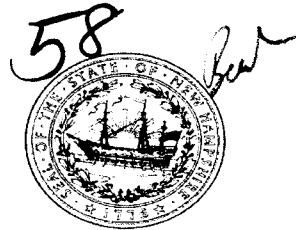




The State of New Hampshire  
**DEPARTMENT OF ENVIRONMENTAL SERVICES**

Thomas S. Burack, Commissioner



June 16, 2014

Her Excellency, Governor Margaret Wood Hassan  
And the Honorable Council  
State House  
Concord, New Hampshire 03301

*Retroactive*

**REQUESTED ACTIONS**

1) Authorize the Department of Environmental Services (DES) to **RETROACTIVELY** amend the lease agreement (PO #1024022) with 222 International LLC, c/o James J. Horne, CP Management, Inc. (VC#173063), Exeter, NH by increasing the lease agreement by \$7,000 to \$554,432.20 from \$547,432.20 pay for its portion of the cost to hook-up the DES-owned emergency generator at the DES Coastal Office at the Pease International Tradeport, effective upon Governor & Council approval through July 31, 2015. The original lease agreement was approved by G&C on June 6, 2012, item#108 Funding is 100% Oil Pollution Control Funds.

Funding is available as follows:

	<u>FY 2015</u>
03-44-44-444010-1400-022-500248	\$7,000
Dept. of Environmental Services, Oil Pollution Control Fund, Rents & Leases Other than State	

2) Authorize DES to modify certain terms and conditions of the Lease to apply the Tenant's renovation payment of \$3,688 to alternate renovations – the Landlord will provide and install protective concrete/steel bollards around the DES emergency generator, and make electrical improvements in the Incident Command Post (ICP), effective upon G&C approval through July 31, 2015. This change introduces no additional cost to the lease agreement.

**EXPLANATION**

The reason for this **retroactive** request is the Landlord's delay in identifying their costs for electrical equipment and wiring services for the installation and connection of the DES-owned emergency generator by the Landlord's electrical contractor. While the emergency generator is of prime importance for Incident Command Post (ICP) readiness, DES placed a priority on completing the installation in advance of the potential Spring 2014 thundershowers and hurricane season. DES decided to request the Landlord authorize their electrical contractor to initiate the work while the agency prepared these documents for approval. The emergency generator was installed and became operational on April 28, 2014.

The DES-owned emergency generator is a 150 kilowatt (KW) Olympian stand-by generator mounted on a 300 gallon (diesel) fuel tank, re-wired to provide 208/120 volt (V) service for the

DES Incident Command Post (ICP) at unit #175, 222 International Drive, Portsmouth, NH. This generator was originally installed sometime in 1994 to service the laboratory wing at 29 Hazen Drive in Concord. It was taken out of service in 2008 and relocated by DES to the original Coastal Office at 50 International Drive, Portsmouth, NH.

Due to a short stay at that facility, the generator was never connected to the building, and ultimately was stored on the concrete pad behind the building for five years. During that period, DES leased office space at units 170 and 175 of 222 International Drive, Portsmouth, NH. Due to the recent expanded commitment to emergency preparedness for oil spill response, and a desire to provide an appropriate facility for continuity of operations during natural disasters, the need for the emergency generator became a priority for the ICP.

DES utilized a state contractor, Lee. F. Carroll, P.E., Electrical Consultant, to evaluate the power needs for an emergency generator at the DES Coastal Office. Following his evaluation, which included load testing of the existing generator, it was determined that substantial cost savings could be realized by refurbishing and utilizing the existing generator, when compared to purchase and installation of a new generator. The state contractor prepared specifications for the generator wiring and connections, and created drawings for use by a landlord-contracted electrician.

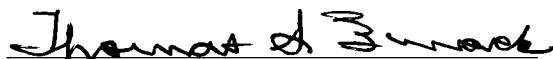
A second state contractor, Southworth-Milton, Inc., was authorized to remove the existing DES emergency generator from the original location in Portsmouth and replace and install needed motor parts, rewiring and power panels to meet the needs for the ICP hook-up. The renovated generator was delivered to the current DES Coastal Office in August 2013.

