

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

June 2, 2014

A regular meeting of the Industrial Development Board of the City of Oak Ridge, Tennessee, convened at 4:00 p.m. on June 2, 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, Melissa Friederich, Harold Trapp and David Wilson.

The following member was absent: Buzz Patrick

Also present were: Ken Krushenski; Oak Ridge City Attorney, Doug Colclasure; Citizen of Oak Ridge City, Parker Hardy; President, Chamber of Commerce, Ray Evans; City of Oak Ridge, Ron Asher; Ridge Realty, Keith Craft; BWSC, 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

May 5, 2014 – Mr. Mason made a motion to approve May 5, 2014 minutes. Mr. Osucha second the motion. The motion carried unanimously.

TREASURER'S REPORT

Mr. Johnson reported that pursuant to action taken by the Board last month, we did open a Money Market at Community Trust Bank. \$200,000 was deposited and this was executed last month. \$77 of interest was earned. The detail of expenses are listed in Attachment A. We are in process of looking at the books and records, there are two main areas of expenses that have been reclassified. There's no net effect of that. In one, monies was taken out of Contingency Repairs and put into Certified Site Upkeep based on a better allocation of that line item. Additionally, reclassification from Administrative Services monies were moved into the ORCC Management Services for payments to the Chamber and City support.

Mr. Trapp 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 most recent activity has been in the retail area. After attending the International Council of Shopping Centers Recon Conference in late May, one of our consulting firms helped set up a number of appointments with representatives. We were face to face with parties representing at least 24 retailers, restaurants, and a few hotels. We had good conversation with Crosland and a number of companies that are interested in locating in the redevelop center of the city. I

have currently been in the process of following up with all the contacts made at the conference. I anticipate to wrap up the follow up calls by middle of next week. We will stay in touch with the contacts until the trail goes cold.

Mr. Evans reported that he met with some developers from Nashville that are looking to build here in town.

ATTORNEY REPORT

No report.

COMMITTEE REPORTS

- a. **Finance Committee** – We had a committee meeting on the 22nd. We had good discussion and have draft ideas for policies and expenditures. At this time, we are not ready to present those to the Board yet. We also created Quarterly Standing agendas to stay on top of these responsibilities. We did discuss in relation to investment policies, to hold from making any additional allocations. Primarily because we want to see if we can get the investment policy taken care of and bring clarity to authorization, etc. We also wanted to follow through with deposit insurance just to make sure we had our ducks in a row. With significant concentrations in institutions today, before we move further, we want to understand those issues as well. We also covered the 2014 Audit and want to acknowledge that Dale Isabell will be doing our audit again this year.

Discussing the budget preparation, only a few key assumptions were made. Primarily, it says that we will continue to operate in FY 2015 the same manner as we did this past year. Two big key assumptions are the sale of land at Horizon Center. That may or may not happen. The other key assumption was acting on the power issue and bringing power out to Area 5 in Horizon Center. Revenue of \$350,000 from the TVA grant that has been applied for and then \$750,000 in expense. So, there is a net of \$400,000 of use of IDB funds to develop the power.

Mr. Osucha added a comment that line items 103 and 104 are blank and that we have made the assumption that there will be no Pilots in 2015. If we do receive any Pilots, it will generate a favorable reserve. For line item 220, hopefully we will have power coming in soon to Horizon Center. There is a possibility that a private developer might pay for the power distribution if the property is sold.

Mrs. Dunlap moved to approve the Budget as presented. Mr. Mason second the motion. The motion passed unanimously.

- b. **Land Use Committee** –

1. Survey work from Lackey and Associates has been completed. The entire property line for Area 5 is marked. They also marked the western entry point of Area 6. This will help to identify where to go in with power.
2. Ridge Realty contract renewal for one year has been renewed with Mr. Asher.

Mrs. Dunlap moved to approve the renewal of Mr. Asher's contract. Mrs. Friederich second the motion. The motion passed unanimously.

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.

- c. **Special Projects Committee** – No report.
- d. **Spec Building Committee** – No report.
- e. **Policies and Procedures Committee** – No report.

OLD BUSINESS

No old business.

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 4:33 p.m.

APPROVED BY THE INDUSTRIAL DEVELOPMENT BOARD

July 7, 2014

A handwritten signature in black ink, appearing to read "Chris Johnson", written over a horizontal line.

Chris Johnson
Secretary/Treasurer