

MINUTES OF MEETING
RHODE ISLAND AIRPORT CORPORATION
BOARD OF DIRECTORS
THURSDAY, FEBRUARY 9, 2023 AT 8:30 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 8:30 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, Gregory Pizzuti, Jeffrey Bogosian and Jonathan Roberts.

BOARD MEMBERS ABSENT: Deborah Thomas and Christopher Little.

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 January 12, 2023. The motion was seconded by **Mr. Roberts**.

The motion was passed unanimously.

2. Open Forum:

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

Ms. Langseth noted he would like to speak.

Mr. Langseth introduced himself as a Warwick resident from 170 Budlong Farm Road. He noted he has been in contact with VHB, the consultant for the freight expansion project. He sent an APRA request for more information on airside traffic and information. The response he received back was there were no studies or financial information and VHB directed him to go through RIAC for this information. He added when you go through RIAC for the APRA request, you have to pay \$150 for 11 hours of research to find out about TIFIA loan which is only 1 file. One would expect it to be accessible and easily available. **Mr. Savage** noted if he has an issue with how RIAC handles APRA requests, there is a whole division at the Attorney General's office and he should go there. He added RIAC receives numerous requests and the responses are done in accordance with the law and we take it seriously. If one believes we are unresponsive, it is a simple process and you will find relief with the division at the Attorney General's office. RIAC is very careful on how we respond to requests and we are proud of our record. **Mr. Langseth** confirmed that he is suggesting he go to the Attorney General's office and noted there is a story in the Warwick Beacon on that. **Mr. Savage** responded that he was simply highlighting an alternatives and not suggesting, rather letting him know what is available.

Mr. Langseth replied that he prefers to go through RIAC for this information, and although not state law, he will do it this way for cooperation so we all know what is going on. **Mr. Savage** noted that we have a process and, again, referred him to the Attorney General's office if he feels we are unresponsive. **Mr. Langseth** stated he has one more issue, Rhode Island General Law 18 says the General Assembly and Governor assigns the Executive Director at RIAC and one of those duties is to study delivery of all commerce and trade in the state and then collect and disseminate information related to development to the public. One would hope we are being open. **Mr. Savage** noted he appreciates the concerns being brought to the board and if he feels we are not adequately handling this, please bring the matter to the Attorney General's office.

Mr. Balli noted he wanted to speak.

Mr. Balli introduced himself as the Co-Founder and CEO of Grove Bay Hospitality Group and noted that he wanted to give an update and thanked the board for allowing them to speak at the board meeting. First, Grove Bay is almost 100% staffed as of January 16. Rhode Island Burger bar reopened and they rolled out a new menu. A breakfast menu is now available at Providence Provisions and staff have adjusted to the 5 a.m. start time. Grove Bay recently hired a new culinary chef a few weeks ago and rolled out a new employee menu. They hosted an appreciation event for employees, and team morale is up. **Mr. Balli** noted that he understands a new RFP is on the horizon and expressed that they want to be here for a long time with the current staff. He closed by stating that the management of the airport concessions would be best achieved having a one company operation & operator overseeing all the restaurants.

Mr. McNeil noted he wanted to speak.

Mr. McNeil introduced himself as a general agent of Local 26 and noted it has been a long three years for everyone. In 2022, they were able to breathe and find stability. He noted he was joined by half a dozen airport employees who work with Mr. Balli. He noted that they know there is potential for a new RFP and expressed that they wish to keep the stability in place and also the breath that they are now feeling. With a single operation, we know who is in charge and what we are getting paid. **Mr. McNeil** concluded that they are in a good place and they just want to live a stable life. He stated that he would like the board to keep that in mind when writing the RFP. He presented a petition to this point which Local 26 employees had signed. **Mr. McNeil** thanked the board for their cooperation.

3. Report from the President and CEO:

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

- **Mr. Ahmad** stated December 2022 Landing Reports brought passenger numbers up 4% from one year ago. Passenger numbers were 73% of the baseline in December 2019. Seat capacity was up 12% from one year ago. The average load factor was 75% across all airlines. Fiscal Year to Date passenger numbers were 15% ahead of RIAC's forecast.
- **Mr. Ahmad** stated the tie-in of an emergency generator to provide back-up power

to RIAC's fuel farm was completed by the PVD Fuel Consortium's management agent, Skyfuel. This work will greatly enhance RIAC's ability to provide fuel to airlines during power outages.

