

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

Wednesday, April 27, 2005

4:00 p.m.

**in the Mary Brennan Board Room, T. F. Green Airport, Warwick,
Rhode Island**

The meeting of the Rhode Island Airport Corporation (“Corporation”) Board of Directors was called to order by Chairman, James Rosati, at 4:05 p.m., in the Mary Brennan Board Room, T. F. Green Airport, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

BOARD MEMBERS PRESENT: James Rosati, James Forte, Joseph Cianciolo, Robert Sangster, Kathleen Hittner, MD. Joseph Larisa (via telephone)

BOARD MEMBER ABSENT: Michael Traficante.

ALSO PRESENT: Laurie Cullen, A.A.E., Executive Vice President; Brian Schattle, Senior Vice President of Finance and Administration and CFO; William Steinkamp, Senior Vice President of Operations and Maintenance; Peter Frazier, Chief Legal Counsel; and those members listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Mr. Forte to approve the minutes of the Board Meeting of March 16, 2005. The motion was seconded by Mr. Cianciolo. The motion was passed unanimously.

2. Open Forum:

Mr. Rosati invited members of the public to speak in open session. No one came forward.

3. Report from President and CEO:

There was no report.

4. Report from Senior Vice President of Operations and Maintenance:

There was no report.

5. Discussion Items/Old Business:

There were no items for discussion.

6. Operations and Capital Committee Report:

Mr. Forte reported that the Committee had met on April 13, and that there were items on the consent agenda that required approval by the Board. There were also two items that were deferred by the Committee for further review. The Corporation had completed the required research and both items were now action items on the Board agenda. The Committee is recommending approval of both those items by the Board.

A motion was made by Mr. Sangster and seconded by Mr. Cianciolo to approve the following resolutions. The motion was passed unanimously.

(a) Consideration of and Approval of a Contract for a Construction Manager for the In-Line EDS Baggage System, Security Screening Checkpoint Expansion and Associated Terminal Improvement Projects – T. F. Green Airport.

WHEREAS, RIAC conducted a Consultant Selection Process for construction management services for the In-Line EDS Baggage System, expansion of the Security Screening Checkpoint, and associated Terminal Improvements at T. F. Green Airport pursuant to RIAC's Procurement Rules and Regulations; and

WHEREAS, a Consultant Selection Committee was formed pursuant to RIAC's Procurement Rules and Regulations; and

WHEREAS, the Consultant Selection Committee received five qualification packages and held a public selection meeting on February 17, 2005, in which the top three firms was invited to submit proposals and conduct presentations; and

WHEREAS, each proposal was evaluated by the Committee and interviews for each proposing firm was conducted on March 25, 2005; and

WHEREAS, following the completion of the final interview, the Committee convened for a public selection meeting, where each committee member publicly evaluated each proposal in accordance with the same selection criteria, including an interview; and

WHEREAS, scoring sheets were tallied, and ranked Skanska USA Building Inc., as the top firm, followed by Gilbane Building Company; and

WHEREAS, RIAC has received a scope and fee for the pre-construction phase from Skanska USA Building Inc., in the amount of \$497,495 as part of the construction management services for the In-Line EDS Baggage System, expansion of the Security Screening Checkpoint, and associated Terminal Improvements at T. F. Green Airport; and

WHEREAS, RIAC staff is currently conducting fee negotiations with

Skanska USA Building Inc., for these services; and

WHEREAS, RIAC is planning to fund this amendment through the RIAC General Purpose Fund; and pursuant to Treasury Regulation § 1.150-2, RIAC intends to reimburse these expenditures with 2005 Bond proceeds; and

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO to negotiate and execute a contract agreement with Skanska USA Building Inc., to perform construction management services associated with the In-Line EDS Baggage System, Security Screening Checkpoint Expansion and associated Terminal Improvements at T. F. Green Airport, in a not-to-exceed amount of \$497,495 for the pre-construction phase.

(b) Consideration of and Approval of a Contract Amendment for Consultant Services Associated with the In-Line EDS Baggage System and Security Screening Checkpoint Expansion – T. F. Green Airport.

