

UNOFFICIAL

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

FINANCE AND AUDIT COMMITTEE

TUESDAY, NOVEMBER 22, 2005

12:00 NOON

IN THE MARY BRENNAN BOARD ROOM, T. F. GREEN AIRPORT

WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (“Corporation”) Finance and Audit Committee was called to order by Chairman, Joseph Cianciolo, at 12:08 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: Joseph Cianciolo, James Forte; Joseph Larisa (arrived at 12:15 pm).

BOARD MEMBER PRESENT: Robert Sangster.

ALSO PRESENT: Mark P. Brewer, A.A.E. President and CEO; Brian C. Schattle; Senior Vice President of Finance and Administration and CFO; Marci Greenberger, Senior Vice President of Operations and Maintenance; Peter A. Frazier, Chief Legal Counsel; Doug Dansereau, Chief Auditor and Financial Analyst; Mel Einhorn, Chief Human

Resources Officer; Jason Doyle, Corporate Controller; and those individuals listed on the attendance sheet attached hereto.

Mr. Cianciolo welcomed Mr. Sangster to the Committee Meeting.

1. Approval of the Minutes:

A motion was made by Mr. Cianciolo to approve the minutes of the Finance and Audit Committee Meeting of September 21, 2005. The motion was seconded by Mr. Forte. The motion was passed unanimously.

2. Report from Chief Auditor:

Mr. Dansereau provided a summary of audits that have recently been completed or are currently in progress.

3. Report from Senior Vice President of Finance and Administration and CFO:

Mr. Schattle reported that the Request for Proposals for Airport Consultant and Financial Advisor has been completed and it is anticipated that a recommendation for both contracts will be brought to the Board for approval in December. Mr. Schattle noted that a Selection Committee will be convened to review proposals that are received in response to the solicitation.

Mr. Schattle reported that an RFP for Banking and Insurance Services is planned to be released in January 2006.

Mr. Schattle reported that Mr. Doyle is working on an evaluation of RIAC's financial software programs. The current provider has indicated that upgrades and support will not be provided for the current version past December 2006.

Mr. Schattle gave a brief overview of the Financial Statements for September 2005. There was specific discussion on signatory airline landing fees, the recording of contributed capital, and the use of CFC's.

4. Discussion Items:

(a) Consideration of and Action Upon Engagement of Legal Counsel for the Intermodal Station Facility.

Mr. Frazier gave an overview of the services required and reported that the request is that the Committee authorize the President and CEO to engage Burns & Levinson LLP as the legal counsel to provide legal services related to project financing for the intermodal station project.

A motion was made by Mr. Larisa and seconded by Mr. Forte to approve the following resolution:

WHEREAS, in September 2003, the Corporation issued a Request for Proposals (RFP) for General Counsel in accordance with the requirements of the RIAC procurement rules, to which seven firms submitted qualifications packages; and

WHEREAS, the Selection Committee voted unanimously to retain the firm of Tillinghast Licht Perkins Smith and Cohen, LLP, for General Counsel; and

WHEREAS, the Board also recognized that the seven firms that responded to the RFP for legal services specialize in areas of law that would benefit the Corporation on specific projects, and authorized the Corporation to utilize the services of said firms as the need arises; and

WHEREAS, Burns and Levison, is one of the seven qualified firms that were recognized as having the expertise in the special areas of legal services; and

WHEREAS, Burns & Levinson LLP has prior experience with the project financing aspects of the Intermodal Station Project.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Finance and Audit Committee authorizes the President and CEO to engage Burns and Levison, as the legal counsel to provide legal services related to project financing for the Intermodal Station Project.

The motion was passed unanimously.

6. Executive Session:

(a) Discussion Related to Potential Litigation – R.I.G.L. § 42-46-5(a)(2).

(b) Discussion Related to Personnel – R.I.G.L. § 42-46-5(a)(1).

At approximately 12:35 p.m., a motion was made by Mr. Forte and seconded by Mr. Larisa to go into Executive Session. Mr. Frazier noted that during Executive Session there would be discussion of personnel and pursuant to R.I.G.L. § 42-46-5(a)(1) all affected employees were given advanced written notice that they may require the meeting to be held in Executive Session.

By the following vote, the motion was passed unanimously.

YEAS: Joseph Cianciolo

James Forte

Joseph Larisa

NAYS: None

At approximately 1:30 p.m. a motion was made by Mr. Forte and seconded by Mr. Larisa to return to the Open Session. The motion was passed unanimously.

7. Future Meetings:

The next meeting of the Finance and Audit Committee will be announced.

8. Adjournment:

Mr. Forte moved to adjourn at approximately 1:35 p.m. Mr. Larisa seconded the motion. The motion was carried by acclamation.

Respectfully submitted,

**Joseph Cianciolo, Chair
Finance and Audit Committee of
the Rhode Island Airport Corporation**

ATTENDANCE SHEET

RHODE ISLAND AIRPORT CORPORATION

FINANCE AND AUDIT COMMITTEE MEETING

NOVEMBER 22, 2005

NAME AFFILIATION

Patti Goldstein RIAC

Robert Goff New England Parking

**MINUTES OF THE EXECUTIVE SESSION
OF THE RHODE ISLAND AIRPORT CORPORATION
FINANCE AND AUDIT COMMITTEE MEETING
NOVEMBER 22, 2005**

1. At approximately 12:35 p.m., a motion was made by Mr. Forte and seconded by Mr. Larisa to go into Executive Session. The motion was passed unanimously.

2. Mr. Frazier gave an update on potential litigation matters including a claim for benefits, a vendor contract dispute and an audit settlement proposal. Committee Members and Corporation Personnel discussed issues related to procedures for resolving these disputes.

3. Mr. Brewer and Mr. Einhorn briefed the Committee on non-union compensation issues.

At approximately 1:30 p.m. a motion was made by Mr. Forte and seconded by Mr. Larisa to return to the Open Session. By the following vote the motion was passed unanimously.

YEAS: Joseph Cianciolo

James Forte

Joseph Larisa

NAYS: None

Respectfully submitted,

**Joseph Cianciolo, Chair
Finance and Audit Committee of
the Rhode Island Airport Corporation**