

Minutes
SKOWHEGAN ECONOMIC DEVELOPMENT CORPORATION
REGULAR/PLANNING MEETING
April 3, 2019
7:00 AM
Municipal Building – Conference Room

Members Present:

Jason Gayne, Chairman
Doreen Poulin, Vice-Chairman (left 8:00 a.m.)
Betty Austin
Kristina Cannon
Matt Dubois
Billy Finley (left 8:00 a.m.)
Kurt Maynard

Members Absent:

Todd Smith, Treasurer
Sally Dwyer
Reid Gibson

Others Present:

Dena Rich, Recording Secretary
Jeff Hewett, Director of Economic & Community Dev.
Travis Works, Principal, CRCS
Steve Govoni, Engineer, Wentworth Partners & Associates

- Agenda Item Number 5.a. was moved before 4.a. due to guest presenters.

1. Call regular meeting to order.

Jason Gayne called meeting to order at 7:03 a.m., quorum was met.

2. Approve the Skowhegan Economic Development Corporation minutes the “regular” meetings March 6, 2019.

Motion by Matt Dubois seconded by Kristina Cannon to approve the minutes from the “regular” meeting March 6, 2019 as written. Vote 7-0, motion carried.

3. Approve the Skowhegan Economic Development Corporation financials from March.

Motion by Matt Dubois, seconded by Betty Austin to approve the financials from March. Vote 7-0, motion carried.

4. Old Business

- a. Discussion and decision on Maine Grains proposal to SEDC.**

Jeff Hewett gave the Board an update on the final numbers for the KVI project. He did say he tried to get a hold of Christian Savage from SomersetEDC to get a final amount of what would be given to us from the agreement with the corner park. Christian was unable to give Jeff a definite amount he said it was around \$20,000.00. There are still a few things that they need to get done for the Selectmen before he could tell him what the amount would be.

After a brief discussion about the corner park the Board then made a decision on Maine Grains proposal.

Motion by Matt Dubois, and seconded by Kurt Maynard to make a counter offer to Maine Grains of \$80,000 with terms as follows: \$50,000 to be paid up front and the remaining \$30,000 be a 2-year interest only loan at 6% interest rate, SEDC holds the property till July when the \$50,000 is paid, construction commences within 2 years after closing and the buyer pays half the real estate commission and closing costs. Vote 5-2, motion carried.

Motion by Matt Dubois, seconded by Billy Finley to include in the purchase and sales agreement of this property, SEDC has to approve the plans for development within 2 years of the start of construction. Vote 6-1, motion carried.

5. New Business

a. Discussion and decision on RLF Loan request for Cornville Regional Charter School.

Jeff Hewett introduced to the Board both Travis Works and Steve Govoni, he asked if Travis would give the Board an overview on the project for the School.

Travis Works said they are down to the final phase of the downtown campus renovations. The request for \$100,000 is to help finish the project on the second-floor kitchen space and big common area. Travis said the common area vision is to be used for community shared space. The School has already started using this space in the school for community groups such as WesArts and Main Street Skowhegan.

Travis Works did let the Board know they do need this request to finish the project. It was originally factored into the project with the first loan the School had. Due to the order of the loans the School paid off the Towns loan to allow for Bangor Savings Bank to be in first position.

Kurt Maynard concerns are that we would be behind Bangor Savings Bank loan of 2.56 Million, and why wouldn't the \$100,000 just been added onto their loan to finish this phase?

Steve Govoni said the \$100,000 was sitting there ahead of their phase they were always expecting that to come back anyways. So that is why we never applied through them for the \$100,000, the cost of the project of 2.66 million always anticipated the \$100,000 from the Town and 2.56 Million from Bangor Savings. So once their loan went through Bangor Savings didn't want to be first and third on different properties with the same loan.

Steve Govoni said the School is financially functioning on the 94 students currently. Next year they are adding 45 more students and could actually add more than that but they are staffing up at the same time. So that is more revenue source and the year following that an additional 45 students adding more revenue source. The School can revenue source all the way up to 250 students in the next two years, he said the school is ready for that. So, at the end of this phase would then complete the second floor which would allow for all four upper classmen (senior, junior, sophomore and freshmen).

