

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

April 1, 2013

A regular meeting of the Industrial Development Board of the City Oak Ridge, Tennessee, convened at 4:00 p.m. on April 1, 2013 in the Training Room of the Municipal Building. David Wilson, Chairman, called the meeting to order.

ROLL CALL

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

Also present were Kenneth R. Krushenski, City Attorney; Kathy Barber, Oak Ridge Economic Partnership; Kim Denton, Oak Ridge Economic Partnership; Parker Hardy, President, Chamber of Commerce; Kathryn Baldwin, Community Development Director and Sandy Sexton, Executive Administrative Assistant.

APPROVAL OF AGENDA

Mr. Trapp made a motion to approve the agenda. Ms. Dunlap seconded the motion. The motion carried unanimously.

APPROVAL OF MINUTES

Mr. Trapp made a motion to approve the minutes of the regular meeting held March 4, 2013. Ms. Dunlap seconded the motion. The motion carried unanimously.

Mr. Wilson stated that the correct amount of taxes paid from Protomet last year was \$25,993.21. Ms. Dunlap made a motion to approve the changes of the minutes of the special meeting on March 25, 2013. Mr. Trapp seconded the motion. The motion carried unanimously.

TREASURER'S REPORT

Mr. Trapp reported the current balance in the checking account as of today is \$269,714.80. Ms. Dunlap made a motion to approve the treasurer's report and Mr. Johnson seconded the motion. The motion carried unanimously.

PROSPECT ACTIVITY REPORT

Prospect Update – Ms. Denton stated that prospect activity has leveled off. She reported that last week she spoke with a prospect which would bring 300 jobs to the area. Both Horizon and Heritage Centers would be proposed for this prospect. She also stated that there are nine (9) existing industries in the process of expanding. Ms. Denton stated that was something to be proud of because that meant their business was doing well and growing.

ATTORNEY'S REPORT

Mr. Krushenski stated there were no new updates.

COMMITTEE REPORTS

- a. Finance Committee – no report
- b. Land Use Committee – Horizon Center
 1. Signs for Horizon Park – Mr. Osucha asked the board for guidance on the signs for the entrances to Horizon Park. Mr. Chinn stated that he would like for the signs to be spiced up more. Mr. Trapp stated we needed to dolly it up a little bit but a little pizzazz on it. Ms. Denton stated they should read “Prime Sites”. Ms. Dunlap suggested adding the IDB logo on the signs. Mr. Wilson suggested that vinyl signs would be appropriate. After further discussion, the board agreed to spend up to \$2000 for the signs.
 2. Electrical Power – Mr. Wilson stated that he spoke with Mr. Jack Suggs, the City’s Electrical Director and he said it would take up to one year to install the 69kv to the site by pulling electric power from the Wiltshire transformer. He stated that most potential industries could be satisfied with that. Mr. Wilson stated that some environmental groups are against overhead or underground power lines, but finishing up the development of the property, power is one of the first things that have to be done.

Mr. Wilson also stated that the board needed to discuss the contract we currently have with Community Reuse Organization of East Tennessee (CROET). Under its current contract IDB has to pay CROET \$9,500 per acre when a parcel is sold, even if we give it away. The board agreed to discuss the issue with CROET and try to find a solution or alter the contract.
 3. Ridge Realty Marketing Report – Mr. Asher stated he has been in contact with a prospect and plans to meet with them again this week and would have a report to us at the next meeting.
- c. Special Projects Committee – Mr. Johnson stated it seems that some of their work session ideas like “What would be the alternatives to owning this land or whatever” might not be a bad delegation to focus or task this committee to look at alternatives and options and bring it forward to the board. Mr. Wilson thought it would be better to hold the thought because he felt that everyone on the board should give their opinion.
- d. Spec Building Committee – No report.

OLD BUSINESS

- a. State of Tennessee Certified Sites Program - Ms. Barber reported that the state is ready to move forward on the certification process for Horizon Center but asked that the board set a price for the property. She stated that when she met with them they wanted us to be in the first wave, but the price has to be decided and in place. After a lengthy discussion, the board agreed to set a price range from \$25,000 to \$35,000 per parcel for the application. The board would still be able to negotiate if a business is interested in the property. Ms. Dunlap made a motion to approve the

Chairman to prepare a letter to the state and Mr. Trapp seconded the motion. The motion carried unanimously.

NEW BUSINESS

- a. Answer Financial (UPS Equipment) – Mr. Wilson stated that Answer Financial abandoned UPS Equipment in the building. Mr. Mark Mamontov will let the board know at a later date if the equipment belongs to the board. Mr. Rick Chinn, owner of the building, stated that he would like to keep the equipment (UPS) in the building as is for the new tenant who plans to move into the building. The new business will provide several hundred jobs back into the community. Mr. Chinn stated it is his desire for the board to abandon their rights to the equipment and keep the UPS in place as is. Mr. Osucha made a motion to leave the piece of equipment that still has a useful purpose in place pending a response from Mr. Mamontov whether the equipment belongs to us or not. Mr. Trapp seconded the motion. Mr. Chinn abstained and Mr. Johnson voted nay. The motion carried by majority votes.

ADJOURN

The meeting adjourned at 5:15 p.m.

APPROVED BY INDUSTRIAL DEVELOPMENT BOARD

May 6, 2013



Harold Trapp
Secretary/Treasurer