

**Northern Maine Development Commission  
Executive Board Meeting Minutes of  
January 8, 2015**

**PLACE:** Northern Maine Development Commission, Caribou

**DATE:** January 8, 2015 12:30 p.m.

**Attendance:** Chair Don Guimond, Don Adams, Butch Asselin, Jim Bennett, Austin Bless, Keith Brown, Mary Anne Buck, Tom Clowes, Larry Duchette, Ralph Dwyer, Norm Fournier, Jon Frederick, Denis Gagne, Jim Gagnon, Jim Gardner, Max Lynds, Dan McClung, Jim Nadeau, Christy Sirois, Patricia Sutherland, Christina Therrien, Paul Underwood and Terry Wade.

**Others Present:** Dave Cyr-Mars Hill, Bob Clark, Duane Walton, Ryan Pelletier, Judy Dinsmore, Jay Kamm, Bob Dorsey, Jon Gulliver, Alain Ouellette, Matt Tompkins and Ruby Bradbury.

1. Call to Order and Introductory Remarks:

Chair Guimond welcomed everyone in attendance and asked those who wished to receive travel reimbursement to pass their travel vouchers in.

2. Approval of Executive Board of Directors Meeting Minutes of November 13, 2014:

MOTION:

Motion made by Ms. Sutherland, seconded by Mr. Nadeau to approve the Executive Board of Directors meeting minutes of November 13, 2014 as presented.

VOTE:

Motion voted on and passed.

3. Acceptance of the Agencywide Revenue and Expenditure Statement for the Period Ending November 30, 2014:

Financial Summary:

The benchmark for the period ending November 30, 2014 is 41.7%.

Total Revenues are \$2,472,276 representing 35.1% or 6.6 percentage points below the benchmark.

Total Expenses for the period were \$3,071,298 or 40.2% of the budgeted expenses or 1.4 points below the benchmark.

Agency Balance of (\$599,022). The COCMA fund balance in the amount of \$526,325 was used as well as \$37,244 of the Special Tourism grant leaving a new agency balance of (-\$35,453).

MOTION:

Motion made by Mr. Fournier, seconded by Mr. Gagnon to approve the Agencywide Revenue and Expenditure Statement for the period ending November 30, 2014 as presented.

VOTE:

Motion voted on and passed.

4. Accountant Position:

Ms. Bradbury introduced Matt Tompkins of Fort Fairfield. Mr. Tompkins is a graduate of UMPI with a BA in business and a major in accounting. He has won several awards including the Outstanding Achievement award in accounting.

Mr. Clark added; 14 applications were received in which 7 were interviewed.

5. Report of the Loan Review Committee and Quarterly Report:

Mr. Walton reported to the Board.

Quarterly Report:

Charge offs - Received final settlement from Allison Brown. Two loans were charged off from Caribou Economic Growth Council.

Overall Portfolio – As of December 31, there were 98 loans. Delinquent loans are 16 that are 60 days delinquent. Loans greater than 60 days delinquent are 4. Portfolio is now almost \$15,000,000 including contracted loan funds.

Fund Report:

Mr. Walton announced we are now servicing Piscataquis County Economic Development Council's loans.

As of January 2, 2015 total loans outstanding are \$12.7 million. We have about \$1.8 million of lendable funds which includes Brownfields.

Virtual Managed Solutions (Caribou) – Approved re-amortization only

KBS Enterprises (Caribou) – Approved

Desjardin Project Place – Approved 85% guarantee

Allison Wheeler (Bridgewater) – Real Estate for gymnastics business – Closed

Red Sands, LLC (Ellsworth) – Purchase building and working capital – Closed

Caldwells – Real estate payoff

Mr. Underwood indicated the delinquent and default loans are almost 20% and asked if this is a banking average? Mr. Walton explained it depends on the bank. It can be on the total of the loans in default or on the total loans in default.

MOTION:

Motion made by Ms. Sutherland, seconded by Ms. Buck to accept the Loan Review Committee's report as presented.

VOTE:

Motion voted on and passed.

6. Ratification of Service Contracts:

- a. Hilltop Blossoms (Florist/Greenhouse) - \$2,500 (Administration of CDBG Economic Development Project)

MOTION:

Motion made by Ms. Sutherland, seconded by Mr. Nadeau to ratify the service contract as presented.

VOTE:

Motion voted on and passed.

7. Authorization to Apply for USDA Training and Technical Assistance Grant in the Amount of \$99,951:

Mr. Kamm indicated NMDC was the recipient of a HUD Sustainable Communities Regional Planning Grant. A key finding of the planning process was to promote the adoption of practices by water utilities that will help them plan and effectively manage their infrastructure and operations to ensure sustainability.

