

INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE
MINUTES

DATE: December 6, 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: Cindy Franklin, City Staff; Ken Krushenski, City Attorney; Steve Jenkins, Deputy City Manager; Kathryn Baldwin, City Staff; Douglas Janney, CH2MHill; Lou Rabinowitz, RSCC; Sam Tate, NAI; Nikki Bradley, ORUD; Brian Strunk, BWSC; Jon Searle, Blaine Construction; Eugene Lackey, Lackey and Associates; Russ Watkins, Partners; Joe Ledford, BWSC; Rick Chinn, Jr., RRP; Cliff Eberle, ORNL; Tom Rogers, UT-Battelle; Bryan Mills, ACHW, Inc.; Stan Mitchell, Oak Ridge Observer; John Huotari, Oak Ridger; Kathy Barber, OREP; Parker Hardy, Chamber of Commerce; Michelle Buchanon, ORNL; Dale Isabell, CPA

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

Approval of Agenda

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

Approval of Minutes

Mr. Mason made a motion to approve the minutes of the regular meeting held November 1, 2010. Ms. Wilson seconded the motion. Motion carried with all in favor.

Mr. Wilson made a motion to approve the minutes of the special called meeting held November 19, 2010. Mr. Mason seconded the motion. Motion carried with all in favor.

Treasurer's Report

Mr. Trapp reported the total balance of all accounts is \$1,117,810.27 with \$535,149.76 in CD's, \$500,000 in Money Market accounts, and \$82,660.51 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. Mr. Chinn seconded the motion. Motion carried.

Prospect Activity (Executive Director) Report

Prospect Update

Ms. Denton reported that prospect activity is steady. There is a good mix of prospects including automotive manufacturers, a fuel cell manufacturer, a nuclear supply chain, instrumentation, environmental management firms, etc.

Large Spec Building Update

Ms. Denton reported that the same carbon fiber company is still interested in the small spec building; however, the process has slowed. There is a firm interested in the large spec building and a PILOT application may be submitted to the IDB in January. A copy of the NAI report for November 2010 and a copy of the Bureau of Economic Analysis per capita personal income for Tennessee Counties were distributed to board members.

FastTrack Infrastructure Development Program (FIDP) Grant

1. Resolution to Authorize Submission of Grant Application

Ms. Denton summarized the resolution to board members. A lengthy discussion was held. Mr. Mason made a motion to approve the Resolution to Authorize Submission of a FIDP Grant Application. Mr. Wilson seconded the motion. Motion carried with all in favor.

2. Engineering Design and Construction Services Proposal

Mr. Wilson made a motion to approve the Engineering Design and Construction Services Proposal from Barge, Waggoner, Sumner and Cannon, Inc. (BWSC). Ms. Dunlap seconded the motion. Motion carried with all in favor. A brief discussion followed.

Carbon Fiber Demonstration Project – Purchase Agreement

Ms. Denton reported that ORNL was awarded a \$35 million award from DOE to construct a Carbon Fiber Demonstration facility. Michelle Buchanon spoke on behalf of ORNL and briefly summarized the project to the board. Mr. Patrick made a motion to approve the Purchase and Sale Agreement with RRP, LLC. Mr. Trapp seconded the motion. A lengthy discussion was held and the following amendments were agreed upon:

1. Page 1, Paragraph 1 – Strike Horizon Center, LLC, and insert Oak Ridge Industrial Development Board.
2. Page 1, Item C. – Insert right of first refusal.
3. Page 4, Item 9 – Strike the last sentence and insert: Seller shall reduce the sale price by a not to exceed cost of \$4,000.00 for core borings performed on site. Copies of the core borings reports shall be provided to the Oak Ridge IDB.
4. Page 9, Item 24 – Strike the entire item.
5. Page 9, Item 26 - Change to a right of first refusal with a term of 45 days.
6. Page 10, 26 b. – Strike out the words: per net usable acre; and insert a right of first refusal with a 45-day time period.

Mr. Wilson made a motion to approve the amended Purchase and Sale Agreement with RRP, LLC. Ms. Dunlap seconded the motion. Motion carried with Mr. Mason, Mr. Wilson, Mr. Trapp, Ms. Dunlap, Mr. Patrick, and Mr. Johnson voting in favor. Mr. Chinn and Mr. Biloski abstained from voting.

Attorney's Report

Restoration Services, Inc. Land Purchase Update

Mr. Krushenski reported that he is continuing to negotiate with RSI's attorney on the final terms of the contract. The closing date has not been determined.

Committee Reports

Finance

1. Auditor's Report

Dale Isabell distributed a copy of the report *Financial Statements for the period January 1, 2005 through June 30, 2010* to board members. Mr. Isabell summarized a few key items contained in the report and a discussion was held. Mr. Wilson made a motion to accept the auditor's report. Ms. Dunlap seconded the motion. Motion carried with all in favor.

2. 2011 Audit Proposal

Mr. Mason made a motion to approve the audit proposal from Dale Isabell for the period of July 1, 2010 through June 30, 2011. Mr. Chinn seconded the motion. Motion carried with all in favor.

3. Budget Development

Ms. Denton concurred with Mr. Isabell's report and said that it would be in the best interest of the board to have the accounting done externally.

Land Use

1. Bethel Valley Properties

None

2. Horizon Center Work Session

Mr. Biloski reported that Mr. Lackey is 50% complete with the survey delineation.

Special Projects

Mr. Mason reported that a meeting will be scheduled for the committee.

Old Business

None

New Business

South Florida Avenue Right-of-Way Abandonment

Kathryn Baldwin summarized this request to the board and a discussion was held. Mr. Mason made a motion to abandon interest in the South Florida Avenue Right-of-Way. Ms. Dunlap seconded the motion. Motion carried with all in favor other than Mr. Chinn who abstained from voting.

Professional Services Agreements for Horizon Center Park

1. RFP Proposal for Clearing Contract at Development Area 6

Ms. Denton summarized the proposal submitted by BWSC to serve as Project Manager/Engineer for the clearing of Lot #6 at the Horizon Center. A lengthy discussion was held in relation to the need for stump removal.

Ms. Dunlap proposed deferring the topic to the Land Use Committee for further discussion. Mr. Mason seconded the proposal. A discussion followed.

Mr. Chinn made a motion to submit a proposal to the Planning Commission to clear Development Area 6 at Horizon Center Park and to get on the agenda for their December meeting. Mr. Patrick seconded the motion. A discussion followed.

Ms. Dunlap made a motion for the Land Use Committee to write a letter to the Planning Commission and get on the agenda for their December meeting to try and obtain a variance. Mr. Mason seconded the motion. Motion carried with all in favor.

Note: Sometime during the discussion on the above topic, a motion and second were made with a vote in favor of issuing an RFP to the IDB A&E Services preferred firms by close of business on December 10, 2010. This action could not be heard clearly from the audio tape of the meeting. Therefore, the minutes should be amended during the meeting on January 3, 2011 to reflect the action taken.

REFER TO THE 1/3/11 MEETING MINUTES FOR THE ACTION TAKEN ON THIS NOTE.

2. Proposal for Infrastructure Definition Plan

Mr. Mason made a motion to approve the proposal for Horizon Center Infrastructure Delineation Project from CH2MHill. Motion carried with all in favor.

Adjournment

Mr. Wilson made a motion to adjourn the meeting. Mr. Patrick seconded the motion. Motion carried and the meeting adjourned at 6:00 pm.


Harold Trapp
Secretary/Treasurer