

**Northern Maine Development Commission
Executive Board Meeting Minutes of
May 14, 2015**

PLACE: Northern Maine Development Commission, Caribou

DATE: May 14, 2015 3:00 p.m.

Attendance: Chair Don Guimond, Don Adams, Butch Asselin, Keith Brown, Mary Anne Buck, Tom Clowes, Ralph Dwyer, Norm Fournier, Jon Frederick, Denis Gagne, Jim Gagnon, Dan McClung, Ray Mersereau, Christy Sirois, Wendell Spooner, Patricia Sutherland and Jim Tweedie.

Others Present: Phil Bosse-Senator Collins' Office, Bob Clark, Duane Walton, Judy Dinsmore, Jon Gulliver, Ruby Bradbury and Josh Archer-Aroostook Republican.

1. Call to Order and Introductory Remarks:

Chair Guimond brought the meeting to order at 3:00 p.m. He asked those who wished to receive travel reimbursement to pass their vouchers in and the checks would be mailed.

2. Approval of Executive Board of Directors Meeting Minutes of April 9, 2015:

MOTION:

Motion made by Mr. Tweedie, seconded by Mr. Gagnon to approve the Executive Board of Directors meeting minutes of April 9, 2015 as presented.

VOTE:

Motion voted on and passed.

3. Acceptance of the Agencywide Revenue and Expenditure Statement for the Period Ending April 30, 2015:

Financial Summary:

The benchmark for the period ending April 30 is 83.3%.

Total Revenues are \$4,956,678 representing 70.4% or 12.9 percentage points below the benchmark.

Total Expenses for the period were \$5,801,357 or 75.9% of the budgeted expenses or 7.4 percentage points below the benchmark.

Agency Balance of (\$844,678). The COCMA fund balance in the amount of \$581,462 was used as well as \$37,244 of the Special Tourism Grant.

MOTION:

Motion made by Mr. Gagne, seconded by Mr. Mersereau to approve the Agencywide Revenue and Expenditure Statement for the period ending April 30, 2015 as presented.

VOTE:

Motion voted on and passed.

Mr. Fournier asked what the deficit would be at the end of the fiscal year (June). Ms. Bradbury indicated approximately \$850,000.

4. Report of the Loan Review Committee:

Mr. Walton presented this to the Board.

Loans approved under staff authority:

Amanda Crane Lacy Clark: real estate working capital – closed

Mike Dumond: old time barbershop – funded

Napoli's Restaurant: restructure and upgrades – approved

Virtual Managed Solutions: equipment and working capital, set up cost to put 20 people on payroll

MOTION:

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

A. Authorization to Submit a FAME REDLF Application:

Mr. Walton discussed the resolution with the Board. The resolution will allow NMDC to submit an application for up to \$1,000,000 and will be used to establish a small business revolving loan fund serving Aroostook and Washington Counties. He explained that any non-profit entity can apply for these funds.

MOTION:

Motion made by Mr. Tweedie, seconded by Mr. Gagnon to approve the resolution for the submission of the FAME REDLF application as submitted.

VOTE:

Motion voted on and passed.

5. Ratification of Service Contracts:

Loring Development Authority – CDBG Project Development Application \$2,500

MOTION:

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

VOTE:

Motion voted on and passed.

6. Report of the Joint Meeting with the Finance/Audit and Human Resources Committees:

Ms. Sutherland, Chair of the HR Committee gave the report. The Finance/Audit and HR Committees met on May 4th as a result of budget discussions during last year's preparation. The joint Committee reviewed NMDC's position range, titles, salaries, and cost of benefits. One item discussed was those employees whose salary was over the maximum salary range due to longevity with NMDC. Criteria will be established for placing employees in position ranges and more research is needed to establish appropriate pay ranges as it has been over 10 years since this was completed. It was also noted that introductory employees will start under the salary range and promoted upward to the minimum range for that position once the introductory period was completed. The joint Committee also wanted a personnel budget prepared for them for this year's budget preparation indicating individual employee salaries, benefits, vehicle allowances, etc.

