

## MINUTES

The monthly business meeting of the Nashua Airport Authority (NAA) was held at SNHU Campus, 79 Perimeter Road – Room 137, Nashua NH on Wednesday, February 19, 2020.

Chairman Woods called the meeting to order at 6:00pm.

### ROLL CALL

**Present:** Chairman Woods  
Vice Chairman Law  
Treasurer Heath  
Secretary Duquette

### PUBLIC INPUT

None

Chairman Woods presented a plaque to retired board member Robert Scheifele and thanked him for his service on the Nashua Airport Authority Board. He enjoyed working with him and always valued his input.

### MINUTES

**MOTION BY** Secretary Duquette to approve the January 15, 2020 public minutes.

**SECONDED BY** Treasurer Heath

**MOTION CARRIED**

### TREASURERS REPORT – January 2020

Treasurer Heath reported that there are not a lot of issues and we are tracking to budget with a little shortfall in January which is to be expected. We are 7 months into the fiscal year. The shortfall for January is mostly due to snow removal under budget.

**MOTION BY** Chairman Woods to accept the January 2020 financial statements as presented pending audit.

**SECONDED BY** Secretary Duquette

**MOTION CARRIED**

### COMMUNICATIONS

Secretary Duquette reported that NAA received the following communications and all communications will be placed on file at the Nashua Airport Authority office.

02/10/2020 – Boire Properties LLC - Renewal of Land Leases

02/10/2020 – City of Nashua Corporation Counsel – Proposed Lease Extension

### REPORTS

#### TOWER REPORT

Chairman Woods reported for the month of January 2020 the traffic count was 6,875 operations which is up 465 (7%) operations from December 2019. January 2019 versus January 2020, we are up 2,689 (64%) operations.

AIRPORT MANAGER'S REPORT

Airport Manager Chris Lynch reported on the following topics.

Recent events

- None

Upcoming events

- The Commemorative Air Force will be coming to KASH next June! This tour stop will feature the B-29 Superfortress "FIFI" and the Consolidated B-24 Liberator "Diamond Lil". They are planning on arriving here on Monday June 8<sup>th</sup>, with show dates 6/10/2020-6/14/2020 and they will depart KASH on Monday June 15<sup>th</sup>.
- The Annual NH Aviation Museum BBQ will be held here at Nashua on Saturday June 20, 2020 at Hangar 81. Great event that helps sponsor the Aviation Museum.

Other items of interest

- I met, again, with Matt Caron (Gale Associates) and Dan Weeks (Revision Energy). We are looking into the possibility of installing a 1 megawatt solar array at the airport. The NH DOT BoA joined us in this meeting. We concluded that there is nowhere on this airport to put this solar array.
- On January 22<sup>nd</sup> I met with City of Nashua Corporate Counsel, Steve Bolton to solicit his opinion regarding the Hangar 109 lease extension request(s). Chairman Woods and the board of directors will speak more on this subject.
- I met with City of Nashua DPW Engineering Department to discuss the widening of Charron Ave at the Pine Hill Rd. intersection. They would like to purchase a sliver of land from the airport. This land was purchased with FAA funds. We will continue meetings regarding this issue. Chairman Woods asked about offering an easement.
- I met with Mayor Donchess to review the Nashua Airport Budget.
- On February 14<sup>th</sup> I met with FAA Regional Administrator, Kenneth Knopp at the Nashua Airport. He is here on a temporary 6 month assignment and it was a great meet and greet!

AIRPORT ENGINEER'S REPORT

Nik Ippolito appeared on behalf of the airport's engineering consultant, Gale Associates, Inc.

DESIGN ONLY - Pavement Maintenance Phase II (NHDOT No. SBG-12-20-2019)

This project is to design and bid a project to reconstruct taxilanes between hangars located on the north-west side of the Airfield (Runway 14 end).

Estimated Project Funding:

FAA Share (90%):	\$189,000.00
State Share (5%):	\$10,500.00
Local Share (5%):	\$10,500.00
Total Project Cost:	\$210,000.00

Project Status:

- Gale has prepared the first (and final) reimbursement request for this project, filed all closeout documentation, and preformed all required coordination. Moving forward this project will be removed from the Monthly Update.

CONSTRUCT ONLY – Pavement Maintenance Phase II (NHDOT No TBD)

This Project is to reconstruct taxiways between hangars located on the north-west side of the Airfield (Runway 14 end.)