The Landlord (CP Mgmt.) had committed to participating in the cost of wiring the building and hook-up of a DES-owned emergency generator in a letter to DES dated October 18, 2011. DES pursued this commitment with the Landlord and negotiated a cost-sharing arrangement under which the Landlord would contribute \$16,150, and DES would contribute \$3,500 for an automatic transfer switch that was not the responsibility of Landlord under the terms of the lease. Further analysis by the contractor and DES identified additional electrical equipment and wiring needs to make the ICP fully operational during power outages, which were also not the responsibility of the Landlord, the cost of which totaled \$3,500. Accordingly, the DES share of costs for the work is a not-to-exceed value of \$7,000.

The second item seeks to amend the lease to delete anticipated mezzanine renovations and substitute new work by the Landlord to purchase and install concrete and steel bollards to protect the emergency generator and to provide certain electrical controls improvements in the ICP. The originally envisioned mezzanine renovations, which were estimated at a not-to-exceed amount of \$3688 (to be paid by DES) could not be completed due to local building code restrictions. This new work will be completed by the Landlord for the same not-to-exceed price.

The lease Amendment #1 is approved by the Department of Justice as to form, content, and execution

We respectfully request your approval.

  
Thomas S. Burack, Commissioner

**DEPARTMENT OF ADMINISTRATIVE SERVICES  
SYNOPSIS OF ENCLOSED LEASE CONTRACT**

**FROM:** Mary Belec, Administrator II  
Department of Administrative Services  
Bureau of Planning and Management

**DATE:** July 9, 2014

**SUBJECT:** Attached Lease Amendment;  
Approval respectfully requested.

**TO:** Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
State House  
Concord, New Hampshire 03301

**LESSEE:** Department of Environmental Services, 29 Hazen Drive, Concord, NH 03302

**LESSOR:** 222 International LLC, c/o James J. Horne, CP Management Inc., Exeter, NH 03833

**DESCRIPTION:** Retroactive Lease Amendment. Approval of the enclosed will retroactively authorize the deletion of certain interior renovations the Landlord was previously contractually obligated to provide at the premises and instead apply the funding the renovations would have cost to provide and install concrete bollards around the Department's exterior emergency generator, which the Landlords' contractors will install at an additional cost of \$7,000. The leased premises serve as the Departments' Emergency Operations Center, comprised of 11,334 square feet, located in units #175 and #170 at 222 International Drive, Portsmouth NH.

**TERM:** Unchanged, three (3) years: August 1, 2012 through July 31, 2015

**OPTIONS:** The Tenant has an option to extend the term for an additional two years

**ANNUAL RENT:** \$182,477.40 annually (\$16.10 per SF); \$547,432.20 three-year total

**AMENDMENT COST:** \$7,000 additional one-time payment

**JANITORIAL:** Provision included in annual rent

**UTILITIES:** Provision included in annual rent

**AMENDED TOTAL 3-year COST:** \$554,432.20

**PUBLIC NOTICE:** Sole Source: Landlord required all installations occurring on the Premises be provided by contractors under his direction, the Department compared the Landlord's proposed costs with those of other contractors and found it competitive and favorable

**CLEAN AIR PROVISIONS:** No provisions are applicable to this amendment

**BARRIER-FREE DESIGN COMMITTEE:** Not applicable to this amendment

**OTHER:** Approval of the enclosed is recommended

The enclosed contract complies with the State of NH Division of Plant and Property Rules  
And has been reviewed & approved by the Department of Justice

Reviewed and recommended by:  
Bureau of Planning and Management

  
Mary Belec, Administrator II

Approved by:  
Division of Plant and Property MGMT

  
Michael Connor, Deputy Commissioner

## **AMENDMENT #1**

This Agreement (the "Amendment") is dated this 17<sup>th</sup> day of June, 2014, and is by and between the State of New Hampshire acting by and through the Department of Environmental Services, (the "Tenant") and 222 International Partnership c/o CP Management, (the "Landlord") with a place of business at 11 Court Street, Exeter, NH 03833.

