

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

July 18, 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, July 18, 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, Barbara Jackson, John G. Laramee, Anthony F. Miccolis, Jr., John A. Patterson, and John G. Simpson. Absent were: James Berson, Jim Rugh, and Keith Stokes. 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 5:13 p.m. by Vice Chairman Simpson.

2. **APPROVAL OF MINUTES:**

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

VOTED: To approve the Public Session minutes of the June 20, 2011 meeting, as presented.

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

Voting Against were: None

Unanimously Approved.

Abstaining: Anthony F. Miccolis, Jr.

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

VOTED: To approve the Executive Session minutes of the June 20, 2011 meeting, as presented.

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

Voting Against were: None

Unanimously Approved.

Abstaining: Anthony F. Miccolis, Jr.

Mr. Patterson asked if Mr. King could give any update on the topic of the Executive Session without the Board adjourning to Executive Session. Mr. King advised the Board that the Corporation had entered into a 120 day extension on the DeepWater Wind option agreement.

3. **STAFF REPORTS:**

Mr. King welcomed Mr. Anthony F. Miccolis, Jr. to the Quonset Development Corporation's ("QDC") Board of Directors. Mr. Miccolis was appointed by Governor Chaffee and recently confirmed by the Senate. Mr. King also announced that Mr. Richard Pastore, appointed by the Town of North Kingstown, had resigned from the QDC Board of Directors.

Grants

- TIGER – all projects are underway or to commence shortly. Gottwald Port Technology submitted the highest ranked proposal for the mobile harbor crane. Gottwald is currently soliciting quotes related to the transportation of the crane which is expensive to transport.

Construction Projects

- Northrup Road – In the final construction phase and nearing completion.
- Westcott Road – Construction of the cul-de-sac and a small rain garden with wetland plantings is underway.

EDA Project

- Romano Vineyard Way bridge construction continues with beams being erected on June 28, 2011.

Development

- Site Readiness – underway with tree removal and clearing to ready sites for marketing to potential users.
- Gateway – Subway is under construction and is scheduled to open this summer.
- Toray Solar Installation on Conway Avenue is underway and will be the largest solar installation in Rhode Island.
- Plans are under review for Emissive Energy sublease to Black and Decker on Circuit Drive.
- Revised Development Regulations are complete and have been published on the Corporation's website. Copies are available on disc or hard copy upon request.
- Rhode Island Fast Ferry – Eight proposals were received for engineering services to prepare design plans for repairs. RI Fast Ferry will be utilizing funding from the Federal Highway Administration and RI Department of

Transportation. Bourne Consulting Engineering was selected to prepare the design plans.

Operations

- Air Show – The event was held without any issues within the Park.

Port Operations

- Port Activity continues to be brisk with 11 ships carrying 12,798 cars inbound in June.

Finance and Administration

- The year-end audit continues and the findings will be presented to the Board at the September Board meeting.
- Total revenues continue to run better than budget.

4. COMMITTEE REPORTS

There were no committee reports.

5. APPROVAL OF AN OPERATING LEASE RENEWAL WITH SEAVIEW TRANSPORTATION COMPANY:

Mr. King stated that Seaview Transportation Company, Inc. (“Seaview”) is seeking to execute the second and final option to extend their original 1981 License Agreement another five years. The Corporation owns the trackage and one engine that Seaview uses to provide service to the Quonset Business Park. Mr. King noted that that rent is \$100 per month plus 5% of gross revenues which is low but that there is not a lot of revenue in the business but it has increased recently thanks to in great part to increased auto business at the port. The business supports 4 full-time and 1 part-time employee.

Upon motion duly made by Mr. Laramée 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 enter into, execute and deliver an Operating License Renewal, and other agreements related thereto with Seaview Transportation Company, Inc., or an affiliated entity (the “License Renewal”), substantially in accordance with the Request for Board Authorization presented to the Board (the Lease, 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 such 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, 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.

Voting in favor were: Robert H. Breslin, Jr., Kas R. DeCarvalho, Barbara Jackson, John G. Laramée, Anthony F. Miccolis, Jr., John A. Patterson, and John G. Simpson.

Voting Against were: None

Unanimously Approved.

