

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

PUBLIC SESSION  
MINUTES

November 21, 2005

A meeting of the Board of Directors of the Quonset Development Corporation (the "Corporation") was held at 5:00 p.m. on Monday, November 21, 2005 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: David A. Doern, Thomas Hazlehurst, Barbara Jackson, Michael E. McMahon, Anthony F. Miccolis, Jr., John A. Patterson, Sav Rebecchi, M. Paul Sams and John G. Simpson.

Also present were: W. Geoffrey Grout, Managing Director, E. Jerome Batty, Secretary, members of the Corporation's staff and members of the public.

**1. CALL TO ORDER**

The meeting was called to order at 5:00 p.m. by Chairman McMahon. Chairman McMahon noted that it was appropriate to compliment the Town on its adoption of zero based budgeting and the excellent performance of the Town's schools. Clearly, public education is an extremely important issue for the State and North Kingstown is doing an excellent job as reflected by the performance of its schools.

**2. APPROVAL OF MINUTES**

Upon motion duly made by Mr. Sams and seconded by Mr. Hazlehurst the Board:

**VOTED:** To approve the minutes of the meeting of October 17, 2005 as presented to the Board.

Voting in favor were: Mr. Doern, Mr. Hazlehurst, Ms. Jackson, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously Approved.

### 3. STAFF REPORTS

#### A. Planning and Development Services.

Mr. Matthews distributed a matrix of current transactions and provided a brief description of the proposed transactions. Pending transactions include Marrinan Realty expansion, Toray expansion, space leases in Buildings 314 and 315, New Boston Development Partners, Gateway project and proposed sales involving DS Nelson, Falvey Cargo Underwriting, M&D Trucking, Ocean State Testing, Mill Creek Marine and Subsalue USA. Mr. Doern suggested that the size of the parcel, size of the proposed building and anticipated number of employees should be stated on the matrix. Mr. Matthews responded that this information will be provided going forward.

Mr. King reviewed the proposed relocation of Davisville Road and the railroad tracks and introduced Victor Calabretta and Ted Spinard of Maguire Group, Inc. He also distributed the relocated Davisville Road Design Study Report dated October 2005. Ted Spinard of the Maguire Group reviewed the Design Study Report and noted that the existing road is approximately 35 feet wide and it should be 40 feet and there is no grade separation for the railroad. The proposed design will separate the railroad from the roadway and will provide public access to public areas without going through the port. The closest house to Davisville Road currently is approximately 160 feet and under the new design, the closest house will remain at approximately 160 feet but it will not be to Davisville Road, it would be to the "out ramp". The actual Davisville Road will be approximately 260 feet from the closest house.

Mr. Patterson inquired as to what the roadway will look like from Newcomb Road. Mr. Spinard reviewed a rendering showing the view from Newcomb Road and noted that it was anticipated that there will be a bike path between the roadway and Newcomb Road. He also noted that the railroad tracts will be moved further away from Newcomb Road.

Mr. Miccolis inquired as to what the public process will be for review of the roadway. Mr. Patterson also noted that it will be appropriate to have a public meeting with the neighbors so they can review the proposed plans. Chairman McMahon indicated that the Corporation will hold an informational meeting to which the public will be invited, at which the road relocation plans can be reviewed

Mr. King reviewed the current status of ongoing discussions regarding the connection of the Reynolds Farm project to the Corporation's sewer. Chairman McMahon noted that while the Corporation does have excess sewer capacity at the present time, our primary mission is to create good sites for good jobs and we need to be sensitive to the fact that sites with sewers are limited. The Corporation needs to reserve sewer capacity to accommodate expansion at Quonset Business Park. He also noted that it

will not be appropriate for the Corporation to serve as a sewer district for the Town. At the same time, the Corporation is willing to work with the Town as the Town develops its plans for dealing with sewer issues within the Town.

Mr. Miccolis noted that the developer of the Reynolds Farm project contacted the Town and the Town sent a letter to the Corporation supporting the proposed development. Mr. Miccolis inquired as to what additional requirements the Corporation would have with respect to servicing the Reynolds Farm project. Mr. McMahon noted that the Corporation does not want to be in a position of being in the retail sewer business with respect to properties located outside Quonset Business Park. He also stated that it is not appropriate for the Corporation to serve as a sewer district for the Town of North Kingstown. Mr. Sams inquired as to why the Corporation should be in the sewer business at all. Mr. McMahon responded it is not our core mission and at some time we may be able to bring in a private sewer operator. Currently it is important to the Corporation's mission that we have a viable sewer system which can service businesses which are currently located or which may in the future locate in Quonset Business Park. Mr. Doern noted that if the Corporation has excess capacity, we should try to work with the Town and accommodate the needs of the Town if possible. Ms. Jackson noted that the Corporation should assist the Town in a comprehensive way and that it would be appropriate for the Town to develop a more comprehensive plan for the Route 1 corridor rather than approaching the Corporation on a project by project basis. Mr. Miccolis noted that the Reynolds Farm project will have an affordable housing component and will provide housing for workers at Quonset Business Park.

#### B. Finance.

Mr. Grout reported that the Corporation for the first quarter is operating ahead of budget.

Mr. Batty indicated that the discussions involving the Municipal Services Agreement are continuing and that the Town is in the process of reviewing the Agreement and will be providing comments to the Corporation shortly.

#### C. Managing Director's Report.

Mr. Grout reported that with respect to the logistics facility the Corporation has broken off exclusive discussions with Logistec and has opened discussions to other parties.

Mr. Grout also reported on the ULI conference that he attended. It appears that there continues to be a substantial amount of capital available for real estate investment, although job growth is forecast to be modest. Participants at the conference indicated that full service hotels are a priority. Mr. Grout visited the Port of Los Angeles and a number of other facilities while he was in California.

