

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

April 20, 2009

EXECUTIVE 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, April 20, 2009, 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 directors constituting a quorum were present and participated throughout the meeting as indicated: James D. Berson, Robert H. Breslin, Barbara Jackson, John G. Laramee, Richard L. Pastore, John A. Patterson, Sav Rebecchi, and John G. Simpson. Absent were: Kas DeCarvalho, J. Michael Saul and Keith Stokes. Also present were: Steven J. King, P.E., Managing Director; E. Jerome Batty, Secretary; Kevin M. Barry, Finance Director; and members of the Corporation's staff.

1. CALL TO ORDER:

The Executive Session was called to order at 5:54 p.m. by Vice Chairman Simpson.

Prior to adjournment to Executive Session, 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").

1. Discuss Executive Session minutes of March 16, 2009.

Voting in favor were: James D. Berson, Robert H. Breslin, Barbara Jackson, John G. Laramee, Sav Rebecchi and John G. Simpson.

Voting Against were: John A. Patterson and Richard L. Pastore

Motion Passed.

Noted for the record the following Corporation staff were in attendance; Katherine Trapani, Planning Manager; Jill Sherman, Administrative Assistant; Evan Matthew, Port Director; and Jack Sprengel, Director of Operations.

Upon request, Mr. Batty confirmed that Mr. Patterson and Mr. Pastore have the right to vote in executive session, although they voted against going into executive session.

2. APPROVAL OF EXECUTIVE SESSION MINUTES:

The Board discussed the following changes to the executive session minutes:

- Mr. Patterson requested that the record reflect that the letter to Saratoga Foundation dated March 16, 2009 was not provided to members of the Board prior to the meeting. Page 4, paragraph 3 will read, "At the request of the Board, Mr. King read the draft letter".
- Exhibit A should be replaced with the correct letter dated July 13, 2005 from Mr. Batty to the Saratoga Foundation.
- Mr. Berson suggested that page 4, line 3 read clean or clear, not both. The Board decided that clear was the better choice.
- Mr. Pastore requested that on page 3, paragraph 9, the phrase be added, "and concerned that a representative from the Saratoga Foundation was not present".
- Mr. Simpson requested that the word inappropriate on page 3, paragraph 8, "...extending the issue again even for thirty (30) days is inappropriate," be changed to "not necessary".
- Mr. Rebecchi requested page 4, paragraph 1 be removed from the minutes.

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

VOTED: To approve the Executive Session minutes of the March 16, 2009 meeting, as amended.

Voting in favor were: James D. Berson, Robert H. Breslin, Barbara Jackson, John G. Laramee, Richard L. Pastore, John A. Patterson, Sav Rebecchi, and John G. Simpson.

Voting Against were: None

Unanimously Approved.

3. DISCUSSION OF OPENING OF EXECUTIVE SESSION MINUTES

Upon motion duly made by Mr. Pastore and seconded by Mr. Patterson, the Board:

VOTED: To add to the agenda a discussion of opening the Executive Session minutes of March 16, 2009.

Voting in favor were: James D. Berson, Robert H. Breslin, Barbara Jackson, Richard L. Pastore, John A. Patterson, and John G. Simpson.

Voting Against were: Mr. Laramee and Mr. Rebecchi

Motion passed.

Mr. Pastore commented that he did not feel that the use of subsections 5 & 6 (RIGL §42-46-5(a) Open Meetings Law) cited as the reason for executive session was appropriate. Mr. Pastore noted that the vote to terminate the reservation with the Saratoga Foundation was done in executive session, however, the vote and the letter to the Saratoga Foundation was made public immediately after the meeting.

Mr. Batty explained that according to Open Meeting Law, any executive session vote must be made public immediately upon ending the executive session and while still in the public session. Mr. Batty noted that the Board had a discussion last month regarding the need for executive session regarding the Saratoga Foundation and the Board voted to adjourn to executive session. Mr. Batty noted that Mr. Patterson and Mr. Pastore voted against going into executive session.

Mr. Pastore stated he did take issue with the executive session and that he did not see the Saratoga letter prior to the meeting. Mr. Pastore added that as a Board member, he needs to have all the information beforehand so that he may make an informed decision.

Mr. Berson commented that there was nothing in the materials that he received that would have led him to believe that a vote was being taken and questioned whether the open meeting requirements were met. Mr. Berson added that as far as making the minutes public, the question is whether the minutes cause embarrassment to the Corporation, the Board members, the RIEDC, or the Saratoga Foundation or cause legal issues or finally, impede the Corporation's ability to do business with a prospective tenant. Mr. Berson felt that this was not the situation in this case.

Mr. Rebecchi noted that in his experience with other Boards, executive session is used primarily for real estate transactions. Mr. Rebecchi added that maybe the Board should use executive session more often when voting on real estate transactions so that strategy is not revealed going forward.

Mr. Berson agreed that either all real estate transactions should be done either in public session or executive session.

Mr. Pastore disagreed stating that having closed door sessions does not reflect well on the Board or the Corporation.

Ms. Jackson addressed the Board's use of executive session, noting that the QDC Board rarely uses executive sessions. Ms. Jackson further stated that she also felt some unease about the use of executive session related to the Saratoga and for that reason called Mr. King to clarify the situation prior to the meeting. Mr. King informed Ms. Jackson that executive session was being used to protect the Saratoga Foundation's reputation and financial information. As it turns out, that information never came to light but the potential was present and therefore so was the need for executive session.

Mr. Laramée noted that the Saratoga Foundation's failure to meet the criteria set forth in the July 13, 2005 letter, including the fund raising requirements, was potentially embarrassing to the Saratoga Foundation.

Mr. Patterson asked to clarify for the record, that The Saratoga Foundation's proposal predates this Board. It goes back to the QDMC era.

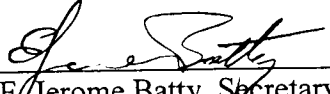
Mr. Simpson stated he believes there is a need for executive session, but that there is also a need for some education on the subject. Mr. Simpson added he understands that executive session should be used for sensitive issues such as negotiations and personnel issues.

Mr. Patterson asked what would be the wording on the next agenda regarding the minutes.

Mr. Batty stated that there would be a separate agenda item for discussion and vote to open the March 16, 2009 Executive Session minutes.

There being no further business to come before the Board in executive session, upon motion duly made by Mr. Rebecchi and seconded by Mr. Laramée, the Executive session was adjourned at 6:50 p.m.

Respectfully submitted:

By: 
E. Jerome Batty, Secretary