

**RIVERVIEW TECHNOLOGY CORPORATION**  
**Special Board of Directors Meeting**  
**Minutes**  
**August 24, 2015**

---

**Members Present:** Will Hays, Tim Hatten, Steve Hovland, Craig Little, Pat Tucker, Derek Wagner, Katie Worrall

**Staff Present:** Terri Benson, Jon Maraschin

**Ex-Officios Present:** Bennett Boeschenstein, Frank Widden

**Call to Order:** Will Hays called the meeting to order at 12:03 pm

**1) Historical District:**

Based on extensive meetings with the historians, DOE and archeologists, Executive Director Jon Maraschin recommends approval of an historic district for the site based on feedback from two archeologists that are working with the RTC and DOE. The RTC board would be the committee that oversees the district. Discussion included whether the city/county/state would be involved if the RTC wants to make changes, i.e. the Army Reserve building. RTC Board wouldn't have to do anything to make changes to the site, but could lose designation if changes were materially different than the existing architecture. The designation would be federal, and would not involve local entities. He noted the DOE newsletter is talking about the potential designation and DOE is very excited about the possibility of preserving their legacy. The RTC already complies with federal historic requirements under section 106 as required when receiving federal funds.

Pat Tucker made a motion to support the DOE application for historic district status, subject to having a final review of the application before it is submitted. Craig Little seconded the motion.

Additional discussion included:

- Confirming that the RTC Board would make all decisions as to keeping the designation, changing buildings, etc. It's not a given that changes would mean the designation is lost due to the historic designation relating to the site, not the architectural interests, 2) RTC could accept money for improvements such as was done for Building 938 and others. If grant money was accepted to do something specific to the historic district, then that could make some restrictions, but if no money is taken for historic issues, then RTC could elect to drop the designation or pay money back, 3) the DOE is doing the work for getting the historic designation, and paying for it. If the site does become a district, then a line item would be added to the agenda at least once per year to discuss any issues, 4) the RTC board would review the application before it was submitted, 5) this is very important for the DOE; it also would help to keep them tied to the site and community with the designation and visitor center; 6) Bennett said the city would have no say in the matter; he personally thinks it's a very good idea; historic for buildings only applies to the exterior, not interior modifications; if the site were annexed by the city, it would not trigger any additional oversight on the historic district, but there could be considerations due to the issues with aging utilities, 7) Craig Little noted that the Manhattan Engineering District has 3 sites already and this could be an additional feather in the local DOE's cap to have the site listed; it would also make the site more attractive to the DC community as well

A vote was taken and all were in favor of the motion as presented.

**2) Property Management Contract Amendment:**

Currently the RTC has 3 contracts with BIC; one at \$60,000/year for property management, a second at \$60,000/year for Executive Director, and a third at \$800/month for accounting services. Property management encompasses the entire 130,000 square feet of space on 45 acres, not just the DOE side. Due to projects in the past couple of years, and the upcoming ones, Jon does not feel the current contract provides enough money for the work. He would like to hire a full-time property manager and is requesting a revision to the property management contract to add \$40,000 per year. RTC will fund this increase from cost savings, reallocations of funds/time, rent increases, and depreciation, and still have funds for surprise maintenance items. This amendment would not affect the contracts for Executive Director or Accounting. There was discussion regarding: 1) outside property managers would cost more and give much less attention to services; 2) BIC staff needs to be able to focus more time on BIC tasks, especially Jon and Dean DiDario; 3) Property Manager would oversee work and Ken would actually do the physical work; 4) Jon, Dean and Ken are all involved in different aspects of project and property management and it gets very muddled and takes a lot of time; 5) in addition to Ken, BIC currently employs one full time maintenance person and temps from Labor, Etc.; 6) the property manager would also attend DOE meetings when Jon isn't required to; 7) there is a separate property management account, and BIC pays their percentage of that; 8) RTC pays BIC for property management of the facilities and common area; 9) Jon currently spends a minimum of 4-10 hours per week, plus Dean's time; 10) if this amendment is approved, the entire maintenance department will be reorganized; 11) BIC needs a full time ED to keep up with their programs and needs; 12) Dave Detwiler is doing some project management, but is out of the office/working on other client jobs a lot; 13) RTC receives 10% on all work orders; 14) BIC negotiates/receives a 3-4% fee on special projects; 15) buildings are all old, with a lot of problems; 16) having a specific property manager would give the DOE a dedicated person to deal with 90% of the time, without bringing Jon into it; 17) in years past, there was a property manager paid, similar to what Jon is asking, but it was structured in a way that caused problems; when the contract was originally made, job descriptions and contract amounts didn't take into account the types of projects that have come up, and keep coming up, in recent years. The was based on 8% of rents over ten years ago, which neglected the fact that BIC only pays \$1/year regardless of what the site needs are; 18) it's good for RTC and BIC to have some overlap in the ED; 19) RTC budget is currently \$70,000 ahead of budget; 20) RTC is beginning to see some efficiencies, and the DOE contract has annual rent increases; 21) if 3<sup>rd</sup> parties should be asked to bid (Katie Worrall felt their costs would be too high and the service you would receive for \$60,000 wouldn't be sufficient and they probably wouldn't want deal with the kinds of challenges our facilities present); 22) contract between BIC and RTC could be structured with a shorter term to see how it works out; 23) Jon needs to be able to delegate this person to meet with subs, work on designs, deal with the historical designation, and still get the low priority things done; he can't continue on in both capacities; 24) money from amended contract would be purpose driven – not just absorbed into the BIC budget/staff; 25) the city won't take over the water system until it's upgraded and we have issues with water flow; 26) the Fire Marshal has said the single point of entrance is not a problem for development but there are some requirements that would need to be met; 27) the water main is a ticking time bomb and we could develop if that is fixed; estimated cost is \$100K-\$500K to fix it, and there are a lot of problems with ground water and digging that would need to be addressed; 28) the property manager would need to be an employee, if, at the end of the contract with BIC/RTC, it was determined it didn't work out, the property manager would be let go.