6. **APPROVAL OF A LEASE RENEWAL WITH GOODWIN AND SONS (SEAFREEZE):**

Mr. King advised the Board that Goodwin & Sons General Partnership (“Seafreeze”), a Park tenant since 1994, is seeking to renew their lease for a 25 year term with three 5-year options to extend. Under the renegotiated agreement, Seafreeze will lease 5.9 acres (Plat 193, Lot 2) in the Davisville Waterfront and 500 linear feet of bulkhead. Rent begins at two hundred and forty thousand dollars (\$240,000) and increases intermittently. The new rent is increased from their current base rent of two hundred twenty thousand dollars (\$220,000) Seafreeze supports 45 full-time and 10 part-time employees.

Upon motion duly made by Ms. Jackson and seconded by Mr. Laramée, 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 enter into, execute and deliver a Lease Agreement, and other agreements related thereto with Goodwin & Sons, or an affiliated entity (the “Lease”), substantially in accordance with the Request for Board Authorization presented to the

Board (the Lease, 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 such 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, 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.

Voting in favor were: Robert H. Breslin, Jr., Kas R. DeCarvalho, Barbara Jackson, John G. Laramée, Anthony F. Miccolis, Jr., John A. Patterson, and John G. Simpson.

Voting Against were: None

Unanimously Approved.

7. APPROVAL OF A LEASE WITH WIDE WORLD OF INDOOR SPORTS:

Mr. King introduced Mr. Stephen Sangermano, President of Wide World of Indoor Sports, and advised that Mr. Sangermano is proposing to lease 8.3 acres for construction of a 74,000 square foot indoor recreational sports facility in the Gateway District. Mr. King reminded the Board that a similar proposal was approved when the Gateway was just beginning development but that deal did not come to fruition. Mr. King advised that Mr. Sangermano has a similar facility in North Smithfield, RI that is extremely successful. Mr. King noted that the lease term is 15 years with three 15-year options to extend with fair market value adjustments every 5 years. Mr. King added that the agreement has favorable rent to support economic growth and

due to some issues with the soil that will cause development to be more costly. Rent payments will begin twelve months after the lease commencement or November 1, 2012 (whichever is later). There will be a 5 year phase in of rent, starting at forty thousand dollars (\$40,000) in the first year and increasing by ten thousand dollars (\$10,000) every year through the fifth year. The business will support 8 full-time and 60 to 70 part-time employees.

Ms. Jackson asked if adequate parking will be available for the facility as at times it has been a problem at the North Smithfield location. Mr. Sangermano answered that this facility is smaller than the North Smithfield facility and will have 100 more parking spaces.

Mr. Patterson asked about the height of the new facility and about lighting. Mr. King noted that the height of the facility would be similar to the Lowe's facility in the same area. Mr. Sangermano added that this facility would not have any outdoor fields so lighting would be minimal. Additionally, all lighting restrictions will be reviewed by the Design Review Committee. Mr. Patterson suggested that Mr. Sangermano might speak to the Town of North Kingstown, in light of budget constraints, about hosting some of the town's sports events. Mr. Sangermano thanked the Board and stated that he believes Quonset Business Park will be a great location for his new facility.

Upon motion duly made by Mr. Laramee and seconded by Mr. Patterson, 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 enter into, execute and deliver a Lease Agreement, and other agreements related thereto with Wide World of Indoor Sports, Inc., or an affiliated entity (the "Lease"), substantially in accordance with the Request for Board Authorization presented to the Board (the Lease, 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 such 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, 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.

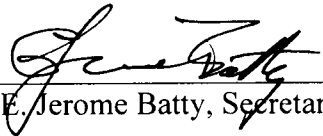
Voting in favor were: Robert H. Breslin, Jr., Kas R. DeCarvalho, Barbara Jackson, John G. Laramie, Anthony F. Miccolis, Jr., John A. Patterson, and John G. Simpson.

Voting Against were: None

Unanimously Approved.

There being no further business to come before the Board, upon motion duly made by Ms. Jackson and seconded by Mr. Miccolis, the meeting was adjourned at 5:33 p.m.

Respectfully submitted:

By: 
E. Jerome Batty, Secretary