

DRAFT

**QUONSET DEVELOPMENT CORPORATION
MEETING OF BOARD OF DIRECTORS**

October 15, 2012

PUBLIC SESSION MINUTES

A meeting of the Board of Directors of the Quonset Development Corporation (the “Corporation”) was held at 5:00 p.m. on Monday, October 15, 2012, at the offices of the Corporation located at 95 Cripe Street, 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 members constituting a quorum were present and participated throughout the meeting as indicated: Robert H. Breslin, Jr., James Berson, Elizabeth Dolan, Barbara Jackson, John G. Laramée, Anthony F. Miccolis, Jr., John A. Patterson, and James Rugh. Absent were: Kas R. DeCarvalho, William J. Parsons, and John G. Simpson. Also present were: Steven J. King, P.E., Managing Director; Kevin M. Barry, Finance Director; E. Jerome Batty, Secretary; and Corporation’s staff and members of the public.

1. CALL TO ORDER:

The meeting was called to order at 5:00 p.m. by Deputy Vice Chairman John G. Laramee.

2. APPROVAL OF MINUTES:

Upon motion duly made by Mr. Miccolis and seconded by Mr. Patterson, the Board:

VOTED: To approve the Public Session minutes of the September 17, 2012 meeting, as presented.

Voting in favor were: Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, John G. Laramee, Anthony F. Miccolis, Jr., John A. Patterson, and James Rugh.

Voting Against were: None.

Unanimously Approved.

Upon motion duly made by Ms. Jackson and seconded by Mr. Breslin, the Board:

VOTED: To approve the Executive Session minutes of the September 17, 2012 meeting, as presented.

Voting in favor were: Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, John G. Laramee, Anthony F. Miccolis, Jr., John A. Patterson, and James Rugh.

Voting Against were: None.

Unanimously Approved.

3. STAFF REPORTS:

Mr. Matthews, Port Director, gave a brief presentation showing the first official use of the new Harbor Mobile Crane at the Port of Davisville. The crane was used to unload a wind turbine from the Clipper New York vessel. Mr. Matthews stated that the use of the crane at the Port made the unloading easier and was less expensive for the shipper than other methods.

Mr. King took a moment to commend Mr. Matthews, Mr. Sprengel, Mr. Spinard and Mr. Barry in their efforts in making the crane a reality.

Mr. King reviewed the Staff Report with the Board:

TIGER Project

- TIGER projects are approximately 94% complete.**
- Pier 2 Improvements – work almost complete; striping of the**

automobile storage, travel lanes, and the operational area for the mobile harbor crane remain.

- Pier 1 Improvements- one fender unit remains to be installed. Additional work may be done with remaining funds from the initial grant.**
- Davisville Road Improvements and Tidal Drive Extensions – progress ongoing.**

EDA Project

- Construction of Compass Circle roadway work continues.**

CMAQ Project – RI Fast Ferry Dock

- Project involves the construction of new timber mooring piles, timber piers, landing platform, and timber dolphins and the procurement and installation of aluminum gangway. The low bidder was Narragansett Dockworks. Working on final approval from RIDOT.**

Construction Project

- Jones Road and NOAA Building – work is wrapping up.**
- Maintenance Dredging – Allen Harbor dredging to start October 16, 2012. A pre-dredging event is scheduled for October 25, 2012 at 10:00 am. The QDC Board of Directors, the Governor, and members of the Rhode Island General Assembly have been invited to attend.**
- Pavement Management – project is complete.**
- Pier 1 & 2 Bollard and Cleat Painting – Martone Service Company of**

Narragansett, RI will begin work this month.

