

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

**May 2, 2016**

A regular meeting of the Industrial Development Board of the City of Oak Ridge, Tennessee, convened at 4:00 p.m. on May 2, 2016 in the Training Room of the Municipal Building. David Wilson; Chairman, declared there to be a quorum and called the meeting to order.

**ROLL CALL**

The following members were present: Dave Mason, Richard Chinn, Hal Osucha, Chris Johnson, Harold Trapp, Phillip Yager, and David Wilson

The following members were absent: Louise Dunlap and Buzz Patrick

Also present were: Parker Hardy, Chamber of Commerce; Ray Evans, City of Oak Ridge; Steve Jones, City of Oak Ridge; Ken Krushenski, City of Oak Ridge; Mark Watson, City of Oak Ridge; Kathryn Baldwin, City of Oak Ridge; Bob Fowler, Knoxville News Sentinel; Doug Colclasure, Oak Ridge Citizen; Ben Jordan, Centrus Energy; and Samantha Royster, Executive Assistant to the IDB.

**APPROVAL OF THE AGENDA**

Mr. Wilson asked to amend the Agenda to add another item under New Business as follows:

d. Building in Horizon Park

Mr. Mason made a motion to approve the agenda as amended. Mr. Osucha seconded the motion. The motion carried unanimously.

**APPROVAL OF THE MINUTES**

Mr. Mason made a motion to approve the minutes of the regular meeting held April 4, 2016 as presented. Mr. Trapp seconded the motion. The motion carried unanimously.

**TREASURER'S REPORT**

Mr. Yager presented the financial report for April 2016, and the highlights of the financial statements are as follows:

Balance sheet

- The only change to the balance sheet from previous month is the total cash amount that had a net decrease of approximately \$14,022 that will tie into the net income on the P & L

Profit & Loss

- Interest income received for April totaled \$272
- Quarterly rent was paid to the Chamber in the amount of \$3,000
- Utility payments were \$337. The slight increase is due to the re-activation of the winterized utility meters at Horizon Center
- \$6,150 payment was made to Copperhead Environmental Consulting Services, charged to GL 208 (Support Services-Engineering), for costs associated with the Phase I Bat Habitat Assessment of Areas 5 & 6 in Horizon Center
- A \$3,500 expense from October 2015 was moved from GL 207 (Marketing) to GL 208 (Support Services-Engineering)
- Other regular expenses in April were - Management Services totaling \$2,500, Office Equipment & Supplies of \$12, and Mowing & Landscaping totaling \$2,295

Mr. Mason made a motion to approve the financial report as given. Mr. Trapp seconded the motion. The motion carried unanimously

## **PROSPECT ACTIVITY REPORT**

Mr. Evans reported that the final TIF documents associated with Main Street Oak Ridge project will be ready for review by City attorneys/staff and lenders within the next two weeks.

Mr. Hardy reported that the Chamber has been in contact with 68 retail and commercial prospects this year. Prospects include new and existing industry including 3 industrial expansions. Mr. Hardy also reported some new residential real estate investor activity last month, as well as meetings with some legacy shopping center developers.

Mr. Hardy also reported that 5 representatives will be attending the annual International Council of Shopping Centers (ICSC) RECON convention this month in Las Vegas. He will report on their activity at the June IDB meeting.

Mr. Jones reported that prospect activity slowed down in April after a couple months of heavy activity, and he has nothing new to report.

## **ATTORNEY REPORT**

Mr. Krushenski stated that he reviewed documents associated with some of the items on today's agenda, and he will participate in the discussion of these items as they are presented.

## **EXECUTIVE ADMIN. REPORT**

Ms. Royster included a written report with the May 2016 board packet detailing the management support services she provided to and on behalf of the IDB for April 2016. The board had no follow-up questions regarding the report.

Mr. Mason made a motion to accept the report as given. Mr. Trapp seconded the motion. The motion carried unanimously.

## **COMMITTEE REPORTS**

### a. Finance Committee

Mr. Yager reported that he has scheduled a finance committee meeting for May 11<sup>th</sup> @ 11:30 A.M. at the Chamber to finalize the FY2017 budget and Investment Policy.

