

MINUTES OF MEETING
RHODE ISLAND AIRPORT CORPORATION
BOARD OF DIRECTORS
THURSDAY, JANUARY 13, 2022 AT 8:30 AM

Please note this was a virtual/online meeting. There was no public gathering location and all attendees attended virtually, from remote locations.

Documents related to the meeting were posted on our website prior to the start of the meeting, which were accessed by proceeding to the www.pvdairport.com and clicking on Board of Directors meeting button on the home screen. The best practices for virtual/online meeting experience were also be found in this folder.

Attendees joined the meeting using the link or dial in below information.

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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; Christopher Little; Gregory Pizzuti; Jeffrey Bogosian and Jonathan Roberts.

BOARD MEMBER ABSENT: Deborah Thomas.

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

Mr. Savage stated good morning everyone. This is Jon Savage, Chair of the Rhode Island Airport Corporation Board of Directors, and I am calling this meeting of the Board of Directors to order. Due to the extraordinary circumstances we are now facing this meeting will have no physical attendance at the offices of the Corporation so we may meet the requirements to maintain adequate social distancing and will be conducted through means of computer and telephone services in accordance with Executive Orders issued by the Governor and guidance provided by the Director of the Department of Administration and the Attorney General. **Mr. Savage** noted RIAC has provided remote access to the general public by providing computer access and call in information on the agenda posted both on the Secretary of State and the RIAC website, and that the meeting will be suspended in the event of a service interruption. Document related to today's agenda items are on the RIAC website, which can be accessed, by proceeding to the www.pvdairport.com and clicking on Board of Directors meeting button

on the home screen.

Mr. Savage took a Roll Call of the Directors and asked each member of the Board to individually respond:

Beginning with myself, Chairman Jonathan Savage is here.
Vice Chairman Michael Traficante
Secretary Christopher Little
Board Member Gregory Pizzuti
Board Member Jeffrey Bogosian
Board Member Jonathan Roberts

Mr. Savage acknowledged the presence of a quorum. **Mr. Savage** noted that all votes today will be roll call votes and noted any board member that has a functioning camera should turn it on and remain visible during the meeting. If any Board members without a camera available are participating via audio only, please advise if you need to take a break during the meeting to let us know so that we may keep an accurate record of the meeting.

To help keep the meeting on track, **Mr. Savage** introduced Alicia Seabury, Executive Assistant to Iftikhar Ahmad, President & CEO.

Ms. Seabury stated thank you Chair and before we address the Agenda items to note we are recording the meeting for purposes of documentation. Each speaker should identify themselves before they speak in each instance. For members of the public joining us today, **Ms. Seabury** noted the same rules apply as in all our meetings, that is, there will be a limited time available for public comment at the beginning of the meeting, and participation is limited to the public comment time period. **Ms. Seabury** noted further, please if you are not speaking, mute your line to minimize feedback. We have technical support on hand, so if you are having difficulties, please call 401-691-2239 or 401-691-2303. **Ms. Seabury** turned the meeting back over to **Mr. Savage**

1. Approval of the Minutes:

A motion was made by **Mr. Bogosian** to approve the minutes of the Board of Director's Meeting of November 4, 2021. The motion was seconded by **Mr. Traficante**.

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

YEAS: Jon Savage
Mike Traficante
Chris Little
Greg Pizzuti
Jeffrey Bogosian
Jonathan Roberts

NAYS: None

ABSTAIN: None

2. Open Forum:

Mr. Richard Langseth stated he would like to address the Board.

Mr. Langseth noted he would like to comment on a couple of items. Number one is the general aviation study that is approaching finalization. Several people he is working with are concerned that comments are not being included in the package itself. They are also very concerned about some of the recommendations especially at Block Island where the fuel dock is not included and we believe that the fuel dock at Block Island would be very very useful. He believes it should go back to the committee to address that and also when the results are finalized that public comments be included in the results themselves. It would be very much appreciated. **Mr. Langseth** noted the other item is the acquisition of Pierce Atwood for legal services. When he reads the staff recommendation it appears one insurance company is missing and that is the insurance company that is actually providing the coverage and of course they denied. The reason why they denied, according to the complaint which is filed in district court, is RIAC failed to provide information at the renewal time and that is not in these recommendations at all. The recommendations seem to imply if RIAC were successful in this suit against Commerce, there would be coverage but that is not true at all. What the Commerce thing is about is just legal defense. **Mr. Langseth** noted that really needs to be clarified because the people of Rhode Island need to know the exposure here which is much much greater than what appears in this staff recommendation.

