

GOVERNOR AND EXECUTIVE COUNCIL MINUTES  
State House, Concord, New Hampshire  
December 20, 2010, 10:00 a.m.

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The Governor and Executive Council convened at 10:00 a.m. with all members present.

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The Governor and Executive Council on motion of Councilor Wieczorek, seconded by Councilor Shea, accepted the minutes of December 8, 2010.

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The Governor and Executive Council, on motion of Councilor Hollingworth, seconded by Councilor Shea approved the appointment of several persons nominated for Civil Commissions from the December 8, 2010 meeting.

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The Governor and Executive Council swore into office the following Representatives-elect:

**Coos County District 4**

Robert L. Theberge, d. Berlin (30 Oxford Street) 03570

**Hillsborough County District 8**

Daniel J. Sullivan, d. Manchester (172 Arah Street) 03104

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**RESIGNATION**

The Governor and Council, accepted the following resignation:

Independent Investment Committee

Patrick O'Donnell, Concord

Effective: December 18, 2010

**CONFIRMATIONS**

The Governor and Council confirmed the following:

Board of Licensure for Alcohol and Other Drug Use Professionals

(Public Member)

Charlotte Houde Quimby, Lebanon

Succeeding: Daniel St. Hilaire, Concord

Effective: December 20, 2010

Term: January 28, 2013

Aviation Users Advisory Board

(Airport Manager)

Kim W. Hopper, Rochester

Reappointment

Effective: December 20, 2010

Term: October 29, 2014

Board of Licensure of Interpretors for the Deaf & Hard of Hearing

(Non-deaf Public Member)

Christine C. Wellington, Derry

Succeeding: Elizabeth V. Brown, Keene

Effective: December 20, 2010

Term: October 10, 2013

Enhanced 911 Commission

(Nominated by FairPoint)

Karen Mead, Bedford

Succeeding: Kevin M. Shea, Derry

Effective: December 20, 2010

Term: July 8, 2011

Board of Professional Geologists

John M. Regan, Concord

Succeeding: Dorothy Richter, Salem (term limited)

Effective: December 20, 2010

Term: October 4, 2015

Board of Home Inspectors

(Home Inspector)

Carla J. Horne, Meredith

Reappointment

Effective: December 20, 2010

Term: December 18, 2015

Independent Investment Committee

Harold Janeway, Webster

Succeeding: David Jensen, Contoocook (resigned)

Effective: December 20, 2010

Term: At the Pleasure of G&C

Chairman of the Liquor Commission

Joseph W. Mollica, Sunapee

Succeeding: Mark Bodi, Portsmouth

Salary: Grade HH, Step 4, \$93,812

Effective: December 20, 2010

Term: Coterminous with the Governor

Board of Mental Health Practice

(Licensed Clinical Social Worker)

Kim Gretchen Spencer, Center Harbor

Succeeding: Sheila Renaud-Finnegan, Pembroke (term limited)

Effective: December 20, 2010

Term: October 31, 2013

Mount Washington Commission

(Public Member)

Martha McLeod, Franconia

Succeeding: Guy Gosselin, Gorham (resigned)

Effective: December 20, 2010

Term: July 2, 2014

Public Employee Labor Relations Board

(Labor)

Richard J. Laughton, Durham

Succeeding: J. David McLean, Rochester (resigned)

Effective: December 20, 2010

Term: October 2, 2015

Respiratory Care Practitioners Governing Board

Douglas A. Hall, Weare

Succeeding: Carl J. Rod, Jefferson (term limited)

Effective: December 20, 2010

Term: March 4, 2013

Rivers Management Advisory Committee

(Rep. Public Water Works)

Donald L. Ware, Merrimack

Succeeding: Robert G. Beaurivage, Auburn (resigned)

Effective: December 20, 2010

Term: September 28, 2013

Sky Haven Airport Operations Commission

Kenneth L. Weyler, Kingston

Vacancy

Effective: December 20, 2010

Term: December 20, 2013

Telecommunications Planning & Development Advisory Committee

(Regional Economic Development Organization or Planning Commission)

