member of the corporation or a partner in the partnership operating the flying club.

3. The flying club may not realize a profit from the operation, maintenance, or replacement of its Aircraft.

4. Flying club Aircraft may not be used by other than bona fide members for rental and by no one for commercial operations.

5. Flight instruction may not be given in flying club Aircraft except when such instruction is given by a Commercial Operator based on the Airport authorized to provide flight instruction or by an instructor who does not receive remuneration in any manner for such service.

6. The flying club shall file with the Airport Manager a copy of its bylaws, articles of incorporation, partnership agreement, or other documents supporting its existence; a complete and current list of the flying club's membership including names of officers and directors; evidence that ownership of flying club Aircraft is vested in the flying club; and the operating rules of the flying club. The books and other records of the flying club shall be available for review at any reasonable time by the Airport Manager or his/her representative.

7. Flying club Aircraft must have a current New Hampshire aircraft registration.

b. Non-Exempt Flying Clubs

Non-exempt flying clubs shall be considered commercial aeronautical activities and shall be subject to these Minimum Standards.
ARTICLE 6

AIRCRAFT FRACTIONAL OWNERSHIP MANAGEMENT COMPANIES

6.01 Definitions

In addition to the Definitions set forth in Section 1.02, the following terms will have the following meanings for purposes of this Article 6 of the Minimum Standards:

a. "Aircraft Fractional Ownership Management Company" shall mean an entity that is conducting aircraft flight operations and providing aeronautical services in accordance with 14 CFR Part 91, Subpart K, and, if applicable, Parts 121 and 135.

b. "Fractional Ownership Aircraft" shall mean (i) an aircraft owned or leased by an Aircraft Fractional Ownership Management Company or by an affiliated asset holding company and used in connection with the provision of Program Services by said Company; (ii) an aircraft owned or leased in part by an Aircraft Fractional Ownership Management Company or by an affiliated asset holding company and for which an undivided interest of at least the minimum percentage allowed by applicable federal aviation regulations is owned or leased for a multi-year term by a separate entity or entities unrelated to the Aircraft Fractional Ownership Management Company owner or lessee and which aircraft is subject to a Program Services multi-year contract with the Aircraft Fractional Ownership Management Company; and/or (iii) an aircraft previously owned or leased by an Aircraft Fractional Ownership Management Company or by an affiliated asset holding company that is now wholly owned or leased to an entity or entities separate from the Aircraft Fractional Ownership Management Company and which aircraft is subject to a Program Services multi-year contract with the Aircraft Fractional Ownership Management Company.

c. "Program Services" shall mean the services required to be provided by an Aircraft Fractional Ownership Management Company to the owner(s) or lessee(s) of a Fractional Ownership Aircraft pursuant to a multi-year contract. "Subpart K" shall mean the regulations set forth in 14 CFR Part 91, Subpart K, as the same may be amended from time to time, applicable to the provision of Program Services at the Airport.

6.02 Aircraft Fractional Ownership Management Company Authorized Services

a. An Aircraft Fractional Ownership Management Company may conduct the following aeronautical services at the Airport, but only to or for the benefit of the Fractional Ownership Aircraft for which the Aircraft Fractional Ownership Management Company owns or leases in whole or in part and/or for which it is obligated or authorized to provide Program Services:

I. Sale and/or leasing of aircraft and interests in aircraft.
2. Aircraft fuel and oil sales and inter-plane dispensing of the same.

3. Aircraft deicing.

4. Ground handling (aircraft guidance, parking, and tie down).

5. Aircraft hangaring.

6. Customer services (checking in passengers and baggage).

7. Aircraft maintenance and servicing (inflate and repair aircraft tires, service aircraft braking systems, change aircraft engine oil, recharge oxygen systems, replace engine starters, recharge aircraft batteries, repair and overhaul avionics systems, clean windows and interiors, service lavatories and dispose of aircraft waste, and conduct general aircraft turnaround activity).

8. Collection of fees (collection of all aircraft landing, storage and other fees due to PDA).

9. Snow removal at designated apron areas of the premises leased by said Company.

b. An Aircraft Fractional Ownership Management Company may conduct the following aeronautical services at the Airport for non-Fractional Ownership Aircraft or for the benefit of owners of aircraft operating at Pease who do not otherwise contract with said Aircraft Ownership Management Company for the provision of Program Services:

1. Provision of flight crew (pilot, co-pilot, and/or attendant(s)) and flight management services (including flight planning and coordination with FAA Flight Service Station and air traffic control).

2. Aircraft maintenance, servicing, and hangaring but only with respect to aircraft for which said Company is providing the services listed in subsection 6.02(b)(i).

3. Sale of new aircraft pursuant to a manufacturer authorized agreement or used aircraft.

4. Servicing of aircraft sold by said Company in accordance with subsection 6.02(b)(3).

c. An Aircraft Ownership Management Company may contract with a Fixed Base Operator authorized by PDA to operate at the Airport to perform any of the services listed in subsections 6.02 (a)(2) through (8), (b)(2) or (b)(4) and, with respect to snow removal activity, with a snow removal contractor authorized by PDA.
6.03 Minimum Standards for Aircraft Fractional Ownership Management Company
Authorized Services

a. General

The conduct by an Aircraft Fractional Ownership Management Company of any services authorized in Section 6.02 shall be in accordance with Subpart K; any other pertinent requirements of law; and standards or directives of the PDA relating to safety, environmental or Airport operating requirements.

For services provided under Section 6.02(a) the additional requirements set forth in subsections (b) through (l) of this Section 6.03 must be met to the extent not covered by or inconsistent with Subpart K. For services provided under 6.02(b) the additional requirements set forth in subsections (g) and (h) of this Section 6.03 must be met.

b. Fueling

1. Fueling trucks used to dispense fuel must be metered and filter-equipped and meet all applicable safety requirements.

2. Reports reflecting all fuel dispensed into aircraft must be maintained on file at the Airport for a minimum of 12 months and such reports shall be available for audit at any time by the Authority.

c. Aircraft Deicing

1. Application of heated propylene glycol or any other appropriate substance to aircraft for deicing purposes must be accomplished through appropriate equipment and at areas approved by PDA.

2. Complete forms provided by PDA documenting the type and amount of deicing fluid used and location of each deicing event must be submitted to the PDA Engineering Department within twenty-four (24) hours of completion of the deicing event.

d. Ground Handling

1. Aircraft tie-down must be effected through appropriate ropes, chains or other types of restraint devices, or by wheel chocks.
2. Equipment capable of towing aircraft into and out of the hangar must be utilized.

e. Customer Service

1. Facilities, equipment and staff must be provided to ensure that all required security and safety standards are met.

2. Management or Operations Standards or Specifications must be developed and implemented that provide for: flight planning with direct communication to the FAA Flight Service Station, local air traffic control, and national weather service briefers; and adequate supplies of VFR and IFR navigational charts or electronics flight books or other similar electronic chart system.

f. Snow Removal

1. Adequate equipment to remove snow from the apron under control of said Company shall be utilized and all snow removal activity shall be coordinated and not conflict with PDA Airport snow removal operations.

g. Provision of Flight Crew and Flight Management Services

1. All such services shall be available to persons or entities with whom the Company has contracted under Section 6.02(b) and must be performed by personnel having appropriate licenses and/or certificates and in accordance with applicable federal aviation law requirements and must be supported with the facilities and equipment listed in subsections 2-5, below.

2. Conveniently located, heated, and air conditioned lounge area for crews.

3. Restroom facilities for passengers and crews.

4. Courtesy transportation for passengers and crews to general aviation facilities, the air carrier terminal, and downtown locations.

5. A fully equipped flight planning facility with direct communications to the FAA Flight Service Station, local air traffic control, and National Weather Service briefers; adequate supplies of VFR and IFR navigational charts; and other necessary flight planning equipment.

h. Aircraft Maintenance and Aircraft Servicing

1. Maintenance and servicing activity authorized under Section 6.03(b)(2) and (4) shall be limited to aircraft for which said Company is providing aeronautical services as specified in Section 6.03(b) and shall include: general repair and overhaul of avionics systems,
changing engine oil, recharging oxygen systems, replacing engine starters, recharging batteries, servicing braking systems, repairing and/or inflating tires, cleaning windows and interiors, servicing lavatories and disposal of aircraft waste (domestic and international).

2. All such services shall be conducted by qualified, licensed personnel and with proper equipment in compliance with all applicable requirements of law and with PDA Airport operating and environmental directives.

6.04 Minimum Land and Facility Requirements

a. Lease a minimum ground area determined by the PDA.

b. One aircraft hangar with not less than 12,000 square feet of aircraft storage space.

c. An office/terminal facility of not less than 2,000 square feet adequate to accommodate an office, pilot lounge, passenger lounge, telephone, and restroom facilities. This facility may be attached to be part of the aircraft hangar.

d. Management of paved apron area of sufficient size to accommodate the Company’s operations for aircraft parking and tie downs with access to the aircraft hangar. Management responsibilities include installation and maintenance of tie down equipment, sweeping/FOD control, and snow removal.

e. If the Company elects to provide fuel and is authorized by PDA to construct such a facility on its leased premises, permanent fuel storage tanks for jet fuel. The fuel storage tanks shall be of a capacity permitted by agreement with PDA and comply with all applicable federal, state, local, and PDA rules and regulations pertaining to installation, maintenance, operation, fuel handling safety, and environmental protection.

f. Paved off-street parking outside the airport restricted area, but within the leased premises, for the minimum number of paved parking spaces approved by the PDA.

The facility requirements may be met by leasing existing facilities or by new construction in accordance with a lease/operating agreement with PDA. Where existing facilities are to be leased, the foregoing criteria will be used as a general measure of the adequacy of such existing facilities. All improvements shall be constructed or leased in areas designated for aviation use in the currently approved Airport Master Plan and shall be in conformance with local laws, ordinances, and regulations and such future property development and design standards as may be adopted by the PDA.

6.05 Minimum Management and Staffing Requirements

a. The activities of every Aircraft Fractional Ownership Management Company on the Airport shall be supervised by an on-site manager who shall at all times be responsible for
conducting, in a first-class manner, the services required and permitted herein and in said Company's lease/operating agreement with PDA.

b. An adequate number of properly trained, qualified and, where applicable, licensed staff shall be on duty during specified hours of operation, or on call during other times, to provide the level of service specified herein.

c. All employees shall wear uniforms and protective clothing and equipment as appropriate or necessary.

6.06 Insurance

An Aircraft Fractional Ownership Management Company shall carry insurance in conformance with the PDA's risk management requirements.

6.07 State Registration

An Aircraft Fractional Ownership Management Company shall maintain a current registration with the New Hampshire Department of Transportation, Division of Aeronautics, as required.

6.08 Aircraft Hangar Space Subletting Services

Aircraft Fractional Ownership Companies which have been authorized to conduct business at the Airport under the provisions of Article 6 of these Minimum Standards may offer aircraft hangar space subletting services in accordance with Sections 3.02a(i) and 3.03a2 of Article 3.
NOTE:
A SHUTTLE WILL PROVIDE SERVICE BETWEEN THE FBO AND THE 15 REMOTE-LEASED PARKING SPACES.

AVIATION AVE

TEMPORARY FBO & HANGER

15 EXISTING PARKING SPACES

PAINT 2 ACCESSIBLE PARKING SPACES & LOADING AREA.
EXISTING ADA SIGNS & RAMP TO REMAIN

15 PARKING SPACES TO BE LEASED

120 AVIATION AVE

TEMPORARY PARKING & TIE DOWN LEASE AREA (15,000 SF)

Hoyle, Tanner Associates, Inc.
150 Meader St, East, Portsmouth, NH 03801
Tel (800) 786-4907 Fax (800) 786-4906 Web: www.hoyletanner.com
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FULL BUILD NOTES:

1. Trucks will access fuel farm through airport gate 16 with an escort vehicle in the full building condition.

2. All existing soils disturbed during construction will remain on the lease site.

3. The site gate and all building doors shall be coordinated with the airport's access controls.

PROPOSED FBO, HANGAR & FUEL-FARM
PROPOSED LEASE SITE (243.67 AC)

PROPOSED PARKING & TIE DOWN AREA
(TOTAL = 150,000 SF)

HANGAR
227

FUEL DELIVERIES THROUGH GATE 16

TEMPORARY FBO, HANGAR, PARKING & TIE DOWN AREA TO BE MOVED TO LEASE SITE

FULL BUILD OUT
OVERALL PLAN
JANUARY 6, 2021
SCALE: 1/1000 (HEATmeter)

Hoyle, Tanner
Associates, Inc.

100 Woodland Rd. 2100, Pueblo, CO 81009
Tel: (719) 482-2468 Fax: (719) 482-2498 web: www.hoyletanner.com

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MEMORANDUM

From: Port City Air, Inc.
Date: January 11, 2021
Subject: Equal protection issues related to Million Air’s application

Introduction.

Port City Air prepares this memorandum to identify the preferential treatment that Million Air asks of the Pease Development Authority, and to advocate for equal protection. The PDA required Port City Air to meet the PDA’s Minimum Standards for Commercial and Noncommercial General Aviation Operators (the “Minimum Standards”), make major capital investments in buildings and equipment, and nearly complete its permanent facility before it could operate as a fixed-base operator (“FBO”) or sell fuel from its interim location. Million Air wants FBO status to pump fuel far earlier in its application process than Port City Air was allowed, and without meeting the Minimum Standards, so it can bid on a military fuel contract.

The reason behind Million Air’s rush for approval.

The military accounts for over 76% of the current annual fuel need at Portsmouth International Airport (“KPSM”). The Defense Logistics Agency awards and administers the military fuel contract at KPSM. It only selects one vendor to sell fuel to the military. To bid on that contract, a bidder must either be a FBO at the airport, or it must produce a contract with an established FBO to provide the fuel. Since the PDA decides who operates as an FBO at the airport, or who has an “operational presence” at KPSM, the PDA effectively decides who can bid on the contract.

The military fuel contract permits—but does not guarantee—business in Portsmouth. The Defense Logistics Agency awards the contract, but it does not decide where aircraft land. Mission planners within the various military branches decide where aircraft land. Traditionally, aircraft flying long-haul routes over the Northeast stopped in Bangor, Maine. Port City Air has captured significant market share by offering exceptional service and investing far beyond the Minimum Standards to provide the fast, efficient, and concierge-level service that earns repeat business. Port City Air’s efforts benefit the PDA and the Seacoast economy.

Port City Air, using its local network and relationships with local branches of government agencies such as U.S. Customs and Border Protection, ensures that crews can visit Portsmouth at any hour of any day and have the services, facilities, specialized ground-handling equipment, crew cars, food, and hotel reservations to make the most of their stay.

With PDA-endorsed FBO status, or even an endorsement of “operational status,” Million Air could bid on the military fuel contract without any of the necessary infrastructure in place to meet the minimum standard or properly service the contract. That means low or no financial risk to Million Air, but a potential loss for the PDA and the Seacoast economy.

Equal protection through consistent process.

For equal-protection reasons and to ensure fair competition, the law directs that the PDA should treat all FBO applicants the same. The State and Federal Constitutions require equal
protection under the laws. N.H. Const. Pt. 1, art. II; U.S. Const. amend. XIV. Equal protection means the government, including governmental bodies like the PDA, must treat similarly situated persons (including companies) the same unless an adequate basis exists for different treatment.

Here, where both Port City Air and Million Air are or seek to be FBOs at the airport, they are similarly situated so the PDA should treat them the same. That means the PDA should not give Million Air procedural shortcuts that it did not provide to Port City Air because doing so would amount to an anti-competitive, unfair advantage that violates the PDA’s own rules and processes.

The PDA applied a rigorous process to Port City Air.

The PDA set forth and documented its requirements of Port City Air when it became an FBO at the airport. In a 1998 memorandum, attached as Exhibit 1, the PDA spelled out the “conditions [Port City Air] needs to meet prior to becoming a full service FBO, i.e. before Port City may sell fuel”. Ex. 1 at 2. The memorandum laid out the minimum standards that Port City Air had to meet. Of note, Port City Air had to:

1) Secure 12,000 square feet of hangar space but was not allowed to count hangar space already leased for other purposes (in Port City Air’s case, its Part 145 repair station that had been operational at KPSM for three years in 12,000 square feet of leased space within a 24,000 square foot hangar). Ex. 1 at 2.
2) Remove “shade shelters,” which are large aircraft shelters. Ex. 1 at 2.
3) Commence construction operations for its permanent facility, which included obtaining a fully approved site plan, building permits, signed lease with the PDA, a signed contract with the contractor, and a construction bond/site review agreement. Ex. 1 at 2.

Again in 2000, the PDA, as demonstrated by the letter attached as Exhibit 2, confirmed the above-described arrangement and provided further clarification. The PDA did not allow Port City Air to commence operations as an FBO, even though Port City Air had interim premises (which had been fully operational for over five years as KPSM’s only Part 145 repair station), until it:

1) Met the Minimum Standards. Ex. 2 at 2-3.
2) Commenced construction of the permanent facility, including “provision of evidence that Port City Air has placed a non-refundable order for the steel required to complete construction of the Facility, or the posting of a guarantee to ensure the Commencement of Construction of the Facility in such form as is acceptable to and has received the prior approval of the PDA Board of Directors;” Ex. 2 at 2-3.
3) Incorporated all the Airport Committee’s recommendations.

The PDA’s later communications show that the PDA withheld fueling permission until even later in the process than the 1998 letter or 2000 memorandum required. In July 2002, the PDA determined that Port City Air had met the Minimum Standards, but it did not permit fueling.
operations for another eight months, until Port City Air had almost completed construction of its permanent FBO facility. The letters proving that sequence are attached as Exhibit 3.

In general, it has consistently been the PDA’s practice to apply a lengthy, highly detailed review process to all of Port City Air’s requests related to new facilities or facility upgrades, including upgrades to Port City Air’s fuel farm and lease expansion. Port City Air began the application process for its lease expansion in September of 2018, which it recently completed in September 2020. Port City Air applied for its fuel farm renovation in July of 2020 and the site and technical review process is still ongoing. While Port City Air fully supports and respects the PDA’s review process, it is unfair and inequitable for the PDA to grant Million Air FBO or “operational status” on a faster and more expedited timetable than the PDA offered Port City Air even to improve existing facilities.

Million Air seeks preferential treatment.

Million Air requests a different, preferential arrangement. It does not want to be required to make the same capital investment before obtaining FBO status. Million Air explicitly states that it wants to terminate its Lease if it “is precluded from completing construction of the fuel farm before such date that would permit [Million Air] to bid for the upcoming military fuel contract.” See Million Air’s Letter of Intent (“LOI”) at 8. Million Air proposes to “commence construction of the fuel farm, followed by the FBO building and hangar” “[i]mmediately upon execution of the Agreement.” LOI at 5. Further, it proposes a two-phase operations plan, where it would operate out of an interim premises. LOI at 5.

Million Air’s proposal is different, preferential, and unfair because, unlike the rules and procedures applied to Port City Air:

1) Million Air would be allowed to establish an “operational presence” on the field without having invested any meaningful resources at KPSM.

2) Million Air could immediately construct a fuel farm on a timeline that permits it to service the military fuel contract. The PDA is currently requiring Port City Air to follow a one-plus year process to simply renovate a pre-existing fuel farm.

3) Million Air could begin fueling aircraft without commencing construction of its permanent facility; making a non-refundable order for steel to build its facility or posting a guarantee to ensure construction; or nearly completing construction of its permanent facility. The PDA required Port City Air to meet those steps before it could sell fuel.

4) Million Air could run its first operational phase without meeting Minimum Standards. Million Air’s LOI only proposes that Phase II will meet the Minimum Standards. LOI at 5 (“Construction/Operating Phase”).

5) Million Air’s proposed interim hangar space is currently full of long-term storage aircraft. The proposed sublease does not grant exclusive rights to the hangar and there is no guarantee that the hangar space could be used to service FBO customers. The PDA would not allow Port City Air to count hangar space used for another purpose (a repair station) towards the Minimum Standards’ 12,000 square-foot requirement.
6) Million Air would obtain FBO status, the only credential necessary to bid on the military fuel contract, before beginning construction or making any capital investment. The PDA only granted FBO status to Port City Air after it made capital investments, met the Minimum Standards with an interim facility, and nearly completed its permanent facility. See Ex. 3.

The PDA also required Port City Air to incorporate recommendations by the airport committee before it could sell fuel. Here, Million Air submitted a 55-page FBO application on January 7, 2021, which was not provided to the Airport Committee until mid-day on January 8. That left only one business day for the Airport Committee to review the FBO application and make recommendations before potentially granting the FBO application.

This hurry-up timeline precludes the Airport Committee from conducting a meaningful review of the application. It also precludes any meaningful opportunity for public review or comment.

The preferential treatment poses a risk to the PDA and Seacoast economy.

Approving Million Air’s request for preferential treatment would permit Million Air to bid on the military fuel contract before it meets either the Minimum Standards or the heightened bar necessary to earn and keep repeat business with military customers. If Million Air fails to meet the concierge-level service that Port City Air provides, military customers could return to Bangor, Maine, or visit other locations in the Northeast such as Rome, New York, where Million Air has a new facility with its own military fuel contract. If that happens, Million Air could still attract market share while Portsmouth would lose its military customers and the direct and indirect revenue it brings to the Seacoast community and the state.

The erosion of the PDA’s Minimum Standards and FBO admission program would not likely stop with the Letter of Intent or the FBO application. By throwing out the Minimum Standards and hastening the PDA’s regulatory processes, Million Air could win the military fuel contract without any assets in place. In that event, KPSM’s success will depend on Million Air’s success, creating an environment where the PDA risks having to make more concessions to Million Air or lose airport traffic.

Conclusion.

The Minimum Standards that were applied to Port City Air ensured that Port City Air was fully ready to service aircraft before it received PDA approval. Million Air proposes to become a PDA-permitted FBO or to claim operational footing at KPSM with little or no investment, and without having any assets in place. That would permit Million Air to win the military contract without any guarantee that it could support or keep KPSM’s current level of military business. That unequal application of the law benefits Million Air but hurts Port City Air and puts the PDA and the Seacoast economy at risk.

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1 Million Air advertises its Rome, NY location as having a “DLA Approved Aviation Fuel and Ground Services” arrangement. See https://www.millionair.com/locations/rme/.
Exhibit 1
Memo

To: Richard Collier, Port City Aircraft Repair, Inc.
From: Mark Rowell
Subject: Full Service FBO
Date: May 15, 1998
CC: George Meyer, George Bald, Jerry Dexter, Lynn Hummel

I have attached a list of conditions Port City Aircraft Repair, Inc. needs to meet prior to becoming a Full Service FBO and an outline of the process you need to follow. These documents are not intended to replace anything in the PDA Minimum Standards for Commercial and Noncommercial General Aviation Operators dated November 13, 1997.

I have also attached a diagram of the southern end of the General Aviation Area with the site you might want to focus on highlighted. Please keep in mind our interest in developing the 20± acre lot to the south of the apron. We would be happy to review any preliminary layout you might have before you invest a lot of time in it only to find it is unworkable/unacceptable.
CONDITIONS

Conditions Port City Aircraft Repair, Inc. needs to meet prior to becoming a full service FBO, i.e. before Port City may sell fuel:

A minimum of 12,000 s.f. of suitable temporary hangar space and 2,000 s.f. of suitable/properly equipped temporary office/terminal space (ADA compliant) leased at $325 per s.f.. Note: Bldg 110/307 is less than 2,000 s.f. (1,300 s.f.) so some office facilities would need to be located elsewhere, perhaps in Hangar 213. Also, 5,500 s.f. of Hangar 213 is required to meet the minimum standards for Port City’s limited service specialty operation and should not be applied to the 12,000 s.f. of hangar required of a full service FBO.

A minimum of 30 temporary vehicle parking spaces.

Removal of the three southernmost shade shelters.

Installation of tie-downs on the aircraft parking apron.

Construction of the permanent hangar and or office/terminal facility must be underway to include an approved site plan, a building permit, a signed lease with the PDA, a signed contract with the contractor, and a construction bond/site review agreement.

All required insurance must be in place.

All required equipment in place to include:

2 - jet fuel trucks (1 5,000 gal min)
2 - 100LL trucks (1 500 gal min)
1 - deicing vehicle
1 - follow me vehicle
1 - tow vehicle and tow bars (75,000 lbs capacity)
Energizers
Starters
Ground power units
Fire extinguishers
Aircraft recovery equipment (for aircraft up to 12,500 lbs)
Snow removal equipment/contract
Equipment to inflate tires, service potable water, service lavatories, dispose of domestic and international waste, cleaning aircraft windows and interiors

Necessary staff to meet minimum standards and required hours of operation must be hired, trained (to include FAR Part 139 fueling training), and available.
PROCESS

1. Develop a draft layout/site plan of the permanent facility to include:
   - Hangar location and size
   - Office/terminal location and size
   - Aircraft parking apron location (150,000 s.f. minimum)
   - Vehicle parking lot location and size (30 vehicles minimum)
   - Access road location
   - Security fence location

2. Submit the draft layout/site plan along with a time line and business plan to the PDA for staff review.

3. Develop the final layout/site plan, time line and business plan based on PDA staff comments and recommendations.

4. Present the layout/site plan, time line and business plan to the Airport Committee of the PDA Board.

5. Negotiate an LOI with the PDA. The LOI will address the requirements listed under CONDITIONS as well as the proposed layout and lease outline for permanent facilities.

6. Present the LOI to the Marketing Committee of the PDA Board.

7. Present the LOI to the PDA Board.

8. Submit the site plan to the Base Conversion Agency for 60 day review process for areas of construction in Areas of Special Notice.

9. Schedule a public hearing with the Pease Technical Review Committee and then the PDA Board of Directors to approve the site plan.

10. Satisfy CONDITIONS from page 1.
Exhibit 2
Richard B. Collier, President  
Port City Aircraft Repair, Inc.  
44 Durham Street  
Portsmouth, NH  03802-3021

Dear Mr. Collier:

On behalf of the Pease Development Authority ("PDA"), we are pleased to submit the following outline of terms and conditions of a proposed agreement with Port City Aircraft Repair, Inc. ("Port City ") for aviation development at Pease International Tradeport ("Pease"). It is the intent of Port City and PDA that this proposed agreement shall, upon execution, be forwarded to the PDA Board of Directors for approval at its meeting on June 22, 2000. Please note that following approval by the PDA Board of Directors, the application to become a full service Fixed Base Operator will require approval of the PDA Airport Committee.

When approved by the PDA Board of Directors, the terms set forth in this letter shall constitute a Memorandum of Understanding ("MOU") between the parties reflecting our mutual commitment in principle to conclude with due diligence and in good faith an appropriate Lease and/or Sublease (the "Agreement" and/or "Sublease") based upon these terms and such other mutually acceptable terms and conditions as are necessary and appropriate.

The central business terms of our understanding and upon which I am prepared to make a presentation to the PDA Marketing Committee are as follows:

Landlord:  
Pease Development Authority

Tenant:  
Port City Aircraft Repair, Inc. d/b/a Port City

Subleased Premises:  
For and in consideration of the rents and covenants to be paid and performed by Port City and subject to the terms and conditions set forth herein, PDA agrees to lease and/or sublease to Port City and Port City agrees to lease and/or sublease from PDA the land area described below, which land area is located in the Airport Zone and is shown on the plan (designated as "Second FBO") attached hereto as Attachment No. 1:

A certain parcel of land located on the General Aviation Apron ("Subleased Premises" or "Premises"). The Subleased Premises are estimated to contain [*] square feet excluding any required access road.

Port City at its option and sole expense may conduct a field survey to measure precisely the area square footage of the Subleased Premises. The square footage for the Subleased Premises shall be adjusted to reflect accurate certified survey.
Richard B. Collier, President
Port City Aircraft Repair, Inc.
June 19, 2000
Page 2

Port City shall have the right in connection with its lease/sublease to certain apron space consisting of 150,000 +/- square feet, which space shall not be part of the Subleased Premises or Interim Premises.

Interim Premises:

Until such time as Port City has completed construction and is in receipt of Certificate of Occupancy of the Facility, as defined below, PDA agrees to lease and/or sublease to Port City and Port City agrees to lease and/or sublease from PDA the land and buildings described below, which land and buildings are located in the Airport Industrial Zone, as more particularly shown on the plan attached as Attachment No. 2:

Building 110 consisting of 1,300 +/- square feet and Hangar 213 (also known as 44 Durham Street) consisting of 28,400 +/- square feet.

As a condition precedent to its execution of a lease and/or sublease for occupancy of the entirety of Hangar 213, Port City shall provide PDA with a letter from High-Tech Aircraft Corporation ("High-Tech") confirming High-Tech's consent to relinquish its License with PDA and to enter into a sublease agreement with Port City for the portion of Hangar 213 it presently occupies. Port City agrees to enter into a sublease agreement with High-Tech should High-Tech elect to continue occupying a portion of Hangar 213.

Port City at its option and sole expense may conduct a field survey to measure precisely the building area square footage of the Interim Premises measured from the outside edge of the outside walls. The square footage for the Interim Premises shall be adjusted to reflect accurate certified survey results, provided, however, that any such adjustment shall be effective only as of the first day of the next month following submission of the certified field survey to PDA and that Port City shall not be entitled to any retroactive benefits, including rent adjustments. Following receipt of the certified survey results, the Parties shall execute an acknowledgment reflecting the revised area square footage. Failure to execute such an acknowledgment shall not effect either the validity of the Sublease or the effective date of any adjustment to the Annual Ground Rent.
term of twenty (20) years (the "Base Term") commencing on the earlier to occur of the following events: (i) occupancy of all or any portion of the Subleased Premises or Interim Premises, or (ii) October 1, 2000 (the "Term Commencement Date"), with three (3) successive ten (10) year options to extend the Base Term. In no event shall the Base Term and all option periods extend beyond fifty (50) years from the Term Commencement Date.

Port City’s right to exercise its options to extend the Base Term of its Sublease shall be contingent upon the completion of all phases of its planned improvements to the Subleased Premises which improvements are more particularly described hereafter. Further, the Sublease Agreement shall provide that in the event Port City does not construct the Expanded Facility within a mutually agreed period of time, the PDA may require that a portion of the Subleased Premises reserved for construction of the Expanded Facility be removed from the Sublease Agreement returned to the PDA for future development.

Notwithstanding the requirements on the Minimum Standards, Port City has agreed that it will undertake and continue with due diligence and at its sole expense construction of [*] +/- square feet of new hangar facilities, with related paving, utilities, landscaping, drainage and associated site improvements (the "Facility") for establishment, operation and maintenance of a fixed base aircraft operation, to include the provision of basic aeronautical services to aircraft and related ground service equipment that may be based on and/or transit the Airport.

Port City has indicated its present intent to undertake at its sole expense the construction of an additional hangar consisting of [*] +/- square feet with related paving, utilities, landscaping, drainage and associated site improvements (the "Expanded Facility") in connection with the establishment, operation and maintenance of a fixed base aircraft operation, which shall include the provision of basic aeronautical services to aircraft and related ground service equipment that may be based on and/or transit the Airport.

