

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

OPERATIONS AND CAPITAL COMMITTEE MEETING

WEDNESDAY, DECEMBER 21, 2005

3:00 p.m.

**in the Mary Brennan Board Room, T. F. Green Airport, Warwick,
Rhode Island**

The meeting of the Rhode Island Airport Corporation (“Corporation”) Operations and Capital Committee was called to order by Chairman, James Forte, at 3:08 p.m., in the Mary Brennan Board Room, T. F. Green Airport, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

COMMITTEE MEMBERS PRESENT: James Forte, Joseph Cianciolo, Robert Sangster.

ALSO PRESENT: Mark P. Brewer, A.A.E., President and CEO; Laurie Cullen, A.A.E., Executive Vice President; Brian Schattle, Senior Vice President of Finance and Administration/CFO; Marci Greenberger, Senior Vice President of Operations and Maintenance; Peter Frazier, Chief Legal Counsel; and those individuals listed on the attendance sheet attached hereto.

1. Approval of the Minutes: Mr. Sangster moved that the minutes of the Operations and Capital Committee Meeting of October 24, 2005 be

approved. Mr. Cianciolo seconded the motion. The motion was passed unanimously.

2. Report from Chair, Operations and Capital Committee:

There was no report.

3. Report from Senior Vice President of Operations and Maintenance:

Ms. Greenberger reported that Corporation is working on developing a Continuity of Operations Plan (COOP) which is part of a statewide initiative spearheaded by the Rhode Island Emergency Management agency. This plan would be used by RIAC in the event of a pandemic.

Ms. Greenberger reported that she had recently attended a Rhode Island Training and Exercise Planning Workshop. This particular session focused on revising the current exercise plan.

Ms. Greenberger reported that the Registered Traveler Program is moving forward with a target implementation date of June 1, 2006. There are no published standards available yet, but guidelines should be available after January 1, 2006. It is hoped that T. F. Green Airport will be part of this program.

4. Discussion Items:

(a) Update on Capital Projects.

Ms. Cullen gave her monthly project update. There was specific discussion of the terminal security projects, the Airfield Maintenance Facility Project, and the Land Acquisition. Program. Mr. Forte asked for the construction timeline for the EDS/SSCP expansion project and Ms. Cullen reported that although there had been a delay in starting construction it would still be completed on time. There was also detailed discussion on the Fuel Farm Analysis and Operational/Expansion Alternatives.

5. Action Items:

(a) Consideration of and Action Upon Approval to Add a Project to the Capital Improvement Program for the Rehabilitation of Taxiway T at T. F. Green Airport AND Consideration of and Action Upon Approval of a Consultant Task Order for Design and Bid Phase Services Associated with the Rehabilitation of Taxiway T at T. F. Green Airport.

Ms. Cullen gave an overview of the project noting that the recommendation is for the Committee to authorize the President and CEO, or his designee, to add the Rehabilitate Taxiway T project at T. F. Green Airport to the CIP budget and negotiate and execute a Task Order with HNTB Corporation to provide design and bid phase services for this project. There was discussion on why this project had not been included in the FY 06 CIP budget and it was noted that

there has been some deterioration of the taxiway surface so the work needs to be done as soon as possible.

A motion was made by Mr. Cianciolo and seconded by Mr. Sangster to approve the following resolutions:

WHEREAS, the area near the intersection of Taxiway T and V is showing signs of failure and needs to be repaired; and

WHEREAS, the total estimated cost for this project is \$2.4 million; and

WHEREAS, there are funds available through the Airport Improvement Program to fund 75% (\$1.8 million) of this project; and

WHEREAS, RIAC's 25% (\$600,000) matching share will initially be funded through the General Purpose Fund; and

WHEREAS, RIAC will request reimbursement of amounts expended from the General Purpose Fund through future Passenger Facility Charges.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Committee hereby recommends that the President and CEO add the Rehabilitation of Taxiway T Project at T. F. Green Airport to

the Capital Improvement Program Budget in the amount of \$2,400,000, subject to Board approval.

WHEREAS, RIAC has contracted with the firm of HNTB Corporation to perform on-call architectural and engineering services; and

WHEREAS, RIAC received and negotiated a scope and fee with HNTB to provide design and bid phase services for the Rehabilitation of Taxiway T Project at T. F. Green Airport in the amount of \$113,987; and

WHEREAS, there are funds available through the Airport Improvement Program to fund 75% (\$1.8 million) of this project; and

WHEREAS, RIAC's 25% (\$600,000) matching share will initially be funded through the General Purpose Fund; and

WHEREAS, RIAC will request reimbursement of amounts expended from the General Purpose Fund through future Passenger Facility Charges.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Committee hereby recommends that the President and CEO, or his designee, execute a Task Order with HNTB to provide design and bid phase services for the Rehabilitation of Taxiway T Project at

T. F. Green Airport in the amount of \$113,987, subject to Board approval.

The motion was passed unanimously.

