

State of Rhode Island and Providence Plantations

Department of Environmental Management Bureau of Natural Resources Division of Coastal Resources



Request for Proposal - SPLP # 156

Construction and Operation of a Parking Garage Facility in the Port of Galilee, Narragansett, RI

Submission Deadline:

Tuesday, April 3, 2012 at 10:00 AM

Pre-Proposal Informational Conference

Date: Tuesday, February 28, 2012

Time: 11:00 AM

**Location: Dept. Of Environmental Management
235 Promenade Street, Room 300
Providence, RI 02908**

Table of Contents

GENERAL..... 3
INSTRUCTIONS AND NOTIFICATIONS TO OFFERERS 3
DESCRIPTION OF SERVICES TO BE PROVIDED..... 5
BACKGROUND 6
SCHEDULE..... 8
PRE-PROPOSAL CONFERENCE 8
QUESTIONS 8
PROPOSAL DUE DATE 9
RESPONSE CONTENTS..... 9
REQUIRED FORMAT..... 10
EVALUATION CRITERIA 11
APPENDIX A -MAP – LOTS 96 AND 117 12
APPENDIX B – MAJOR PARKING AREAS IN THE PORT OF GALILEE 13
APPENDIX C - MASTER LEASE AGREEMENT – PORT OF GALILEE 14

GENERAL INSTRUCTIONS AND NOTIFICATIONS TO OFFERERS

The Rhode Island Department of Administration/Division of Purchases, on behalf of the Rhode Island Department of Environmental Management/Bureau of Natural Resources is soliciting proposals in accordance with the terms of this Request and the State's General Conditions of Purchase, available on the internet at www.purchasing.ri.gov, from a firm or firms capable of leasing Lots 96 and 117 in the Port of Galilee for the construction and operation of a Parking Garage and Public Restroom Facility in the Port of Galilee.

Potential Offerers are advised to review all sections of this solicitation carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.

All costs associated with developing or submitting a proposal in response to this Request, or to provide oral or written clarification of its content shall be borne by the offerer. The State assumes no responsibility for these costs.

Proposals are considered to be irrevocable for a period of not less than sixty (60) days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.

All pricing submitted is to be considered fixed, unless otherwise indicated herein.

Proposals misdirected to other State locations or which are otherwise not present in the Office of Purchases at the time of opening for any cause will be determined to be late and will not be considered. The "Official" time clock is in the reception area of the Division of Purchases.

It is intended that an award pursuant to this request will be made to a prime contractor, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered, but subcontractors are permitted, provided that their use is clearly indicated in the OFFERER's proposal, and that the subcontractor(s) proposed to be used are identified in the proposal.

In accordance with Title 7, Chapter 1.1 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the state until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). *This is a requirement only of the selected bidder(s).*

Offerers are advised that all materials submitted to the State of Rhode Island for consideration in response to this Request for Proposal will be considered to be public records, as defined in Title 38 Chapter 2 of the Rhode Island General Laws, without exception, and will be released for inspection upon request, once an award has been made.

Offerers should be aware of the State's MBE requirements, which addresses the State's goal of ten percent (10%) participation by MBE's in all State procurements. For further information, contact the State MBE Administrator at (401) 574-8253. Visit the website at <http://www.mbe.ri.gov>.

Equal Employment Opportunity (RIGL 28-5.1)

§ 28-5 1-1 Declaration of policy – (a) Equal opportunity and affirmative action towards its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies in all areas where the state dollar is spent, in employment, public service, grants and financial assistance, and in state licensing and regulation. For further information, contact the Rhode Island Equal Employment Opportunity Office, at 222-3090.

Subcontracts are permitted, provided that their use is clearly indicated in the Offerer's proposal, and the subcontractor(s) proposed to be used are identified in the proposal.

RIGL 37-13-3 1 State public works contract apprenticeship requirements * (a) Notwithstanding any laws to the contrary, all general contractors and subcontractors who perform work on any public works contract awarded by the state after passage of this act and valued at one million dollars (\$1,000,000) or more shall employ apprentices required for the performance of the awarded contract. The number of apprentices shall comply with the apprenticeship council of the Department of Labor and Training.

Offerers are advised that reimbursable expenses, to sub-consultant services, that may be included in the contract award resulting from this solicitation shall not exceed architect/engineer's actual cost incurred x 1.06.

Persons or firms practicing Architectural and/or Engineering Services in the State of Rhode Island must possess a proper registration and Certificate of Authorization in accordance with Rhode Island General Laws.

A copy of the current Rhode Island Certificate of Authorization for a firm and current Rhode Island registration(s) for the individual(s) who would perform the work must be included behind the front page of each copy of the Proposal.

Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP.

Awards resulting from this Request will be subject to the State's General Conditions of Purchase, which are available through the Internet at www.purchasing.state.ri.us.

DESCRIPTION OF SERVICES TO BE PROVIDED

The Rhode Island Department of Administration (DOA)/Office of Purchases, on behalf of the Rhode Island Department of Environmental Management (DEM), is seeking proposals from qualified entities for the lease of Lots 96 and 117 in the Port of Galilee to construct and operate a Parking Garage Facility in the Port of Galilee. In addition, the selected vendor must provide and maintain public restroom facilities on the site. Construction and operation of the parking facility shall be at the sole cost and expense of the successful bidder. A multilevel parking facility within the parameters of Town Zoning is desirable. This parking facility will serve the needs of seasonal visitors and tourists as well as the year round needs of employees and customers of Galilee businesses, the fishing industry and Block Island residents. Bidders may propose alternative uses for off-season, including temporary boat storage or other uses that are allowed within the Galilee zoning and compatible with the area. Off-season uses which support the commercial fishing facility industry are especially encouraged.

Lots 96 & 117 are located on Great Island Road in the Town of Narragansett and consist of 160,000 square feet (Lot 96) and 30,000 square feet (Lot 117) of land. The lots are zoned by the Galilee Special District Plan G-B (business zone), which permits the construction of a government owned parking garage. The design and plan specifications for the parking garage must be consistent with the "Galilee Special District Plan" and be approved prior to construction by DEM. A non-government owned garage would be permitted by a Special Exception and requires a mixed use. More information is available in the Town of Narragansett Code of Ordinances (Appendix A Zoning) at the following link: <http://www.municode.com/resources/gateway.asp?sid=39&pid=11204>.

The successful proposer must submit plans and specifications for review to the Rhode Island Building Code Commission, the Coastal Resource Management Council and the Office of the State Fire Marshal. After these plans are reviewed and approved, the Rhode Island Building Code Commission will issue a building permit.

A map of Lots 96 & 117 appears in Appendix A of this document. Lot 117 also contains the DEM Division of Coastal Resources offices and maintenance garage. These structures may have to be razed in order to construct a parking facility. Proposals that include options for re-location of the offices and maintenance garage are welcome, but not required. Appendix B includes a map of the major parking areas located throughout the Port of Galilee.

The successful proponent will enter into a long-term lease agreement with the DEM, subject to recommendation by the Galilee Lease Advisory Committee and to approval by the State Properties Committee. The model language for standard lease agreements in Galilee appears in Appendix C of this document. The agreement is subject to considerable change based the nature and type of proposed arrangements and subsequent discussions and negotiations between the State and the successful interested business. The parking fees for the facility shall be approved by DEM.

BACKGROUND

Port of Galilee

The Port of Galilee, located in southern Narragansett, was condemned by the State of Rhode Island in the 1940's to develop a commercial fishing port. Since then, the Port has grown to become one of the largest working commercial fishing ports on the East Coast providing fish and lobster to both national and international markets. The Port has also become a popular destination for tourists. The land in the Port is owned and managed by the state Department of Environmental Management and is leased to commercial fishing and fishing related businesses. Development and management of the Port is guided by the 2000 Galilee Special District Plan.

The Port includes thirty-eight (38) docks and piers and is home to over 240 commercial fishing vessels. The Port is almost completely developed with a multitude of fishing and related businesses, recreational charter and sightseeing boats, restaurants, a hotel and ferry service to Block Island. The Port also includes Salty Brine and Roger Wheeler State Beaches, the Galilee Salt Marsh and Bird Sanctuary, and two public boat launch ramps, as well as the Department's Coastal Resources Division Headquarters and a United States Coast Guard Station. The Port also includes approximately 3,800 parking spaces, 2,700 of which are run by DEM or DEM leaseholders.

The Port of Galilee has many significant natural resources, which are both environmentally and economically important to the Town of Narragansett and the State. Point Judith Pond, coastal access areas, the Galilee Salt Marsh and Bird Sanctuary and Salty Brine State Beach provide valuable nursery habitat for fish and shellfish.

Over the last two decades, substantial improvements have been made by the Department to the docks and bulkhead as well as the utilities that service the Port. The Department of Transportation reconstructed Great Island Road for safer and easier travel through the Port. The Army Corps of Engineers restored the natural ecosystem of the salt marsh which became overrun with poison ivy, Phragmites and shrubs, which degraded the valuable wildlife, waterfowl, fish and shellfish habitats. The Department renovated Salty Brine State Beach transforming it into a state-of-the-art, energy efficient facility complete with a wind turbine to generate power. Although the overall appearance of the Port has greatly improved in recent years, it is still a working commercial fishing port, which needs steady support to ensure continued economic success.