Port City acknowledges that PDA’s willingness to enter into a Sublease is contingent upon Port City establishing a time line for the construction of the Facility which is acceptable to PDA.

1. Port City shall be solely responsible for the development of plans and specifications for any proposed renovations at the Premises and for making any required submission and obtaining any necessary approval, including subdivision approval, in accordance with the provisions of the PDA Land Use Controls. PDA agrees to use its best efforts (without
obligation on the part of PDA to incur any expenses) to assist Port City in such process.

2. The following is a partial list of issues identified and required to be addressed by Port City and PDA during the negotiation of the Agreement in connection with Port City’s proposed development of the Subleased Premises:

A) Conformance with ALP;
B) PDA Reservations of Access to Apron/Taxiways;
C) Adequacy of Parking;
D) Siting for Noise Mitigation;
E) Siting for Air Traffic Control Tower Line of Sight;
F) Subdivision and Site Plan Approval;
G) Construction of Access from Grafton Drive;
H) Area of Special Notice Approval;
I) Deicing Restriction;
J) Construction Access;
K) Permanent Road Access;
L) Location of Fuel Farm/Right of PDA to Relocate Fuel Farm at no additional cost to Port City;
M) Removal for the Facility of Shelter #’s 1, 2, and 5;
N) Removal for the Expanded Facility of Shelter #’s 3 and 4, subject to a ground rent credit following receipt of a certificate of occupancy for the Expanded Facility not to exceed $30,000 per shelter; and
O) Installation of utilities, as required.

Building Area Rent: The Building Area Rent due for the Interim Premises, Building 110 and Hangar 213, during the Base Term of the Agreement will be $3.25 per square foot. The Building Area Rent due for Hangar 214 during the Base Term of the Agreement will be $2.00 per square foot. The Building area rent for the Interim Premises will commence on the Term Commencement Date.

Annual Ground Rent: The annual ground rent ("Ground Rent") per acre for the Subleased Premises during the Base Term of the Agreement will be as follows:

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<th>Years</th>
<th>Ground Rent</th>
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<tr>
<td>1 - 5</td>
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<tr>
<td>6 - 10</td>
<td>an annual payment equal to $3.50 per square foot</td>
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<tr>
<td>11 - 15</td>
<td>an annual payment equal to $4.00 per square foot</td>
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Richard B. Collier, President
Port City Aircraft Repair, Inc.
June 19, 2000

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Escalation Adjustment:

CPI Adjustment: As of each adjustment date, the Building Area /Ground Rent shall be adjusted to reflect the change in the Consumer Price Index for All Urban Consumers applicable to the Boston area (base year 1982-1984=100) published by the United States Department of Labor, Bureau of Labor Statistics (the "Index").

On the first day following the expiration of the fifth year of the Base Term of the Agreement and on the first day of each fifth year thereafter (the "Adjustment Date(s)") Building Area /Ground Rent subject to escalation adjustment shall be adjusted as follows:

For the first adjustment, the basis for computing such adjustment shall be the Index most recently published prior to the beginning of the first year of the Base Term ("Beginning Index"). If the Index most recently published prior to the first Adjustment Date ("Extension Index") has increased over the Beginning Index, the rental rates for Building Area /Ground Rent for the one year period commencing as of such Adjustment Date shall be equal to the result obtained by multiplying the rental rate in effect on the Adjustment Date by a fraction, the numerator of which is the Extension Index and the denominator of which is the Beginning Index.

Conditions of Subleased Premises:

Except as otherwise provided herein, Port City shall take the Subleased Premises in an "as is" condition without warranty or representation of any kind; provided, however, Port City shall have no liability or responsibility to PDA for environmental impacts and damage caused by the use of the United States of America - Department of the Air Force ("Air Force" or "Government") of Hazardous Substances on any portion of Pease, including the Subleased Premises. Port City and PDA acknowledge the obligation of the Air Force to indemnify PDA and Port City to the extent required by the provisions of Public Law No. 101-511 Section 8056.

Taxes/Fees/Services:

In accordance with the provisions of the Municipal Services Agreement by and between the PDA and the City of Portsmouth with an effective date of July 1,
1998, Port City shall pay to PDA a municipal services fee to include the cost of providing police, fire and public works services.

Utilities: PDA will bring utility lines at reasonable capacities to the points existing as of the Term Commencement Date or such other points as may be designated by Port City. PDA will be responsible for installing and paying for all utilities, including electric, gas, telephone, water and sewer from such points to the Subleased Premises.

Net Lease: The Agreement shall be triple net to PDA and all costs associated with the use, occupancy, maintenance and insurance of the Premises shall be borne by Port City.

Use: Full Service Fixed Base Operator and maintenance facility (consistent with the present use by Port City of a portion of Hangar 213)

Sublease and Assignment: Port City may, subject to Condition 20 of the lease between the PDA and the Air Force ("Master Lease"), without the approval of PDA, assign its rights under the Agreement to or enter into a sublease of the Interim and/or Subleased Premises with an affiliate (i.e., any corporation that controls, is controlled by or is under common control with Port City ). For purposes of the preceding sentence, the term "control" shall mean ownership or other beneficial interest in at least fifty-one percent (51%) of the voting stock or other voting interest of a corporation. All other assignments shall be subject to approval of FDA.

PDA shall not unreasonably withhold its consent to any sublease or assignment if: (1) the use of the Interim and/or Subleased Premises associated with any sublease(s) or assignment(s) is permitted under the Agreement, (2) the sublease(s) or assignment(s) are consistent with the terms and conditions of the Agreement provided, however, that Port City may rent the subleased area at rentals deemed appropriate by Port City, (3) Port City remains primarily liable to PDA to pay rent and to perform all other obligations to be performed by Port City under the Agreement, and (4) the proposed sublessee is financially and operationally responsible. In the event the Building Area/Ground Rent for the Interim and/or Subleased Premises exceeds the rental charged to Port City under the Agreement, Port City shall remit fifty percent (50%) of such excess to PDA upon receipt by Port City; provided, however, that any rental received by Port City during a period in which no rental is due to FDA shall be paid in its entirety to PDA.

Environmental Protection: Port City acknowledges that Pease has been identified as a National Priority List (NPL) Site under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, as amended. Port City acknowledges that
PDA has provided it with a copy of the Pease Federal Facility Agreement ("FFA") entered into by EPA, and the Air Force on April 24, 1991, as amended, and agrees that it will comply with the terms of the FFA to the extent the same may be applicable to the Subleased Premises and that should any conflict arise between the terms of the FFA and the provisions of the Agreement, the terms of the FFA will take precedence.

Port City shall comply with all federal, state and local laws, regulations and standards that are or may become applicable to Port City's activities at the Premises. Port City shall not assume any liability or responsibility for environmental impacts and damage caused by the Air Force's use of Hazardous Substances on any portion of Pease, including the Premises. The parties acknowledge the obligations of the Air Force to indemnify PDA and Port City to the extent required by the provisions of Public Law No. 101-511, Section 8056.

To the extent the same is available and applicable, PDA will furnish the following data to Port City: relevant maps, diagrams, surveys, drawings, engineering studies and plans related to the Premises, including but not limited to, the Environmental Baseline Survey; approved airport layout plan; existing property drawings and plans; Health and Safety Plans; Construction Work Plans and planning and engineering studies conducted for the PDA or for others, including available studies conducted for the Air Force, and pertaining to Pease and or the Premises. PDA makes no warranty or representation, actual or implied, as to the accuracy of any material to be furnished to the Port City.

Brokerage:

Each party warrants to the other that it has had no dealing with any real estate broker or agent in connection with the negotiation of this letter or the Agreement.

Repairs and Maintenance:

Throughout the term of the Agreement, and without cost to PDA, Port City shall take good care of the Subleased Premises and related improvements, including sidewalks, curbs, apron areas designated for Port City's exclusive use, and shall keep the same in good order and condition, and shall promptly at its own cost and expense, make all necessary repairs thereto. Port City's obligation hereunder shall also include grounds maintenance and restoration and snow removal from the Subleased Premises, including any apron areas designated for Port City's exclusive use.

Minimum Standards:

Port City and its sublessees' use of the Subleased Premises shall be subject to compliance with Minimum Standards as the same are from time to time promulgated by PDA. Notwithstanding any provision of the Agreement to the contrary, Port City may not commence operations as a fixed base operator in the Interim Premises until such time as the following conditions have been met:
1. All requirements of the Minimum Standards, including submission of a time line for satisfying same;

2. Commencement of Construction of the Facility, which shall be deemed to include the provision of evidence by Port City that it has placed a non-refundable order for the steel required to complete construction of the Facility, or the posting of a guarantee to ensure the Commencement of Construction of the Facility in such form as is acceptable to and has received the prior approval of the PDA Board of Directors;

3. The incorporation of the recommendations, if any, of the Airport Committee.

Restrictions on Aircraft Operations: Port City is aware of PDA's efforts to promulgate proprietary regulations that will include certain restrictions on aircraft operations. Port City has agreed to comply with all such future rules and regulations, and will agree and obtain the agreement of its successors in interest, in accordance with the provisions of 14 CFR Part 161, to voluntary operating restrictions which are reasonably consistent with the aircraft operation restriction provisions incorporated herein as Attachment No. 3.

Neither this letter, nor the MOU constitutes a reservation of the Premises, an option to lease and/or sublease the Premises, or an offer to lease and/or sublease the Premises, and no legal obligation shall arise with respect to the Premises or lease thereof until a Lease and/or Sublease Agreement is executed by the Parties.

I believe this proposal addresses the terms as discussed to date. It is my hope that you will be in a position to advise us of your commitment to Pease by executing this original and the enclosed copy in the space provided and returning the original to my attention. If you have any questions, please give me a call.

Sincerely,

George R. Meyer
Executive Director

GRM/mhg
cc. David R. Mullen
    Lynn Marie Hinchee
    Gerald H. Dexter
    Mark Rowell
Richard B. Collier, President
Port City Aircraft Repair, Inc.
June 19, 2000
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I have read the foregoing and it correctly states the terms upon which we will proceed to negotiate a mutually acceptable Lease and/or Sublease Agreement for the Premises with PDA, subject to the PDA Board of Directors, the PDA Airport Committee and any other governmental approvals that may be required.

Port City Aircraft Repair, Inc.

Date

By:
Its duly authorized:
Exhibit 3
July 26, 2002

Mr. Edward Stead
7 Hutchins Cove Dr.
Kittery, ME 03904

Via FAX: 207-439-6866

Dear Mr. Stead:

This letter confirms that Port City Aircraft Repair, Inc. currently meets the minimum land and facility requirements to operate as a full-service fixed base operator on an interim basis until construction of the permanent facilities is completed.

Sincerely,

Mark K. Rowell
Airport Manager
March 28, 2003

Mr. Richard Collier
General Manager
Port City Aircraft
44 Durham Street
Portsmouth, NH 03801

Dear Mr. Collier

Subject to Port City's ongoing obligations to comply with its Sublease and all applicable rules and regulations in connection with its FBO operations, this will serve to confirm that Port City Aircraft may commence aircraft fueling operations, effective March 28, 2003.

Please do not hesitate to contact me with any questions by calling (603) 433-6536.

Sincerely,

Kim (Bill) Hopper, A.A.E.
Airport Operations Manager

cc: George R. Meyer, Executive Director
    Mark Gardner, Staff Attorney
    Mark K. Rowell, Airport Manager
    Pease Airport Operations Division
    Deputy Chief William Hantlekopf, Pease ARFF
January 7, 2021

Charles Suma, COO
Pease Aviation Partners, LLC
7555 Ipswich
Houston, Texas 77061

Re: Letter of Intent

Mr. Suma:

The Pease Development Authority ("PDA") is pleased to submit to REW Investments, Inc. and Pease Aviation Partners, LLC d/b/a Million Air Portsmouth ("PAP") the following outline of terms and conditions of a proposed agreement with the PDA for aviation development at Portsmouth International Airport at Pease, located within the Pease International Tradeport ("Airport").

If approved by the PDA Board of Directors, the terms set forth in this letter shall constitute a Letter of Intent ("LOI") between the parties reflecting our mutual commitment in principle to conclude with due diligence and in good faith one or more agreements, including an appropriate Lease and Operating Agreement (collectively, the "Agreement" and/or "Lease"), based upon these terms and such other mutually acceptable terms and conditions as the parties may deem necessary and appropriate.

Without limitation of any other provision of this LOI, the general understanding of the parties is that PAP would sublease, on a short-term basis, an existing hangar and adjoining office space from a current tenant of PDA, subject to any required change of use approvals. During the term of the sublease, PAP would construct and operate a Fixed Base Operator ("FBO"), fuel farm, and hangar on the Leased Premises (defined below). As a term of the Agreement, PDA would grant PAP reasonable access to the common use apron areas adjoining the Leased Premises for purposes related to the operation of the FBO.

The central business terms of our understanding include the following:

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Landlord: Pease Development Authority (see NH RSA 12-G)

Tenant: Pease Aviation Partners, LLC, a Texas limited liability company

Leased Premises: The land area generally described as 53 Exeter Street in Attachment A hereto (collectively the "Leased Premises" or "Premises"). Final lot dimensions and access areas to be determined through survey work and/or subdivision and site plan review process.

Without limitation of the foregoing, the understanding of the parties is that PAP would construct and operate an FBO, fuel farm, and hangar on the Leased Premises. Additionally, as a term of the Agreement, PDA would grant PAP reasonable access to all common use Apron areas (shown as apron areas on Attachment A) adjoining the Leased Premises for fueling operations and other purposes related to the operation of the FBO.

Lease Term and Term Commencement: The Agreement shall be effective upon execution ("Effective Date"). The lease term shall be for a base term of forty-seven (47) years, commencing on the Effective Date (the "Term").

Annual Ground Rent and Additional Rent: The annual ground rent ("Ground Rent") per acre for the Leased Premises during the Term of the Agreement will be as follows:

- Years 1-5: an annual amount equal to $.35 per square foot
- Years 6 - 47: an annual payment equal to the per square foot rate plus an annual adjustment equal to the lesser of CPI or 3%, not to exceed 12% in any five (5) year period.

The Ground Rent will be based upon the total area of the Leased Premises (including any contiguous Ramp), as described in Attachment A, is subject to adjustment upon final determination of the exact acreage of the Leased Premises through survey work and/or subdivision and site plan review process.

Airport Related Fees: If applicable, PAP shall be responsible for the collection, disbursement and reporting of Landing Fees, Parking Fees and Fuel Flowage Fees in accordance with PDA policies and procedures.
Airport Use Fees: With respect to any additional use of the Leased Premises requested by PAP, and specifically with reference to the conduct of future commercial and non-commercial general aviation activities at the Airport, such use shall be subject to the execution of an appropriate agreement which shall include a provision for the payment of established fees and charges that may be generally applicable at the Airport.

Condition of Leased Premises: Except as otherwise provided herein, PAP shall take the Leased Premises in an "as is" condition without warranty or representation of any kind; provided, however, PAP shall have no liability or responsibility to PDA for environmental impacts and damage caused by the use of the United States of America - Department of the Air Force ("Air Force" or "Government") of Hazardous Substances on any portion of Pease, including the Leased Premises. PAP and PDA acknowledge the obligation of the Air Force to indemnify PDA and PAP to the extent required by the provisions of Public Law No. 101-511 Section 8056.

Taxes/Fees/Services: In accordance with the provisions of the Municipal Services Agreement by and between the PDA and the City of Portsmouth with an effective date of July 1, 1998, PAP shall pay to PDA a municipal services fee to include the cost of providing police, fire and public works services.

Utilities: PDA will bring utility lines at reasonable capacities to the points existing as of the Term Commencement Date, or such other points as may be designated by PDA. PAP will be responsible for connecting to such points, wherever they may be, as necessary for its use of the Leased Premises, and for installing and paying for all utilities, including electric, gas, telephone, cable, water and sewer from such points to the Leased Premises. In addition, depending on the requirements of site review, PAP shall be responsible for installing any necessary or required connections of the Leased Premises to the PDA’s stormwater discharge system at the points existing within the Airport as of the Term Commencement Date, or such other points as may be designated by the PDA, wherever they may be. PDA shall provide PAP reasonable access to the Airport prior to entering into the Agreement so that PAP may ascertain appropriate utility and stormwater connection points.

Net Lease: The Agreement shall be triple net to PDA and all costs associated with the use, occupancy, maintenance and insurance of the Premises shall be borne by PAP.

Right to Use Apron Area: PAP shall have the right in connection with its Lease to use certain common use apron areas, which space shall not be part of the Leased Premises, and such apron areas shall meet all requirements of the Minimum Standards.
Right to Use Airport:
Subject to the provisions and additional restrictions as may be set forth in the Lease for the Premises, PAP shall have in common with other authorized Airport users the right to use the entrances, exits and roadways designated by PDA for common use at the Airport. PAP shall also have in common with other airfield users the right to use the runway, taxiways and available common apron areas of the Airport.

Surrender of Leased Premises at Termination:
PDA to assume ownership of the FBO facility and related improvements at termination of the Lease.

Pease International Airport Access Requirements:
The portion of the Airport within the perimeter fence is part of the Airport Security Identification Display Area ("SIDA"). Designated representatives of PAP and its contractors will be required to obtain security badges and qualify as escorts in order for representatives, employees and agents of PAP and its contractors to gain access to and remain within the SIDA. While in the SIDA, escort procedures per the requirements of the Airport Security Program must be met. Prior to accessing the SIDA, all persons providing SIDA escort must undergo a criminal history background check, verification of their employment history for the past ten (10) years, attend a training class that is offered no more than once every two weeks and pay any applicable fees. Information regarding escort requirements can be obtained by calling the Airport Management Department at (603) 433-6536, Monday through Friday, 8:00 a.m. to 5:00 p.m. No representative, employee or agent of PAP or its contractors will be allowed in the SIDA without escorts meeting the requirements of the Portsmouth International Airport at Pease Security Program.

PAP acknowledges that it will be responsible for the payment of all fines imposed by the FAA and/or TSA arising or incurred as a result of the improper use of or access by PAP’s officers, employees, agents, customers, vendors, guests, or invitees to Portsmouth International Airport at Pease and its SIDA.

Sublease:
Subject to PAP securing change of use/site review approval, PDA would consent to PAP’s entry into a sublease with Executive Hangar LLC for the hangar and adjoining office space, located at Portsmouth Airport, and as described in Attachment B hereto ("Subleased Premises"). The sublease would be for a temporary term coextensive with the Construction/Operating Phase, defined below. PAP would conduct FBO operations out of the subleased space until the new FBO is completed.
Site Plan and Design Permitting: PAP would undertake and continue with due diligence and at its sole expense subdivision, site planning, design, permitting, and construction on the Premises of not less than 12,000 +/- square feet of new hangar space, and up to an additional 2,000 square feet of FBO Facilities and a Fuel Farm in support of the permitted uses, which shall meet or exceed all minimum standards set by PDA, with related paving, utilities, landscaping, drainage and associated site improvements, (the "Facility") for establishment, fueling aircraft and servicing customers of those aircraft for General Aviation, Military, Cargo and Commercial operations. Additionally, PAP would plan, design, permit, and construct the access road to the Leased Premises as shown on Attachment A, including any necessary security gate required by the PDA, which road would be a common use access area owned by the PDA.

Phased Approach: PAP has developed a two-phase approach to the development, which phases are detailed below as the Construction/Operating Phase and the Operating Phase.

Construction/Operating Phase: During the Construction/Operating Phase, PAP would (i) operate an FBO out of the Subleased Premises, and (ii) construct an FBO facility that complies with the minimum standards for an FBO as described in Attachment C hereto. Immediately upon execution of the Agreement, PAP would commence construction of the fuel farm, followed by the FBO building and hangar, as well as the access road. This phase shall take no longer than thirty (30) months from the execution of the Agreement.

Operating Phase: PAP would operate the new FBO and related facilities under the terms of the Agreement.

Anticipated Timeline: PAP acknowledges that PDA's willingness to enter into a Lease is contingent upon PAP establishing a time line for the Construction/Operating Phase and the Operating Phase that is acceptable to PDA and consistent with the terms and conditions set forth above.

1. PAP shall be solely responsible for the development of plans and specifications for any proposed renovations at the Premises and for making any required submission and obtaining any necessary approval, including subdivision approval, in accordance with the provisions of the PDA Land Use Controls. PDA agrees to use its best efforts (without obligation on the part of PDA to incur any expenses) to assist PAP in such process.

2. The following is a partial list of issues and costs identified and required to be addressed by PAP and PDA during the negotiation of the
Agreement in connection with PAP's proposed development of the Leased Premises:

A) Conformance with ALP;
B) PDA Reservations of Access to Apron/Taxiways;
C) Adequacy of Vehicle Parking;
D) Siting for Noise Mitigation;
E) Siting for Air Traffic Control Tower Line of Sight;
F) Subdivision and Site Plan Approval;
G) Installation of utilities, as required;
H) Area of Special Notice Approval;
I) Construction Access;
J) TSA approval, as the same may be required;
K) Protection of monitoring wells;
L) Coordination of Air Force PFAS Remediation;
M) Location of Fuel Farm and Fuel Farm Operations;
N) Protection of stormwater, surface water, and ground water quality;
O) Impacts to wetlands and wetlands buffer;
P) Soils management;
Q) Site dewatering;
R) Airport security and access control; and
S) Changes to Airport Layout Plan.

Use: PAP will develop the Leased Premises to service General Aviation, Military, Cargo and Commercial operations meeting all PDA minimum Standards for such use.

Sublease and Assignment: PAP may, without the approval of PDA, assign its rights under the Agreement to or enter into a sublease of the Leased Premises, or any part thereof, with an affiliate (i.e., any corporation that controls, is controlled by or is under common control with PAP). For purposes of the preceding sentence, the term "control" shall mean ownership or other beneficial interest in at least fifty-one percent (51%) of the voting stock or other voting interest of a corporation; provided the minimum net worth of the controlling or affiliated entity is not less than $500,000.00. All other assignments or subleases shall be subject to approval of PDA.

Environmental Protection: PAP acknowledges that Pease has been identified as a National Priority List (NPL) Site under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, as amended. PAP acknowledges that PDA has provided it with a copy of the Pease Federal Facility Agreement ("FFA") entered into by EPA, and the Air Force on April 24, 1991, as amended,
and agrees that it will comply with the terms of the FFA to the extent the same may be applicable to the Leased Premises and that should any conflict arise between the terms of the FFA and the provisions of the Agreement, the terms of the FFA will take precedence.

PAP shall comply with all federal, state and local laws, regulations and standards that are or may become applicable to PAP's activities at the Premises. PAP shall not assume any liability or responsibility for environmental impacts and damage caused by the Air Force's use of Hazardous Substances on any portion of Pease, including the Premises. The parties acknowledge the obligations of the Air Force to indemnify PDA and PAP to the extent required by the provisions of Public Law No. 101-511, Section 8056.

In addition, PDA shall indemnify, defend and hold harmless PAP against and from any and all claims, judgments, damages, penalties, fines, costs and expenses, liabilities and losses (including, without limitation, diminution in value of the Premises, damages for the loss or restriction on the use of the Premises, and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees), resulting or arising from discharges, emissions, spills, releases, storage or disposal of Hazardous Substances, or any other action, by the PDA giving rise to PAP liability or responsibility under federal, state or local environmental laws. This provision shall survive the expiration or termination of the Lease, and the PDA's obligations hereunder shall apply whenever the PAP incurs costs or liabilities for the PDA's actions of the types described in this provision.

To the extent the same is available and applicable, PDA will furnish the following data to PAP: relevant maps, diagrams, surveys, drawings, engineering studies and plans related to the Premises, including but not limited to: the Environmental Baseline Survey; approved airport layout plan; existing property drawings and plans; Health and Safety Plans; Construction Work Plans and planning and engineering studies conducted for the PDA or for others, including available studies conducted for the Air Force, and pertaining to Pease and or the Premises. PDA makes no warranty or representation, actual or implied, as to the accuracy of any material to be furnished to the PAP.

Brokerage:

Each party warrants to the other that it has had no dealing with any real estate broker or agent in connection with the negotiation of this letter or the Agreement.

Repairs and Maintenance:

Throughout the term of the Agreement, and without cost to PDA, PAP shall take commercially reasonable care of the Leased Premises and related improvements, including sidewalks, curbs, parking apron areas designated for PAP's exclusive use, and shall keep the same in good order and condition, and shall promptly at its own cost and expense, make all necessary repairs thereto. PAP's obligation hereunder shall also include grounds maintenance and restoration and snow
removal from the Leased Premises, including any apron areas designated for PAP’s exclusive use.

Restrictions on Aircraft Operations: PAP is aware of PDA’s efforts to promulgate proprietary regulations that will include certain restrictions on aircraft operations. PAP has agreed to use commercially reasonable efforts to comply with all such rules and regulations, and will agree and obtain the agreement of its successors in interest, in accordance with the provisions of 14 CFR Part 161, to voluntary operating restrictions which are reasonably consistent with the aircraft operation restriction.

Airport Minimum Standards: PAP’s use of the Leased Premises shall be subject to its compliance with Minimum Standards (Attachment C) as the same are from time to time promulgated by PDA.

Termination Rights: PAP shall have the right to terminate the Lease upon thirty (30) days written notice to PDA in the event that PAP is precluded for a period of three (3) consecutive months or longer during the Construction/Operating Phase from proceeding with construction of the Facility as a direct result of (A) the issuance of an order or other adjudication of a state or federal court or determination of a governmental body of competent jurisdiction, or (B) exercise by the FAA, Air Force, EPA and NHDES of their rights under the Deed and/or FFA. In the event that PAP is so precluded from proceeding with construction directly as the result of any of the events listed in (A) and (B) above, irrespective of whether the period is long enough to provide PAP with a right of termination, any remaining established dates or milestones for payment or construction shall be extended by the time equal to the period of preclusion provided that PAP provides PDA with notice of any claim for extension within thirty (30) days of the occurrence of such event.

The execution of this LOI does not constitute a reservation of the Premises, an option to lease the Premises, or an offer to lease the Premises, and no legal obligation shall arise with respect to the Premises or lease thereof until a Lease Agreement is executed by the Parties.

Sincerely,

Paul E. Brean
Executive Director
I have read the foregoing and it correctly states the terms upon which we will proceed to negotiate a mutually acceptable Lease Agreement for the Premises between PDA and PAP, subject to the PDA Board of Directors approval, and any other governmental approvals that may be required.

Charles Suma, COO
BUILDING SUB-LEASE AGREEMENT

This Aircraft Hangar ("Agreement") is made this ___ day of __________ ("Effective Date") by and between Design Box, LLC, via its assignee Pease Aviation Partners, LLC d/b/a Million Air Portsmouth ("PAP"). herein called "OCCUPANT") and Executive Hangar LLC (herein called "LESSOR").

WITNESSETH

In consideration of the rent and the mutual covenants contained herein, and expressly subject to the terms, provisions and restrictions contained within LESSOR's lease agreement with Pease Development Agency (herein FDA), LESSOR has let and demised and, by these presents, does hereby lease and demise unto OCCUPANT and OCCUPANT does hereby rent and take from LESSOR the SPACE described in Section 1 below, TO HAVE AND TO HOLD the same for the term herein provided, subject to all the following terms and provisions.

SECTION 1: IDENTIFICATION OF SPACE

The SPACE is the building and hangar located at 120 Aviation Avenue, Portsmouth NH 03801

SECTION 2: COMMON AREAS

In addition to the SPACE identified and described herein above, OCCUPANT shall have access to and the right to use common areas at the airport including common parking areas and driveways.

SECTION 3: TERM

The term of this Agreement shall be for 24 months, beginning on the ___ day of October 2020, and ending on the 31st day of March 2022 ("Initial Term"). OCCUPANT is granted an option to renew this Agreement for one additional term of 6 (six) months ("Renewal Term"). OCCUPANT shall notify LESSOR in writing of OCCUPANT's intention to exercise the renewal option not more than sixty (60) days and not less than thirty (30) days before the expiration of the Initial Term ("Option Exercise Period"). Otherwise the option shall automatically terminate. OCCUPANT shall be entitled to exercise the option if OCCUPANT is not then in default under the Agreement at any time during the Option Exercise Period. Subject to LESSOR's right to adjust the Rent as set forth in Section 4 below, all terms and conditions of this Lease shall remain in full force and effect for the duration of the Renewal Term.

SECTION 4: RENT

OCCUPANT agrees to pay the amount of $X,XXX.XX per month as Rent for the use of the Space payable in advance on the first day of each month ("Rent"). Not less than sixty (60) days before the expiration of the Initial Term, LESSOR shall provide OCCUPANT with written notice of the amount of Rent for the SPACE for the Renewal Term. The existence and amount of any increase in Rent in the Renewal Term shall be solely within the discretion of LESSOR, at the then existing Market Rates for space of such quality.

SECTION 5: SECURITY DEPOSIT

Upon execution of this Agreement, OCCUPANT shall deposit with LESSOR a sum equal to a minimum of one (1) month's Rent as a security deposit ("SECURITY") for the performance by OCCUPANT of the terms of this Agreement. LESSOR may use, apply, or retain the whole or any part of SECURITY so deposited for the payment of any Rent or other sum as to which OCCUPANT is in default or which LESSOR may expend or may be required to expend by reason of OCCUPANT'S default under this Agreement. In the event OCCUPANT has complied with all the terms of this Agreement, SECURITY shall be returned promptly to OCCUPANT after the date fixed as the end of this Agreement and after return of possession of SPACE to LESSOR. LESSOR shall hold SECURITY in accordance with applicable law, and, if so, permitted by law, LESSOR shall have the right to commingle SECURITY with LESSOR's funds, to invest that amount and to retain any investment earnings as LESSOR'S sole property.

SECTION 6: USE OF PREMISES

The SPACE described herein is for the purpose of operating a Fixed Base Operation (FBO), with regards to the Office Space and Hangar. Under no circumstances shall OCCUPANT engage in aircraft heavy maintenance.

SECTION 7: LEGAL COMPLIANCE

a. Subject to Section 6 above, OCCUPANT may not use or permit any part of the SPACE to be used for (1) any activity non-aviation related; (2) which is a nuisance or is offensive, noisy, or dangerous; (3) any activity that violates any applicable law, regulation, zoning ordinance, governmental order, Landlord rule, or this Agreement.
b. "Hazardous Material" means any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, solvent, or oil as defined by any federal, state, or local environmental law, regulation, ordinance or rule existing as of the date of this Lease or later enacted.

c. OCCUPANT shall not use, generate, store, or dispose of, or permit the use, generation, storage, or disposal of Hazardous Materials on or about the Leased Premises or Building except in a manner and quantity necessary for the ordinary performance of OCCUPANT’s business, and then in compliance with all applicable laws. If OCCUPANT breaches its obligations under this subparagraph, LESSOR may immediately take any and all action reasonably appropriate to remedy the same, including taking all appropriate action to clean up or remediate any contamination resulting from OCCUPANT’s use, generation, storage, or disposal of Hazardous Materials. OCCUPANT SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS LESSOR AND ITS REPRESENTATIVES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LIABILITIES, CAUSES OF ACTION, SUITS, JUDGMENTS, DAMAGES, AND EXPENSES (INCLUDING REASONABLE ATTORNEY’S FEES AND COST OF CLEAN UP AND REMEDIATION) ARISING FROM OCCUPANT’S FAILURE TO COMPLY WITH THE PROVISIONS OF THIS SUBPARAGRAPH. This indemnity provision shall survive the termination or expiration of this Agreement.

d. LESSOR SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS OCCUPANT AND ITS REPRESENTATIVES AND AGENTS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LIABILITIES, CAUSES OF ACTION, SUITS, JUDGMENTS, DAMAGES, AND EXPENSES (INCLUDING REASONABLE ATTORNEY’S FEES AND COST OF CLEAN UP AND REMEDIATION) ARISING FROM CONTAMINATION RESULTING FROM THE USE, GENERATION, STORAGE, OR DISPOSAL OF HAZARDOUS MATERIALS IN THE SPACE THAT OCCURRED BEFORE THE EFFECTIVE DATE OF THIS AGREEMENT.

