

**BRUNSWICK TOWN COUNCIL**  
**Special Meeting Agenda**  
**May 29, 2014**  
**7:00 P.M.**  
**Council Chambers**  
**Town Hall**  
**85 Union Street**

Pledge of Allegiance

Roll Call

**PUBLIC HEARINGS**

61. The Town Council will hear public comments on a CDBG grant application for Frosty's Donuts for a project at Brunswick Landing, and will take any appropriate action.  
(Manager)

**PUBLIC HEARING/ACTION**

**NEW BUSINESS ITEMS:**

62. The Town Council will consider adopting the 2014-2015 School Budget Articles, and will take any appropriate action. (Manager)

**ACTION**

63. The Town Council will consider a warrant for the School Budget Validation Referendum to be held on June 10, 2014, and will take any appropriate action. (Manager)

**ACTION**

64. The Town Council will consider adopting the 2014-2015 Budget Resolution for the Town, and will take any appropriate action. (Manager)

**ACTION**

65. The Town Council will consider adopting the "Supplemental Budget Resolution Appropriating \$161,000 from the Balance of the Town's Industrial Park Fund to Fund Capital Acquisitions and Projects," and will take any appropriate action. (Manager)

**ACTION**

66. The Town Council will consider adopting the Resolution for the Capital Improvements Program For the Fiscal Years Ending June 30, 2015 - 2019, and will take any appropriate action. (Manager)

**ACTION**

67. The Town Council will consider any other matters related to the adoption of the 2014-2015 Budget and will take any appropriate action. (Manager)

**ACTION**

**INDIVIDUALS NEEDING AUXILIARY AIDS FOR EFFECTIVE COMMUNICATION  
SHOULD CONTACT THE TOWN MANAGER'S OFFICE AT 725-6659  
(TDD 725-5521)**

**Brunswick Town Council**  
**May 29, 2014**  
**Council Notes and Suggested Motions**

**PUBLIC HEARINGS**

61. This item is the required public hearing on this application for Frosty's Donuts for a project at Brunswick Landing. The request from Frosty's Donuts is for the Council to submit the application for a CDBG grant in amount of \$160,050 to provide funding to support their production expansion to 119 Orion Street at Brunswick Landing. With the growth of this business since being purchased by new owners in 2012, this project would develop a production space for them so they can continue to expand their business. Copies of the CDBG application for Frosty's, the CDBG problem statement and project description, the draft resolution, the Town's Letter of Intent to DECD as well as DECD's invitation to apply, are included in your packet.

*Suggested motion:*

Motion to adopt the Resolution approving the Town of Brunswick applying for CDBG funds on behalf of Frosty's Donuts, LLC.

62. This item is to consider adopting the 2014-2015 School Budget Articles. Each Article will need to be voted on separately. Copies of the Articles and the "Notice of Amounts Adopted at the Town Council Meeting for Voters at School Budget Validation Referendum" are included in your packet.

**REGION TEN TECHNICAL HIGH SCHOOL AND MERRYMEETING ADULT EDUCATION BUDGET ARTICLES**

**ARTICLE 1. Region Ten Technical High School Budget.**

**Motion:** To approve the Region Ten Technical High School budget as approved by the Cooperative Board of Region Ten in an amount not to exceed \$2,030,289 with Brunswick's assessment as part of the total appropriation to the Brunswick School Department being an amount not to exceed \$777,398 for operating expenditures and \$0 for debt service expenditures.

**ARTICLE 2. Merrymeeting Adult Education Budget.**

**Motion:** To approve the Merrymeeting Adult Education budget in an amount not to exceed \$671,406 with Brunswick's assessment as part of the total appropriation to the Brunswick School Department not to exceed \$105,151.

**K-12 ARTICLES**

**ARTICLE 3. Local Contribution Required under EPS to Receive Full State Dollars; and State Subsidy.**

**Motion:** As part of the total appropriation to the Brunswick School Department: To appropriate the sum of \$26,193,406 toward the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act; and as part of the \$26,193,406 to raise the sum of \$16,246,575 as the Town’s contribution toward the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688; and as part of the \$26,193,406 to accept state subsidy anticipated in the amount of \$9,946,831.

**ARTICLE 4. Non-State-Funded Debt Service.**

**Motion:** As part of the total appropriation to the Brunswick School Department: To appropriate the sum of \$361,372 and to raise the sum of \$361,372 for the annual payments on debt service previously approved by the legislative body for non-state-funded school construction projects, non-state-funded portions of school construction projects in addition to the funds appropriated as the local share of the school administrative unit’s contribution to the total cost of funding public education from kindergarten to grade 12.

**ARTICLE 5. Additional Local Funds.**

**Motion:** As part of the total appropriation to the Brunswick School Department: To raise and appropriate the sum of \$5,475,658 in additional local funds, which exceeds the State’s Essential Programs and Services allocation model by \$4,902,323.

The School Board recommends \$5,475,658 in additional local funds which amount exceeds the State’s Essential Programs and Services allocation model by \$4,902,323 for the following reasons: The State’s EPS allocation in Transportation, Facilities Maintenance, Special Education, Extra-Curricular and Co-Curricular programs and instructional staffing are inadequate to fully fund the 2014-15 program approved by the school board in the proposed budget.

**ARTICLE 6. Other Funds.**

**Motion:** As part of the total appropriation to the Brunswick School Department: To accept funds from other sources as estimated below and to appropriate the amount of \$255,000

Tuition and other charges	137,000
Miscellaneous	<u>118,000</u>
	\$ 255,000

**ARTICLE 7. Unexpended Balances.**

**Motion:** As part of the total appropriation to the Brunswick School Department: To appropriate \$2,810,000 from the existing, or estimated, unexpended balances of the Brunswick School Department, and to appropriate \$342,000 in unused bond proceeds and other funds remaining from the Harriet Beecher Stowe construction project, and to appropriate \$185,000 from existing or estimated unexpended balances of the Town of Brunswick. Unused bond proceeds will be directly applied to pay debt service on the 2010 School Construction Bond that funded the Harriet Beecher Stowe School. Total to appropriate is \$3,337,000.

**ARTICLE 8. Kindergarten to Grade 12 total Budget.**

**Motion:** To authorize the Brunswick School Department to expend \$35,622,436 for the fiscal year beginning July 1, 2014 and ending June 30, 2015 from the school administrative unit’s contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes title 20-A section 15690, unexpended balances, tuition receipts, state subsidy, and other receipts for the support of schools.

**ADULT EDUCATION AND FOOD SERVICE**

**ARTICLE 9. Adult Education.**

**Motion:** As part of the total appropriation to the Brunswick School Department: To raise and appropriate \$105,151 for adult education; with authorization to expend the herein appropriated \$105,151 and any additional, incidental, or miscellaneous receipts in the interest and for the well-being of the adult education program.

**ARTICLE 10. Food Service.**

**Motion:** As part of the total appropriation to the Brunswick School Department: To raise and appropriate the sum of \$36,000 in additional local dollars in support of the Brunswick School Nutrition Program, and to authorize expenditure of the herein appropriated \$36,000 for the stated purpose.

**ARTICLE 11. Cost Center Allocation.**

**Motion:** Pursuant to 20-A M.R.S.A., to authorize allocation of the school budget, \$35,763,587 to the various cost centers as recommended by the Brunswick School Board May 14, 2014 as follows:

<u>Cost Center Summary</u> <u>Budget Category</u>	<u>Amount Recommended by</u> <u>School Board</u>	<u>Amount Approved by</u> <u>Town Council</u>
Regular Instruction	\$ 15,438,452	\$ 15,438,452
Special Education	\$ 5,024,343	\$ 5,024,343
Career and Technical Education	\$ 777,398	\$ 777,398
Other Instruction	\$ 667,046	\$ 667,046
Student and staff support	\$ 3,422,776	\$ 3,422,776
System Administration	\$ 827,674	\$ 827,674
School Administration	\$ 1,463,003	\$ 1,463,003
Transportation and Buses	\$ 1,878,023	\$ 1,878,023
Facilities Maintenance	\$ 4,301,719	\$ 4,301,719
Debt Service and Other Commitments	\$ 1,822,002	\$ 1,822,002
Other	\$ 0	\$ 0
<b>Total to June 10 Public Referendum</b>	<b>\$ 35,622,436</b>	<b>\$ 35,622,436</b>
Food Service	\$ 36,000	\$ 36,000
Adult Education	\$ 105,151	\$ 105,151

**Summary of Total Expenditures voted**

**By School Board May 14, 2014**                      **\$ 35,763,587**                      **\$ 35,763,587**

## **GRANTS, DONATIONS, AND OTHER REVENUES ARTICLE**

### **ARTICLE 12. Grants, Donations, and other revenues.**

**Motion:** To authorize the Brunswick School Department to make application for grants and other revenues as opportunities may become available, to appropriate such revenues to the purpose for which received, and to authorize the Brunswick School Department to accept and expend any grant awards, donations, or other revenues that may be received.

63. This item is to approve the warrant for the June 10, 2014 School Budget Validation Referendum election. A copy of the Warrant for the election is included in your packet.

*Suggested Motion:*

Motion to approve the Election Warrant for the School Budget Validation Referendum to be held on June 10, 2014.

64. This item is to consider adopting the 2014-2015 Budget Resolution for the Town. A copy of the Resolution is included in your packet.

*Suggested Motion:*

Motion to adopt the Budget Resolution for the July 1, 2014 – June 30, 2015 Fiscal Year.

65. This item is for the Council to consider adopting “Supplemental Budget Resolution Appropriating \$161,000 from the Balance of the Town’s Industrial Park Fund to Fund Capital Acquisitions and Projects.” A copy of the Resolution is included in your packet.

*Suggested Motion:*

Motion to adopt the “Supplemental Budget Resolution Appropriating \$161,000 from the Balance of the Town’s Industrial Park Fund to Fund Capital Acquisitions and Projects.”

66. This item is to approve a resolution adopting the Capital Improvements Program For the Fiscal Years Ending June 30, 2015 – 2019. A copy of the Resolution is included in your packet.

*Suggested Motion:*

Motion to adopt a Resolution for the Capital Improvements Program For the Fiscal Years Ending June 30, 2015 – 2019.

67. This item is to consider any other matters related to the adoption of the 2014-2015 Budget. At this point there are none, but the item acts as a place holder, if needed, for Thursday’s meeting.

*Suggested Motion:*

None at this time.

ITEM 61

BACK UP MATERIALS

**STATE OF MAINE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
COVER SHEET AND CERTIFICATIONS  
Economic Development Program**

**Please note that all information requested in this application must be included for the application to be considered complete. Please refer to Page 8 for the Economic Development Program Application Package Requirements. The Office of Community Development (OCD) will only process complete applications. All materials submitted to OCD in connection with your EDP application shall become the property of OCD, unless otherwise requested and shall be retained or destroyed in accordance with OCD's file retention policy.**

**I. APPLICANT MUNICIPALITY INFORMATION**

Municipality: TOWN OF BRUNSWICK	County: CUMBERLAND	
Mailing Address: 85 UNION STREET	State: MAINE	Zip Code+4: 04011
Manager/Contact Person: JOHN ELDRIDGE Interim Town Manager	E-Mail: <a href="mailto:jeldridge@brunswickme.org">jeldridge@brunswickme.org</a>	
Phone: 207-725-6659	Fax: 207-725-6663	
Applicant Municipality DUNS (Dunn & Bradstreet) #: XXXXXXXXX (visit <a href="http://www.nea.gov/grants/apply/DUNS.html">www.nea.gov/grants/apply/DUNS.html</a> if business needs to obtain a number)		

**II. APPLICANT BUSINESS INFORMATION**

Legal Name of Business: FROSTY'S DONUTS LC
Legal Address of Business where jobs will be created and/or retained: 54 MAINE STREET (legal address) / jobs created at 119 ORION STREET
Town/City: BRUNSWICK      State: ME      Zip Code: 04011      County: CUMBERLAND
Manager/Contact Person: NELS OMDAL OR SHELBY OMDAL
Phone: 207-729-4255      Fax: 866-492-5805
Email: <a href="mailto:SHELBYSTANDRE@GMAIL.COM">SHELBYSTANDRE@GMAIL.COM</a> Website:
Please check if you <input checked="" type="checkbox"/> Own <input type="checkbox"/> Lease <input type="checkbox"/> Rent (at 54 Maine Street)
Square Feet: 2,400 sf      Monthly Payment: \$XXXX      Replaced by New Facility <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Federal Employer Identification Number: XXXXXXXXXXXXXXX
Applicant Business DUNS (Dunn & Bradstreet) #: XXXXXXXXXXXXX (visit <a href="http://www.nea.gov/grants/apply/DUNS.html">www.nea.gov/grants/apply/DUNS.html</a> if business needs to obtain a number)
Is the Applicant Business currently in bankruptcy proceedings? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has the Applicant Business or any owner of more than 20% of the Applicant Business been in bankruptcy proceedings in the last ten years? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If the answer to either of the above is "Yes," please give particulars, including the court location and docket # of the proceedings.

Type of Entity:  C Corp  S Corp  Sole Proprietorship  Partnership  
 Limited Liability Company (list "type"):  Other (list):

State of Organization: MAINE

**III. BUSINESS OWNERSHIP (attach additional sheets as necessary)**

Name and Title: NELS OMDAL

% of Ownership: XX%

Legal Address: 61 FRIENDSHIP ST BRUNSWICK ME 04011

Annual Compensation: \$XXXXXXXXXX

Name and Title: SHELBY OMDAL

% of Ownership: XX%

Legal Address: : 61 FRIENDSHIP ST BRUNSWICK ME 04011

Annual Compensation: \$XXXXXXXXXX

**IV. PROPOSED SOURCES AND USES OF FINANCING**

Sources:	Amount:	Uses:	Amount:
Private Investor	\$ 60,000	Build Out / Equipment	\$ 60,000
Owner Cash Contribution	\$ 50,050	Build Out / Training	\$ 50,050
CDBG	\$ 160,050	Equipment	\$ 160,050
Other (Specify) MRRA	\$ 50,000	Build Out- Remodeling	\$ 50,000
<b>Total Project Cost</b>	<b>\$320,100.00</b>	<b>Total Project Cost</b>	<b>\$320,100</b>

**V. PROPOSED COLLATERAL**

**Available to secure job creation or job retention connected with the grant of CDBG funds in the event DECD elects to secure such requirement/repayment with assets of the Applicant business for a term of up to five years; to secure CDBG Economic Development Program Funds**

Type/ Description	Existing Lienholder	Outstanding Balance	Available Collateral
Purchased Equipment	None (proposed for CDBG collateral)	\$192,000	Purchased Equipment & Vehicles
Building Remodeling	MRRA	\$ 50,000	119 Orion St Brunswick

**VI. SUMMARY OF BUSINESS EMPLOYMENT AND BENEFITS**

**Current Employment:** Full-Time # 21 Part-Time# 2

**Projected Employment Increases Over Next 12 Months:**

Full-Time # 7 Part-Time # \_\_\_\_\_

**Minimum Starting Hourly Wage:** Full-Time \$ 10.00 Part-Time \$ \_\_\_\_\_

In determining CDBG National Objective compliance with job creation/retention only **Permanent** jobs may be counted; temporary jobs may not. Full time jobs require a worker to work at least 1750 hours per year. Part time jobs require a worker to work at least 875 hours but less than 1750 hours per year. Part-time jobs **must** be converted to Full Time Equivalents (FTE). A FTE is defined as two part time jobs. **Seasonal** jobs may count only if the seasonal job lasts long enough and provides sufficient income to be considered the employee's principal occupation. (Contact OCD prior to counting seasonal jobs towards LMI benefit.) **All** permanent jobs created by the project must be counted, regardless of funding source(s). Jobs indirectly created by the project (i.e., remote location, "trickle down" jobs) do not count.

Number of positions to be created as part of this development project by job classification identifiers:

- 1. Managerial/Officer      2. Professional      3. Technical      4. Sales
- 5. Clerical/Office      6. Craftworker 2 7. Operatives 2 8. Laborer 3
- 9. Service Worker

Occupation/ Job Title	Hire Date	# of Jobs	Annual Earnings	Total Payroll
Baker	June – August 2014	2	\$29,120	\$58,240
Assistant Baker	June – August 2014	2	\$22,880	\$45,760
Donut Finisher	June – August 2014	3	\$20,800	\$62,400

F/T Workers Benefits (check if applicable)

Paid Holidays  Paid Sick Days  Retirement/Profit Sharing  Life Insurance

Paid Vacation  Health Insurance  Dental Insurance  Child Care

Health Insurance for Employees: % of Employee Benefits 50 %

**VII. SUMMARY OF BUSINESS EMPLOYMENT AND BENEFITS (continued)**

Type of Investment	Description	Cost
Employee Training	3 weeks training	\$ 42,000.00
Other:		\$

**VIII. DISCLOSURE**

Check the public purpose (all that apply) that will be met through CDBG support of this development project:

<input checked="" type="checkbox"/> Job Creation	<input checked="" type="checkbox"/> Capital Investment	<input type="checkbox"/> Other (list):
<input type="checkbox"/> Job Retention	<input checked="" type="checkbox"/> Training Investment	
<input checked="" type="checkbox"/> Tax Base Improvement	<input type="checkbox"/> Public Facilities Improvement	

Check whether applicant is current on all taxes owed the State of Maine:  Yes  No  
If no, please explain and itemize any and all deficiencies.

**IX. CERTIFICATION BY AUTHORIZED OFFICIAL OF MUNICIPALITY AND BUSINESS**

**1. State Certifications**

- a. To the best of my knowledge and belief, the information in this Application is true and correct;
- b. the governing body of the applicant has duly endorsed the document;
- c. the proposed project has been reviewed and it complies with the Community's comprehensive plan and/or applicable state and local land use requirements;
- d. will work with the Office of Community Development to develop a detailed project if it receives a conditional award; and
- e. will comply with all applicable State laws and regulations.

