

**QUONSET DEVELOPMENT CORPORATION  
MEETING OF BOARD OF DIRECTORS  
EXECUTIVE SESSION MINUTES**

**August 21, 2006**

**A meeting of the Board of Directors of the Quonset Development Corporation**

**(the "Corporation") was held at 5:00 p.m. on Monday, August 21, 2006 at the offices of**

**the Corporation located at 30 Enterprise Drive, North Kingstown, Rhode Island, pursuant**

**to notice to all members of the Board of Directors and a public notice of the meeting as**

**required by the Bylaws of the Corporation and applicable Rhode Island law.**

**The following Directors constituting a quorum were present and participated**

**throughout the meeting as indicated: Robert Crowley, David A. Doern, Barbara Jackson,**

**Saul Kaplan, Anthony F. Miccolis, John A. Patterson, Sav Rebecchi, M. Paul Sams and**

**John G. Simpson. Absent were Kas R. DeCarvalho and Thomas Hazlehurst. Also**

**present were: E. Jerome Batty, Secretary and Richard Reed, RIEDC Deputy Director.**

**Chairman Kaplan called the Executive Session to order at 5:36 p.m.**

**Prior to adjournment to Executive Session, the Board:**

**VOTED: To adjourn to Executive Session pursuant to Subsection (1) - (job performance) of the Rhode Island General Laws, §42-46-5(a),( the "Open Meeting Law).**

**1. JOB PERFORMANCE/COMPENSATION:**

**Mr. Crowley reported to the Board that members of the Finance Committee**

**had discussed job performance and compensation for W. Geoffrey Grout,**

**Steven King and Mary Lake. The Committee also reviewed long term incentives for these employees. The Board focused its discussion on the job**

**performance and compensation for Mr. Grout and in the case of Mr. King and**

**Ms. Lake, compensation will be based upon the recommendation of the managing director.**

**Mr. Crowley reported that Milbrook Partners had prepared a review of compensation levels for similarly situated executives and that the review had**

**been submitted to members of the Finance Committee. Mr. Kaplan then noted**

**that going forward, it would be appropriate to establish targets for the managing director so that the Board can better measure job performance.**

**Issues related to the relationship with the Town and other stakeholder groups**

should be considered.

The recommendation is to increase current base compensation to \$125,000

effective July 1. Mr. Crowley noted that this is below market for the public

sector and that the Board should consider and review the implementation of

incentives which could provide additional compensation based upon performance.

Mr. Doern noted that Mr. Grout has been running a major industrial park and

the recommended compensation is very reasonable based upon his performance. Mr. Sams inquired as to whether the compensation levels at the

former Pease Air Force Base in New Hampshire had been reviewed. Mr.

Crowley noted that the Milbrook study had done a comparison of other public

jobs that had responsibilities similar to those of the managing director of

Quonset Business Park.

Mr. Doern noted that the corporation is at a critical stage and needs to look

three to five years out. It will be appropriate to address incentives during the

next year.

**Mr. Miccolis noted that compensation in the public sector is quite different from the private sector and that public sector funds must be spent very wisely and generally public sector compensation is below that of the private sector.**

**Mr. Crowley reviewed additional benefits, including pension plan participation, medical benefits, etc.**

**Mr. Reed confirmed that the benefits available to the QDC staff are the same as the benefits available to the Economic Development Corporation staff.**

**Mr. Rebecchi indicated that the state has a huge investment at Quonset Business Park and a tremendous opportunity, therefore it's important to compensate the managing director appropriately. He also commended Mr.**

**Grout for putting together a good team under very difficult circumstances.**

**Mr. Sams noted that the managing director has done an outstanding job and it's important to keep him and we should compensate him at the appropriate level.**

**Mr. Kaplan agreed that the skills that are required for the position**

were clearly

present and that it was appropriate to establish performance standards and

targets for incentive payments.

Based upon the discussion, the Board recommended a base salary of \$125,000 for

Mr. Grout.

Upon motion duly made by Mr. Crowley and seconded by Ms. Jackson, the

Board:

To provide a base salary compensation of \$125,000 for the managing director, W. Geoffrey Grout, effective July 1, 2006.

**VOTED:**

Voting in favor were: Mr. Crowley, Mr. Doern, Ms. Jackson, Mr. Miccolis, Mr.

Rebecchi, Mr. Sams and Mr. Simpson. Mr. Patterson abstained.

Upon motion duly made by Mr. Sams and seconded by Ms. Jackson, the

executive session was adjourned at 6: 1 0 p.m.

Voting in favor were: Mr. Crowley, Mr. Doern, Ms. Jackson, Mr. Miccolis, Mr.

Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson. Voting against were none.

Unanimously approved.

Respectfully submitted:

By: \_\_\_\_\_

**E. Jerome Batty, Secretary**