

APPROVED

OAK RIDGE INDUSTRIAL DEVELOPMENT BOARD MINUTES

DATE: October 4, 2010

TIME: 4:00 pm

PLACE: Municipal Building Training Room

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

ABSENT: Hal Osucha

ALSO PRESENT: Susan Fallon, City Staff; Cindy Franklin, City Staff; Ken Krushenski, City Attorney; Steve Jenkins, Deputy City Manager; Kathryn Baldwin, City Staff; Keith Craft, BWSC; John Huotari, Oak Ridger; Nikki Bradley, ORUD; Parker Hardy, Chamber of Commerce; Kathy Barber, OREP; Sam Tate, NAI

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

Approval of Agenda

Mr. Wilson made a motion to approve the agenda as submitted. Mr. Mason seconded the motion. Motion carried.

Approval of Minutes

Mr. Biloski suggested adding the following in bold to Item 1. in the Land Use section:

Mr. Wilson made a motion to approve the Extension of Due Diligence Period for Pellissippi Investors, LLC, for Lot 30 BZ-1 in Bethel Valley Industrial Park, from 60 days to 120 days, **with the closing to be scheduled by November 30, 2010.** *MS. DUNLAP SECONDED THE MOTION. MOTION CARRIED*

Mr. Trapp made a motion to approve the minutes of the regular meeting held September 7, 2010, as amended. Ms. Dunlap seconded the motion. Motion carried.

Treasurer's Report

Mr. Trapp reported the total balance of all accounts is \$1,121,425.35 with \$480,636.48 in CD's, \$549,452.00 in Money Market accounts, and \$91,336.87 in the checking account. A copy of the Financial Summary was distributed to board members. Mr. Wilson made a motion to accept the treasurer's report as submitted. Ms. Dunlap seconded the motion. Motion carried.

Prospect Activity (Executive Director) Report

Prospect Update

Ms. Denton reported that prospect activity is up. Proposals have been submitted for four RFP's in the last two weeks including two automotive projects, a fuel cell project, a solar project, and a building supply manufacturer project. A copy of the NAI report for September 2010 was distributed to board members.

Restoration Services, Inc. Update

Ms. Denton reported that paperwork was submitted to the Tennessee Department of Economic and Community Development Department (TNECD) last week. The project overview form will be evaluated by TNECD and they will advise if it has been accepted by mid-October. This request is for the sewer line extension upgrade at the Horizon Center.

Large Spec Building Update

Ms. Denton reported that information received on September 22, 2010, indicated that a Letter of Intent (LOI) was submitted by Lexington Simmons LLC. There will be a 60-day due diligence process associated with the LOI.

Attorney's Report

Professional Services Agreement with Audit Engagement Letter

Mr. Krushenski reported that the Professional Services Agreement with Engagement Letter included in the agenda packet was complete and ready for the Chairman and Dale Isabell to sign.

Mr. Trapp made a motion for the Professional Services Agreement with Audit Engagement Letter to be approved and signed. Mr. Patrick seconded the motion. Motion carried with all in favor.

Holiday Inn Express Lease Agreement Status

Mr. Krushenski reported that the closing for the PILOT lease agreement occurred September 8, 2010, following the September 7, 2010, IDB meeting and a check for closing costs in the amount of \$23,085 was received from Amit Patel.

TVA Spec Building Loan Closing

Mr. Krushenski reported that the IDB checking account received a direct deposit from TVA in the amount of \$375,000 and a check in that same amount will be delivered to Heritage LLC on Tuesday, October 5, 2010.

Committee Reports

Finance

1. FY11 Budget (7/1/10 through 6/30/11)

Ms. Denton reported that it was determined that accounting procedures could be handled internally rather than utilizing an outside firm. The Finance Committee will meet mid-October and invite Dale Isabell to discuss procedures and guidelines for the IDB's accounting, budgeting; and to discuss how CAM fees and quarterly reports should be developed.

2. Horizon Center CAM

Ms. Denton reported that the IDB is current with CAM fees with the exception of obtaining a current address for one property owner.

3. 1st Quarter Revenue/Expense Report (July through September 2010)

Ms. Denton reported that the committee is working on an operational budget and a capital budget.

Land Use

1. Horizon Center Infrastructure

Mr. Biloski reported that infrastructure drawings are now available for natural gas, water and sewer. The committee is continuing to work with DOE on securing an easement for additional electrical service.

Mr. Biloski reported that the committee would like to clear a portion of the land on the available parcels to make them more attractive to potential prospects. A brief discussion was held.

Special Projects

1. Recommendation for A&E Services Agreements

Ms. Denton reported, as she did during the last meeting, 13 proposals were received. Those proposals were narrowed down to five firms including ACHW, BWSC, CH2MHill, Michael Brady Inc., and Lackey and Associates.

Ms. Dunlap made a motion to accept the report from the committee and approve A&E Services Agreements with the five firms. Mr. Wilson seconded the motion. Motion carried with all in favor.

PILOT Reauthorization

Mr. Biloski reported that some follow up questions were received from City Council and those questions have been answered with no outstanding issues. The 2010 PILOT Reauthorization will be presented for adoption during the City Council meeting on Monday, October 11, 2010, beginning at 7 p.m.

Old Business

None

New Business

PILOT Request from Heritage Center, LLC for the Small Spec Building

Mr. Biloski gave a brief overview of the request included in the agenda packet. A lengthy discussion was held.

Mr. Mason made a motion to not recommend the approval by City Council of a PILOT Request from Heritage Center, LLC for the Small Spec Building. Mr. Chinn seconded the motion. Motion carried with Mr. Chinn, Mr. Johnson, Mr. Mason, Mr. Patrick, Mr. Trapp, and Mr. Wilson voting in favor. Ms. Dunlap and Mr. Biloski abstained from voting due to their affiliation with the CROET board.

Adjournment:

Mr. Mason made a motion to adjourn the meeting. Ms. Dunlap seconded the motion. Motion carried and the meeting adjourned at 4:48 pm.



Harold Trapp
Secretary/Treasurer