State land holdings in the Port produce income from several sources. The Port of Galilee provides revenue from permanent berthing permits which exceeds \$360,000 annually and temporary berthing permits which exceeds \$60,000 annually. The State parking lot located off the Galilee Connector Road produces over \$120,000 to \$136,000 annually. That State has thirty-one (31) land leases which produce over \$500,000 in annual revenue.

The land leases are for a variety of businesses from fish processing to wholesale and retail fish to restaurants to beach related gift shops. The majority of tenants have been there for years and have grown successful businesses despite difficult economic times. The continued

support of the State has enabled the businesses and the boats to remain in the Port and to keep Galilee as a working commercial fishing port.

Parking in Galilee

The following is provided for informational purposes only. It is the responsibility of the Offeror to conduct its own investigation and analysis of parking issues in the Port prior to submitting a proposal.

Approximately twelve acres of the Port are currently used for parking. Most of major parking lots are owned by DEM, with the exception of one large privately owned lot in the southern part of the Port. See the attached map in Appendix B for more specific information. Despite the large area devoted to parking there is a shortage of spaces for tourists, fishermen and other workers in the Port, especially during peak season and for special events such as the annual Blessing of the Fleet.

Currently the State operates a public parking lot on the Lot 96. The property accommodates approximately 420 vehicles. Parking rates are established by DEM regulation. Current seasonal parking rates (2011 season) are \$75.00 for Rhode Island Seniors (age 62+), \$150.00 for Rhode Island residents, \$250.000 for out-of-State visitors. Daily parking rates are \$10/car. Determination of residency is based upon the registration address of vehicle.

Approximately 630 seasonal passes are sold each year. As of 10/31/2011, the Department sold the following number of passes: 123 Senior, 370 Rhode Island residents, and 135 out-of-state residents. Annual gross revenue from the state-run lots for the last four years was:

FY08	7/1/07 – 6/30/08	\$121,280.00
FY09	7/1/08 – 6/30/09	\$120,890.00
FY10	7/1/09 – 6/30/10	\$126,435.00
FY11	7/1/10 – 6/30/11	\$136,405.00

It is anticipated that arrangements for seasonal passes will remain in place. The Department may consider flexibility in the daily parking rates. Parking rates shall be subject to approval by DEM.

In addition, to the state-run lots, the Department has granted temporary permission to two lease holders at the end of the Galilee Escape Road to offer parking. The Department will consider revoking this privilege if doing so would contribute to the financial viability of constructing and operating a new parking garage as long as the proposed facility provides adequate parking in the Port.

SCHEDULE

The following is the timetable for submission. Any step and all subsequent steps in this timetable may be adjusted at the discretion of the Director of the Department of Environmental Management or the Rhode Island Division of Purchases.

<u>ACTION</u>	<u>DATE & TIME</u>
RFP Advertisement	February 6 & 13, 2012
Pre-Proposal Conference	Tuesday, February 28 at 11:00 AM
Questions submitted by Proposers	March 9, 2012 by 4:00 PM
Responses forwarded to Proposers	March 23, 2012
Proposals Due	Tuesday, April 3, 2012 at 10:00 AM
Presentation by Proposers	If Necessary
Final Selection	June 8, 2012 (Approximately)

PRE-PROPOSAL CONFERENCE

There will be a pre-proposal informational conference held on **Tuesday, February 28 at 11:00 AM** at:

R.I. DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
235 Promenade Street, Room 300
Providence, R.I. 02908
Time: 11:00 a.m.

QUESTIONS

All questions regarding this Request for Proposals are to be put in writing by **4:00 PM on Friday, March 9, 2012** and submitted to:

:

Terri Bisson
Programming Services Officer
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Division of Planning & Development
235 Promenade Street
Providence, RI 02908
Email: terri.bisson@dem.ri.gov
(FAX: 401-222-2591)

Questions received, if any, will be answered and posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information. Addendums will also be emailed to potential OFFEROR's who attend the pre-proposal conference and who provide a legible email address.

*Be advised that all questions and answers shall be shared with all proposers not just the proposer making the inquiry.

PROPOSAL DUE DATE

Proposals are due no later than **10:00 AM on Tuesday, April 3, 2012** at the Division of Purchases (address below). The proposals must be submitted according to the requirements detailed in this document. Any and all submissions received after such date and time shall not be accepted.

