

KNOX COUNTY COMMISSION

Special Meeting

Thursday – February 11, 2010 – 11:30 a.m.

A special meeting of the Knox County Commission was held on Thursday, February 11, 2010, at 11:30 a.m., at the county courthouse, 62 Union Street, Rockland, Maine. Executive Assistant Constance Johanson was present to record the minutes of the meeting.

Commission members present were: Anne Beebe-Center, Commissioner District #1, Richard L. Parent, Jr., Commissioner District #2, and Roger A. Moody, Commissioner District #3.

County staff present included: County Administrator Andrew Hart, Finance Director Kathy Robinson, and Executive Assistant Constance Johanson.

Also present were: EMDC President Michael Aube, Jen Brooks of EMDC, Alan Brigham, Economic Development Representative for Maine, Alan Hinsey of KWRED, Eric Belley of KWRED, Rockland City Manager Rosemary Kulow, Rockport Town Manager Robert Peabody, Rockport Selectman Bill Chapman, Camden Town Manager Roberta Smith, Dick Crossman of Allen Insurance and EMDC Board member, Knox County Budget Committee Chair Ann Matlack, and Steve Betts, reporter from *The Herald Gazette*.

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I. 11:30 Meeting Called To Order

II. 11:31 Action Items

1. Act to Approve and Sign Memorandum of Understanding Between the County of Knox and AFSCME Council 93 to Add the 2010 Union Wage Table to the Existing Union Contract as Appendix E (A. Hart).

III. 11:36 Discussion Items

1. Discussion on Impact of 2010 No-Funding Decision for EMDC.

IV. Adjourn

I. Meeting Called to Order

Commission Chair Anne Beebe-Center called the February 11, 2010 special meeting of the Knox County Commission to order at 11:30 a.m.

II. Action Items

1. Act to Approve and Sign Memorandum of Understanding Between the County of Knox and AFSCME Council 93 to Add the 2010 Union Wage Table to the Existing Union Contract as Appendix E (A. Hart).

County Administrator Andrew Hart explained that the union contract, effective January 1, 2009 to December 31, 2010, did not include a wage table for 2010. The contract was signed on July 14, 2009, which was prior to developing a budget for 2010. The union contract included a “Side Letter” to allow the wages for 2010 to be set at a later date. By approving and signing the Memorandum of Understanding, the Commission is ratifying the wages for 2010 as approved and included in the Knox County 2010 Budget. Union employees received the two (2) percent increase at the first of the year and will receive longevity increases on the employee’s anniversary as described in the union contract.

- A motion was made by Commissioner Roger Moody to approve and sign the Memorandum of Understanding between the County of Knox and AFSCME Council 93 to add the 2010 Wage Table to the existing union contract as Appendix E. The motion was seconded by Commissioner Richard Parent. A vote was taken with all in favor.

Commissioner Roger Moody asked if all the articles in the side letters have been addressed.

County Administrator Andrew Hart responded that the only articles left to address were the ones regarding investigation of alleged misconduct and discipline for misconduct as contained in the proposed Articles 27 and 28 of the current contract signed on July 14, 2009. It was noted that union negotiations will have to reconvene at some point because the current union contract expires on December 31, 2010.

III. Discussion Items

1. Discussion on Impact of 2010 No-Funding Decision for EMDC.

Commissioner Roger Moody explained that there was a discussion on whether or not Knox County should be allowed to continue to be a member agency of Eastern Maine Development Corporation (EMDC) and receive services because the county did not make an appropriation to EMDC for 2010. Knox County contributed funds to EMDC for many years. There was discussion during the 2010 budget process on whether or not the county should continue to contribute funds to EMDC, which is based in Bangor and serves six counties in Eastern Maine.

