

**MINUTES OF MEETING**  
**RHODE ISLAND AIRPORT CORPORATION**  
**BOARD OF DIRECTORS**  
**THURSDAY, SEPTEMBER 23, 2021 AT 9:30 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 9:30 a.m., in the Mary Brennan Board Room at 2000 Post Road, Warwick, Rhode Island, 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; Gregory Pizzuti; Jeffrey Bogosian and Jonathan Roberts.

**BOARD MEMBER ABSENT:** None.

**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. Traficante** to approve the minutes of the Board of Director's Meeting of August 12, 2021. The motion was seconded by **Mr. Little**.

**2. Open Forum:**

**Mr. Savage** asked if anyone present wanted to speak in Open Forum.

**Mr. Steve Parent** stated he would like to address the Board.

**Mr. Parent** noted today marks the ninth year of him being an employee at RIAC. He is a Lieutenant and he has 34 years fire service and he is the Vice President of the local 2873 workers union Council 94. Even with the COVID-19 impacts on the airlines, this organization continued to function during the event. There is 120 plus support union staff that all persevered to keep the company functioning. While most employees had the leisure of removing their masks others cannot. ARFF is the first response. **Mr. Parent** noted COVID-19 did not stop air travel and that required outlying facilities to function as normal. June 30, 2021 was the expired date of the collective bargaining agreement. At the beginning of negotiations, the union offered to extend the contract one year. Unfortunately that offer was rejected and today is the fourth month we are working without a collective bargaining agreement. Workers feel safer with a contract and under the COVID-19 situation, having that is a little security for workers. **Mr. Parent** asked the board to encourage RIAC to show respect and appreciation to the 120 plus union employees. **Mr. Savage** thanked Mr. Parent for sharing his thoughts.

**3. Report from the President and CEO:**

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

- **Mr. Ahmad** stated RIAC's first annual report has been published. A copy has been distributed to each of the board members today. The on-line version will be placed on our website, distributed to our internal staff and distributed through various other avenues. **Mr. Ahmad** congratulated the twelve folks who worked diligently on the annual report and hopes the board likes it.
- **Mr. Ahmad** stated RIAC held a massive exercise for emergency readiness as the annual Table Top Exercise of the Airport Emergency Plan on September 8th at the Radisson Hotel Conference center. It was a large scale exercise that included 150 personnel from different agencies. RIAC's team presented detailed descriptions of their respective roles and responsibilities during a simulated aircraft emergency to a full room of Emergency responders and other State organizations. **Mr. Ahmad** noted kudos to Mr. Dennis Greco and his team for putting together this exercise so that the airport is ready for any emergencies. I will ask him to provide a briefing to you in our next meeting.
- **Mr. Ahmad** stated on August 18, 2021, RIAC, along with its partners and airport vendors, hosted a recruitment fair. Approximately fifty prospective employees attended the fair.
- **Mr. Ahmad** stated members of the RIAC police department and Internal Legal department attended the Police Reform Conference called "Building Trust and Legitimacy after George Floyd". The training focused on many areas, such as eliminating bias to enhance community engagement, the legal consequences of use of force and effective policing in the LGBT communities. The training also discussed the Good Cop Principle of building cultural competency skills.
- **Mr. Ahmad** stated RIAC compiled the list of items needed to enter PVD into a recognized Hidden Disabilities program, called the "Sunflower" program. This program will discretely provide special assistance to some flyers based on their needs. Mr. Pimental, our VP of Customer Service, saw the need for this important program here at PVD. **Mr. Ahmad** noted as part of this program, his team in coordination with the airline, TSA, and ABM personnel will meet with a family with a member of the family having autism that will be traveling in the coming weeks. This is the second such visit RIAC staff coordinated this month.
- **Mr. Ahmad** stated FlightLevel has provided RIAC with a revised lease agreement for approval with MTM Development Corporation, replacing Ocean House as the developer of restaurant space at the Westerly Airport. MTM is directly related to ownership of "The Preserve" in Richmond, RI, and are partners in a sister resort in Boca Raton, Florida. MTM is expected to invest a capital expenditure of approximately \$100,000 in developing the restaurant space.
- **Mr. Ahmad** stated the State Attorney General's Office proposed Body Worn Cameras (BWC) program within the state of Rhode Island. For the purpose of transparency and accountability RIAC will take part in the program that will provide cameras to our patrol officers and sergeants. Grants are available for the first five years and internal departments will be responsible thereafter.
- **Mr. Ahmad** stated lastly, Rhode Island T. F. Green International Airport was selected

as one of the top three Best Domestic Airports in the Travel and Leisure 2021 “World’s Best” Awards survey. Kellie Wright of our team takes point on advocating for our airport. This is the seventh award in the last five years for PVD and we are the only airport in the Northeast included in the top ten. **Mr. Ahmad** stated I congratulate this board, members of staff, our airline and concessionaire partners and the entire Rhode Island T. F. Green family for this win.

- **Department Updates:**

- (a) **Air Service Update**

**Mr. Schattle** noted, as you will recall, we developed a detailed forecast and sensitivity analysis based during the Fiscal Year 2022 budget process. RIAC is pleased to report that for the first month of the fiscal year, July 2021 actual enplanements were approximately 85% higher than our planned forecast. We will continue to monitor our actual enplanements as compared to our estimates over the fiscal year and provide updates to the board.