**2. Federal Certifications**

- a. will take actions to affirmatively further fair housing and implement CDBG activities in compliance with Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968;
- b. will not attempt to recover capital costs for the construction of public improvements, assisted in whole or in part with CDBG funds, by charging special assessments or fees against properties owned and occupied by persons of low and moderate income, including any fee, charge or assessment made as a condition of obtaining access to such public improvements, unless:
  - (i) CDBG funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than CDBG funds;
  - or
  - (ii) for purposes of assessing any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low income, and the applicant certifies that it lacks sufficient CDBG funds to comply with the requirements of clause (i) above.
- c. prior to expenditure of CDBG funds, it will establish a local community development plan that identifies the Community's housing and community development needs, including the needs of low and moderate income, and the activities to be undertaken to meet them;
- d. will provide in a timely manner for citizen participation, public hearings, and access to information with respect to the Maine CDBG Program and the proposed local CDBG project/program. Indicate in public notices and at public hearings that the State program is competitive, the maximum grant amount that can be requested, and the general type of activities contained in the proposed local program. Also announce in public notices the availability of the local program plan/application, describe the Community's previous CDBG performance (if any), and how the Community will collect, consider and maintain all oral and written comments received on the proposal;
- e. will adopt and follow a residential anti-displacement and relocation assistance plan which complies with Section 104 (d) of the Housing and Community Development Act of 1974, as amended, that at a minimum provides for the replacement of all low/moderate income dwelling units that are demolished or converted to a non-LMI housing use as a direct result of CDBG assistance, and a relocation assistance component;
- f. is not listed on U. S. Dept of Labor's Debarred and Suspended Contractor's List and will not employ contractors or subcontractors on this list;
- g. will comply with the requirements of Section 319 of Public Law 101-121 regarding government-wide restrictions on lobbying; and
- h. with the exception of administrative or personnel costs, it will verify that no person who is an employee, agent, consultant, officer, or elected official or appointed official of state or local government or of any designated public agencies, or subrecipients which are receiving CDBG funding may obtain a financial interest or benefit, have an interest in or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect to CDBG activities.
- i. Jobs created/retained must be in the community applying for the EDP award, new jobs to that community and not associated with any other branches of the assisted business located in another community.

j. Transfer positions cannot be counted toward the job creation/retention requirements.

k. All projects must document that at a minimum, 51% of all jobs created or retained as a result of the funded activity must be taken/held by persons of low and moderate income as defined by HUD.

l. The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applications on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); and because all or parts of the applicant's income is derived from any public assistance program; or because the applicant has, in good faith, exercised any rights under the Consumer Credit Protect Act. The federal agency that administers compliance with this law concerning this creditor is the Federal Trade Commission. If a person believes that he or she was denied assistance in violation of this law, they should contact the Federal Trade Commission, Washington DC 20580.

m. I/We understand that by signing this application I/We authorize the Maine Office of Community Development (OCD) to make inquiries as needed to verify the accuracy of the information and to determine creditworthiness. I/We certify the information is true and accurate and is provided for the purpose of obtaining a grant and/or loan. OCD will maintain the confidentiality of this information and it will not be released without authorization.

**3. CDBG Program Certifications.**

The Municipality certifies that (1) it is capable of investigating the Applicant Business and the proposed Development Project to determine that the job creation and/or job retention requirements can be met, (2) it has investigated the Applicant Business and the proposed Development Project and determined that the job creation and/or job retention requirements can be met, (3) the EDP assistance to the Applicant Business is for a Development Project that is necessary and appropriate, (4) the EDP assistance to be provided is commensurate with the community benefits that will accrue from the Development Project, and (5) the Municipality will comply with the documentation requirements for jobs created and/or jobs retained.

**4. Liabilities:**

The borrower has no liabilities except as contemplated by this grant and/or loan agreement and fully disclosed in the borrower's financial records as presented to the Government (in your case, DECD). Such financial records are true and correct. No data was withheld and no material adverse change in the borrower's financial position has occurred which would adversely effect such statements. The borrower's assets are not less than its liabilities as determined in accordance with generally accepted accounting principles and the borrower is solvent.

**5. Litigation and Taxes:**

There are no actions, suits or proceedings pending or, to the knowledge of the borrower, threatened against or affecting the borrower at law or in equity before any court or administrative officer or agency which might result in any material adverse change in the business or financial condition of the borrower. The borrower is not in default (a) in the payment of any taxes levied or assessed against it or any of its assets or (b) under an applicable statute, rule, order, decree, writ, injunction or regulation of any governmental body (including any court).

Signature of Municipal Official:	Name: JOHN ELDRIDGE
Date:	Title: INTERIM TOWN MANAGER
Signature of Business Representative:	Name: NELS OMDAL SHELBY OMDAL
Date:	Title: CO-OWNERS

**STATE OF MAINE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
Economic Development Program Application**

**COMMUNITY BENEFIT WORKSHEET**

**Local Fiscal Improvement:**

What percent of value to the total value is the municipal assessment?   70  %

1. Assessed value of land prior to improvements	<u>Navy property; tax exempt</u>
2. Assessed value of buildings prior to improvements	<u>Navy property; tax exempt</u>
3. Total assessed value (1+2)	<u>Navy property; tax exempt</u>
4. Estimated total assessed value following improvements	\$ <u>  178,000  </u>
5. Estimated tax based on #4	\$ <u>      5,000  </u>
6. Current tax	\$ <u>          0  </u>
7. Anticipated net tax increase (#5 - #6)	\$ <u>      5,000  </u>

The above figures were obtained through (check all that are applicable)

- Town Records
- Assessments
- Appraisals
- Other

**STATE OF MAINE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
Economic Development Program Application**

**EDP PROJECTS IN SUPPORT OF RETAIL BUSINESSES**

OCD may accept an EDP application in support of a retail business activity only under the following limited conditions:

- (1.)** The retail business represents the provisions of new products and services previously unavailable in the community or is a tourism-related business; and
- (2.)** The development or expansion of the retail business represents a net economic gain for the community and the region. Applications supporting a retail business or businesses are required to certify that the development represents a new overall gain for the region economy and not a shift from existing established businesses to a new or expanded one; and
- (3.)** The retail business is located in either a downtown district meeting the definition of Public Law 776 enacted by the 119<sup>th</sup> legislature; or a designated local growth area contained in an adopted and consistent comprehensive plan; and
- (4.)** At least 50% of the jobs created by the retail business must be full-time jobs.

Signature of Municipal Official:	Name: JOHN ELDRIDGE
Date:	Title: INTERIM TOWN MANAGER
Signature of Business Representative:	Name: NELS OMDAL SHELBY OMDAL
Date:	Title: CO-OWNERS

**STATE OF MAINE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
Economic Development Program Application**

**GRANTEE/BUSINESS ASSURANCES - JOB CREATION**

The Business (as identified below), having applied for funding from the Municipality (as identified below) through the Maine Community Development Block Grant (CDBG) Program agrees to create a minimum of   7   new jobs above the employment baseline within a 12 month period from time of CDBG EDP application the deadline date for which will be stated in the CDBG contract between the Municipality and the State of Maine. The Business also agrees that at least 51% of the new full-time and full-time equivalent jobs must be taken by qualified low-to-moderate income (LMI) persons in compliance with the Maine CDBG program rules, regulations and policies. The Business will verify the job creation achievements and assist the Municipality in compiling the appropriate documentation as required by the Maine CDBG Program.

In determining CDBG National Objective compliance with job creation only **Permanent** jobs may be counted; temporary jobs may not. Full-time jobs require a worker to work at least 1750 hours per year. Part-time jobs require a worker to work at least 875 hours but less than 1750 hours per year. Part-time jobs **must** be converted to Full-Time Equivalents (FTE). An FTE is defined as two part time jobs. **Seasonal** jobs may count only if the seasonal job lasts long enough and provides sufficient income to be considered the employee's principal occupation. (Contact OCD prior to counting seasonal jobs towards LMI benefit.) **All** permanent jobs created by the project must be counted, regardless of funding source(s). Jobs indirectly created by the project (i.e., remote location, "trickle down" jobs) do not count.

**It is understood by the Business and the Municipality that, in the event the job creation goals are not met within the prescribed time frame and according to the regulations of the State of Maine Community Development Block Grant Program, the State of Maine will exercise its right and seek repayment from the Municipality in accordance with the contract provisions and the Municipality may exercise its rights and seek repayment in accordance with the default provisions contained in any agreement it may have with the Business.**

Having read and fully understanding the requirements set forth in this agreement, the undersigned agree to the job creation requirements contained herein, and to comply with all regulations of the U.S. Department of Housing and Urban Development and the State of Maine governing this program including submission of quarterly status reports regarding job creation benefit.

Signature of Municipal Official:	Name: JOHN ELDRIGE
Date:	Title: INTERIM TOWN MANAGER
Signature of Business Representative:	Name: NELS OMDAL SHELBY OMDAL
Date:	Title: CO-OWNERS

**STATE OF MAINE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
Economic Development Program Application**

**JOB CREATION BASELINE EMPLOYMENT SUMMARY**

<b>Name of Business to be Assisted:</b>	Frosty's Donuts LLC
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Job Title*	Job Class *	Full Time (Place X)	Part Time (Place X)	# Currently Employed	# to be Created	Base Wage (\$)	Fringe Benefits (\$/ value)
Baker	6	X		3	2	\$14.00	\$19.00
Assistant Baker	7	X		4	2	\$11.00	\$14.00
Donut Finisher	8	X		1	3	\$10.00	\$13.00
Donista	9			5		\$ 9.00	\$12.00
Store Manager	9			3		\$13.00	\$16.00
Operations Mgr	1			1		\$20.00	\$23.00
Packers	9			1		\$10.00	\$13.00
Admin Assist	5			1		\$10.00	\$13.00
Drivers	7			4		\$10.00	\$13.00

**\* Attach a job description for each job title for which a position will be created and use the attached job category definition numbers outlined in Appendix B of this application to indicate job class.**

\_\_\_\_\_  
Signature of Human Resources Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name and Title

## **Frosty's Donuts - Job Title: Baker (CDBG Job Class: 6)**

### **Job Description**

Employee performs skilled baking and supervises the kitchen. This job requires the ability to work independently and efficiently as well as cohesively as a team. This is a leadership position which requires strong communication, interpersonal skills as well as training.

### **Job Requirements**

- Flexible availability
- Prior experience working with raised dough as well as cake dough
- Ability to lift 50+lbs
- Ability to work on your feet for long periods of time
- Prior experience managing a bakery kitchen
- Must be able to build, adjust and maintain pars and inventory ordering systems
- Exceptional verbal and written communication skills
- Exceptional interpersonal skills
- High school degree or its equivalent
- Be in good physical condition in order to work in a fast paced environment
- Excellent organizational and time management skills
- Problem solving skills
- Positive attitude

### **Job Responsibilities**

- Knowledge and ability of the proper techniques and skills required to mix and raise dough to company standard.
- Uses weights and measures to stay consistent with bakers tally and updated pars.
- Prepares all donuts and bakery items following standardized recipes.
- Supervises kitchen personnel; duties include planning, organizing, directing work, training, and recommending applicants for employment or for discipline, termination or retention
- Estimates baking needs, requisitions adequate supplies, inventories supplies, and keeps record of products made and used.
- Adjust and maintain ordering and baking pars.
- Teaches and enforces safety regulations.
- Teaches and enforces sanitation regulations.
- Does specialized decorating.
- Assists in developing and testing recipes.
- Assists in planning bakery product menu.
- Recommends equipment purchase and maintenance.
- Exude pride in the product you are preparing. Take excellent care that the donuts look the best they can and convey that importance to the staff.
- Encourages a positive, fun and productive working environment.
- Trains all new kitchen staff
- Provides constant guidance and leadership to existing kitchen team. Including but not limited to constructive feedback, helpful tips, and techniques.
- Any other job related duties that management requires

## **Frosty's Donuts - Job Title: Assistant Baker (CDBG Job Class 7)**

### **Job Description**

Employee performs skilled baking tasks under the supervision of the Baker. This position requires the ability to work independently and efficiently as well as cohesively as a team. This position requires a high level of awareness due to the close proximity of the fryers.

### **Job Requirements**

- Flexible availability
- Prior experience working in a bakery kitchen
- Ability to lift 50+ lbs
- Ability to work on your feet for long periods of time
- Exceptional verbal and written communication skills
- Exceptional interpersonal skills
- High school degree or its equivalent
- Be in good physical condition in order to work in a fast paced environment
- Positive attitude

### **Job Responsibilities**

- Adheres to all safety and sanitation regulations.
- Does specialized decorating.
- Pays close attention to all production time frames.
- Maintains a clean, organized and well stocked work station.
- Completes all job related tasks delegated from Baker.
- Responsible for cleaning bakery equipment by closely following cleaning schedules.
- Able to communicate verbally, and understand and follow written and verbal instructions.
- Maintains an upbeat, fast paced attitude.
- Exude pride in the product you are preparing. Take excellent care that the donuts look the best they can.
- Any questions concerning the quality of the donuts (size, weight, color, topping etc) should be brought to the attention of the baker for an executive decision.
- Be a team player, keeping the bigger picture in mind and be willing to be flexible to help in various aspects of the kitchen.
- Any other job related duties that management requires.
- Replenishes all stock before the end of their shift in order to be ready for the start of the next shift.

## **Frosty's Donuts - Job Title: Donut Finisher (CDBG Job Class 8)**

### **Job Description**

Employee performs all vital tasks to complete the donut prep aspect and begin the donut packing and presentation process. This position requires high attention to detail as well as the ability to prioritize and self direct. This position requires the ability to work under a time constraint while maintaining a positive attitude.

### **Job Requirements**

- Flexible availability
- Ability to lift 50+ lbs
- Ability to work on your feet for long periods of time
- Prior knowledge or experience working in a bakery kitchen is preferable but not required
- Ability to work as a part of a team
- Take directions
- Complete tasks
- Prioritize and Multitask
- High school degree or its equivalent
- Be in good physical condition in order to work in a fast paced environment
- Must have exceptional verbal and written communication skills
- Excellent organizational and time management skills
- Problem Solving

### **Job Responsibilities**

- Immediately surveys kitchen and production needs.
- Maintains kitchen and utensil cleanliness.
- Dips and finishes all raised or cake donuts.
- Fills all biscuits with jelly or cream.
- Pays close attention to bakers tally as well as daily wholesale boxed order pars.
- Maintains an upbeat, fast paced attitude.
- Keeps drivers and boxers informed on batch sizes, cooling times, and any other pertinent information.
- Follows all safety and sanitation regulations
- Washes worktables, proof boxes, fryers etc.
- Sweeps and mops floors throughout the evening.
- Any other job related tasks required by Baker or Management.
- Maintain proper hygiene guidelines as described in employee handbook
- Be a team player, keeping the big picture in mind and be willing to be flexible to help in various areas of the kitchen
- Exude pride in the product you are preparing. Take excellent care that the donuts look the best they can.
- Any questions concerning the quality of donuts (size, weight, color, topping etc.) should be brought to the attention of the baker for an executive decision.



**INSERT LETTERS OF COMMITMENT  
From MRRA / PRIVATE INVESTOR(S) / OWNERS**

**STATE OF MAINE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
Economic Development Program Application**

**Budget Summary (Include All Sources)**

Cost Category	Column 1  CDBG	Column 2  MRRA	Column 3  Bank of Maine	Column 4  Owner Funds	Column 5	Column 6	Column 7  Total
Acquisition (if allowable)							
Clearance/Demolition							
Site Improvements							
New Building Construction							
Building Renovations		50,000		50,050			100,050
Water/Sewer Improvements/Drainage							
Lighting			1,950				1,950
Roads & Streets							
Parking							
Utility Lines/Fiber Optics							
Rail Lines & Spurs							
Equipment	160,050		32,050				192,100
Inventory							
Fixtures			26,000				40,000
Working Capital							
Professional Fees							
Legal Expenses							
Inspection							
Architectural/Engineering							
Other (List)							
1.							
<b>TOTAL COSTS</b>	<b>160,050</b>	<b>50,000</b>	<b>60,000</b>	<b>50,050</b>			<b>320,100</b>

**Directions for Completing Budget Summary**

For each applicable cost in the Cost Category column, list the projected dollar amount for all applicable funding sources in columns 1-6.

List the total dollar amount for each cost category in column 7, Total

Enter the sum of all Totals in column 7 in the TOTAL COSTS box directly under column 7.

**Submit a copy of this Summary with the original and the four copies of the application.**

**STATE OF MAINE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
Economic Development Program Application**

**CONSUMER CREDIT AUTHORIZATION**

You have submitted a request to the Department of Economic and Community Development (DECD) to provide financing through the Office of Community Development administered Community Development Block Grant Program.

The DECD designee's procedure for reviewing this kind of request include the purchase and review of credit reports, which include information on both the Business, and primary principals of businesses. A primary principal is any person having an ownership interest in the company of twenty percent (20%) or more. Prior to ordering these reports the DECD must have written permission from each primary principal. Please sign below acknowledging notification of the DECD's intent to order consumer credit information in the Business and/or your name and providing your permission to do so.

The DECD will not proceed with review of the financing request without these reports. Therefore, this form must be signed by all applicable individuals and included with your application.

Thank you in advance for your cooperation.

**The undersigned acknowledges the above and gives permission to DECD and/or its designee to acquire any consumer credit information or reports it requires in connection with the above referenced application for financing assistance.**

Signature:	Printed Name: NELS OMDAL
Title: CO-OWNER	Date:
Ownership Percentage: XX%	Social Security Number: XXX-XX-XXX

**STATE OF MAINE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
Economic Development Program Application**

**FINANCIAL SUMMARY STATEMENT  
(not required for municipally owned projects)**

**Provide the following information on the current obligation of the Business to be assisted for the following:**

**INSERT TABLE**

**STATE OF MAINE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
Economic Development Program Application**

**PUBLIC HEARING NOTICE**

The Town of Brunswick

The Town of Brunswick will hold a Public Hearing on Thursday, May 29, 2014 at 7:00 P.M. in the Town Council Chambers, 85 Union Street, to discuss an application being submitted to the State of Maine CDBG program for an Economic Development Program grant. The purpose of the request is to provide funding for Frosty's Donuts, LLC to purchase equipment and make building improvements at 119 Orion Street at Brunswick Landing. Public comments will be solicited at this Hearing and will be submitted as part of the application's required documentation.

All persons wishing to make comments or ask questions about the proposal are invited to attend this Public Hearing. Comments may be submitted in writing to: Linda Smith, 85 Union Street, Brunswick, ME 04011 at any time prior to the Public Hearing. TDD/TTY users may call 771. If you are physically unable to access any of the City's/Town's programs or services, please call Linda Smith at 721-0292, so that accommodations can be made.



***NOTE: Attested copy of the Town Council May 29, 2014 Minutes with List of Public Hearing attendees will be submitted to DECD-OCD by mid June 2014***

**STATE OF MAINE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
Economic Development Program Application**

**PUBLIC HEARING NOTICE**

**B8** THE TIMES RECORD MONDAY, MAY 19, 2014

**CLASSIFIED**

**151** Campers



**2009 Rockwood Camper Freedom Pop-up #1970**  
Sleeps 6, like new  
Q & Full heated beds  
\$5700/offer. 729-0283



**2010 16' Rockwood Freedom pop-up camper.** Stove, fridge, furnace, shower, pull out dinette. Sold for over \$13,000 new, used 3 times, mint condition, asking \$8,500/offer. 666-3608



**AUTOS**

**154** Automobiles Domestic



You can advertise and sell your vehicle, boat

**160** Vehicles Wanted

**BUYING JUNK CARS**  
Highest price per ton.  
Free towing to our scales.  
865-3967

**BUYING UNWANTED automobiles.** Paying cash. Call 208-9507.

**WANTED** -Paying cash for junk cars & trucks or whatever. 522-3675.



**FINANCIAL**

**170** Business Opportunities

**INVESTIGATE BEFORE YOU INVEST!**  
Always a good policy, especially for business opportunities and franchises. Call Maine Securities division at (877) 624-8551 or the FTC (877) FTC-HELP for free information. Or, visit our web site at [www.ftc.gov/bizop](http://www.ftc.gov/bizop).

