



LORING COMMERCE CENTRE

Loring Development Authority of Maine
Board Meeting Minutes
May 13, 2020
154 Development Drive, Suite F
Loring Commerce Centre, Limestone, Maine

1. Call to Order

The meeting was called to order by Mark Wilcox at 9:30 a.m.

LDA Board Members present: Mark Wilcox.

LDA Board Members participating by conference call: Carol Bell, Jim Cote, Richard Ezzy, Doug Damon, Dana Saucier, Janet McGillan, Mike Edgecomb, and Denise Garland.

LDA Board Members absent: Miles Williams, Steve Levesque, Heather Johnson, Dan LaPointe and Jim Clair.

Others participating by conference call: Trisha House, Senator Collins' Office; Tony Levesque, Town of Fort Fairfield; Roger Felix, Loring Job Corps Center; Michelle Albert, Limestone Chamber of Commerce; and Peter Forbes, US Air Force Engineering Center.

LDA Staff present: Carl W. Flora, Neal Haines and Donna Sturzl.

2. Introduction of Board Members, Staff, and Guests

Forwent introductions since conference call attendance was taken.

3. Minutes of Meeting of March 19, 2020

MOTION: Motion was made by Richard Ezzy and seconded by Dana Saucier to accept the minutes of the March 19, 2020 meeting as presented.

VOTE: Motion was voted on and passed unanimously.

4. Treasurer's Report for January and February 2020

Deferred until the Director of Finance returns to the meeting.

5. Term Loan

Mr. Flora said that LDA applied for a \$200,000, five-year term loan for working capital from Northern Maine Development Commission. Terms of the loan include a second mortgage on building 8700; NMDC currently holds the first mortgage with a balance of about \$51,000, which provided for improvements to the building. If everything is in order with the terms of the loan, a motion would be needed to adopt the attached resolutions.

Trustees asked for clarification of the interest rate. Mr. Flora explained that the variable interest rate is based on Wall Street Prime, with a floor of 6% and a ceiling of 10%. The prime rate is currently 3.25%, so the interest rate is prime plus 2.75% (3.25% + 2.75% = 6%), although it is not stated that way. If the prime rate increases, the new interest rate would be the new prime rate plus 2.75%, but it would not go over 10%.

MOTION: Motion was made by Doug Damon to adopt the resolutions contained in the attached Secretary's Certificate.

Richard Ezzy proposed that the motion include adoption of the resolutions and to seek clarification of the interest rate. Doug Damon concurred with the proposal and the motion was amended.

AMENDED MOTION: Motion was made by Doug Damon and seconded by Jim Cote to adopt the resolutions in the attached Secretary's Certificate and to ask Mr. Flora to seek clarification of the interest rate.

VOTE: Motion was voted on and passed unanimously.

Treasurer's Report for January and February 2020

(Mike Edgecomb joined the meeting at this time.)

There are no major changes from the last report, which was in March. Expenditures for the year remain greater than revenues. This is not business as usual; revenues need to increase and/or expenses need to decrease. COVID-19 has had an impact in the sense of the timing of expected new business.

Additional state funding through the Loring Job Increment Financing Fund was expected, but the legislature adjourned early due to the pandemic. The bill that would have increased the TIF from 50% to 100% was not considered. It is unlikely that the bill would be considered in a special session. If there is a special session, it would likely take place to deal with budget shortfalls.

MOTION: Motion was made by Dana Saucier and seconded by Carol Bell to accept the January and February Treasurer's report as presented.

VOTE: Motion was voted on and passed unanimously.

6. Sale of Golf Course

The golf course was leased and operated by Paul Hanson for the past four years. This spring Brad Boyles and his partners, at 4 Birdies, LLC, submitted a proposal to purchase the golf course. Although Mr. Hanson had expressed an interest in purchasing the property, he did not submit a proposal. LDA considered retaining an option to reacquire the property in the next three years and will consider options for ensuring compatible uses of the property should it be sold again.

7. President's Report

Since the COVID-19 outbreak, LDA office functions continue, with the office closed to the public. Facilities and utilities operations continue, but projects have slowed. There has been no progress on the investor group project and the biomass refinery project that we had expected to negotiate terms this spring, is unable to complete routine site investigation and due diligence at this time. The two solar projects are moving forward with one to be built this year and the other one next

year. The distillery group suspended its plans for a time, but is now interested in negotiating central business terms for its project. Loring Industries is working on a tentative new manufacturing project. And, a project for aircraft teardown and maintenance is being discussed for end of life aircraft, but it is uncertain if there is a market for older aircraft parts.

Despite the challenges, LDA needs to be prepared to move forward with new projects and to maintain services necessary for the operations of existing employers at Loring.

8. Public Comment and Media Question and Answer Period

None.

9. Executive Session: Confidential discussions concerning personnel, economic development and real estate matters pursuant to Title 1 M.R.S.A. Section 405 Subparagraphs 6.C. and 6.E.

MOTION: Motion was made by Richard Ezzy and seconded by Doug Damon to enter into executive session to discuss personnel, economic development and real estate matters pursuant to Title 1 M.R.S.A. Section 405 Subparagraphs 6.A. and 6.C.

VOTE: Motion was voted on and passed unanimously.

**** End Executive Session ****

Return to public session.

MOTION: Motion was made by Jim Cote and seconded by Richard Ezzy to approve the sale of the golf course to 4 Birdies, LLC, according to the term sheet as presented.

VOTE: Motion was voted on and passed unanimously.

10. Adjourn

MOTION: Motion was made by Dana Saucier and seconded by Carol Bell to adjourn the meeting at 11:23 a.m.

VOTE: Motion was voted on and passed unanimously.

Respectfully submitted,

Dana Saucier
Secretary