

STATE PROPERTIES COMMITTEE MEETING

TUESDAY, AUGUST 31, 2010

The meeting of the State Properties Committee was called to order at 10:04 a.m. by Chairman Kevin M. Flynn. Other members present were Robert Griffith representing the Rhode Island Department of Administration; Richard Woolley representing the Rhode Island Department of Attorney General; and Michael Sligar representing the Rhode Island Office of the General Treasurer, Ex-officio Member. Others in attendance were Anthony Paolantonio from the Rhode Island House of Representatives; Meredith Pickering from the Rhode Island Senate Fiscal Office; Jacqueline Kelley, Michael D. Mitchell, Cheryl Asquino and John Ryan from the Rhode Island Department of Administration; Susan Forcier and Mary E. Kay from the Rhode Island Department of Environmental Management; Richard Kalunian, Colleen Kerr, John Glynn, Paul Carcieri, Annette Jacques, Marc Malkasian, Robert Jackson and Christine Brien from the Rhode Island Department of Transportation; Deborah Barclay and Frank DiBiase from the Rhode Island Department of Human Services; Steven Feinberg from the Rhode Island Office of Film and Television; Director Craig Stenning and Christine Botts from the Rhode Island Department of Behavioral Healthcare, Developmental Disabilities and Hospitals; Linda Ward from Opportunities Unlimited; Derek Farias from Barbara Sokoloff Associates; Katherine Trapani from the Quonset Development Corporation; Robert Stolzman from the law firm of Adler, Pollock & Sheehan.

Chairman Flynn noted for the record that the State Properties Committee did have a quorum present.

A motion was made to approve the minutes from the meeting of Thursday, July 22, 2010, by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

A motion was made to approve the minutes from the meeting of Tuesday, August 3, 2010, by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM A – Film and Television Office – A request was made for approval of a Film License Agreement to allow Paige Productions, Inc. (“Paige”) to film its television series “Body of Proof” on State-owned properties controlled by the Department of Administration, the Department of Environmental Management, the Department of Transportation and the Office of Film and Television. Mr. Feinberg explained that Paige is seeking approval to film thirteen (13) episodes of its television series “Body of Proof” to commence in September 2010, through December 31, 2010. Mr. Feinberg noted that Paige may be seeking approval to film an additional nine (9) episodes from January 2011, through April 2011. The series will air on Friday nights at 9:00 p.m. on the ABC Network. The series will be filmed entirely in the State of Rhode Island and Paige has proposed the use of several filming locations. Mr. Feinberg stated that due to the unpredictable nature of the film industry, he often receives requests to film with very little advance notice. Therefore, the Office of Film and Television (the “Office”) is seeking the Committee’s approval of a “Blanket” Film License Agreement, which will grant the agencies’ Directors the authority to approve any reasonable request to film on department-controlled property during the term of the “Blanket” Film License Agreement. Mr. Feinberg noted that the use of these agreements will greatly streamline

the approval process and will relieve the State Properties Committee of the undue burden of having to schedule emergency meetings in an attempt to accommodate filming schedules. Chairman Flynn noted that the Committee received a draft Film License Agreement some time last week; however, it is his understanding that there have been various changes made to the Agreement since its circulation to the Committee.

Therefore, Chairman Flynn asked that Ms. Kelley identify and explain said modifications for the benefit of the Committee. Ms. Kelley noted that initially there were several versions of the Agreement circulating; however, those versions have been combined into one standard agreement, which addresses the expressed needs and concerns of the relevant departments. Once legal counsel for each Department was satisfied with the final version of the State's Film License Agreement, it was then forwarded to the Paige's legal counsel for review. After reviewing the Agreement, Paige returned said Agreement with its requested revisions. Ms. Kelley stated that the majority of Paige's revisions were not substantive in nature. Ms. Kelley noted that one of Paige's revisions was in response to the State's provision that Paige shall not portray the State of Rhode Island in a derogatory manner, and that they shall obtain prior permission from the State of Rhode Island before displaying any State symbol during filming. Ms. Kelley indicated that Paige deleted that language, but in its place inserted language which stipulates that the State of Rhode Island shall have the right to review for its approval any and all scripts prior to filming. Ms. Kelley indicated the State agreed with that revision. Ms. Kelley stated that the parties went back and forth relative to the State's provision that if it is necessary to engage the services of State-employees the cost of their salaries, benefits and

over-time compensation shall be reimbursed to the State of Rhode Island by Paige; however, said language was retained in the final version of the Agreement.

Ms. Kelley noted that the parties negotiated other issues such as insurance coverage requirements, amount of the allowable deductible, and Paige's self-insured status.

Further, the State wanted the right to use the fact that the series is filmed in the State of Rhode Island as a marketing tool for the Office of Film and Television. This issue was debated and it was decided that said matter would be addressed in a separate agreement.

Ms. Kelley stated that Paige added a provision stipulating that it will be held harmless from any and all liability if the State of Rhode Island is negligent or engages in willful misconduct. Ms. Kelley noted that said language is very standard and the State accepted the addition of the same. Paige also inserted a provision that the State of Rhode Island shall be cooperative in assisting Paige relative to any copy write issues, which may arise and in obtaining any necessary third party approval thereof; the State agreed to the said provision. Paige modified the State's language regarding hazardous materials and said revisions were deemed reasonable and accepted by the State. Ms. Kelley noted that the Department of Transportation also inserted additional language relative to the potential need for rolling roadblocks and added more specific language regarding the return of the security deposit. Ms. Kelley noted that there was a change in the billing dates and a provision was inserted that the Department of Administration would hold the insurance security. Paige agreed to these additional provisions and modifications. Ms. Kelley indicated that Paige inserted language in the remedies' section. Also, Paige added language that restricted the State's right to injunctive relief unless said relief was per a court order

Ms. Kelley noted that in response to this revision, Mr. Woolley suggested said provision be completely revised with more specific and comprehensible language relative to indemnification and legal remedies. Paige agreed to the revised language and the same was inserted into the Agreement at Paragraph 26. Ms. Kelley indicated that the majority of the negotiations and debate served to clarify any ambiguous language and to ensure the end result was an equitable Agreement that shall serve as a prototype for future agreements of this nature. Ms. Asquino indicated that another of the changes is that ABC is no longer willing to provide the State of Rhode Island with a Guarantee. In place of a Guarantee, ABC provided the State with a Letter of Ownership, which simply states that Paige Production, Inc. is one hundred (100%) percent owned by Disney Enterprises. Ms. Asquino stated that relative to insurance, she forwarded the Certificate of Insurance to Kevin Carvahlo for his review. Ms. Asquino indicated that Mr. Carvahlo's main concern is that the coverage not does not include a self-insured retention, because that would mean before Paige's insurance coverage would be applied, Paige would need to pay the self-insurance retention. Ms. Asquino stated that she spoke to legal counsel for ABC who made the representation that to her knowledge there is no self-insured retention relative to this particular Certificate of Insurance; however, there are in fact deductibles, but that she will confirm this information with Disney's risk manager. Ms. Asquino indicated that the State's Agreement contained language that Paige could not have a deductible and/or a self-insured retention. Ms. Kelly interrupted to inform the Committee that she had 'just' received an email from ABC confirming that Paige's insurance coverage did in fact include a deductible, but not the self-insured retention. Ms. Asquino stated that the Certificate of Insurance evidences the existence of self-insurance coverage

