Quonset’s Port of Davisville
Infrastructure Rehabilitation/Replacement Program

Investing In Rhode Island’s Success
Quonset Business Park®

3,212 Total Acres

Over 200 Great Rhode Island Companies

Nearly 11,000 Full-time and Part-time Jobs
Quonset Development Corporation

Quonset is a major driver of economic growth and job creation in Rhode Island

- 4,800 new jobs and $507 million in private investment since QDC was created in 2005
- $2 billion in total private investment at the Business Park
- Responsible for property development, Park management, utilities, and port operations
- Business Park operations funded solely from Park revenue
A Rhode Island Success Story

Quonset Makes a New Name for Itself in Business
“Its success is being cited as a model as Rhode Island tries to improve its economy.”

The New York Times

Port of Davisville, RI: The Biggest Small Port in the U.S.
“The port’s size relative to larger brethren like New York/New Jersey, belies its real stature as one of the largest ro-ro ports in North America”

Celebrating 10,000 jobs at Quonset Business Park
“Quonset Business Park is a real success story, and we should all be encouraged by that success.”

- House Speaker Nicholas Mattiello
Federal Property Transfers

Property Ownership
1979 & 1999

Legend

<table>
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<tr>
<th>Parcel</th>
<th>Area in Acres</th>
<th>Ownership</th>
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<tbody>
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<td>Circa 1979</td>
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<tr>
<td>765</td>
<td>Circa 1999</td>
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<tr>
<td>205</td>
<td>U.S. Government</td>
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<tr>
<td>3160</td>
<td>Total Area</td>
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NOT TO SCALE

Technical Support Services
95 Cripe Street
North Kingstown, RI 02852
Tel: (401) 295-0044
Fax: (401) 268-0083

December 2013
Revised November 2013
Drawn by: Art Smith

QUONSET DEVELOPMENT CORPORATION

5
3,212 Total Acres:

- **1,865 Acres Undevelopable**
  - Airport/seaport
  - Rights of way
  - Open space, recreation

- **1,347 Acres Developable**
  - 514 acres leased
  - 497 acres sold
  - 19 acres under agreement
  - 297 acres still available
Available Site-Ready Land at Quonset

274 Acres Available & 38 Site-Ready Parcels

Available Parcels

- Range from 1 to 43 acres
- Seven Parcels >10 acres
- Two Parcels >3-0 acres
Recent Development Activities

Recent Openings/Expansions:

- Edesia Global Nutrition
- Electric Boat AFC building
- North Kingstown Solar 1
- Wide World of Indoor Sports Expansion
- Greencore
- Crestwood Energy
- Mill Creek Marine Expansion
- Toray Plastics Co-Generation
- WellOne Expansion
- BankNewport
- Supfina Manufacturing/Office Expansion
- NORAD Expansion
- OS Job Lot Expansion (site work)
Current Development Activities

Underway & Upcoming Projects:

- SDS Expansion building (Deepwater Wind)
- Goodison Shipyard
- Terminal 4 and 5 Berths
- T. Miozzi Inc.
- Toray A-3 Warehouse Expansion
- QP Industrial Building
- Zarbo Ave Bulkhead
- Bella Energy Solar
- EDP Rooftop Solar
- RI Air National Guard Flight Simulator
- NK Athletic Fields
Rhode Island’s Only Public Port

Ports are comprised of terminals that handle different cargoes

- In reality, Quonset’s Port of Davisville is a terminal in the “Port of Providence US Customs District”

- Quonset’s Port of Davisville handles:
  - roll-on/roll-off (RO/RO), processed fish, project cargo, NOAA vessel
  - *Seafreeze*: Largest producer and trader of sea-frozen seafood on the U.S. East Coast.
  - *Okeanos*: Largest research vessel in the NOAA fleet
  - lift-on/lift-off (LO/LO) cargo – break bulk (lumber), containers, and wind components

- Quonset’s Port of Davisville **DOES NOT** handle: bulk cargo (liquid fuel, coal, salt, cement, scrap etc.)