Mr. McMahon noted that private sector projects announced in the State of Rhode Island currently amount to approximately \$1,000,000,000. He also reported that the State does not have an existing capacity to accommodate Class A office space. Many companies do not want to wait for a "build to suit" facility.

Mr. Grout distributed copies of the Corporation's bond counsel's letter responding to questions raised by Mr. Miccolis.

#### **4. QUONSET DEVELOPMENT CORPORATION COMMITTEE REPORTS.**

##### **A. Strategic Planning Committee.**

Mr. Doern reported that there was a Strategic Planning Committee meeting at which the committee reviewed Mr. Simpson's outline for a strategic plan. The Strategic Planning Committee is continuing to work on the plan and each member has agreed to review a section of the plan.

#### **5. APPROVAL REQUESTS.**

##### **A. Approval of Board of Directors meeting dates for 2006.**

Mr. Patterson pointed out that the suggested schedule provided for a meeting on February 20 which is a holiday and suggested that the date be moved to February 13.

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

**VOTED:** To approve the schedule of Directors meetings for 2006 with the February meeting being held on February 13, 2006.

Voting in favor were: Mr. Doern, Mr. Hazlehurst, Ms. Jackson, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously Approved.

##### **B. Approval of Sale to Marrinan Realty, LLC.**

Marrinan Realty, LLC would like to expand its existing facilities and acquire an additional 1.9 acres which is identified as Lot 16 on Plat 180 in West Davisville. The purchase price will be \$256,000 which is consistent with the Corporation's pricing for West Davisville. Mr. Patterson inquired as to how many jobs would be created and Mr. Matthews indicated that it was for expansion but he did not have a specific number with respect to additional employees.

Upon motion duly made by Mr. Doern and seconded by Mr. Simpson, the Board:

**VOTED:** To approve the sale to Marrinan Realty, LLC of approximately 1.9 acres in West Davisville in accordance with the request for Board approval presented to the Board.

Voting in favor were: Mr. Doern, Mr. Hazlehurst, Ms. Jackson, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously Approved.

**6. MOTION TO ADJOURN TO EXECUTIVE SESSION.**

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

**VOTED:** To adjourn to Executive Session to discuss the Development Agreement for the Gateway Project pursuant to Subsection (5) – (Acquisition or Lease of Real Estate for Public Purposes or Disposition of Publicly held Property and Subsection (6) – (Location of Perspective Businesses in Rhode Island) of the RIGL §42-46-5(a) (the “Open Meetings Law”).

Voting in favor were: Mr. Doern, Mr. Hazlehurst, Ms. Jackson, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously Approved.

The meeting was adjourned to Executive Session at 6:20 p.m. Ms. Jackson excused herself from the meeting at 6:20 p.m.

The meeting reconvened in Public Session at 6:55 p.m.

**7. VOTE TO MAINTAIN MINUTES OF THE EXECUTIVE SESSION CLOSED.**

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

**VOTED:** Pursuant to Section 42-46-4 and 42-46-5 of the General Laws, the minutes of the Executive Session shall not be made available to the public at the next regular scheduled

meeting of the Corporation because such disclosure would adversely impact ongoing negotiations.

Voting in favor were: Mr. Doern, Mr. Hazlehurst, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously Approved.

8. **APPROVAL OF DEVELOPMENT AGREEMENT FOR THE GATEWAY PROJECT.**

Chairman McMahon recused himself and did not participate in the discussion or vote regarding New Boston Development Partners, LLC.

Mr. Miccolis pointed out that the Development Agreement contained a misspelling in Section B of the recitals with respect to "Kingstown" and that in Section 5.1.5 in the first line, there should be a period after the words "pilot payments" and it should be clear under this section that there is no cap on pilot payments.

Upon motion made by Mr. Miccolis and seconded by Mr. Hazlehurst, the Board

**VOTED:** That the Corporation, acting by and through its Chairman, Vice-Chair, Managing Director, or Finance Director, each of them acting singularly (the "Authorized Officers") is hereby authorized to enter into, execute and deliver the Development Agreement and other agreements related thereto with New Boston Partners Development, LLC substantially, in accordance with the Development Agreement presented to the Board (the Development Agreement and related documents are referred to herein collectively as the "Agreement").

**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 Agreement or as any of the Authorized Officers acting singularly 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 Agreement and/or all related and ancillary agreements and documents in connection with the terms and conditions to be effectuated by the Agreement, including any and all agreements, contracts, certificates, licenses and assignments, 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.

**VOTED:** That the Secretary of the Corporation be, and hereby is, authorized and empowered to attest to the execution and delivery of any agreement, document or other instrument contemplated by any of the foregoing resolutions or as directed by any Authorized Officer.

Voting in favor were: Mr. Doern, Mr. Hazlehurst, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.


Unanimously Approved.

9. **DISCUSSIONS REGARDING COMMUNICATIONS WITH THE TOWN OF NORTH KINGSTOWN.**

Mr. Hazlehurst noted that there had been recent newspaper articles indicating certain concerns raised by the North Kingstown Town Council with respect to communications from the Corporation regarding Allens Harbor and the transfer of the abandoned portion of Roger Williams Way. Mr. Doern noted that it would be helpful if the Board had background information with respect to these matters. Mr. Rebecchi suggested that communications between the Corporation and the Town should be in writing and the Board should be updated on those communications. Mr. McMahon noted that the Corporation is continuing its efforts to improve communications with the Town and agreed that the Board should be advised of communications so that the Board would have greater familiarity with issues being addressed.

There being no further business to come before the Board, upon motion duly made by Mr. Doern and seconded by Mr. Miccolis, the meeting was adjourned at 7:05 p.m.

Respectfully submitted by:

By:   
E. Jerome Batty, Secretary