

Riverview Technology Corporation
Minutes of Special Meeting
December 5, 2001

Attendees:

RTC: Tilman Bishop, Robert Bray, Bernie Buescher, Bob Elliot, Wade Haerle, Knute Knudson, Chris Launer, John Newell, and Pat Tucker.

Others: Thea Chase and Nancy McKenna.

Pat Tucker called the meeting to order at 12:40 p.m. Upon motion of Tilman Bishop, seconded by Wade Haerle, the Minutes of October 23, 2001 were approved unanimously.

Financial Report. Thea Chase presented the financial report. The Corporate account has a balance of \$93,514; checks have been written for directors/officers insurance and start up expenses. We have not received any rental payments from DOE yet, Thea was informed that we should receive a payment possibly within the next two days. The invoiced amount to DOE for one month (in arrears) was \$52,252.97. Pat stated that the Finance Committee will review the statements from the Incubator on property management and RTC's status on a monthly basis.

Property Management Status Report. Thea presented the first draft of the Expense Budget for RTC. It is broken down into three sections, three types of expenses which reflect how different tenants are charged. The first set is DOE expenses, janitorial, elevator are examples of expenses solely related to DOE lease with RTC. Janitorial is broken down into two pieces, contaminated and non-contaminated areas. Thea went over all line items. Discussion followed on the breakdown of Ken Short's chargeable time. It is estimated that he will spend 75% on DOE, 10% on common area, 5% on utilities and 10% on WCBDC. RTC will be billed through property management for the DOE, common area and utilities charges based on Ken's timesheet. Bernie is drafting leases, and is concerned that we comply with the proper allocations from an auditor's point of view.

Discussion continued on line item subjects, boiler inspections, the necessity of an elevator maintenance agreement, roof repairs, etc. and whether these numbers were actuals, estimates or averages. At the present time we are not providing security to DOE and the Incubator is in charge of its own security. The WCBDC Board approved an upgrade on the South Gate costing \$6,000. This will allow the gate to have a key pad and a timer to automatically open and close the gate; the DOE will be asked to share this cost. In terms of utilities, frustration was expressed regarding the lack of billing/pricing information we have been able to gather. Thea plugged a number in the budget for gas which may very well change.

Tilman Bishop wants to explore possibilities of obtaining revenues by using non-utilized property for future development and low cost storage. Bob Elliot will pursue a personal contact with the Boy Scouts as they indicated a need to Tilman for storage. Pat stated development and storage would be good ideas for the future.

Discussion followed on the possible shortfalls, cash reserves and the Board's original forecast for the end of the five year period.

The RTC Tenant Square Footage handout was reviewed. This document shows all of the buildings which are under lease, Thea stated this is a dynamic document.

Thea was commended for her work on the budget as it was a very complicated project. Tilman Bishop made the motion, Bernie Buescher seconded, all voted in favor to accept the budget and financial report.

Finance Committee – Bernie Buescher reported that there were two open items: selection of the auditors and 501(c)3 status. He knows that Mike Bussey has been talking with auditors but the selection has not been made. The application for 501(c)3 is underway but not yet accomplished.

Governmental Committee Report. Knute Knudson reported that they met with Donna Bergman Tabbert and learned that contractor selection continues to be postponed. Donna was hopeful the contract would be awarded by the end of the month. Robert Bray suggested Donna get involved with the Chamber of Commerce and other community activities and groups to gain a little higher profile for the site from a DOE standpoint.

Transfer Status Pat reported that Dan Wilson assured her that everything was going ok. An outstanding item is the maintenance agreement with the City for sewer which is in progress.

Wetlands – Tilman Bishop reported Dan Wilson and the U. S. Fish and Wildlife lawyers are continuing to review and edit a lease agreement for the ponds. It also needs to go through Reclamation and the Solicitor's Office which could take awhile. Tilman has been in touch with Dave Soaker (USF&W) who could not give a definitive price for leasing the pond but said an average per acre price is \$3,700. The land interest is 1.5 to 2 acres. That price would be good for the initial 5 year lease and then the price could drop to about \$2K per acre per year. They would pay us a 5 year lump sum. It's possible that the agreement would run as long as the USF&W is interested in the fish reclamation project. They also will maintain the property around the pond. Tilman feels it is very important to be involved with this reclamation project as well as be open to the tamarisk control/beetle research which could be carried out here.

At this time, Pat introduced Wally Bamatar and he joined the meeting as a potential new Board Member.

Army Negotiation – John Newell reported his last correspondence with Dan indicated that things are coming together. There are still questions regarding the ratio denominator factor and the square footage adjustments which could be addressed quarterly. The negotiation document is in legal review. Bernie is concerned about quarterly square footage adjustments. Thea gave the example that when the Army has the sewer, water, gas and electric supplied to them directly, it will change our spreadsheet. Discussion followed as to how to solve this issue. The Army is not being billed at this time but will be invoiced once a gas bill comes in.

