



LORING COMMERCE CENTRE

Loring Development Authority of Maine
Board Meeting Minutes
June 20, 2018
154 Development Drive, Suite F
Loring Commerce Centre, Limestone, Maine

1. Call to Order

The meeting was called to order by Chair Miles Williams at 9:32 a.m.

LDA Board Members present were: Miles Williams, Richard Ezzy, Jim Cote, Doug Damon, Carol Bell, Dana Saucier, Janet McGillan, Mark Wilcox and Dan LaPointe. Denise Garland, Acting Commissioner of DECD replacing George Gervais, also attended.

LDA Board Members participating by conference call: Mike Edgecomb.

LDA Board Members absent: Steve Levesque and Jim Clair.

Others present were: Dennis McCartney, Economic Development Director, Town of Limestone; Phil Bosse, Senator Collins' Office; Sharon Campbell, Senator King's Office; Monica Hewitt, Congressman Poliquin's Office; Peter Forbes, US Air Force Civil Engineering Center; Tony Levesque, Town of Fort Fairfield; Kirk Cote, US Fish and Wildlife Service; Kathy McCarty, WAGM-TV, and Chris Bouchard, Aroostook Republican.

Others participating by conference call: Diane Jackson, DECD; Michael Daly, US EPA; and David Farnsworth, Air Force Civil Engineering Center.

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

2. Introduction of Board Members, Staff, and Guests

All those present introduced him/herself.

Mr. Williams expressed LDA's gratitude to Phil Bosse for his work in support of LDA and wished him the best in his retirement.

3. Housekeeping -- ratify Board's action on May 2, 2018 on items reflected in items 3,4 and 5 of May 2, 2018 minutes

At the time these items were reached on the May 2, 2018 agenda, there was no quorum present (although a quorum was present thereafter).

MOTION: Motion was made by Richard Ezzy and seconded by Dana Saucier to ratify the Board's action on May 2, 2018 on items 3, 4, and 5 reflected in the May 2, 2018 minutes.

VOTE: Motion was voted on and passed unanimously.

4. Minutes of Meetings of May 2, 2018

MOTION: Motion was made by Carol Bell and seconded by Mark Wilcox to accept the minutes of the May 2, 2018 meeting as presented.

VOTE: Motion was voted on and passed unanimously.

5. Treasurer's Report for March and April 2018

Mr. Saucier reported that since the last report, the LDA received the \$750,000 in grant funding from the state, which reduced the amount due from the state on the statement of net assets; the line of credit was partially paid down; and the note with NMDC was refinanced. On the statement of revenues and expenses, the lease revenue is over budget due mainly to invoicing the MRO company for storage space at Loring.

MOTION: Motion was made by Doug Damon and seconded by James Cote to accept the March and April 2018 Treasurer's report as presented.

VOTE: Motion was voted on and passed unanimously.

6. Report of Donation (Quasi-Independent Entity) – tanker truck to Limestone

As discussed at the last meeting, LDA donated a fire truck, which was no longer serviceable, to the town of Limestone. The truck, upgraded with the help of a grant, now has nominal value. The town plans to use the equipment on the truck to equip another firefighting vehicle.

7. Budget for FY 2019

Mr. Saucier reviewed the FY2018 budget numbers and presented the proposed FY2019 budget. LDA received \$750,000 from the state in 2018; with the governor's approval, LDA will receive \$750,000 in 2019 as well. Also in 2019, the budget includes a \$400,000 option fee from a new tentative project; Loring Industries is expected to take over the lease of MMA building and release its lease for building #7210; and a contribution to the employee SEP is included at 5% of employee earnings.

MOTION: Motion was made by Richard Ezzy and seconded by James Cote to approve that payments under the existing SEP-IRA plan be authorized at 5% of earnings.

Given the uncertainty of a large amount of the projected revenue for 2019, Trustees discussed possible actions to be taken to support LDA activity in the coming years, including engaging federal and state legislators.

VOTE: Motion was voted on and passed unanimously.

MOTION: Motion was made by Richard Ezzy and seconded by Dana Saucier to adopt the FY2019 budget as presented.

VOTE: Motion was voted on and passed unanimously.

