

AGENDA

- I. Call to Order:**
- II. Non-public Session: (Anderson)**
- III. Vote of Confidentiality: (Lamson)**
- IV. Acceptance of Meeting Minutes: September 17, 2020 * (Levesque)**
- V. Public Comment:**
- VI. Old Business:**
 - A. Approval:
 - 1. Land Use Control Amendments – Final Approval * (Loughlin)
- VII. Finance:**
 - A. Independent FY2020 External Audit (Berry Dunn via video conference)
 - 1. Auditor Communications Presentation *
 - 2. Required Communication Letter *
 - B. Approval:
 - 1. Certified Annual Financial Statements and the Uniform Guidance Audit of Federal Awards Update * (Loughlin)
 - 2. Additional Signatory for Pease Development Authority Banking Institutions * (Fournier)
 - C. Executive Summary *
 - D. Reports:
 - 1. FY 2021 Financial Report for the Two Month Period Ending August 31, 2020 *
 - 2. Nine Month Cash Flow Projections to June 30, 2021 *
- VIII. Licenses/ROEs/Easements/Rights of Way:**
 - A. Approval:
 - 1. Lonza Biologics – Parking License for 55 International Drive * (Allard)
- IX. Leases:**
 - A. Reports:
 - 1. Sublease between 222 International, Limited Partnership and Shaughnessy Seagull, Inc. d/b/a Allegra Marketing Print Mail *
 - B. Approval:
 - 1. Next Level Now, Inc. – Lease Amendment No. 1 * (Levesque)

X. Contracts/Agreements:

A. Approval:

1. SHI – Purchase of Plotter/Printer for Engineering * (Anderson)
2. Horsley Witten – Work associated with Illicit Discharge Detection and Elimination (IDDE) * (Fournier)
3. Fred C. Church, Inc. – PDA Worker’s Compensation Coverage* (Lamson)

XI. Executive Director:

A. Reports:

1. Golf Course Operations
2. Airport Operations
 - a) Portsmouth International Airport at Pease (PSM)
 - b) Skyhaven Airport (DAW)
 - c) Noise Line Report
 - (i) September 2020*

B. Approval:

1. Bills for Legal Services * (Fournier)

XII. Division of Ports and Harbors:

A. Reports:

1. Commercial Mooring Transfer – Miller to Kastejna *
2. Heidi and Elisabeth Fisheries LLC – Exercise of Option at the Portsmouth Fish Pier to December 31, 2021 *
3. Purchase of Fuel Dispenser for Portsmouth Fish Pier *

B. Approval:

1. Snow Plow Bid/Contract – James Jones d/b/a Jones Snow Plowing Services * (Allard)

XIII. New Business:

XIV. Upcoming Meetings:


| | |
|--------------------|-------------------------------|
| Golf Committee | November 16, 2020 @ 8:30 a.m. |
| Finance Committee | November 16, 2020 @ 9:00 a.m. |
| Board of Directors | November 19, 2020 @ 8:30 a.m. |

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

XV. Directors’ Comments:

XVI. Adjournment:

XVII. 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 members 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."

UPDATED **MOTION – II.**

Director Anderson:

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. Lease or Sale of Property [NH 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 (c)].

Note: Roll Call vote required.

UPDATED
MOTION – III.

Director Lamson:

Resolved, pursuant to NH RSA 91-A:3, Paragraph III, 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 October 15, 2020 meeting related to the Lease or Sale of Property and the consideration of legal advice from legal counsel would, if disclosed publically, render the proposed actions ineffective and further determines that such matters also involve the 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; 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; this motion requires 5 Affirmative Votes

LATE ITEM
MOTION – X.A.3.

Director Lamson:

The Pease Development Authority Board of Directors authorizes the Executive Director to accept and bind Workers Compensation insurance coverage for the Pease Development Authority to be provided by MEMIC and brokered by Fred C. Church Insurance, Inc. ("Church") for the period of 12/31/20 through 12/31/21 in the projected amount of \$77,979.00; all in accordance with the Insurance Proposal prepared by Church and the memorandum of Anthony I. Blenkinsop, Deputy General Counsel, dated October 13, 2020, attached hereto.

NOTE: Roll Call vote required.

MEMORANDUM

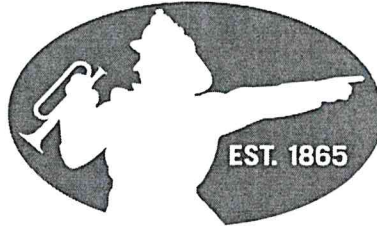
To: Paul Brean, Executive Director *PAB*
From: Anthony I. Blenkinsop, Deputy General Counsel *AB*
Re: Workers Compensation Coverage Renewal
Date: October 13, 2020

At the December 14, 2017, meeting of the Board, the Executive Director was authorized to enter into an agreement with Fred C. Church Insurance, Inc. to provide Workers Compensation coverage to the PDA for a period of three (3) years, to include two (2) one (1) year options to extend at the Executive Director's discretion. Such coverage does not extend to employees of the Division of Ports and Harbors who have been historically covered, and continued to be covered, by the State of New Hampshire's self-insured Workers Compensation program.

