

STATE PROPERTIES COMMITTEE MEETING

TUESDAY, AUGUST 21, 2007

The meeting of the State Properties Committee was called to order at 10:03 a.m. by Chairman Kevin M. Flynn. Other members present were Mr. Robert Griffith representing the Rhode Island Department of Administration; Richard B. Woolley representing the Rhode Island Department of Attorney General; Robert W. Kay and John A. Pagliarini, Jr., Public Members and Xaykham Khamsyvovong representing the Rhode Island Office of the General Treasurer, Ex-officio Member. Others in attendance were Steven Feinberg, from the Rhode Island Film & Television Office; Kelly Carpenter from the Rhode Island Senate Fiscal Office; Marco Schiappa, Kevin Nelson and Am Lisnoff from the Rhode Island Department of Administration; Daniel Clarke, Tim Harris and Maureen McMahon from the Rhode Island Department of Transportation; Lisa Primiano from the Rhode Island Department of Environmental Management; Juan Mariscal, Romeo Mendes and Elaine Maguire from the Rhode Island Water Resources Board; Captain David O'Mara from the Rhode Island Army National Guard; Eliseo Nogueras from the Hispanic Ministerial Association; Daniel Geagan from the City of Warwick and Robert L. Corriera and Sharon E. Pelsner from the Exeter West Greenwich Sports for Kids Association.

A motion was made to approve the regular minutes of the State Properties Committee meeting held on Tuesday, July 10, 2007, by Mr. Griffith and seconded by Mr. Kay. The motion passed four (4) votes aye; one abstention.

Four Votes Aye

Mr. Griffith

Mr. Kay
Mr. Pagliarini
Chairman Flynn

One Abstention

Mr. Woolley

A motion was made to approve the Executive Session minutes of the State Properties Committee meeting held on Tuesday, July 10, 2007, by Mr. Kay and seconded by Mr. Griffith. Motion passed four votes aye; one abstention.

Four Votes Aye

Mr. Griffith
Mr. Kay
Mr. Pagliarini
Chairman Flynn

One Abstention

Mr. Woolley

A motion was made to approve the regular minutes of the State Properties Committee meeting held on Tuesday, July 24, 2007, by Mr. Griffith and seconded by Mr. Woolley. Motion passed four votes aye; one abstention.

Four Votes Aye

Mr. Griffith
Mr. Kay
Mr. Pagliarini
Mr. Woolley

One Abstention

Chairman Flynn

A motion was made to approve the regular minutes of the State Properties Committee meeting held on Tuesday, August 7, 2007, by Mr. Griffith subject to the corrections and revisions regarding the listing of the non-voting, ex-officio member of

the State Properties Committee requested by Mr. Pagliarini and seconded by Mr. Pagliarini.

Passed Unanimously

A motion was made to approve the Executive Session minutes of the State Properties Committee meeting held on Tuesday, August 7, 2007, by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

Chairman Flynn noted for the record that the State Properties Committee did have a quorum present.

The next scheduled meeting of the State Properties Committee will be held on Tuesday, September 4, 2007, at 10:00 a.m.

ITEM A - Film and Television Office - A request was made for approval of and signatures on the Amendment to Location Agreement dated April 16, 2007, between the State of Rhode Island and Brotherhood Productions, Inc. Mr. Feinberg explained that the attorneys for Showtime indicated did not feel they were given ample time to review the original blanket Agreement and therefore, requested some revisions to said Agreement. Mr. Feinberg indicated that the requested revisions primarily deal with Showtime's ability to retain ownership of the film footage. Mr. Feinberg indicated that this issue was discussed with the Department of Administration's legal counsel and the Department of Attorney General. Subsequent to lengthy negotiations, this Amendment to the Location Agreement was prepared and agreed upon by the parties. Chairman Flynn asked if Mr. Woolley is comfortable with this Amendment to the Location Agreement. Mr. Woolley

indicated that he is satisfied with the document. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith. Mr. Pagliarini indicated that he will abstain from voting relative to this request as he was not yet a member of the Committee at the time the original blanket Agreement was presented. Motion passed four votes aye; one abstention.

