

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

THURSDAY, SEPTEMBER 18, 2014 AT 6:00 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 Vice Chair, Russell Hahn at 6:00 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: Russell Hahn; Deborah Thomas; John Justo and Paul Carroll.

BOARD MEMBER ABSENT: Jon Savage, Bradford Dimeo and Michael Traficante.

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. Carroll and seconded by Ms. Thomas to approve the minutes of the Board of Director's Meeting of July 17, 2014 and the Special Board of Directors Meeting of August 8, 2014. The motion passed unanimously.

2. Open Forum:

Mr. Hahn asked if anyone present wanted to speak in Open Forum.

Mr. Richard Langseth stated that he would like to address the Board. Mr. Langseth stated that he has been tracking the financials of the airport for the last seven years and is very interested in the financial reports being given today especially in regards to the initiative to float a bond next year. Mr. Langseth asked the Board if they are aware that the bond rating agencies suggested that without awaiting passenger number improvements to a meaningful amount there could be trouble seeking an investment grade rating. Mr. Langseth stated some people think there is not enough revenue at this time to float a bond.

Mr. Langseth stated that he would also like to discuss the air quality monitoring station that was moved today. Mr. Langseth stated he sent a letter to the editor of the Warwick Beacon a couple of weeks ago stating the monitoring equipment should not be moved and that to stop the testing in the middle of the quarter is not good and could create a major problem. Mr. Langseth stated that to move the tot park

to the new location is dangerous and creates difficulty in the community. Mr. Langseth stated the Board should ask RIAC staff why the equipment is being moved now when a good quarter of data has not been recorded.

3. Report from President and CEO:

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

- Mr. Fredericks reported passenger travel was down 6.85% with year to date down 6.3%. Seating capacity was down approximately 5%. JetBlue was up 8.3% while all other carriers experienced a decline. Mr. Fredericks noted the capacity reductions are trending downward.
- Mr. Fredericks reported Ms. Goldstein and Mr. Pimental will be attending the World Routes Conference in Chicago and have strategic airline meetings scheduled.
- Mr. Fredericks reported air cargo was up 1.22% for the month and up 3.9% 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. Mr. Fredericks reported the data collection phase for passengers and cargo is scheduled to be completed at the end of the month. An update will be provided to the Board.

- Mr. Fredericks reported on continued dialogue with Shannon Airport Authority. Mr. Fredericks noted that Ms. Goldstein and Mr. Pimental are scheduled to meet with and discuss cargo opportunities with their representatives at the World Routes Conference.

- Mr. Fredericks reported parking revenue was down 3.5% with ticket sales down 7.9%. Mr. Fredericks stated RIAC has a history of managing its revenues and expenses and is prepared to ensure expenses are concurrent with revenues.

- Mr. Fredericks provided an overall update on the general aviation airports and noted there were 1,000 more operations this year versus last year while fuel sales are down due to the closure at Quonset State Airport.

- Mr. Fredericks reported passenger numbers at Block Island and Westerly Airports have exceeded 10,000 which allows RIAC to receive an additional \$1.7 Million in FAA funding for capital improvement projects at the general aviation airports.

- Mr. Fredericks reported fuel sales at Newport Airport continue to do well and will be offered through October and resume in the spring.

- **Mr. Fredericks reported a Notice of Availability was posted on the RIAC website to provide information on development opportunities at each airport.**

- **Mr. Fredericks reported he had been contacted by Mr. Carroll and Mr. Smith regarding submitting a proposal to be considered the host community for the 2015 AOPA Fly In event. Mr. Fredericks noted it is a one day event that brings in approximately 2,500 guests and 400-500 aircraft. Mr. Fredericks stated this event would bring great exposure to North Central Airport and the general aviation system. A proposal to be considered as the host city has been submitted and the selected general aviation airport will be notified in November. Mr. Fredericks stated he will provide updates to the Board as they become available.**

- **Mr. Fredericks reported a meeting has been scheduled with RIDEM Director Janet Coit and staff in October for a tour of the ongoing construction projects.**

- **Mr. Fredericks reported that RIAC hosted a series of events in the last couple of weeks including the announcement of start of service for Condor Airlines, the Airport Expansion Program Groundbreaking and the NASAO Annual Conference.**

- **Mr. Fredericks reported there has been an increased focus on**

community outreach efforts and that a number of public meetings have already been planned to discuss a myriad of issues including construction, air quality monitoring, the noise and residential sound program and obstruction removal.