(b) Consideration of and Action Upon Approval to Add a Project to the Capital Improvement Program for the Restoration of the Garage B Stairs at T. F. Green Airport AND Consideration of and Action Upon Construction Contract for the Restoration of the Garage B Stairs Project at T. F. Green Airport.

Ms. Cullen gave an overview of the project reporting that the recommendation is that the Committee authorize the President and CEO, or his designee, to add the Restoration of Garage B Stairs Project at T. F. Green Airport to the Capital Improvement Program Budget, and execute a construction contract with Acme Waterproofing Co., Inc., subject to Board approval.

A motion was made by Mr. Sangster and seconded by Mr. Cianciolo to approve the following resolutions:

WHEREAS, due to deterioration of the concrete and metal stairs the five levels of stairs located in Garage B at T. F. Green Airport need to be restored; and

WHEREAS, there are funds available in the General Purpose Fund for

use during Fiscal Year 2006 to complete this project.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Committee hereby recommends that the President and CEO add the Restoration of Garage B Stairs Project at T. F. Green Airport to the Capital Improvement Program Budget in the amount of \$106,576, subject to Board approval.

WHEREAS, a competitive bidding process was undertaken according to RIAC's Procurement Rules and Regulations for the Restoration of Garage B Stairs Project at T. F. Green Airport; and

WHEREAS, the firm of Walker Parking Consultants, serving as RIAC's design consultant for this project, determined that Acme Waterproofing Co., Inc. submitted the lowest responsive bid in the amount of \$91,000; and

WHEREAS, Walker Parking Consultants recommended that Acme Waterproofing Co., Inc. be awarded the construction contract for this project and RIAC staff agrees; and

WHEREAS, this contract will be funded 100% through the General Purpose Fund.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Committee hereby recommends that the President and CEO, or his designee, execute a construction contract with Acme Waterproofing Co., Inc. for the Restoration of Garage B Stairs Project at T. F. Green Airport in the amount of \$91,000, subject to Board approval.

The motion was passed unanimously.

(c) Consideration of and Action Upon Approval of Consultant Task Order for Phase 1 of the Drainage Master Plan Project at T. F. Green Airport.

Ms. Cullen gave an overview of the project. The recommendation is that the Committee authorize the President and CEO, or his designee, to execute a consultant Task Order with VHB for Phase 1 of the Drainage Master Plan Update at T. F. Green Airport.

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

WHEREAS, RIAC has contracted with the firm of Vanasse Hangen Brustlin, Inc. (VHB) to perform on-call environmental services; and

WHEREAS, RIAC will be conducting a phased approach to develop a Drainage Master Plan to satisfy a RIDEM RIPDES permit requirement;

and

WHEREAS, RIAC staff has received a scope and fee for Phase 1 of the Drainage Master Plan from VHB in the amount of \$78,456 and is conducting negotiations; and

WHEREAS, the current Fiscal Year 2006 Capital Improvement Program (CIP) Budget includes \$200,000 from the General Purpose Fund for this project.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Committee hereby recommends that the President and CEO, or his designee, negotiate and execute a Task Order with Vanasse Hangen Brustlin, Inc. to provide services associated with Phase 1 of the Drainage Master Plan at T. F. Green Airport in an amount not-to-exceed \$78,456, subject to Board approval.

The motion was passed unanimously.

(d) Consideration of and Action Upon Approval of Capital Improvement Program Budget Adjustment for the Glycol Tank Farm and Fuel Farm AOA Fencing Project at T. F. Green Airport AND Consideration of and Action Upon Award of Construction Contract for the Glycol Tank Farm and Fuel Farm AOA Fencing Project at T. F. Green Airport.

This item was removed from the agenda.

(e) Consideration of and Action Upon Award of Contract for Two All-Wheel Drive Trucks with Plows and Dump Bodies.

Ms. Greenberger gave a brief overview of this acquisition. The request is that the Committee authorize the President and CEO, or his designee, to award a contract to Oshkosh Truck Corporation for the acquisition of two all-wheel drive trucks with plows and dump bodies, subject to Board approval.