declaring liability and also self-insured coverage for physical damage for auto liability. Ms. Asquino stated that if Paige were to engage in activities which would warrant additional insurance coverage such as the use of aircraft, the Agreement includes a provision, which stipulates that the applicable director has the authority to request that greater insurance limits be secured and the Certificate for the same shall be held by said director. Chairman Flynn noted that the language contained in the Agreement before the Committee this morning, unlike the previous versions, makes it very clear that the director is personally responsible at the departmental level. Chairman Flynn noted that if the Film License Agreement is approved, said approval will be subject to the execution of the Agreement by each of the directors involved as well as Paige. Once said signatures have been obtained, the Agreements shall be returned to Ms. Rhodes for execution by the State Properties Committee as is the usual process. Chairman Flynn asked if Mr. Woolley had any concerns as to content or process. Mr. Woolley stated he was satisfied with both the content of the Agreement and the process by which it will be executed. Mr. Feinberg thanked everyone for their cooperation and effort in bringing this Agreement to its fruition. A motion to approve was made by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM B – Department of Behavioral Healthcare, Developmental Disabilities and Hospitals – A request was made for conceptual approval to sell property located at 327 Kenyon Avenue in the Town of South Kingstown. Director Stenning stated that the subject property is a former group home, which was operated within the Developmental Disabilities System until several years ago and the

property has been vacant since that time. Director Stenning indicated that the proposal before the Committee would allow for the establishment of a rather innovative project to convert this former group home into individual housing units, which will house between six and nine individuals who would otherwise be at great risk of being homeless.

Director Stenning noted that the Department's presentation memorandum contains detailed information with regard to how the conversion of the subject property from a group home to an assisted living facility will be accomplished. Director Stenning explained that the assisted living arrangement requires a lower level of service than the twenty-four (24) hour per day service customary in a group home setting. Director Stenning anticipates that four (4) of the prospective tenants will qualify for services in the Department's Behavioral Health System and at least three (3) individuals will qualify for services in the Developmental Disabilities System. Director Stenning indicated that the numbers utilized in the presentation memorandum have been certified via the "Housing First Program." He explained that the studies conducted by the Housing First Program determined that the cost of hospitalizations, detoxification programs, mental health services and incarcerations for "at risk" individuals 'after' one (1) year of securing suitable housing decreased substantially as compared to the cost of the services provided to those same individuals one (1) year 'prior' to their securing housing including the cost of housing vouchers. Director Stenning stated that on an average, for each client involved in the mental health system, who has received suitable housing, a savings of \$8,000 is realized per person, per year. However, as the average cost for individuals involved in the developmental disabilities system is significantly higher, Director Stenning noted that the savings will be even greater given the fact that three (3) of the

potential tenants of the subject facility are expected to require this level of care/services.

Director Stenning stated as a result of this conversion project, the Department will save approximately \$82,000 per year, which he indicated is a conservative estimation.

Director Stenning noted that when considering this facility's twenty (20) year history, the potential savings over the next twenty (20) years would total approximately \$1.6 million dollars. Additionally, the Department will no longer bear the cost of operating and maintaining the facility, which will result in even greater savings. Director Stenning indicated that over the past ten (10) years, the cost of completing the required repairs and upgrades necessary to maintain the three hundred seventy (370) properties controlled by the Department has been a tremendous burden. Reducing the number of properties controlled by the Department and owned by the State has been a long-term goal.

Director Stenning indicated that in addition to the fiscal benefits, this project also provides a meaningful addition to the Department's efforts to make permanent affordable housing available for individuals the Department serves. Director Stenning stated that "Housing Works" maintains that unless stable suitable housing is made available to "at risk" individuals and their families, there is little hope of resolving the other issues facing these individuals. Said issues include substance abuse, developmental disabilities, mental health problems and educational difficulties. Director Stenning agrees that providing safe and affordable housing not only reduces costs and improves budgetary conditions, but provides these individuals with the stability necessary for them to focus on resolving the issues affecting their day to day lives, health and well being. Chairman Flynn asked Ms. Ward to provide the Committee with some information regarding Opportunities Unlimited. Ms. Ward stated that Opportunities Unlimited currently owns six properties

and provides services at eleven sites. These sites include apartments occupied by individuals who require twenty-four (24) hour support. Opportunities Unlimited purchased its first property in 1998 and practiced controlled growth purchasing the sixth property in 2003. Ms. Ward noted that these facilities have maintained a consistent population. The staff provides the services necessary to ensure that the clients are successful in their current environment. Ms. Ward explained the Opportunities Unlimited's ability to move clients to less restrictive, less costly options is somewhat limited due to the challenge of securing affordable housing. Ms. Ward indicated that a couple of clients have successfully been relocated from the group homes setting, which resulted in significant savings as they no longer required that degree of support; however, each time the relocation was stalled due to the process involved in obtaining Section 8 Certificate. Ms. Ward stated that Opportunities Unlimited has been in business for fourteen (14) years and employs an experienced and well trained staff. Ms. Ward indicated that she personally has thirty-five (35) years of experience and has a history of doing some rather creative things involving housing needs. She has accumulated a wealth of knowledge, which allows her to aggressively and successfully access available grants and other funding. Ms. Ward noted that Opportunities Unlimited was awarded community development grant, which funded the renovation of a facility located in the City of Cranston. Ms. Ward indicated that Opportunities Unlimited has a great deal of experience in operating and managing facilities, which provide invaluable services to individuals who are challenged by behavioral health, mental health and/or developmental disabilities issues. Chairman Flynn asked if the grant for this project has been secured. Mr. Farias stated that the HUD grant was awarded in July 2010, via a competitive round

application process. Chairman Flynn asked if there is a deadline by which the grant money must be utilized. Mr. Farias indicated that typically HUD expects an initial closing within eighteen months of a grant being awarded; therefore, all those involved in this project would like to begin the process forthwith in order to assemble the rest of the development team, complete architectural plans and engage a contractor prior to the expiration of the eighteen (18) month time constraint. Director Stenning explained that two year ago, as part of its mission, the Department set out to increase the amount of affordable housing available to the population it serves. The Department has been fairly successful in working with area community mental health centers with large operations and extensive real estate holdings. However, the Department has not been as successful in the area of developmental disabilities because these services are fairly new to community agencies. In an effort to expand potential opportunities, the Department expanded the use of Threshold Funding to include developmental disabilities, as it had previously been a mental health fund only. Director Stenning stated that he is very pleased that agencies such as Opportunities Unlimited and The Arc of Blackstone Valley have stepped forward to lead the way toward finding solutions to the lack of available affordable housing for individuals with development disabilities and behavioral and mental health issues through cost effective and innovative ventures. A motion to approve was made by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM C – Department of Transportation – A request was made for approval of and signatures on a Quit Claim Deed conveying 2,300 square feet of land located on the southerly side of Gate Road in the Gateway District of the Quonset Business Park to the

