

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

FINANCE AND AUDIT COMMITTEE

WEDNESDAY, FEBRUARY 25, 2009

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”) Finance and Audit Committee was called to order by Chairman, Joseph Cianciolo, 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: Joseph Cianciolo; Russell Hahn; James C. Forte.

COMMITTEE MEMBER ABSENT: Joseph Larisa.

BOARD MEMBER PRESENT: Robert Sangster.

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

1. Approval of the Minutes:

A motion was made by Mr. Hahn, and seconded by Mr. Forte, to approve the minutes of the Finance and Audit Committee of July 28, 2008. The motion was passed unanimously.

2. Report from President and CEO:

Mr. Dillon gave an overview of the passenger numbers explaining that year end passenger numbers for 2008 were down 6%. January 2009 saw a further decline in passengers, with traffic down 10%. Mr. Dillon reported that the decline in passengers is being felt nationwide with many airports experiencing a double-digit drop.

Mr. Dillon reported that SWA had announced that they would be commencing service at Logan Airport in the Fall of 2009. Mr. Dillon explained that SWA's goal is to capture the passengers that reside within Route 128, and the decision to enter the Boston market could enhance service at Green because other discount carriers may seek to compete with SWA in the Providence market. Mr. Dillon gave an overview of air service marketing efforts.

Mr. Dillon gave an overview of RIAC's finances, explaining the impact the drop in passenger numbers has had on revenues. Discussion focused on revenues and expenses.

Mr. Dillon gave an overview of the current airline leases, noting that RIAC will be negotiating new leases to take effect in June 2010. Mr.

Dillon noted that the industry trend is toward compensatory leases where the risk is borne by the agency/airport instead of the airlines. RIAC is currently evaluating leases from other airports in preparation for negotiations, and working on financial proformas.

3. Executive Session:

At approximately 3:10 p.m., a motion was made by Mr. Hahn and seconded by Mr. Forte to go into Executive Session for the purposes of discussing the following items:

(a) Investment of Public Funds Where Premature Disclosure Would be Detrimental to the Public Interest (Air Service Development) - R.I.G.L. § 42-46-5(a)(7).

(b) Working Session Related to Collective Bargaining - R.I.G.L. § 42-46-5(a)(2).

By the following roll call vote the motion was passed unanimously.

YEAS: Joseph Cianciolo

Russell Hahn

James C. Forte

NAYS: None

ABSTAIN: None

4. Reconvene to Open Session and Announcements:

At approximately 3:44 p.m., a motion was made by Mr. Forte and seconded by Mr. Cianciolo to reconvene to the Open Session. The motion was passed unanimously.

A motion was made by Mr. Hahn and seconded by Mr. Forte 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: Joseph Cianciolo

Russell Hahn

James C. Forte

NAYS: None

ABSTAIN: None

5. Future Meetings:

The next meeting date will be announced.

6. Adjournment:

Mr. Forte moved to adjourn at approximately 3:45 p.m. Mr. Hahn 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
FEBRUARY 25, 2009**

NAME AFFILIATION

Peter Frazier RIAC

Brian Schattle RIAC

Doug Dansereau RIAC

Ronald Cicerchia Ristan Systems, Inc,

Don Vennell Federal APD, Inc.

Robert Goff New England Parking

Val Mendonca HNTB

The minutes of the Executive Session of the Finance and Audit Committee Meeting of February 25, 2009 have been sealed in accordance with R.I.G.L. § 42-46-4.