**Mr. Schattle** noted for the month of July, the daily carrier seats were up approximately 53% and daily carrier departures were up approximately 65% from the prior year. Our enplanements were up approximately 200% from the prior year and total passengers were up approximately 195% for the month of July. **Ms. Thomas** asked, now that we are through the summer months, what is the sense of activity going forward. **Mr. Ahmad** noted we see positive numbers. We feel that because schedules are getting built in the next six to eight months. If more seats are coming in, we should see more people flying because airlines would not put seats in. Two weeks ago, we saw a slide around the country in seat capacity and some safety in booking was communicated to us. We are going to see positive numbers. **Mr. Roberts** noted the last normal year was 2019 so it is hard to compare 2020 with COVID-19 and asked how we are doing related to 2019. **Mr. Schattle** reviewed the information on slide 3 noting the actual activity is the purple dashed line and the 2019 baseline was the black dashed line. **Mr. Roberts** noted his company is not traveling as a company so he assumed companies are not flying. **Mr. Ahmad** noted the larger airports will come out sooner to 2019 numbers. That is what we have been seeing in the industry. RIAC will be behind. International travel is starting and when that starts, Boston’s numbers will go up and some medium hubs numbers will go up. That is separate from smaller hubs and we have discussed this before. For the business traffic, 10% - 20% is never coming back. The airlines feel that is what will play out. **Mr. Ahmad** noted the large airports are getting closer to their 2019 numbers faster. As we compare numbers, that is what we expect. The dynamics behind the scenes, we can discuss if you want further details.

- (b) **Airport Financial Report Update**

**Mr. Schattle** noted we had a Finance and Audit Committee Meeting earlier and we discussed the full fiscal year financial report that is based on the information in this financial report. As we completed the full fiscal year, we are continuing with our strategy based on a low CPE. Overall operating revenues are down approximately 4.25%, which we are choosing to do as we continue to keep low costs for the airlines that operate at T. F. Green by setting lower rates for their operations. Revenue streams such as parking and concessions will continue to fluctuate with activity levels. We continue to monitor those revenue streams in line with our CPE strategy throughout the year and have continued to recover as activity levels recover. Also approximately \$12M is included from federal assistance that RIAC is utilizing to

help mitigate costs for the airlines that operate in Rhode Island. **Mr. Schattle** noted we continue to focus on managing our operating expenses. Our operating expenses year to date through June are down approximately 11%. Some highlights include advertising, printing and marketing which was down approximately 31%. This is a reflection of managing these expenses while maintaining an impressive presence in the market. Another highlight is communications and utilities which is down approximately 22% and are reflective of RIAC's efforts throughout the fiscal year to manage electrical usage based on operations and also includes the positive results from net metering credits. Contractual services are down approximately 3%, again as a result of our initiatives to manage these costs in line with operations. **Mr. Schattle** noted the federal governmental service for customs and border protection has been removed in the current year saving approximately \$896,000. We are in the midst of our GA Strategic Business Plan to address the subsidies to airline owners, operators and users of the facilities at the general aviation airports. Our plan is focused on addressing the approximately \$6.3M budgeted subsidy to the general aviation across the airport system through recommendations from the plan and proactively marketing economic development parcels at the airports. The overall operating loss for the general aviation airports is approximately \$932,000 the year to date through June. **Mr. Schattle** noted the increase in operating expenses for the general aviation airports includes increased payroll assigned to these cost centers of approximately \$850,000 and approximately \$242,000 of additional legal costs. The non-operating revenues and expenses are largely driven by the timing of grants and capital projects. We are undertaking several large capital projects including our runway 16-34 and the restroom projects that are grant funded with reimbursements through the FAA. We have approximately \$11.2M in the fiscal year for the Runway 16-34 project. Also, the line items such as our passenger facility charges and rental car operations will be dependent on timing of increased activity and changes in enplanement levels. **Mr. Schattle** noted the revenue streams for the InterLink facility are largely driven by activity levels. The facility has strong liquidity, which will help manage us through the impacts of the COVID 19 pandemic and we are continuing and will continue to keep in close contact with the rental car companies to discuss facility charges and trends in the industry moving forward.

### (c) Overtime Update

**Mr. Greco** noted the month of July exceeded last fiscal year's overtime by 5.6%. We saw increases due to covering sick time, personal time, vacation, and Diversity training conducted by Human Resources. ARFF saw an increase mainly due to two members out during the entire month, two members taking half the time off during the month, and the Diversity training previously noted. Operations and Maintenance saw an increase due to escorting construction workers on the 16-34 runway construction phase 4 overnight closures that lasted 20 days, along with the painting and markings on airfields across the airport system. Slide 13 shows a path to reduce the ARFF overtime specifically. **Mr. Greco** noted the current CBA states that any ARFF crewmember working outside of their regular scheduled shifts will be compensated with overtime at 1.5 times their regular rate. In fiscal year 2021, ARRF's overtime was \$533,000. This was mainly due the IOD and a crew member retiring leaving 14 physical crewmembers to work 2 open spots for the rest of the fiscal year. During this fiscal year, ARRF also had two other crewmembers out of work for a collective 5 month period along with the regular accrual leave used and training conducted throughout the fiscal year. **Mr. Greco** noted as you know we did hire a new crewmember during fiscal year 2021 and after training was assigned to replace the retiree at the beginning of FY 2022, however, the IOD continues to be filled with overtime. Recently, 4 crewmembers have indicated they will be leaving RIAC in the next 14 months, 3 due to retirements, and one that will laterally transfer to

another fire department. All 4 have indicated they will use their leave time adding to ARFF's overtime to about \$113,190. Lessons learned from this is we will hire 5 new crewmembers to backfill these 4 in order to lower the overtime and to have a seamless transition between those leaving and those starting out.

