



## Minutes

Joint Meeting  
**KVCOG Executive Committee and KVCOG General Assembly**  
June 17, 2009  
9:00 – 11:00 am

### **Board Members Present:**

Cornell Knight – Winthrop  
Irene Belanger - China  
Ann Beverage – Waterville  
John Doucette – Skowhegan  
Clif Andreasen – Farmingdale  
Roland Michaud - Winslow  
Kathryn Ruth – Pittsfield  
Mark Fisher – Oakland  
Rhonda Stark – St. Albans  
Bob Worthley – Anson  
Stefan Pakulski – Readfield  
Mark Doyon – Manchester  
Larry Post – Hartland  
Paul Tessier – Fairfield

### **General Assembly Members Present:**

Mike Heavener - Winslow  
Judith Alton – Hartland  
Phil Russell – St. Albans  
Darrol Bartlett - Anson  
Steve Fitton - Thorndike  
Jeff Hewett - Skowhegan  
Mary Ann Hayes - Thorndike  
Frank Siviski - Albion  
Jim Kenney - Unity

### **Staff Present:**

Ken Young, Executive Director  
Chris Huck, Planning Director  
Vic Reinfelds, RLF Director  
Jen Boothroyd, Community Planner  
Amy Harrington, Office Administrator

### **1. Welcome:**

Cornell Knight, President, opened the meeting. Introductions were made around the table.

### **2. Approval of Minutes:**

Mr. Knight asked for approval of the Minutes of the May 13, 2009 meeting. Motion to approve the minutes made by Roland Michaud and seconded by Bob Worthley. The motion was approved unanimously.

### **3. Revolving Loan Fund Activity Report:**

Vic Reinfelds, Revolving Loan Fund Director, gave a brief report on the RLF activity.

RLF Report – June 11, 2009

The RLF Committee met on May 21, 2009 to review the portfolio and to consider a \$93,000 loan request from Northeast Radiant Technology, LLC (NRT). NRT is a radiant heat design

and engineering company located at 26 Winter Street, Gardiner. The business currently operates from 1,700 square feet of rented space in the old Pineland Boot building on Winter Street, and now needs more space to accommodate growth. Management has elected to construct a new 5,100 square foot building in the Libby Hill Business Park in Gardiner. KVCOG has partnered with the Savings Bank of Maine to fund the \$463,000 project. Construction is expected to start by late June.

Duke's Market in Sidney sold at auction on May 8 for \$150,000, substantially below the \$500,000 the former owner paid 24 months ago. Brahms/Mount Textiles in Hallowell has paid their loan in full. Mainely Trusses in Fairfield has paid two of their loans in full.

Several of our borrowers requested and received temporary loan payment adjustments to enable them to weather the recession and to conserve cash flow for operations. We are continuing to work closely with the borrowers in liquidation and bankruptcy to maximize the return on our loan collateral. Loan demand continues to be light. While most of the requests are for credit card and other debt refinancing, we are starting to see projects for new buildings and equipment.

**Portfolio Status Report: As of May 19, 2009**

<u>Loan Status:</u>	<u>Number of Loans:</u>	<u>Total Dollar Amount</u>
Current:	41	2,805,892
Past Due:	3	54,013
In Liquidation/ Bankruptcy:	8	816,974
Available to Lend: As of 5/31/09		762,506

**4. Ken Young – Executive Director’s Report:**

**Discussion Items:**

- A. Appointment of a Director to fill the unexpired term of Neil Farrington of China.

Mr. Young announced that Neil Farrington of China was resigning his board seat for personal reasons and asked for a motion to appoint Irene Belanger of China to fill Neil Farrington’s unexpired term. Motion to fill the unexpired term of Neil Farrington’s seat with Irene Belanger made by Bob Worthley and seconded by John Doucette. The motion was approved unanimously by the Board.

- B. Consideration of a Change in the normal rotation in the office of KVCOG President.

Mr. Young announced that Cornell Knight is the outgoing President, and typically the Vice President position, currently held by Steve Steward, would take over as President

at the Annual Meeting. Steve Steward indicated that he did not want to take over the Presidency and would like to stay a director. Mr. Young asked for a motion for Larry Post to be appointed to the empty seat on the Board with the anticipation that Post, being from Somerset County and a former KVCOG President, would stand for election as a Director and President in the balloting preceding the Annual Meeting. Motion to appoint Larry Post to the Board of Directors made by Bob Worthley and seconded by Ann Beverage. The motion was approved unanimously by the Board.