- **Mr. Ahmad** stated PVD wayfinding signage had been approved and installation is scheduled to be finalized this month.
- **Mr. Ahmad** stated Breeze Airways announced they have begun posting job positions for their new base here at PVD ahead of the March 29 opening. Breeze Airways will bring up to 250 jobs to Providence over a 12-year commitment to support their operations to more than a dozen destinations.
- **Mr. Ahmad** stated we invite you to fill out a survey for Rhode Island T. F. Green Airport in Travel + Leisure's "World's Best Awards" for Best Domestic Airport. Please visit our website at www.flyri.com for a link to vote. By sharing your thoughts on your favorite travel experiences, you will be entered into a giveaway for a chance to win a 2023 Viking Longitudinal World Cruise II for 2 people, courtesy of Travel & Leisure. The survey runs until February 27.
- **Mr. Ahmad** stated Standard & Poor had raised RIAC's bond ratings from A- to A with a stable outlook. Their report cited very strong management and governance, with a good track record of operating the major lines of business while managing risk, as evidenced by high liquidity, conservative budgeting, and meeting financial targets. Repeated votes confidence by third parties such as S&P or Travel and Leisure are significant and meaningful since they are fully independent.
- **Department Updates:**

(a) Air Service Update

Ms. Morgan noted the slide presented is a detailed forecast and sensitivity analysis compared with actual passenger enplanements. It shows passenger enplanements have exceeded the forecast for November at 21% with a year to date increase of 18% from last fiscal year. The next slide shows passenger activity in November which increase by 12.5% for arriving passengers and at 12.6% for departing passengers, with a total increase of 12.6% from last year. Fiscal year to date increased just over 22% for arriving passengers and slightly under 22% for departing passengers, with a total increase of just under 22% from last year.

(b) Airport Financial Report Update

Ms. Williams noted we completed the month of November 2022 with the overall operating revenues up approximately 17.5% or \$4.3M. This increase is primarily related to the increase in non-airline revenues driven by increased enplanements of 22% from 600k to 732K. Revenue streams such as concessions (including food & beverage and news & gifts) have continued to recover and are up approximately 31.2% and 18.7% respectively. Fuel flowage fees are 63%, up 26% from the prior year, due to increased volume and pricing. Overall operating expenses were up approximately \$1.2M largely driven by the increase in contractual services such as baggage handling, janitorial, and

security as passenger activity and operations have increased over the prior year. **Ms. Williams** noted in addition, we had scheduled payroll and benefit increases for the new fiscal year. Supplies & materials were up approximately 22% primarily as a result of increased pricing for janitorial, airfield material and supplies, and fuel. The operating loss for the GA Airports was about \$144K FYTD through November. The amount was calculated without counting the GA debt service of \$400K, which is \$80K a month. Air service marketing included expenditures for the new Breeze services to Pittsburg, Norfolk, and Charleston. Passenger facility charges were up with the increase in the passenger activity levels.

(c) Airport Marketing Update and State of Rhode Island Destination Marketing Briefing

Ms. Wright noted, this month, we welcome back special guest, Anika Kimble-Huntley, Chief Marketing Officer for the State of Rhode Island who will share an update on Commerce's efforts on destination marketing. RIAC brings holiday cheer with a LITE 105 live broadcast on December 19 to promote all the great things Rhode Island T. F. Green International has to offer. LITE 105 gave visitors and listeners the opportunity to text in and win a round-trip domestic flight on Breeze. It was a fun and heart-warming day to Rhode Islanders as they arrived or departed to celebrate Christmas & New Years. **Ms. Wright** noted there were a total of 100-15 second spots, 90-30 second promos, garnishing a total 1.2Mimpressions. RIAC has been utilizing an all-around marketing approach to market Travel + Leisure's World's Best Awards 2023 survey with print, digital, social, radio, email signatures and more. As Mr. Ahmad mentioned previously, this is a final reminder to complete the T+L survey and rank PVD as Best Domestic Airport. The contest runs until February 27, giving us less than a month to complete the survey. By completing the survey, you will be entered into our giveaway for a chance to win a 2023 Viking World Cruise for two people. **Ms. Wright** noted to highlight the new summer schedule for Breeze Airways, RIAC created a series of digital and print ads highlighting Charleston, Cincinnati, Columbus, Los Angeles, Norfolk, Pittsburgh, Raleigh Durham, Jacksonville, New Orleans, Orange County, and Tampa. Go Local Prov captured a total 3.8 million impressions for the month of January.