- **Mr. Fredericks reported the Quonset Culver Repair project is going well with pipes scheduled for delivery tomorrow. The runway opening date is scheduled for November 15th.**

- **Mr. Fredericks provided an updated on the Airport Expansion Program and noted the glycol recovery project is moving forward and is on target to meet the October 13th collection deadline. This project is on target to meet the March 31, 2015 operating date. Sod is going down at the site for the relocation of Winslow Park and design efforts continue for the relocation of Main Avenue and the Runway 5-23 Expansion Project. These projects are on track to be completed by December 7, 2017.**

- **Mr. Fredericks asked Mr. Frazier to provide an update on the emergency temporary relocation of the air monitoring station. Mr. Frazier stated RIAC is working on the relocation plan in cessation with the Rhode Island Attorney General, the Department of Health and the Rhode Island Department of Environmental Management. Mr. Frazier stated the air monitoring station was located in the middle of the construction site and was not ideal for accurate data collection. Mr. Frazier stated an amendment to the Air Quality Monitoring Work**

Plan was approved in concert with the appropriate agencies. A workshop has been scheduled for September 30th at 6pm at the Buttonwoods Senior Center to explain the emergency amendment and discuss the permanent relocation of the station. Mr. Frazier stated RIAC has taken these steps in the best interest of the public.

4. Finance and Audit Committee Report.

Ms. Thomas noted that the Finance and Audit Committee Meeting had been cancelled due to a lack of quorum and the consent items would be extracted and treated as action items at the Board Meeting.

(a) Consideration of and Action Upon Draft Fiscal Year 2014 Audited Financial Statement and Related Reports.

Ms. Thomas introduced Ms. Lauren Davis of McGladrey. Ms. Davis stated that an independent audit was conducted and the report contains an unqualified and clean opinion. Ms. Davis stated that RIAC staff was well prepared and there were no management comments or audit adjustments made. Ms. Davis stated that overall the audit went very well and she received the full cooperation of management and the finance team.

Ms. Thomas reported that while enplanements were down, revenue

was up 2% due in part to maximizing parking revenues and increased Airline Revenues. Ms. Thomas noted that expenses also increased as presented in the financials.

Ms. Thomas asked Mr. Schattle to provide an overview of the financial statements. Mr. Schattle gave a detailed overview of the financial statements. Mr. Schattle noted that RIAC adopted GASB Statement No. 65 in the fiscal year, as required, and explained how it was implemented. As a result RIAC restated its fiscal year 2013 beginning net position. There was specific discussion on the breakdown of revenue streams. Mr. Schattle noted the CPE increased to \$11.77 and this increase was primarily driven by decreased enplanements. Mr. Schattle highlighted the continued focus on airport parking revenue and noted that a price increase was implemented at the beginning of the fiscal year. Mr. Schattle reported that concession revenue increased from the prior year, which demonstrates the strength of RIAC's agreements with its concessionaires.

Mr. Schattle noted that operating expenses increased over the prior year due in part to scheduled increases in the matching shares for employee retirement plans, health care increases, scheduled pay increases and increased utility expenses. Mr. Schattle also reviewed RIAC's non-operating revenue and expenses. There was discussion on InterLink Facility.

Mr. Schattle gave an overview of the Federal Financial and

Compliance Report noting a clean opinion was issued.

Mr. Schattle gave an overview of the Passenger Facility Charge Program Report noting a clean opinion was issued.

Mr. Schattle noted that the draft statements were in the process of being reviewed by the Auditor General's office, the State Controller's office and further reviews at McGladrey. Mr. Schattle stated that he did not expect any material changes to the Statements of Net Position or the Statements of Revenues, Expenses and Changes in Net Position as a result of these reviews. Ms. Thomas thanked Ms. Williams and Mr. Schattle and commended them on good disclosure and transparency.

A motion was made to by Mr. Justo and seconded by Mr. Hahn to approve the Draft Fiscal Year 2014 Audited Financial Statement, the Federal Financial and Compliance Report and the Passenger Facility Charge Program Report, substantially in the form presented.

The motion passed unanimously.

(b) Consideration of and Action Upon Approval of a Consultant Task Order for an Independent Feasibility Report for Upcoming Bond Offering.

Mr. Schattle provided an overview of the two upcoming bond issues.

Mr. Schattle stated RIAC is working with the Commerce Corporation on a Request for Proposals (RFP) for a Direct Bank Loan to refund its 2004 Series A Bond. The term of the loan would be over a 10 year period and would reduce debt service going forward.

