

**MINUTES OF MEETING**

**RHODE ISLAND AIRPORT CORPORATION**

**BOARD OF DIRECTORS**

**WEDNESDAY, DECEMBER 21, 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 Vice-Chairman, James Forte, at 4:00 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 Forte; Joseph Cianciolo; Robert Sangster, Michael Traficante; Joseph Larisa (arrived at 4:02 pm); Dr. Kathleen Hittner (arrived at 4:04 pm); James Rosati (arrived at 4:19 pm).**

**ALSO PRESENT: Mark P. Brewer, A.A.E., President and CEO; Laurie Cullen, A.A.E., Executive Vice President; Brian Schattle, Senior Vice President of Finance and Administration and CFO; Marci Greenberger, A.A.E., Senior Vice President of Operations and Maintenance; Peter Frazier, Chief Legal Counsel; Richard Licht, Outside Legal Counsel; and those members listed on the attendance sheet attached hereto.**

## **1. Approval of the Minutes:**

**A motion was made by Mr. Traficante to approve the minutes of the Special Board Meeting of November 16, 2005. The motion was seconded by Mr. Sangster. The motion was passed unanimously.**

**A motion was made by Mr. Traficante to approve the minutes of the Board Meeting of November 16, 2005. The motion was seconded by Mr. Sangster. The motion was passed unanimously.**

## **2. Open Forum:**

**Mr. Forte invited members of the public to speak in Open Session. No one came forward.**

## **3. Report from President and CEO:**

**Mr. Brewer reported that passenger numbers for the month of November were down 4.99% over November 2004, however year to date the numbers are up 4.8%. It was noted that there are approximately 15% less seats available for sale, and that this decline is being felt regionally. Mr. Brewer reported that he is working with Kevin Dillon from Manchester on cooperative marketing initiatives.**

**Mr. Brewer reported that Ms. Greenberger is working on developing**

**a Continuity of Operations Plan (COOP) which is part of a statewide initiative spearheaded by the Rhode Island Emergency Management Agency. This plan would be used by RIAC in the event of a pandemic event such as the Avian Flu.**

**Mr. Brewer reported that Police Chief Ed Carter was retiring from the Corporation and along with the Board he thanked Chief Carter for his service to the Corporation. Mr. Brewer introduced Lt. Kevin Hopkins, from the State Police who will be Acting Police Chief for the next six months. Acting Chief Hopkins will conduct a management assessment of the RIAC Police Department and at the end of the six months will provide a written report on his observations and recommendations.**

#### **4. Discussion Items/Old Business:**

**(a) Consideration of and Action Upon Motion to Unseal the Executive Session Minutes of the Board Meeting of March 16, 2005.**

**Mr. Frazier reported that the Harris Farm real estate purchase had been completed, and the Executive Session minutes on this issue need to be unsealed.**

**A motion was made by Mr. Cianciolo and seconded by Mr. Traficante authorizing the Corporation to unseal the minutes of the Executive Session of the Board Meeting of March 16, 2005, and instructing the**

**Corporation to distribute the minutes in accordance with the applicable state statutes.**

**The motion was passed unanimously.**

**Item (b) Consideration of and Action Upon Board and Committee Meeting Schedule for 2006 was discussed in Open Session after the Executive Session.**

#### **5. Operations and Capital Committee Report:**

**Mr. Forte reported that the Operations and Capital Committee had met one hour prior to the Board Meeting, and that the EIS update portion of the presentation from Ms. Cullen on the Capital Improvement Program had been deferred to the Board Meeting. Ms. Cullen's presentation to the Board included the forecasts, existing and future non-stop destinations, the Purpose and Need Statement, the five steps used in the runway length analysis, and an overview of the projected aircraft types. The presentation also included an overview on the method used to determine the runway length, and the Aviation Utility Analysis.**

**Mr. Forte reported that there were items on the consent agenda for approval by the Board. Mr. Forte noted that item 5 (d) had been removed from the agenda.**

**A motion was made by Mr. Traficante and seconded by Mr. Cianciolo to approve the following resolutions:**

**(a) Consideration of and Action Upon Approval to Add a Project to the Capital Improvement Program for the Rehabilitation of Taxiway T at T. F. Green Airport AND Consideration of and Action Upon Approval of a Consultant Task Order for Design and Bid Phase Services Associated with the Rehabilitation of Taxiway T at T. F. Green Airport.**

**WHEREAS, the area near the intersection of Taxiway T and V is showing signs of failure and needs to be repaired; and**

**WHEREAS, the total estimated cost for this project is \$2.4 million; and**

**WHEREAS, there are funds available through the Airport Improvement Program to fund 75% (\$1.8 million) of this project; and**