WCBDC Corp. Lease – As Chris Launer had to leave the meeting prior to discussion, Pat reported that other documents and negotiations have taken priority and the WCBDC Lease is currently on hold.

Railroad Access – Thea reported that the leases are in place for parking lots. DOE agreed to continue to maintain the pedestrian crossings. These leases are done unless the railroad decides that since the DOE is not the owner anymore they cannot have the pedestrian crossings in their name. Wade Haerle is working with the County on the vehicle crossing onto the property, so we'll have to wait and see how that progresses.

Utilities Status - Pat reported they are still struggling with Xcel in terms of signing the maintenance contract as it is felt to be too expensive. We have gone back to the DOE with the issue and DOE stated they do not want to be without power 48 –72 hours but they also do not want to pay the money. Pat has asked Xcel to go forward with preparing the maintenance contract and also a proposal to upgrade the service. We have not received either document yet. John Newell reported on a meeting he and Thea had with Terry Fleming of B & B Electric. B & B will look at the site in terms of transformers and what service each building has, the load at each building, backup generators, etc.; they will make this evaluation at no charge. B & B cannot perform the upgrade. Terry suggested the RTC borrow the money from the City's Economic Development Fund or the Revolving Loan Fund to pay for the upgrade. Another resource could be the Energy Impact State Grant. Thea had spoken with Tim Sarmo who felt it worthwhile to pursue, however, the RTC would have to match funds. Application can be made for these grant funds 3 or 4 times per year. Tilman would like to pursue the possibility of securing the Grant Funds with a match from the City. Thea will follow-up on this project.

Personal Property – Bob Elliot and Tilman reported that there is still a lot of furniture left, once all the non profits have been contacted and taken what they can use, the rest will go to auction. Tilman has been quite active and successful in moving the inventory. Bob reported that the price and course of action has been agreed to with the Kayenta group. They will buy the equipment for \$27K amortized over a 5 year period. A document to this effect is with Dan Wilson and is ready for executing. Pat made a motion to pass a resolution authorizing the sale of assets to the Kayenta, and Knute Knudson seconded. There was a discrepancy between the price Bob had given Kayenta and the price written on the note. Bernie made a motion to adopt a resolution authorizing Pat and Bob to negotiate the price and execute the appropriate documents, Bob seconded, and all voted unanimously.

Bob reported there is a man coming to look at all the radiological equipment tomorrow. Bernie made the same motion, to authorize Pat and Bob to negotiate a deal and execute the appropriate documents, Knute seconded the motion and all voted in favor.

Tilman reported that Granite Design, a former Incubator tenant purchased equipment and furniture; furniture has been loaned to several current Incubator tenants (High Desert, Quick Skan Gauges, Production Services, Action and the WCBDC). The City and County were not interested in taking any of our surplus. Organizations that have come in and taken our surplus include School District 51, Partners, Plateau Valley School District, DeBeque School District, the Museum of Western Colorado took a few historical pictures and things which they will

display; John McConnell, Mesa State College's Math, Science and Art Depts., Hilltop, Rocky Mtn. PBS, Orchard Mesa and Palisade Little Leagues, Mesa Co. Sheriff's Dept., Civic Forum, Audobon Society and Marillac. Pat would like to set a goal of giving and selling all of the surplus by February. Thea stated that the Incubator would like to start work on a portion of Bldg. #3022 in January.

John Newell obtained the resale value for the trailers from Williams Scotsman. Buildings 53a, b, and c are worth \$4-5K each. Bernie made a motion authorizing the sale as stated in the Opinion of Value. Knute seconded the motion, all voted in favor with Bob Elliot abstaining from the vote as he may be interested in buying one.

Nominating Committee – Pat reported that the Nominating Committee had met and reviewed the status of current board. The proposed Board composition for 2002 and corresponding terms are: Pat Tucker, Robert Bray and Chris Launer expiring in 2003. John Newell, Steve Reimer, Mike Bussey (Secretary/Treasurer) and Bernie Buescher (President) expiring in 2004. Tilman Bishop and new members Walid Bamatar, J. D. Snodgrass and Bonnie Pehl-Petersen expiring in 2005. Knute Knudson, Wade Haerle and Bob Elliot are retiring from the Board; Bob will be an ex-officio member.

New Business. The Bylaws state that the annual meeting will be held in January and the Articles state the changing of officers will occur in March. Bernie made the motion to amend the Bylaws to provide that the annual meeting and ratification of all terms and new people occur in January. Robert seconded the motion and all voted in favor. The annual meeting was set for the 3rd Wednesday in January, the 16th, beginning at noon followed by a closing celebration party at Pat's house.

The meeting was adjourned at 2:45 upon motion by Bob Elliot and seconded by Knute Knudson.