Four Votes Aye

Mr. Griffith
Mr. Kay
Mr. Woolley
Chairman Flynn

One Abstention

Mr. Pagliarini

ITEM B -Department of Administration -A request was made for approval of and signatures on the Escrow Agreement and Quit Claim Deed for the Hanley Career Education Center Building located on Fricker Street in the City of Providence. Mr. Lisnoff explained that on July 10, 2007, the State Properties Committee approved a transfer agreement to convey the Hanley building over to the custody and control of the City of Providence in return for the total rehabilitation of said building. Said transfer requires that the building's title be held in escrow during the building's rehabilitation and until such time as the previously approved bond funds in the amount of \$3.8 million dollars are depleted. At time of the expiration of said funds, the title will be transferred to the City of Providence. Mr. Lisnoff indicated that the Department of Attorney General has reviewed and approved the Escrow Agreement. Mr. Woolley indicated that he has reviewed and approved the Escrow Agreement. Mr. Woolley also commended the Department of Administration for providing ample time for the Department of Attorney

General to review said documents. A motion was made to approve by Mr. Pagliarini and seconded Griffith.

Passed Unanimously

ITEM C -Department of Environmental Management -A request was made for approval of and signatures on a Purchase and Sale Contract for the acquisition of a Conservation Easement and Public Access Easement over forty-one (41) acres of land located in the City of Warwick; a portion of the property formerly referred to as Rocky Point Park. Ms. Primiano explained that this item was before the State Properties Committee on August 7, 2007. The Department of Environmental Management returns to the Committee today with a Purchase and Sale Contract for the same land areas discussed at the previous meeting. Ms. Primiano presented a copy of the appraisal of the property, conducted by Andolfo Appraisal Associates, for the Committee's review. Ms. Primiano explained that the Department of Environmental Management engaged the services of a professional engineer to work on the actual plan, which includes the subdivision of property before and after the forty-one (41) acres of land is removed from the potential development site. Ms. Primiano indicated that the City of Warwick has contracted Cataldo Associates to begin the survey work. Ms. Primiano stated that the title work is also in progress. Ms. Primiano indicated that the Department of Environmental Management will return to the Committee fairly quickly for final approval of the Conservation Easement as the NOAA grant has an expiration date of September 30, 2007. Ms. Primiano explained that due to the federal financial and accounting procedures everything will actually have to be in process prior to that deadline. Mr. Geagan indicated that the City of Warwick has a mortgage and title commitment and will

have a clear title when it takes a fee simple to the property. The Warwick City Council will consider approval of this project tomorrow night. The City of Warwick has submitted the grant application with all supporting documents to NOAA for its review. A motion to approve was made by Mr. Pagliarini and seconded by Mr. Griffith.

Passed Unanimously

ITEM D-Department of Environmental Management - This request was deferred to a future meeting of the State Properties Committee at the request of the Department of Environmental Management.

ITEM E -Water Resources Board -A request was made on behalf of the Exeter West Greenwich Sports for Kids Association to remove gravel and fill from the Big River Management Area for use in constructing a track and football/soccer field at Exeter-West Greenwich High School. By way of background, Mr. Mariscal explained that the Rhode Island Water Resources Board owns and manages 84,000 acres of land in West Greenwich. Said land was initially acquired for purposes of water supply to build the Big River Reservoir. Mr. Mariscal indicated that project is currently on hold and the Water Resources Board is now pursuing the development of groundwater wells in that area. Mr. Mariscal indicated that as part of the Water Resources Board's management activities, it has worked with all the various communities from time to time to accommodate the various needs of the communities. The Exeter West Greenwich Sports for Kids Association approached the Water Resources Board earlier this year with a proposal concerning a request to remove sand and gravel from the Big River Management Area for the construction of a track and football/soccer field at Exeter-West Greenwich High School. Mr. Mariscal indicated that the Exeter West Greenwich Sports for Kids

