

DRAFT

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

July 15, 2014

PUBLIC SESSION MINUTES

A meeting of the Board of Directors of the Quonset Development Corporation (the “Corporation”) was held at 4:30 p.m. on Tuesday, July 15, 2014, 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: Guy Asadorian, Jr., Robert H. Breslin, Jr., John A. Dorsey, John G. Laramée, Greg A. Mancini, Anthony F. Miccolis, Jr., James Rugh and Richard A. Welch. Absent were: James Berson, Elizabeth Dolan, and Marcel A. Valois. Also present were: Steven J. King, P.E., Managing Director; John R. Pariseault, Assistant Secretary and the Corporation’s staff and members of the public.

1. CALL TO ORDER:

The meeting was called to order at 4:33 p.m. by Vice Chairman John G. Laramée.

2. APPROVAL OF MINUTES:

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

VOTED: To approve the Public Session Minutes and the Executive Session Minutes of the June 17, 2014 meeting as presented.

Voting in favor were: Guy Asadorian, Jr., Robert H. Breslin, Jr., John A. Dorsey, John G. Laramée, Anthony F. Miccolis, James Rugh, and Richard A. Welch.

Voting Against were: None.

Abstaining: None

Unanimously Approved.

3. STAFF REPORTS:

Mr. King reviewed the staff monthly report as provided to the Board. Mr. King made note of one correction to the third item under Grant Funded Projects stating that the name of the project was “Thompson Road Grade Crossing Improvements” not, “Thompson Road Grand Crossing Improvements”.

Mr. Welch asked about the status of the North Davisville Recreational Fields. Mr. King stated that North Kingstown did receive a certificate of approval but no grant agreement has been signed by the Town of North Kingstown and RI Department of Environmental Management.

Mr. Welch questioned if additional site suitability was the issue and Mr. King confirmed that the Army Corp of Engineers (“ACOE”) does need to perform a Human Health Risk Assessment on the site. The ACOE did perform this assessment a few years ago but the site was not evaluated at that time for this use. Mr. King confirmed that the results of the assessment are expected by the end of summer.

Mr. Welch inquired on the NK Solar meeting with the residents of Camp Avenue. Ms. Trapani confirmed that the meeting was held and a few residents were in attendance. NK Solar has agreed to allow the residents to have input on the landscaping around the solar panels.

Mr. Mancini joined the meeting at 4:38 p.m.

4. Approval of an Option to Lease and Lease Agreement with Cape Wind Associates, LLC

Mr. King explained that Cape Wind Associates, LLC was interested in an option to lease Parcel 17 (11.6 acres) and Terminal 4 (2.2 acres) for the purpose of staging and assembling offshore wind turbine construction. Mr. King read from the Bureau of Ocean Energy Management's fact sheet on the Cape Wind Energy Project as of August 2013, "Cape Wind Associates, LLC (CWA) has obtained a lease to construct and operate a commercial wind energy facility on the Outer Continental Shelf (OCS) offshore Massachusetts. The facility will include 130, 3.6 megawatt (MW) wind turbine generators, each with a maximum blade height of 440 feet, on Horseshoe Shoal in Nantucket Sound. The facility's total nameplate capacity will be 468 MWs and with an average anticipated output of 183 MW, it will supply up to 75% of the electricity needs of Cape Cod and the Islands of Martha's Vineyard and Nantucket".

Mr. King reviewed the financial agreement of the option to lease noting that CWA will pay \$5000 per acre per year for the (Parcel 17 only) with 50% of their option payments to be applied to their rent should they decide to pursue the lease prior to April 1, 2015. The lease payments will be \$15,000 per acre per year to lease Parcel 17 and \$25,000 per acre, per year to lease Terminal 4.

Mr. King introduced Mr. Dennis Duffy, President of Regulatory Affairs for Cape Wind Associates, LLC. Mr. Duffy briefly explained the status of the project, noting that CWA has obtained all their permits and secured two long term power purchase agreements. Mr. Duffy stated

CWA is currently in the final stage of securing financing and plans to begin construction in the first quarter of 2015.

Mr. King explained that CWA would be importing parts to Port of Davisville, holding and storing parts on Parcel 17 and then staging, constructing and shipping out to New Bedford the finished pieces as needed. Mr. King pointed out that EDA investments in the Romano Vineyard Way Bridge and the Terminal 4 and 5 berthing hardware investments would be very important to this project. There was discussion to the logistics of moving the large heavy pieces, including how to offload pieces too heavy for the harbor mobile crane.

Mr. Mancini asked about the improvements necessary for this project.

Mr. King stated there would need to be some site leveling at Parcel 17 and structural support reinforcements at the pier to handle the off/on loading.

Mr. Asadorian verified that all improvements would stay and become property of the Corporation when the project was complete.

Mr. Breslin asked about the effect on the activity at the Port. Mr. King stated that the port area is always being utilized and there may be some displacement in Stevedore activities but there is enough room at the Port of Davisville to accommodate all.

Mr. Welch asked about Rhode Island jobs. Mr. King stated because of the nature of the project an exact count is difficult to estimate but CWA expects to employ 50 -100 for construction jobs.

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

VOTED: 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 enter into, execute and deliver an Option to Lease and Lease Agreement and other agreements related thereto with Cape Wind Associates, LLC, or an affiliated entity for the lease of property at Quonset Business Park, substantially in accordance with the Request for Board Authorization presented to the Board (the Option to Lease and Lease Agreement and related documents are referred to herein collectively as 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 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, 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 and 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 executed 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: Guy Asadorian, Jr., Robert H. Breslin, Jr., John A. Dorsey, John G. Laramee, Gregory A. Mancini, Anthony F. Miccolis and Richard A. Welch.

Voting Against was: James Rugh

Abstaining: None

Motion Passed.

6. ADJOURNMENT:

**Upon motion duly made by Mr. Miccolis and seconded by Mr. Rugh,
the meeting adjourned at 4:56 p.m.**

Respectfully submitted:

**By: _____
Assistant Secretary**

John R. Pariseault,