Knox-Waldo Regional Economic Development (KWRED) was a component of EMDC, but has recently taken a more independent course in offering economic development strategies for Knox County. The county's budget for 2010 appropriated \$45,000.00 for KWRED and zero funding for EMDC. The reasoning behind the shift in appropriations was because it appeared there were differing economic needs associated with the geographic distinctions within the economic district covered by EMDC. It was a matter of the county wanting a local presence involved with local economic development issues.

The Commission was approached by Lincoln County to join with them to seek economic development in the coastal area, which would include Knox County, Lincoln County and the coastal portion of Waldo County. Currently Lincoln County contracts with Coastal Enterprises, Inc. (CEI) for economic development, and may evolve into a regional planning entity.

The Midcoast region has been changing over the years and appears to have its own identity as it crosses county lines. Economic development in the region should address the needs of the Midcoast area. KWRED is a viable and active organization that maintains good contact with local the economic climate and needs of the Midcoast area.

It was noted that Waldo County has three economic areas. The northern portion is closely related to the EMDC. The coastal area is related to Knox County and other coastal communities. The western portion is closely related to Kennebec County. There are economic challenges facing Maine counties and it was suggested new economic districts may emerge from discussions on economic development in the various regions.

Commissioner Anne Beebe-Center asked those at the table to introduce themselves.

Mike Aube was asked to give a brief overview of the EMDC. Mr. Aube explained that Eastern Maine Development District Inc. was formed in 1967, and was originally called PRIDE, Inc., which stood for Promoting Recreation and Industry Down East. Federal legislation at that time encouraged the formation of districts made up of multiple counties for economic development. Eastern Maine, with the Bangor area as the hub and financial center for the region, was chosen as an economic district that was comprised of six counties (Penobscot, Piscataquis, Waldo, Knox, Hancock, and Washington).

PRIDE eventually became the Eastern Maine Development District with EMDC as its trade name. During the 40-year history of the economic development in the region, programs changed with new opportunities with additional responsibilities for the region.

Mr. Aube noted that when he came to work for EMDC in January of 2009, EMDC appeared to have lost its focus for a time. The EMDC board asked him to get the focus and programs back on track and move forward with economic development for the region. KWRED, at that time had a relationship with EMDC, but it was very unclear just what constituted the relationship with little documentation to explain the relationship. At that time, Alan Hinsey worked for KWRED for awhile and others subsequently worked for KWRED. It appeared to be loosely knit and in need of being restructured. There were concerns with the financial end of the organization because EMDC/KWRED had received appropriations from the public sector that needed to be appropriately accounted for and tracked. Talks were held to determine how the institution could be reorganized to better account for the use of public funds.

Mike Aube commented that he supported local initiatives. If the local initiative is to add value to the economic work being done, then there has to be greater business attraction opportunities or other types of services that the communities want. Many discussions were held to determine how to strengthen ties between EMDC and KWRED, but the conclusion was that the local government agencies in the Midcoast region preferred working with KWRED to provide economic development. Mike Aube commented that this was fine until there is the problem of getting matching funds from the federal government.

Two (Knox and Waldo Counties) of the six counties chose not to appropriate funds for EMDC in 2010. Mr. Aube reported having discussions with the EMDC board on how to move forward in light of the zero funding from these two counties and how to fulfill the obligations to the Economic

Development Administration (EDA). EMDC has a contract with EDA to provide federal assistance funding, in the form of matching funds, to the economic district.

Knox and Waldo Counties have been part of the economic district known as EMDC. EDA is providing \$72,000.00 in funds to the district. EMDC then has to match those funds at the district level by receiving funds from the participating counties in the district. There were six (6) counties participating and now there are only four (4) providing appropriations. Local government entities face challenging economic times and it appears that Knox County prefers to fund economic development at the local level through KWRED.

The EMDC board met and there were three options to consider in coping with the issue of zero funding from the Knox and Waldo Counties. Option A involves beginning the process to reconstitute EMDC as a four-county wide economic development district. Option B consists of authorizing the expenditure funds from the four counties to allow the staff to do the work associated with the responsibilities as outlined in the contract in Knox and Waldo Counties. Option C includes provisions to pass the grant monies on to the four remaining counties with voting privileges to those members and would not ask for a restructuring of the district at this time.