Ms. Morgan noted, unfortunately, Rhode Island Key Performance Indicators show leisure and hospitality growth behind regional and national data. Rhode Island experienced job losses in four major industries in Q4: trade, transportation and utilities, professional and business services, leisure and hospitality, and government. Leisure and hospitality experienced the largest drop, shedding 1,700 jobs quarter-over-quarter. This table shows that with 4 ½ months left in fiscal year 23, the State has only spent 15.3% through December of the \$6.1 million allocated for the State's destination marketing efforts. We have invited Ms. Anika Kimble-Huntley, Chief Marketing Officer for the Rhode Island Commerce Corporation, to provide an update on this.

Ms. Kimble-Huntley noted the slide she was showing was presented at the previous board meeting on January 9. There are various phases that have been deployed since the campaigns began launching in June 2022. The media tactics that are utilized include streaming audio, streaming video paid research, remarketing (online), paid social, and email marketing. The RI Commerce budget is \$900,000 for Phase 1 supported marketing in Los Angeles, Norfolk, Pittsburg, Nashville, and Denver with some of these flights being seasonal. Los Angeles service was canceled after a couple of weeks and

Norfolk and Nashville are seasonal. There is \$1M allocated for air service marketing with \$750K allocated to tourism and \$250K allocated to stay and play in Rhode Island, which included staying in Rhode Island if you are living in Massachusetts and proximity for visitors from Connecticut to Baltimore that we are closer than you think. Phase 2 launched in October focusing on service to Atlanta, Chicago, Washington D.C, Baltimore, and Detroit. Phase 3 was implemented in December and includes markets focused on Charleston, Charlotte, Philadelphia, Raleigh-Durham, Minneapolis-St. Paul. They are all still in rotation, with the Los Angeles route coming back and in a couple weeks, Nashville. Denver is still on hold. **Ms. Kimble-Huntley** noted our objective is to work with RIAC on prioritizing destinations and making sure passengers only fly to PVD. These results are based on Phase 1 and Phase 2 with Phase 3 launched December 26, 2022 after Christmas. Phase 2 generated over 91.6M impressions, which is how many times our ads were served, it does not mean the number of people. To see it, we made sure the ads are running at an extremely high frequency, 3 times per week for 30 days. The number of clicks to the Visit Rhode Island website were over 134,000 and within those clicks we were able to see that 2,355 were book your trip clicks. We partnered with Adara to track the media attribution on booking hotel rooms. There were 2,355 trips clicked and 418 hotel bookings from these clicks resulting in over \$229,830 in hotel revenue. Most of the hotel booking revenue from the D.C/Baltimore area. There has been 30% of hotel bookings from this marketing since June in some markets and seeing the advertising. **Ms. Kimble-Huntley** noted we are proud to announce we received an award on ticker symbol. The 2022 Bronze Adrian Award for excellence in travel. There were over 600 entries. This is our third award but the first related to ad creation. Our new initiative is implementing and continuing to implement the focus on media buys and the New England sports market. There is a high volume of people that watch sports. The goal is to run commercials before, during, and after New England sports game days. This is called a New England take over. For example, we ran a spot during the Celtics and Pistons game. In addition, the 6 am news, Good Morning America, and the Today show will be able to reach avid sports watchers in Michigan, Ohio, and the southern tip of Canada. There will be more exposure and more bang for our buck. On March 1st we will have all access on ESPN purchasing spots. The New England sports media strategy has started and will continue to the end of Fiscal Year, June 30, 2023, with 1300 spots in all markets. The commercial is seasonal and will update and add voice over. **Mr. Ahmad** noted Ms. Kimble-Huntley does a great job and is the right person in the job. He further added, yesterday, we received data from the DOT that in the five markets where money has been spent the interest has improved as we outperformed all other destination markets. This shows the marketing is working. **Mr. Pizzuti** noted that was great and he is thrilled with the Commerce relationship and asked if there is a way to correlate new air traffic load factors increase by advertised cities. **Mr. Ahmad** responded, yes, but we have to wait until the DOT receives the data, which is about two to three months later, and then they publish it on their website. Those numbers prove the five markets where Anika went in with ad campaigns, they outperformed our market. **Mr. Savage** noted he is thrilled Ms. Kimble-Huntley is on board and this is becoming a great partnership, however, there are some extraneous issues. RIAC is concerned about how there is a \$6.1M in the marketing budget, but only \$935K has been spent so far. We have waited a long time for this relationship and we are at a critical stage with our airline partners who are making decisions on staffing. Large airlines are looking at that data in a short window. The \$5.2M disappears at the end of June and asked what the plan is to spend that money. **Ms. Kimble-Huntley** noted that all of our money does not disappear at the end of June. Commerce's budget for Phase 1 came out of FY22. It took a while to build the campaign.

