
Airport Corporation

Agency Responsibilities

The Rhode Island Economic Development Corporation (EDC), now known as the Rhode Island Commerce Corporation (Commerce RI), created the Rhode Island Airport Corporation (RIAC or Airport Corporation) on December 9, 1992 as a subsidiary public corporation, governmental agency, and public instrumentality having a distinct legal existence from the State of Rhode Island and the EDC and having many of the same powers and purposes of the EDC. RIAC is empowered to undertake the planning, development, management, acquisition, ownership, operation, repair, construction, renovation, sale, lease or other disposition of any airport facility, including the T.F. Green Airport in Warwick, as well as the North Central, Quonset, Westerly, Newport, and Block Island airports.

The powers of the Airport Corporation are vested in its Board of Directors consisting of seven members. RIAC does not have the power to issue bonds or notes or borrow money without the approval of Commerce RI.

The Airport Corporation leases the airports from the State of Rhode Island, heretofore, through the Department of Transportation (DOT). The State and the DOT have assigned all rights to airport revenues, the proceeds of general obligation bonds issued for airport projects, federal grant agreements, insurance proceeds, all contracts including concession agreements with vendors and airlines, and all licenses and permits to the Airport Corporation. RIAC has agreed to reimburse the State for general obligation debt service after July 1, 1993, to the extent that money is available from its funds. In the event of insufficient funds, the unpaid debt shall accrue and be payable in the following fiscal year.

The Airport Corporation was established for the purpose of assuming operating responsibility for the airports and undertaking capital improvements. RIAC is intended to provide more

flexibility in the provision of state match funds for all airport-related projects by utilizing revenue bonds backed by revenue from parking, car rental, and other concessionaires, including landing fees paid by airlines, as well as a passenger facility charge that the federal government has empowered local airports to collect to finance capital improvements.

The Airport Corporation is entitled to receive funds from the Federal Aviation Administration (FAA), which provides funds on a (federal/sponsor) matching basis, generally ranging from 75-90%, to improve the State's airport system and finance equipment purchases, runway reconstruction, and terminal building improvements. The grants are primarily used for improvements under the general title of the Airport Improvement Program.

The recommendation for the FY 2018 – FY 2022 Capital Budget includes \$60.4 million for improvements at T.F. Green Airport and \$24.2 million for improvements at the General Aviation Airports. The following is a breakdown of the specific projects.

Governor's Recommendations

T.F. Green Improvements

The Governor recommends \$106.7 million to finance various improvements to T.F. Green Airport during the FY 2019 to FY 2024 period. The planned priorities for FY 2020 include expanding and improving Parking Lot E; overhauling the emergency back-up power and water systems; rehabilitating and enhancing Parking Lot D, and reconstructing Taxiway C as well as the end of Runway 34. Airport general revenues will finance \$14 million of project costs: \$5.4 million in FY 2019, \$5.7 million in FY 2020, \$1.1 million in FY 2021, \$623,000 in FY 2022, \$453,000 in FY 2023 and \$725,000 in FY 2024. Passenger facility charges make up a larger share at \$29.8 million over the same period: \$1.4 million in FY 2019, \$4.7 million in

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FY 2020, \$8.0 million in FY 2021, \$5.7 million in FY 2022 and \$5 million each in FY 2023 and FY 2024. The final and most significant source of funding is the Federal Aviation Administration, responsible for \$62.9 million of planned project costs. This is the total of \$1.5 million in FY 2019, \$3.2 million in FY 2020, \$22.6 million in FY 2021, \$7 million in FY 2022, and \$14.3 million in each of FY 2023 and FY 2024.

General Aviation Improvements

The Governor recommends \$27.9 million to finance capital improvements to the five general aviation airports during the FY 2019 to FY 2024 period. The general aviation airports are those located in Newport, Quonset, Westerly, Block Island, and the North Central airport in Smithfield, RI. Significant priorities for FY 2020 include \$1.5 million to rehabilitate Runway 16-34 at Quonset Airport, \$2 million for improvements to the airport aprons at Block Island Airport and Quonset Airport, and \$750,000 to replace the electrical vault at Newport Airport. Airport Corporation general revenues will finance \$3.4 million: \$354,500 in FY 2019, \$1.2 million in each of FY 2020 and FY 2021, and \$675,000 in FY 2022. Other funds, in this case funding from the Rhode Island Air National Guard, will contribute \$1.3 million in FY 2019 and \$1.5 million in FY 2020. The largest share of funding will come from the Federal Aviation Administration for a total of \$21.7 million: \$1.2 million in FY 2019, \$4.1 million in FY 2020, \$10.4 million in FY 2021 and \$6.1 million in FY 2022.