One original and five (5) copies of the submission must be sent in a sealed envelope that is clearly marked on the outside in the following manner:

Request For Proposals- SPLP # 156
Port of Galilee Parking Facility
DEPARTMENT OF ADMINISTRATION
Office of Purchases
One Capitol Hill
Providence, RI 02908

Receipt of such proposals will be opened and acknowledged only at 10:00 AM. on **Tuesday, April 3, 2012** at:

DEPARTMENT OF ADMINISTRATION
Office of Purchases (Bid Room)
One Capitol Hill. Second Floor
Providence, RI 02908

NOTE: Proposals received after the above-referenced due date and time will not be considered. Proposals misdirected to other State locations or which are otherwise not presented in the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed, or emailed, to the Division of Purchases will not be considered. The “official” time clock is located in the reception area for the Division of Purchases. **(Please be advised that Fedex and UPS do not always arrive by 10:00 am, you would be smart to send your submission to arrive at least one day early)**

RESPONSE CONTENTS

Responses must include the following:

1. An **R.I.V.I.P. generated bidder certification cover sheet** downloaded from the RI Division of Purchases Internet Home Page at www.purchasing.ri.gov.
2. **Transmittal Letter** on company letterhead and signed by an individual authorized to legally bind the OFFEROR. It must include:

- a. A clear statement of the Offerer's interest in the lease of Lots 96 & 117 for the purposes of constructing and operating a public parking garage.
 - b. A clear and concise statement describing the proposed use of the property and development of or improvements to the property that will be undertaken.
 - c. The status of financing commitments for development and improvement of the premises, including the names of equity investors and/or sources of loan funds.
 - d. The estimated timeframe to implement the proposal.
 - e. If appropriate, an estimate of the number of full-time jobs that will be created as a result of the proposed business
3. A **Scope of Work**: describing the proposed business plan; conceptual development of structures, buildings and other improvements proposed for the site, along with a preliminary budget; operational plans, including typical/preferred agreement structure; and, a proposed schedule for achieving active and productive use of the Property.
 4. A **Statement of Experience** describing the Offerer's background, qualification, and experience with similar projects, and all information described elsewhere in this solicitation.
 5. A list of **Experience and Qualifications**, including key personnel who will be assigned to establish and operate the business. This will include their relevant experience, qualifications, roles and responsibilities, etc.
 6. A **List of References** familiar with the Offerer's ability to meet the proposed project. Select a minimum of three projects and provide principal contacts, including all contact information for projects similar in size and scope to the proposed project.
 7. A **Financial Statement** from a lender or other source of either the availability of funds and/or commitments to provide funds to successfully complete the project.
 8. An **Insurance Statement** as evidence of the ability to obtain property and liability insurances as required by the State.
 9. A completed and signed **W-9 Form** downloaded from the RI Division of Purchases Internet home page at www.purchasing.state.ri.us

The successful OFFERER shall be solely responsible for meeting all terms and conditions specified in the Request for Proposal, and any resulting contract. The use of any subcontractors or other vendors must receive prior approval by the State. The Rhode Island Department of Administration shall reserve the right to clarify the terms and conditions of any proposal submitted. The OFFERER recommended for this award will be notified by the Department of Administration. A lease agreement will be developed in cooperation with the Rhode Island State Department of Administration and the award recipient that will incorporate a final work plan, schedule and terms.

REQUIRED FORMAT

OFFERER's are required to submit an original (**Clearly marked as "ORIGINAL"**) and **(5)** copies of their Requests for Proposal in a ring binder divided into sections. Failure to comply with this format will be grounds for rejecting the proposal.

EVALUATION CRITERIA

A Technical Review Sub-Committee will review all submissions. After review a “short list” of finalists will be developed and each finalist Proposals will be evaluated by DEM Lease Management Committee staff and subject to review and approval of the Galilee Advisory Committee (which involves the Town of Narragansett) to be evaluated on the following criteria:

- Responsiveness to the RFP - The OFFERER demonstrates that he/she meets all the terms and conditions of the RFP and has submitted and properly completed all of the required documentation and forms. (15 Points)
- Merits of the Proposal - The OFFERER, through a scope of work, has clearly demonstrated that the proposed facility complies with the Galilee zoning requirements and is a direct benefit or enhancement to the to Port of Galilee operations. Specific considerations will include design, vehicle and pedestrian flow, green/sustainable attributes and automation opportunities. (40 Points)
- Financial Plan – The OFFERER’S financial commitments and the financial capability to develop the site within a definitive timeframe and to fulfill the terms of a lease. The OFFERER’S proposed long-term operating pricing strategy and structure and its benefit to the State. (25 Points)
- Experience and Qualifications – the OFFERER demonstrates that the firm and staff to be assigned are capable of completing the proposed developments to the site and operating a viable business as proposed. (20 Points)

All OFFERERS must receive a minimum score of 60 points on the technical submission. Offers not scoring at least 60 points will not be considered further.