#### **(d) Website Redevelopment Update**

**Ms. Wright** noted I want to begin by mentioning how we have made a difference, our team has brought lasting value to the organization, as we are doing certain things for the very first time. Among those accomplishments are that we recently rebranded our airport to increase awareness and familiarity. We welcomed an exciting new carrier, Breeze Airways, and we continue to work closely with Breeze to bring in tremendous results. **Ms. Wright** noted this month, we added another award to our trophy collection as Travel + Leisure recognized us as the third best of all the domestic airports in the country and that's a huge honor. Another monumental accomplishment is that our team published its first annual report. And next week, on September 27th, we are celebrating ninety years of serving Rhode Island. Our team is making a difference and bringing lasting value to the organization. **Ms. Wright** noted let's begin with the progress on the website redevelopment. RIAC to date has completed the "discovery phase", "content analysis" and "Definition Phase" of the website redevelopment project. Our progress includes a domain name assessment and purchase, our new site will be FlyRI.com. We have also secured domain names for each of our GA airports, Flywesterlyairport.com, Flynewportairport.com and Flyblockislandairport.com. **Ms. Wright** noted our team has created content creator organizational charts reflecting our new site map, and the departments are updating content for their relevant sections. The selected terminal map, route map, and tenant directory style are shown on the slide. At this time in the project, we are in the website design and development phase. RIAC will continue our content migration until the end of the year, in which we will continue to build out and refine the website with a scheduled launch date of March 2022.

#### **(e) Roadway Signage Update**

**Ms. Wright** noted RIAC is implementing a plan to update highway and roadway signage with our new name Rhode Island T. F. Green International Airport. RIAC and RIDOT are working together to implement signage. RIAC has selected the updated language for all of the signs. The smaller existing signs which you see here on the left will be replaced with a 30 to 45 day schedule. Our team is working towards a targeted Winter/Spring 2022 completion date. **Mr. Savage** asked what the difference is between R.I. T.F. Green Int'l Airport and why is Rhode Island spelled out on some of the signs and not others. **Ms. Wright** noted depending on the space of the sign, RIDOT and RIAC determined the wording for each sign. **Mr. Savage** noted R.I. T.F. Green Int'l Airport might be confusing with the R.I. T.F. so close together. **Ms. Wright** noted due to space, we needed to do them this way. We spelled out Rhode Island where we could. **Mr. Schattle** noted the overall guidance was wherever possible, the name should be spelled out. Some signs were too small and we discussed the same concept. **Mr. Savage** noted maybe a line between R.I. and T.F. on some of the signs would be better. **Mr. Schattle** noted we will ask for a concept like that. **Mr. Savage** noted it could be confusing and he would like input from the experts.

#### **(f) Annual Report and 90<sup>th</sup> Anniversary Celebration Update**

**Ms. Wright** noted this is the moment that our team has been waiting for. We are happy

to share with you the very first distributed copies of the annual report. Our annual report promotes our company achievements, highlights our internal culture, and celebrates our rich history and vision for the future. This report was developed, written and designed internally with cross-collaboration between all departments. Our distribution plan for the annual report includes internal and external email communications to industry stakeholders, community leaders, and local dignitaries. The communications will coincide with our 90th-anniversary celebration on September 27th. RIAC will promote messaging through a social media campaign to increase engagement across the industry and community. **Ms. Wright** noted on September 27th 2021, Rhode Island T. F. Green International Airport will celebrate ninety years of serving Rhode Island. The event will include live radio broadcasts from Lite 105 and Latino Public Radio for arriving and departing passengers. There will be a DJ near the information booth spinning 90's hit music. Fun giveaways for our passengers will include airline vouchers, some autographed Patriots items, \$90 gift cards to Wolfgang Puck Express and Providence Provisions, and a lot more. Lite fare food, refreshments, and cake will be served to guests in the Mary Brennan Board Room. RIAC has compiled a 90th-anniversary congratulatory montage video to celebrate the occasion. Our 90th-anniversary video will also include state tourism leaders and dignitaries sharing congratulatory messages. **Mr. Bogosian** asked if the new domain mentioned will replace [www.pvdairport.com](http://www.pvdairport.com). **Ms. Wright** confirmed yes, but the old domain will be directed to our new site. **Ms. Thomas** asked if the full video shown at the meeting will be on the website. **Ms. Wright** confirmed yes. **Mr. Bogosian** noted the team did a great job on the annual report. **Mr. Ahmad** noted the annual report was all done in-house. **Mr. Ahmad** noted we are sending the annual reports to all stakeholders and partners, especially the airlines. RIAC is stepping up and creating excellence and he noted he is very proud of what Ms. Wright and the team have done and it shows in the work. **Mr. Pizzuti** noted everything is professional all of the time and asked if the annual reports should be given to the schools. **Ms. Wright** confirmed we will add schools to the distribution list.

#### **(g) Breeze Update**

**Mr. Schattle** noted Breeze Airways is off to a great start. They started service on July 22<sup>nd</sup> with service to Charleston, South Carolina and July 29<sup>th</sup> with Pittsburgh, Pennsylvania and Norfolk, Virginia. Breeze executives shared that PVD was the number one airport in bookings during the initial weeks of operations. Congratulations to the entire team. Other indications of a good start include are the stage-adjusted yields for the three PVD routes, which are up to 46% higher than for other comparable Breeze routes. **Mr. Schattle** noted the high level of coordination from RIAC and Breeze amplifies the marketing effort in support of the new air service to result in these successes. This is a celebratory slide and we are off to a great start.