WHEREAS, RIAC contracted with the firm of HNTB Corporation to provide consultant services associated with the installation of the In-Line Explosive Detection Systems (EDS) into the baggage make-up systems; and

WHEREAS, the contract was amended to include preliminary design services associated with the Security Screening Checkpoint Expansion at T. F. Green Airport; and

WHEREAS, RIAC will negotiate a fee with the HNTB Corporation to provide consultant services associated with the In-Line EDS Baggage System/Security Screening Checkpoint Expansion at T. F. Green Airport in an amount not-to-exceed \$400,000, including (1) expediting the construction phase package for the accelerated lobby infill project, and (2) performing design modifications related to the In-Line EDS Baggage System; and

WHEREAS, RIAC is planning to upfront the funding of this amendment through the RIAC General Purpose Fund; and pursuant to Treasury Regulation § 1.150-2, RIAC intends to reimburse these expenditures with proceeds from the 2005 bonds; and

WHEREAS, the majority of the scope of this amendment will be completed during FY05.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO to negotiate and execute a contract amendment with HNTB Corporation to perform consultant services associated with the In-Line EDS Baggage System/Security Screening Checkpoint Expansion at T. F. Green

Airport in an amount not-to-exceed \$400,000.

(c) Consideration of and Approval to Enter Into a Purchase Order for the Rhode Island Pollutant Discharge Elimination System (RIPDES) Permit Water Quality Monitoring and Sampling – T. F. Green Airport.

WHEREAS, the Rhode Island Pollutant Discharge Elimination System (RIPDES) Permit issued November 12, 2004 requires RIAC to conduct water quality monitoring and sampling; and

WHEREAS, on January 26, 2005, the RIAC Board of Directors approved an unbudgeted expense in an amount not-to-exceed \$153,433 to Fuss & O'Neill to provide services for the Rhode Island Pollutant Discharge Elimination System (RIPDES) Water Quality Monitoring and Sampling at T. F. Green Airport; and

WHEREAS, to date \$93,807 of this not-to-exceed amount has been committed for these services; and

WHEREAS, RIAC's Department of Environmental Management Systems would like to enter into a purchase order with R I Analytical for the sampling, and analysis as required by the RIPDES Permit; and

WHEREAS, R I Analytical is an approved vendor listed in the State's Master Price Agreement (MPA) for laboratory services; and

WHEREAS, funding for this purchase order will be through the funds remaining from the Board authorization of January 26, 2005.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO to negotiate and execute a Purchase Order with R I Analytical to provide services for the Rhode Island Pollutant Discharge Elimination System (RIPDES) Water Quality Monitoring and Sampling at T. F. Green Airport, in an amount not-to-exceed \$59,626.

(d) Consideration of and Action Upon Professional Services Contracts for On-Call Architectural and Engineering Services.

WHEREAS, RIAC conducted a Consultant Selection process for on-call architectural and engineering services for the six airports pursuant to RIAC's Procurement Rules and Regulations; and

WHEREAS, a Consultant Selection committee was formed pursuant to RIAC's Procurement Rules and Regulations; and

WHEREAS, the Consultant Selection committee received twelve proposals and

recommends the firms HNTB Corporation, Edwards & Kelcey, Inc., Siegmund and Associates, Hoyle Tanner and Associates,

Dufresne-Henry, Inc., McFarland-Johnson, L. A. Torrado, and Parsons Brinkerhoff to perform On-Call Architectural and Engineering Services for a three-year period; and

WHEREAS, funding will be established on a task-by-task basis.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO to negotiate and execute Professional Services Agreements for On-Call Architectural and Engineering Services with (1) HNTB Corporation, (2) Edwards & Kelcey, Inc. (3) Siegmund and Associates, (4) Hoyle Tanner and Associates, (5) Dufresne-Henry, Inc., (6) McFarland-Johnson, (7) L. A. Torrado, and (8) Parsons Brinkerhoff.

(e) Consideration of and Action Upon a Contract for Consultant Services for Air Service Development.

WHEREAS, the Rhode Island Airport Corporation is responsible for the maintenance and operation of airport facilities at the six Rhode Island airports; and

WHEREAS, it has been determined that there is a need for consultant services for air service development at T. F. Green Airport; and

WHEREAS, the Rhode Island Airport Corporation has a fiscal year

budget which provides funding for this study through its Operating & Maintenance (O & M) budget; and

WHEREAS, the selection committee ranked InterVISTAS as the top firm of those who offered submissions pursuant to the Corporation's Procurement Rules; and

WHEREAS, the recommendation is to award a contract to InterVISTAS to perform these services.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO to execute a one year Professional Services Agreement (PSA) with two one year extensions at the option of RIAC for On-Call Air Service Consulting and Business Development Services with InterVISTAS in an amount not to exceed \$50,000. Expenditures under this contract in future fiscal years will be dependant on the appropriation of funds for this purpose in the Operating and Maintenance budget.

