



MIDCOAST REGIONAL REDEVELOPMENT AUTHORITY

Meeting Minutes

December 14, 2010

Present: Arthur F. Mayo, III (Chair), Dana Totman (Vice Chair), John Moncure (Secretary), Rita Armstrong (Treasurer), Sally W. DelGreco, Donald Hudson, Sandra T. Updegraph and Steve Weems

Absent: Adam Cote and Thaxter Trafton

Staff: Steven Levesque, Jeffrey Jordan, Marty McMahon, Bob Rocheleau, Tom Brubaker, Victoria Boundy, Clare Tosto, Melissa LaCasse and Kathy Paradis

Location: Maine Street Station, Brunswick, Maine

Time: 4:30 pm

Welcome & Introductions. Chair Art Mayo welcomed the attendees and invited them to introduce themselves.

Host Community Comment: Brunswick Town Council Chair Joanne King welcomed the MRRA Board to Maine Street Station. She congratulated the Board on its achievements in 2010, noting that last year at this time the overwhelming sentiment from constituents was fear of the base closing, but with the announcement of new tenants locating to Brunswick Landing the sentiment is now optimism. Joanne also thanked MRRA staff for brokering meetings with Mr. George Schott, the new owner of the base housing, stating that she was glad of the dialogue. Joanne said that she looks forward to working even more collaboratively in 2011 and thanked the MRRA Board for its hard work.

Chair Art Mayo took the opportunity to recognize and thank former Board member and Treasurer Charlie Spies for his enthusiastic service by presenting him with a plaque for his tenure on the Brunswick Local Redevelopment

Authority from June to December 2007, and on the Midcoast Regional Redevelopment Authority from December 2007 to October 2010. Charlie said that he was very proud to have been a member of the Board and his resignation was not an easy decision to make; however, he felt that in light of his employment with CEI Capital Management LLC, and working with prospective tenants at Brunswick Landing on the new markets tax credit program, it was the right decision to make. He expressed his pleasure to still be involved in base redevelopment through his professional role at CCML. Charlie said he was more optimistic than ever about base redevelopment and wished the MRRA Board all the best.

Minutes of November 16: Sande Updegraph made a motion to approve the Board minutes of the November 16, 2010 Board meeting, which was seconded by John Moncure. The vote was unanimous of the Board members present, with the exception of Dana Totman who abstained since he was absent from the November 16 Board meeting.

Executive Director's Report.

Executive Director Steve Levesque was pleased to report that the Navy signed the Finding of No Significant Impact (FONSI) for the Topsham Annex, which ends the environmental analysis process and gives the green light for the Navy to transfer property in Topsham. In Brunswick, Steve indicated that the Record of Decision (ROD) will be signed later in 2010 or early 2011, at which time the Navy can transfer property at NASB. MRRA is working with the Navy, the FAA, the Maine Department of Environmental Protection (DEP) and the U.S. Environmental Protection Agency (EPA) to transfer 750 acres of the airport property to MRRA in January. MRRA is also working on obtaining two licenses from the Navy in the interim. One temporary license is for Hangar 6, which will house Kestrel Aircraft, an aircraft manufacturing company, who is bringing a plane in later this week, and also Great Island Boat Yard, which will use 8,000 square feet of Hangar 6 to store boats over the winter. The other license is for the landing of planes at the airport property and to remove snow from the runway. Steve said that the Navy has been very accommodating and that he and the Board are grateful to MRRA's Navy partners for making this happen.

Steve updated the Board regarding the Great State of Maine Air Show and Business Aviation Expo on August 26-28, 2011, noting that Aviation Services Manager Marty McMahan, Special Events and Sponsorship Coordinator Melissa LaCasse, and he just returned from an International Council of Air Shows conference in Las Vegas where Air Show acts were coordinated. As the result of several very productive meetings, Steve was pleased to announce that in addition to being designated a Tier 1 Event, celebrating 100 years of naval aviation, and having the Blue Angels performing at the Air Show, the Army Golden Knights Parachute Team would also be performing at the event. The theme of the Air Show will be "*A Salute to Those Who Serve.*" Legacy aircraft,

historically used at NASB, will fly in for the event, the Air Force is providing demo aircraft, and there will be live entertainment (music) in the evenings. In addition, MRRA is working with the Wounded Warrior program.

Steve also reported that MRRA has been contacted by the Town of Brunswick and is working with the Town Manager regarding the Town's potential interest for a lot for a new police station at Brunswick Landing with frontage on Bath Road.

Committee Reports.

Executive Committee.

The Executive Committee met on December 13, 2010.

Committee Chair Art Mayo announced that the Executive Committee appointed Steve Weems to the Executive Committee as a non-officer.

Art indicated that the only other business that came before the Executive Committee was for an award of bid for an IT Plan Consultant. Steve Levesque recapped the bidding process for the IT Plan Consultant, indicating that MRRA had received six responses to its Request for Proposals (RFP) for information technology infrastructure assessment consulting services, and had interviewed two firms: Connectivity Point and Resilient Communications. It was determined that Resilient Communications was the best fit as its proposal related to the MRRA's reuse plan and articulated how MRRA can utilize its IT infrastructure to attract business and to maximize its revenue stream. Steve noted the need for assistance from a consulting firm in determining what the infrastructure means from a business perspective. John Moncure added that this is a one-time contract to do the analysis and study.

