

**A quarterly meeting of the Rhode Island Turnpike and Bridge Authority was held on August 2, 2006, 8:30 A.M., at the Jamestown Philomenian Library.**

**The meeting was called to order at 8:30 A.M by Chairman David A. Darlington.**

**Members Present:**

**David A. Darlington, Chairman**

**Richard P. Eannarino, Vice Chairman**

**Arthur H. Fletcher**

**Stephen C. Waluk**

**William Chuck Alves, DOT**

**Invited Guests:**

**Buddy Croft, Executive Director**

**Richard E. Dragon, CPA, Chief Financial Officer**

**Peter M. Janaros, P.E., Director of Engineering**

**Marianne Hillier, Director of Operations**

**Robert Moorehead, Chief of Maintenance**

**Jo-Ann Head, Executive Assistant**

**John Wadsworth**

**Susan Licht DaBlasio, Esq., Legal Counsel**

**Bernard Jackvony, Esq., Legal Counsel**

**Natilie Jackvony, Esq., Legal Counsel**

**John Duval, Starkweather and Shepley**

**Stephen Clarke, Union Steward**

**Item No. 17**

**Chairman's Report – David A. Darlington**

- **Introduced the new Executive Director**
- **Commended Richard E. Dragon, CPA for the job he did as interim Executive Director**

**Item No. 2**

**Motion by Richard P. Eannarino, seconded by Stephen C. Waluk, passed unanimously to approve the minutes of the July 12, 2006 meeting.**

**Item No. 3**

**Motion by Stephen C. Waluk, seconded by Arthur H. Fletcher, passed unanimously to approve: Tillinghast Licht – Legal Counsel**

**General Employment Matters \$ 3,819.61**

**General Matters 3,858.66**

**Total \$ 7,678.27**

**Item No. 4**

**Motion by Arthur H. Fletcher, seconded by Richard P. Eannarino, passed unanimously to ratify: Lincoln Environmental, Inc.**

**Closing out of Floor Drains in Maintenance Garage**

**Invoice 2606017 \$ 2,383.93**

**Professional Services – Meeting with RIDEM**

**Invoice 2604086 116.00**

**Total \$ 2,499.93**

**Item No. 5**

**Motion by William Chuck Alves, seconded by Arthur H. Fletcher, passed unanimously to ratify: Aetna Bridge Co. Contract 05-6**

**On-Call Deck Maintenance Mt. Hope Bridge**

**Application No. 3 \$ 986,747.18**

**Item No. 6**

**Motion by William Chuck Alves, seconded by Stephen C. Waluk, passed unanimously to ratify: Cianbro Corporation Contract 05-11**

**Tower Painting and Rehabilitation**

**Application No. 001 \$ 556,587.30**

**Item No. 7**

**Motion by Stephen C. Waluk, seconded by Richard P. Eannarino, passed unanimously to ratify: Parsons Transportation Group – Mt. Hope Bridge**

**Deck CSS**

**Invoice 06050420-C \$ 6,538.07**

**Item No. 8**

**Motion by Stephen C. Waluk, seconded by William Chuck Alves, passed unanimously to ratify: Parsons Brinckerhoff Quade & Douglas, Inc.**

**Newport/Pell Bridge**

**Engineering Services – Main Cable Investigation**

**Invoice 298170 \$ 15,094.17**

**Engineering Services – Median Barrier**

**Invoice 298209 23,019.41**

**Other Engineering Services – Toll Plaza**

**Invoice RA#298179 419.74**

**Replacement Value & Maximum Probable Loss Value**

**Invoice 298175 1,482.70**

**2005 Annual Inspection**

**Invoice 298175 6,250.45**

**2004 Bridge Security/Electrical System & Anchorage**

**Drainage Inspection**

**Invoice RA#298173 8,533.02**

**Total \$ 54,799.49**

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**Item No. 9**

**Motion by Richard P. Eannarino, seconded by William Chuck Alves, unanimously approved Parsons Brinckerhoff Quade & Douglas Proposal to provide interim toll collection system maintenance**

**services for the Newport/Pell Bridge for five months at a total cost not to exceed \$56,545.**

**Item No. 10**

**Motion by Stephen C. Waluk, seconded by Arthur H. Fletcher, passed unanimously to approve the direct purchase of a Weather Station System on the Newport/Pell Bridge for a value not to exceed \$80,000. This will tie RITBA into RI Department of Transportation's Statewide Weather Station Network.**

**Item No. 11**

**Motion by Richard P. Eannarino, seconded by William Chuck Alves, passed unanimously to approve Parsons Brinckerhoff Quade & Douglas Proposal for Construction Support Services on Contract 05-12 Security/Electrical Upgrades at Newport/Pell Bridge in an amount not to exceed \$260,000.**