**WHEREAS, RIAC's 25% (\$600,000) matching share will initially be funded through the General Purpose Fund; and**

**WHEREAS, RIAC will request reimbursement of amounts expended from the General Purpose Fund through future Passenger Facility Charges.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby recommends that the President and CEO add the Rehabilitation of Taxiway T Project at T. F. Green Airport to the Capital Improvement Program Budget in the amount of \$2,400,000.**

**WHEREAS, RIAC has contracted with the firm of HNTB Corporation to perform on-call architectural and engineering services; and**

**WHEREAS, RIAC received and negotiated a scope and fee with HNTB to provide design and bid phase services for the Rehabilitation of Taxiway T Project at T. F. Green Airport in the amount of \$113,987; and**

**WHEREAS, there are funds available through the Airport Improvement Program to fund 75% (\$1.8 million) of this project; and**

**WHEREAS, RIAC's 25% (\$600,000) matching share will initially be funded through the General Purpose Fund; and**

**WHEREAS, RIAC will request reimbursement of amounts expended from the General Purpose Fund through future Passenger Facility Charges.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby recommends that the President and CEO, or his designee, execute a Task Order with HNTB to provide design and bid phase services for the Rehabilitation of Taxiway T Project at T. F. Green Airport in the amount of \$113,987.**

**(b) Consideration of and Action Upon Approval to Add a Project to the Capital Improvement Program for the Restoration of the Garage B Stairs at T. F. Green Airport AND Consideration of and Action Upon Construction Contract for the Restoration of the Garage B Stairs Project at T. F. Green Airport.**

**WHEREAS, due to deterioration of the concrete and metal stairs the five levels of stairs located in Garage B at T. F. Green Airport need to be restored; and**

**WHEREAS, there are funds available in the General Purpose Fund for use during Fiscal Year 2006 to complete this project.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby recommends that the President and CEO add the Restoration of Garage B Stairs Project at T. F. Green Airport to the Capital Improvement Program Budget in the amount of \$106,576.**

**WHEREAS, a competitive bidding process was undertaken according to RIAC's Procurement Rules and Regulations for the Restoration of**

**Garage B Stairs Project at T. F. Green Airport; and**

**WHEREAS, the firm of Walker Parking Consultants, serving as RIAC's design consultant for this project, determined that Acme Waterproofing Co., Inc. submitted the lowest responsive bid in the amount of \$91,000; and**

**WHEREAS, Walker Parking Consultants recommended that Acme Waterproofing Co., Inc. be awarded the construction contract for this project and RIAC staff agrees; and**

**WHEREAS, this contract will be funded 100% through the General Purpose Fund.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby recommends that the President and CEO, or his designee, execute a construction contract with Acme Waterproofing Co., Inc. for the Restoration of Garage B Stairs Project at T. F. Green Airport in the amount of \$91,000.**

**(c) Consideration of and Action Upon Approval of Consultant Task Order for Phase 1 of the Drainage Master Plan Project at T. F. Green Airport.**

**WHEREAS, RIAC has contracted with the firm of Vanasse Hangen**

**Brustlin, Inc. (VHB) to perform on-call environmental services; and**

**WHEREAS, RIAC will be conducting a phased approach to develop a Drainage Master Plan to satisfy a RIDEM RIPDES permit requirement; and**

**WHEREAS, RIAC staff has received a scope and fee for Phase 1 of the Drainage Master Plan from VHB in the amount of \$78,456 and is conducting negotiations; and**

**WHEREAS, the current Fiscal Year 2006 Capital Improvement Program (CIP) Budget includes \$200,000 from the General Purpose Fund for this project.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby recommends that the President and CEO, or his designee, negotiate and execute a Task Order with Vanasse Hangen Brustlin, Inc. to provide services associated with Phase 1 of the Drainage Master Plan at T. F. Green Airport in an amount not-to-exceed \$78,456.**

**The motion was passed unanimously.**

**(d) Consideration of and Action Upon Approval of Capital Improvement Program Budget Adjustment for the Glycol Tank Farm**

**and Fuel Farm AOA Fencing Project at T. F. Green Airport AND Consideration of and Action Upon Award of Construction Contract for the Glycol Tank Farm and Fuel Farm AOA Fencing Project at T. F. Green Airport.**

**This item was removed from the agenda.**

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

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

**WHEREAS, in October 2005, the Corporation issued an Invitation for Bids (IFB) for two all-wheel drive trucks with plows and dump bodies; 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 \$415,198.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby authorizes the President and CEO, or his designee, to award the contract to Oshkosh Truck Corporation of Oshkosh, Wisconsin in the amount of \$415,198 for the acquisition of two all-wheel drive trucks with plows and dump bodies.**