3. Report from the President and CEO:

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

- **Mr. Ahmad** stated October and November passengers' numbers are significantly up with the future seat capacity also trending upwards in an aggressive manner. However, the recent flight cancellations will put a damper on strong numbers for December and January.
- **Mr. Ahmad** stated we cancelled the concessions RFP due to recent rise in the new cases in Rhode Island. The RFP will be re-issued on September 1, 2022, with a new contract start date of July 1, 2023. Extension amendments to the existing vendors' contracts through June 30, 2023 are being worked on currently. Both vendors have verbally agreed to the amendment.
- **Mr. Ahmad** stated RIAC is selling parcels on Main Avenue just south of the airport boundary. Per FAA regulations, RIAC must receive fair market value compensation for its four parcels. RIAC will coordinate Federal Register publication process for RIAC's four parcels with the FAA.
- **Mr. Ahmad** stated we continue to work on redeveloping our website. Our consultant, Aviatrix, is building out the interior pages, revising the terminal map with a more subtle color palette and including the details that are being provided by airport staff. Large amount of data will be uploaded to the newly designed site for the content creators to

review and supply feedback to the marketing department.

- **Mr. Ahmad** stated electrical upgrades of Newport hangar per the original scope have been completed. We do have some new requirements requested by the new State Electrical Inspector. RIAC is working now to accommodate those changes.
- **Mr. Ahmad** stated we are happy to inform you that Runway 16/34 project is also complete. Airport operations provided escorts for electrical punch list items related to the Runway 16/34 project.
- **Mr. Ahmad** stated of the five largest airlines at PVD, Delta and JetBlue already have more flights than they did in the same week in 2019 while United, American and Southwest are still below pre-pandemic levels. Delta is currently the most aggressive in terms of additional capacity while Southwest Airlines has been the most cautious over the past holidays and through March 2022.
- **Department Updates:**

(a) Air Service Update

Mr. Greco noted, as you will recall, we developed a detailed forecast and sensitivity analysis compared with actual enplanements. As you see, actual enplanements have exceeded the forecast for the month of November at approximately 81% above the forecast with the year to date enplanements about 74% above the forecast. **Mr. Greco** noted November averages show a daily carrier seats increase by almost 61% and departures increasing by approximately 76%. Passenger activity in November was up over 207% for deplanements and up over 182% for enplanements for the total increase of 194% from last year. In terms of year to date, we have seen an increase in deplanements slightly over 193%, enplanements increased by short of 186% with a total increase in passenger activity of over 189%.

(b) Airport Financial Report Update

Mr. Schattle noted as we complete the fourth month of the fiscal year 2022, our overall operating revenues are up approximately 45%. Revenue streams such as parking and concessions, including our food and beverage and retail, have continued to recover and are up approximately 229% and 213%, respectively. RIAC continues to utilize approximately \$1.1M of CARES Act funds which are available for operating expenses and debt service to help the airlines. The CARES Act funds are federal funds that have been provided to airports across the country, from the FAA to support airlines that operate at airports. **Mr. Schattle** noted 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 planned increases in advertising expenses which are up approximately \$558,000 for the fiscal year. We have our current Rhode Island T. F. Green International Airport Campaign running which is also highlighting new service from Breeze Airways. **Mr. Schattle** noted communications and utilities were down approximate \$89,000 or 16% and reflective of RIAC's efforts to manage electrical costs and the positive results from our net metering credits. RIAC's efforts to manage these costs and utilize net metering credits is proving beneficial as we are seeing large increases in utility rates during the winter months. Contractual services were up approximately

10.3% as a result in increase in janitorial services and as a result of the increase in operations and activities over the prior year. **Mr. Schattle** noted the overall operating income for the general aviation airports improved by approximately \$394,000 for the year to date. Revenues are up approximately \$175,000 primarily due to rental leases, landing fees and fuel flowage fees at Quonset. The operating expenses for the GA airports are down for the year to date through October approximately \$175,000 primarily related to a reduction in legal costs and helicopter maintenance during the period. **Mr. Schattle** noted the air service marketing includes expenditures for incentive marketing for the new Breeze air service to Pittsburgh, Norfolk and Charlotte. The non-operating revenues and expenses passenger facility charges are up approximately \$1.35M for the fiscal year to date with the increase in passenger activity levels. The other non-operating revenues and expenses are largely driven by the timing of grants and capital projects. We are undertaking several large capital projects, such as the Runway 16-34 and Restroom Renovations. The fiscal year to date includes approximately \$8.5M for the Runway 16-34 project and \$1.3M for the restroom project.

(c) Amtrak Station at PVD by RIDOT Update

Mr. Nguyen noted he would like to introduce Stephen Devine, Administrator and Mrs. Julie Oakley, Assistant Director of Administrative Services from RIDOT transit office. Today they will give you an update on the RIDOT Amtrak Station Project at Rhode Island T. F. Green International Airport.