Mr. Schattle stated RIAC is also working with the Commerce Corporation for the upcoming new money bond anticipated to be issued this winter. An Independent Feasibility Report, as required under new money, will be completed. The primary purpose of this bond issue will be to fund RIAC's matching share of the Runway 5-23 Expansion Project. Funds for this bond have been included in the approved FAA Passenger Facility Charge (PFC) application.

The recommendation is that the Board hereby authorizes the President and CEO, or his designee, to execute a Consultant Task Order with LeighFisher, Inc. for the completion of an Independent Feasibility Report in an amount not to exceed \$125,000, subject to Board approval.

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

WHEREAS, the Rhode Island Airport Corporation (RIAC) intends to proceed with various Capital Improvement Projects (CIP) including by way of example, and not limitation, runway and taxiway

improvements and facility developments at T. F. Green and the General Aviation Airports; the provisions of architectural, engineering, surveying, construction management and other professional services; funding capitalized interest, costs of issuance and related costs and the establishment of reserves, including a debt service reserve fund (the Project); and

WHEREAS, RIAC intends to finance the Project and related borrowing costs through the issuance of tax-exempt bonds by the Rhode Island Commerce Corporation in an amount not to exceed \$60,000,000 (the Bonds); and

WHEREAS, RIAC is required to undergo an Independent Feasibility Report for the proposed financing; and

WHEREAS, LeighFisher, Inc. (LeighFisher) is an approved Airport Consultant for RIAC and is working under a Professional Services Agreement (PSA) that was entered into on July 1, 2013 to provide On-Call Airport Consulting Services; and

WHEREAS, the completion of an Independent Feasibility Report is contemplated under the terms of the Professional Service Agreement (PSA) with LeighFisher; and

WHEREAS, LeighFisher has provided RIAC a scope and fee for the completion of an Independent Feasibility Report in the amount of

\$125,000; and

WHEREAS, this task will initially be funded with General Purpose funds and then reimbursed from bond proceeds as a cost of issuance upon completion of the bond issue.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board hereby authorizes the President and CEO, or his designee, to execute a Consultant Task Order with LeighFisher, Inc. for the completion of an Independent Feasibility Report in an amount not to exceed \$125,000, subject to Board approval.

The motion passed unanimously

Mr. Schattle reported that RIAC is working with bond counsel to review and evaluate potentially participating in the Municipalities Continuing Disclosure Cooperation (MCDC) Initiative by December 1st. Mr. Schattle gave an overview of this voluntary, self-reporting program.

Mr. Schattle provided an overview of the Quasi-Public Corporations Accountability and Transparency Act enacted by Senator Sheehan. This Act will be effective beginning January 1, 2015 and includes initiatives related to policies and procedures, transparency requirements, and a performance audit that will be completed once

every five years.

5. Action Items:

(a) Consideration of and Action Upon Approval of a Consultant Task Order to Perform a Review and Update the 2004 Rhode Island Airport System Plan.

Mr. Fredericks provided an overview of the item noting the last update was completed in 2004 and RIAC staff will work in tandem with the consultant to update the plan. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Consultant Task Order with The Louis Berger Group to perform a review and update the 2004 Rhode Island Airport System Plan in an amount not to exceed \$117,500.

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

WHEREAS, on February 14, 2014, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) with The Louis Berger Group, Inc. (LBG) to provide On-Call Airport Planning Services; and

WHEREAS, this is the first Task Order assigned to LBG under this PSA; and

WHEREAS, RIAC staff negotiated a Scope and Fee with LBG in the amount of \$117,500 to perform a review and update the 2004 Rhode Island Airport System Plan; and

WHEREAS, the Federal Aviation Administration (FAA) reviewed the Scope and Fee and approved the Task Order; and

WHEREAS, the project is approved in the Fiscal Year 2015 Capital Improvement Program (CIP) budget in the amount of \$150,000; and

WHEREAS, this project will be funded 95% (\$142,500) through reimbursement from the FAA Airport Improvement Program (AIP), with RIAC 5% (\$7,500) matching share through General Purpose Funds.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Consultant Task Order with The Louis Berger Group to perform a review and update the 2004 Rhode Island Airport System Plan in an amount not to exceed \$117,500.

The motion was passed unanimously.

(b) Consideration of and Action Upon Approval to Enter Into a Long Term Lease and Operating Agreement for the Development of Multipurpose Corporate Hanger Facilities at T. F. Green Airport.

