

April 9, 2015

**Minutes of the Washington County Commissioners'
Unorganized Territories Meeting
held April 9, 2015
in the Commissioners' Conference Room
Machias, Maine**

**Attending the meeting were:
Commissioner Christopher Gardner
Commissioner John Crowley, Sr.
Commissioner Vinton E. Cassidy
Betsy Fitzgerald, County Manager
Carla Manchester, Administration
Joe McPhail, Dennysville Snowmobile & ATV Club
Wayne McPhail, Dennysville Snowmobile & ATV Club
Rich Rolfe, Jail
Barry Curtis, Sheriff
Mike Crabtree, Chief Deputy
Cat Cannon, MVNO
Susan Hatton, SCEC
M.F. Hinerman, EMA
Jill Holmes, Treasurer
Judith Alexander, Treasurer's Office
Darlene Wallace, Deeds**

The meeting for Unorganized Territories business was called to order at 4:00 p.m.

**Approval of the March U.T. meeting minutes of March 12, 2015
(Crowley / Cassidy, 3-0)**

AGENDA ITEM: Monthly Report

Unorganized Territories Supervisor Dean Preston was unable to attend the meeting but provided his monthly written report in advance. (See attached)

County Manager Betsy Fitzgerald highlighted several items from Supervisor Dean Preston's report.

Dean reports that he is reviewing anticipated projects for the spring construction season.

Snow removal contract for #9 Big Lake Twp. is the only contract that has come to a close and will be going out to bid within a few weeks.

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The U.T. office is meeting with each Fire Department. The purpose is to get new contracts that will be implemented by the new fiscal year. The fire coverage will be reflected on the new map that Dean is creating.

The permit packet for the dry hydrant in Cathance Twp. has been submitted to the LUPC. It has been determined that the submerged lands lease is not necessary. Dean has met with the Corp of Engineers and is hopeful to hear of the status of the start of construction by the next Commissioners' meeting.

County Manager Betsy Fitzgerald presented a solid waste disposal agreement with the Town of Danforth that provides services for T8, T8R4, Brookton Twp., Forest Twp and Forest City Twp. The three year contract has been in effect since July 1, 2013 with a cost of \$1,523.50 per month. While reviewing current agreements, Dean was unable to find a signed agreement for this contract. He is requesting for the agreement to be signed as presented. Commissioner Gardner read the contract.

***MOTION* Commissioner Crowley moved to approve the signature on the current Solid Waste Disposal Agreement with the Town of Danforth to provide services to T8, T8R4, Brookton Twp, Forest Twp and Forest City Twp. for a cost of \$1523.50 per month. Commissioner Cassidy seconded the motion which passed 3-0.**

AGENDA ITEM: TIF Grant Committee Update

Program Manager Susan Hatton submitted a report. (See attached)

Ms. Hatton introduced the first TIF Grant and Loan request from Dennysville Snowmobile and ATV Club with a summary of the club. The Club was established in 2013 and currently grooms and maintains just over 70 miles of trails. Seventy-nine percent of those miles are in the U.T. The trails are multi-purpose trails used for winter, spring summer and fall activities. The club has acquired several pieces of equipment for grooming purposes. The cost of repairing aging equipment and concerns of having equipment break-down miles into the woods has motivated the Club to consider the purchase of a trail groomer with a drag.

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The Dennysville Snowmobile and ATV Club requested a TIF grant of \$50,000.00 and a TIF loan of \$50,000.00 for the total purchase price of the groomer and drag. The Club will be eligible for 20% reimbursement from a Maine Capital Grant fund that the Club plans to use to pay down on the loan for the Club contribution to the project. The 20% (\$20,000.00) also represents the portion of the trail not located in the U.T.

The Grant Committee approved \$15,000.00 based on the funds cap per grant and approved the loan request for \$85,000.00 with the stipulation that the Maine State Capital Equipment Grant be put on the loan and the loan term not exceed 10 years.

Commissioner Gardner noted the difference of the grant request of \$50,000.00 and the \$15,000.00 that has been approved by the Grant Committee.

Commissioner Gardner then asked Joe McPhail of the Dennysville Snowmobile & ATV Club to describe the life span of a groomer. Joe responded that a life span for a groomer is typically 20 to 30 years. The cost of this type of equipment is generally in the \$400,000.00 range. Mr. McPhail calculated that the Club normally puts approximately 300 winter hours and 60 summer hours on a groomer. The Club has done an extensive search for the equipment.

There was much discussion about the ownership of the grooming equipment to be purchased and how it could be utilized best by all clubs for trail maintenance. Joe McPhail stated that the Dennysville Snowmobile and ATV Club is very conscientious about helping out their neighboring clubs. Commissioner Gardner suggested that the grant be approved for the original requested amount of \$50,000.00 with 50/50 ownership held by Dennysville Snowmobile and ATV Club and Washington County U.T. Treasurer Jill Holmes asked if part ownership by the County would disqualify the Club for the \$20,000.00 grant reimbursement. Mr. McPhail responded that it would not. He did not believe that it would be an issue since the Club was applying for the grant. Commissioner Gardner stated that this would be an excellent way to utilize the TIF Nature Based funds. He stated that the trail is utilized by hundreds, if not thousands of people for outdoor recreation. Commissioner Cassidy inquired as to the number of members in the Dennysville Club. Mr. McPhail stated that there are 58 individual paying members and 10 businesses. Mr. McPhail also said that the Club is working on developing a trail map. He believes the

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trails will become more utilized with a trail map. It was recognized by Commissioner Gardner that a healthier trail system would potentially create more tourism. Commissioner Cassidy inquired about the time frame to apply for the \$20,000.00 grant. Mr. McPhail stated that the grant is time sensitive and should be applied for as soon as possible.

