

MINUTES OF MEETING
RHODE ISLAND AIRPORT CORPORATION
BOARD OF DIRECTORS
THURSDAY, AUGUST 11, 2022 AT 8:45 AM
IN THE MARY BRENNAN BOARD ROOM
RHODE ISLAND T. F. GREEN INTERNATIONAL AIRPORT
2000 POST ROAD, WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (RIAC) Board of Directors was called to order by Chair, Jon Savage at 8:45 a.m., in accordance with the notice duly posted pursuant to the Open Meetings Act (R.I.G.L. §42-46-1 et seq.).

BOARD MEMBERS PRESENT: Jonathan Savage; Michael Traficante; Deborah Thomas, Christopher Little; Jeffrey Bogosian, and Jonathan Roberts.

BOARD MEMBER ABSENT: Gregory Pizzuti.

ALSO PRESENT: Iftikhar Ahmad, President and CEO, and those members listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by **Mr. Bogosian** to approve the minutes of the Board of Director's Meeting of June 2, 2022 and the Special Board of Director's Meeting of July 6, 2022. The motion was seconded by **Mr. Traficante**.

The motion was passed unanimously.

2. Open Forum:

Mr. Savage asked if anyone present wanted to speak in Open Forum. Two individuals came forward.

Ms. Nancy Iadaluca noted she would like to speak.

Ms. Iadaluca noted there is still no contract after two years and they are at a crossroad. The workers cannot do much more and it is chaos. There are only two food and beverage units up and running. We do not have what we had in 2020 and she is asking the board to choose between chaos and stability. To be two years without a contract brings chaos during the day. Ms. Iadaluca stated that we have two choices and we aren't going to get enough employees without a contract, and we are asking RIAC to choose stability.

Mr. Sal Corio noted he would like to speak.

Mr. Corio noted he attended the June Board meeting and appreciated these opportunities to communicate with the Board. He noted that there has been some confusion on what ATIS is and what AWOS is so he wanted to attend this meeting to clarify. An AWOS is being put in at Quonset State Airport, which is an Automated Weather

Observation System and this is ground based. Airports with ATIS, which is an Automatic Terminal Information Service, repeats a continuous broadcast of recorded aeronautical information. When an airplane is coming to the airport, they tune to the radio and hear the broadcast for that airport. **Mr. Corio** noted Quonset State Airport is the only general aviation airport with a tower, but if there is a problem at that airport when the tower is closed, there is no weather information available. **Mr. Corio** played a recording of what the ATIS message sounds like noting when the information changes every hour, it is identified as the next letter in the alphabet, so you know it is the most updated. He then played a recording of what the AWOS message sounds like noting the information is updated at least once per minute. The closest proximity airports to Quonset are five miles so you might think the weather should be the same. However, one week ago when he was on an approach into Quonset State Airport, he obtained weather information from the other closest airports, since that was what was available. When he arrived at Quonset State Airport, there was a weather cell, which was not identified through PVD's weather information and it was very dangerous to land in. **Mr. Corio** noted he will do whatever he can to help keep pressing to get the AWOS done at Quonset State Airport as soon as possible because it is very important.

3. Report from the President and CEO:

Mr. Ahmad presented the President and CEO Report and reported on the following:

- **Mr. Ahmad** stated June 2022 Landing Reports brought passenger numbers up 30% from one year ago. Passenger numbers were 80% of the baseline in June 2019. Seat capacity was up 34% from one year ago. The average load factor was 84% across all airlines.
- **Mr. Ahmad** stated the Block Island Rehabilitation Project is complete. The final inspection occurred on June 9.
- **Mr. Ahmad** stated on June 13, Rhode Island T. F. Green International Airport was the "A" for "Airport" in the Boston Globe's "A to Z Guide on Why We Love Rhode Island." Written by Globe columnist and WPRI-TV report Dan McGowan, the column notes that "there isn't a more convenient airport in America than PVD, which is actually in Warwick and is officially called Rhode Island T. F. Green International Airport. No one in the state lives more than 20 minutes away, and there's never a wait in the security line. To top it all off, you will never see nicer bathrooms." RIAC has shared the article on its social media.
- **Mr. Ahmad** stated on June 28, the Providence Journal ran a front-page story on the PVD Volunteer Music Program that also highlighted the PVD Pups and Airport Volunteer programs. Due to the article, we received an application for a guitarist to join the PVD volunteer music program and an additional volunteer to join the PVD volunteer program.
- **Mr. Ahmad** stated on June 30, the new Information Display System went into effect. RIAC worked closely with SITA for a seamless transition.