Mr. Devine noted he is the Administrator at RIDOT's transit office. He thanked for the opportunity to come before the board and give a brief overview as we begin to look at an Amtrak stop at T. F. Green, which has been a concept floating around for a couple of years now. He has been at RIDOT long enough to work with RIAC in the early days of the train station planning and design in addition to the interlink facility. Today, as you know, we have MBTA service only, to T. F. Green. RIDOT contracts directly with MBTA for all commuter rail services in the state. **Mr. Devine** noted Rhode Island T. F. Green is one of three international airports in close proximity to the northeast corridor, the northeast corridor is Amtrak's main line that runs between Boston and Washington. That is not currently served by Amtrak. The other two airports are Newark-Liberty, connected by an auto train, essentially an automated people mover and BWI down in Baltimore-Washington which is connected by a shuttle bus. Rhode Island T. F. Green would be one of the very few airports nationwide that would be within walking distance of Amtrak service, as a matter of fact, it would be the closest on the northeast corridor between Boston and Washington. We believe as we embark on this project, this would bring extensive benefits and opportunities to the airport. It would increase Rhode Island T. F. Green's competitiveness and accessibility up and down the northeast corridor including into the Connecticut region. Reduces traffic congestion in and around the airport. **Mr. Devine** noted it further enhances and supports the city's transit oriented development efforts in and around the interlink facility known as City Centre Warwick. Upon completing a planning study in 2020 with Amtrak and in close coordination with staff at RIAC, RIDOT applied and received a federal grant through the federal railroad administration to undertake preliminary engineering and NEPA environmental review only and that is the phase we are about to embark on. This will take a deeper dive into the capital side of the project, particularly along the railroad. Extensive infrastructure would be required along the railroad to make this happen. We will also look at the operations with Amtrak and what needs to be done to make this facility an Amtrak station.

Ms. Oakley noted they are excited to present this great and hopefully soon

transformative project for both the City of Warwick and RIAC. As Steve said, we were lucky enough, through some past planning efforts, to be able to apply to the federal railroad administration for a consolidated rail infrastructure and safety improvements grant called their CRISI program for short. We were awarded \$3.5M and \$2.8M is federal with basically a \$700,000 state match so the majority of it is an 80, 20 split with the feds covering majority of the cost. **Ms. Oakley** noted there are two primary elements of this grant that we received. One is preliminary engineering. That is basically taking the conceptual design plans that we have done in the past and alternatives analysis and honing in on the preferred alternative and moving from a conceptual base design all the way to a 30%. That includes specifications along with that a cost estimate, operational analysis that Steve mentioned and a project timeline. Basically it sets us up to then take the project to the next step, which will hopefully be looking for construction funds and securing those through a grant opportunity. **Ms. Oakley** noted the second part is to complete the National Environmental Policy Act (NEPA) process. We have been lucky enough to work with FRA and determine that the project qualifies for a categorical exclusion, which we are going to be working on with our consultant to complete that portion. Those two steps, the 30% and the NEPA, really provide us the opportunity to move this project forward and really prep it for what we hope is soon to be a grant opportunity potentially for construction funds. The time line is shown on the last two bullets of the slide, we are working on the categorical exclusion now and hoping to have that wrapped up in September 2022 with the final designs and specs done in January 2023. Basically about a year from now we will have wrapped up this grant opportunity, we will have supplied all of these documents to our stakeholders for review and approval and final to FRA for their approval. **Mr. Savage** thanked RIDOT for coming in and making the presentation. He especially appreciated the enthusiasm and excitement that is evident in your presentations. We too share the excitement and enthusiasm and if there is anything we can do to assist, he knows they are working closely with the RIAC folks. It is a great opportunity and thanked them for their hard work and effort, keep it going.

(d) Overtime Update

Mr. Greco noted total October overtime saw a decrease at 17.5% from last year. Operations and Maintenance saw an increase due to covering for accrual leaves, mandatory training as well as escorting during the construction of 16-34. We saw a slight increase in GA locations due to the inspections that we have to do at Quonset Airport as well. This slide shows the fiscal year to date and we are below the fiscal year 21 numbers. **Mr. Greco** noted ARFF, Ops and Maintenance and GA are over from the previous year. To note, we discussed in November that we are starting the process of hiring five new firefighters. We have currently hired three out of those five to date and we will continue to recruit two more to fill the five spots that we are looking to fill.

(e) General Aviation Strategic Business Plan Update

Mr. Greco noted RIAC posted the draft plan at the end of October for public comment for 60 days. Comments were due at the end of December. RIAC received 43 comments. Some common themes consisted of master plans for the GA airports, business development and the questioning of the subsidizing the GA airport users by the airlines at PVD. RIAC staff are in the process of drafting responses to those comments and will post them with along with the final plan by the end of the month. This should alleviate the public's concerns that those comments would not be addressed. On behalf of the RIAC senior management, he would like to thank all those involved and seeing this plan through completion.

