

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

August 5, 2013

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 Monday, August 5, 2013, 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, Elizabeth Dolan, Barbara Jackson, John G. Laramee, Anthony F. Miccolis, Jr., James Rugh, Marcel A. Valois, and Richard A. Welch. Absent were: Guy Asadorian, Jr. and James Berson. Also present were: Steven J. King, P.E., Managing 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 4:34 p.m. by Chairman Marcel A. Valois.

2. APPROVAL OF MINUTES:

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

VOTED: To approve the Public Session and Executive minutes of the June 17, 2013 meeting, as presented.

Voting in favor were: Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, John G. Laramee, Anthony F. Miccolis, Jr., and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

3. MOTION TO ADJOURN TO EXECUTIVE SESSION:

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

VOTED: To adjourn to Executive Session pursuant to Subsection (5) – (Acquisition or Lease of Real Estate for Public Purposes or Disposition of Publicly held Property), Subsection (6) – (Location of Perspective Businesses in Rhode Island) and Subsection (7) - (Investment of Public Funds) of the RIGL §42-46-5(a) (the "Open Meetings Law").

Voting in favor were: Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, John G. Laramee, Anthony F. Miccolis, Jr., and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

The meeting adjourned to Executive Session at 4:35 p.m. The meeting reconvened in Public Session at 4:51 p.m. Mr. Kas DeCarvalho joined the meeting at 4:41 p.m.

4. **VOTE TO MAINTAIN MINUTES OF EXECUTIVE SESSION CLOSED:**

Upon motion duly made by Mr. Laramee and seconded by Ms. Jackson, 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 regularly scheduled meeting of the Corporation because such disclosure may adversely impact ongoing negotiations.

Voting in favor were: Robert H. Breslin, Jr., Kas R. DeCarvalho, Elizabeth Dolan, Barbara Jackson, John G. Laramee, Anthony F. Miccolis, Jr., and Richard A. Welch.

Voting Against were: None.

Unanimously Approved

5. **STAFF REPORTS:**

Mr. King reviewed the staff report with the Board.

Mr. James Rugh joined the meeting at 4:57 p.m.

6. **COMMITTEE REPORTS:**

There were no committee meetings.

7. **APPROVALS:**

A. **Approval of Regulations for the Procurement of Supplies and Services:**

Mr. King stated the only comment received regarding the adoption of the new procurements regulations (Exhibit A) that were introduced at the June meeting was from Mr. Berson. In response to Mr. Berson's comment, Mr. King noted that Section 6.2 relating to Conflicts of Interests was expanded to include reference to the Rhode Island Code of Ethics (RIGL,

Section 36-14 et. seq.) and Executive Order 03-01 entitled "Ethics and Integrity in State Government" which was provided to all Board members.

Upon approval, the Corporation will file the "Rules of the Quonset Development Corporation for the Procurement of Supplies and Services", with the Secretary of State and repeal the "Regulations Governing the Procurement of Goods and Services", ERLID Number 1969, in conformance with the Administrative Procedures Act, RIGL 42-35.

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

VOTED: That the Corporation approves and adopts the "Rules of the Quonset Development Corporation for the Procurement of Supplies and Services" as presented to the Board.

Voting in favor were: Robert H. Breslin, Jr., Kas R. DeCarvalho, Elizabeth Dolan, Barbara Jackson, John G. Laramée, Anthony F. Miccolis, Jr., James Rugh and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

B. Adoption of a Standard Rent Incentive Program for New Development at Quonset:

Mr. King explained, although lease incentives have been given in the past, the Corporation has no uniform incentive program. Mr. King advised the Board that the Corporation is proposing a standardization of incentives to be applied to all ground lease agreements, extensions and renewals (Exhibit B), creating a transparent and equal process for all. Mr. King added the incentives will not be applied retroactively and will exempt retail property. The incentives will include a lease term incentive encouraging longer term commitments from tenants and a wage based incentive rewarding both quality and quantity of jobs in the Quonset Business Park ("QBP"). Mr. King explained that lease term incentives will be a set percentage discount based on the number of years a property will be leased. The employment incentive will be a quarterly deduction of .05% of annual wages paid as reported by tenants to the Division of Taxations on the Quarterly Tax and Wage Report. Mr. King advised that based on extensive research and various budget scenarios, the employment incentive will be capped at 50% of the total rent.

Ms. Jackson asked if the Corporation has considered a buy-back program for land already sold in QBP. Mr. King answered that the Corporation would consider any offers to reacquire land.

Mr. King advised that the Corporation has had very few opportunities to buy land back and mostly it has been on a very small scale.

Upon motion duly made by Ms. Dolan and seconded by Mr. Laramée, the Board:

VOTED: That the Corporation approves and adopts the QDC Standard Incentives – QDC Rental Discounts/Economic Development Incentives August 2013 program for new development at Quonset Business Park as presented to the Board.

Voting in favor were: Robert H. Breslin, Jr., Kas R. DeCarvalho, Elizabeth Dolan, Barbara Jackson, John G. Laramée, Anthony F. Miccolis, Jr., James Rugh and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

C. Approval of a Lease Renewal with Electric Boat Corporation:

The Chairman asked that the approval be deferred to a future meeting as documents necessary for the transaction were still under review.

Upon motion duly made by Mr. Laramée and seconded by Mr. Welch, the Board:

VOTED: That the Corporation table the vote to approve the lease renewal with Electric Boat Corporation.

Voting in favor were: Robert H. Breslin, Jr., Kas R. DeCarvalho, Elizabeth Dolan, Barbara Jackson, John G. Laramée, Anthony F. Miccolis, Jr., James Rugh and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

8. **ADJOURNMENT:**

Upon motion duly made by Mr. Breslin and seconded by Mr. Laramée, the meeting adjourned at 5:17 p.m.

Respectfully submitted:

By: 
E. Jerome Batty, Secretary