

MINUTES OF
THE RHODE ISLAND INDUSTRIAL – RECREATIONAL BUILDING AUTHORITY

Meeting #450

PUBLIC SESSION

A monthly meeting of the Board of Directors (the “Board”) of the **RHODE ISLAND INDUSTRIAL – RECREATIONAL BUILDING AUTHORITY** (the “Authority”) was held in public session and executive session at the offices of the Rhode Island Economic Development Corporation, 315 Iron Horse Way, Suite 101, Providence, Rhode Island on February 5, 2010 at 8:30 a.m., pursuant to notice of the meeting to all Directors, and public notice of the meeting as required by Rhode Island General Law 42-46-6.

PRESENT: Frank R. Benell, Chairperson
William B. Sweeney, Member
Michael S. Imbruglia, Member

ABSENT: Frances H. Gammell-Roach, Vice Chairperson

ALSO PRESENT: Earl F. Queenan, Jr., Manager
Sean W. Esten, Loan Portfolio Manager
Thomas V. Moses, Legal Counsel
Carol J. Anguilla, Moses & Afonso
Susan Morgan, Director of Accounting for the Rhode Island Economic Development Corporation

Chairman Benell presided over the meeting.

1. Call to Order

Mr. Bennell called the meeting to order at 8:40 a.m.

2. Approval of the Public Session Minutes and the Executive Session Minutes of the Meeting Held on December 11, 2009

Mr. Benell presented the Public Session Minutes and the Executive Session Minutes of the Meeting of December 11, 2009. A motion was duly made by Mr. Imbruglia, was seconded by Dr. Sweeney, and was unanimously carried to accept the Public Session Minutes and the Executive Session Minutes, each as presented. A roll call vote was taken:

Mr. Benell – aye
Dr. Sweeney – aye
Mr. Imbruglia – aye

3. Maintain the Executive Session Minutes of December 11, 2009 Confidential.

The next item to come before the Board was a vote to maintain the confidentiality of the Executive Session Minutes of the Board meeting held on December 11, 2009. A motion was duly made by Mr. Imbruglia, was seconded by Dr. Sweeney, and was unanimously carried to maintain the confidentiality of the Executive Session Minutes of the Board meeting held on December 11, 2009. A roll call vote was taken:

Mr. Benell – aye
Dr. Sweeney – aye
Mr. Imbruglia – aye

4. Review and Accept the Internally Prepared Financial Statements for the Period Ending December 31, 2009.

Mr. Queenan presented the internally prepared financial statements for the period ending December 31, 2009. After a brief discussion, a motion was duly made by Dr. Sweeney, was seconded by Mr. Imbruglia, and was unanimously carried to accept the internally prepared financial statements for the period ending December 31, 2009. A roll call vote was taken:

Mr. Benell – aye
Dr. Sweeney – aye
Mr. Imbruglia – aye

5. Other Business

Mr. Queenan informed the Board that a hearing was scheduled to be held on the following Monday, February 8, 2009 at 1:00 pm in Room 35 at the Rhode Island State House at which the House Finance Committee would hear the request of the Rhode Island Economic Development Corporation to reallocate up to \$80 million for the Authority and for the Rhode Island Industrial Facilities Corporation for the issuance of bonds and insurance related to the bonds. Mr. Queenan invited Board members to attend and testify.

Dr. Sweeney asked Mr. Moses to explain the Authority's restriction on accepting intellectual property as collateral. Mr. Moses explained that the Authority is restricted by statute to accept only hard assets as assets and any changes to that statute would require a vote of the people. Discussion ensued regarding avenues of investment opportunity in Rhode Island.

Authority staff confirmed that there were no other matters to be discussed during this portion of the public meeting.

6. Executive Session

Mr. Benell suggested that the Board move into executive session. Upon motion duly made by Dr. Sweeney and seconded by Mr. Imbruglia, the motion to move the meeting into executive session pursuant to Rhode Island Open Meetings Law 42-46-5(a)(6) of the General Laws of the State of Rhode Island, as amended, was duly adopted. A roll call vote was taken:

Mr. Benell – aye
Dr. Sweeney – aye
Mr. Imbruglia – aye

Public session concluded, members of the public exited the meeting room, and executive session began at 8:52 a.m.

7. Return to Public Session

Upon a motion duly made by Mr. Imbruglia and seconded by Dr. Sweeney, the motion to conclude executive session and return to public session was duly adopted. A roll call vote was taken:

Mr. Benell – aye
Dr. Sweeney – aye
Mr. Imbruglia – aye

Executive session concluded, members of the public were invited back to the meeting room, and public session began at 9:50 a.m.

8. Executive Session Vote

Mr. Moses presented the following summary of the motion presented and adopted by the Board in Executive Session:

With respect to the December 11, 2009 approval by the Authority's Board of Directors of Sustainable Plastic Recycling, LLC's (the "LLC") request for insurance on up to \$5,000,000 of tax exempt industrial revenue bonds issued by the Rhode Island Industrial Facilities Corporation, the Authority staff presented a request by the LLC to modify certain of the terms and conditions to the Board's prior approval. A summary of such modifications as accepted and approved by the Board are as follows:

1. That the term of the proposed insurance may be for a maximum period of up to 15 years.
2. Certain requested changes to the guaranty structure were denied by the Board.
3. There were modifications with respect to certain of the LLC members who will not provide guarantees but will instead execute long-term contracts with the LLC that are expected to sustain the LLC for at least five years.

4. The request to have Rhode Island Resource Recovery Corporation (“RIRRC”) execute an agreement for the term of the financing was refused by RIRRC and therefore the Authority will accept a duly authorized and fully executed agreement with RIRRC providing that the LLC shall be the exclusive recipient of plastic products from RIRRC for a term of no less than 2 years.
5. In lieu of previous requirements, the Authority will accept Key Man Life Insurance on the life of the plant manager for the LLC.

There being no further business to come before the Board, upon motion duly made by Dr. Sweeney and seconded by Mr. Imbruglia, the Board unanimously voted to adjourn the meeting. A roll call vote followed:

Mr. Benell – aye
Dr. Sweeney – aye
Mr. Imbruglia – aye

The meeting was adjourned at 9:56 a.m.

Respectfully submitted,

Earl F. Queenan, Jr.
Manager