(f) General Aviation Economic Development Parcels and Supply and Demand of Hangar Space

Mr. Surehan noted we continue to make progress on our economic development efforts. We currently have 13 parcels available for lease representing 128 acres. In addition, there are four parcels under lease and/or LOI for options representing over \$8M in lease revenue. To summarize, we have two parcels under lease and another two with LOI for options to lease. FlightLevel is developing three hangars on their parcel at Quonset and Hayes & Sherry is in discussions regarding the leases of existing parcels at Quonset, North Central and Westerly. **Mr. Surehan** noted in the near future, we plan to add another parcel at Quonset once the old terminal is demolished. This 4.3 acre site is expected to generate \$3.6M in lease revenue over 30 years. We plan to add another parcel at Westerly at approximately 1.1 acres, which would enable redevelopment of obsolete hangar facilities and we have interest from prospects on this opportunity. We also plan to expand an existing parcel at North Central from 1.1 acres to approximately 4.8 acres for non-aeronautical development. We already have interest for possible solar development on this expanded parcel. **Mr. Surehan** noted most importantly, he wanted to highlight our partners on this effort. Joining us this morning are Matthew Fair from Hayes & Sherry, our commercial real estate broker and Peter Eichleay from FlightLevel Aviation, our FBO operator at our GA airports. Last month, FlightLevel and Hayes & Sherry joined us in meetings with piston aircraft owners and potential t-hangar developers to fully vet their interest and willingness to build or rent hangars at current market rates. Due to cost increases of 30% – 40% versus pre COVID days, several piston aircraft owners have withdrawn their interest. However, we are working with the remaining aircraft owners and third party developers for potential t-hangar development for the aircraft potentially leasing parcels marketed by Hayes & Sherry. **Mr. Schattle** asked Mr. Eichleay to provide a quick update on the concept of fueling at Block Island.

Mr. Eichleay noted he has taken everyone through the Block Island fuel analysis before. It is essentially a matter of simple math. As most of you know, the Block Island Airport is sub 3,000' which means it is primarily a piston propeller plane airport. We do get some, mostly single engine turbo prop aircraft, we are talking PC 12's and TBM's, small turbo prop aircraft, but that is a very slim minority of the total traffic mix. It is mostly cessna's, pipers, cirrus's and bonanzas. We have done an analysis on fuel, since that is our primary business. As you will recall, we operate twelve FBO's where fueling is the primary business. We have done a bunch of fuel farm installs, we have done a ton of hangar development. We are actually in the process of building, or will be shortly, building a brand new fuel farm at Quonset. **Mr. Eichleay** noted we are up to speed on the cost of fuel farm construction and installation and Block Island, being on an island, as everyone can understand, makes everything more expensive. Just to do a simple avgas tank of 10,000 gallons so that you can take full deliveries you are looking at a minimum of \$350,000 probably closer to \$400,000, ten years ago it was about 30% cheaper than that but this is the world we are living in. We have estimated best case scenarios, if there was an avgas offering on Block Island, we have estimated a total volume of about 20,000 gallons. **Mr. Roberts** asked if that was 20,000 gallons a year that would be sold. **Mr. Eichleay** confirmed yes. The other thing you have to keep in mind is in the tank delivered cost when the tank gets to the fuel farm is substantially higher than the comparable airport on the mainland. Think Quonset, Newport, Westerly and Groton. Even at a cost basis, not taking into account the cost of the fuel farm, just the delivered cost of the fuel, you are going to be at a severe disadvantage which means to be competitive with those airports, which are nearby, and by the

way from which majority of the traffic originates going to Block Island, we are talking about airports less than 150 miles away in most cases, and that is part of the reason why the volume is lower than you might think. Because we are at a cost basis disadvantage, in order to have our retail out the door price to the customer competitive with those airports, our margin would be about half. At most airports, an FBO in the northeast is making \$1.00 or \$1.20 per gallon gross profit. **Mr. Eichleay** noted at Block Island that number would be closer to \$0.50. If you look at \$0.50 times 20,000 gallons, that is \$10,000 a year. If you made a fuel farm investment of \$350,000 say best case, that is less than 3% cash on cash return. You don't have your basic cost basis back for at least 35 years. It is just a really difficult investment to justify. If any private entity would be willing to do it, I would be 100% supportive of it, but it would essentially be a public charity. **Mr. Roberts** asked if there is any option to get federal subsidy to put a service like this in, or does it all have to be privately funded. **Mr. Eichleay** noted he can think of few instances where a federal grant provided money for a fuel farm. It is rare and that is not my expertise. I am not at in the component of airport management where you go out looking for grants. I know there are rare instances where there have been old naval bases that have been converted to civilian public use airports and there have been mostly BRAC funds that have been contributed to that that are specifically allotted to converting old military fuel farms to civilian use. Most of that money is contributed because of environmental cleanup. He is pretty sure it is rare, if there is grant money it is usually more in the local level than at the federal level. **Mr. Roberts** asked the RIAC team to see if we have any options for local funding, state funding or federal funding for something like this. It is just rare that you have an airport where you don't have fuel available. It would be a nice to have and what we don't know is, because there is a lack of fuel, do we have any traffic that doesn't come to Block Island, maybe from further away, because it is just not an option. You can get fuel close by but it is a big hassle to land your plane at a nearby airport, stop and get fuel and then take back off. **Mr. Ahmad** noted he will ask our CFO, Mr. Schattle to look into it and report back next month on it.