### b. Land Use Committee

1. Mr. Osucha reported that we are still working with American Forest Management (AFM), Copperhead Consulting, and the U.S. Fish and Wildlife Service (USFWS) on the clearing of trees in Areas 5 & 6 in Horizon Center. He reported that due to additional issues regarding the bat assessment, AFM and Copperhead have both been asked to do additional work with the IDB. The additional work includes re-visiting Area 5 to look for additional, secondary roost trees, a conference call during land committee meeting on April 6, 2016, and attending an upcoming meeting with the USFWS on May 1<sup>st</sup>. Mr. Osucha reporting that there are still funds available to pay Copperhead for their additional work associated with the Board's December 2015 motion approving up to \$8,000 to Copperhead for the Phase I Bat Assessment. Only \$6,150 had been paid to Copperhead to date. However, no additional funds have been approved by the Board for additional work by AFM.

Mr. Osucha made a motion that the Board approve a contract with American Forest Management for additional services associated with the clearing of land in Areas 5 and 6 in Horizon Center not to exceed \$2,400. Mr. Chinn seconded the motion. The motion carried unanimously.

2. Mr. Osucha reported that all items have been submitted to TNECD for the recertification of Horizon Center Area 6, and they are currently under review.
3. Mr. Chinn report that he, Mr. Osucha, and Pat Fallon with the City of Oak Ridge met at Horizon Center to look at bridge abutment damage/deterioration caused by freezing temperatures. Fieldstone was added to the bridge abutments for aesthetics when constructed in the late 1990's and has deteriorated over time.

The bridges are on City right-of-ways but are not City owned property, and the IDB is responsible for any repairs to them. The damage does not pose a safety hazard at present. Mr. Chinn suggests that the IDB budget approximately \$12,000 in FY2017 for bridge repairs.

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

Mr. Yager reported that a final version of the Investment Policy will be reviewed by the Finance Committee at the meeting next week.

### **OLD BUSINESS**

None

### **NEW BUSINESS**

- a. Mr. Wilson asked Mr. Hardy to brief the Board on the Oak Ridge Economic Development Initiative's involvement with the IDB's possible acquisition of property adjacent to the Protomet facility on Bethel Valley Road from the GSA. Mr. Hardy report that meetings were held with DOE, the GSA, the IDB, and IDB Counsel to determine if anything could be done to facilitate the timeline for acquiring the 19.5 acre parcel of land. Pursuant to these meetings, the Chamber of Commerce/EDI entered into a License Agreement with DOE and a contract for professional services with McGrew Engineering to provide a boundary survey on the land parcel.

Mr. Johnson made a motion to approve the IDB enter into an Agreement with the EDI regarding the reimbursement of survey costs as described in Exhibit A attached to these minutes. Mr. Chinn seconded the motion. The motion carried unanimously.

- b. Mr. Wilson asked Ben Jordan, Manufacturing Manager for Centrus Energy, to brief the Board on a request by Centrus to sublease a portion of their building to ARMEC. The IDB is the property owner of record, and Centrus (formerly USEC) is under a PILOT Lease Agreement with the IDB. Mr. Jordan stated that in accordance with the lease agreement, Centrus is required to get approval from the IDB in order to sublease a portion of their building to another company who is not under the sole supervision of Centrus. ARMEC will do business with Centrus as well as other companies. Mr. Krushenski has reviewed and approved the Consent to Sublease agreement prepared by the attorney for Centrus Energy Corp.

Mr. Trapp made a motion to approve a Landlord Consent to Sublease agreement with Centrus Energy Corp. (See Exhibit B attached to these minutes) Mr. Yager seconded the motion. Mr. Mason abstained. All other members voted yes. The motion carried.

- c. Mr. Wilson discussed the engagement of Dale Isabell, CPA to perform the FY2016 audit. Mr. Wilson noted that Mr. Isabell's fee did not increase over last year's cost and is very reasonable at \$3,500.

Mr. Trapp made a motion to approve the engagement letter with Dale Isabell, CPA for FY2016 Audit Services (See Exhibit C attached to these minutes) Mr. Mason seconded the motion. The motion carried unanimously.

- d. Mr. Wilson stated that he and the City recently learned of a proposal by DOE to build a mercury research facility on one of the natural areas in Horizon Center. Mr. Krushenski stated the City only learned of the proposal last week when DOE contractors contacted Ms. Baldwin in Community Development regarding setbacks and building codes for an 1800 square foot, metal building to be located in a natural area in Horizon Center adjacent to the RSI property.