8. Five Year Plan – Update

The discussion is postponed; significant items in the plan are uncertain and will need to be reassessed within the month.

9. President’s Report

MMA and Loring Industries. Concern for the status of equipment in MMA buildings was discussed; the equipment is needed if Loring Industries is to continue vehicle refurbishment activity. The status of MMA’s payables of over \$700,000 was also discussed.

Opportunity Zone designation. The designation is intended to attract new investments. LDA will need to decide how to approach Opportunity Fund investors. Ms. Garland will contact Maine & Company to include Loring in its marketing for opportunity zone investors.

Status of MRO project from 2017. While still in contact with the developer, Mr. Flora is skeptical about the likelihood of the project moving forward.

LDA request for Loring Airport inclusion in SASP. Mr. Flora has requested that Loring be included in the State Aviation System Plan (SASP) as encouraged by MDOT. It is a precondition to be included in the FAA’s plan known as “NPIAS” which is a precondition to receiving funding support through the Airport Improvement Plan (AIP) or Military Airports Program (MAP).

MOTION: Motion was made by Dan LaPointe and seconded by James Cote to support Mr. Flora’s efforts to have Loring included in the State Aviation Systems Plan (SASP) and in the FAA’s National Plan of Integrated Airport Systems (NPIAS).

VOTE: Motion was voted on and passed unanimously.

SFE Manufacturing, Inc. The company is now operating in building 8712.

George Gervais’ departure. LDA thanked Mr. Gervais for his support while serving as the DECD Commissioner. Mr. Gervais has stepped down from that position and Denise Garland is the Acting Commissioner.

Implications of Defense Authorization Act. The act calls for streamlining DFAS centers and there is concern for the impact it may have on DFAS Limestone. However, thanks to the Congressional delegation, the act includes language that prevents closure of the centers without a BRAC process.

ROD amendment. An amendment to the ROD will address the SVI issue. The Air Force is considering installing mitigation systems for active buildings (#’ 7330, 8260, 7500) and also monitoring actively marketed buildings.

Summer activities. Activities planned include land speed and auto cross events and a Loring Military Heritage Center reunion, with a tentative light aircraft fly-in.

10. Report of Nominating Committee

MOTION: Motion was made by Richard Ezzy and seconded by Dana Saucier to approve the following slate of officers for FY2019:
Chair – Miles Williams; Vice Chair – Mark Wilcox; Treasurer – Carol Bell; Secretary – Dana Saucier.

VOTE: Motion was voted on and passed unanimously.

Mr. Williams thanked the trustees for accepting the positions and for their work.

11. Adopt new deposit resolutions

With a change in the treasurer, a new Corporate Authorization Resolution form for deposit accounts at Machias Savings Bank, will need to be adopted.

MOTION: Motion was made by Dan LaPointe and seconded by Mark Wilcox to approve the resolutions in the banking documents as presented.

VOTE: Motion was voted on and passed unanimously.

12. Other

The Aroostook Band of Micmacs are working on securing two sources of funding to demolish their buildings on Loring Commerce Road that have collapsed.

13. Public Comment and Media Question and Answer Period

In response to media questions, Mr. Flora stated that the names of prospects will not be released now and he is unsure of the timing of the meeting mentioned earlier between MMA and Loring Industries.

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

MOTION: Motion was made by Mark Wilcox and seconded by Richard Ezzy 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. at 11:46 a.m.

VOTE: Motion was voted on and passed unanimously.

End Executive Session

Return to public session.

MOTION: Motion was made by Mark Wilcox and seconded by Dana Saucier to direct the LDA President & CEO to revoke, rescind and otherwise terminate the arrangement envisioned with “Company A” as referred to in minutes of a Board Meeting held on May 15, 2017 and to terminate

the storage of parts and equipment in LDA buildings, seeking appropriate compensation therefore; and otherwise concluding affairs with Company A.

VOTE: Motion was voted on and passed unanimously.

15. Adjourn

MOTION: Motion was made by Rich Ezzy and seconded by Dana Saucier to adjourn the meeting at 12:44 p.m.

VOTE: Motion was voted on and passed unanimously.

Respectfully submitted,



Dana Saucier
Secretary