(g) PVD Air Cargo Study Update

Mr. Porter noted he will be updating on this item as this is an identified RIAC FY22 goal for Rhode Island T. F. Green International Airport. With myself as project manager, RIAC hired a consultant to conduct an air cargo study which remains deficient of required information to actively market air cargo carriers. The objectives were to establish a baseline of regional air cargo capacity and demand, identify future development challenges and opportunities and form strategies for future capacity development. In April 2021, RIAC contracted with DY Consultants, with subcontractors Webber Consulting and Flare Consulting. **Mr. Porter** noted on September 30, 2021, a final study was due for the assessment and strategic recommendations for air cargo development and it remains deficient of key information. Primarily in the areas of gathering cargo airline operations and logistics information out of Boston and JFK, which is needed for RIAC to market these airlines and potential operations out of Rhode Island T. F. Green International Airport. **Mr. Porter** noted as far as the scope and the status, the data collection and the development of regional air cargo demand is 100% complete, the benchmark of air cargo cost is 75%, air cargo sector interview program is 25% complete, the identification of air cargo opportunities is 50% complete and finally the facilities and infrastructure review is 50% complete. DY has been paid \$55,498 out of an \$83,806 contract fee, approximately 66% of the total fee to date with a remaining portion of the contract not being paid until RIAC is satisfied with the deliverables to include the receipt of the deficient information I described. DY is currently active in reaching out to 27 airlines operating out of Boston and/or JFK to obtain this key information and logistics information with a report of

outreach due by January 14th. I will report back to the board in February with the progress made on these deficient areas as well as the summary of the overall report results. **Mr. Roberts** asked if the report can be provided to the board once it is complete. **Mr. Porter** confirmed yes.

(h) System Wide Obstruction Removal Update

Mr. Porter noted RIAC is moving forward with the environmental due diligence related to the obstructions. We are also moving forward with the Quonset easement acquisitions and actual clearing of Quonset and North Central Airports. On the environmental assessment status, FAA approved funding for all five environmental assessments and they will be reimbursed through an FY22 AIP grant. Quonset, Newport and North Central draft EA's have been received and are out for a 30 day public comment period. The Block Island EA will be out for public comment period on January 30 followed by a Westerly draft EA out by February 28. **Mr. Porter** noted on the aviation easement side, FAA has approved funding for Fiscal Year 2022 for five non-residential easements, which are currently under a fair market value appraisal process. The remainder of the airport easement acquisitions and subsequent clearing are pending the resolution of the Westerly legal case at other airports. Last, FAA has approved funding for 2022 for clearing of Quonset runway 16 end and North Central's runway 15 and 33 ends and are currently under design. The effort will be submitted for an FY 2022 AIP grant and will remove 30% of the identified 1,800 data points in the summer of 2022 pending receipt of the FAA grant.

(i) RIAC Police Department Update

Mr. Ottaviano noted as we hire retired officers, it is very important that we get them to understand the values of the corporation. To me accountability towards our passengers is the proper balancing of customer service and law enforcement. I have also been working on improving upon the leadership with a change in the police department structure and professional development of the staff, which will also provide a better product to our passengers. **Mr. Ottaviano** noted weekly trainings are videos, documents or announcements we receive either from the courts, the Attorney General's office or within the law enforcement community. We use our new policy management system. With the many changes in the landscape of law enforcement, we are keeping our officers well informed by sending them to diversity trainings through the RI Guardians Association and the Attorney General's office. This too is done to improve upon our quality of policing. **Mr. Ottaviano** noted the main goal for the police department is to improve upon our operational readiness. In addition to writing and implementing emergency response plans, we in the police department train quarterly on our tactical response, the response of tenants and our mutual aid partners. We are also working to establish a better working relationship with RIEMA for our tri-annual drill. **Mr. Ottaviano** noted in the last calendar year of the police department, I have decreased overtime by \$71,419, which is a 22.97% decrease. To do this I have reduced the staffing minimum to 1 and 2. We also manage our expectations. In-service, range training and quarterly training account for a good portion of the OT. I schedule and coordinate that to minimize the impact. I also ensure that we keep the shifts manageable; we continue to hire to maintain the contractual 27 officers, and ensure what is being filled is needed.

