

STATE PROPERTIES COMMITTEE MEETING

WEDNESDAY, AUGUST 1, 2012

The meeting of the State Properties Committee was called to order at 10:08 a.m. by Chairman Ronald N. Renaud. Attendance of the members was taken by roll call and the following members made their presence known: Robert K. Griffith representing the Rhode Island Department of Administration; Richard Woolley representing the Rhode Island Department of Attorney General; Andrew Marcaccio representing the Rhode Island Office of the General Treasurer, Ex-Officio Member; and Lawrence S. Eichler, Public Member. Others in attendance were Anthony Robinson from the State of Rhode Island General Assembly; Kelly Carpenter from the Rhode Island Senate Fiscal Office; Colleen Kerr and Robert B. Jackson from Rhode Island Department of Transportation; Sean Fontes from the Rhode Island Department of Labor and Training; Daniel Costa, Robert Paquette and Richard Bianculli, Jr., from the Rhode Island Department of Environmental Management; Romeo Mendes from the Rhode Island Water Resourced Board; Deborah White from the Rhode Island Department of Administration; W. Vernon Wyman from the University of Rhode Island; and Rick Nagele from the Fort Adams Trust.

Chairman Renuad stated for the record that the State Properties Committee did have a quorum present.

A motion to approve the minutes from the State Properties Committee meeting held on May 8, 2012 was made by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

A motion to approve the minutes from the State Properties Committee meeting held on July 17, 2012 was made by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

OLD BUSINESS No.1 – Department of Behavioral Health, Developmental Disabilities and Hospitals – A request for approval of and signatures on a Lease Agreement, by and between the Department of Behavioral Health, Developmental Disabilities and Hospitals and Opportunities Unlimited for property located at 1425 South Road in the Town of South Kingstown. Old Business Item, OB No. 1, is deferred to the August 14, 2012, meeting of the State Properties Committee at the request of the Department of Behavioral Health, Developmental Disabilities and Hospitals.

ITEM A – Department of Transportation – A request was made for approval of

and signatures on an Amendment to the Certificate of Transfer of Land located on Power

Road in the City of Cranston from the Department of Transportation to the Department of

Children, Youth and Families (“DCYF”) for the construction of a 2,500 square foot

prefabricated steel building. Mr. Jackson explained that the Department is seeking

approval of the subject Amendment to allow DCYF to build a trades’

workshop for

vocational education programs offered by its Youth Development Program. Mr. Jackson presented an aerial photograph for the Committee's review and illustrated the location of the parcel of land which the Department originally transferred to DCYF back in September of 2003. Mr. Jackson explained that DCYF now wishes to construct the aforementioned building; therefore, the Department is seeking approval of an Amendment to the Certificate of Transfer of Land to allow said building to be constructed. Mr. Woolley asked if the Amendment changes the amount of square footage originally transferred to DCYF. Mr. Jackson stated that the square footage remains the same and that the purpose of this Amendment is to allow for a change in the use of the land. A motion to approve was made by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM B – Department of Transportation – A request was made for approval of and signatures on a Temporary Use Agreement, by and between Brown University and the Department of Transportation granting the Department temporary use of property located on the southerly side of Richmond Street in the City of Providence in conjunction with work to be performed as part of the Relocated Route 195, Contract 14. Ms. Kerr explained that this Agreement will allow the Department to upgrade the drainage system in this area. As the work being done has been deemed beneficial to both Brown University and the State, there is no monetary compensation associated with said Agreement. A motion to approve was made by

Mr. Woolley and seconded by Mr. Griffith.

Passed

Unanimously

ITEM C – Department of Transportation – A request was made for approval to acquire two (2) parcels of land located along Tiogue Avenue (Route 3) at Sandy Bottom Road and Wood Street in the Town of Coventry, in conjunction with a physical alteration permit, by virtue of Condemnation Plat 2731A; Parcels 1A & 2A. Ms. Kerr explained that the Department appeared before the Committee back in December of 2009 relative to a physical alteration permit for the construction of a CVS Pharmacy. Ms. Kerr stated that the original request was for a temporary and perpetual drainage easement consisting of 2,996 square feet of land. However, the Town subsequently required that sidewalks be installed on Wood Street adjacent to the CVS Pharmacy. Ms. Kerr explained that in order to install the sidewalks and ensure that they are ADA compliant, it is necessary for the Department to acquire an additional 763 square feet of land. Ms. Kerr stated that said land will be acquired by virtue of Condemnation Plat 2731A. However, as the work being done has been deemed mutually beneficial to both the CVS Pharmacy and the State, there is no monetary compensation associated with the additional square footage. A motion to approve was made by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM D– Department of Labor and Training – A request was made for approval of and signatures on a Third Addendum to the Memorandum of Agreement (Extension of Lease Agreement dated May 21, 2002) for