- **Terminal 4 & 5 Security Fencing – United Fence Company of Johnston, RI was the low bidder. The fencing is currently being installed.**
- **Electric Boat/Roger Williams Way Water Crossing – project includes construction of a new water line service into Electric Boat’s property to support a blast, paint, and cooling facility for their VA class program. The water line crosses Roger Williams Way and the Corporation has agreed to fund half the cost of the upgrade on Roger Williams Way and EB will assume the remaining costs.**

New Grant Application

- **Preliminary notice of a 6 million dollar grant has been received from the Economic Development Administration for the replacement of the bulkhead along Zarbo Avenue.**

Development and Planning

- **The State Properties Committee has given final approval for the RIDOT to sell the abandoned property on Roger Williams Way to the Corporation. The process has taken approximately 6 years.**
- **Wide World of Indoor Sports – Grand opening event was held on October 3rd.**
- **Bryant University – Online Economic Impact Study has been deployed; only 10% of the tenants have responded.**
- **Regulatory Reform – per the Governor’s request, QDC staff is participating in the review of its regulations to include the Port Tariff,**

Development Package, and Sewer Regulations.

- **Quonset Airport Master Plan – RIAC has initiated the 5 year update of the master plan. Katherine Trapani, QDC Planning Manager, has been invited to serve on the advisory committee.**

Operations

- **Storage Buildings – Building erection is complete; site work and utilities are currently underway.**
- **Allen Madison House – Sill replacement has been completed.**
- **Gottwald Crane – A storm cradle has been installed on the west end of Pier 2 to support the boom section of the crane during severe weather.**
- **Winter Equipment – Truck plows and sanders are ready for the winter season.**

Port Operations

- **Port Activity continues to be brisk with 16 ships carrying 13,038 vehicles inbound in August 2012.**

Finance and Administration

- **Audit Report has been mailed to all state departments and officials.**

4. COMMITTEE REPORTS:

No committee meetings were held.

5. APPROVALS:

A. Approval of a Land Purchase from the Current Owner at the Corner of Roger Williams Way and Dillabur Avenue (Plat 186, Lot 27):

Mr. King explained that several years ago when the Air and Army Guard were completing their expansion at Quonset, several Quonset Business Park tenants lost their facilities when the Department of Defense condemned their buildings. To assist with their transition, the Corporation offered to sell to the three tenants involved smaller parcels of land at a reduced price. Mr. King explained that over the years all three tenants had left the Park and the Corporation has reacquired two of the three parcels. The transaction presented is to purchase back the final parcel. The property was sold to Annex Plating under the name of B&B Realty in 2008 for one hundred eighty seven thousand dollars (\$187,000.00). The property is located on the corner of Dillabur and Roger Williams Way. The property is near the heart of the EB expansion and could drastically improve current lease discussions. The property was transferred to Dillabur Realty. . Dillabur Realty has agreed to sell the land to the Corporation for one hundred ninety two thousand dollars (\$192,000.00).

Mr. Miccolis asked if any market analysis had been completed. Mr. Lavalley of CBRE, answered that the price is very consistent with the fair market value. Mr. King added that the Corporation is currently

charging about one hundred and fifty to one hundred and seventy five thousand dollars (\$150,000.00 - \$175,000.00) per acre and this property consists of 1.5 acres; therefore, the one hundred ninety two thousand dollars (\$192,000.00) is a competitive price.

Upon motion duly made by Ms. Jackson and seconded by Mr. Breslin, the Board:

VOTED: That the Corporation acting by and through its Chair, Vice-Chair, Managing Director or Finance Director, each of them acting alone (the "Authorized Officers") is hereby authorized to purchase land from Dillabur Realty, LLC, or current owner (the "Seller") and enter into, execute and deliver a Purchase and Sale Agreement, and other agreements related thereto with the Seller for the purchase of land located at the corner of Roger Williams Way and Dillabur Avenue, North Kingstown, Rhode Island designated as Tax Assessor's Plat 186, Lot 27 (approximately 1.5 acres) substantially in accordance with the Request for Board Authorization presented to the Board (the Purchase and Sale Agreement, and related documents are referred to herein collectively as the "Purchase Agreements").

