

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

WEDNESDAY, SEPTEMBER 22, 2010, AT 10:00 AM

IN THE MARY BRENNAN BOARD ROOM

T. F. GREEN AIRPORT

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 10:02 a.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 C. Hittner, M.D; Joseph M. Cianciolo; Russell W. Hahn; Joseph S. Larisa (arrived at 10:08 am); Robert D. Sangster; Michael A. Traficante.

BOARD MEMBERS ABSENT: Deborah Thomas.

ALSO PRESENT: Kevin A. Dillon, A.A.E., President and CEO; and those members listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Mr. Cianciolo and seconded by Mr. Traficante

to approve the minutes of the Board Meeting of August 10, 2010 and the minutes of the Special Board Meeting of September 8, 2010. The motion was passed unanimously.

2. Open Forum:

Dr. Hittner asked if anyone present wanted to speak in Open Forum. Mr. Richard Langseth, representing the Greenwich Bay Watershed Group, addressed his concerns in regards to the Corporation's finances, specifically its assets. He also discussed the Intermodal project and specifically his concerns related to the train schedule, and the proposed financing for the train service. Dr. Hittner thanked Mr. Langseth for his comments.

Ms. Roxana Rivera, Commercial Director for SEIU Local 615, addressed the Board on behalf of the janitorial staff who work for UNICCO, the Corporation's current janitorial contractor. Ms. Rivera noted that the current contract with UNICCO expires on October 1, 2010, and the Corporation recently issued an RFP for a new janitorial contract. Ms. Rivera requested that the Corporation choose a responsible contractor who will uphold the workplace standards currently in place, will continue to recognize SEIU Local 615 as the bargaining representative of the contracted janitors at T. F. Green Airport, and negotiate in good faith a new collective bargaining agreement with the subcontracted janitors. Ms. Celeste Ramos who currently works for UNICCO, addressed the Board on behalf of the

current staff, and addressed their concerns which focused on maintaining affordable health care and retaining modest wage increases. Dr. Hittner thanked Ms. Rivera and Ms. Ramos for their comments.

3. Report from President and CEO:

Mr. Dillon reported that passenger traffic for the month of August fell 7.8% on approximately 3% less capacity. The year to date loss fell from 12.78% to 12.10% which is the smallest drop in traffic this year.

Mr. Dillon reported that he and management from Manchester-Boston Airport had recently met with representatives from Southwest Airlines to address fare parity issues for the New England airports. Mr. Dillon noted that Southwest has agreed to the concept of standardizing fares for the three regional airports they serve: Providence, Boston Logan and Manchester-Boston.

Mr. Dillon gave an update on the operations at the General Aviation airports noting that operations and fuel sales were showing positive growth.

Mr. Dillon reported that the Annual Aviation Expo is scheduled for October 6, 2010. Invitations to attend have been extended to schools in Warwick and Cranston.

Mr. Dillon reported that the MS Jet Pull is scheduled for October 23, 2010.

Mr. Dillon reported that the Greater Providence Chamber of Commerce held a press conference at the airport on August 17, 2010, in advance of the public hearing on the Draft EIS, to show support for the EIS project. Mr. Dillon reported that the event was well attended by the business community.

Mr. Dillon reported that the North Central Local Advisory Committee Meeting was held on September 8, 2010 to discuss the environmental assessment.

Mr. Dillon reported that the tri-annual emergency exercise was held on September 18, 2010. The exercise which was a collaboration between the airport and local emergency response agencies was a success.

Mr. Dillon gave an update on the EIS, reporting that the public meeting was held on August 17, 2010. The comment period ended on September 15, 2010 and comments are now being assembled. Mr. Dillon reported that the Record of Decision is anticipated in Spring 2011.

Mr. Dillon gave an overview of the Intermodal Project, reporting that construction of the InterLink is substantially complete, with the focus

now on punch list items. Mr. Dillon noted that the opening date for the rental car operations is now October 27, 2010. Mr. Dillon reported that discussions are still ongoing with RIDOT on initiation of rail service.

Mr. Dillon reported that the Corporation is focusing on its Winter Operations Plan.

Dr. Hittner asked Mr. Dillon for an update on the recent issue with a laser being pointed at an incoming aircraft to T. F. Green Airport. Mr. Dillon reported that there was an investigation conducted by several law enforcement agencies and the TSA and an arrest had been made in connection with this case. Mr. Dillon reported that a press conference had been scheduled for Thursday, September 23, 2010 where details of the case would be released.

Mr. Dillon gave an update on the Airline Lease Agreement noting that all airlines with the exception of two, had signed the new signatory lease. The two outstanding agreements were at the corporate offices and would be executed in the next week or two.