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

WHEREAS, the Rhode Island Airport Corporation (RIAC) is responsible for the maintenance and operation of airport facilities at the six Rhode Island airports; and

WHEREAS, it has been determined that there is a need for two all-wheel drive, trucks with plows and dump bodies; and

WHEREAS, RIAC has a fiscal year budget which provides funding for this purchase through its Operating Capital budget; and

WHEREAS, in October 2005, the Corporation issued an Invitation for

**Bids (IFB) for two all-wheel drive trucks with plows and dump bodies;
and**

WHEREAS, two submissions were received in response to the solicitation; and

WHEREAS, in compliance with RIAC Procurement Rules, the submissions were evaluated to determine both responsiveness and responsibility; and

WHEREAS, as a result of this evaluation, the recommendation is to award a contract to Oshkosh Truck Corporation of Oshkosh, Wisconsin in the amount of \$415,198.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Committee hereby authorizes the President and CEO, or his designee, to award the contract to Oshkosh Truck Corporation of Oshkosh, Wisconsin in the amount of \$415,198 for the acquisition of two all-wheel drive trucks with plows and dump bodies, subject to Board approval.

The motion was passed unanimously.

(f) Consideration of and Action Upon Extension of Contract for the Operation of the Five General Aviation Airports.

Ms. Greenberger gave an overview of the contract. The recommendation is that the Committee authorize the President and CEO, or his designee, to negotiate and execute the five-year renewal agreement with Hawthorne on the financial terms identified in the resolution below, subject to the general contract terms and conditions no less favorable than the existing contract and reviewed and approved by legal counsel. There was general discussion on the terms of the contract and the services provided by Hawthorne.

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

WHEREAS, the Rhode Island Airport Corporation (RIAC) entered into a management contract with Hawthorne Aviation, Inc. (now doing business as Piedmont Hawthorne Aviation LLC) on May 7, 1996 (“Contract”), for the provision of management services at RIAC’s five general aviation airports; and

WHEREAS, the Contract was renewed for a second five-year term that expires on June 30, 2006; and

WHEREAS, the Contract permits two additional five-year renewals, the first of which must be mutually agreed to by January 1, 2006; and

WHEREAS, RIAC Management has carefully analyzed the relative

benefits to renewing the Contract and concluded that it is in RIAC's best interest to so proceed; and

WHEREAS, in addition to providing the existing services under the Contract, the renewal contract will incorporate FBO/hangar management and potential consulting in support of RIAC constructing a new hangar at Quonset airport (at an agreed upon fee, to be determined); and

WHEREAS, RIAC and Hawthorne, after several months of negotiations, have tentatively agreed to the following financial terms (subject to Board approval):

- Hawthorne will receive a flat management fee of \$150,000 for the management and operation of the five general aviation airports.**
- Hawthorne will receive an incentive fee of 10% of gross profit (total revenues less cost of sales) from the operations at OQU above the baseline of the fiscal year 2006 budget (\$800,273).**

WHEREAS, RIAC Management has evaluated the financial terms and (a) has concluded that they are reasonable and appropriate, and would not be improved by further competitive bidding and (b) has concluded that the contract renewal comports with RIAC's Procurement Rules.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Committee authorizes the President and CEO, or his designee, to negotiate and execute the five year renewal agreement with Hawthorne on the financial terms identified above and subject to general contract terms and conditions no less favorable than the existing contract and reviewed and approved by legal counsel, subject to Board approval.

The motion was passed unanimously.

(g) Consideration of and Action Upon Memorandum of Understanding (MOU) Between the Rhode Island Airport Corporation (RIAC) and the Rhode Island State Police (RISP).

Ms. Greenberger gave a brief overview of the terms of the memorandum. The recommendation is that the Committee ratify the MOU with the Rhode Island State Police (RISP), subject to Board approval.

A motion was made by Mr. Sangster and approved by Mr. Cianciolo to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation's Chief of Police will be retiring at the end of the year; and

WHEREAS, the Rhode Island State Police (RISP), is a unique resource available to RIAC; and

WHEREAS, the RISP has agreed to deploy an officer to serve as an interim Acting Chief; and

WHEREAS, RISP will provide an assessment of the RIAC police department relative to its unique mission among law enforcement agencies at T. F. Green Airport; and

WHEREAS, the term of this agreement shall be for six months; and

WHEREAS, RIAC shall reimburse RISP for the actual costs of the deployed officer.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Committee ratify the MOU with the RISP executed by the President and CEO for the services of an officer, subject to Board approval.

The motion was passed unanimously,

6. Future Meetings:

The next Operations and Capital Committee Meeting is scheduled for Wednesday, January 25, 2005, at 3:00 p.m., in the Mary Brennan Board Room, at T. F. Green Airport.

7. Adjournment:

Mr. Sangster moved to adjourn at approximately 3:43 p.m. Mr. Cianciolo seconded the motion. The motion was carried by acclamation.

Respectfully submitted,

James Forte, Chairman

Rhode Island Airport Corporation

Operations and Capital Committee

ATTENDANCE SHEET

RHODE ISLAND AIRPORT CORPORATION

OPERATIONS AND CAPITAL COMMITTEE MEETING

DECEMBER 21, 2005

NAME AFFILIATION

Patti Goldstein RIAC

Steve Tibbetts Hawthorne

Robert Goff NEP