APPENDICES:

Appendix A – Aerial photo of Lots 96 and 117

Appendix B – Map showing major parking areas in the Port of Galilee

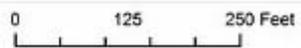
Appendix C – Model language for the lease agreement

*** END ***

APPENDIX A - MAP – LOTS 96 AND 117



Title:	
Scale:	1:1,800
Date:	1/10
Drawn by:	prj



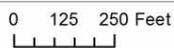
Note:
This map was created by RIGIS for informational, planning and guidance use only. It is a general reference, not a legally authoritative source for the location of natural or manmade features. Proper interpretation of this map may require the assistance of appropriate professional services. The cartographic representations depicted have not been verified by a Registered Professional Land Surveyor and are not intended to be used in place of a survey. RIGIS makes no warranty, express or implied, related to the accuracy.



APPENDIX B – MAJOR PARKING AREAS IN THE PORT OF GALILEE



Title:	
Scale:	1:4,200
Date:	1/10
Drawn by:	paj



Note:
 This map was created by RIDEM for informational, planning and guidance use only. It is a general reference, not a legally authoritative source for the location of natural or manmade features. Proper interpretation of this map may require the assistance of appropriate professional services. The cartographic representations depicted



APPENDIX C - MASTER LEASE AGREEMENT – PORT OF GALILEE

(Provided for model language only; terms subject to change/negotiation)

INDENTURE OF LEASE

THIS AGREEMENT AND INDENTURE OF LEASE entered into this ____ day of _____, 201x, by and between the STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, acting by and through the Director of the Department of Environmental Management, party of the first part, hereinafter called the STATE or LESSOR, and _____ a Rhode Island corporation, party of the second part, hereinafter called the LESSEE.

The expressions “LESSOR” and “LESSEE” wherever hereinafter used in this INDENTURE OF LEASE shall be construed as including and referring to the parties hereto and their respective heirs and assigns, wherever such construction is required or consistent with the provisions of this lease; and all covenants, agreements, conditions, rights, powers and provisions hereinafter contained on the part of the respective parties hereto shall extend to and be binding upon their respective successors and assigns.

WITNESSETH

That the LESSOR does hereby demise and lease that parcel of land and other appurtenances located at the Port of Galilee, in the Town of Narragansett, Rhode Island, described in Exhibit “A” attached hereto.

TO HAVE AND TO HOLD said Premises, with all rights, privileges, or preferential use and occupancy and the appurtenances thereto, unto and to the use of the LESSEE, for and during the term of xxx (X) years from the first day of xxx, (YEAR), to the thirtieth day of xxx, (Year), upon the following covenants and conditions:

1. USE OF THE LEASED PREMISES: The LESSEE shall use the Premise(s) for the following purposes:

a) To construct and operate a Parking Garage Facility, including public restroom facilities.

The Premise(s) may not be used for any other purpose unless said other use is approved in writing by the LESSOR.

2. RENT: The LESSEE shall pay unto the LESSOR, in advance, an annual rental fee of _____ DOLLARS (\$) commencing _____, 201x, with a minimum quarterly installment of _____ and _____ DOLLARS (\$) due on the first business day of each and every quarter. LESSEE agrees that, upon the approval of the State Properties committee of a new annual rental fee so approved, in equal quarterly installments as indicated above, for each and every year remaining of this lease beginning with the next xxx (X) year term of said lease and in

the same proportion for any less time until said rent is paid in full. (Section may also include revenue share agreements, etc.)

The LESSEE paying the rent and performing on its part the agreements herein contained, may peaceably hold and enjoy said Premise(s) and appurtenances during the term of the lease without any lawful let or hindrance by the LESSOR, or any person claiming by, through or under it.

3. PRIOR TERMINATION: a) If, during the term of this lease, the LESSOR through its Department of Environmental Management determined that the Premise(s), or any part thereof, are desired by the LESSOR for an alternate public use, and upon written notice given twelve (12) months in advance by the LESSOR to the LESSEE to vacate, this lease shall be terminated and thereupon declared at an end; to the extent of the Premise(s) so desired, both the LESSOR and the LESSEE shall be fully released and discharged of all and any of the terms, covenants and conditions of this lease, and, in the event a portion of the Premise(s) is so desired, all terms, covenants, conditions, of this lease shall remain in full force and effect, except that the LESSOR shall prorate the annual rental for each remaining year of the lease to compensate for the portion taken. In the event that any portion so desired is so substantial as to prevent the LESSEE from using the Premise(s) for the purpose for which it is hereby demised, LESSEE shall have the right to terminate this lease in its entirety. LESSEE shall be entitled to receive from LESSOR for any such termination such sums as are necessary to compensate it for the loss of buildings and other permanent improvements on the Premise(s), which sums shall not exceed the actual costs which would be incurred by LESSEE in constructing or replacing the buildings and other permanent improvements on the Premise(s).