Estimated Project Funding:

FAA Share (90%):	\$3,263,400.00
State Share (5%):	\$181,300.00
Local Share (5%):	\$181,300.00
Total Project Cost:	\$3,626,000.00

Project Status:

- Gale has prepared the new Grant Application and provided all copies to Mr. Chris Lynch for signatures. Once signed, they will be forwarded to NHDOT/BA for processing and incorporation into this year.
- Continental Paving, Inc. is the low bidder on the project. They have indicated that they are willing to honor their bid price for this project until August 2020. Contingent upon the availability of discretionary funds, construction may be scheduled for this summer/fall.
- At the time this project was scoped, it was not anticipated that Gale would be required to administer a second grant. Gale’s services to administer a second grant should be added by supplemental agreement to the original contract. The estimated cost is approximately \$7,800.00, or \$390.00 to the local share.

COMMITTEES

None

OLD BUSINESS

Solar - Airport Manager Chris Lynch, discussed this during his report.

Land Lease Extension – Boire Field Condo II (109 Perimeter Road) Peter Volheim handed a copy of the Addendum II for E1459 to the board. Chairman Woods tabled this request last month because there was some confusion as to what the condo association was entitled to and what we had to move on as a board. In a nutshell, the condo association is coming to us to exercise the option they were granted by a previous board with the terms and conditions to be subject to renegotiation. It is typical for a condo association to request a 20 year extension with an option for an additional 20 year. Treasurer Heath expressed concern about the insurance terms and that they are 40 years old. He feels that it is unnecessary for the authority to request insurance for the building. It has no benefit to the authority. Wes Liu discussed the reason for the early request and is due to obtaining finance for new owners. We are seeing turnover in some units and would like to be proactive to allow for financing.

**MOTION BY** Chairman Woods. I hereby move that Boire Field Condominium II Association’s request to exercise its option to extend its current lease, ending May 31, 2024 for an additional twenty (20) year term, as previously approved by a prior NAA Board is granted. For further reference see Nashua Airport Authority’s Addendum II, E-1459 dated August 30, 2004. Said term to run from June 1, 2024 through midnight May 31, 2044, upon the same terms and conditions as the Lease now in effect; and that Boire Field Condominium II Association is granted a 2<sup>nd</sup> 20-year extension option, commencing June 1, 2044, subject to renegotiation of the ground rent; and that, the Nashua Airport Authority secretary will cause a notice of Lease Extension to be recorded in the Hillsborough County Registry of Deeds.

**SECONDED BY** Secretary Duquette

**DISCUSSION.** Vice Chairman Law discussed the difference in the wording from the typical motion he has seen. This motion says in 2044 it is subject to ground rent only and not all terms and conditions. In regard to the ground rent and all term and conditions, Chairman Woods believes all terms and conditions have been good and sufficient and not likely to need any revisions. If the situation comes up, I think we can take up that business at the time. Airport Manager Chris Lynch stated the NHDOT and the FAA inspected each lease during our Part 13 inspection. The leases have met all guidelines and we cannot stray from what the FAA and NHDOT want in these leases.

**MOTION CARRIED with a 3-1 vote**

**NEW BUSINESS**

Selection for Airport Planning and Engineering Services.

**MOTION BY** Secretary Duquette to select Gale Associates as the most qualified applicate for providing Airport Planning and Engineering services.

**SECONDED BY** Chairman Woods

**DISCUSSION.** Vice Chairman Law requests to be able to see the RFP in the future. Airport Manager Chris Lynch stated that the RFP was on our website as well as advertised in the Nashua Telegraph. He also stated that according to the FAA the rates are irrelevant, and we need to pick the most qualified.

**MOTION CARRIED**

Land Lease Extension – Renewal of Land Leases (E1503, E1506, E1507)

Greg Lison, Infinity Aviation, discussed his request to renew his term. He has adjusted his request to a 20/20 renewal in order to facilitate financing to expand his business. Treasurer Heath confirmed that he is requesting to extend his lease for 20/20 terms. He stated he is excited for Mr. Lison to be investing in the airport. As long as there is nothing in the leases that states otherwise, he sees no reason not to grant his request. Vice Chairman Law stated that land lease income is down and doesn't know what tenants pay for rent. He understands why tenants are trying to extend their lease terms for financial reason; however, he wonders if there is anyone out there who has mortgages beyond the term of their lease. In the non-airport realm, typically banks don't require extension before renewals especially when there are automatic renewals. Vice Chairman Law is curious as to why the request is 14 years prior to expiration of the current term. Mr. Lison is trying to exercise the right to exercise his option to extend with an additional 20 year extension; this will satisfy his needs for obtaining funds. Chairman Woods is happy that Mr. Lison is investing in the property. Vice Chairman Law is also concerned about the change in language for renegotiating ground rent only and not the lease terms and conditions. He feels he has an obligation to protect the airport. Shane McLaughlin, addressed Vice Chairman Law and appreciates his desire to protect the airport. One thing he can do to help protect the airport is to encourage private investment. On the issue of ground rent, the leases are 98% boiler plate and these leases meet all the criteria in the 5190.6B. These leases were drafted by corporation counsel as well as private attorneys. There is nothing to change in the leases unless you would like to take more rights away from tenants. If changes are required, the FAA has the authority to do so because the lease states we are subject to federal rules and regulations. The Nashua Airport is not broken, and the lease structure has worked successfully. We are the most successful airport in New Hampshire.

