

**MINUTES OF MEETING**

**RHODE ISLAND AIRPORT CORPORATION**

**BOARD OF DIRECTORS**

**WEDNESDAY, NOVEMBER 15, 2006**

**4:00 P.M.**

**IN THE CONFERENCE ROOM, 2220 SOUTH COUNTY TRAIL**

**EAST GREENWICH, RHODE ISLAND**

**The meeting of the Rhode Island Airport Corporation (“Corporation”) Board of Directors was called to order by Chairman, James V. Rosati, at 4:00 p.m., in the Conference Room, at 2220 South County Trail, East Greenwich, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.**

**BOARD MEMBERS PRESENT: James Rosati; James Forte; Joseph Cianciolo; Kathleen Hittner, M.D; Michael Traficante.**

**BOARD MEMBERS ABSENT: Robert Sangster; Joe Larisa.**

**ALSO PRESENT: Mark P. Brewer, A.A.E., President and CEO; Brian Schattle, Senior Vice President of Finance and Administration/CFO; Marci A. 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. Forte and seconded by Mr. Traficante to approve the minutes of the Board Meeting of October 18, 2006 and the Special Board Meeting of November 2, 2006. The motion was passed unanimously.**

## **2. Open Forum:**

**Mr. Rosati asked if anyone present wanted to speak in Open Forum.**

**Ms. Jenna Carlin, UNITE Here Local 217, addressed the Board concerning the Request for Proposals (RFP) for Concessions at T. F. Green Airport. Ms. Carlin stated that Local 217 represents workers in the hospitality and tourism industry in New England and they had reached out to all of the concessionaires who had submitted a proposal in response to the RFP in an effort to develop a labor peace agreement to potentially avoid work stoppages and general disruption. Ms. Carlin reported that four concessionaires had not responded to their outreach effort.**

**Mr. William O’Gara, representing The Paradies Shops, one of the concessionaires who did not respond to the outreach effort, requested to address the Board on this issue. Mr. O’Gara stated that labor affiliation is not a decision that is made by The Paradies Shops. It is a matter that is left up to the discretion of the employees. He**

further noted that the issues of labor affiliation and a peace agreement are not addressed in the Request for Proposals that was released by RIAC, and he respectfully requested that it not be a consideration in the selection process. Mr. Rosati thanked Ms. Carlin and Mr. O’Gara for their comments.

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

Mr. Brewer reported that final passenger numbers for October had not been received but it is anticipated that the downward trend will continue with an approximate 9% decrease.

Mr. Brewer gave an update on the fuel farm project, indicating that there was a meeting on November 6, 2006 with the contractor, airlines, and Northstar and construction is slated to start later this month. There is an estimated four month completion schedule.

Mr. Brewer gave an update on the runway construction project at Block Island Airport indicating that the runway paving is complete but that the striping still needs to be completed. Estimated completion of the project is November 22, 2006. Mr. Brewer thanked everyone who was involved in this project.

Mr. Brewer reported that the press conference for the opening of the new lanes at the security checkpoint was well attended by the media

and it had provided an excellent forum for the TSA to outline the new requirements for carrying gels and liquids in carry on luggage.

Mr. Brewer reported that Mr. Bruce Wilde will join the Corporation as Director of Human Resources on December 11, 2006.

**(a) Presentation from Southwest Airlines.**

Mr. Brewer introduced Mr. Steve Sisneros, Manager – Properties, for Southwest Airlines who took the opportunity to express the importance of the joint working relationship between Southwest Airlines and RIAC. There was a brief overview of several of the key issues since Southwest started service at T. F. Green in 1996, and Mr. Sisneros thanked the key staff who have been working with Southwest on mutual issues.

**4. Operations and Capital Committee Report:**

There was no report.

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

Mr. Cianciolo reported that the Committee had met prior to the Board Meeting and that there were items on the consent agenda for approval by the Board. It was noted that copies of the new Internal Audit Charter will be provided to both RIAC employees and the

**Board.**

**A motion was made by Mr. Traficante and seconded by Dr. Hittner to approve the items on the consent agenda. The motion was passed unanimously.**

**Consent Agenda:**

**(a) Consideration of and Action Upon Internal Audit Charter.**

**WHEREAS, on July 1, 1997, a new audit function was created by the Rhode Island Airport Corporation (RIAC); and**

**WHEREAS, an Audit Charter was originally issued and has not been updated since inception; and**

**WHEREAS, the essence of the function, authority and responsibility is defined in an Audit Charter which was developed by RIAC; and**