Quonset Development Corporation (the “QDC”). Using a site map, Mr. Jackson identified the exact location of the subject property and described the surrounding area. Chairman Flynn asked if whether the department will receive compensation for this parcel of land. Mr. Jackson indicated that the QDC will pay compensation in the amount of \$2,001 for said property. It is Chairman Flynn’s understanding the QDC wishes to purchase the property in order to align the roadway with an existing driveway located across the street. Mr. Jackson stated he believes that the QDC will utilize the subject property for said purpose. Chairman Flynn asked if the hotel is presently under construction. Ms. Trapani indicated that construction of the hotel is underway. A motion was made to approve by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM D – Department of Transportation – A request was made for approval of and signatures on Temporary and Permanent Easements granting Algonquin Gas Transmission, LLC easements over property located on Crary Street in the City of Providence. Ms. Brien illustrated the exact location of the easements utilizing a site map. Ms. Brien indicated that three (3) parcels of land will be affected by said easements. One (1) parcel will be utilized for a temporary easement and the two (2) remaining parcels were combined and will contain both temporary and permanent easements. Ms. Brien explained that the easements will allow Algonquin Gas Transmission, LLC to install equipment to maintain and monitor an existing gas pipeline system. Chairman Flynn asked Ms. Brien to identify the stand alone-parcel of land consisting of 4,765 square feet referenced in the Department’s presentation memorandum. Ms. Brien illustrated the location of said parcel on the site map and explained that at this time, the Department is strictly requesting authorization to grant the aforementioned easements. Chairman Flynn clarified that the sale of the stand-alone

parcel is not part of the request before the Committee today. Ms. Brien indicated that is correct and explained that due to time constraints, the Department will have to return to the Committee in the future seeking approval to sell the stand-alone parcel; however, Algonquin has an urgent and immediate need for the permanent and temporary easements before the Committee today. A motion to approve was made by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM E – Department of Transportation – A request was made for approval of and signatures on a Letter of Authorization to allow National Grid to access State-owned property to conduct environmental studies on land located on the east side of Hope Street in the vicinity of Washington Street in the Town of Bristol. Mr. Glynn illustrated the location of the subject property utilizing a site map and noted its close proximity to the water. Mr. Glynn explained that as the subject property was once utilized to manufacture gas from coal and National Grid is requesting authorization to access said property to conduct environmental testing for the presence of oil and/or other hazardous materials. Chairman Flynn asked why the State owns the subject property. Mr. Glynn indicated that the property is part of the East Bay Bike Path. Chairman Flynn asked if the testing will disrupt the public’s use of the bike path. Mr. Glynn indicated that the Department does not anticipate that said testing will impact the public’s use of the bike path in any way. A motion to approve was made by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM F – Department of Environmental Management – A request for approval of and signatures on an Indenture of Lease with Edward McGovern for the Acadia Management Area caretaker’s residence located at 260 Arcadia Road in the Town of

Richmond. *Item F is deferred to a future meeting of the State Properties Committee at the request of the Department of Environmental Management.*

ITEM G – Department of Administration – A request was made for approval of and signatures on a Lease Agreement by and between the Department of Administration and Clear Wireless to install telecommunication equipment in the east tower of the Cranston Street Armory. Mr. Ryan explained that representatives of Clear Wireless approached the Department with a request to place telecommunications equipment within the east tower of the Cranston Street Armory. After touring the site, Clear Wireless proceeded to prepare plans and specification for the work they planned to perform in order to install the necessary equipment. Mr. Ryan stated that part of said work required some structural support, which would be accomplished by installing beams beneath the floor where the equipment cabinet will be placed in the steeple area. Mr. Ryan indicated that the plans have been reviewed and approved by both the State Building Code Commission and the Office of the State Fire Marshal. The only pending approval is that of the Historical Preservation & Heritage Commission. Mr. Ryan stated that Mr. Sanderson has indicated he has no objection to this request; however, the Historical Preservation & Heritage Commission's approval process takes slightly longer to complete and therefore, said approval is expected within the next two weeks. Mr. Ryan noted that the Lease Agreements contains language that prohibits the commencement of construction until written approval is received from Mr. Sanderson of the Commission. Mr. Ryan stated that the Lease Agreement is for a term of five (5) years. The rental fee is \$4,000 per month. The utilities will be separately metered and Clear Wireless shall be solely responsible for the cost of its own utility services. Mr. Ryan indicated that the

Lease Agreement also contains specific language which addresses termination of the Agreement prior to its expiration. In the event the State needs to utilize the subject premises for its own purpose, the Lease Agreement may be terminated upon six (6) month prior written notice to the Clear Wireless. Mr. Griffith asked whether the existing tenants have been informed that Clear Wireless will soon occupy space within the Cranston Street Armory and will have access to the facility. Mr. Ryan assured Mr. Griffith the existing tenants will be advised accordingly. A motion to approve was made by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM H – Department of Human Services – A request was made for approval of and signatures on a Lease Agreement by and between the Department of Administration and 57 Associates for office space located at 77 Dorrance Street in the City of Providence. By way of background, Mr. Ryan explained that the Department of Human Services' Division of Child Support Services has leased and occupied the subject property from 57 Associates for approximately ten (10) years. Mr. Ryan stated that as the existing lease agreement expires today, August 31, 20110, the Department now has the opportunity enter into a new lease agreement and utilize the State's 'form lease agreement.' Mr. Ryan indicated that it is the goal of the various State agencies to implement the use of said form lease agreement whenever possible for the renewal of an existing lease or the commencement of new lease agreement. Mr. Ryan stated that with regard to the subject premises, 57 Associates agreed to the terms and conditions of the State's form lease agreement. Mr. Ryan explained that as the staff attorneys are in family court on a daily basis, it is imperative that they can quickly access information or files

