

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

DATE: June 4, 2012

TIME: 4:00 pm

PLACE: Municipal Building Training Room

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

ABSENT: None

ALSO PRESENT: Elisabeth Brown, Oak Ridge Economic Partnership; Kathy Barber, Oak Ridge Economic Partnership; Sam Tate, NAI Knoxville; Trygve Myhre, citizen; Doug Colclasure, citizen; Sandy Sexton, COR; Parker Hardy, Oak Ridge Chamber; Charlie Hensley, Oak Ridge City Council; Jack Suggs, Oak Ridge Electric; Dan Gelb, RSI; Ron Asher, Ridge Realty Commercial; Bryan Mills, ACHW; Nikki Bradley, ORUD; Leslie England, ORUD; Gary Blanton, Oak Ridge Electric; Janis McGinnis, COR

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 presented. Mr. Mason seconded the motion. Mr. Biloski made a motion to amend the Agenda to move Agenda Item IX(b) PILOT Report Follow-Up from Old Business to under Treasurer's Report as a courtesy to Ms. McGinnis.

**Approval of Minutes**

Mr. Wilson made a motion to approve the minutes of the regular meeting held May 7, 2012, with one minor correction noted. Mr. Trapp seconded the motion. Motion carried with all in favor.

**Treasurer's Report**

Mr. Trapp presented the Treasurer's Report. Mr. Trapp noted he does not have a Financial Report to present as May's Report was not yet received. Mr. Trapp reported a current balance of \$231,056.86. Mr. Trapp noted no change in the CDs or Money Market accounts. Mr. Osucha made the motion to accept the Treasurer's Report as presented. Mr. Wilson seconded the motion. Motion carried with all in favor.

**Executive Director's Report**

a) **Prospect Update** – Ms. Denton reported prospect activity has increased somewhat. She gave brief descriptions of current project being worked. Ms. Denton also discussed Project Dixie, a large regional project that many people are working as a team. Ms. Denton mentioned two proactive site consultant events held recently and is pleased to see prospect activity has increased.

- b) **NAI Marketing Report** – Mr. Tate presented NAI’s Monthly Marketing Report to the Board. He reviewed with the board the sheet reflecting all prospect activity on Horizon Center which includes 3 solid prospects for Horizon Center.
- c) **Ridge Realty Marketing Report** – Mr. Asher presented his report regarding the Bethel Valley Industrial Park. He stated he is currently aware of 2 prospects for Bethel Valley. He is hopeful that one prospect will soon be visiting the site.
- d) **RSI FastTrack Grant Update** – Ms. Denton informed the board that Pay Request 5 has been received. Pay Requests 6 & 7 are still outstanding.
- e) **Babcock Services Update** – Ms. Barber, of the Oak Ridge Economic Partnership, reported that she has not yet received word that the FastTrack Grant for Babcock Services has been approved.

Concluding her report, Ms. Denton thank the Board for the opportunity to have served as Executive Director for the past 2+ years and looked forward to working together to achieve success for Oak Ridge.

#### **Attorney’s Report**

- a) **RSI Property Closing** – Mr. Gelb, of RSI, presented a topo map with potential issues identified at the site at Horizon Center that had not been previously indicated on other maps. Mr. Gelb requested an extension of the sale contract in order to allow RSI time to run these potential issues to ground. He is working with DOE Real Estate office to locate the property documents pertaining to issues found on site to determine historical significance, if any. Mr. Wilson made a motion to extend the sales contract to include closing on or before July 13, 2012 and to authorize the Chairman of the IDB to sign the closing documents. Mr. Trapp seconded the motion. Motion carried with all in favor.
- b) **Report on Debt Obligation** – Mr. Krushenski presented the Debt Obligation Report that was previously prepared by Mr. Mamantov. Mr. Mason made a motion to approve the Debt Obligation Report as presented. Mr. Trapp seconded the motion. Motion carried with all in favor.
- c) **Babcock Services Report** – Mr. Krushenski reported he had received a letter dated May 25, 2012 informing him the FastTrack Grant application had been received. No action is to be taken until the Grant is approved.