#### **(h) Art at the Airports**

**Mr. Goodman** noted many do not know that RIAC and the RI State Council on the Arts are engaged in a win-win partnership to help beautify and promote airports, as well as present the outstanding work by Rhode Island artists to an ever-changing audience of local, national and international travelers. Galleries are located at Block Island State Airport and at Rhode Island T. F. Green International Airport. The Green Space Gallery at Rhode Island T. F. Green International Airport is located at the junction of the airport and Interlink with displays on the 1<sup>st</sup> and 2<sup>nd</sup> levels featuring nine artists to exhibit in three group shows each year. **Mr. Goodman** noted in fact a new gallery was just installed last evening so we would encourage you to take a few moments to stop by to see the new display of art. The gallery at Block Island State Airport is on display in the main waiting area of the airport terminal and hosts one-artist

exhibitions four times per year. RIAC works with the Council to facilitate gallery updates and promote the program through social and traditional media. The Rhode Island Council for the Arts issues Annual Calls for Artists for each of these programs, and will soon select new artists for 2022. Artists, who receive a stipend for participating in the program, will be selected by a review panel that will include practicing artists, arts professionals and community members. **Mr. Goodman** noted the program dates back to a July 2007 agreement between RIAC and the RI State Council on the Arts, which allocated funds for a revolving art program as well as to maintain other permanent works of art in the airports, such as that on the very wall of this conference room entitled Day to Day. This program has been welcomed by visitors and the artist community alike, and we look forward to continuing to work with the RI Council for the Arts to continue to promote this program.

(i) **Business Development Activity on General Aviation Economic Development Parcels**

**Mr. Schattle** noted as you will recall, we are working with Hayes and Sherry to ramp up economic development at the general aviation airports. This update includes statistics on the program. Of the fifteen parcels marketed, two are on today's agenda for approval. We are pleased to see this moving forward with potential solar on two non-aeronautical parcels. There are 21 prospects that Hayes and Sherry have identified and are in the process of vetting. There are approximately 140 acres available. Two parcels at Quonset State Airport are already under lease and as mentioned, two at North Central are on agenda today. **Mr. Schattle** noted that the estimated revenue from the two leases at Quonset is approximately \$8.2M and the estimated revenues from the two parcels at North Central on the agenda today is approximately \$4.5M. In addition to the 15 parcels that are being marketed by Hayes and Sherry, there were the two parcels at Quonset State Airport that are already leased and an additional parcel at Quonset that will be added when we demolish the old terminal building. Regarding an update on the progress to date, the northeast parcel at Quonset is under lease with QDC, the southwest parcel at Quonset is currently under lease with FlightLevel. There are two solar parcels on today's agenda at North Central State Airport. **Mr. Schattle** noted that through the general aviation strategic business plan, the Town of New Shoreham has asked us to remove two parcels from the marketing material and we have done that. **Mr. Pizzuti** asked about the large parcel next to the runway at Quonset State Airport and what type of development is considered, solar. **Mr. Schattle** answered it could be anything, but it will most likely not be solar. There are 77 acres of potential land that could be used for aeronautical or potentially non-aeronautical purposes, which would require a release of land approval from the FAA. This parcel has great potential because of its potential mixed use. **Mr. Roberts** noted you need to cross one runway to get to the parcel. **Mr. Schattle** confirmed yes or add another means of access. **Mr. Bogosian** asked if the revenue is \$8.2M over 30 years. **Mr. Schattle** noted it is 20 to 30 years and estimated based on the life of the agreements. **Mr. Little** confirmed that at the end of the term, if the lessee wishes to renew, that it would include rent on the improvements. **Mr. Schattle** confirmed yes, that after the term of the agreements the improvements will be included in the evaluation of fair market value for rent.

(j) **General Aviation Strategic Business Plan Update**

**Mr. Greco** noted this initiative is over a 2 ½ year period and you have seen the statistics before and we are excited to see this roll out. The \$98M, although specific to general aviation airports, nests with the 20 years' worth \$1B overall. It is a small piece to the Master Plan. **Mr. Schattle** noted that this along with the PVD Master Plan includes investments in economic

development of approximately \$1B going forward. **Mr. Greco** noted we will discuss the financial plan that will get us there, Duc and Dan will discuss the projects over the next 10 years, and we will talk about the lessons learned, conflicting interests with the various stakeholders and looking ahead. **Mr. Schattle** noted for a public entity, one key term is transparency. This process has been one of the most transparent in his 17 years at RIAC. As an example, several of us attended a meeting in Lincoln as we continue to have dialogue asking towns and host communities for feedback and what they are looking for. This has been a real transparent process. **Mr. Greco** noted RIAC is highly engaged and we continue to meet with stakeholders.