Association's initial request was for up to 40,000 cubic yards of sand and gravel. That number has since been reduced to approximately 20,000 cubic yards of sand and gravel from an area along Division Road in the Big River Management Area. Mr. Mariscal indicated that in reviewing the proposal with Attorney Mitchell, Legal Counsel for the Department of Administration, he indicated that state law exists, which govern the use of any natural resource property owned by the State of Rhode Island, including the Big River Management Area. Mr. Mariscal indicated that as the Water Resources Board understood said law, there are two (2) options. One option is to have the State's Purchasing Agency solicit bids to determine the value of the sand and gravel. The other option is for the Water Resources Board to bring the request to the State Properties Committee for approval. The Water Resources Board initially determined the value of the sand and gravel to be approximately \$20.00 per cubic yard. After consulting with the Cardi Corporation, the Water Resources Board has determined the value of the sand and gravel to be approximately \$5.00, per cubic yard for a total of approximately \$110,000 for approximately 20,000 cubic yards of sand and gravel. Mr. Mariscal indicated that the difference in price has to do with delivery costs for the sand and gravel. Mr. Griffith clarified that the initial value of \$20.00 was not only delivery, but for the cleaning and screening of said sand and gravel. The \$5.00 figure per cubic yard relates to a cash and carry cost for raw sand and gravel. Ms. Pelser explained that the Exeter West Greenwich Sports for Kids Association has been working very hard over the last five (5) years to bring this project to fruition. Ms. Pelser indicated that there is currently a track and football field at the Exeter-West Greenwich High School; however, both are in poor condition. Ms. Pelser explained that the sand and gravel is needed to regrade the track's

elevation level. The track also has to be irrigated and drained before work can begin on the field. Ms. Pelsler explained that the Exeter-West Greenwich School Department has tried to include this project to its budget many times; however, the funds for this type of project simply do not exist. The Exeter West Greenwich Sports for Kids Association believes that this is a worthwhile school and community project. The Exeter West Greenwich Sports for Kids Association plans to construct a state-of-the-art track to be utilized by the entire State of Rhode Island for state and regional track meets. Ms. Pelsler indicated that the track will be open to the general public at all time. Ms. Pelsler indicated that the Exeter West Greenwich Sports for Kids Association received a grant in the amount of \$300,000 from the Department of Environmental Management. However, the Exeter West Greenwich Sports for Kids Association now needs the support of the Water Resources Board and the State Properties Committee to allow it to utilize this sand and gravel. Chairman Flynn asked if the track would be a standard quarter mile track. Ms. Pelsler indicated that it would be a standard quarter mile meet track. Chairman Flynn asked if retaining a wall will be needed. Mr. Corriera indicated that it is possible that a retaining wall could be necessary. Ms. Corriera explained that the field is being widened to accommodate both football and soccer. The track will be the only eight lane synthetic rubberized public track in the State of Rhode Island. Therefore, the project is now pushing up to the abutting property line. The Exeter West Greenwich Sports for Kids Association is now discussing whether the abutting property owner will allow it to slope onto their land. Mr. Corriera indicated that as said property owner is the same family that donated the land to build the high school back in 1991, they are not anticipating much of a problem with this request. If the property owner does not grant that permission, then a