- Specialties of terminals in Providence
US Customs District Terminals

- Petroleum
- Gasoline
- Chemicals
- Scrap Metal
- Heating Oil
- Asphalts
- Cement
- Salt
- Clay
Quonset’s Port of Davisville Economic Impact

Economic Benefits for R.I.
2014 Cargo Activity

- Business Output -$333 million
- Jobs - Over 1,500
  • direct, indirect and induced
- Household Earnings - $97 million
- State Taxes - $17 million
- Local taxes - $10 million

More than 75 companies use the Port, and/or employ people whose jobs depend on it

Cargo and Service Providers at Quonset’s Port of Davisville

Service Providers
- Local 1329 (Intl. Longshoremen Assn.)
- Local 2001 (Intl. Longshoremen Assn.)
- Local 1996 (Intl. Longshoremen Assn.)
- Northeast Marine Pilots
- N. England Stevedoring Services
- Ports America
- New England Ship Agencies
- Goff & Page
- Moran Shipping Agencies
- Norton Lily International
- DonJon Marine
- Masterpiece International
- Pantos
- Kuehne & Nagel
- Bay Crane
- Imperatore
- Hallamore
- Cardi Corporation
- RT Group
- Gordon Archibald
- Moffat & Nichol
- GZA
- Alliance Detective Security
- AIM Inspections
- Deepwater Wind
- Raytheon
- Subaru of America
- Subaru New England
- Toray Plastics
- Volkswagen Group of America
- Volkswagen Logistics
- Volkswagen d Mexico
- Wind Energy Development, LLC
- HALO Maritime Defense Systems
- Fuji Heavy Industries
- Honda
- Weeks Marine
- LS Cable
- Porsche
- North Atlantic Distribution, Inc.
- Seafreeze, Ltd.
- National Grid
- Banneker Industries
- BB&S Lumber
Cargo and Service Providers at Quonset’s Port of Davisville

Cargo - continued
- Bentley
- Audi of America
- Specialty Diving Services
- Kokosing Industrial

Transport
- McAllister Towing (Tug Operator)
- Seaview Transportation
- Providence & Worcester Railroad
- Norfolk Southern Corporation
- CSX
- Canadian Pacific
- Canadian National
- Diversified Automotive Services

Shipping Lines
- Mistui OSK Lines
- NYK Lines
- K Lines
- Hoegh Autoliners
- Caribbean Lines
- Siem Car Carriers
- Wallenius Wilhelmsen Lines
- BBC Chartering
- National Oceanic Atmospheric Administration (Home Port)
Companies Using Quonset’s Port of Davisville

G e o g r a p h i c  F o o t p r i n t
General Assembly Directives

By Statute

JOBS
- “high quality businesses that create high value added jobs in Rhode Island.” (RIGL 42-64.10)

Joint Port Commission Recommendations

House co-chair Rep. Deborah Ruggiero
- Avoid using “federal government funding for the Davisville dredging projects. The preservation of Davisville’s Harbor Maintenance Tax exemption is a major competitive advantage.” (pg. 18)
  - Project successfully completed, 2013
- MARAD Marine highway
- Short sea shipping
Port of Davisville’s Key to Jobs and Success

Successful terminals have a specialty

- Providence – Fuel, bulk cargoes, scrap metal, auto exports

Quonset’s Port of Davisville – auto imports
- Consistently one of N. America’s Top 10 auto import locations
- 2015: Sixth consecutive record breaking year
- 227,021 autos imported in 2015
- Now handles more than six times the volume of automobiles shipped there in 1996, a 547% increase
Quonset’s Port of Davisville: RI’s Only Public Port

- 193 ship calls in 2015 – a new record

- Port of Davisville receives nearly half of import vessel calls to R.I. terminals in Narragansett Bay

- Of the 3 Rhode Island stevedoring companies with ILA contracts, the Top 2 in terms of man-hours operate at Davisville.

2015 NARRAGANSETT BAY IMPORT VESSEL ARRIVALS

- Port of Davisville: 45%
- Other RI Terminals and Ports: 55%
Future Economic and Job Growth

The proposed investments at Quonset’s Port of Davisville will build on its nationally recognized success, and ensure future growth in key areas where the General Assembly has already invested time and money:

- Auto Imports and Processing
- Project Cargo
- Short Sea Shipping
- Off Shore Wind Cargo
Future of Quonset’s Port of Davisville

Auto Processing

Auto sales are projected to grow 4.5% annually over the next six years. Even assuming no new business attraction at Davisville, port volumes would increase from 227,000 to 295,600 through 2021.
Future of Quonset’s Port of Davisville

Project Cargo

The new mobile harbor crane has allowed Davisville to take on several new opportunities in project cargo operations since arriving in 2012.