Mr. Hahn asked for an update, and any potential impacts to the airport, of the United/Continental merger. Mr. Dillon reported that it was too early to anticipate all the impacts but that it was likely that there would be some impact to current space allocation.

Mr. Dillon reported that due to the resignation of Mr. Forte, and the assignment of Ms. Thomas to the Board there is a need to rebalance the committee structure. Mr. Dillon reported that he had met with Dr. Hittner on this issue and he presented the new proposed committee structure.

Operations and Capital Committee

Joseph M. Cianciolo Chair

Robert D. Sangster

Michael A. Traficante

Alternates: Dr. Kathleen C. Hittner and Deborah M. Thomas

Finance and Audit Committee

Russell W. Hahn Chair

Joseph S. Larisa

Deborah M. Thomas

Alternates: Dr. Kathleen C. Hittner and Joseph M. Cianciolo

Human Resources Committee

Robert D. Sangster Chair

Michael A. Traficante

Russell W. Hahn

Alternates: Dr. Kathleen C. Hittner and Joseph M. Cianciolo

Pension Committee

Dr. Kathleen C. Hittner Chair

Kevin A. Dillon President and CEO

Joseph Marcello Representing Local 2873

Alternate: Joseph S. Larisa

4. Action Items:

(a) Consideration of and Action Upon Approval of an Agreement for the Installation of Closed Circuit Video Cameras at T. F. Green Airport.

Mr. Dillon gave an overview of the project. Discussion focused on how the cameras would be used. The recommendation is that the Board authorize the President and CEO, or his designee, to enter into an Agreement with Siemens Industry Incorporated to provide closed circuit video cameras at T. F. Green Airport.

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

WHEREAS, the Closed Circuit Video Cameras Expansion project is included in the Rhode Island Airport Corporation's (RIAC) Fiscal Year 2011 Capital Improvement Program in the amount of \$3,255,162 funded 100% by the Transportation Security Administration (TSA); and

WHEREAS, Siemens Industry Incorporated (Siemens) is an approved vendor in the U. S. General Services Administration (GSA) and eligible to provide both security and information technology services; and

WHEREAS, the TSA has approved the use of Siemens for this project, and

WHEREAS, RIAC staff is currently negotiating the scope and fee for this project; and

WHEREAS, this Agreement will be funded 100% by the TSA.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to enter into an Agreement with Siemens Industry Incorporated to provide closed circuit video cameras at T. F. Green Airport in an amount not to exceed \$3,255,162.

The motion was passed unanimously.

(b) Consideration of and Action Upon Approval of an Agreement for Janitorial Services at T. F. Green Airport.

Mr. Dillon gave an overview of the proposed Agreement and the services included in the contract. There was detailed discussion of the provisions of the contract, and specifically the issues which had been raised earlier in the meeting by SEIU. The recommendation is that the Board authorize the President and CEO, or his designee, to execute a three-year Agreement with ISS Facility Services to provide Janitorial Services at T. F. Green Airport.

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

WHEREAS, RIAC issued a Request for Proposals (RFP) in July 2010 for Janitorial Services for the Bruce Sundlun Terminal Building, InterLink Facility and outlying buildings at T. F. Green Airport pursuant to RIAC Procurement Rules; and

WHEREAS, RIAC received five proposals on August 16, 2010, in response to this RFP; and

WHEREAS, the Selection Committee comprised of Bruce Wilde, Vice

President of Terminal and Landside Services; Jose DaSilva, Assistant Vice President of Building Maintenance and Billy Cox, Manager of Business Administration reviewed and evaluated the proposals; and

WHEREAS, based on the evaluations, the Selection Committee interviewed three of the firms and unanimously recommends the firm of ISS Facility Services to perform these services; and

WHEREAS, the approved Fiscal Year 2011 Operating and Maintenance budget includes \$1,818,800 for Janitorial Services.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board approve the attached resolution authorizing the President and CEO, or his designee, to execute a three-year Agreement with ISS Facility Services to provide janitorial services at T. F. Green Airport in an amount of \$5,372,491, with two additional one year terms at the discretion of RIAC.

The motion was passed unanimously.

(c) Consideration of and Action Upon Approval of a Change Order to the Professional Services Agreement for the Environmental Impact Statement at T. F. Green Airport.

Mr. Dillon gave an overview of the Agreement. There was discussion

of the timeframe for completion of the EIS and the final costs for the services of VHB. The recommendation is that the Board authorize the President and CEO, or his designee, to execute a Change Order with Vanasse Hangen Brustlin, Inc., to perform tasks associated with the Final Environmental Impact Statement for T. F. Green Airport, subject to Federal Aviation Administration approval.