Mike Aube recommended going with Option C for a year to determine if this was the best solution. One problem is that county, state and federal government agencies all have different fiscal years. It was noted that there is quite a process to go through to reorganize a district and difficult to reverse the process if the opting out counties changed their course of action and decided to contribute funds to the economic district at a later date.

Mr. Aube reported that letters were sent out to Knox and Waldo Counties explaining the issue, options, and what took place at the January EMDC board meeting. As a result Commissioner Roger Moody suggested Knox County hold this meeting to discuss the issue and its ramifications further so that there was an understanding of EMDC's responsibilities in terms of fulfilling their contract with the federal government.

Commissioner Roger Moody explained that at the last EMDC board meeting there was a motion made to adopt Option C, but it was tabled. The expectation was that the EMDC would bring the motion back to the table and vote on it at the February meeting because of the fiscal year issues and the timeframe for reporting.

Mike Aube commented that the CEDS process has to be completed by March 31, 2010, which is the end of the current contract year. The new CEDS process, which includes the development of the needs and priorities for the region on key projects for 2010 – 2011 begins on April 1, 2010.

EMDC's current contract with the U.S. Department of Commerce (DOC) expires March 31, 2010. The (CEDS) annual report is due March 31st of each year. The midpoint progress report was due on October 31, 2009. The final progress report is due on May 1, 2010. There are two (2) financial status reports due on a biannual basis (October 31, 2009 and April 30, 2010). The Government Performance and Results Act (GPRA) of 1993 report is due on December 15, 2010.

Rockport Town Manager Bob Peabody commented that as a town manager as well as an EMDC board member, he was concerned with the major vote was being taken at the January meeting concerning the fate of the municipalities in Knox County in terms of receiving services. There is the short term issue of Knox County not funding EMDC and what that means to the economic development in the local area, specifically how it would directly affect the municipalities in the county. The other issue was the direction the economic development efforts in the area would take without EMDC. He agreed that the EMDC board should not have taken action at their January meeting and should make an effort to meet with county officials to explain what was happening and the consequence of not allocating funds for EMDC.

Dick Crossman commented that there was a request at the January EMDC board meeting for more time to get the parties at the table together for a common discussion, and then come back to the February meeting with a consensus of how to proceed. Mr. Crossman supports Option C because there were a number of issues that needed to be discussed further: the time frames for renewing the contract; the fiscal year issue; and the issues involving Lincoln County in a regional economic district. If a new district should be formed, then there would still be time to discuss how to proceed. Going with Option C at this time made the most sense.

Alan Brigham of the U.S. Dept of Commerce (DOC) - Economic Development Administration (EDA) explained that EDA understands local efforts for initiatives for economic development, but the issue of funding needs to be addressed. KWRED has an excellent view of economic needs of the local area. He explained that he was here to explain what a federally designated Economic Development District (EDD) is and what it means in terms of services that it can provide

considering what Maine appears to be engaged in, which is the discussion of reorganizing the EDD's especially in the Midcoast region.

Alan Brigham commented that it is important to understand what an EDD is. The EDD has two parts. The first is the geographically designated area (Eastern Maine) that will be served, which in this case is the six counties that make up EMDC. The other component of the EDD is what is known in the regulations as the district's organization, which spells out the partnership of the participants and the designated organization (EMDC) providing the services. The EDA contracts with EMDC and provides partnership grant funding. There are two primary purposes of the district and the district's organization. One is to develop and maintain The Comprehensive Economic Development Strategy (CEDS) and the other is a program for providing technical assistance to communities and other non-profit organizations. EDD is a partnership between the district and communities of the region and provides an avenue of EDA funding for economic development in the region.

The funding is provided on a three-year cycle. The application and resulting contract is extended for two years. The danger of not being in an EDD is that the CEDS are not developed for the area, which is a requirement for making federal funds available. The board requires a specific organization, be it a town or county, to be a member in order to be eligible for EDA funding.