(j) Website Redevelopment Progress Update

Ms. Wright noted our website redevelopment project is nearing completion and is part of RIAC's ongoing efforts to position itself for growth and stay competitive in today's digital economy. Our new website is set to launch in March 2022 and will bring easier site navigation, with a clearer organization of information to enhance the user experience and better represent our brand. **Ms. Wright** noted to date we have completed the Discovery Phase, Content Analysis and Technology Phases, the Definition and Web Design Phase, along with the Development and Technical Requirements. Currently, we are migrating Content provided by each of the departments and scheduled to launch in March of this year. Rhode Island's newly reconstructed restrooms recently named the winner of the "Adam Longo Nicest Airport Bathroom Ever" Award. This tweet is by Adam Longo who is an Emmy Award Winning, TV News Anchor/Reporter from WUSA9 in Washington, D. C. **Ms. Wright** noted someone from out of state felt strongly enough to post a positive response to our bathrooms. We recognized long ago that the market research and customer feedback indicated restrooms are the first and last thing people tend to use in airports, and they can make all the difference in creating the right impression not just for the airport, but for the entire state. And sure enough, we've begun to see exactly that sort of positive reaction from out-of-state travelers and that is exactly the type of reaction we were hoping to see on our social media channels.

(k) Infrastructure Update

Mr. Nguyen noted we are executing 18 projects valued at over \$40.6M. There are ten projects currently in design and constructions valued at over \$7M. RIAC is also working collaboratively with the FAA on 12 projects in preparation for the grant applications on April 11. Under construction, we are overseeing 8 projects in the construction phase valued at \$33.6M. The PVD Runway 16-34 project was successfully completed ahead of schedule and under budget. **Mr. Nguyen** noted regarding the Restroom projects, Phase 1 was successfully completed and opened to the public, with Phase 2 underway. Under the Community Outreach and Partnership program, RIAC is partnering up with the University of Rhode Island with the startup of the internship program and mutual engineering support between URI's engineering development program and RIAC ongoing projects. We are also continuing to promote the involvement of local consultants and contractors with our Capital Improvement Program. Last but not least, Mr. Dan Porter, Vice President of Planning participated in the American Society of Civil Engineers speaker series in December, which turned out to be a big success.

Mr. Nguyen noted there are two projects he would like to give you a quick update on. The Runway 16-34 Reconstruction project was successfully completed ahead of schedule and under budget as of December 21, 2021. The original project completion date was January 28, 2022, but with the dedication and support of the project team, all stakeholders, and the FAA, the runway was officially called "Open" as of 9:13 am local time on December 21, 2021. **Mr. Nguyen** noted for the Restroom Renovation project, Phase 1 was successfully completed and open to the public with demolition of the final three restrooms of Phase 2 underway (South Concourse, North Concourse and Check-in area). There is a change order, change order 23, that we are currently working on with the FAA, our consultant and construction contractor due to unforeseen circumstances with Phase 2. Based on the preliminary amount, this change order will cause the project to be over budget by approximately \$78,000. Change order 23 is to be presented at the February Board meeting for your review and approval. The work included in change order 23 have already been verbally approved by the FAA. Our intention is to present the change order at February Board meeting for your approval.

4. **Action Items:**

- (a) **Approval to enter a construction contract with Carrier Corporation to provide critical upgrades and major overhaul at a cost of \$228,444 to the Interlink Facility Chillers.**

Mr. Greco noted the interlink facility is cooled by twin 250 ton carrier chillers. The chillers began operational services in 2010 with the first cooling season in 2011. Carrier Central Engineering issued a critical alert bulletin in 2014 advising that the variable of frequency drives in these chillers will no longer have parts available for repair after the current stock was exhausted. The carrier also recommends that heavy overall after seven years of service. In 2019, the newly appointed Assistant Vice President for Facilities identified the deferred maintenance issue and programmed it into the capital budget. **Mr. Greco** noted facility maintenance recommends performing the upgrades and overhaul simultaneously for a negotiated savings of \$4,424 per chiller. Pricing was provided through a Sourcewell Cooperative Purchasing agreement and is included in the FY 2022 interlink budget.

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

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

YEAS: Jon Savage
Mike Traficante
Chris Little
Greg Pizzuti
Jeffrey Bogosian
Jonathan Roberts

NAYS: None

ABSTAIN: None

- (b) **Approval to execute a one year insurance contract with Blue Cross Blue Shield of Rhode Island in the amounts of \$661.58 per month for individual coverage and \$1,563.80 per month for family coverage for employee health insurance.**

Ms. Morgan noted RIAC continues to be below national and regional averages for health insurance premiums. This data is from the widely recognized Kaiser Family Foundation Employer Health Benefits Survey. RIAC's goal is to provide quality insurance benefits to the employees and their families while being mindful of cost saving efforts. RIAC's broker, The Hilb Group, obtained bids from UnitedHealthcare and Blue Cross and Blue Shield of Rhode Island. Aetna and Tufts declined to quote as they were unable to compete with the plan customization and provider network required for CBA compliance. **Ms. Morgan** noted the Blue Cross bid was a 4.99% decrease from the current annual premium and United's final bid was a 3% decrease from the current annual premium. While RIAC participates in United's performance rewards program, the current claims experience is not trending towards a significant premium refund at this point. Blue Cross also provides various wellness offerings

