

August 11, 2016

**Minutes of the Washington County Commissioners'
Unorganized Territories Meeting
held August 11, 2016
in the Probate Courtroom
Machias, Maine**

**Attending the meeting were:
Commissioner Christopher Gardner
Commissioner Vinton E. Cassidy
Commissioner John Crowley, Sr.
Betsy Fitzgerald, County Manager
Carla Manchester, Administration
Bruce Flaherty, Spirit of America
Susan Hatton, SCEC
Rich Rolfe, Jail
Barry Curtis, Sheriff
Mike Crabtree, Chief Deputy
Mark Ouellette, Axiom
Dean A. Preston, U.T.
Kim Emerson, Axiom
Cat Cannon, MVNO
Sharon Strout, Deeds
Elaine Abbott, City of Eastport
Ella Kowal, City of Eastport
Jill Holmes, Treasurer**

Prior to the Unorganized Territories business The Spirit of America Foundation representative Bruce Flaherty honored three local volunteers for their outstanding community service. Ella Kowal, Eastport city clerk; Herbert Hanscom, Marshfield selectman, planning board member, and July 4 committee member; and the Cherryfield Academy Board of Trustees. All were recognized. Ella Kowal was present to accept her award. Ella has served as the City of Eastport clerk for eighteen years. Commissioner Gardner noted that during that period of time Ella has helped many people through trying times. Commissioner Gardner stated that he is pleased to see Ella recognized for her work serving a very diverse and unique community. The other honorees were unable to attend.

Unorganized Territories business was called to order at 4:10 p.m.

**Approval of the U.T. meeting minutes of July 14, 2016
(Crowley / Cassidy, 3-0)**

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AGENDA ITEM: Monthly Report

Unorganized Territories Supervisor Dean Preston submitted a monthly report. (See attached)

U.T. Supervisor Preston stated that he had a very successful meeting with the Treasurer's Office. Each U.T. account was reviewed, discrepancies' were researched and all account balances were confirmed.

Dean reviewed the list of summer/fall highway maintenance projects. There are currently five projects for the following areas: Nineteen Road, Berry Twp.; Jones Road, Trescott Twp.; East Ridge Road, Cathance Twp.; West Road, Big Lake Twp.; and Marion Station Road, Marion Twp.

Dean reported that ten of the eleven snow removal contracts are up for renewal. Dean will begin the renewal or re-bid process.

AGENDA ITEM: TIF Grant Committee Update

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

Ms. Hatton summarized a TIF grant request for the Commissioners' review and approval. She stated that Axiom Technologies has applied for a TIF Economic Development Planning Grant. The requested amount is for \$100,000.00. The Grant Committee unanimously recommended approval of a \$10,000.00 EDI Grant, which is consistent with the EDI maximum grant award at this time. The funds would be used for the initial phase of a fiber-build to provide high-speed internet service to 30 plus residences. This project would take place on the South Edmunds Road in Edmunds. Axiom has already applied for and is waiting for final approval for a grant in the amount of \$83,224.75 from ConnectME. The ConnectME funding is pending approval of the TIF grant request. Ms. Hatton introduced both Mark Ouellette and Kim Emerson of Axiom Technologies.

Mark Ouellette began his summary of the project by acknowledging that this is a significant grant request, but the benefits would also be significant. He listed the reasons the fiber-build was important and would be beneficial.

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- The project builds on the UT Fiber Study that was completed as a result of the EDP grant previously received through the TIF funds in 2014-2015;
- It is the first step to building fiber into other parts of the U.T.;
- It offers opportunities for residents along the path to receive fiber connections or better service levels;
- It increases opportunities for economic development; and
- It increases the potential to serve the Cobscook Bay State Park and Edmunds Pier (Edmunds Landing Road).

The work presently being done by the WCCOG for the Community Guided Planning and Zoning would also benefit from the fiber-build. Edmunds is identified as a priority area for development.

Kim Emerson answered to the questions the Commissioners had in regards to how many homes would have internet service and what Axiom has for a long term goal. Mr. Emerson stated that approximately thirty-six homes would benefit from the fiber-build to the specific target of the Edmunds Road, but the long term goal is to expand out. There is potential to branch out and offer service to more than 200 homes. Customers would pay for the service through Axiom.

Commissioner Gardner stated that connectivity is important. He asked how fiber connectivity compares to other services such as broad band. He asked if these different types of internet services work well together to cast a large umbrella of connectivity. Mr. Emerson responded by explaining that fiber is the only technology with a long-term longevity and has limitless potential. He stated that both DSL and cable have limited potential due to the copper lines.

Commissioner Gardner asked if Axiom has a business plan in place. Mr. Ouellette stated that their business is working on a three to five year build-out plan. Axiom is committed to making an investment. Mr. Ouellette stated Axiom's guiding principle is to continue construction on the fiber-build. They do not anticipate making any revenue at first. Axiom is always open to partner with others and would like to have a partnership with the county.

Commissioner Crowley inquired as to how many residential commitments Axiom has for the anticipated internet service. Mr. Ouellette responded that approximately twenty residential homeowners have made a commitment to receive the internet connection. Mr. Ouellette stated

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the revenue from the monthly cost to 20 to 30 residents for the service would cover the cost of running the fiber.

Commissioner Gardner expressed some concerns about the otherwise public infrastructure having access rights privately owned. The Commissioner stated he needed a better understanding of the use of the TIF U.T. account for investing in a public infrastructure and then handing it over for a sole provider to control. Mr. Ouellette stated that he understands that the grant is public money and that a project using funds from public money should be considered as open access. Mr. Ouellette emphasized that Axiom believes in the spirit of community partnership and open access.

Commissioner Gardner explained the need to be diligent with the grant money. He stated that a limit of \$10,000.00 per grant per entity and a cap limit of \$100,000.00 per entity has been set to avoid big deletions out of the account.

Commissioner Cassidy asked how the project would be affected if it was not profitable. Mr. Ouellette stated Axiom will move forward with the project regardless of the profit and will look for profitability beyond the project.

Commissioner Gardner made a suggestion to table the request for the purpose of the Commissioners having the time to better understand the wording around the limitations of TIF grants. Commissioner Gardner requested Axiom provide their business plan and asked that Unorganized Territories Supervisor Dean Preston review the plan.

MOTION Commissioner Crowley moved to table the TIF grant request, #1602-04-EDP, for Axiom Technology for \$100,000.00.
Commissioner Cassidy seconded the motion which passed 3-0.

AGENDA ITEM: Public Comment

None.

ADJOURNMENT

4:40 p.m.

ATTEST:

Carla J.R. Manchester, Admin. Asst.