Susan Hatton reported that the nature based grant line has \$150,000.00 of available funds with little being able to be utilized. Commissioner Gardner stated that the Commissioners' mission is to apply the funds in a way that can help the entire county while staying within the guidelines of the TIF.

Treasurer Jill Holmes asked what the Commissioners would hope to gain as co-owners in the grooming equipment. Commissioner Gardner explained that in order to go above and beyond the normal practice of the \$15,000.00 grand fund cap, the County should hold an interest in the equipment with the stipulation that when work needs to be done on any portion of the trails in the U.T. that the equipment must go there. Treasurer Jill Holmes clarified that the machine would also be held as collateral for the \$50,000.00 loan portion.

Chair Commissioner Gardner requested a motion be made to grant \$50,000 from the T.I.F. Nature Based fund and loan \$50,000 for the Capital Projects Initiative funds with the following stipulations:

- The County maintains 50% interest of the equipment for the duration of the life of the equipment;
- The equipment will be made readily available to any and all U.T. trails in Washington County as needed;
- 100% liability insurance will be acquired by the Dennysville Club with proof of insurance being provided to the County.

With those stipulations,

MOTION Commissioner Crowley moved to approve the grant request, #1504-03-NBT, for Dennysville Snowmobile and ATV Club in the amount of \$50,000.00. Commissioner Cassidy seconded the motion which passed 3-0.

and;

MOTION Commissioner Crowley moved to approve the loan request, #DSAC-TIF-04-02-15, for Dennysville Snowmobile and ATV Club in the amount of \$50,000.00. Commissioner Cassidy seconded the motion which passed 3-0.

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The \$50,000.00 grant request will come from the Nature-Based Tourism Fund and the \$50,000.00 loan request will come from the Capital Project Fund.

An amendment to approve the grant and loan request by Dennysville Snowmobile and ATV Club was added. The approval is with the understanding that the \$20,000.00 from the Maine Capital Grant will immediately be paid towards the loan once received.

Commissioner Gardner directed Joe McPhail to work with County Manager Betsy Fitzgerald and U.T. Supervisor Dean Preston to set up a system for reporting of maintenance records.

Program Administrator Susan Hatton requested the Commissioners to transfer \$50,000.00 from the CPI Economic Development Implementation line to the Commercial Revolving Loan line to cover the loan of \$50,000.00

***MOTION* Commissioner Crowley moved to approve the \$50,000.00 funds transfer from the CPI Economic Development Implementation line to the Commercial Revolving Loan line. Commissioner Cassidy seconded the motion which passed 3-0.**

Program Administrator Susan Hatton presented a second action item for the Commissioners' consideration. Tide Mill Creamery LLC has requested a loan modification asking for an additional \$70,000. The Creamery had previously been approved for a TIF grant of \$40,000.00 and a TIF loan of \$45,000.00. The additional amount would result in a new loan amount of \$112,000.00. Susan Hatton pointed out that Rachel Bell and Nathan Horton, owners of Tide Mill Creamery, were very cautious in their original request. Now that they have expanded their market by developing new products; sales have taken off. There is a need to purchase new production equipment, expand the creamery storage space and build more housing for the goats. Rachel Bell was present. She listed the products that they provide and fielded questions the Commissioners had about the Tide Mill product line. Commissioner Gardner inquired about collateral for the new loan amount. Susan Hatton responded that some of the collateral from the original loan would be released. The Creamery building with four acres of property would be held as collateral for the new loan amount. It was determined that this collateral would be more than sufficient. Commissioner Gardner stated that a full title search would be needed

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in order for the property to be used as collateral. The original loan was for a 13-year term. Commissioner Gardner asked if the loan would reset back at the original term. Rachel replied that it would. It was verified that the TIF Grant Committee and Loan Committee has reviewed Tide Mill Creamery's business plan. Susan Hatton reported that "Tide Mill Creamery has proven marketability in an established growing market, has developed new product lines and is working toward vertical integration to secure the primary ingredient in their products". Commissioner Crowley asked if there were enough funds in the Economic Development Implementation line for the loan. Susan Hatton responded that there are sufficient funds. A transfer would need for the purpose of funds availability for this loan.

***MOTION* Commissioner Crowley moved to approve the TIF loan modification request, loan #TMC-TIF-04-03-15, for Tide Mill Creamery LLC in the amount of \$70,000. Commissioner Cassidy seconded the motion which passed 3-0.**

A transfer of \$70,000.00 from the CPI Economic Development Implementation line to the Commercial Revolving Loan line was requested.

***MOTION* Commissioner Crowley moved to approve the transfer of \$70,000 from the CPI Economic Development Implementation line to Commercial Revolving Loan line. Commissioner Cassidy seconded the motion which passed 3-0.**

Rachel Bell thanked the Commissioners' for their continued support and recognized "the instrumental role that TIF has played" in the success of the Creamery. She explained that her desire is for her business to continue to contribute to the economic development and growth of the agricultural infrastructure of Washington County.

An update on Cobscook Bay Company, LLC was received. The letter is attached.

AGENDA ITEM: Public Comment

None.

ADJOURNMENT

4:45 p.m.

ATTEST:

Carla J.R. Manchester, Admin. Asst.

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