

Riverview Technology Corporation
Minutes of Regular Quarterly and Annual Meeting
February 1, 2002

RTC Members in attendance: Tilman Bishop, Robert Bray, Bernie Buescher, Mike Bussey, Bob Elliot, Doralyn Genova, Knute Knudson, Chris Launer, John Newell and Pat Tucker.
Others in attendance: Thea Chase, Nancy McKenna, Bonnie Petersen and J.D. Snodgrass.

REGULAR MEETING

Call to Order and Approval of Minutes. The Regular Quarterly Meeting was called to order by Pat Tucker at 12:45 p.m. The minutes of the December 5, 2001 were presented, Bernie Buescher made the motion to approve the minutes as written, Knute Knudson seconded the motion, all voted in favor.

Finance Report. Mike Bussey distributed financial statements to the Board. Currently Thea Chase is managing these accounts under WCBDC; there are three different financial statements, one for utilities, one for the DOE and one for common area maintenance. Thea maintains the income and expenses and then the net of that amount is billed to RTC. Mike discussed the Balance Sheet. Right now RTC has \$145K in the bank, a bill to be paid for \$95K, and we have \$162K in accounts receivable. The DOE has been billed for three months (at ≈\$53K per month). The balance sheet does not reflect a lot of activity yet, personal property and the loan with Kayenta have not been booked. We've been informed that the personal property has a book value of ≈\$150K. The land will be booked at \$10 since it was given to us.

Knute asked if the city account had been closed out. Thea replied yes, "Revenue-Grant Income Public" closed out in the amount of \$149,740.33 which was deposited into The Bank of Colorado. Pat questioned whether there were conditions tied to receiving those monies. Chris Launer felt there could be some formal reporting that RTC will have to produce to comply with the requirements of the Grant. There was a formal agreement regarding the grant signed at closing. Dan Wilson has the closing documents books.

Chris asked Bob Elliot if we really had \$150K worth of personal property and Bob stated that was the value placed on it from DOE and he felt the value was maybe \$50K. Discussion followed regarding booking the personal property at book value, market value, what we paid for it. It will be important to keep track of the assets as there will be two sets of auditors looking over the books. Knute felt we should be careful not to generate subsequent income or losses that are false. We should keep 501(c)(3) status in mind as we book monies; we don't need the depreciation. Bernie made a motion to accept the financial report, Chris seconded the motion, there was no further discussion, all voted unanimously to accept.

Annual Meeting Date Resolution. Pat informed the Board that the bylaws provide the annual meeting will be held in March and a resolution should be adopted to change the date to tie more closely with the calendar year. Bernie motioned that the first Friday in February be set as the annual meeting date, Knute seconded the motion, there was no discussion and all Members voted in favor.

Introduction of New Board Members. Pat welcomed the new board members: Bonnie Petersen, Walid Boumatar and J.D. Snodgrass. Bonnie and J.D. were present and introduced. Walid could not make the meeting today. Pat thanked the outgoing board members for all their hard work. Doralyn Genova represented the City and County and stated the RTC has provided outstanding service to the community and thanked everyone for volunteering their time. She presented Bob and Knute each with a plaque. Bob will continue to help in terms of personal property disposition. Knute thanked the local government for its support and Thea for her assistance in the past four years. Bob presented the outgoing President with a watch as a traditional thank you from the Board.

Election of Officers. Pat presented the proposed new officers. Bernie Buescher as President, Chris Launer as Vice President, Mike Bussey as Treasurer, and J. D. Snodgrass as Secretary. Pat made the motion to approve to the new officers, Bob seconded the motion, and all voted in favor. Pat adjourned the regular meeting of the Board.

ANNUAL MEETING

Call to Order and Outgoing Remarks. Bernie, as the new President, called the meeting to order and asked Pat for her outgoing comments. Pat stated this is one of the best groups she's worked with and we should all be truly proud at what we have accomplished. It has been a smooth transition and we are in a good financial position.

Incoming President's Remarks. Bernie said he was delighted to be given this opportunity. He feels he is the beneficiary of all the work that Robert, Knute and Pat have accomplished, "all the heavy lifting has been done."

Transition Update. Thea reported on tasks completed. The property management function is in place, we have subcontractors in place for janitorial, elevators, landscape, snow removal and pest control. The boiler inspections have been completed. In terms of the utility transfer, we have been allowed to maintain the gas contract under the Army which gives us favorable prices and we have a gas transportation agreement with Public Service. Electric, we now have the bills transferred but we're still fighting the battle with Public Service on deposits. We hope that they will recognize us as being closely tied with the City and County and not require us to make deposits. The water and sewer will be separated as of mid-February so we can bill meters individually. We have set up the shop and equipment to maintain the site. We've been working on property spreadsheets identifying the percentages of the property to be billed for common area, utilities, DOE; this has been very complex but is critical to be able to receive the reimbursables for the tenants that we have.