Attached you will find a proposal in the amount of \$77,979.00 for the upcoming renewal period of 12/31/20 through 12/31/21. Also please find three loss history charts which reflect the fact that PDA's experience modification factor increased from .91 to 1.04 for the upcoming renewal period. Unfortunately, the projected premium of \$77,979.00 is an increase of over 26% from last year's premium of \$61,940.00, largely due to a hardening of insurance markets overall, the PDA's experience modification going up over 14% (.91 to 1.04), as well as an increase in PDA's payroll estimates of roughly 11%. Fred C. Church Insurance, Inc. was still able to keep PDA's various credits in order to keep the PDA's increase as small as possible. Please see page 5 of the attachment for a comparison of the premium breakdown from last year and for this upcoming year.

Overall this is an acceptable renewal proposal with a solid insurance carrier (MEMIC/AM Best Rating A IX). While PDA has experienced a bump in its experience modification factor heading into this year's renewal, PDA's safety culture and its overall commendable loss history will hopefully play a role in reversing that trend a year from now. Finally, please note that as the policy is subject to audit the premium may adjust up or down slightly from the projected amount.

At the October 15, 2020, meeting of the Board, please seek authority to bind Workers Compensation coverage through Fred C. Church Insurance, Inc. in the projected amount of \$77,979.00 for the forthcoming policy period of 12/31/20 through 12/31/21.



Fred C. Church
I N S U R A N C E

Insurance Proposal

for

Pease Development Authority
and Skyhaven Airport

October 15, 2020

Presented by:

Jeff Olsen

Wendy Radwan

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Named Insureds

| Insured | Interest |
|--|---------------------|
| Pease Development Authority and Skyhaven Airport | First Named Insured |

Premium Summary

| Description of Coverage | 2019-2020 Premium | 2020-2021 Premium | Insurer | AM Best |
|-------------------------|----------------------|----------------------|-----------------|---------|
| Worker's Compensation | \$61,940 | \$77,979 | MEMIC Indemnity | A IX |

Comments: Experience Mod up 14% from .91 to 1.04 / Total Payroll up 11% from \$4,073,000 to \$4,525,000

Payment Options

| Policy | Direct or Agency Billed | # of Installments |
|----------------------|-------------------------|-------------------|
| Workers Compensation | Direct Bill | Annual |

This document is a summary of coverage only; the policies contain additions, exclusions, and/or limitations that are not shown here.

Please refer to the policy or contact Fred C. Church, Inc. for complete coverage details

Worker's Compensation

MEMIC Indemnity Company Insurance Company

3102800857 Policy Number

12/31/2020 to 12/31/2021 Policy Term

Coverages

| Description | Limit |
|--|-----------|
| Workers Compensation: Statutory Benefit | Included |
| Employers Liability: Each Accident | \$500,000 |
| Employers Liability: Disease – Policy Limit | \$500,000 |
| Employers Liability: Disease – Each Employee | \$500,000 |
| Other States Insurance: See policy for complete list | |

Remarks

| |
|---|
| Foreign Coverage - Foreign Coverage: "Employees of the Named Insured" "Any Country" "NH" Workers Compensation Law Excess Repatriation Expenses: \$100,000 each employee \$100,000 each accident Employers Liability: \$500,000 BI by Accident \$500,000 BI by Disease, Each Employee \$500,000 BI by Disease, Policy Limit |
| Voluntary Compensation & Employers Liability Endorsement |
| 12/31/20 Experience Mod – 1.04 (2019 was .91) |

WC Premium Development

| Year: 2019-2020 | | | | | |
|------------------------|-------|-----------------------------|-------------------|--------|-------------------|
| Carrier: MEMIC | | | | | |
| State | Class | Description | Estimated Payroll | Rate | Estimated Premium |
| NH | 7403 | Aviation | \$1,950,000 | 4.4700 | \$87,165 |
| | 8810 | Clerical | \$1,398,000 | 0.1500 | \$2,097 |
| | 9060 | Country Club | \$725,000 | 2.2100 | \$16,023 |
| | 9012 | Property Manager | \$0 | 1.2300 | \$0 |
| | 9015 | Bldgs. - Operation by Owner | \$0 | 3.8800 | \$0 |
| Increased Limits | | | | 0.0080 | \$842 |
| Experience Mod | | | | 0.9100 | -\$9,551 |
| Schedule Credit | | | | 0.2100 | -\$19,267 |
| Premium Discount | | | | 0.1010 | -\$7,320 |
| Terrorism | | | | 0.0080 | \$326 |
| Domestic Terrorism | | | | 0.0200 | \$815 |
| Expense Reduction Plan | | | | 0.0700 | -\$4,561 |
| Managed Care Credit | | | | 0.0500 | -\$4,829 |
| Expense Constant | | | | | \$180 |
| Total State | | | \$4,073,000 | | \$61,920 |