Michael D. Blair, Swanzey

Succeeding: Kenneth G. Lurvey, Concord (resigned)

Effective: December 20, 2010

Term: October 18, 2011

Telecommunications Planning & Development Advisory Committee

(Industry)

Nominated by the Commissioner of the Department of Resources and Economic Development

Christopher K. Hodgdon, Contoocook

Reappointment

Effective: December 20, 2010

Term: November 9, 2012

Transportation Appeals Board

(Professional Engineer)

Christopher R. Bean, Concord

Succeeding: H. Edmond Bergeron, North Conway

Effective: December 20, 2010

Term: April 23, 2013

**BUSINESS FINANCE AUTHORITY**

#1 The Governor and Executive Council on motion of Councilor Pignatelli, seconded by Councilor Wieczorek and further on a roll call vote as follows: Councilor Burton – yes, Councilor Shea – yes, Councilor Hollingworth – yes, Councilor Wieczorek – yes, and Councilor Pignatelli – yes, authorized to hold a Public Hearing with respect to the financing of an industrial facility by the Business Finance Authority for Liberty Cellu Drive LLC located in Nashua, New Hampshire. Action will authorize a Resolution under RSA 162-I:9 to determine the financing will serve a public use, provide public benefit and is within the policy and authority of the Act.

EXTRACT FROM THE MINUTES OF THE MEETING OF THE  
GOVERNOR AND COUNCIL HELD DECEMBER 20, 2010  
AT THE COUNCIL CHAMBER, STATE HOUSE, CONCORD, NEW HAMPSHIRE

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At 10:15 a.m. the Governor announced that the next matter to be considered would be the financing of an industrial facility project by the Business Finance Authority (“Authority”) for Liberty Cellu Drive LLC and declared that the public hearing on the subject had commenced. He said that he and the members of the Council had received the written recommendation of the Authority and other documentation and information with respect to the project. The Governor said that the meeting would then hear anyone wishing to speak on the subject. Jack Donovan, Executive Director of the Authority, briefly explained the project, emphasized that the credit of the State was not involved and introduced Richard Rove and Scott Parkinson of Technical Graphics Inc., the proposed tenant of the building, and David Eaton of Eaton Partners. The Governor then repeated that the proceedings were a public hearing and asked whether any other person wished to speak; there being none, Councilor Pignatelli introduced a resolution entitled "A RESOLUTION UNDER RSA 162-I:9 WITH RESPECT TO THE FINANCING OF AN INDUSTRIAL FACILITY BY THE BUSINESS FINANCE AUTHORITY FOR LIBERTY CELLU DRIVE LLC IN NASHUA, NEW HAMPSHIRE" and moved its adoption, which was seconded by Councilor Wieczorek. After discussion of the resolution, the Governor called for a vote on the motion. Those voting in favor were: the Governor and Councilor Burton, Councilor Shea, Councilor Hollingworth, Councilor Wieczorek, and Councilor Pignatelli those abstaining were Councilor(s): None; and those voting against were Councilor(s): None. The Governor declared that the resolution was passed.

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**A RESOLUTION UNDER RSA 162-I:9 WITH RESPECT TO THE ISSUANCE OF UP TO \$10,500,000  
RECOVERY ZONE FACILITY REVENUE BONDS BY THE BUSINESS FINANCE AUTHORITY OF  
THE STATE OF NEW HAMPSHIRE TO FINANCE AN INDUSTRIAL FACILITY FOR LIBERTY  
CELLU DRIVE LLC  
IN NASHUA, NEW HAMPSHIRE**

WHEREAS, the Governor and Council have received from the Business Finance Authority of the State of New Hampshire (the "Authority") its written recommendation that the Governor and Council make certain findings and a determination under RSA 162-I:9 with respect to the financing of an industrial facility for Liberty Cellu Drive LLC (the “Borrower”), in Nashua, New Hampshire, by the Authority’s issuance of up to \$10,500,000 aggregate amount of recovery zone facility revenue bonds (the "Bonds") under RSA 162-I:1 et seq. (the "Act"); and

