

**MINUTES OF SPECIAL MEETING
RHODE ISLAND AIRPORT CORPORATION
BOARD OF DIRECTORS
MONDAY, NOVEMBER 29, 2010, AT 4:00 PM
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 4:00 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 C. Hittner, M.D; Joseph M. Cianciolo; Robert D. Sangster; Deborah M. Thomas; Joseph S. Larisa (arrived at 4:15 p.m.)

BOARD MEMBERS ABSENT: Russell W. Hahn; Michael A. Traficante.

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

1. Open Forum:

Dr. Hittner asked if anyone present wanted to speak in Open Forum.

Mr. Richard Langseth representing the Greenwich Bay Watershed Group, reported that he had written a letter to RIAC addressing his concerns with one of the items scheduled in Executive Session at the current Board Meeting. Mr. Langseth's comments focused specifically on the issue of corporate/cargo development at the airport, and whether this item was appropriate to be discussed in Executive Session. Mr. Langseth urged the Board to meet in Public Session on this issue. Dr. Hittner thanked Mr. Langseth for his comments.

2. Executive Session:

At approximately 4:05 p.m., a motion was made by Ms. Thomas and seconded by Mr. Sangster to go into Executive Session for the purposes of discussing the following items:

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

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

(c) Investment of Public Funds Where Premature Disclosure Would be Detrimental to the Public Interest (Corporate/Cargo Development) - R.I.G.L. § 42-46-5(a)(7); and

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

(e) Motion to Return to Open Session.

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

YEAS: Kathleen C. Hittner, M.D.

Joseph M. Cianciolo

Robert D. Sangster

Deborah M. Thomas

NAYS: None

ABSTAIN: None

At approximately 4:55 p.m., a motion was made by Mr. Cianciolo and seconded by Mr. Sangster to reconvene to the Open Session. The motion was passed unanimously.

4. Post Executive Session Actions and Announcements:

(a) Motion to Seal the Minutes of the Executive Session Held on November 29, 2010.

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

Joseph S. Larisa

Robert D. Sangster

Deborah M. Thomas

NAYS: None

ABSTAIN: None

(b) Report on Actions Taken During Executive Session:

There were no actions taken during the Executive Session.

5. Action Items:

(a) Consideration of and Action Upon Ratification of the July 1, 2010 through June 30, 2013 Collective Bargaining Agreement.

A motion was made by Mr. Cianciolo and seconded by Mr. Sangster authorizing RIAC's President and CEO to execute a new Collective Bargaining Agreement with Rhode Island Council 94 with terms substantially in the form presented to the Board. The motion was

passed unanimously.

(b) Consideration of and Action Upon Approval of a Lease Agreement for Use of a Hangar at Quonset State Airport.

Mr. Dillon gave an overview of the Agreement noting that the company, Fund Management Inc., (FMI), has agreed to lease a non-exclusive portion of the hangar for the storage of an aircraft and up to two vehicles while the aircraft is not in the hangar, lease a 476 square foot area for office space and storage, and purchase a minimum of 75,000 gallons of fuel based on the fuel premium established in the lease agreement. Mr. Dillon reported that under the Agreement, FMI has the right to terminate the agreement upon 90 days written notice if the State of Rhode Island passes legislation that imposes or significantly increases sales tax on aviation use/storage, or if RIAC and FMI execute a written agreement to develop a hangar at any RIAC location. It was noted that FMI currently has a lease agreement with RIAC for another parcel on the north ramp at T. F. Green Airport. Mr. Dillon reported that the recommendation is that the Board authorize the President and CEO, or his designee, to execute a Lease Agreement with FMI in substantially the form presented to the Board.

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

WHEREAS, the Rhode Island Airport Corporation (RIAC) and Fund Management, Inc., (FMI), a related entity of Providence Equity Partners, have been in discussions with respect to a lease for certain portions of the hangar at Quonset State Airport; and

WHEREAS, FMI and RIAC currently have a lease agreement for another parcel on the North Ramp at T. F. Green Airport; and

WHEREAS, FMI has agreed to: (1) lease a non-exclusive portion of the Hangar for the storage of an aircraft and up to two vehicles while the aircraft is not in the Hangar; (2) lease a 476 square foot area for office space and storage and (3) purchase a minimum of 75,000 gallons of fuel based on the Fuel Premium established in the Lease Agreement (\$.95 in Year 1); and

WHEREAS, the lease term is for a period of five years; and

WHEREAS, FMI has the right to terminate this agreement upon ninety days written notice if: (1) the State of Rhode Island passes legislation that imposes or subsequently increases sale tax on aviation use/storage; or (2) if RIAC and FMI execute a written agreement to develop a hangar; and

WHEREAS, rent and fees will be established and escalated based on the table included in the Memorandum and Exhibit A of the draft lease presented.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Lease Agreement with Fund Management, Inc., in substantially the form presented.

The motion was passed unanimously.

(c) Consideration of and Action Upon Approval of Meeting Schedules for 2011.

The Operations and Capital Committee and Board Meeting schedules were presented to the Board for approval. The recommendation is that the Operations and Capital Committee be held on the third Wednesday of the month at 3 pm, with the Board Meeting being held on the third Wednesday of the month at 4 pm.

A motion was made by Mr. Cianciolo and seconded by Mr. Larisa to approve the schedules as presented to the Board.

The motion was passed unanimously.

6. Future Meetings:

The next meeting is scheduled for Wednesday, December 15, 2010 at

4:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, 2000 Post Road, Warwick, Rhode Island.

7. Adjournment:

Mr. Cianciolo moved to adjourn at approximately 5:00 p.m. Mr. Larisa 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
SPECIAL MEETING OF THE BOARD OF DIRECTORS
ON MONDAY, NOVEMBER 29, 2010**

NAME AFFILIATION

Peter Frazier RIAC

Bruce Wilde RIAC

Sherri-Ann Penta RIAC

Dan Kinder Little, Medeiros, Kinder, Bulman & Whitney, P.C.

Richard Langseth Greenwich Bay Watershed

The minutes of the Executive Session of the Special Board Meeting of

**November 29, 2010, have been sealed in accordance with R.I.G.L. §
42-46-4.**