

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

WEDNESDAY, JUNE 18, 2008

4:00 P.M.

IN THE MARY BRENNAN BOARD ROOM

2000 POST ROAD

WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (“Corporation”) Board of Directors was called to order by Chair, Kathleen C. Hittner, M.D., at 4:07 p.m., in the Mary Brennan Board Room at 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

BOARD MEMBERS PRESENT: Kathleen Hittner, M.D; James C. Forte; Joseph Cianciolo; Robert D. Sangster; Russell Hahn.

BOARD MEMBERS ABSENT: Michael Traficante; Joseph Larisa.

ALSO PRESENT: Kevin A. Dillon, A.A.E., President and CEO, 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. Hahn and seconded by Mr. Forte to approve the minutes of the Board Meeting of May 21, 2008, as amended. The motion was passed unanimously.

2. Open Forum:

Dr. Hittner asked if anyone present wanted to speak in Open Forum. No one came forward.

3. Report from Chair, Board of Directors:

There was no formal report. Dr. Hittner reported, however, that items 6 (a) Discussion Regarding the Intermodal Project Construction Contracts and 7 (b) Consideration of and Action Upon Approval of Additional Task Order for Runway Analysis, had been removed from the agenda for the meeting.

4. Report from President and CEO:

Mr. Dillon reported that passenger numbers for the month of May were down 3.30% and 1.62% year to date. This decline is being felt at airports nationwide. The focus continues to be on air service marketing efforts. Mr. Dillon reported that he has been asked by the American Association of Airport Executives (AAAE) to sit on a national task force to address issues facing the industry as energy costs continue to rise.

Mr. Dillon invited Mr. Schattle to give a status report on the recent bond sale. Mr. Schattle gave an overview and reported that the net present value savings of the refunding was 3.3%.

Mr. Dillon reported that he is continuing to accept speaking engagements in the business community, and is welcoming the opportunity to talk to people about the airport and the aviation industry.

Mr. Dillon gave a brief overview of the recent Joint TSA/RIAC tabletop exercise.

5. Legislative Report:

Ms. Goldstein gave an overview of legislation.

6. Action Item:

(a) Consideration of and Action Upon Approval to Negotiate and Enter into a Development Agreement with the Quonset Development Corporation and Atlantic Ethanol, Inc.

Mr. Dillon gave an overview of the agreement. The recommendation is that the Board authorize the President and CEO, or his designee, to negotiate and execute a Development Agreement and other

agreement related thereto with the Quonset Development Corporation and Atlantic Ethanol, Inc., substantially in accordance with information presented to the Board, for the development by Atlantic Ethanol Inc., of 25 +/- acres of Quonset District Industrial Area, including 2.6 +/- acres of Quonset State Airport.

A motion was made by Mr. Schattle and seconded by Mr. Hahn to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation (RIAC) staff, the Quonset Development Corporation (QDC) and Atlantic Ethanol, Inc. (Atlantic Ethanol) have determined the need to enter into a Development Agreement regarding the leasing and development by Atlantic Ethanol of 25 +/- acres of Quonset District Industrial Area; and

WHEREAS, this site will be used for the construction and operation of a 60 million gallon per year ethanol plant; and

WHEREAS, Airport Property, currently being considered for this Development Agreement, is 2.6 +/- acres of Quonset State Airport currently classified as non-aviation use; and

WHEREAS, the resolution voted and approved by the QDC, along with other summary and background information presented to the QDC Board, has been attached to this resolution; and

WHEREAS, the QDC, as a management agent for RIAC, will lease to Atlantic Ethanol the 2.6 +/- parcel; and

WHEREAS, the term for the RIAC parcel will be the maximum period of time as permitted by the existing RIAC lease with the Rhode Island Department of Transportation not to exceed forty years; and

WHEREAS, the rent will be based on \$20,000 per acre escalated at an average of 3% per annum.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to negotiate and execute a Development Agreement and other agreement related thereto with the Quonset Development Corporation and Atlantic Ethanol, Inc., substantially in accordance with the information presented to the Committee for the development by Atlantic Ethanol Inc. of 25 +/- acres of Quonset District Industrial Area, including 2.6 +/- acres of Quonset State Airport.