SECTION 8: MAINTAINING SPACE

During the Term, LESSOR shall maintain the SPACE and appurtenances in good repair and tenantable condition, including, but not limited to, the maintenance and repair of the plumbing, heating, electrical, air conditioning and ventilating equipment and fixtures to the end that all such facilities are kept in good operative condition except in case of damage arising from a willful or negligent act of the OCCUPANT’S agent, invitee, or employee.

SECTION 9: INSURANCE

OCCUPANT shall, at its sole cost and expense, procure and maintain through the term of this Agreement a policy or policies of insurance insuring OCCUPANT against any and all liability for injury to or death of a person or persons and for damage to or destruction of property occasioned by or arising out of or in connection with the use or occupancy of the SPACE (including the contractual liability of OCCUPANT to indemnify LESSOR contained herein), the limits of such policy or policies to be as follows:

a. Workers Compensation (statutory limits) and Employer’s Liability Insurance as required by law, with a limit of $1,000,000.00 per occurrence,

b. Comprehensive Aviation General Liability including airport Premises Liability and endorsed to cover liability assumed by OCCUPANT under this Agreement, including such liability arising out of the use of Aircraft with a limit of $5,000,000.00 combined single limit per occurrence,

c. Comprehensive Automobile Liability applying to all owned, hired, and non-owned vehicles entering upon the SPACE or otherwise utilizing OCCUPANT’s rights of ingress and egress to the SPACE, with a limit of $500,000.00 per occurrence combined single limit when driven on the Leasehold ramp area,

d. Aerial Liability Insurance (Bodily Injury, including Liability to passengers and Property Damage) including non-owned Aircraft liability, with an overall combined single limit of $50,000,000.00 per occurrence.

The limits and type of insurance required above may be furnished through one or more primary and/or umbrella policies. OCCUPANT hereby agrees to maintain endorsements on its liability insurance policies to provide coverage for the obligations assumed by OCCUPANT pursuant to this Agreement subject to the indemnity obligations herein. OCCUPANT’S insurance policy or policies shall contain a provision whereby OCCUPANT’S insurer waives any right of subrogation against LESSOR, its agents, employees and its affiliated or subsidiary companies subject to the indemnity obligations herein. LESSOR, its agents, employees and its affiliated or subsidiary companies shall be named as additional insureds and shall provide that LESSOR must receive at least ten (10) days prior written notice of any cancellation of OCCUPANT’S insurance coverage. Prior to commencement of this Agreement, OCCUPANT shall deliver to LESSOR certificates of insurance evidencing the existence of the insurance required herein, and renewals thereof as required shall be delivered to LESSOR at least (30) days prior to expiration of the respective policy terms.
If OCCUPANT shall fail to comply with the foregoing requirements relating to insurance, LESSOR may obtain such insurance and OCCUPANT shall pay to LESSOR in demand as additional Rental the premium cost thereof plus interest at the maximum contractual rate which could legally be charged in the event of a loan of such payment to OCCUPANT, such interest to accrue continuously from the date of payment by LESSOR until repaid by OCCUPANT.

SECTION 10: CASUALTY; INDEMNITY; FORCE MAJEURE

In the event the SPACE or the means of access thereto shall be damaged by fire or other casualty, LESSOR may terminate this Agreement upon written notice to OCCUPANT. LESSOR and OCCUPANT mutually agree to release, indemnify and hold one another, and all their respective officers, directors, employees and agents, harmless from and against any and all liabilities, damages, delays, losses, claims or judgments of any kind whatsoever, including all costs, attorneys' fees, and expenses incidental thereto, which may be suffered by, or charged to, one another by reason of any loss or damage to any property or injury to or death of any person arising out of or by reason of any breach, violation, negligent performance, or non-performance by one another's servants, employees or agents of any covenant, obligation or condition of this Agreement or by any act or failure to act of those persons. Neither Party shall be liable to the other Party for its failure to perform this Agreement or for any losses, injury, damage or delay of any nature whatsoever or resulting therefrom caused by any act of God, fire, flood, accident, strike, labor dispute, riot, insurrection, war or any other cause beyond that Party's control. Except as otherwise provided herein, LESSOR shall not be liable to OCCUPANT for any loss, damage, destruction, theft, death or personal injury caused by or resulting from any act or omission of any co-licensee, tenant or other occupant of LESSOR'S leased premises at the Airport or by any owner or occupant of adjoining or contiguous property.

SECTION 11: TERMINATION

a. Unless OCCUPANT validly exercises its option to renew this Agreement as set forth in Section 4 above, this Agreement shall terminate at the conclusion of the Initial Term.

b. In addition, LESSOR may terminate this Agreement during the course of the term upon the occurrence of any of the following, each of which shall constitute a material breach of the Agreement by OCCUPANT:

(i) Rent is not paid by the 5th day of any month during the Term.

(ii) OCCUPANT has failed to comply with any material condition of this Agreement and has not reasonably corrected the compliance failure within five (5) days after receipt of written notice of such compliance failure from LESSOR.

(iii) If the OCCUPANT operations as an FBO moves to another location or ceases to operate as an FBO for any reason.

c. Except as otherwise provided in this Agreement, all fixtures, improvements, equipment and other property bought, installed, erected, or placed in the SPACE by OCCUPANT shall remain the property of OCCUPANT, OCCUPANT shall have the right to remove these fixtures, improvements, equipment and other property prior to the expiration or termination of this Agreement. However, OCCUPANT shall be responsible for any damage caused by such removal. Title to fixtures, improvements, equipment and other property not removed as of the expiration or termination of this agreement, shall vest in LESSOR.

SECTION 12: LIMITATIONS

a. The OCCUPANT agrees to abide by and comply with all present and future rules, regulations and orders of LESSOR and the Airport Authority affecting the control, operation, and use of the SPACE and the Airport generally.

SECTION 13: UTILITIES

a. All Utilities are included in the Rent.

b. OCCUPANT shall comply with all rules and regulations, which the Airport requires, any governmental agency or authority, or any utility company may establish, for the use, proper functioning and protection of any such utility or service.

c. Unless directly caused by gross negligence of LESSOR, LESSOR shall not be liable under any circumstances for loss or injury to property or persons occurring through, in connection with, or incidental to the furnishing of UTILITIES. LESSOR shall not be liable for any stoppage or interruption of UTILITIES caused by third parties or by acts of God, nor for needed repairs that LESSOR is unaware of, and no offset or deduction from rent shall occur by reason of such interruption.

SECTION 14: CONDUCT BY OCCUPANT
a. In the event that the hangar, the office facility, or any of the equipment affixed thereto or stored therein should be damaged as a result of any act of OCCUPANT, or its agents, servants, employees, invitees or contractors, LESSOR shall, upon demand, pay to LESSOR the cost of all required repairs, including structural repairs. LESSOR and OCCUPANT shall commit no act of waste and shall take good care of the office facility and the equipment affixed thereto and stored therein and shall, at its sole cost and expense, in the use and occupancy of the office facility, conform to all laws, orders and regulations of all agencies having jurisdiction over the premises.

b. OCCUPANT agrees that it shall not, without LESSOR'S prior written consent:
   (i) make any permanent alterations, additions or improvements in or about the office facility, or change locks or keys on any doors; OCCUPANT shall bear the sole cost of alterations,
   (ii) do anything in or near the facility which will increase the rate of fire insurance on the office facility,
   (iii) permit the accumulation of waste or refuse matter in or near the office facility except in containers provided therefore;
   (iv) mortgage, pledge, assign or encumber this Agreement in whole or in part; or
   (v) sublease any portion of the SPACE or assign this Agreement
   (vi) store any hazards material any items that are non aviation related or not consumable by the aircraft operation
   (vii) operate any business that is not related to the aviation operation
   (viii) store any personal items or use facility designated space for any other use other than intended office use to conduct aviation operation,
   (ix) have a contractor on the grounds without first checking-in with LESSOR

SECTION 15: NOTICE
All notices and other communications required or permitted under this Agreement shall be in writing and deemed delivered: (i) one day after deposit with any overnight mail service which maintains delivery records addressed as follows, or (ii) five days after being deposited into the United States Mail, postage prepaid and addressed as follows or (iii) upon receipt of telecopy or facsimile transmission to the number set forth below. In the event of telecopy or facsimile transmission the printed machine confirmation showing receipt at the numbers listed below shall be deemed prima facie proof of receipt:

To LESSOR:
Company Name: Executive Hangar LLC
Address: 120 Aviation Avenue, Portsmouth, NH 03801
Attn: Greg Mahanna
Email: gmahanna@aaminc.biz

To OCCUPANT:
Pease Aviation Partners, LLC
7555 Ipswich Road
Houston, TX 77061
Attn: Roger Woosley, CEO

SECTION 16: SEVERABILITY AND NON-WAIVER
If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party. If either Party fails to require the other to perform a term of this
Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either Party waives the other’s breach of a term, that waiver does not waive a later breach of this Agreement.

SECTION 17: DISCLAIMER OF LIABILITY
OCCUPANT HEREBY DISCLAIMS, AND LESSOR HEREBY RELEASES OCCUPANT FROM ANY AND ALL LIABILITY WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), FOR ANY LOSS, DAMAGE OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY LESSOR, ITS EMPLOYEES, SUBLEASERS, AGENTS OR INVITEES DURING THE TERM OF THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO LOSS, DAMAGE OR INJURY TO THE SPACE OR OTHER PROPERTY OF LESSOR UNLESS SUCH LOSS, DAMAGE, OR INJURY IS CAUSED BY OCCUPANT’S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. THE PARTIES HEREBY AGREE THAT UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR INDIRECT, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR OTHER DAMAGE RELATED TO THE LEASING OF THE HANGAR UNDER THIS AGREEMENT. IN NO EVENT WILL A PARTY’S LIABILITY TO THE OTHER PARTY EXCEED THE PROCEEDS AVAILABLE UNDER ANY APPLICABLE INSURANCE POLICIES COVERING SUCH LOSS, DAMAGE, OR INJURY.

SECTION 18: GOVERNING LAW; WAIVER OF JURY TRIAL; JURISDICTION; FORUM SELECTION
a. This Agreement shall be construed and interpreted in accordance with the laws of the State of New Hampshire.
b. EACH OF THE PARTIES HERETO HEREBY IRRESCIVABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.
c. All Parties hereto consent to the jurisdiction of New Hampshire state courts, as the exclusive venue for any dispute arising from or related to this Agreement. All Parties waive and agree not to raise any defense that any such court is an improper or inconvenient forum, or any other defense related either to the jurisdiction of Texas state courts or to the venue selected in this Agreement.

SECTION 19: INTEGRATION
This Agreement constitutes the entire agreement between the Parties, and of its effective date supersedes all prior independent agreements between the Parties related to the leasing of the SPACE. Any change or modification hereof must be in writing signed by both Parties.

SECTION 20: SUCCESSORS BOUND
This Agreement shall be binding and shall inure to the benefit of the heirs, legal representatives, successors and assigns of the parties hereto, to the extent this Agreement is assignable according to its terms.

SECTION 21: SUBORDINATION OF AGREEMENT
This Agreement shall be subordinate to the provisions of any existing or future agreement between the Airport and the United States government relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

SECTION 22: INDEPENDENT CONTRACTOR
Each Party shall be and act as an independent contractor and not as partner, joint venture or agent of the other.

IN WITNESS WHEREOF: the parties hereto have set their hand the date first written above.
2.01 FULL-SERVICE FIXED BASE OPERATOR REQUIRED SERVICES

A Full-Service Fixed Base Operator shall provide the following aeronautical services:

a. Aircraft Fuel and Oil Sales
b. Aircraft Deicing
c. Ground Handling (Aircraft Guidance, Parking, and Tie Down)
d. Customer Services
e. Line Service
f. Hangar Space
g. Aircraft Recovery
h. Collection of fees
i. Snow Removal Services

2.02 MINIMUM STANDARDS FOR REQUIRED SERVICES

a. Aircraft Fuel and Oil Sales

1. Storage and into-plane dispensing of Jet A and 100LL fuel together with a selection of lubricants of sufficient ratings, grades, quality, and quantity to meet the needs of general aviation aircraft using the airport.
2. A minimum of two metered, filter-equipped fueling trucks for dispensing jet fuel, of which at least one has a capacity of not less than 5,000 gallons, which meet all applicable safety requirements.

3. A minimum of two metered, filter-equipped fueling trucks for dispensing 100LL gasoline, of which at least one has a minimum capacity of 500 gallons, which meet all applicable safety requirements.

4. Maintain fuel dispensing reports on file for a minimum of 12 months, and have such reports available for auditing at any time by the Authority.

b. Aircraft Deicing.

1. A minimum of one deicing vehicle capable of applying heated propylene glycol to general aviation aircraft using the Airport.

2. Complete forms provided by the PDA documenting the type and amount of deicing fluid used and the location of the deicing event. Submit completed forms to the PDA Engineering Department within one hour of completion of the deicing event.

c. Ground Handling (Aircraft Guidance, Parking, and Tie Down)

1. Aircraft arrival and departure guidance on the apron to include a properly marked and lighted follow me vehicle capable of two way radio communications with the Air Traffic Control Tower on ramp net frequency.

2. Tie down facilities and equipment, including ropes, chains, or other types of restraining devices and wheel chocks for transient aircraft.

3. Equipment capable of towing aircraft into and out of the hangar(s).

d. Customer Services

1. Passenger facilities for checking in general aviation passengers and baggage, together with a comfortably appointed lounge area with public telephone, light refreshments, current periodicals, and TV service.

2. Conveniently located, heated, and air conditioned lounge area for crews.

3. Restroom facilities for passengers and crews.
4. Courtesy transportation for passengers and crews to general aviation facilities, the air carrier terminal, and downtown locations.

5. A fully equipped flight planning facility with direct communication to the FAA Flight Service Station, local air traffic control, and National Weather Service briefers; adequate supplies of VFR and IFR navigational charts; and other necessary flight planning equipment.

6. An aviation sales counter offering for sale a reasonable variety of pilot supplies, navigation and flight planning equipment, survival equipment, and aircraft and equipment manuals.

e. Line Service

1. Proper equipment for: inflating aircraft tires, cleaning aircraft windows and interiors, servicing aircraft lavatories, and disposal of aircraft waste (domestic and international). A full-service FBO may provide qualified personnel and equipment to repair aircraft tires, service aircraft braking systems, change aircraft engine oil, recharge oxygen systems, replace engine starters, and recharge aircraft batteries.

2. Adequate ground support equipment for normal turnaround of aircraft, including energizers and starters, ground power units, and fire extinguishers.

3. Adequate towing equipment to move aircraft up to 75,000 pounds gross weight safely and efficiently.

f. Hangar Space

A minimum of 12,000 square feet of hangar space to meet public demand for transient, temporary, and long-term aircraft storage.

g. Aircraft Recovery

Equipment, material, and personnel sufficient to remove a disabled aircraft of up to 12,500 pounds gross takeoff weight.

h. Collection of Fees

Personnel to collect landing, parking, and fuel flowage fees from aircraft using the FBO.
i. **Snow Removal Services**

Adequate owned, leased or contracted equipment to remove snow from the parking apron managed by the FBO.

2.03 **MINIMUM LAND AND FACILITY REQUIREMENTS**

a. Lease a minimum ground area determined by the PDA.

b. One aircraft hangar with not less than 12,000 square feet of aircraft storage space.

c. An office/terminal facility of not less than 2,000 square feet adequate to accommodate an office, pilot lounge, passenger lounge, telephone, and restroom facilities. This facility may be attached to/part of the aircraft hangar.

d. Management of paved apron area of not less than 150,000 square feet for general aviation parking and tie downs with access to the aircraft hangar. Management responsibilities include installation and maintenance of tie down equipment, sweeping/FOD control, and snow removal.

e. Permanent fuel storage for a minimum of 36,000 gallons of jet fuel and 5,000 gallons of 100LL. The fuel storage tanks shall comply with all applicable federal, state, local, and PDA rules and regulations pertaining to installation, maintenance, operation, fuel handling safety, and environmental protection.

f. Paved off-street parking outside the airport restricted area, but within the leased premises, for the minimum number of paved parking spaces approved by the PDA.

The facility requirements may be met by leasing existing facilities or by new construction. Where existing facilities are to be leased, the foregoing criteria will be used as a general measure of the adequacy of such existing facilities.

All improvements shall be constructed or leased in areas designated for general aviation use in the currently approved Airport Master Plan and shall be in conformance with local laws, ordinances, and regulations and such future property development and design standards as may be adopted by the PDA.
2.04 MINIMUM MANAGEMENT AND STAFFING REQUIREMENTS

a. The activities of a Full-Service Fixed Base Operator on the Airport shall be supervised by an on-site manager who shall at all times be responsible for conducting, in a first-class manner, the services required and permitted herein and in the Full-Service Fixed Base Operator's Lease.

b. An adequate number of properly trained, qualified and, where applicable, licensed staff shall be on duty during required minimum hours of operation, or on call during other times, to provide the level of service specified herein.

c. All employees shall wear uniforms and protective clothing and equipment as appropriate or necessary.

2.05 MINIMUM HOURS OF OPERATION

A Full-Service Fixed Base Operator shall be staffed adequately to provide the required services between the hours of 7:00 a.m. and 10:00 p.m. daily. At all other times, the required services must be available on an on call or prior notice basis.

2.06 MINIMUM INSURANCE REQUIREMENTS

A Full-Service Fixed Base Operator shall be required to carry insurance in conformance with the PDA's risk management requirements.

2.07 MINIMUM SERVICE STANDARDS-PERMITTED SERVICES

A Full-Service Fixed Base Operator may provide any or all of the permitted services listed in Article 3 and shall be subject to the minimum standards and requirements for Limited Service Specialty Operators set forth in Article 3 of these Minimum Standards.
2.08 **RATES AND CHARGES FOR SERVICES**

Rates and charges shall be determined by the Full Service Fixed Base Operator and shall be reasonable, competitive, and applied fairly to all users of such services. All rates and charges will be filed with the Airport Manager.

2.09 **STATE REGISTRATION**

All Full-Service Fixed Base Operators must maintain a current registration with the New Hampshire Department of Transportation, Division of Aeronautics, as required.
MOTION

Director Lamson:

The Pease Development Authority Board of Directors hereby approves the concept plan for Pease Aviation Partners, LLC (d/b/a Million Air Portsmouth) (“PAP”) at 53 Exeter Street, as submitted by PAP and attached hereto and incorporated herein; all in accordance with the memorandum of Maria J. Stowell, Engineering Manager, dated January 13, 2021, attached hereto.

Note: Roll Call vote required.
MEMORANDUM

To: Paul E. Brean, Executive Director
From: Maria J. Stowell, PE, Engineering Manager
Date: January 13, 2021
Subject: Proposed FBO at 53 Exeter Street

Pease Aviation Partners, LLC ("PAP") is requesting concept approval to build a facility to operate as a Fixed Base Operator (FBO) at PSM and has submitted the attached drawings in support of its request. To meet its obligations as an FBO, PAP is proposing to construct a facility at 53 Exeter Street that would include:

1. An approximately 18,500 square foot building to house hangar space, offices, and customer services;
2. Aircraft parking and tie-down apron;
3. A fuel farm with tank configuration and sizes as shown on the attachment (Phase 1 Fuel Farm Detailed Plan);
4. Fuel truck parking;
5. Employee and customer parking;
6. Outdoor entertainment area;
7. Security fencing, vehicle circulation, and other associated improvements;
8. Subdivision of an approximately 2.65 acre lot.

PAP intends to implement the development in phases. The first phase includes approvals for and construction of the fuel farm, and approvals for the use of the existing hangar located at 120 Aviation Avenue for other FBO functions (Phase 1 FBO Detailed Plan).

The proposed fuel farm would be constructed with safeguards to prevent spills from entering the stormwater system or surface waters. Fuel storage tanks would be double walled. The truck parking area would drain to a collection system that could be pumped. Details of the system, including how to remove collected stormwater will be addressed during Site Review. During Phase 1, access to the fuel farm would be through the existing airport Gate 16 (Phase 1 Overall Plan).

The use of the existing hangar at 120 Aviation as an FBO will trigger a Change of Use requiring site review. A 1993 Board interpretation of the PDA Land Use controls provides for administrative review when a proposed building addition or site changes are considered unlikely to have impact on traffic, safety or intensity of use. PAP has indicated how parking will be accommodated through the use of...
a shuttle to available parking on an adjacent lot. Any extra traffic on Aviation Avenue should be negligible. Utilities are adequate, the use is compatible with other uses in the area, and there would be no impact on the site features. For these reasons, I anticipate that this review will be accomplished administratively.

Approvals for and construction of the driveway, building and other improvements at 53 Exeter Street would be part of a Phase 2 effort (Full Build Out Overall Plan and Full Build Out Detailed Plan). The Phase 2 landside entrance to the new facility would be from Exeter Street. PAP would construct a new driveway adjacent to the Exeter Street Terminal Parking Lot C. The land containing the driveway would not be a part of the leasehold, but would remain as a common use feature for future development. Fuel deliveries would continue to be routed through Gate 16 to preclude mixing with Terminal traffic on Exeter Street.

The driveway construction would impact wetlands and wetland buffers. At this time PAP has estimated the following impacts: 7,150 square feet in wetlands and 17,200 square feet in wetland buffers. If the Board accepts the concept plan, PAP would need to obtain a wetland permit from the State, as well as a Conditional Use Permit from the PDA Board.

Some of the proposed parking and driveway areas are situated directly adjacent to wetland buffers. At this conceptual stage, it is not assured that these areas can be constructed, or that snow storage and stormwater treatment can be provided, as conceived without further buffer disturbances. Should these facilities (and others that may be identified during site review) disturb the buffer or not be in full compliance with the Land Use Control Requirements or other applicable laws, PAP acknowledges that the conceptual site plan is subject to modification and size reduction.

As to lot dimensional requirements, this site is in the Airport Zone where dimensional requirements are not applicable and shall be subject to approval by the Board. Site data, including lot size, setbacks and open space are shown PAP’s concept plan.

If PAP’s concept is approved, detailed site plans will be completed and submitted for Site Review and Subdivision approval. Because it is situated in the Airport Zone, the project would go before the Pease Technical Review Committee and then to the PDA Board acting as a planning board for final approval. The wetland buffer Conditional Use Permit application would go before the PDA Land Planning and Capital Improvements Committee and then the full PDA Board for final approval.

Staff believes that PAP has a sufficient understanding of PDA’s requirements and objectives so that its concept plan can be brought to the PDA Board for approval. At next week’s meeting, please seek the Board’s concurrence.

PDA controls the vacant lot at 42 Durham Street. The lot would be licensed to PAP for this temporary parking use at a rate consistent with other PDA parking rights of entry. Board approval of the concept plan would include consent to license all or a portion of 42 Durham Street to PAP for satellite parking.
MILLION AIR
PORTSMOUTH FACILITIES
CONCEPTUAL DESIGN
53 EXETER STREET
PORTSMOUTH, NH
PROPOSED LEASE SITE (2.652 AC)

PROPOSED FUEL FARM

FUEL DELIVERIES THROUGH GATE 16

TEMPORARY FBO & HANGAR
120 AVIATION AVE

TEMPORARY PARKING & TIE DOWN LEASE AREA (15,000 SF)
15 ONSITE PARKING SPACES
15 OFFSITE TO BE LEASED
30 TOTAL PARKING SPACES

PROPOSED DE-ICING LOCATIONS (FYPA)

PROPOSED PARKING & TIE DOWN LEASE AREAS
(TOTAL = 135,000 SF)

AVIATION AVE

BEXHILL

MILLION AIR
PORTSMOUTH FACILITIES

PORTSMOUTH INTERNATIONAL OR, WO, Portsmouth, NH 03601

Tel (603) 431-2520 Fax (603) 431-8067 Web: www.hoyletanner.com

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PHASE 1 NOTES:

1. ALL TANKS WILL BE DOUBLE WALLED.

2. TRUCK REFUELING/PARKING AREAS WILL BE BEMED AT PERIMETER AND SLOPED TOWARDS DRAINS CONNECTED TO AN UNDERGROUND SUMP TANK. THE SUMP TANKS WILL PUMP TO THE 12K GAL. OIL/WATER SEPARATOR TANK TO BE PUMPED AND TAKEN OFFSITE.

3. TRUCKS WILL ACCESS FUEL FARM THROUGH AIRPORT GATE 16 WITH AN ESCORT VEHICLE.

4. ALL EXISTING SOILS DISTURBED DURING CONSTRUCTION WILL REMAIN ON THE LEASE SITE.

MILLION AIR PORTSMOUTH FACILITIES

PHASE 1 FUEL FARM DETAILED PLAN
JANUARY 9, 2021
SCALE: 1"=80' (1"=24')

BEXHILL

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NOTE:
A SHUTTLE WILL PROVIDE SERVICE BETWEEN THE FBO AND THE 15 REMOTE LEASED PARKING SPACES.

PHASE 1
TEMPORARY FBO
DETAILED PLAN
JANUARY 0, 2024
SCALE 1"=20' (4"=40')

BEXHILL
FULL BUILD OUT OVERALL PLAN
JANUARY 6, 2021
SCALE: 1"=30’ (1’=1’)

FULL BUILD NOTES:
1. TRUCKS WILL ACCESS FUEL FARM THROUGH AIRPORT GATE 18 WITH AN ESCORT VEHICLE IN THE FULL BUILDING CONDITIONS.
2. ALL EXISTING SOILS DISTURBED DURING CONSTRUCTION WILL REMAIN ON THE LEASE SITE.
3. THE SITE GATE AND ALL BUILDING DOORS SHALL BE COORDINATED WITH THE AIRPORT'S ACCESS CONTROLS.

TEMPORARY FBO, HANGAR, PARKING & TIE-DOWN AREA TO BE MOVED TO LEASE SITE

PROPOSED PARKING & TIE DOWN AREA (25,000 SF)

PROPOSED FBO, HANGAR & FUEL FARM
PROPOSED LEASE SITE (2.66± AC.)

PROPOSED DE-ICING LOCATIONS (TYP.C)
MOTION

Director Levesque:

The Pease Development Authority ("PDA") Board of Directors hereby approves of and authorizes the following:

A. a one (1) year extension to the Site Review approval granted to Lonza Biologics, Inc. ("Lonza") for the premises located at 70/80 Corporate Drive; and

B. in accordance with PDA Land Use Controls Part 304-A.09(a)(1)(a), concept approval and a referral to the City of Portsmouth of Lonza’s Conditional Use permit application for 70 / 80 Corporate Drive;

all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated January 13, 2021, attached hereto.

Note: Roll Call vote required.
MEMORANDUM

To: Paul E. Brean, Executive Director
From: Maria J. Stowell, P.E., Engineering Manager
Date: January 13, 2021
Subject: Lonza 70/80 Corporate Dr. Site Review Extension and Conditional Use Permit Referral

In April of 2018, the PDA Board approved the concept plans submitted by Lonza Biologics, Inc. ("Lonza") for development of land at 70/80 Corporate Drive, also referred to as the iron parcel. On January 17, 2019, the City of Portsmouth’s Planning Board voted to recommend approval of Lonza’s Subdivision and Conditional Use Permit (“CUP”) applications as presented, and voted to recommend approval with stipulations of the Site Plan Application. These approvals became final on February 1, 2019 in accordance with PDA Site Plan Regulations Part 404.02(h).

Recognizing that it would not be able to obtain a building permit within one year of the approvals, which is a condition that would cause the site review approval and CUP to lapse, Lonza asked the PDA Board to grant a time extension. In March of 2019, the Board voted to extend the site review approval and the CUP an additional year to February 1st of this year.

Due to complexities brought about by the wastewater treatment plant permitting (a permit having significant relevance to Lonza) and the influence of the global pandemic, the construction commencement has been further delayed. Lonza is requesting to extend the site review approval for another year and to re-apply for the CUP. The attached January 12, 2021 letter from Lonza’s legal counsel provides additional detail and justifications for this request.

The Land Use Controls grant the Board complete discretion in extending the site review approval. With regard to the CUP, Part 304-A.08(g) allows the PDA Board to extend a CUP only one additional year. As such, Lonza needs to re-apply for the permit and is seeking PDA Board approval to do so. If the Board consents, Lonza will submit its application for consideration by the City of Portsmouth Planning Board.

As a reminder, the CUP is associated with work in and around wetlands. Attached are two exhibits that show the proposed impacts on wetlands and buffers. The first is Lonza’s proposed site plan. The second shows the extent of the previous development by the Air Force to provide base housing. The exhibits illustrate that the majority of wetlands on the site are manmade and established in recent years. Staff continues to believe that the proposed mitigation, daylighting the culverted drainage, would be a significant environmental benefit and we recommend that the Board allow Lonza to re-apply for the CUP. We also recommend granting the site review extension.

At the January 21st Board meeting, please seek the requisite Board approvals to grant an extension to Lonza’s Site Review Approval and refer its Conditional Use Permit application to the City.
12 January 2021

Via email: A.Blenkinsop@peasedev.org
and U.S. Mail

Anthony Blenkinsop, Esquire
Deputy Director/General Counsel
Pease Development Authority
55 International Drive
Portsmouth, NH 03801

Re: Request by Lonza Biologics Inc. ("Lonza") from the Pease Development Authority ("PDA") Board of Directors

Dear Anthony:

I write on behalf of Lonza to request that the PDA Board of Directors grant an additional one-year waiver under PDA 403.03(a) of Lonza’s deadline to obtain a building permit in furtherance of Lonza’s previously-approved proposal to construct three industrial buildings and related site improvements on property located at 70 and 80 Corporate Drive (the "Project"). Lonza proposes a new deadline to obtain a building permit of 1 February 2022. We also request, in light of the pending expiration of Lonza’s existing Conditional Use Permit on 1 February 2021, that the PDA Board authorize Lonza to immediately file a new Conditional Use Permit Application with the PDA’s Building Inspector pursuant to PDA 304-A.09(a)(1)(a) for referral to the City of Portsmouth’s Planning Board. We understand that the PDA Board of Directors will next meet on 21 January 2021 and we respectfully ask that this matter be placed on the agenda of that meeting.