Mr. Frazier gave an overview of this item and noted that outside counsel reviewed the agreement following two changes requested by the proposer. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a long term Lease and Operating Agreement with Northstar LLC for the development of multipurpose corporate aircraft hangar facilities and related airport infrastructure at T. F. Green Airport in substantially the form presented.

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

WHEREAS, at the May 2014 Board of Directors Meeting, the Rhode Island Airport Corporation (RIAC) Board authorized the President and CEO, or his designee, to execute a Lease and Operating Agreement with North Star Aviation, Inc. (North Star) for the development of multipurpose corporate aircraft hangar facilities and related airport infrastructure at T. F. Green Airport in substantially the form presented at the May Board of Directors Meeting; and

WHEREAS, subsequent to that meeting, RIAC engaged the law firm of Hinckley Allen & Snyder to review the Lease and Operating

Agreement to ensure that it contained terms that were in RIAC's best interest based on the structure of the proposed agreement and development; and

WHEREAS, North Star requested the following two (2) changes to the lease:

- 1. Revision to the escalation clause from annually, to once every three years based on the change in the Consumer Price Index; and**
- 2. Revising the entity executing the contract be changed from North Star Aviation Inc. to Northstar LLC.**

WHEREAS, RIAC staff has reviewed the above referenced changes including the proposed updated language from the law firm of Hinckley Allen & Snyder and recommends approval; and

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a long term Lease and Operating Agreement with Northstar LLC for the development of multipurpose corporate aircraft hangar facilities and related airport infrastructure at T. F. Green Airport in substantially the form presented.

The motion was passed unanimously.

(c) Consideration of and Action Upon Approval of a Professional Services Agreement for Electric Cart Services for the InterLink Facility at T. F. Green Airport.

Mr. Fredericks gave an overview of the item noting this is the current service provider. The recommendation is that that the Board approve the attached resolution authorizing the President and CEO, or his designee, to execute a Professional Services Agreement with Air Serv Corporation for the operation of Electric Cart Services between the InterLink Facility and the Bruce Sundlun Terminal Building at the regular hourly rate of \$15.85 and overtime rate of \$23.78 for a one year term with two additional one year terms at the discretion of RIAC.

A motion was made by Mr. Carroll and seconded by Mr. Justo to approve the following resolution:

WHEREAS, on July 10, 2014, the Rhode Island Airport Corporation (RIAC) issued a Request for Proposals (RFP) to provide Electric Cart Services between the InterLink Facility and the Bruce Sundlun Terminal Building at T. F. Green Airport pursuant to RIAC Procurement Rules; and

WHEREAS, RIAC received two proposals on August 8, 2014; and

WHEREAS, the Selection Committee comprised of Tim Pimental, Manager of Air Service Marketing & Landside Operations; Jeffrey Goulart, Manager of Finance and Administration; Carla Diggett, Financial Analyst and Administrator and Joe DaSilva, Assistant Vice President for Building Maintenance independently rated the proposals and recommend awarding a Professional Services Agreement to Air Serv based on the Selection Criteria included in the RFP; and

WHEREAS, Air Serv Corporation is the current provider for these services and has proposed holding their price for the term of the new contract at the regular hourly rate of \$15.85 and overtime rate of \$23.78; and

WHEREAS, the approved Fiscal Year 2015 Operations and Maintenance budget for the InterLink Facility includes \$125,000 for these services funded with InterLink Facility Revenues.

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 Professional Services Agreement with Air Serv Corporation for the operation of Electric Cart Services between the InterLink Facility and the Bruce Sundlun Terminal Building at the regular hourly rate of \$15.85 and overtime rate of \$23.78 for a one year term with two additional one

year terms at the discretion of RIAC.

The motion was passed unanimously.

(d) Consideration of and Action Upon Approval to Enter Into a Contract to Remove and Replace the Roof of the Fire Station at T. F. Green Airport.

Mr. Hahn announced he was recusing himself from consideration of this item.

Mr. Fredericks gave an overview of this item noting there is a 30 year guarantee on the new roofing. The recommendation is that that the Board authorizes the President and CEO, or his designee, to execute a Contract with Eagle Cornice Company, Inc. to remove and replace the roof of the Fire Station located at T. F. Green Airport, in the amount of \$119,900.