**MOTION BY** Secretary Duquette. I hereby move that in accordance with the option available in the existing lease, Boire Properties LLC is hereby granted an extension to the lease associated with Lot E-1503 for a 20-year term commencing on October 1, 2034 and running through midnight September 30, 2054 under the same terms and conditions now in effect. Also, in accordance with the option available in the existing lease(s), Boire Properties LLC is hereby granted an extension to those leases associated with Lots E-1506 and E-1507 for a 20-year term commencing on March 1, 2027 and running through midnight February 28, 2047 under the same terms and conditions now in effect. Boire Properties LLC is granted an additional 20-year extension option commencing October 1, 2054 for Lot E-1503, subject to renegotiation of the ground rent and Boire Properties LLC is granted an additional 20-year extension option commencing March 1, 2047 for Lots E-1506 and E-1507, subject to renegotiation of ground rent. The Nashua Airport Authority Secretary will cause a notice of lease Extension to be recorded in the Hillsborough County Registry of Deeds.

**SECONDED BY** Chairman Woods

**DISCUSSION.** Vice Chairman Law is going to oppose due to the ground rent change.

**MOTION CARRIED with a 3-1 vote**

**DATES TO REMEMBER**

06/10/2020 – 06/14/2020 – Commemorative Air Force

06/20/2020 – NH Aviation Museum BBQ

**NAA ACTION ITEMS**

None

**PUBLIC INPUT**

Shane McLaughlin stated there has been a lot of discussion regarding leases. Until now the leases have been well established and well understood at Nashua Airport and have not been problematic. He is willing to sit with anyone to review the historical empathies which lead to the structure we have here now which is logical and differentiates Nashua from any other airport. He talked about lease rates and the land rent rate is not the only rent we pay. The City of Nashua charges us taxes as well. He realizes the fiduciary duty you have, but there is an extensive institutional history that might inform decisions going forward. The taxes we pay are very substantial. Unless the authority would like to be in the real estate business and compete with us, the goal should be to keep our land lease rent as low as possible. As all leases state, we are subject to federal, state, and local rules. Thank you for the opportunity to speak.

**DIRECTOR COMMENTS**

Secretary Duquette – Everyone be well. The bugs are out!

Chairman Woods - Thanks to everyone for the work and clarification of the language around the lease renewals. With respect as to why we are seeing a handful of renewals now and after reviewing the register of deeds website, I noticed a flurry of renewals in 2004 and 2007. There were building spurts at the airport during the late 1990's.

Vice Chairman Law – I joined this board because I grew up on this airport. I do consider it a gem and I think it's great that there's investment. I just feel an obligation, when I sit on this side of the table, to do all my due diligence. So I'm trying to get up to speed and when I see renewals get changed in the way they're worded without having myself completely up to speed or just feeling like I'm not quite comfortable with that element, I feel an obligation to respond the way I have. I have already been working with Susan a little bit and created a form to get totally up to speed to get the ins and outs of everything. In the leases, there is a rate calculation for square footage, however, there is no square footage in the leases. My commitment to you is I will get up to speed and be an advocate for this airport. I hope no one goes away from the meeting and feels I am a problem. That is not my intent. I am trying to dot all the i's and cross all the t's.

Treasurer Heath – Don't ever believe that we are anything but an advocate for this airport. Sometimes we take things for granted. We are all here for you and we will get it done.

**MOTION BY** Secretary Duquette to adjourn the public session.

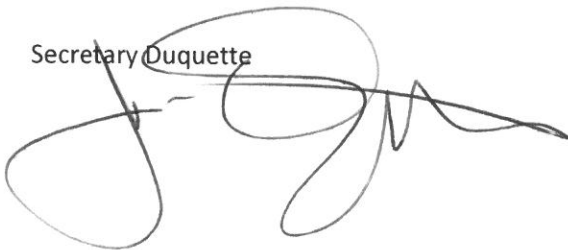
**SECONDED BY** Chairman Woods

**MOTION CARRIED**

The next meeting is scheduled for March 18, 2020

SEE ATTACHMENT FOR ATTENDEES LIST

Secretary Duquette

A handwritten signature in black ink, appearing to be 'J. Duquette', written over the typed name 'Secretary Duquette'.