Executive Summary

Questions regarding the feasibility and viability of the Project from a wastewater perspective as well as the unanticipated implications and delays caused by the global pandemic known as COVID-19, have prevented Lonza from obtaining a building permit to begin
construction of the Project. However, in light of the recent issuance of the Total Nitrogen Permit, Lonza is well-situated to move forward with the same. We respectfully submit that Lonza’s one-year waiver request should be granted under the circumstances because strict conformity with the requirement to obtain a building permit by 1 February 2021 would impose an unnecessary hardship and the requested waiver will not be contrary to the spirit and intent of the PDA’s Regulations.

Additionally, approval by the PDA Board of Directors to file a new Conditional Use Permit application with the PDA Building Inspector for referral to the City of Portsmouth’s Planning Board is reasonable because Lonza’s proposed impacts to the jurisdictional wetlands and buffer is identical to that which the PDA Board of Directors has already reviewed and approved.

Analysis

1) Brief Procedural History

On 17 January 2019, the City of Portsmouth’s Planning Board recommended conditional approval of Lonza’s Subdivision, Site Plan Review and Conditional Use Permit Applications for the Project. Specifically, the Planning Board recommended granting preliminary and final subdivision approval, along with granting a waiver for the length and radius of the cul-de-sac which the Project will be creating by discontinuing a portion of Goose Bay Drive. In addition, the Planning Board recommended granting a Conditional Use Permit and recommended granting Site Plan approval for Phase 1 of the Project. These recommended approvals are fundamentally consistent with the conceptual development plan described in the 10 April 2018 memorandum from Maria Stowell to David Mullen, which plan was approved by the PDA Board of Directors. On 1 February 2019, the recommended approvals became final decisions of the PDA.

On 31 January 2019, Lonza requested through counsel, that the PDA Board of Directors grant a waiver under PDA 403.03 (a) of the requirements stated at PDA 407.01 (a), that upon granting of a site plan approval, applicants have one year to obtain a building permit. Lonza also requested that the PDA grant a one-year extension to the Conditional Use Permit, which also has a one-year duration pursuant to PDA 304-A.08(g).

On 14 March 2019, the PDA reviewed and approved Lonza’s requested waiver and extension, which approvals had the effect of extending Lonza’s deadline to obtain a building permit and exercise its Conditional Use Permit to 1 February 2021.

The subdivision approval recommended by the Planning Board does not have a stated duration under the PDA Land Use Controls. We understand that the subdivision approval will be effective upon recording at the Rockingham County Registry of Deeds. Further, we

1 See Notices of Decision, attached.
2 See PDA Site Plan Review Regulations, § 404.02(h); PDA Zoning Ordinance, § 304-A.09(b)(1)(h).
3 See PDA 305.02.
understand that it is the practice of the PDA to record the subdivision plan once a leasehold interest is established in the property that is the subject of the subdivision plan. Accordingly, we understand that upon execution by Lonza of the lease for the property which is the subject of this development, the PDA will record the subdivision plan at the Rockingham County Registry of Deeds.

2) Waiver Request

Pursuant to PDA 403.03(a), the Board may waive any portion of the Site Plan Review Regulations when, in its opinion, strict conformity would pose an unnecessary hardship to the applicant and the waiver would not be contrary to the spirit and intent of the PDA’s Regulations.

The basis for Lonza’s original waiver request was condition 2.7 of the Site Plan approval, which requires that Lonza obtain an Industrial User Permit from the City for the increased wastewater flows and loads associated with the Project. Given the complexity of that issue, and the number of parties involved in the ongoing discussion regarding the same, Lonza asserted and the PDA agreed, that complying with the one-year requirement of PDA 407.01(a) was a hardship and that the waiver was not contrary to the spirit and intent of the PDA Regulations.

Despite the PDA’s first one-year waiver, questions regarding the feasibility and viability of the Project from a wastewater perspective as well as the unanticipated implications caused by COVID-19, have prevented Lonza from moving forward with the Project and obtaining a building permit.

Specifically, Lonza’s current Industrial Discharge Permit authorizes the discharge of wastewater into the Pease Wastewater Treatment Facility. That facility is subject to the National Pollutant Discharge Elimination System Great Bay Total Nitrogen General Permit for Wastewater Treatment Facilities in New Hampshire, NPDES General Permit NHG58A000 (the “Total Nitrogen Permit”). Through the review and discussion of the Total Nitrogen Permit by the New Hampshire Department of Environmental Services, EPA, and local municipalities, Lonza maintained concerns regarding potentially significant reductions of the allowable nitrogen discharges at the Pease Wastewater Treatment Facility. Any such reductions in the Total Nitrogen Permit may have had a considerable impact on Lonza’s current operations and proposed future expansion, to include the Project. Thankfully, the terms of the Total Nitrogen Permit, which was just issued on 24 November 2020 and will become effective on 1 February 2021, resolve much of Lonza’s concern to-date regarding the long-term viability of the Project from a wastewater perspective. As a result, Lonza is now confident in its ability to work with the City and obtain an Industrial User Permit which will accommodate the increased wastewater flows and loads associated with the Project.

In addition to this wastewater issue, COVID-19 has caused unanticipated delay and complications with the planning and execution of the underlying development plan for the Project.
Collectively, the complicated and lengthy nature of the Total Nitrogen Permit review and issuance process, and the uncertainty it caused, in conjunction with the unintended implications of COVID-19, have made compliance with Condition 2.7 of the Site Plan Approval exceedingly difficult to complete. These circumstances have prevented Lonza from obtaining a building permit. As a result, strict conformity with PDA 403.03(a) would pose an unnecessary hardship to Lonza.

Further, an additional one-year waiver of the requirement to obtain a building permit will not be contrary to the spirit and intent of the PDA’s Regulations, which are rooted in advancing the public health and welfare and facilitating orderly and harmonious development. As the Board is aware, the original Site Plan for Lonza’s Project has been reviewed and approved by both the PDA Board and the City of Portsmouth’s Planning Board. Lonza is aware of no substantive changes to the PDA’s land use regulations which would tend to effect that approval. Moreover, granting the waiver will facilitate Lonza’s continued, and valuable, contribution to the region and to the current COVID-19 crisis. Lonza’s Portsmouth facility is the North American center of Lonza’s international biopharmaceutical capabilities. It is one of the world’s leading contract manufactures of monoclonal antibodies, recombinant proteins and nucleotides, as well as cell therapy products. In fact, as you may know, Lonza is in the process of expanding its facility to manufacture active pharmaceutical ingredients for the Moderna Covid-19 vaccine and the Astra Zeneca vaccine. Granting the requested waiver will help ensure that Lonza continues to make these important contributions and continues to provide jobs and stability to the region, particularly in these trying times.

On these considerations, Lonza respectfully submits its additional one-year extension request satisfies the criteria of PDA 403.03(a).

3) Conditional Use Permit

The Conditional Use Permit authorizes work within the jurisdictional wetland and its corresponding buffer in furtherance of the approved Site Plan. The existing Conditional Use Permit authorizes +/- 55,555 SF of impact to the jurisdictional wetland, +/- 66,852 SF of impact to the wetland buffer and a 1,000 LF stream restoration for Hodgson Brook resulting in 42,500 SF of wetland creation. Under the PDA’s Zoning Ordinance, Conditional Use Permits expire one year after approval unless a building permit is issued, and the PDA may only grant an extension of up to one additional year. As noted above, the PDA already granted a one-year extension of the Conditional Use Permit, such that it now expires on 1 February 2021. Under the circumstances, Lonza must re-apply for a Conditional Use Permit.

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4 PDA 401.01.
5 PDA 304-A.08(g).
6 We note that the Project also obtained a State Wetland Permit from the New Hampshire Department of Environmental Services which is valid for a period of five years and Lonza has paid $43,130.40 to the NHDES Aquatic Resource Mitigation (ARM) Fund in compensatory mitigation.
Lonza’s Conditional Use Permit Application must be referred by the PDA to the City of Portsmouth for review by the City’s Planning Board.\(^7\) Prior to referral, the PDA Board of Directors must approve a concept form of the proposal.\(^8\) Thereafter, the PDA Building Inspector will forward the Application to the City.\(^9\)

In this case, the PDA Board of Directors has already approved the concept form of the proposal and has already approved Lonza’s Site Plan.\(^10\) Further, the PDA Board has already approved Lonza’s Conditional Use Permit Application. Lonza’s new Conditional Use Permit Application and its proposed impacts to the jurisdictional wetlands and buffer will be identical to that which was previously recommended for approval by the City of Portsmouth’s Planning Board, and approved by the PDA. Further, we are aware of no changes to the Pease Wetlands Protection Ordinance since the PDA’s original approval, which would be implicated here.\(^11\)

In light of these circumstances, and as there are no changes to Lonza’s Site Plan or the work proposed within the wetland, the wetland buffer, or Hodgson Brook, Lonza requests that the PDA Board authorize Lonza to immediately file its Conditional Use Permit Application with the PDA’s Building Inspector for prompt forwarding to the City of Portsmouth’s Planning Board in advance of the City’s 27 January 2021 filing deadline. Such approval will facilitate review by the City in February.

Conclusion

Thank you for your attention. Please let us know if you have any questions or comments regarding the foregoing or the enclosed. We stand ready to assist you and the PDA Board of Directors as is required in acting on the request stated above.

Yours truly,

DONAHUE, TUCKER & CIANDELLA, PLLC

Justin L. Pasay, Esq.
jpasay@dklawyers.com

cc: Lonza Biologics Inc.
    Juliet T.H. Walker, AICP, Planning Director
    Suzanne M. Woodland, Esquire
    Patrick Crimmins, P.E.
January 18, 2019

Lonza Biologic
Attn: Simon Trigg, Director of Planning, Purchasing & Logistics
101 International Drive
Portsmouth, NH 03801

RE: Subdivision Application for Property Located at 70 & 80 Corporate Drive

Dear Mr Trigg:

The Planning Board, at its regularly scheduled meeting of January 17, 2019, considered your Final Subdivision application requesting Subdivision approval under Chapter 500 of the Pease Land Use Controls, Subdivision Regulations, to merge Map 305, Lots 5 & 6 (17.10 acres), Map 305, Lot 1 (13.87 acres), Map 305, Lot 2 (10.18 acres) and a discontinued portion of Goosebay Drive to create Map 305, Lot 6 (43.37 acres).

As a result of said deliberation, the Board voted as follows:

1) Voted to determine that the application is complete according to the Subdivision Regulations and to accept the application for consideration.

2) Voted to find that an unnecessary hardship may result from strict compliance with the provisions of these regulations and that a waiver will not have the effect of nullifying the spirit and intent of the Pease Development Plan or the Subdivision Regulations, and to waive the following regulations:

   a) Part 506.01(c) – To allow a minimum cul-de-sac radius of 45 feet where 80 feet is required and maximum cul-de-sac length of 800 feet where 500 feet is required.

3) Voted to grant Preliminary and Final Subdivision Approval.

The minutes and audio recording of this meeting are available through the Planning Department.
RE: 70 & 80 Corporate Drive
Subdivision Application
January 18, 2019

Very truly yours,

Juliet T.H. Walker, Planning Director
for Dexter Legg, Chairman of the Planning Board

cc: Robert Marsilia, Building Inspector
Rosann Maurice-Lentz, City Assessor
George Combes, Lonza
Patrick Crimmins, P. E., Tighe & Bond
Robert Ciandella, Esq.
Town of Greenland
Town of Newington
Rockingham Planning Commission
Maria Stowell, P. E., PDA
January 18, 2019

Lonza Biologic
Attn: Simon Trigg, Director of Planning, Purchasing & Logistics
101 International Drive
Portsmouth, NH 03801

RE: Conditional Use Permit Application for Property Located at 70 & 89 Corporate Drive

Dear Mr. Trigg:

The Planning Board, at its regularly scheduled meeting of January 17, 2019, considered your Conditional Use Permit application under Chapter 300 of the Pease Land Use Controls, Part 304-A Pease Wetlands Protection, for work within the inland wetland buffer for the construction of three proposed industrial buildings with heights of 105 feet: Proposed Building #1 with a 132,000 s.f. footprint; Proposed Building #2: 150,000 s.f. footprint; Proposed Building #3 with a 62,000 s.f. footprint; and two 4-story parking garages, with 55,555± s.f. of impact to the wetland, 66,852± s.f. of impact to the wetland buffer and a 1,000 l.f. stream restoration for Hodgson Brook resulting in 42,500 s.f. of wetland creation. As a result of said consideration, the Board voted to grant the Conditional Use Permit as presented.
The minutes and audio recording of this meeting are available through the Planning Department.

Very truly yours,

[Signature]

J. T. H. Walker, Planning Director
for Dexter Legg, Chairman of the Planning Board

cc:
Robert Marsilia, Building Inspector
Rosann Maurice-Leutz, City Assessor
George Combes, Lonza
Patrick Crimmins, P. E., Tighe & Bond
Robert Ciandella, Esq.
Town of Greenland
Town of Newington
Rockingham Planning Commission
Maria Stowell, P. E., PDA
January 18, 2019

Lonza Biologics
Attn: Simon Trigg, Director of Planning, Purchasing & Logistics
101 International Drive
Portsmouth, NH 03801

RE: Site Plan Review Application for Property Located at 70 & 80 Corporate Drive

Dear Mr. Trigg:

The Planning Board, at its regularly scheduled meeting of January 17, 2019, considered your Site Plan Review application under Chapter 400 of the Pease Land Use Controls, Site Review Regulations, for the construction of three proposed industrial buildings with heights of 105 feet: Proposed Building #1: 132,000 s.f. footprint and 430,720 s.f. Gross Floor Area; Proposed Building #2: 142,000 s.f. footprint and 426,720 s.f. Gross Floor Area; Proposed Building #3: 62,000 s.f. footprint and 186,000 s.f. Gross Floor Area; and two 4-story parking garages, with related paving, lighting, utilities, landscaping, drainage and associated site improvements.

After due consideration, the Board voted as follows:

1. Voted to determine that the application is complete according to the Site Plan Review Regulations and to accept the applications for consideration.

2. Voted to grant Site Review approval with the following stipulations:

Conditions Precedent (to be completed prior to the issuance of a building permit):

2.1 Plans shall show a 3’ shoulder alongside the sidewalk before grading down to the stream.
2.2 The drainage analysis shall be updated to reflect the interim condition at the completion of Phase 1A and 1B improvements in order to confirm that there will not be a detrimental impact on public roadways or downstream properties and infrastructure.
2.3 Updated plans and drainage report for Phase 1A and 1B improvements shall be provided to the City’s Planning Department and DPW for final review and approval.

2.4 Any easements benefiting the City shall be reviewed and approved by the City’s Planning and Legal Departments prior to final acceptance by the City Council.

Conditions Subsequent:

2.5 PDA staff and Board may review and address any outstanding issues raised by the third party peer review and have the third party peer reviewer do a final review of the plans prior to construction. Any revisions to drainage plans and reports which may result should be provided to the City’s Planning Department.

2.6 Applicant shall not proceed to Phase 2 until the project has been issued an approved application for water service(s) associated with the expansion.

2.7 The applicant shall not proceed to Phase 2 until the project has been issued an Industrial User Permit by the City for the increased wastewater flows and loads associated with expansion.

2.8 The Planning Board’s recommended approval applies only to Phase 1A and Phase 1B as depicted on the approved site and grading plans. Any changes to said plans, as well as subsequent phases of development shall require submission of updated plans and supporting documents and noticed public hearings with the City’s Technical Advisory Committee and Planning Board for amended site plan approval.

2.9 For the purpose of this site plan approval, the term “active and substantial development or building” shall mean the construction of the stream restoration and associated site improvements included in Phase 1(A). The term “substantial completion of the improvements as shown on the subdivision plat or site plan” shall mean the completion of all site improvements depicted in Phase 1(B), to include drive aisles, fire lanes, utilities, lighting, sidewalks, stormwater management, as well as the construction of a temporary gravel area for construction trailers, parking and laydown in the approximate location of proposed building #3, intermittent grading between stream and building #1 and temporary sedimentation basins at locations of gravel wetland #2 and rain garden #1, and construction of the shell of building #1, but not final fit-out of building #1.

2.10 For subsequent phases of development (beyond Phase 1A and Phase 1B), applicant shall update the Traffic Analysis to include the following intersections:
   - Gosling Road/Spaulding Turnpike Intersection
   - International Drive/Corporate Drive/Mansfield Square Intersection
   - International Drive/Pease Blvd Intersection
   - New Hampshire Ave/International Dr./Corporate Dr./Durham St. Intersection
   - Corporate Drive/Grafton Drive Intersection
   - NH 33/ Grafton Drive Intersection
2.11 Applicant shall verify how fertilizer will be applied as part of the stream restoration.

The minutes and audio recording of this meeting are available through the Planning Department.

Very truly yours,

JTHW:

Juliet T.H. Walker, Planning Director
for Dexter Legg, Chairman of the Planning Board

JTHW:

cc: Robert Marsilia, Building Inspector
Rosann Maurice-Lentz, City Assessor
George Combes, Lonza
Patrick Crimmings, P. E., Tighe & Bond
Robert Ciandella, Esq.
Town of Greenland
Town of Newington
Rockingham Planning Commission
Maria Stowell, P. E., PDA
OVERALL SITE MASTER PLAN

LONZA BIOLOGICS
IRON PARCEL
PORTSMOUTH, NEW HAMPSHIRE

WETLAND & BUFFER IMPACT TABLE:

<table>
<thead>
<tr>
<th>WETLAND IMPACT AREA</th>
<th>BUFFER</th>
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</thead>
<tbody>
<tr>
<td>17,628 SF</td>
<td>24,677 SF</td>
</tr>
<tr>
<td>1,189 SF</td>
<td>NO BUFFER</td>
</tr>
<tr>
<td>20,209 SF</td>
<td>23,047 SF</td>
</tr>
<tr>
<td>11,443 SF</td>
<td>9,128 SF</td>
</tr>
<tr>
<td>5,091 SF</td>
<td>NO BUFFER</td>
</tr>
</tbody>
</table>

TOTAL IMPACT AREA: 55,555 SF

WETLAND IMPACT AREA #1: 17,628 SF
WETLAND IMPACT AREA #2: 1,189 SF
WETLAND IMPACT AREA #3: 20,209 SF
WETLAND IMPACT AREA #4: 11,443 SF
WETLAND IMPACT AREA #5: 5,091 SF

WETLAND IMPACT AREA 02: 1,189 SF
WETLAND IMPACT AREA #3: 20,209 SF
WETLAND IMPACT AREA #4: 11,443 SF
WETLAND IMPACT AREA #5: 5,091 SF

TOTAL IMPACT AREA: 66,852 SF

*PER PDA REGULATIONS; WETLANDS LESS THAN 10,000 SF DO NOT HAVE A BUFFER.

ZONING DISTRICT: AIRPORT, BUSINESS & COMMERCIAL (ABC)

DIMENSIONAL REQUIREMENTS:

<table>
<thead>
<tr>
<th>KERENEL LOT AREA</th>
<th>MINIMUM FRONT YARD</th>
<th>SIDE YARD</th>
<th>REAR SETBACK</th>
<th>MINIMUM OPEN SPACE</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,000 SF</td>
<td>30 FT</td>
<td>30 FT</td>
<td>30 FT</td>
<td>25 %</td>
</tr>
</tbody>
</table>

MAXIMUM STRUCTURE HEIGHT SHALL NOT EXCEED FAA CRITERIA.

PARKING REQUIREMENTS:

<table>
<thead>
<tr>
<th>REQUIRED PARKING</th>
<th>EXISTING PARKING</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 SPACES PER 3 EMPLOYEES ON LARGEST SHIFT</td>
<td>493 SPACES</td>
</tr>
<tr>
<td>740 EXISTING EMPLOYEES</td>
<td>527 SPACES</td>
</tr>
</tbody>
</table>

TOTAL REQUIRED: 1160 SPACES

EXISTING PARKING: 527 SPACES

PROPOSED PARKING GARAGE: 1227 SPACES

OVERALL LOT AREA PLAN

SCALE 1-250'

MINIMUM LOT AREA:

5 AC

MINIMUM STREET FRONTAGE:

200 FT

MINIMUM FRONT YARD SETBACK:

70 FT

MINIMUM SIDE YARD:

30 FT

MINIMUM REAR SETBACK:

30 FT

MINIMUM OPEN SPACE:

25 %

40,760 LF OF GOSPELBAY DRIVE PUBLIC ROAD TO BE ABANDONED AND MERGED WITH LONZA PARCEL (COORD. WITH CITY OF PORTSMOUTH & PDA)

MINIMUM GROSS BUILDING AREA:

3,657,655 SF

MINIMUM NUMBER OF PARKING SPACES:

517 SPACES

MINIMUM AMOUNT OF OPEN SPACE:

3,138,300 SF

MAXIMUM STRUCTURE HEIGHT SHALL NOT EXCEED FAA CRITERIA.

PARKING REQUIREMENTS:

REQUIRED PARKING:

2 SPACES PER 3 EMPLOYEES ON LARGEST SHIFT

Existing:

493 SPACES

Proposed Parking Garage:

1,227 SPACES

TOTAL:

1,720 SPACES
MOTION

Director Loughlin:

The Pease Development Authority ("PDA") Board of Directors hereby authorizes the Executive Director to execute a change order to the construction contract with Pike Industries ("Pike") (PDA’s selected contractor for the Runway Reconstruction Project) in the amount of $1,835,532.10 to include the reconstruction of Taxiways “B” and “C,” and authorizes the expenditure of up to $101,000.00 to complete the reconstruction work; all in accordance with the memorandum of Maria J. Stowell, P.E., Manager – Engineering, dated January 7, 2021 attached hereto.

NOTE: Roll Call vote required.
MEMORANDUM

To: Paul E. Brean, Executive Director
From: Maria J. Stowell, P.E., Engineering Manager
Date: January 7, 2021
Subject: AIP 64 (Reconstruct RW 16-34) Change Order to Include the Reconstruction of Taxiways “B” and “C”

The reconstruction of RW 16-34 at Portsmouth International Airport at Pease, accomplished under Airport Improvements Program Grant 64 (“AIP 64”), is substantially complete. At this time, we have well-founded knowledge of the costs incurred and yet to be incurred for the project. Based on the balance remaining in the grant amount, after accounting for all project expenditures, I request that you seek Board approval to issue a change order to the contract with Pike Industries to include the reconstruction of Taxiways “B” and “C”.

Taxiway “B” and “C” pavements are past their useful lives and are in need of repair. The work was included in the AIP 64 grant application, however, FAA did not have funds to award the work with the runway reconstruction. Because the project is still needed, it was placed back on PSM’s CIP as separate items in years 2022 and 2023 at a total cost of $2,500,000.

The runway reconstruction costs have come in under budget leaving over $2,000,000, after adjustments for actual quantities installed, in the construction contract. At the time of bidding, the successful contractor, Pike Industries, submitted a price of $1,835,583.10 for the taxiways. Pike has agreed to holding this price if PDA awards the work now to be done in the spring. While the remaining contract amount is more than the cost of the work, the analysis to justify the expenditure at this time is more complex.

The NH Air National Guard (“ANG”) is a financial partner in the RW project. ANG contributed to RW costs related to RW length. The cost sharing components were negotiated early in the project and, through mutual agreement, the taxiway reconstruction work is not eligible for ANG reimbursement. Much of the $2,000,000 balance is attributed to work that would have been ANG reimbursable; and, shifting the money to the taxiways results in a larger contribution from PDA. We have performed an analysis to determine, in the worst case scenario, what PDA’s additional contribution would be to complete the taxiway work this year. That amount is estimated at $101,000. This would be a contribution in addition to the currently approved amount of $742,402. As mentioned, this is a worst case number. The actual amount, based on the over/under adjustments of the RW construction, is likely much less.

We are able to make this assertion because the quantity estimates for the taxiway work items were estimated using the same assumptions as used in the RW estimate. FAA does not allow contingencies to be factored into grant amounts, therefore, it is necessary to conservatively estimate line item quantities.
The ability to complete the taxiway reconstruction this year provides a number of benefits to the Airport: Costs for completing the work are very favorable compared to designing, bidding and constructing this work as a distinct project in the future; Any leftover funds in AIP 64 would be returned to FAA and would not be available to PSM; Using the AIP 64 funds for this purpose means PSM’s future entitlement money will be available for other much needed projects (such as snow removal equipment); The need for extensive maintenance work that will be required between now and pavement replacement would be eliminated.

At next week’s Board meeting, please seek approval to issue a change order to the Pike Industries contract in the amount of $1,835,583.10 to include the reconstruction of Taxiways “B” and “C” and, if necessary, spend up to $101,000 to complete the work.

The attached Exhibit shows the locations of the work.
In anticipation of the upcoming January 21, 2021 Pease Development Authority Board meeting, the following is an Executive Summary of the two financial reports for your review and comment:

**Report #1 - Financial Report for the Five-Month Period Ending November 30, 2020**

As is the case in the first several months of the new fiscal year, budget variances typically underrun primarily due to the extensive cut-off procedures associated with the prior year audit engagement. At this time, there are no meaningful trends that have been identified that would challenge the FY 2021 operating budget.

Actual operating revenues of $7.7 million are above budget by $0.8 million primarily due to the increase in fee revenues associated with facility rentals and golf course related public play revenues. Slightly offsetting these revenue gains were the decreased fuel revenues associated with the reconstruction of the Portsmouth Fish Pier Wall as well as pay for parking and fuel flowage revenues at PSM.

Actual operating expenses of $5.1 million are below budget by $0.6 million primarily due to expense under runs in facilities maintenance, marketing, utilities, and the cost of fuel at the Portsmouth Fish Pier.

The resulting Operating Income of $2.6 million is $1.4 million greater than expected which directly contributed to our ability to address internal working capital requirements and somewhat minimize the need to draw-down from the $15.0 million Revolving Line of Credit (RLOC) with the Provident Bank.

**Business Unit Performance**

**Portsmouth Airport**

Operating revenues total $691,000 which is under budget by $27,000. The primary reason for the budget variance underrun, was associated with the Covid 19 pandemic highlighted in lower pay for parking revenues and fuel flowage fees. Current enplanements of 36,652 are less than the prior year to date (110,754) due once again to the Covid 19 pandemic. Slightly offsetting these revenue shortfalls were monies received under the Affordable Cares Act.

**Skyhaven Airport**

Operating revenues total $115,000 which is above budget by $24,000. The primary reason for the favorable variance was primarily due to higher fuel sales of 12,185 gallons versus 7,729 gallons on a fiscal year to date basis. Cumulative net cash flow losses, since accepting the operational responsibilities for Skyhaven Airport during FY 2009, now total approximately $1.7 million.
Report #1- Financial Report for the Five-Month Period Ending November 30, 2020 (continued)

Business Unit Performance (continued)

Tradeport

Operating revenues total $3,929,000 which is above budget by 1.8%. The primary reason for the favorable variance is associated with rental of facilities.

Golf Course

Operating revenues total $1,962,000 which is above budget. The primary reasons are associated with public play at the golf course. A total of 62,315 rounds were played through November versus 55,321 rounds the prior season. Gross revenues at the Grill 28 of $844,000 are somewhat less (9.1%) than the prior five-month period ending November 30th in part, due to the Covid 19 pandemic.

Division of Ports and Harbors

Unrestricted operating revenues total $937,000 which is slightly less than budgeted revenues of $1,117,000. The lost fuel sales at the Portsmouth Fish Pier have been offset by incremental mooring and facilities fee revenues.

Balance Sheet (Page #8)

Total current assets are $13.4 million consisting primarily of $4.2 million in unrestricted cash and $8.9 million in accounts receivables. Net cash balances (PDA $2.4 million and DPH $1.8 million) have decreased by $1,020,000 since June 30, 2020 due to the following activities:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>$ 2,607,000</td>
</tr>
<tr>
<td>RLOC Line of Credit Draw Down</td>
<td>5,500,000</td>
</tr>
<tr>
<td>Grant Funding</td>
<td>9,206,000</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>(2,846,000)</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>(16,089,000)</td>
</tr>
<tr>
<td>Accounts Receivables</td>
<td>89,000</td>
</tr>
<tr>
<td>All Other- Net</td>
<td>513,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ (1,020,000)</strong></td>
</tr>
</tbody>
</table>
Balance Sheet (Page #8)

The majority of the accounts receivable balances can be attributable to federal or state construction activities.

Restricted assets total approximately $1.5 million and consist primarily of the Revolving Loan Fund which has total assets of $1.2 million. At present, there are 20 participant loans outstanding.

Capital assets have increased approximately $13.9 million, net of depreciation, to $89.4 million primarily due to the extensive capital improvements at PSM including the terminal expansion and runway reconstruction project. During the five-month period ending November 30th, the more significant capital expenditures included:

- PSM Runway Reconstruction Project $ 9,702,000
- PSM Terminal Expansion 5,346,000
- DPH Main Pier BUILD Grant 353,000
- PSM Alpha South Hold Bay 334,000
- DPH Bulkhead and Construction 193,000
- PSM Eldorado Bus 72,000
- All Other 89,000

Total  $ 16,089,000

Total current liabilities are approximately $12.8 million, representing a $2.2 million increase from June 30, 2020. Accounts payables represent $7.1 million, reflecting a $2.8 million decrease from June 30, 2020. In addition, during the five-month period we requested a $5.5 million draw down from our RLOC at the Provident Bank to help offset the cash needs in supporting of the two primary capital projects at PSM.

Updated net pension and OPEB liability for the PDA at June 30, 2020 total $9.8 million which is a $1.9 million decrease from the prior year. The 16.2% reduction was associated with the investment returns of plan assets being in excess of targeted benchmarks and changes in assumptions. The New Hampshire Retirement System reported a 1.1% return on investments in the fiscal year ended June 30, 2020.

As noted on page #5, the current PDA Organization Chart reflects 60 filled benefited positions and 6 open benefited positions.
Report #2 - Cash Flow Projections for the Nine Month Period Ending September 30, 2021

During the next nine-month period internal cash flow projections are dominated by approximately $14.9 million in capital expenditures primarily in support of the PSM Runway Reconstruction Project and the PSM Terminal Expansion. Of these monies, $6.3 million will be grant funded requiring the PDA to draw upwards of $10.4 million through our $15.0 million RLOC with the Provident Bank. Based on current expectations of actual grant reimbursements during this period, the net debt outstanding is projected at $5.8 million at September 30, 2021.

Revenue projections have been modified due to the coronavirus environment as associated with the reopening of the golf course and Grill 28 operations. To a lesser extent PSM Pay for Parking revenues and fuel flowage fees are also anticipated to be less than budgeted.

Page #3 provides the detailed monthly cash flow projections noting the minimum cash balances remain at approximately $1.5 million to allow the PDA to address its ongoing working capital requirements. Again, a critical component in developing these cash flow projections is the timely reimbursement process associated with grant funded capital projects.

Through December 31, 2020 the PDA accessed $4.5 million from the $15.0 million RLOC with the Provident Bank at a rate of approximately 2.9%.

