

**FREEPORT ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
TUESDAY, April 28, 2015, 7:30 AM to 9:30 AM
Freeport Community Center
MINUTES**

1. The meeting convened at 7:35 AM

In attendance: Jim Cassida, Wendy Caisse, Candice Rinaldi, Zane Shatzer, Mark Malone, Adam Nappi, Betsy Ruff, Peter Troast, Ed Bradley, Mary Davis, David Latulippe, Andrew Kull

Absent: Chip Gray, Peter Joseph, Kristina Egan

Guests: Bill Rixon, Leland Arris, Tom Wilbur, Andy Wilbur

2. Introductory comments

Jim welcomed the guests, and said that as had become the practice, we would hear presentations from our guest speakers first on the agenda. He introduced Lee Arris from the Freeport Sewer District. He asked Keith to give a brief introduction to how FEDC has been working with the sewer district. Keith discussed the letter of support FEDC provided with the district's application for grant and loan funds from the USDA for a much-needed sewer upgrade project in the Bow Street/Mast Landing/Frost Gully Stream area.

3. Presentation from Leland Arris, Gen. Manager of the Freeport Sewer District

Lee spoke about the history of the connection fees in Freeport, and the need for the money for infrastructure improvements due to development in town in the 1990s. He also spoke about his personal history, and how he came to be Gen. Manager of the district. He said that the district strives to be environmentally responsible and to improve their operational efficiency. To that end, the district had invested \$1.5 million in their infrastructure in the past 5 years, borrowing that amount at favorable rates: 1.5% or less. He discussed rates paid by users, and the district's interest in keeping/maintaining reasonable rates for the users. However, financial needs have led to a 6% rate increase this year, which is the largest single-year increase on record. In the interests of fairness, he believes that users should pay based on their usage. He described their treatment capacity, and described infiltration as a major problem. It not only takes up unnecessary capacity, but also strains the capability of the system and increases costs unnecessarily, because they are treating water (storm water) which does not require treatment. The application to the USDA is for improvements to the Bow Street/Lower Mast Landing pump station, and re-routes and replaces an aging pipe currently located in the Frost Gully Stream tidal area. Adam asked about the condition and age of the Bow Street pipe. Lee said that it is aging, but because it's a gravity-fed pipe (non-pressurized) its not as worn as other pipes its age. Bill Rixon asked if infiltration could also indicate leakage. Lee said that infiltration does sometimes suggest leakage, and that they have seen and fixed leaks on this pipe in the past. Mark asked if the district was seeking to expand to new users. Lee said that expanding existing infrastructure was not a high priority, as opposed to improving and maintaining what already exists. Jim suggested that it seemed that the treatment plant has sufficient capacity, especially once infiltration and peak flow issues are resolved. Lee agreed. Adam asked about the connection/capacity fees could be reduced. Lee said that they utilize flow/wastewater measurements based on the usage of the property as set by the state, but that the other side of the equation is the district's current user rate. He suggested that there could be ways to explore other fee methods, subject to agreement and approval of the FSD trustees. Tom Wilbur, Jim and Keith talked about the history of fees paid and its impact on in-coming businesses. Lee explained that where there is a history of previous fees paid in the property, they are subtracted from subsequent user connection/capacity fees. In some cases, therefore, the fee could be zero. The board discussed options for discussion modification of the connection/capacity fee structure, and Lee indicated that the district would be open to participating in a conversation about the issue. Jim thanked Lee for taking the time to speak to the board on this important issue.

4. Consent Agenda Items:

1. Approval of MINUTES of March 31, 2015 meeting

Ed moved and Dave seconded approval of the minutes as printed. The vote was unanimous of all those present and voting.

2. Acceptance of FINANCIAL STATEMENT for the period ending March 31, 2015

Adam moved and Zane seconded acceptance of the financial report. The vote was unanimous of all those present and voting.

5. Economic Development Report (Written Report)

Keith added that the bids for the Pownal Road Field stormwater and parking improvements had come in over \$80,000 under budget, and that the work would begin soon. He also mentioned that Sande Updegraph had announced that the Chamber of Commerce Board would be seeking a new Executive Director for the Chamber, as she felt it was time for her to move on. He praised Sande for the growth of the chamber under her leadership. He also mentioned that Coastal Orthopedic had vacated their space at 45 Mallet Drive, adding almost 10,000 square feet of vacant commercial space on Mallet Drive.

6. FEDC FY2016 Budget Discussion

Keith presented the draft budget to the board for additional discussion. He said that the amount of \$95,000 had been approved and placed in the FY2016 TIF budget, and the allocation would be voted along with the rest of the town's operating and capital budgets in the coming weeks. However, in the interests of having a budget in place for the upcoming fiscal year, he wanted to give the board the opportunity to make comments on FEDC's budget. Peter T. said that he was disappointed to see the elimination of marketing as a line-item. Keith explained that \$10,000 had been allocated in FY2015 for a marketing project, and that in the fall of 2015, the board had given Keith approval to pursue a specialty food marketing program, but did not feel that he would need to spend \$10,000 on it in the short term. Since that amount remains allocated, Keith said that he considers the 10,000 as a "special project" budget allocated for this marketing use that will likely span multiple fiscal years, much the way the budget for Vision 2025 was handled across fiscal years. Peter said that he wanted to have a more substantive conversation about marketing as a fundamental goal for FEDC. Keith said he would put that conversation on the agenda for the May board meeting, and would re-send the specialty food marketing plan he had submitted in October 2014 to the board. Ed asked if he could request an executive session in May to discuss executive director compensation. Jim asked to place an executive session on the May board agenda.

7. Adjourn

The meeting adjourned at 9:02.