

TRUSTEES OF THE TRUST FUNDS
CITY OF PORTSMOUTH, NEW HAMPSHIRE
MINUTES OF JULY 15, 2013 MEETING

A regular meeting of the Trustees of the Trust Funds for the City of Portsmouth, New Hampshire was held on July 15, 2013 at the 4th Floor Law Library at Portsmouth City Hall. The meeting was called to order at 7:30 a.m.

Present were Trustees Phyllis Z. Eldridge, Dana S. Levenson and Thomas R. Watson. Also present were Peter Torrey, Michael Warhurst , John Bohenko, Molly Bolster, Jeffrey Little, Robert Sullivan and Judy Nerbonne.

The minutes of the June 20, 2013 and July 2, 2013 meeting were reviewed and, upon motion duly made and seconded, were approved.

Payroll and operating expense checks were reviewed and signed.

Mr. Torrey provided the financial report. He distributed and led a review and discussion of the revenue and expense summary for the Trust Funds and the dock activity summary for the Marine Maintenance Trust Fund for the period ending June 30, 2013. Mr. Torrey also circulated and led a discussion on a fund valuation growth comparative for the first two quarters of the 2013 calendar year.

Mr. Torrey also noted the receipt of a contribution and note from a user of the Park in appreciation of the courtesy and conservation efforts of the Park Superintendent.

Ms. Bolster and Mr. Little appeared on behalf of The Gundalow Company. Ms. Bolster reported that the Company has abandoned its earlier plans to obtain a liquor license to allow for the service of alcoholic beverages on sails of the vessel. Ms. Bolster noted that the Company had come to the conclusion that holding a liquor license is inconsistent with its mission and goals as an educational institution and that the Company is looking at alternative ways within which to be able to offer such beverages on adult-oriented cruises.

Mr. Sullivan noted that city regulations and Prescott Park policies prohibit the presence of alcohol within the Park, not just the consumption of alcohol within the Park. Thus, he reminded The Gundalow Company that any options that it may pursue should take into consideration that the Company may not cause alcohol to be transported across the Park in order to be loaded onto the vessel.

Judy Nerbonne appeared on behalf of the Fairy House Tour. She reminded the Trustees that, per the Trustees' earlier approvals, the Fairy House Tour will be displaying handmade wreaths in the Sheafe Warehouse that will be the subject of a fundraising raffle. She requested that the Trustees revise their earlier approval to allow for the sale of the raffle tickets at the PPAF concession stand. She noted that the proceeds from the raffle sale will be donated to a non-profit. The Trustees expressed concern that the proposal would be contrary to the policies of Prescott Park. After further discussion, the Fairy House Tour agreed that all proceeds from the raffle would be donated to the flower fund of the Park to assist in covering the cost of

maintaining the formal garden and flower beds. After further discussion, the Fairy House Tour's proposal was unanimously approved.

Ms. Nerbonne also requested permission from the Trustees to utilize two spaces in the parking lot serving Four Tree Island during the two-week period preceding the Fairy House Tour to allow for the storage of materials to be used in constructing the houses on Pierce Island. The request was unanimously approved by the Trustees.

Mr. Warhurst provided his Park report. He noted that the Greater Portsmouth Chamber of Commerce has changed the date of its annual dinner on Four Tree Island from Tuesday, July 16th to Wednesday, July 17th. He noted that a planning meeting for that event is scheduled for today at 11:00 a.m.

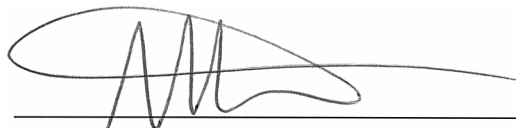
Mr. Warhurst reported on the receipt of a request by Kevin Beane to conduct Aikido classes in the Park on Sunday mornings. All classes will be free. After further discussion, the Trustees unanimously approved the request subject to the usual conditions concerning the use of the Park.

Mr. Warhurst reported on the current progress of the repair and restoration work being conducted on the Shaw Building.

A prolonged, generalized discussion then occurred among the Trustees and others present as to the multitude of issues currently facing the Park and the Trustees.

The chair reported that the next meeting will take place on August 8, 2013.

There being no further business, upon motion duly made and seconded, the meeting was adjourned at 9:35 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 initial 'T' and 'W'.

Thomas R. Watson, Secretary