WHEREAS, the Governor and Council have received all of the documentation and information with respect to the proposed transaction that they have requested; and

WHEREAS, further action by the Authority with respect to the proposed transaction is subject to, and cannot be taken until passage of, this Resolution;

NOW, THEREFORE, in consideration of the foregoing, IT IS HEREBY RESOLVED THAT:

Section 1. Findings. On the basis of the Authority's recommendation and the documentation and information received by the Governor and Council, and after a public hearing, the Governor and Council find:

(a) Special Findings.

- (1) The project to be financed with the proceeds of the Bonds consists of the following: (i) financing the up to \$6,500,000 cost of the purchase and the retrofit of an approximately 225,000 square foot building by the "Borrower" located on approximately 16 acres at 1 Cellu Drive in Nashua, New Hampshire (the "Facility"); (ii) financing the up to \$4,000,000 cost of the purchase and installation of equipment and other specialty fit-up materials related to the consolidation and expansion of the Technical Graphics, Inc. ("TGI") operations of producing threads for currency printing located at the Facility; and (iii) financing the payment of certain related financing, closing and other costs and expenses, possibly including capitalized interest and issuance expenses (collectively the "Project"). The Facility is within the definition of "Industrial Facility" in RSA 162-I:2 and may be financed under the Act.
- (2) The establishment and operation of the Facility will create or preserve employment opportunities directly or indirectly within the State of New Hampshire (the "State") and will likely be of general benefit to the community as a whole.

(b) General Findings.

- (1) The Project and the proposed financing of the Project are feasible.
- (2) The Borrower has the skills and financial resources necessary to operate the Facility successfully.
- (3) The Loan and Security Agreement, Escrow Agreement(s), Mortgage, Security Agreement and Financing Statement, Guaranty Agreement, Collateral Assignment of Leases and Rents, Pledge and Security Agreement and the other documents to be executed in connection with the issuance of the Bonds (collectively, the "Financing Documents"), contain provisions so that under no circumstances will the Authority be obligated, directly or indirectly, to pay Project costs, debt service or expenses of operation, maintenance and upkeep of the Facility except from proceeds of the Bonds or from funds received under the Financing Documents, exclusive of funds received under the Financing Documents by the Authority for its own use.
- (4) The Financing Documents do not purport to create any debt of the State with respect to the Facility, other than a special obligation of the Authority acting on behalf of the State under the Act.
- (5) The proposed financing of the Project by the Authority and the proposed operation and use of the Facility will serve one or more needs and implement one or more purposes set forth in RSA 162-I:1, will preserve or increase the social or economic prosperity of the State and one or more of its political subdivisions and will promote the general welfare of the State's citizens.

Section 2. Ultimate Finding and Determination. The Governor and Council find that the proposed financing, operation and use of the Facility will serve a public use and provide a public benefit and determine that the Authority's financing of the Project will be within the policy of, and the authority conferred by, the Act.

Section 3. Approval. The Governor and Council hereby approve the Authority's taking such further action under the Act with respect to the transaction involving the Facility, the Project and the Bonds as may be required.



**A RESOLUTION UNDER RSA 162-A:18 AWARDED A STATE  
GUARANTEE UNDER RSA 162-A:13-a WITH RESPECT TO A  
LOAN FROM KENNEBUNK SAVINGS BANK TO  
NEW J-PAC,LLC AND NEW DOYEN MEDIPHARM, LLC.**

WHEREAS, the Governor and Council (the "Governor and Council") of the State of New Hampshire (the "State") have received from the Business Finance Authority of the State of New Hampshire (the "Authority") its written recommendation that the Governor and Council make certain findings and determinations pursuant to RSA 162-A:18 with respect to the award of a guarantee of the Authority in an amount equal to seventy-five percent (75%) of the principal amount of a loan up to \$1,500,000 from Kennebunk Savings Bank to New J-Pac, LLC and New Doyen Medipharm, LLC. pursuant to RSA 162-A:13-a (the Working Capital Loan Guarantee Program or the "WAG Program");