#### **Committee Reports**

- 1. **Finance Committee** – Mr. Trapp presented his report from the recent Finance Committee meeting. The committee worked through the Draft FY 2013 Budget. Mr. Trapp reviewed the proposed budget with the full board. Mr. Wilson made a motion to accept the IDB Proposed FY 2013 Budget. Ms. Dunlap seconded the motion. Motion carried with all in favor.
- 2. **Land Use Committee**
  - a. Horizon Center Electrical Infrastructure Update  
Mr. Suggs presented to the board a map of the Horizon Center electrical infrastructure and the easement which has been approved and signed by both DOE and the City. Mr. Suggs went on to

discuss the TVA 26A permit required, what it would take to get, and alternative options. Mr. Suggs is pursuing the simplest option and will keep the board posted on progress.

b. Horizon Center Entrance Work

Mr. Osucha reported that the landscape at the entrance to Horizon Center is in the process of being removed. A discussion ensued regarding whether or not the State would reimburse the IDB for landscape replacement costs caused by the road widening project.

c. Horizon Center Marketing Next Steps

Ms. Denton presented an improved version of a spec sheet for Horizon Center which was originally presented in draft at the May meeting. Ms. Denton also presented the new & improved NAI Marketing Package, which was completed in time for inclusion in the Project Dixie proposal. The marketing package was a great team effort between NAI & OREP, she said.

**3. Special Projects Committee**

a. Process for awarding future grants

Mr. Mason reported the Committee met again to continue to develop a process for awarding future grants. The Chairman has asked for some additional information to be included. Mr. Mason hopes to present a draft at the July meeting.

**4. Spec Building Committee**

Mr. Wilson stated that he would like to reactivate the committee to explore financing options and building characteristics.

**Old Business**

**IDB Administrative Services**

Mr. Biloski presented a letter to the IDB from City Manager Mark Watson outlining the staffing support agreement between the IDB and the City. Mr. Krushenski also presented and read aloud a Resolution relating to this Agreement. Mr. Wilson made a motion for approval of the Resolution which would incorporate the letter from the City Manager to the IDB Chair. Mr. Trapp seconded the motion. Motion carried with all in favor.

**2011 PILOT Report**

Ms. McGinnis presented the follow-up to the 2011 PILOT Report. She discussed the companies who did not meet their PILOT requirements and the appropriate actions required.

**Auditor Contract Renewal**

Mr. Trapp confirmed the current Auditor, Mr. Dale Isabell, has agreed to accept the contract for the coming fiscal year at a rate that is unchanged. Mr. Wilson made a motion for approval of acceptance of the auditor contract at the same rate as last year. Mr. Mason seconded the motion. Motion carried with all in favor.

**Accountant Contract Renewal**

Mr. Trapp confirmed the current Accountant, Ms. Gail Cook, has agreed to accept the contract for the coming fiscal year at a rate that is unchanged. Mr. Wilson made a motion for approval of acceptance of the accountant contract at the same rate as last year. Ms. Dunlap seconded the motion. Motion carried with all in favor.

**IDB Goals FY 2012-2013**

Mr. Biloski will send last year's approved goals out and asks for input regarding goals for the 2012-2013 fiscal year.

**New Business**

**RRP Right of First Refusal at Horizon Center**

Mr. Biloski presented a letter from RRP, LLC requesting an extension of their Right of First Refusal on a 10 acre tract of land at Horizon Center. Mr. Mason made a motion to accept the letter for the record. Ms. Dunlap seconded the motion. Motion carried with all in favor, Mr. Chinn abstaining. Mr. Biloski suggested the letter be sent to the Finance Committee for their review and recommendation. Mr. Wilson made a motion to send the RRP letter to the Finance Committee for their review and recommendation. Mr. Johnson seconded the motion. Motion carried with all in favor, Mr. Chinn abstaining.

**Timing of Finance Reports**

Mr. Mason expressed concern that the timing of the finance reports do not seem to coincide with the timing of the IDB meetings. A discussion ensued regarding potential solutions. One solution was to move the date of the IDB meetings which would require approval by City Council. Mr. Mason made a motion that the Finance Committee seek a solution to this timing issue so as to have current financial reports at each meeting. Mr. Chinn seconded the motion. Motion carried with all in favor.

**Adjournment**

Mr. Trapp made a motion to adjourn the meeting. Mr. Biloski seconded the motion. Motion carried with all in favor and the meeting adjourned at 5:07 pm.

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Harold Trapp  
Secretary/Treasurer