**(f) Consideration of and Action Upon Extension of Contract for the Operation of the Five General Aviation Airports.**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) entered into a management contract with Hawthorne Aviation, Inc. (now doing business as Piedmont Hawthorne Aviation LLC) on May 7, 1996 (“Contract”), for the provision of management services at RIAC’s five general aviation airports; and**

**WHEREAS, the Contract was renewed for a second five-year term that expires on June 30, 2006; and**

**WHEREAS, the Contract permits two additional five-year renewals, the first of which must be mutually agreed to by January 1, 2006; and**

**WHEREAS, RIAC Management has carefully analyzed the relative benefits to renewing the Contract and concluded that it is in RIAC's best interest to so proceed; and**

**WHEREAS, in addition to providing the existing services under the Contract, the renewal contract will incorporate FBO/hangar management and potential consulting in support of RIAC constructing a new hangar at Quonset airport (at an agreed upon fee, to be determined); and**

**WHEREAS, RIAC and Hawthorne, after several months of negotiations, have tentatively agreed to the following financial terms):**

- Hawthorne will receive a flat management fee of \$150,000 for the management and operation of the five general aviation airports.**
- Hawthorne will receive an incentive fee of 10% of gross profit (total revenues less cost of sales) from the operations at OQU above the baseline of the fiscal year 2006 budget (\$800,273).**

**WHEREAS, RIAC Management has evaluated the financial terms and**

**(a) has concluded that they are reasonable and appropriate, and would not be improved by further competitive bidding and (b) has concluded that the contract renewal comports with RIAC's Procurement Rules.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board authorizes the President and CEO, or his designee, to negotiate and execute the five year renewal agreement with Hawthorne on the financial terms identified above and subject to general contract terms and conditions no less favorable than the existing contract and reviewed and approved by legal counsel.**

**(g) Consideration of and Action Upon Memorandum of Understanding (MOU) Between the Rhode Island Airport Corporation (RIAC) and the Rhode Island State Police (RISP).**

**WHEREAS, the Rhode Island Airport Corporation's Chief of Police will be retiring at the end of the year; and**

**WHEREAS, the Rhode Island State Police (RISP), is a unique resource available to RIAC; and**

**WHEREAS, the RISP has agreed to deploy an officer to serve as an interim Acting Chief; and**

**WHEREAS, RISP will provide an assessment of the RIAC police department relative to its unique mission among law enforcement agencies at T. F. Green Airport; and**

**WHEREAS, the term of this agreement shall be for six months; and**

**WHEREAS, RIAC shall reimburse RISP for the actual costs of the deployed officer.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board ratify the MOU with the RISP executed by the President and CEO for the services of an officer.**

**6. General Aviation Report:**

**Dr. Hittner reported that the Committee had met on November 22, 2005 and had received updates on all of the construction projects at the GA airports. There had also been an update on easement issues.**

**Mr. Rosati arrived at the meeting and assumed control of the Board Meeting.**

**7. Finance and Audit Committee Report:**

**Mr. Cianciolo reported that the Committee had met two hours prior to**

**the Board Meeting and that there were items on the consent agenda for approval by the Board. There were two items that were deferred by the Committee so they were removed from the Board consent agenda.**

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

**(a) Consideration of and Action Upon Approval of Award of a Professional Services Agreement (PSA) for Financial Advisory Services.**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) issued a Request for Proposals (RFP) in November 2005 for financial advisory services and conducted a selection process pursuant to RIAC's Procurement Rules and Regulations; and**

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

**WHEREAS, the Selection Committee received three proposals and recommends that the firm of Fullerton and Friar, Inc. performs financial advisory services for a three year period.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board authorizes the President and CEO, or his designee, to execute a three year Professional Services Agreement for financial advisory services with Fullerton and Friar, Inc. with a retainer in an amount not-to-exceed \$78,000 per year.. Expenditures under this contract in future fiscal years will be dependent on the appropriation of funds for this purpose in the Operating and Maintenance budget.**

**(b) Consideration of and Action Upon Approval of Award of a Professional Services Agreement (PSA) for Airport Consulting Services.**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) issued a Request for Proposals (RFP) in November 2005 for airport consulting services and conducted a selection process pursuant to RIAC's Procurement Rules and Regulations; and**

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

**WHEREAS, the Selection Committee received three proposals and recommends that the firm of Ricondo & Associates performs airport consulting 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 authorizes the President and CEO, or his designee, to execute a three year Professional Services Agreement for airport consulting services with Ricondo & Associates. Expenditures under this contract in future fiscal years will be dependent on the appropriation of funds for this purpose in the Operating and Maintenance budget.**