Alan Brigham explained that this was the second group that he has had discussions with regarding the possibility of reorganizing the economic district(s). In October of 2008, Lincoln County Commissioners determined that they were unhappy because of some of the decisions that were made by their EDD and decided not to provide any financial support to their EDD. That created a budget problem for their EDD, which is the Midcoast Economic Development District (MCEDD).

After that decision was made, there was an intensive evaluation of the situation, which took three days. The number one finding was that Lincoln County was not providing an equitable share of the financial support to the EDD for its operations. The regional director met with the Lincoln County Commissioners and determined that by not funding the MCEDD, the county was not a member in good standing. The county needed to become an active participant by contributing funding to the district or face other action by the EDA. Lincoln County was given six months to resolve the issue, the deadline being March 15, 2010. If Lincoln County decides not to participate, then the economic district will be terminated. An EDD is a partnership with the region and those in the region and have to commit to funding its work to be eligible for EDA funds. Other communities in the district, such as Sagadahoc County are affected by a non-participating entity. Mr. Brigham commented that he was optimistic that the issue will be resolved.

Knox and Waldo Counties have taken similar steps and are proceeding in the same direction as Lincoln County and that puts the area at risk in terms of being in good standing with its federal partner. There is interest in the Southern Maine Economic District to divide itself. It is believed that there are two distinct economies and two distinct CEDS within that economic district, but the EDA headquarters has not been supportive of the idea of splitting the district, but there is a new administration in place and this may change.

There are three economic districts in Maine with boundary and structural issues. It is premature for Knox and Waldo Counties to withdraw from EMDC and expect to join with Lincoln County because MCEDD may not exist in a few months. It is hoped that MCEDD will decide to return to good standing.

There have been discussions with other EDDs on structural issues, but it might be better to convene a discussion with all the EDDs on the issue of rearranging districts. Restructuring as sanctioned by the EDA is much easier than getting back in an EDD after termination proceedings have concluded and the district no longer exists.

Lincoln County asked if MCEDD was terminated, would the EDA then consider approving Lincoln County as its own economic district or an economic district partnered with Knox and Waldo Counties. The response was that if Lincoln County does not want to be a partner with its current economic district, then perhaps it may not be a good partner within another district.

The intent of the EDA is to embark on a complete review of the EDDs in Maine as soon as the MCEDD issue is resolved one way or the other. Mr. Brigham suggested that Knox and Waldo Counties stay with EMDC and become a partner in good standing and then participate in the discussions of the state's EDDs and their structure.

Commissioner Anne Beebe-Center asked what the timeline would be for addressing these issues. Mr. Brigham responded that the MCEDD issue had to be resolved by the middle of March with the discussions on restructuring beginning in the spring or early summer of 2010. Any modification of economic districts has to be requested by the governor of the state.

Alan Brigham commented that he could agree that there is a good argument for larger Midcoast economic district that would include Sagadahoc, Lincoln, Knox and Waldo Counties, but there is a process that has to be gone through to accomplish this.

Rockland City Manager Rosemary Kulow asked if an EDD could be made up of individual towns rather than county membership and is that how MCEDD is organized.

Alan Brigham responded that MCEDD has two methods of membership. Sagadahoc County is represented by the towns belonging to the economic district through their funding process. If a town decides not to appropriate funds that eventually go to the district, then it can not benefit from any economic services provided by the EDD. Lincoln County's commissioners vote to fund or not fund the EDD to provide services for their towns. It has been suggested that the towns in Lincoln County could be participants by contributing funds to the EDD. This idea has been discussed at length.

Some districts have towns as members, but the budget issues involved with their funding formulas are their own issues. The EDA is concerned only with the economic districts supplying the required funding to match the federal grant money.