The motion was passed unanimously.

7. Human Resources Report:

Consent Agenda:

Mr. Sangster reported that there was one item on the consent agenda for approval by the Board. It was noted that item (b) Consideration of and Action Upon Analysis of Corporate Achievements was deferred at the Committee Meeting, and therefore was removed from the consent agenda.

(a) Consideration of and Action Upon Compensation and Classification Report .

A motion was made by Mr. Forte and seconded by Mr. Hahn to approve the Compensation and Classification Report in substantially the form presented to the Board. The motion was passed unanimously.

8. Executive Session:

(a) Investment of Public Funds Where Premature Disclosure Would Be Detrimental to the Public Interest (Intermodal Contract Negotiations and Air Service Development) – R.I.G.L. § 42-46-5(a)(7).

(b) Discussion Related to One Non-Public Potential Litigation Matter - R.I.G.L. § 42-46-5(a)(2).

(c) Discussions Related to Acquisition of Real Property for Public Purposes (EIS) - R.I.G.L. § 42-46-5(a)(5).

(d) Discussions Related to Personnel (Job Performance) – R.I.G.L. § 42-46-5(a)(1).

(e) Working Session Regarding Collective Bargaining Issues - R.I.G.L. § 42-46-5(a)(2).

At approximately 4:20 p.m., a motion was made by Mr. Hahn and seconded by Mr. Sangster to go into Executive Session. By the following roll call vote the motion was passed unanimously.

YEAS: Kathleen Hittner, M.D.

James Forte

Joseph Cianciolo

Robert D. Sangster

Russell Hahn

NAYS: None

ABSTAIN: None

9. Reconvene to Open Session and Announcements:

At approximately 5:00 p.m., a motion was made by Mr. Hahn and seconded by Mr. Sangster to reconvene to the Open Session. The motion was passed unanimously.

A motion was made by Mr. Hahn and seconded by Mr. Forte to seal the minutes of the Executive Session in accordance with R.I.G.L. § 42-46-4. By the following roll call vote the motion was passed unanimously:

YEAS: Kathleen Hittner, M.D.

James Forte

Joseph Cianciolo

Robert D. Sangster

Russell Hahn

NAYS: None

ABSTAIN: None

10. Action Item:

(a) Consideration of and Action Upon the Intermodal Construction Contracts.

This item was deferred.

11. Future Meetings:

There will be a Special Board Meeting on Monday, June 30, 2008 at 10:00 am in the Mary Brennan Board Room at 2000 Post Road, Warwick, Rhode Island.

The date of the next regular Board Meeting will be announced.

12. Adjournment:

Mr. Sangster moved to adjourn the meeting at 5:05 p.m. Mr. Hahn seconded the motion. The motion was passed unanimously.

Respectfully submitted,

Kathleen C. Hittner, M.D. Chair

Rhode Island Airport Corporation

ATTENDANCE SHEET

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS MEETING

JUNE 18, 2008

NAME AFFILIATION

Brian Schattle RIAC

Ann Clarke RIAC

Bruce Wilde RIAC

Patti Goldstein RIAC

Alan Andrade RIAC

Joe DaSilva RIAC

Phillip Robertson The Mercer Group

Jason LaForge JH Lynch and Sons

Steven King Quonset Development Corporation

Heidi Green Quonset Development Corporation

Suzanne Courtemanche VHB

Herbert Sirois Atlantic Ethanol

Michael Zarum Citizen

The minutes of the Executive Session of the Board Meeting of June 18, 2008 have been sealed in accordance with R.I.G.L. § 42-46-4.