**181** Financial Services

**IT'S ILLEGAL** for companies doing business by phone to promise you a loan and ask you to pay for it before they deliver. For more information, call toll free 1-877-FTC-HELP. A public service message from The Times Record and the Federal Trade Commission.



**SERVICES**

**190** Services Offered

**\*\*\*LAWN & YARD\*\*\***  
Mid Coast Mowers Mowing & Trimming Cleanups & Mulching Personal Service  
522-1300

**A-1 Best Cleaning**  
Commercial, residential. Weekly, bi-weekly, whatever you need. 30 years experience, references available. Call (207) 841-0021.

**Affordable & Insured Gopher Guys**  
Doing all odd jobs: landscaping, mowing, junk removal, property clean up, clean outs for foreclosures/rentals & much more! 389-2207

**ANB LAWN CARE**  
Mowing, pressure washing decks and siding, driveway sealing, rototilling, tree/brush removal. Call 837-2055

**190** Services Offered

**Colby's Clean Out**  
Spring cleaning? Downsizing houses & estates.  
Need it cleaned out?  
Ron 423-0981

**COREY WALLACE**  
Landscape Co. offering quality work at competitive rates. We are insured. Offering spring & fall clean ups; Storm tree damage; Light tree cutting; Lawn mowing; Landscaping; Backyard patios; House sitting; Property watch; Snow plowing; Brush hauling; Mulch hardscaping.  
Call 319-2073  
coreywall1977@yahoo.com

**DOUG'S PAINTING & Carpentry** - Wallpaper stripping & remodeling.  
737-4524 or 513-9414

**DUMP RUNS,** houses & garage clean out, yard work, removal of cars, trucks & metal. Call Ray at 522-3675.

**Garden Rototilling & Field Mowing**  
Call Jim Riendeau at 841-2255.

**MURPHY'S CLEANING SERVICE**  
11 years providing reliable cleaning services for homes and offices. References and fully insured. Call 837-5839.

**Need An Electrician?**  
Call Ed Bouchard. No job too small. 837-3909

**190** Services Offered

**Richard Shorty Marsh**  
Remodeling, porches, painting. Insured.  
737-4014 or 319-9069

**WHITE PINE LANDSCAPING INC.**  
Full landscaping services. Licensed Arborist. Full lawn services (mowing etc.). Fully insured.  
Call 443-4525



**LEGAL NOTICES**

**401** Public Notices

**NOTICE PUBLIC HEARING**

The Freeport Project Review Board will hold a Public Hearing on Wednesday, May 21, 2014, at 6:00 p.m. in the Freeport Town Hall Council Chambers to discuss the preliminary approval of Beech Grove Heights Subdivision, a residential subdivision on Beech Hill Road (Tax Assessor Map 21, Lot 64). A new road off Beech Hill Road is proposed. The plan includes 26 lots and approximately 52 acres of open space. The public is welcome to attend. Submitted materials are available for viewing in the Town Planner's Office at the Freeport Town Hall during normal business hours.  
13, 19 - 19577

**401** Public Notices

**NOTICE PUBLIC HEARING NOTICE**

The Town of Brunswick

The Town of Brunswick will hold a Public Hearing on Thursday, May 29, 2014 at 7:00 P.M. in the Town Council Chambers, 85 Union Street,

to discuss an application being submitted to the State of Maine CDBG program for an Economic Development Program grant. The purpose of the request is to provide funding for Frostys Donuts, LLC to purchase equipment and make building improvements at 119 Orion Street at Brunswick Landing. Public comments will be solicited at this Hearing and will be submitted as part of the applications required documentation.

All persons wishing to make comments or ask questions about the proposal are invited to attend this Public Hearing. Comments may be submitted in writing to: Linda Smith, 85 Union Street, Brunswick, ME 04011 at any time prior to the Public Hearing. TDD/TTY users may call 771. If you are physically unable to access any of the City/Towns programs or services, please call Linda Smith at 721-0292, so that accommodations can be made.  
19 - 196183

**401** Public Notices

**NOTICE**



**TOWN OF BRUNSWICK PLANNING BOARD AGENDA**  
BRUNSWICK TOWN HALL  
COUNCIL CHAMBERS  
85 UNION STREET  
TUESDAY, MAY 27, 2014; 7 P.M.

1. **Public Hearing: Case # 14-003 Coastal Enterprises Inc., Professional Office Building:** The Planning Board will hold a Public Hearing and take action on a Major Development Review Final Site Plan application submitted by Coastal Enterprises Institute, Inc., regarding their proposal to redevelop the lots located at 28-30 Federal Street, including construction of a two-story 10,000 s.f. footprint (net 21,780 s.f.) professional office building with associated site improvements. (Assessors Map U13, Lots 149 & 150, in the Town Center 1 (TC1) Zoning District.)

2. **Public Hearing: Case # 14-015 Bowdoin College Solar Array:** The Board will hold a Public Hearing and take action on a Minor Development Review application and a Special Permit application submitted by Solar City on behalf of Bowdoin College, for installation of a 655 Kilowatt solar photovoltaic system and 200 gravel access drive, on land that was formerly part of the Brunswick Naval Air Station and was conveyed to the College; located in the College Use / Town Conservation (CU/TC) Zoning District. Assessors Map 40, Lot 90.

3. **Case # 14-016 Tao Yuan Expansion:** The Board will review and take action on a combined Sketch/Final Major Review Site Plan Amendment application submitted by Cecil Stadler of Caras Place, LLC, regarding a proposed 650 ± s.f. expansion of the dining room of the Tao Yuan Restaurant and associated site improvements, located at 22 Pleasant Street in the Town Center (TC1) Zoning District. Assessors Map U13, Lot 052. (Rescheduled from May 13, 2014)

4. **Zoning Amendment Public Hearing:**  
a. The Board will hold a public hearing regarding a proposed amendment to §604.7 of the Zoning Ordinance entitled Political Com

**STATE OF MAINE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
Economic Development Program Application**

**BRUNSWICK TOWN COUNCIL RESOLUTION**

WHEREAS, the Town of Brunswick wishes to apply to the Department of Economic and Community Development for a Community Development Block Grant to carry out a community development program; and

WHEREAS, the planning process required by Maine Law and the CDBG Program have been complied with, including participation in the planning process by low and moderate income families and individuals and the community has conducted at least one duly advertised public hearing; and

WHEREAS, the Town of Brunswick is cognizant of the requirement that should the intended National Objective of the CDBG program not be met, all CDBG funds must be repaid to the State of Maine CDBG program; and

NOW THEREFORE, be it resolved by the Council of the Town of Brunswick that the Town Manager:

1) Is authorized and directed to submit an application for the following program(s) and dollar amount(s) within the State of Maine's CDBG Program:

Program: CDBG 2014 Economic Development Program Amount: \$160,050

to the Department of Economic and Community Development on behalf of the Town of Brunswick, substantially in the form presented to this council;

2) Is authorized to make assurances on behalf of the Town of Brunswick as required as part of such applications, and

3) Is authorized and directed, upon acceptance of said funds to carry out the duties and responsibilities for implementing and said program(s), consistent with the Charter of the Town of Brunswick and the laws and regulations governing planning and implementation of community development programs in the State of Maine.

DATE ENACTED: May 29, 2014

Municipal Seal

***NOTE: Attested copy of the Town Council May 29, 2014 Minutes with Resolution will be submitted to DECD-OCD by mid June 2014***

## **Frosty's Donuts, LLC CDBG Narrative**

### **1. Problem Statement**

#### **Scope of Problem**

The closure of Naval Air Station Brunswick (NASB) represents one of the largest single employer relocations or closings in Maine's history. Upon assessing the impact of NASB closure, the former Maine State Planning Office (SPO) revised the projected 2015 state gross state product downward by \$390 million, cutting the projected growth rate from two to approximately one percent and estimated the total job loss at 6,500, of which 5,500 would be localized in the Brunswick Labor Market Area. The SPO also revised state population growth downward by 7,400, as a result of NASB closure. State personal income was also reduced by \$370 million, with State of Maine revenue projections reduced by some \$20 million. The closure of NASB also negatively impacts the Town of Brunswick's fiscal position by depressing property values, as a result of military, federal civilian employees and their families departing the area, leaving behind vacant homes and rental units. Moreover, the Brunswick School District has experienced the loss of over \$1 million in annual federal transfer payments.

In the aftermath of NASB closure, job creation is the most pressing need for Brunswick and the Midcoast region. With assets including 3,300 acres of prime commercial real estate, over 2 million square feet of commercial and industrial space, a world-class aviation complex and the presence of higher education institutions, including Southern Maine Community College's new Midcoast Campus, the University of Maine and Bowdoin College, Brunswick Landing, formerly NASB, is well-positioned to become Maine's premier technology business park. The challenge facing Brunswick and its neighbors is to create employment opportunities through a diverse redevelopment of Brunswick Landing.

The NASB Reuse Master Plan identified several potential market sectors, including retail opportunities. While not a primary focus, the Plan recognized that there would be "added on-site demand for retail and restaurant offerings". In addition, the Plan stated "Development that is targeted only to meet this need is unlikely to compete with Cook's Corner or other regional retail space".

It is within this context that the Frosty's Donuts, LLC plans to expand its food production operations at Brunswick Landing. Redevelopment activities such as this are critical to the economic future of Brunswick and the Midcoast region. Frosty's Donuts expansion is consistent with the Reuse Master Plan for NASB.

#### **Impact on Community and Region**

The economic impact of NASB closure has been compounded by job losses due to the "great recession" and the ensuing weak national recovery. The 2013 average annual

unemployment rate for the Brunswick LMA was 5.9% or 2,030 unemployed individuals, up from 4.4% (or 1,467 unemployed) in 2005, when the base closure was announced.

Redeveloping Brunswick Landing by both attracting new businesses to the region and accommodating the growth of homegrown enterprises, such as Frosty's Donuts LLC, is critical to the short- and long-term economic viability of Brunswick and the Midcoast region. With the closure of NASB, Brunswick and surrounding communities not only lost military and civilian jobs, the community and region have experienced a significant reduction in population, through the out-migration of over 3,000 military and federal civilian employees, as well as their families. As a result, local businesses, particularly those who serve the local market, have been faced with a smaller population of customers, as well as the loss of consumption associated with NASB's \$145 million annual payroll. Many of these small local businesses, including convenience stores, restaurants and dry cleaners, employed persons from low and moderate income households. Frosty's Donuts LLC, which re-launched in 2012, exemplifies the needed growth in small business and low moderate income employment for the area.

### **Need for Funds**

Both the Town of Brunswick and the Midcoast Regional Redevelopment Authority (MRRA), the local redevelopment authority responsible for implementing the Reuse Master Plans for NASB and its Topsham Annex, face significant fiscal challenges. While MRRA is funded by a grant from the Department of Defense, Office of Economic Adjustment, it must become self-sustaining over time, covering NASB operating and maintenance costs with revenues from the sale and/or lease of NASB properties. Given the current pressure on local property taxes and diminished revenues from State Municipal Revenue Sharing, General Purpose Aid for school districts and excise taxes, towns are in a difficult position to leverage local resources to support economic development, when funding basic services is a challenge. Brunswick's and MRRA's fiscal challenges are compounded by the need to integrate 3,300 new acres into the community and provide municipal services and utilities to Brunswick Landing businesses. Brunswick's economic and community development staff has worked in concert with MRRA to support business attraction and development activities, including taking the lead on this development proposal.

CDBG funds are needed as gap financing to facilitate the expansion of Frosty's Donuts LLC into new production space at Maine's Center of Innovation in Brunswick Landing. Frosty's Donuts LLC business growth has been extremely successful, but has also created cash flow difficulties such as many expanding businesses face. Frosty's approached the Brunswick Development Corporation in 2013 and was successfully awarded a loan with a forgiveness clause based on job creation, which it has satisfied within its first year. It has expanded in to three retail spaces (Brunswick, Bath, Freeport) since 2012 with a fourth location (Gardiner) scheduled for summer 2014. In addition, a new contract with Hannaford has created a remarkable business growth opportunity, but the increased demand pressures to provide product to more Hannaford locations has required the company to increase its production dramatically. It currently serves ten

Hannaford locations with eleven more scheduled for a roll out this summer. Hannaford is also asking Frosty's to create a new line of donut holes to parallel the current donut contract serving all 21 locations.

Frosty's will invest significantly in the 119 Orion Street facility and production improvements and employee training necessary to deliver on Hannaford contracts and to position for new market opportunities. This investment, plus operating capital requirements, has placed financial demands on the company beyond their available capital and beyond traditional financing parameters. Negotiations with Bank of Maine are in progress, but will not materialize within the time frames necessary to satisfy the Hannaford contract. Additionally, traditional financing of the entire project would incur debt beyond the company's ability to sustain. Private investment is available, but only for a portion of the total. A gap of \$160,050 currently exists to support the overall project. If the CDBG funds are not available, the company will have to incrementally purchase necessary equipment which will significantly slow their Hannaford roll-out, delaying production response, reducing timely revenue and severely limiting employment opportunities.

## **2. Proposed Solution**

### **Project Description**

The Reuse Master Plan for Brunswick Landing was intended to provide a world class environment to live, work, learn and play in addition to creating centers of excellence for technology innovation, environmental sustainability, and "green" community development. Plans for the Brunswick Landing were to consider its overall economic, social and ecological development in a sustainable way. As mentioned earlier, a part of that sustainability effort was to include retail ventures in so far as they supported on-site demand and did not compete with surrounding retail space. Frosty's venture fulfills both those principles.

Frosty's Donut Shop was established in 1965 in Brunswick, Maine. In its nearly 50 years, Frosty's has become regarded as an "iconic institution" in the community and has attained regional and national recognition. Since Nels and Shelby Omdal purchased the business in 2012, they have grown the company from a start-up which they ran themselves to having 23 full time employees. They have grown from one to three retail locations and developed a thriving wholesale division that is continuing to expand. They are unable to further develop the business without a larger production facility.

They are seeking production space in the former NASB Building # 51 located at 119 Orion Street at the Brunswick Landing. They will do all donut production in that facility and will have the capacity to add new products to the Frosty's brand and in turn will need to hire more employees. By redeveloping Building #51 at the Brunswick Landing, they will not only be improving the property, but also creating a new "destination" location at the Brunswick Landing as they will host the public for tours of the facility and will have a small retail kiosk on site. Frosty's is requesting \$160,050 in CDBG financing,

the Maine Regional Development Authority (MRRA) has committed to a \$50,000 working capital loan, private investors will commit a total of \$60,000, and the owners have committed \$50,050 of equity to the project. These funds will support a build-out, including new walls and flooring, lighting, back-up generator and other building improvements (\$70,100), purchase of equipment for a new production kitchen (\$208,000), and training for the new employees (\$42,000). Frosty's will hire a minimum of seven (7) new employees within the next year.

Frosty's Donuts, LLC will use the MRRA funds to finance a portion of the build-out and supplement that with company assets; the build-out includes new flooring, sheetrock, generator installation and lighting. Private investment will support employee training and the commercial equipment purchases. CDBG funds will support the majority of the commercial kitchen production equipment purchases. The equipment will assure that the company can meet the aggressive roll-out schedule that the Hannaford's contract demands as well as supporting the development of the new product line (donut holes) and sustaining the demand generated by the four retail establishments. \$160,050 in CDBG funds will be matched by private funds (private investors and owner assets) totaling \$160,050 for a total project cost of \$320,100. This project will result in the creation of seven new jobs, at least four of which will be taken by persons of low/moderate income. These individuals will be recruited by collaborating with the local CareerCenter and Goodwill offices. Three weeks of training will be provided to every new donut finisher, assistant baker and baker with supplemental on-the-job training of a few weeks to several months, as appropriate.

### **Effect on Assisted Business**

Frosty's Donuts, LLC's need for funding is urgent, as it must have its new food production system in place by mid summer 2014 in order to support the demand from its four retail and twenty-one Hannaford locations. Frosty's product is unique and has sustained market share for over 50 years. Any compromise in quality or availability could damage its reputation. Thus, CDBG funding is critical to Frosty's plans to execute existing contracts and secure future new opportunities, which will provide return on the CDBG investment. Increased sales and revenues and sustainable employment will be immediate. The new location at Brunswick Landing creates a commercial kitchen capable of delivering product in a timely and cost effective manner. The company is working with Maine MEP to streamline and enhance its production and delivery set-up. The Brunswick Landing location facilitates effective production, improves employee efficiencies, and improves delivery loading and distribution.

### **Project Timeline and Feasibility**

The Frosty's Donut expansion is assured of successful completion with twelve months of the CDBG grant award for the following reasons:

- **Experience** - The present owners of Frosty's Donuts LLC have been successfully operating the business nearly two and one-half years. Nels Omdal had previously

worked in the food industry and Shelby Omdal had a business background. Their combined experiences contributed to their immediate success and growth of the business. During this time, they have been producing the donuts in the original, 120 year-old building that houses the kitchen at 54 Maine Street in Brunswick. Because of increased demand for their products they have reached production capacity at this site due to space limitations and infrastructure necessities. The owners will continue to renovate the historic and iconic building to ensure its continued integrity. (See attached resumes – Exhibit A.)

- **Growth** - As stated above, the demand for Frosty's donuts has continually and steadily increased. The owners opened the first satellite shop in Freeport after six months of operation. Ten months later a second satellite shop opened in Bath. Both of these sites required considerable remodeling. Wholesale operations have increased to include ten Hannaford groceries and eleven more are planned in the next six months. Additionally a fourth satellite shop will open this summer in Gardiner.

- **Quality** - To meet this demand, a new commercial kitchen is greatly needed to ensure the quality of the products. Frosty's has attained success by being different from most other donut shops; Frosty's makes them by hand and sells them fresh. To guarantee this continued high quality, more space and more employees are needed to meet the increase in production.

- **Reputation** - Frosty's Donut Shop was founded in 1965 in Brunswick. It has been described as "iconic" and as an "institution" in Brunswick. This is evidenced by the many regular customers who consistently wait in lines out the door for the donuts. Frosty's has been highlighted regionally in *Downeast* magazine and most recently in a television spot from a Boston television station's travel feature, and internationally in *Travel and Leisure* and *Saveur* magazines. This is a significant legacy to perpetuate, therefore it is essential to strategically "grow" the business while maintaining the reputation of Frosty's through the highest quality products and customer service.

With this CDBG grant, the feasibility of finishing this project within twelve months or less is realistic. Nels and Shelby Omdal are strongly motivated to finish the commercial kitchen on Orion Street as soon as possible. They are ready for this expansion because of the **experiences** they have had through the **growth** of the business and the determination to maintain Frosty's **reputation** through constant attention to **quality**.

The company has selected and secured a building at 119 Orion Street on Brunswick Landing for its expansion. A general contractor has been selected as well as an electrician and plumber. Maine MEP staff has been consulted for pre-engineering and design flow to ensure manufacturing and industry standards and regulations are met. The majority of equipment, such as commercial dough mixers, fryers and cutting tables, and fixtures have been identified, sourced and budgeted for the project. Contact has been made with the Department of Agriculture and the Town of Brunswick to ensure all work performed adheres to environmental codes and licensing.

