

PEASE DEAVELPMENT AUTHORITY
DIVISION OF PORTS AND HARBORS
ADVISORY COUNCIL ANNUAL MEETING MINUTES
WEDNESDAY, JANUARY 21, 2015

*****DRAFT*****

PRESENT: Chris Holt
Roger Groux
Erik Anderson
Brad Cook
Geno Marconi, Director, DPH
Don Coker, Chairperson
Esther Kennedy
Jeff Gilbert
Tracy Shattuck, Chief Harbormaster

ATTENDEES: State Representative Jackie Pitts
Shaun McKenna, Great Bay
Shane Conlin, Pearl Oyster Co.
Mike Cleary
Miles Cook
Jack Farrell

1) CALL TO ORDER

Chairperson Coker called the meeting to order at 6:05 p.m.

2) APPROVE MINUTES OF NOVEMBER 19, 2014 AND JANUARY 06, 2015

Chairman Coker asked if the minutes of the meetings were on line and, if not, could they be put on line. Director Marconi responded that the minutes are not on line but would check with IT to see if there is room on the web site to post the minutes.

Roger Groux made a motion to accept the minutes of the November meeting; Erik Anderson seconded. Motion passed without exception.

Roger Groux made a motion to accept the minutes of the January meeting; Chris Holt seconded. Motion passed without exception.

3) ELECTION OF OFFICERS

Roger Groux made a motion to nominate Donald Coker as chairperson; Erik Anderson as vice chairperson and Jeff Gilbert as Treasurer; Brad Cook seconded the motion. Motion to elect the officers as nominated passed without exception.

4) TREASURER'S REPORT – Jeff Gilbert, Treasurer

Mr. Gilbert reviewed the report and noted that this year was better than 2013. Director Marconi noted that the mooring revenues have not been posted yet. Due to running the fuel concession in Hampton Harbor, the fuel revenues have increased.
Discussion.

Roger Groux made a motion to accept the treasurer's report into record; Brad Cook seconded. Motion passed without exception.

5) DIRECTOR'S REPORT

Director Marconi reported that the harbors are quiet. The terminal is transitioning to bridge construction with Cianbro staging the project here. Maine DOT has started making rent payments. A Navy Yard dredge project is being conducted and the contractor is staging out of the Market Street Terminal. Reed and Reed is also staging the Sagamore Bridge project here; all of which makes for additional revenue. Weeks will be bringing in barges for a Westinghouse project that is coming up.

Mr. Marconi said that there has been a lot of FTZ activity as of late. He recently got a boundary modification approved by the FTZ Board to transfer fifty-seven (57) acres of FTZ property from the Dover Industrial Park to a forty-nine (49) acre lot on the southside existing FTZ in Londonderry. The property was purchased and UPS is constructing a six hundred and fifty thousand square foot (650,000 sq.ft.) warehouse for warehousing and distribution of airplane engine components. An activation permit is now being worked on. A company on the northside of the Manchester Airport wants to activate FTZ activity in that location. Director Marconi, at Esther Kennedy's request, gave a brief description of the FTZ.

6) COMMITTEE REPORTS

Fisheries – Erik Anderson – Mr. Anderson reported that things were quiet at the moment. The industry is waiting for regulatory issues to develop.

Government – Esther Kennedy – Ms. Kennedy reported that she attended a meeting with DOT, DES and the Historical Society regarding the New Castle Bridge in New Castle. DES is concerned with the ocean rising and frequency of storms and shutting that bridge and making it a fixed bridge. The Historical Society is concerned about the fishing industry. These groups think there should be another public meeting which will take place on February 5th. At last count, twenty seven (27) are in support of a lift bridge with three (3) against it. The City of Portsmouth is concerned about the water line which they have been told is being looked at and there might be other options.

Moorings – Chris Snow – Mr. Snow was not available to give a report.

PDA Liaison – Roger Groux – Mr. Groux had nothing to report.

Maritime/Public Affairs – Donald Coker – Mr. Coker reported that a replica of a 16th Century galleon may in Portsmouth in July. This is not yet confirmed and he is working on a second ship.

Dredging – Chris Holt – Mr. Holt had nothing to report. Director Marconi told the Council that the Annual Dredge Report had been submitted to the Governor. He also reminded the Council that a Capital request of 7.6 million dollar has been submitted for the cost share of the Turning Basin project.

6) NEW BUSINESS

HB 144

Chairperson Coker pointed out that one of the duties of the Council is to advise the Director of the Port and they can take a position of issues that affect the Port.

Esther Kennedy made a motion to suspend the regular order of business so that Representative Jackie Pitts, sponsor of HB 144, could speak and explain the bill; Erik Anderson seconded the motion. Motion passed without exception.

Mr. Coker invited Representative Pitts to speak on HB 144 a bill of which she sponsored. Representative Pitts explained that HB 144 was to create a commission to look into the viability of the Port. She said she wants the Port to remain a port. The commission, along with others, would look into the functions of the port and write a report.

Mr. Coker said that he is opposed to the bill and he does not like the wording. He said the word “viability” has been used a number of times and does not like that wording. He thought it was “too heavily weighted for the Seacoast”. The Port he said belongs to the citizens of New Hampshire. There are many people who would like to get control of the Port for the development of the land. Mr. Coker does not want to see this HB move forward. If there is a commission, it should be represented by people from all over the state as well as members of the Council.

