

**MINUTES OF THE
INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF OAK RIDGE**

May 5, 2014

A regular meeting of the Industrial Development Board of the City of Oak Ridge, Tennessee, convened at 4:00 p.m. on May 5, 2014 in the Training Room of the Municipal Building. David Wilson, Chairman, call the meeting to order.

ROLL CALL

The following members were present: Richard Chinn, Lou Dunlap, Chris Johnson, David Mason, Hal Osucha, Buzz Patrick, Harold Trapp and David Wilson.

The following member was absent: Melissa Friederich

Also present were: Ken Krushenski; Oak Ridge City Attorney, Doug Colclasure; Citizen of Oak Ridge City, Parker Hardy; President, Chamber of Commerce, Steve Jones; City of Oak Ridge, Ron Asher; Ridge Realty, and Jennifer Johnson; Administrative Assistant to the IDB.

APPROVAL OF THE AGENDA

Mr. Mason made a motion to approve the agenda. Mr. Trapp second the motion. The motion carried unanimously.

APPROVAL OF THE MINUTES

April 7, 2014 – Mrs. Dunlap made a motion to approve April 7, 2014 minutes. Mr. Trapp second the motion. The motion carried unanimously.

TREASURER'S REPORT

Mr. Johnson reported the cash balance to date is \$465,002.69. No revenue was applied and the expenses were \$4200 and are reflected in the financial statement. The Finance Committee was very productive. We are working on developing policies and procedures on investments and expenditures for the Boards consideration to help guide those issues. We have agreed to quarterly meetings with a standing agenda based on the committee's responsibilities. Jennifer will be drafting those for review. We have a meeting set for May 22, 2014 among other items, so that the Committee can review the draft budget that would then come to the Board for consideration at the June meeting. There was discussion about investments and certificates of deposits. Jennifer is also looking into some sample policies as to what are we are allowed to invest in and it may be straight forward but we want to get that guidance. We are still waiting to receive Dale Isabel's Engagement letter which should be receive and completed by next week. There is a CD on the balance sheet that shows it matured on 4/19 and the committee discussed that the last time we met. We called for competitive rates, Jennifer called to get list of options and Community Trust Bank came back with a better rate and we did reinvest that in a 12 month term at .59 basis points.

Mr. Johnson commented that Mr. Trapp had made a suggestion to move some of the money in the general fund account into a money market that's earning a higher rate. Mr. Trapp commented that he had called around and got a rate of .29% with Community Trust Bank.

Mr. Trapp made the motion to transfer \$100,000 from the general fund account into a money market account at Community Trust Bank. Mr. Mason second the motion.

Mr. Wilson initiated a vote on the call in question. Three in favor of the call. Four opposed to the call. The call fails.

Mr. Wilson asked if anyone wanted to amend the motion and go to \$200,000 instead of \$100,000. Mrs. Dunlap moved to amend the motion to \$200,000. Mr. Trapp second.

Mr. Wilson asked if there was discussion on that motion. Vote to amend the motion with 6 responded with approval. Two opposed.

Motion will now be to transfer \$200,000 from the general fund account to a money market at Community Trust bank. Vote was 7 approved and one opposed.

Mr. Patrick made a motion to accept the financial reports as given. Mr. Mason second the motion. The motion carried unanimously.

PROSPECT ACTIVITY REPORT

Mr. Hardy reported that retail activity is at a pause as everyone gets ready for the International Retail conference in a couple of weeks. We will have appointments set with 6-7 specific new prospects. Most of these are tenant representatives. Which means they handle multiple lines of business. A typical tenant rep might handle 5-6 different stores.

The plan is for Wescott Center to have their grand opening at the end of June. We are hopeful that they will be in a position soon to announce who their tenants will be. Prior to the end of June we will have a new set of retail data for review.

Mr. Jones reported prospect activity continues to be high but couldn't give any more information at this time due to client confidentiality. Up until about 30 day ago, prospects were looking for raw land, 300,000 sq. ft. spec building or larger. In the last week we have had two looking for 100,000 sq. ft. spec building. The Board might want to keep that information for future decisions.

ATTORNEY REPORT

Mr. Krushenski reports that the Pilot reports are all back and looks like that based on preliminary numbers that everyone has met their goals. There is a pending Bankruptcy Chapter 11 with USEC. We are really not able to do a whole lot with them until they finalize their reorganization plan approved but I'm under the impression from talking to their attorneys in bankruptcy court that everything will be paid 100%.

COMMITTEE REPORTS

- a. Finance Committee – No report
- b. Land Use Committee –
 1. Mr. Osucha reported that the survey work that Lackey and Associates did at Horizon Center is complete.
 2. Mr. Osucha made an inquiry on the status of RSI and their building plans and wanted to invite them to the next monthly meeting to possibly discuss. Mr. Wilson responded that he would look into it and see what he could do.

3. Ridge Realty Marketing Report – Mr. Asher reported he is still working with the same prospect that is looking at the lot in Bethel Valley but they are working on other projects at this time.
- c. Special Projects Committee – No report.
- d. Spec Building Committee – No report.
- e. Policies and Procedures Committee – No report.

OLD BUSINESS

- a. TVA Investprep – Jennifer attended a meeting in Franklin, TN last week and TVA went over the requirements for the application. The application will be ready for submittal next Monday, May 12, 2014.
- b. Protomet Opening – Mr. Wilson reported that he attended the opening and the turnout was good and a tour through their new facility. Mr. Wilson recommend that the Board visit and tour the facility

NEW BUSINESS

No new business

ADJOURN

Mr. Mason made a motion to adjourn the meeting. Mr. Trapp second the motion. The motion carried unanimously.

The meeting adjourned at 4:40 p.m.

APPROVED BY THE INDUSTRIAL DEVELOPMENT BOARD

June 2, 2014



Chris Johnson
Secretary/Treasurer