b) In the event the LESSEE shall fail to pay the quarterly installment of rent within fifteen (15) days subsequent to the first business day of each and every quarter (and it shall not be required that any demand be made for same), or in case of failure on the part of the LESSEE to perform all the covenants and agreements contained in this lease, and such failure shall continue for more than fifteen (15) days or longer than is reasonably necessary and requisite to correct the failure, after written notice has been given by the LESSOR to the LESSEE specifying the existence and nature of the default, the LESSOR shall be at liberty to enter upon and take immediate possession of the Premise(s) and declare this lease at an end. A termination pursuant to this subsection (b) shall not be subject to the obligations imposed on LESSOR by Section 3(a) hereof.

4. ASSIGNMENT AND SUBLETTING: The LESSEE shall not assign this lease or sublet the whole or any part of the Premise(s) without the prior written consent of the LESSOR and the State Properties Committee, which consent shall not be unreasonably withheld.

5. FAILURE TO REMOVE PROPERTY AND FIXTURES: If, upon termination of this lease under any of the provisions hereof, or if the LESSEE moves out or is dispossessed, the LESSEE fails to remove within six (6) months after such termination, moving out, dispossession, or expiration, all its furniture, trade fixtures, machinery and equipment or other personal property and all of its buildings existing or hereafter erected by LESSEE on the Premise(s), such remaining furniture, trade fixtures, machinery and equipment or other personal property and

buildings shall be deemed abandoned by the LESSEE and shall become property of the LESSOR.

6. LAWS: The LESSEE shall comply with all laws, ordinances, rules, regulations, orders and requirements of the Federal, State and Local Governments and LESSOR.

7. PARKING FEES: Parking fees for the Premises shall be approved by the LESSOR.

8. FINANCIAL REPORTING: The LESSEESS shall provide a report on a semi-annual basis the amount of income revenue generated by the leased property to the LESSOR.

9. MAINTENANCE OF THE PREMISES: The LESSEE shall keep the Premise(s) clean and in good repair during the term of this lease, ordinary wear and tear thereof, damage by fire and other unavoidable casualty excepted, provided that the expiration or sooner termination thereof, the LESSEE will peaceably surrender up possession of the Premise(s) to the LESSOR in as good condition as they now are, or may be put in, ordinary wear and tear thereof, and damage by fire and other unavoidable casualty excepted. The LESSEE shall be responsible for and repair, at its own expense, all damage, caused by LESSEE's negligence or by the negligence of LESSEE's agents, employees, servants, invitees, or visitors, to the buildings and other appurtenances including those owned by the LESSOR on the Premise(s), said damage to be repaired to the satisfaction of the LESSOR. The LESSOR may at all reasonable times enter to view and inspect the Premise(s) and any building, structure or other appurtenance thereon, and to order such repairs as may be considered reasonably necessary.

10. INSURANCE: a.) LIABILITY INSURANCE: The LESSEE shall obtain general liability insurance running to the benefit of both the LESSOR and the LESSEE for bodily injuries, including death, in the sum of One Million and 00/100 DOLLARS (\$1,000,000.00) for one person and One Million and 00/100 for any one occurrence and Five Hundred Thousand and 00/100 (\$500,000.00) for property damage for any one occurrence. Such insurance shall be written with a company or companies of recognized responsibility authorized to engage in the business of insurance in the State of Rhode Island. LESSEE shall provide LESSOR with a certificate of such insurance and proof of payment thereof, annually on or before June 10th of each year of this lease and as often as LESSOR may reasonably request. Said certificate shall name LESSOR as an additional insured on the policy and shall cover the entire scope of LESSEE's use of the Premise(s).

b.) FIRE AND EXTENDED COVERAGE INSURANCE: The LESSEE shall obtain and maintain throughout the operation of the lease, Fire and Extended Coverage Insurance in an amount not less than the assessed valuation of the property of the LESSEE on the Premise(s) for the benefit of the LESSOR and LESSEE (as their interests may appear) for any buildings or other structures existing or hereafter erected by the LESSEE on the Premise(s) or appurtenances thereto, in accordance with this issue. LESSEE shall furnish a certificate of said insurance policy to the LESSOR on or before the commencement of the lease term, renewal thereof and as often as may be reasonably required by LESSOR.

11. TAXES: All real estate and other taxes legally assessed against property of the LESSEE on the Premise(s) shall be paid by the LESSEE during the term of this lease.