- **Mr. Ahmad** stated RIAC has launched a completely redesigned website including dynamic upgrades and improved features, content, navigation, and user-friendliness to ensure it provides travelers and all those who utilize Rhode Island's public airport system with helpful resources. The new website url is www.flyri.com.
- **Mr. Ahmad** stated Customer Service launched the Customer Service Focus Group on July 27. The purpose of the group is to build a team of airport tenant and service provider representatives that will act as a conduit of information, ideas, and concerns between RIAC and our customers. Meetings will be held monthly.
- **Mr. Ahmad** stated RIAC scheduled two blood drives for the next fiscal year, July 5 and September 13 here in the Mary Brennan Board Room. The July 5 blood drive helped save 15 lives.
- **Mr. Ahmad** stated on June 2, RIAC celebrated the inaugural service to Richmond, Virginia on Breeze Airways by hosting a gate event with destination themed food, music, trivia, and a water cannon salute. RIAC staff encountered many happy passengers and stories of families connecting more easily and long-ago friends meeting for the first time thanks to the new links that Breeze is weaving between PVD and places like Richmond.
- **Mr. Ahmad** stated on June 6, Delta Air Lines operated their first MSP flight of the 2022 season, the airlines' 2nd consecutive year. The flight is scheduled five days per week until Labor Day on a 132 seat A-319.
- **Department Updates:**

(a) Air Service Update

Mr. Greco noted as you will recall, we created a detailed forecast and sensitivity analysis compared with actual passenger enplanements. As you see, actual passenger enplanements have exceeded the forecast for the month of June at approximately 161% above the forecast with YTD passenger enplanements of about 168% above the forecast. **Mr. Ahmad** noted the FAA just released their traffic forecast and it mimics the green band on the slide. **Mr. Greco** noted passenger activity in June increased just shy of 30% for arriving passengers and just below 40% for departing passengers, with a total increase of 30% from last year. In terms of fiscal year to date, we have seen an increase in arriving passengers just under 106%, departing passengers increased over 106% with a total increase in passenger activity of over 106%.

(b) Airport Financial Report Update

Mr. Tang noted as we completed the eleventh month of the fiscal year 2022, our overall operating revenues are up approximately 38%. Revenue streams such as parking and concessions have continued to recover. Also, RIAC continues to utilize approximately \$1.1M each month in CARES Act funds for operating expenses and debt service to help the airlines. We continue to focus on managing our operating expenses in a strategic manner as activity levels are increasing. Overall operating expenses are up approximately 9%, largely driven by the planned increase in advertising expenses as

traffic recovers. **Mr. Tang** noted contractual services are up as a result of an increase to the janitorial services and security services as passenger activity and operations have increased over the prior year. Operating loss for the GA airports is \$253,000 for the year-to-date through May. Air service marketing includes expenditures for the new Breeze Service. Passenger Facility Charges are up with the increase in the passenger activity levels. The other components of non-operating revenues and expenses are largely driven by the timing of grants and capital projects.

(c) Marketing Update and Commerce RI Destination Marketing Update

Ms. Wright noted our FY22 campaign, which is measured between July 2021 and June 2022, garnished over 99 million impressions. The campaign has resulted in 136,924 clicks to our PVD landing pages, and over 9,000 conversions thru our website. RIAC launched a new logo and brand to boost awareness and recognition. This revitalization process involves a new suite of stationary, business cards, promotional collateral, and updates to our terminal signage throughout the airport. We have also launched digital ads to familiarize the public with the new logo. Same great airport! This is an ongoing campaign to strengthen our brand while informing the public on our new nonstops to more cities in the U.S. and beyond. **Ms. Wright** noted RIAC has produced its 2nd annual report “Gaining Altitude with Discipline” showcasing our accomplishments and vision for the future. The report highlights our strategic business plan, economic development, infrastructure, operations, organization, customer service, communication, and our financial accomplishments. RIAC’s new website, FlyRI.com, launched last month. We are thrilled to report the new site has already seen a lot of traction and improved viewership. According to Aviatrix, as part of our evaluation phase, we compared last year’s data with the past month and users are at 65,203 compared to last year’s 36,814. The number of sessions are up by 85%. The number of events, which are event interactions like clicking a link, downloading a file, or watching a video have increased from 9,000 events to 34,400 events. **Ms. Wright** noted the flight status page is the most popular page followed by airline information. Book a trip is the third most popular page. Then it goes to dining, shopping, amenities, where we fly, terminal map and careers. Our newly designed website has proven to be effective and is exceeding our expectations.

Ms. Kimble-Huntley noted after much discussion, Commerce partnered with the RIAC team to come up with a media plan. Phase 1 concentrates on non-stops. This Phase started in June and targets New England travel intenders and the budget is \$900,000. We identified hyper-targeted markets for Los Angeles, but 17 never got there. We have had phenomenal results with \$315,000 spent over two months totaling 42M impressions and 60,000 clicks. The clicks to book a trip were 673. **Ms. Kimble-Huntley** noted we were able to attribute 76 hotel bookings. Phase 2 is waiting for funding from grants. There will be \$1M to do more destination marketing with RIAC. Washington, DC, marketing to Maryland and Virginia. As a bonus, West Virginia is part of the Virginia marketing. The marketing also includes Chicago, Atlanta, Orlando and most recently adding Detroit. The same media tactics will be used from Phase 1 with reallocation of money from Dallas and Los Angeles. We are looking into tv and billboards in the markets as well as events at the destinations. Such as sand from Rhode Island and coffee milk to bolster the routes. This Phase is ready to get launched the end of August. **Ms. Kimble-Huntley** noted the creatives are very clean and simple with concepts such as LAX to PVD = OMG and BNA to PVD = MMM. These will push business to Rhode Island. We will also incorporate out

