

**MINUTES OF MEETING**

**RHODE ISLAND AIRPORT CORPORATION**

**OPERATIONS AND CAPITAL COMMITTEE**

**WEDNESDAY, OCTOBER 15, 2008, AT 3:00 P.M.**

**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”) Operations and Capital Committee was called to order by Acting Chairman, Robert D. Sangster, at 3:00 p.m., in the Mary Brennan Board Room at T. F. Green Airport, 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.**

**COMMITTEE MEMBERS PRESENT: Robert D. Sangster; Michael Traficante.**

**COMMITTEE MEMBER ABSENT: James Forte; Don Pillsbury (Ex-Officio Member).**

**BOARD MEMBERS PRESENT: Kathleen C. Hittner, M.D; Russell Hahn.**

**ALSO PRESENT: Kevin A. Dillon, A.A.E., President and CEO; and those listed on the attendance sheet attached hereto.**

### **1. Approval of the Minutes:**

**Mr. Traficante moved that the minutes of the Operations and Capital Committee Meeting of July 28, 2008, as amended, be approved. Mr. Sangster seconded the motion. The motion was passed unanimously.**

### **2. Report from Chair, Operations and Capital Committee:**

**There was no report.**

### **3. Action Items:**

**(a) Consideration of and Action Upon Approval of Professional Services Agreement for Public Relations and Advertising Services at T. F. Green Airport and the Five General Aviation Airports.**

**Mr. Dillon gave an overview of the Professional Services Agreement. The recommendation is that the Board authorize the President and CEO, or his designee, to execute a one-year Professional Services Agreement with two one-year extensions at the option of RIAC for Public Relations and Advertising Services with RDW, including a retainer in an amount not-to-exceed \$6,000 per month. Mr. Traficante asked what separated RDW's proposal from the other proposals submitted. Mr. Dillon explained the criteria used in the selection process, and the range of experience demonstrated in RDW's**

**proposal. It was noted that a professional services selection is not solely cost driven but is based on a rating system using set criteria.**

**A motion was made by Mr. Sangster to approve the Professional Services Agreement as presented. The motion did not carry due to the lack of a second. This item will be brought to the Board for consideration.**

**Mr. Sangster asked if there were any questions on items 3 (b) through 3 (f). Hearing none, a motion was made by Mr. Traficante and seconded by Mr. Sangster to approve the following resolutions. The motion was passed unanimously.**

**(b) Consideration of and Action Upon Approval of a Construction Contract for the Post Road Water Valve Installation Project at T. F. Green Airport.**

**WHEREAS, a competitive bidding process was undertaken according to the Rhode Island Airport Corporation's (RIAC) procurement rules for the Post Road Water Valve Installation Project at T. F. Green Airport and three bids were received; and**

**WHEREAS, The Louis Berger Group (LBG), serving as RIAC's Design Consultant for this project, determined that John Rocchio Corporation (JRC) submitted the lowest responsive bid in the amount of \$125,000; and**

**WHEREAS, LGB recommends that JRC be awarded the Construction Contract for this project and RIAC staff agrees; and**

**WHEREAS, the project is included in the proposed Fiscal Year 2009 Capital Improvement Program (CIP) budget in the amount of \$374,400; and**

**WHEREAS, this contract will be funded with 2008 Airport Revenue Bonds.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Committee hereby authorizes the President and CEO, or his designee, to execute a Construction Contract with John Rocchio Corporation for the Post Road Water Valve Installation Project at T. F. Green Airport in an amount not-to-exceed \$125,000, subject to Board approval.**

**(b) Consideration of and Action Upon Approval of a Task Order for the Runway 5-23 and 16-34 Intersection Improvements Project at T. F. Green Airport.**

**WHEREAS, the pavement at the intersection of Runways 5-23 and 16-34 at T. F. Green Airport is deteriorated and repeated attempts by Airfield Maintenance to repair the issues have proven to be temporary**

