APPROVED

INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE
MINUTES

DATE: February 7, 2011

TIME: 4:00 pm

PLACE: Municipal Building Training Room

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

ABSENT: None

ALSO PRESENT: Susan Fallon, City Staff; Cindy Franklin, City Staff; Ken Krushenski, City Attorney; Steve Jenkins, Deputy City Manager; Kathryn Baldwin, City Staff; Eugene Lackey and James Burnham, Lackey and Associates; Brian Strunk, BWSC; John Huotari, Oak Ridger; Kathy Barber, OREP; Bob Fowler, Knox-News; Nikki Bradley, ORUD; Brian Mills, ACHW; Parker Hardy, Chamber of Commerce

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

Approval of Agenda
Mr. Biloski stated that he wanted to add PILOT Annual Report Status to New Business. He suggested that item c. Special Projects Committee under Committee Reports be moved to item a. in the same section due to Mr. Mason leaving early.

Ms. Dunlap made a motion to approve the agenda as amended. Mr. Wilson seconded the motion. Motion carried with all in favor.

Approval of Minutes
Mr. Mason made a motion to approve the minutes of the special called meeting held December 20, 2010. Mr. Wilson seconded the motion.

Mr. Mason made a motion to approve the minutes of the regular meeting held January 3, 2011. Mr. Wilson seconded the motion. Motion carried with all in favor.

Treasurer's Report
Mr. Trapp reported the total balance of all accounts is $1,105,506.88 with $535,149.76 in CD's, $500,000 in Money Market accounts, and $70,357.12 in the checking account. Mr. Wilson made a motion to accept the treasurer's report as submitted. Mr. Osucha seconded the motion. Motion carried.

Prospect Activity (Executive Director) Report

1. Prospect Update
   Ms. Denton reported that they are working on a couple of large projects; a medical isotope company and one that consists of two sister companies making solar panels and solar racking systems. Other projects being worked include a nuclear supply chain company, automotive manufacturer, and a building supply manufacturer.

Ms. Denton reported that the Partnership tracked its metrics for the period of July 1 through December 31, 2010, which showed $43,050,000 in new capital investment, 188 new jobs, 48 acres and 139,000 ft^2 absorbed.

2. FastTrack Infrastructure Development Program (FIDP) Grant
   Ms. Denton reported that all materials were submitted on January 31, 2011. The next meeting date for the review committee in Nashville is unknown at this time, but likely will be held in February.
   a. BWSC Sewer Design Update
      Ms. Denton reported that BWSC completed the sewer line design and is currently performing the QA/QC on the drawings. It is scheduled to be submitted to the City on Wednesday, February 9, 2011.

3. Infrastructure Delineation Project
   Ms. Denton reported that Doug Janney is close to presenting the entire package and it should be available by the March meeting.

4. CAM, Operating and Capital Budgets
   Ms. Denton reported that the Finance Committee met on January 26, 2011, to review and discuss draft copies of all three budgets. The committee will go over the drafts in depth once the board determines who will handle the finances. Mr. Osucha asked the board to refer to the FY 2011 guidelines for the CAM budget contained in the packet and change the first number in the last column from $4,357.35 to $4,367.70.

5. Mowing/Landscape Services Contract
   Ms. Denton reported that the draft RFP was reviewed by the Land Use Committee on January 26, 2011, and is in the process of being modified to reflect that part of the ROW mowing services will be provided by the City of Oak Ridge. A brief discussion was held.

Attorney's Report

1. Restoration Services, Inc. Land Purchase Update
   Mr. Krushenski reported that the purchase is pending. Jimmy Norman is discussing due diligence work prior to signing the final documents.

2. RRP, LLC Land Purchase Update
   Mr. Krushenski reported that the contract closed on February 7. Mr. Biloski stated that after paying CROET $9,500 per acre, the board should realize $135,300. Mr. Chinn reported that a groundbreaking should be scheduled later this month.

3. Standard Contract for the Sale of Real Property
   Mr. Mason made a motion to adopt by resolution the Standard Contract for the Sale of Real Property. Ms. Dunlap seconded the motion. Motion carried with all in favor.