of home creatives, Instagram posts and visuals. **Mr. Savage** noted this has been a four or five year program in the making. It is important to note, the FAA does not permit airports to advertise out of the market and that is what destination marketing means. You go advertise in the destination to get people to come to PVD. There have been comments from airlines in the past that the seats are full leaving from PVD, but not many people have wanted to come to PVD from the destination. There has been an enormous amount of work from Iftikhar Ahmad and his team and the state finally embraced this. Anika does an extraordinary job in-house getting the state house excited and the money showed up in the budget. **Mr. Savage** noted when everyone was here on Tuesday they said how excited and supportive they are. **Mr. Ahmad** thanked the board for all their support on this initiative. Yesterday RIAC met with Commerce Secretary Tanner and the Deputy Director where they discussed destination marketing and they are fully on board. They are a breath of fresh air. Anika is a breath of fresh air, she understands marketing. Kellie Wright has done a fantastic job as you see every month in her reports. Things are coming together. It takes time and we are going in the right direction and the enplanements are showing it. **Mr. Roberts** noted this is a great program and he fully supports it and asked if we are spending \$1M, what it is generating for Rhode Island and will we get return info from this and when. **Mr. Ahmad** noted Anika will get the spending to us on a monthly basis and we will share that with the board. **Mr. Roberts** noted we cannot attribute all enplanements to this. **Mr. Ahmad** noted we can see the incoming traffic by accessing the software that we have. When new information on incoming passenger is posted, we can compare the metrics with comparables. There are a lot of variables that go in to it as we have discussed previously, for example, fuel cost and fares going up, demand decreases. While there are a lot variables in this equation, we would be able to tell if this investment is making a difference.

(d) Customer Service Update

Mr. Pimental noted Customer experience is a term used to describe the customer interactions with a business across multiple levels. As RIAC continues to invest in enhancing the customer experience at PVD, I am proud to present you with our latest effort that will solidify our airport as having the best airport restrooms of any airport and ultimately improves customer satisfaction which leads to repeat business. We have already seen the level of quality the renovations have brought the look and functionality of the new restrooms and at the last meeting, we presented the high-class touch and visual appeal of fresh plants and flowers in the restrooms. **Mr. Pimental** noted with the focus on making sure all aspects of the restroom experience are the absolute best, RIAC has recently selected a supplier for fragrance delivery systems in our new restrooms. I am pleased to provide the Board with a sample dispenser and several scent choices from the provider chosen by a wide audience of RIAC sniff testers. Scent Air's easy to install and maintain wall mounted delivery unit along with their wide variety of pleasant and appealing scent options proved to be the best option to make sure that our restrooms not only look great, but also smell great too. Fragrance cartridges do not contain allergens, components found to be carcinogenic, or R59 which is a known contributor to the depletion of ozone.

(e) Airport Connector Beautification

Mr. Goodman noted there has been a wealth of good news related to the airport

recently. One such announcement that occurred in July is the welcome news that the State of Rhode Island will be utilizing \$12.9 million dollars in federal Bipartisan Infrastructure Law funding to repave and repair the Airport Connector Road and engage in other area upgrades. The connector road improvement project was carried out in July and was substantially completed on July 24. The work was conducted at night and on several occasions required traffic to and from Route 95 South to be detoured allowing work on the highway ramps to be completed. This project also includes federal state beautification funding to create new landscaping along both the North and Southern access points between Route 95 and the airport connector, providing what we expect will be a vibrant and colorful welcome for visitors to our state. **Mr. Goodman** noted RIAC staff have been in close contact with the Rhode Island Department of Transportation (RIDOT) regarding this project, which also includes a city and state partnership to improve Post Road near the airport. We will continue to work closely with RIDOT, which has stated it wants to ensure their landscaping consistent with airport landscaping and branding. I have also reached out to RIDOT and invited a representative to present on this project at the October Board meeting. The project is scheduled for completion in June of 2023. RIDOT will also soon begin the process of changing exit numbers throughout the State. As a result, the current Airport Connector exit 13 will soon change to exit 29, with updated directions to be reflected on the FlyRI.com website and other internet platforms. **Mr. Traficante** noted this is a wonderful idea and asked who will maintain it. **Mr. Goodman** noted we asked that question of RIDOT and they informed us they will issue a separate RFP to handle this. **Mr. Ahmad** noted this was paid for by RIDOT and they identified the two locations. **Mr. Goodman** noted there are more than 400 plantings and we are coordinating efforts with RIDOT. **Mr. Ahmad** noted that this could prove to be of great marketing value for the airport.

(f) General Aviation Airports Update

Mr. VanBurg noted RIAC assigns general aviation technicians at each GA airport to provide care and maintenance to the airfield. To date, our GA techs have mowed and rolled 310.82 acres of grass in FY23 and a total of 2,825.54 acres in FY22. We applied 6,660 pounds of crack seal materials in FY22 and 660 pounds in FY23 so far. We have swept a combined total of 219,200 feet of runway, taxiway, and apron surfaces last fiscal year. **Mr. VanBurg** noted there are many maintenance projects ongoing this summer at our GA airports. At Newport State Airport, there are repairs of the taxiway lights and the rotating beacon was completed. Vegetation clearing of the NavAids was also recently completed. At North Central State Airport, tree trimming on the power lines has been completed in preparation for insulator replacement to minimize interference on the FAA clearance delivery frequency. At Quonset State Airport, the mowing continues with airfield maintenance support and escorting surveyors for the upcoming runway rehab project, along with electrical work at Gate 1. **Mr. VanBurg** noted t Westerly State Airport, the crack sealing project continues through the summer. At Block Island State Airport, septic tank cleaning is on-going and exploratory work for repairs to the roof of the terminal building. The GA techs will also provide support in clearing areas in preparing for parcel development.