Alan Hinsey asked the commissioners if their intent in not appropriating funds for EMDC was to withdraw from EMDC. It appears that it was. He also asked if the commissioners understood that the requested funds were the county's membership fee for the year.

Commissioner Roger Moody commented that, in light of the county funding \$45,000.00 for economic development, it should be apparent that the county supports economic development. The intent was not to withdraw from EMDC, but rather to fund the local agency (KWRED) to provide services on the local level. During the budget process, there was a presentation by EMDC staff that assured that there would still be some services provided and that there were no consequences to not funding EMDC. It now appears that there are consequences.

Ann Matlack commented that the budget discussion also brought up Waldo County's nonparticipation. There has been less funding going to EMDC from Knox County in recent years, especially after the formation of KWRED.

Alan Brigham commented that he was not here to discuss details of the local economic development, but rather to talk about the scope of work of the EDA and EDD partnership.

Ann Matlack asked if Waldo County was a member of EMDC even when they chose not to contribute funds. She expressed concern that when Knox County politely said no thanks to EMDC and chose to fund KWRED, that Knox was lumped in with Waldo County and Lincoln County, both of whom do not appropriate funds to their EDD.

Alan Brigham commented that it was important for the county to maintain its membership in the EDD in good standing. He was not concerned with the EDD's budget, but was concerned that the members have equal participation in the EDD, and that EMDC has the matching funds as required. The planned discussion on restructuring may be a re-education experience on the obligations and benefits to belonging to an EDD. If there are members that are not funding the EDD, then this too can be discussed.

Alan Hinsey asked what the bottom line was for the county to be a member in good standing. It was noted that EMDC requested \$10,000.00 for 2010. He suggested that the county needed to know what the cost is for their 2010 membership because it did not seem that this was made clear during the budget discussions last fall.

Mike Aube remarked that the requested \$10,000.00 is the county's portion of the match of the required \$72,000.00 in matching funds. As to the question earlier regarding having the towns in the county pay a portion of the requested funds as the membership fee, the answer is that this is not the current model for funding EMDC. There needs to be equitable funding among all the members which are counties.

Mike Aube commented that some towns in Knox County would not qualify for the CEDS because there is not 12% unemployment in those towns. There could be some assistance if it was determined that an area experienced high distress due to plant closings. Within the six counties that comprise EMDC, there is at least one area of high distress.

It was noted that EMDC will be evaluated by the EDA in March. The funding of the EDD will be looked at to determine if the funding is according the regulations. It was likely that the two counties

that have not provided funding will be identified. It was recommended that the county minimize its risk of not being a member in good standing before the evaluation.

Alan Hinsey comment that he did not think the county knew what the effect or consequences would be when the decision was made not to appropriate funds for EMDC.

Rockport Town Manager Bob Peabody commented that his concern remains and agreed that adequate information was not provided by EMDC during the budget process. The decision not to appropriate funds for EMDC affects the 18 municipalities in Knox County.

Rockland City Manager Rosemary Kulow asked if the towns in Knox County would now be asked to provide funding for EMDC. The response was no because that is not the model for funding EMDC; only counties are asked for funding.

Commissioner Anne Beebe-Center asked what it cost for Knox County to participate as a member of the district in good standing and receive services. EMDC requested \$10,000.00 during the 2010 budget process. It was noted that Penobscot County was the only county that committed to paying the requested amount of funding for 2010. The other participating counties cut their requests by 20 percent.

At one time, there was \$20,000.00 requested by EMDC, but there is no documentation showing that there was a 5/15 split with EMDC receiving \$5,000.00 and KWRED receiving \$15,000.00. The understanding was that EMDC would act as the fiscal agent for KWRED. Then it was decided to separate. There was discussion during the budget process and it was decided to only fund KWRED. The question remains as to how much money would provide the designation of “a member in good standing”.

Commissioner Anne Beebe-Center commented that the commissioners did not understand the consequences of not funding EMDC.

Commissioner Roger Moody asked if the county reconsidered EMDC’s request for \$10,000.00 again, what would the county gain for the money.

