

September 10, 2014

**Minutes of the Washington County Commissioners'
Unorganized Territories Regular Meeting
held September 10, 2014
in the Commissioners' Conference Room
Machias, Maine**

Attending the meeting were:
Commissioner Christopher M. Gardner
Commissioner John B. Crowley, Sr.
Commissioner Vinton E. Cassidy
Betsy Fitzgerald, County Manager
Carla Manchester, Administration
Ken Daye, SCEC
Ashley Cox, Edmunds
Brandon Cox, Edmunds
Dean A. Preston, U.T.
Matt Lewis, MSF
Jill Holmes, Treasurer
Judy Alexander, Treasurer's Office
Susan Corbett, Axiom Technologies
Mike Hinerman, EMA
Sharon Strout, Deeds
Darlene Wallace, Deeds
Leigh MacKeen

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

**Approval of the August U.T. meeting minutes of August 14, 2014
(Crowley / Cassidy, 3-0)**

AGENDA ITEM: Monthly Report

Unorganized Territories Supervisor Dean Preston was present. He provided his monthly written report. (See attached)

Dean reported that he has spent a lot of time assessing road preparation for winter maintenance. He is 60% complete with specifications for bids to be requested.

MDOT will be posting the Tide Mill #1 bridge on Route #1 to a one

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truck passing zone. The same restrictions will be implemented for the Jacksonville bridge on Rte 191. This is in an attempt to extend the life of both bridges. The State is preparing for structural improvements with the bid process to begin in 2017. Commissioner Cassidy inquired about the eventual replacement of Bell Bridge. Dean replied that it would need to be replaced also.

Dean reported that he is currently meeting with all snow removal contractors to confirm that road conditions are in good shape for the winter season. He will also be meeting with contractors for contract #5 and #6 to determine if they are interested in extending their snow removal contracts.

Dean stated that beginning January 2015 the U.T. will be implementing the permit program for all eight transfer stations that service U.T. This will provide tighter numbers for waste removal costs.

Dean reported that Heidi Leighton is the new area biologist. He and Ms. Leighton will be meeting with the Shellfish Committee this fall to reintroduce themselves to the Committee and request suggestions as to how to improve the program.

The Commissioners were provided with the bid amounts received for the trade-in and replacement of the U.T. truck. Three bids were received with the low bid being from Pratt Chevrolet Buick in Calais. With the recommendation of U.T. Supervisor Dean Preston,

***MOTION* Commissioner Cassidy moved to approve the bid from Pratt Chevrolet Buick of \$16,240. Commissioner Crowley seconded the motion which passed 3-0.**

Dean requested that the Commissioners approve an extension for the initial employee appraisal of U.T. ACO/Warden Thomas Fredette. This is due to the supervisory transition upon Dean's return from active military duty and is no reflection on Mr. Fredette. Dean's recommended January 21, 2015 for an appraisal deadline. Commissioner Gardner noted that this was a unique circumstance.

***MOTION* Commissioner Cassidy moved to approve the initial appraisal extension for UT ACO/Warden Thomas Fredette. Commissioner Crowley seconded the motion which passed 3-0.**

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AGENDA ITEM: Signatures on letter of appreciation for Heron Weston

A letter of appreciation for Heron Weston was drafted by County Manager Betsy Fitzgerald as previously discussed in the August meeting. The letter was signed by the Commissioners and a copy will be placed in Heron's personnel file.

AGENDA ITEM: TIF Grant Committee Update

A report was submitted and is attached.

UT TIF Administrator Ken Daye had four action items to present to the Commissioners.

Ken stated that the TIF Committee met to discuss the transferring of Capital Project funds to the Commercial Loan fund. The Committee recommended the Commissioners authorize a transfer of \$150,000. Commissioner Crowley asked what the necessity was. Ken stated that there was no real necessity. He pointed out that the county has done a good job at getting loan funds out leaving the UT TIF Loan fund with less than \$40,000 once all funds have been distributed to the approved loans to date. If other applications are accepted and recommended for approval, there would not be sufficient funds to loan. In considering the recommendation, the Commissioners contemplated having a set amount to be dedicated to the Loan fund with no transfers made when funds are used, or transfer funds as needed. Commissioner Gardner asked Treasurer Jill Holmes when the next allocation for the TIF Fund will be. Jill stated that payment is expected by November. Commissioner Crowley pointed out that there was not much time to wait until the next allocation. Commissioner Gardner stated that in order to put the TIF funds to good use and extend the program as much as possible, they must be cautious not to approve loaning more funds above the available balance. Commissioner Gardner did not agree with the transfer of funds. He stated that the county has felt their way through this. The questions are What is the plan for perpetuity? and what is the guideline for setting a cap on the fund balances? The Commissioners deferred to TIF Committee member Dean Preston. Dean pointed out that there is no set cap but organizationally there should be. Commissioner Crowley concurred. Dean stated that there is not enough history to make that determination. In order to come up with a plan, there is a need for more history. Once there are figures to work with and a history of what money will return from TIF loans, the Commissioners will be able to create a more informative plan for the

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continuance of funds. By consensus, the Commissioners declined authorization of the transfer of funds from the Capital project fund account. Commissioner Gardner advised TIF Administrator Ken Daye to continue to accept and present applications to the Commissioners. Only funds needed will be transferred and allocated.