In-process tasks include selling the Oak Ridge trailers, the RAD issues will have been remediated next week, the titles are still with Eben. We understand that building #55 can also be sold. Bob stated that a buyer has been identified; this would be additional income for RTC. Ken Short is working on a preventative maintenance schedule and is in the process of hiring a full-time assistant. Thea discussed the 4KV electrical system. A portion of the complex still has 4KV power which is unsupported and Xcel will not take over ownership or maintenance without charging a substantial monthly fee. We've been working with B&B Electric to understand the issues. Buildings 20 and 46 are already set up with emergency backup power

systems. Most buildings on the complex have more power than they need. After studying everything, B&B reports that the longest downtime we could experience would be 24 hours and DOE has said that amount of time is acceptable to them. We have transformers on site which could replace (a matching) one if it goes down and back-up generators to supply power while a transformer is being repaired. We now feel we have a plan to maintain service and not pay Public Service the \$4K per month to be on standby. We are still waiting for an estimate from Public Service to upgrade the whole system. Since Public Service owns the lines, B&B can't do the upgrade.

Thea reported that ABC has adopted the WCBDC as their project this year. They will donate the labor to renovate and move the Incubator's offices and the Training Room into Building 3022. Other upcoming issues include landscape, asphalt, and irrigation. Recently the 8" water line went down. We have an 8" and a 10" line and the City thinks we should abandon the older 8" and use the 10" line. We need to look into impacts of these water lines on irrigation and fire protection. The roofs have been repaired of leaks which will get us through till spring. We'll need to decide what to do in terms of paying a flat monthly rate or just dealing with major repairs and maintenance. The integrity of the roofs varies from building to building and will be an ongoing issue. This also applies to the asphalt. We need to form a committee to work on signage for the site, what it's going to be called, where and how will signage be displayed. There is still a lot of general cleanup to be performed around the site. Another site upgrade would be painting the exterior of the buildings, the WCBDC could enlist volunteer organizations to help with this task.

General discussion followed Thea's report. Chris cautioned that capital expenses do not get passed on to DOE. In terms of asphalt and roofs, if work is maintenance, we can bill it back to DOE. DOE cannot pay for capital improvements if they do not own the site. The 4KV electrical could be upgraded with CDBG or an energy impact grant, but those funds have to be matched. Tilman Bishop felt that the buildings should be inspected on a regular basis so capital improvements can be prioritized and done on a timely basis.

Committee Reports. Bernie stated that we are transferring from negotiating committees to operating committees and we will have more responsibility than in the past.

Finance Committee. Mike reported that four auditing firms will respond to our RFP by February 28th, a decision will be made by committee shortly afterward. The 501(c)(3) application is taking a good deal of effort and time. He feels we could possibly be requesting 501(c)(2) since we are tied to government. We are beyond the 27 month deadline to apply for the status, however, since we were operating under the city and county and have only been operating independently since the site transfer, we will try to get around this deadline issue. Knute felt this change (from 501(c)(3) to 501(c)(2)) should be discussed with Lyle Dechant and Dan Wilson to ascertain their comfort level. Bernie stated that both designations are non-profit and the final choice will not impact the RTC one way or the other.

Mike stated that there are operating issues to discuss. He read a proposed resolution regarding the check signing and approval policy. The resolution's language needs to be changed to reflect "treasurer's approval" instead of "secretary/treasurer," as this is no longer a combined position.

Robert Bray asked what form of approval would be requested, verbal or written. It was agreed that approval would be in writing so we have a record. Mike made the motion to accept the resolution as amended, Tilman seconded the motion and all voted unanimously.

Thea had presented Mike with WCBDC's first invoice for \$95,000 which represents three months of operating/expenditures. Mike made the motion to approve the payment of the invoice. Discussion followed regarding the above resolution in terms of approvals and budgeted/non-budgeted items. Thea provided input showing the expenditures were well within their budgets. Mike felt the expenses were reasonable. Chris seconded the motion to approve payment of the invoice and all members voted unanimously.

Pat wanted to remind the Finance Committee that an investment guideline or policy should be adopted with regard to RTC's funds. Investing should be fiscally conservative, Thea had suggested a CSAFE account, Mike is looking into this.

