

TRUSTEES OF THE TRUST FUNDS
CITY OF PORTSMOUTH, NEW HAMPSHIRE
MINUTES OF JUNE 28, 2012 MEETING

A regular meeting of the Trustees of the Trust Funds for the City of Portsmouth, New Hampshire was held on June 28, 2012 at the Shaw Building at Prescott Park.. The meeting was called to order at 7:38 a.m.

Present were Trustees Phyllis Z. Eldridge, Dana S. Levenson and Thomas R. Watson. Also present were Peter Torrey, Robert Sullivan, Steven Parkinson, David Allen, Thomas Dwyer, Benjamin Anderson, Kathleen Dwyer, Caroline Amport and David Underhill.

The revised minutes of the June 7, 2012 meeting were reviewed and, upon motion duly made and seconded, were approved.

Payroll and operating expense checks were reviewed and signed.

Caroline Amport appeared on behalf of the Fairy House Tour to report that it will take place this year on September 15th and 16th. She reported that the public locations for the fairy homes this year include Prescott Park, Strawberry Banke Museum, Governor Langdon Home and Pierce Island. Ms. Amport also discussed how the tour has grown significantly for a number of years to the point where it is able to make significant contributions to a number of local non-profits, including Prescott Park, from the proceeds raised during the tour.

David Underhill appeared on behalf of PPMtv to accept a check from the Trustees for its portion of the franchise fee paid to the City of Portsmouth by Comcast each year. Mr. Underhill also gave an overview of the work that has been done in renovating the Old South Meeting House to create a television station and the progress of PPMtv since its formation.

Chair Eldridge distributed to the Trustees a number of thank-you notes recently received from recipients of scholarships from the Scholarship Funds maintained by the Trustees.

Mr. Torrey provided the Trustees with a brief overview of the preliminary projections for repayment of the construction costs associated with rebuilding the docks at Prescott Park, under each of the options presented to the Trustees at their last meeting. Preliminarily, it appears that the income assumptions associated with the rental of the docks under each of the options would allow for a payback of the construction cost between 2020 and 2025. Final calculations concerning these projections as well as the analysis of the conditions associated with obtaining a federal grant, are expected shortly.

Ms. Eldridge delivered a report on the Park in the absence of Mr. Warhurst. She reported that the work on the Hovey Fountain is scheduled to start this week, that the Park sustained some tree damage due to high winds earlier in the week, that the City of Portsmouth recently striped the parking lot and that it was recently discovered that the Park had a major electrical leakage in one of the lamp poles and has now been disconnected. The source of the problem is currently under investigation. Other poles in the Park will be tested, as well, to determine if the faulty one was an isolated case.

Mr. Dwyer and Mr. Anderson appeared on behalf of Prescott Park Arts Festival (“PPAF”). Mr. Dwyer reported that, following the last meeting of the Trustees, the Board of Directors of PPAF was able to meet and consider the Trustees’ proposals for the 2012 season. He reported that PPAF has approved the final version of the season agreement prepared by Attorney Sullivan and that agreement will now be circulated for signatures. He also reported that PPAF has approved the payment of \$8,000 to the Trustees as an impact fee for the 2012 season, payable by November 1, 2012. Mr. Dwyer cautioned that, while PPAF agreed to the amount of the contribution, it did not want that agreement to be construed as its agreement to any particular methodology or formula for determining future impact fees.

Mr. Dwyer also reported that PPAF was willing to proceed to negotiate a formula or methodology for determining future impact fees.

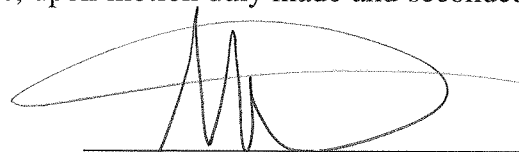
Mr. Dwyer also requested feedback from the Trustees to the list of proposed improvements to be funded by PPAF out of the proceeds of its anticipated capital campaign. Another copy of that list was distributed to the Trustees. Attorney Sullivan cautioned that the same list has been submitted to the City Manager and all parties are awaiting receipt of his comments and that it would be premature for the Trustees to formally comment upon or approve any particular item on the list.

Nonetheless, the Trustees were able to provide some informal comment on the list. Central to that discussion was the opinion of each of the Trustees that any improvement which would have a visual impact on the Park will be strictly scrutinized and consideration of any such improvement should be prefaced with copies of drawings, plans and renderings instead of simple conceptual discussions. Particular concern was expressed about the stage projection, underground electrics, lighting and speaker systems and security systems. Attorney Sullivan pointed out that any security or other system that involved cameras or live filming is subject to both state laws and city policies.

A discussion then ensued about the potential for relocating the stage and addressing the assemblage of tents, tractor trailers, etc. behind it during the season. Individual Trustees expressed their interest in looking at options for that area with the understanding that this is not a decision that will be made quickly but only after careful review and collaborative effort.

The chair reported that the next meeting will take place on July 12, 2012.

There being no further business, upon motion duly made and seconded, the meeting was adjourned at 8:57 a.m.

A handwritten signature in black ink, appearing to read "Thomas R. Watson", is written over a horizontal line. The signature is stylized with a large, sweeping loop on the left side and several vertical strokes on the right.

Thomas R. Watson, Secretary