At your convenience, I would be pleased to address any questions or supplemental information you may need.
FY 2021 FINANCIAL REPORT
FOR THE FIVE MONTH PERIOD
ENDING NOVEMBER 30, 2020

BOARD OF DIRECTORS MEETING
JANUARY 21, 2021
## CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES
FOR THE FIVE MONTH PERIOD ENDING
NOVEMBER 30, 2020

### BUDGET VARIANCE ANALYSIS

<table>
<thead>
<tr>
<th>Description</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Current Year Budget</th>
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<tbody>
<tr>
<td><strong>OPERATING REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Revenues (Page 25)</td>
<td>7,707</td>
<td>6,908</td>
<td>799</td>
<td>16,301</td>
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<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel Services and Benefits (Page 25)</td>
<td>2,822</td>
<td>3,008</td>
<td>(186)</td>
<td>7,180</td>
</tr>
<tr>
<td>Buildings and Facilities Maintenance</td>
<td>655</td>
<td>996</td>
<td>(341)</td>
<td>2,411</td>
</tr>
<tr>
<td>General and Administrative (Page 26)</td>
<td>542</td>
<td>536</td>
<td>6</td>
<td>1,321</td>
</tr>
<tr>
<td>Utilities (Page 26)</td>
<td>345</td>
<td>349</td>
<td>(4)</td>
<td>889</td>
</tr>
<tr>
<td>Professional Services (Page 26)</td>
<td>195</td>
<td>218</td>
<td>(23)</td>
<td>524</td>
</tr>
<tr>
<td>Marketing and Promotion</td>
<td>35</td>
<td>167</td>
<td>(132)</td>
<td>400</td>
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<tr>
<td>All Other (Page 26)</td>
<td>406</td>
<td>468</td>
<td>(62)</td>
<td>1,124</td>
</tr>
<tr>
<td><strong>OPERATING INCOME</strong></td>
<td>5,100</td>
<td>5,743</td>
<td>(643)</td>
<td>13,799</td>
</tr>
<tr>
<td><strong>NONOPERATING (INCOME) AND EXPENSES</strong> (Page 27)</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Depreciation</td>
<td>2,129</td>
<td>2,643</td>
<td>(513)</td>
<td>6,394</td>
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<tr>
<td><strong>NET OPERATING INCOME</strong></td>
<td>412</td>
<td>(1,624)</td>
<td>(2,036)</td>
<td>(4,193)</td>
</tr>
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</table>
CONSOLIDATED OPERATING REVENUES FOR THE FIVE MONTH PERIOD ENDING NOVEMBER 30, 2020

<table>
<thead>
<tr>
<th></th>
<th>YEAR TO DATE</th>
<th>YEAR TO DATE</th>
<th>CURRENT YEAR</th>
<th>CURRENT YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ACTUAL</td>
<td>BUDGET</td>
<td>VAR</td>
<td>BUDGET</td>
</tr>
<tr>
<td>RENTAL OF</td>
<td>4,484</td>
<td>4,405</td>
<td>79</td>
<td>10,543</td>
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<tr>
<td>FACILITIES</td>
<td></td>
<td></td>
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<tr>
<td>FEE REVENUES</td>
<td>2,378</td>
<td>1,583</td>
<td>795</td>
<td>4,040</td>
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<tr>
<td>(SEE PIE CHART)</td>
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<tr>
<td>FUEL SALES</td>
<td>266</td>
<td>458</td>
<td>(192)</td>
<td>764</td>
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<tr>
<td>(SEE TABLE BELOW)</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>CONCESSION</td>
<td>152</td>
<td>228</td>
<td>(76)</td>
<td>386</td>
</tr>
<tr>
<td>REVENUE</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>GOLF MERCHANDISE</td>
<td>158</td>
<td>98</td>
<td>60</td>
<td>235</td>
</tr>
<tr>
<td>ALL OTHER- NET</td>
<td>266</td>
<td>136</td>
<td>133</td>
<td>333</td>
</tr>
<tr>
<td></td>
<td><strong>7,797</strong></td>
<td><strong>6,998</strong></td>
<td><strong>799</strong></td>
<td><strong>16,301</strong></td>
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</table>

FUEL SALES -

<table>
<thead>
<tr>
<th></th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>VARIANCE</th>
</tr>
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<tbody>
<tr>
<td>PORTSMOUTH FISH PIER</td>
<td>95</td>
<td>108</td>
<td>(13)</td>
</tr>
<tr>
<td>RYE HARBOR</td>
<td>113</td>
<td>166</td>
<td>(53)</td>
</tr>
<tr>
<td>HAMPTON HARBOR</td>
<td>53</td>
<td>108</td>
<td>55</td>
</tr>
<tr>
<td>SKYHAVEN AIRPORT</td>
<td>266</td>
<td>458</td>
<td>(192)</td>
</tr>
</tbody>
</table>
## CONSOLIDATED PERSONNEL SERVICES AND BENEFITS
FOR THE FIVE MONTH PERIOD ENDING
NOVEMBER 30, 2020

<table>
<thead>
<tr>
<th>PERSONNEL SERVICES</th>
<th>YEAR TO DATE ACTUAL</th>
<th>YEAR TO DATE BUDGET</th>
<th>CURRENT YEAR VARIANCE</th>
<th>CURRENT YEAR BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>BENEFITED</td>
<td>1,828</td>
<td>1,689</td>
<td>139</td>
<td>4,387</td>
</tr>
<tr>
<td>NONBENEFITED</td>
<td>293</td>
<td>392</td>
<td>(99)</td>
<td>804</td>
</tr>
<tr>
<td>OVERTIME</td>
<td>86</td>
<td>97</td>
<td>(11)</td>
<td>235</td>
</tr>
<tr>
<td>ACCRUED VACATION/ SICK</td>
<td>(15)</td>
<td>-</td>
<td>(15)</td>
<td>-</td>
</tr>
<tr>
<td>CHARGE OUT</td>
<td>(22)</td>
<td>-</td>
<td>(22)</td>
<td>-</td>
</tr>
</tbody>
</table>

| FRINGE BENEFITS   |                     |                     |                       |                     |
| HEALTH INSUR      | 430                 | 498                 | (68)                  | 1,196               |
| RETirement        | 298                 | 290                 | (2)                   | 708                 |
| DENTAL INSURANCE  | 24                  | 29                  | (5)                   | 70                  |
| LIFE INSURANCE    | 11                  | 13                  | (2)                   | 26                  |
| CHARGE OUT        | 753                 | 830                 | (77)                  | 2,004               |

<table>
<thead>
<tr>
<th>CURRENT STAFF ANALYSIS (FILLED POSITIONS)</th>
<th>SA/ BEN</th>
<th>HR/ BEN</th>
<th>HR/ NON</th>
<th>SE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAINTENANCE</td>
<td>1</td>
<td>15</td>
<td>3</td>
<td>9</td>
<td>25</td>
</tr>
<tr>
<td>PSM AIRPORT</td>
<td>3</td>
<td>11</td>
<td>10</td>
<td>15</td>
<td>24</td>
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<td>PORT AUTHORITY</td>
<td>1</td>
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<td>4</td>
<td>15</td>
<td>24</td>
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<tr>
<td>GOLF COURSE</td>
<td>3</td>
<td>4</td>
<td>-</td>
<td>-</td>
<td>12</td>
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<tr>
<td>FINANCE</td>
<td>2</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>ENGINEERING</td>
<td>2</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>LEGAL</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>DAW AIRPORT</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>TECHNOLOGY</td>
<td>1</td>
<td>3</td>
<td>-</td>
<td>-</td>
<td>2</td>
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<tr>
<td>HUMAN RESOURCES</td>
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<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>EXECUTIVE</td>
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<td>-</td>
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<table>
<thead>
<tr>
<th>FILLED BENEFITED POSITIONS</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
</tr>
</thead>
<tbody>
<tr>
<td>DPH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>PDA</td>
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<td></td>
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</table>

Total: 103
## Consolidated Other Operating Expenses

For the five month period ending November 30, 2020

<table>
<thead>
<tr>
<th>General and Administrative</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Current Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>FICA</td>
<td>161</td>
<td>163</td>
<td>(2)</td>
<td>397</td>
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<tr>
<td>INSURANCE</td>
<td>97</td>
<td>88</td>
<td>9</td>
<td>263</td>
</tr>
<tr>
<td>Telephone/Communications</td>
<td>60</td>
<td>52</td>
<td>8</td>
<td>68</td>
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<tr>
<td>Computer Expenses</td>
<td>41</td>
<td>23</td>
<td>18</td>
<td>55</td>
</tr>
<tr>
<td>Bank Fees</td>
<td>37</td>
<td>27</td>
<td>10</td>
<td>64</td>
</tr>
<tr>
<td>All Other-Net</td>
<td>145</td>
<td>183</td>
<td>(37)</td>
<td>454</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>542</strong></td>
<td><strong>536</strong></td>
<td><strong>6</strong></td>
<td><strong>1,321</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Utilities</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Current Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>186</td>
<td>205</td>
<td>(19)</td>
<td>530</td>
</tr>
<tr>
<td>Water</td>
<td>96</td>
<td>50</td>
<td>46</td>
<td>126</td>
</tr>
<tr>
<td>Waste Disposal</td>
<td>47</td>
<td>57</td>
<td>(10)</td>
<td>345</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>8</td>
<td>22</td>
<td>(16)</td>
<td>28</td>
</tr>
<tr>
<td>Propane and Oil</td>
<td>10</td>
<td>15</td>
<td>(5)</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>345</strong></td>
<td><strong>349</strong></td>
<td><strong>(4)</strong></td>
<td><strong>839</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Professional Services</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Current Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal</td>
<td>107</td>
<td>136</td>
<td>(29)</td>
<td>327</td>
</tr>
<tr>
<td>Information Technology</td>
<td>38</td>
<td>34</td>
<td>4</td>
<td>82</td>
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<tr>
<td>External Audit</td>
<td>35</td>
<td>29</td>
<td>6</td>
<td>69</td>
</tr>
<tr>
<td>All Other-Net</td>
<td>15</td>
<td>12</td>
<td>(4)</td>
<td>46</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>125</strong></td>
<td><strong>218</strong></td>
<td><strong>(23)</strong></td>
<td><strong>524</strong></td>
</tr>
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<table>
<thead>
<tr>
<th>All Other</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Current Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel</td>
<td>168</td>
<td>295</td>
<td>(127)</td>
<td>709</td>
</tr>
<tr>
<td>Golf Merchandise</td>
<td>108</td>
<td>75</td>
<td>33</td>
<td>380</td>
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<tr>
<td>Coast Trolley</td>
<td>40</td>
<td>90</td>
<td>(50)</td>
<td>120</td>
</tr>
<tr>
<td>Golf Cart Lease</td>
<td>90</td>
<td>48</td>
<td>42</td>
<td>132</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>406</strong></td>
<td><strong>469</strong></td>
<td><strong>(63)</strong></td>
<td><strong>1,124</strong></td>
</tr>
<tr>
<td>Interest Expense</td>
<td>Year To Date</td>
<td>Fiscal Budget</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------</td>
<td>--------------</td>
<td>---------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provident Bank - RLOC</td>
<td>203,812</td>
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</table>

<table>
<thead>
<tr>
<th>Interest Income and Other</th>
<th>Year To Date Actual</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-159</td>
<td>159</td>
</tr>
<tr>
<td></td>
<td>(138)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(23)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8</td>
<td></td>
</tr>
<tr>
<td></td>
<td>346</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(130)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>351</td>
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</tbody>
</table>
# CONSOLIDATED STATEMENTS OF NET POSITION

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>NOV 30 2020</th>
<th>JUN 30 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH AND EQUIVALENTS</td>
<td>4,238</td>
<td>5,238</td>
</tr>
<tr>
<td>ACCOUNTS RECEIVABLE- NET</td>
<td>8,883</td>
<td>8,942</td>
</tr>
<tr>
<td>OTHER ASSETS</td>
<td>331</td>
<td>503</td>
</tr>
<tr>
<td>TOTAL CURRENT ASSETS</td>
<td>13,402</td>
<td>14,683</td>
</tr>
<tr>
<td>RESTRICTED ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH AND EQUIVALENTS</td>
<td>567</td>
<td>447</td>
</tr>
<tr>
<td>ACCOUNTS RECEIVABLE- NET</td>
<td>900</td>
<td>1,015</td>
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<tr>
<td>TOTAL RESTRICTED ASSETS</td>
<td>1,467</td>
<td>1,462</td>
</tr>
<tr>
<td>CAPITAL ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LAND, BUILDINGS AND EQUIPMENT</td>
<td>59,438</td>
<td>60,065</td>
</tr>
<tr>
<td>CONSTRUCTION IN PROCESS (ASSUMED 9/1/21)</td>
<td>31,006</td>
<td>15,467</td>
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<tr>
<td>TOTAL ASSETS</td>
<td>89,441</td>
<td>75,532</td>
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<td>DEFERRED OUTFLOWS OF RESOURCES</td>
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<tr>
<td>PENSION / OPEB</td>
<td>1,250</td>
<td>1,250</td>
</tr>
<tr>
<td>TOTAL NET POSITION</td>
<td>78,284</td>
<td>67,864</td>
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<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th>NOV 30 2020</th>
<th>JUN 30 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACCOUNTS PAYABLE</td>
<td>2,717</td>
<td>2,214</td>
</tr>
<tr>
<td>ACCOUNTS PAYABLE- CONSTRUCTION</td>
<td>4,396</td>
<td>7,685</td>
</tr>
<tr>
<td>UNÉARNED REVENUE</td>
<td>275</td>
<td>713</td>
</tr>
<tr>
<td>REVOLVING LOC FACILITY</td>
<td>5,500</td>
<td>-</td>
</tr>
<tr>
<td>CURRENT PORTION- LT LIABILITIES</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL CURRENT LIABILITIES</td>
<td>12,828</td>
<td>10,612</td>
</tr>
<tr>
<td>NONCURRENT LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET PENSION / OPEB LIABILITY</td>
<td>9,828</td>
<td>9,828</td>
</tr>
<tr>
<td>OTHER LT LIABILITIES (PAGE 13)</td>
<td>521</td>
<td>534</td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
<td>23,187</td>
<td>20,974</td>
</tr>
</tbody>
</table>

## CASH AND EQUIVALENTS AT NOVEMBER 30, 2020

<table>
<thead>
<tr>
<th>UNRESTRICTED</th>
<th>RESTRICTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEASE DEVELOPMENT AUTHORITY</td>
<td></td>
</tr>
<tr>
<td>GENERAL FUNDS</td>
<td>2,425</td>
</tr>
<tr>
<td>TENANT ESCROW</td>
<td>14</td>
</tr>
<tr>
<td>DIVISION OF PORTS AND HARBOURS</td>
<td></td>
</tr>
<tr>
<td>GENERAL FUNDS</td>
<td>251</td>
</tr>
<tr>
<td>HARBOR MANAGEMENT</td>
<td>1,528</td>
</tr>
<tr>
<td>REVOLVING LOAN- FISHERY FUND</td>
<td>-</td>
</tr>
<tr>
<td>HARBOR DREDGING</td>
<td>-</td>
</tr>
<tr>
<td>FOREIGN TRADE</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>4,218</td>
</tr>
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</table>
### SUMMARY OF INTERGOVERNMENTAL RECEIVABLES AS OF NOVEMBER 30, 2020 ($ 000's)

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>APPROVAL DATE</th>
<th>TOTAL PROJECT</th>
<th>GRANT AWARD</th>
<th>EXPENDED TO DATE</th>
<th>PDA SHARE</th>
<th>RECEIVED TO DATE</th>
<th>BALANCE DUE PDA</th>
<th>AMOUNT SUBMITTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>PSM RUNWAY 15-34 DESIGN (AIP 58)</td>
<td>05-18-17</td>
<td>1,265</td>
<td>885</td>
<td>1,212</td>
<td>(118)</td>
<td>1,083</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>PSM RUNWAY 16-34 RECONSTRUCTION (AIP 64)</td>
<td>07-06-19</td>
<td>24,035</td>
<td>17,369</td>
<td>16,679</td>
<td>(2,248)</td>
<td>6,931</td>
<td>7,500</td>
<td>7,500</td>
</tr>
<tr>
<td>PSM OBSTRUCTION REMOVAL / CONSTRUCTION (AIP 60)</td>
<td>05-18-17</td>
<td>1,130</td>
<td>1,074</td>
<td>1,017</td>
<td>(59)</td>
<td>938</td>
<td>20</td>
<td>-</td>
</tr>
<tr>
<td>PSM ALPHA SOUTH HOLD BAY (AIP 67)</td>
<td></td>
<td>843</td>
<td>(85)</td>
<td>756</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
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<tr>
<td>PSM AIR NATIONAL GUARD TAXIWAY PROJECT</td>
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<td>2,500</td>
<td>2,500</td>
<td>2,386</td>
<td>-</td>
<td>-</td>
<td></td>
<td>2</td>
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<tr>
<td>PSM TERMINAL BUILDING EXPANSION (AIP 62)</td>
<td>11-01-18</td>
<td>1,730</td>
<td>1,644</td>
<td>669</td>
<td>(97)</td>
<td>193</td>
<td>379</td>
<td>40</td>
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<tr>
<td>PSM TERMINAL BUILDING EXPANSION (AIP 63)</td>
<td>06-27-19</td>
<td>2,263</td>
<td>2,111</td>
<td>2,155</td>
<td>(346)</td>
<td>1,687</td>
<td>122</td>
<td>-</td>
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<tr>
<td>PSM RUNWAY 16-34 REIMBURSABLE SUPPORT (AIP 65)</td>
<td>05-01-19</td>
<td>144</td>
<td>137</td>
<td>144</td>
<td>(7)</td>
<td>123</td>
<td>14</td>
<td>-</td>
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<tr>
<td>PSM CARES ACT (AIP 68)</td>
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<td>1,607</td>
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<td></td>
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<tr>
<td>DAV TAXI LANE PAVEMENT AND DRAINAGE CONSTRUCTION (SFB 07-2014)</td>
<td>09-22-16</td>
<td>1,830</td>
<td>1,738</td>
<td>1,783</td>
<td>(89)</td>
<td>1,694</td>
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</tr>
<tr>
<td>DPH UPGRADE PORT SECURITY AND SOFTWARE</td>
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<td>58</td>
<td>58</td>
<td>58</td>
<td>-</td>
<td>58</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DPH RYE HARBOR DREDGING</td>
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<td>-</td>
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<td>-</td>
<td>586</td>
<td>51</td>
<td>51</td>
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<tr>
<td>DPH FUNCTIONAL REPLACEMENT- BARGE DOCK</td>
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<td>5,000</td>
<td>-</td>
<td>1,284</td>
<td>-</td>
<td>1,283</td>
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<td>1</td>
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<tr>
<td>DPH MAIN PIER REHABILITATION</td>
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<td>299</td>
<td>54</td>
<td>54</td>
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<tr>
<td>DPH HAMPTON HARBOR DREDGING</td>
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<td>95</td>
<td>95</td>
<td>-</td>
<td>95</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DPH PFP REPAIR AND CONSTRUCTION</td>
<td></td>
<td>3,250</td>
<td>455</td>
<td>-</td>
<td>313</td>
<td>142</td>
<td>142</td>
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</table>

**Total:** 8,296 7,801
## SUMMARY OF CONSTRUCTION WORK IN PROGRESS

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>BALANCE AT 06-30-20</th>
<th>CURRENT YEAR EXPENDITURES</th>
<th>TRANSFER TO PLANT IN SERVICE</th>
<th>NET CURRENT YEAR CHANGE</th>
<th>BALANCE AT 11-30-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>PORTSMOUTH AIRPORT</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>TERMINAL EXPANSION (NON-GRA)</td>
<td>4,910</td>
<td>4,498</td>
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<td>4,498</td>
<td>9,408</td>
</tr>
<tr>
<td>RUNWAY 16-34 DESIGN (AIP 58)</td>
<td>4</td>
<td>71</td>
<td>(75)</td>
<td>(4)</td>
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</tr>
<tr>
<td>ELDORADO BUS</td>
<td></td>
<td>72</td>
<td>(72)</td>
<td>-</td>
<td>-</td>
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<tr>
<td>RUNWAY 16-34 RECONSTRUCTION (AIP 64)</td>
<td>7,048</td>
<td>9,631</td>
<td>-</td>
<td>9,631</td>
<td>16,679</td>
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<tr>
<td>TERMINAL BUILDING EXPANSION (AIP 66)</td>
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<td>275</td>
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<td>96</td>
<td>573</td>
<td>-</td>
<td>573</td>
<td>666</td>
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<tr>
<td>OBSTRUCTION REMOVAL / CONSTRUCTION (AIP 60)</td>
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<td>9</td>
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<td>-</td>
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<tr>
<td>ALPHA SOUTH HOLD BAY (AIP 67)</td>
<td></td>
<td>334</td>
<td>(330)</td>
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<td>PAY FOR PARKING</td>
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<td>2</td>
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<td><strong>TOTAL</strong></td>
<td><strong>13,938</strong></td>
<td><strong>15,465</strong></td>
<td><strong>(488)</strong></td>
<td><strong>14,977</strong></td>
<td><strong>28,915</strong></td>
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</table>
### SUMMARY OF CONSTRUCTION WORK IN PROGRESS

(Continued):

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>BALANCE AT 06-30-20</th>
<th>CURRENT YEAR EXPENDITURES</th>
<th>TRANSFER TO PLANT IN SERVICE</th>
<th>NET CURRENT YEAR CHANGE</th>
<th>BALANCE AT 11-30-20</th>
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<tbody>
<tr>
<td>SKYHAVEN AIRPORT</td>
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<td>GOLF COURSE</td>
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<td></td>
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<tr>
<td>ADMINISTRATION</td>
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</tr>
<tr>
<td>HP DESIGN JET PRINTER</td>
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<tr>
<td>MAINTENANCE</td>
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<td></td>
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<tr>
<td>CHEVROLET TAHOE</td>
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## SUMMARY OF CONSTRUCTION WORK IN PROGRESS (CONTINUED):

<table>
<thead>
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<th>BALANCE AT 06-30-20</th>
<th>CURRENT YEAR EXPENDITURES</th>
<th>TRANSFER TO PLANT IN SERVICE</th>
<th>NET CURRENT YEAR CHANGE</th>
<th>BALANCE AT 11-30-20</th>
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</thead>
<tbody>
<tr>
<td>DIVISION OF PORTS AND HARBORS (DPH)</td>
<td></td>
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<tr>
<td>FUNCTIONAL REPLACEMENT- BARGE DOCK</td>
<td>1,267</td>
<td>16</td>
<td>-</td>
<td>16</td>
<td>1,283</td>
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<tr>
<td>PFP BULKHEAD REPAIR AND CONSTRUCTION</td>
<td>262</td>
<td>193</td>
<td>-</td>
<td>193</td>
<td>455</td>
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<tr>
<td>HVAC SECURITY SHACK</td>
<td>-</td>
<td>8</td>
<td>(8)</td>
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<tr>
<td>MAIN PIER (BUILD GRANT)</td>
<td>-</td>
<td>353</td>
<td>-</td>
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<td><strong>TOTAL</strong></td>
<td><strong>1,529</strong></td>
<td><strong>570</strong></td>
<td><strong>(8)</strong></td>
<td><strong>562</strong></td>
<td><strong>2,091</strong></td>
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**TOTAL** 15,467 16,089 (550) 15,539 31,006
# LONG TERM LIABILITIES
## AS OF NOVEMBER 30, 2020

<table>
<thead>
<tr>
<th></th>
<th>CURRENT PORTION</th>
<th>LONG TERM PORTION</th>
<th>TOTAL AMOUNT DUE</th>
</tr>
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<tbody>
<tr>
<td><strong>STATE OF NEW HAMPSHIRE</strong>&lt;br&gt;POST RETIREE HEALTH CARE PROGRAM (1)</td>
<td>-</td>
<td>182</td>
<td>182</td>
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<tr>
<td><strong>STATE OF NEW HAMPSHIRE</strong></td>
<td>-</td>
<td>252</td>
<td>252</td>
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<tr>
<td><strong>ACCRUED SICK LIABILITY</strong></td>
<td>97</td>
<td>97</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>531</td>
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### SCHEDULE OF LONG TERM LIABILITY REPAYMENT

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>STATE OF NEW HAMPSHIRE (1)</th>
<th>PAID IN FY 2021</th>
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<tbody>
<tr>
<td>2021</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2022</td>
<td>91</td>
<td>182</td>
</tr>
<tr>
<td>2023</td>
<td>91</td>
<td>182</td>
</tr>
</tbody>
</table>

**NOTE:**
1. **Allocation of Annual Payment** is $63 charged to the POA and $28 to the DPH.
# Statement of Operations for the Five Month Period Ending November 30, 2020

**Portsmouth Airport**

## Operating Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Fiscal Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities Rental</td>
<td>350</td>
<td>365</td>
<td>(15)</td>
<td>844</td>
</tr>
<tr>
<td>Pay for Parking</td>
<td>73</td>
<td>144</td>
<td>(71)</td>
<td>442</td>
</tr>
<tr>
<td>Fuel Pylonage</td>
<td>68</td>
<td>180</td>
<td>(91)</td>
<td>270</td>
</tr>
<tr>
<td>Aviation Fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>90</td>
</tr>
<tr>
<td>Concession Revenues</td>
<td>40</td>
<td>41</td>
<td>(35)</td>
<td>71</td>
</tr>
<tr>
<td>All Other</td>
<td>193</td>
<td>8</td>
<td>185</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>691</strong></td>
<td><strong>718</strong></td>
<td><strong>(27)</strong></td>
<td><strong>1,739</strong></td>
</tr>
</tbody>
</table>

## Enplanement Data

![Graph showing enplanement data](chart.jpg)

## Operating Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Fiscal Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues</td>
<td>691</td>
<td>718</td>
<td>(27)</td>
<td>1,739</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel Services and Benefits</td>
<td>324</td>
<td>337</td>
<td>(13)</td>
<td>810</td>
</tr>
<tr>
<td>Buildings and Facilities Maintenance</td>
<td>175</td>
<td>296</td>
<td>(123)</td>
<td>723</td>
</tr>
<tr>
<td>General and Administrative Expenses</td>
<td>140</td>
<td>135</td>
<td>5</td>
<td>325</td>
</tr>
<tr>
<td>Utilities</td>
<td>110</td>
<td>173</td>
<td>(63)</td>
<td>416</td>
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<tr>
<td>Professional Services</td>
<td>5</td>
<td>10</td>
<td>(4)</td>
<td>24</td>
</tr>
<tr>
<td>Marketing and Promotion</td>
<td>18</td>
<td>90</td>
<td>(40)</td>
<td>338</td>
</tr>
<tr>
<td>All Other</td>
<td>723</td>
<td>1,009</td>
<td>(286)</td>
<td>2,437</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>87,833</strong></td>
<td><strong>116,340</strong></td>
<td><strong>(26,507)</strong></td>
<td><strong>(77,507)</strong></td>
</tr>
</tbody>
</table>

## Operating Income

<table>
<thead>
<tr>
<th>Description</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Fiscal Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>(82)</td>
<td>(291)</td>
<td>(209)</td>
<td>(698)</td>
</tr>
<tr>
<td>Non-Operating Income and Expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>1,157</td>
<td>1,057</td>
<td>470</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>Net Operating Income</strong></td>
<td><strong>(1,239)</strong></td>
<td><strong>(1,918)</strong></td>
<td><strong>679</strong></td>
<td><strong>(4,498)</strong></td>
</tr>
</tbody>
</table>
# Statement of Operations for the Five Month Period Ending November 30, 2020

**Skyhaven Airport**

<table>
<thead>
<tr>
<th>Operating Revenues</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Fiscal Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities Rental</td>
<td>56</td>
<td>51</td>
<td>5</td>
<td>125</td>
</tr>
<tr>
<td>Fuel Sales</td>
<td>58</td>
<td>57</td>
<td>21</td>
<td>64</td>
</tr>
<tr>
<td>All Other</td>
<td>1</td>
<td>3</td>
<td>(2)</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>115</strong></td>
<td><strong>91</strong></td>
<td><strong>24</strong></td>
<td><strong>194</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Gallons of Fuel Sold</th>
<th>Current Month</th>
<th>Year to Date</th>
<th>Total Year</th>
<th>YTD Ave Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2021</td>
<td>1,563</td>
<td>12,185</td>
<td>12,185</td>
<td>8.59</td>
</tr>
<tr>
<td>FY 2020</td>
<td>996</td>
<td>7,729</td>
<td>13,344</td>
<td>4.79</td>
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</table>

<table>
<thead>
<tr>
<th>Net Cash Flow</th>
<th>OPERA</th>
<th>CAPITAL EXPEND</th>
<th>DEBT REPAY</th>
<th>GRANT FUNDS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2021</td>
<td>25</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>FY 2020</td>
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<td>(307)</td>
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<tr>
<td>FY 2019</td>
<td>(83)</td>
<td>(27)</td>
<td></td>
<td></td>
<td>512</td>
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<tr>
<td>FY 2018</td>
<td>(909)</td>
<td>(6,792)</td>
<td>(100)</td>
<td>5,725</td>
<td>(2,076)</td>
</tr>
<tr>
<td><strong>FY 2018</strong></td>
<td><strong>(1,037)</strong></td>
<td><strong>(7,126)</strong></td>
<td><strong>(100)</strong></td>
<td><strong>6,549</strong></td>
<td><strong>(1,714)</strong></td>
</tr>
</tbody>
</table>

($000's)
STATEMENT OF OPERATIONS FOR THE FIVE MONTH PERIOD ENDING NOVEMBER 30, 2020
TRADEPORT

<table>
<thead>
<tr>
<th>OPERATING REVENUES</th>
<th>YEAR TO DATE ACTUAL</th>
<th>YEAR TO DATE BUDGET</th>
<th>CURRENT YEAR VARIANCE</th>
<th>FISCAL YEAR BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>RENTAL OF FACILITIES</td>
<td>3,972</td>
<td>3,810</td>
<td>62</td>
<td>9,264</td>
</tr>
<tr>
<td>ALL OTHER</td>
<td>57</td>
<td>50</td>
<td>7</td>
<td>120</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3,929</strong></td>
<td><strong>3,860</strong></td>
<td><strong>69</strong></td>
<td><strong>9,264</strong></td>
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</table>

KWH CONSUMPTION ANALYSIS BY BUSINESS UNIT

<table>
<thead>
<tr>
<th>FY YTD KWH</th>
<th>TRADEPORT</th>
<th>PSM</th>
<th>SKYHaven</th>
<th>GOLF</th>
<th>OPH</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2020</td>
<td>2,389</td>
<td>3,265</td>
<td>3,299</td>
<td>3,271</td>
<td>3,495</td>
</tr>
<tr>
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<td>FY 2019</td>
<td>3,262</td>
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<tr>
<td></td>
<td>FY 2018</td>
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<td>FY 2017</td>
<td>3,393</td>
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<tr>
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<td>FY 2016</td>
<td>3,483</td>
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<td>3,250</td>
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<tr>
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<td>FY 2014</td>
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<td>FY 2013</td>
<td>3,299</td>
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<tr>
<td></td>
<td>FY 2012</td>
<td>3,393</td>
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<tr>
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<td>FY 2011</td>
<td>3,483</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>FY 2010</td>
<td>3,250</td>
<td></td>
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<td>FY 2009</td>
<td>3,225</td>
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<td>3,299</td>
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<td>FY 2002</td>
<td>3,393</td>
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<tr>
<td></td>
<td>FY 2001</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>FY 2000</td>
<td>3,250</td>
<td></td>
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<tr>
<td></td>
<td>FY 1999</td>
<td>3,225</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

| OPERATING INCOME | 3,469 |
| NONOPERATING (INCOME) AND EXPENSE | 3,258 |
| DEPRECIATION | 311 |
| NET OPERATING INCOME | 750 |
# STATEMENT OF OPERATIONS FOR THE FIVE MONTH PERIOD ENDING NOVEMBER 30, 2020
## GOLF COURSE

