

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

THURSDAY, JULY 17, 2014 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, Jon Savage 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: Jon Savage; Russell Hahn; Paul Carroll and Michael Traficante.

BOARD MEMBER ABSENT: Bradford Dimeo; Deborah Thomas and John Justo.

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 June 18, 2014. The motion passed unanimously.

2. Open Forum:

Mr. Savage asked if anyone present wanted to speak in Open Forum. No one came forward.

3. Report from President and CEO:

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

- Mr. Fredericks reported, as expected, passenger travel was down 7.32% with year to date down 6.84%. Seating capacity was down approximately 6% and is anticipated to be down 8.28% in July, 3.42% in August and 4.79% in September. Mr. Fredericks noted that all air carriers are profitable and plans for growth have not changed.**
- Mr. Fredericks reported air cargo was up 3.72% for the month and up 3.22% year to date. It was noted the continuous upturn in cargo is primarily associated with goods being shipped out of T. F. Green Airport.**

- **Mr. Fredericks reported the Go Green Partnership meetings with strategic local businesses and the Providence Chamber of Commerce have been completed. Specific passenger and cargo data is being obtained. Mr. Fredericks reported as a result of the meetings an additional working group will be formed comprised of regional shipper and distribution providers.**
- **Mr. Fredericks reported parking revenue was down 1.3% with ticket sales down 7.7%.**
- **Mr. Fredericks reported Block Island Airport has received the most passenger activity for the month with strong fuel sales at North Central, Westerly and Newport Airports. It was noted that both Block Island and Westerly Airports are on trend to meet the passenger requirements for additional FAA funding.**
- **Mr. Fredericks reported that thanks to the suggestion by Senate President Teresa Paiva Weed an aircraft fueling truck has been secured, as part of a test case, to sell jet fuel to customers at Newport Airport beginning July 14, 2014. Mr. Fredericks also thanked Mr. Alan Andrade and AvPorts for their assistance in providing this service.**
- **Mr. Fredericks reported the Newport Daily News will be running a story on the building improvements at Newport Airport and the positive economic benefits to the region and the state.**

- **Mr. Fredericks that a Notice of Availability for Airport Property Development Opportunities is being prepared.**
- **Mr. Fredericks reported he and RIAC staff met with the Quonset Development Corporation (QDC) to discuss best practice approaches for preparing sites for development.**
- **Mr. Fredericks reported a plaque ceremony honoring Mr. Eugene Bielecki for his years of service to the Rhode Island Aviation Community will be held at North Central Airport on Saturday, July 19th. Mr. Fredericks thanked Mr. Paul Carroll for his assistance and hard work in organizing this event.**
- **Mr. Fredericks reported Senator Reed's office has confirmed that FAA Administrator Michael Huerta will attend the Airport Expansion Program Ground Breaking Event at T. F. Green Airport on September 8th.**
- **Mr. Fredericks reported that RIAC will be the host for the NASAO Director's National Conference. The conference will be held in Providence from September 7th to the 9th. Mr. Fredericks reported Board Chair Mr. Jon Savage will be introducing Governor Chaffee at the Opening Ceremony for Welcoming Comments. Mr. Fredericks noted that Administrator Huerta will be the Keynote Speaker at the NASAO Director's Lunch.**

- **Mr. Fredericks reported that Irish Prime Minister Edna Kenney will visit Rhode Island in late September/early October and will land at T. F. Green Airport and tour the facilities.**

4. Department Updates:

(a) Engineering

(i) Airport Expansion – Paul McDonough

Mr. McDonough provided the following updates:

- **Hangar 1 demolition is 95% complete. Remaining work includes installing the aircraft tie-down anchors for small aircraft, top soiling, seeding and mulching. This project is on schedule and on budget.**
- **Runway 16 Safety Area is 97% complete. Remaining work includes airfield pavement markings, installing retro reflective markers and top soiling and seeding. This project is on schedule and on budget.**
- **The Deicer Management Facility is 58% complete and Airfield Construction is 53% complete. The Glycol Management System is scheduled to be operational by the end of September. Testing will begin upon completion. This project is on schedule and on budget.**
- **Winslow Park Relocation design is complete and the project is out for bid. Temporary fencing has been installed around the site.**

- **Runway 34 Safety Area project has just begun and includes improvements on the runway, taxiway, ATCT and NAVAID upgrades, EMAS system, perimeter road relocation, environmental improvements, new Lake Shore Drive culvert, restoration of flood storage volumes and stream restoration. The runway is scheduled for reopening in November of this year and will close again next spring to complete the work by 12/31/2017. .**