(f) Consideration of and Action Upon Approval of a Contract Amendment for Snow Removal Services at T. F. Green Airport.

WHEREAS, the Rhode Island Airport Corporation is responsible for the maintenance and operation of airport facilities at the six Rhode Island airports; and

WHEREAS, it has been determined that there is a need for landside snow removal services; and

WHEREAS, the Rhode Island Airport Corporation has a fiscal year budget, which provides funding for this service through it's operating and maintenance budget; and

WHEREAS, the current contract with EJM was approved at the September 2004 Board of Directors meeting in the amount of \$115,000, for a one year contract with two additional one year terms at the option of RIAC; and

WHEREAS, the recommendation is to increase the EJM Lawnscape Inc. contract from \$115,000 to \$210,000 for the provision of snow removal services at T. F. Green Airport.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. That the Board hereby approves the attached resolution authorizing the increase of the EJM Lawnscape Inc. contract from \$115,000 to \$210,000 for the provision of snow removal services at T. F. Green Airport.

2. That the additional two years remain dependant on the appropriation of funds for this purpose in the Operating and

Maintenance budget for fiscal years 06 and 07 approval.

(g) Consideration of and Action Upon Award of a Contract for the Procurement of an Airport Snow Broom.

WHEREAS, the Rhode Island Airport Corporation is responsible for the maintenance and operation of airport facilities at the six Rhode Island airports; and

WHEREAS, it has been determined that there is a need for an airport snow broom; and

WHEREAS, the Rhode Island Airport Corporation has a fiscal year budget which provides funding for this purchase through its Operating Capital budget; and

WHEREAS, in March 2005, the Corporation issued an Invitation for Bids (IFB) for an airport snow broom; and

WHEREAS, three submissions were received in response to the solicitation; and

WHEREAS, in compliance with RIAC Procurement Rules, the submissions were evaluated to determine both responsiveness and responsibility; and

WHEREAS, as a result of this evaluation, the recommendation is to award a contract to MB Companies, of New Holstein, Wisconsin in the amount of \$318,873.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO to award the contract to MB Companies of New Holstein, Wisconsin in the amount of \$318,873 for the acquisition of this airport snow broom, subject to Board approval.

(h) Consideration of and Action Upon a Contract Agreement for Design Phase Services for the Repair of Parking Garage A at T. F. Green Airport.

WHEREAS, RIAC conducted a Consultant Selection process for design and construction management services for the repair of Parking Garage A pursuant to RIAC's Procurement Rules and Regulations; and

WHEREAS, a Consultant Selection Committee was formed pursuant to RIAC's Procurement Rules and Regulations; and

WHEREAS, the Consultant Selection Committee received five proposals and ranked Walker Parking Consultants as the top firm followed by Pare Engineering to perform design services associated

with this project; and

WHEREAS, this Professional Services Agreement (PSA) will be funded through the 1998 Airport Revenue Bond Fund.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO to negotiate and execute a Professional Services Agreement with Walker Parking Consultant to provide design services for the Repair of Parking Garage A at T. F. Green Airport in an amount not-to-exceed \$200,000.

6.1. Action Items:

(a) Consideration of and Action Upon Award of a Contract for the Procurement of Two All-Wheel Drive Trucks with Plows and Dump Bodies.

Mr. Schattle reported that the request is to award the contract for the procurement of two all-wheel drive trucks with plows and dump bodies. Mr. Schattle explained that the Corporation had issued an IFB for this acquisition and one bid was received in response to the solicitation. The sole bidder, Oshkosh Truck Corporation, has been determined to be both responsive and responsible. Discussion at the Committee Meeting focused on the bid process and there was concern from the Committee that only one bid was received for this

equipment. Staff was asked to review the list of firms that the specifications were sent to, and to research why only one company bid for this contract. A detailed review was conducted and a summary was provided to the Operations and Capital Committee who are now recommending that the Board approve the contract.