<table>
<thead>
<tr>
<th>OPERATING REVENUES</th>
<th>YEAR TO DATE ACTUAL</th>
<th>YEAR TO DATE BUDGET</th>
<th>CURRENT YEAR VARIANCE</th>
<th>FISCAL YEAR BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONCESSION REVENUES</td>
<td>43</td>
<td>187</td>
<td>(44)</td>
<td>315</td>
</tr>
<tr>
<td>FEE REVENUES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GOLF FEES</td>
<td>1,330</td>
<td>594</td>
<td>736</td>
<td>1,425</td>
</tr>
<tr>
<td>MEMBERSHIPS</td>
<td>289</td>
<td>192</td>
<td>147</td>
<td>340</td>
</tr>
<tr>
<td>SIMULATOR</td>
<td>15</td>
<td>3</td>
<td>12</td>
<td>120</td>
</tr>
<tr>
<td>LESSONS</td>
<td>18</td>
<td>2</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td>MERCHANDISE AND OTHER</td>
<td>1,062</td>
<td>745</td>
<td>906</td>
<td>1,092</td>
</tr>
<tr>
<td>ALL OTHER</td>
<td>6,962</td>
<td>1,035</td>
<td>927</td>
<td>2,463</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPERATING EXPENSES</th>
<th>YEAR TO DATE ACTUAL</th>
<th>YEAR TO DATE BUDGET</th>
<th>CURRENT YEAR VARIANCE</th>
<th>FISCAL YEAR BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERSONNEL, SERVICES, AND BENEFITS</td>
<td>471</td>
<td>459</td>
<td>12</td>
<td>984</td>
</tr>
<tr>
<td>BUILDINGS AND FACILITIES MAINTENANCE</td>
<td>150</td>
<td>149</td>
<td>2</td>
<td>355</td>
</tr>
<tr>
<td>GENERAL AND ADMINISTRATIVE</td>
<td>125</td>
<td>94</td>
<td>21</td>
<td>226</td>
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<tr>
<td>UTILITIES</td>
<td>144</td>
<td>79</td>
<td>65</td>
<td>190</td>
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<tr>
<td>PROFESSIONAL SERVICES</td>
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<td>7</td>
<td>6</td>
<td>17</td>
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<tr>
<td>MARKETING AND PROMOTION</td>
<td>6</td>
<td>17</td>
<td>(11)</td>
<td>42</td>
</tr>
<tr>
<td>ALL OTHER</td>
<td>196</td>
<td>125</td>
<td>75</td>
<td>295</td>
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<table>
<thead>
<tr>
<th>OPERATING INCOME</th>
<th>YEAR TO DATE ACTUAL</th>
<th>YEAR TO DATE BUDGET</th>
<th>CURRENT YEAR VARIANCE</th>
<th>FISCAL YEAR BUDGET</th>
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</thead>
<tbody>
<tr>
<td>1,092</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>NONOPERATING (INCOME) AND EXPENSE</td>
<td>865</td>
<td>1,08</td>
<td>355</td>
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</table>

<table>
<thead>
<tr>
<th>DEPRECIATION</th>
<th>YEAR TO DATE ACTUAL</th>
<th>YEAR TO DATE BUDGET</th>
<th>CURRENT YEAR VARIANCE</th>
</tr>
</thead>
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<tr>
<td>152</td>
<td>161</td>
<td>9</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>NET OPERATING INCOME</th>
<th>YEAR TO DATE ACTUAL</th>
<th>YEAR TO DATE BUDGET</th>
<th>CURRENT YEAR VARIANCE</th>
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</thead>
<tbody>
<tr>
<td>713</td>
<td>(52)</td>
<td>766</td>
<td>(32)</td>
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## BUSINESS UNIT ANALYSIS

<table>
<thead>
<tr>
<th>PRO SHOP</th>
<th>COURSE OPERA</th>
<th>FOOD / BEV</th>
<th>SIM</th>
<th>TOTAL</th>
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<tr>
<td>1,564</td>
<td>1,643</td>
<td>146</td>
<td>15</td>
<td>3,962</td>
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<td>1,58</td>
<td>1,643</td>
<td>46</td>
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<td>OPERATING EXPENSES (EXCLUDING DEPRECIATION)</td>
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<td>380</td>
<td>71</td>
<td>22</td>
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<tr>
<td>OPERATING INCOME</td>
<td>37</td>
<td>760</td>
<td>75</td>
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KEY GOLF COURSE BENCHMARKING DATA

ROUNDS OF GOLF PLAYED (SEASON)

<table>
<thead>
<tr>
<th>2020</th>
<th>2019</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>62,315</td>
<td>55,321</td>
<td>55,321</td>
</tr>
<tr>
<td>26</td>
<td>55</td>
<td>55</td>
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2020 MEMBER / NONMEMBER ROUNDS (SEASON)

- MEMBER
- NONMEMBER

GOLF SIMULATOR REVENUES

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>JULY</td>
<td>$ -</td>
<td>$ 33</td>
</tr>
<tr>
<td>AUGUST</td>
<td>890</td>
<td>-</td>
</tr>
<tr>
<td>SEPTEMBER</td>
<td>314</td>
<td>78</td>
</tr>
<tr>
<td>OCTOBER</td>
<td>4,017</td>
<td>1,628</td>
</tr>
<tr>
<td>NOVEMBER</td>
<td>3,589</td>
<td>1,772</td>
</tr>
<tr>
<td>DECEMBER</td>
<td>-</td>
<td>24,723</td>
</tr>
<tr>
<td>JANUARY</td>
<td>-</td>
<td>27,767</td>
</tr>
<tr>
<td>FEBRUARY</td>
<td>-</td>
<td>29,976</td>
</tr>
<tr>
<td>MARCH</td>
<td>-</td>
<td>13,624</td>
</tr>
<tr>
<td>APRIL</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>MAY</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>JUNE</td>
<td>-</td>
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</table>

GRILL 28 GROSS SALES

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>JULY</td>
<td>$ 204,092</td>
<td>$ 212,562</td>
</tr>
<tr>
<td>AUGUST</td>
<td>225,471</td>
<td>289,184</td>
</tr>
<tr>
<td>SEPTEMBER</td>
<td>181,445</td>
<td>199,822</td>
</tr>
<tr>
<td>OCTOBER</td>
<td>138,156</td>
<td>149,127</td>
</tr>
<tr>
<td>NOVEMBER</td>
<td>85,187</td>
<td>107,818</td>
</tr>
<tr>
<td>DECEMBER</td>
<td>-</td>
<td>117,993</td>
</tr>
<tr>
<td>JANUARY</td>
<td>-</td>
<td>126,165</td>
</tr>
<tr>
<td>FEBRUARY</td>
<td>-</td>
<td>107,490</td>
</tr>
<tr>
<td>MARCH</td>
<td>-</td>
<td>59,098</td>
</tr>
<tr>
<td>APRIL</td>
<td>-</td>
<td>1,083</td>
</tr>
<tr>
<td>MAY</td>
<td>-</td>
<td>55,292</td>
</tr>
<tr>
<td>JUNE</td>
<td>-</td>
<td>153,970</td>
</tr>
</tbody>
</table>

2020 ROUNDS - SEASON

MEMBER | 16,004 |
NONMEMBER | 46,311 |
TOTAL | 62,315 |

2019 ROUNDS - SEASON

MEMBER | 14,035 |
NONMEMBER | 41,026 |
TOTAL | 55,061 |

CLAIMS/ COURSE FUNCTIONS

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>GROUPS 12-40</td>
<td>23,340</td>
<td>37,344</td>
</tr>
<tr>
<td>TOURNAMENT PLAY</td>
<td>89,318</td>
<td>106,732</td>
</tr>
<tr>
<td>LEAGUES</td>
<td>42,521</td>
<td>59,940</td>
</tr>
<tr>
<td>FOOD AND ROOM FEES</td>
<td>45,256</td>
<td>142,905</td>
</tr>
</tbody>
</table>
# Statement of Operations for the Five Month Period Ending November 30, 2020

## Port Authority of New Hampshire (Unrestricted)

<table>
<thead>
<tr>
<th></th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Fiscal Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facility Rentals</td>
<td>194</td>
<td>175</td>
<td>19</td>
<td>419</td>
</tr>
<tr>
<td>Concession Revenue</td>
<td>9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fee Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mooring Fees</td>
<td>171</td>
<td>152</td>
<td>19</td>
<td>365</td>
</tr>
<tr>
<td>Parking</td>
<td>53</td>
<td>92</td>
<td>(39)</td>
<td>115</td>
</tr>
<tr>
<td>Registrations</td>
<td>32</td>
<td>69</td>
<td>(37)</td>
<td>165</td>
</tr>
<tr>
<td>Fuel, Flowage</td>
<td>10</td>
<td></td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Wharf/Dock</td>
<td>150</td>
<td>154</td>
<td>(4)</td>
<td>350</td>
</tr>
<tr>
<td>Fuel, Sales</td>
<td>416</td>
<td>462</td>
<td>(45)</td>
<td>1,195</td>
</tr>
<tr>
<td>All Other</td>
<td>208</td>
<td>420</td>
<td>(212)</td>
<td>780</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>937</strong></td>
<td><strong>1,117</strong></td>
<td><strong>180</strong></td>
<td><strong>2,429</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Fiscal Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Income</strong></td>
<td>30</td>
<td>58</td>
<td>(28)</td>
<td>(37)</td>
</tr>
<tr>
<td><strong>Nonoperating (Income) and Expense</strong></td>
<td>(2)</td>
<td>1</td>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>262</td>
<td>253</td>
<td>9</td>
<td>602</td>
</tr>
<tr>
<td><strong>Net Operating Income</strong></td>
<td>(230)</td>
<td>(194)</td>
<td>(36)</td>
<td>(641)</td>
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</tbody>
</table>

## Business Unit Analyses

<table>
<thead>
<tr>
<th></th>
<th>Rye Harbor</th>
<th>Hampton Harbor</th>
<th>Portsmouth Fish Pier</th>
<th>Market Street</th>
<th>Harbor Manag</th>
<th>Avg Yr %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues</td>
<td>208</td>
<td>181</td>
<td>14</td>
<td>330</td>
<td>204</td>
<td></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>164</td>
<td>147</td>
<td>44</td>
<td>193</td>
<td>195</td>
<td>164</td>
</tr>
<tr>
<td>(excluding Depreciation)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Income</td>
<td>44</td>
<td>24</td>
<td>(30)</td>
<td>137</td>
<td>9</td>
<td>(164)</td>
</tr>
</tbody>
</table>
# Statement of Operations for the Five Month Period Ending November 30, 2020

**Port Authority of New Hampshire (Restricted)**

<table>
<thead>
<tr>
<th>Foreign Trade Zone</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Fiscal Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues</td>
<td>12</td>
<td>2</td>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel Services and Benefits</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Buildings and Facilities Maintenance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>General and Administrative</td>
<td>-</td>
<td>1</td>
<td>(1)</td>
<td>3</td>
</tr>
<tr>
<td>Utilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Professional Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Marketing and Promotion</td>
<td>2</td>
<td>4</td>
<td>(2)</td>
<td>9</td>
</tr>
<tr>
<td>All Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operating Income</td>
<td>10</td>
<td>-</td>
<td>10</td>
<td>-</td>
</tr>
<tr>
<td>Nonoperating (Income) and Expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>10</td>
<td>2</td>
<td>10</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Harbor Dredging</th>
<th>Year to Date Actual</th>
<th>Year to Date Budget</th>
<th>Current Year Variance</th>
<th>Fiscal Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues</td>
<td>39</td>
<td>46</td>
<td>(2)</td>
<td>315</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Personnel Services and Benefits</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Buildings and Facilities Maintenance</td>
<td>55</td>
<td>6</td>
<td>50</td>
<td>15</td>
</tr>
<tr>
<td>General and Administrative</td>
<td>-</td>
<td>3</td>
<td>(3)</td>
<td>7</td>
</tr>
<tr>
<td>Utilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Professional Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Marketing and Promotion</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>All Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operating Income</td>
<td>(17)</td>
<td>39</td>
<td>(56)</td>
<td>92</td>
</tr>
<tr>
<td>Nonoperating (Income) and Expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>32</td>
<td>42</td>
<td>(3)</td>
<td>109</td>
</tr>
<tr>
<td>Net Operating Income</td>
<td>(54)</td>
<td>(3)</td>
<td>(51)</td>
<td>(8)</td>
</tr>
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</table>
## STATEMENT OF OPERATIONS FOR THE FIVE MONTH PERIOD ENDING NOVEMBER 30, 2020
PORT AUTHORITY OF NEW HAMPSHIRE (RESTRICTED)

(Continued)

### REVOLVING LOAN FUND

<table>
<thead>
<tr>
<th></th>
<th>YEAR TO DATE ACTUAL</th>
<th>YEAR TO DATE BUDGET</th>
<th>CURRENT YEAR VARIANCE</th>
<th>FISCAL YEAR BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING REVENUES</td>
<td>13</td>
<td>17</td>
<td>(4)</td>
<td>41</td>
</tr>
<tr>
<td>OPERATING EXPENSES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PERSONNEL SERVICES AND BENEFITS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUILDINGS AND FACILITIES MAINTENANCE</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>GENERAL AND ADMINISTRATIVE</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>UTILITIES</td>
<td>3</td>
<td>11</td>
<td>(8)</td>
<td>27</td>
</tr>
<tr>
<td>PROFESSIONAL SERVICES</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MARKETING AND PROMOTION</td>
<td>3</td>
<td>11</td>
<td>(8)</td>
<td>27</td>
</tr>
<tr>
<td>ALL OTHER</td>
<td>3</td>
<td>11</td>
<td>(2)</td>
<td>28</td>
</tr>
<tr>
<td>OPERATING INCOME</td>
<td>9</td>
<td>6</td>
<td>3</td>
<td>13</td>
</tr>
<tr>
<td>NONOPERATING (INCOME) AND EXPENSE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DEPRECIATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET OPERATING INCOME</td>
<td>9</td>
<td>6</td>
<td>3</td>
<td>13</td>
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</table>

### REVOLVING LOAN FUND RECONCILIATION

<table>
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<th></th>
<th>BALANCE AT 11-30-2020</th>
<th>BALANCE AT 06-30-2020</th>
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<tbody>
<tr>
<td>CASH BALANCES</td>
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</tr>
<tr>
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<td>210</td>
</tr>
<tr>
<td>SEQUESTERED FUNDS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>341</td>
<td>210</td>
</tr>
<tr>
<td>LOANS OUTSTANDING</td>
<td></td>
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</tr>
<tr>
<td>CURRENT</td>
<td>82</td>
<td>175</td>
</tr>
<tr>
<td>LONG TERM</td>
<td>807</td>
<td>838</td>
</tr>
<tr>
<td></td>
<td>889</td>
<td>1,013</td>
</tr>
<tr>
<td></td>
<td>1,230</td>
<td>1,223</td>
</tr>
<tr>
<td>CAPITAL UTILIZATION RATE - % (*)</td>
<td>72.3</td>
<td>82.8</td>
</tr>
</tbody>
</table>

(*) EXCLUDES SEQUESTERED FUNDS.
CASH FLOW PROJECTIONS FOR THE NINE MONTH PERIOD ENDING SEPTEMBER 30, 2021

BOARD OF DIRECTORS MEETING
JANUARY 21, 2021
Pease Development Authority
Cash Flow Summary Overview (Excluding Division of Ports and Harbors)
January 1, 2021 to September 30, 2021
($000's)

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opening Fund Balance</strong></td>
<td>2,082</td>
</tr>
</tbody>
</table>

**Sources of Funds**
- Grant Awards (see page #8) 9,769
- Tradeport Tenants 6,820
- Golf Course Fee and Concession Revenues 1,530
- Revolving Line of Credit (Provident Bank) 1,300
- PSM Airport Leases, Fuel Flowage Fees and Parking 900
- Skyhaven Airport Hangar and Fuel Revenues 124

Total Fund Balance 20,443

**Uses of Funds**
- Capital Expenditures- Non-Grant (see pages #5-#7) 8,531
- Operating Expenses 7,355
- Capital Expenditures- Grant (see page #4) 6,341
- Municipal Service Fee (Cop)- Net (1,275)
- State of NH- Post Retirement 68

Net Cash Flow (577)

**Closing Fund Balance** 1,505

**Discussion**
At this time, the PDA does anticipate the need to utilize its credit facilities with the Provident Bank to finance projected non-grant related capital expenditures and or working capital requirements.

Current sensitivities toward future projections include 1) receipt of federal/state grant awards, inclusive of the PSM terminal expansion, 2) accuracy of the capital expenditure and reimbursement forecast and or 3) ongoing tradeport and golf course revenue streams.

**Projected Cash and Debt Balances**

<table>
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<th>Total Fund Balances</th>
<th>Balance at 12-31-2020</th>
<th>Balance at 06-30-2020</th>
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<tr>
<td>Total</td>
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# PEASE DEVELOPMENT AUTHORITY
## STATEMENT OF CASH FLOW
*(EXCLUDING THE DIVISION OF PORTS AND HARBORS)*
*(UNRESTRICTED FUNDS)*

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<td>2,082</td>
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<td>1,546</td>
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<td>1,495</td>
<td>1,48</td>
<td>1,607</td>
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# PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

(Excluding the Division of Ports and Harbors)

($ 000's)

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<tr>
<th>GRANT REIMBURSEMENT PROJECTS</th>
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**NOTE:**

**PENDING BOARD APPROVAL**

- **TOTAL** 1,165 495 1,670 411 2,040 70 20 20 - 6,341
# Pease Development Authority Capital Expenditures

*(Excluding the Division of Ports and Harbors)*

(Continued):

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<th>JUN</th>
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**Note:**

**Pending Board Approval**
## PEASE DEVELOPMENT AUTHORITY
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*(EXCLUDING THE DIVISION OF PORTS AND HARBORS)*
*(CONTINUED):*

($ 000's)

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**NOTE:**
**PENDING BOARD APPROVAL**
### PEASE DEVELOPMENT AUTHORITY
### CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)
(Continued)

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<td>560</td>
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**NOTE:**

****PENDING BOARD APPROVAL
# Pease Development Authority Receipt Grant Awards

*Excluding the Division of Ports and Harbors*

($000's)

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<td>1,976</td>
<td>2,321</td>
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<td>9,769</td>
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PEASE DEVELOPMENT AUTHORITY
CREDIT FACILITIES AND OUTSTANDING DEBT ANALYSIS

(REVOLVING LETTER OF CREDIT (RLOC) THE PROVIDENT BANK

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
<th>Term Date</th>
<th>Purpose</th>
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<tr>
<td>PURPOSE</td>
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<tr>
<td>INTEREST RATE</td>
<td>ONE MONTH FHLB (CLASSIC) + 250 BASIS POINTS</td>
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<tr>
<td>OTHER</td>
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OUTSTANDING DEBT ANALYSIS

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<tr>
<th></th>
<th>Balance AT 12-31-2020</th>
<th>Balance AT 06-30-2020</th>
<th>Maturity Date</th>
<th>Interest Rate %</th>
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<td>WEIGHTED AVERAGE</td>
<td>4,500</td>
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<td>2.88%</td>
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TRENDING THE ONE MONTH FHLB (CLASSIC) INTEREST RATE + MARK-UP 2021 VERSUS 2020

[Graph showing interest rate trends with values 2.89% and 2.88% highlighted]
DIVISION OF PORTS AND HARBORS
CASH FLOW SUMMARY OVERVIEW *(EXCLUDING RESTRICTED FUNDS)*
JANUARY 1, 2021 TO SEPTEMBER 30, 2021

($ 000's)

<table>
<thead>
<tr>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPENING FUND BALANCE</td>
</tr>
</tbody>
</table>

**SOURCES OF FUNDS**

- FACILITY RENTALS AND CONCESSIONS: 563
- FUEL SALES: 490
- REGISTRATIONS / WHARFAGE: 375
- MOORING FEES: 365
- PARKING FEES: 150

**TOTAL SOURCES OF FUNDS:** 1,943

**USES OF FUNDS**

- PERSONNEL SERVICES AND BENEFITS: 1,540
- FUEL PROCUREMENT: 496
- OPERATING EXPENSES: 383
- CAPITAL EXPENDITURES AND OTHER: 80
- STATE OF NH- POST RETIREMENT: 28

**NET CASH FLOW:** (584)

**CLOSING FUND BALANCE:** 1,032

**DISCUSSION**

CURRENT SENSITIVITIES TOWARD FUTURE PROJECTIONS INCLUDE 1) ACCURACY OF CAPITAL EXPENDITURE FORECAST AND USE OF HARBOR DREDGING AND PIER MAINTENANCE FUNDS, 2) WORKERS COMPENSATION CLAIMS, 3) FUEL CONSUMPTION AND 4) CONTINUED CONTAINMENT OF EMPLOYEE OVERTIME.

$ 252 LOAN AMORTIZATION PERIOD AND INTEREST RATE ASSOCIATED WITH HB 25-FN-A (PISCATAQUA RIVER TURNING BASIN), HAS YET TO BE DETERMINED. LONG TERM LIABILITY.

**PROJECTED UNRESTRICTED CASH BALANCES**

<table>
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<th>($ 000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>JAN</td>
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<tr>
<td>--------</td>
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<tr>
<td>1,616</td>
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**TOTAL FUND BALANCES**

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<thead>
<tr>
<th>BALANCE AT</th>
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<td>12-31-2020</td>
<td>06-30-2020</td>
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<tr>
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<td>1,621</td>
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<tr>
<td>HARBOR DREDGING: 206</td>
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<td>REVOLVING LOAN FUND: 354</td>
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<td>FOREIGN TRADE ZONE: 16</td>
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**TOTAL CLOSING FUND BALANCE:** 576
# DIVISION OF PORTS AND HARBORS

## STATEMENT OF CASH FLOW

**UNRESTRICTED FUNDS**

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<tr>
<th></th>
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<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
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<td>1,633</td>
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<td>1,306</td>
<td>1,232</td>
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<td>1,616</td>
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<td>(110)</td>
<td>(101)</td>
<td>(113)</td>
<td>(113)</td>
<td>(74)</td>
<td>(119)</td>
<td>(81)</td>
<td>(584)</td>
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<td>1,518</td>
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<td>1,633</td>
<td>1,532</td>
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<td>1,232</td>
<td>1,113</td>
<td>1,032</td>
<td>1,032</td>
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</table>
# Division of Ports and Harbors

## Statement of Cash Flow - Harbor Dredging Fund

*(Restricted Funds)*

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<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
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## Use of Funds

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<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Total</th>
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## Net Cash Flow

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<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Total</th>
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<tr>
<td>6</td>
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## Closing Fund Balance

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<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Total</th>
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<tr>
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</table>
DIVISION OF PORTS AND HARBORS

STATEMENT OF CASH FLOW - REVOLVING LOAN FUND

(RESTRICTED FUNDS)

($ 000's)

<table>
<thead>
<tr>
<th>OPENING FUND BALANCE</th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
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| NET CASH FLOW           | (28)| 12  | (40)| 9   | 12  | 12  | 9   | 12  | 13  | 11    |

| CLOSING FUND BALANCE    | 326 | 338 | 298 | 307 | 319 | 331 | 340 | 352 | 365 | 365   |
DIVISION OF PORTS AND HARBORS
STATEMENT OF CASH FLOW - FOREIGN TRADE ZONE FUND
(RESTRICTED FUNDS)

($ 000's)

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MEMORANDUM

TO: Pease Development Authority Board of Directors
FROM: Paul E. Brean, Executive Director
RE: License Reports
DATE: January 12, 2021

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

1. Name: Lonza Biologics
   License: Right-of-Entry
   Location: 70 / 80 Corporate Drive
   Purpose: Exercise Third One Year Option for Contractor – Employee Parking
   Term: Through December 31, 2021
Subject: Lonza Biologics – Right of Entry Agreement

Dear Mr. Brean:

Please be advised that by delivery of this letter, Lonza Biologics, Inc. ("Lonza"), with facilities in Portsmouth, NH, hereby delivers notice of its desire and intent to exercise its option for a one (1) year extension pursuant to the Right of Entry 70/80 Corporate Drive (a/k/a "Iron Parcel") Agreement dated February 13, 2018.

The option shall be effective as of January 1, 2021.

Please let us know if you have any questions. Thank you in advance.

Kind regards,

Lonza Biologics, Inc.

By: [Signature]

Name: Mark Caswell
Title: Head of Engineering and Facilities
MOTION

Director Fournier:

The Pease Development Authority ("PDA") Board of Directors authorizes the Executive Director to complete negotiations with the City of Rochester and to seek a release from the Federal Aviation Administration ("FAA") to execute an Easement Deed, and such other documentation as he and General Counsel determine shall be necessary or appropriate, to provide a water/sewer utility easement across/under land of the PDA located at Route 108, 290 Rochester Hill Road, in exchange for fair market value consideration; all in accordance with the Memorandum of Andrew Pomeroy, Manager, Aviation Planning and Regulatory Compliance, dated January 13, 2021, attached hereto.

NOTE: Roll Call vote required.
Memo

To: Paul Brean, C.M., Executive Director

From: Andrew Pomeroy, C.M., Manager Aviation Planning and Regulatory Compliance

cc: File

Date: January 13, 2021

Re: City of Rochester, Utility Easement

The Pease Development Authority, Airport Management Department requests Board of Directors approval to complete negotiations with the City of Rochester and to request a non-aeronautical use waiver from FAA Airports Division to accommodate a City of Rochester request for an underground utility easement through the former DuPont property off Innovation Drive in Rochester, NH, consistent with the attached easement plan.

The property was purchased by the PDA using FAA AIP Funds as it lies in the Skyhaven Airport’s Runway Protection Zone (RPZ). The Runway 33, Approach Lighting System also runs through this property. The City of Rochester has requested an easement through this property to install water and sewer lines to supply/service a commercial development in the adjacent Rochester Hill Road, Granite State Business Park. The airport has examined the plans and sees no negative impacts of this construction on the airport or its interests.

The City of Rochester has provided a third party fair market value assessment for the property easement, a copy of which is attached hereto. The City will pay the PDA the appraised fair market value for the easement and for its construction of the lines using the City’s TIF funds. Staff believes this agreement will enhance the excellent partnership the airport has maintained with the City of Rochester.

For these reasons, I ask that you seek Board of Directors’ approval at their January 21st meeting, to complete negotiations with the City of Rochester for the transfer of the requested easement for fair market value consideration and to seek FAA and NH DOT Aeronautics Division approval of the necessary non-aeronautical use and grant assurance waivers to support the City in this project.
REAL ESTATE APPRAISAL REPORT

OF

PEASE DEVELOPMENT AUTHORITY
290 ROCHESTER HILL ROAD
ROCHESTER, NEW HAMPSHIRE

OUR PROJECT FILE #7.042

PROPERTY TYPE: INDUSTRIAL ZONED LAND WITH EASEMENTS

PREPARED FOR

MICHAEL SCALA
DIRECTOR OF ECONOMIC DEVELOPMENT
CITY OF ROCHESTER
33 WAKEFIELD STREET
ROCHESTER, NH 03867

PREPARED BY

FREMEAU APPRAISAL, INC.
11 STARK STREET
MANCHESTER, NEW HAMPSHIRE

NOVEMBER 29, 2020 – EFFECTIVE DATE
Dear Mr. Scala:

As requested, we have prepared the attached Appraisal Report for the purpose of estimating the “Before” and “After” market values of the fee simple interest in the above referenced property (land only) as of November 29, 2020, the date the property was formally inspected by B. Alec Jones. Joseph G. Fremeau did not inspect the property. The intended use of this appraisal is to assist the City of Rochester in its determination of just compensation due the property for the partial Acquisition of a permanent utility easement (water and sewer) under and across the above referenced Pease Development Authority property as discussed herein.

This appraisal was prepared in conformance with Standards Rule 2 of the Uniform Standards of Professional Appraisal Practice (USPAP 2020-2021 Edition) for an Appraisal Report, and the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA - 2016 Edition).

The property, which hereinafter is referred to as the subject, consists of a level to rolling rectangular shaped parcel of land within Skyhaven Airport’s Runway Protection Zone (RPZ) containing 7.93± acres, all of which is encumbered by an avigation easement and flight clearance easement as shown on enclosed plans. Much of the site consists of open meadows, but northern sections are wooded. Various portions of the lot are impacted by wetlands. The site is improved with two small storage structures (2-car garage/pole barn and shed), plus there is a fence-enclosed airport related pole-mounted Omni-Directional Approach Light System (ODALS) fixture that is part of the Runway 33 Approach Light System. *None of the improvements were inspected, and none are valued within this report.*

The subject property is located along the NH Route 108 corridor at the entrance into an established industrial park known as Granite State Business Park which borders Skyhaven Airport on two sides. The neighborhood is located three miles southeast of Rochester’s Central Business District, and ½ mile northwest of the Somersworth city line. The neighborhood is developed with a
mix of professional and medical offices, industrial uses, and residential uses — including single family homes and multi-family apartment buildings. The average daily traffic count along Rochester Hill Road/ NH Route 108 ranges generally between 12,000-16,000 vehicles per day. The property is zoned General Industrial and falls within the city’s Aviation Overlay District.

This appraisal includes the following Hypothetical Conditions: (1) that the project does not exist in the “Before” analyses; (2) that the project has been completed per the plans in the “After” analyses; and (3) that the subject property consists of vacant land only, with no consideration given to existing yard improvements (for reasons discussed within the report and summarized below).

Due to easement and other restrictions any future development of the property is reportedly limited to equipment or expansion of the runway approach lighting system or instrument approach systems, or storage facilities compatible with the RPZ and obstruction clearance criteria. The property’s highest and best use before the proposed Acquisition by the City is as an industrial zoned lot encumbered with an avigation easement and flight clearance easement having significant restrictions that limit development thereon. An Extraordinary Assumption of this appraisal is that at least 50% of the site could accommodate some type of development that would be acceptable to and approved by the City and the Airport. Utilities servicing the subject business park include municipal water and sewer, natural gas, electricity, cable, and telephone.

The City proposes to encumber the subject parcel with a permanent utility easement for water and sewer that would be extended from airport land under and across Lot 242-1, under Innovation Drive, and under and across the subject property onto adjacent land owned by the city (Map 255, Lot 21-1) for the purpose of servicing future development on several nearby city-owned lots. The proposed easement is 50' in width by 313.87' in length, encumbering 15,769± SF (0.36± acre).