retaining wall will become necessary. Mr. Corriera stated that the most unique aspect of this project is how it has become such a community effort. There are three (3) major fund raisers held each year and the residents very much support this project. Mr. Corriera explained that in addition to the grant from Department of Environmental Management, the Exeter West Greenwich Sports for Kids Association has received grants from The Champlin Foundation as well as donations from numerous corporations and contributions from both the Towns of Exeter and West Greenwich. Mr. Woolley asked if these materials will be incorporated into a sports facility that will be owned by the School District or the Towns of Exeter and West Greenwich. Mr. Correira indicated that the track and field will be owned by the Exeter West Greenwich School Department. Mr. Woolley clarified that this is essentially one government agency shifting materials to another government agency for its use. Mr. Pelsler indicated that is correct. Chairman Flynn indicated that it is his understanding that the State Properties Committee is being asked to sell the material for less than fair market value for a public benefit. Mr. Mariscal explained that the initial proposal presented to the Board of Directors of the Water Resources Board related to a fee being paid to the Exeter West Greenwich School District in the amount of \$17,000 for the price of education for two (2) students that reside in the Big River Management Area. Mr. Mariscal explained that one thought was that the Water Resources Board would no longer have to pay that expense. The second part of the proposal was that the Exeter West Greenwich School District would provide in kind services to the Water Resources Board at the Big River Management Area equal to twenty-five (25%) percent of the value of the sand and gravel for the implementation of increased security measures within the Big River Management Area. Mr. Mariscal

explained that said services would include the erecting of fencing and gates, placement of boulders and rocks to prevent access to certain roads and areas, the removal of trash and debris caused by inappropriate and illegal dumping, which would not include hazardous materials, as well other maintenance and clean up tasks, which would be defined and completed over a certain period of time. Mr. Mariscal indicated that as the Board of Directors raised a number of issues to which he did not have immediate answers available, the Board of Directors recommended that the Water Resources Board appear before the State Properties Committee for conceptual approval in hopes that the details of the request could be subsequently worked out. Mr. Mariscal indicated that the request has been revised to 22,000 cubic yards of raw sand and gravel valued at \$5.00 per cubic yard. The Exeter West Greenwich Sport for Kids Association has indicated that it would agree to provide some in-kind services in the Big River Management Area. Mr. Pagliarini asked what the condition of the site from which the sand and gravel will be removed is. Mr. Mariscal provided the aerial photographs and described the condition of the site. Mr. Corriero stated that the Exeter West Greenwich Sport for Kids Association is looking at a pile of gravel that already exists. Mr. Corriera explained that the site contains some steep cliffs, so once the necessary sand and gravel has been removed, the Exeter West Greenwich Sport for Kids Association has offered to do some grading, proper sloping and planting of vegetation to restore the site to a condition, which is in fact better than its present condition. Mr. Corriera explained that the site may be a potential danger to mountain bikers and hikers due to the existing cliffs at the site. Ms. Pelsler added that if the Exeter West Greenwich Sport for Kids Association is allowed to removed the necessary sand and gravel, its will ensure that the site in left is a safer and

better vegetated state than before the sand and gravel was removed. Mr. Griffith noted that for the record that it was his recommendation that brought this item before the State Properties Committee as a request for conceptual approval. Mr. Griffith commented that as the line of questioning by the Committee clearly indicates, there are numerous details that need to be worked out relative to this item. In the event, the State Properties Committee grants conceptual approval, the Water Resources Board will have to return with a finalized contract, which specifies who the parties to the contract are, what services will be provided for the value of material being received, as well as clearly delineating the safeguard and liability provisions. Mr. Griffith explained that when a third party subcontractor is introduced to remove the sand and gravel and to perform in-like services, he believes the contract has to specify the terms of that subcontract; perhaps in the form of a request for proposals to ensure that the State's interest is protected relative to that contract as well. Mr. Pagliarini indicated that rather than a request for proposals, the Exeter West Greenwich Sports for Kids Association hires its vendor, who insures the State as an additional insured. Chairman Flynn asked if the Exeter West Greenwich Sport for Kids Association has the authority to hire a subcontractor or would does it have to go through the School District. Mr. Corrieira explained that when the project reached the planning stage, the Town of Exeter and West Warwick appointed a building committee; referred to as the Exeter West Greenwich Track Building Commission. A motion to grant conceptual approval to sell State assets pursuant to R.I.G.L. §37-7-2 as requested with no stipulation other than the requirement that the Water Resources Board return to the State Properties Committee for final approval of the

contract, which identifies the parties, quantities, liabilities, safeguards, and third party subcontractors was made by Mr. Pagliarini and seconded by Mr. Griffith.