12. LIEN: Notwithstanding any other provisions herein contained the LESSOR shall have a lien upon all personal property of the LESSEE including any and all of its buildings or other structures existing or hereafter erected by the LESSEE on the Premise(s), to secure the payment of all rent due or to become due under the provisions of this lease, as well as the payment of any and all other obligations of the LESSEE in the lease contained.

13. NOTICES: All notices required to be given by the LESSEE to the LESSOR shall be in writing and be addressed to the Director of the Department of Environmental Management, 235 Promenade Street, Providence, RI 02908 and Larry Mouradjian, Acting Associate Director for Natural Resources Management, DEM, 235 Promenade Street, Providence, RI 02908, and any notices from the LESSOR to the LESSEE shall be addressed to _____, _____, RI _____, or to such other addresses as the parties hereto may respectively designate by notice in writing.

14. OPTION TO EXTEND LEASE: The LESSEE, in consideration of the mutual covenants and conditions herein contained, shall have the option to extend this lease for a further period of XX YEARS from the first day of _____, 20XX__, to and including the thirtieth day of _____, 20XX__, and for XXX additional successive terms of XX years each at the option of the LESSEE upon the same terms and conditions as are herein contained, except that the amount of annual rent, the minimum insurance requirement, and minimum liability insurance to be in effect for each term of the extended period shall be fixed by the Director of the Department of Environmental Management and with the approval of the State Properties Committee (or the respective successors in their functions).

15. ABATEMENT OF RENT: In the event of damage by fire or the elements to any building or buildings, or other appurtenances existing or hereafter erected by the LESSEE on the Premise(s), in accordance with this lease, or in the event of flood or other loss thereof, or other unavoidable casualty so that the LESSOR determines that said Premise(s) shall be made unfit entirely or in part for occupation and use as herein contemplated, LESSOR may grant a proportionate abatement of rent until the same be properly repaired or restored by the LESSEE, provided, however, that if the LESSEE shall not elect to so repair or restore same within a reasonable time after such occurrence, the LESSEE shall be responsible for removing the structure from the Premise(s) unless the Rhode island Department of Environmental Management waives this provision and this lease shall then be terminated and insurance monies therefore due shall be paid to the LESSEE provided that any accrued rent or other charges that may be due under this lease have been paid, the LESSEE shall be given six (6) months time to remove all its furniture, trade fixtures, machinery, equipment or other personal property, owned by the LESSEE on the Premise(s).

16. INDEMNITY: LESSEE agrees that LESSEE shall, at all times, defend, protect and save, hold harmless and indemnify the LESSOR, its agents, servants, and employees against and from : 1) any penalty, damages or charges, including attorneys' fees for any violation of any law or ordinance whether occasioned by negligence or willful act of LESSEE or of LESSEE's agents, employees, servants, invitees or visitors; 2) all claims, including

bodily injury and death, loss, costs, damage or expenses including attorneys' fees arising out of or from any accident, incident or occurrence in any way connected to the use in, on or about the Premise(s) by LESSEE, or by LESSEE's agents, employees, servants, invitees, or visitors; 3)

all claims, including bodily injury and death, loss, costs, damage or expenses, including attorneys' fees arising out of or from any failure of the LESSEE in any respect to comply with and perform all the requirements and provisions of this lease.

17. NON-WAIVER: The failure of the LESSOR to insist in any one or more instances upon the strict and literal performance of any of the agreements, terms or conditions of this lease or to exercise any option of the LESSOR herein contained, will not be construed as a waiver for the future of such term, condition, agreement or option, the receipt by the LESSOR of rent with knowledge of the breach of any term, condition, or agreement will not be deemed to be a waiver of such breach. The receipt by the LESSOR of rent after the giving of any notice required to be given to the LESSEE by the law or by the terms of this lease will not in any way affect the operation of such notice.

18. BUILDING REPAIRS AND ALTERATIONS: a) The LESSEE shall have the right at its own expense to construct buildings and other improvements, to bring into the Premise(s) water and other utilities; and to make any repairs or alterations to such installations necessary for the conduct and operation of its business, provided, however, it shall have first submitted the plans and specifications therefore to the Department of Environmental Management for written approval not to be unreasonably withheld by the LESSOR. No building or other structure shall be erected within a distance of five (5) feet from all boundaries of the Premise(s). In addition, all such buildings and improvements shall be consistent with the "Galilee Special District Plan."

b) If LESSOR shall give its consent, the consent shall be deemed conditioned upon LESSEE acquiring a permit to do so from appropriate governmental agencies, the furnishing of a copy thereof to LESSOR prior to the commencement of the work and the compliance by LESSEE of all conditions of said permit in a prompt and expeditious manner.