MOTION:

Motion made by Mr. Gagnon, seconded by Ms. Buck to accept the report of the Finance/Audit and Human Resources Committees as presented.

VOTE:

Motion voted on and passed.

7. Nominating Committee Appointments:

Chair Guimond announced the appointment of Jim Gagnon of Wallagrass, Mary Anne Buck of Mapleton and Terry Wade of Monticello to the Nominating Committee.

MOTION:

Motion made by Ms. Sutherland, seconded by Mr. Fournier to ratify the appointments to the Nominating Committee as presented.

VOTE:

Motion voted on and passed.

A. Board of Directors Terms Expiring in 2015

The following Executive Board of Directors terms expire at the annual meeting in June, 2015:

Don Adams – Patten
Butch Asselin – Houlton
Jim Bennett – Presque Isle
Ralph Dwyer – Ashland
Sandra Fournier – Eagle Lake (2016)
Jon Frederick – Castle Hill

Denis Gagne – Bridgewater
Max Lynds – Littleton
Dan McClung – Van Buren
Ray Mersereau – Mars Hill
Patricia Pelletier – Allagash
Christy Sirois – St. Agatha
Christina Therrien – Madawaska
Vacancy

8. NMDC Organizational Chart:

Mr. Clark reviewed the revised organizational chart with the Board. The chart is still in draft form as NMDC will be hiring an MEP Manager as Dana Delano will be working full time going forward as the PTAC Manager. The RVCP Coordinator is now vacant as Tracy Tweedie who was recently hired for that position has taken a job at DFAS. Other changes are Jon Gulliver will be absorbing Mike Eisensmith's duties as Mike has now retired. Recently the Operations Assistant position became vacant and the Bangor Workforce Development staff will no longer be employees of NMDC after June 30th. There will be more changes due to the transition of the operations department and other staff members absorbing the duties.

MOTION:

Motion made by Mr. Gagne, seconded by Ms. Sirois to approve the revised organizational chart as presented.

VOTE:

Motion voted on and passed.

9. LD 1066: An Act to Provide for the Licensing of a Casino by the Maliseet Tribal Government on Tribal Lands in Aroostook County:

Mr. Asselin presented the proposed legislation that would allow for a casino to be built in Houlton. He stated the casino project would generate much needed jobs and an economic boost to the region. It is estimated that the northern Maine casino could make as much as \$200,000,000 per year in gross annual profits. The tribes and local communities earmarked as beneficiaries under this bill would see profits of about \$18,000,000 based on a casino with 250 slot machines.

The Board endorsed the proposed legislation with the condition a countywide vote would need to take place and only if the citizens approved the plan.

MOTION:

Motion made by Mr. Tweedie, seconded by Mr. Asselin to support the conceptual piece of legislation as it pertains to the development of a casino in Aroostook County.

VOTE:

Motion voted on and passed.

10. USDA Rural Business Development Grant Application for Diversified Agriculture Cluster Project:

Mr. Gulliver announced NMDC is submitting a grant application to USDA Rural Development's Rural Business Development Grant program in the amount of \$75,000 to assist small to medium size growers in Aroostook/Washington/Piscataquis counties in marketing their products. This is to be a Great Regions application. He stated two years ago the three counties were named a Great Region by the USDA, and Northern Maine Development Commission was named a partner in the Great Region. Marketing assistance will include branding and development of new markets.

The deadline for submission of the grant is tomorrow. Work will begin 30 days after the award. An RFP for a consultant will be worked into the last half of the grant. This is a 12 month grant.

MOTION:

Motion made by Mr. Gagnon, seconded by Mr. Mersereau to authorize submission of the RBDC grant as presented and to authorize the Executive Director to execute all necessary documents pertaining thereto.

VOTE:

Motion voted on and passed.

11. Fort Kent and Houlton NMDC Offices:

Mr. Clark announced the closing of the Fort Kent and Houlton offices at the end of May. By doing this we will save \$20,000 year in rent and utilities. He also announced the closing of the Bangor office at the end of June. The employees in the Fort Kent and Houlton offices will be working out of their homes.

Mr. Dwyer asked if the communities would lose any services by doing this. Mr. Clark indicated they would not as staff will have an office set up in their homes.