The crane has already lifted more than 5,411 metric tons of cargo since arriving.
The arrival of a new 150 MT mobile harbor crane in 2013 positioned Davisville to actively pursue carriers and terminal operators to provide container feeder services to East Coast ports including New York, Boston, Halifax, and Norfolk.

* Legislative Port Commission recommendation
Future of Quonset’s Port of Davisville

Off Shore Wind

The Port of Davisville location positions R.I. to benefit from offshore projects from Cape Cod to New Jersey.

Deepwater Wind’s second, much larger Block Island project will depend on modern, world-class infrastructure and piers at Davisville.
Off-Shore Wind Opportunities

- Current project at Block Island utilizes 5 windmills
- Deepwater One, the larger scale project, is expected to install as many as 250 windmills
- Reality: Deepwater One would require all available space in Davisville, Galilee, ProvPort, and likely New Bedford.
- Pier 2 investment keeps wind energy jobs in R.I., instead of going to other states
Infrastrucure Needed for Off-Shore Wind

Pier 2, the work horse of Davisville, is the only viable option at Quonset for wind and project cargo.

- Off-shore wind components (blades, tower, foundations, etc.) are extremely heavy
- They require a wharf that can bear the weight while providing additional space for other customers and capabilities.

Pier 2 at Davisville is a wharf pier
- Earth filled structure, approx. 16 acres
- 1000 psf (pound per square foot) max
  - Original design
- 2 Heavy Lift Platforms with 2,000 psf max

Pier 1 at Davisville is a wood pile pier
- 7 acre concrete deck supported by 9,000 pilings
- 100-250 psf (pounds per square foot) max
Quonset’s Port of Davisville – Pier 2

Pier 2

- Constructed: 1956/1957
- Type: Earth Filled Wharf
- Use: Public Port
- Load
  - 1000 psf (pound per square foot) max
  - 2 Heavy Lift Platforms with 2,000 psf max
- Design Life: 50 years
- Age: 60 years
Quonset’s Pier 2 – Rehabilitation Cost

Pier 2: Rehabilitation
- $82 million (2015 $’s)
- 975 construction jobs
- Adds a 3rd berth
- Extends life for 50 years
- Positions Rhode Island for more port jobs in:
  - Auto Imports, Processing
  - Project Cargo
  - Short Sea Shipping
  - Off Shore Wind Cargo
Quonset’s Pier 2 Rehabilitation

- Phase 1: Engineering and Permitting $4,000,000
- Phase 2: Dredge East Berth $3,800,000
- Phase 3: Construct East Berth $16,100,000
Quonset’s Pier 2 Rehabilitation

- Phase 4: Install New Sheet Pile South Side $37,800,000
- Phase 5: Install New Sheet Pile East Side $20,300,000
Quonsest’s Pier 2 Rehabilitation

Project Cost

Source of Funds:

- General Obligation Bond $50,000,000
- State Capital Fund $15,000,000
- Port/QDC Funded Revenue Bond $25,000,000

Total Project Cost: $90,000,000

- Revenue bond financing identical to the Assembly’s Port Commission dredging proposal, successfully completed in 2013.
- The revenue bond will be repaid exclusively by port users and other Business Park revenues. It will fund a portion of the port improvement initiative at no cost to state taxpayers.
- Pier financing begins where the dredging financing ends (2022)
Other State Investments

Massachusetts - Over $600 Million
- New Bedford Maritime Commerce Terminal $113,000,000 (Completed)
- Boston Harbor Channel Deepening Project $310,000,000
- Additional Massport Capital Improvements $239,700,000 (FY2015-2019)

Connecticut - Over $700 Million
- Governor Malloy announces $711 million investment in ports over 30 years (Feb 2015)
Quonset’s Port of Davisville – Project Benefits

- Preserves 1,500 jobs, $333 million in economic activity and $27 million in state and local tax revenue from the Port.
- Positions Quonset and R.I. to service growing wind energy industry, per the General Assembly.
- Positions Quonset’s Port of Davisville for short seas shipping opportunities, per Port Commission.
- Positions Quonset’s Davisville to take on additional and heavier project cargoes.
- Positions Quonset’s Davisville for minimum 4.5% increase in auto growth growth/year (assuming no new business)
- Allow Quonset’s Davisville to potentially improve its rankings as one of the leading auto importers in North America
THANK YOU FOR YOUR SUPPORT

Steven J. King, PE
Managing Director

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