Under discussion, Chairman Flynn clarified that relative to his motion to approve Mr. Pagliarini is not interested in any negotiations that the Water Resources Board may make with the organization concerning securing the site, trash removal or any other in-kind services. Mr. Pagliarini indicated that he will leave the details of the agreement to the discretion of the Water Resources Board.

Passed Unanimously

ITEM F -Army National Guard -A request for approval of and signatures on a Grant of Easement by and between the Rhode Island National Guard and the National Grid to provide new service to the Armory located on New London Avenue in the City of Cranston. Captain O'Mara explained that this request is a continuation of an item, which the Army National Guard presented to the State Properties Committee approximately one month ago seeking conceptual approval of a Grant of Easement by and between the Rhode Island National Guard and the National Grid. Captain O'Mara stated that the documents have been finalized and he is now seeking final approval of and signatures on the Grant of Easement. A motion was made to approve by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM G -Department of Transportation -This item was deferred to a future meeting of the State Properties Committee at the request of the Department of Transportation. Mr. Pagliarini asked Chairman Flynn if he knew why this item is being deferred, as this is the second time the Department of Transportation has deferred this

request. Chairman Flynn indicated he did not know why the item is being deferred. Mr. Pagliarini indicated that the Department of Transportation has obtained comments from the Town of West Greenwich; however, as the subject property is located on the West Greenwich/Coventry border, he would like the Department of Transportation to obtain comments from the Town of Coventry's planning staff, as the Town of Coventry is also impacted by the sale of the subject property. Mr. Pagliarini indicated that he represents a developer which has developed land in the vicinity of the subject property. Mr. Pagliarini indicated that the Department of Transportation has asked his client to expand this ramp. Mr. Pagliarini wants to make sure that the Design Department of the Department of Transportation is aware that the Real Estate Section's desire to sell the subject property. Chairman Flynn indicated that he believes the Design Department is aware of the Real Estate Section's desire to sell the property. Chairman Flynn indicated that he will convey Mr. Pagliarini's request that the Department of Transportation seek the counsel of the Town of Coventry Planning Department relative to the subject property prior to this item returning to the State Properties Committee.

ITEM H -Department of Transportation -A request was made for review and execution of the Quit Claim Deed by and between the Department of Transportation and the Town of Westerly for the conveyance of 18,540 square feet of land located at the corner of Airport and Tom Harvey Roads in the Town of Westerly. Mr. Clarke explained that when this request was originally presented to the State Properties Committee, the applicant was Briar Ledge Homes. However, pursuant to state law, the Department of Transportation offered the subject property to the former owner and the Town of Westerly. The Town of Westerly chose to exercise its right of first refusal relative to this

property. Mr. Clarke indicated that the subject property will be utilized for surface use and beautification purposes only. Mr. Clarke indicated that on May 29, 2007, the State Properties Committee granted the Department of Transportation's request to dispose of the property. The Department of Transportation is now seeking the approval of and signatures on the Quit Claim Deed. Mr. Clarke noted that the Town of Westerly has prepared the plat maps and upon the Committee's approval and execution of the Quit Claim Deed, the Department of Transportation is poised to close on the property within the next couple of weeks. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Griffith.

Passed Unanimously

ITEM I -Department of Transportation -A request was made for review and execution of the Quit Claim Deed by and between the Department of Transportation and Ronald N. Cataldi for property located adjacent to 801 Oaklawn Avenue in the City of Cranston. Ms. Harris explained that on February 20, 2007, the State Properties Committee granted conceptual approval to transfer approximately 2,637 square feet of excess State property to the abutting property owner, Ronald N. Cataldi. Mr. The subject property will be utilized for surface use and beautification only. Chairman Flynn asked if the subject property is the site of the former carwash. Mr. Harris indicated that it is the site of the former carwash. Mr. Pagliarini clarified that the subject property is actually directly beside to the site of the former carwash. Chairman Flynn asked if this conveyance will impact the operation of the bikepath. Mr. Harris indicated that the bikepath will not be affected by this conveyance. A motion was made to approve by Mr. Griffith and seconded by Mr. Kay.