**Mr. Schattle** noted we did not wait for the plan to be completed to initiate our economic development and leasing activities. The \$12.7M of estimated revenues from the parcels already leased and on today's agenda will help the general aviation community over the future. **Mr. Schattle** noted that while we have had recent successes, it is a long term process. The chart on slide 32 shows the plan for the estimated revenues from the economic development parcels that will help the GA airports head to self-sustainability. Most of the opportunities are around Quonset State Airport and North Central State Airport. These culminate in an estimated revenue of \$1.35 million annually by 2030. **Mr. Schattle** noted that we review different baselines and compared metrics using benchmarking to identify challenges and develop action plans. This results in a very thorough plan to head towards self-sustainability. The pink line on the graph shown on slide 33 shows the estimated annual financial results that are estimated to improve by approximately \$1.5M. RIAC is lucky to have comparable airports close to us, such as Bradley in Connecticut. **Mr. Schattle** noted the metrics results for the general aviation airport system, as previously reported, compare favorably to similar airport systems. **Mr. Schattle** noted that one of the challenges identified was the lack of an aviation fuel tax in Rhode Island and the resulting revenue stream. Rhode Island is one of the few states without aviation fuel tax. Rhode Island is the only state in New England with no aviation fuel taxes that are used to support the general aviation airports in Connecticut. We are one of three states in the country without this tax. If this tax was in place RIAC would have an additional revenue stream to help cover operating expenses and capital improvements. In 2019, CT and CAA financial statements show a benefit of approximately \$7M from the aviation fuel tax. **Mr. Savage** asked comparing the cost of our fuel to pilots and others in Rhode Island how does it compare to other states. **Mr. Schattle** noted that we reviewed posted prices and did not see corresponding reduced pricing by not having an aviation fuel tax. **Mr. Roberts** noted we get revenue through a throughput fee. **Mr. Schattle** noted the throughput fee is considered a fuel fee and we are low in the region. **Mr. Ahmad** noted there is no fuel taxes and we are on the below average on fuel flowage but that is based on spot pricing. **Mr. Savage** noted there is no benefit to the airlines or the general aviation community. The only detriment is to the service provider. **Mr. Roberts** noted we could raise our fuel flowage fee to compensate for no taxes. This is an opportunity. **Mr. Pizzuti** asked to have a more detailed discussion on the fees. **Mr. Savage** noted with the discussion, let's show a market analysis. **Mr. Roberts** noted the way they make money is through fuel so there can be an opportunity. **Mr. Savage** asked with the service providers, what are we getting under the contract. **Mr. Schattle** answered that it ranges from \$.08 to \$.13 from the FBO at the GA airports and they produce lower volumes than PVD and the larger volumes would be from fuel at PVD. **Mr. Savage** asked if there was an increase on the fuel flowage fee on everything, would that impact this. **Mr. Schattle** confirmed yes, that would include all commercial carriers. **Mr. Bogosian** asked if it was the same for each entity. **Mr. Schattle** noted it is across the board and done in a non-discriminatory manner.

**Mr. Schattle** noted on the next slide you will see that we incorporated an increase in

investments at the general aviation airports in the financial results. In essence, RIAC will be tripling its capital investments over a ten year period. This is a part of RIAC's \$1B twenty year program. We have also increased services such as Block Island State Airport, by adding \$180,000 in aeronautical services with FlightLevel. Another recent example of investing in the general aviation airports is the Newport Apron project. **Mr. Roberts** noted the investments look good. The general aviation availability of hangar space related to other states, for example Providence, has very little room at Rhode Island T. F. Green International Airport, but Quonset State Airport could be an opportunity. At Quonset State Airport, a private company is trying to build hangars. That is a way to get funds. Maybe partner with the FBO operator to build general aviation hangars. **Mr. Greco** noted we do have a waiting list on our website. There is conversation back and forth with FlightLevel. **Mr. Ahmad** noted 34 folks seemed interested, 24 within those two categories, but they wanted to pay month to month. Hayes and Sherry are ready to go and the parcels are ready to go. I asked Brian and Dennis to talk to FlightLevel to see if these folks will commit to more than month to month. FlightLevel believes they can capture development at Quonset State Airport. If there is any room for demand that they cannot provide, RIAC is on it. There is nothing in the way with supply and demand. The issue is there are folks that do not want to commit. **Mr. Roberts** noted there is a lot of flights that come in 1, 2 or 3 nights that can pay a robust fee. Partnering with FlightLevel is the way to do it. They know the business and they can help if they see the demand. **Mr. Schattle** noted we see interest in the other site at Quonset as well, after the demolition of the old terminal. FlightLevel is building on the southwest parcel at Quonset. **Mr. Ahmad** noted FlightLevel is the most educated in the demand and Hayes and Sherry is educated on the supply side. We have invited both of them to attend the next meeting to provide an update.

**Mr. Nguyen** noted, RIAC invested nearly \$1.24M in the coordination, gathering of data and development of the GA Strategic Business Plan. We worked closely with our consultant and 41 stakeholders to come up with a consolidated and prioritized project list for the five GA airports. All three assessments, Obstruction Removal, Pavement Plan and Infrastructural Plan have been published on our website, and they are readily available to the general public. Of note, for the next ten years, we are executing 26 projects and 2 phases of obstruction removal value at over \$98.7M. **Mr. Ahmad** noted RIAC committed to paving at Block Island State Airport. We put all the information received from FlightLevel together. **Mr. Greco** noted RIAC worked with FlightLevel on getting that project online. We also worked with the FAA. **Mr. Roberts** noted they need to expand. **Mr. Nguyen** confirmed we have submitted the application to the FAA. **Mr. Ahmad** noted we caught up with FlightLevel and there is a strong request to look into it. If anymore pavement could be used that is beneficial. We are going in with a need basis. **Mr. Roberts** noted let the data speak for itself. **Mr. Ahmad** noted we are trying to make most of the people happy most of the time and we are trying to be responsive.

**Mr. Porter** noted previously we mentioned how important it is to RIAC and users. We are moving forward in developing a plan with FAA on a phased approach to mitigate obstructions. Experts are helping execute the completion of the program. The overall plan aerial survey identified 1,816 obstructions and 76 aviation easements. Half of that cost is \$3.4M which is related to the cost of aviation easement to acquire access to the property. There has been much conversation in relation to this in the business plan. Over three fiscal years we will phase this on off airport. The Quonset State Airport parcels we know we can get those easements.