**Item No. 12**

**Motion by William Chuck Alves, seconded by Stephen C. Waluk, passed unanimously to approve Maguire Group Proposal for Newport/Pell Bridge Construction Inspection Services for Contract 05-12, Security and Electrical Upgrades in an amount not to exceed \$342,400.**

**Item No. 13**

**Motion by Stephen C. Waluk, seconded by William Chuck Alves,**

**passed unanimously to approve Maguire Group Contract 03-2B Construction Inspection Services Proposal for Deck Repairs at Newport/Pell Bridge in an amount not to exceed \$76,500.**

**Item No. 14**

**Peter M. Janaros, PE, gave a video presentation on the Newport/Pell Bridge Ramp project. There are two alternatives being considered. One is significantly better than the other for addressing circulation, traffic, congestion and safety concerns. The other is not nearly as good for traffic etc. concerns but has more economic development potential. A hearing will be held by RI Department of Transportation in the latter part of September.**

**Item No. 15**

**A 90-minute discussion was conducted on the issue of the renewals of the Authority's property and casualty insurance coverages for the policy year of Aug. 1, 2006 through July 31, 2007. Due to the late timing of the receipt of final inspection reports on both bridges there was little time to report to Board members prior to the meeting results of the search conducted by our broker, Starkweather & Shepley, for quotes for the new year. Therefore, Mr. John Duval, of that firm, addressed those present and made**

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**Item No. 15 (con't)**

recommendations to the Board as to how to handle the marked increase in premiums being quoted across the market for policies that cover wind and terrorism coverages.

Premiums for policies covering these perils have increased dramatically in light of Hurricane Katrina and the current perceived threat from domestic and international terrorists.

A portion of the discussion related to identifying alternative ways for the Authority to raise funds in the event of a catastrophic loss in order to purchase policies with higher deductible amounts, thereby reducing premiums. Mr. Duval presented several coverage scenarios with various limit and deductible amounts and what the effect on premiums these options would have. Board members discussed whether to investigate the Authority's ability to issue bonds in the event of a loss to fund a higher deductible.

In order to not have a lapse in coverage and following consultation with the Chairman earlier in the week, policies had been bound on July 31, two days prior to the meeting. Motion by William Chuck Alves, seconded by Stephen C. Waluk, to continue coverage bound on July 31 for a period of up to three months while alternatives are explored contingent upon Mr. Duval reporting that the Authority would be able to modify its coverage (and therefore its premium) during this period, to investigate whether the Authority could issue \$50 million in bonds in the event of a catastrophic loss, and to appoint a committee, headed by Mr. Alves, to investigate further this issue.

## **Item No. 16**

**Board members discussed a marketing contribution solicitation received from the Preservation Society of Newport County and decided favorably without taking formal action. A request for additional documentation was made regarding a marketing contribution solicitation received from the R.I. Sports Council.**

## **Item No. 18**

### **Executive Director's report**

#### **Buddy Croft**

**Due to the new executive director having to leave the meeting early his comments were made concurrent with Item No. 17 at the beginning of the meeting.**

**Mr. Croft, who arrived at the Authority two days previous, expressed his gratitude to the Board for extending to him their offer of employment. He indicated his eagerness to work with all Authority employees for the benefit of Bondholders, the Authority, its Board, employees and motorists that travel across the Mt. Hope and Pell Bridges.**

## **Item No. 19**

### **Chief Financial Officer's Report**

#### **Richard E. Dragon, CPA**

- Traffic and revenue results for the year ended June 30, 2006, were reported.**

**Item No. 20**

**Due to the length of the discussion of Item No.15 (RITBA Insurance Coverage/Advisor) the engineering report was omitted.**

**Item No. 21**

**Motion by Stephen C. Waluk, seconded by Arthur H. Fletcher, passed unanimously to go into executive session at 10:56 A.M. Pursuant to RI General Law 42-46-5 (a) (1) Personnel Matters and RI General Law 42-46-5 (a) (2) Potential Litigation.**

**Motion by Arthur H. Fletcher, seconded by Richard P. Eannarino, passed unanimously to come out of executive session at 11:59 A.M.**

**Motion by Richard P. Eannarino, seconded by Arthur H. Fletcher, passed unanimously to seal the minutes of the executive session at 12:00 P.M..**

**Motion by Arthur H. Fletcher, seconded by Richard P. Eannarino, passed unanimously to adjourn the meeting at 12:00 P.M.**

**Richard E. Dragon, CPA**  
**Chief Financial Officer**