The goal is to develop a ten year plan that identifies infrastructure needs, costs, and potential funding sources for communities with water departments.

A pilot project will be developed to look at source water, wells and transportation infrastructure, traffic, above and underground storage tanks and private drinking water to help first responders. Sand aquifers will also be mapped.

Van Buren water district will be participating in this program. Once this pilot program transpires, the program will happen in other areas.

MOTION:

Motion made by Ms. Sirois, seconded by Mr. Gagnon to authorize the submission of the USDA T &TA grant as presented and to authorize the Executive Director to execute all necessary documents pertaining thereto.

VOTE:

Motion voted on and passed.

8. Update on the Community Guided Planning and Zoning Project:

Mr. Kamm reported this project has been ongoing for a year. Phase I (Information Gathering) is complete. A series of guest speakers presented on topics such as agriculture, forestry, recreation and tourism. A permit review took place from the 1970's to late 2013 (6,000 permit applications).

There was no one topic that emerged as being the golden nugget. The committee felt it was stumbling a bit and wondered if they were the solution looking for a problem. In October the committee focused on a small business development zone, which would help make development in the Unorganized Territories (UT) more predictable.

Phase II: This will focus on development of the Steering Committee's proposal. LUPC will take a more active role and will provide technical assistance to the Committee as it works through questions around land use regulation and economic development in the UT.

The committee will be provided with these two options:

- Development of a set of standards with the criteria for the creation of a zone.
- Development of a set of standards and the identification of zones on the ground.

Timeline: 6-7 month completion date (July). Meetings will be monthly moving around to northern and southern Aroostook. This will be published in the media and public comment is welcomed. The next meeting will be held on January 21<sup>st</sup> at NMDC.

Mr. Kamm stated this project is the first in the state and needs to serve as the model.

Mr. Underwood indicated he serves on the LUPC where there is a disconnect with the past. He stated the Committee struggles with lack of flexibility in their standards. Staff is looking at addressing this and we should have our own Aroostook staff to find out how to deal with this with little variance, which is hard to overcome.

Mr. Guimond inquired if there was a role for the Committee to play as they move forward with the Irving plan? Mr. Kamm stated they will be taking a hard look at this.

Mr. Kamm stated the Steering Committee would like to go to the public with something, but if a public meeting was to be held too early, all we would hear about was how many decks that are not being able to be built around the lake.

9. Maine Technology Institute Cluster Grant Award in the Amount of \$49,943:

Mr. Ouellette indicated MTI has awarded NMDC a \$49,943 grant to enhance the Northern Forest Products Industry Cluster. The initiative is being spearheaded by Aroostook Partnership for Progress and will compliment the EDA and USDA IMCP awards. By forming this cluster, it will make it easier to identify those opportunities that exist and are shared in the supply chain. He explained forest resources is the center of the cluster.

The cluster group is made up of large land owners, financial services, land owners, utilities, forest consultants and business organizations to name a few.

Mr. Ouellette discussed activities and milestones that will be addressed over the year.

Timeframe: The creation of the forestry cluster action plan will be created in 6 months instead of the allotted 12 months.

Meeting Objectives: The goal is to hold 3 working meetings with the cluster. The first cluster meeting will be held on January 15 at NMDC.

10. Update on Aroostook Partnership for Progress Activities:

Mr. Dorsey reported APP met with some of the elected legislators discussing the economic opportunities, challenges, etc. Speakers presented on Norinco railcar manufacturing company at Loring, mining background and update, and need for rural broadband. Other topics discussed were the economic impact on new bills, consistent competitive regulatory environment, private representation on Maine PUC and the growing need for assisted living facilities.

Aroostook Economic Potential:

- Forestry/manufacturing
- Agriculture
- Rail Car Manufacturing
- Mining

There is a potential for over 1,000 new jobs and \$100,000,000 GDP increase.

Upcoming Events:

January 15 – Northern Forest Products Industry Cluster Meeting

January 20 – Maine Food Strategy meeting with Diversified Ag and Maine and Aroostook Farm Bureaus

February 2 – Brief Caribou High School on Economic/Jobs Potential

February 11 – Junior Achievement Titan Challenge at UMPI

February 11 – Aroostook Day at the Legislature in Augusta

11. AWWIB Youth Services RFP and Award for Aroostook and Washington Counties:

Mr. Clark reported this process began in August, 2014. A Bidders Conference was held in September where we received 2 RFP's:

- ACAP (Aroostook County Youth only)
- MDOL (Washington County Youth only)

A meeting was held with the CLEOs and the RFP's were presented to them.

Contractors begin the PY 2015 on July 1, 2015.