Mike Aube stated that in terms of the contract with the EDA, EMDC has to provide the following services (*as read from Attachment A of the contract*):

- Complete Comprehensive Economic Development Strategy (CEDS): EMDC will work with key leaders and economic development professionals in the region to complete the CEDS in the region by holding a series of regional meetings to gather information on appropriate and needed economic development projects in the area.
- Initiate 2010 Comprehensive Economic Development Strategy: EMDC will host meetings with key community and business leaders by region to gather information on regional needs and priorities in order to garner information on key project to focus on in 2010.
- Engage community and business leaders in each region in an effort to increase understanding of key assets in the region as well as issues facing the region’s economic development efforts: EMDC will hold several meetings in each region to engage not only economic development professionals, but community leaders and business leaders to engage whole communities in the process of economic development and identify assets in the region that should best be utilized in economic development projects.
- Develop regional action teams to pursue economic development projects that have been identified by region to be most beneficial to the region’s overall economic development plan. Target CEDS priorities that emerge from 2009 report and ongoing community meetings: Bases upon feedback received at meetings and forums, EMDC will develop action teams that will meet regularly to move forward key economic development projects in each region.
- Target technical assistance to the most distressed areas that require staff help to identify problems and opportunities and develop appropriate strategies: EMDC staff will provide outreach to distressed areas, convene groups to develop strategies for regions suffering economic distress, and identify and see funding to follow through with strategies.
- Provide technical assistance to support business attraction, retention, tourism development and investment in critical soft and hard infrastructure: EMDC staff will work to provide assistance to businesses, connection to resources that will assist in the retention and expansion of a business, including workforce development programs and services available

in the region. EMDC staff will work with existing groups on the issue of broadband access in rural areas. Lastly, EMDC will work with all tourism groups to provide a uniform approach to expanding the tourism base in the entire EMDC region.

- Assist groups and non-profits to acquire EDA funding for priority projects that help address the region's CEDS strategy and meet EDA investment criteria.
- Target CDBG funds to assist communities needing business and infrastructure development: EMDC will regularly work with communities in the region on identified projects and development in their municipalities. EMDC will focus on those projects identified in the CEDS process and community meetings as a priority and work with the community to identify CDBG funding.

Mike Aube commented that the goal is to have the appropriate economic development district in every part of the state. There are benefits to being in a district. The reality is that the districts are probably not structured as they should be, but this may change this summer with the proposed discussions on restructuring. It costs more to provide services in the six counties that comprise EMDC because its large geographical area with 11 labor markets. Economies within the area are shifting. He apologized for not communicating better in regards to the CEDS process and the need to have funding provided by the county.

Commissioner Roger Moody asked how this was all to be sorted out considering that the budget was approved without funding for EMDC. It was noted that it appeared that some of the services listed may be the same as those provided by KWRED. He asked if it was possible to use the \$10,000.00 to contract out some of the work.

Alan Brigham responded that this is possible, but it is not the usual method of providing services. In the case of MCEDD, the work was contracted out and then it changed to being performed in-house, which started the contention with Lincoln County. The scope of work performed by EMDC is at a higher level than that of KWRED so it appears that both are offering the same services, but in fact the services, regardless of their similarities, are at different levels. EMDC provides a much wider scope of services.

Eric Belley of KWRED asked if it was just a matter of writing a check to have Knox County recognized as a member in good standing.

Alan Brigham commented that the EDA was interested finding that all the members are in good standing when it conducts its evaluation. It is up to EMDC's board to work out the details of how accomplish this task. If there are still non participating members in term of making a financial commitment, then those members will not be allowed to participate in the CEDS process.

Mike Aube commented that given the economic times, the work that EMDC does has become more challenging and EMDC has to make prudent investments. What he does not want to see is next year another county deciding that it too wants services for a zero contribution. An EDD can not keep losing members; at the same time it is not fair to keep members that do not make an equitable financial contribution.