to RIAC staff and their families. Blue Cross has a program called Wellness Premium Rewards. This program works in partnership with Virgin Pulse and allows employees to participate in various wellness incentives to earn rewards. **Ms. Morgan** noted employees can earn \$75 a quarter or \$300 a year, which they can use to shop in an online store, redeem for gifts cards or donate. Blue Cross will also provide onsite wellness classes to RIAC staff. RIAC has two direct contacts at Blue Cross to assist with any questions or issues as they may arise. **Mr. Little** commended the leadership team for getting the ability to offer competition in health insurance because in past years when Blue Cross was the only designated carrier, they certainly were not necessarily as responsive when it came down to the bids. It has been a long haul and congratulations. **Mr. Roberts** asked why we are doing a one year agreement versus multiyear. He is not sure if we are allowed to do a multiyear and if you would get a better price with a multiyear deal. **Ms. Morgan** noted we have inquired about that in the past, however the way it is regulated in the State of Rhode Island, Rhode Island is one of the few states that has a specific health insurance commissioner and the carriers are required to submit the plans annually for review by the commissioner. They have to get approvals for rate increases and because that is done annually, and also because the claims experience tends to be not as consistent as some of our other insurance such as dental, the providers have been unwilling to enter into multiyear agreements.

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

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

YEAS: Jon Savage
Mike Traficante
Chris Little
Greg Pizzuti
Jeffrey Bogosian
Jonathan Roberts

NAYS: None

ABSTAIN: None

(c) **Approval to execute a Purchase and Sale Agreement with Skydra Development in the amount of \$3,300,000 for the sale of 2119 Post Road, Warwick, Rhode Island.**

Mr. Schattle noted this item is for the sale of a 6.5 acre parcel on Post Road that was purchased back in 2016 for \$3M with the intent to resell the property. As you will recall, we have brought three prior purchase and sales agreements from 2018 up through the present, all through the process of due diligence with the potential purchasers did not come to fruition. We were pleased to work with our real estate broker, Hayes & Sherry to bring this updated recommendation for a purchase and sales agreement for \$3.3M. **Mr. Schattle** noted the purchaser is Skydra Development with the intended mix use development incorporating both residential and commercial which would be a potential mix of retail and office space. The deed for the sale of the property will incorporate relevant deed restrictions including restrictions to off-airport parking and the appropriate avigation easements. **Mr. Schattle** noted the purchaser

will provide a \$175,000 deposit and will have a 90-day due diligence period followed by a 300-day permitting period which can be extended for three additional periods of 60-days each with a payment of \$10,000 with each extension if needed, with a plan closing for 30 days after the completion of the permitting period. **Mr. Little** asked for a reminder of what the current zoning is of this property. **Mr. Schattle** noted it is in the redevelopment zoning area. It is incorporated into the City Centre Zoning district. The potential use, will go through all that vetting with the City as well, during the planning process of the potential development.

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

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

YEAS: Jon Savage
Mike Traficante
Chris Little
Greg Pizzuti
Jeffrey Bogosian
Jonathan Roberts

NAYS: None

ABSTAIN: None

(d) **Approval to execute a purchase with Arconas Corporation for 360 charging units and associated hardware in the amount of \$149,447.**

Mr. Pimental noted RIAC recognizes the need for travelers to plug in before their flight and strives to provide the best airport experience possible. This project will allow us add a charging/power unit under each set of bench seats at all PVD hold rooms. While most other airports surveyed have a ratio of 50%, our goal is to provide 100%. **Mr. Pimental** noted Arconas' seating supply units and hardware are available for purchase through GSA pricing which provides a 54% discount off list price. The units meet the specifications that RIAC is seeking to provide our customers, which is 2 standard electrical outlets and 2 USB outlets per unit. These 4 outlet units will allow PVD to reach our 100% goal ratio between seats and outlets throughout all gate areas. **Mr. Pimental** noted each unit also requires a bracket, power cord and cable management device which are all available through Arconas. Arconas' best pricing is available when purchasing through the GSA and they extended an additional 5% volume discount. **Mr. Little** noted assuming we do reach an end to COVID and the airport is able to proceed with renovations to the terminal, can these charging units still be used or integrated into any improvements that may be made to the terminal at large. **Mr. Pimental** answered yes noting the units do come with a bracket that is mounted to the chairs and the units slide into the bracket. Those can be disassembled or disattached from our existing chairs and then simply repurposed or reattached to other chairs. They receive electrical power through a standard cord that you would plug in similar to a lamp or some other electrical powered device.

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

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

YEAS: Jon Savage
Mike Traficante
Chris Little
Greg Pizzuti
Jeffrey Bogosian
Jonathan Roberts

NAYS: None

ABSTAIN: None

- (e) **Approval to execute engagement of legal counsel with Pierce Atwood for legal services related to insurance coverage counsel services pursuant to RIGL §37-2-70 of the State Purchases Act.**

Mr. Savage noted this item is going to be moved to later in our agenda after executive session. We will address that issue at that time.