MOTION:

Motion made by Mr. Underwood, seconded by Ms. Sutherland to ratify the Youth Services award as presented.

VOTE:

Motion voted on and passed.

12. Authorization to Apply for the Maine International Trade Center Invest in Maine Initiative up to \$50,000:

Mr. Clark indicated applicant requirements must be:

- Unit of government (or quasi-governmental entity)
- Non-profit engaged in economic development, business investment or attraction
- Institution of higher education
- Preferences will be given to projects that are:
  - Multijurisdictional
  - Align with Regional CEDS
  - Value to Existing Efforts
  - Broad Geographic Dispersion

Proposals:

- Project Narrative
  - Geographic region in which the activity will take place
  - How the project relates to invest in Maine goals (foreign contacts)
  - Justification for targeted industry/geography – China and western Europe
  - Expected benefits to the region and the state as a whole
  - Project team makeup
  - Timeline: needs to be completed by September 30, 2017

- Metrics looked at
  - Targets (China and western Europe - justification needed for other countries)
  - Foreign companies contacted (both proactive & reactive response)
  - Foreign companies engaged (advanced interest)
  - Foreign companies visiting (Schmidt, Tayto-kettle chip processor)
  - Proposals generated (investment projects)
- Budget
  - 1:1 match (funding cap - \$50,000 EDA and \$50,000 match)
- Travel expenses allowed (must meet federal guidelines)
- No funds for private sector businesses (can be used as match)
- Funding available - \$250,000
- Two application periods available (can be multi-year in nature)
  - January 31, 2015
  - September 30, 2015

MOTION:

Motion made by Ms. Sutherland, seconded by Ms. Sirois to authorize submission of the Invest in Maine application and authorize the Executive Director to execute all necessary documents pertaining thereto.

VOTE:

Motion voted on and passed.

13. WealthWorks Presentation:

Mr. Gulliver indicated NADO sponsored 3 NMDC employees to attend the 4 day WealthWorks training in Pennsylvania in October, 2014. WealthWorks is an economic development approach much like Mobilize Northern Maine (MNM), but with more specific wealth creation criteria. This process is a way of taking MNM and making it better to help Aroostook County.

It is demand driven – product or service (workforce development could be a service). MNM identified 4 sectors, renewable energy, manufacturing, forestry and agriculture. He explained we need to identify an underutilized asset in our area that could offer employment opportunities.

Intellectual, social and political capital is needed as well as financial capital. Wealth needs to stay in the area. Value chains need to be sure of local control and local money. Value chain can be anything, we want to focus on forestry.

At this time, we are doing the exploration chain. Then another group will map this out. Once the final project is created, we will implement it and institutionalize it. We will look for gaps or bottlenecks in our value chain.

14. NADO Sustainable Communities GROWashington/Aroostook Project Video:  
Mr. Clark presented the NADO video which featured Ryan Pelletier discussing the GROWashington/Aroostook project. In the video, Mr. Pelletier stated the planning process has allowed us to bring housing, transportation, economic, and workforce development entities that knew of each other, but never collaborated, to the table to discuss our future as a region. NMDC is the first one in the nation to have a video out. NADO will be posting a new interview each week with HUD SCI grantees from around the country.

15. Other Business:

a. February and March Board Meetings

Mr. Clark explained the February board meeting is scheduled for Thursday, February 12. The Aroostook Day at the Legislature in Augusta is scheduled for February 11-12. Therefore, it is management's recommendation to move the February board meeting from the 12 to the 19<sup>th</sup>. Mr. Clark also indicated the March meeting is scheduled during his vacation and recommends cancelling the March meeting unless business items need to be addressed in a timely manner.

MOTION:

Motion made by Mr. Gardner, seconded by Mr. Nadeau to hold the February board meeting on February 19, 2015 and cancel the March board meeting.

VOTE:

Motion voted on and passed.

16. Executive Director's Report:

- Rural Veterans Coordination Pilot Position – interviews will take place tomorrow (received 7 applications, interviewing 2)
- Aroostook Day at the Legislature at Senator Inn, Augusta – February 11-12. Interested board members register with Ms. Dinsmore.
- WIOA Proposed Rulemaking provides opportunities to advance a customer-centered workforce investment system driven by the needs of job seekers and employers, to support strong regional economies, and to provide individuals with pathways to the middle class and beyond. The publication of proposed regulations have been postponed until spring, with an effective date of July 1.
- Board Christmas gifts were provided. The gifts were from Wood Prairie Farm (organic bread mix) and Goughan Farms (homemade jams)



17. Adjournment:

There being no further business to conduct, Chair Guimond declared the meeting adjourned at 2:11 p.m.

Respectfully submitted,

Austin Bleess  
Secretary

AB/jd