Work to be performed on-site by the City After The Acquisition includes the following:

  o Extend utilities underground across the lot in a southeasterly direction
  o Restore disturbed areas

Based on a review of enclosed plans, there is no fee Take, and so the lot area remains the same After The Acquisition as Before The Acquisition, namely 7.93± acres. In addition there is no impact to any existing structure or yard improvement resulting from the Acquisition.

It is our opinion that the Acquisition does not significantly affect the property’s overall utility, and the property’s highest and best use remains the same After the Acquisition as Before the Acquisition. It is also our opinion that the effects of the Acquisition on the subject would be immeasurable in the market, and that in all likelihood a purchaser of the appraised property would pay the same amount Before and After the Acquisition assuming implementation and completion of work to be performed by the City. Thus, no damages to the property are concluded. As a result, this appraisal reports our opinion of the market value of the subject lot as vacant (land only) in order to estimate the Pro Rata Value of the Part Taken.
The Sales Comparison Approach has been used to value the subject lot because this is the most typical method of valuing vacant land. The Cost Approach was not used because this analysis does not consider existing building/yard improvements, and the Income Approach was not used because properties like the subject (i.e. the vacant land) are not typically leased in the market.

This appraisal assumes that no hazardous waste or environmental problems associated with hazardous waste are present on the subject site, and no environmental site assessment was provided for this assignment. Furthermore, it is assumed that no hazardous waste or associated problems exist on the abutting properties that would impact on the subject property.

Attached is the Appraisal Report which describes our investigation and analyses, together with the Certification, Assumptions and Limiting Conditions, Hypothetical Conditions, and Extraordinary Assumption. Based on this it is our opinion that the Before and After market values (land only) of the Pease Development Authority property at 290 Rochester Hill Road / NH Route 108 in Rochester, NH (Tax Map 255, Lot 17), as part of the City of Rochester Sewer Main project at Skyview Airport, as of November 29, 2020, together with the Damage to the property and the Pro Rata Value of the Acquisition, are as follows:

MARKET VALUE BEFORE ACQUISITION (LAND ONLY).......................... $120,000
MARKET VALUE AFTER ACQUISITION (LAND ONLY).......................... $120,000
DAMAGE.......................... $0
PRO RATA VALUE OF THE ACQUISITION.......................... $3,000

Respectfully Submitted,

FREMEAU APPRAISAL, INC.

Joseph G. Fremeau, MAI
NHCG-89
President
MEMORANDUM

TO: Pease Development Authority Board of Directors
FROM: Paul E. Brean, Executive Director
RE: Lease Reports
DATE: January 12, 2021

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

A. Tenant: Prosperity Realty, LLC d/b/a Exit Realty Prosperity
   Space: 645 square feet
   Use: Office and Related Use
   Term: Commencing December 1, 2020 and continue for twenty-four (24) months

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.

   Space: 5,800 square feet
   Use: General Office Uses
   Term: Commencing February 1, 2021 through June 30, 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 Lamson was consulted and granted her consent.
MEMORANDUM

To: Pease Development Authority Board of Directors
From: Paul E. Brean, Executive Director
Date: January 12, 2021
Re: Sublease between 30 International Drive, LLC and Prosperity Realty, LLC d/b/a Exit Realty Prosperity

In accordance with the “Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements” adopted by the Board on August 8, 1996, I am pleased to report that PDA has approved of a sublease between 30 International Drive, LLC (“30 International”) Prosperity Realty, LLC d/b/a Exit Realty Prosperity (“Prosperity”) for 645 square feet for a period of twenty-four (24) months, effective December 1, 2020. Prosperity will use the premises for professional office and related uses.

The Delegation to Executive Director: Consent, Approval of Sub-subleases provides that:

“A Sub-sublease Agreement subject to this delegation of authority shall not be consented to, approved or executed unless all of the following conditions are met:

1. The use of the Subleased Premises associated with the sublease is permitted under the original sublease;
2. The sublease is consistent with the terms and conditions of the original Lease;
3. The original Lessee remains primarily liable to Lessor to pay rent and to perform all other obligations to be performed by Lessee under the original Lease; and
4. The proposed Sublessee is financially and operationally responsible.”

Conditions one through three have been met. As to condition four, PDA relies on 30 International’s continued primary liability for payment of rent and other obligations pursuant to the PDA/30 International Sublease.

The Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements also requires the consent of one member of the PDA Board of Directors. In this instance, Director Lamson was consulted and granted her consent.
NOTICE OF CONSENT

This NOTICE OF CONSENT ("Notice") is given by the PEASE DEVELOPMENT AUTHORITY ("Lessor") to 30 INTERNATIONAL DRIVE, LLC ("Lessee"). Lessor and Lessee may be referred to jointly as the "Parties."

RECITALS

A. The Parties entered into a Lease for 30 International Drive at Pease International Tradeport on July 1, 1997 (the "Lease").

B. Section 19.3 of the Lease states that Lessor shall not unreasonably withhold its consent to Lease if:
   1. the use of the Subleased Premises associated with the Lease is permitted under the original Lease;
   2. the Sublease is consistent with the terms and conditions of the original Lease;
   3. the original Lessee remains primarily liable to Lessor to pay rent and to perform all other obligations to be performed by Lessee under the original Lease; and
   4. the proposed Sublessee is financially and operationally responsible.

C. Lessee has requested authorization to sublease approximately 645 square feet (Suite 204) within the Leased Premises at 30 International Drive to Prosperity Realty, LLC d/b/a Exit Realty Prosperity ("Prosperity"), a limited liability company.

D. The proposed sublease to Prosperity is for professional office and related uses.

TERMS AND CONDITIONS

1. Lessor hereby authorizes Lessee to execute the sublease, attached hereto as Exhibit A, with Prosperity for approximately 645 square feet within the Leased Premises.

2. Upon execution of the sublease with Prosperity, Lessee shall provide Lessor with a copy of the executed sublease, copies of all required insurance certificates and a certificate of good standing from the State of New Hampshire for Prosperity.

3. Lessee hereby agrees that occupancy shall be subject to the issuance of a Certificate of Occupancy as may be required in accordance with PDA Zoning Regulations, Section 315.03(a).
4. Lessee hereby agrees and affirms that it shall remain primarily liable to Lessor to pay rent and to perform all other obligations to be performed by Lessee under the original Lease.

This Notice of Consent is executed, effective this 13th day of January, 2020 by the Pease Development Authority.

PEASE DEVELOPMENT AUTHORITY

By: [Signature]
Its: Executive Director

AGREED AND ACCEPTED

30 INTERNATIONAL DRIVE, LLC

By: [Signature]
Its: Manager

1/5/21
Date
EXHIBIT “A”

SUBLEASED PREMISES
SUBLEASE

between

30 INTERNATIONAL DRIVE, LLC
as "SUBLESSOR"

And

PROSPERITY REALTY, LLC
DBA EXIT REALTY PROSPERITY
As "SUBLESSEE"

Office Space
at
30 International Drive
Pease International Tradeport
Portsmouth, New Hampshire

Revised 1-30-07
MEMORANDUM

To: Pease Development Authority Board of Directors
From: Paul E. Brean, Executive Director
Date: January 12, 2021

In accordance with the "Delegation to Executive Director: Consent, Approval of Subleases" adopted by the Board on August 8, 1996, I am pleased to report that PDA has approved of a sublease between Pioneer New Hampshire, LLC ("Pioneer") and FlexEnergy Energy Systems Inc. ("FlexEnergy") for 5,800 square feet located at 112 Corporate Drive. The Pioneer/FlexEnergy Sublease shall commence February 1, 2021 through June 30, 2024 and will use the Subleased Premises for general office uses.

The Delegation to Executive Director: Consent, Approval of Subleases provides that:

"A Sublease Agreement subject to this delegation of authority shall not be consented to, approved or executed unless all of the following conditions are met:

1. The use of the Subleased Premises associated with the sublease is permitted under the original Lease;
2. The sublease is consistent with the terms and conditions of the original Lease;
3. The original Lessee remains primarily liable to Lessor to pay rent and to perform all other obligations to be performed by Lessee under the original Lease; and
4. The proposed Sublessee is financially and operationally responsible."

Conditions one through three have been met. As to condition four, PDA relies on Pioneer’s continued primary liability for payment of rent and other obligations pursuant to the PDA/Pioneer Lease.

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.
NOTICE OF CONSENT

This NOTICE OF CONSENT ("Notice") is given by the PEASE DEVELOPMENT AUTHORITY ("Lessor") to PIONEER NEW HAMPSHIRE LLC ("Lessee"). Lessor and Lessee may be referred to jointly as the "Parties."

RECITALS

A. The Parties entered into a Lease for 108 - 114 Corporate Drive, Pease International Tradeport effective December 1, 1999 (the "Lease").

B. Section 19.3 of the Lease states that Lessor shall not unreasonably withhold its consent to sublease if:

1. the use of the Subleased Premises associated with the Lease is permitted under the original Lease;
2. the sublease is consistent with the terms and conditions of the original Lease;
3. the original Lessee remains primarily liable to Lessor to pay rent and to perform all other obligations to be performed by Lessee under the original Lease; and
4. the proposed Lessee is financially and operationally responsible.

C. Lessee has requested authorization to sublease approximately 5,800 square feet (Unit 3A) within the Leased Premises at 112 Corporate Drive to FlexEnergy Energy Systems, Inc. ("FlexEnergy"), a Delaware Corporation.

D. The proposed sublease to FlexEnergy is for general office use.

TERMS AND CONDITIONS

1. Lessor hereby authorizes Lessee to execute the sublease, attached hereto as Exhibit A, with FlexEnergy for approximately 5,800 square feet within the Leased Premises.

2. Upon execution of the sublease with FlexEnergy, Lessee shall provide Lessor with a copy of the executed sublease, copies of all required insurance certificates and a certificate of good standing from the State of New Hampshire for FlexEnergy.

3. Lessee hereby agrees that occupancy shall be subject to the issuance of a Certificate of Occupancy as may be required in accordance with PDA Zoning Regulations, Section 315.03(a).

4. Lessee hereby agrees and affirms that it shall remain primarily liable to Lessor to pay rent and to perform all other obligations to be performed by Lessee under the original Lease.
This Notice of Consent is executed, effective this 12th day of January, 2021 by the Pease Development Authority.

PEASE DEVELOPMENT AUTHORITY

By: [Signature]
Its: Executive Director

AGREED AND ACCEPTED

PIONEER NEW HAMPSHIRE, LLC

By: [Signature]
Its: [Position]
EXHIBIT "A"

SUBLEASED PREMISES
SUBLEASE
BETWEEN
PIONEER NEW HAMPSHIRE LLC
AS “SUBLESSOR”
AND
FLEXENERGY ENERGY SYSTEMS, INC.
AS “SUBLESSEE”
MOTION

Director Anderson:

The Pease Development Authority ("PDA") Board of Directors hereby approves the concept plan for Lonza Biologics, Inc.'s request to construct a two-story addition located near the existing loading docks at the premises located at 101 International Drive, to be utilized as a Column Packing Room, with approximately 1,146 square feet on the lower level and approximately 2,206 square feet on the upper level; all on terms and conditions set forth in the memorandum of Maria J. Stowell, P.E., Manager – Engineering, dated January 12, 2021 attached hereto.

NOTE: Roll Call vote required.
MEMORANDUM

To: Paul E. Brean, Executive Director
From: Maria J. Stowell, P.E., Engineering Manager
Date: January 12, 2021
Subject: Lonza Column Packing Room Addition

We recently received a request from Lonza to approve a building expansion project. The project consists of a small addition at the rear of its 101 International Drive building near existing loading docks. The construction would add a two-story structure, as shown on the attached rendering, with approximately 1146 square feet on the lower level and approximately 2206 square feet on the upper level. The space, called a column packing room, would assist Lonza in its process of filling cylindrical tanks with resins and other materials to be used in the manufacturing process.

Requests for building additions are first brought to the PDA Board for approval as landlord. If the Board approves of the project, in concept, the project is typically forwarded to the municipality, in this case Portsmouth, for site review.

After reviewing the Lonza proposal, I have determined that the request is potentially eligible for administrative site review. A 1993 Board interpretation of the PDA Land Use controls provides for administrative review when a proposed building addition or site changes are considered unlikely to have impact on traffic, safety or intensity of use.

The proposed addition is small, especially when compared to the size of the existing facility. (See attached exhibits.) The expansion area is currently impervious and the construction will not affect site runoff. The new space will accommodate tasks that currently take place elsewhere in the building and there is no impact on intensity of use. For these reasons, I believe administrative site review is appropriate.

At the January 21st Board meeting, please ask the Board to approve, in concept, Lonza’s proposal to construct the Column Packing Room addition as described herein. Absent any new information, site review for the project will be limited to administrative review.
NEW BUILDING EXPANSION PERSPECTIVE
MOTION

Director Lamson:

The Pease Development Authority ("PDA") Board of Directors hereby authorizes the Executive Director to negotiate and execute contracts for the provision of PDA’s on-call Airport Architectural and Engineering Services in compliance with current FAA guidelines, with:

a) Jacobs Engineering Group, Inc.;
b) Hoyle Tanner & Associates, Inc.;
c) McFarland–Johnson, Inc.; and
d) Stantec Consulting Services, Inc.

The contract with each consultant will be for a period of three (3) years with one (1) additional two (2) year option period exercisable at the Executive Director's sole discretion; all in accordance of the memorandum of Maria J. Stowell, P.E., Manager – Engineering, dated January 7, 2021, attached hereto.

Note: Roll call vote required.
MEMORANDUM

To: Paul E. Brean, Executive Director
From: Maria Stowell, P.E., Manager, Engineering
Date: January 7, 2021
Subject: Airport Architectural & Engineering Consultant

For the past five years, PDA has held contracts with three engineering firms who have provided on-call Airport Engineering and Planning Services. Last fall, in anticipation of the contract expirations, the Engineering Department advertised a Request for Qualifications to provide airport related services. Six firms responded by providing Statements of Qualifications, which were reviewed by an evaluation committee consisting of Michael Mates, Engineering Project Manager, Andrew Pomeroy, Manager of Aviation Planning and Regulatory Compliance, and me. Each submission was ranked using an evaluation matrix. From this ranking we were able select firms we believe are the best qualified to complete projects that are programmed for the next five years.

The current selection process differs from past exercises in that, rather than select consultants to be retained and then assigned to a project at a later date, the consultant is paired with a project at the time of selection. The change in process was made to comply with current FAA guidelines.

While the submittals of all respondents displayed skill and expertise in their work, the evaluation committee recommends the following firms be engaged to provide services as listed:

<table>
<thead>
<tr>
<th>Project</th>
<th>Engineering Firm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replace Airport Pavements - PSM</td>
<td>Hoyle, Tanner &amp; Associates, Inc.</td>
</tr>
<tr>
<td>Replace Airport Pavements - DAW</td>
<td>Jacobs Engineering Group, Inc.</td>
</tr>
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<td>Terminal Expansion - PSM</td>
<td>McFarland-Johnson, Inc.</td>
</tr>
<tr>
<td>Aircraft Deicing Operations - PSM</td>
<td>Stantec Consulting Services, Inc.</td>
</tr>
<tr>
<td>Wildlife Perimeter Fencing – DAW</td>
<td>Jacobs Engineering Group, Inc.</td>
</tr>
<tr>
<td>Snow Removal Equipment Building – PSM</td>
<td>McFarland-Johnson, Inc.</td>
</tr>
<tr>
<td>Snow Removal Equipment Acquisition – PSM &amp; DAW</td>
<td>Jacobs Engineering Group, Inc.</td>
</tr>
<tr>
<td>Fuel Storage - PSM &amp; DAW</td>
<td>Stantec Consulting Services, Inc.</td>
</tr>
<tr>
<td>Stormwater Treatment - PSM</td>
<td>Hoyle, Tanner &amp; Associates, Inc.</td>
</tr>
<tr>
<td>Stormwater Treatment - DAW</td>
<td>Jacobs Engineering Group, Inc.</td>
</tr>
</tbody>
</table>

In making these recommendations, we strived to choose the firms that provided the best submittal, possessed the best expertise, and ultimately would be the most effective and most efficient in helping the staff fulfill the airports' potential. The list of firms includes the three consultants that have previously held on-call contracts with PDA: Hoyle, Tanner; Jacobs Engineering; and, McFarland-Johnson. These consultants possess an in-depth, historical knowledge of the advertised projects that is difficult to match.
More importantly, the consultants have provided exceptional services on the projects that they have executed. We are also recommending Stantec for fuel storage and deicing projects. We believe that Stantec’s submittal was best in demonstrating expertise in these fields.

In addition to the major projects staff is forecasting over the next 5 years, we will need on-call consulting services to assist us with other tasks that arise from time to time. These may include updating drawings and maps for the airports’ security and certification manuals, and general consulting, such as third party reviews of development proposals. This will require entering into on-call contracts with the four recommended firms.

At the January Board Meeting, please seek approval to select the above-listed firms as PDA’s on-call airport architectural and engineering services consultants for a period of three years with the option to extend the contract period two years at the end of the original three year period. Also please seek concurrence to match the consultants to the projects as indicated in this memo. Approvals for the specific project contracts will be brought to the Board at the time that the projects are scheduled to be implemented.

Please note that this RFQ was limited to Architectural/Engineering type services. For any planning services, as such services are defined in FAA Advisory Circular 150/5100-14E, a separate RFQ and selection process will be required.
MOTION

Director Ferrini:

The Pease Development Authority ("PDA") Board of Directors authorizes the Executive Director to enter into a Cooperative Service Agreement with the United States Department of Agriculture Animal and Plant Health Inspection Service and Wildlife Services (USDA / WS), to continue its integrated wildlife control and monitoring duties at Portsmouth International Airport at Pease (PSM) and Skyhaven Airport (DAW), for the period of January 1, 2021, through December 31, 2021, in the amount of $30,913.10; any taking of wildlife at Pease will be confined within the airport perimeter fence and be in compliance with Federal and State permits; all in accordance with the memorandum of Andrew B. Pomeroy, Manager Aviation Planning and Regulatory Compliance, dated January 7, 2021, and 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. the PDA has a long standing relationship with USDA/WS stemming back to the time the PDA was formed;
2. as part of that relationship the USDA/WS has maintained ongoing wildlife surveys, with data dating back to its first work at Pease and PDA does not believe it is advisable to interrupt this historical data stream;
3. the USDA/WS conducts training classes for PDA Airport Operations Personnel on Airport Wildlife Hazard Management to meet 14 CFR 139 requirements; and
4. the USDA/WS is the FAA recognized federal authority for airport wildlife hazard management and training.

Note: Roll Call vote required. Motion requires 5 affirmative votes.
In accordance with USDA/WS responsibilities under 7 U.S. Code 426-426c, 46 Statute 1468, USDA/WS and the FAA have entered into a Memorandum of Understanding (No. 12-34-71-0003-MOU) establishing the USDA/WS as the recognized authority on wildlife hazard management at airports.

The PDA entered into contract with USDA/WS for airport wildlife hazard management services. The contract expired on December 31, 2020. It is important that these efforts continue to ensure the safety of the flying public, as well as maintaining compliance with 14 CFR part 139.

The USDA has proposed a new contract through CY21 in the amount of $30,913.10. This new cooperative services agreement represents a significant increase in services provided by USDA Wildlife Services to the airport (see attached letter from Carrie Stengel, Wildlife Biologist NH Wildlife Services).

Most significantly, the new contract provides for full time, year round airfield coverage by a dedicated wildlife biologist where the previous contract only provided coverage a couple days a week for a few months a year. This new agreement incorporates the provisions of the long standing USDA Wildlife Services Agreement, including woodchuck control, wild turkey control, as well as large bird and mammal control to include trapping of coyotes, fox and raptors. The contract includes the use of wildlife mitigation techniques, equipment, and training of airport staff. The $30,913.10 contract amount is a $9,205.39 increase over last year, for more than twice the coverage and represents the PDA’s share of the cost of the agreement. The remaining 70% will be funded by a cooperative agreement with the New Hampshire Air National Guard (NH ANG).

The collaborative efforts of the airport staff, NH ANG and USDA/WS have been very successful. As the airport gets busier and our passenger numbers increase we need to enhance the program to ensure the continued safety of the airfield and the flying public. I recommend that the PDA accept the attached proposal as presented.

In accordance with the provisions of RSA 12-G:8 VIII, we recommend waiving the RFP requirement for the following reasons: the PDA has a long standing relationship with USDA/WS stemming back to the time the PDA was formed; as part of that relationship the USDA/WS has maintained ongoing wildlife surveys, with data dating back to its first work at Pease and PDA does not want to interrupt this data stream; the USDA/WS conducts training classes for PDA Airport Operations Personnel on Airport Wildlife Hazard Management to meet 14 CFR 139 requirements; and the USDA/WS is the FAA recognized federal authority for airport wildlife hazard management and training. In addition this agreement is a cost share with our partners at the NH ANG.
I request that you seek the Board of Directors' approval at its January 21, 2021 meeting to waive the RFP requirement and enter into a cooperative service agreement with the United States Department of Agriculture Animal and Plant Health Inspection Service and Wildlife Services, to continue its integrated wildlife control and monitoring duties. Any taking of wildlife will be in compliance with Federal and State permits. The contract’s effective date is January 1, 2021 and it will expire December 31, 2021. Attached is a copy of the proposed agreement.
PSM's Justification for Budget Increase in the 2021 USDA Wildlife Services Budget

The primary objective of PSM Airport Manager is to provide safe air carrier operations to arriving and departing aircraft in the vicinity of PSM, including potential wildlife hazards on and around the airport with particular emphasis on wildlife within 2 miles of the airfield (critical zone).

Wildlife Services has been assisting the Pease Development Authority with wildlife management and hazard reduction at PSM for more than 20 years. WS initially performed a year-long wildlife monitoring study entitled, *An Ecological Study of Bird Hazards at Pease International Tradeport, 1995-1996* assessing wildlife hazards and providing recommendations for reducing hazards to aviation in the mid-1990s and began minimal direct control wildlife harassment and removal in 2001. In the two decades between 2001 and 2020 PSM has slowly increased funding to reduce wildlife hazards to aviation from $2,500-$21,707. In that time WS has expanded the program from turkey harassment and woodchuck den fumigation only to now include raptor trapping and relocation, turkey trapping and relocation, canid and beaver management, extensive woodchuck control, habitat alteration, and reduction of wildlife hazards at offsite locations adjacent to the airport, although only on a part-time, seasonal basis.

Since 2004, the cost of WS wildlife monitoring and hazard reduction program has been funded in a roughly equal 50/50 cost share between NH Air National Guard (NHANG) and PSM providing coverage approximately two days per week from mid-April through late October of each year. Over the last five years PSM and NHANG personnel have expressed a strong interest in having year-round coverage at PSM. In October 2020, WS received increased funding from NHANG to assist with funding a fulltime employee at Pease.

To meet the objectives of the PSM WHMP and provide cost share funding with the NHANG the USDA Wildlife Services is asking PSM to increase the 2021 USDA WS budget from $21,707 to $30,903.10 in a 30/70 split with NHANG, with NHANG funding 70% of the cost of WS wildlife monitoring, harassment and removal program at PSM. This increase will provide funding for fulltime, year-round wildlife management significantly increasing USDA WS staff time at PSM.

Increase funding in 2021 will expand WS capability to reduce wildlife hazards to aviation at PSM and. A certified WS airport specialist, trained in airport safety and wildlife mitigation techniques, will be stationed on the airfield year-round to conduct day-to-day wildlife mitigation, training, and communication, as well as implement wildlife plans and monitoring activities. The specialist's objective is to reduce the threat of potential strikes and damage involving wildlife and prevent wildlife damage to civilian and military aircraft and personnel, and civilian passengers along with the airport's infrastructure. An on-going wildlife hazard management program will provide the greatest protection to aviation resources by reducing wildlife abundance and activity on and surrounding the airfield.

WS will take assist PSM in the implementation of the airports current WHMP. WS will conduct wildlife monitoring, harassment and direct control efforts on the airfield which may include but is
not limited to, trapping, shooting, chemical application, habitat modifications, wildlife
translocation, and exclusion. Wildlife control measures will be used to protect human health and
safety and reduce hazards to aircraft and property by using an integrated wildlife damage
management approach. Land features will be examined (e.g., brushy areas, natural water areas,
water impoundments, perch trees, etc.) to ascertain if they contribute or attract wildlife to the
airfield. The specialist will collect and analyze airport strike data to identify hazardous species and
areas, implement habitat modification along with applying direct control measures, when needed.
WS will work with adjacent landowners to reduce the local threat of wildlife species when it
benefits PSM and NHANG. These relationships will help identify off-site hazards and allow WS to
address and/or alert PSM of such hazards in a timely manner. An example of this was the
monitoring of off airfield sites for turkeys and the subsequent trapping and relocation of turkeys
from airport adjacent property. Trapping of turkeys, predators and raptors will increase with
increased funding. The WS specialist will make regular airfield patrols to identify animal entry
points, attractants, and to identity raptor perches. Regular pyrotechnic harassment and limited
lethal control to reinforce non-lethal deterrents will be conducted by WS.

WS will provide training to airport personnel about identifying wildlife, managing wildlife at
airfields, identifying wildlife habitat, and how to collect and report wildlife strikes. Training will
consist of structured classes, airfield tours, or instructional session when wildlife threats are
observed.

Maintaining a fulltime wildlife specialist will continue to open critical lines of communication
between PSM, NHANG, USFWS, NHFG, Air Traffic Control, pilots, and other airport operators.
This information transfer will help WS identify and address on and off-site hazards and alert
airport operations regarding immediate wildlife hazards. Communication with pilots will help
locate potential off-site hazards and allow WS to work with off-site landowners on mitigation
techniques.

Mitigation measures will be assessed by WS and prioritized placing aviation safety as top priority.
Raptor trapping and translocation will increase during spring and fall migrations. Technical
assistance will also be provided to PSM staff, as well as airfield tenants to help alleviate wildlife
attractants and damage, such as the implantation of a no feeding policy. The timing of control
activities will coincide with periods of increased wildlife activities or movements and be enhanced,
as needed in response to increased presence noted through monitoring. In addition, WS will be able
to address unforeseen wildlife conflicts using the appropriate monitoring, harassment, or removal
techniques in a timely fashion. Federal and state permit acquisition assistance will be provided.
Currently, WS is the only entity in New Hampshire permitted by the state Fish and Game
Department to use trap and relocate turkeys and one of a few entities permitted to trap and relocate
raptors.

WS will provide all resources necessary for the accomplishment of the program including
personnel, equipment, supplies and other support materials. All wildlife removal activities will be
conducted in accordance with the applicable Federal or State permits. WS will assist PSM in
renewing or amending, if necessary, the appropriate USFWS or State depredation permits. WS
will provide PSM (and other interested parties) training and a summary report, to include
recommendations to improve the integrated harassment activities. WS will participate in all
relevant wildlife hazard meetings, FAA meetings, review future and current construction plans for
wildlife attractants and provide regular wildlife hazard updates to both the civil and military sides
of airfield operations.
Example of Results from Increased NHANG Funding Starting October 1, 2020:
Increased funding from NHANG has already proven to reduce hazards at PSM through increased WS presence on the Airfield. In federal fiscal year FY20 (10/1/19-09/30/20), WS staff trapped and relocated 5 red-tailed hawks due to limited time and funding. In the first 3 months of FY21 (10/1/20-01/5/2021) WS staff have trapped and relocated 20 red-tailed hawks, 2 Copper’s hawks, and 1 sharp-shinned hawk significantly reducing bird strike risk from large raptors. With increased funding from PSM and fulltime coverage we anticipate further reductions in hazards to aviation.

Increased Funding Breakdown:
- WS Staff hours-year-round coverage (minus holidays and scheduled leave)
- Increased raptor trapping and relocation in spring, fall, and winter
- Increased turkey trapping and relocation at on and off-site locations
- Pigeon and starling removal
- Increased presence on airfield from bird harassment and removal, small and large mammal removal
- Weekly wildlife surveys and monitoring
- Night surveys with FLIR and night vision goggles
- Increased vehicle use-fuel
- Equipment and supplies-ammunition, pyrotechnics, gas cartridges (den fumigation), balcharti, Swedish goshawk, cage, and foothold traps-airport dedicated
- Snarge collection and submittal to Smithsonian Feather lab
- Assistance with depredation permits
- Attendance at FAA or other meetings as requested
- Fence line monitoring for wildlife ingress

Please let me know if you have any questions regarding the increase.

Best Regards.

Carrie Stengel
NH Wildlife Services
603.520.8941
COOPERATIVE SERVICE AGREEMENT
between
PEASE DEVELOPMENT AUTHORITY (PDA) and
UNITED STATES DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE (APHIS)
WILDLIFE SERVICES (WS)

ARTICLE 1 – PURPOSE

The purpose of this Cooperative Service Agreement is to conduct an integrated wildlife hazard management and monitoring project with an emphasis on reducing wildlife threats to aviation within the Air Operations Area (AOA) at the Pease International Tradeport facility Portsmouth, NH. The project’s objective is to reduce the threat of strikes involving wild birds and mammals and to prevent wildlife damage to air traffic and air passengers. WS activities are described in attached Work and Financial Plans.

ARTICLE 2 – AUTHORITY

APHIS-WS has statutory authority under the Acts of March 2, 1931, 46 Stat. 1468-69, 7 U.S.C. §§ 8351-8352, as amended, and December 22, 1987, Public Law No. 100-202, § 101(k), 101 Stat. 1329-331, 7 U.S.C. § 8353, to cooperate with States, local jurisdictions, individuals, public and private agencies, organizations, and institutions while conducting a program of wildlife services involving mammal and bird species that are reservoirs for zoonotic diseases, or animal species that are injurious and/or a nuisance to, among other things, agriculture, horticulture, forestry, animal husbandry, wildlife, and human health and safety.

ARTICLE 3 - MUTUAL RESPONSIBILITIES

APHIS WS and PDA mutually agree:

1. APHIS-WS shall perform services set forth in the Work Plan, which is attached hereto and made a part hereof. The parties may mutually agree in writing, at any time during the term of this agreement, to amend, modify, add or delete services from the Work Plan.

2. The PDA certifies that APHIS-WS has advised the PDA there may be private sector service providers available to provide wildlife damage management (WDM) services that the PDA is seeking from APHIS-WS.

3. There will be no equipment with a procurement price of $5,000 or more per unit purchased directly with funds from the cooperator for use on this project. All other equipment purchased for the program is and will remain the property of APHIS-WS.
3. The cooperating parties agree to coordinate with each other before responding to media requests on work associated with this project.

ARTICLE 4 — PDA RESPONSIBILITIES

PDA agrees:

1. To designate the following as the authorized representative who shall be responsible for collaboratively administering the activities conducted in this agreement:

   Paul Brean, Executive Director
   Pease International Tradeport
   55 International Drive
   Portsmouth, NH 03801
   p.brean@peasedev.org
   603 433-6088

2. To authorize APHIS-WS to conduct direct control activities as defined in the Work Plan. APHIS-WS will be considered an invitee on the lands controlled by the PDA. PDA will be required to exercise reasonable care to warn APHIS-WS as to dangerous conditions or activities in the project areas.