**WHEREAS, there is a need to modify the charter based on changing**

**conditions.**

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

**That the Board hereby authorizes the President and CEO, or his designee, to approve the modified Audit Charter, in the form presented hereto.**

**(b) Consideration of and Action Upon Approval of the Consultant Task Order for the Development of the Request for Proposals (RFP) for Management and Operation of Parking Facilities at T. F. Green Airport.**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) Board of Directors approved the selection of Ricondo and Associates (Ricondo) as Airport Consultants at the December 2005 Board of Director's meeting; and**

**WHEREAS, RIAC entered into a Professional Services Agreement (PSA) with Ricondo to perform airport consulting services for RIAC including the completion of bond feasibility reports, PFC applications, parking analyses and various other reports and projects as required; and**

**WHEREAS, RIAC has received a scope and fee from Ricondo to provide consultant services associated with the development of a**

**Request for Proposals (RFP) for the management and operations of parking facilities at T. F. Green and related documents in the amount of \$97,462 and is currently conducting negotiations; and**

**WHEREAS, RIAC has a fiscal year budget, which provides funding for these services through its Operating and Maintenance (O & M) budget.**

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

**That the Board hereby authorizes the President and CEO, or his designee, to execute a Task Order with Ricondo and Associates to provide consultant services associated with the development of a Request for Proposals for the management and operations of parking facilities at T. F. Green Airport in an amount not-to-exceed \$97,462.**

**6. Compensation Committee Report:**

**There was no meeting.**

**7. Action Item:**

**(a) Consideration of and Action Upon Approval to Enter into a Letter of Intent (LOI) for CM Services for the Intermodal Project.**

**Mr. Delsesto, Gilbane Building Company, explained the process which will be used for management of the project indicating that the LOI will allow Gilbane to commence with the initial tasks required to maintain the project schedule. It is anticipated that Construction Management contract negotiations will be completed and approved by the Federal Highway Administration and the RI Department of Transportation and presented to the Board within ninety days.**

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

**WHEREAS, the Rhode Island Airport Corporation (RIAC) has a CIP Project to construct an Intermodal Facility; and**

**WHEREAS, on October 18, 2006, the Board approved the Selection of Gilbane Building Company (Gilbane) to perform construction management services; and**

**WHEREAS, while negotiations are being conducted for these services, it is necessary to enter into a Letter of Intent (LOI) with Gilbane to perform preconstruction services in order to maintain the project schedule; and**

**WHEREAS, RIAC staff has received a scope and fee from Gilbane in the amount of \$764,989 to perform preconstruction services for a ninety day time period and are currently conducting negotiations; and**

**WHEREAS, services performed under this LOI will be invoiced on a time and materials basis; and**

**WHEREAS, it is anticipated the Construction Management Contract will be completed and approved by the Federal Highway Administration (FHWA) and Rhode Island Department of Transportation (RIDOT) and presented to the RIAC Board for approval within the ninety days; and**

**WHEREAS, the LOI will be superseded by the execution of the Construction Management Contract.**

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

**That the Board hereby authorizes the President and CEO, or his designee, to negotiate and enter into a ninety day Letter of Intent with Gilbane to perform preconstruction services for the Warwick Intermodal Project in an amount not-to-exceed \$764,989, subject to the consent of FHWA and RIDOT.**

**The motion was passed unanimously.**

**(b) Consideration of and Action Upon Supplemental Agreement to the Rhode Island Air National Guard Facilities at Quonset State Airport.**

**Mr. Frazier gave an overview of the lease agreement. The recommendation is that the Board authorize the President and CEO, or his designee, to execute the Supplemental Lease Amendment Documents as prepared by the Department of the Army with review by legal counsel.**

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

**WHEREAS, the Rhode Island Port Authority and Economic Development Corporation (RIEDC), the Rhode Island Department of Transportation (RIDOT) and the United States Government's General Services Administration (GSA) entered into the Quonset State Airport Deed and the Quonset Access and Services Agreement; and**

**WHEREAS, said agreements contain conditions and restrictions which mandate that certain parcels of the Quonset State Airport be made available for use by the Department of Defense for the purpose of providing Air National Guard facilities; and**

**WHEREAS, the Rhode Island Airport Corporation (RIAC), as Lessee of the Quonset State Airport, has assumed the pre-existing lease agreement and associated deed restrictions with respect to the Rhode Island Air National Guard facilities at Quonset State Airport; and**

**WHEREAS, the United States Government, through the Department of the Army, is requesting a term extension from December 30, 2031 to December 30, 2050 (nineteen years) so that they can show continued site control, a requirement for obtaining the federal funding, needed for major improvements to the Rhode Island Air National Guard facilities at Quonset State Airport; and**