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

WHEREAS, the Rhode Island Airport Corporation (RIAC) has entered into a Professional Services Agreement (PSA) with Vanasse Hangen Brustlin, Inc. (VHB) for the preparation of the Environmental Impact Statement (EIS) at T. F. Green Airport; and

WHEREAS, the Federal Aviation Administration (FAA) and RIAC have identified early tasks associated with the Final Environmental Impact Statement (FEIS) that may be completed to expedite the schedule; and

WHEREAS, RIAC staff and the FAA have negotiated a Scope and Fee with VHB in an amount not to exceed \$251,925 to perform these tasks; and

WHEREAS, the approved Fiscal Year 2011 Capital Improvement Program (CIP) budget for this project is \$4.8 million; and

WHEREAS, this Change Order will be funded 75% (\$188,944) through the Federal Aviation Administration's Airport Improvement Program with RIAC's 25% (\$62,981) matching share through Passenger Facility Charges.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Change Order with Vanasse Hangen Brustlin, Inc. to perform tasks associated with the Final Environmental Impact Statement for T. F. Green Airport in an amount not to exceed \$251,925, subject to Federal Aviation Administration approval.

The motion was passed unanimously.

(d) Consideration of and Action Upon Approval of an Amendment to the Agreement for Construction Phase Engineering and Architectural Services AND Consideration of and Action Upon Approval of a Change Order for the Guaranteed Maximum Price Agreement Associated with the InterLink Facility at T. F. Green Airport.

Mr. Dillon gave an overview of both items. The recommendation is that the Board authorize the President and CEO, or his designee, to execute an Amendment to the Construction Phase Engineering and Architectural Services Agreement with Jacobs Engineering Group,

Inc., to provide Additional Construction Administration Services and Miscellaneous Design Related Tasks for the InterLink project at T. F. Green Airport, and execute a Change Order to the Guaranteed Maximum Price Agreement with Gilbane Building Company to (a) install a new traffic signal at the intersection of Jefferson Boulevard and the exit of the InterLink and (b) install fencing on top of the precast barriers between the public and rental car areas.

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

WHEREAS, the Rhode Island Department of Transportation (RIDOT) procured the services of Jacobs Engineering Group, Inc. (Jacobs), formerly Edwards and Kelcey, to provide Design and Construction Phase Services related to the InterLink Facility; and

WHEREAS, on September 26, 2008, the Board of Directors authorized RIAC to enter into a Construction Administration Agreement with Jacobs to provide construction phase activities; and

WHEREAS, there is a need for Jacobs to perform additional Construction Administration Services and Miscellaneous Design Related Tasks; and

WHEREAS, Jacobs has provided RIAC staff a Scope and Fee in the amount of \$503,941 to perform these additional tasks and is currently

conducting negotiations; and

WHEREAS, on July 28, 2008, the Board of Directors authorized RIAC to enter into a Guaranteed Maximum Price (GMP) agreement with Gilbane Building Company (Gilbane) for the construction of the InterLink Facility; and

WHEREAS, RIAC intends to amend the GMP Contract with Gilbane for the installation of a new traffic signal at the intersection of Jefferson Boulevard and the exit of the InterLink, and for the installation of fencing on top of precast barriers between the public and rental car areas; and

WHEREAS, Gilbane has provided a Scope and Fee in an amount of \$175,329 for the traffic signal work and \$131,721 for the fencing work; and

WHEREAS, the work performed by Jacobs and Gilbane authorized by this resolution will be funded with InterLink Project funds; and

WHEREAS, the final Scope and Fee negotiated with Jacobs and Gilbane for work authorized by this resolution will be subject to Rhode Island Department of Transportation and Federal Highway Administration approvals.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

(1) That the Board authorizes the President and CEO, or his designee, to execute an Amendment to the Construction Phase Engineering and Architectural Services Agreement with Jacobs Engineering Group, Inc. to provide additional construction administration services and miscellaneous design related tasks for the InterLink Project at T. F. Green Airport in an amount not to exceed \$503,941, subject to Rhode Island Department of Transportation and Federal Highway Administration approval; and

(2) That the Board authorizes the President and CEO, or his designee, to execute a Change Order to the Guaranteed Maximum Price Agreement with Gilbane Building Company to (a) install a new traffic signal at the intersection of Jefferson Boulevard and the exit of the InterLink; and (b) install fencing on top of the precast barriers between the public and rental car areas in an amount not to exceed \$307,050, subject to Rhode Island Department of Transportation and Federal Highway Administration approval.

The motion was passed unanimously.

5. Finance and Audit Committee Report:

Mr. Hahn reported that the Committee had met prior to the Board Meeting and had reviewed the Audit Program and the draft Audited Financial Statements and related reports.