The weekly legislative call will be set up at the Fort Kent town office going forward.

12. Establish Annual Meeting Date, Time and Place:

Mr. Clark recommended to the Board that we hold the annual meeting at the Lakeview Restaurant in St. Agatha for June 25, 2015 beginning at 4:00 p.m. following the Executive Board meeting which will begin at 3:00 p.m.

MOTION:

Motion made by Ms. Sutherland, seconded by Ms. Buck to conduct the annual meeting on June 25, 2015 beginning at 4:00 p.m. at the Lakeview Restaurant in St. Agatha.

VOTE:

Motion voted on and passed.

13. Update on MDOL Monitoring and Outstanding Payables:

Mr. Clark announced that he, Norm Fournier and Vinton Cassidy (CLEOs) met with Deputy Commissioner Richard Freund and Commissioner Paquette to go over outstanding payables and the issues at hand for Aroostook/Washington WIB. The monitor's recent report indicated all findings have been resolved. MDOL indicated at the meeting that the monitor was too new to be providing the report. An exit interview will take place tomorrow.

Commissioner Paquette was asked why MDOL didn't follow up with how we can resolve their issues with us. MDOL has been reporting to USDOL without us knowing and USDOL has been inquiring why NMDC hasn't responded. Mr. Clark stated MDOL is aware that if cash doesn't flow soon, the staff in our Bangor office would be laid off. MDOL has paid \$32,000, but owes us \$80,000 and another \$50,000 for two more months.

Mr. Fournier added, a follow-up meeting with the Commissioner and others will take place in Bangor next week to settle the other issues they continue to reference. NMDC needs to send a letter to the Governor requesting that the Governor redesignate the Aroostook/Washington WIB. The only issue that would cause the Governor not to re-designate is if fraud was taking place or poor program performance which neither has happened.

14. Other Business:

A. Lucas St. Clair and Proposed National Park

Mr. Dwyer announced if the national park is approved, it would be detrimental to the air quality licensing, and would potentially hamper the wood basket. He asked for non-support of the national park from NMDC.

After some discussion it was the consensus of the board members to table any action until a subsequent meeting in order for them to receive the presentation materials that was given at the recent meeting in Ashland.

MOTION:

Motion made by Ms. Sirois, seconded by Mr. Adams to table any action until a subsequent meeting.

VOTE:

Motion voted on and passed unanimously.

15. Executive Director's Report:

Fiddlehead Focus Article: The Community Guided Planning and Zoning Steering Committee met in Van Buren, and Fort Kent where they proposed plans for a new sub-district in the Unorganized Territories and listened to feedback about how to make the plan, which the Committee refers to as Small Business Development Sub-District, better.

Maine Biz Article: Apple is partnering with The Conservation Fund to preserve more than 32,400 acres of timberland in Aroostook County. Apple's investment will help preserve Reed Forest (Reed Plantation) as a working forest, ensuring that it will continue to produce a steady supply of sustainably harvested timber for paper and pulp mills.

Thursday's on Sweden Street Article: The City of Caribou brought together the Parks and Recreation, Public Works, Police and Fire/Ambulance departments to organize a family-focused, themed-based experience that brings the community together. Every other week during the summer the City shuts down a section of Sweden Street on Thursday evenings and brings in live local, and out-of-town bands, sets up art, craft and food vendors, a beer garden, games and other activities that every member of the family can enjoy.

NBRC Brochure: NBRC is a working partnership between the federal government and the states of New York, Vermont, New Hampshire and Maine. The mission of the NBRC is to fund economic development and infrastructure projects throughout designated counties in the four state service area. In 2012 the Madawaska Acadian Festival Infrastructure project was funded and in 2011 the Van Buren "Northern Girl" vegetable processing project was funded. The applications are due shortly.

Tourism Summit May 21st: The Summit will be held at the K of C in Madawaska. To register for the Summit, please contact Judy Dinsmore.

16. Adjournment:

There being no further business to discuss, Chair Guimond declared the meeting adjourned at 4:05 p.m.

Respectfully submitted,

Austin Bleess
Secretary

AB/jd