kept at the office in order to provide pertinent documents and/or information to the courthouse at a moments notice if necessary. The attorneys often ask that documents/files be hand-delivered to them at the courthouse. The close proximity of the agency to the courthouse makes this location ideal. Mr. Ryan noted that the rental fee of \$13.00 per square foot has not increased in the past ten (10) years and as part of the new five (5) year Lease Agreement, the Landlord has agreed not to increase the current rental rate. Chairman Flynn asked if the amount of square footage will remain the same. Mr. Ryan indicated that approximately two (2) years ago, the Department reduced the amount of leased office space due to a substantial decrease in staff as a result of recent retirements together with budget cuts. Mr. Ryan explained that the term of the Agreement is for a period of five (5) years; however, if the General Assembly does not grant approval of the Lease Agreement then said Agreement will automatically expire after a of term of one (1) year. Mr. Ryan clarified that the request before the Committee is for a five (5) year Lease Agreement for 25,812 square feet of office space for an annual rental fee of \$335,000. Mr. Ryan indicated that under the terms and conditions the landlord will pay the cost for all utility services with the exception of gas, which will be paid by the Department. The landlord will provide janitorial service at no cost to the Department and has agreed to repaint the premises, replace or repair any damaged ceiling tiles and install new carpeting in certain areas. Mr. Ryan indicated that an inspection of the premises conducted by the State Fire Marshal revealed no deficiencies. The Lease Agreement includes a five (5) year renewal option. Mr. Ryan stated that the Department has enjoyed a very good relationship with the landlord; and has maintained the premises to the satisfaction of the Department and has been very responsive to all requests for

additional maintenance or repair of the space. Mr. Mitchell stated that since its submission to the State Properties Committee, the Lease Agreement has been modified at Section 3: Renovations and Conditions, on page three (3) wherein it now stipulates that within ninety (90) days of the Rhode Island General Assembly's approval of the five (5) year Lease Agreement, the Landlord shall complete all of the aforementioned renovations and alterations. Chairman Flynn asked if the completion of said renovations and alterations are strictly subject to the General Assembly's approval of the five (5) year Lease Agreement, but will not apply under the terms of the one (1) year Lease Agreement. Mr. Mitchell stated that is correct. Chairman Flynn asked if this was a renewal of the existing lease agreement or a new lease agreement. Mr. Ryan indicated that the Department is seeking the Committee's approval of a new lease agreement. Chairman Flynn asked the panel to clarify why the Department chose not to issue a Request for Proposals to investigate the possibility securing an alternate site at a reduced rental rate. Mr. Ryan reiterated that given the premises close proximity to the courthouse, the equitable rental rate and the performance of the landlord, the Department believes that the subject premises is an ideal location for this particular office. Additionally, Mr. DiBiase stated that the Department did in fact consider and examine alternative State-owned facilities for use by the Division of Child Support Services; however, the choices were severely limited as most facilities could not structurally withstand the tremendous weight of some of the Division's office equipment. Further, Mr. DiBiase explained that the Division of Child Support Services is regulated by the federal government, which accounts for two-thirds of the Division's funding. Mr. DiBiase indicated that the Division is audited annually for security purposes and to

ensure that certain information and records are being stored in accordance with the specific requirements set forth by the federal government. As a result of these security measures, the Division determined that all of the alternative sites would require such extensive renovation to render them suitable for use by the Division that any potential savings would easily be exhausted by construction costs. Further, the cost of relocating the Division would most certainly exceed the amount of any potential savings. For the reasons stated above, the Department is confident that its proposal to remain at the current location is the most financially prudent course of action. Chairman Flynn asked Mr. Ryan how this facilities rental rate compares to other facilities in the Downtown area. Mr. Ryan noted that this is presently one of the State's lower rental expenditures. A motion was made to approve by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

ITEM I – Department of Human Services – A request was made for authorization to negotiate the first five (5) year renewal option of the Lease Agreement by and between Thundermist Health Center and the Department of Human Services for the premises located at 450 Clinton Street in the City of Woonsocket. Mr. Ryan stated that the subject Lease Agreement expired on July 31, 2010, and the Department is seeking authorization to occupy the premises on a month to month basis while negotiating the terms of an extension of the existing Lease Agreement. Chairman Flynn asked if it is still the Department's intention to negotiate for a term of five (5) years. Mr. Ryan indicated that the agency would like some flexibility in negotiating the term of the Lease Agreement, as the Department is examining the possible consolidation of its existing leased office space. Ms. Barclay reiterated that the Department is considering a consolidation of several of its

leased sites. To facilitate this consolidation effort, the Department is attempting to align the expiration dates of the various leases. At this time the expiration dates of the existing leases are staggered making it difficult to effectuate a consolidation; however, if the subject Lease Agreement could be extended for a period of two (2) years rather than (5) years, it would greatly improve the alignment of the expiration dates. Ms. Barclay indicated that she has spoken to the landlord and they are aware that the Department is seeking a two (2) year term rather than the full five (5) year term. Ms. Barclay indicated that the landlord has been very accommodating throughout the Department's tenancy and she does not anticipate any major obstacles in obtaining a two (2) year extension Mr. Ryan explained that if the Department is granted a two (2) year renewal of the Lease Agreement, the Department could then issue a formal Request for Proposals to examine potential sites to accommodate a consolidation of the various sites in northern Rhode Island. Chairman Flynn confirmed that regardless of the length of the extension, the Department will return to the Committee with the results of the negotiations and for final approval. Ms. Barclay indicated that is correct. A motion to approve was made by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM J – Department of Administration – A request was made for approval of the Amended Rules and Regulations of the State Properties Committee. *Item J is deferred to a future meeting of the State Properties Committee at the request of the Department of Administration.*

The Committee moves to go into Executive Session, pursuant to Rhode Island General Law 42-46-5(a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purpose, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public.

A motion to enter Executive Session was made by Mr. Griffith and seconded by Mr. Woolley. A roll call vote was taken and the votes were as follows: Mr. Griffith voted “Aye”, Mr. Woolley voted “Aye” and Chairman Flynn voted “Aye”.

The Committee returned to the open session of the State Properties Committee meeting at 11:12 a.m.

ITEM E1 – Department of Transportation – A request was made for approval to proceed with the acquisition of land necessary to complete work related to the Relocated Interstate Route 195, Contract 13, Reconnection of City Streets (Clifford Street) by virtue of Condemnation Plat 2728, Parcel 1A (Portion of AP 21/Lot 29). After discussion in Executive Session a motion was made to approve by Mr. Woolley and seconded by Mr. Griffith.

Passed Unanimously

ITEM E2 – Department of Transportation – A request was made for approval to proceed with the acquisition of easements by virtue of Condemnation Plat 2740 in conjunction with the project referred to as the “Rehabilitation of Chepachet River Bridge No. 100” (Route 44) in the Town of Glocester. After discussion in Executive Session, a motion was made to approve by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

There being no further business to come before the State Properties Committee, the meeting was adjourned at 11:14 a.m. The motion to adjourn was made by Mr. Griffith and seconded by Mr. Woolley.