Whereas, pursuant to a three year lease agreement (the "Agreement") for 11,334 square feet of space located at 222 International Drive, Unit #175 & #170, Portsmouth, NH 03801 (the "Premises") which was entered into on April 5, 2012 and was approved by the Governor & Executive Council on June 6, 2012, item #108, the Landlord agreed to lease certain premises upon the terms and conditions specified in the Agreement which commenced on August 1, 2012 and will expire July 31, 2015, and in consideration of payment by the Tenant of certain sums as specified therein; and

Whereas, the Tenant wishes to amend the Agreement to install electrical wiring, switches, panels and controls for operation of an emergency generator owned by NHDES. CP Management has the authority and utility connections to subcontract the necessary vendors and contractors to install the necessary materials, equipment, and fixtures to meet the specifications and drawings provided by NHDES and NH Administrative Services.

Continued full term occupancy in the Premises is cost effective and mutually advantageous to both parties, and necessary to allow continued lawful payment of rent, and;

The Landlord is willing to participate in the cost to hook-up the NHDES emergency generator in accordance with the Condition of Space provision, letter dated October 18, 2011, under the terms of the originating Agreement and the cost-sharing memo dated January 2, 2014;

NOW THEREFORE, in consideration of the foregoing and the covenants and conditions contained in the Agreement as set forth herein, the Landlord and Tenant hereby agree to amend the Agreement as follows:

## **Amendment of Agreement:**

### **Exhibit B, Part II Additional Costs:**

**Delete - Item 1. - Mezzanine Renovations** The anticipated work as presented in "Exhibit D Part III" cannot be performed due to local building code restrictions.

**Revise - Item 1. -** Landlord to install concrete and steel bollards around the emergency generator, and electrical controls improvements in the Incident Command Post (Conference Rooms A & B). The not to exceed amount of \$3,688.00 shall be applied by the Tenant to remit invoiced payment no later than 45 days after receipt of the invoice.

### **Delete-Exhibit D Renovation Plan and Exhibit D, Part III Item 1**

**Add - Item 2. - Installation of electrical materials, equipment and fixtures for Emergency Generator** The landlord shall manage and subcontract all contractor work items to install wiring and operate the NHDES 150 KW emergency generator, and provide services to connect and operate all building power, communications and life safety systems within the leased space of Unit #175. The Landlord shall send the tenant an invoice for reimbursement of the costs for an electrical transfer switch, annunciator hookup, and communications circuits in the amount not to exceed \$7,000 (based on Landlord's Memo dated 1/2/2014 and Gate City Proposal of 4/22/2014). The Tenant shall remit payment no later than 45 days after receipt of the invoice.

**Add - 10.1 Provision of Work B):** Whereas, the Landlord has committed to providing additional items and improvements to hook-up Tenant provided emergency generator (as noted above) to include such circuits that are deemed essential for operations. The cost to be applied against the total costs to the Landlord for the installation work as defined in Exhibit B, Part II Additional Costs, Item 2 shall be \$16,150 (based on an estimate by Gate City Electric, dated 4/17/2013).

**EFFECTIVE DATE OF THE AMENDMENT:** This Amendment shall be effective upon its approval by the Governor and Executive Council of the State of New Hampshire. If approval is withheld, this document shall become null and void, with no further obligation or recourse to either party.

**CONTINUANCE OF AGREEMENT:** Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement and the obligations of the parties there under shall remain in full force and effect in accordance with the terms and conditions set forth therein.

IN WITNESS WHEREOF, the parties have hereunto set their hands:

**TENANT:** State of New Hampshire, acting through its: Department of Environmental services:

By Thomas H. Burack

**LANDLORD:** 222 International Partnership, c/o CP Management, Inc

By Daniel L. Plummer  
Signature  
Print Daniel L. Plummer Co-Manager  
Name & Title

**NOTARY STATEMENT:** As Notary Public and/or Justice of the Peace, REGISTERED IN THE STATE OF: NEW HAMPSHIRE COUNTY OF: ROCKINGHAM

UPON THIS DATE (insert full date) 5-20-14,

appeared before me J. RUSSELL DOYLE the undersigned officer  
(print full name of notary)  
personally appeared (insert Landlord's signature) DANIEL PLUMMER

who acknowledged him/herself to be: CO-MANAGER, 222 INTERNATIONAL PARTNERSHIP  
(print officer's title, and the name of the corporation)

and that as such officer, they are authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing him/herself in the name of the corporation.

