

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

WEDNESDAY, MARCH 20, 2013 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; Deborah M. Thomas; Robert Sangster and Michael Traficante.

BOARD MEMBER ABSENT: Joseph Cianciolo and Bradford S. Dimeo.

ALSO PRESENT: Peter A. Frazier, C.M., Interim President and CEO; and those members listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Mr. Traficante and seconded by Ms. Thomas

to approve the minutes of the Board of Director's Meeting of February 20, 2013. 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 Interim President and CEO:

Mr. Frazier presented the President and CEO report and reported on the following:

- The passenger traffic for February 2013 was down 6.10% on approximately 5% less capacity which includes the loss of two full days due to a major winter storm as well as 2012 being a leap year. Parking revenue was also affected by the storms and the leap year but showed a slight .5% increase.**

- The GA Airport system had a poor month with only one category posting an increase. This system is particularly sensitive to weather conditions.**

- Cape Air will begin seasonal service on June 14th to Martha's Vineyard and Nantucket. Service from San Juan to Culebra will begin in the Fall and service between T. F. Green Airport and Block Island**

will begin in the Spring of 2014.

- **RIAC is working with the Rhode Island Military Organization (RIMO) to provide a Military Lounge for both traveling members of the military and their families. The Lounge will be located next to the Hope Reflection Room and the work will be completed, free of charge, by the union trades.**
- **On Saturday, March 23, 2013, 42 veterans of World War II will be escorted by an honor guard of the Rhode Island Air National Guard, Warwick Firefighters and Warwick Police Officers to T. F. Green Airport to depart to the nation's capital for a "tour of honor". There are 41 men and 1 woman ranging in ages from 85 to 93 who will take part in the 2nd Annual Honor Flight, organized by the RI Fire Chiefs.**
- **The Glycol project pricing has come in \$7.6 Million higher than projected costs. This is a mandatory project and staff is working to manage this variance.**
- **The relocation of the utilities and demolition of Hangar 1 are out to bid. Approximately twenty aircraft will need to be relocated during this project.**
- **Geotechnical surveys are under way to determine the extent of the peat most found on Runway 34.**

- **The design for the runway 16-34 runway safety improvements is on schedule.**
- **The Sound Insulation Project is in the design phase. The City of Warwick is being informed of the progress of this program. No public meetings are planned at this time.**
- **A land acquisition meeting for affected Main Avenue property owners will be held in April. These meetings will be one on one meetings to discuss their rights and benefits of the program.**
- **Northstar Aviation has completed construction of its first class FBO facility.**
- **The Annual Airport Emergency Plan Tabletop Exercise is scheduled for April. The tri-annual full scale exercise to be held in September will be discussed during this exercise and preparations will begin.**
- **The USDA Fish and Wildlife has completed the T. F. Green Airport Wildlife Hazard Assessment and it is working to develop a new plan for the airport.**

4. Pension Committee Report:

Dr. Hittner reported the Pension Committee met on March 11, 2013 to review and discuss recommendations made by the advisor for

changes to the existing pension plan. These changes will replace underperforming funds with more balanced and diverse options.

Consent Items:

A motion was made by Mr. Traficante and seconded by Mr. Sangster to approve the following items. The motion was passed unanimously.

(a) Consideration of and Action Upon In the Large Growth Mutual Fund Category, (i) to Prohibit Future Investments in the American Century Growth A Load Waived Fund and the Putman Multi-Cap Growth A Load Waived Fund, and (ii) to Direct any Future Investments Designated for the American Century Growth A Load Waived Fund or the Putman Multi-Cap Growth A Load Waived Fund to the Principal Large Cap Growth I R4 Fund.

(b) Consideration of and Action Upon In the Small Blend Mutual Fund Category, (i) to Remove the Fidelity Advisor Small Cap T as an Investment Option and Add Principal SmallCap S&P 600 Index R4 in its place; (ii) to Move all Monies Invested in the Fidelity Advisor SmallCap T to Principal Small Cap S7P 600 Index R4; and (iii) to Direct all Future Small Blend Investments to Principal SmallCap S&P 600 Index R4.

(c) Consideration of and Action Upon Plan Change to Add a US Large

Cap Value (DCV).

(d) Consideration of and Action Upon Plan Change to Add a New Asset Class.

(e) Consideration of and Action Upon Plan Change to Add an Additional Bond Fund.

5. Finance and Audit Committee Report:

Ms. Thomas stated the Committee met prior to the Board Meeting for a presentation on year to date financial results through December 31, 2012. There was a brief overview on revenues and expenses.

Dr. Hittner requested Mr. Frazier explain the presence of the court reporter in the room. Mr. Frazier stated a request has been received by a constituent for real time transcription services for every Board and Committee meeting going forward.

Dr. Hittner requested the minutes reflect this constituent has repeatedly requested this service and has not attended the meetings. Dr. Hittner stated that anyone that requests this service is entitled to receive them however; Dr. Hittner expressed a concern that this request followed by non-attendance could be harassing. Dr. Hittner requested Mr. Frazier determine how this might be mitigated.

6. Executive Session:

At approximately 4:30 p.m. a motion was made by Ms. Thomas and seconded by Mr. Traficante to go into Executive Session for the purpose of discussing the following items:

(a) Motion to Approve the Minutes of the Executive Session held on February 20, 2013 - R.I.G.L. § 42-46-5(a),(1),(2), and (7); and

(b) Discussion 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 (Air Service Development and Project Funding Strategies) – R.I.G.L. § 42-46-5(a)(7); and

(d) Motion to Return to Open Session.

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

YEAS: Kathleen C. Hittner, M.D.

Robert Sangster

Deborah M. Thomas

Michael Traficante

NAYS: None

ABSTAIN: None

At approximately 5:15 p.m., a motion was made by Mr. Traficante and seconded by Mr. Sangster to return 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 March 20, 2013.

A motion was made by Ms. Thomas 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.

Robert Sangster

Deborah M. Thomas

Michael Traficante

NAYS: None

ABSTAIN: None

(b) Report on Actions Taken in Executive Session.

During the Executive Session, a motion was made by Mr. Traficante to approve the sealed minutes of the Executive Session held on February 20, 2013. The motion was seconded by Ms. Thomas. The motion passed unanimously.

8. Future Meetings:

The next Board Meeting will be held on Wednesday, April 17, 2013 at 4:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, Warwick, Rhode Island.

9. Adjournment:

Mr. Traficante moved to adjourn at approximately 5:16 p.m. Ms. Thomas 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
WEDNESDAY, MARCH 20, 2013**

NAME AFFILIATION

Brian Schattle RIAC

Alan Andrade RIAC

Liberty Luciano RIAC

Sherri Ann Penta RIAC

Doug Dansereau RIAC

Robert Goff New England Parking

Woody Creswell The Paradies Shops

Jim Falvey PB Americas

Sue Bernstein Senate Fiscal Office

Ryan Gardiner State Fiscal Office

Nicole Reis CART – Allied Court Reporters

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

20, 2013, have been sealed in accordance with R.I.G.L. § 42-46-4.