WHEREAS, the proposed guarantee would require the pledge of the full faith and credit of the Authority in an amount not to exceed seventy-five percent (75%) of the proposed financing;

WHEREAS, pursuant to the provisions of RSA Chapter 162-A, the Governor and Council is authorized to approve the recommendation of the Authority and to award the recommended guarantee upon the making of specific findings after public hearing;

WHEREAS, the Governor and Council have received all the documentation and information with respect to the proposed award of the Authority's guarantee which they have requested; and

WHEREAS, further action by the Authority with respect to the proposed transaction is subject to the passage of this resolution and cannot be taken until after its passage;

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT:

1. Findings and Determinations. On the basis of the documentation and information received by the Governor and Council, and after a public hearing, the Governor and Council find:

(a) Special Findings.

- (i) The award of the guarantee as proposed will contribute significantly to the success of the financing.
- (ii) Reasonable and appropriate measures have been taken to minimize the risk of loss to the Authority and to ensure that any private benefit from the award of the guarantee will be only incidental to the public purpose served thereby.

(b) General Findings.

- (i) The award of the guarantee as proposed will serve a public use and provide a public benefit.
- (ii) The award of the guarantee as proposed is within the policy of, and the authority conferred by RSA Chapter 162-A.
- (iii) The award of the guarantee as proposed will preserve or increase the social welfare or economic prosperity of the state and one or more of its political subdivisions, and will promote the general welfare of the state's citizens.
- (iv) The award of the guarantee as proposed will promote the orderly development of business activities, create or preserve employment opportunities, or protect the physical environment.

2. Approval. The Governor and Council approve the Authority's taking such further action under the Act with respect to the award of the guarantee as may be required and authorize the Authority to take such further action with respect to such proposed execution as is necessary and appropriate to carry out the proposed transaction.

3. Effective Date. This resolution shall take effect upon its passage.

Passed and Agreed to: December 20, 2010

#### **OFFICE OF THE ADJUTANT GENERAL**

#3 The Governor and Council on motion of Councilor Wieczorek, seconded by Councilor Hollingworth authorized the request for the individuals as detailed in letter dated December 6, 2010, to be commissioned as Aide-de-Camp to the Governor.

#### **DEPARTMENT OF SAFETY**

The Governor and Council acted as follows:

#4 Authorized the Division of Homeland Security and Emergency Management to enter into a grant agreement with the Town of Temple for emergency preparedness capabilities enhancements for a total amount of \$37,500. Effective upon G&C approval through September 30, 2011. **100% Federal Funds.**

#5 Authorized the Division of Homeland Security and Emergency Management to enter into a grant agreement with the Town of Plymouth, to update the Town's Emergency Operations Plan, for a total amount of \$5,000. Effective upon G&C approval through September 30, 2011. **100% Federal Funds.**

#6 Authorized the Division of Homeland Security and Emergency Management to enter into a grant agreement with Volunteer NH!, for emergency preparedness capabilities enhancements in the amount of \$25,000. Effective upon G&C approval through September 30, 2011. **100% Federal Funds.**

#7 Authorized the Division of Homeland Security and Emergency Management to enter into a grant agreement with the Town of Milford to update their emergency preparedness capabilities for a total amount of \$6,972.50. Effective upon G&C approval through September 30, 2011. **100% Federal Funds.**

#8 Authorized the Division of Homeland Security and Emergency Management to enter into a grant agreement with the Town of Hampton Falls, to purchase traffic control equipment for the town's emergency operations center for a total amount of \$5,479.45. Effective upon G&C approval through September 30, 2011. **100% Federal Funds.**