Mr. Groux agreed that there were far reaching economic implications that the Port has brought to the State of New Hampshire. When the Grimmel contract was not renewed, several salvage companies testified to the economic impact of the loss of moving their salvage through the Port. People forget how much trade comes through the Port. It has to be protected.

Esther felt that a member(s) of the Advisory Council should be part of the commission along with someone from the fishing community and commercial businesses from all over the state that are or have been associated with the Port.

Jeff Gilbert asked what the purpose is of this study. It is not clear in the bill if the purpose of the commission is to analyze if the Port can be a standalone enterprise or if it should be part of Pease. The statute is very clear in saying that the Port is to continue to function as a port. He also questions the term “viability”. He sees no evidence that the Port is not viable. So, what exactly is the purpose of this commission? Mr. Gilbert says

to gain support, the bill needs to restate the statutory purpose of the Port is and that is assessing what is the best way to carry out that mission and is it best under Pease or is it best as an independent agency.

Erik Anderson said that over time there has been evolution of the Port. Whoever is on this commission needs to understand the complexities of the Port. He also is concerned over the words “long term viability”. The Port is always evolving but stays within the maritime use.

Mr. Coker pointed out that the Port is self sufficient and only reaches out to legislation is for large capital expenses. He cannot support the bill as written and asked if it was possible for Representative Pitts to withdraw the bill and reintroduce it with specifics and sit with the Advisory Council for a redraft.

Representative Pitts said it can be amended or they can ask for it to be retained in the first year’s session. She could recommend that they ITL this bill knowing that for two (2) years it can’t come back again. She thinks there is a need to promote the Port.

Mr. Gilbert thinks that HB 144 should be retained. Esther Kennedy and Donald Coker agreed.

Roger Groux made a motion that Mr. Gilbert speak with Gene Chandler regarding HB 144; Brad Cook seconded. Motion passed without exception.

Director Marconi pointed out that the existing statute is makes it perfectly clear that the PDA cannot give away, sell or transfer property without legislative permission. It also cannot enter into a contract with duration of more than seven (7) years without a vote by the Governor and Council.

SB 87

Director Marconi explained the purpose of SB 87 regarding wake on a certain area of the Piscataqua River. This bill is proposing headway speed from R2 buoy to R2 buoy only on the New Hampshire side of the river.

Chris Holt stated that this is a ridiculous idea and is a significant issue for fishermen, boats. Five (5) knots of speed during high tide is bad.

Mr. Anderson commented that this idea would make the river less safe.

Mr. Holt said that there is already wake controls in place four hundred feet (400’) either side of the bridges.

Roger Groux pointed out that there are regulations in place and are restated in the boater’s guide. If this bill becomes law, it will take forever to transit the river and will affect recreational boaters, commercial boats and businesses upriver.

Chris Holt said it would make things difficult for small businesses along the waterfront.

Esther Kennedy commented that it will make it very unsafe. If it is thought speed is an issue and the reason for this bill, then perhaps the bill should be about more Marine Patrol presence.

Donald Coker summarized by stating the Council is opposed to SB 87.

Geno pointed out that there is a hearing next Tuesday (1/27/15) at 1300 hours at the LOB.

Mr. Coker said better to enforce what is on the book and not change the headway.

Mr. Groux was designated to speak at the hearing to state the Council's opposition to the bill.

Comments regarding SB 87:

Sean McKenna, former manager of the Wentworth Marine and now the manager of the Great Bay Marina – Mr. McKenna stated that he has had “hundreds” of calls from customers regarding SB 87. If passed, this would destroy the business. It's “lake mentality” and not thought out at all. He will attend the hearing.

Mike Cleary – Mr. Clearly adamantly opposes this bill. He believes they will try to negotiate the bill because of opposition. It is in committee now. He will attend the hearing.

Representative Pitts – Rep. Pitts believes the bill will go down.

Miles Cook – He is happy that so many are in agreement by opposing the bill. He knows of many people that plan to attend the hearing.

Jack Farrell – Star Island – The bill would cost businesses thousands of dollars. Appledore would be forced to cancel trips. It would be bad for many.

Director Marconi said that Senator Clark is conducting a meeting in the Port Conference room tomorrow (January 22, 2015). The purpose of the meeting is to get expert opinions regarding her bill.

Esther Kennedy made a motion to halt the bill and send a letter to Senator Stiles stating that the Council is opposed to SB 87; Chris Holt seconded the motion. After some discussion, the motion was amended to allow Roger Groux to deliver the letter at the public hearing and speak at the hearing as a representative of the Council. The amended motion passed without exception. Director Marconi will draft the letter.

7) OLD BUSINESS

There is a meeting regarding the New Castle Bridge on February 5. Chris made the Council's position clear and suggested that the letter stating the Council's position should be resent.

Esther Kennedy said that the DOT, DES and the Historical Society will make a decision for a fixed vs. lift bridge but not until another meeting is held. She made a motion to send the letter that says the Council adamantly opposes a fixed bridge to the DOT, DES and the Historical Society; Chris Holt seconded. Motion passed without exception.

8) PUBLIC COMMENT

Shane – His and other oyster farms asked if they could be charged “another fee” as opposed to a mooring fee due to the expense for aqua culturists. Director Marconi responded by stating that the fee, per statute, is based on what is attached to the mooring. Although he understands the expense of this, it is what is mandated by statute.

9) PRESS QUESTIONS

There was no press present.

10) ADJOURNMENT

Roger Groux made a motion to adjourn; Chris Holt seconded. Motion to adjourn passed without exception. Meeting adjourned at 8:07 p.m.