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

WHEREAS, a competitive bidding process was undertaken according to the Rhode Island Airport Corporation's (RIAC) procurement rules to remove and replace the roof of the Fire Station at T. F. Green Airport; and

WHEREAS, on July 11, 2014, RIAC issued an Invitation for Bids (IFB) for this project; and

WHEREAS, on July 23, 2014, RIAC held a pre-bid meeting and site visit at the Fire Station for all interested bidders to familiarize themselves with the scope of work and site restrictions; and

WHEREAS, on August 13, 2014 RIAC received five sealed bids; and

WHEREAS, RIAC staff has determined that the bid submitted by Eagle Cornice Company, Inc. in the amount of \$119,900 for this project is the lowest responsible bid; and

WHEREAS, the cost for the removal and replacement of the roof of the Fire Station was approved in the Fiscal Year 2015 Capital Improvement Program (CIP) budget in the amount of \$150,000.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Contract with Eagle Cornice Company, Inc. to remove and replace the roof of the Fire Station located at T. F. Green Airport, in the amount of \$119,900.

The motion was passed by three affirmative votes, with one Board Member recusing himself from voting. The vote was as follows:

YEAS: Deborah Thomas

John Justo

Paul Carroll

NAYS: None

RECUSAL: Russell Hahn

(e) Consideration of and Action Upon Approval of a Construction Contract for Flood Protection Enhancements to the Hanger at Quonset State Airport.

Mr. Fredericks gave an overview of this item noting the flood plane issue was not originally identified. Due to the improper designation, AECOM agreed to, at no additional cost, prepare design documents and provide construction administration and management services for this project. The recommendation is that that the Board authorizes the President and CEO, or his designee, to execute a Construction Contract with Tower Construction Corporation in the amount of \$867,000 for Flood Protection Enhancements to the Hangar at Quonset State Airport.

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

WHEREAS, a competitive bidding process was undertaken according to the Rhode Island Airport Corporation's (RIAC) procurement rules for a series of flood control improvements for the existing hangar and office building at Quonset State Airport; and

WHEREAS, on July 7, 2014, RIAC issued an Invitation for Bid (IFB) for this project and received nine (9) sealed bids by the bid opening date of August 5, 2014; and

WHEREAS, due to an administrative error, the lowest bidder failed to include the costs of their sub-contracts in their overall bid submission and requested that their bid be withdrawn; and

WHEREAS, RIAC accepted this request; and

WHEREAS, AECOM, RIAC's Design Consultant of this project, determined that the next lowest bid submitted by Tower Construction Corporation (Tower) in the amount of \$867,000 is the lowest responsive bid; and

WHEREAS, RIAC staff agrees with AECOM's determination and recommends award of this contract to Tower; and

WHEREAS, the project is included in the approved Fiscal Year 2015 Capital Improvement Program (CIP) budget in the amount of \$850,000 and funded from General Purpose Funds.

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 Tower Construction Corporation in the amount of \$867,000 for Flood Protection Enhancements to the Hangar at Quonset State Airport.

The motion was passed unanimously.

(f) Consideration of and Action Upon Approval of a Construction Contract for the Upgrade of an Existing Hangar Fire Suppression System at North Central State Airport.

Mr. Hahn announced he was recusing himself from consideration of this item.

Mr. Fredericks provided an update on this item and the recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Construction Contract with Tower Construction Corporation in the amount of \$787,000 for the upgrade of an existing hangar fire suppression system at North Central State Airport.

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

WHEREAS, a competitive bidding process was undertaken according to the Rhode Island Airport Corporation's (RIAC) procurement rules for the upgrade of an existing hangar fire suppression system at North Central State Airport; and

WHEREAS, on May 16, 2014, RIAC issued an Invitation for Bid (IFB) for this project but did not receive any responses by the bid opening date of June 16, 2014; and

WHEREAS, upon further investigation with known prospective bidders, RIAC determined that the prospective bidders were not aware of all available suppliers for some of the specialized fire suppression equipment required for this project; and

WHEREAS, RIAC re-issued the IFB on August 8, 2014 and received three sealed bids by the bid opening date of August 29, 2014; and

WHEREAS, Jacobs Engineering Group, Inc. (Jacobs), RIAC's Design Consultant of this project, determined that the bid submitted by Tower Construction Corporation (Tower) in the amount of \$787,000 is the lowest responsive bid; and

WHEREAS, RIAC staff agrees with Jacobs determination and recommends award of this Contract to Tower; and

WHEREAS, the project is included in the approved Fiscal Year 2015 Capital Improvement Program (CIP) budget in the amount of \$1,000,000 and funded from Bond proceeds.

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 Tower Construction Corporation in the amount of \$787,000 for the upgrade of an existing hangar fire suppression system at North Central State Airport.