VOTED: That each of the Authorized Officers, acting singularly and alone, be and each of them hereby is authorized, empowered and directed to effectuate the intent of the foregoing resolutions by executing, delivering and performing any and all

modifications, renewals, confirmations and variations of such Purchase Agreements or as any of the Authorized Officers acting singularly and alone shall deem necessary, desirable and without further specific action by this Board, and on behalf of the Corporation, such Authorized Officers are hereby authorized, empowered and directed to prepare or cause to be prepared and to execute, perform and deliver in the name and on behalf of the Corporation the Purchase Agreements and/or all related and ancillary agreements and documents in connection with the terms and conditions to be effectuated by the Purchase Agreements, including any and all agreements, contracts, certificates, assignments, and memorandums upon such terms and conditions and with such changes, additions, deletions, supplements and amendments thereto as the Authorized Officer executing or authorizing the use of the same shall determine to be necessary, desirable and appropriate and in the best interest of the Corporation.

VOTED: That in connection with any and/or all of the above resolutions, the taking of any action, the execution and delivery of any instrument, document or agreement by any of the Authorized Officers in connection with the implementation of any or all of the foregoing resolutions shall be conclusive of such Authorized Officer's determination that the same was necessary, desirable and appropriate and in the best interest of the Corporation.

Voting in favor were: Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, John G. Laramee, Anthony F. Miccolis, Jr., John A. Patterson, and James Rugh.

Voting Against were: None.

Unanimously Approved.

Mr. Berson joined the meeting at 5:22 p.m.

B. Adoption of the 2013 meeting schedule:

Mr. King presented the Board with the proposed meeting dates for 2013.

Upon motion duly made by Mr. Rugh and seconded by Mr. Miccolis, the Board:

VOTED: Board of Directors adopt the meeting dates for 2013 Meeting Schedule as presented and attached hereto as Exhibit A.

Voting in favor were: Robert H. Breslin, Jr., James Berson, Elizabeth Dolan, Barbara Jackson, John G. Laramee, Anthony F. Miccolis, Jr., John A. Patterson, and James Rugh.

Voting Against were: None

Unanimously Approved.

C. Appointment of Officers of the Quonset Development Corporation in accordance with the Bylaws of the Corporation:

The Board reviewed the nominations for Corporate officers. Mr. King noted that Mr. Simpson would be reaching the end of his term in December so Mr. Laramee has been nominated for Vice-Chairperson.

Several Board members also suggested nominating a Deputy Vice Chairperson as the Corporation had in the past year. Mr. King stated he would speak to members and consider for a later meeting.

Upon motion duly made by Mr. Rugh and seconded by Mr. Miccolis, the Board:

VOTED: That the following persons are hereby elected to the offices set forth opposite their names, to hold such offices until the time fixed in accordance with the By-Laws of the Corporation for the next annual meeting of the Board of Directors of the Corporation and thereafter until their successors shall have been duly elected and qualified:

Name	Office
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Steven J. King Managing Director

John G. Laramée Vice-Chairperson

E. Jerome Batty Secretary

Kevin M. Barry Finance Director

Voting in favor were: Robert H. Breslin, Jr., James Berson, Elizabeth Dolan, Barbara Jackson, John G. Laramée, Anthony F. Miccolis, Jr., John A. Patterson, and James Rugh.

Voting Against were: None

Unanimously Approved.

D. Approval of a Public/Private Partnership for the Development of the Initial Phase of the Gateway Offices:

Mr. King noted that this request is related to last month's vote to approve building a multi-tenant office building with shared amenities including concierge service. Mr. King stated that there are now two companies with interest in leasing over 2000 square feet in the new facility. Mr. King explained that in the interest of keeping the modular design of the building intact; the Corporation would like to add Phase 1B to the current Phase 1A plan. Phase 1B would include two large office spaces consisting of 2850 square feet in the back of the building. The additions would have the same access to kitchen, restrooms, and concierge but would have separate entrances.