Rhode Island Resource Recovery Corporation

Agency Operations

The Resource Recovery Corporation operates an integrated statewide system of solid waste management facilities and programs to provide environmentally sound and economically reasonable source reduction, recycling and disposal services. The goal of the Corporation's solid waste management system is to minimize the amount of waste generated and landfill and maximize the amount of waste recycled and reused.

Source reduction and public education programs include the following:

- household hazardous waste reduction;
- used consumer electronics collection;
- distribution of home composting bins;
- technical assistance;
- materials exchange listings;
- a teacher's curriculum;
- school presentations and workshops; and
- other source reduction programs.

The Materials Recycling Facility (MRF), in concert with grants to municipalities, supports a broad municipal recycling program. Metal, newspapers, and plastic and glass containers are delivered to the MRF, processed, and sold on the open market to be remanufactured.

The Corporation developed and implemented an integrated solid waste management system in the most environmentally sensitive and economical manner possible. The Landfill is currently the foundation of the integrated system. All operations are conducted utilizing state of the art technology, including double lining the landfill.

Corporation's Capital Plans

Phase VI Design and Construction – The eastward Phase VI expansion of the Central Landfill is will provide solid waste disposal capacity for Rhode Island through 2038.

Included in the capital plan for Phase VI is the cost to design, excavate, and incrementally construct the baseliner for the several planned cells. Projected expenditures are as follows: \$11.7 million in FY 2019; \$19.0 million in FY 2020; \$17.3 million in FY 2021; \$9.8 million in FY 2022; \$6.2 million in FY 2023; and \$2.5 million in FY 2024. All recommended expenditures are from Resource Recovery Center operating funds.

Underdrain Treatment System – The project will provide Phosphorus Treatment associated with the underdrain treatment system. The Governor recommends \$150,000 in FY 2019 and \$1.1 million in FY 2020 from Resource Recovery Corporation operating funds.

Pump Station #3 Retrofit – This project will modify the existing pump station to better manage leachate flows, reduce operational expenses, better record flows, and update configuration to extend useful life. The Governor recommends \$250,000 in FY 2019 and \$782,000 in FY 2020 from Resource Recovery Corporation operating funds.

Pump Station Modifications – This project consists of making the modifications necessary to utilize new storage tanks. It includes design, earthwork piping, and PS configurations. The Governor recommends \$850,000 from Resource Recovery Corporation operating funds in FY 2020.

Leachate Storage Tanks – This project will add a one-million-gallon equalization tank for LPTF operations with secondary storage, which may be required to handle excess leachate during wet conditions. The Governor recommends \$2.0 million from revenue bond proceeds in FY 2020.

Fiber Bailer and Conveyor Replacement – The Governor recommends \$1.5 million from Resource Recovery Corporation operating funds

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in FY 2022 to replace an aging fiber bailer and incline conveyor. The bailer is close to 13 years old and has logged approximately 30,000 hours of use.

Material Recycling Facility – The Governor recommends \$17,000,000 from FY 2021 through FY 2024 to site, layout, and design a new material recycling facility that will be needed by 2025.