**Mr. Nguyen** noted regarding the GA 10-Year Pavement Plan, we will execute eight projects with an estimated total cost of \$75.1M. However, we had already completed one

project this year, the Aircraft Parking Ramp Reconstruction project at Newport State Airport in the amount of \$2.6M. For the GA 10-Year Infrastructure Plan, we will execute 18 projects with an estimated total cost of \$16.3M. There are six projects at North Central, two at Newport, two at Block Island, three at Westerly and five at Quonset. Project scopes include fence repairs, electrical vault replacement, terminal demolition, HVAC improvement, etc. **Mr. Greco** noted by taking the development of the 10 year comprehensive plan for safety, security and utility, the airports and Mr. Nguyen's team will be busy the next few years. **Mr. Roberts** asked if there was an estimated time that the displacement at Newport State Airport will be taken away. **Mr. Porter** noted it comes down to aviation easements. The safe airspace bill passed. When we get confidence with the Westerly case, we will work with legal on a path forward. **Mr. Rodio** noted he expected a September update, but it came in late yesterday and it is not what we hoped for. It will play a little longer in the courts. He thinks and hopes it can be done in a speedy way. Hoped the adjunction would be removed today, but that is not the case.

**Mr. Porter** noted the obstructions challenge, which we learned in the past, we fragmented the surveys to undertake where the obstructions were. This handled all the obstructions at the same time and it was a holistic approach. There is continual education early and often with land use issues understanding what airspace is and the need to remove the obstruction. RIAC continues to encourage towns to implement the zoning. Only three of ten have done this and some are working through it. It is Rhode Island law. It would have gone a long way if these were implemented years ago. Development is a very comprehensive flow chart vetted through industry experts. **Mr. Pizzuti** asked do we find that no matter which way we go, there is a road block. **Mr. Porter** answered yes in aviation easements. There are no road blocks on airport obstruction. What we can do, we are. **Mr. Greco** noted there is constant communication with the FAA. **Mr. Schattle** noted we encourage the towns on overlay district, much more proactive approach. **Mr. Pizzuti** asked if there are certain homes up for sale, are they notified of the obstruction. Maybe not grandfathered in. How do we communicate that with the new home owners. **Mr. Greco** noted if the property is in the protection zone, we purchase the property or let them know through the towns. It is important that we maintain relationships with the stakeholders. **Mr. Pizzuti** asked if a site is closing, does the realtor slip them a paper saying the airport can cut down the trees if they need to. **Mr. Porter** noted the easements follow the deed. With overlay zoning, the town should be in partnership. The homeowner needs to know they are not stuck. **Mr. Greco** noted we maintain constant contact. The first quarter tenants meeting was held last February. We do it at each individual airport. **Mr. Roberts** asked if it was only for tenants to attend. **Mr. Greco** answered we consider pilots tenants. **Mr. Roberts** noted he encouraged communication to all pilots in Rhode Island and to give enough notice before the meetings. **Mr. Greco** noted we continue to be more thorough and stay on top of the quarterly meetings. RIAC will also start publishing a quarterly newsletter on what is going on and what is happening soon. RIAC continues to communicate with the FBO on future development. **Mr. Nguyen** noted that regarding process improvement, we have identified the need and will continue to conduct assessment on a regular basis, every 3-5 years. As Mr. Greco had previously mentioned about the importance of maintaining constant communication with all stakeholders, we will continue to work closely with our stakeholders to assess and evaluate the requirements and reprioritize our execution plan as necessary based on everyone's feedbacks. **Mr. Greco** noted we posted the General Aviation Strategic Business Plan for public comment in October and we will issue a similar book to the Annual Report in January 2020.

#### **(k) Infrastructure Update**

**Mr. Nguyen** noted as we just updated you on our exciting and aggressive General Aviation 10-Year Business Strategic Plan, I would like to give you an update on what we are doing now. We are executing 15 projects in design and construction phases valued at over \$38.1M. We have been working closely with our consultants to include WSP, Faith Group and McFarland Johnson on the first five projects under the design category. Taxiway Charlie Reconstruction and Quonset 16-34 Reconstruction projects are undergoing the source selection process. We did receive six and seven competitive proposals for Taxiway Charlie and Quonset RW 16-34 projects respectively. **Mr. Nguyen** noted regarding projects currently in the construction phase, we are overseeing eight projects valued at over \$33.6M. For the Runway 16-34 Reconstruction project, phases 3 and 4 were substantially completed with punch list items to be completed during phase G, grooving. Phase 6, the final pavement has been completed. Pavement markings have also been placed. Electrical and drainage works are ongoing. The main focus right now is the paving of the surface layer of phase 5, which is on track to be completed the week of October 4<sup>th</sup>, in order to start the 30-day curing period prior the commencement of the grooving in early November. **Mr. Nguyen** noted for the Restroom Renovation project, the North Central Restroom and South Family Care are scheduled to be opened on October 30<sup>th</sup>. The baggage claim restroom is scheduled to be opened on November 15<sup>th</sup> and Phase 2 is to immediately follow upon the completion of Phase 1. For the Hangar Electrical Upgrade project at Newport State Airport, all works per the original scope has been completed, not accounting for the potential change order of a design change requirement being imposed by the State Electrical Inspector. There are no known operational impacts to the stakeholder at this point. For the remaining five projects (Camera System Storage Replace and Server Replacement Phase 1, ARFF Rapid Response and Alert System, Wayfinding Signage, BID Apron Rehab and North Central Safety and Wildlife Fence project), they were recently awarded, and we are working with our contractors on submittals and bonding requirements prior to the start of these projects at this time. **Mr. Nguyen** noted most importantly, RIAC is applying for 14 projects with the FAA, a total cost of \$16.8M, with an estimated AIP cost of \$15.2M and \$1.6M in matching funds for PVD, OQU, BID and SFZ this fall. Please note, the Block Island Ramp Expansion project has been added to the project list this year at the request of Board Member, Jonathan Roberts. The key take away from this presentation is that we are actively working on numerous projects for all sites, General Aviation Airports included, as we continue to lean forward in the planning, designing and execution of infrastructure related projects in support of the safety, security and utility of our airports. We also continue to strengthen our relationship with the FAA, as well as our relationship with our consultants and construction contractors with an emphasis of supporting the local contractors and being a good steward to the local communities. **Mr. Ahmad** noted we will work with Senator Reed's office to see these 14 projects get approved through the FAA.