### Project timeline 2014 (Shading indicates completed tasks)

April, 2014	Select existing building appropriate for commercial kitchen, storage, offices, loading dock.
	Develop general renovation plan with commercial kitchen design specialist.
	Hire contractor.
May, 2014	Based on the renovation plan and health/safety requirements, plan plumbing, electrical, and ventilation schematic.
	Obtain all necessary building permits.
	Develop equipment assessment plan to determine which pieces of equipment will be moved from present kitchen and which will need to be procured.
June, 2014	Begin renovation at Orion Street building. Move company offices to site.
	Select and purchase new kitchen equipment and delivery vehicle.
July, 2014	Installation of new equipment, move existing equipment to site.
	Transfer major production to new site.

### 3. Citizen Participation

The planning effort that produced the Reuse Master Plans for NASB and the Topsham Annex was structured to include a series of public meetings, workshops and surveys that were designed to be open and inclusive. As a result of the Brunswick and Topsham local redevelopment authorities' strong emphasis on public participation, the resulting Reuse Master Plans are strongly endorsed by local residents, state and local government officials, and business and civic leaders. Over the course of the public participation process the Brunswick Local Redevelopment Authority, MRRA's predecessor agency, conducted 18 public planning workshops, sessions and seminars, which were attended by over 1,500 participants. This proposed reuse of Building 51 by Frosty's is consistent with the NASB Reuse Master Plan.

Citizens were involved in the development of this application through the formal Council agenda on April 28, 2014 requesting submittal of the CDBG Letter of Intent, again on May 5, 2014 requesting the posting of a Public Hearing, and through their participation in the May 29, 2014 public hearing. The published public hearing notice and Town Council Resolution are attached. A public hearing notice was published in the May 19, 2014 edition of the Times Record (attached).

The Town of Brunswick solicited input from local business and community leaders through the following organizations: Brunswick Downtown Association, Southern Midcoast Maine Chamber of Commerce and the Midcoast Council of Governments.

**Exhibit A. Résumés**

**INSERT CO-OWNERS RESUMES**

## **BRUNSWICK TOWN COUNCIL RESOLUTION**

**WHEREAS**, the Town of Brunswick wishes to apply to the Department of Economic and Community Development for a Community Development Block Grant to carry out a community development program; and

**WHEREAS**, the planning process required by Maine Law and the CDBG Program have been complied with, including participation in the planning process by low and moderate income families and individuals and the community has conducted at least one duly advertised public hearing; and

**WHEREAS**, the Town of Brunswick is cognizant of the requirement that should the intended National Objective of the CDBG program not be met, all CDBG funds must be repaid to the State of Maine CDBG program; and

**NOW THEREFORE**, be it resolved by the Council of the Town of Brunswick that the Town Manager:

- 1) Is authorized and directed to submit an application for the following program(s) and dollar amount(s) within the State of Maine's CDBG Program:

Program: CDBG 2014 Economic Development Program    Amount: \$160,050

to the Department of Economic and Community Development on behalf of the Town of Brunswick, substantially in the form presented to this council;

- 2) Is authorized to make assurances on behalf of the Town of Brunswick as required as part of such applications, and
- 3) Is authorized and directed, upon acceptance of said funds to carry out the duties and responsibilities for implementing and said program(s), consistent with the Charter of the Town of Brunswick and the laws and regulations governing planning and implementation of community development programs in the State of Maine.

**DATE ENACTED:** May 29, 2014

**Municipal Seal**



Paul R. LePage  
GOVERNOR

STATE OF MAINE  
DEPARTMENT OF ECONOMIC  
AND COMMUNITY DEVELOPMENT



George C. Gervais  
COMMISSIONER

April 30, 2014

John Eldridge, Interim Town Manager  
Town of Brunswick  
28 Federal Street  
Brunswick, Maine 04011

Dear Mr. Eldridge:

The Office of Community Development (OCD) has reviewed the Letter-of-Intent to apply you submitted for the 2014 Community Development Block Grant (CDBG) Economic Development Program. Our review showed that the Town of Brunswick, on behalf of Frosty's Donuts, LLC, has met the requirements established by Title I of the Housing and Community Development Act of 1973, as amended and the State of Maine CDBG program. Therefore, the Town of Brunswick is eligible to submit an Economic Development program application for this project under the exception that the following condition can be met and demonstrated in the application:

- (1) The 1:1 cash match requirement must be demonstrated and documented (i.e., commitment letter from bank, bank statement(s) if private investment, etc.) at time of application. Capital expenditures, in-kind contributions, etc. are not eligible to be counted as cash match.

Please note that the application must include municipal legislative body approval as well as all matching funds **must** be fully committed and secure before the application deadline date and additionally, the applicant must demonstrate that the financial resources are available to complete the entire project as presented in the application. If the application and financial documentation package does not contain all of the required items identified in the application checklist, it will be deemed incomplete and will not be scored.

Please remember that eligibility to submit a final application does not imply final project approval or funding and that the **application is due at OCD by 4:00pm on Friday, May 30, 2014** and must meet all the requirements of the 2014 CDBG program. Failure to submit a complete application by this date will require the submission of a new Letter of Intent.

John Eldridge, Interim Town Manager  
Town of Brunswick  
April 30, 2014  
Page 2

You may contact Andrea Smith at #624-9813 or [andrea.smith@maine.gov](mailto:andrea.smith@maine.gov) with any further questions regarding the 2014 CDBG application process.

Sincerely,

A handwritten signature in blue ink, appearing to read "Deborah Johnson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Deborah Johnson, Director  
Office of Community Development

cc: Shelby & Nels Omdal, Frosty's Donuts, LLC  
Andrea K. Smith, Office of Community Development

State of Maine  
**Community Development Block Grant Program**  
**2014 Economic Development Program**  
**Letter of Intent to Apply**

Due the first Friday of each month by 4:00 p.m.\*

Letters of Intent may be submitted via email to: [ocd.loi@maine.gov](mailto:ocd.loi@maine.gov)

Please enter "EDP LOI" in the subject line.

**2014 CDBG Program Funds are not expected to be available before July 1, 2014.**

All communities wishing to apply for assistance under the 2014 Economic Development Program must use this Letter of Intent to document compliance with requirements established by Title I of the Housing and Community Development Act of 1974, as amended and the State of Maine CDBG program. Applicants who submit a completed Letter of Intent deemed to be fully compliant will be notified by OCD that they are eligible to submit a final application. Eligibility to submit a final application does not imply final project approval or funding.

**EDP PROJECT PARTICIPANTS**

**Legal Applicant (Community):**

<b>Applicant:</b>	Town of Brunswick	<b>Phone:</b>	207-725-6659
<b>Address:</b>	85 Union Street	<b>Fax:</b>	207-725-6663
<b>City, ZIP+4:</b>	Brunswick ME 04011	<b>E-Mail:</b>	jeldridge@brunswickme.org
<b>Contact:</b>	John Eldridge, Interim Town Manager		
<b>DUNS #:</b>	Applicant DUNS (Dunn & Bradstreet) #: 077466274 (visit <a href="http://www.nea.gov/grants/apply/DUNS.html">www.nea.gov/grants/apply/DUNS.html</a> if applicant needs to obtain a number)		
<b>OCD Development Program Manager (Name and Date of Consultation Required):</b> Deb Johnson / April 22, 2014			

**Business to be assisted:**

<b>Business</b>	Frosty's Donuts, LLC	<b>Phone:</b>	207-729-4255
<b>Address:</b>	54 Maine Street	<b>Fax:</b>	
<b>City, ZIP:</b>	Brunswick ME 04011	<b>E-Mail:</b>	<a href="mailto:shelbystandre@gmail.com">shelbystandre@gmail.com</a>
<b>Contact:</b>	Shelby & Nels Omdal or Stacey Durrell Stacey.durrell@outlook.com	<b>Title</b>	Partners or Operations Mgr
<b>DUNS #:</b>	Applicant Business DUNS (Dunn & Bradstreet) #: APPLIED FOR (visit <a href="http://www.nea.gov/grants/apply/DUNS.html">www.nea.gov/grants/apply/DUNS.html</a> if business needs to obtain a number)		
<b>Is business to be assisted</b> <input checked="" type="checkbox"/> <b>Retail</b> <input type="checkbox"/> <b>Start-up</b>			

\*If the first Friday of the month falls on a holiday the EDP Letter of Intent will be due by 4:00pm on the next business day.

## EDP ELIGIBLE ACTIVITY CATEGORIES

	<p><b>Grants to Municipalities:</b> for acquisition, relocation, demolition, clearance, construction, reconstruction, installation and rehabilitation <u>associated with public infrastructure</u> projects such as water and sewer improvements, flood and drainage improvements, publicly-owned commercial and industrial buildings, parking, streets, curbs, gutters, sidewalks, etc. <b>\$1,000,000</b></p> <p><u>All public infrastructure must be owned by the municipality or public or private utility and be in support of an identified business.</u></p>
	<p><b>Grants to Municipalities for Direct Business Support:</b> for capital and non-capital equipment, land and site improvements, rehabilitation or construction of commercial or industrial buildings, job training, working capital and capital equipment and be in support of an identified business. <b>Acquisition is not an allowable activity under this group.</b> <b>\$1,000,000</b></p>

***Applicants may apply in only one specific grant activity group.***

**ECONOMIC DEVELOPMENT PROGRAM FUNDS CANNOT BE USED TO REFINANCE EXISTING DEBT**

### PROJECT INFORMATION

Using the space provided please provide a clear, concise description of the proposed development project. Be sure to clearly explain how EDP funds will be utilized, the financing gap that exists in order to do the project and the timeline in which the CDBG-EDP funds will be expended and information relative to jobs being created and/or retained.

Frosty's Donut Shop was established in 1965 in Brunswick, Maine. In its nearly 50 years, Frosty's has become regarded as an "iconic institution" in the community and has attained regional and national recognition. Since Nels and Shelby Omdal purchased the business in 2012, they have grown the company from a start-up which they ran themselves to having 23 full time employees. They have grown from one to three retail locations and developed a thriving wholesale division that is continuing to expand. They are unable to further develop the business without a larger production facility.

They are seeking production space in the former NASB Building # 51 located at 119 Orion Street at the Brunswick Landing. They will do all donut production in that facility and will have the capacity to add new products to the Frosty's brand and in turn will need to hire more employees. By redeveloping Building #51 at the Brunswick Landing, they will not only be improving the property, but also creating a new "destination" location at the Brunswick Landing as they will host the public for tours of the facility and will have a small retail kiosk on site. Frosty's is requesting \$160,050 in CDBG financing, the Maine Regional Development Authority (MRRA) has been approached for a \$50,000 working capital loan, Bank of Maine has been approached for a \$77,000 line of credit, and the owners have committed \$33,050 of equity to the project. These funds will support a build-out, including new walls and flooring, lighting, back-up generator and other building improvements (\$70,000), purchase of equipment for a new production kitchen (\$208,000), and training for the new employees (\$42,000). Frosty's will hire a minimum of seven (7) new employees within the next year.

When the Omdals re-opened Frosty's in February of 2012, they received a congratulatory letter from U.S. Senator Susan Collins who stated that small businesses are the heart of Maine's economy. They take pride in maintaining the legacy of Frosty's Donuts, offering a high quality product for their faithful customers, providing a living for 30 employees (23 current and 7 new), and supporting the economy of Brunswick and the State of Maine.

## EDP DOLLARS PER JOB CREATED

The maximum CDBG participation per job created with EDP funds is \$30,000.

## JOB RETENTION INFORMATION (Fill in job information below)

**Number of Full-Time Equivalent (FTE) Jobs to be Retained:**

The applicant must also attach documentation to this Letter of Intent such as public announcement of lay-offs, public announcement of imminent closure, financial records) of impending job loss without CDBG Program assistance. **Completion of Job Retention Assurances and Job Retention Summary Documentation must be completed and submitted to the Office of Community Development before applicant will be invited to submit an EDP application.** Forms require completion and must be signed by both the municipal and business CEO. Please pay close attention to the definition of permanent, full time and full time equivalent jobs.

## JOB CREATION INFORMATION (Fill in job information below)

**Number of Full-Time Equivalent (FTE) Jobs to be Created:**

Occupation/Job Title	# of Jobs	Work Location	Hire Date	Hourly Salary	Hourly Salary with eligible fringe benefits
Baker	2	Brunswick Landing	July	14.00	\$19.00 Vacation-Heath; Retirement
Assistant Baker	2	Brunswick Landing	July	11.00	\$14.00 Vacation-Heath; Retirement
Donut Finisher	3	Brunswick Landing	July	10.00	\$13.00 Vacation-Heath; Retirement

In determining CDBG National Objective compliance with job retention only **Permanent** jobs may be counted; temporary jobs may not. Full time jobs require a worker to work at least 1750 hours per year. Part time jobs require a worker to work at least 875 hours but less than 1750 hours per year. Part-time jobs **must** be converted to Full Time Equivalents (FTE). An FTE is defined as two part time jobs. **Seasonal** jobs may count only if the seasonal job lasts long enough and provides sufficient income to be considered the employee's principal occupation. (Contact OCD prior to counting seasonal jobs towards LMI benefit.) **All** permanent jobs created by the project must be counted, regardless of funding source(s). Jobs indirectly created by the project (i.e., remote location, "trickle down" jobs) do not count.

## G. COST ESTIMATES & PROJECT FUNDING

Provide the estimated project cost, amount of CDBG funds to be requested and sources, amounts and dates secured for all anticipated cash matching funds.

Applicants for Economic Development Program funds must certify and provide documentation, at time of application, that there is a 100% cash match of the total EDP award. Matching funds must be directly related to the activities undertaken with EDP funding and must be firm commitments from non-CDBG funds and documented by binding commitment letters submitted with the final application.

Prior commitments and in-kind contributions are not considered as match. Project must demonstrate that there is a gap between sources and uses and that CDBG funds are needed to fill that gap. Communities receiving an EDP award may not receive any other EDP award for the same project or business during the same program year or for the same or project or business from a prior program year that has not met final closeout status.

All construction estimates should be prepared by the Engineer/Architect. Take into account the inflation rate in relation to the anticipated starting date of the project and applicable DAVIS/BACON wage rates as they apply to construction costs. ***Please note projects with a total cost exceeding \$3,000,000 are not eligible for EDP assistance. The minimum request for EDP assistance is \$100,000\*.***

<b>Total Estimated Project Cost:</b>	\$ 320,100	<b>CDBG Request:</b>	\$ 160,050
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<b>Funding Source</b>	<b>Amount</b>	<b>Date Secured</b>
CDBG-EDP	\$ 160,050	Pending approval
MRRA	\$ 50,000	Pending approval
Business Assets	\$ 33,050	Owner Capital
Bank of Maine	\$ 77,000	Line of Credit - Pending
<b>TOTAL:</b>	<b>\$ 320,100</b>	

**EDP PROJECTS IN SUPPORT OF RETAIL BUSINESSES**

**EDP applications in support of a retail business must attach written documentation to this Letter of Intent for each of the following limited conditions:**

1. The retail business represents the provisions of new products and services previously unavailable in the community or is a tourism-related business; and
2. The development or expansion of the retail business represents a net economic gain for the community and the region. Applications supporting a retail business or businesses are required to certify that the development represents a new overall gain for the region economy and not a shift from existing established businesses to a new or expanded one; and
3. The retail business is located in either a downtown district meeting the definition of PL 776 enacted by the 119<sup>th</sup> legislature; or a designated local growth area contained in an adopted and consistent comprehensive plan; and
4. At least 50% of the jobs created by the retail business must be full time jobs.

**\*Projects seeking less than \$100,000 in CDBG EDP funds must have received approval from the Office of Community Development prior to submission of the EDP Letter of Intent.**

# Applicant & Business Certifications

As an authorized official of the applicant community and/or business, I certify under the penalties of perjury that:

1. To the best of my knowledge and belief, all information contained in this Letter of Intent and all attached documentation is true and correct and current as of the date signed below;
2. This Letter of Intent complies with all applicable State and federal laws and regulations;
3. **Both parties signing this Letter of Intent are cognizant of the requirement that should the intended Job Creation/Retention National Objective of the CDBG program not be met all CDBG funds must be repaid to the State of Maine CDBG program; DECD may elect to secure such requirement/repayment with assets of the Applicant Business for a term of up to five years should this project be approved for funding;**
4. Approval of this Letter of Intent by OCD to submit a final application does not imply final project approval or funding.

Signature of Chief Executive Officer:

Printed or Typed Name:

John Eldridge, Interim Town Manager

Name of Applicant **Community**:

Town of Brunswick

Date:

4/28/2014

Signature of Chief Executive Officer:

Printed or Typed Name:

Shelby Omdal  
Nels Omdal

Name of Applicant **Business**:

Frosty's Donuts, LLC

Date:

ITEM 62

BACK UP MATERIALS

**Town of Brunswick  
School Budget Articles  
For the fiscal year July 1, 2014 – June 30, 2015**

**MAINE REGION TEN TECHNICAL HIGH SCHOOL AND MERRYMEETING ADULT  
EDUCATION BUDGET ARTICLES**

**ARTICLE 1. Maine Region Ten Technical High School Budget.** To approve the Maine Region Ten Technical High School budget as approved by the Cooperative Board of Maine Region Ten in an amount not to exceed \$2,030,289 with Brunswick's assessment as part of the total appropriation to the Brunswick School Department being an amount not to exceed \$777,398 for operating expenditures and \$0 for debt service expenditures.

*Explanation: This article approves the Maine Region Ten Technical High School budget and states Brunswick's assessment. This article does not raise or appropriate funds. Funds are raised and appropriated within Articles 3 through 12.*

**ARTICLE 2. Merrymeeting Adult Education Budget.** To approve the Merrymeeting Adult Education budget in an amount not to exceed \$671,406 with Brunswick's assessment as part of the total appropriation to the Brunswick School Department not to exceed \$105,151.

*Explanation: This article approves the Merrymeeting Adult Education budget for adult education and states Brunswick's assessment. This article does not raise or appropriate funds. Funds are raised and appropriated in the Adult Education Article (Article 9).*

**K-12 ARTICLES**

**ARTICLE 3. Local Contribution Required under EPS to Receive Full State Dollars; and State Subsidy.** As part of the total appropriation to the Brunswick School Department: To appropriate the sum of \$26,193,406 toward the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act; and as part of the \$26,193,406 to raise the sum of \$16,246,575 as the Town's contribution toward the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688; and as part of the \$26,193,406 to accept state subsidy anticipated in the amount of \$9,946,831.

*Explanation: The school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that a municipality must raise in order to receive the full amount of state dollars.*

**ARTICLE 4. Non-State-Funded Debt Service.** As part of the total appropriation to the Brunswick School Department: To appropriate the sum of \$361,372 and to raise the sum of \$361,372 for the annual payments on debt service previously approved by the legislative body for non-state-funded school construction projects, non-state-funded portions of school construction projects in addition to the funds appropriated as the local share of the school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12.

