

# **MINUTES OF**

## **THE RHODE ISLAND INDUSTRIAL-RECREATIONAL BUILDING AUTHORITY**

**Meeting #428 – November 2, 2005**

**PRESENT: Frank R. Benell -- Chairperson  
Frances H. Gammell-Roach -- Vice Chairperson  
Donald Harris – Member  
Michael Imbruglia, Member**

**ABSENT: Robert H. Luneberg -- Member  
Alicia A. Pomfret -- Assistant Manager**

**ALSO PRESENT: Earl F. Queenan, Jr. -- Manager  
Anthony J. Scolavino -- Sr. Financial Program Administrator  
Claudine Tikoian -- Financial Program Manager  
Thomas V. Moses, Esquire -- Legal Counsel  
Natalie A. Jackvony, Esquire -- Legal Counsel**

**The meeting was held at One West Exchange Street, Providence, and  
was called to order by Mr. Benell at 8:50 a.m.**

**Mr. Benell presented the Minutes of the Meeting of October 7, 2005. Following review, Mr. Scolavino requested that the portion of the minutes regarding the Small Business Loan Fund Corporation be revised to properly reflect the discussions at the October meeting. He asked that the type of facility with SBLFC be reflected as a term loan, rather than a line of credit. Upon discussion, the Board agreed that the SBLFC facility was intended to be a demand loan, with interest payments made monthly. An annual payment of principal, in an amount to be determined by SBLFC, would also be required. Mr. Harris made a motion to accept the Public Session Minutes and Executive Session Minutes as presented, but with the changes proposed by Mr. Scolavino and discussed by the Board, and to maintain the confidentiality of the Executive Session Minutes. Ms. Gammell-Roach seconded, and it was unanimously adopted. A roll call vote was taken:**

**Mr. Harris – aye**

**Mr. Benell – aye**

**Ms. Gammell-Roach – aye**

**Mr. Imbruglia - aye**

**Mr. Queenan presented the Watch List as of October 30, 2005. Mr. Scolavino reported on the AKL FLEXO TECH-USA, LP litigation. Mr. Scolavino stated that Mr. Kobusch was in the hospital and that there was nothing to report with regard to a settlement agreement with him.**

**The hospital visit would delay any negotiations for at least several**

weeks. Mr. Moses reported that the board meeting for Ultrafine Powder would be held later in November. Ultrafine's largest competitor is Osprey Metals Ltd., a British company ("Osprey"). Osprey's largest client is BASF. Recently, BASF has approached Ultrafine to service BASF's accounts. This would double Ultrafine's size. Mr. Moses also reported that Ultrafine is having its most successful year ever. The warrants that IRBA has for Ultrafine stock are now worth something, but Ultrafine has no available cash to purchase the warrants. The only way that Ultrafine could have available cash would be if the company is sold, and there could be some interested buyers if the sales increase due to successful acquisition of the BASF accounts.

Mr. Queenan reported that he has made a request to the State's Controller for \$3,000,000 to repay the loan that IRBA has with Bank of America. He hopes to have that money from the Controller to repay the Bank of America loan in February when the current interest rate cap expires. Following discussion, Mr. Harris made a motion to repay the Bank of America loan with the funds received from the Controller prior to expiration of the interest rate cap. Ms. Gammell-Roach seconded, and it was unanimously adopted. A roll call vote was taken:

Mr. Harris – aye

Mr. Benell – aye

Ms. Gammell-Roach – aye

**Mr. Imbruglia - aye**

**After this, a motion was made by Mr. Harris, was seconded by Mr. Luneberg, and was unanimously approved to accept the Watch List as submitted. A vote by roll call was held:**

**Mr. Harris – aye**

**Mr. Benell – aye**

**Ms. Gammell-Roach – aye**

**Mr. Imbruglia - aye**

**Mr. Queenan discussed that the open house for the Chestnut Hill Aviation project was to be held on November 17. Mr. Queenan also reported that Bank Rhode Island has decided to stay with the Quonpro/Rhody Transportation credit. Previously, Bank Rhode Island had contemplated denying a renewal of their line of credit and trying to get them to finance with another bank.**

**Mr. Queenan also discussed a request from FAE-BC Enterprises for IRBA's approval to change its name. Mr. Moses stated that his firm would review that request and then report back to the Board.**

**Mr. Queenan explained that he had met with Raymond Fogarty regarding a round table discussion to be held next year with faculty at Bryant University. The purpose of this meeting would be to gain contacts inside the University for the IRBA program as well as the**

**SBLFC program. Mr. Queenan stated that after the Bryant meeting, he will try to arrange similar meetings with Roger Williams and Johnson & Wales faculty. He also mentioned that he may ask a few Board members to attend those meetings.**

**Finally, Mr. Queenan reviewed IRBA's financial statements. He noted that the only company behind on payments is Ultrafine Powder. Mr. Moses agreed to mention that fact to Ultrafine at its board meeting later that month.**

**There being no other business to discuss, Mr. Benell requested a motion to adjourn. Ms. Gammell-Roach motioned, Mr. Harris seconded, and it was unanimously approved to end the meeting.**

**The meeting adjourned at 9:40 a.m.**