Eric Belley of KWRED recommended that the county return to being a member in good standing by accepting a check from KWRED and passing the money on to EMDC for its membership fee.

Mike Aube commented that EMDC was not set up to accept a contribution directly from KWRED on behalf of Knox County. If KWRED wants to make a donation to the county and the county pass it along, that would be fine because only the county can be a member.

The question was asked that if a business needed assistance between now and when a donation was made, could that business avail itself of EMDC's services. Some services would be at a cost, but others would be available at no cost such as assistance from the Maine Procurement Technical Assistance Program (PTAC) because it is a state agency.

Camden Town Manager Roberta Smith asked for a copy of the letter from EMDC requesting funding as well as any letter from EMDC regarding the acceptance of the membership fee that covers the services provided by the EDA contract.

It was noted that there are other services are provided by state agencies. There are some loans available through other agencies as well. One example is the recovery bonds. Three counties have asked for assistance in applying for the recovery bonds that have to be completed by December 2010. EMDC is providing some of the required information on economic projects even though this is not part of the EDA contract. The mechanism for distributing this type of information tends to be through the EDDs.

It was suggested that EMDC provide a list of services that are available without membership. This was provided by EMDC several days after the meeting and is included here for informational purposes as suggested by Commissioner Anne Beebe-Center.

Services Available to Knox County Businesses without membership

Lending:

- SBA Microloan Program (up to \$35,000).
- IRP Funds
- SBA 504 program

Maine PTAC at EMDC:

Maine PTAC is part of a nationwide network of Procurement Technical Assistance Centers, or PTACs. We work with Maine-based companies that are interested in selling their products and/or services to local, state or federal government agencies, either as prime contractors or subcontractors. Maine PTAC's experienced counselors provide a wide range of counseling services to assist Maine PTAC clients market to government agencies and government prime contractors.

Services Available to Knox County Businesses with membership

Eastern Maine Development Corporation is the largest economic district in Maine serving the 6 counties of eastern Maine for 40 years. EMDC has a full range of economic development professionals with expertise in community and business development. Additionally, EMDC has full-time information technology and data center experts that can draw upon GIS technologies to assist and aid in development analysis and presentations for business and community projects.

EMDC staff includes community planners, transportation planners, community and business development specialists, tourism development and marketing specialists, grant writers, business counselors, business procurement specialists, workforce training officers, and finance officers. Our full range of services and deep talent pool offer your community a unique opportunity to seek out new economic opportunities.

EDA/CEDS:

- Knox County businesses and communities are included in the Comprehensive Economic Development Strategy process and projects identified are listed in the CEDS list to be eligible for EDA funding.
- Develop regional action teams to pursue economic development projects that have been identified by the region to be most beneficial to the region's economic development plan.
- Target technical assistance to the most distressed areas that require staff help to identify problems and opportunities and develop appropriate strategies.
- Provide technical assistance to support business attraction, retention, tourism development, and investment in critical soft and hard infrastructures.
- Assist groups and nonprofits to acquire EDA funding for priority projects that help address the regions CEDS strategy and meet EDA investment criteria.
- Target CDBG funds to assist communities needing business and infrastructure development.

Lending:

- SBA Microloan Program (up to \$35,000).
- IRP Funds
- SBA 504 program
- EDA Funds

Maine PTAC at EMDC:

Maine PTAC is part of a nationwide network of Procurement Technical Assistance Centers, or PTACs. We work with Maine-based companies that are interested in selling their products and/or services to local, state or federal government agencies, either as prime contractors or subcontractors. Maine PTAC's experienced counselors provide a wide range of counseling services to assist Maine PTAC clients market to government agencies and government prime contractors.

Commissioner Roger Moody suggested that it might be helpful to have some concrete examples of the work that is done by EMDC to understand the actual services that can be provided to a member of the EDD.