| | | | | | |
|------------------|------|----------|-----|--------|------|
| MA | 8810 | Clerical | \$0 | 0.0700 | \$0 |
| Increased Limits | | | | 0.0100 | \$0 |
| Loss Constant | | | | | \$20 |
| Expense Constant | | | | | \$0 |
| Totals State | | | \$0 | | \$20 |


| | | | | | |
|--------------|--|--|-------------|--|----------|
| Grand Totals | | | \$4,073,000 | | \$61,940 |
|--------------|--|--|-------------|--|----------|

| Year: 2020-2021 | | | | | |
|------------------------|-------|-----------------------------|-------------------|--------|-------------------|
| Carrier: MEMIC | | | | | |
| State | Class | Description | Estimated Payroll | Rate | Estimated Premium |
| NH | 7403 | Aviation | \$2,170,000 | 4.5900 | \$99,603 |
| | 8810 | Clerical | \$1,600,000 | 0.1600 | \$2,560 |
| | 9060 | Country Club | \$755,000 | 2.3100 | \$17,441 |
| | 9012 | Property Manager | \$0 | 1.2400 | \$0 |
| | 9015 | Bldgs. - Operation by Owner | \$0 | 3.7500 | \$0 |
| Increased Limits | | | | 0.0080 | \$957 |
| Experience Mod | | | | 1.0400 | \$4,822 |
| Schedule Credit | | | | 0.2300 | -\$27,396 |
| Premium Discount | | | | 0.1030 | -\$9,447 |
| Terrorism | | | | 0.0080 | \$362 |
| Domestic Terrorism | | | | 0.0200 | \$905 |
| Expense Reduction Plan | | | | 0.0700 | -\$5,759 |
| Managed Care Credit | | | | 0.0500 | -\$6,269 |
| Expense Constant | | | | | \$180 |
| Total State | | | \$4,525,000 | | \$77,959 |

| | | | | | |
|------------------|------|----------|-----|--------|------|
| MA | 8810 | Clerical | \$0 | 0.0600 | \$0 |
| Increased Limits | | | | 0.0100 | \$0 |
| Loss Constant | | | | | \$20 |
| Expense Constant | | | | | \$0 |
| Totals State | | | \$0 | | \$20 |

| | | | | | |
|--------------|--|--|-------------|--|----------|
| Grand Totals | | | \$4,525,000 | | \$77,979 |
|--------------|--|--|-------------|--|----------|

Experience Modification Worksheet

| WORKERS COMPENSATION EXPERIENCE RATING | | | | | | | | |
|--|--------|--|---------------------|-----------------------------|----------------------------|----------------------|--------------------|---------------------|
|  | | Risk Name: PEASE DEVELOPMENT AUTHORITY | | | | Risk ID: 280173711 | | |
| | | Rating Effective Date: 12/31/2020 | | Production Date: 09/09/2020 | | State: NEW HAMPSHIRE | | |
| State | Wt | Exp Excess Losses | Expected Losses | Exp Prim Losses | Act Exc Losses | Ballast | Act Inc Losses | Act Prim Losses |
| NH | .13 | 77,296 | 115,149 | 37,853 | 14,210 | 33,775 | 79,113 | 64,903 |
| (A) Wt | (B) Wt | (C) Exp Excess Losses (D - E) | (D) Expected Losses | (E) Exp Prim Losses | (F) Act Exc Losses (H - I) | (G) Ballast | (H) Act Inc Losses | (I) Act Prim Losses |
| .13 | | 77,296 | 115,149 | 37,853 | 14,210 | 33,775 | 66,584 | 52,374 |
| | | Primary Losses | | Stabilizing Value | | Ratable Excess | | Totals |
| Actual | | (I) | 52,374 | C * (1 - A) + G 101,023 | | (A) * (F) 1,847 | | (J) 155,244 |
| Expected | | (E) | 37,853 | C * (1 - A) + G 101,023 | | (A) * (C) 10,048 | | (K) 148,924 |
| | | ARAP | FLARAP | SARAP | | MAARAP | | Exp Mod |
| Factors | | | | | | | | (J) / (K) 1.04 |
| REVISED RATING RATING REFLECTS A DECREASE OF 70% MEDICAL ONLY PRIMARY AND EXCESS LOSS DOLLARS WHERE ERA IS APPLIED. REVISED RATING TO INCLUDE UPDATED DATA FOR: NH, POL. #: 3102800857, EFF.: 12/31/2018 | | | | | | | | |

| | | |
|--------------------|--------------------|--|
| Carrier: 38563-000 | Policy: 3102800857 | Eff-Date: 12-31-2019 Exp-Date: 12-31-2020 |
|--------------------|--------------------|--|