Property Management Committee. Bernie reported that since we signed a lease with the DOE in October 2001, some issues have arisen that need to be renegotiated. This process has been going pretty well with DOE; one item needing clarification pertains to utilities and how they will be allocated between DOE, Army and WCBDC. A meeting on the utilities issue will be held mid-February. Discussion followed on the seven test pits. They are 6 to 18 inch holes going down into the ground up to 500 feet. They need to be remediated, they could be filled in or capped off. The test pits were supposed to remain the property of the DOE, however the transfer documents did not reflect this. DOE gave us a Quitclaim Deed and the test pits were not excepted, so right now, they're ours. Bernie felt that we should re-convey the test pits via an MOU along with some kind of easement for accessibility. There are several issues Bernie is working toward renegotiation including the \$4.65 lease rate to DOE and whether RTC would be paying them back if expenses were less than that rate; the consensus was RTC will not.

Wetlands. Tilman reported that according to Dan Wilson the proposed lease agreement is now in the U. S. Fish & Wildlife's court. Dan feels comfortable with this document. Tilman will continue to try to get USFW to take the ponds for the purpose of raising endangered fish and they would also maintain the area.

Personal Property. Tilman and Bob expressed their thanks to Ken for all his help. The non-profits have been eager to take our surplus. Building 55 and the trailers have a ways to go; will try to give away old computers. Tilman has generated about \$1,000 from the Art Dept. at Mesa College. Bob and Tilman will continue their efforts.

Discussion followed on the need to have access of the backhoe. Knute questioned why the backhoe was moved to Moab/Cheney if it was transferred to us. Chris questioned why we needed to have the City and County's approval if it belonged to the RTC. Doralyn reported that Dan Wilson and Lyle Dechant were hesitant that the backhoe remain on the property because of the liabilities of possible digging into the soil. She will continue to check into this from the government-concerns side of the issue. If an emergency arises where a backhoe is needed, we will have to hire or rent one and then decontaminate the equipment. The consensus was that if

Ken has a clear understanding of the dig policy and requirements, the backhoe should be here and available.

Railroad Access. Thea stated that the DOE has asked us to reconsider taking on the pedestrian crossings with the understanding that it will cost them \$5,000 apiece. The glitch we've run into has to do with the insurance that the railroad requires us to carry; it appears it can only be bought from the railroad. We have time to explore the possibilities on this issue/cost of insurance as the current lease does not expire until August/September of this year. Bernie had a recent meeting with Brian Mahoney (insurance representative) who confirmed that only the railroad offers this insurance and apparently it is affordable.

Insurance Issues. Bernie said he needed guidelines on building values--how much do we insure the buildings for? We are required to maintain insurance but we have no obligation to rebuild in case of disaster. Bernie recommends replacement value, less depreciation coverage. It would offset any future lost revenues because of damage or destruction. The WCBDC building coverage, however, needs to be at replacement cost. Chris stated that insurance is clearly an operating expense and if the amount goes over \$4.65 per square foot, it gets passed onto the DOE. Chris made the motion to accept the replacement, less depreciation coverage, Bonnie Petersen seconded the motion, all voted in favor. Discussion followed on flood insurance. We don't actually need to determine whether we want to buy flood insurance until April of each year. Bernie feels there is little possibility of flooding this year based on snowfall and proposes we do not buy it this year. The insurance agent will contact us mid-March of each year as to whether we want to buy this coverage. The group agreed that this year does not appear to be one where we need this protection.

Utilities were already covered earlier in the meeting, however, Thea informed the group that the first bill has been sent to the Army. John Newell was commended for his diligence in working with the Army issues.

Lease & Administration Agreement. Pat informed the Board that Thea is working on this document.

New Business. Bernie laid out the following committee assignments for 2002. Steve Reimer is still out of town and could not be reached to see where he'll fit in.

Finance Committee: Mike Bussey, Chair, and Bonnie Petersen.

Property Management: J. D. Snodgrass, Chair, with Walid Boumatar, John Newell and Bernie Buescher.

Government Relations: Robert Bray and Tilman Bishop.

Executive Committee: Bernie Buescher, President, Chris Launer, Vice President, J. D. Snodgrass, Secretary, Mike Bussey, Treasurer and Pat Tucker, Past President.

Special Task Force, Personal Property Disposition: Tilman Bishop and Bob Elliot.
Robert made the motion to approve these Committee Assignments, Pat seconded the motion, and all Board members voted in favor.

Set Meeting Date and Time. Bernie proposed the first Wednesday of May, August and November, 2002 at noon, be the meeting dates and time. Pat made the motion to accept, Chris seconded the motion, all voted in favor.

An amendment to the bylaws or a resolution needs to be addressed at the next meeting regarding the secretary/treasurer position being split into two separate functions.

There being no further business, the meeting was adjourned at 2:40pm.