



ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY

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**MINUTES OF THE 89TH MEETING OF THE
ARKANSAS SCIENCE & TECHNOLOGY AUTHORITY
BOARD OF DIRECTORS
LITTLE ROCK, ARKANSAS
NOVEMBER 19, 1999**

CALL TO ORDER

The meeting was called to order at 1:30 p.m. by Dr. Merlin Augustine, Chairman of the Board, in the Board Room of the Arkansas Capital Corporation in Little Rock.

A quorum of Board members was present and included: Dr. Gene Aist, Dr. Joel Anderson, Dr. Mary Good, Mr. Joe Hudson, Mr. D.W. May and Mr. Ron Roberts.

Staff members presented included: Ms. Melissa Adams, Dr. John Ahlen, Mr. Bob Alvey, Mr. Jerry Buckingham, Mr. Kevin Carr, Mr. Roger Edwards, Ms. Namratha Hegde, Mr. Les Lane, Dr. Herbert Monoson, Mr. Chuck Myers and Ms. Joyce Sadler.

Visitors included: Ms. Carol Griffee from Editorial Services, Inc. and Mr. Don Melton from the Governor's Office.

APPROVAL OF MINUTES

Dr. Augustine presented the minutes from the September 17, 1999 Board meeting. Dr. Anderson made a motion for the approval of the minutes. Mr. Roberts seconded the motion; the Board gave its unanimous approval.

PRESIDENT'S REPORT

Dr. Ahlen introduced one new staff member. Namratha Hegde is the Management Project Analyst for the Manufacturing Extension Network. She replaced Sheryl Bollen.

The Authority's audit report was submitted to the legislative audit committee. It was reviewed favorably.

The staff has submitted a request to the Governor asking for the release of funds for the Arkansas Research Matching Fund. No response to the request has been received.

Dr. Ahlen reported that the Authority has a new liaison in the Governor's Office. Don Melton replaces Rebekah Lee.

Board member Anthony Rampley submitted his resignation to the Governor. Mr. Rampley resigned due to the possible conflict of interest concerning an Authority funded company that he is involved with. The Governor's Office is working to fill his slot along with the additional two vacancies currently on the Board.

Dr. Ahlen reported that Jerry Buckingham, director of the Manufacturing Extension Network, submitted his resignation effective January 7, 2000. Dr. Ahlen thanked Jerry for his contributions to the Authority and the Network. Dr. Ahlen and Chuck Myers will be working on incorporating the Network into the Authority during the upcoming year.

Dr. Ahlen, Don Melton and Mark Diggs are currently working on the 2001 Governor's Technology Initiative, which involves helping to develop the Governor's legislative package for the next legislative session.

Dr. Ahlen asked Don Melton, who was in attendance at the meeting, to say a few words.

Mr. Melton stated that the Governor intends to make technology the centerpiece of his legislative package. In developing these initiatives, the Governor has three basic questions that must be answered. (1) Will funded projects enhance the quality of life for Arkansas? (2) Will these projects enhance the viability of Arkansas? (3) Will it help make government more accessible to citizens?

Mr. Melton stated that his job is to look at the big picture. Arkansas doesn't have all the money to fund every technology project, so the state has to be careful and get the most it can in its infrastructure.

Mr. Melton stated that he looked forward to working with the Authority.

INDUSTRY COMMITTEE REPORT

Mr. May presented the Industry Committee Report.

Draft Resolution 00-16

Draft Resolution 00-16 provides for the formal acceptance of Network Technology Transfer Assistance Grant (TTAG) projects

funded since September 17, 1999. There were a total of six projects funded.