**in nature; and**

**WHEREAS, the asphalt is raveling with joint deterioration causing the need for more substantial repairs; and**

**WHEREAS, this project involves milling and pavement overlay with new runway markings; and**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) Board authorized the execution of Professional Service Agreements for On-Call Pavement Repairs with Cardi Corporation (Cardi), D'Ambra Construction Co. Inc. and International Paving Corp. at the October 2007 Board meeting; and**

**WHEREAS, to date, no Task Orders have been issued to Cardi under that agreement; and**

**WHEREAS, RIAC staff requested pricing from the three approved On-Call Pavement Repair Companies to perform the work associated with the Runway 5/23 & 16/34 Intersection Improvements Project; and**

**WHEREAS, Cardi submitted the lowest fee in the amount of \$148,350, and**

**WHEREAS, this project is included in the RIAC Fiscal Year 2009 Operations and Maintenance (O&M) budget in the amount of \$50,000;**

**and**

**WHEREAS, the remaining \$98,350 is unbudgeted and will be funded from General Purpose Funds; and**

**WHEREAS, due to the need to accomplish this project in a timely manner, the President and CEO issued the Task Order with Cardi and recommends ratification.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Committee hereby ratifies the President and CEO's execution of a Task Order with Cardi Corporation to provide Pavement Repair Services for the Runway 5-23 & 16-34 Intersection Improvement Project at T. F. Green Airport in an amount not-to-exceed \$148,350, subject to Board approval.**

**(c) Consideration of and Action Upon Approval of Lease Agreement for the Restaurant Facility in the New Block Island Airport Terminal.**

**WHEREAS, on May 13, 2008, the Rhode Island Airport Corporation (RIAC) issued a Request for Proposals (RFP) for the development and operation of the restaurant space in the new Block Island Airport Terminal; and**

**WHEREAS, Bethany's Airport Diner, the incumbent operator in the**

**existing terminal, was the sole respondent; and**

**WHEREAS, Bethany's Airport Diner will be responsible for providing the necessary trade fixtures and any other leasehold improvements to operate in this space; and**

**WHEREAS, tenant leasehold improvements will require RIAC's prior written consent; and**

**WHEREAS, RIAC has negotiated a Lease Agreement with Bethany's Airport Diner to provide the required restaurant services in the new terminal for a five year initial term at \$1,150 per month with annual CPI increases and a mutual option term of five years with fair market rent negotiated by the parties.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Committee hereby authorizes the President and CEO, or his designee, to execute a Lease Agreement with Bethany's Airport Diner for the restaurant space in the new Block Island Airport Terminal at an initial rent of \$1,150 per month in substantially the form presented, subject to review by legal counsel and Board approval.**

**(d) Consideration of and Action Upon Approval of Professional Services Agreements for Third Party Testing Services Associated with the Construction of the Warwick Intermodal Facility at T. F.**

## **Green Airport.**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) is constructing an Intermodal Facility in Warwick, Rhode Island, pursuant to its Capital Improvement Program (CIP), and in cooperation with the Rhode Island Department of Transportation (RIDOT); and**

**WHEREAS, all costs associated with the Board authorization contemplated in this resolution will be included as part of the Intermodal Project; and**

**WHEREAS, RIAC conducted a qualification procurement process for Third Party Testing Services associated with the construction of the Intermodal Facility; and**

**WHEREAS, RIAC received five Qualification Statements from consultants to perform these services and a Selection Committee short-listed three of these firms to provide Proposals; and**

**WHEREAS, the Selection Committee evaluated the three Proposals submitted by Briggs Engineering and Testing, ATC Associates, Inc., and Professional Service Industries, Inc. and recommends Briggs Engineering and Testing to provide the Third Party Testing Services in an amount not-to-exceed the budget amount of \$552,293.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Committee hereby authorizes the President and CEO, or his designee, to negotiate and execute a Professional Services Agreement (PSA) with a two-year term for Third Party Testing Services with Briggs Engineering & Testing in an amount not-to-exceed \$552,293, subject to RIDOT, FHWA, and Board approval.**

**(e) Consideration of and Action Upon Request for Retroactive Price Adjustment for the Taxiway 'M' Project at T. F. Green Airport.**