Passed Unanimously

Holly H. Rhodes, Executive Secretary

STATE PROPERTIES COMMITTEE MEETING

TUESDAY, SEPTEMBER 28, 2010

The meeting of the State Properties Committee was called to order at 10:04 a.m. by Chairman Kevin M. Flynn. Other members present were Robert Griffith representing the Rhode Island Department of Administration; Susan Urso representing the Rhode Island Department of Attorney General in the absence of Richard Woolley; Michael Sligar representing the Rhode Island Office of the General Treasurer, Ex-officio Member. Others in attendance were Meredith Pickering from the Rhode Island Senate Fiscal Office; Benjamin Copple from the Rhode Island Department of Labor and Training; Steven Feinberg from the Rhode Island Office of Film and Television; Michael D. Mitchell and John Ryan from the Rhode Island Department of Administration; Mary E. Kay, Terri Bisson, Catherine A. Sparks and John Faltus from the Rhode Island Department of Environmental Management; Robert B. Jackson, Anthony Barone and Eva Bernardo from the Rhode Island Department of Transportation; Kenneth Burke from the Rhode Island Water Resources Board; Timothy Kane, legal counsel for Servis Realty, Inc. Pasco DiBiasio from Servis Realty, Inc.; and Colin Walsh from ABC Network.

Chairman Flynn stated for the record that the State Properties Committee did have a quorum present.

The first order of business is the approval of the minutes from the meeting of August 31, 2010. A motion to approve was made by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

ITEM A – Department of Labor and Training – A request was made for approval of and signatures on a Film License Agreement with Paige Productions, Inc. to film scenes/episodes of “Body of Proof on land controlled by the Department of Labor and Training. Mr. Feinberg noted that at a previous meeting of the Office of Film and Television together with the Department of Administration, the Department of Environmental Management and the Department of Transportation were before the Committee seeking approval of a “Blanket” Film License Agreement with Paige Productions, Inc. (“Paige”) relative to the television series “Body of Proof,” which is being exclusively filmed in the State of Rhode Island. Mr. Feinberg indicated that Paige commenced preparation for filming in June of 2010, and will continue throughout December 2010. Mr. Feinberg noted there is a distinct possibility that the series could continue production until as late as April 2011. Mr. Feinberg noted that subsequent to the above of the aforementioned “Blanket” Film License Agreement, Paige, through Mr. Walsh, requested use of an additional site for filming, which is actually controlled by the Department of Labor and Training. Mr. Feinberg explained that both he and Mr. Walsh consulted with the Department of Administration’s Legal Services as well as attorneys and representatives of the Department of Labor and Training relative to Paige’s request to utilize this additional site for filming. Mr. Feinberg stated that the Department of Labor and Training indicated that it was very willing to accommodate Paige’s request and noted that due to the location and the nature of the scenes being filmed the Department did not foresee any problems in granting the same. Mr. Mitchell stated that the Department of Administration’s Legal Services carefully review this Agreement, which is a supplement to the original “Blanket” Film License, which binds both the Department of Labor and

Training and Paige to the identical terms and conditions contained in the original Agreement previously approved by the Committee. Mr. Mitchell stated that the required liability insurance coverage has been securely place. Mr. Mitchell stated that due to the time constraints and unpredictable nature of the filming industry the requested filming was actually accomplished on Monday, September 27, 2010, and therefore it became necessary to obtain retroactive approval of said request. Chairman Flynn noted that Mr. Woolley worked closely with all interested parties to bring this Addendum to the original “Blanket” Film License Agreement to fruition. Chairman Flynn trusted that there were absolutely no problems associated with said filming. Mr. Feinberg and Mr. Walsh stated that said filming was without incident and concluded seamlessly. Chairman Flynn requested that if Paige desires to enter into an additional “Blanket” Film License Agreement with one or more of the remaining State agencies, that the same is accomplished in a timely matter as to avoid the Committee having to approve the request retroactively or “nuc pro tuct” as Mr. Woolley has referred to such an approval. Mr. Feinberg stated that the Office of Television and Film is trying to be very proactive in this regard and mindful to include any and all State agencies which are amenable to availing themselves and their property for purposes of filming, from the onset of future projects. Mr. Feinberg noted that he personally encourages the input of the other various State agencies in the development of any future “blanket” film license agreements. A motion was made to approve by Mr. Griffith and seconded by Mr. Urso.

Passed Unanimously

ITEM B – Department of Labor and Training – A request was made for approval of and signatures on an annual License Agreement by and between the Department of Labor and Training and the Rotary Club of Woonsocket for use of a parking lot in connection with the 2010 Autumnfest Celebration in the City of Woonsocket. Mr. Copple indicated that this has been an annual request from the Rotary Club of Woonsocket for a many years to use of the parking lot located on Pond Street in the City of Woonsocket for parking vehicles owned individuals who volunteer their time on behalf of the Rotary Club to work during the Autumnfest Celebration. The Autumnfest Celebration is held over the Columbus Day weekend at the World War II Memorial State Park. Mr. Copple explained that this year's License Agreement is essentially the same Agreement presented to the Committee save the addition of two new provisions. Mr. Copple noted that in the past the volunteers have commence use of the parking lot prior to the close of the business day; the Department has made it abundantly clear that volunteers are not to enter the property for any reason prior 5:00 p.m. on the designated Friday evening. The other issue is that in the past the volunteers have tapped into the building's water supply for purposes of cleanup via an outside faucet without the expressed permission of the Department; therefore, the Agreement contains a provision addressing use of the existing water supply. A motion was made to approve by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

ITEM C – Department of Environmental Management – A request was made for approval of and signatures on the License Agreement with Autumnfest for use of the World War II Memorial State Park in the City of Woonsocket to hold the annual Autumnfest Celebration over the Columbus Day Weekend from October 9, 2010, through

October 11, 2010. Mr. Faltus stated that this is the annual License Agreement for use of World War II Memorial State Park and a portion of the adjoining maintenance garage property for the Autumnfest Celebration held over Columbus Day weekend. This is the 32nd year that the Autumnfest Celebration has been held. Mr. Faltus stated that it an extremely successful community based event. The Department has been provided the necessary Certificate of Insurance for both Autumnfest and the Rotary Club, which names the State of Rhode Island as an additional insured. Mr. Griffith asked, in the absence of Mr. Kay, if the insurance coverage included product liability coverage. Mr. Faltus stated that product liability insurance is included under the policy. A motion to approve by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

ITEM D – Department of Environmental Management – A request was made for approval of and signatures on an Indenture of Lease with Edward McGovern for the Acadia Management Area caretaker’s residence located at 260 Arcadia Road in the Town of Richmond. Ms. Bisson stated that the Department is before the Committee requesting approval of an Indenture of Lease for Edward McGovern for the two-bedroom caretaker residence located at the aforementioned address. Ms. Bisson stated that the Department has developed standard policies and procedures, which govern the process by which tenants are selected for the Department’s caretakers’ facilities as well as establishing the rental rates for said dwelling. Ms. Bisson presented the Committee with copies of the Policy Hand Book for its review. Ms. Bisson noted that the subject Indenture of Lease was prepared in compliance with said policies and procedures. The Acadia Management Area comprises approximately 4,000 acres of land and border Hopkinton, Richmond,