#9 Authorized the Division of Homeland Security and Emergency Management to enter into a grant agreement with the Town of Goffstown, to purchase equipment to upgrade their community wide communication system, for a total amount of \$96,339. Effective upon G&C approval through September 30, 2011. **100% Federal Funds.**

#10 Authorized the Division of Homeland Security and Emergency Management to enter into a grant agreement with the Community Action Program Belknap-Merrimack Counties Inc., to be used for recovery activities associated with the February 2010 Rain/Wind event, for \$25,000. Effective upon G&C approval through September 30, 2011. **100% Federal Funds.**

## LATE ITEMS

### DEPARTMENT OF TRANSPORTATION

The Governor and Council acted as follows:

- A. Authorized the Department to utilize the design build contracting method for the project to replace the Memorial Bridge over the Piscataqua River between Portsmouth NH and Kittery ME.
- B. Authorized the Department to enter into a contract with Middlesex Corporation of Littleton, MA on the basis of a low bid of \$30,568,352.00 for reconstruction and widening of the I-93 mainline in the vicinity of Exit 1 in Salem, from the date of G&C approval though June 7, 2013 unless extended by the Department in accordance with the Standard Specifications. 2) Further authorize that a contingency in the amount of \$1,528,417.60 be approved for payment of latent conditions, which may appear during the construction of the project. **99.76% Federal funds, .24% local match.**

### BUSINESS FINANCE AUTHORITY

- C. The Governor and Executive Council on motion of Councilor Shea, seconded by Councilor Hollingworth and further on a roll call vote as follows: Councilor Burton – yes, Councilor Shea – yes, Councilor Hollingworth – yes, Councilor Wiczorek – yes, and Councilor Pignatelli – yes, authorized to hold a public hearing with respect to the financing of a commercial facility by the Business Finance Authority for Bindery Redevelopment, LLC in Concord. Action will authorize a Resolution under RSA 162-I:9 to determine the financing will serve a public use, provide public benefit and is within the policy and authority of the Act.

EXTRACT FROM THE MINUTES OF THE MEETING OF THE  
GOVERNOR AND COUNCIL HELD DECEMBER 20, 2010  
AT THE COUNCIL CHAMBER, STATE HOUSE, CONCORD, NEW HAMPSHIRE

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At 10:50 a.m. the Governor announced that the next matter to be considered would be the financing of a commercial facility project by the Business Finance Authority (“Authority”) for Bindery Redevelopment, LLC or other nominee, and declared that the public hearing on the subject had commenced. He said that he and the members of the Council had received the written recommendation of the Authority and other documentation and information with respect to the project. The Governor said that the meeting would then hear anyone wishing to speak on the subject. Jack Donovan, Executive Director of the Authority, briefly explained the project, emphasized that the credit of the State was not involved and introduced Mr. Jon Chorlian, a representative of the developer. The Governor then repeated that the proceedings were a public hearing and asked whether any other person wished to speak; there being none, Councilor Shea introduced a resolution entitled " A RESOLUTION UNDER RSA 162-I:9 WITHRESPECT TO THE FINANCING OF A COMMERCIAL FACILITY BY THE BUSINESS FINANCE AUTHORITY FOR BINDERY REDEVELOPMENT, LLC OR OTHER NOMINEE IN CONCORD" and moved its adoption, which was seconded by Councilor Pignatelli. After discussion of the resolution, the Governor called for a vote on the motion. Those voting in favor were: the Governor and Councilor Burton, Councilor Shea, Councilor Hollingworth, Councilor Wiczorek, and Councilor Pignatelli those abstaining were

Councilor(s): None; and those voting against were Councilor(s): None. The Governor declared that the resolution was passed. \* \* \* \* \*

A RESOLUTION UNDER RSA 162-I:9 WITH RESPECT TO THE FINANCING OF A COMMERCIAL FACILITY BY THE BUSINESS FINANCE AUTHORITY FOR BINDERY REDEVELOPMENT, LLC OR OTHER NOMINEE IN CONCORD