**WHEREAS, on April 16, 2008, the Rhode Island Airport Corporation (RIAC) received three sealed bids from qualified contractors to Extend, Mark, Light and Sign Taxiway 'M' (Taxiway 'M' Project) at T. F. Green Airport; and**

**WHEREAS, the procurement process for the Taxiway 'M' Project was made in accordance with the RIAC Procurement Regulations, which, in relevant part, does not allow for retroactive price adjustments for contracts awarded based on low bid; and**

**WHEREAS, funding for the Taxiway 'M' Project was structured based on RIAC's receipt of 75% of the costs from the Federal Aviation Administration (FAA); and**

**WHEREAS, the FAA does not fund retroactive price adjustments under its grants; and**

**WHEREAS, on April 16, 2008, the proposals were opened and Cardi Corporation offered the lowest responsible and responsive bid; and**

**WHEREAS, there were two other proposers for the Taxiway 'M' Project which were unsuccessful because their respective bids were higher than the bid from Cardi Corporation; and**

**WHEREAS, the Board approved the award of the Taxiway 'M' Project Contract to Cardi Corporation at the May 21, 2008 Board Meeting; and**

**WHEREAS, after the commencement of the Taxiway M Project Cardi Corporation requested a retroactive price increase based on escalating petroleum costs; and**

**WHEREAS, RIAC staff evaluated Cardi Corporation's request for a retroactive price adjustment in terms of (a) Cardi Corporation's status as the low bidder; (b) bid tabulation information from the two other bidders; (c) RIAC's engineering consultant's cost estimates; (d) RIAC's funding source; and (e) RIAC's Procurement Regulations; and**

**WHEREAS, in response to an inquiry from RIAC's President and CEO, the FAA has specifically stated that it would not fund a retroactive**

**price adjustment for the Taxiway 'M' Project; and**

**WHEREAS, by letter dated July 30, 2008, RIAC staff has previously denied Cardi Corporation's request for a retroactive price adjustment; and**

**WHEREAS, RIAC President and CEO and staff subsequently met with representatives of Cardi Corporation to explain RIAC's evaluation and the denial letter; and**

**WHEREAS, on September 26, 2008, during the Open Forum of the Board meeting representatives of Cardi Corporation requested the RIAC Board to authorize RIAC to make a retroactive price adjustment for the Taxiway 'M' Project; and**

**WHEREAS, as no new information or authority was presented to authorize a retroactive price adjustment, RIAC staff recommends that the original denial of a retroactive price adjustment for the Taxiway 'M' Project be reaffirmed.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Committee authorizes the President and CEO, or his designee, to respond in writing to Cardi Corporation, on behalf of the RIAC Board of Directors, respectfully declining to authorize a**

**retroactive price adjustment for the Taxiway 'M' Project, subject to Board approval.**

#### **4. Future Meetings:**

**The next Operations and Capital Committee Meeting is scheduled for Wednesday, November 19, 2008 at 3:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, 2000 Post Road, Warwick, Rhode Island.**

#### **5. Adjournment:**

**Mr. Sangster moved to adjourn at approximately 3:23 p.m. Mr. Traficante seconded the motion. The motion was carried by acclamation.**

**Respectfully submitted,**

**Robert D. Sangster, Acting Chair**

**Rhode Island Airport Corporation**

**Operations and Capital Committee**

**ATTENDANCE SHEET  
RHODE ISLAND AIRPORT CORPORATION  
OPERATIONS AND CAPITAL COMMITTEE MEETING  
OCTOBER 15, 2008**

**NAME      AFFILIATION**

**Brian Schattle      RIAC**

**Peter Frazier      RIAC**

**Ann Clarke      RIAC**

**Patti Goldstein      RIAC**

**Steve Tibbetts      Landmark Aviation**

**Robert Goff      New England Parking**

**Jim Falvey      PB Americas**

**Val Mendonca      HNTB**

**Gregg Perry      Prism**

**Stephanie Cunha (add)Ventures**