Neither DOE nor UCOR ever contacted the City or the IDB regarding the project. Initial messages between the City/IDB and DOE regarding the project being noncompliant with Horizon Center Covenants resulted in DOE stating that they was not a party to the Covenants and DOE owned natural areas were not part of the covenants; however, Mr. Krushenski stated that he is following up on information that natural areas were required as part of a Finding of No Significant Impact (FONSI) document issued by DOE stating that natural areas were required as part of the establishment of the industrial park and were not to be built upon.

Mr. Wilson stated that he and the City met with DOE officials and developers earlier today regarding the project. Mr. Wilson stated that he told DOE that he would strongly recommend to all members of the IDB that they oppose building the facility in Horizon Center, because it would be extremely detrimental to the future of the industrial park. Mr. Wilson stated that DOE officials indicated they would place the project on hold and take our concerns and comments back to the decision makers before continuing with the current plan.

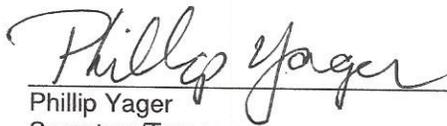
### **ADJOURN**

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

The meeting adjourned at 4:52 P.M.

APPROVED BY THE INDUSTRIAL DEVELOPMENT BOARD

June 6, 2016

A handwritten signature in cursive script that reads "Phillip Yager". The signature is written in black ink and is positioned above a horizontal line.

Phillip Yager  
Secretary/Treasurer

'Exhibit A'

# IDB

**Industrial Development Board  
of the City of Oak Ridge**  
1400 Oak Ridge Turnpike  
Oak Ridge, TN 37830

ph (865) 362-0002  
oridb01@gmail.com  
www.oridb.net

## Board of Directors

David E. Wilson  
Chairman

Buzz Patrick  
Vice Chairman

Phillip Yager  
Secretary-Treasurer

Richard G. Chinn

Louise B. Dunlap

Chris Johnson

David L. Mason

H.D. Osucha

Harold Trapp

Samantha W. Royster  
Executive Assistant

## AGREEMENT

This Agreement entered into this 2<sup>nd</sup> day of May, 2016 by and between The Industrial Development Board of the City of Oak Ridge, 1400 Oak Ridge Turnpike, Oak Ridge, TN 37830 hereinafter referred to as the "IDB," and the Oak Ridge Economic Partnership d/b/a the Oak Ridge Economic Development Initiative, 1400 Oak Ridge Turnpike, Oak Ridge, TN 37830 hereinafter referred to as the "EDI."

WITNESSETH:

WHEREAS, the IDB may acquire from the General Services Administration an area of land owned by the U.S. Department of Energy to be used for economic development and located on Bethel Valley Road, commonly known as Self Sufficiency Parcel #13, hereinafter referred to as the "Property";

WHEREAS, the IDB has a need for a professional boundary survey on the Property;

WHEREAS, the EDI has agreed to procure and pay for the professional boundary survey on the Property at a cost up to \$11,000.00;

THEREFORE, the parties to this Agreement hereby acknowledge the following:

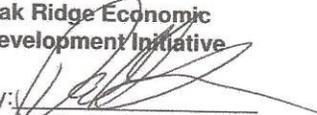
1. That if the IDB acquires the Property and then contracts to sell the Property to any prospect, it will build reimbursement costs of the boundary survey paid for by the EDI into the sale price of the Property.
2. The IDB will reimburse the EDI the cost of the boundary survey upon closing of the sale of the Property.

The parties hereto have executed this Agreement as of the date first written above:

**The Industrial Development  
Board of the City of Oak Ridge**

By:   
Name: David E. Wilson  
Title: Chairman

**Oak Ridge Economic  
Development Initiative**

By:   
Name: Parker Hardy  
Title: President

## 'Exhibit B'

### CONSENT TO SUBLEASE

This LANDLORD CONSENT TO SUBLEASE ("Consent") is dated and effective as of May 2, 2016, by and between the Industrial Development Board of the City of Oak Ridge, Tennessee, a Tennessee public nonprofit corporation, and Centrus Energy Corp., a Delaware corporation (the "Centrus" or the "Tenant"). All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Lease (as defined below).

