

MINUTES OF
THE RHODE ISLAND INDUSTRIAL – RECREATIONAL BUILDING AUTHORITY

August 24, 2012 (#469)

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 August 24, 2012 at approximately 8:35 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
 Frances H. Gammell-Roach, Vice Chairperson
 Michael S. Imbruglia, Member

ABSENT: NONE

ALSO PRESENT: Sean W. Esten, Financial Portfolio Manager
 Thomas V. Moses, Legal Counsel, Moses Afonso Ryan Ltd.
 Ellen M. Corneau, Moses Afonso Ryan Ltd.
 Peter Chatilier, Braver P.C.
 Joseph Spagna, Braver P.C.
 James Bennett, Executive Director, Providence Economic Development Corporation, (present for a portion of the public session meeting only)

Chairman Benell presided over the meeting.

1. Call to Order.

Mr. Bennell called the meeting to order at 8:35 a.m.

2. Approval of the Public Session and Executive Session Minutes of the Meeting Held on July 27, 2012.

Mr. Benell presented the Public Session and Executive Session Minutes of the Meeting of July 27, 2012. A motion was duly made by Mr. Imbruglia, was seconded by Mrs. Gammell-Roach, and was unanimously carried to accept the Public and Executive Session Minutes as presented. A roll call vote was taken:

Mr. Benell – aye
Mr. Imbruglia– aye
Mrs. Gammell-Roach – aye

3. Maintain the Executive Session Minutes of July 27, 2012 as 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 July 27, 2012. A motion was duly made by Mrs. Gammell-Roach, was seconded by Mr. Imbruglia, and was unanimously carried to maintain the confidentiality of the Executive Session Minutes of the above noted meeting. A roll call vote was taken:

Mr. Benell – aye
Mr. Imbruglia– aye
Mrs. Gammell-Roach – aye

4. Review Draft Audited Financial Statements for the Period Ending June 30, 2012.

Mr. Esten presented the draft audited financial statements for the period ending June 30, 2012 and answered questions from the Board. Much discussion ensued regarding contingent liabilities and potential losses from CAPCO. Concerns arose over the necessity and the ramifications of showing contingent losses at 100%. After extensive discussion a motion was duly made by Mrs. Gammell-Roach and seconded by Mr. Imbruglia, and was unanimously carried to defer the vote until the next meeting. A roll call vote was taken:

Mr. Benell – aye
Mr. Imbruglia– aye
Mrs. Gammell-Roach – aye

5. The Board permitted Mr. Bennett to speak regarding a final approval resolution for 122 Fountain Street LLC.

Mr. Bennett expressed support for the project and asked the Board for their support as well. Mr. Bennett thanked the Board for their time.

6. Other Business.

Mr. Esten reported to the Board regarding the current Directors and Officers Insurance (D&O Insurance”) coverage and proposals for renewed coverage. Levels of coverage and deductibles were discussed. He noted that the Rhode Island Economic Development Corporation was currently seeking to renew its D&O coverage. It was possible that each Board going forward would maintain its own policy rather than having numerous Boards fall under one. Management was currently in the process of pricing the policies. He stated that the Board would be notified once a provider was chosen which would be in the next few weeks as the current policy was set to expire at the end of August. There was no further discussion regarding this matter.

7. Executive Session

Mr. Benell suggested that the Board move into executive session. Upon motion duly made by a motion was duly made by Mr. Imbruglia, was seconded by Mrs. Gammell-Roach, the motion to move the meeting into executive session pursuant to Rhode Island Open Meetings Law 42-46-5(a)(2), 42-46-5(a)(5), 42-46-5(a)(6) and 42-46-5(a)(7) of the General Laws of the State of Rhode Island, as amended, was duly adopted. A roll call vote was taken:

Mr. Benell – aye

Mr. Imbruglia– aye

Mrs. Gammell-Roach – aye

Public session concluded and executive session began at 9:05 a.m.

8. Executive Session Vote Ratification.

The meeting was reconvened from Executive Session to Public Session at 9:29 a.m. Mr. Moses presented the following summary of the motion presented and adopted by the Board in Executive Session:

- (a) **RESOLVED** that the Board adopt a Resolution of Approval approving the issuance and execution of a Mortgage Insurance Agreement for the benefit of 122 Fountain Street LLC upon such terms and conditions set forth in the Resolution of Approval.

9. Adjournment.

There being no further business to come before the Board, upon motion duly made by Mrs. Gammell-Roach, was seconded by Mr. Imbruglia, the Board unanimously voted to adjourn the meeting. A roll call vote followed:

Mr. Benell – aye

Mr. Imbruglia– aye

Mrs. Gammell-Roach – aye

The meeting was adjourned at 9:30 a.m.

Respectfully submitted,

/e/ Earl Queenan
Earl F. Queenan, Jr., Manager