

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

DATE: June 6, 2011

TIME: 4:00 pm

PLACE: Municipal Building Training Room

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

ABSENT: None

ALSO PRESENT: Susan Fallon, City Staff; Cindy Franklin, City Staff; Ken Krushenski, City Attorney; Steve Jenkins, City Staff; Kathryn Baldwin, City Staff; Eugene Lackey, Lackey and Associates; Kathy Barber, OREP; John Huotari, Oak Ridger; Parker Hardy, Chamber of Commerce; Andrew Clark, BWSC; Amit Patel, Holiday Inn Express; Nick Morris, ORUD; Sam Tate, NAI

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

Approval of Agenda

Mr. Mason 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 May 2, 2011. Mr. Trapp seconded the motion. Motion carried with all in favor.

Treasurer's Report

The total balance of all accounts included in the April 30, 2011, Balance Sheet is \$1,581,328 with \$924,086 in CD's, \$500,000 in Money Market accounts, and \$157,242 in the checking account. Mr. Trapp reported the balance of the accounts to date, which will be included in the May 31, 2011 Balance Sheet. Mr. Wilson made a motion to accept the financial report as submitted. Mr. Mason seconded the motion. Motion carried with all in favor.

Prospect Activity (Executive Director) Report**1. Prospect Update**

Ms. Denton reported that the Partnership is currently working 10 active prospects out of approximately 20 total prospects. The prospects include heavy manufacturers, solar companies, EM firms and medical device companies. Ms. Denton distributed a copy of the Horizon Center Marketing Activity Report from Sam Tate, NAI Knoxville.

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

Ms. Denton reported that all documentation needed by the State has been signed and returned to Nashville.

3. Sewer Line Extension Construction Bids

Ms. Denton reported that the bids came in substantially higher than anticipated. Andrew Clark, BWSC, explained to the Board some reasons the bids may have been so high and made some suggestions on how to potentially save money. A brief discussion was held. Mr. Chinn made a motion to re-bid the project. Mr. Mason seconded the motion. Motion carried with all in favor.

Attorney's Report

1. City Boards/Commissions Election Process Resolution

Mr. Krushenski reported that the current IDB Board Members will serve until January 2012 due to the approved City Council Resolution 2-8-11. Officer elections will take place in January 2012.

2. Recommended Bylaw Changes per Election Process Resolution

Mr. Krushenski reported that an amendment to the IDB bylaws can be made by the IDB with City Council approval granted in City Council Resolution 2-8-11.

3. Restoration Services Inc. Land Purchase Update

Mr. Krushenski reported that the client remains in line to buy the property as soon as construction begins on the sewer project.

Committee Reports

Finance

1. CPA Financial Services Agreement Extension

Mr. Trapp reported that Ms. Cook agreed to reduce her fee to \$300 per month with any additional work to be \$75 per hour. Mr. Patrick made a motion to extend her contract for one year from July 1, 2011 through June 30, 2012. Mr. Osucha seconded the motion. Motion carried with all in favor.

2. 2011-2012 Proposed Budget

Mr. Trapp summarized the 2011-2012 Proposed Budget to the Board. A brief discussion was held. Mr. Mason made a motion to accept the budget without change with the understanding that it is not approval for expenditures. Motion died for lack of a second. Mr. Patrick made a motion to defer discussion on the 2011-2012 Proposed Budget to a Board Workshop. Mr. Mason seconded the motion. Motion carried with all in favor. Mr. Wilson suggested discussion on creating a reserve account in the amount of \$70,000 during the workshop.

Land Use

1. Horizon Center Mowing/Landscaping Services Contract

Mr. Biloski reported that the contract is complete and services will begin on July 1, 2011.

2. HC Development Area #6 Land Clearing Project

Mr. Biloski reported that the bids are due on June 21, 2011. Gene Lackey reported that a non-binding pre-bid meeting will be held on June 14, 2011, to answer any questions for the contractors.

3. Horizon Center Electrical Infrastructure

Mr. Biloski reported that DOE has completed the environmental study and it is going through the final approvals at present.

4. Horizon Center Airport Study Geotech

Mr. Biloski reported that 8-10 borings will be done to determine subsurface conditions and the data will be given to the Board upon conclusion. Mr. Krushenski will draft an agreement.

5. Spec Building Project

Mr. Biloski reported that CROET is approximately one month away from making a decision on engaging in a partnership with the Board for another spec building. Mr. Wilson made a motion to form a Spec Building Committee. Mr. Trapp seconded the motion. Motion carried with all in favor.

Mr. Chinn made a motion to nominate Mr. Wilson to serve as Chairman, Mr. Chinn as Vice Chairman and also for Chris Johnson to serve on the Spec Building Committee. Mr. Osucha seconded the motion. Motion carried with all in favor.

6. Ridge Realty Sales Agreement for Bethel Valley

Mr. Biloski reported that the agreement was consummated.

Special Projects Committee

1. TIF Policy Review

Ms. Dunlap made a motion to submit the existing TIF Policy to City Council for a three-year extension. Mr. Wilson seconded the motion. Motion carried with all in favor.

Old Business

None

New Business

1. Oak Ridge Hotel Partners Termination of Lease and Quitclaim Deed Transfer from IDB

Amit Patel, Oak Ridge Hotel Partners, asked the board to terminate the lease agreement due to not being able to use SBA 504 loan financing while the property is titled to the IDB. Mr. Wilson made a motion to release Oak Ridge Hotel Partners from the Lease and Quitclaim Deed. Mr. Mason seconded the motion. Motion carried with all in favor.

2. Oak Ridge Hotel Partners Closing Fee Proposal

Ms. Dunlap made a motion to refund the closing fees in the amount of \$23,085. Mr. Mason seconded the motion. Motion carried with all in favor.

Adjournment

Mr. Wilson made a motion to adjourn the meeting. Ms. Dunlap seconded the motion. Motion carried and the meeting adjourned at 4:47 pm.



Harold Trapp
Secretary/Treasurer