Exeter and West Greenwich. Ms. Bisson indicated that the dwelling location is in a very remote area and requires that the individual who fulfills the position of caretaker must possess a vast knowledge of the land. Additionally, the position requires extensive and specific knowledge of the State Wildlife and Fishing Rules and Regulations. Ms. Bisson explained that Mr. McGovern is a Senior Forest Ranger and has been employed by the Department since 1988. Under the term of the Indenture of the Lease, Mr. McGovern will occupy the residence from October 2010, through May 2013 and pay an annual rental fee of \$6,355.80. Said rental payment will be made in biweekly installments via automatic payroll reductions in the amount of \$244.46. As caretaker, Mr. McGovern's responsibilities include continuous surveillance of the property and is required to respond to emergencies of all types as necessary. Mr. McGovern is required to secure general liability insurance coverage and personal property insurance coverage. Ms. Sparks reiterated that the Arcadia Management Area caretaker's residence and surrounding property is in a very remote location. Ms. Sparks explained that said property is also the operational hub, which is utilized to store many hundreds of thousands of dollars worth of equipment. Ms. Sparks stated that with proper storage and supervision there is great potential for said equipment to be vandalized and/or stolen. Ms. Sparks noted that the Arcadia Management Area is a spectacular asset for the State of Rhode Island. The Wood River travels directly behind the caretaker's dwelling; however, despite the compound's remote location, it draws visitors 365 days per year, 24 hours per day. Ms. Sparks noted that Mr. McGovern has discovered myriad individuals who have managed to gain unauthorized access to the compound via roadways, trail ways or by water to potentially engage in questionable activities. Therefore, Mr. McGovern's presence on the

compound is of the utmost importance. Ms. Urso asked Ms. Bisson to explain the procedure the Department follows in selecting the successful candidate for the caretaker position. Ms. Bisson stated that the Department approaches the most senior employ of whichever park is seeking a caretaker. If that employee has no interest in the caretaker position the Department would then approach long-term employees of other regional parks. If there is no expressed interest from any of the regional park employees, the Department would offer the position to environmental police officers and lastly the position would be offered to employees Department wide. Mr. Griffith asked if there is a formal policy in place to address the need for a temporary caretaker in the event the present caretaker is absent from the property. Ms. Bisson stated that the Lease Agreement contains a provision which requires resident caretakers to notify their supervisors if they are planning to be away from the property for more than 24 hours. The supervisor then makes arrangements for a temporary presence to provide coverage during the caretaker's absence to ensure the property is adequately supervised. Mr. Griffith asked if Arcadia is open to the public 24 hours per day throughout the entire year. Ms. Sparks noted that Acadia is a management area as opposed to a park and although the Department attempts to enforce curfews in certain sections of the compound, there are always individuals who chose to ignore said curfews and remain on the compound at all hours of the day and night. After further discussion regarding use of the compound, a motion was made to approve by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

ITEM E – Department of Environmental Management – A request was made for approval of and signatures on an Indenture of Lease with Kenneth J. Rogers for the Snake

Den State Park caretaker's residence located at 772 Greenville Avenue in the Town of Johnston. Ms. Bisson presented a map, which illustrated the location of the caretaker's residence within Snake Den State Park for the Committee's review. Ms. Bisson stated that land leased to Dame Farm is located at the western end of the park, the caretaker's residence is located at the northern portion of the park and the park's headquarters is situated at the southern portion of the park, which basically provides some measure of surveillance and/or presence around the entire park property. Chairman Flynn noted that the new Johnston Fire Station will be located at Snake Den Park as well. Ms. Bisson stated yes the fire station will be located next to the park's headquarters, which will provide an additional presence. Mr. Rogers is a regional park manager and has been employed by the Department since 1971; he has been the caretaker and resident tenant since 2000. Ms. Bisson noted that the Indenture of Lease will commence on October 1, 2010, until May 31, 2013. The annual rental fee is \$9,028.80. Said rental payment will be made in biweekly installments via automatic payroll reductions in the amount of \$347.25. Mr. Roger's responsibilities include surveillance of the property and he is required to respond to emergencies of all types as necessary. Mr. Rogers is required to secure general liability insurance coverage and personal property insurance coverage. Mr. Faltus indicated Mr. Roger's presence is extremely important not only in terms of protecting property, but also to ensure that there is no illegal dumping of materials on the park property and also to prevent unauthorized use of the property such as the operating of ATVs, which usually enter the property from Greenville Avenue and cause substantial damage to the undeveloped portion of the park property. Chairman Flynn noted that as Mr. Rogers has been employed by the State for 39 years and asked if there is a policy in

place, which addresses the procedure if a caretaker retires. Ms. Bisson stated that all Indentures of Lease terminate upon expiration of the tenant's employment as caretaker. Ms. Bisson noted that all caretakers' residents have current lease agreement, which comply with the Department's new policy with the exception of two vacant dwellings, which are presently undergoing renovations and repairs. Once said construction is complete the Department will commence the process of selecting caretakers for those remaining dwellings. A motion was made to approve by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

ITEM F – Department of Transportation – A request was made for the submission of additional information and for approval of and signatures on a License Agreement by and between the Department of Transportation and Herb Chambers Cadillac, Inc. for use of 1,380 square feet of State-owned property located adjacent to 1441 Bald Hill Road in the City of Warwick. After a detailed and lengthy discussion, which satisfied the Committee's concerns regarding the appraised value of the subject property and the method implemented to determine said value, further question arose regarding the division of the subject property for vehicle parking and beautification. Chairman Flynn, once again, suggested that the matter be tabled to a future meeting of the State Properties Committee. Chairman Flynn requested the Department prepare a schematic of the subject property delineating the exact portion of the property that will be utilized for the parking of four (4) motor vehicles and the specific portion to be utilized for beautification purposes. A motion to table this matter to a future meeting of the State Properties Committee was made by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

ITEM G – Department of Transportation – A request was made for approval of and signatures on a Purchase and Sale Agreement and Quit Claim Deed conveying 10,828 square feet of land; designated as Plat 404, a portion of Parcel 63 located on Atwood Avenue in the City of Cranston to Servis Realty, Inc. Mr. Jackson explained that after deeming the subject property in excess of highway needs, the Department sought and obtained conceptual approval to sell the subject property to Servis Realty, Inc. in 2008. The purchase price of the property is \$92,038.00 and said value was determined via an in-house appraisal. Mr. Jackson indicated that the Department has received a partial payment of the purchase price and will receive the balance upon the closing of the property. Chairman Flynn asked what the reason for the two (2) year delay between conceptual approval and a request for final approval and execution of documents. Mr. Jackson explained that once conceptual approval to sell the property was obtained, the Department proceeded with and completed its due diligence; however, the Service Realty, Inc. commissioned its own appraisal of the property, which prompted a dispute over the value of the property as their valuation was lower than the Department's established value. Subsequently, a survey of the property was conducted, which took an extraordinary period of time and unfortunately some discrepancies were discovered, which had to be resolved prior to moving forward with a sale of the property. Once all discrepancies and disputes were resolved the parties agreed to the purchase price of \$92,038.00. Ms. Jacques explained that as the property is considered an economic remnant located in the highway right-of way, the Department is unable to sell the subject property as a stand-alone parcel and in fact Servis Realty, Inc. is the only feasible