**WHEREAS, the United States Government, through the Department of the Army is also requesting other minor housekeeping modifications to the lease; and**

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

**That the Board authorizes the President and CEO, or his designee, to execute the Supplemental Lease Amendment Documents as prepared by the Department of the Army with review by legal counsel.**

**The motion was passed unanimously.**

**A motion was made by Mr. Cianciolo and seconded by Mr. Traficante to add the following item to the agenda for discussion purposes only.**

**The motion was passed unanimously.**

**(c) Discussion of Off-Airport Parking Agreements.**

**There was discussion of the off-airport parking permit agreements and it was noted that new agreements will take effect on January 1, 2007 which will increase the airport access fee to 8% of gross revenues from parking customers. There will be a subsequent increase to 10% effective January 1, 2008.**

**. 8. Executive Session:**

**(a) Discussion Related to Collective Bargaining – R.I.G.L. § 42-46-5(a)(2).**

**(b) Discussion Related to Potential (GA Airport Tenant) and Pending (Parking, Coleman, Police Schedule and RIPDES) Litigation - R.I.G.L. § 42-46-5(a)(2).**

**At approximately 4:50 p.m., a motion was made by Mr. Forte and seconded by Mr. Cianciolo to go into Executive Session. By the following vote the motion was passed unanimously.**

**YEAS: James Rosati**

**James Forte**

**Joseph Cianciolo**

**Kathleen Hittner, M.D.**

**Michael Traficante**

**NAYS: None**

**ABSTAIN: None**

**At approximately 6:03 p.m., a motion was made by Mr. Forte and seconded by Mr. Cianciolo to reconvene to the Open Session. The motion was passed unanimously.**

**9. Future Meetings:**

**The next meeting will be held on Wednesday, December 20, 2006, at 4:00 p.m., in the Conference Room at 2220 South County Trail, East Greenwich, Rhode Island.**

**Respectfully submitted,**

**James V. Rosati, Chairman**

**Rhode Island Airport Corporation**

**ATTENDANCE SHEET**

**RHODE ISLAND AIRPORT CORPORATION**

**BOARD OF DIRECTORS MEETING**

**NOVEMBER 15, 2006**

**NAME      AFFILIATION**

**Patti Goldstein    RIAC**

**Doug Dansereau    RIAC**

**Brenda Pope        RIAC**

**Jason Doyle        RIAC**

**Billy Cox            RIAC**

**Laurie Sirois        RIAC**

**John Van Woensel   CH2M Hill**

**Lori Caron Silveira   Tillinghast Licht**

**Steve Tibbetts      Landmark Aviation**

**Lou Delsesto        Gilbane**

**Mike Kennedy        Gilbane**

**Meredith Holderbaum State Fiscal Office**

**Jenna Karlin UNITE Here Local 217**

**Lise Cresswell Paradies Shops**

**Wendy Hennessey Paradies Shops**

**Kathy Branting Paradies Shops**

**Claire LaChapelle Paradies Shops**

**Robert Goff The Parking Company**

**William O’Gara Pannone, Lopes and Devereaux**

**Steve Sisneros Southwest Airlines**

**MINUTES OF THE EXECUTIVE SESSION  
OF THE RHODE ISLAND AIRPORT CORPORATION  
BOARD OF DIRECTORS MEETING ON NOVEMBER 15, 2006**

**1. At approximately 4:50 p.m., a motion was made by Mr. Forte and**

**seconded by Mr. Cianciolo to go into Executive Session. The motion was passed unanimously.**

**2. Board Members and Corporation Personnel discussed the negotiations for the collective bargaining agreement.**

**3. Mr. Frazier gave an overview of potential litigation including a tenant issue at North Central Airport.**

**4. Mr. Frazier gave an update on pending litigation concerning police scheduling and parking.**

**Mr. Traficante left the meeting at 5:45 p.m.**

**5. Mr. Frazier gave an update on pending litigation specifically in relation to RIPDES and the Coleman case.**

**At approximately 6:03 p.m., a motion was made by Mr. Forte and seconded by Mr. Cianciolo to reconvene to the Open Session. By the following vote the motion was passed unanimously.**

**YEAS: James Rosati**

**James Forte**

**Joseph Cianciolo**

**Kathleen Hittner, M.D.**

**NAYS: None**

**ABSTAIN: None**

**Respectfully submitted,**

**James V. Rosati, Chairman  
Rhode Island Airport Corporation**