Ms. Damicis noted we recently completed the Wildlife Fence Project at North Central State Airport, which now fully encloses the airport perimeter and will improve safety and mitigate wildlife from entering the airfield. We also substantially completed the

construction of the Apron Rehabilitation at Block Island State Airport. In addition to the recently completed construction projects, we are also managing six design projects at the GA airports. The Westerly Fence Project is progressing to 90% design plans. This project, like the North Central Fence Project, aims to enclose the perimeter of the airport to improve safety and mitigate wildlife intrusions. We are also scoping the North Central Apron Rehabilitation Project, which will extend the useful life of the aircraft apron at North Central State Airport. Scoping discussions are imminent. **Ms. Damicis** noted we have three design projects under contract at Quonset State Airport. The Terminal Demolition Project will demo the existing old terminal building, leaving a developable parcel for revenue generation. This project is on track for bid solicitation later this fall. The Runway 16-34 Project is progressing into 60% design, and our design consultant, Kimley-Horn will present at the October Board meeting.

Ms. Mineker noted the Block Island Rehab Project is substantially complete as of June 10 with one punch list item of six tie-downs to be installed by the end of August. The Block Island Apron Expansion Project received notice to proceed on April 13 and completed the field work including survey and geotech. 30% is anticipated to be submitted by the end of this month. The OQU AWOS Project contract with C&S was executed on July 27 with a notice to proceed issued on July 28. The kick off meeting was held on August 10. **Ms. Mineker** noted 30% is scheduled for September 2022, which is the most critical phase because it includes the site selection process. The FAA will be very involved in selecting the ultimate location. 50% is due May 2023 with 100% due July 2023. The bid docs will be due August 2023 and there will be step by step approvals with FAA and close coordination for infrastructure details. RIAC will try to accelerate the schedule as much as possible. **Mr. Roberts** noted you talked about the bid documents taking one year to get compiled, when will the AWOS be up and running. **Ms. Mineker** answered the notice-to-proceed will arrive late 2023. Following is the procurement process, which is a very specialized process. The AWOS is expected to be up and running mid-2024. **Mr. Roberts** asked RIAC to see what they can do to expedite this. **Ms. Mineker** noted RIAC had a kick-off meeting and the designer thinks this is a conservative schedule so we will look into expediting this project. **Mr. Roberts** noted there is a significant safety issue at Quonset State Airport and it is the busiest airport in the state. **Mr. Savage** asked in the elements of the design, are we using standard equipment. **Ms. Mineker** answered the equipment is standard and the 30% design will include three options for the location. The equipment is 30 ft. tall so we need to ensure there are no obstructions. **Mr. Savage** confirmed this is a placement issue not an equipment issue and asked what the lead time is on the actual equipment. **Ms. Mineker** noted after the notice-to proceed, it is a 90 day procurement. **Mr. Savage** confirmed this is from when the order goes in to when we get the delivery. **Ms. Mineker** confirmed yes and we are working closely and having conversation about this. **Mr. Savage** asked if we went out to RFP for this item. **Ms. Mineker** noted we went out to RFQ for the design of this project. **Mr. Savage** asked if we are in the timeline as far as the schedule. **Ms. Mineker** confirmed yes, we are in line with the schedule. **Mr. Savage** asked if there was any way to further incentivize. **Mr. Rodio** noted that RIAC moves as efficiently as possible, but then at many stages we are subject to keeping the FAA review moving and it is on their schedule during those periods. **Mr. Ahmad** noted they were not going to do anything for five years and RIAC took the project over from them. It is hard to put pressure on a regulatory company. They know we have a sense of urgency and I have told the staff the same thing at weekly meetings. We need to get this done right away. They will do the best they can and we will make sure we are

all on the same page.

Mr. Goodman noted the RIAC team has been very busy launching a new website which features standalone General Aviation Airport URLs to provide easier access to local airport information. This small but significant improvement allows each GA airport to have their own virtual identity yet still ensures that they are each recognized as integral parts of our state airport system. In early July, RIAC also published its first quarterly General Aviation Airport newsletter, providing a platform to share news and information with the GA stakeholder community. We have already received positive feedback and look forward to publishing our next quarterly newsletter in October. **Mr. Goodman** noted RIAC also recently held its second GA Airport Town Hall online meeting for GA Airport tenants, stakeholders, town officials and others members of the local GA Airport community. These meetings will be held quarterly, with the next meeting scheduled for September 14. RIAC also continues to hold quarterly meetings specifically for GA Airport Tenants, providing a forum for all to share information regarding airport developments and address any question or concerns of airport tenants. The next round of GA Airport tenant meetings for each GA Airport is scheduled for the week of September 26. **Mr. Goodman** noted RIAC has received positive feedback for our efforts to ensure the GA Airport community remains well informed about the projects they are most interested in, and we continue to seek ways to improve upon our efforts and increase participation. **Mr. Traficante** noted it is important to keep the townships informed and asked what the attendance is at the meetings, do the town officials attend. **Mr. Goodman** noted we are trying to do these meetings starting at noon for the next meeting. The last meeting there were two town council presidents and a town planner. We are hoping for better participation with the start time change.