Rhode Island Turnpike and Bridge Authority

Agency Responsibilities

The Rhode Island Turnpike and Bridge Authority (RITBA) has primary responsibility for operating and maintaining the Pell Bridge, built in 1969, between Newport and Jamestown, and the Mount Hope Bridge, built in 1929, between Portsmouth and Bristol, structures that are integral to travel in the coastal area of Rhode Island and neighboring states. RITBA was created in 1954 by the Rhode Island General Assembly as a body corporate and politic responsible for construction of the Claiborne Pell Bridge (formerly the Newport Bridge) which was opened for traffic on June 28, 1969. The authority consists of five members, including the director of transportation and four members appointed by the governor. The authority is authorized to fix, revise, charge and collect tolls for the use of the Pell Bridge and the Mount Hope Bridge. The toll for the Mount Hope Bridge has been eliminated and the upkeep remains the responsibility of RITBA from proceeds of toll revenues collected on the Claiborne Pell Bridge, as well as interest earning on investments. In the 2012 Legislative Session, legislation was passed which transferred ownership of the Jamestown Bridge and the Sakonnet River Bridge from the State to the Rhode Island Turnpike and Bridge Authority contingent on the tolling of the Sakonnet River Bridge. Toll revenue from the Sakonnet and Newport Bridge were designed to provide the funds needed to maintain the four bridges under RITBA's control. During the following legislative session, the 2013 General Assembly enacted legislation contained in Article 5 of the FY 2014 budget as enacted and House Bill 6329 Substitute A, which amended R.I.G.L. 24-12-40.F entitled "Sakonnet River Bridge Vested in Rhode Island Turnpike and Bridge Authority – Institution of Tolls". The amendment delayed the collection of tolls on the Sakonnet River Bridge until August 19, 2013, at which time; the Authority could then charge and collect tolls for the use of the bridge. The toll imposed was not to exceed ten cents (\$0.10) until April 1, 2014.

The amendment also established a special legislative commission to make a comprehensive study of all types of funding mechanisms and strategies to support Rhode Island's infrastructure. In 2014, Senate Bill 2697 Substitute A extended the final date the Rhode Island Turnpike and Bridge Authority could impose a toll on the Sakonnet River Bridge not to exceed ten cents from April 1, 2014 to May 15, 2014 (the Governor halted the tolls on June 20, 2014 after signing into law the state budget). The Commission to study all types of funding mechanisms in support of Rhode Island's transportation infrastructure held four meetings between the months of September through December of 2013 and ultimately reported its findings on January 15, 2014.

With the advent of a joint House and Senate Commission to study transportation with participants from the Department of Administration, Department of Transportation, and Rhode Island Turnpike and Bridge Authority, along with 2014 Senate Bill 2335, "Relating to Public Finance and the creation of a Rhode Island Transportation Infrastructure Fund"; Article 21 passed by the 2014 General Assembly was included as part of the final FY 2015 Appropriations Act and became Rhode Island's plan towards transportation financing. The article made several technical changes to existing law and implemented various funding streams as a means towards financing the plan.

Article 21 removed any power the RITBA would have to charge tolls on the Sakonnet River Bridge. Section 1 also ended the ten-cent toll as of June 30, 2014. The Turnpike and Bridge Authority would continue to control the four bridges in the East Bay (Newport Pell, Jamestown, Mount Hope, and Sakonnet). Tolling of the Newport Pell Bridge would continue. To make up for the loss of revenue by not tolling the Sakonnet River Bridge, Section 4 of Article 21, related to the Motor Fuel Tax, transferred three and one-half cents (3.50 cents) of the gas tax to RITBA beginning in FY 2015

Rhode Island Turnpike and Bridge Authority

to be used for maintenance operations, capital expenditures, and debt service on any of its projects in lieu of a toll on the Sakonnet River Bridge

Governor's Recommendations

Bridge and Connector Repairs – A Kushner Authorization was approved in FY 2011 for the issuance of \$68.1 million in Rhode Island Turnpike and Bridge Authority revenue bonds to be secured by tolls and other revenues. The proceeds will be used for steel superstructure repair and steel superstructure sandblasting, as well as the application of protective coatings to the various bridges under the Authority's control, as needed. The total cost of repairs to the Bridges for the period from FY 2019 to 2024 is estimated at \$109.5 million. By facility, the total cost for each for the period is budgeted as \$56.0 million for the Newport Pell Bridge, \$22.1 million for the Mount Hope Bridge, \$7.9 million for the Sakonnet River Bridge, \$15.1 million for the Jamestown-Verrazzano Bridge, \$2.2 million for the Route 138 Connector Highway, and \$6.1 million for other facilities.