

**Kennebec Valley
Economic Development District**

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**CEDS Committee Minutes
June 14, 2011
11:00 am – 1:00 pm**

The Comprehensive Economic Development Strategies (CEDS) Committee met June 14, 2011 at 11:00 am in the Conference Room at KVCOG in Fairfield.

Members Present:

Chair: Peter Thompson – KVCC
Stefan Pakulski – Readfield
Robert Worthley – Anson
John Doucette – Skowhegan
Rosemary Winslow – Rep. Michaud's Office
Dan Nichols – Augusta
Bruce Harrington – Savings Bank of Maine
Ann Beverage – Waterville
Mike Duguay – Augusta
Clif Andreasen – Farmingdale
Joshua Reny – Fairfield
Irene Belanger – China
Dana Wrigley – Oakland
Bill Whitter – Maine MEP
Brian Whitney – Sen. Snowe's Office
Dana Hamilton – KVCAP
Ryan Liberty - Benton

Guests Present:

Ken Priest – Kenway Corporation
Jake LaChance – Sen. Snowe's Office

Staff Present:

Ken Young – Executive Director
Cole Palmer – RLF Director
Sarah Lombard – Office Administrator

1. Welcome:

Peter Thompson, Chair, opened the meeting. Introductions were made around the table.

2. Approval of Minutes:

A motion to approve the minutes of the April 12, 2011 meeting was made by Dan Nichols. The motion was seconded by Robert Worthley. The motion was approved unanimously.

3. Presentation:

Mr. Ken Priest is the president of Kenway Corporation, a company in Augusta, Maine specializing in the highest quality technologically advanced composite manufacturing and innovation. A family business, Kenway was founded in 1947 by Mr. Priest's father as Kenway Boats. Over the years, Kenway moved

from building boats to the manufacturing of composite products. Their 60 acre property on the outskirts of Augusta houses their 42,000 square foot manufacturing facility and 70 employees, including project engineers and composite technicians. The company utilizes the latest technology in developing composite products and participates in all quality and safety programs in the composites field. They also offer FRP field service – a full composite service to the customer, from design to engineering, help with installation, inspection and repairs. For example, Kenway recent designed a holding tank for a company in South Carolina using advanced oblation techniques. The tank was built at their facility in Maine, shipped to South Carolina and assembled by Kenway’s technicians on site. Kenway is also a leader in custom fabrication techniques, including custom cover systems, diffusers, unique piping systems and floor drains. They have also participated in the “Bridge in a Backpack” program, working with the AEWG at UMaine Orono to build the composite bridges of tomorrow including complete service of these bridges. In another project with UMaine engineers, Kenway is working on highway culvert rehabilitation. Steel culverts have a habit of rotting on bottom, and Kenway has designed a unique composite panel to prevent this rotting and solve the problem. Kenway is also involved in wind turbine manufacturing and installation, and have designed a smaller wind turbine that allows for greater wind velocity and more power. Mr. Priest discussed his current project at the Front Street Shipyard in Belfast, Maine. This world-class shipyard will accommodate vessels up to 140 feet for service and repairs, the closet shipyard of its kind being in Newport, Connecticut. Kenway expects to employ 100-150 new employees at this facility within the next 3 years.

4. Project Updates: RLF, EDA, CDBG, Brownfields, KV Entrepreneurial Network, Energy Development – Natural Gas and Wind Power

Revolving Loan Fund: Cole Palmer

- KVCOG has been approved for a new IRP loan from USDA Rural Development for \$174,000 at a rate of 1% for a term of 30 years. The first three years would be interest only with level principal and interest payments due over the final 27 years.
- KVCOG is the recipient of a \$1 million Revolving Loan Fund grant for cleanup of Brownfields sites. KVCOG’s history of grant administration, its capacity to run a successful RLF and its performance with its two Brownfields assessment grants were all factors in the decision. Only 13 RLF grants were awarded nationally. The grant allows KVCOG to provide low-interest loans to developers of Brownfields properties, and to grant up to 40% of the funds to communities for cleanup of their own Brownfields sites.
- This year alone, 284 jobs have been saved or created with the help of the RLF program.

EDA Updates:

The U.S. EDA will be conducting its triennial evaluation of KVCOG’s performance in the CEDS process. Mr. Young feels that there are significant accomplishments to discuss with the EDA Evaluators, as well as some improvements including working to identify new EDA projects.

CDBG and Brownfields Updates:

The 2011 grant year is wrapping up. The final opportunity for this year is round 3 of the Economic Development grant program. Letters of Intent are due on August 12, 2011 and applications are due on September 23, 2011. These grants offer \$200,000 for business support or \$300,000 for municipally-owned infrastructure in support of an identified business. There was a 15% federal cut to the program,

and an anticipated cut of somewhere between 15 and 20% for the 2012 program year. The Office of Community Development is considering how to apply those cuts: across the board, elimination of specific programs, or reduction of specific programs.

KV Entrepreneurial Network Updates:

The KVEN is now in summer recess following a very successful few months. Shelley Payne, who had been assisting with the KVEN, will be leaving KVCOG at the end of June. Please join us in thanking Ms. Payne for her hard work, and wishing her luck in her future endeavors.