Jeff Hewett asked so this infusion of capital, does that finish the project?

Steve Govoni said yes it finishes phase II of the project only. This would allow for the school to be full. It does not complete the school, they would like to do a commercial kitchen on the first floor, then change the present commercial spaces transitioning them into part of the school.

Jeff Hewett said then it finishes the spaces you are occupying now except for the roof?

Steve Govoni said yes.

Jeff Hewett said at one point there was a phase for the roof.

Both Travis Works and Steve Govoni said that is still a phase but further down the road like 10 years or so out.

Steve Govoni said this would finish for everything they have been permitted for through the Planning Board.

The Board had no other questions and returned to the normal agenda items after Travis Works and Steve Govoni left the meeting and Jeff Hewett said he would contact Travis after the meeting to give him the outcome.

Steve Govoni did hand out a letter explaining where the \$100,000 would be used for in the project.

The Board had a brief discussion about the School, Jeff Hewett also let the Board know that this money is going to also go for a community space; the large common area in the School.

Motion by Billy Finley, seconded by Kurt Maynard to deny the RLF loan request from Cornville Charter School. Vote 6-0-1, motion carried Jason Gayne abstained.

b. Discussion and decision to accept Todd Smith stepping down as SEDC Treasurer.

Jason Gayne let the Board know he spoke with Todd Smith yesterday and Todd said he is willing to stay on as Treasurer until June but will not be able to attend the next few meetings.

c. Nomination for Treasurer to June 2019.

No nominations were made at this meeting due to Todd Smith agreeing to stay on as Treasurer.

6. Call Planning Meeting to order.

Jason Gayne called meeting to order at 8:00 a.m., Billy Finley and Doreen Poulin left the meeting.

7. New Business

a. Review and discussion on By-Laws.

The Board reviewed the By-Laws, Jeff Hewett said he would suggest and bring back to the Board at the next meeting a change in Article V Section 1 for the term limits of the Officers positions.

b. Goals for SEDC for 2019.

Jeff Hewett let the Board know it will be a busy year in our office with bidding out for work for Northgate, finishing the Façade Grant and applying for the next year grant, also starting the 2.6-million-dollar energy reduction project for the Town. Jeff Hewett said this was not to discourage the Board that our office would not assist with the goals. He said we will help to push those goals forward as much as we can.

The Board suggest instead of having the member topics on the agenda change them to Project Updates such as, Run of River, Broadband, the Second Bridge Committee, Comprehensive Plan, Electric Car Charging Stations and Marketing of Southgate.

The Board had a brief discussion about the lots at Southgate and also asked Jeff Hewett to look into options to list one lot at Southgate with a realtor.

The Board asked to have last years goals emailed out and discuss them at the next meeting.

The Board also wanted to have the goals still listed at the bottom of the agenda.

Economic & Community Development Office

Jeff Hewett let the Board know that Amy Verville the owner of Horsin' Around Daycare; we had taken security on a bunch of items including vehicles. One of the vehicles she has given to someone for work that they did for her in trade. That person has contacted our office and is asking us to release the title. Jeff Hewett said he told them he would bring the request to the Board but it would not be his recommendation to release the vehicle. Amy is approximately \$4,500 behind on her loan, this includes late fees. Jeff Hewett did let the Board know that she has in the past partially caught up the loan then she starts to fall behind again.

The Board agreed with Jeff Hewett and denied releasing the vehicle title.

Dena Rich let the Board know that we have sent out for bids on repairs at Northgate, the Commercial Kitchen Equipment and the Mowing of North and Southgate; the bids will be on the next meeting to review except for Northgate.

Jeff Hewett also let the Board know that the Alarm System at Northgate has been finished and since it has been put in there have been no faults going off. We are trying to schedule with the Fire Department to come in and inspect the new alarm system as well.

Jeff Hewett let the Board know we did get the results from the audit back with no findings but he asked that Board make a motion to allow him to sign the Representation Letter to the Auditor.

Motion by Kristina Cannon, seconded by Betty Austin to give Jeff Hewett authorization to sign the Representation Letter to the Auditor. Vote 5-0, motion carried.

Jeff Hewett did let the Board know we will email a copy of the Audit to the members for their records.

Motion to adjourn by Kristina Cannon.