*Explanation: Non-state-funded debt service is the amount of money needed for the annual payments on the municipality/district long-term debt for major capital school construction projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the voters or other legislative body.*

**ARTICLE 5. Additional Local Funds.** As part of the total appropriation to the Brunswick School Department: To raise and appropriate the sum of \$5,475,658 in additional local funds, which exceeds the State's Essential Programs and Services allocation model by \$4,902,323.

The School Board recommends \$5,475,658 in additional local funds which amount exceeds the State's Essential Programs and Services allocation model by \$4,902,323 for the following reasons: The State's EPS allocation in Transportation, Facilities Maintenance, Special Education, Extra-Curricular and Co-Curricular programs and instructional staffing are inadequate to fully fund the 2014-15 program approved by the school board in the proposed budget.

**ARTICLE 6. Other Funds.** As part of the total appropriation to the Brunswick School Department: To accept funds from other sources as estimated below and to appropriate the amount of \$255,000

Tuition and other charges	137,000
Miscellaneous	<u>118,000</u>
	\$ 255,000

**ARTICLE 7. Unexpended Balances.** As part of the total appropriation to the Brunswick School Department: To appropriate \$2,810,000 from the existing, or estimated, unexpended balances of the Brunswick School Department, and to appropriate \$342,000 in unused bond proceeds and other funds remaining from the Harriet Beecher Stowe construction project, and to appropriate \$185,000 from existing or estimated unexpended balances of the Town of Brunswick. Unused bond proceeds will be directly applied to pay debt service on the 2010 School Construction Bond that funded the Harriet Beecher Stowe School. Total to appropriate is \$3,337,000.

**ARTICLE 8. Kindergarten to Grade 12 total Budget.** To authorize the Brunswick School Department to expend \$35,622,436 for the fiscal year beginning July 1, 2014 and ending June 30, 2015 from the school administrative unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes title 20-A section 15690, unexpended balances, tuition receipts, state subsidy, and other receipts for the support of schools.

*Explanation: This article authorizes expenditure but does not raise or appropriate funds. Funds are raised and appropriated in the preceding K-12 Articles (Articles 3 through 7). The amount authorized in this article, \$35,622,436 must be added to the \$105,151 authorized in the Adult Education article (Article 9) and the \$36,000 authorized in the Food Service article (Article 10) that follow to compute the total amount \$35,763,587 the school department is authorized to expend for the July 1, 2014 - June 30, 2015 fiscal year.*

### **ADULT EDUCATION AND FOOD SERVICE**

**ARTICLE 9. Adult Education.** As part of the total appropriation to the Brunswick School Department: To raise and appropriate \$105,151 for adult education; with authorization to expend the herein appropriated \$105,151 and any additional, incidental, or miscellaneous receipts in the interest and for the well-being of the adult education program.

*The amount raised and appropriated in this article, \$105,151 must be added to the \$35,622,436, authorized in the Kindergarten to Grade 12 Total Budget Article (Article 8) and to the \$36,000 in Article 10 to compute the total amount \$35,763,587 the school department is authorized to expend for the July 1, 2014-June 30, 2015 fiscal year.*

**ARTICLE 10. Food Service.** As part of the total appropriation to the Brunswick School Department: To raise and appropriate the sum of \$36,000 in additional local dollars in support of the Brunswick School Nutrition Program, and to authorize expenditure of the herein appropriated \$36,000 for the stated purpose.

*The amount raised and appropriated in this article, \$36,000 must be added to the \$35,622,436, authorized in the Kindergarten to Grade 12 Total Budget Article (Article 8) and to the \$105,151 in Article 9 to compute the total amount \$35,763,587 the school department is authorized to expend for the July 1, 2014-June 30, 2015 fiscal year.*

**ARTICLE 11. Cost Center Allocation.** Pursuant to 20-A M.R.S.A., to authorize allocation of the school budget, \$35,763,587 to the various cost centers as recommended by the Brunswick School Board May 14, 2014 as follows:

<u>Cost Center Summary Budget Category</u>	<u>Amount Recommended by School Board</u>	<u>Amount Approved by Town Council</u>
Regular Instruction	\$ 15,438,452	\$ 15,438,452
Special Education	\$ 5,024,343	\$ 5,024,343
Career and Technical Education	\$ 777,398	\$ 777,398
Other Instruction	\$ 667,046	\$ 667,046
Student and staff support	\$ 3,422,776	\$ 3,422,776
System Administration	\$ 827,674	\$ 827,674
School Administration	\$ 1,463,003	\$ 1,463,003
Transportation and Buses	\$ 1,878,023	\$ 1,878,023
Facilities Maintenance	\$ 4,301,719	\$ 4,301,719
Debt Service and Other Commitments	\$ 1,822,002	\$ 1,822,002
Other	\$ 0	\$ 0
<b>Total to June 10 Public Referendum</b>	<b>\$ 35,622,436</b>	<b>\$ 35,622,436</b>
Food Service	\$ 36,000	\$ 36,000
Adult Education	\$ 105,151	\$ 105,151
<b>Summary of Total Expenditures voted By School Board May 14, 2014</b>	<b>\$ 35,763,587</b>	<b>\$ 35,763,587</b>

**GRANTS, DONATIONS, AND OTHER REVENUES ARTICLE**

**ARTICLE 12. Grants, Donations, and other revenues.** To authorize the Brunswick School Department to make application for grants and other revenues as opportunities may become available, to appropriate such revenues to the purpose for which received, and to authorize the Brunswick School Department to accept and expend any grant awards, donations, or other revenues that may be received.

Proposed to Town Council: May 29, 2014

Adopted by Town Council:

**NOTICE OF AMOUNTS ADOPTED AT TOWN COUNCIL MEETING  
FOR VOTERS AT SCHOOL BUDGET  
VALIDATION REFERENDUM**

TO: Clerk of the Town of Brunswick, State of Maine

Pursuant to 20-A M.R.S.A. §§ 1486(2) and 2307 the Notice is to be displayed at all polling places for the school budget validation referendum to be held on June 10, 2014, to assist the voters in voting on whether to ratify the budget approved at the May 29, 2014 Town Council meeting.

Cost Center Summary Budget Category	Amount Recommended by School Committee	Town Council meeting on May 29, 2014
Regular Instruction	\$ 15,438,452	\$ 15,438,452
Special Education	5,024,343	5,024,343
Career and Technical Education	777,398	777,398
Other Instruction	667,046	667,046
Student and Staff Support	3,422,776	3,422,776
System Administration	827,674	827,674
School Administration	1,463,003	1,463,003
Transportation and Buses	1,878,023	1,878,023
Facilities Maintenance	4,301,719	4,301,719
Debt Service and Other Commitments	1,822,002	1,822,002
All Other Expenditures	-	-
Total (excluding Food Svc. & Adult Ed.)	\$ 35,622,436	\$ 35,622,436
Food Service	36,000	36,000
Adult Education	105,151	105,151
Summary of Total Expenditures voted By School Committee May 14, 2014	\$ 35,763,587	\$ 35,763,587

The amount approved for the school budget at the Town Council meeting includes locally raised funds over and above the Town's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act.

\_\_\_\_\_  
Corinne A. Perreault

\_\_\_\_\_  
Joy Prescott

\_\_\_\_\_  
Michele M. Joyce

\_\_\_\_\_  
Richard Ellis

\_\_\_\_\_  
James S. Grant

\_\_\_\_\_  
Christopher McCarthy

\_\_\_\_\_  
Brenda Clough

\_\_\_\_\_  
Janet C. Connors

\_\_\_\_\_  
William H. Thompson

A majority of the School Committee.

Completed and countersigned by:

\_\_\_\_\_  
Superintendent of Schools

\_\_\_\_\_  
Date

A true copy of the Notice, attest:

\_\_\_\_\_  
Frances M. Smith

\_\_\_\_\_  
Clerk of  
Brunswick, Maine

ITEM 63

BACK UP MATERIALS

**WARRANT  
SCHOOL BUDGET VALIDATION REFERENDUM  
(20-A M.R.S.A. §§ 1486 AND 2307)  
TOWN OF BRUNSWICK, MAINE**

Cumberland County, ss

State of Maine

**TO:** Elin M. Gould, Resident of the Town of Brunswick, Maine: You are hereby required in the name of the State of Maine to notify the voters of the Town of Brunswick, Maine of the referendum election described in this warrant.

**TO THE VOTERS OF THE TOWN OF BRUNSWICK, MAINE:**

You are hereby notified that a school budget validation referendum election will be held at:  
**All Districts Brunswick Junior High School – 65 Columbia Ave**

in the Town of Brunswick, Maine on **Tuesday, June 10, 2014**, for the purpose of determining the following question:

**Question 1:** Do you favor approving the Town of Brunswick school budget for the upcoming school year that was adopted at the Brunswick Town Council meeting held May 29, 2014?

Voting on the question shall be by secret ballot referendum, and the polls shall be opened at 7:00 A.M. and closed at 8:00 P.M.

The Registrar of Voters shall hold office hours while the polls are open to correct any error in or change a name or address on the voting list; to accept the registration of any person eligible to vote and to accept new enrollments. A person who is not registered as a voter may not vote in any election.

**Pursuant to Title 21-A, M.R.S.A. section 759(7), absentee ballots will be processed as follows:**

- Day **Before** Election Day (6/9/14) \*(**processing at Town Hall, 85 Union Street**)  
1-Hour Inspection Time Period: 9:00 a.m. to 10:00 a.m.

Time Processing Begins: 9:00 a.m. (or after time of inspection) to 5:00 p.m.

- During** Election Day (6/10/14) Processing Time(s): 1:30 p.m., 5:00 p.m. and 8:00 p.m.

Given under our hands this day, May 29, 2014, at Brunswick, Maine.

_____	_____	_____
Suzan Wilson	Jane F. Millett	Gerald E. Favreau
_____	_____	_____
Sarah E. Brayman	John Richardson, Jr	Stephen S. Walker
_____	_____	_____
W. David Watson	John M. Perreault	Benet Pols

A majority of the municipal officers of the Town of Brunswick, Maine.

A true copy of the Warrant, attest: \_\_\_\_\_, Clerk of  
Frances M. Smith Brunswick, Maine

**RETURN**

Cumberland County, ss

State of Maine

TO: The municipal officers of the Town of Brunswick, Maine

I certify that I have notified the voters of the Town of Brunswick, Maine of the time and place of the referendum election by posting an attested copy of the within warrant as follows:

<u>DATE</u>	<u>TIME</u>	<u>LOCATION OF POSTING</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

being public and conspicuous places in said town and being at least seven days next prior to the date of the referendum election.

Dated at the Town of Brunswick, Maine, \_\_\_\_\_, 2014

\_\_\_\_\_  
Elin M. Gould, Resident  
Town of Brunswick, Maine

ITEM 64

BACK UP MATERIALS

**TOWN OF BRUNSWICK, MAINE**  
**BUDGET RESOLUTION**  
**For the July 1, 2014 - June 30, 2015**  
**Fiscal Year**

**WHEREAS**, the Charter of the Town of Brunswick, Maine requires that the Town Council adopt an annual budget; and

**WHEREAS**, A public hearing was held on a proposed budget at least ten days prior to the date of this resolution;

**NOW THEREFORE BE IT RESOLVED:**

That the following amounts be appropriated to the several departments or purposes herein, and that the revenue estimates be adopted in the following amounts, all for the fiscal year **July 1, 2014 to June 30, 2015**.

**EXPENDITURES**

**General Government**

Administration	\$ 489,397
Finance Department	715,425
Technology Services	327,848
Municipal Officers	85,615
Brunswick Town Hall	210,720
Risk Management	473,750
Cable Television	47,790
Assessing	293,660
Town Clerk & Elections	362,077
Planning	490,779
Economic Development	109,087
<b>Subtotal</b>	<b>\$ 3,606,148</b>

**Public Safety**

Fire Department	\$ 3,104,392
Central Fire Station	42,089
Emerson Fire Station	41,825
Police Department	3,762,478
Emergency Services Dispatch	777,412
Police Station Building	98,020
Streetlights	208,000
Traffic Signals	31,600
Fire Suppression - Hydrants	438,790
Emergency Management	2,000
<b>Subtotal</b>	<b>\$ 8,506,606</b>

**TOWN OF BRUNSWICK, MAINE**  
**BUDGET RESOLUTION**  
**For the July 1, 2014 - June 30, 2015**  
**Fiscal Year**

**Public Works**

Administration	\$	429,111
General Maintenance		1,706,214
Refuse Collection & Disposal		581,847
Recycling		297,729
Central Garage		741,300
<b>Subtotal</b>	<b>\$</b>	<b>3,756,201</b>

**Human Services**

General Assistance	\$	163,607
Health & Social Services		2,766
<b>Subtotal</b>	<b>\$</b>	<b>166,373</b>

**Education**

School Department	\$	35,763,587
<b>Subtotal</b>	<b>\$</b>	<b>35,763,587</b>

**Recreation & Culture**

Recreation Administration	\$	456,224
Buildings & Grounds Maintenance		678,434
Recreation Building		160,327
Teen Center		15,000
People Plus Center		115,000
Curtis Memorial Library		1,285,000
<b>Subtotal</b>	<b>\$</b>	<b>2,709,985</b>

**County Tax**

<b>Subtotal</b>	<b>\$</b>	<b>1,333,350</b>
		<b>1,333,350</b>

**Unclassified**

Promotion & Development	\$	164,917
Additional School Assistance		10,000
Cemetery Care		3,000
Salary, Wage & Benefits Reserve		9,000
<b>Subtotal</b>	<b>\$</b>	<b>186,917</b>

**Debt Service**

Principal & Interest Payments	\$	922,515
<b>Subtotal</b>	<b>\$</b>	<b>922,515</b>

<b>TOTAL EXPENDITURES</b>	<b>\$</b>	<b>56,951,683</b>
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**TOWN OF BRUNSWICK, MAINE**  
**BUDGET RESOLUTION**  
**For the July 1, 2014 - June 30, 2015**  
**Fiscal Year**

**Other Uses of Funds**

Transfer to Capital Projects - Municipal Projects		
Street Resurfacing Program		530,000
Fire Vehicle Replacement		30,000
Police Vehicle Replacement		106,440
PW Equipment Replacement		227,420
P&R Vehicle Replacement		10,000
	<b>Subtotal</b>	<b>\$ 903,860</b>
Transfer to Enterprise Fund		
Solid Waste Facilities Fund Subsidy	\$	200,000
Train Station Visitors Center		44,000
	<b>Subtotal</b>	<b>244,000</b>
<b>TOTAL OTHER USES</b>	<b>\$</b>	<b>1,147,860</b>
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>\$</b>	<b>58,099,543</b>

**TOWN OF BRUNSWICK, MAINE**  
**BUDGET RESOLUTION**  
**For the July 1, 2014 - June 30, 2015**  
**Fiscal Year**

**REVENUES**

**Taxes**

Auto Excise Tax	\$ 2,825,000
Watercraft Excise Tax	25,000
Aircraft Excise Tax	4,000
Interest on Taxes	75,000
Tax Lien Costs	12,000
Tax Lien Interest	12,000
Payments In Lieu Of Taxes (PILOT)	150,000
<b>Subtotal</b>	<b>\$ 3,103,000</b>

**Intergovernmental**

State Tax Exemptions	\$ 40,000
Highway Grant Fund	214,000
Snowmobile Receipts	1,400
General Assistance Reimbursement	24,000
<b>Subtotal</b>	<b>\$ 279,400</b>

**Finance Department**

Passport Fees	8,000
Passport Photos	2,000
Auto Registration Fees	50,000
Boat, ATV and Snowmobile Registration Fees	1,500
Miscellaneous	1,000
<b>Subtotal</b>	<b>62,500</b>

**Codes Enforcement**

Building Permits	132,500
Electrical Permits	31,000
Plumbing Permits	20,500
<b>Subtotal</b>	<b>184,000</b>

**TOWN OF BRUNSWICK, MAINE**  
**BUDGET RESOLUTION**  
**For the July 1, 2014 - June 30, 2015**  
**Fiscal Year**

**Town Clerk**

Hunting & Fishing Licenses	1,300
Dog Licenses	2,502
Vital Statistics	45,000
General Licenses	24,250
Victualer Licenses	20,675
Shellfish Licenses	15,175
Neutered/Spayed Dog License	4,510
Unlicensed Dogs	6,250
Miscellaneous	1,250
<b>Subtotal</b>	<b>120,912</b>

**Planning Department**

Planning Fees	15,000
Miscellaneous	150
<b>Subtotal</b>	<b>15,150</b>

**Fire Department**

Fire Code Permits	500
Ambulance Service Fees	875,000
Special Details	1,000
Fire False Alarms	1,000
Emergency Management Planning Grant	15,000
Miscellaneous	800
<b>Subtotal</b>	<b>893,300</b>

**Police Department**

Concealed Weapons Permits	600
Witness Fees	3,000
Police Reports	3,600
School Resource Officer	84,000
Special Details	1,000
Ordinance Fines	600
Parking Violations	20,000
Leash Law Receipts	600
False Alarm Fines	300
Dispatch Services fee	141,500
<b>Subtotal</b>	<b>255,200</b>

**Public Works Department**

Solid Waste Recycling	25,000
<b>Subtotal</b>	<b>25,000</b>

**TOWN OF BRUNSWICK, MAINE  
BUDGET RESOLUTION  
For the July 1, 2014 - June 30, 2015  
Fiscal Year**

**Unclassified**

CATV Fees	225,000
Interest on General Funds	40,000
From BDC	94,000
From MRRRA	15,000
<b>Subtotal</b>	<b>374,000</b>

**Total Municipal Revenues** **5,312,462**

**Education Revenues**

State School Subsidy	9,946,831
Tuition, etc.	137,000
Miscellaneous	118,000
<b>Total Education Revenues</b>	<b>10,201,831</b>

**TOTAL REVENUES** **15,514,293**

**Other Sources**

Sale of Vehicles - Police	8,000
From Other Funds	-
From Other Road Reconstruction Fund	510,000
From Industrial Park Fund	200,000
<b>Total Other Sources</b>	<b>718,000</b>

**Use of General Fund Balances**

Unassigned Fund Balance	1,000,000
State Revenue Sharing Balance	50,000
Restricted Fund Balances - Education	3,337,000
<b>Total Use of General Fund Balances</b>	<b>4,387,000</b>

**TOTAL REVENUES, SOURCES AND USE OF BALANCES** **20,619,293**

**TOWN OF BRUNSWICK, MAINE**  
**BUDGET RESOLUTION**  
**For the July 1, 2014 - June 30, 2015**  
**Fiscal Year**

**PROPERTY TAXES**

Total Expenditures and Other Uses	58,099,543
Less Total Revenue, Sources, and Use of Balances	20,619,293
<b>Net Before Deductions</b>	<b>37,480,250</b>
Less State Revenue Sharing	977,671
<b>Net Required from Property Taxes</b>	<b>36,502,579</b>
Plus Allowance for Deferred Property Taxes	200,000
Plus Allowance for Tax Abatements	75,000
Plus Supplemental Taxes	-
Other Property Tax Additions/Credits	(3,343)
<b>TOTAL REQUIRED FROM PROPERTY TAXES</b>	<b>36,774,236</b>

**BE IT FURTHER RESOLVED,**

- A) In accordance with 36 M.R.S.A. Section 505(1), the tax lists cited in 36 M.R.S.A. Section 709 shall be committed on or before September 1, 2014;
- B) In accordance with 36 M.R.S.A. Section 505(2), personal property taxes shall be due and payable in full on October 15, 2014 and real estate taxes shall be due and payable in two equal installments, with one-half due on October 15, 2014 and the second half due April 15, 2015.
- C) In accordance with 36 M.R.S.A. Section 505(4) taxes shall be delinquent if not paid on or before the due date(s). Interest from the due date(s) shall be charged on all delinquent taxes at a rate of 7.0%;
- D) In accordance with 36 M.R.S.A. Section 506, the Tax Collector and Town Treasurer are authorized to accept prepayment of taxes not yet committed and pay no interest thereon;
- E) In accordance with 36 M.R.S.A. Section 506-A, a taxpayer who pays an amount in excess of that finally assessed shall be repaid the amount of overpayment plus interest from the date of overpayment at the annual rate of 3.0%.