Mr. Breslin asked Mr. Lavalley of CBRE his opinion of the project. Mr. Lavalley stated he was in full support of the project and commented that it was the natural progression of the business park and fulfills a missing piece.

Mr. Breslin asked about all the office vacancies along Post Road in North Kingstown and wondered why this space was necessary. Mr. Lavalley stated that the new facility offers efficient modular space more suited for today's technology and businesses. Mr. Lavalley pointed out that there are large spaces available but the cost of dividing them and updating them would not be cost effective. Mr. Lavalley added that the cost of life safety and fire protection makes these facilities unattainable for smaller users.

Mr. King, upon questioning, noted that several tenants from the currently leased building at 35 Belver Avenue (also referred to as Building 7) have expressed interest in the new building. Mr. King added that the Corporation has given Building 7 tenants notice that their leases will be terminated on May 31, 2013 as the building will be closed. Mr. King added that this building is too outdated and costly to maintain; renovation of the building would cost the Corporation over four million dollars (\$4,000,000).

Mr. Miccolis asked how many larger users the Corporation would accommodate in the new facility. Mr. King explained that the

building consists of non-weight bearing walls and barriers could be removed to accommodate the need for more space but the Corporation would want to keep as many smaller users as possible to justify the concierge costs. Mr. King stated that if tenants found they need more space, they could be accommodated in one of the other to be built buildings with larger office space.

Upon motion duly made by Ms. Jackson and seconded by Mr. Berson, the Board:

VOTED: That in connection with the development of Phase 1 of the Office Development on the Phase I Premises (approximately 3.13 acres) on Romano Vineyard Way, which was approved by a vote of the Board on September 17, 2012, the Corporation acting by and through its Chair, Vice-Chair, Managing Director or Finance Director, each of them acting alone (the "Authorized Officers") is hereby authorized to expand the Building size by approximately 5,000 square feet (Phase 1B), substantially in accordance with the Request for Board Authorization presented to the Board and the Agreements as previously approved by the Board shall include the Phase I B Building (the "Agreements"),

VOTED: That each of the Authorized Officers, acting singularly and alone, be and each of them hereby is authorized, empowered and directed to effectuate the intent of the foregoing resolutions by

executing, delivering and performing any and all modifications, renewals, confirmations and variations of the Agreements or as any of the Authorized Officers acting singularly and alone shall deem necessary, desirable and without further specific action by this Board, and on behalf of the Corporation, such Authorized Officers are hereby authorized, empowered and directed to prepare or cause to be prepared and to execute, perform and deliver in the name and on behalf of the Corporation the Agreements and/or all related and ancillary agreements and documents in connection with the terms and conditions to be effectuated by the Agreements, including any and all agreements, promissory notes, contracts, certificates, licenses, assignments, and memorandums upon such terms and conditions and with such changes, additions, deletions, supplements and amendments thereto as the Authorized Officer executing or authorizing the use of the same shall determine to be necessary, desirable and appropriate and in the best interest of the Corporation.

VOTED: That in connection with any and/or all of the above resolutions, the taking of any action, the execution and delivery of any instrument, document or agreement by any of the Authorized Officers in connection with the implementation of any or all of the foregoing resolutions shall be conclusive of such Authorized Officer's determination that the same was necessary, desirable and appropriate and in the best interest of the Corporation interest of the

Corporation

Voting in favor were: Robert H. Breslin, Jr., James Berson, Elizabeth Dolan, Barbara Jackson, John G. Laramee, Anthony F. Miccolis, Jr., John A. Patterson, and James Rugh.

Voting Against were: None.

Unanimously Approved.

There being no further business to come before the Board, upon motion duly made by Mr. Miccolis and seconded by Mr. Berson, the meeting was adjourned at 5:32 p.m.

Respectfully submitted:

By: _____

E. Jerome

Batty, Secretary