Action Item: Dana Totman made a motion that the MRRA Board authorize the Executive Director to engage Resilient Communications for IT consulting services, as recommended by the Executive Committee, which was seconded by Rita Armstrong. The vote was unanimous of the Board members present.

Airport Committee.

The Airport Committee convened on December 3, 2010. Committee Chair John Moncure said that the Committee reviewed and discussed the staff's recommendation to contract with National Concessions to serve as the master concessionaire for the Great State of Maine Air Show and Business Aviation Expo 2011. Aviation Services Manager, Marty McMahan, told the Board that selecting the concessionaire was crucial to the Air Show. MRRA published a RFP for firms to serve as the master concessionaire, noting that the selected concessionaire will be responsible for providing all Air Show concessions, including hiring sub-contractors from the local area to provide food and other items representative of Maine. A total of four firms responded to the RFP. Two of these firms had extensive air show experience, which was considered critical

for a “first time” civilian air show. Each of these firms also offered significant guaranteed cash payments to the Air Show. After thorough review of all proposals, MRRA staff recommended National Concession based on the following;

- Extensive experience in providing air show concessions, including the Great State of Maine Air Show;
- Provided an excellent guaranteed payout to the Air Show somewhere between \$80,000-\$100,000, reducing MRRA’s financial risk;
- Formulas for revenue sharing with the Air Show were easier to predict and provided a higher payout than other proposals;
- Provides meals for Air Show volunteers, reducing cost to the Air Show;
- Provides a wide variety of food and novelty items at reasonable cost; and
- Demonstrated ability to work with local vendors to add “local flavor” to the event.

The selection of National Concession was unanimously agreed to by all Airport Committee members because their formulas for revenue sharing were simple and the payout predictable and manageable. Also the numbers of volunteers they need were significantly lower than the other qualified bidder.

Sande Updegraph asked if the Air Show was receiving a good response to sponsorships in the community. Marty said we have received good responses, better than average. Sponsorship is difficult these days but we’ve nearly achieved our goals. Marty indicated that MRRA is forecasting a breakeven point now at 23,000 ticket sales.

Sally DelGreco wanted to know how the concessionaire will involve local vendors. The concessionaire will have a number of local vendors, plus they will have to buy food from the local community.

Steve Weems questioned Marty about the Air Show payout and the projected ticket sales. Marty said MRRA is forecasting 60,000 ticket sales. If achieved, the total net revenue will be \$400,000. Some of the payouts, such as revenue from parking, will go to local charities, some will go to seed money for future events, and the venue fee of \$150,000 will go to the airport. Marty said the total Air Show budget is \$1.3M (up from \$39,000 last year).

Action Item: John Moncure made a motion that the MRRA Board authorize the Executive Director to engage National Concession Company for concessionaire services for the 2011 Air Show, as recommended by the Airport

Committee, which was seconded by Don Hudson. The vote was unanimous of the Board members present.

Finance Committee.

Rita said the Finance Committee met earlier in the day (December 14), reviewed financial statements in depth, found them to be in excellent order, and accepted them. The remainder of the committee meeting was spent reviewing in detail the FY 2011 budgets: OEA/CDBG Budget, the MRRA Special Revenue Budget, Airport Budget, and Air Show Budget, which the Finance Committee is recommending the Board approve. Rita indicated that the general fund OEA budget is really a six month amendment to the 2010 budget because the Department of Defense is operating on a continuing resolution. Rita also noted that line items in the budgets have a tremendous amount of quality in-depth work in the estimating. Rita said she and the Committee are satisfied with the work that MRRA Deputy Director Jeffrey Jordan has done in developing the estimates and thanked him for all his hard work.

Deputy Director Jeffrey Jordan gave a PowerPoint presentation of MRRA's 2011 Work Plan and an overview of the four budgets referenced above. Jeffrey thanked Finance Committee members Rita Armstrong, Don Hudson and Art Mayo for their time and commitment in reviewing these budgets.

After presentation, Steve Weems asked Jeffrey about the \$282,000 reserve in the Air Show Budget. Jeffrey said that it would be used for future air shows or to support the airport.

Dana Totman asked Jeffrey about the \$152,000 maintenance and property management expenses and whether Jeffrey is comfortable with the amount. Jeffrey said he felt it was a reasonable number to care for emergency items. He said that in the event that the funds were not expended, they could be used for replacement reserves for major systems breakdowns. Dana suggested that MRRA might consider establishing a property management fee as Brunswick Landing develops in years to come.

Rita commended MRRA staff for their input into the budget.

Action Item: Rita Armstrong made a motion that the MRRA Board approve MRRA's Work Plan for 2011 and the following budgets for FY 2011: MRRA OEA Budget, Special Revenue Budget, Airport Budget, and Air Show Budget, as recommended by the Finance Committee, which was seconded by John Moncure. The vote was unanimous of the Board members present.