Ken presented a \$10,000 Economic Development Planning Grant request from Susan Corbett of Axiom Technologies. The grant would be used to develop a plan and budget to provide broadband access for several UT's that are currently underserved. The project would be a collaborative effort between Axiom and Maine Fiber Company. Susan Corbett, of Axiom, was present to field any questions. Commissioner Gardner asked if the study results would be available to the public. He stated that the Commissioners needed to be careful that they were maintaining an open market. Ms. Corbett stated that the study would be available to all. She believes that the expanded infrastructure should be open access. The infrastructure would extend the Three Ring Binder, which is the 1,100 mile fiber network, and provide the opportunity for future expansion. Ms. Corbett thanked the Commissioners for considering this proposal.

***MOTION* Commissioner Crowley moved to approve Economic Development Planning grant for \$10,000 for a broadband study for Axiom Technologies. Commissioner Cassidy seconded the motion which passed 3-0.**

Brandon Cox of Edmunds was present to request a TIF Grant of \$15,000 and a TIF Loan of \$15,000. Mr. Cox, owner and operator of Cobscook Bay Cattle, would be using the funds to build up his farms' capacity to raise beef cattle. His business expansion plan includes the purchase of abutting property to be converted to farm land; the purchase of additional live stock; and the installation of more fencing. Ken Daye noted that Mr. Cox has shown his business can be sustainable. Commissioner Gardner asked if the expansion would create any jobs. Ken Daye responded that it would create one part-time position. Mr. Cox's primary source of income is fishing. A farm hand would be needed during the busy fishing season. Commissioner Cassidy inquired about the material that would be used for the fencing. Mr. Cox explained that he plans on using three-strand electric fencing with wooden posts. Commissioner Crowley asked how many acres per head of cattle are required. Mr. Cox stated that the ratio is one acre to one head of cattle. Commissioner Gardner inquired about the type of

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cattle to be raised. Mr. Cox stated that it would be beef cattle. The TIF Loan and Grant Committees recommend approval of both proposals as presented.

MOTION Commissioner Crowley moved to approve the grant request of \$15,000, Grant # 1409-11-CP, for Cobscook Bay Cattle. Commissioner Cassidy seconded the motion which passed 3-0.

MOTION Commissioner Crowley moved to approve the loan request of \$15,000, Loan # BC-TIF-09-03-14, for Cobscook Bay Cattle. Commissioner Cassidy seconded the motion which passed 3-0.

The final proposal was a grant and loan request by Richard Curtis of Belyea Farm. Mr. Curtis' business plan is to increase his capacity to raise and sell dairy cattle for replacement of aging or worn-out heifers. Ken Daye reported that the TIF Loan Committee recommended approval of this request. The TIF Grant Committee was not in favor of recommending the grant because of concerns over limited cash flow and the acreage available for future growth of the business. Commissioner Crowley shared that concern. Richard Curtis was not present at the meeting. Ken stated that concerns have been conveyed to Mr. Curtis. Mr. Curtis has checked with several land owners about the possibility of land use for grazing. Commissioner Cassidy acknowledged the hard work it takes to maintain a working farm. He stated that he would be more comfortable if Mr. Curtis could secure land for the cattle to graze. Commissioner Gardner suggested the proposal be tabled until next month. Commissioner Crowley and Commissioner Cassidy concurred.

Commissioner Crowley asked if the Cobscook Bay Farm and the Belyea Farm were compatible businesses. Ken Daye responded that the types of cattle are not the same; one is dairy and the other beef. In comparing the businesses, Commissioner Gardner inquired of Mr. Cox if he implemented a replacement cycle for his cattle. Mr. Cox replied that beef cattle will begin a cycle of their own.

An update on Cobscook Bay Company was presented to the Commissioners by way of letter from Alan Furth. TIF Administrator Ken Daye reported that CBC is still not able to set a date for repayment of their debt. CBC is continuing to work through many challenges in order to avert potential closure of the company. The CBC Board is asking for the continued support and understanding of the Commissioners. Commissioner Gardner stated that it is imperative to have structure in

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the TIF loan process. There must be a commitment date set. Ken Daye noted that if any one of the financiers pulls their support, it would create a domino effect for CBC. Commissioner Gardner asked how well the loan is collateralized. Ken responded that the County is in a good position to get their money back. Commissioner Cassidy questioned what CBC hoped to have for an outcome. Ken stated that the CBC Board did not specify any offer they would be willing to make. The money is simply not there. Some ideas offered were interest only payments or finding a potential buyer for CBC. Commissioner Gardner recognized the situation of the CBC and the TIF Loan Committee. He stated that the Commissioners want to support CBC but must be good stewards. Commissioner Cassidy stated that CBC may have to face reality at some point. Commissioner Crowley responded that he is not ready to pull support. Commissioner Gardner asked Ken what the long-term outlook for the company was. Ken replied that the product being produced is in demand but the profit margin is holding CBC back. Craig's All Natural is still working with them and willing to pay a higher price for the product being produced by CBC. By consensus, the Commissioners have tasked the TIF Loan Committee to determine what the next step should be for the County. The Commissioners are looking for a resolution to the situation in thirty days.

AGENDA ITEM: Public Comment

County Manager Betsy Fitzgerald reported that all but two of the Budget Advisory Committee members were present today. The BAC voted unanimously to re-elect Lewis Pinkham as the Chair. Dates for the budget meetings were set and are as follows:

- Tuesday, September 30th
- Tuesday, October 7th
- Monday, October 20th
- Monday, October 27th

All meetings will be held at 28 Center Street Conference Room at 9 a.m.

ADJOURNMENT

5:03 p.m.

ATTEST:

Carla J.R. Manchester, Admin. Asst.