Mr. Surehan noted we currently have 16 GA parcels, representing 146 acres marketed by our commercial real estate partner, Hayes & Sherry. To date, we have six parcels under Lease, or Option to Lease generating \$15.7 million in revenue. In early 2023, we plan to add another parcel at Quonset, which would potentially generate another \$3.7 million in lease revenue. We recently added two parcels and will request your approval today to enter into a Lease Agreement and an Option to Lease Agreement for two parcels. **Mr. Surehan** noted both FlightLevel and QDC are developing their leased parcels at Quonset State Airport for hangar development and offshore helicopter support operations, respectfully and FlightLevel plans to develop two hangars at Westerly State Airport. Hayes & Sherry is currently in discussions with two prospects for a Newport State Airport parcel, two prospects for Quonset State Airport parcels and two prospects for Westerly State Airport parcels. We hope to secure agreements with some of these later this year. Looking ahead, in addition to a new parcel at Quonset State Airport, we will review the potential for adding more parcels for development at our GA airports. **Mr. Surehan** noted we recently added two parcels at Westerly State Airport to be marketed by Hayes & Sherry for economic development. Parcel WST-4 is 0.7 acres and includes a 9,600 sf hangar and land and the adjacent parcel WST-5 is 0.9 acres of land only. Hayes & Sherry is in discussions with two prospects regarding these parcels. The total revenue potential of these two parcels combined is \$3.13 million over 30 years. We have had a productive relationship with our commercial real estate partner, Hayes & Sherry, however because their current contract expires on December 31, 2022, we issued an RFP for commercial real estate broker services. The term of this contract would be five years, starting January 1, 2023 with compensation for broker services as commission only. We

will review proposals and present our recommendation to the Board in October. **Mr. Surehan** noted finally, at Block Island State Airport, RIAC has held a restaurant agreement with Bethany's since 2008, which is on a month-to-month lease which will expire. In order to evaluate and select possible alternatives, we have issued an RFP for a restaurant operator at Block Island State Airport. The initial term of this new contract would be five years, starting November 1, 2022 generating lease revenue of \$208 thousand over the term. We will review proposals and present our recommendation to the Board in October. **Mr. Roberts** asked on the WST-4 parcel, is that a current hangar that is occupied and are there any complications there. **Mr. Surehan** answered Reeves Aviation is currently there. RIAC discussed the lease rates with FAA and had a recent appraisal. RIAC showed the appraisal to Mr. Reeves and he said he cannot pay the amount. Included as a condition is anyone that leases that parcel would be asked to provide aircraft maintenance service. **Mr. Roberts** asked if the hangar stays and we are leasing the hangar and land. **Mr. Surehan** confirmed yes. **Mr. Roberts** noted FlightLevel operates the FBO and part of their income is the hangar rental. They are developing hangars because they are running the FBO, what if they do not renew, do they rent those hangars. **Mr. Rodio** noted they have certain parcels under the leasehold for the FBO, and they are bidding on separate parcels that require a capital investment and have a 30 year term under separate agreement. Not all parcels will coincide with the FBO agreement. **Mr. Roberts** asked if FlightLevel does not get renewed as the FBO, will we still have control of the hangars and how that conflicts with a new potential FBO operator. **Mr. Surehan** noted it is an independent transaction. The parcels available for lease are separate from hangars involved in an agreement with potential FBO services. They do not depend upon one another. **Mr. Ahmad** noted the FBO provides services to help us develop land for aeronautical use. **Mr. Roberts** point is if someone owns the building they have a leg up at the next RFP process. The building has assets based on the structure included with it, which gives them an advantage. **Mr. Ahmad** noted that the only other way is if we were to build all these parcels and we are not sure that is financially feasible. If RIAC owns the building, we lease it.

(f) Briefing on Upcoming Food and Beverage Proposal

Mr. Tang noted RIAC issued the Food and Beverage Concessions RFP on November 30, 2021. Due to industry conditions, including the peak of COVID, we canceled the RFP on January 6, 2022, with a plan to issue the RFP later in the summer once industry conditions improved. RIAC plans to issue the RFP on September 1, 2022. Proposals are due December 13, 2022, with the selection process in January, 2023. Members of the Board of Director's will be the selection committee for this RFP. **Mr. Surehan** noted we have already received expressions of interest from several firms on this RFP. The new contract, effective July 1, 2023 would be for 10 years with a mutually agreed five year option. The winning firm would improve customer service and maximize revenue by redeveloping all concessions locations continuing the design theme of a Rhode Island Sense of Place, update offerings based on customer needs, and ensure reliable staffing and operations. **Mr. Savage** noted he would like to see flexibility to interview and have fluid discussions. If we meet and like what we hear with each company, it should be an evolving process that the board can have flexibility with the RFP. Currently we are seeking a ten-year term and he has concerns with it being so definitive. If we get an extraordinary response with other needs, we want the possibility for flexibility to avoid the necessity to go back out for RFP. **Mr. Rodio** noted the current