**In witness whereof I hereunto set my hand and official seal.** (provide notary signature and seal)

J. Russell Doyle  
J. Russell Doyle  
NOTARY PUBLIC  
New Hampshire  
My Commission Expires 10/3/2017

**Approval by New Hampshire Attorney General as to form, substance and execution:**

By: Julia, Sr. Assistant Attorney General, on 7-1-2014

**Approval by the New Hampshire Governor and Executive Council:**

By: \_\_\_\_\_, on \_\_\_\_\_

**CERTIFICATE OF AUTHORITY**

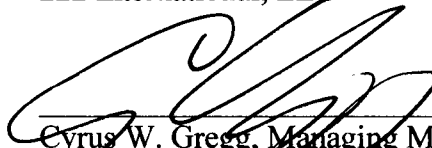
Dated: May 20, 2014

The undersigned, being the Managing Members of 222 International, LLC, which is the General Partner of 222 International L.P., hereby certify that the following resolution has been duly adopted:

**RESOLVED:** That Daniel L. Plummer as Co-Manager of 222 International, LLC, is authorized to execute an amendment to the lease with the State of New Hampshire, Department of Environmental Services, on behalf of 222 International, L.P. as Lessor, with respect to leased premises at 195 New Hampshire Avenue, Portsmouth, New Hampshire.

222 International, LLC

By:



Cyrus W. Gregg, Managing Member

By:



Daniel L. Plummer, Managing Member

State of New Hampshire  
Department of State

APR 09 2014

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that 222 INTERNATIONAL, LLC, a(n) Delaware limited liability company registered to do business in New Hampshire on June 25, 2001. I further certify that it is in good standing as far as this office is concerned, having filed the annual report(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto  
set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 4<sup>th</sup> day of April, A.D. 2014

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
6/30/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Risk Strategies Company One New Hampshire Avenue Suite 340 Portsmouth NH 03801	<b>CONTACT NAME:</b> Marianne Lyons	
	<b>PHONE (A/C, No. Ext):</b> (603) 778-8985	<b>FAX (A/C, No.):</b>
<b>E-MAIL ADDRESS:</b>		
<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
<b>INSURER A:</b> Citizens Ins. Co. of America		31534
<b>INSURER B:</b> Employers Fire Ins Co		
<b>INSURER C:</b>		
<b>INSURER D:</b>		
<b>INSURER E:</b>		
<b>INSURER F:</b>		

**COVERAGES**                      **CERTIFICATE NUMBER:** CL1462679405                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			ZBE873227704	6/10/2014	6/10/2015	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY \$ 1,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY			ZBE873227704	6/10/2014	6/10/2015	COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per person) \$
	<input checked="" type="checkbox"/> HIRED AUTOS	<input checked="" type="checkbox"/> NON-OWNED AUTOS					BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							Liability \$ 1,000,000
B	<input checked="" type="checkbox"/> UMBRELLA LIAB	<input type="checkbox"/> OCCUR		JHE873227904	6/10/2014	6/10/2015	EACH OCCURRENCE \$ 10,000,000
	<input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$ 10,000,000
	DED <input checked="" type="checkbox"/>	RETENTION \$ 10,000					
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						WC STATU-TORY LIMITS
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y/N	N/A				OTH-ER
	If yes, describe under DESCRIPTION OF OPERATIONS below						E L EACH ACCIDENT \$
							E L DISEASE - EA EMPLOYEE \$
							E L DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
RE: 222 International Drive, Portsmouth, NH 03801

<b>CERTIFICATE HOLDER</b>  State of New Hampshire Department of Environmental Services Attn: S. Croce 29 Hazen Drive Concord, NH 03302	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  Michael Christian/MRL <i>M C Christian</i>
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