

Core Group for a Permanent Solution
November 2, 2009

Present: Amy Landry (AVCOG Economic Development Planner), Mac Ray, Scotty Kilbreth, Polly & Ray Bussiere, Jackie Conant, Debi Hutchins, Judy Hamilton, Dave Bowen, Gary Dougherty, Gene Grouleau and Mary Standard (Sun Journal).

Kleinschmidt Revised Preliminary Report - The October 30th "Anasagunticook Lake Dam Replacement Study Report" was sent by Kevin Cooley and circulated to the core group. The revised cost for option 1: to build a new dam upstream of the existing dam is \$586,079 plus \$67,500 for engineering/permitting for a total of \$653,579. With a CDBG grant for \$500,000, there would be a cash match required to cover the difference or \$153,579.

MEMA loans - Jackie Conant reported on her discussion with Rob McAleer at MEMA regarding a loan program for dam projects. These funds are no longer available and what remains is a small amount that MEMA uses for emergency situations.

Kleinschmidt report to MEMA - Now that the revised version of the Preliminary Report is available, Mac Ray will be sending it along to Rob McAleer at MEMA to show what the town's plans are for the dam project. Hopefully, these plans will receive MEMA's "blessings" and, if carried out, will satisfy the demands of the dam safety order.

Special Town Meeting has been scheduled for 7 p.m. Thursday, November 5th following a hearing to begin at 6 p.m. at the Canton Community Building. The three warrant questions are:

- Shall the Inter-local Agreement concerning the operation and management of the Lake Anasagunticook Dam be enacted?
- Shall the town vote to approve a CDBG application for \$500,000 to benefit the water district customers by building a new dam?
- To see if the Town will authorize borrowing an amount not to exceed \$200,000 to cover the required CDBG cash match and related costs.

Scotty Kilbreth will cover discussion and questions concerning the inter-local agreement. No opposition is expected since the idea received town support in its early stages.

Mac will give a brief description of the dam project and the need for CDBG funding. The goal is to keep the taxpayers from footing any of the construction bills including repayment of loans certifying the cash match required for CDBG funding. A low interest loan could be available from USDA Rural Development but will not be available until after the application deadline. The select board will, therefore, seek a loan commitment from Bangor Savings Bank where the Town has accounts. This bank's website offers foundation grants, corporate giving and community development investment loans. Any loan would be contingent on receiving the CDBG funding of \$500K. The lake association now has its 501(c)(3) non-profit determination letter and will work to raise a portion of the funds for the cash match. Volunteers will revisit private foundation grant funding and resume plans for future event fundraising.

If the townspeople do not authorize a loan, the CDBG application will need to wait until next year or until the cash match can be raised. It is important to have the voters input into the project at this critical point even it changes the direction in which the project is currently headed.

Another anticipated question is "Why not stick with the temporary dam?" Given the notice of violation, no one knows if or for how long it can be used. The temporary dam, while it may be less expensive, requires a lot more time and labor to manage and operate. The 2007 Dam Safety Order requires action that the temporary dam does not satisfy and needs to be resolved.

CDBG - Amy Landry was here to give technical assistance for the CDBG program as part of Canton's membership in AVCOG. She will work with the core group throughout this application process.

CDBG Letter of Intent and Verification of CDBG National Objective: If the town votes to support the CDBG application and authorizes a loan, the Town will be able to move forward as the Applicant for a Public Infrastructure grant of \$500,000 to build the dam for the purpose of providing the primary water storage facility for the Canton Water District as the beneficiary of the grant. In 2004, ARCAP Solutions conducted an income survey of the water district customer base for the flood buyout program and revised it again in 2008 to apply for stimulus funds. With Amy's assistance, the Dept. of Economic and Community Development [DECD] has already accepted the 2008 revisions to fulfill eligibility requirements demonstrating that the dam project meets the National Objective of benefiting 51% or greater low/moderate income persons.

A Letter of Intent must be submitted no later than December 4th and must include a concise description of the project and how the money will be used to benefit water district customers; cost estimates and proposed project funding; reference to Canton's Comprehensive Plan, a DUNS #, and the beneficiary profile (2008 income survey). There is a ten-day turn around for DECD to decide whether or not to accept a CDBG application from Canton for the dam project.

CDBG Application Deadline is on or before 4 p.m. Friday, January 22, 2010. In a maximum of three pages, the application must address the following:

1. Impact (30 points) describes the community problems or needs the applicant wishes to address with PI assistance. The following rating criteria will be used:

- Describe why the project is necessary, previous efforts to address needs and how the project was prioritized locally – 5 points
- How the infrastructure problems were verified, including studies, testing and records of events – 6 points
- How the verified health, safety and welfare conditions affect users, LMI persons and others in the community or region – 6 points
- Size and demographic make up of user base and target area of the proposed infrastructure project; or for projects supporting development of LMI housing, details of local housing problems, including lack of affordable or suitable housing, health and safety issues experienced by LMI persons and the lack of necessary infrastructure to support the housing development – 5 points
- Why PI funds are necessary to fill a funding gap and how other funding sources will work with PI funds to implement the project – 8 points

2. Development Strategy (30 points) presents solutions to the problems identified in the Impact section. The following rating criteria will be used:

- A description of the proposed infrastructure improvements, including size, capacity, design, utilities, and fit with existing systems – 6 points

- Positive impacts on health, safety and welfare or users directly attributable to proposed PI expenditures; for projects in support of LMI housing development focus on both the infrastructure and the impact to be realized by the future housing activities – 6 points
- Extent of financial benefits to users, especially LMI persons, from reduced rates, rents, homeownership opportunities and other costs; If financial benefits cannot be quantified, identify other long and short term benefits that will be experienced – 6 points
- Project timeline, engineering or other design work completed to date; proposed start of construction and completion date; tasks remaining prior to project implementation; final commitment of other funds; and how PI funds will be expended within a 12 month period after completion of Project Development Phase – 12 points

3. Citizen Participation (20 points) describes how citizens, community groups and project beneficiaries participated in identifying the problems and solutions included in this application. **(Note: you must also submit a public hearing record consisting of the Title VI compliant published public hearing notice, hearing minutes, and attendance list with the original and all six copies of the application.)** The following rating criteria will be used:

- How overall citizen participation process directly relates to identification of solution strategies and application development - 4 points
- Effective use of any media (newspapers, radio, TV, etc) to further public awareness and participation – 4 points
- Relevance of listed meeting/hearing activities/comments (not counting required public hearing) on application and project development – 4 points
- Involvement of potential LMI project beneficiaries in development of application and project and how the required public hearing relates to the application development and citizen participation process – 4 points
- How other local resources (cash and in-kind) are directly related to the project and the establishment of a cash value equivalent for all in-kind contributions – 4 points

A group of volunteers is working on a history of the dam project and a report of organizations, individuals and companies that support the lake association clean water activities and studies as a reference for grant applications. These data are available for review, revision and suggestions from anyone who is interested in participating. Fundraising activities need ideas, volunteers and support. As a community development project, volunteers in many areas are needed. Interested persons should contact a core group member, your town office or respond to core group emails. Volunteers are critical and greatly valued.

Next Meeting is scheduled for 6:30 p.m. on Monday, November 23rd at the Canton Town office.

Respectfully submitted,
Judy Hamilton, Secretary