Energy Development – Natural Gas and Wind Power

KVCOG continues to host ongoing negotiations with the KV Gas Company regarding the proposed natural gas pipeline which would run from Richmond to Madison, with the most recent meeting taking place on June 9th. The members of the negotiating subcommittee are working toward a TIF agreement with the developers. If this occurs, the subcommittee will brief all committee members, with each member bringing the agreement back to his/her municipality for approval. The next meeting of the subcommittee will be taking place at KVCOG on June 27th.

5. CEDS Annual Report:

Mr. Young presented KVCOG's 3rd Annual CEDS Annual Report. This report is used by the EDA to assess KVCOG's performance in accordance to the goals and objectives identified in the 5-year CEDS Plan. The Report discusses the composition of the CEDS Committee, describes economic development activities in the area and changes in the area's economy. Mr. Thompson asked for a motion to recommend to the Board of Directors that KVCOG submit the CEDS Annual Report to the EDA. Dan Nichols moved approval; Irene Belanger seconds. The motion is approved.

6. Member Roundtable:

Rosemary Winslow – Rep. Michaud's Office

- The City of Waterville is holding a meeting this Thursday to discuss the future of the solid waste issues in Waterville and Winslow.
- Muriel Moser with Maine MEP will be taking a place on the Central Maine Growth Council, with a focus on manufacturing in Central Maine and the upcoming Farmville 2012.

Dana Hamilton – KVCAP

- Mr. Hamilton encourages everyone to stop by and see the new career and business center at the Waterville Public Library. The center supports workforce development and is a great resource for entrepreneurial efforts.

Robert Worthley – Town of Anson

- The Town of Anson has been accepted into the project development phase of CDBG for their Stick Mill. This grant would provide \$15,000 for equipment and maintenance.

Bruce Harrington – The Bank of Maine

- The Bank has officially changed its name from Savings Bank of Maine to The Bank of Maine.

- Lending is brisk in the Waterville area, with a significant pipeline.
- The Bank is unveiling new deposit accounts, including its new Promise account, where the accountholder will receive incentives for direct deposit and ACH.

John Doucette –City of Skowhegan

- Skowhegan broke ground on their new “Run of River” trail today with help from Maine’s Army National Guard.
- Southgate fire protection has been approved to receive TIF money to finish projects, including installing hydrants and possible new buildings coming in. SAPPI TIF money has also been approved to help fund the “Run of River” trail project.
- Skowhegan was recently honored with awards from the Maine Downtown Vitalization Conference. Mr. Doucette received the Maine Downtown Center’s Public Official of the Year award.

Dan Nichols – City of Augusta

- Augusta has been approved for an EPA grant for Augusta Tissue.
- The Augusta Downtown Alliance held their Downtown Open House this past Friday and Saturday. There were 20 people in attendance, and they received a few good leads of people interested in moving their businesses into the Downtown.
- Augusta is in the process of putting together a Downtown Forgivable Loan Fund, similar to that in Waterville. They are hoping that this will attract new businesses to the area.
- The Econolodge in Augusta is being leveled with plans to build a brand new hotel by the end of April, 2012.
- The City of Augusta has elected a new mayor, Bill Stokes.
- Mr. Nichols and Mr. Duguay are working on a Communities for Maine’s Future grant to renovate the Cultural Heritage Center on the Edwards Mills site and have submitted a letter of intent. The grant would be for \$400,000 with a one-to-one match.

Clif Andreasen – Farmingdale

- Mathieu’s Cycle and Fitness has expanded and moved to a new location on Maine Ave in Farmingdale, bringing in new inventory. Another property on Maine Ave potentially opening for a new Fire Station.
- Farmingdale is in the process of creating a property adjacent to the Kennebec River Rail Trail into a parking area for visitors. They are in phase two of a Brownfields grant for this site.

Joshua Reny – Fairfield

- Fairfield has been invited to Phase 2 for two CDBG grants; one for the Main St Facades program, and a Public Service Grant for Goodwill Hinkley.

Irene Belanger – China

- The town of South China has completed its sidewalk project, with a new walking bridge and culverts. China’s Transfer Station had a fee-free day with a great turnout. The transfer station has purchased a new horizontal bailer; bringing the total to 5 bailers at the facility. This has encouraged more recycling in the area.

- China is currently working on their Comprehensive Plan, with the implementation committee meeting every Thursday. They are completely revamping the land use ordinance.
- The Thurston Park venture is on board. Grant applications are currently being submitted for work on the park, and China is discussing using the assistance of the National Guard to help with road and trail work.

Dana Wrigley – Oakland

- Oakland is in the final phase of its sewer project, and are back on track with the budget. They are currently working with the Sheridan Corporation on a new municipal building, and have purchased a new baler for the transfer station.

Bill Whittier – Maine MEP

- Maine MEP is working to bring the TWI program back to Maine. Susan Janice from Massachusetts MEP will be assisting with this program, which will bring workforce programs focused on teaching supervisors how to pass their skills down to the new worker.

Peter Thompson – KVCC

- Maine General Health has finished building on Civic Center drive in Augusta, and the big hospital is well underway. 90% of the workforce is composed of local laborers and suppliers.
- Tomorrow morning Rick Tardiff will be at the Business Insider Breakfast to discuss his company, J. S. McCarthy Printers, including their products and one-of-a-kind printing machine. This Breakfast series will focus on high tech businesses in the area.
- The Whatever Family Fun Festival begins Wednesday June 15 and runs through Monday, July 4. Mr. Thompson is expecting thousands to gather in Capital Park on opening day.
- The highway exchange is on schedule, with construction beginning as soon as possible.