\$900K was allocated to prepaid media for next year. ARPA allocated \$1M to Phase two and three markets for in play. The state's portion is \$1.5M and the New England sports allocation is \$1M, which is happening as of Monday through June 23. The \$1.5M is part of destination marketing comes from the General Assembly fund and has not been released yet. **Mr. Savage** asked why not. **Ms. Kimble-Huntley** explained that is a question for Paul Dion and the PRO team and added that Secretary Tanner had approved the plan. The funds should have been released by now and the PRO department was scheduled to have a meeting today. They were supposed to have released it in July of last year. We are asking for \$750k for the end of June and the other \$750k 1st quarter FY25. There is a plan in place but getting funds is difficult. She does not want to speak to this matter before getting approval. We are trying on a consistent basis to get the funds released. \$1.2M will be spent between the State and Breeze, and plan is in the works for a budget that details how the money will be used. Ms. Kimble-Huntley added that any help from RIAC to move this along would be appreciated. **Mr. Savage** noted he believed that the collaboration palpable, and Commerce has made a huge difference with getting Breeze Airlines more excited with RIAC. He further added that, he "anticipate we will hear from Breeze and that we will get additional direct flights, within a short period of time to market. This money needs to be utilized first before more funds will be given by legislation. It is important to keep pace as to not repeat this past issue. He asked if there was a plan in place to keep pace with the increased air traffic in order to tackle this quickly. **Ms. Kimble-Huntley** noted the creatives are turnkey but the difficulty is the media buys. As soon as they are aware of the information, they can unveil and asked for RIAC to let them know as soon as possible as it takes about three and half weeks. **Mr. Savage** asked if it is possible to do option spots. **Ms. Kimble-Huntley** noted, yes, it is very helpful and we can hold the media. In terms of the longevity of spending, we have funding to continue with the current plan. **Mr. Savage** noted the danger is we will hear if you are of not spending the money they will not give you more. **Ms. Kimble-Huntley** noted she hopes, after speaking with Paul, he will be able to help us with this. She explained that we want to make sure we are spending money in order to substantiate needing additional funds in the region. The funds are still being worked through and a portion of it is reserved for Air Service marketing. The more funding we can get, the better off we are. Air Service is important and we have to continue to receive funding. **Mr. Pizzuti** asked how the board could be helpful. **Mr. Savage** added this aspect needed to be figured out. **Mr. Bogosian** noted maybe RIAC could be in the room to help with getting this faster. We worked hard to get this money so it is disappointing we have not received it. **Mr. Traficante** asked when our ARPA commitments are. **Ms. Kimble-Huntley** answered after FY24, but that is it technically gone. **Mr. Ahmad and Mr. Savage** added that Ms. Kimble-Huntley is doing a great job and thanked her for good turn of events, RIAC will be there for them.