Committee Reports

Special Projects

1. Recommendations for Audit Findings

   Mr. Mason summarized the Special Projects Committee Recommendations on the Audit Findings and Recommendations for the period of July 1, 2005 through June 30, 2010.

   Ms. Dunlap made a motion to accept the recommendations made by the Special Projects Committee with the amendment to change the time period for retaining accounting services from no longer than four to six months in item 2. FINDING: INADEQUATE ACCOUNTING RECORDS to six months. Mr. Mason seconded the motion. Mr. Osucha made a motion to amend Ms. Dunlap's motion by changing the term to 12 months. A lengthy discussion was held. Ms. Dunlap restated her motion to accept the recommendations made by the Special Projects Committee with the amendment to change the time period for retaining accounting services for the time period of July 1, 2010 to June 30, 2012.

   Ms. Dunlap made a motion to defer voting on a decision to hire an outside accounting firm or not. Mr. Mason seconded the motion. Motion carried with all in favor.

   Mr. Mason made a motion to hire an accounting firm to setup the books for a development phase for six months. Mr. Wilson seconded the motion. Motion carried with all in favor.

   Mr. Trapp made a motion to defer voting on Findings 1, 2, and 4 to the next meeting and after hiring an accountant. Mr. Mason seconded the motion. Motion carried with all in favor.

Finance

1. Contract for Accounting Services

   Mr. Patrick made a motion to hire and retain Gail Cook through June 30, 2011 to complete the development phase of accounting services based on Ms. Cook's proposal dated January 24, 2011. Mr. Wilson seconded the motion. Motion carried with all in favor.

2. CAM Calculation

   Mr. Trapp made a motion to send a letter to CROET to requesting changes noted in the Request for Modification of Article VI, Section 6.3. Mr. Wilson seconded the motion. Motion carried with all in favor.

Land Use

1. Development Area #6 Land Clearing Project Status

   Mr. Biloski reported that the prebid meeting was held and 25 individuals attended. A brief discussion followed. Mr. Chinn made a motion for the issuance of a letter to the Mayor, City Manager, and City Council Members formally requesting exemption from the grading permit application fee in the amount of $1,930 and relief from the disturbance bond, as well as highlight in the letter that a performance bond will be obtained from the contractor for the full value of the project. Mr. Patrick seconded the motion. Motion carried with all in favor.

a. Special Called Meeting on February 10, 2011 at 4:30 p.m. to open bids and consider contract for clearing.
Mr. Biloski suggested changing the special called meeting date to Monday, February 14, 2011 at 4:30 to allow time for Lackey and Associates to review the bids opened on February 10. Mr. Patrick made a motion to revert back to the original approved RFP and offer a two day extension to February 14, 2011 at 4:30. Mr. Trapp seconded the motion. Motion carried with all in favor. Mr. Patrick made a motion to modify the bid bond with the requirement for the successful bidder to obtain a bid bond within three days. Motion carried with all in favor. The special called meeting will be held at a later date to be determined.

2. Horizon Center Development Map Update
Mr. Biloski reported that copies of the updated version were included in the agenda packet.

3. New Spec Building Project
Mr. Biloski reported that Mr. Young is interested in partnering with the IDB on a new spec building. Mr. Young will have geotech work done on ED-5 to ensure that it is a buildable site.

Old Business
Approved PILOT Applications MOU Status
Ms. Fallon reported that the draft is complete and being reviewed.

New Business
Endorsement Letter Request for Regional General Aviation Airport
Mr. Biloski reported that the municipal airport group in Knoxville is looking for a letter of endorsement encouraging the Regional Oak Ridge Airport in Heritage Center. Ms. Dunlap made a motion to authorize the issuance of an endorsement letter. Mr. Trapp seconded the motion. Motion carried with all in favor.

PILOT Annual Report Status
Mr. Biloski reported that the annual reports are coming in. Protomet is now a graduate of the PILOT program and on the tax roll.

Adjournment
Mr. Patrick made a motion to adjourn the meeting. Mr. Wilson seconded the motion. Motion carried and the meeting adjourned at 5:45 pm.

Harold Trapp
Secretary/Treasurer