

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

WEDNESDAY, DECEMBER 18, 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 4:01 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 Cianciolo; Russell Hahn; John Justo; Michael Traficante and Bradford Dimeo.

BOARD MEMBER ABSENT: Deborah Thomas.

ALSO PRESENT: Kelly J. Fredericks, P.E., 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. Hahn and seconded by Mr. Traficante to approve the minutes of the Board of Director's Meeting of November 20, 2013. The motion was passed unanimously.

2. Open Forum:

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

Mr. Kevin Blaise stated that in the Fall of 2012 he addressed the Board of Directors regarding his concerns on a no bid contract and handicap access for exterior renovations at North Central Airport and found the Board to be engaging and helpful. Mr. Blaise stated that an expert testified at the following Board Meeting and found there to be no compliance issues. Mr. Blaise stated the issue at hand is the materials used on the ramp, that the ramp is failing and that at no time did the ramp and handrail meet Americans with Disabilities (ADA) standards.

Mr. Blaise stated he has been hassled by RIAC employees and has not received fair treatment in regards to access to aircraft tiedowns. Mr. Blaise stated the airport Manager refuses to address this matter and has referred him to Mr. Alan Andrade who refuses to take his calls.

Mr. Blaise stated he received a letter yesterday from Mr. Frazier putting him on notice of RIAC's intent to not follow Open Meeting

regulations and ADA standards. Mr. Blaise stated the letter he received indicated that due to missing four meetings when accommodations were requested he would be required to pay up front for the cost of the services and would be reimbursed if he attended the meeting. Mr. Blaise stated this is a direct violation of his Human Rights. Mr. Blaise stated on three of the occasions Mr. Frazier referenced his absence from the meeting he had been detained by RIAC staff and he was unable to attend the meetings. Dr. Hittner asked Mr. Blaise who had detained him. Mr. Blaise stated on one occasion he had arrived early for the meeting in order to get paperwork and was told to wait. By the time the paperwork was delivered it was 4:20 and the time for the open forum of the Board Meeting had passed. Mr. Blaise stated on another occasion he flew into T. F. Green Airport and was directed by the Tower to park his aircraft at the old tower. A RIAC employee informed him that he was not allowed to park there and directed him to Northstar Aviation. Mr. Blaise stated he spoke to both Mr. Frazier and Mr. Warcup and was informed that general aviation aircraft cannot come and go at T. F. Green Airport. Mr. Blaise stated he was unaware of this which delayed him 45 minutes and he missed the Board Meeting.

Mr. Blaise stated that he is hearing impaired and wants to be able to participate in the public meetings and takes offense that Mr. Frazier has taken the position to charge him for services that RIAC is required to provide as part of the Open Meetings Act and the Americans with Disabilities Act. Mr. Blaise asked that the Board look

into this matter.

Dr. Hittner asked if anyone else would like to speak.

Mr. Paul Carroll stated he is a Fast Team Safety representative and flies out of North Central Airport and has not seen any issues with the conditions at the airport. Mr. Carroll stated he does have a number of issues that he is concerned about in regards to Mr. Blaise and has filed complaints with the Airport Manager. Mr. Carroll stated he will follow up with a letter to RIAC.

3. Report from President and CEO:

Mr. Fredericks presented the President and CEO Report and reported on the following:

- Mr. Fredericks reported that passenger traffic in November was up 2.4% representing nine straight months of growth. Seating capacity increased due to market demand and was up approximately 8%. For the year, PVD is now up approximately 4% and has exceeded industry standards.**
- Mr. Fredericks reported air cargo for the month of November was down 5.66% with a year-to-date increase of 9.65%. Mr. Fredericks noted the year to date increase is higher than the industry standard and is due to goods being shipped from T. F. Green Airport.**