It was suggested that the commissioners might be interested in the actual CEDS. It is not as detailed a plan that might be done at the local level by KWRED. The CEDS are asset driven. Assets in the region are analyzed to determine how those assets might grow.

County Administrator Andrew Hart asked for clarification on the membership fee. The request for funds went to \$10,000.00 for 2010. There is a history of the contributions, although not well documented, except through the internal accounting of EMDC and KWRED. The question remains as to how much would Knox County have to pay for its membership fee. Is there a formula to determine the amount requested?

Other than Penobscot County, the other counties discounted their contributions by 20 percent. There was never a formula to determine the requested amount for the membership fee. This issue has been discussed, but a formula has not been established. What has been proposed is that 150 percent of the EDA matching funds (\$72,000.00) be split among the six counties with 50 percent of the requested funds being based on per capita and 50 percent being based on valuation.

Camden Town Manager Roberta Smith asked what the \$72,000.00 grant was based on. The response was that all EDDs in Maine, with two exceptions, receive \$70,000.00. Southern Maine receives \$100,000.00 because they split in between the two sets of CEDS. MCEDD receives \$62,000.00. EMDC receives an extra \$2,000.00 because of its large geographical area. The Penobscot Tribe receives a partnership grant in the amount of \$44,000.00. The funding is similar throughout the county because of similar costs to develop and maintain the CEDS and technical assistance. The EDA is comprised of six regions. The regions are based on population and the economy activity of the region.

Commissioner Roger Moody reminded those presents that, as time moves forward and new budgets are proposed, the fact remains that a contribution has to be made to whichever EDD Knox County belongs to in order to receive benefits from the EDD.

Ann Matlack noted that the budget committee, in recent years, has requested reports and asked specific questions pertaining to the funding requests and how it relates to the services being provided to the county.

County Administrator Andrew Hart agreed that specific information needs to be provided and an explanation of what happens if the requested funds are not appropriated for an agency. It was noted that it was possible that the other counties in the EDD were not aware of the consequences of not funding EMDC, especially in light of Waldo County's history of sporadically funding EMDC with impunity.

Commissioner Richard Parent asked if the towns participate by paying a membership fee. Mike Aube responded that EMDC is comprised of counties only as members. The membership fee paid by a county provides services to their towns.

Mike Aube was asked about the make-up of EMDC's board. He responded that he did not have a copy of the by-laws, but the membership was addressed in the by-laws. Each county has two representatives, but they are not necessarily county commissioners. At least 51 percent of the membership must represent the public sector. There has been more county commissioners involved recently, but the members are not nominated by the commissioners. There is a nominating committee.

It appears that there is not a set membership fee at this time. Mike Aube commented that he would treat Knox County the same as the other counties.

Commissioner Roger Moody suggested that the commissioners needed to meet and decide on a response to EMDC and determine a membership fee.

Commissioner Anne Beebe-Center commented that the commissioners look forward to the proposed discussions this summer on the redistricting and restructuring of the EDDs in the state.

Commissioner Roger Moody remarked that Knox County wants to be included in the discussions on restructuring. It was noted that by federal law the counties have to be included.

Alan Brigham commented that he expected to bring in the University Center to help with a comprehensive modification plan for the EDDs. He reported that he has been working mostly on the MCEDD issue with Lincoln County. There are some geographic areas in the state that appear to be satisfied with their economic development districts. If an economic development district was to

disband in the state, then their funding would go elsewhere and it could be years before they were reinstated.

IV. Adjourn

- A motion was made by Commissioner Roger Moody to adjourn the meeting. The motion was seconded by Commissioner Richard Parent. A vote was taken with all in favor.

The meeting adjourned at 1:15 p.m.

Respectfully submitted,

Constance W. Johanson
Executive Assistant

The Knox County Commission approved these minutes at their regular meeting held on April 13, 2010.

Anne H. Beebe-Center, Chair – Commissioner District #1

Richard L. Parent, Jr. – Commissioner District #2

Roger A. Moody – Commissioner District #3