purchaser for the property. Chairman Flynn stated that it has been the past practice of the Committee to seek retroactive compensation for an encroached upon State-owned land, particularly when the subject property has been improved as is clearly the case relative to this property. However, it appears that the Department is not seeking retroactive compensation relative to the encroachment upon the subject property. Ms. Jacques stated that retroactive was considered during the negotiating process and as previously stated Servis Realty, Inc.'s appraised value was less than the value established by the Department's appraisal; however, in an attempt to resolve the issue of retroactive compensation, Servis Realty, Inc. agreed to accept the Department's appraised value on the condition that the sale move forward and the Department is satisfied that this adequately resolves the retroactive compensation issue. Chairman Flynn stated that the Committee strives to be consistent as possible in dealing with all matters involving State property and therefore, he felt it was necessary to raise the issue of retroactive compensation for the existing encroachment. However, in view of the circumstances and nature of the subject, Chairman Flynn agrees that there is a valid point to be made that \$92,038.00 is more than a fair and equitable purchase price for the subject property at this time. A motion was made to approve was made by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

ITEM H – Department of Transportation – A request was made for approval of and signatures on a Grant of Easement from the Department to the Narragansett Electric Company for access over 15,292 square feet of State-owned land located on Memorial Boulevard in the City of Newport. Ms. Bernardo explained that the Narragansett Electric

Company is seeking access rights for the placement, installation and construction of an ultraviolet storm water treatment system. Ms. Bernardo indicated that said Grant of Easement will be gratis. Chairman Flynn asked if Narragansett Electric Company is consulting with the City of Newport regarding any potential adverse impact to the City. Ms. Bernardo stated that the Narragansett Electric Company will work closely with the City of Newport. A motion was made to approve by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

ITEM I – Department of Attorney General – A request was made for approval to waive the standard Request for Proposals process together with a request for approval to secure temporary office space for the Attorney General Elect and transition staff.

Mr. Ryan explained that the term of these leases are typically for a period of two (2) months to provide a transition office for the Attorney General Elect. Chairman Flynn asked that as the Department is seeking to waive the standard Request for Proposals process, what process will be used to secure these short-term lease agreements. Mr. Ryan stated that in the past when seeking to secure temporary office space, he has reached out to landlords with property in the downtown area that the State has enjoyed good working relationships with and to those it considers to be the most reliable and reputable. Mr. Ryan noted that the Foundry Group came forward and provided space for the Governor's office and the Attorney General's office eight (8) years ago and both arrangements worked out very well. The Governor's office was fully furnished and the Attorney General's office was partially furnished and the rental fee was very reasonable. Many of the commercial landlords in the downtown area are resistant to trouble themselves for

purposes of such a short-term lease, which limits the State's prospects; however, Mr. Ryan stated that he is confident a reasonable agreement can be negotiated. Mr. Ryan commended the landlords that presently lease space to the State and indicated they readily assist in suggesting properties, which they are willing to lease on a short-term temporary basis. A motion to approve was made by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

ITEM J – Department of Administration – A request was made for approval to waive the standard Request for Proposals process together with a request for approval to secure temporary office space for the Governor Elect and transition staff. A motion to approve was made by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

ITEM K – Department of Revenue/Division of Motor Vehicles – A request was made for permission to initiate negotiations with the Valley Group regarding the terms and conditions of a new five (5) year Lease Agreement for the DVM Middletown Branch Office located at 77 Valley Road in the Town of Middletown. By way of background, Mr. Ryan explained that several months ago, the Department of Revenue/Division of Motor Vehicles appeared before the State Properties Committee seeking approval to issue a Request for Proposals to solicit bids for new space for the Division of Motor Vehicles Middletown branch office. The Division wished to remain in the Town of Middletown. Mr. Ryan noted that the Request for Proposals was advertised; however, not a single proposal was received; not even from the current landlord, which Mr. Ryan found surprising. Mr. Ryan noted that when he spoke to a representative of the current landlord

and indicated that the “early termination” language contained in the State’s standard lease agreement was a major factor in the landlord’s decision not to respond to the Request for Proposals. Mr. Ryan explained that in an effort to reduce spending, the State has recently terminated approximately twenty-two (22) leases by consolidating compatible agencies into one space, vacating the now unnecessary premises and terminating the lease agreement often prior to its expiration date. Mr. Ryan indicated that this provision may be the cause of some apprehension on the part of reputable landlords who have readily leased property to the State in the past. Mr. Ryan indicated neither he or Director Booth Gallogly would not ask the Committee to approve the removal of said “early termination” language from a lease agreement; however, they feel this is a special circumstance as the current facility serves Newport, Portsmouth, Jamestown, Little Compton and Tiverton. A failure to retain an office in this area, the majority of its clientele will be forced upon the Steadman Center in Wakefield. Mr. Ryan stated that the Steadman Center is unequipped to handle the resulting additional clientele and would become quickly overwhelmed. Mr. Ryan noted this is a major concern to the Division and Director Booth Gallogly and therefore, he has been authorized to appear before the Committee and respectfully request authorization to initiate negotiation, but additionally for approval to agree to remove the “early termination” language from the lease agreement during said negotiations. Mr. Ryan wished to make clear that this request would be in no way interpreted as precedent setting; this is an extraordinary circumstance with no available alternative at this time. Chairman Flynn asked the current rental rate. Mr. Ryan noted the rental rate is \$14.95, per square foot, which calculates to approximately \$90,000.00 per year. Chairman Flynn clarified that this matter will return to the Committee for final approval and execution of

the final document. A motion to approve was made by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

The Committee moves to go into Executive Session, pursuant to Rhode Island General Law 42-46-5(a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purpose, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public.

A motion was made to enter Executive Session by Mr. Griffith and seconded by Ms. Urso.

A roll call vote was taken and the votes were as follows: Mr. Griffith voted “Aye” Ms. Urso voted “Aye” and Chairman Flynn voted “Aye”.

The State Properties Committee closed the Executive Session and returned to the open session of the meeting at 11:01 a.m.

ITEM E1 – Water Resources Board – A request was made for approval of a Stipulation relative to the settlement of a legal claim concerning property located in the Big River Management Area. After discussion in Executive Session, a motion to approve was made by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

There being no further business to come before the State Properties Committee, the meeting was adjourned at 11:03 a.m. The motion to adjourn was made by Mr. Griffith and seconded by Ms. Urso.

Passed Unanimously

Holly H. Rhodes, Executive Secretary

STATE PROPERTIES COMMITTEE MEETING

TUESDAY, OCTOBER 12, 2010

The meeting of the State Properties Committee was called to order at 10:04 a.m. by Chairman Kevin M. Flynn. Other members present were Richard Woolley representing the Rhode Island Department of Attorney General; Robert W. Kay, Public Member; and Michael Sligar representing the Rhode Island Office of the General Treasurer, Ex-officio Member. Others in attendance were Anthony Paolantonio from the Rhode Island House of Representatives; Meredith Pickering from the Rhode Island Senate Fiscal Office; Deborah White and John Ryan from the Rhode Island Department of Administration; Kent A. Willever and Katherine D'Arezzo from the Rhode Island Ethics Commission; Stephen Brunero from the Rhode Island Department of Human Services; and John Grady from the Rhode Island Manufactures Association.