WHEREAS, Landlord is the owner and landlord of the real property located at 400 Centrifuge Way, in the City of Oak Ridge, State of Tennessee, and a one-story building, including improvements located therein, situated on such Land (the "TMC");

WHEREAS, Tenant (as successor to USEC, Inc.) and Landlord are party to that certain Lease Agreement, dated as of September 1, 2008, by and between Landlord and USEC Inc., a Delaware corporation (the "Lease"), pursuant to which Landlord leases to Tenant the Project, which includes the TMC;

WHEREAS, Tenant and [ARMEC Corporation], a [Tennessee] corporation ("Subtenant") desire to enter into a sublease agreement ("Sublease"), pursuant to which Tenant will sublease to Subtenant approximately 10,000 square feet of the TMC ("Subleased Premises");

WHEREAS, pursuant to Section 16.01 of the Lease, Tenant must obtain Landlord's written consent prior to subletting all or any portion of the Project; and

WHEREAS, Tenant hereby requests Landlord's consent, and Landlord hereby consents, to Tenant subletting the Subleased Premises to Subtenant upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals. The foregoing recitals are hereby incorporated by reference.
2. Consent to Subletting. Subject to the satisfaction of the conditions set forth herein, Landlord hereby consents to the subletting of the Subleased Premises by Tenant to Subtenant on the terms and conditions set forth herein.
3. Sublease Subject and Subordinate to Lease. The Sublease shall be subject and subordinate at all times to the Lease. In the case of any conflict between the provisions of the Lease and the provisions of the Sublease, the provisions of the Lease shall govern.
4. Representations of Landlord. Landlord hereby represents and warrants, as of the date hereof, that (i) Landlord has full power and authority to enter into this Consent, (ii) the Lease is in full force and effect, (iii) to the best of Landlord's knowledge, Tenant is not in default thereunder; and (iv) Landlord has received no notice that it is in default under the Lease nor has Landlord any knowledge of the existence of any condition or the occurrence of any event which, if not timely acted upon, would result in Landlord's default under the Lease.
5. Tenant Not Released. Neither the Sublease nor this Consent shall release or discharge Tenant from any covenants, duties, agreements or liabilities under the Lease. Tenant shall remain responsible for the full performance and observance of all of the provisions, covenants and conditions set forth in the Lease on the part of Tenant to be performed and observed.
6. Consent Limited to Subletting. This Consent shall be deemed to be limited solely to the subletting of the Subleased Premises by Tenant to Subtenant pursuant to the Sublease.

7. Termination of Lease. If at any time prior to the expiration or termination of the Sublease, the Lease shall expire or terminate for any reason, the Sublease shall automatically and simultaneously expire or terminate.

8. Entire Agreement. This Consent contains the entire agreement of the parties with respect to the matters set forth herein and may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest.

9. Paragraph Headings. The paragraph headings appearing herein are for purposes of convenience only and are not deemed to be part of this Consent.

10. Governing Law. This Consent shall be construed in accordance with the laws of the State of Tennessee without regard to the choice of law rules of that state.

11. Severability. If any term or provision of this Consent is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Consent or invalidate or render unenforceable such term or provision in any other jurisdiction, which shall continue to be in full force and effect and be severable from any invalid provision.

12. Binding Effect. This Consent is legally binding upon the parties hereto and their successors and assigns.

13. Counterparts. This Consent may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Consent delivered by facsimile and/or e-mail shall be deemed to have the same legal effect as delivery of an original signed copy of this Consent.

IN WITNESS WHEREOF, the parties hereto have executed this Consent as of the date first written above written.

**LANDLORD:**

Industrial Development Board of the City of Oak Ridge, Tennessee

By: \_\_\_\_\_

Name:

Title:

**TENANT:**

**Centrus Energy Corp., as successor to USEC Inc.**

By: \_\_\_\_\_

Name:

Title:

'Exhibit C'

**DALE C. ISABELL**

*Certified Public Accountant*

253 Short Street

Clinton, Tennessee 37716

MAILING ADDRESS

253 Short Street

Clinton, TN 37717

TELEPHONE AND FAX

(865) 457-2411

[Isabell@Esper.com](mailto:Isabell@Esper.com)

April 29, 2016

The Industrial Development Board of

The City of Oak Ridge

Municipal Building

Oak Ridge, TN 37830

I am pleased to confirm our understanding of the services I am to provide The Industrial Development Board Of The City of Oak Ridge , Tennessee for the period July 1, 2015 through June 30, 2016. I will audit the financial statements of the governmental activities, the business-type activities which collectively comprise the entity's basic financial statements, of The Industrial Development Board of The City of Oak Ridge, Tennessee as of and for the year ended June 30, 2016.