(d) General Aviation Airports Update

Mr. Persson provided a brief update on RIAC's efforts at the GA Airports for January. As you know, RIAC provides close oversight and management of our GA's and this month was no different. Senior management made seven visits to the airports to provide presence and to maintain close contact with our staff. Some highlighted projects this month were the installation of an additional vehicle fuel tank at Newport State Airport that will allow for more efficiencies and lowering costs by reducing the amount of deliveries. **Mr. Persson** noted an HVAC unit at New England Airlines at North Central State Airport was replaced to continue to provide a great space for our tenant and pilots. RIAC staff worked with the contractor to make a plan to execute on that. Our GA tech at

Block Island State Airports has been busy taking advantage of the mild winter to clear the 10' buffer that is best practice to maintain clear around the perimeter fence. To assist Infrastructures statewide obstruction removal project, our GA techs provided important escorts to the wetlands delineation consultants as part of the early phase of this project. **Mr. Persson** noted to illustrate the importance of our GA Airports to the state, State and Federal Emergency Management Agencies visited 3 of our airports to evaluate their availability to support large, regional scale emergency disaster events.

Mr. Goodman noted he is am happy to provide an update on RIAC's continued community outreach and education efforts in our general aviation airport host communities. Following our GA Airport tenants meetings in December, RIAC held its quarterly Town Hall Meeting for GA Airport host communities in January, which attracted 22 participants, including town managers and members of local town councils. RIAC provided overviews of all GA Airport projects and devoted particular attention to the process by which air space hazards would be addressed via negotiations with property owners regarding avigation easements. **Mr. Goodman** noted RIAC's proactive outreach to community leaders to address misinformation likely helped achieved significantly higher participation in this meeting. Our Town Hall conversation received coverage in the Westerly Sun, which conveyed our statements that RIAC is not expanding airports anywhere, nor are we engaged in grubbing or clearcutting properties. RIAC continues to monitor these matters and has received an invitation to provide a presentation to the newly elected Westerly Town Council in early March which will include an overview of the federal, state and local responsibilities and regulatory requirements to assure the safety of state airports.

Ms. Mineker noted that the design phase for our General Aviation projects is wrapping up and we are entering into the bidding phase. The Block Island Terminal Apron Expansion Project was advertised today, February 9, and the WST Fence and SFZ Apron projects are scheduled to be advertised within the next week. Progress continues on the statewide obstruction removal program. For Article A, the environmental assessments for Block Island State Airport is with the FAA for final determination. A FONSI was issued for Westerly State Airport on Tuesday. For Article B, we expect responses on the offer for the easements this month. For Article C, we are continuing to reach out and meet with property owners to discuss the project. **Ms. Mineker** noted as we are granted access we are also conducting the property boundary survey, in addition to the public right-of-ways. For Article D, on-airport wetland delineation is complete. We are working on preparing the obstruction removal plans, prior to meeting with RIDEM to start the permitting process.

Ms. Victor noted she will be giving an update on the development of the restaurant at Block Island Airport. In anticipation of the vacancy of the previous restaurant operator in October 2022, RIAC issued a Request for Proposals in July of 2022. That request returned no responses. The general feedback was the overall facility needed significant improvements, the rent was set too high at \$3,275 and potential bidders found it difficult to see a ROI. Thus, RIAC took feedback and put together a plan to assist with operating a successful business by Incentivizing a 2023 RFP scheduled to post in the coming days. **Ms. Victor** noted following are a few of the incentives. RIAC lowered the rent to \$2,000 a month with payments beginning after a four month construction period. RIAC is also providing a one-time \$10K construction allowance to incentivize the proposer and assist with items such as demolition and improvement. As a subsidy, RIAC is baring the cost of base building heat worth approximately \$3,362 per year. In addition, we are allowing a

variety of service options, to include grab-and-Go Service, alcohol service, as well as the option to operate a traditional full service restaurant. Finally, RIAC is allowing the flexibility to include additional revenue-producing activities, such as the sale of branded retail items or bike rental service subject to any required local approvals. **Mr. Roberts** asked what the previous rent price was. **Ms. Victor** informed him that the price was \$3,275. **Mr. Roberts** noted that the price was substantially lowered. **Mr. Ahmad** added that we look forward to seeing what the proposals bring. We have lowered the rent, we are giving an allowance for demo and offering them the option to do a full restaurant or grab-and-go with the opportunity to sell other retail items. **Mr. Roberts** noted another option is to have a season restaurant that closes in the winter. The restaurant on Martha's Vineyard is seasonal. When there is no demand they just close. **Mr. Roberts** asked if having a similar restaurant situation on Block Island feasible. **Mr. Ahmad** noted the RFP addresses that issue, but we prefer all year long.