RFP is drafted out for a competitive negotiation process, which allows for the discussions that you are talking about. While there is certain scoring involved, for example the first RFP starting point has heavy scoring for staff on plans and retention, there is the ability to negotiate with parties on the specific terms in reaching the desired outcome and considering the factors. However, the point raised related to lease term length is one that we need approval from the FAA as it relates to concessions. **Mr. Savage** confirmed there should be flexibility. He does not want to open us up to criticism from potential bidders. We need to keep that in mind. **Mr. Rodio** confirmed flexibility to negotiate with the parties during the process. **Mr. Ahmad** noted the board is the selection committee and it will take time. **Mr. Savage** noted it is very important and we may need one or two special meetings to fully interview. **Mr. Ahmad** noted on the terminal renovations, Ms. Damicis and Ms. Mineker are bringing in a consultant on the designing of the restaurant part of this. **Mr. Savage** asked if this will be hand and glove with designing, how does schedule time with this. **Mr. Ahmad** noted the food and beverage part of the project will give us the schedule. Part of the selection is asking how they expect to take over from the folks now for however many eateries. We will work around them with design. The customer impact is a big deal and we do not want to do all of it at the same time. One restaurant at a time. When we are working on the gate and corridor, we will take one side and do the other side during construction phasing. We will update you as we are coordinating with the concessionaire and airlines. **Mr. Little** noted last time we did the RFP for food and beverage, there was not much appetite under the economy that existed. What is the assessment of potential responses at this point and what steps are we taking to enhance the appeal of this facility for the bidders. **Mr. Surehan** noted last time it was issued amid COVID. It appears to be behind us and we have had several discussions with potential bidders. The fear is only one bidder or no bidders will be received when issued. **Mr. Ahmad** noted the Breeze announcement will help. **Mr. Roberts** asked if a shorter or longer lease is better. **Mr. Surehan** noted for this project, we prefer a longer lease. **Mr. Roberts** asked who is paying the \$17M. **Mr. Surehan** responded it is the bidder's responsibility. **Mr. Little** noted some of our objectives is a little inconsistent in terms of outcomes during the process. We need to confirm the objectives and communicate that with the bidder. **Ms. Thomas** noted in the process prior to 2021, we had a good response that fit in with our objectives including fair wages and those are all still important today. Hopefully we will receive that quality of response. **Mr. Rodio** noted that in the past, we saw better news and gift responses than food and beverage responses due to the nature of the airports customers. **Mr. Bogosian** noted the Breeze announcement will be a big plus for them. **Mr. Surehan** noted the timing of re-issuing the RFP was perfect.

(g) Airport Operations Update

Mr. Persson noted the department's primary objective is to carry out the self inspection program set forth by the FAA in Part 139. This includes daily inspections of infrastructure such as runways and taxiways, issue NOTAMs or Notice to Air Missions. Additionally, the staff routinely monitor or inspect for safety and security purposes of the landside, terminal and fueling facilities. Perimeter checks and wildlife monitoring can be performed alongside those duties. **Mr. Persson** noted monitoring weather conditions to assist in information dissemination and being part of planning efforts for airfield construction while maintaining a customer service focus. Some support functions that are addition to the team include emergency response drills with mutual aid partners, updating various plans, and participating in incident command. A sample of the 2022 calendar year

metrics include 15 emergency response field drills, 268 airfield escorts and six aircraft alerts. **Mr. Savage** asked when they do their review of the airfield ancillary areas, do they have a check list and how comprehensive the list is. Incidentally, there was grass impacting a safety piece of equipment, how was that missed. **Mr. Persson** noted Part 139 has a daily check list at PVD. The outlying airports are not Part 139, so the strict rules are not present there. The PVD daily check list is FAA approved. **Mr. Savage** asked what the procedure is at the GA airports and do they have check lists. **Mr. Persson** noted they are not required to follow the same measures as PVD, but they do have check lists. **Mr. Savage** asked in matters of equipment that impact safety, is there priority given to their checklists. He noted he understands the staff at the GA airports is not the same as PVD, but he asked for the list to be reviewed. **Mr. Persson** noted he will look into the lists.

Mr. Keller noted our presentation today focuses on the important role that the airport operations team plans here at Rhode Island T. F. Green International Airport. Our team of ten Airport Specialists, Operations Director, and two Badging Coordinators manage the complex operation here at the facility. They are responsible for FAA and TSA mandated training, recordkeeping, and vetting nearly 2000 badge holders' records. **Mr. Keller** -4 showed a video of what a day in the life of the Operations Specialist with Kyle McKenna.

(h) Overtime Update

Mr. Greco noted the first slide shows the fiscal year to date and we saw a decrease of 31.47% from FY21 numbers. The next slides breaks down the fiscal year to date totals by department. As you can see, Operations and Maintenance and Other categories are over the previous year. We saw an increase from the previous year mainly due to the filling of vacancies due to use of leave, medical aid escorts, and assisting at the GA airports. **Mr. Greco** noted an increase in the other category was mainly due to an audit and assistance for the GA town hall virtual meeting. The next slide shows we saw a decrease of 31.46% in May from last year. The final slide breaks it down by department. Four of seven departments show a decrease from last year. We continue to work with each department head on minimizing the amount of overtime across the corporation.

(i) Infrastructure Update

Mr. Zogheib noted beginning with the airfield projects at Rhode Island T. F. Green International Airport, Taxiway Charlie is currently under design. We are working towards a 70% design submittal due later this month, with anticipation to complete the design work in November 2022. We have been working closely with all our stakeholders to address any comments or issues on the project, and specifically formulating an effective Construction Safety and Phasing Plan, securing required environmental permits, and finalizing the FAA reimbursable agreement which is currently being signed. **Mr. Zogheib** noted there are currently four on-going projects at Rhode Island T. F. Green International Airport. First is the ARFF Rapid Response. This is a communication system project and the items that remain to complete this project are the on-site server install slated for October 30 of this year, and the testing and completion of the system by end of 2022. Next is the Security Camera, Phase 1. Work has been on-going on this project, and the remaining work consists of testing and training scheduled for end of this month. The completion of this work will allow the start of the Phase 2 project awaiting grant execution.