Mr. Hahn reported that there was one item on the Consent Agenda for consideration by the Board.

Consent Item:

(a) Consideration of and Action Upon Draft Fiscal Year 2010 Audited Financial Statements and Related Reports.

A motion was made by Mr. Cianciolo and seconded by Mr. Hahn to approve the Draft Fiscal Year 2010 Audited Financial Statements, Federal Financial and Compliance Report, and Passenger Facility Charge Program Report, substantially in the form presented to the Board.

The motion was passed unanimously.

6. Executive Session:

At approximately 10:39 a.m., a motion was made by Mr. Hahn and seconded by Mr. Traficante to go into Executive Session for the purposes of discussing the following items:

(a) Motion to Approve the Minutes of the Executive Sessions Held on July 21, 2010, August 10, 2010 and September 8, 2010 – R.I.G.L. § 42-46-5(a)(1), (2), and (5); and

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

(c) Discussion Related to the Acquisition of Real Property for Public Purposes at T. F. Green Airport - R.I.G.L. § 42-46-5(a)(5); and

(d) Working Session Related to Collective Bargaining - R.I.G.L. § 42-46-5(a)(2); and

(e) Discussion Related to Personnel (Job Performance) - R.I.G.L. § 42-46-5(a)(1); and

(f) Motion to Return to Open Session.

It was noted for the record that in relation to item (e) Discussion Related to Personnel (Job Performance), the affected individual had been notified in writing that the Board intended to convene in Executive Session in order to discuss their job performance, and the individual declined to have the discussion take place in Open Session.

By the following roll call vote the motion was passed unanimously.

YEAS: Kathleen C. Hittner, M.D.

Joseph M. Cianciolo

Russell W. Hahn

Joseph S. Larisa

Robert D. Sangster

Michael Traficante

NAYS: None

ABSTAIN: None

At approximately 11:30 a.m., a motion was made by Mr. Hahn and seconded by Mr. Larisa to reconvene to the Open Session. The motion was passed unanimously.

7. Post Executive Session Actions and Announcements:

(a) Motion to Seal the Minutes of the Executive Session Held on September 22, 2010.

A motion was made by Mr. Hahn and seconded by Mr. Traficante 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 C. Hittner, M.D.

Joseph M. Cianciolo

Russell W. Hahn

Joseph S. Larisa

Robert D. Sangster

Michael Traficante

NAYS: None

ABSTAIN: None

(b) Report on Actions Taken During Executive Session:

During the Executive Session a motion was made to approve the sealed minutes of the Executive Sessions held on July 21, 2010, August 10, 2010 and September 8, 2010. The motion was passed unanimously.

8. Action Item:

(a) Consideration of and Action Upon Contract Extension for President and CEO.

A motion was made by Mr. Cianciolo and seconded by Mr. Traficante authorizing the Board Chair to negotiate and execute the contract renewal with RIAC's President and CEO in substantially the same terms as his existing contract and which ensures the maximum term of contract permitted by law and with an effective date commencing January 1, 2011.

The motion was passed unanimously.

9. Future Meetings:

The next meeting is scheduled for Wednesday, October 20, 2010 at 4:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, 2000 Post Road, Warwick, Rhode Island.

10. Adjournment:

Mr. Sangster moved to adjourn at approximately 11:35 am. Mr. Cianciolo seconded the motion. The motion was passed unanimously.

Respectfully submitted,

**Kathleen C. Hittner, M.D., Chair
Rhode Island Airport Corporation**

**PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
ON WEDNESDAY, SEPTEMBER 22, 2010**

NAME AFFILIATION

Brian Schattle RIAC

Peter Frazier RIAC

Ann Clarke RIAC

Bruce Wilde RIAC

Sherri-Ann Penta RIAC

Robert Goff New England Parking

Val Mendonca HNTB

Paul Parker Providence Journal

Richard Langseth Greenwich Bay Watershed

Marcos Valintin WPRI

John Ash Citizen

Roxana Rivera SEIU, Local 615

Christina Pichardo UNICCO

Maria Correa UNICCO

Florentino Varda UNICCO

Ruperto Sornoza UNICCO

Romulo Olivios UNICCO

Angel Silviero UNICCO

Joselyn Silviero UNICCO

Jaime Gutierrez UNICCO

Billy Ashley UNICCO

Romel Almonte UNICCO

Celeste Ramos UNICCO

Angela Navarette UNICCO

Maria Cole UNICCO

Ignacio Figueroa UNICCO

Amarilis Rodriguez SEIU, Local 615

Ralson Hibbert UNICCO

The minutes of the Executive Session of the Board Meeting of September 22, 2010, have been sealed in accordance with R.I.G.L. § 42-46-4.