

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

COMPENSATION COMMITTEE

FRIDAY, FEBRUARY 10, 2006

8:30 A.M.

**IN THE MARY BRENNAN BOARD ROOM, T. F. GREEN AIRPORT
WARWICK, RHODE ISLAND**

The meeting of the Rhode Island Airport Corporation (“Corporation”) Compensation Committee was called to order by Chairman, Robert Sangster at 8:30 a.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: Robert Sangster; James Forte; Joseph Cianciolo.

ALSO PRESENT: Mark P. Brewer, A.A.E. President and CEO; Brian C. Schattle; Senior Vice President of Finance and Administration and CFO; Marci A. 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; Patti Goldstein, VP of Public Affairs and Air Service Marketing.

1. Report from Chair, Compensation Committee:

Mr. Sangster welcomed everyone to the first meeting of the Compensation Committee.

2. Report from Chief of Human Resources:

There was no report.

3. Discussion Items:

(a) Discussion of Compensation Committee Mission and Purpose.

Mr. Frazier gave an overview of the mission and the purpose and there was discussion of the role of the Committee in the context of the whole Board Committee structure. There was also discussion of a meeting schedule, and it was determined that the Committee will meet monthly for several months while developing the pay for performance and merit pay programs, but that eventually it will be scheduled on an as needed basis.

(b) Discussion of Pay for Performance Program for Non-Union Employees.

Mr. Sangster gave an overview of a trip that he had recently made to Columbus Airport, along with Mr. Einhorn and Mr. Dansereau to review a pay for performance/merit plan model that had recently been

implemented. Mr. Einhorn explained the specifics of the system, and the process for implementation. There was detailed discussion of the system currently in place, details of the current compensation program for non-union personnel, and the bonus program.

4. Executive Session:

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

(b) Discussion Related to Grievances Filed Under the Collective Bargaining Agreement – R.I.G.L. § 42-46-5(a)(9).

At approximately 9:10 a.m., a motion was made by Mr. Forte and seconded by Mr. Cianciolo to go into Executive Session. By the following vote, the motion was passed unanimously.

YEAS: Robert Sangster

Joseph Cianciolo

James Forte

NAYS: None

At approximately 10:17 a.m. a motion was made by Mr. Forte and seconded by Mr. Cianciolo to return to the Open Session. The motion was passed unanimously.

5. Action Items:

(a) Consideration of and Action Upon Rhode Island Airport Corporation Organizational Chart.

A motion was made by Mr. Forte and seconded by Mr. Cianciolo to approve the organizational chart in substantially the form submitted to the Committee. The motion was passed unanimously.

(b) Consideration of and Action Upon the Rhode Island Airport Corporation's Corporate Mission, Vision, Values, Objectives and Action Plans.

A motion was made by Mr. Forte and seconded by Mr. Cianciolo to approve the Rhode Island Airport Corporation's Corporate Mission, Vision, Values, Objectives and Action Plans in substantially the form submitted to the Committee. The motion was passed unanimously.

6. Future Meetings:

The next meeting of the Compensation Committee will be announced.

7. Adjournment:

Mr. Forte moved to adjourn at approximately 10:20 a.m. Mr. Cianciolo

seconded the motion. The motion was carried by acclamation.

Respectfully submitted,

**Robert Sangster, Chair
Compensation Committee of
the Rhode Island Airport Corporation**

**MINUTES OF THE EXECUTIVE SESSION
OF THE RHODE ISLAND AIRPORT CORPORATON
COMPENSATION COMMITTEE
FEBRUARY 10, 2006**

- 1. At approximately 9:10 a.m., a motion was made by Mr. Forte and seconded by Mr. Cianciolo to go into Executive Session. The motion was passed unanimously.**
- 2. Committee Members and Corporation Personnel discussed issues related to collective bargaining, including preparations for the upcoming negotiations of a new collective bargaining agreement.**
- 3. No discussion was held regarding pending grievances.**

At approximately 10:17 a.m. a motion was made by Mr. Forte and seconded by Mr. Cianciolo to return to the Open Session. The motion was passed unanimously.

Respectfully submitted,

**Robert Sangster, Chair
Compensation Committee of
the Rhode Island Airport Corporation**