- **Relocation of Main Avenue design is 60% complete. Construction on this project is scheduled to begin in June 2015. It was noted Main Avenue will not be closed during construction.**

- **Runway 5 Extension Design is approximately 12% complete. Design includes runway and taxiway extension, utility improvements, ATCT upgrades, EMAS system and Perimeter Road relocation. This project is scheduled for completion December 7, 2017.**

(ii) Quonset State Airport Pipe Failure Update – Kelly J. Fredericks

Mr. Fredericks provided the following updates:

- **A status update was provided on the estimate history for the Quonset Culvert Repair. The bid has been repackaged with a modification and enhancement to the de-watering and excavation items. The construction duration has been increased from 60 days to**

105 days. The bid will be advertised on July 23rd with a pre-bid meeting scheduled for July 28th. A Special Board of Director's Meeting will be scheduled to approve the award of a construction contract.

5. Action Items:

(a) Consideration of and Action Upon Approval of a Purchase Order to Upgrade Exterior Standard Lighting to LED Lighting at T. F. Green Airport.

Mr. Fredericks gave an overview of this item noting, based on consumption of the current lighting fixture, it is expected that the program will reduce annual costs by approximately \$177,000 per year.

The recommendation is that the Board authorizes the President and CEO, or his designee, to enter into a Purchase Order with National Grid and Energy Source to upgrade exterior property standard lighting to LED type lighting at T. F. Green Airport, in the amount of \$357,700.

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

WHEREAS, Rhode Island Airport Corporation (RIAC) staff has been working with National Grid on an energy conservation program; and

WHEREAS, National Grid, working with their internal expeditor, Energy Source, provided RIAC with a proposal costing a total of \$799,344; and

WHEREAS, National Grid would apply \$441,644 of rebates to this proposal resulting in a net cost to RIAC of \$357,700; and

WHEREAS, RIAC, working with National Grid, estimates the annual savings as a result of implementing this program is approximately \$177,540 resulting in a payback of approximately two years; and

WHEREAS, the cost for this program is in the approved Fiscal Year 2015 Capital Improvement Program (CIP) budget in the amount of \$375,000.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to enter into a Purchase Order with National Grid and Energy Source to upgrade exterior property standard lighting to LED type lighting at T. F. Green Airport, in the amount of \$357,700.

The motion was passed unanimously.

(b) Consideration of and Action Upon Approval of a Purchase Order to Purchase Storage Area Network Equipment for T. F. Green Aiport.

Mr. Fredericks gave an overview of this item noting three bids were received and the selected vendor holds both a Rhode Island State Master Agreement and a General Services Administration Contract. The recommendation that the Board authorizes the President and CEO, or his designee, to execute a Purchase Order with Jacobs Technology Inc. to purchase Storage Area Network equipment in the amount of \$369,648.

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

WHEREAS, this equipment will replace one-half of the existing Storage Area Network that will be out of warranty in September 2014 with no possibility of extension; and

WHEREAS, this equipment is available under the State of Rhode Island Master Price Agreement (MPA) and General Services Administration (GSA) Contract; and

WHEREAS, Jacobs Technology Inc. (Jacobs) holds both a MPA and GSA contract; and

WHEREAS, RIAC performed additional due diligence with two additional vendors to ensure pricing with Jacobs was the lowest available to RIAC; and

WHEREAS, RIAC staff has determined that the price from Jacobs is the best solution at the lowest available price; and

WHEREAS, the cost for this equipment is in the approved Fiscal Year 2015 Capital Improvement Program (CIP) budget in the amount of \$396,000.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Purchase Order with Jacobs Technology Inc. to purchase Storage Area Network equipment in the amount of \$369,648.

The motion was passed unanimously.

(c) Consideration of and Action Upon Approval of a Construction Contract for Services Associated with Phase 2 of the Sound Mitigation Program at T. F. Green Airport.

Mr. Fredericks gave an overview of the item and noted this item had been re-bid. The previous low bidder did not have the necessary license in Rhode Island and the remaining bidder was unwilling to match the price. Two bids were received for this item. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Construction Contract with Northeast

Noise Abatement Corporation in the amount of \$2,339,000 for services associated with Phase 2 of the Sound Mitigation Program at T. F. Green Airport.