WORKERS COMPENSATION EXPERIENCE RATING

Risk Name: PEASE DEVELOPMENT AUTHORITY

Risk ID: 280173711

Rating Effective Date: 12/31/2020

Production Date: 09/09/2020

State: NEW HAMPSHIRE

28-NEW HAMPSHIRE

Firm ID:

Firm Name: PEASE DEVELOPMENT AUTHORITY

Carrier: 38563

Policy No. 3102800857

Eff Date: 12/31/2016

Exp Date: 12/31/2017

| Code | ELR | D-Ratio | Payroll | Expected Losses | Exp Prim Losses | Claim Data | IJ | OF | Act Inc Losses | Act Prim Losses |
|---------------|-------------------|---------|-----------|-----------------|------------------|------------|-----------------------|----|----------------|-----------------|
| 7403 | 1.78 | .31 | 1,289,897 | 22,960 | 7,118 | 17214969 | 05 | F | 1,903 | 1,903 |
| 8810 | .07 | .39 | 1,858,781 | 1,301 | 507 | 17200874 | 05 | F | 10,099 | 10,099 |
| 9060 | 1.01 | .40 | 685,764 | 6,926 | 2,770 | 17207392 | 05 | F | 18,141 | 17,500 |
| 9807 | EMPLOYERS LIABILT | | | 0 | 0 | 17203736 | 06 | F | 2,890 | 2,890 |
| Policy Total: | | | | 3,834,442 | Subject Premium: | 94,489 | Total Act Inc Losses: | | | 33,033 |

28-NEW HAMPSHIRE

Firm ID:

Firm Name: PEASE DEVELOPMENT AUTHORITY

Carrier: 38563

Policy No. 3102800857

Eff Date: 12/31/2017

Exp Date: 12/31/2018

| Code | ELR | D- Ratio | Payroll | Expected Losses | Exp Prim Losses | Claim Data | IJ | OF | Act Inc Losses | Act Prim Losses |
|---------------|-------------------|-------------|-----------|--------------------|--------------------|--------------------------|----|----|-------------------|--------------------|
| 7403 | 1.78 | .31 | 1,856,530 | 33,046 | 10,244 | 18215208 | 06 | F | 2,802 | 2,802 |
| 8810 | .07 | .39 | 1,165,043 | 816 | 318 | NO. 4 | 06 | * | 5,855 | 5,855 |
| 9060 | 1.01 | .40 | 697,016 | 7,040 | 2,816 | | | | | |
| 9807 | EMPLOYERS LIABILT | | | 0 | 0 | | | | | |
| | | | | Subject | | | | | | |
| Policy Total: | | | 3,718,589 | Premium: | 109,763 | Total Act Inc Losses: | | | 8,657 | |

28-NEW HAMPSHIRE

Firm ID:

Firm Name: PEASE DEVELOPMENT AUTHORITY

Carrier: 38563

Policy No. 3102800857

Eff Date: 12/31/2018

Exp Date: 12/31/2019

| Code | ELR | D-Ratio | Payroll | Expected Losses | Exp Prim Losses | Claim Data | IJ | OF | Act Inc Losses | Act Prim Losses |
|---------------|-------------------|---------|-----------|------------------|-----------------|-----------------------|----|----|----------------|-----------------|
| 7403 | 1.78 | .31 | 1,956,336 | 34,823 | 10,795 | NO. 3 | 06 | * | 2,115 | 2,115 |
| 8810 | .07 | .39 | 1,421,148 | 995 | 388 | 19213330 | 06 | F | 4,239 | 4,239 |
| 9060 | 1.01 | .40 | 716,983 | 7,242 | 2,897 | 19209090 | 09 | O | 31,069 | 17,500 |
| 9807 | EMPLOYERS LIABILT | | | 0 | 0 | | | | | |
| Policy Total: | | | 4,094,467 | Subject Premium: | 108,351 | Total Act Inc Losses: | | | 37,423 | |

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* Total by Policy Year of all cases \$2000 or less.

D Disease Loss

X Ex-Medical Coverage

U USL&HW

C Catastrophic Loss

E Employers Liability Loss

Limited Loss

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