#### **4. Finance and Audit Committee Update.**

##### **Consent Item:**

##### **(a) Approval of the Draft Fiscal Year 2021 Audited Financial Statements and Related Reports**

**Ms. Thomas** noted that the Finance and Audit Committee met earlier today and we heard from Brian Schattle on the year end financials. We walked through the numbers and had a good discussion. Pam Hill from Plante Moran is here with us today. There were no audit findings to note, but there were some recommendations that will be shared shortly. There was

no deficiency in the financials. The status of the \$11.9M of Cares Act funding was tested with no findings. We implemented GASB 84 this year and there were no issues. **Ms. Thomas** noted the GASB 87 on leases will start next year and they are complicated. As part of the services we receive from Plante Moran, they will offer a free tool to help implement this. The audit began in June and the field work was completed over the last two months. There is an unmodified opinion on the compliance report. RIAC has strong liquidity and the debt service covenants are being met. The team has done an excellent job on the financial statements and they worked really hard with Plante Moran. The team is waiting on reports from the State of Rhode Island. **Ms. Thomas** noted 2019 full year enplanements was a dotted line on the forecast and activity slide presented earlier in the meeting. Over 2M people traveled in 2019. In 2020 enplanements were 2/3 of that number. In 2021 there were approximately 700,000 enplanements. As we looked at the results, we noted the only operating expenses that increased were wages and benefits. The airport made a promise despite reduced enplanements to maintain employees. The team has done a great job. The financials show that although the enplanements were down everyone worked together and the CPE was \$22.49. The Finance and Audit Committee voted to recommend passage of the following motion by the Board of Directors; to approve the draft fiscal year 2021 audited financial statement and related reports in substantially the form presented.

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

**The motion was passed unanimously.**

**5. Action Items:**

- (a) **Approval to execute an installation, implementation, maintenance, and support contract for the Common Use Terminal Equipment (CUTE) with SITA in the amount of \$292,906 at the Rhode Island T. F. Green International Airport.**

**Mr. Schattle** noted the CUTE system is utilized as a shared platform allowing multiple airlines to use any single check in station, kiosk or gate to process passengers. Three proposals were received and the lowest, responsive and responsible bidder was SITA, who is the incumbent. **Ms. Thomas** asked since this is a cloud based system, do we see an increase in overall cost compared to what we pay today. **Mr. Schattle** answered the current cost is approximately \$600,000 for six years and the new system is estimated to cost approximately \$300,000 over five years.

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

**The motion was passed unanimously.**

- (b) **Approval to execute an installation, implementation, maintenance, and support contract for the Information Display System (IDS) with ProDIGIQ in the amount of \$273,000 for 5 years at the Rhode Island T. F. Green International Airport.**

**Mr. Schattle** noted similar to CUTE, this is technology used for passengers in our

terminal that includes flight information, baggage information and implementation of gate information. An RFP was issued and five proposals were received with 1 deemed non-responsive. ProDIGIQ was the lowest and most responsive bidder. ProDIGIQ also included an airport operational database with an estimated value of \$114,000 for free. This uses activity and information in the terminal which will be a useful tool for RIAC.

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

**The motion was passed unanimously.**

- (d) **Approval to execute the purchase of an Elgin Pelican NP Sweeper in the amount of \$239,160 from factory authorized dealer C. N. Wood with pricing provided through the Rhode Island Master Price Agreement 530, to replace an inoperable model year 2001 Elgin Pelican Sweeper.**

**Mr. Wiggin** noted the maintenance team is in need of an Elgin Pelican NP Sweeper to replace the older inoperable sweeper. Once approved, the new vehicle will be purchased from a factory authorized dealer, C.N. Wood with pricing provided through the RI MPA 530 using funds from the Capital Improvement Program. In the 2020 – 2021 winter season, 144 tons of FAA sand was used on the Airport Operations Area. 200 tons of sand was used on the terminal roadway and surface parking lots.

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

**The motion was passed unanimously**

- (f) **Approval to execute a Microsoft Enterprise License Agreement renewal with Dell Marketing LP (Dell), Inc. in the amount of \$280,897, for a three-year subscription of Office 365, as well as other Microsoft operating systems and applications.**

**Mr. Schattle** noted this item is for our licenses with Microsoft. The pricing was done through the State of Rhode Island's master price agreement.