- **Mr. Fredericks reported parking revenue is up 6.5% for November with ticket sales down 1.9%. Market shares remain strong at 85% with 87% of tickets sold. This has been a very positive year for parking.**
- **Mr. Fredericks reported three proposals for Corporate Hangar Development were received. Two bids were deemed responsive. A selection will be made followed by negotiation. This item will be brought to the Board in January for consideration.**
- **Mr. Fredericks reported the Quonset Development Corporation has executed a new lease agreement with Electric Boat and RIAC. The lease will become effective January 1, 2014.**
- **Mr. Fredericks reported RIAC attended several meetings and events including: the monthly meeting with Mayor Avedisian; numerous meetings with the FAA, RIDOT, RIDEM, the Providence Chamber and the Providence/Warwick CVB.**
- **Mr. Fredericks stated the first Quarterly Stakeholder Meeting was held on December 10th. The meeting was both well attended and very well received.**
- **Mr. Fredericks reported RIAC provided a briefing on the wetland permit and other key projects to the Warwick City Council on December 16th.**

- **Mr. Fredericks provided an executive summary sheet to the Board Members on the selection process for the Design and Construction Phase Services for Runway 5 at T. F. Green Airport.**
- **Mr. Fredericks reported holiday decorations have been installed on the first and second level of the terminal and have been well received by both passengers and tenants. Mr. Fredericks commended Ms. Liberty Luciano, Ms. Rebecca Paziienza and the Building Maintenance Department for their efforts.**
- **Mr. Fredericks stated the Financial Statements for the Quarter ended September 30, 2013 were included in the Board Member packets.**

4. Department Updates:

(a) Engineering

(i) Airport Expansion – Paul McDonough

Mr. McDonough provided the following updates:

- **The Hangar 1 Project has been shut down for the winter season and construction will continue in the spring. The remaining work includes removing the remainder of the hangar floor slab, final site grading, constructing the aircraft tie-down area, installation of the permanent AOA fence, topsoil, seeding and mulching and reinforcing and**

re-siding of the Providence Equities Hangar. This project is 65% complete.

- Construction on the Runway 16 Safety Area Project started on July 29, 2013 and is 90% complete. The remaining work includes the installation of the EMAS blocks and a second coat of airfield pavement markings.

- The Deicer Management System is a two-part project. The treatment facility construction is 13% complete and the airfield construction is 11% complete. The site is being winterized so interior work can continue. This project is on schedule.

(b) Planning

(i) Land Acquisition and Noise Program – Dan Porter

Mr. Porter provided the following updates:

- Land acquisition on the south end – Main Avenue is ongoing with 14 properties scheduled to be acquired and demolished by December 2014. This program is on schedule.

- Voluntary land acquisition for the Runway Protection Zone (RPZ) contains five phases. Phase 1 scheduled for completion in September

2014 includes 17 properties, Phase 2 scheduled for completion in April 2015 includes 13 properties; Phase 3 scheduled for completion in April 2016 includes 13 properties, Phase 4 scheduled for completion in April 2017 includes 13 properties and Phase 5 scheduled for completion in December 2017 includes 9 properties.

- An update was provided on the Noise Insulation Program. It was noted that there are 564 properties potentially eligible as part of the 65 DNL noise contour. For the property to qualify for the primary treatment it must meet the requirement off 45 interior decibels. If the property falls under 45 interior decibels the property may be eligible for central air conditioning.**

- The FAA is scheduled to reevaluate the noise contour in 2018. The current noise contour may shrink due to new technology on aircraft that decreases noise emissions.**

(c) Maintenance and Operations

(i) PVD Airfield and GA Facilities – Alan Andrade

Mr. Andrade provided the following updates:

- Preparation and training for winter operations are ongoing. As part of preparation and to evaluate the effectiveness of the operations at T. F. Green during the winter season, an analysis was completed on diversion from T. F. Green and diversion to T. F. Green from other**

airports. In 2008 there were no diversions from T. F. Green and 22 diversions received, in 2009 there were no diversion from T. F. Green and 17 received, in 2010 there were no diversions from T. F. Green and 17 received, in 2011 there was one diversion from T. F. Green and 18 received and in 2012 there were 7 diversions from T. F. Green, related to a system shut down, and 3 received. To date, in 2013, there has been 1 diversion from T. F. Green and 16 received. Mr. Andrade commended the Snow Team on their performance.

- There has been coordination with the USDA and the Massachusetts Audubon Society to relocate a Snowy Owl that has been sighted at T. F. Green. RIAC continues this ongoing effort with all species in the state.