Mr. Cloutier noted he will be presenting a progress update on a parcel that RIAC has marketed as part of its General Aviation initiatives, as well as an update on overall system demand as reported by FlightLevel. In April of 2021, RIAC's Board approved the 30-year lease of 4.4 acres known as parcel OQU-5 at the Quonset State Airport to FlightLevel. The lease was effective June 1, 2021 and will generate \$3.2M for RIAC over the term. Currently \$72,200 a year. FlightLevel designed a series of four hangars containing approximately 35,000 square feet to be constructed on the parcel, ranging size from 4,800 to 11,875 square feet to accommodate a wide range of aircraft types, as shown on the slide, with a capital cost of approximately \$3.5M. **Mr. Cloutier** noted as an update on the project, moving from right to left, construction is substantially completed on the 4,800 foot hangar. The 6,400 foot hangar is being enclosed with steel siding, and the foundation footings for the two 11,875 foot hangars have been poured. The 6,400 foot hangar, and the first of the two 11,875 foot hangars, will be by July 1. The second 11,875 foot hangar will be completed in fourth quarter 2023. With respect to occupancy, FlightLevel has reported that approximately 70% of the 35,000 square feet is under contract. Another 10% is under reservation pending contracts, and 20% of the space will be used for transient aircraft hangaring of six fixed wing and three helicopters. Hangar rental rates are \$14 to \$20 per square foot and office space is \$45 to \$55 per foot. In addition to the hangar facilities, FlightLevel is also developing five to ten tie down spaces to be priced at \$85 to \$150 per month depending on aircraft size and location, and a new fuel farm with a capacity of 40,000 gallons jet-a and 12,000 gallons avgas spring 2024. RIAC will receive fuel flowage fees of 13 cents per gallon, and 90% of landing fees from these aircraft as additional revenue above the ground lease amount of \$72,200 per year, and hangars become RIAC property. In regards to the GA system demand, FlightLevel has reported that hangar demand is robust at Quonset State Airport, especially within the FlightLevel network. **Mr. Cloutier** noted FlightLevel envisions the need for another 40,000 feet. Hangar demand at Westerly State Airport is also strong. Construction of two 12,000 foot hangars will commence in the spring, and that space is already 75% subscribed. Hangar demand at North Central State Airport is moderate for lower yielding single engine piston and low for jet aircraft, likely due to runway length and nav aids for jets. Hangar demand at Newport State Airport is limited to smaller, low-yield aircraft due to runway length. This information reflects the demand being seen in Rhode Island's GA system, and consistent with the success RIAC is seeing in marketing available parcels. Since RIAC began the GA marketing program in 2021, nine of 18 parcels totaling 45 acres have been leased or placed under option for revenue of \$542,000 per year. An additional three parcels will be added to the Quonset inventory this calendar year, and efforts continue to

market other parcels. **Mr. Ahmad** noted that RIAC is watching this significant hangar development on the other side of parcel 4 & 3 as we go through the approval process for the ALP update with the FAA in order to promote aviation at Quonset State Airport. **Mr. Bogosian** added that he remembers FlightLevel noted that there is not much demand, but it seems we do. This is a great project and great outcome and asked if we did this at other airports, would there be similar demands. **Mr. Cloutier** responded that the demand is strong at Westerly State Airport. FlightLevel is constructing there and have lease holds. Nine out of eighteen are listed as available space, translating to \$542,000 additional revenue a year to RIAC. The fuel farm project at Quonset State Airport will bring in thirteen cents a gallon to RIAC as well. **Mr. Ahmad** mentioned Hangars4Planes are at Newport State Airport. **Mr. Cloutier** noted we have that option which could lead to hangars for small piston hangars at Newport State Airport. **Mr. Pizzuti** suggested letting FlightLevel provide the board with more information on this project with a presentation on the opportunities at each airport now, and the projection for the next two to five years. **Mr. Roberts** added that Block Island State Airport does not sell fuel and we should consider going back to look at that with this increase in demand and the expansion of the apron. **Mr. Bogosian** noted we had shut that down due to lack of interest. **Mr. Savage** added maybe there could be a pilot program for this. **Mr. Roberts** agreed, adding the suggestion of bringing fuel trucks to Block Island State Airport, which could prove to be beneficial.