The motion was passed by three affirmative votes, with one Board Member recusing himself from voting. The vote was as follows:

YEAS: Deborah Thomas

John Justo

Paul Carroll

NAYS: None

RECUSAL: Russell Hahn

(g) Consideration of and Action Upon Approval of a Construction Contract Change Order for the Clear Runway Visual Zone and Relocate Fuel Tanks Project at North Central State Airport.

This item will be voted on following Executive Session.

A motion was made by Mr. Carroll pursuant to Rhode Island General Laws Sections 42-46-5(a)(2) and 42-46-6(b) to amend the agenda to add an executive session item for information purpose only regarding a nonpublic potential litigation matter relating to a construction dispute. The motion was seconded by Ms. Thomas.

The motion passed unanimously.

6. Executive Session:

At approximately 6:56 p.m. a motion was made by Mr. Carroll and seconded by Ms. Thomas to go into Executive Session for the purpose of discussing the following items:

(a) Motion to Approve the Minutes of the Executive Session held July 17, 2014 § 42-46-5(a)(2),(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 Site) - R.I.G.L. § 42-46-5(a)(5); and

(d) Discussions Related to Two 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: Russell Hahn

Deborah Thomas

Paul Carroll

John Justo

NAYS: None

ABSTAIN: None

At approximately 7:35 p.m., a motion was made by Ms. Thomas and seconded by Mr. Justo 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

September 18, 2014.

A motion was made by Mr. Carroll 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: Russell Hahn

Deborah Thomas

Paul Carroll

John Justo

NAYS: None

ABSTAIN: None

(b) Report on Actions Taken in Executive Session.

During the Executive Session, a motion was made by Mr. Carroll to approve the sealed minutes of the Executive Session held on June 18, 2014. The motion was seconded by Ms. Thomas. The motion passed unanimously.

(c) Consideration of and Action Upon Approval of a Construction Contract Change Order for the Clear Runway Visual Zone and Relocate Fuel Tanks Project at North Central State Airport.

The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Construction Contract Change Order with DiGregorio Corporation in the amount of \$164,085 for the Clear Runway Visual Zone and Relocate Fuel Tanks Project at North Central State Airport.

A motion was made by Ms. Thomas and seconded by Mr. Justo to approve the following resolution amended to reflect the change of FAA funding up to 90 percent of the change order:

WHEREAS, the Rhode Island Airport Corporation (RIAC) has been in discussions with the construction contractor (DiGregorio) to address numerous construction issues that affect both the contract cost and contract duration for this Project; and

WHEREAS, RIAC and DiGregorio have agreed upon the elements of the Construction Change Order; and

WHEREAS, Fuss & O'Neil (F&O), RIAC's design consultant for this project, has determined that the elements and cost of \$164,085 for the Change Order are reasonable for the additional efforts to complete the proposed work; and

WHEREAS, the Federal Aviation Administration (FAA) has reviewed this Change Order and agrees with the proposed changes; and

WHEREAS, RIAC will amend the existing grant for this project to include the additional efforts and request FAA funding for up to 90 percent of this Change Order.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Construction Contract Change Order with DiGregorio Corporation in the amount of \$164,085 for the Clear Runway Visual Zone and Relocate Fuel Tanks Project at North Central State Airport.

The motion passed unanimously.

8. Future Meetings:

The next Board Meeting will be held on Wednesday October 15, 2014 at 4:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, Warwick, Rhode Island.

9. Adjournment:

Ms. Thomas moved to adjourn at approximately 7:36 p.m. Mr. Carroll seconded the motion. The motion was passed unanimously.

Respectfully submitted,

**Russell Hahn, Vice Chair
Rhode Island Airport Corporation**

**PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
THURSDAY, SEPTEMBER 18, 2014**

NAME AFFILIATION

Brian Schattle RIAC

Peter Frazier RIAC

Liberty Luciano RIAC

Patricia Goldstein RIAC

Sherri Ann Penta RIAC

Dan Porter RIAC

Bruce Wilde RIAC

Nicole Williams RIAC

Paul McDonough RIAC

Eric Seabury RIAC

Ahmed Shihadeh RIAC

Jeff Goulart RIAC

Vincent Scarano RIAC

Lauren Davis McGladrey

Robert Geoff New England Parking

Richard Langseth Constituent

The minutes of the Executive Session of the Board Meeting of September 18, 2014, have been sealed in accordance with R.I.G.L. § 42-46-4.