Assisted Enterprise	Application Description	TASP	TTAG Funds
Arkansas Metallurgical Laboratories Searcy, AR 00-NTTAG-0008	Development and implementation of work instruction manual. App. Rec'd 8/17/99	Quality Management Systems	\$2,500
Davis Petroleum Services Little Rock, AR 00-NTTAG-0009	Develop and implement an ISO 9002 quality management system App. Rec'd 9/8/99	Quantum Quality Inc.	\$3,750
Advanced Construction Systems Bryant, AR 00-NTTAG-0010	Plant layout and Equipment modify or buy App. Rec'd 9/28/99	Winrock/ Harry Watt	\$3,750
Lianne Fisher Company Greenway, AR 00-NTTAG-0011	Develop a VHS program for teaching sales of their products App. Rec'd 10/7/99	ASU	\$2,500
Arkansas Wood Doors, Inc. Pottsville, AR 00-NTTAG-0012	Define equipment, management, marketing, skills to use membrane hot press for door manufacturing. App. Rec'd 10/7/99	Winrock/ Donald L. Morgan	\$3,750
Mid South Roller Clarksville, AR 00-NTTAG-0013	Phase III of ISO 9002 certification App. Rec'd 10/12/99	Quality Systems International, Inc.	\$3,750

Mr. May made a motion for the approval of Draft Resolution 00-16. Dr. Good seconded the motion; the Board gave its unanimous approval.

Draft Resolution 00-17

Draft Resolution 00-17 will provide monies for funding recommended projects under the Network Technology Transfer Assistance Grant (TTAG) Program during the third quarter of state fiscal year 2000. The funding is in an amount not to exceed \$50,000.

Mr. May made a motion for the approval of Draft Resolution 00-17. Dr. Good seconded the motion; the Board gave its unanimous approval.

Draft Resolution 00-18

Draft Resolution will provided monies for funding Y2K projects under the Network Technology Transfer Assistance Grant (TTAG) Program during the third quarter of state fiscal year 2000. The funding is in an amount not to exceed \$28,750.

Mr. May made a motion for the approval of Draft Resolution 00-18. Dr. Good seconded the motion; the Board gave its unanimous approval.

Mr. May stated that there have not been many requests for the Y2K funds. He suggested that the staff look into advertising the availability of these funds. It was suggested that the Authority use the state and local chambers of commerce for this.

Dr. Ahlen stated that the staff would contact the chambers of commerce and the state's Y2K project office about advertising the availability of these funds.

Resolution 99-31 (Amended)

Amended Resolution 99-31 would increase funding for two partners of the Arkansas Manufacturing Extension Network. The amendments are as follows:

Two field staff positions at the Institute for Economic Advancement, University of Arkansas at Little Rock, in an amount not to exceed \$200,250; and

One field staff position at the Center for Competitive Manufacturing, Southern Arkansas University Tech, in an amount not to exceed \$104,000.

UALR's funding was changed from \$196,000 to \$200,250 to allow the staff to replace a computer that crashed. Southern Arkansas University-Tech's funding was changed from \$98,900 to \$104,000. This will be used for additional travel expenses for the field engineer.

Mr. May made a motion for the approval of Amended Resolution 99-31. Dr. Good seconded the motion. Dr. Anderson stated that UALR was the institution of his affiliation. The Board gave its unanimous approval.

Network Guidelines

Mr. May reviewed the Network guidelines with the Board. He stated that one of the things that will change is that the TTAG projects will be presented as a report, not a resolution. This change should cut down on the amount of time taken at Board meeting for these items.

Mr. May made a motion for the approval of the guidelines. Dr. Anderson seconded the motion; the Board gave its unanimous approval.

INVESTMENT COMMITTEE REPORT

Dr. Gene Aist presented the Investment Committee Report.

Dr. Aist presented the FY00 General Fund Expenditure Report and the Investment Fund Report for the quarter ending September 30, 1999.

Draft Resolution 00-19

Draft Resolution 00-19 provides for the formal acceptance of Technology Transfer Assistance Grant (TTAG) projects funded since September 17, 1999. There were a total of five projects funded.

Assisted Enterprise	Application Description	TASP	Funds
EBW Farms Arkadelphia, AR 00-TTAG-0011	Product Development & Design Assistance App. Rec'd 8/13/99	HSU	\$ 2,900
LMAC & Associates Pine Bluff, AR 00-TTAG-0012	Product Development & Design Assistance App. Rec'd 9/1/99	Cates & Company	\$ 2,500
Arkansas Power & Electronics Fayetteville, AR 00-TTAG-0014	SBIR Assistance App. Rec'd 10/15/99	APEI	\$ 3,750
Space Photonics, Inc. Fayetteville, AR 00-TTAG-0015	SBIR Assistance App. Rec'd 10/15/99	SPI	\$ 3,597
Rural Industries Research & Development Corporation Coy, AR 00-TTAG-0016	SBIR Assistance App. Rec'd 10/27/99	Dr. Worstell	\$ 2,500

Mr. Roberts made a motion for the approval of Draft Resolution 00-19. Dr. Aist seconded the motion; the Board gave its unanimous approval.