(e) Rubber Removal

Mr. VanBurg noted he will be presenting our Rubber Removal Procedures. Aircraft runways through the course operations accumulate rubber buildup from aircraft landings. The tires of the aircraft are stationary until the moment of contact and then quickly spin up to forward ground speed of the aircraft. This causes the tires to skid on the surface of the runway. The runways are rough to provide friction for the very purpose of efficient braking by the aircraft and as such, similar to a sheet of sandpaper, accumulates particles of rubber from each landing. Over enough time, this rubber build up reduces the coefficient of braking to a point where we need to take action and remove it. **Mr. VanBurg** noted to do this, we perform this task in house, using Avion 50 Next Generation to break down the bond of the rubber from the runway, similar to using a cleaner on your kitchen countertop. We will spray 75 gallons of cleaner using our small spray truck with a 50' boom, driving down the center of the runway. This gives us about 25 feet on each side of the runway in which it is applied. This is followed up with 1,000 gallons of water and two brooms agitating the cleaner and scrubbing the runway for two hours. After the two hour period, we switch to rinsing the runway and continued scrubbing for an additional two hours. We will apply 40,000 gallons of water to rinse off the runway. **Mr. VanBurg** noted this continuously collected using a vacuum road sweeper which is designed by nature to collect liquids, think a giant shop vac on wheels. After we are complete, operations will run a friction test on the cleaned portion, this gives us a solid indication of how effective we were. **Mr. Pizzuti** shared that he feels like he is in Science class and always learns something new from Mr. VanBurg. He then asked if this lack of snow this season has been seen before. **Mr. VanBurg** answered he had seen this weather pattern before and we did not have a lot of snow removal.

(f) Infrastructure Update

Ms. Damicis noted progress on terminal renovations continued with \$4.3M camera system improvements. Phase 1 is substantially complete and, as the photos

show, the servers are significantly smaller and require less power than the previous system. It also has improved reliability and will support the follow-on Phase 2 improvements. The budget for this project was \$690,000 with no change orders. Phase two kicked off on January 11. The budget is \$3.2Mn and the scope includes the replacement of existing cameras and some new priority locations identified by police dispatch. The schedule is being finalized for March 13 and the project is expected to be complete at the end of the year.

(g) On-Call Marketing RFP Discussion

Ms. Morgan noted RIAC issued a Request for Proposals in November for On-Call Marketing and Creative Services. RIAC received seven proposals from both local and national firms that each have unique areas of expertise. Three firms have airport marketing experience. Each agency provided a marketing plan, specific to Rhode Island T. F. Green International Airport, for its existing airlines, other services and products, as well as, recently announced new airline service. RIAC staff recommends awarding on-call contracts to all firms to create bandwidth and diversity of thought in RIAC's marketing efforts from both national and local firms. As such, we will bring an action item to the March Board meeting for this approval to utilize the firms on an as-needed basis. I will now hand it over to Chairman Savage for the Action Items. **Mr. Pizzuti** asked what the benefits and strategies are with this decision, as it could create a lot of complexity. **Ms. Morgan** offered clarification that this is set up in such a way that we do not have to utilize all seven firms. At a time where our main marketing team does not have the bandwidth for a particular creative, this allows us to spread the work out and have diversity if needed. It is quite manageable.

4. Action Items:

- (a) Approval to execute Letters of Engagement with Kaplan Kirsch & Rockwell LLP, Pierce Atwood LLP and JetLaw LLC on an as-needed basis.**

Ms. Morgan noted RIAC's track record of legal successes requires a robust network of outside legal counsel support. RIAC issued a Request for Proposals for legal services in November 2022, seeking to supplement RIAC's current fourteen on-call firms. Three firms submitted proposals and services for various areas of representation. Firms providing legal services will enter into Letters of Engagement on an annual basis in compliance with the State Purchases Act. This on-call approval will be valid for a term of five years. Actual engagements for legal services will occur as each unique need arises.

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

The motion was passed unanimously.

