

RIVERVIEW TECHNOLOGY CORPORATION
Annual Board of Directors Meeting
Minutes
February 6, 2013

Members Present: Susan Corle, Will Hays, Chris Launer, Craig Little, Katie Worrall
Others Present: Hannah Benson, Dean DiDario, Jon Maraschin, Ken Short,
Greg Stephen, Ex-Officio: Rose Pugliese

CALL TO ORDER & WELCOME: Chris Launer called the meeting to order at 9:15 a.m. He welcomed the new Ex-Officio Member, Rose Pugliese and invited everyone to introduce themselves.

MINUTES: Chris asked for comments on the Minutes from the November 7, 2012 Meeting. Craig Little said that he had not attended the November 7 meeting. As such, his name was removed from the meeting minutes from November 7. Susan Corle made a motion to approve the corrected Minutes, Craig Little seconded and the motion carried unanimously.

PROPERTY MANAGEMENT: *Building 46 Proposed Project.*

Supplemental Lease Agreements: Currently, the RTC is leasing Bldg. 46 to the Business Incubator Center (BIC), however, DOE has asked to lease this building to house their IT room. In order for RTC to lease the building to DOE, they would need to break their lease with BIC, which was approved by the BIC board, with the stipulation that RTC pay BIC the sum of \$12,707, or six months rental income. Katie Worrall asked if this would be paid over time, or as a lump sum. Jon Maraschin answered that the full amount would be paid up front. Chris asked Katie, being a commercial realtor, if it is typical to pay a fee in order to break a lease agreement. Katie answered yes, it is typical and the fee being requested is reasonable. Chris asked what the reasoning is for RTC to take the building back. Jon explained that in the Site Transfer Documents, it was stated that once DOE abandons Bldg. 12A, it must be removed due to being built over contamination. This building houses the IT for DOE. As long as the building is in use, it does not have to be removed. DOE would like to remove this building, and move their IT room to Bldg. 46, which would cost \$1 million to remodel. Bldg. 46 is a standalone building, which would make it perfect for IT. DOE has requested that Stoller work with an architect for the remodel. They have requested that RTC pay \$51K to remove asbestos which is Supplemental Lease Agreement (SLA) #9. SLA #10 asks RTC to do a qualified bid project in order to remodel the building to their specifications, spending a maximum of \$42K. DOE will be responsible for furnishing the building. DOE will continue to pay for Bldg. 12A until this project is complete. If the project is cancelled for any reason, they will repay \$51K. Supp #10 protects RTC because once the bids come back, if DOE cancels the project, they will reimburse all expenses. If the project goes over their budget of \$700K, they will allocate more money to either finish the project or they will return the money. RTC's cap for the project is \$93K. Chris asked about the cash flow forecast in the budget. Jon explained that there is a \$110K budget expense in 2013 for this project. The 2014 forecast includes rent for Bldg. 12A and this amount is dropped for the 2015 forecast because the building should be removed by 2015. Chris thinks that it is in the best interest of RTC to break their lease

with BIC for Bldg. 46 in order to lease it to DOE because they will pay to get the building fixed up. Jon agreed that if DOE ever leaves the site, we would be left with a very high tech building. Susan asked whether there is a lawyer looking over these lease supplementals. Jon said that while an attorney has been involved, one has not formally reviewed either supplemental. Chris explained that Jon, along with Dave Detwiler, have done a good job ensuring that RTC is protected, but a final review by an attorney would be a good idea. Chris Launer asked for a motion for RTC to pay a termination fee to BIC in the amount of \$12707.50 to regain control of Bldg. 46. Craig Little made a motion, Will Hayes seconded, and all members voted aye. Chris Launer asked for a motion for SLA #9 to pay \$51K for asbestos removal and SLA #10 for leasing of Bldg. 46 to DOE and management of \$700K construction project and spending \$42K of RTC money towards that project. Susan Corle made a motion contingent on successful negotiation of terms of both SLA's so that RTC is at minimal risk. Katie Worrall seconded this motion. Craig Little interjected that this motion should include language to cap the risk of RTC for both of these supplementals to pay no more than \$93K for both. Susan Corle accepted this amendment to her motion, Katie Worrall seconded and the motion carried unanimously.

Old Business: Chris asked for an update on the DOE High Performance Standards (HPS) project. Jon gave Rose a brief synopsis on the DOE project as well as the HPS. Jon reported that the project is on track and it will be determined by the end of March whether or not all standards were met. Chris asked what would happen if the standards were not met. Jon explained that RTC has strived to meet their standards, but that is where the liability of RTC ends. Discussion ensued about the Mission Statement of the RTC, and Susan explained that the Mission of RTC is to keep DOE here. Jon added that it is in the best interest of RTC to keep the DOE here and to keep them happy. By doing so, jobs are also being retained.

Jon reported that DOE is having a 70 year anniversary event this fall, and the hope is that this will be a public celebration and the community will be invited to see all the work that has been done.

Corporate – Election of New Officers: Jon explained that the Bylaws require eleven board members. Daryl Becker and John Marshall have resigned from the board. John Marshall gave the recommendation that Derek Wagner, Director of Strategic Planning at CMU, takes his seat. Jon has asked that the Board nominate Derek Wagner to fill the vacancy left by John Marshall. Susan Corle made a motion to appoint Derek Wagner to the RTC board, pending City and County approval. Will Hayes seconded this motion and the motion passed unanimously.

Financial Statements 12/31/2012: Dean DiDario reported that this is a three month income statement that shows the end of the 1st quarter. So far, it looks good. Expenses are down \$12K from what was projected. Maintenance expenses are \$9,300 under budget for DOE, CAM, and utilities. Utility-electric looks good so far, but this is before we experienced ongoing below freezing temperatures, so this probably will change next quarter. Greg Stephen added that it is too early to see savings from Xcel for the HPS of Bldg. 810; however, RTC has been getting reimbursed for the solar

panels. Jon said that since the upgrades have been done, the DOE has been using more electricity while acclimating to the new system. Next year will show a clearer picture of the savings received due to the building upgrades. Dean summed up that although the 1st quarter looks good, but there is a vulnerability of utility expenses rising.

Executive Committee- DOE Relations: Chris and Pat Tucker have been appointed to the DOE Relations Committee, and will be working closely with DOE in the near future. Jon would still like to pursue converting the cabin into a museum. DOE and RTC are currently working with the Eagle Scouts on a trail system project. Katie asked for an update on the Black Bridge. Jon explained that RTC owns the right away to the bridge as well as the land up to the river. The City is researching what rights RTC has as far as putting the bridge back up. It is necessary to have another point of entry in order to add new construction to the site. The idea is to have it be solely a pedestrian bridge, with the ability to hold an emergency vehicle.

Other Business- Neighbor of RTC, Daryl Rockwell, has asked that RTC help in his effort to move the roadway onto the Rail Road parking lot. Jon gave Rose a brief synopsis on the situation with Mr. Rockwell. His property sits on the corner below the cemetery and is quite an eyesore. RTC has offered him up to \$100K to sell the land to RTC, and he has rejected this offer. Now Mr. Rockwell wants to move the road off of his property so he can put up a fence. The City has told Mr. Rockwell that he cannot move the road, so he is looking for help elsewhere. It would be in the best interest of RTC for Mr. Rockwell to relocate, and the County has been brought in to assist in this effort.

ADJOURNMENT: There being no further business, Chris Launer adjourned the meeting at 10:20 a.m.

Next Meeting – May 1, 2013.