5. Executive Session:

At approximately 9:35 a.m., a motion was made by **Mr. Little** 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 November 4, 2021 § 42-46-5(a),(1),(2) and (7); and**
- (b) **Investment of public funds where premature disclosure would be detrimental to the public interest (Air Service Development and Marketing) § 42-46-5(a)(7); and**
- (c) **Session pertaining to the following litigation matters (§ 42-46-5(a)(2)):**
 - 1) **Daniel D. Traficante and Sharon M. Traficante v. Rhode Island Airport Corporation, Southwest Airlines Co., and ABC Corporation, C.A. No. KC-2017-0411; and Carolyn Scire v. Rhode Island Airport Corporation, Southwest Airlines Co., and ABC Corporation, C.A. No. KC-2017-0412**
 - 2) **Commerce and Industry Insurance Company v. Rhode Island Airport Corporation, Daniel D. Traficante, Sharon M. Traficante, and Carolyn Scire, Case No. 1:21-cv-466**

- 3) Harriet Kniffer, Jacqueline Abberton, Robert Rutter, Patricia Rutter, Frances Kelly v. Rhode Island Airport Corporation, State of Rhode Island Department of Transportation, WC-2016-0121
 - 4) Newport Hangars, LLC v. Rhode Island Airport Corporation, PC-2021-03644, including potential vote
 - 5) 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; 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 (one non-public potential lease agreement at PVD) § 42-46-5(a)(5); and
 - (e) Discussion and update pertaining to current collective bargaining § 42-46-5(a)(2); and
 - (f) Motion to return to open session.

At approximately 11:58 a.m., a motion was made by **Mr. Traficante** and seconded by **Mr. Little** to return to Open Session.

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

YEAS: Jon Savage
Mike Traficante
Chris Little
Greg Pizzuti
Jeffrey Bogosian
Jonathan Roberts

NAYS: None

ABSTAIN: None

6. Post Executive Session Actions and Announcements:

- (a) Motion to seal the minutes of the Executive Session held on January 13, 2022; and

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

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

YEAS: Jon Savage
Mike Traficante
Chris Little
Greg Pizzuti
Jeffrey Bogosian
Jonathan Roberts

NAYS: None

ABSTAIN: None

- (e) **Approval to execute engagement of legal counsel with Pierce Atwood for legal services related to insurance coverage counsel services pursuant to RIGL §37-2-70 of the State Purchases Act.**

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

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

YEAS: Mike Traficante
Greg Pizzuti
Jeffrey Bogosian
Jonathan Roberts

NAYS: None

ABSTAIN: Jon Savage
Chris Little

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

During the Executive Session, a motion was made by **Mr. Traficante** and seconded by **Mr. Little** to approve the sealed minutes of the Executive Session of November 4, 2021.

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

YEAS: Jon Savage
Mike Traficante
Chris Little
Greg Pizzuti
Jeffrey Bogosian
Jonathan Roberts

NAYS: None

ABSTAIN: None

7. **Future Meetings:**

The next meeting is scheduled for Thursday, February 10, 2022 at 8:30 a.m., in the Mary Brennan Board Room, Rhode Island T. F. Green International Airport, Warwick, Rhode Island.

8. Adjournment:

Mr. Traficante moved to adjourn at approximately 12:02 p.m. **Mr. Bogosian** seconded the motion.

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

YEAS: Jon Savage
Mike Traficante
Chris Little
Greg Pizzuti
Jeffrey Bogosian
Jonathan Roberts

NAYS: None

ABSTAIN: None

Respectfully submitted,

Jon Savage, Chair
Rhode Island Airport Corporation

PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
THURSDAY, JANUARY 13, 2022

<u>NAME</u>	<u>AFFILIATION</u>
Alicia Seabury	RIAC
Donna Melone	RIAC
Brittany Morgan	RIAC
Dennis Greco	RIAC
Don Stubbs	RIAC
Kellie Wright	RIAC
Duc Nguyen	RIAC
Tim Pimental	RIAC
Yil Surehan	RIAC
John Goodman	RIAC
Ali Khorsand	RIAC
Joseph Ottaviano	RIAC
Wilmott Will	RIAC
Paul Johnson	RIAC
Dan Porter	RIAC
Stephen Weston	RIAC
Jaye Del Rosario	RIAC
Joseph Rodio, Jr.	Rodio & Ursillo
Peter Eichleay	FlightLevel
Dave Lucas	FlightLevel
Matt Fair	Hayes & Sherry

Stephen Devine

RIDOT
PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
THURSDAY, JANUARY 13, 2022

NAME

AFFILIATION

Julie Oakley

RIDOT

Daniel Geagan

City of Warwick

Patrick Anderson

Providence Journal

Guy Rossman

Local 26

Richard Langseth

Constituent

The minutes of the Executive Session of the Board Meeting on January 13, 2022 have been sealed in accordance with R.I.G.L. § 42-46-7(c).