**TOWN OF BRUNSWICK, MAINE**  
**BUDGET RESOLUTION**  
**For the July 1, 2014 - June 30, 2015**  
**Fiscal Year**

**BE IT FURTHER RESOLVED,**

That the Town of Brunswick is authorized to accept payments from the State of Maine under any of the State's property tax exemption programs in order to provide the exemptions to those qualifying under the program(s).

**BE IT FURTHER RESOLVED,**

That the appropriation contained herein for the Brunswick School Department is subject to the resolutions prepared separately by the Brunswick School Department and adopted along with this resolution.

**BE IT FURTHER RESOLVED,**

That the amount appropriated for Additional School Assistance is to provide transportation of non-public school students as permitted by Title 30-A M.R.S.A. section 5724 ss 5.

**BE IT FURTHER RESOLVED,**

That the Town and the School Department are authorized to accept and expend any and all state and federal funds; and any grants or contributions received by the Town of Brunswick.

**BE IT FURTHER RESOLVED,**

That, the Town Manager is authorized, for the purpose of increasing salaries, wages or benefits, to transfer appropriated amounts from the Salary, Wage and Benefits account to any of the functions or departments. The Town Manager is further authorized to reduce, within functions or departments, appropriations for employee benefits when the Town Manager deems there to be excess funding appropriated for employee benefits within the function or department, with the excess transferred to the Salary, Wages and Benefits account.

**BE IT FURTHER RESOLVED,**

That the amounts appropriated and transferred to other funds are, for budgetary purposes, considered to be expended from the General Fund and deemed encumbered for the purpose(s) of the receiving fund(s). They shall remain encumbered so long as the purpose remains for which they were transferred continues to exist. Further, the Town Manager is authorized to transfer amounts within the identified funds, so long as the transfers in total do not exceed the total amount appropriated for any fund, plus any interest a fund may earn.

ITEM 65

BACK UP MATERIALS

**TOWN OF BRUNSWICK, MAINE**

**Supplemental Budget Resolution Appropriating \$161,000 from  
the Balance of the Town's Industrial Park Fund  
to Fund Capital Acquisitions and Projects**

**WHEREAS**, the Town of Brunswick (the "Town") has prepared a Capital Improvements Program for the fiscal years ending June 30, 2015 - 2019 (the "CIP"); and

**WHEREAS**, the CIP proposes a number of acquisitions and projects in year one of the CIP (2014-15) to be by an appropriation from the balance of the Town's Industrial Park Fund; and

**WHEREAS**, the Town Council has reviewed year one of the CIP and wants to authorize and fund certain acquisitions and projects;

**NOW THEREFORE THE FOLLOWING RESOLUTION IS ADOPTED:**

**Section 1.** The sum of \$161,000 is appropriated from the Town's Industrial Park Fund Balance for the following acquisitions and projects as further defined in the CIP:

- a. Crosswalk Lights (Match Safe Routes to School grant), \$25,000 – To fund the Town's match of a grant application to the State of Maine Department of Transportation ("Maine DOT) for installation of four pedestrian activated crosswalk lights. The Town Manager or the Town Manager's designee is hereby authorized to apply for, accept and expend grant funds for this project. An estimated \$100,000 is anticipated from grant funds, with a total project cost of \$125,000.
- b. Androscoggin Bike Path Design (Match Maine DOT grant), \$20,000 – To fund the design of the bike path extension in coordination with the neighboring towns of West Bath and Bath. This represents the Town's match of a joint grant application to Maine DOT. The Town Manager or the Town Manager's designee is hereby authorized to apply for, accept and expend grant funds for the design project.
- c. Telecommunications Equipment, \$50,000 – To fund the second year's repayment of the 2013-14 three-year advance for a new Town-wide telephone system.
- d. Recreation Boiler Building Roof, \$50,000 – To fund repairs to the roof of the heating system building adjacent to the Recreation Center.
- e. Recreation Building Roof (partial), \$16,000 – To fund repairs to a portion of the roof of the Recreation Center.

**Section 2.** The appropriations in section 1 of this resolution are specific to the individual projects and acquisitions. The Town Manager, at the Town Manager's discretion, is authorized to abandon or discontinue any project, either prior to, or at any point in, the life of the project.

**Section 3.** The Town is authorized to establish a capital project fund to account for these acquisitions and projects. No interest shall accrue to this fund. Upon a determination by the Finance Director that the acquisitions or projects are complete or abandoned, any remaining balance in the capital projects fund shall be transferred to the Town's General Fund.

**Section 4.** Acquisition and project costs for each individual project described in Section 1 shall include any, and all, costs determined by the Town's Finance Director to be acquisition and project costs.

**Section 5.** Other than the specific restrictions contained in sections 1.a. and 1.b, the Town Manager or the Town Manager's designee is authorized to execute contracts and take any other steps they deem necessary in order to proceed with the acquisitions and projects. Any action taken by the Town of Brunswick relating to these acquisition and projects, including the solicitation of proposals, or participation in any process that solicited proposals, as well as any subsequent negotiations or contracts with vendors, are hereby ratified, confirmed, and approved.

Proposed to Town Council: May 1, 2014  
Public Hearing: May 15, 2014  
Adopted by Town Council:

2014-15 Capital Budget.docx

ITEM 66

BACK UP MATERIALS

**TOWN OF BRUNSWICK, MAINE**  
**Capital Improvements Program**  
**For the Fiscal Years Ending June 30, 2015 - 2019**

**WHEREAS**, Section 601 of the Charter of the Town of Brunswick (the “Charter”) requires the Town Manager to prepare a 5-year Capital Improvement Program (the “CIP”); and

**WHEREAS**, pursuant to the Charter and the Town’s Capital Improvement Program Policy (the “CIP Policy”), the Town Manager delivered a recommended CIP to the Town Council’s CIP Committee in September 2013; and

**WHEREAS**, in accordance with the CIP Policy, the CIP Committee reviewed the CIP recommended by the Town Manager and on March 24, 2014 submitted a proposed CIP to the Town Council; and

**WHEREAS**, pursuant to Section 602 of the Charter and in accordance with the CIP Policy, a public hearing was held on May 15, 2014; and

**WHEREAS**, the Town Council has reviewed the CIP Committee’s recommendations; and

**WHEREAS**, the Town Council directed certain changes be made to the proposed CIP;

**NOW THEREFORE BE IT RESOLVED**, In accordance with Article VI of the Charter the Brunswick Town Council adopts a Capital Improvement Program (the “CIP”) for the fiscal years ending June 30, 2015 - 2019, as attached hereto in summary form.

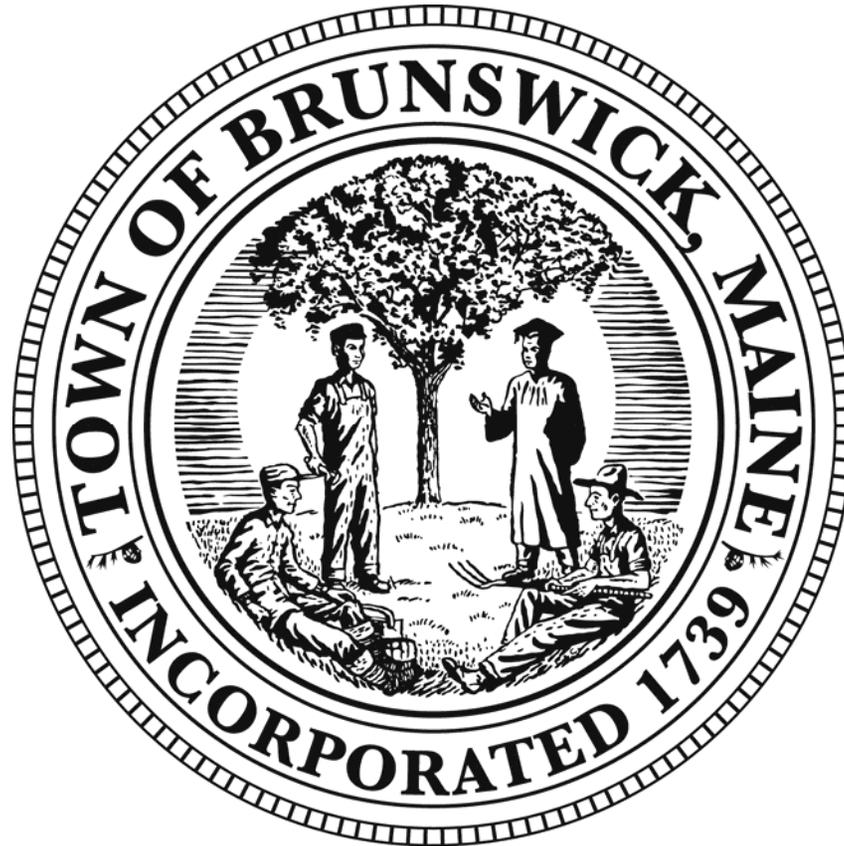
**BE IT FURTHER RESOLVED**, Adoption of the CIP does not appropriate any funds for, nor does it obligate the Town to complete, the projects specified therein.

Proposed to Town Council: March 20, 2014

Public Hearing: May 15, 2014

Adopted by Town Council:

# Town of Brunswick, Maine



## Capital Improvement Program in Summary Fiscal Years Ending 2015-2019

Proposed: March 24, 2014  
Public Hearing: May 15, 2014  
Adopted -

**Town of Brunswick, Maine  
Capital Improvement Program  
Proposed  
For Fiscal Years Ending 2015-2019**

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**Town of Brunswick, Maine**  
**Capital Improvement Program**  
**Proposed**  
**For Fiscal Years Ending 2015-2019**

<b>PROJECTS</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>TOTALS</b>
Facilities - New	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities - Improvements	7,110,000	1,202,580	-	536,921	-	-	1,739,501
Infrastructure	1,650,000	545,000	1,100,000	-	-	-	1,645,000
Capital Acquisitions	50,000	50,000	50,000	-	-	525,000	625,000
Municipal vehicle replacement	716,725	373,860	631,236	643,861	656,738	669,873	2,975,567
Municipal annual work programs	513,000	530,000	750,000	975,000	1,045,000	1,050,000	4,350,000
School vehicle replacement	156,500	169,000	177,620	186,501	195,826	205,617	934,564
BHS Carpet/Tile Replacement	-	100,000	100,000	100,000	100,000	-	400,000
School annual work programs	137,000	153,000	418,750	290,985	371,558	72,000	1,306,293
<b>TOTALS</b>	<b>\$ 10,333,225</b>	<b>\$ 3,123,440</b>	<b>\$ 3,227,606</b>	<b>\$ 2,733,268</b>	<b>\$ 2,369,122</b>	<b>\$ 2,522,490</b>	<b>\$ 13,975,925</b>
<b>FUNDING SOURCES</b>							
General Obligation Bonds	\$ 1,423,200	\$ 1,636,580	\$ -	\$ 536,921	\$ -	\$ 525,000	\$ 2,698,501
General Fund Balance	1,415,000	-	50,000	-	-	-	50,000
Municipal Revenues - Annual Prog	1,229,725	903,860	1,381,236	1,618,861	1,701,738	1,719,873	7,325,567
School Revenues	293,500	422,000	696,370	577,486	667,384	277,617	2,640,857
U.S. Government	5,700,000	-	-	-	-	-	-
State of Maine	70,000	-	900,000	-	-	-	900,000
Enterprise funds	-	-	-	-	-	-	-
Impact Fees	176,800	-	-	-	-	-	-
Reserves	-	161,000	-	-	-	-	161,000
Other	25,000	-	200,000	-	-	-	200,000
<b>TOTALS</b>	<b>\$ 10,333,225</b>	<b>\$ 3,123,440</b>	<b>\$ 3,227,606</b>	<b>\$ 2,733,268</b>	<b>\$ 2,369,122</b>	<b>\$ 2,522,490</b>	<b>\$ 13,975,925</b>

Project Summary

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	TOTAL	FUNDING
<b>I. PROJECTS RECOMMENDED FOR FUNDING</b>								
<i>Capital Improvements</i>								
<b>Facilities - Improvements</b>								
McLellan Building Planning	50,000	-	-	-	-	-	-	Gen. Fund Bal.
McLellan Building Improvements	950,000	-	-	-	-	-	-	Gen. Fund Bal.
Fitness Center Acquisition	5,700,000	-	-	-	-	-	-	U.S. Navy
Fitness Center Improvements	100,000	-	-	-	-	-	-	Gen. Fund Bal.
Water St Boat Landing	70,000	-	-	-	-	-	-	Gen. Fund Bal.
Water St Boat Landing	95,000	-	-	-	-	-	-	State of Maine/Other
Library Building Upgrades	-	132,500	-	-	-	-	132,500	G.O. Bonds
* Emerson Fire Station Improvements	-	300,000	-	-	-	-	300,000	G.O. Bonds
Recreation Boiler Building Roof	-	50,000	-	-	-	-	50,000	Reserves
Recreation Building Roof (partial)	-	16,000	-	-	-	-	16,000	Reserves
BHS Fire Alarm System	145,000	-	-	-	-	-	-	Gen. Fund Bal.
BJHS Air Quality	-	454,080	-	-	-	-	454,080	G.O. Bonds
BHS Boiler Plant Replacement	-	-	-	536,921	-	-	536,921	G.O. Bonds
BHS Track Replacement	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	G.O. Bonds
<b>Total Facilities - Improvements</b>	<b>7,110,000</b>	<b>1,202,580</b>	<b>-</b>	<b>536,921</b>	<b>-</b>	<b>-</b>	<b>1,739,501</b>	
<b>Infrastructure</b>								
Cooks Corner Road Development	1,423,200	-	-	-	-	-	-	G.O. Bonds
Cooks Corner Road Development	176,800	-	-	-	-	-	-	Reserves
Crosswalk lights	-	25,000	-	-	-	-	25,000	Reserves
Crosswalk lights	-	-	100,000	-	-	-	100,000	M.D.O.T
Nancy/Patricia/Pierce Reconstruction	-	500,000	-	-	-	-	500,000	G.O. Bonds
Androscoggin Bike Path Design	-	20,000	-	-	-	-	20,000	Reserves
Riverwalk	-	-	800,000	-	-	-	800,000	M.D.O.T
Riverwalk	-	-	200,000	-	-	-	200,000	Other
Union Street storm sewer (Prelim)	50,000	-	-	-	-	-	-	Gen. Fund Bal.
<b>Total Infrastructure</b>	<b>1,650,000</b>	<b>545,000</b>	<b>1,100,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,645,000</b>	

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	TOTAL	FUNDING
<b>Capital Acquisitions</b>								
Telecommunications	50,000	50,000	50,000	-	-	-	100,000	Reserves
Engine 2 Replacement	-	-	-	-	-	525,000	525,000	G.O. Bonds
<b>Total Capital Acquisitions</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>525,000</b>	<b>625,000</b>	
<b>Total Capital Improvements</b>	<b>\$ 8,810,000</b>	<b>\$ 1,797,580</b>	<b>\$ 1,150,000</b>	<b>\$ 536,921</b>	<b>\$ -</b>	<b>\$ 525,000</b>	<b>\$ 4,009,501</b>	
<b>Annual Programs/Reserves</b>								
<b>Municipal Vehicle Replacement</b>								
Fire Vehicle Replacement	\$ 100,000	\$ 30,000	\$ 104,040	\$ 106,121	\$ 108,243	\$ 110,408	\$ 458,812	Munic. Revenues
Police Vehicle Replacement	135,725	106,440	141,208	144,032	146,913	149,851	688,444	Munic. Revenues
PW Vehicle Replacement	376,000	227,420	333,968	340,647	347,460	354,410	1,603,905	Munic. Revenues
P&R Vehicle Replacement	105,000	10,000	52,020	53,060	54,122	55,204	224,406	Munic. Revenues
<b>Total vehicle replacement</b>	<b>716,725</b>	<b>373,860</b>	<b>631,236</b>	<b>643,861</b>	<b>656,738</b>	<b>669,873</b>	<b>2,975,567</b>	
<b>Municipal Annual Work Programs</b>								
PW - Sidewalks	-	-	50,000	50,000	50,000	50,000	200,000	Munic. Revenues
PW - Street Resurfacing	513,000	530,000	700,000	725,000	750,000	775,000	3,480,000	Munic. Revenues
Woodward Point reconstruction	-	-	-	200,000	170,000	-	370,000	Munic. Revenues
Range Road Culvert	-	-	-	-	75,000	-	75,000	Munic. Revenues
Bowdoin/Whittier/Berry reconstructi	-	-	-	-	-	225,000	225,000	Munic. Revenues
<b>Total annual work programs</b>	<b>513,000</b>	<b>530,000</b>	<b>750,000</b>	<b>975,000</b>	<b>1,045,000</b>	<b>1,050,000</b>	<b>4,350,000</b>	
<b>Total Municipal Programs/Reserves</b>	<b>\$ 1,229,725</b>	<b>\$ 903,860</b>	<b>\$ 1,381,236</b>	<b>\$ 1,618,861</b>	<b>\$ 1,701,738</b>	<b>\$ 1,719,873</b>	<b>\$ 7,325,567</b>	
<b>School Department</b>								
School Vehicle Replacement	156,500	169,000	177,620	186,501	195,826	205,617	934,564	School Revenues
BHS Carpet/Tile Replacement	-	100,000	100,000	100,000	100,000	-	400,000	School Revenues
School Annual Work Program	137,000	153,000	418,750	290,985	371,558	72,000	1,306,293	School Revenues
<b>Total School Programs/Reserves</b>	<b>\$ 293,500</b>	<b>\$ 422,000</b>	<b>\$ 696,370</b>	<b>\$ 577,486</b>	<b>\$ 667,384</b>	<b>\$ 277,617</b>	<b>\$ 2,640,857</b>	
<b>Total Annual Programs/Reserves</b>	<b>\$ 1,523,225</b>	<b>\$ 1,325,860</b>	<b>\$ 2,077,606</b>	<b>\$ 2,196,347</b>	<b>\$ 2,369,122</b>	<b>\$ 1,997,490</b>	<b>\$ 9,966,424</b>	

\*The Emerson Fire Station Improvements project was recently added, and is included here at maximum estimated cost for purposes of discussion.