3. To reimburse APHIS-WS for costs, not to exceed the annually approved amount specified in the Financial Plan. If costs are projected to exceed the amount reflected in the Financial Plan, the agreement with amended Work Plan and Financial Plan shall be formally revised and signed by both parties before services resulting in additional costs are performed. The Cooperator agrees to pay all costs of services submitted via an invoice from APHIS-WS within 30 days of the date of the submitted invoice(s). Late payments are subject to interest, penalties, and administrative charges and costs as set forth under the Debt Collection Improvement Act of 1996.

4. To provide a Tax Identification Number or Social Security Number in compliance with the Debt Collection Improvement Act of 1996.

5. As a condition of this agreement, the Cooperator ensures and certifies that it is not currently debarred or suspended and is free of delinquent Federal debt.

6. To notify APHIS-WS verbally or in writing as far in advance as practical of the date and time of any proposed meeting related to the program.

7. The Cooperator acknowledges that APHIS-WS shall be responsible for administration of APHIS-WS activities and supervision of APHIS-WS personnel.

8. To obtain the appropriate permits for removal activities for species listed in the Work Plan and list USDA, APHIS, Wildlife Services as subpermittees.
9. To designate airport staff to conduct bird harassment activities that will be trained by WS to apply techniques to effectively keep birds from using the AOA when WS personnel are not present at the facility.

10. To provide an indoor working space to complete necessary paperwork.

11. The Cooperator will not be connected to the USDA APHIS computer network(s).

ARTICLE 5 – APHIS-WS RESPONSIBILITIES

APHIS-WS Agrees:

1. To designate the following as the APHIS-WS authorized representative who shall be responsible for collaboratively administering the activities conducted in this agreement.

   David Allaben, State Director, NH/VT
   USDA, APHIS, WS
   59 Chenell Drive, Suite 7
   Concord, NH 03301-8548
   david.j.allaben@usda.gov
   603 223-6832

2. To conduct activities at the Pease International Tradeport as described in the Work and Financial Plans. All APHIS-WS activities except monitoring will be conducted solely inside the airport perimeter fence as detailed in the Work and Financial Plans. APHIS-WS could potentially conduct future non-lethal harassment activities at identified and approved sites outside the airport perimeter fence upon approval by PDA if it is determined necessary. APHIS-WS will provide qualified personnel and other resources necessary to implement the approved WDM activities delineated in the Work Plan and Financial Plan of this agreement.

3. That the performance of wildlife damage management actions by APHIS-WS under this agreement is contingent upon a determination by APHIS-WS that such actions are in compliance with the National Environmental Policy Act, Endangered Species Act, and any other applicable federal statutes. APHIS-WS will not make a final decision to conduct requested wildlife damage management actions until it has made the determination of such compliance.

4. To invoice PDA quarterly for actual costs incurred by APHIS-WS during the performance of services agreed upon and specified in the Work Plan. Authorized auditing representatives of the PDA shall be accorded reasonable opportunity to inspect the accounts and records of APHIS-WS pertaining to such claims for reimbursement to the extent permitted by Federal law and regulations.
5. To annually prepare a final report of activities conducted under this Agreement.

6. To help secure all necessary wildlife permits for implementation of the integrated program.

7. To wear appropriate safety equipment and follow safety guidelines that comply with APHIS-WS and Pease International Tradeport procedures.

8. To monitor bird presence at identified properties adjacent to the facility.

9. The PDA shall have the right to use or permit the use of all estimates, reports, records, data, charts, documents, models, designs, renderings, drawings, specifications, computations and other papers of any type whatsoever, whether in the form of writing, figures, or delineations, or any ideas or methods represented by them, which are prepared or compiled in connection with this Agreement, for any purpose and at any time without other compensation than that specifically provided herein.

10. To coordinate with PDA before responding to all media requests.

ARTICLE 6 – CONTINGENCY STATEMENT

This agreement is contingent upon the passage by Congress of an appropriation from which expenditures may be legally met and shall not obligate APHIS-WS upon failure of Congress to so appropriate. This agreement may also be reduced or terminated if Congress only provides APHIS-WS funds for a finite period under a Continuing Resolution.

ARTICLE 7 – NON-EXCLUSIVE SERVICE CLAUSE

Nothing in this agreement shall prevent APHIS-WS from entering into separate agreements with any other organization or individual for the purpose of providing wildlife damage management services exclusive of those provided for under this agreement.

ARTICLE 8 – CONGRESSIONAL RESTRICTIONS

Pursuant to Section 22, Title 41, United States Code, no member of or delegate to Congress shall be admitted to any share or part of this agreement or to any benefit to arise therefrom.

ARTICLE 9 – LAWS AND REGULATIONS

This agreement is not a procurement contract (31 U.S.C. 6303), nor is it considered a grant (31 U.S.C. 6304). In this agreement, APHIS-WS provides goods or services on a cost recovery basis to nonfederal recipients, in accordance with all applicable laws, regulations and policies.
ARTICLE 10 – LIABILITY

APHIS-WS assumes no liability for any actions or activities conducted under this agreement except to the extent that recourse or remedies are provided by Congress under the Federal Tort Claims Act (28 U.S.C. 1346(b), 2401(b), and 2671-2680).

ARTICLE 11 – NON-DISCRIMINATION CLAUSE

The United States Department of Agriculture prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual’s income is derived from any public assistance program. Not all prohibited bases apply to all programs.

ARTICLE 12 - DURATION, REVISIONS, EXTENSIONS, AND TERMINATIONS

This agreement shall become effective on January 1, 2021 and shall continue through December 31, 2021, not to exceed five years. This Cooperative Service Agreement may be amended by mutual agreement of the parties in writing. The Cooperator must submit a written request to extend the end date at least 10 days prior to expiration of the agreement. Also, this agreement may be terminated at any time by mutual agreement of the parties in writing, or by one party provided that party notifies the other in writing at least 30 days prior to effecting such action. Further, in the event the Cooperator does not provide necessary funds, APHIS-WS is relieved of the obligation to provide services under this agreement.
In accordance with the Debt Collection Improvement Act of 1996, the Department of Treasury requires a Taxpayer Identification Number for individuals or businesses conducting business with the agency.

Cooperator's Tax ID No.: 02-0440365
APHIS-WS’s Tax ID: 41-0696271

PEASE DEVELOPMENT AUTHORITY (PDA)

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

United States Department of Agriculture  
Animal and Plant Health Inspection Service  
Wildlife Services

David Allaben, State Director NH/VT  
USDA, APHIS, WS  
59 Chenell Drive, Suite 7  
Concord, NH 03301

Willie Harris  
Director, Eastern Region  
USDA, APHIS, WS  
920 Main Campus Drive; Suite 200  
Raleigh, NC 27606
ATTACHMENT A
WORK PLAN

In accordance with the Cooperative Service Agreement between Pease Development Authority and the United States Department of Agriculture (USDA), Animal and Plant Health Inspection Service (APHIS), Wildlife Services (WS), this Work Plan sets forth the objectives, activities and budget of this project during the period of this agreement.

Program Objective

To reduce threats to air traffic and air passengers associated with turkeys, other large birds and mammals attracted to the AOA at Pease International Tradeport Portsmouth, NH through the conduct of integrated bird and mammal harassment, removal and monitoring activities.

Plan of Action

1. APHIS-WS direct control activities are currently funded jointly by Pease Development Authority and the DOD, Air National Guard. Funding provided by DOD is awarded on a fiscal year basis and is not a guaranteed source of revenue each year. APHIS-WS will staff the integrated harassment program with 1-2 employees for 4-5 working days per week (80 hours/week) contingent upon full funding from PDA and the DOD, excluding government holidays, annual leave and mandatory training exercises of up to one consecutive week per year, off-site. Revocation of funding by the DOD will limit the number of employees to 1 employee for 1-2 days per week. Staffing will coincide with periods of greatest concern regarding wildlife presence on the AOA and biological behaviors (flocking and movements) that pose the greatest safety concerns to air traffic. Additional wildlife coverage will be provided, as requested, as funding allows during off peak months. Scheduling (days and hours worked) will vary throughout the project to reduce bird habituation to harassment timing.

2. APHIS-WS shall patrol the airport property, attempting to keep it free of turkeys and other large birds such as Canada geese, gulls, turkey vultures and crows by pyrotechnic harassment and limited shooting to reinforce the deterrent effect of non-lethal pyrotechnics. Additional wildlife hazard mitigation activities will include treating woodchuck burrows, raptor trapping, and blackbird trapping and trapping of mammals including carnivores, as need and/or requested.

3. All harassment and bird removal activities will be conducted inside the perimeter fence. Bird removal (shooting) will be conducted in accordance with strict shooting protocol and only when considered absolutely safe. Shells will be retrieved by shooter. Carcasses will be disposed of in accordance with depredation permit conditions.

4. No harassment or bird removal activities will be conducted outside the perimeter fence unless non-lethal harassment is approved by PDA at specific key locations. Non-lethal harassment is recommended at identified turkey “hot spots” located outside the perimeter fence. Should PDA provide APHIS-WS authority to conduct non-lethal harassment activities at these sites in the future, they will be incorporated into the project monitoring and harassment protocol.
5. As requested by PDA, APHIS-WS may remove resident mammals including coyotes, foxes, raccoons, skunks, beaver, deer and woodchucks by harassment, shooting, snares, trapping, or the use of gas cartridges as needed during the calendar year.

6. APHIS-WS will be badged or accompanied by a badged escort.

7. APHIS-WS will supply all bird harassment and removal materials. APHIS-WS vehicle will be properly identified in accordance with established protocols and maintain appropriate materials for proper communication with the Air Traffic Control Tower.

8. APHIS-WS will provide bird harassment training as required of PDA personnel.

9. APHIS-WS will record and submit the date, general location and number of pyrotechnics, live rounds and species of birds harassed or removed.

10. All bird removal activities will be conducted in accordance with the applicable Federal or State permit. APHIS-WS will assist PDA in renewing or amending the appropriate USFWS or State depredation permit, as requested.

11. APHIS-WS may implement additional non-lethal methods that have shown promise for use in frightening or repelling large birds. Techniques may include: 1) the handheld Avian Dissauser laser, 2) strategically placed Scare Windmills, and 3) Methyl Anthranilate (artificial grape flavoring food additive) sprayed at sections along the perimeter fence.

12. APHIS-WS will provide two wildlife hazard trainings classes per year.

13. An APHIS-WS representative will be a member of and attend the quarterly wildlife working group meetings.

14. APHIS-WS will provide PDA and other interested parties a summary report including recommendations of integrated harassment activities.

Effective Dates
The cooperative agreement shall become effective on 1/1/2021, and shall expire on 12/31/2021.
## FINANCIAL PLAN

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The distribution of the budget from this Financial Plan may vary as necessary to accomplish the purpose of this agreement, but may not exceed: **$30,903.10**

### Financial Point of Contact/Billing Address

<table>
<thead>
<tr>
<th>Cooperator Name, Address, Phone Number, Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andrew Pomeroy</td>
</tr>
<tr>
<td>Pease</td>
</tr>
<tr>
<td>36 Airline Ave</td>
</tr>
<tr>
<td>Portsmouth, NH 03801</td>
</tr>
<tr>
<td>Phone: (603)433-6536</td>
</tr>
<tr>
<td><a href="mailto:A.Pomeroy@peasedev.org">A.Pomeroy@peasedev.org</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>APHIS-WS State Office Name, Address, Phone Number, Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lori Freeman</td>
</tr>
<tr>
<td>USDA, APHIS, WS</td>
</tr>
<tr>
<td>59 Chenell Drive, Suite 7</td>
</tr>
<tr>
<td>Concord, NH 03301</td>
</tr>
<tr>
<td>Phone: (603)223-6832</td>
</tr>
<tr>
<td><a href="mailto:Lori.Freeman@usda.gov">Lori.Freeman@usda.gov</a></td>
</tr>
</tbody>
</table>
Memorandum

To: Paul Brean, Airport Director
From: Sandra McDonough, Airport Community Liaison
Date: 1/13/2021
Subj: Noise Report for December, 2020

Portsmouth International Airport at Pease received one noise inquiry in December, 2020. The inquiry was for non-based Pilatus, PC12.

The caller from Rye, New Hampshire wanted to file a complaint for excessive noise at 3:40 AM. The only flight that arrived in the early morning hours was a Pilatus, PC12 at 2:40 AM. Runway 34 was in use which put the aircraft over Rye before landing at Portsmouth International. Air Traffic Control could not recall anything out of the ordinary.

All inquiries are reviewed and logged in the airport database. Individual inquiries are researched and followed up on with phone calls where appropriate. Certain callers have indicated that call backs are unnecessary.
MOTION

Director Levesque:

The Pease Development Authority ("PDA") Board of Directors approves of and authorizes the Executive Director to:

1. Expend funds in the amount of $12,648.00 for legal services rendered to the Pease Development Authority:

   Sheehan Phinney Bass & Green
   November 1, 2020 – November 30, 2020 $ 377.00
   (for General Employment Matters)

   November 1, 2020 – November 30, 2020 $ 1,512.00
   (for Ports & Harbors Matters)

   November 1, 2020 – November 30, 2020 $10,759.00
   (in support of MS4 and CLF settlement implementation)

   Total $12,648.00

NOTE: Roll Call vote required.

N:\RESOLVES\2021\Legal Services 1-21-2021.docx
SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Trade Port - General Representation
-----------------------------
CLIENT/CASE NO. 14713-10167
BILLING ATTORNEY: Lynn J. Preston

TOTAL FOR PROFESSIONAL SERVICES RENDERED: $377.00

TOTAL EXPENSES: $0.00

TOTAL THIS BILL: $377.00

BALANCE DUE: $377.00

PAYMENT DUE 30 DAYS FROM INVOICE DATE

Please return this page with your remittance and please reference the client/case number on all related correspondence.

AMOUNT PAID... $________________________

To pay by CREDIT CARD, please visit www.sheehan.com, scroll to the bottom and click "ClientPay" or contact our office directly.
SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Division of Ports & Harbors
-------------------
CLIENT/CASE NO. 14713-9621
BILLING ATTORNEY: Lynn J. Preston

TOTAL FOR PROFESSIONAL SERVICES RENDERED: $1,512.00

TOTAL EXPENSES: $0.00

TOTAL THIS BILL: $1,512.00

BALANCE DUE: $1,512.00

PAYMENT DUE 30 DAYS FROM INVOICE DATE

Please return this page with your remittance and please reference the client/case number on all related correspondence.

AMOUNT PAID... $___________

To pay by CREDIT CARD, please visit www.sheehan.com, scroll to the bottom and click "ClientPay" or contact our office directly.
SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Permit Implementation

CLIENT/CASE NO. 14713-19658
BILLING ATTORNEY: Lynn J. Preston

TOTAL FOR PROFESSIONAL SERVICES RENDERED: $10,759.00

TOTAL EXPENSES: $0.00

TOTAL THIS BILL: $10,759.00

BALANCE DUE: $10,759.00

PAYMENT DUE 30 DAYS FROM INVOICE DATE

Please return this page with your remittance and please reference the client/case number on all related correspondence.

AMOUNT PAID... $ 

To pay by CREDIT CARD, please visit www.sheehan.com, scroll to the bottom and click "ClientPay" or contact our office directly.
1. CALL TO ORDER
The meeting was called to order at 6:01 PM.

PRESENT:
Roger Groux, Chairperson
Brad Cook
Mike Donahue
Jeff Gilbert-arrived at 6:09
Chris Holt-arrived at 6:15
Esther Kennedy
Chris Snow

PORT STAFF:
Geno Marconi
Brenda Therrien

2. APPROVE MINUTES
Chris S. made a motion to accept the minutes, Brad seconded, no discussion, all were in favor.

3. FINANCE REPORT
Jeff deferred to Geno on the finances, Geno reported that the Ports actual budget is down a little from the projected budget. Mooring season will pick in January, February, and March. The Portsmouth Fish Pier is down due to the construction going on. Jeff added that the operating income is within $16,000 of projected income. There has been a lot of activity going on with the Ship Yard. The Navy is going out to bid on the next phase of the Super Flood Basin, which is a $500 – $700 million contract. Potential bidding contractors have been contacting the Port for tours and inquiring about availability of use of the port property for the project, Geno is giving consistent answers to all. Salt is starting to move out. Hampton has quieted down, floats are out. Some party boats are still running with the good weather. Rye recreational pier is pretty much shut down with the dredging project going on. Commercial side is active with some fisheries. Market St. Terminal business is steady, there are no salt ships scheduled in the near future. Conversation turned to mooring hardware inspections for the moorings that were taken out in Rye, Pepperell Cove will inspect the moorings, and someone at the Port will notify the boat owners if there is anything that is questionable. Due to liability issues, the Port does not set a standard for mooring hardware requirements, it is up to the boat owner and a professional mooring installer to determine the best hardware to secure their boat.
4. DIRECTOR’S REPORT
Geno reported on the following items from the October 15th PDA Board meeting which are included in the meeting packet.
- Snow plow and salting contract approval, bid process explained, one bid was received
- Heidi & Elisabeth Fisheries, ROE Portsmouth Fish Pier (PFP)
- Dual fuel dispenser, PFP

Roger asked if there were any updates on Bureau of Offshore Energy Management, Geno said he received his official letter from the Governor appointing him to the offshore wind advisory commission. He believes there is a meeting coming up.

5. COMMITTEE REPORTS
Moorings: Chris Snow reported on moorings and gave an update (as provided by Lana at the Port office) as follows: 101 waitlist offers were sent out, 53 were accepted, and 21 permits were given out to non-waitlist and shorefront including Bell Island. Snowbirds are doing their renewals now. Pepperell Cove has removed all of the Rye moorings (for the dredging project). Chris says they have a good rating system and finds them to be very responsible when recommending gear. Some fishermen have been displaced due to the dredging in Rye and are using the Wentworth Marina. The commercial licensing days are coming up in December (5th and 12th) there are 2 alternate dates in January if needed. The mooring permit holders will be notified with their commercial mooring renewal paperwork. Appointments need to be made by calling the Port office or Fish & Game.

Dredging: Chris Holt spoke about Rye Harbor, the dredging equipment is in and a photo of the barges is included in the meeting packet. Dredging will start around the 15th. Nothing new on the Turning Basin. The photo was sent to Senators Sherman and Watters and the Governor’s office so they are aware the equipment is there. Some discussion on the Wentworth Bridge and dredging if a fixed bridge goes in, they will not be able to get dredging equipment into the back channel. Discussion about spuds on dredge barge and if they could be removed to get under the bridge.

Local Government: Esther Kennedy said there is not much going on in the city that pertains to the Port. Tom Reis is working on getting other contractors to write letters to the Coast Guard. Esther asked where we are at with contacting the Coast Guard regarding the New Castle Bridge. The Coast Guard address will be provided to Esther and she will see what she can do to get some more letters of support. Geno had a meet and greet with the new Portsmouth City Manager last week. Gave a presentation, tour and answered any questions they had.

Roger Groux reported on an article he saw regarding the Governor and the privatization of Pease Development Authority.

Recreational Piers: Brad Cook gave an overview of the impact that Covid had on the Recreational Piers. In Rye, with the Covid restrictions in place the Granite State Whale Watch (GSWW) ran at limited capacity and the Uncle Oscar didn’t run at all so a lot of parking income was lost there, but Rye was able to counteract some of that with increased summer storage. GSWW lost out quite a bit due to being true and faithful with the guidelines and regulations. In Hampton/Seabrook, even with a late start (around May 16), it appears based on the number of
cars in the lots, that they had a pretty good year with the recreational boating, 6 pack operators and head boats. Head boat people are reporting tremendous years. Fishing and weather was good for the most part over the summer. Geno added that the recreational boater activity in Hampton was extremely busy and beyond capacity most times. Roger added there were a lot of new boaters this year. Jeff added that even the NH Parks were busy, once they opened, as most folks were looking for things to do outside. Geno reported the Isles of Shoals Steamship Co. also had a tough year and have applied for a rent forbearance in accordance with the PDA ordinance. This will effect the Port income as we are losing out on the passenger fees.

**Fisheries:** In Erik’s absence, Geno reported that tuna fishing has opened up and they are coming in. There is an opening on the Herring fishery. The Poagie fishery is over for the year, and they are looking forward to coming back next summer. Lobster fishery seems to be doing ok.

**Maritime Relations/Public Affairs:** Mike Donahue mentioned he is new to this and will keep an eye on activities and work closely with Esther and Geno to stay informed. Geno said that he had heard there was talk from the Piscataqua Maritime Commission about doing some things this summer.

6. NEW BUSINESS

Roger passed out the boat registration instructions that were sent with the boat renewal notices from the DMV. They did add a section to clarify that boats registered as Tidal can be used in any water, not just the tidal water. Roger will follow up with the DMV to continue to ask that wording regarding where the fees go can be added as well. It’s an improvement but still a ways to go.

7. OLD BUSINESS

Prior to the finance report and the Director’s report, discussion occurred about the meetings with NH DOT on the New Castle and General Sullivan Bridges. An updated graphic of the proposed General Sullivan bridge design is included in the meeting packet. Representatives from Great Bay Marina (GBM) were in attendance and at the meeting and they raised some concerns from their point of view, such as navigational lights. Discussion ensued and included talk about the NH DOT working with the Coast Guard, the dimensions of the new bridge, and the funding of the bridge. On the New Castle Bridge, the meeting on October 30th (at the Port) was with the NH DOT engineers, Roger, Geno, and Mike. The meeting went well but in the end they agreed to disagree. The project probably won’t start for about 4 to 5 years.

After committee reports discussion on the New Castle Bridge continued. Mike added that the NH DOT consultant who is putting together the navigation study will be asking for a list of mooring holders and water front property owners to include them on their notice list. Geno added that the consultant brought up a question about notification to abutters and Coast Guard regulations require a 3 mile radius of the project site. The consultant was also provided with Prock’s contact information in regards to dredging. Further discussion regarding the potential negative impact a fixed bridge would have on property values, future dredging, the navigational report, when the support letters should go out, and the public notice.

Mike spoke further on the General Sullivan bridge project meeting and mentioned the following take-a-ways which include:
the fact that Tom Brown and the General Manager from GBM were there as a lot of uncertainty was cleared up
helpful that Bob Landry was there as a consultant
getting rid of the old bridge will be a significant improvement
mitigation of losing historic resources
navigational light placement
the representatives from DOT were open to suggestions
The lead project Manager for both bridges (and the Hampton/Seabrook bridge project) is Jennifer Reczik, contact email was given out and Roger reminded the Council that both of the bridge meetings were at the request of NH DOT.

8. PUBLIC COMMENT
Peter Welch from Newington was in attendance and spoke on the expansion at Little Bay Lobster/Shafmaster got approval to build a 6000 sq. ft. lobster storage area where they will be able to store 200,000 lbs. of lobster using a rain room rather than tanks. Geno gave Peter (and the council) an update about the boat he had asked about in at the September PAC meeting.

9. PRESS QUESTIONS
No press in attendance.

10. ADJOURNMENT
Prior to adjournment, there was discussion regarding a December meeting, it was determined that a December (9th) meeting will be scheduled but if there is nothing pressing the meeting can be cancelled and resume in January (13th). Roger will let the council know either way by December 1st.

Chris Snow made a motion to adjourn, Chris Holt seconded. All were in favor and the meeting adjourned at 7:20 PM.
CHANGE ORDER PROPOSAL

#03

PROJECT: Portsmouth Commercial Fish Pier – Bulkhead Rehabilitation
Portsmouth, NH

GC: H.L. Patten Construction, Inc.

OWNER: Pease Development Authority

DATE: 11/17/20

CHANGE PROPOSED: Credit work associated with temporary hydrant

EFFECT ON CONTRACT SUM: Increase to contract sum: ($8,000.00)

EFFECT ON CONTRACT TIME: Increase/decrease to date of completion: N/A

PROPOSAL SUBMITTED:
H.L. Patten Construction

PROPOSAL ACCEPTED:
Pease Development Authority

Digitally signed by Kyle Vandemoer, P.E.
Over 2020.12.10 14:41:30 -05'00'
Hi Rae,

Please see the email chain below and attached.

Similar to the change order (#2) that was reported at the December meeting.

Hope this helps,

Brenda

-----Original Message-----
From: Geno Marconi
Sent: Thursday, December 24, 2020 10:38 AM
To: Brenda Therrien <B.Therrien@peasedev.org>
Subject: FW: Portsmouth Fish Pier - Change Order #3

-----Original Message-----
From: Thomas G. Ferrini [mailto:tgferrini@wbtlaw.com]
Sent: Thursday, December 24, 2020 8:43 AM
To: Anthony Blenkinsop <A.Blenkinsop@peasedev.org>
Cc: Paul Brean <P.Brean@peasedev.org>; Geno Marconi <G.Marconi@peasedev.org>; Raeline O’Neil <R.O’Neil@peasedev.org>
Subject: Re: Portsmouth Fish Pier - Change Order #3

EXTERNAL: Do not open attachments or click on links unless you recognize and trust the sender.

I approve.

Sent from my iPhone

> On Dec 23, 2020, at 4:02 PM, Anthony Blenkinsop <A.Blenkinsop@peasedev.org> wrote:
> 
> Director Ferrini,
> 
> Congratulations on your election as Treasurer. Per the attached Board delegation, change orders on the PFP reconstruction contract can be executed by Director Marconi if approved by the Executive Director and the Treasurer. The CO’s are then reported to the Board at the next meeting.
Geno's email below provides an explanation of this CO (a credit) and Paul has approved. If you approve could you please respond to this email to confirm. If you have questions, Geno is copied on this email.

Thank you.

Anthony I. Blenkinsop
Deputy Director/General Counsel
Pease Development Authority
55 International Drive
Portsmouth, New Hampshire 03801

Direct: (603) 766-9288

https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.peasedev.org&c=E,1,QGE_1GDPE8MSlVz0cnMxzoWaqN5N08vDCb-tMEHwPdc9tvjCdG9-TEZyBH-zpZ2impJA1Wr1JiPrH-_APmtsNValXqhsH-4P_Q32CiR30IA,&typo=1

-----Original Message-----
From: Geno Marconi
Sent: Wednesday, December 23, 2020 2:23 PM
To: Paul Brean <P.Brean@peasedev.org>; Anthony Blenkinsop <A.Blenkinsop@peasedev.org>
Subject: Change Order #3

Paul,
Please find attached Change Order #3 which is a $8,000.00 CREDIT for a temporary fire hydrant which was not required by the Portsmouth Fire Department during construction.
As required by the PDA Board of Directors, I am requesting concurrence from You, Executive Director and the PDA Treasurer, Mr. Ferrini, to sign the CO.

Geno

<doc00952220201223141644.pdf>
<Portsmouth Fish Pier Project (Change Orders).docx>
TO:  
Paul Brean, Executive Director, PDA

FROM:  
Geno J. Marconi, Director, DPH

DATE:  
January 12, 2021

RE:  
Commercial Mooring Transfer

The Pease Development Authority, Division of Ports and Harbors has received a request for the transfer of a commercial mooring, permit #7555, from Russell Nugent to Ross Nugent.

I have reviewed the attached paperwork and concur with the local Harbormaster and Chief Harbormaster that the request meets all the requirements of the PDA-DPH Code of Administrative Rules regarding commercial mooring transfers. Therefore, I am requesting approval of the transfer.

If you have any questions or need further information, please let me know.
Division of Ports & Harbors
Memorandum

To: Capt. Geno J. Marconi
From: Chief H/M Tracy R. Shattuck
Re: Commercial Transfer
Date: January 12, 2021

Russell Nugent and Ross Nugent are requesting the transfer of a Mooring Permit (#7555) in the Hampton Harbor area 3 mooring field. Russell requested in November of 2020 that his General Use Permit be made a Commercial Use Permit. Attached is documentation of Ross’s commercial enterprise in the form of his fishing license. Also attached is the transfer request from Russell. Ross Nugent has asserted that he understands that the mooring must remain in commercial use.

I have reviewed this application and I believe that it is in compliance with the administrative rules.

I recommend that permit #7555 be transferred to:

Ross Nugent
75 Linden St
Exeter, NH 03833
MEMORANDUM

To: Pease Development Authority Board of Directors

From: Paul E. Brean, Executive Director

Date: January 11, 2021

Re: Special Event

I am pleased to report on the following special event:

A. March 13, 2021 – Millennium Running will be holding a 5k / 10k Road Race and its PDA venue partner is Paddy’s American Grille.
January 14, 2021

Mr. Paul E. Bean, Executive Director
Pease Development Authority
36 Airline Avenue
Portsmouth, NH 03801

Dear Mr. Bean,

Millennium Running is writing to seek official approval from the Pease Development Authority to host the **2021 St. Patty's 5k/10k** on March 13, 2021 at 10:00 AM. The event is proposed to start and finish the race at the Pease Development Authority’s offices located at 55 International Drive. We will work in complete cooperation with the Pease Development Authority, Portsmouth Police and Fire Departments, as well as any other necessary municipal departments or partners.

Millennium Running prides ourselves on producing first-class, safe, fun, and socially responsible events for the running community. Millennium Running was honored to be intimately involved with the NH COVID-19 Task force to help author the specific road race guidance that is now published in the State’s Safer at Home 2.0 guidance. We are fortunate to have state and local leadership that allows for the creative business adaptations that have allowed for the safe production of running events.

This event would utilize the Safer at Home 2.0 Road Race Guidance with a time-trial, social & physically distance start, where the race would begin at 10:00 AM with two runners starting at a time, every 10-seconds. We would anticipate an estimated 750 participants, which would take approximately 95-minutes to start the entire race field.

Participants would utilize a 3.1 mile racecourse loop where they complete a single loop for the 5k distance or double loop for the 10k distance. The proposed route will start in the southern portion of the driveway of 55 International Drive and finish in the parking lot off the driveway of 55 International Drive. Participants would run against traffic in a coned “runner lane” for the entirety of the course. This will allow for minimal traffic impact to the area while any crossings would be staffed by volunteer course marshals or Millennium Running Staff. A course map is attached to this letter for your review.

After participants complete the event, those who are legal drinking age will be able to redeem a beer ticket at local event partner restaurants. This will allow for the safest environment for a “post-race” atmosphere while maintaining the State’s guidance within restaurants.

This event allows us to continue our charitable mission as we will donate proceeds from the event to our company’s 2021 Official Charitable Beneficiary: **The Mental Health Center**
of Greater Manchester. Over the last 10 years, Millennium Running has donated just shy of $1,000,000 to local charity beneficiaries and groups by producing events such as this one.

The event is looking to utilize parking within public lots on Manchester Square as well as the lots located at 75 New Hampshire Avenue. Due to the time-trial start format of this event, these lots will turnover throughout the event as runners finish the race and others arrive for their later start times.

Further information on the race can be found at http://www.millenniumrunning.com/stpattys or by contacting us directly with any questions and/or concerns. We look forward to working with you this year and thank you for your willingness to support the running community.

Thank you,

John Mortimer, Owner
Millennium Running

Mike Peabody, C.O.O.
Millennium Running

Cullen Madden, Sr. Event Mgr.
Millennium Running

Attachments:
Start / Finish / Parking Map – Appendix 1
Course Map – Appendix 2