Pat Tucker made a motion to amend the existing property management contract between the RTC and BIC to \$100,000/per year for 1 year, with the intent that BIC hires a full time property manager, with the contract to be revisited in a year. Katie Worrell seconded the motion. A vote was taken and all were in favor of the motion as presented.

### **3) Campus neighbor resolution options:**

Since the neighbor had a motorcycle stolen over the 4th of July he has placed concrete barriers, stopped cars and screamed at the occupants, followed Jon and several DOE employees onto the campus and threatened them. Jon has involved the city and county, and the police's community service officers were supposed to speak with him. The neighbor wants the city to move the road, which is on his property. There are issues as to where the easement is in relation to the road. There is also an irrigation easement where the house is. He has scared the DOE people. Code enforcement has been called. There is a legal process, but it takes a while and does not appear to have been started. Bennett noted that he is encroaching on the road right of way and could be cited for trespass. Ken is the only person who has discussed any real estate issues with the neighbor. Jon does not feel he is the right person to pursue it after their confrontation. The neighbor has an attorney. There was discussion regarding: 1) what he might want in money or in trade to move; 2) there were a lot of properties out there, and it depends on if he wants acreage and water, etc.; 3) a lot of time has already gone by since this became an issue and it's time to get more aggressive in finding out what it will take to get him to move, including possible purchase, trade and maybe moving expenses; 4) due to Bylaws, the city and county should be involved; 5) RTC feels that the issue should be a City issue since neighbor is on city property and it's a city road & the neighbor's actions have impacted over 300 employees, the firing range, the cemetery, the gravel pit, and access to the river. It appears it should be handled by the city before conditions get worse; 6) property was purchased in 2007 for \$75,000; 7) if the asphalt, lights and concrete next to the railroad tracks were removed, it would save the RTC \$18,000 a year in rent to the railroad; 8) Bennett agreed that the city should be taking the lead on the issue, but advised his is only one opinion of 7 council members. He knows the neighbor's attorney and will contact him to see if he can determine what the neighbor would want. He will get the information Katie has on properties; 9) Jon contacted the City Attorney several weeks ago; 10) what amount the board would consider paying if an amount was presented, and if it would be financed or paid from existing funds; 11) funds might need to be included to clean the site up and possibly install a nice entryway; 12) the NorthStar report recommended upgrading business parks which includes BIC (including water, sewer, the bridge, etc.); 13) there needed to be a time limit put on this issue as it has been dragging out for more than a year; 14) the city and county will be asked to participate with improving the entrance, removing the concrete/asphalt/lights on the railroad property, and potential environmental issues on the property; 15) it was suggested Jon be given the authority to apply for an up to \$150,000 line of credit to have available to the RTC in the event of any land purchase and/or for other contingencies. It doesn't need to be used if not needed.

Derek Wagner made a motion to request the City of Grand Junction take the lead on negotiating with the neighbor to remove him from the property with a deadline of concrete results by September 15, 2015; if nothing has occurred by that date, RTC will have their lawyer send an official written offer to the property owner. After discussion, an amendment was added to the motion allowing Jon Maraschin to begin application for a \$150,000 line of credit, requesting he review the details of the application with the board on or before September 15, 2015. Pat Tucker seconded the motion.

**Adjournment:** There being no further business, the meeting was adjourned at 1:19 p.m.

**Next Meeting – November 2015**