*Project Summary*

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	TOTAL	FUNDING
<b>II. PROJECTS IN DEVELOPMENT</b>								
<i>Capital Improvements</i>								
<b>Facilities</b>								
Jordan Acres demo & site work	\$ -	\$ -	\$ 175,000	\$ -	\$ -	\$ -	\$ 175,000	G.O. Bonds
Elementary School Solution	-	-	24,000,000	-	-	-	24,000,000	G.O. Bonds
Junior High School Solution	-	-	-	-	30,000,000	-	30,000,000	G.O. Bonds
BJHS sprinkler system	-	-	-	-	248,000	-	248,000	G.O. Bonds
Tennis Courts	-	-	-	202,000	-	-	202,000	G.O. Bonds
Bus Garage	-	-	-	-	-	1,200,000	1,200,000	G.O. Bonds
Central Fire Station	-	-	-	-	6,000,000	-	6,000,000	G.O. Bonds
Landfill Wastewater Treatment	-	-	1,000,000	-	-	-	1,000,000	G.O. Bonds
* Aquatics Facility	-	-	-	1,500,000	-	-	1,500,000	G.O. Bonds
* Aquatics Facility	-	-	-	1,500,000	-	-	1,500,000	Other
East Brunswick Fields	-	-	250,000	250,000	-	-	500,000	G.O. Bonds
<b>Total Facilities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,425,000</u>	<u>\$ 3,452,000</u>	<u>\$ 36,248,000</u>	<u>\$ 1,200,000</u>	<u>\$ 66,325,000</u>	
<b>Infrastructure</b>								
BHS Egress Road	-	-	500,000	-	-	-	500,000	G.O. Bonds
Union Street storm sewer	-	-	1,300,000	-	-	-	1,300,000	G.O. Bonds
Androscoggin Bike Path	-	-	-	300,000	-	-	300,000	G.O. Bonds
Androscoggin Bike Path	-	-	-	100,000	-	-	100,000	Impact Fees
Androscoggin Bike Path	-	-	-	1,600,000	-	-	1,600,000	U.S. D.O.T.
<b>Total Infrastructure</b>	<u>-</u>	<u>-</u>	<u>1,800,000</u>	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>3,800,000</u>	
<b>Total Projects in Development</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,225,000</u>	<u>\$ 5,452,000</u>	<u>\$ 36,248,000</u>	<u>\$ 1,200,000</u>	<u>\$ 70,125,000</u>	

\*Estimates for the Aquatics Facility currently range from \$1.5 to \$3 million. The higher amount has been used in the CIP for discussion purposes.

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	TOTAL	FUNDING
<b>III. PROPOSED BY DEPARTMENTS BUT NOT RECOMMENDED</b>								
<i>Capital Improvements</i>								
<b>Facilities</b>								
Lamb Boat Launch	\$ -	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000	I.F.W. - D.O.C.
Lamb Boat Launch	-	-	-	30,000	-	-	30,000	Gen. Fund Bal.
People Plus Parking Lot	-	-	-	100,000	-	-	100,000	Gen. Fund Bal.
Land for Brunswick's Future Skate Park	-	-	-	-	1,000,000	-	1,000,000	G.O. Bonds
	-	-	100,000	-	-	-	100,000	G.O. Bonds
<b>Total Projects Not Recommended</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 250,000</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ 1,350,000</u>	
<b>IV. NON-TOWN PROJECTS</b>								
Black Bridge road removal	\$ -	\$ 244,000	\$ -	\$ -	\$ -	\$ -	\$ 244,000	M.D.O.T.
Frank J.Wood Bridge/Rt 201 rehab	-	-	550,000	-	-	-	550,000	M.D.O.T.
New Meadows Bridge rehab	-	-	1,450,000	-	-	-	1,450,000	M.D.O.T.
Route 24 preservation paving	-	-	1,418,500	-	-	-	1,418,500	M.D.O.T.
Route 1 preservation paving	-	-	647,800	-	-	-	647,800	M.D.O.T.
Maine Region 10 master plan	-	3,400,000	-	-	-	-	3,400,000	MR 10 Bonds
Whittier Street Sewer	-	TBD	-	-	-	-	-	Sewer District
McLellan Street Sewer	-	TBD	-	-	-	-	-	Sewer District
Douglas Street Water Main	-	TBD	-	-	-	-	-	Water District
Coffin Street Water Main	-	TBD	-	-	-	-	-	Water District
<b>Total Non-Town Projects</b>	<u>\$ -</u>	<u>\$ 3,644,000</u>	<u>\$ 4,066,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,710,300</u>	

	Bond Tier	Bond Year	Fiscal Year	Estimated Project Cost	Assumed Bond Years	Assumed Interest Rate	Projected First Year Debt Service (a)	Estimated First Yr Tax Rate Impact (b)	Estimated Total Debt Service (c)
<b>Debt on Recommended Projects</b>									
Library Building Upgrades	10	30	2015-16	132,500	10	3.40%	17,755	0.05%	157,278
Emerson Station Building Repairs	10	30	2015-16	300,000	10	3.40%	40,200	0.11%	356,100
BHS Track Replacement	10	30	2015-16	250,000	10	3.40%	33,500	0.10%	296,750
BHS Boiler Plant Replacement	10	32	2017-18	536,921	10	3.80%	74,095	0.21%	649,137
BJHS Air Quality	10	30	2015-16	454,080	10	3.40%	60,847	0.17%	538,993
Engine 2 Replacement	10	34	2019-20	525,000	10	4.20%	74,550	0.21%	597,188
Nancy/Patricia/Pierce Road Reconstr.	15	30	2015-16	500,000	15	3.90%	52,833	0.15%	656,000
Cooks Corner Road Development	15	29	2014-15	1,423,200	15	3.70%	147,538	0.42%	1,844,467
				\$ 4,121,701			\$ 501,319		\$ 5,095,913
<b>From Other Sources</b>									
TIF Revenues - Cooks Corner Road Development				\$ 1,423,200			\$ 147,538		\$ 1,844,467
<b>Net Proposed Debt in CIP</b>				<b>\$ 2,698,501</b>			<b>\$ 353,780</b>		<b>\$ 3,251,445</b>
<b>Debt on Projects in Development</b>									
Jordan Acres Demolition	20	31	2016-17	175,000	20	4.60%	16,800	0.05%	259,525
Elementary School Solution	20	31	2016-17	24,000,000	20	4.60%	2,304,000	6.58%	35,592,000
Junior High School Solution	20	33	2018-19	30,000,000	20	5.00%	3,000,000	8.57%	45,750,000
Tennis Courts	20	32	2017-18	202,000	20	4.80%	19,796	0.06%	303,808
East Brunswick Fields	20	32	2017-18	500,000	20	4.80%	49,000	0.14%	752,000
Landfill Wastewater Treatment	20	31	2016-17	1,000,000	20	4.60%	96,000	0.27%	1,483,000
Bus Garage	20	34	2019-20	1,200,000	20	5.20%	122,400	0.35%	1,855,200
BHS Egress Road	10	31	2016-17	500,000	10	3.60%	68,000	0.19%	599,000
BJHS Sprinkler system	10	33	2018-19	248,000	10	4.00%	34,720	0.10%	302,560
Androscoggin Bike Path	20	32	2017-18	300,000	20	4.80%	29,400	0.08%	451,200
Union St Storm Sewer	20	31	2016-17	1,300,000	20	4.60%	124,800	0.36%	1,927,900
Central Fire Station	20	33	2018-19	6,000,000	20	5.00%	600,000	1.71%	9,150,000
Aquatics Facility	20	32	2017-18	1,500,000	20	4.80%	147,000	0.42%	2,256,000
<b>Debt on Projects in Development</b>				<b>\$ 66,925,000</b>			<b>\$ 6,611,916</b>		<b>\$ 103,840,593</b>

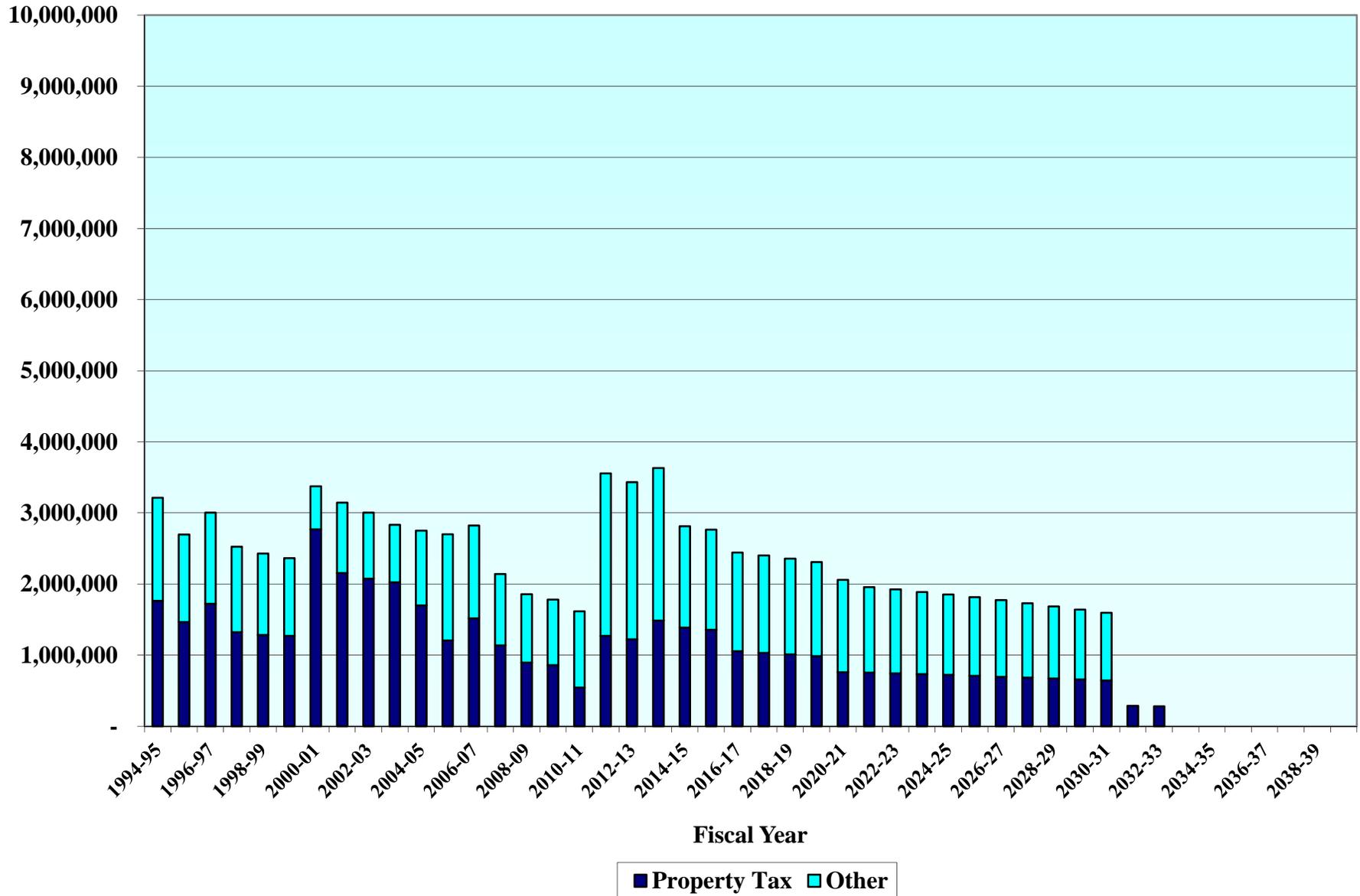
(a) The first year debt service payment is an estimate assuming level principal payments and the rates and terms shown. Actual rates and terms will be determined if and when bonds are issued.

(b) Assumes a 1% Tax Rate increase equals: **\$350,000**

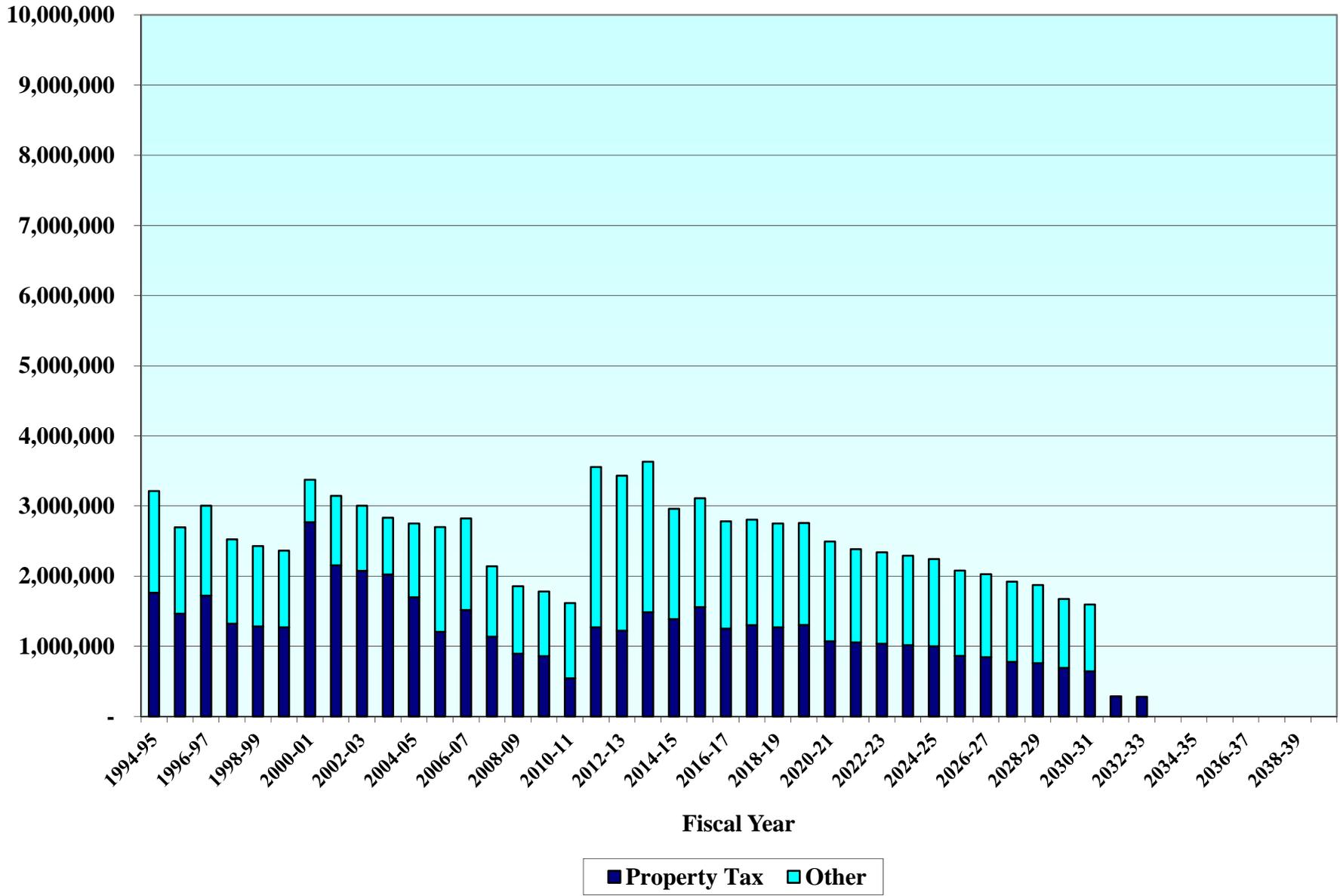
(c) This is the estimated total debt service over the life of the bonds. It assumes the rates and terms shown.