C. Effect of State FY 2010 and 2011 Budget on Members.

KVCOG membership renewals for FY 2010 are coming in on target although some erosion is likely. The State's new budget reduces payments to municipalities by \$140 million in FY 2010 and 2011. These reductions will put increased pressure on KVCOG members in FY 2010/2011 and may result in fewer members renewing in July 2010.

**Action Items:**

A. Adoption – FY 2009-2010 Budget

Mr. Young asked for approval of the FY 2009/2010 Budget. Motion to approve the budget as is made by Cliff Andreasen and seconded by Bob Worthley. The motion was approved unanimously by the General Assembly.

B. Approval of EDA Annual Report.

Mr. Young asked for approval and permission to send the 2008 CEDS Annual Report Update to EDA. Motion to approve and send the report to the EDA made by John Doucette and seconded by Roland Michaud. The motion was approved unanimously by the Board.

**Other Items:**

Mobilize Maine Update:

Mr. Young gave an update on Mobilize Maine. The goal of Mobilize Maine is to strengthen the six economic development districts that cover the entire State by empowering Maine citizens to take control and stewardship of their economic future.

Mobilize Maine is a local leadership driven initiative that maps regional assets and industry cluster value chains that will become the foundation for a statewide Community and Economic Development (CED) strategy. There will be hundreds of Mainers leading the development and implementation of focused and measurable "triple bottom-line" action plans. An asset versus needs based approach will focus on advantages versus deficiencies, which can be preserved, enhanced and leveraged to achieve economic, social

and environmental prosperity which make up the “triple bottom-line.” A statewide CED initiative will uncover the unique potential of each region and connect their resources to transform Maine’s rate of economic growth. A four-step systematic and disciplined approach will create regional CED planning and strategies that will train and empower hundreds of Maine’s leaders to grow their economy. A statewide private/public partnership will support a grass roots mobilization of Maine’s citizens to take responsibility and control of their economic destiny. Mobilize Maine is based on a proven model for success that connects quality of place, innovation, livable and healthy community strategies to achieve accelerated and balanced economic growth.

Mr. Young mentioned that there will be a contract drawn up between Vital Economy and KVCOG regarding the funding of the Mobilize Maine Project. Mr. Young said he would brief the Board on the terms before signing it.

The Mobilize Maine “Kick-Off” was held at KVCC in the Carter Building on Monday, May 18. The next big group meeting is to be held at KVCC in September and will discuss Asset Mapping and Value Chain Mapping. To learn more about Mobilize Maine and how you can get involved, click the Mobilize Maine link on the KVCOG website [www.kvcog.org](http://www.kvcog.org) or contact Ken Young at 453-4258 x12 or [kyoung@kvcog.org](mailto:kyoung@kvcog.org).

Pine Tree Zone:

Mr. Young announced that the Legislature changed the process for allocating Pine Tree subsidies to a system that eliminates administration at the regional level and extends the subsidies to firms located statewide thereby effectively eliminating the modest comparative advantage enjoyed by the less robust sections of the state.

## **6. Roundtable:**

Stefan Pakulski – Readfield

- Working on getting a lower Mill Rate
- Single Source Recycling in the works
- Got a \$564,000 award from DOT

Mark Doyon – Manchester

- Working on Phase 1 & 2 of Fire Station
- \$1.6 million Fire Station now online
- Beginning 2-year work with KVCOG on Comprehensive Plan

Mary Ann Hayes – Thorndike

- Working with KVCOG on Wind Farm Project

Bob Worthley – Anson

- Got a 3-year loan to do paving

Jim Kenney- Unity

- Moving to computerized assessing

Jeff Hewett – Skowhegan

- Final Stages of the Renaissance Building – 16,000 sq. ft.
- Kick off of the ADA Trail coming up

Kathryn Ruth – Pittsfield

- Large turnout at the Job Fair
- Grand Opening of the New Pool – June 13
- \$1.2 million expansion to the library beginning
- Recycling Center Grant will be received August 1
- Received another Brownfields Grant

Irene Belanger – China

- Wind Turbine up and running
- Hannaford opening in August
- Looking at 3-phase power
- Comprehensive Plan now in place and implementing
- Held a free fee day at the transfer station- big turnout
- Got a \$500 grant to advertize recycling
- School consolidation complete

Rhonda Stark – St. Albans

- Updating the electrical system
- Wheel chair and handicap rail now fixed

Larry post – Hartland

- Applied for a new EDA grant for a new leachate collection pond

**Next Meeting:** Annual Meeting  
September 23, 2009  
Grandeur Sun, Hafford's Restaurant  
5:00 – 8:00pm