



East Providence Waterfront Special Development District Commission

Meeting Minutes of September 28, 2011

Attendees: William Fazioli, Vice Chairman
Bruce Chick
John Gregory
Steven Hardcastle
Jonathan Killian
Luis Torrado

Staff: Jeanne Boyle, Executive Director
Robin Main, Counsel
Roberta Groch, AICP- Planner

Consultants: Glen Fontecchio, Architect

The meeting was called to order at 6:40PM.

1. Vice Chairman's Opening Remarks

Mr. Gregory served as Acting Chairman for the meeting.

2. Approval of Minutes

VOTE: A motion was made to approve the minutes of the June 29, 2011 meeting, as amended by Ms. Main. The motion was seconded and unanimously approved without discussion.

3. New Business

A. Waterfront Commission financial audit

Mr. Paul Dansereau of Baxter Dansereau Associates discussed the audit of Waterfront Commission finances for FY2010 that he recently completed. While there were no outstanding issues, Mr. Dansereau did recommend that the Commission staff purchase accounting software such as QuickBooks due to the increased complexity of future Commission's finances.

B. 10 New Road- EDA grant/Eaton Corporation

Ms. Boyle stated that the US Economic Development Administration (EDA) awarded the City \$5 million for the renovation of 10 New Road for the relocation of Eaton Corporation. The Commission will actually be administering the \$5 million plus a twenty percent match from the Commission, or \$6.4 million. The original plan was to turn the money over to Eaton and let them oversee the construction at the building; however, EDA regulations prohibit the Commission acting as a "pass through" for the money. The Commission must now manage the improvements ourselves.

We will have a lease with the owner of 10 New Road and a sub-lease with Eaton. It will also have to happen quickly. Eaton will be doing separate improvements to the building with their own funds: the total project will cost \$14 million. The leased square footage will be approximately 145,000 sf. EDA was adamant that this could not be a straight "dollar-for-dollar" lease agreement: the Commission will make a profit of forty-five cents per square foot, or approximately \$62,000/year. This will cover on-going costs for the next fifteen years (the life of the lease), such as an accountant, legal, and administrative costs: perhaps fifty percent of this will be Commission income.

We will have to follow all Federal guidelines and regulations for procurement and hiring contractors. The EDA will not pay for construction management: Eaton will pay for Glen Fontecchio to manage the project for the Commission. There will be two separate construction contracts: one for the Eaton-financed work and one for the EDA-financed work. Eaton is giving the Waterfront Commission \$1.4 million as a match and also as “seed” money for the work: the EDA grant is a reimbursable grant; there is no funding up front. Eaton has a very aggressive schedule: they want to start construction in January 2012.

Mr. Torrado made the case for design-build as the fastest, most cost-effective way. There was a discussion about the option of having the project construction via design-build vs. design-bid-build. Ms. Boyle felt that Eaton had had an unfavorable experience with design-build in the past. Mr. Fontecchio pointed out that the building is not new: it's forty years old. Something might be missed through the design-build process, as well as a loss of control for the owner. Mr. Torrado will send information about design-build to Ms. Boyle before the next meeting, which will be on October 6, 2011.

There was a discussion about forming a sub-committee for this project: Ms. Boyle stated that the sub-committee would still be subject to the Open Meetings law, with a quorum and postings required. This might not be the most expedient way to run the project and could be a liability if a decision also needs Commission approval. A suggestion was made for the Waterfront Commission to meet every two weeks for the near future. Ms. Boyle also said that this issue begs the question of who will make time-sensitive decisions. Also, Eaton is the client and may not want to discuss certain matters in public.

VOTE: A motion was made to allow the Executive Director and the Vice Chairman to sign the grant agreement between the EDA and the Waterfront Commission: the motion was seconded and unanimously approved without discussion.

VOTE: A motion was made to allow the Executive Director and the Vice Chairman to sign the lease agreement between the owner of 10 New Road and the Waterfront Commission; and the sub-lease between the Waterfront Commission and Eaton Corporation: the motion was seconded and unanimously approved without discussion.

4. Continued Business

A. TLA/Pond View zoning hearing update

Ms. Main stated that last month's hearing regarding TLA/Pond View's Notice of Violation before the Zoning Board of Appeals was continued until October 13. DiPrete Engineering still needs to be called to testify. Ms. Main believes that any decision will be appealed. The Attorney General's office is still one hundred percent behind the City and Waterfront Commission.

Mr. Fazioli joined the meeting at 7:00PM.

5. Report from Design Review Committee

There were no reports from subcommittees.

6. Miscellaneous Other Business

There was no miscellaneous other business.

7. Staff Reports

A. Executives Director's Report

Ms. Boyle stated that Aspen Aerogels is now leasing space at 10 New Road. She also said the Squantum Woods stormwater management construction contract has been awarded: work should start within the next few weeks.

B. General Counsel's Report

Ms. Main stated that she had given her report under Continued Business.

8. Communication and Correspondence

There was nothing to report.

9. Adjournment

VOTE: A motion was made to adjourn the meeting: the motion was seconded and unanimously approved without discussion.

The meeting was adjourned at 8:15PM.

Respectfully submitted,

JEANNE M. BOYLE
Executive Director

JMB/RG