Dana Totman talked about the Brunswick Local Redevelopment Authority's (BLRA) guiding principles and how the work plan follows them and asked if

they can be reviewed again. Steve Levesque said that the staff's charge is to stay true to the reuse plan and the guiding principles.

Transportation Resolution: Steve Levesque said that the Deputy Director has been working with the Maine Department of Transportation (MDOT) and the Towns of Topsham and Brunswick to look at transportation issues surrounding the area (not specifically the base but regional improvements which came to light as a result of the Governor's Advisory Committee's function). The Transportation Resolution deals with MDOT looking for guidance with respect to funding priorities in the region. The Towns of Brunswick and Topsham have already approved the Resolution and now MRRA is being asked to approve it, noting that the highest priority is for direct access from Route 1 to the Brunswick Landing. Steve indicated that MRRA staff recommended Board endorsement.

Action Item: Dana Totman made a motion that the MRRA Board approve the Resolution endorsing certain transportation improvements in Brunswick and Topsham, Maine, and that that a copy of the Resolution be attached to the official minutes of this meeting, which was seconded by John Moncure. The vote was unanimous of the Board members present.

Public Comment: Fred Blanchard presented the MRRA Board with a study that he recently completed regarding Mölnlycke and his perception of loss of tax revenue to the Town of Brunswick. Steve Levesque thanked him for his input and responded by stating that he wished Mr. Blanchard would have come to discuss this with him first as he believed some of his assumptions were wrong, including when Mölnlycke leases property it is not tax exempt unless the Town of Brunswick decides to do some kind of TIF agreement.

Steve Weems made a statement on behalf of the 2010 class of trustees, Sally DelGreco, Rita Armstrong Sande Updegraph, and himself expressing their gratitude to Governor Baldacci and the members of Maine's legislation for the privilege of serving on the MRRA Board, and wished everyone involved in the redevelopment of NASB a great holiday and much success in 2011.

Executive Session: At 5:50 p.m. John Moncure made a motion to go into executive session to discuss employment and property matters pursuant to 1 MRSA Section 405(6)(A) and (C), which was seconded by Sande Updegraph. The vote was unanimous of the Board members present.

At 6:10 p.m. John Moncure made a motion to come out of Executive Session and reconvened back into regular session, which was seconded by Dana Totman. The vote was unanimous of the Board members present.

Property Matters: Steve Levesque said about four years ago when MRRA was developing its master reuse plan, an energetic guy came to his office. Steve

went on to say that the man said he grew up in Maine, went to college in Brunswick, wanted to give back to the community, and was just leaving his company and forming new company regarding IT operability and functions and would like to locate in Brunswick. Over the last four years, Steve said he's been talking to this man and he is now pleased to announce that MRRA has been negotiating leases for the past year and is very excited that Resilient Communications is going to open a facility at Brunswick Landing and create over 150 new high-tech jobs.

Action Item: Dana Totman made a motion to authorize the Executive Director to execute lease with Resilient Communications, which was seconded by Rita Armstrong. The vote was unanimous of the Board members present.

Charlie Largay of Resilient Communications said he was grateful and thanked Steve and staff, noting that he was happy to be back in the area where he grew up. He said he has been aware of the assets on the base and looks forward to working here and participating in the redevelopment. He also said that he thinks there is a great deal of talent in the area, including retired military, and hopes that young people interested in IT operability and functions will be able stay in the area instead of looking outside the state for jobs.

Employment Matters: John Moncure stated that the next action item to come before the Board is a result of the Board wanting to recognize the excellent job which MRRA's Executive Director, Steve Levesque, and his staff have done. John stated that the Board voted in executive session to extend Steve Levesque's contract (set to expire in 2012) by two years to expire December 2014.

Action Item: John Moncure made a motion to authorize the MRRA Chair to amend the MRRA Executive Director's employment contract by extending the term thereof by two years to expire December 2014, which was seconded by Steve Weems. The vote was unanimous of the Board members present.

Chair Art Mayo announced that the next MRRA Board meeting would be on January 18, 2011 at Bath City Hall.

Adjournment: A motion was made by Rita Armstrong to adjourn from the Board meeting, which was seconded by Don Hudson. The vote was unanimous of the Board members present.

John Moncure, Secretary

ATTENDEES OF 12-14-10 MRRA MEETING	
Name	Company/Organization/Residency
Stan Gerzofsky	Senator – District 10
Andrea Quaid	Congressman Mike Michaud’s Office
Fred Blanchard	Brunswick Resident
Denise Clavette	Town of Brunswick
S. Sheppard	Hoyle Tanner
Charlie Spies	CEI Capital Management
Brian Whitney	Senator Snowe’s Office
Jim Nimon	Governor’s Office
Scott Jacquin	CCWI
Charles Largay	Resilient Communications
John Coray	Resilient Communications
Catherine Ferdinand	Bowdoin College
Richard Roedner	Topsham
Don Spann	Remax
Leighton Cooney	Governor’s Office
Joanne King	Brunswick Town Council Chair