ITEM J -Department of Administration -A request was made on behalf of the Hispanic Ministerial Association of Rhode Island for permission to utilize the State House lawn for its annual day of prayer on Saturday, September 1, 2007. Mr. Schiappa explained that the Hispanic Ministerial Association of Rhode Island approached the Department of Administration, Division of Facilities, with a request to utilize the State House lawn for a day of prayer. The State Properties Committee has previously granted the Hispanic Ministerial Association of Rhode Island's request to utilize the grounds of the State House for this purpose. Mr. Schiappa explained that the Department of Administration is currently in the process of re-evaluating some of the uses, which have been or should be allowed at the State House. Mr. Schiappa indicated that the Department of Administration is examining the current policies regarding use of the State House. Mr. Schiappa explained that as the Hispanic Ministerial Association of Rhode Island's request to utilize the State House lawn was granted last year, the Department of Administration did not feel it was appropriate to deny this request until such time as the Department has thoroughly examined these types of request. However, the Department of Administration has made it very clear to the Hispanic Ministerial Association of Rhode Island that future requests to utilize the State House grounds for religious events may be denied. Mr. Schiappa clarified that such a policy would not only apply only to the Hispanic Ministerial Association of Rhode Island, but to any organization seeking to utilize the grounds of the State House for religious events. Mr. Woolley asked if the Hispanic Ministerial Association of Rhode Island will be required to execute a license agreement and to provide proof of liability insurance coverage. Mr. Schiappa indicated

that the Hispanic Ministerial Association of Rhode Island will be required to execute a standard license agreement and to provide proof of insurance coverage. Mr. Schiappa indicated that the Hispanic Ministerial Association of Rhode Island will also be required to pay a damage deposit and will be responsible for the costs of the Capitol Police detail for this event. Mr. Griffith asked if the Department of Administration has received any complaints regarding the use of the State House grounds by religious organizations. Mr. Schiappa indicated that the Department has not received any complaints; however, his concern is that the Department's policy with regard to these requests seems to have been inconsistent in the past. There have been groups which have been denied permission to utilize the State House based upon written policy, which in essence states that religious activities are not allowed. However, there have been cases when the requests of other organizations have been granted. Therefore, the Department of Administration is currently examining these inconsistencies. Given Mr. Schiappa's representation that the Department of Administration believes it would be inappropriate to deny this request at this time based upon precedent, a motion was made to approve subject to the Hispanic Ministerial Association of Rhode Island executing a license agreement and providing proof of liability insurance covers to the State Properties Committee by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

The Committee moves to go into Executive Session, pursuant to Rhode Island General Law 42-46-5(a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purpose, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public.

A motion was made to enter into Executive Session by Mr. Griffith and seconded by Mr. Kay. A roll call vote was taken and the votes were as follows: Mr. Kay voted "Aye", Mr. Griffith "Aye", Mr. Woolley voted "Aye"; Mr. Pagliarini voted "Aye" and Chairman Flynn voted "Aye".

The State Properties Committee closed Executive Session and returned to open session at 11:00 a.m.

ITEM E1 -Department of Transportation -A request was made for permission to initiate negotiations with P & W Railroad and Amtrak for the acquisition of easements on Plat 2665 and to acquire the remaining parcels of land needed for the Replacement of the Conant Street Railroad Bridge# 915 Project by virtue of Condemnation Plat 2666. After discussion in Executive Session, a motion was made to approve by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

There being no further business to come before the State Properties Committee, the meeting was adjourned at 11:01 a.m. A motion was made to adjourn by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

Holly H. Rhodes, Executive Secretary