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

WHEREAS, a competitive bidding process was undertaken according to the Rhode Island Airport Corporation's (RIAC) procurement rules for services associated with Phase 2 of the Sound Mitigation Program at T. F. Green Airport; and

WHEREAS, on April 10, 2014, RIAC issued an Invitation for Bids (IFB) for this project which consisted of 47 homes; and

WHEREAS, on April 14, 2014, RIAC held a pre-bid conference at T. F. Green Airport for prospective bidders in which seven prospective bidders, including subcontractors, participated; and

WHEREAS, on May 5, 2014 RIAC received a total of four bids; and

WHEREAS, Jones Payne Group, Inc. (JPG), RIAC's Design Consultant for this project, reviewed the bid submissions; and

WHEREAS, JPG determined, with RIAC staff concurrence, that the lowest bidder was non-responsive as they did not hold a Rhode Island contractor's license at time of bid submission; and

WHEREAS, RIAC approached the second lowest bidding firm to inquire if it would meet the low bid and said firm declined; and

WHEREAS, RIAC cancelled the original IFB; and

WHEREAS, on June 6, 2014, RIAC issued a new invitation for Bids (IFB) for a total of 46 homes (reduced by one as one homeowner elected not to participate); and

WHEREAS, on June 13, 2014, received a total of two bids; and

WHEREAS, JPG has determined that the bid submitted by Northeast Noise Abatement Corporation in the amount of \$2,339,000 is the lowest responsive bid; and

WHEREAS, RIAC staff agrees with the JPG determination and recommends award of this Contract to Northeast Noise Abatement Corporation; and

WHEREAS, the Federal Aviation Administration (FAA) has approved the award of the Contract; and

WHEREAS, this project is approved in the Fiscal Year 2015 Capital Improvement Program (CIP) budget in the amount of \$7,623,220; and

WHEREAS, this Contract will be funded 90% from FAA grants and

10% from Passenger Facility Charges (PFC's).

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Construction Contract with Northeast Noise Abatement Corporation in the amount of \$2,339,000 for services associated with Phase 2 of the Sound Mitigation Program at T. F. Green Airport.

The motion was passed unanimously.

6. Executive Session:

At approximately 4:33 p.m. a motion was made by Mr. Hahn and seconded by Mr. Carroll to go into Executive Session for the purpose of discussing the following items:

(a) Motion to Approve the Minutes of the Executive Session held June 18, 2014 § 42-46-5(a)(1),(4), (5) and (7); and

(b) Investment of Public Funds Where Premature Disclosure Would be Detrimental to the Public Interest (Air Service Development and Potential Corporate Hangar Lease Negotiations) – R.I.G.L. § 42-46-5(a)(7); and

(c) Discussions Related to the Acquisition of Real Property for Public

Purposes and Disposition of Publicly Held Property Where Advanced Public Information Would Be Detrimental to the Public Interest (Former Airfield Maintenance Property and Management of Potential Surplus Property) - R.I.G.L. § 42-46-5(a)(5); and

(d) Discussions Related to One Nonpublic Potential Litigation Matter (Construction Dispute) – R.I.G.L. § 42-46-5(a)(2); and

(e) Motion to Return to Open Session.

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

YEAS: Jon Savage

Russell Hahn

Paul Carroll

Michael Traficante

NAYS: None

ABSTAIN: None

At approximately 5:09 p.m., a motion was made by Mr. Traficante and seconded by Mr. Hahn to return to the Open Session. The motion was passed unanimously.

8. Post Executive Session Actions and Announcements:

(a) Motion to Seal the Minutes of the Executive Session Held on July 17, 2014.

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: Jon Savage

Russell Hahn

Paul Carroll

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 June 18, 2014. The motion was seconded by Mr. Hahn. The motion passed unanimously.

9. Future Meetings:

The next Board Meeting will be held on Wednesday August 20, 2014 at 4:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, Warwick, Rhode Island.

10. Adjournment:

Mr. Savage moved to adjourn at approximately 5:11 p.m. Mr. Traficante seconded the motion. The motion was passed unanimously.

Respectfully submitted,

**Jon Savage, Chair
Rhode Island Airport Corporation**

**PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
THURSDAY, JULY 17, 2014**

NAME AFFILIATION

Brian Schattle RIAC

Peter Frazier RIAC

Liberty Luciano RIAC

Patricia Goldstein RIAC

Sherri Ann Penta RIAC

Dan Porter RIAC

Doug Dansereau RIAC

Bruce Wilde RIAC

Eric Seabury RIAC

Ahmed Shihadeh RIAC

Jeff Goulart RIAC

Dave Wilga RIAC

Leo Messier RIAC

Paul McDonough RIAC

Carl Tortolano AECOM

Jim Falvey PB Americas

The minutes of the Executive Session of the Board Meeting of July 17, 2014, have been sealed in accordance with R.I.G.L. § 42-46-4.