

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

PUBLIC SESSION MINUTES

July 17, 2006

A meeting of the Board of Directors of the Quonset Development Corporation (the "Corporation") was held at 5:00 p.m. on Monday, July 17, 2006, 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: Robert Crowley, Kas R. DeCarvalho, David A. Doern, Thomas Hazlehurst, Barbara Jackson, Saul Kaplan, Anthony F. Miccolis, 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, Meredith E. Holderbaum, Senate Fiscal Office and members of the public.

1. CALL TO ORDER

The meeting was called to order at 5:04 p.m. by Chairman Kaplan.

2. APPROVAL OF MINUTES

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

VOTED: To approve the minutes of the Public Session meeting of June 19, 2006, as revised.

Voting in favor were: Robert Crowley, Kas R. DeCarvalho, David A. Doern, Barbara Jackson, Thomas Hazlehurst, Anthony F. Miccolis, John A. Patterson, Sav Rebecchi, M. Paul Sams, and John G. Simpson.

Voting against were: none.

Unanimously approved.

Upon motion duly made by Mr. Crowley and seconded by Mr. Rebecchi, the Board:

VOTED: To approve the minutes of the Executive Session meeting of June 19, 2006, as revised.

Voting in favor were: Robert Crowley, Kas R. DeCarvalho, David A. Doern, Barbara Jackson, Thomas Hazlehurst, Anthony F. Miccolis, John A. Patterson, Sav Rebecchi, M. Paul Sams, and John G. Simpson.

Voting against were: none.

Unanimously approved.

3. **STAFF REPORTS**

- **Managing Director's Report**

Mr. Grout updated the Board on the status of the Marina proposal discussion by the Marketing and Business Development Committee. Mr. Grout noted that the meeting was attended by Mr. Hazlehurst, Mr. Miccolis, Mr. Doern, Townsend Goddard of Ninigret Partners, Mr. King, COO, and himself. Mr. Grout reported that of the three proposals reviewed, the Committee chose to narrow the list down to two. Of these two, more information has been requested and recommendations and interviews will be made at the August Board meeting.

Mr. Grout then turned the meeting over to Mr. Townsend Goddard to provide the Board a feasibility assessment for the Marina Development Project and review of the market.

Mr. Goddard discussed the three areas of the assessment – the marketing for megayachts, the service aspect of the industry and the opportunities and challenges for QDC to attract such a facility. A memo with this information from Mr. Goddard dated July 17, 2006, was distributed to members of the Board and a copy is attached to these minutes.

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

- **Strategic Planning Committee**

Mr. Simpson discussed the highlights of the July 11, 2006, meeting of the Strategic Planning Committee. Mr. Simpson noted that the Committee convened to Executive Session to discuss the future direction of the Quonset Development Corporation in terms of the mission critical factors of a Municipal Services Agreement with the Town of North Kingstown, the housing question at Quonset and a lease versus buy strategy. Mr. Simpson referred the Board to the memo in the Board package dated June 22, 2006, regarding the possible strategic alternatives presented by staff. Mr. Simpson also indicated the Committee's appreciation for Saul Kaplan's participation in the meeting.

Mr. Simpson indicated that the Strategic Planning Committee recommended that the QDC secure a consultant/facilitator to review possible strategic alternatives for sustainability. Mr. Simpson noted that this would be an independent study.

Mr. Kaplan noted that there was an excellent dialogue at the Strategic Planning Committee meeting around the sustainability of the Quonset Business Park but indicated that it is important to now define roles for future reference on how the Park will run on a day to day basis.

Mr. Patterson inquired as to how a consensus among the stakeholders would be reached as well as who the stakeholders are.

Mr. Kaplan indicated that the Board was being asked to authorize the staff to frame the process to answer all of these questions, which are not answered at this point and to authorize the staff to walk through the process with the selected consultant.

Mr. Doern stated that the Board would be the body to review the report/study and make a decision even though the Board is currently viewed as a stakeholder.

Mr. Kaplan indicated that the Board would vote on the proposal presented by the consultant and the Board would be the decision maker in the process. It is hoped that a consensus will be developed among stakeholders but in the end the final decision will rest with the Board.

Mr. Sams questioned whether the Board would be involved in the entire process.

Mr. Simpson indicated that the Board would be involved during the entire process from progress and milestone reports to the final report and not just given a final report for approval at the end of the process.

Mr. DeCarvalho indicated that it is important to understand the potential costs involved with such a study.

It was decided that a recommendation would be given to the Board at the August board meeting after responses to the request for proposals have been received and a decision to move forward based on the timeliness of a final report and the cost of the report, as well as the proposed consultant would be voted on at that time.

5. **APPROVAL REQUESTS**

- Retention of consultant/facilitator regarding strategic alternatives for sustainability for the Quonset Business Park.

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

VOTED: To authorize, subject to Board approval, the retention of a consultant/facilitator to advise the Board/Strategic Planning Committee with respect to the strategic alternatives for the sustainability of Quonset Business Park and develop a consensus among stakeholders at Quonset Business Park.

Voting in favor were: Robert Crowley, Kas R. DeCarvalho, David A. Doern, Thomas Hazlehurst, Barbara Jackson, Anthony F. Miccolis, John A. Patterson, Sav Rebecchi, M. Paul Sams, and John G. Simpson.

Voting against were: None.

Unanimously approved.

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

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

VOTED: To adjourn to Executive Session pursuant to Subsection (2) – (litigation), 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), and subsection (7) (Investment of Public Funds) of the RIGL §42-46-5(a) (the “Open Meetings Law”).

Voting in favor were: Robert Crowley, Kas R. DeCarvalho, David A. Doern, Thomas Hazlehurst, Barbara Jackson, Anthony F. Miccolis, John A. Patterson, Sav Rebecchi, M. Paul Sams, and John G. Simpson.

Voting against were: None.

Unanimously approved.

The meeting adjourned to Executive Session at 5:53 p.m. The meeting reconvened in Public Session at 6:26 p.m.

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

Upon motion duly made by Mr. Miccolis and seconded by Mr. Crowley, 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.

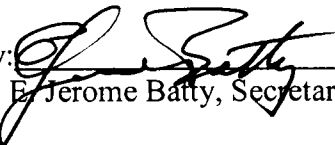
Voting in favor were: Robert Crowley, Kas R. DeCarvalho, David A. Doern, Thomas Hazlehurst, Barbara Jackson, Anthony F. Miccolis, John A. Patterson, Sav Rebecchi, M. Paul Sams, and John G. Simpson.

Voting against were: none.

Unanimously approved.

There being no further business to come before the Board, upon motion duly made by Mr. Doern and seconded by Mr. Miccolis, the meeting was adjourned at 6:30 p.m.

Respectfully submitted by:

By: 
E. Jerome Batty, Secretary