Draft Resolution 00-20

Draft Resolution 00-20 will provide monies for funding recommended projects under the Technology Transfer Assistance (TTAG) Program during the third quarter of state fiscal year 2000. The funding is in an amount not to exceed \$50,000.

Dr. Aist made a motion for the approval of Draft Resolution 00-20. Mr. Roberts seconded the motion; the Board gave its unanimous approval.

Draft Resolution 00-21

Draft Resolution 00-21 would provide for the investment of monies under the Technology Development project, "OLR-300 On-Line Respirometer," submitted by Challenge Technology Companies. The investment is in an amount not to exceed \$50,000.

This investment will assist in the further development and manufacturing of an on-line respirometer, a monitoring instrument used during the treatment of waste water, to measure the oxygen demands of living organisms in treatment plants and to measure the response of the treatment processes to variations in industrial wastewater's received by treatment plants. This technology will allow the integration of process control strategies to optimize plant operation and detect possible toxicity.

Les Lane stated that this project received high review marks from outside reviewers.

Board members stated that they would like to have more information made available to them when presented with technology development projects. They stated that although a business plan is not required for this program, it would be helpful to have one. Having a business plan would help the Board in determining if the investment has market viability and if there are any similar products already on the market.

There being no further discussion, Dr. Anderson made a motion for the approval of Draft Resolution 00-21. Dr. Good seconded the motion; the Board gave its unanimous approval.

RESEARCH COMMITTEE REPORT

Dr. Anderson presented the Research Committee Report.

Draft Resolution 00-22 would provide for the funding of one basic research project.

PROPOSAL NO. 00-B-12, "Bacterial Tracing in Karst Terrane," by Dr. Ralph K. Davis, Dr. Greg Thoma, and Dr. Paul Vendrell of the University of Arkansas, Fayetteville, in the amount not to exceed \$56,902.00.

Dr. Anderson made a motion for the approval of Draft Resolution 00-22. Mr. Roberts seconded the motion. Dr. Augustine stated that UAF was the institution of his affiliation. The Board gave its unanimous approval.

Draft Resolution 00-23

Draft Resolution 00-23 would provide for the funding of two basic research projects.

PROPOSAL NO. 00-B-13, "Can Biological Residues from Past Lichen Activity Provide Information on Climate Change," by Dr. Jon Russ of Arkansas State

University, in the amount not to exceed \$31,686.00.

PROPOSAL NO. 00-B-14, "Theoretical Study of Ultra-Relativistic Heavy-Ion Collisions," by Dr. Bao-An Li of Arkansas State University, in the amount not to exceed \$34,296.00.

Dr. Anderson made a motion for the approval of Draft Resolution 00-23. Dr. Aist seconded the motion; the Board gave its unanimous approval.

NEW BUSINESS

Committee Assignments

Dr. Augustine made committee assignments for the upcoming year.

EXECUTIVE COMMITTEE: Merlin Augustine, Chair; Ron Roberts; and chairs of each committee.

RESEARCH COMMITTEE: Joel Anderson, Chair; Bill Dempsey; Charles Hathaway; and Harry Ward.

INVESTMENT COMMITTEE: Stephen Nipper, Chair; Gene Aist; and Joe Hudson.

INDUSTRY COMMITTEE: D.W. May, Chair; Mary Good; and Ron Roberts.

Dr. Augustine stated that due to the resignation of Anthony Rampley, the Vice Chair slot is vacant. Dr. Charles Hathaway was appointed to serve as the nominating committee to fill the slot at the next Board meeting.

Meeting Dates for 2000

The Board meeting dates for 2000 are: January 21, March 17, May 19, September 15 and November 17.

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 2:33 p.m.

Respectfully submitted,



Ron Roberts
Secretary
Board of Directors

Approved by the Board of Directors
on this 21st day of January, 2000



Ron Roberts
Secretary
Board of Directors