

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

January 10, 2011

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, January 10, 2011, 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., Kas R. DeCarvalho, John G. Laramee, John A. Patterson, James Rugh, John G. Simpson, and Keith Stokes. Absent were: James D. Berson, Barbara Jackson, and Richard Pastore. 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 QDC Board of Directors were given a tour of the WellOne health care facility at Quonset prior to the meeting.

The meeting was called to order at 5:40 p.m. by Chairman Stokes.

2. APPROVAL OF MINUTES:

Mr. Patterson requested that "Town Planning Committee" be updated to read "Town Planning Commission" on page 7, the second item under Waivers.

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

VOTED: To approve the Public Session minutes of the December 13, 2010 meeting, as amended.

Voting in favor were: Robert H. Breslin, Jr., Kas R. DeCarvalho, John G. Laramee, John A. Patterson, James Rugh, and John G. Simpson.

Voting Against were: None

Unanimously Approved.

3. STAFF REPORTS:

Mr. King reviewed the Staff Reports with the Board:

Grants

- TIGER Grant – Railroad Improvement project work will begin next week. All other TIGER projects are on schedule.
- EDA Grant – EDA has been processing reimbursements. Romano Vineyard Way construction is on hold for winter.

Development

- Site Readiness – presentation to be given by DiPrete Engineering.
- West Davisville Land Purchase is complete.
- Regan Construction Corp. Lease and Specialty Diving Services, Inc. Lease pending RIAC approval.

Construction

- Mainsail Avenue – close out process is being conducted.
- Utility Relocation – major work ongoing in the Park related to the EB utility relocation project.

Operations

- First Major Blizzard of 2010 – This was the first plowing of all the roads in the Quonset Business Park under the new Municipal Services Agreement. All road were maintained and there were no equipment breakdowns.

Port Operations

- Port Activity strong with 11 ships carrying 11,645 cars inbound in December.

4. COMMITTEE REPORTS:

Audit Finance Committee Meeting

Mr. Barry reviewed the mid-year financials with Committee:

- 1) Revenues are a little over 9% better than budget
 - Amtrak lease
 - Banneker Lease
 - Rhody Transportation Lease
- 2) Operating Expenses are running 16% better than budget
 - Fringe Benefits
 - Fuel Oil (Priced better than budgeted)
 - Electricity (Priced better than budgeted)
- 3) Employee Health Plans
 - Employees now contribute 15% of the premium to Medical and Dental plans
 - Employees now pay for the Short Term Disability (STD) premium – the program offers employees the opportunity to get the benefit tax free, when needed, and allows STD to be taken in conjunction with sick time.

5. PRESENTATION OF SITE READINESS PROJECT BY DIPRETE ENGINEERING:

Mr. King asked Mr. Edward Spinard, QDC Development Services Director, to explain the general purpose of the Site Readiness Project. Mr. Spinard explained that the goal of the program is to create “Pad Ready Building Sites”, so that developers can ideally break ground within 90 days of an executed agreement. Site Readiness Project accomplishes this by:

- Eliminating uncertainties in the development process
- In-hand environmental permits
- Project Books for each site (including Concept plans).

Mr. Spinard noted that there are 34 parcels that have been identified for the Site Readiness Project throughout the Quonset Business Park. Sites range from one (1) acre to sixty one (61) acres and building space ranges from ten thousand (10,000) square feet to six hundred thousand (600,000) square feet with a potential for 3.2 million square feet of new space.

Mr. Spinard summarized the current status of the project for the Board;

- Plans prepared for 27 sites
- 19 permits in hand from RIDEM (16) and CRMC (3)
- Plans underway for remaining 6 parcels
- WDIC, LLC property will be added to the Site Readiness Project.

Mr. Spinard introduced Mr. Dennis DiPrete, Civil Engineer with DiPrete Engineering. Mr. DiPrete reviewed with the Board the process of developing a civil site engineering plan, the permitting process, and provided an example of a completed end user binder for the Site Readiness Project Package. Mr. DiPrete added that the Site Readiness Project eliminates the risk of time and the uncertainty associated with developing land for the end user. No other business park has anything like this program in place, giving Quonset a big advantage.

Mr. DeCarvalho asked if there was a shelf life to the information in the packet.

Mr. DiPrete answered that permits do expire; specifically RI DEM permits expire every four (4) years with opportunity for renewal. However, RI General Assembly passed a tolling bill and froze the expiration dates on permits due to recent economic slow down and the bill is up for review again in 2011. As a result, the clock is not even ticking on these permits. Engineering is unlikely to need changes unless there are massive changes to regulations.

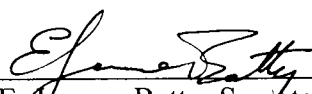
Mr. Patterson questioned why the Corporation felt taking this step was necessary and justified using taxpayer money. Mr. King answered that having site ready parcels gives Quonset Business Park a competitive edge over other properties in RI, MA, and CT. The mission of the Quonset Development Corporation is to develop and manage the business park and to attract and retain successful business and create diverse employment opportunities.

Mr. Stokes commented that this process builds upon the public funds already invested in the park infrastructure and will maximize the value of the land by creating a predictable consistent development process which has been one of the biggest deterrents for developers in the past. Mr. Stokes also noted that the EDC is currently working on the similar site readiness project for all of Rhode Island.

Board Members congratulated Mr. Stokes on his reappointment as Executive Director of the Rhode Island Economic Development Corporation.

There being no further business to come before the Board, upon motion duly made by Mr. Simpson and seconded by Mr. Laramée, the meeting was adjourned at 6:27 p.m.

Respectfully submitted:

By: 
E. Jerome Batty, Secretary