Next is the Soffit and Drainage Repairs. The design of this project has been completed. We are currently putting together the bid package for procurement in October 2022. Last is the Terminal restroom Renovation. In addition to the North Concourse that has been opened, the South Concourse is scheduled to open later this month. Due to unforeseen conditions, the Check-in restroom will experience an opening delay to October 2022. **Mr. Zogheib** noted on the System-Wide obstruction mitigation program, a survey was performed by Stantec in 2019 and issued in 2020 identifying obstructions for all six airports. A total of 1,967 obstructions have been identified, which includes near obstructions up to 15 feet. We have been working to finalize Environmental Assessments for all six airports and acquire easements for Quonset State Airport and Rhode Island T. F. Green International Airport Runway 34 end. We are close to finalizing this work. RIAC is currently formulating a turn-key approach for all six airports to address remaining easement acquisitions, design and permitting, mitigation of identified obstructions, and re-establishment of Thresholds. **Mr. Roberts** noted we have runway displacements at two airports because of this. **Mr. Zogheib** noted part of this effort is to identify the obstructions. **Mr. Roberts** noted it would be good to have an end to end look and know when the displacements will be remedied. **Mr. Ahmad** noted four airports have clarity, but Newport State Airport and Westerly State Airport are different because they are pending litigation. **Mr. Roberts** noted those are the two airports with displaced thresholds. **Mr. Ahmad** noted RIAC is leaning hard on our attorneys to have a verdict, but there is a delay on the other side. If the result is a no go, we are going to ask legislature for help. We would like to see some sort of result to mitigate because it is strain on us and we share the sense of urgency. The Westerly State Airport case has been ongoing for a while. Our attorneys appeared in court in August, but the opposing attorneys came in and told the judge to delay the case. **Ms. Morgan** noted the August date got pushed to September. The trial will be scheduled in early 2023. RIAC is working through that with the attorneys to look to get depositions out of the way. The lead plaintiff said she will appeal if there is an unfavorable decision. **Mr. Ahmad** noted we share the frustration.

4. Pension Committee Update.

Mr. Bogosian noted the Pension Committee met earlier in the morning to review the 414H pension plan as of 6/30/2022. There was a presentation from Robert Walter of Principal on assets and cash flow. The assets, as of 6/30/2022, was \$31.1M with 155 active participants. The first half of the year was tough in equity markets. As of today, there was \$32.9M in assets as July is a better month. **Mr. Bogosian** noted all of last year, there was a contribution of \$3.2M and so far this year, there was \$1.1M of contributions. There were 739 internet sessions and 82 unique participants logged into the website. It was a very tough first half of the year, but it was good to see that participants looked at their accounts. This goes to the education being provided to them. There was a request made to Robert Walter for the quasi cash account analysis to see the money in the last 30, 60 and 90 days to see if participants moved their money to cash. It is important to see if the participants were spooked by the market. **Mr. Bogosian** noted 36% of plan assets are in balanced/target date asset allocation funds. The balance fund is down 14% and both equity and fixed markets were down. Between 6/30/22 and today, the balance fund is down 10%. **Mr. Bogosian** noted Mr. Meizner of Hooker and Holcomb has been presenting to us for years and he is retiring the end of the year. Mr. Meizner introduced Ms. Minish, who will be taking over the account. Ms. Minish and Mr. Meizner presented

an update on market review and the main point was funds and we have no new funds on watch.

- (a) **Approval to execute a Professional Services Agreement with GYL Financial Synergies in the amount of \$25,000 annually for five years for pension consulting services. If requested, RFP services would be an additional \$10,000 cost.**

Mr. Bogosian noted Mr. Tang provided a great update on this action item noting our current pension consultant, Hooker and Holcomb was not as diligent with items such as plan document review as we would have liked, and we are pleased there will be updates on this from GYL at each meeting. It is in the best interest of RIAC to make this change.

A motion was made by **Ms. Thomas** and seconded by **Mr. Little** to approve the recommendation.

The motion was passed unanimously.

5. Action Items:

- (a) **Option to Lease with Ameresco for Parcel SFZ-4**

Mr. Surehan noted in November 2021 RIAC entered into an Option to Lease Agreement with Ameresco for North Central parcels SFZ-3 and SFZ-6 for potential solar development. The potential lease revenue for these 12 acres combined is \$4.5 million over 30 years. This past spring, we expanded an adjacent parcel SFZ-4 from 1.5 acres to 5.8 acres to make it more marketable for solar development. Hayes & Sherry reached out to several firms to gauge their interest. Ameresco is interested in entering into an Option to Lease Agreement for this parcel at its appraised value. We are recommending an Option to Lease Agreement for parcel SFZ-4 which has the potential to generate \$2.2 million in lease revenue over 30 years. **Ms. Thomas** asked if all of this land is approved from the FAA for solar development and it is safe. **Mr. Surehan** confirmed yes, it is non-aeronautical land and it has been reviewed.

A motion was made by **Mr. Traficante** and seconded by **Jeff Bogosian** to approve the recommendation.

The motion was passed unanimously.