the premises located at 175 Main Street in the City of Pawtucket. Mr. Fontes explained that the original Lease between the Pawtucket Redevelopment Agency and the Department of Labor and Training (the "Department") commenced on May 21, 2002; however, after a series of extensions, the Lease expired on April 30, 2012. Mr. Fontes stated that at this time the Department is seeking authorization to extend said Lease for a period of five (5) additional months until September 30, 2012. The parties have negotiated a significantly lower rental rate for this five month extension. Mr. Griffith asked if the Department is confident that there will not be a need for an extension beyond September 30, 2012. Mr. Fontes stated that the Department does not anticipate that any additional extensions will be necessary. Mr. Griffith asked if the Department has already identified a suitable alternative location for this office. Mr. Fontes explained that the Department plans to relocate staff from the Pawtucket office to existing facilities nearby. Mr. Eichler questioned why the Department believes it will take five (5) months to relocate staff. Mr. Fontes explained that the transition will actually take less than five (5) months; however, out of an abundance of caution the Department decided to extend the Lease for slightly more time than necessary to accommodate any unforeseen difficulties or delays. Mr. Eichler asked if the Department will be obligated to pay rent until the expiration date even if the transition is completed prior to September 30, 2012. Mr. Fontes indicated that under the terms of the Addendum, the Department is obligated to pay rent until the expiration of the Lease on September 30, 2012. A motion was made to approve by Mr.

Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM E – Department of Environmental Management – A request was made for

approval of and signatures on a License Agreement, by and between the Department

of Environmental Management and the Fort Adams Trust (the “Trust”)

for the installation and operation of a zip line as part of a Team Building Center operated at Fort Adams Trust. Mr. Paquette

explained that the Trust approached the Department in April of this year with a request to install and operate a zip line at Fort Adams

State Park. Mr. Paquette stated that there were many discussions particularly with regard to the insurance requirements for this sort of

activity as well as the historical value of the zip line site. Mr. Paquette indicated that the Department received a letter from Ted Sanderson of

the Rhode Island Historical Preservation and Heritage Commission indicating that he approved of the project, subject to the completion

of archaeological testing of certain portions of the site. Mr. Paquette stated that Kevin Carvalho has reviewed all insurance policies and

personally visited the proposed zip line site. Mr. Paquette assured the Committee that the Department’s due diligence process relative to

this request was quite comprehensive. Mr. Paquette stated that the Department, on behalf of the Trust, is now seeking the Committee’s

approval of the License Agreement, subject to the submission of the Certificates of Insurance evidencing that a \$2 million dollar insurance

policy has been secured. Additionally, the Trust will secure a bond in

the amount of any deductible associated with the insurance coverage policy. A motion to approve was made by Mr. Griffith, subject to the submission of a Certificate of Insurance evidencing a \$2 million dollar insurance policy has been secured and subject to the completion of the archaeological testing of the southwest bastion and of the ditch in accordance with Ted Sanderson's letter dated April 26, 2012. Said motion was seconded by Mr. Woolley.

Passed Unanimously

ITEM F – Department of Environmental Management – A request was made for approval of and signatures on a License Agreement, by and between the Department of Environmental Management and the Fishermen in Newport to allow this organization to utilize Pier No. 9 Newport for the sale of food and beverages during the berthing of the Cost Guard Vessel Eagle from August 3, 2012, to August 5, 2012 from 6:00 a.m. – 7:00 p.m. Mr. Bianculli stated that Fishermen in Newport wish to sell basic food and beverage items while the Vessel Eagle is berthed at Pier No. 9. He indicated that the Vessel Eagle has been berthed at Pier No. 9 many times in the past usually in conjunction with the Tall Ships event. However, as these events are scheduled for separate weekends this season, Fishermen in Newport wishes to make food available for sale to accommodate the people visiting the pier and touring the Vessel Eagle. Mr. Griffith asked if the Vessel Eagle pays a berthing fee while in port. Mr. Costa indicated there is no fee associated with the berthing of Vessel Eagle at Pier No. 9 in Newport. A lengthy discussion ensued regarding the amount of workers' compensation insurance coverage appropriate and

necessary relative to the subject License Agreement. After further research, it was determined that Fishermen in Newport is a domestic non-profit organization and as such they do not have any employees; therefore, workers' compensation insurance coverage is not appropriate pursuant to Section 4(e) of the License Agreement. Mr. Bianculli stated that all individuals on Pier # 9 to sell food and/or beverages during this event will be required to sign a liability waiver, which waives all claims (liability, workers' compensation or otherwise) against Fishermen in Newport, the State of Rhode Island, and the Department of Environmental Management. A motion to approve was made by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM G – Department of Environmental Management – A request was made for approval to advertise a Request for Proposals (“RFP”) to solicit proposals for the development of the 25 India Street property. Item G is deferred to the next meeting of the State Properties Committee at the request of the Department of Environmental Management.

ITEM H – Board of Governors/University of Rhode Island – A request was made for approval of and signatures on a Site License Agreement, by and between Cellco Partnership d/b/a Verizon Wireless and Board of Governors/University of Rhode Island to provide Verizon Wireless access to the University's water tower and adjacent land in order to erect and maintain a digital communications antenna.