c) LESSOR may require that LESSEE remove any or all said alterations, improvements, additions or utility installations at the expiration of the term, and restore the Premise(s) to their prior condition. LESSOR may require LESSEE to provide LESSOR, at LESSEE's sole cost and expense, a lien and completion bond in an amount equal to one and one-half times the estimated cost of such improvements, to insure LESSOR against any liability for mechanics' and materialmen's liens and to insure completion of the work. Should LESSEE make any alterations, improvements, additions, or utility installations without the prior approval of LESSOR, LESSOR may require that LESSEE remove any or all of such at LESSEE's expense.

d) LESSEE shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for LESSEE at or for use in the Premise(s), which claims are or may be secured by any mechanics' or material men's lien against the Premise(s) or any interest therein. LESSEE shall give LESSOR not less than then (10) days notice prior to the commencement of any work in the Premise(s), and LESSOR shall have the right to post notices of non-responsibility in or on the Premise(s) as provided by law.

If LESSEE shall, in good faith, contest the validity of any such lien, claim or demand, then LESSEE shall, at its own expense, defend itself and LESSOR against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof against the LESSOR or the Premise(s), upon the condition that if LESSOR shall require, LESSEE shall furnish to LESSOR a surety bond satisfactory to LESSOR in an amount equal to such contested lien or claim indemnifying LESSOR against liability for the same and holding the Premise(s) free from the effect of such lien or claim. In addition, LESSOR may require LESSEE to pay LESSOR's attorneys' fees and costs in participating in such action if LESSOR shall decide it is its best interest to do so.

19. ACCESS: LESSEE shall not block the access road/fire lane on or about the Premise(s), nor shall it permit its agents, servants, invitees, or visitors to block said access road/fire land with trucks or other vehicles, or in any other manner.

20. SEWERS: The LESSEE shall maintain the connection from the Premise(s) to the sewer system of the Town of Narragansett, and the expense of such connection, use, maintenance and repair shall be borne by the LESSEE. No processing of fish, shellfish, or seafood resulting in the discharge of process waste to the Town of Narragansett Wastewater facilities shall be allowed without the LESSEE obtaining and maintaining a valid wastewater discharge permit as issued by the Town. The issuance and subsequent validity, as well as the conditions of said permit shall depend upon the capacity and ability of the Town's wastewater infrastructure to accept, treat and dispose of said process waste, as well as the LESSEE's continued compliance with the applicable Federal, State and Local laws, rules, regulations, ordinances, and policies governing the discharge of wastewater. Failure to comply with the terms and conditions of this section shall be grounds for termination of this lease.

21. SUBORDINATION: This agreement is subject and subordinate to any leases, covenants, licenses, easements, and agreements which may now affect the real property of which the Premise(s) form a part, and to all renewals, modifications, consolidations, replacements and extensions thereof.

22. LITTORAL RIGHTS RETAINED BY LESSOR: Except for that access specifically set forth above necessary for a use authorized under this lease, nothing contained in this agreement shall be construed as conveying LESSOR's littoral rights arising out of LESSOR's ownership of the demised parcel(s) and parcels adjacent thereto.

23. INVENTORY OF PERSONAL PROPERTY: Within six (6) months of the beginning of the lease term, LESSEE shall furnish LESSOR with an inventory of all its furniture, trade fixtures, machinery, equipment or other personal property which it may elect to remove under Paragraph 5.

24. SALE OF BUILDINGS BY LESSEE: If, during the term of this lease, or any renewal thereof, or upon termination of this lease under paragraph 3(b) or upon the expiration of this lease, LESSEE should desire to sell its building(s) on the Premise(s) and cancel and substitute a new LESSEE or assign or sublet this lease, the LESSEE must first obtain the approval of the LESSOR and the State Properties Committee, or their respective successors. The sales price shall not be in excess of the fair market value of the building(s). The sales price for

each building may account for the good will of the operating business where such business is part of the conveyance, but the sales price may not take into account the value of any leasehold interest in the property of the LESSOR. Such sale of building(s) by the LESSEE shall be deemed to be a removal of the building(s) as required by Paragraph 5 herein. Any substitute new lease, assignment, or sublease must first be consented to by the LESSOR and the State Properties Committee pursuant to the requirements of Paragraph 4 herein.

25. UTILITIES: LESSEE shall pay when due the cost of all utility service to the Premise(s), including but not limited to heat, gas, telephone, sewer and electricity.

26. APPROVAL: This agreement shall be effective only subsequent to its approval by the State Properties Committee as designated below.

[27. Execution of this INDENTURE OF LEASE shall terminate the INDENTURE OF LEASE between the STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS and dated _____, _____, pertaining to the Premise(s) herein.]

END APPENDIX C