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

**The motion was passed unanimously.**

**Mr. Savage** recused himself from items 5(c) and 5(e).

- (c) **Approval to execute a Professional Services Contract with AECOM in the amount of \$389,000 to perform an Environmental Assessment for Rhode Island T. F. Green International Airport.**

**Mr. Porter** noted we will be conducting an Environmental Assessment to meet FAA National Environmental Policy Act requirements for future PVD projects identified in the Master Plan. Procurement for this effort was done through a Request for Qualifications process, which

was issued on November 13, 2019. We received six responses and AECOM was ranked as number one, and awarded the project to begin scoping on January 23, 2020. As we began seeing the impacts of COVID-19 shortly after scoping the project, we placed the execution of the PSC with AECOM on hold. In August of 2021, we reinitiated discussions with AECOM to restart the EA project and finished scoping and negotiating a fee. **Mr. Porter** noted the scope, as it correlates to the EA process to the right, includes an early planning process, which essentially extrapolates information from the PVD Master Plan in identifying a project need and action. The projects to be included within the EA are the proposed south cargo/corporate area, belly cargo to the north of the terminal, this will replace the current belly cargo building located south of the terminal that is beyond its useful life and in the area for future south terminal expansion. And the north apron, which is within the airport historical district, so any projects here which would potentially impact the old terminal building and hangar 2, are required to be vetted through the NEPA process. **Mr. Porter** noted the impact analysis vets each project through 15 categories to include air quality, noise, hazard materials, visual effects, and historical/cultural resources. If there is a known impacts identified, then mitigation measures are identified. When the draft EA is complete, and after FAA review, it is made available for public comment, typically for a 30-day period. The FAA reviews the final EA document and makes a determination if there is a significant impact if so, then the process must continue through what is known as an Environmental Impact Statement process, if not, the FAA issues a finding of no significant impact and the projects can commence under the conditions of the EA and any mitigation measures. The cost of the EA will be \$389,000, and will be funded by the FAA at 90% and RIAC 10%. A Notice to Proceed will be issued this month, and the process is expected to take a year to complete. **Mr. Little** asked if we anticipate any impacts past the historical element on the north end. **Mr. Porter** confirmed we do not. Many categories have been vetted through an extensive EIS process in the past, and much of the information is already known. **Mr. Little** asked about the historical review and how does RIAC mitigate that. **Mr. Porter** noted we will need to look at the areas at the airport. Other airports have relocated these facilities to another area at the airport. We will be in conversation and dialogue with the Rhode Island Preservation Commission.

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

**The motion was passed unanimously.**

- (e) **Approval to enter into a one-to-two year Option Lease Agreement between the Rhode Island Airport Corporation and Ameresco, generating revenue in a range from \$20,000 to \$50,000 for two development parcels comprised of approximately 12 acres of land located at North Central State Airport, in substantially the form presented.**

**Mr. Schattle** noted through Hayes and Sherry, two parcels that we referred to earlier have potential for solar use. Hayes and Sherry actively marketed these parcels and three parties were interested. RIAC will enter into a one-to-two year agreement with Ameresco and if all goes well, we will enter into a long term lease agreement for 30 years with revenues estimated at \$4.5M. We will come back to the board for approval if a long term agreement is determined feasible. **Ms. Thomas** asked what the properties are bordering the potential areas. **Mr. Schattle** answered industrial areas. **Ms. Thomas** asked if RIAC was prohibited from further marketing of these parcels while they are under the Option Lease Agreement. **Mr. Schattle** confirmed yes.

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

**The motion was passed unanimously.**

**6. Executive Session:**

At approximately 11:18 a.m., a motion was made by **Mr. Little** and seconded by **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 August 12, 2021 § 42-46-5(a), (2), (3) and (5); and**
- (b) Discussion related to personnel (§42-155-5 required annual job performance review of CEO) pursuant to § 42-46-5(a)(1). The individual has been notified in writing that this public body intends to convene in executive session; and**
- (c) Session pertaining to the following litigation matters (§ 42-46-5(a)(2)):**
  - 1) Newport Hangars, LLC v. Rhode Island Airport Corporation, PC-2021-03644**
  - 2) 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. N0. WC-2018-0491; and**
- (d) Motion to return to open session.**

At approximately 12:23 a.m., a motion was made by **Mr. Bogosian** and seconded by **Mr. Little** to return to Open Session.

**The motion was passed unanimously.**

**Mr. Traficante** left the meeting at 12:10 pm

**7. Post Executive Session Actions and Announcements:**

- (a) Motion to seal the minutes of the Executive Session held on September 23, 2021; and**

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

**(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 of August 12, 2021.

**The motion was passed unanimously.**

**8. Future Meetings:**

The next meeting is scheduled for Thursday, October 14, 2021 at 8:30 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 12:24 a.m. **Mr. Bogosian** seconded the motion.

Respectfully submitted,

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Jon Savage, Chair  
Rhode Island Airport Corporation

**PUBLIC ATTENDANCE SHEET**  
**RHODE ISLAND AIRPORT CORPORATION**  
**MEETING OF THE BOARD OF DIRECTORS**  
**THURSDAY, SEPTEMBER 23, 2021**

| <b><u>NAME</u></b> | <b><u>AFFILIATION</u></b>   |
|--------------------|-----------------------------|
| Brian Schattle     | RIAC                        |
| Alicia Seabury     | RIAC                        |
| Donna Melone       | RIAC                        |
| Dennis Greco       | RIAC                        |
| Don Stubbs         | RIAC                        |
| John Goodman       | RIAC                        |
| Kellie Wright      | RIAC                        |
| Dan Porter         | RIAC                        |
| Duc Nguyen         | RIAC                        |
| Jeff Wiggin        | RIAC                        |
| Shahzad Sadozai    | RIAC                        |
| Nicole Williams    | RIAC                        |
| Steve Parent       | RIAC                        |
| Joseph Rodio, Jr.  | Rodio & Ursillo             |
| Tim Zabbo          | Hinckley Allen & Snyder LLP |
| Pam Hill           | Plante Moran                |

The minutes of the Executive Session of the Board Meeting on September 23, 2021 have been sealed in accordance with R.I.G.L. § 42-46-7(c).