**Audit Objectives**

The objective of my audit is the expression of an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the financial statements taken as a whole. My audit will be conducted in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of The Industrial Development Board of The City of Oak Ridge, Tennessee and other procedures I consider necessary to enable me to express such an opinion. If my opinion on the financial statements is other than unqualified, I will fully discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or am unable to form or have not formed an opinion, I may decline to express an opinion or to issue a report as a result of this engagement.

I will also provide a report on internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*.

## **Management Responsibilities**

Management is responsible for establishing and maintaining internal control and for compliance with laws, regulations, contracts, and agreements. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Management is responsible for making all financial records and related information available to me. I understand that you will provide me with such information required for my audit and that you are responsible for the accuracy and completeness of that information. I will advise you about appropriate accounting principles and their application and will advise you in the preparation of your financial statements, but the responsibility for the financial statements remains with you. As part of my engagement, I may propose standard, adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements. That responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting, the selection and application of accounting principles, and the safeguarding of assets. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to me in the representation letter that the effects of any uncorrected misstatements aggregated by me during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing me about all known or suspected fraud affecting the government involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. You are also responsible for informing me of your knowledge of any allegations of fraud or suspected fraud affecting the organization received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

### **Audit Procedures – General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, my audit will involve judgment about the number of transactions to be examined and the areas to be tested. I will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because an audit is designed to provide reasonable, but not absolute assurance and because I will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by me. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, I will inform you of any material errors that come to my attention, and I will inform you of any fraudulent financial reporting or misappropriation of assets that comes to my attention. I will also inform you of any violations of law or governmental regulations that come to my attention, unless clearly inconsequential. My responsibility as an auditor is limited to the period covered by my audit and does not extend to matters that might arise during any later periods for which I am not engaged as an auditor.

My procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivable and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. I will request written representation from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of my audit, I will also require certain written representations from you about the financial statements and related matters.

Identifying and ensuring that The Industrial Development Board of The City of Oak Ridge, Tennessee complies with laws, regulations, contracts, and agreements is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I will perform tests of The Industrial Development Board of The City of Oak Ridge, Tennessee's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of my audit will not be to provide an opinion on overall compliance and I will not express such an opinion.

### **Audit Procedures – Internal Controls**

In planning and performing my audit, I will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of my auditing procedures for the purpose of expressing my opinion on The Industrial Development Board of The City of Oak Ridge, Tennessee's financial statements.

I will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and I will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that I consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls are required only if control risk is assessed below the maximum level. My tests, if performed, will be less in scope that would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in my report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, I will inform The Industrial Development Board of The City of Oak Ridge Tennessee of any matters involving internal control and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control that, in my judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. I will also inform you of any non-reportable conditions or other matters involving internal control, if any, as required by *Government Auditing Standards*.

#### **Audit Administration, Fees, and Other**

I understand that you will prepare all cash or other confirmations I request and will locate any invoices selected by me for testing.

The audit documentation for this engagement is the property of Dale C. Isabell, C.P.A. and constitutes confidential information. However, pursuant to authority given by law or regulation, I may be requested to make certain audit documentation available to City of Oak Ridge, a federal agency providing direct or indirect funding, or the Comptroller of The Treasury, State of Tennessee for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. I will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Dale C. Isabell, C.P.A. personnel. Furthermore, upon request, I may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

I expect to begin my audit on approximately July 15, 2016 and to issue my reports no later than November 15, 2016.

My fee for these services will be \$3,500.00 due upon completion of the audit.

*Government Auditing Standards* require that I provide you with a copy of my most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. My 2012 peer review accompanies this letter and is good until October 31, 2015 which is next review due date. My 2016 peer review will be provided upon approval by peer review committee.

I appreciate the opportunity to be of service to The Industrial Development Board of The City of Oak Ridge, Tennessee and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let me know. If you agree with the terms of our agreement as described in this letter, please sign the enclosed copy and return it to me.

Very truly yours,

RESPONSE:

This letter correctly sets for the understanding of The Industrial Development Board of The City of Oak Ridge, Tennessee.

By: \_\_\_\_\_

Title: Chairman

Date: \_\_\_\_\_