Town of Brunswick  
Capital Improvement Program

Debt Service - Existing Debt and Authorized Debt

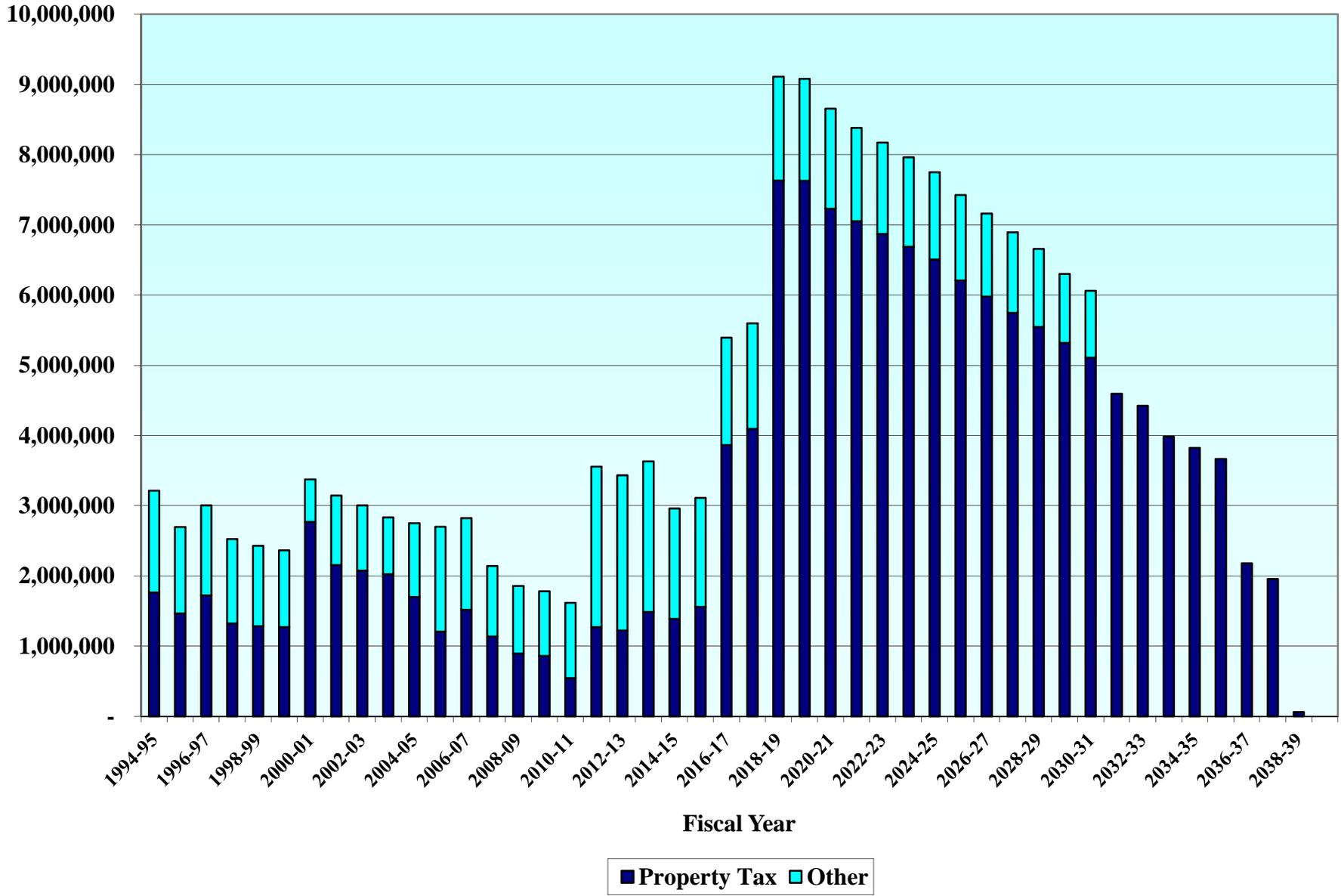


**Town of Brunswick  
Capital Improvement Program  
Debt Service - Existing, Authorized, and Proposed**



Town of Brunswick  
Capital Improvement Program

Debt Service - Existing, Authorized, Proposed and Projects in Development



**Town of Brunswick, Maine  
Capital Improvement Program**

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<b>TAX IMPACT OF RECOMMENDED PROJECTS</b>						
<b>Projects Financed with Debt</b>						
Existing Debt Service						
Existing Debt Service	\$ 3,632,836	\$ 2,811,249	\$ 2,763,279	\$ 2,442,928	\$ 2,400,711	\$ 2,355,906
TIF Subsidy	(84,900)	(83,480)	(82,060)	(78,315)	(76,245)	(74,175)
School Subsidy (estimated)	(2,059,314)	(1,341,739)	(1,325,706)	(1,310,649)	(1,292,704)	(1,272,507)
<b>Existing Debt Service - Net</b>	<b>1,488,622</b>	<b>1,386,030</b>	<b>1,355,513</b>	<b>1,053,965</b>	<b>1,031,762</b>	<b>1,009,224</b>
New Debt Service						
Authorized But Not Issued	-	-	-	-	-	-
Proposed Debt Service	-	147,538	349,163	340,488	405,908	395,193
TIF Subsidy	-	(147,538)	(144,028)	(140,517)	(137,007)	-
<b>New Debt Service - Net</b>	<b>-</b>	<b>-</b>	<b>205,135</b>	<b>199,971</b>	<b>268,901</b>	<b>395,193</b>
<b>Existing and New Debt Service - Net</b>	<b>1,488,622</b>	<b>1,386,030</b>	<b>1,560,648</b>	<b>1,253,936</b>	<b>1,300,664</b>	<b>1,404,417</b>
Change from Previous Year	264,847	(102,591)	174,617	(306,712)	46,728	103,753
<i>Tax Rate Impact - Debt Service</i>	<b>0.76%</b>	<b>-0.29%</b>	<b>0.50%</b>	<b>-0.88%</b>	<b>0.13%</b>	<b>0.30%</b>
<b>Projects Financed with other than Debt</b>						
Non-Debt Sources						
Municipal Revenues	1,229,725	903,860	1,381,236	1,618,861	1,701,738	1,719,873
School Revenues	293,500	422,000	696,370	577,486	667,384	277,617
<b>Non-Debt Projects</b>	<b>1,523,225</b>	<b>1,325,860</b>	<b>2,077,606</b>	<b>2,196,347</b>	<b>2,369,122</b>	<b>1,997,490</b>
Change from Previous Year	(458,539)	(197,365)	751,746	118,741	172,775	(371,632)
<i>Tax Rate Impact - Non-Debt Projects</i>	<b>-1.31%</b>	<b>-0.56%</b>	<b>2.15%</b>	<b>0.34%</b>	<b>0.49%</b>	<b>-1.06%</b>
<b>Projects Financed Debt and Non-Debt</b>						
Debt and Non-Debt Projects	<b>3,011,847</b>	<b>2,711,890</b>	<b>3,638,254</b>	<b>3,450,282</b>	<b>3,669,786</b>	<b>3,401,907</b>
Change from Previous Year	(193,692)	(299,956)	926,363	(187,971)	219,503	(267,879)
<i>Tax Rate Impact - Capital Projects</i>	<b>-0.55%</b>	<b>-0.86%</b>	<b>2.65%</b>	<b>-0.54%</b>	<b>0.63%</b>	<b>-0.77%</b>

**Town of Brunswick, Maine  
Capital Improvement Program**

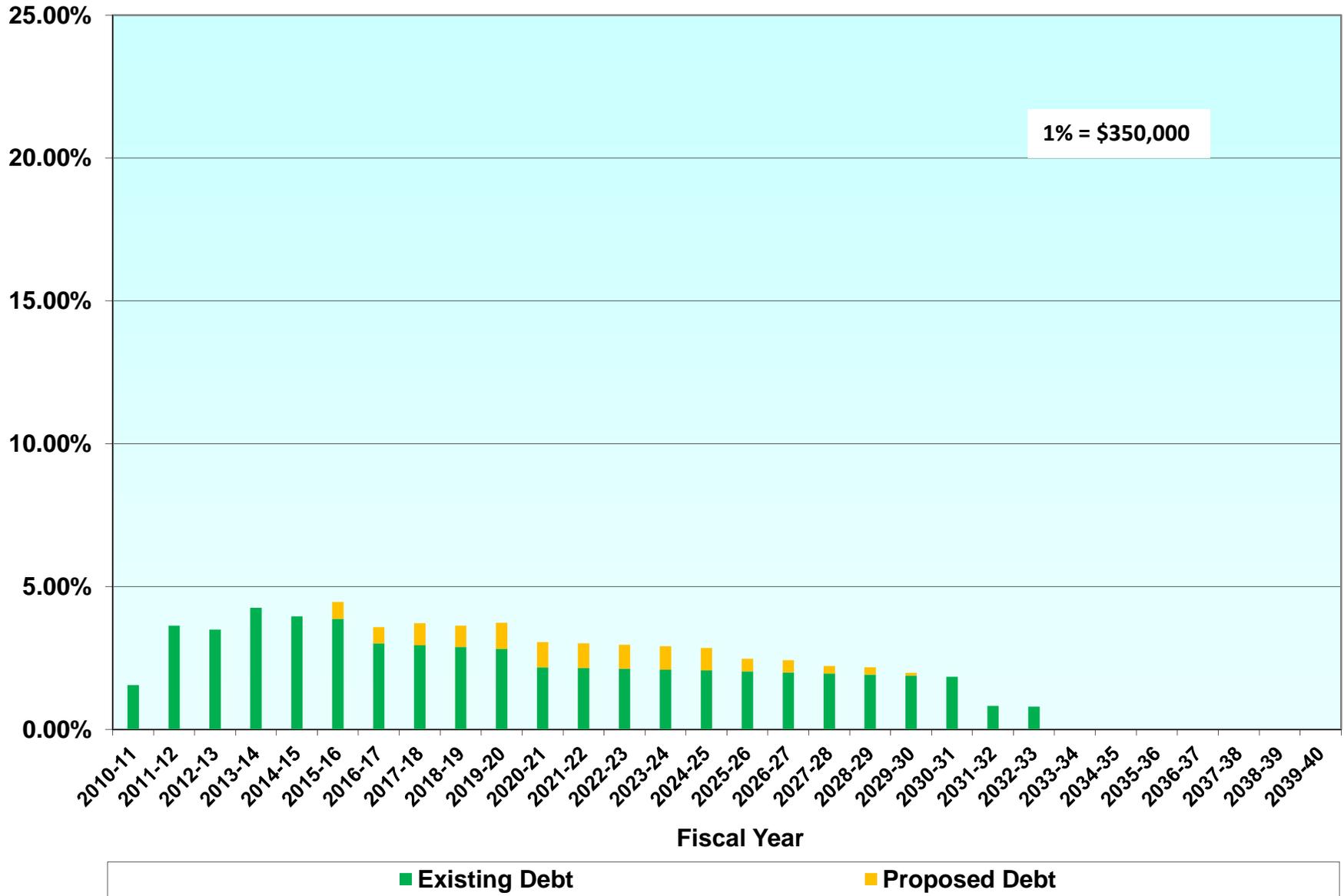
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Operating Costs Related to New Projects</b>						
Operating Costs	-	-	-	-	-	-
Change from Previous Year	-	-	-	-	-	-
<i>Tax Rate Impact - Operating Costs</i>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Recommended Projects &amp; Operating Costs - Total</b>	<b>3,011,847</b>	<b>2,711,890</b>	<b>3,638,254</b>	<b>3,450,282</b>	<b>3,669,786</b>	<b>3,401,907</b>
Change from Previous Year	(193,692)	(299,956)	926,363	(187,971)	219,503	(267,879)
<i>Tax Rate Impact - Projects &amp; Operating</i>	<b>-0.55%</b>	<b>-0.86%</b>	<b>2.65%</b>	<b>-0.54%</b>	<b>0.63%</b>	<b>-0.77%</b>
Estimates assume a 1% tax increase is equal to:	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$350,000</b>

**TAX IMPACT OF ADDING PROJECTS UNDER DEVELOPMENT**

<b>Projects Under Development</b>						
Estimated Debt Service	-	-	-	2,609,600	2,792,104	6,358,126
Change from Previous Year	-	-	-	2,609,600	182,504	3,566,023
<i>Tax Rate Impact - Projects under Development</i>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>7.46%</b>	<b>0.52%</b>	<b>10.19%</b>
<b>Total Proposed and Projects Under Development</b>	<b>3,011,847</b>	<b>2,711,890</b>	<b>3,638,254</b>	<b>6,059,882</b>	<b>6,461,889</b>	<b>9,760,033</b>
Change from Previous Year	(193,692)	(299,956)	926,363	2,421,629	402,007	3,298,144
<i>Tax Rate Impact - Recommended Projects and Projects Under Development</i>	<b>-0.55%</b>	<b>-0.86%</b>	<b>2.65%</b>	<b>6.92%</b>	<b>1.15%</b>	<b>9.42%</b>
Estimates assume a 1% tax increase is equal to:	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$350,000</b>

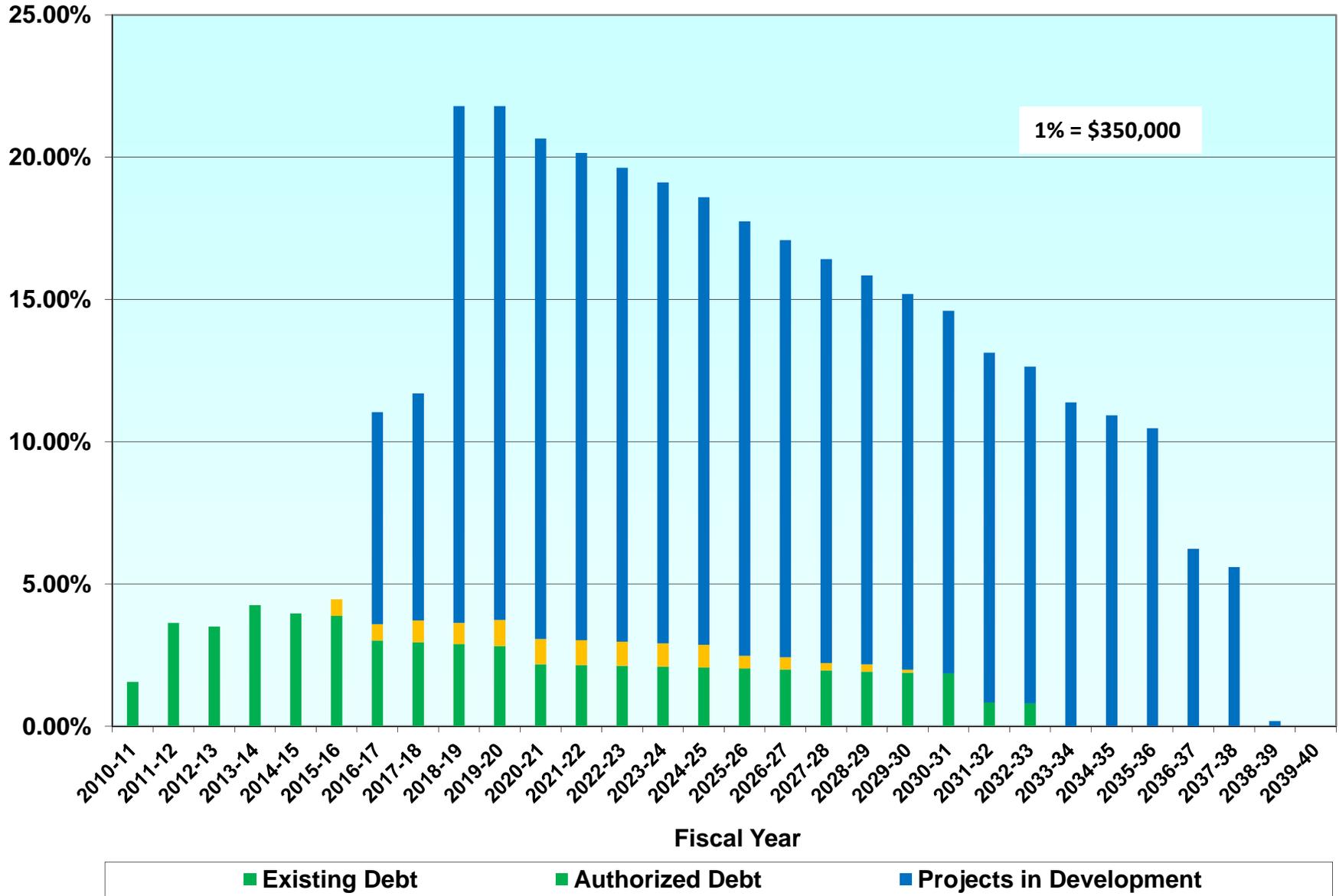
Town of Brunswick  
Capital Improvement Program

**Net Debt Service Effect on Tax Rate**



Town of Brunswick  
Capital Improvement Program

**Net Debt Service Effect on Tax Rate  
Including Projects in Development**



Town of Brunswick, Maine  
 Capital Improvement Program  
 Town of Brunswick, Maine  
 Capital Improvement Program  
 Assumptions

Tier	Bond Years	Bond Year Start						
		28	29	30	31	32	33	34
5	0-5	2.50%	2.70%	2.90%	3.10%	3.30%	3.50%	3.70%
10	6-10	3.00%	3.20%	3.40%	3.60%	3.80%	4.00%	4.20%
15	11-15	3.50%	3.70%	3.90%	4.10%	4.30%	4.50%	4.70%
20	16-20	4.00%	4.20%	4.40%	4.60%	4.80%	5.00%	5.20%
25	21-25	4.50%	4.70%	4.90%	5.10%	5.30%	5.50%	5.70%
30	26-30	5.00%	5.20%	5.40%	5.60%	5.80%	6.00%	6.20%
<b>Base:</b>	<b>2.50%</b>							
<b>Year Inc.</b>	<b>0.20%</b>							
<b>Tier Inc:</b>	<b>0.50%</b>							

Bond Year	Fiscal Year	
28	2013-14	
29	2014-15	
30	2015-16	<b>Elementary School</b>
31	2016-17	<b>State Subsidy: 87.04%</b>
32	2017-18	<b>Taxes</b>
33	2018-19	<b>One percent: \$350,000</b>
34	2019-20	

**Town of Brunswick, Maine  
Capital Improvement Program**

**Terms used in this Capital Improvement Program**

CIP Project Classifications

CIP Projects are classified in one of four classifications:

***CIP Projects Recommended for Funding*** - Projects and acquisitions included have been sufficiently developed and defined as to clearly identify the scope and cost of the project and the recommended funding sources. It is highly likely that projects in this class will eventually be authorized for completion and funding.

***CIP Projects In Development*** - Projects and acquisitions of this class are under active consideration but have not been sufficiently developed or defined to clearly identify the scope or cost of the project. Typically, projects in this category are being evaluated from several alternatives, or there is not sufficient confidence in the cost estimates to determine whether the project should be recommended for funding.

***CIP Projects Not Recommended*** - Projects and acquisitions of this class have been identified or requested by departments or others but are either insufficiently developed or defined, or have been deemed to be beyond the funding capacity of the Town. These projects may receive consideration at a future date should circumstances warrant.

***CIP Projects Non-Town Funded*** - Projects to be completed and funded solely by entities other than the Town, with an estimated operational cost impact to the Town of less than \$25,000, are of interest to the Town in its planning efforts. However, as they have a minimal, or no, impact on Town finances, they are shown separately from Town funded projects.

**Town of Brunswick, Maine  
Capital Improvement Program**

**Terms used in this Capital Improvement Program**

CIP Definitions

**Capital Project or Acquisition** – a CIP project, item, or a network or system of items must have a cost of at least \$100,000 and a life expectancy of five years or more. The terms “project” and “projects” shall include items that are acquisitions.

**Network or System of Items** - items that are intended to be a part of a larger network or system, that when purchased individually may have a cost of less than \$100,000. For example, a computer network may be comprised of several components, each of which cost less than \$100,000, but as a group comprise a network costing \$100,000 or more.

**Vehicle Replacement Program** – a systematic annual funding process for the replacement of fleet vehicles and equipment. These programs shall be included as items in the CIP even when the annual funding is less than \$100,000.

**Work Programs** – refers to capital project work generally performed by department or contracted resources and funded annually. These programs shall be included as items in the CIP.

**Minor Capital** – Refers to items that, although capital in nature, do not meet the above definitions of a project or acquisition, or of a system or network or items. Minor capital items should be included in the Town’s annual operating budget.

**Operating costs** – Refers the ongoing annual costs associated with a capital project or acquisition. The Town shall identify the estimated annual operating cost impact (net increase or decrease) related to a project when those operating cost impact to the Town is estimated to be \$25,000 or greater.

Debt - Related Terminology

**Existing Debt Service** - The existing debt service costs taken from the current debt service schedules. It represents the actual current obligations of the Town.

**Enterprise Debt** - This is debt on the Town's solid waste landfill facilities. The debt service for those facilities is intended to be recovered through user fees or subsidy.

**TIF Debt** - This is debt intended to be paid with Tax Increment Financing (TIF) Revenues.

**Debt Authorized But Not Issued** - This is an estimate of the debt service costs on projects that have been authorized but for which debt has not yet been issued. These are estimates. The actual costs will be determined by project costs, structure of the bond issues, and prevailing interest rates at the time the bonds are issued.

**Proposed New Debt** - The debt service costs for new projects proposed in the CIP. These are estimates. The actual costs will be determined by project costs, structure of the bond issues, and prevailing interest rates at the time the bonds are issued.

**State School Construction Debt Service Subsidy** - The State of Maine Department of Education (DOE) assists school units with state-approved construction projects under a complex arrangement. First, the DOE, after extensive review of a proposed school construction project, determines a level of project costs that it deems eligible for state subsidy. Then, the annual debt service for those eligible costs is included in the calculation of the unit’s annual subsidy of all of its education costs, using the State’s Essential Programs and Service (EPS) funding model. The EPS model uses a number or variables that will change annually. Further, the model is subject to change by the actions of the State Legislature and the DOE. Also the annual level of EPS funding is determined in the State budget process. School debt service subsidy estimates are intended only for planning purposes. Future estimates and actual subsidy payments may be materially different.

ITEM 67

NO BACK UP MATERIALS