

INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE
MINUTES

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OFFICE OF THE CITY CLERK

DATE: August 1, 2011

TIME: 4:00 pm

PLACE: Municipal Building Training Room

PRESENT: Board Members: William Biloski, Richard Chinn, Louise Dunlap, Hal Osucha, Buzz Patrick, David Mason, Harold Trapp, David Wilson
Executive Director: Kim Denton

ABSENT: Chris Johnson

ALSO PRESENT: Susan Fallon, City Staff; Mark Watson, City Manager; Steve Jenkins, City Staff; Eugene Lackey and Jamie Burnham, Lackey and Associates; Kathy Barber, OREP; Parker Hardy, Chamber of Commerce; Sam Tate, NAI; Beverly Majors, Oak Ridger; Chuck Hope; City Councilman;

Mr. Biloski called the meeting to order at 4:00 p.m.

Approval of Agenda

Mr. Trapp made a motion to approve the agenda as submitted. Mr. Wilson seconded the motion. Motion carried with all in favor.

Approval of Minutes

Mr. Wilson made a motion to approve the minutes of the regular meeting held July 5, 2011. Ms. Dunlap seconded the motion. Motion carried with all in favor.

Mr. Wilson made a motion to approve the minutes of the special called meeting held July 18, 2011. Ms. Dunlap seconded the motion. Motion carried with all in favor.

Treasurer's Report

Mr. Trapp reported that no changes have been made. Ms. Cook did not submit the financial report prior to the meeting; however, Ms. Denton will ask her to submit the report to board members as soon as possible. One outstanding invoice from Loyalty Lawn is anticipated for the final contract payment. Mr. Wilson made a motion to accept the treasurer's report as submitted. Ms. Dunlap seconded the motion. Motion carried with all in favor.

Prospect Activity (Executive Director) Report

1. Prospect Update

Ms. Denton reported that the Partnership is working with 11 active prospects out of 20 total prospects. Activity is slow; however, they are working diligently with six solid projects including a shared services company, nuclear parts supplier, aluminum manufacturer, and a warehouse distribution facility. Ms. Denton presented the NAI marketing activity report and distributed copies to the board members.

2. FastTrack Infrastructure Development Program (FIDP) Grant Update.

Ms. Denton reported that the fully executed contract was received and invoices for reimbursement can start being submitted for engineering costs.

3. Sewer Line Mobilization

Ms. Denton reported that the Partnership and BWSC are in the process of gathering bonds and scheduling a pre-construction conference. Mr. Biloski reported that the east side entrance road at Horizon Center will be closed for three to five months as part of the highway widening project and coincides with the sewer line project, which should benefit the contractor. Mr. Biloski stated that the board should consider extending a small contract to one of the contractors for field inspection services due to the BWSC contract only providing one hour of field inspection work per week for 13 weeks. A lengthy discussion was held. Mr. Patrick made a motion to hire a contractor representative of the buyer for project management. Mr. Trapp seconded the motion. Mr. Chinn suggested deferring the vote until the land clearing mobilization discussion.

4. Land Clearing Mobilization

Ms. Denton reported that the project engineer and the city engineer are going to be working together on the grading permit and land disturbance bond. Mr. Biloski reported that he had a discussion with the City Manager pertaining to the potential of the IDB being absolved of the grading permit fee and greatly reducing the land disturbance bond. If the board can obtain the performance bond from B&D, the clearing contractor, and they list the City as co-insured then the land disturbance bond could be waived. The board discussed Mr. Patrick's motion and Mr. Wilson proposed incorporating three different bids into an RFP including project management for the sewer line, project management for the land clearing and project management of both the sewer line and the land clearing projects running concurrently. Mr. Patrick agreed to the changes. The motion carried with all in favor.

Ms. Denton reported that there was one holdover from the last meeting to schedule the annual review of the Partnership's performance and suggested scheduling a work session for September 6 or 9, 2011. Mr. Patrick made a motion to schedule the work session for September 6, 2011, at 5:30 pm to discuss the Partnership's annual services. The meeting will be held at the Chamber of Commerce building. Mr. Osucha seconded the motion. Motion carried with all in favor.

Attorney's Report

1. Restoration Services Inc. Land Purchase Update

Ms. Denton reported that Mr. Krushenski is reviewing a draft contract on the land purchase.

2. Sewer Line Extension Contract Status

Ms. Denton reported that the sewer line extension contract has been reviewed and awaiting final supplemental documents by third parties.

3. IDB Bylaw Changes

Ms. Denton reported that Mr. Krushenski recommends amending the bylaws by Resolution regarding IDB terms and elections coinciding with all other City boards. A copy of the Resolution

is included in the meeting agenda packet. Mr. Wilson made a motion to amend the bylaws by Resolution. Mr. Osucha seconded the motion. Motion carried with all in favor.

Committee Reports

Finance

1. FY 2011 Audit

Mr. Trapp reported the audit is underway with one invoice from Loyalty Lawn pending. The audit will be ready no later than September 1, 2011.

2. FY2012 (7/1/11 through 6/30/12) Budget Distribution

Mr. Biloski reported that a copy of the revised FY2012 Budget approved at the July meeting was included in the meeting agenda packet and asked if there were any questions. Mr. Wilson made a motion to approve and formally adopt the FY2012 Budget. Ms. Dunlap seconded the motion. Motion carried with all in favor.

Land Use

1. Horizon Center CAM Invoices

Mr. Osucha reported that three out of five entities have paid their CAM fees. HGN owes \$5,500 and the biggest issue is determining where to send the bill. The issue is in the process of being resolved.

Special Projects Committee

1. Horizon Center Real Estate Agency Agreement

Mr. Mason reported that the committee is scheduled to meet on August 16, 2011, to provide a recommendation on the Horizon Center Real Estate Agency Agreement.

Spec Building Committee

Mr. Wilson reported that the Spec Building Committee will meet during August. He stated that he had collected information from some architects and outside financing. Ms. Denton reported that she will follow up with TVA on a possible loan.

Old Business

1. FY2012 (7/1/11 through 6/30/12) Goals

Mr. Biloski distributed copies and reviewed the FY2012 IDB Goals that he consolidated from board members' input. A lengthy discussion was held. Mr. Wilson made a motion to approve the FY2012 IDB Goals. Ms. Dunlap seconded the motion. Motion carried with all in favor.

2. TIF Policy

Mr. Biloski reported that the City Manager is reviewing the TIF Policy.

New Business

1. PILOT Program Fee Refund Policy

Mr. Patrick suggested evaluating the PILOT to address language regarding any potential refund of the closing fees incorporating the following: at the IDB's discretion, considering certain

milestones and proven net benefit to City if refunded. Mr. Patrick made a motion to defer to Mr. Krushenski for recommendation. Mr. Mason seconded the motion.

Mr. Patrick asked if infrastructure costs were known to the board while entering into the agreement with CROET to take over the Horizon Center. A brief discussion was held regarding whether or not CROET should assist in costs of infrastructure by reducing their profit per acre to supplement and off-set costs.

Adjournment

Ms. Dunlap made a motion to adjourn the meeting. Mr. Mason seconded the motion. Motion carried and the meeting adjourned at 5:06 pm.



Harold Trapp
Secretary/Treasurer