- A Public Assistance Plan has been established for RIAC employees. An orientation was held on December 17th to familiarize employees with the communication and coordination process that will take place following an air carrier accident, or any other airport related emergency response event. A reception center has been established and training is ongoing.

(c) Maintenance and Operations

(ii) PVD Terminal – Bruce Wilde

Mr. Wilde provided the following updates:

- An update was provided on ground transportation plans for the commercial curb on the lower level. Due to the demand for space, a revised rate structure is being developed. Plans include relocating taxi service to the inner roadway to provide enhanced customer service and improve traffic control. As part of these improvements, changes will need to be made to the Airport Security Plan including signage and passenger education. Discussions have been held with the TSA on these proposed changes. Additional information will be provided as it becomes available.

(d) Air Service Development

(i) Updates – Patricia Goldstein

Ms. Goldstein provided the following updates:

- A meeting was held at United Airlines Corporate Offices on December 6th. There was a fair exchange of information including a discussion on the business community transportation needs, Denver and Houston service as well as the level of service to O'Hare International Airport.
- Southwest Airlines will reinstate Saturday service to Denver in June 2014.
- Seating capacity will be down in January, which is the norm for the slow travel month. Capacity is expected to increase during February

school vacation.

- **Discussions continue with the international carrier that has contacted T. F. Green regarding potential service. Additional information will be provided as it becomes available.**
- **Coordination and meetings to promote air service development with the Go Green Partnership continue.**
- **Additional marketing on the ease of use and hassle free access at T. F. Green Airport continues during the scheduled 3 month closure of the Callahan Tunnel in Boston. There are currently two billboards strategically placed as well as print and radio advertisements.**

5. Action Items:

(a) Consideration of and Action Upon Approval of a Task Order to Provide Program Management Services for the 16-34 Safety Area Improvements and the Runway 5-23 Extension Projects at T. F. Green Airport for the Calendar Year 2014.

Mr. Fredericks provided an overview of the task order noting the contract was approved by the Board in September 2012. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Task Order with AECOM Technical Services, Inc. to Provide Program Management Services for the

Runway 16-34 Safety Area Improvements and the Runway 5-23 Extension Projects at T. F. Green Airport through December 31, 2014 in an amount equal to \$646,897.

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

WHEREAS, on September 21, 2011, the Rhode Island Airport Corporation (RIAC) Board of Directors approved the selection of AECOM to Provide Program Management and Other Related Services for the T. F. Green Airport Improvement Program; and

WHEREAS, in November 2012 the RIAC Board approved and subsequently RIAC entered into a Task Order for Program Management Services expected during calendar year 2013 in the amount of \$604,228; and

WHEREAS, RIAC has negotiated a Scope and Fee with AECOM in the amount of \$646,897 for Calendar Year 2014; and

WHEREAS, the Federal Aviation Administration (FAA) has approved the total budget for these services in an amount not to exceed \$2,700,000 funded from 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 Task Order with AECOM Technical Services, Inc. to Provide Program Management Services for the Runway 16-34 Safety Area Improvements and the Runway 5-23 Extension Projects at T. F. Green Airport through December 31, 2014 in an amount equal to \$646,897.

The motion was passed unanimously.

(b) Consideration of and Action Upon Demolition of Steam Plant at Quonset Airport.

Mr. Fredericks gave an overview of the agreement noting the structure has been vacant since 2002 and the demolition will mitigate safety concerns. The recommendation is that the Board authorize the President and CEO, or his designee, to execute an agreement with the Quonset Development Corporation authorizing the demolition of the steam plant, providing for standard contractual protection, and with the repayment of the demolition costs to be paid solely from future revenues generated by the steam plant parcel.