**(c) Consideration of and Action Upon Approval of Adjustment to Parking Rates at T. F. Green Airport.**

**This item was deferred.**

**(d) Consideration of and Action Upon Adjustment to Off-Airport Courtesy Fees.**

**This item was deferred.**

**(e) Consideration of and Action Upon Approval of Audit Settlement.**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) and the Hertz Corporation (Hertz) entered into a Rental Car Company Concession Agreement in December 1998; and**

**WHEREAS, RIAC has conducted an audit of the "Fee" and "CFC" of**

**the Hertz Corporation for the five calendar years ending December 31, 2002; and**

**WHEREAS, it has been agreed to by RIAC and Hertz that certain procedures be performed to extend the audit and settlement through the period December 31, 2005; and**

**WHEREAS, it has been determined that there is additional monies due to RIAC through December 31, 2005; and**

**WHEREAS, RIAC will relinquish its rights to audit Hertz for the period ending December 31, 2005, and earlier with certain exceptions as noted in the settlement agreement; and**

**WHEREAS, RIAC and Hertz have agreed on a full and final settlement as it relates to the audit.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby recommends that the President and CEO, or his designee, be authorized to execute the settlement agreement on the terms disclosed in Executive Session with the Hertz Corporation.**

**(f) Consideration of and Action Upon Authorization to Amend the Expressive Activity Policy.**

**WHEREAS, the Rhode Island Airport Corporation (“RIAC”) has an Expressive Activity Policy; and**

**WHEREAS, RIAC’s Expressive Activity Policy presently does not have any locations situated outside of the airport terminal designated for expressive activity; and**

**WHEREAS, it has been requested that RIAC amend its policy to add locations outside of the airport terminal; and**

**WHEREAS, RIAC Management has reviewed this request and recommends that the President and CEO be authorized to amend the Expressive Activity Policy solely to add outdoor location(s) as warranted based on factors of safety and security.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Board hereby recommends that the President and CEO, or his designee, be authorized to amend the existing Expressive Activity Policy to add appropriated outdoor location(s) for permitted expressive activities.**

**8 Executive Session:**

**(a) Discussion Related to Investment of Public Funds (Intermodal) – R.I.G.L. § 42-46-5(a)(7).**

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

**(c) Discussion Related to Personnel – R.I.G.L. § 42-46-5(a)(1).**

**At approximately 4:24 pm., a motion was made by Mr. Traficante and seconded by Mr. Sangster to go into Executive Session. Mr. Frazier noted that during Executive Session there would be a discussion of personnel and pursuant to R.I.G.L. § 42-46-5(a)(1) the affected employee was given advanced written notice that they may require the meeting to be held in Open Session. By the following vote, the motion was passed unanimously.**

**YEAS: James Rosati**

**James Forte**

**Joseph Cianciolo**

**Joseph Larisa**

**Robert Sangster**

**Dr. Kathleen Hittner**

**Michael Traficante**

**NAYS: None**

**At approximately 6:20 p.m., a motion was made by Mr. Larisa to reconvene to the Open Session. The motion was seconded by Mr. Traficante. The motion was passed unanimously.**

**During the Executive Session, a motion was made by Mr. Sangster and seconded by Mr. Larisa, amending the Executive Session items to include a Discussion of Safety and Security in accordance with R.I.G.L. § 42-46-5(a)(3). The motion was passed unanimously.**

**In Open Session a motion was made by Mr. Traficante and seconded by Mr. Sangster sealing the minutes of the Executive Session of the Board Meeting of December 21, 2005 in accordance with R.I.G.L. § 42-46-4 and § 42-45-5(2). The motion was passed unanimously.**

#### **9. Action Item:**

**(a) Consideration of and Action Upon Board and Committee Meeting Schedule for 2006.**

**A motion was made by Mr. Traficante and seconded by Mr. Larisa to approve the Board and Committee Meeting Schedule for 2006 in substantially the form presented to the Board. The motion was passed unanimously.**

#### **10. Future Meetings:**

**The next meeting will be held on Wednesday, January 25, 2006 at 4:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, 2000 Post Road, Warwick, Rhode Island.**

**11. Adjournment:**

**Mr. Traficante moved to adjourn at approximately 6:22 p.m. Mr. Larisa 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  
DECEMBER 21, 2005**

**NAME      AFFILIATION**

**Patti Goldstein    RIAC**

**Mel Einhorn      RIAC**

**Doug Dansereau   RIAC**

**Jason Doyle      RIAC**

**Keving Hopkins   RIAC**

**Ed Carter        RIAC**

**Liberty Luciano   RIAC**

**Steve Tibbetts    Landmark Aviation**

**Robert Goff      New England Parking**

**Tom Celona Thrifty**

**Meredith Holderbaum RI Senate Fiscal Office**

**The minutes of the Executive Session of the Board Meeting of December 21, 2005 have been sealed in accordance with R.I.G.L. § 42-46-4 and § 42-45-5(2).**