Chairman Flynn stated for the record that the State Properties Committee did have a quorum present.

ITEM A – Department of Transportation – A request for approval of and signatures on a License Agreement by and between the Department of Transportation and Herb Chambers Cadillac, Inc. for use of 1,380 square feet of State-owned property located adjacent to 1441 Bald Hill Road in the City of Warwick. *Item A is deferred to a future meeting of the State Properties Committee at the request of the Department of Transportation.*

ITEM B – Department of Administration – A request was made for approval of and signatures on a License Agreement with The Rhode Island Manufacturers Association to allow the Association to utilize the State House to hold its annual Gala on

Saturday, November 6, 2010. Ms. White stated that this is an annual request from The Rhode Island Manufacturers Association and this is the ninth (9th) year the Association will hold its Gala at the State House Rotunda. The Association estimates that between 175 and 200 people will attend the Gala. Mr. Grady indicated that Fine Catering by Russell Morin has been engaged to cater the black tie reception and as they have catered myriad events held at the State House, they are quite familiar with the State of Rhode Island's standard policies and procedures and the necessary insurance coverage requirements relative said venue. Ms. White stated that Blackstone Caterers will provide the appropriate Certificate of Insurance, which will include liquor liability insurance coverage, well in advance of the event. A motion was made to approve subject to the submission of appropriate Certificate of Insurance to the State Properties Committee by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM C – Department of Administration – A request was made to waive the standard Request for Proposals process together with a request for approval to secure temporary office space for the Lieutenant Governor Elect, the General Treasurer Elect and the Secretary of State Elect and transition staff. Mr. Ryan indicated that depending upon the results of the 2010 Election for the aforementioned elected positions, it may be necessary for the State of Rhode Island to secure temporary office space to accommodate any non-incumbent successful candidate and their transition staff. Mr. Ryan stated that the term of said lease agreements will commence on November 1, 2010, and expire on January 15, 2011. A motion was made to approve by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM D – Department of Human Services – A request was made for approval to initiate lease negotiations with the principals of Emanon Associates, LLC regarding the premises located at 40 Fountain Street in the City of Providence. Mr. Ryan state the Department of Human Services has occupied this office space for many, many years and the current lease is due to expire in April of 2011. Therefore, the Department would like to enter into negotiations without the principals of Emanon Associated LLC to ensure that the parties has agreed to the terms and conditions of the new lease agreement in time for the General Assembly to consider its approval of the same prior to the lease’s expiration date and prior to the end of the General Assembly’s session. Mr. Ryan asked Mr. Brunero to provide the Committee with a brief summary regarding the nature of the services provided at the subject location and why the Department wishes to remain at this facility. Mr. Brunero reiterated that the Department’s office of Rehabilitative Services has occupied this particular facility for many years. The Department operates three programs from this office, which are one hundred percent (100%) federally funded. These programs include Disability Determination and Rehabilitation Services, Vocational Rehabilitation for approximately 7,000 disabled individuals per year and lastly Services for the Blind and Visually Impaired. Mr. Brunero stated that as many of its client’s rely on public transportation, the facility’s close proximity to Kennedy Plaza makes the location ideal. Mr. Brunero also indicated that over the years, the facility has undergone substantial renovations, including an extensive upgrading of building’s wiring system, as well as myriad improvements and modifications in order to make the facility accessible for disabled individuals in accordance with the requirements of the Americans with

Disabilities Act. Mr. Brunero indicated that as the services provided are federally funded, there are also security requirements, which are already in place at the current facility. Mr. Ryan stated that the Department enjoys an excellent working relationship with the landlord and indicated that the landlord is very responsive to any requests for repairs made by the Department. Mr. Brunero also noted that the building is very well maintained. After further discussion, Chairman Flynn indicated that as the State Properties Committee is responsible for ensuring that privately owned property leased by the State is not only suitable in terms of the intended use, but that the leasing of said property financially prudent and in the best interest of the State. Therefore, Chairman Flynn asked that Mr. Brunero to compile a written list of the all upgrades and improvements made to the property and the approximate cost of each and forward the same to the Committee for its review. Mr. Brunero indicated he would prepare the list forthwith. Mr. Ryan commented that due to the length of time the office has been at this facility, the costs associated with moving to another location would be very substantial. Mr. Ryan also indicated that given the current condition of the real estate market, he believes there will be little, if any difficulty, negotiating a fair and reasonable lease agreement. A motion was made to approve by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM E – Rhode Island Ethics Commission – A request was made for approval to initiate lease negotiations with the principals of Emanon Associates, LLC regarding the premises located at 40 Fountain Street in the City of Providence. Mr. Ryan stated that the Rhode Island Ethics Commission has also occupied the building for many years and wishes to remain at said location. Mr. Ryan anticipates that a fair and reasonable lease

agreement will be negotiated with very little difficulty, if any. Ms. D'Arezzo explained that the current location is ideal and easily accommodates the Commission's particular needs. Ms. D'Arezzo stated that the premises includes a large room, which serves as a courtroom for conducting hearings. The premises also contains number conference rooms, which provide the privacy necessary to discuss confidential matters. Ms. D'Arezzo explained that the premises was actually designed in accordance with the specific needs of the Commission and has undergone various improvements and upgrades throughout the Commission's tenancy. Ms. D'Arezzo noted that as the landlord's office occupies the top floor of the building, he is very responsive to any requests made by the Commission and the building is carefully maintained. Therefore, the Commission respectfully requests the approval of the State Properties Committee to enter into negotiations for a new lease agreement at the present location. Chairman Flynn indicated that he will again request a written list of all upgrades and improvements made to the premises and the approximately cost of each be prepared and forwarded to the Committee for its review and records. Ms. D'Arezzo indicated she would prepare the list forthwith. A motion was made to approve by Mr. Kay and seconded by Mr. Woolley.

Passed Unanimously

ITEM F – Rhode Island Developmental Disabilities Council – A request for approval of the Second Amendment to Lease by and between the Rhode Island Developmental Disabilities Council and Warwick Professional Building, LLC to exercise the option to extend the Lease Agreement for the premises located at 400 Bald Hill Road in the City of Warwick for an additional period of five (5) years. *Item F is deferred to a*

*future meeting of the State Properties Committee at the request of the Rhode Island
Developmental Disabilities Council.*

There being no further business to come before the State Properties Committee,
the meeting was adjourned at 10:29 a.m. The motion to adjourn was made by Mr.
Woolley and seconded by Mr. Kay.

Passed Unanimously

Holly H. Rhodes, Executive Secretary