- (b) Approval to execute a three year insurance contract with Delta Dental of Rhode Island in the amounts of \$35.29 per month for individual coverage and \$111.75 per month for family coverage for employee dental insurance. Based on current enrollment, this amounts to an annual premium of \$161,061.36 for 2023. Dental Insurance**

Ms. Morgan noted RIAC continues to reduce insurance costs while providing quality benefits to employees and their families. RIAC's insurance broker, The Hilb Group, placed the dental insurance coverage out to bid. Two companies bid on the coverage: Delta Dental and Blue Cross. Blue Cross proposed a 6% decrease to the current rates with a 2% rate cap for 2024 and 3% for 2025. Blue Cross rates are also subject to 3% medical insurance bundle discount that would be lost should RIAC change health insurance carriers. Delta Dental proposed a 5% decrease from current rates and agreed to hold this price for the three-year contract term. Thus, while the 2023 Blue Cross rates are slightly lower, the rate caps in future years and the bundling discount linked with the medical insurance makes Delta Dental the better option over the three year term. Further, RIAC employees will not have to change carriers which saves in administrative costs. **Mr. Roberts** asked if this is 100% paid for by the individual or family. **Mr. Morgan** noted this is a co-share, the cost per pay period for an individual is \$60 and for a family is \$100. Dental alone is a few dollars per pay period. **Mr. Roberts** asked if RIAC's portion of this cost is similar. **Mr. Rodio** noted these are RIAC's gross rates.

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

The motion was passed unanimously.

5. Executive Session:

At approximately 9:47 a.m., a motion was made by **Mr. Traficante** and seconded **Mr. Bogosian** 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 January 12, 2023 § 42-46-5(a), (5), (6), and (7); and**
- (b) **Discussion related to negotiation of leases and operation of food/beverage concession opportunities, consisting of discussion related to a prospective business locating in the state of Rhode Island when an open meeting would have a detrimental effect on the interest of the public, as well as discussion and consideration related to the lease of real property for public purposes wherein advanced public information would be detrimental to the interest of the public (§42-46-5(a)(6)) and §42-46-5(a)(5)); and**
- (c) **Motion to return to open session.**

By roll call vote the motion was passed unanimously.

At approximately 10:23 a.m., a motion was made by **Mr. Bogosian** and seconded by **Mr. Traficante** to return to Open Session.

The motion was passed unanimously.

6. Post Executive Session Actions and Announcements:

- (a) Motion to seal the minutes of the Executive Session held on February 9, 2023; and**

A motion was made by **Mr. Bogosian** and seconded by **Mr. Traficante** 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 **Mr. Traficante** and seconded by **Mr. Pizzuti** to approve the sealed minutes of the Executive Session held on January 12, 2023.

The motion was passed unanimously.

7. Future Meetings:

The next meeting is scheduled for Thursday, March 9, 2023 at 8:45 a.m., in the Mary Brennan Board Room, Rhode Island T. F. Green International Airport, Warwick, Rhode Island.

8. Adjournment:

Mr. Bogosian moved to adjourn at approximately 10:24 am. **Mr. Roberts** 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, FEBRUARY 9, 2023

<u>NAME</u>	<u>AFFILIATION</u>
Alicia Seabury	RIAC
Sapha Mabrouk	RIAC
Brittany Morgan	RIAC
Dennis Greco	RIAC
John Goodman	RIAC
Jessica Damicis	RIAC
Wallace Tang	RIAC
Dawn Mineker	RIAC
Nik Persson	RIAC
Rob VanBurg	RIAC
Aaron Keller	RIAC
Nicole Williams	RIAC
Kellie Wright	RIAC
Nedjyne Victor	RIAC
Liz Lussier	RIAC
Jamie Quattrini	RIAC
Guy Zummo	RIAC
David Cloutier	RIAC
Joseph Rodio, Jr.	Rodio & Ursillo
Anika Kimble-Huntley	Rhode Island Commerce Corporation

Mark Brodeur	Rhode Island Commerce Corporation
Richard Langseth	Constituent
Robin Erickson	Commerce
Fransesco Bali	Grove Bay
Michele Tucci	Grove Bay
Woody Creswell	Paradies
Jaime McNeil	Local 26
Jenifer Renzei	Local 26
Toni Maccaroni	Local 26
Linda Viara	Local 26
Michael Rodriquez	Local 26
Katheryne Mortimer	Local 26
Dave Schultz	Senate Fiscal Office

The minutes of the Executive Session of the Board Meeting on February 9, 2023 have been sealed in accordance with R.I.G.L. § 42-46-7(c).