

TRUSTEES OF THE TRUST FUNDS
CITY OF PORTSMOUTH, NEW HAMPSHIRE
MINUTES OF MAY 17, 2012 MEETING

A regular meeting of the Trustees of the Trust Funds for the City of Portsmouth, New Hampshire was held on May 17, 2012 at the 4th Floor Law Library at Portsmouth City Hall. The meeting was called to order at 7:32 a.m.

Present were Trustees Phyllis Z. Eldridge, Dana S. Levenson and Thomas R. Watson. Also present were Peter Torrey, Michael Warhurst, Robert Sullivan, Cindy Hayden, Suzanne Woodward, Kathy Sununu, Thomas Dwyer, Ben Anderson, Dan Plummer and Sandi Hennequin.

The minutes of the May 3, 2012 meeting were reviewed and, upon motion duly made and seconded, were approved.

Payroll and operating expense checks were reviewed and signed.

Peter Torrey distributed a Portfolio Review prepared by H.M. Payson for the Trustees' review. He also reported that the Portfolio's managers will plan on attending a Trustee meeting in July to make further comments and recommendations after the second quarter results are available.

Mr. Torrey also reported that the May 1st lecture "Around the World" presented as part of the Phyllis Hodgdon lecture series was very successful, drawing over 200 people.

Michael Warhurst next presented the Park report. He reported receipt of a request by the United States Army New England Recruiting Battalion to hold a picnic on Four Tree Island on June 29, 2012 in conjunction with the Battalion's change of responsibility. After discussion, upon motion duly made and seconded, the Trustees unanimously voted to approve the request subject to the usual conditions for use of the Park in Four Tree Island.

Mr. Warhurst reported on the receipt of a request by the New Hampshire Art Association to run an overhead wire, at its own expense, on an existing pole to the Sheafe Building to allow the Association to accept credit card charges via telephone. In the discussion that thereafter ensued, concern was expressed about the visual impact of additional overhead wires. It was also suggested that overhead wires are not necessary to support use of credit cards given current wireless technology. Mr. Warhurst was asked to contact NHAA to discuss wireless options.

Mr. Warhurst also reported that the numbering of the Shaw and Sheafe Buildings has been approved by the Portsmouth Police and Fire Departments.

Ben Anderson next presented an overview of the recent history on the Prescott Park Arts Festival ("PPAF"), the impact of the festival on the community and the need for a capital campaign to address unsafe utility lines, roof leaks, the lack of a cover over the stage and inadequate power supply. Mr. Anderson indicated PPAF proposes to commence a \$1,300,000 campaign.

Thomas Dwyer added that each of the infrastructure improvements sought by PPAF, including the new power building, the upgraded concession/restroom building, and the covering over the stage are not intended to increase audience size but rather are required to draw better quality of acts in the Park and to enhance the audience experience. Mr. Dwyer reported that PPAF is also negotiating an agreement with the City of Portsmouth with respect to the reconstruction and future use of the concession building and suggested, in his opinion, that that agreement should be consolidated with the agreement between PPAF and the Trustees into a single agreement. He also indicated that PPAF was desirous of obtaining a longer agreement with the Trustees to insure the opportunity to recoup its investments in the infrastructure at the park.

Attorney Woodward reported on the progress of the negotiations between the City and PPAF for the concession building.

A discussion then ensued concerning the need for increased communication between the Trustees and PPAF, following which PPAF agreed to designate a representative to regularly attend Trustees meetings to keep the Trustees informed on PPAF activities.

PPAF was then asked to respond to the draft of the agreement with the Trustees forwarded to it by Attorney Sullivan on May 3, 2012. Attorney Dwyer responded on behalf of PPAF. He expressed his concern with certain language in Paragraphs 12 and 19 of the proposed agreement. A discussion ensued about determining an appropriate impact fee. Mr. Torrey suggested that there are three factors to be viewed in determining PPAF's impact upon Prescott Park: (1) its use of space in the Park including the Shaw Building; (2) its consumption of items provided by the Park; and (3) its use of the time of the park superintendent. Attorney Sullivan proposed that he provide another draft of the agreement to address the additional issues of the new sound building, sharing costs and joint meetings, and that it be circulated to PPAF for its review and response. PPAF agreed to respond to the draft before the next meeting of the Trustees.

The chair reported that the next meeting will take place on June 7, 2012.

There being no further business, upon motion duly made and seconded, the meeting was adjourned at 9:04 a.m.

A handwritten signature in black ink, appearing to read 'Thomas R. Watson', written over a horizontal line.

Thomas R. Watson, Secretary