- (b) **Lease Agreement with FlightLevel for Parcel WST-3**

Mr. Surehan noted at Westerly State Airport, RIAC owns four open-bay hangars and a storage hangar adjacent to the terminal building. These 70 year old buildings are obsolete with no heat or hot water, and present a possible safety hazard. RIAC had been planning to remove these buildings for years. In order to redevelop this area to accommodate more GA activity RIAC added a new parcel WST-3 in early April 2022 to be marketed by Hayes & Sherry. This 1.1 acre parcel encompasses these buildings and associated ramp area. RIAC included a condition that any lessee would need to offer

accommodations to current tenants Simmons and New England Airlines within any new hangar development. RIAC received a lease offer from FlightLevel Aviation at its appraised value to demolish the buildings at FlightLevel's expense and build two 12,000 sf hangars. These new larger hangars would accommodate new tenants as well as Simmons and New England Airlines. We are recommending a Lease Agreement for parcel WST-3, which would generate \$912 thousand in lease revenue over 30 years. **Mr. Roberts** asked if there any occupants in the existing hangar. **Mr. Surehan** confirmed yes, Simmons and New England Airlines. **Mr. Roberts** asked what happens to the two occupants in the interim. **Mr. Surehan** answered there are conditions in their existing leases that FlightLevel will accommodate current occupants. They reached a general agreement.

A motion was made by **Mr. Traficante** and seconded by **Mr. Bogosian** to approve the recommendation.

The motion was passed unanimously.

6. Executive Session:

At approximately 10:22 a.m., a motion was made by **Mr. Little** and seconded **Ms. Thomas** to go into Executive Session for the purpose of discussing the following items:

The Board will seek to go into Executive Session for the following stated purposes:

- (a) **Motion to approve the minutes of the Executive Session held on July 6, 2022 § 42-46-5(a)(2); and**
- (b) **Session, including potential vote, pertaining to a non-public potential litigation matter related to a RIAC Aviation Insurance Policy (§ 42-46-5(a)(2)); and**
- (c) **John Kramer, Anthony P. Fox. Timothy T. Fox, Linda J. Jokl, Peter Jokl, Sara McGinnes, Ruth S. Perfido, Peter H. Greenman, Arthur Jacob, Sharon Lehman, John Lehman, and Piera M. Cote Robson vs. HTX Helicopters, LLC, d/b/a Heliblock and Rhode Island Airport Corporation, C.A. No. WC-2018-0491 (§ 42-46-5(a)(2)); and**
- (d) **Discussion related to the lease of real property for public purposes and the disposition of public property wherein advanced public information would be detrimental to the interest of the public, discussion of lease (PVD South Side Cargo Facility) (§ 42-46-5(a)(5)); and**
- (e) **Motion to return to open session.**

By roll call vote the motion was passed unanimously.

At approximately 11:35 a.m., a motion was made by **Ms. Thomas** and seconded by **Mr. Bogosian** to return to Open Session.

The motion was passed unanimously.

7. Post Executive Session Actions and Announcements:

- (a) Motion to seal the minutes of the Executive Session held on August 11, 2022; and**

A motion was made by **Ms. Thomas** and seconded by **Mr. Little** to seal the minutes of the Executive Session in accordance with R.I.G.L. § 42-46-7.

The motion was passed unanimously.

- (b) Report on actions taken in Executive Session.**

During the Executive Session, a motion was made by **Ms. Thomas** and seconded by **Mr. Bogosian** to approve the sealed minutes of the Executive Session July 6, 2022.

The motion was passed unanimously.

During the Executive Session, a vote took place related to the non-public litigation and passed 6 – 0.

The motion was passed unanimously.

8. Future Meetings:

The next meeting is scheduled for Thursday, September 22, 2022 at 9:30 a.m., in the Mary Brennan Board Room, Rhode Island T. F. Green International Airport, Warwick, Rhode Island.

9. Adjournment:

Ms. Thomas moved to adjourn at approximately 11:36 am. **Mr. Little** seconded the motion.

The motion was passed unanimously.

Respectfully submitted,

Jon Savage, Chair
Rhode Island Airport Corporation

PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
THURSDAY, AUGUST 11, 2022

<u>NAME</u>	<u>AFFILIATION</u>
Alicia Seabury	RIAC
Brittany Morgan	RIAC
Dennis Greco	RIAC
Wilmott Will	RIAC
Yil Surehan	RIAC
John Goodman	RIAC
Tim Pimental	RIAC
Kellie Wright	RIAC
Jessica Damicis	RIAC
Dawn Mineker	RIAC
Wallace Tang	RIAC
Elie Zogheib	RIAC
Rob VanBurg	RIAC
Aaron Keller	RIAC
Nik Persson	RIAC
Joseph Rodio, Jr.	Rodio & Ursillo
Anika Kimble-Huntley	Commerce RI
Sal Corio	RIPA
Nancy Iadeluca	Unite Here
David Mackey	Anderson Kreiger
Tamara Wolfson	Anderson Kreiger

PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
THURSDAY, AUGUST 11, 2022

NAME

AFFILIATION

Dan Procaccini

Adler Pollock

Vannova Tith

CVS

Tom Papa

F/S Consulting

Jennifer Renzi

Unite Here

The minutes of the Executive Session of the Board Meeting on August 11, 2022 have been sealed in accordance with R.I.G.L. § 42-46-7(c).