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 the responsibility of developing revenue from certain real estate parcels

at the Quonset State Airport referred to as the Revenue Producing Parcels leased to RIAC by the State of Rhode Island to support its general aviation airport system; and

WHEREAS, the Revenue Producing Parcels are managed on behalf of RIAC by the Quonset Development Corporation (QDC); and

WHEREAS, located on one of the Revenue Producing Parcels is a dilapidated and decommissioned central heating steam generating plant (Building 64); and

WHEREAS, the demolition of Building 64 will mitigate safety concerns and will also allow the parcel to generate revenues; and

WHEREAS, QDC solicited competitive bids for the demolition of three buildings in July of 2013; and

WHEREAS, since the contractor is already mobilized on site, the contractor has agreed to demolition costs of \$300,000 to remove Building 64 for its salvage value plus the cost of the removal of Asbestos Containing Material (ACM); and

WHEREAS, QDC is willing to advance the demolition costs given the safety concerns and the opportunity to have it removed at salvage value; and

WHEREAS, repayment of the demolition costs will be from future revenues generated solely from the steam plant parcel.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorize the President and CEO, or his designee, to execute an agreement with the Quonset Development Corporation authorizing the demolition of the steam plant, providing for standard contractual protection and with the repayment of the demolition costs to be paid solely from future revenues generated by the steam plant parcel.

The motion was passed unanimously.

A motion was made by Mr. Dimeo to amend the executive session pursuant to R.I.G.L. § 42-46-5(a)(4) and 42-46-6(b) to add a discussion item pertaining to an ongoing civil/criminal investigation and seconded by Mr. Hahn. The motion was passed unanimously.

6. Executive Session:

At approximately 4:59 p.m. a motion was made by Mr. Dimeo and seconded by Mr. Hahn to go into Executive Session for the purpose of discussing the following items:

- (a) Motion to Approve the Minutes of the Executive Session held November 20, 2013 - R.I.G.L. § 42-46-5(a)(1),(2),(5) and (7); and**
- (b) Discussion Regarding Security - R.I.G.L. § 42-46-5(a)(3); and**
- (c) Investment of Public Funds Where Premature Disclosure Would be Detrimental to the Public Interest (Air Service Development) – R.I.G.L. § 42-46-5(a)(7); and**
- (d) Discussion Related to Two Public Litigation Matters (W.C./IOD Cases - Sgt. Hastings and Ofc. Scott) – R.I.G.L. § 42-46-5(a)(2); and**
- (e) Discussion Pertaining to an Ongoing Civil/Criminal Investigation – R.I.G.L. § 42-46-5(a)(4); and**
- (f) Motion to Return to Open Session.**

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

YEAS: Kathleen C. Hittner, M.D.

Joseph Cianciolo

Bradford Dimeo

Russell Hahn

John Justo

Michael Traficante

NAYS: None

ABSTAIN: None

At approximately 5:40 p.m., a motion was made by Mr. Dimeo and seconded by Mr. Hahn 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 on December 18, 2013.

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

Bradford Dimeo

Russell Hahn

John Justo

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 November 20, 2013. The motion was seconded by Mr. Dimeo. The motion passed unanimously.

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

YEAS: Kathleen C. Hittner, M.D.

Joseph Cianciolo

Bradford Dimeo

Russell Hahn

John Justo

Michael Traficante

NAYS: None

ABSTAIN: None

8. Future Meetings:

The next Board Meeting will be held on Wednesday, January 15, 2014

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

9. Adjournment:

Mr. Dimeo moved to adjourn at approximately 5:41 p.m. Mr. Hahn 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, DECEMBER 18, 2013**

NAME AFFILIATION

Brian Schattle RIAC

Peter Frazier RIAC

Liberty Luciano RIAC

Bruce Wilde RIAC

Dan Porter RIAC

Alan Andrade RIAC

Kendra Beaver RIAC

Paul McDonough RIAC

Leo Messier RIAC

Doug Dansereau RIAC

Patricia Goldstein RIAC

Nicole Williams RIAC

Jeffrey Goulart RIAC

James Warcup RIAC

Kevin Blaise Pilot

Paul Carroll Pilot

Jen Milette CART Services

Marc Champigny LBG

Woody Creswell The Paradies Shops

Laurie Brayton RI Senate Fiscal Office

Chris Connelly PB Americas

The minutes of the Executive Session of the Board Meeting of December 18, 2013, have been sealed in accordance with R.I.G.L. § 42-46-4.