A motion was made by Mr. Sangster and seconded by Mr. Cianciolo to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation is responsible for the maintenance and operation of airport facilities at the six Rhode Island airports; and

WHEREAS, it has been determined that there is a need for two all-wheel drive, trucks with plows and dump bodies; and

WHEREAS, the Rhode Island Airport Corporation has a fiscal year budget which provides funding for this purchase through its Operating Capital budget; and

WHEREAS, in March 2005, the Corporation issued an Invitation for Bids (IFB) for two all-wheel drive trucks with plows and dump bodies; and

WHEREAS, one submission was received in response to the solicitation; and

WHEREAS, in compliance with RIAC Procurement Rules, the submission was evaluated to determine both responsiveness and responsibility; and

WHEREAS, as a result of this evaluation, the recommendation is to award a contract to Oshkosh Truck Corporation of Oshkosh, Wisconsin in the amount of \$460,758.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO to award the contract to Oshkosh Truck Corporation of Oshkosh, Wisconsin in the amount of \$460,758 for the acquisition of two all-wheel drive trucks with plows and dump bodies.

(i) Consideration of and Action Upon Award of a Contract for the Procurement of an Airport Snow Blower.

Mr. Schattle reported that the request is to award the contract for the procurement of an airport snow blower. Mr. Schattle explained that the Corporation issued an IFB for this acquisition and two bids were received in response to the solicitation. The low bidder Oshkosh Truck Corporation has been determined to be both responsive and responsible and the recommendation is to award to the low bidder. Discussion at the Committee Meeting had focused on the bid process

and there was concern from the Committee that only two bids were received for this equipment. Staff was asked to review the list of firms to which the specifications were sent, and to research why there were only two bids for this contract. A detailed review was conducted and a summary was provided to the Operations and Capital Committee who are now recommending that the Board approve the contract.

A motion was made by Mr. Cianciolo and seconded by Mr. Forte to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation is responsible for the maintenance and operation of airport facilities at the six Rhode Island airports; and

WHEREAS, it has been determined that there is a need for an airport snow blower; and

WHEREAS, the Rhode Island Airport Corporation has a Fiscal Year budget which provides funding for this purchase through its Operating Capital budget; and

WHEREAS, in March 2005, the Corporation issued an Invitation for Bids (IFB) for an airport snow blower; and

WHEREAS, two submissions were received in response to the

solicitation; and

WHEREAS, in compliance with RIAC Procurement Rules, the submissions were evaluated to determine both responsiveness and responsibility; and

WHEREAS, as a result of this evaluation, the recommendation is to award a contract to Oshkosh Truck Corporation, of Oshkosh Wisconsin in the amount of \$410,683.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO to award the contract to Oshkosh Truck Corporation of Oshkosh, Wisconsin in the amount of \$410,683 for the acquisition of this airport snow blower.

7. General Aviation Report:

Dr. Hittner reported that the Committee had met on April 7 and had received a presentation from the Quonset Airport Museum. This presentation prompted much discussion and staff is currently looking at options for the placement of the museum. Planning is still in the concept stage and the Board will be kept apprised of progress on this issue.

8. Finance and Audit Committee Report:

Mr. Cianciolo reported that the Committee had met one hour prior to the Board Meeting and had reviewed the February Financial Statements. The Committee had also approved an updated Conflict of Interest Policy which had been amended to reflect changes in the State's policy which changed the gift limits. The new amendment prohibits a gift having either a fair market value or actual cost greater than \$25, and gifts from a single interested person or entity in one calendar year having an aggregate fair market value or aggregate actual cost greater than \$75. The Committee also received a preliminary briefing on the proposed FY 06 budget. A formal draft budget will be presented to the Committee at the next meeting which is scheduled for May 27.

9. Executive Session:

(a) Discussion Related to Investment of Public Funds (CIP Program and Majority in Interest Approval, Lease Renewals/Assignments at T. F. Green Airport and Quonset Airport) – R.I.G.L. § 42-46-5(a)(7).

(b) Discussion Related to Pending and Potential Litigation (Environmental and Parking) - R.I.G.L. § 42-46-5(a)(2).

At approximately 4:13 pm., a motion was made by Mr. Forte and seconded by Mr. Cianciolo to go into Executive Session. By the following roll call vote, the motion was passed unanimously.

YEAS: James Rosati

James Forte

Joseph Cianciolo

Joseph Larisa

Robert Sangster

Dr. Kathleen Hittner

NAYS: None

At approximately 6:00 p.m., a motion was made by Mr. Forte to reconvene to the Open Session. The motion was seconded by Mr. Cianciolo. The motion was passed unanimously.