WHEREAS, the Governor and Council have received from the Business Finance Authority (the "Authority") its written recommendation that the Governor and Council make certain findings and a determination pursuant to RSA 162-I:9 with respect to the financing of construction of a commercial facility for Bindery Redevelopment, LLC or other nominee (the "Borrower") in Concord by the Authority's issue of up to \$12,000,000 Bonds under RSA 162-I (the "Act");

WHEREAS, the Governor and Council have received all the documentation and information with respect to the transaction which they have requested; and

WHEREAS, further action by the Authority with respect to the transaction is subject to the passage of this resolution and cannot be taken until after its passage;

IT IS HEREBY RESOLVED THAT:

Section 1. Findings. On the basis of the Authority's recommendation and the documentation and information received by the Governor and Council, and after a public hearing, the Governor and Council find:

(a) Special findings:

(1) The Project (which when completed will constitute the "Facility") consists of the construction of a six-story, approximately 84,000 square foot office and commercial facility in the City of Concord. The Project is within the definition of "Commercial facility" in RSA 162-I (the "Act") and may be financed under the Act.

(2) The establishment and operation of the Facility will preserve employment opportunities directly and indirectly within the State of New Hampshire and will likely be of general benefit to the community as a whole.

(b) General findings:

(1) The Project and the proposed financing of the Project are feasible;

(2) The Borrower has the skills and financial resources necessary to operate the Facility successfully;

(3) The Loan and Security Agreement (which is a combined financing document and security document, hereinafter called the "Agreement") contains provisions so that under no circumstances will the Authority be obligated directly or indirectly to pay project costs, debt service or expenses of operation, maintenance and upkeep of the Facility except from Bond proceeds or from funds received under the Agreement, exclusive of funds received thereunder by the Authority for its own use;

(4) The Agreement does not purport to create any debt of the State with respect to the Facility, other than a special obligation of the Authority acting on behalf of the State under the Act; and

(5) The proposed financing of the Project by the Authority and the proposed operation and use of the Facility will serve one or more needs and implement one or more purposes set forth in RSA 162-I:1, will preserve or increase the social or economic prosperity of the State and one or more of its political subdivisions, and will promote the general welfare of the State's citizens.

Section 2. Ultimate Finding and Determination. The Governor and Council find that the proposed financing, operation and use of the commercial Facility will serve a public use and provide a public benefit; and the Governor and Council determine that the Authority's financing of the Project will be within the policy of, and the authority conferred by, the Act.

Section 3. Approval. The Governor and Council approve the Authority's taking such further action under the Act with respect to the transaction as may be required.

Section 4. Effective Date. This resolution shall take effect upon its passage.

Passed and Agreed to December 20, 2010

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The Governor and Council on motion of Councilor Burton, seconded by Councilor Shea, and further on a roll call vote as follows: Councilor Burton – yes, Councilor Shea – yes, Councilor Hollingworth – yes, Councilor Wieczorek – yes, and Councilor Pignatelli – yes, voted to go into non-public session under RSA 91-A:3 II (a) and (e) to review sealed minutes related to prior litigation against the Governor and Council

The Governor and Council on motion of Councilor Burton, seconded by Councilor Shea, and further on a roll call vote as follows: Councilor Burton – yes, Councilor Shea – yes, Councilor Hollingworth – yes, Councilor Wieczorek – yes, and Councilor Pignatelli – yes, voted to come out of non-public session.

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The Governor and Council has voted to finalize and seal the minutes of the November 17, 2010 Non-Public Session under RSA 93-A.

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The Governor and Council, on motion of Councilor Wieczorek, seconded by Councilor Pignatelli, approved and ordered that the following costs arising from the Petition for Removal filed against Banking Commissioner Peter Hildreth be paid by the Commissioner of Administrative Services out of unappropriated Funds:

1. Mikula Reporting Services LLC - \$4,777.20
2. Molloy Sound and Video - \$980

The Honorable Board then Adjourned at 11:50 a.m.