Mr. Wyman stated that in 1999, the University allowed Nextel to place the first telecommunication antenna on the water tower.

Approximately two (2) years later, the University entered into another agreement allowing Sprint to place a second antenna on the tower. Mr. Wyman noted that the antennas have generated \$650,000.00, while providing quality cellular telephone coverage throughout the campus including the telephones used as backup communication for police and emergency response units. Mr. Wyman indicated that earlier this year a public bid was held for the opportunity to place an additional antenna at this site. Said public bid resulted in this Agreement with Verizon, which has come at a very opportune time. Mr. Wyman explained that Nextel and Sprint have now merged and in June of this year, the University received notification that Nextel was being phased out and its antenna would be removed from the water tower. Therefore, the Agreement with Verizon will essentially replace the revenue previously generated by the Nextel Lease. Mr. Wyman stated that this is a five (5) years Agreement which provides for three (3), five (5) year extensions. Additionally, every five (5) years prior to the commencement of the subsequent extension, the fee will be adjusted by either fifteen (15%) percent or in accordance with the calculations under the Consumer Price Index ("CPI") for the Boston Metropolitan Area. Mr. Wyman noted that providers often attempt to negotiate contracts which do not provide for any adjustment of the fee; however, The University was able to negotiate an adjustment provision that will generate additional revenue throughout the term of the Agreement. Mr. Wyman indicated that the Agreement also contains rather strict terms and conditions relating to "Interference". Said provision not only addresses interference with existing

providers, but also encompasses interference with any electronic or communication equipment on campus. Mr. Wyman noted that Verizon was not initially amenable to the inclusion of the Interference provision; however, as the University's primary concern is not hosting communications antennas, but higher education, it stood firm regarding said provision and was able to convince Verizon to agree to the same. Mr. Wyman stated that Verizon has provided the necessary Certificates of Insurance and he respectfully requested the Committee's approval of the Site License Agreement. Mr. Eichler noted that the Agreement does not contain a date certain to trigger the adjustments of the rental rate. After discussing the issue, Mr. Wyman indicated that the Agreement would be revised to include a date certain to trigger the fee adjustments. A motion to approve was made by Mr. Woolley, subject to the Agreement being revised to include a date certain to trigger the fee adjustments. Said motion was seconded by Mr. Griffith

Passed Unanimously

ITEM I – Department of Administration – A request was made for approval of and signatures on a License Agreement, by and between the Department of Administration and Competitor Group for use of the State House Grounds and Station Park for the Rock 'n' Roll ½ Marathon from August 16, 2012 to August 20, 2012. Ms. White stated that this is the second year the Competitor Group has requested use of the State House Grounds and Station Park. Ms. White noted that there were no problems whatsoever associated with this event last year. The Competitor Group complied with all rules and regulations

associated with the use of these properties. Ms. White indicated that the grounds were restored to their previous condition immediately following the event. Once again, all policies and procedures have been thoroughly explained and Competitor Group has agreed comply with the same. A motion to approve was made by Mr. Griffith and seconded by Mr. Woolley. Passed Unanimously

ITEM J – Water Resources Board – A request was made for approval of and signatures on a License Agreement, by and between the Water Resources Board and Caster’s Inc. to allow Casters to utilize a portion of the Big River Management Area (Trail System) situated in the Town of West Greenwich for its 2012 Mountain Bike Time Trial Events on August 1, 2012. Mr. Mendes indicated that this request is very similar to that of the Rhody Rovers which previously came before the Committee. Mr. Mendez explained that Casters usually hosts this event at the Arcadia Management Area; however, they wish to change the venue in order to keep the events challenging. Mr. Mendes stated that many of the participants ride recreationally in the Big River Management Area and are familiar with the trail system. Mr. Mendes indicated that the Board drafted a License Agreement, which was reviewed by the Department of Administration’s Division of Legal Services. Legal Services recommended several revisions, which have been incorporated into the Agreement. Mr. Mendes respectfully requested the Committee’s approval of the subject License Agreement. Mr. Griffith asked if any inquiry had been made concerning Casters’ history with the Department of Environmental Management relative to its use of Arcadia. Mr. Mendes indicated that

he spoke to a colleague that oversees the Arcadia Management Area, who he indicated that Casters had been good stewards of the property and that there had been no problems associated with this event in the past. Mr. Eichler asked if the License Agreement had actually commenced on July 31, 2012. Mr. Mendes clarified that due to the timing of the both the State Properties Committee meeting and the Water Resources Board meeting, the commencement date in the final License Agreement was changed to August 28, 2012. Mr. Eichler asked if Casters is required to pay a usage fee. Mr. Mendes stated that a nominal fee of \$1.00 was recommended by the Legal Division. Chairman Renaud suggested that the Board examine the possibility of charging a usage fee for use of State-owned property to compensate the Board for the preparation, review and presentation of the necessary documents. A motion to approve was made by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

There being no further business to come before the State Properties Committee, the meeting was adjourned at 10:40 a.m. The motion to adjourn was made by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

Holly H. Rhodes, Executive Secretary