10. Action Item:

(a) Consideration of and Action Upon Lease Renewals and/or Assignments

A motion was made by Mr. Forte and seconded by Mr. Sangster to approve the following resolutions:

WHEREAS, the Rhode Island Airport Corporation (RIAC) has a responsibility of developing revenue to support its general aviation airport system from certain real estate parcels at the Quonset State Airport (“Revenue Producing Parcels”) leased to RIAC by the State of Rhode Island; and

WHEREAS, the Revenue Producing Parcels are managed on behalf of RIAC by the Rhode Island Economic Development Corporation and/or its subsidiary the Quonset Development Corporation (“QDC”); and

WHEREAS, the QDC has presented to RIAC for its Board’s approval a lease of certain real estate and facilities (“Demised Property”) to Southeastern New England Shipbuilding Corporation (“SENESCO”); and

WHEREAS, based on the composition of the Demised Property both RIAC and the EDC are each entitled to a portion of the rental revenues; and

WHEREAS, the QDC has represented that, inter alia, the base rent and terms of the lease are commercially reasonable and represent fair market value; and

WHEREAS, the EDC has approved said lease; and

WHEREAS, RIAC’s professional staff has reviewed and recommends that the lease be approved by the Board.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board of Directors directs and authorizes the President and

CEO or his designee to execute the lease with SENESCO.

WHEREAS, the Rhode Island Airport Corporation (RIAC) has a responsibility of developing revenue to support its general aviation airport system from certain real estate parcels at the Quonset State Airport (“Revenue Producing Parcels”) leased to RIAC by the State of Rhode Island; and

WHEREAS, the Revenue Producing Parcels are managed on behalf of RIAC by the Rhode Island Economic Development Corporation and/or its subsidiary the Quonset Development Corporation (“QDC”); and

WHEREAS, the QDC has presented to RIAC for its Board’s approval a lease of certain real estate and facilities (“Demised Property”) to Electric Boat Corporation; and

WHEREAS, based on the composition of the Demised Property both RIAC and the EDC are each entitled to a portion of the rental revenues; and

WHEREAS, the QDC has represented that, inter alia, the base rent and terms of the lease are commercially reasonable and represent fair market value; and

WHEREAS, the EDC has approved said lease; and

WHEREAS, RIAC's professional staff has reviewed and recommends that the lease be approved by the Board.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board of Directors directs and authorizes the President and CEO or his designee to execute the lease with Electric Boat Corporation.

WHEREAS, the Rhode Island Airport Corporation (RIAC), as successor by assignment to the State of Rhode Island and Providence Plantations acting through its Department of Transportation Division of Airports ("RIDOT"), and Fleet Real Estate, Inc., ("Fleet") entered into the Facility Construction and Lease Agreement dated April 25, 1990, as amended by Agreement dated July 1, 1993 (collectively, "Lease") by and among RIDOT, RIAC and Fleet at T. F. Green Airport; and

WHEREAS, Fleet has sought RIAC's consent to assign the Lease to Fund Management, Inc; and

WHEREAS, the lease provides that, inter alia, RIAC's consent to a requested assignment shall not be unreasonably withheld; and

WHEREAS, RIAC's professional staff has reviewed the requested assignment and the terms are acceptable.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board of Directors directs and authorizes the President and CEO or his designee to approve in writing the assignment of the Lease by Fleet to Fund Management, Inc.

The motion was passed unanimously.

11. Future Meetings:

The next meeting will be held on Wednesday, May 20, 2005 at 4:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, 2000 Post Road, Warwick, Rhode Island.

12. Adjournment:

Mr. Forte moved to adjourn at approximately 6:05 p.m. Mr. Sangster seconded the motion. The motion was carried by acclamation.

Respectfully submitted,

James V. Rosati, Chairman

Rhode Island Airport Corporation

ATTENDANCE SHEET

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS MEETING

APRIL 27, 2005

NAME AFFILIATION

Patti Goldstein RIAC

Mel Einhorn RIAC

Joe DaSilva RIAC

Dave Edwards RIAC

Dave Cloutier RIAC

Michael Mini RIAC

Liberty Luciano RIAC

Don Pillsbury RIPA

Sue Pillsbury RIPA

Robert Goff NEP