

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

FINANCE AND AUDIT COMMITTEE

WEDNESDAY, DECEMBER 20, 2006

3:00 P.M.

IN THE CONFERENCE ROOM, 2220 SOUTH COUNTY TRAIL

EAST GREENWICH, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (“Corporation”) Finance and Audit Committee was called to order by Chairman, Joseph Cianciolo, at 3:00 p.m., in the Conference Room, 2220 South County Trail, East Greenwich, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

COMMITTEE MEMBERS PRESENT: Joseph Cianciolo, Jim Forte.

COMMITTEE MEMBER ABSENT: Michael Traficante, Joseph Larisa.

BOARD MEMBER PRESENT: Robert D. Sangster.

ALSO PRESENT: Mark P. Brewer, A.A.E., President and CEO; Brian C. Schattle, Senior Vice President of Finance and Administration and CFO; Peter A. Frazier, General Counsel; Marci Greenberger, A.A.E., Senior Vice President of Operations and Maintenance; Doug Dansereau, Chief Auditor and Financial Analyst; 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. Forte and seconded by Mr. Cianciolo to approve the Minutes of the Finance and Audit Committee of November 15, 2006. 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. There was specific discussion of airport access fees for courtesy shuttles.

There was discussion of the audit program for the EDS project and Mr. Cianciolo asked to see a more detailed work plan.

3. Discussion Item:

(a) Schedule of Meetings for Calendar Year 2007.

Meetings will be scheduled as needed.

4. Action Items:

(a) Consideration of and Action Upon Recommendation to Award On-Call Letter of Engagement for Legal Services.

Mr. Frazier reported that in November RIAC issued a Request for Proposals (RFP) for seven primary categories of legal services in accordance with the requirements of the RIAC Procurement Rules and received 19 submissions by the December deadline. A Selection Committee reviewed the various submissions based on an analysis of general competence, experience, knowledge and qualifications relative to RIAC's anticipated legal needs and reasonableness of the proposed fees for the services, and unanimously recommends the following firms:

Governmental

Blish & Cavanagh, LLP

Nixon Peabody LLP

Tillinghast Licht LLP

Litigation

Adler Pollock & Sheehan PC

Blish & Cavanagh LLP

Hansen Curren LLP (appellate)

Pannone Lopes & Devereaux LLP

Commercial & Real Estate

Burns & Levinson LLP

Hinckley Allen & Snyder, LLP

Joseph M. DiOrio, Inc. (bankruptcy)

Moses Afonso Jackvony Ltd.

Taft McSally LLP

Tillinghast Licht LLP

Environmental

Hinckley Allen & Snyder, LLP

Nixon Peabody LLP

Ropes & Gray LLP (EIS)

Tillinghast Licht LLP

Labor & Employment

Hinckley Allen & Snyder, LLP

Nixon Peabody LLP

Tillinghast Licht LLP

Aviation & Airport Specialties

Foley & Lardner LLP

Kaplan Kirsch Rockwell, LLP

Ropes & Gray LLP

Legislative

Pannone Lopes & Devereaux LLP

Tillinghast Licht LLP

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

WHEREAS, on November 10, 2006, the Rhode Island Airport Corporation (RIAC) issued a Request for Proposals (RFP) for seven primary categories of legal services in accordance with the requirements of the RIAC Procurement Rules and received 19 submissions by the December 1, 2006, deadline; and

WHEREAS, a Selection Committee consisting of Joseph Cianciolo, RIAC Board Member; Peter A. Frazier, General Counsel; and Brian C. Schattle, Chief Financial Officer met and reviewed the various submissions based on an analysis of general competence, experience, knowledge and qualifications related to RIAC's anticipated legal needs and reasonableness of the proposed fees for services to be provided; and

WHEREAS, the Selection Committee recommends that the following firms be engaged on an as-needed basis by RIAC's General Counsel (where indicated parenthetically, the recommendation relates to a subspecialty):

Governmental

Blish & Cavanagh, LLP

Nixon Peabody LLP

Tillinghast Licht LLP

Litigation

Adler Pollock & Sheehan PC

Blish & Cavanagh LLP

Hansen Curren LLP (appellate)

Pannone Lopes & Devereaux LLP

Commercial & Real Estate

Burns & Levinson LLP

Hinckley Allen & Snyder, LLP

Joseph M. DiOrio, Inc. (bankruptcy)

Moses Afonso Jackvony Ltd.

Taft McSally LLP

Tillinghast Licht LLP

Environmental

Hinckley Allen & Snyder, LLP

Nixon Peabody LLP

Ropes & Gray LLP (EIS)

Tillinghast Licht LLP

Labor & Employment

Hinckley Allen & Snyder, LLP

Nixon Peabody LLP

Tillinghast Licht LLP

Aviation & Airport Specialties

Foley & Lardner LLP

Kaplan Kirsch Rockwell, LLP

Ropes & Gray LLP

Legislative

Pannone Lopes & Devereaux LLP

Tillinghast Licht LLP

WHEREAS, the Fiscal Year 2007 Operating and Maintenance (O & M) budget includes funds in the Legal Services line item that will be utilized for these services and funding in future years will be established through the annual O&M budget approval process.

WHEREAS, the Selection Committee also recommends that the General Counsel be authorized to extend any existing Letters of Engagement for pending litigation matters.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Committee hereby authorizes RIAC's General Counsel to issue Letters of Engagement to the above identified qualified firms on an as-needed basis and that the Letters of Engagement be for a period not to exceed twelve (12) months, with the option reserved for RIAC to renew for two (2) additional twelve (12) month terms, subject to Board approval. In addition, RIAC's General Counsel may extend

any existing Letters of Engagement with legal counsel with respect to pending litigation matters.

The motion was passed unanimously.

(b) Consideration of and Action Upon Authorization for a Refunding of the 1998 Series B Bonds and the Selection Process for an Underwriting Firm.

Mr. Schattle reported that the Corporation is researching a potential refunding of the 1998 Series B Bonds.

A motion was made by Mr. Cianciolo and seconded by Mr. Forte to authorize the Corporation, with the assistance of the Corporation's Financial Advisor, to pursue a potential refunding of the 1998 Series B Bonds and select an underwriter as needed.

The motion was passed unanimously.

5. Report from Senior Vice President of Finance/Chief Financial Officer:

Mr. Schattle gave an update on the Oracle software upgrade, and thanked his staff for their hard work and diligence in keeping the project on track.

6. Future Meetings:

The next meeting will be announced.

7. Adjournment:

Mr. Cianciolo moved to adjourn at approximately 3:20 p.m. Mr. Forte seconded the motion. The motion was carried by acclamation.

Respectfully submitted,

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

**ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
FINANCE AND AUDIT COMMITTEE MEETING
DECEMBER 20, 2006**

NAME AFFILIATION

Patti Goldstein RIAC

Bruce Wilde RIAC

David Cloutier RIAC

Billy Cox RIAC

Michael Mini RIAC

Steve Tibbetts Landmark Aviation

Robert Goff New England Parking