

MAINE STATE LEGISLATURE

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LORING COMMERCE CENTRE

STATE OF MAINE
CONNECTME AUTHORITY
78 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0078

January 23, 2025

Honorable Matthea Daughtry
President of the Senate
3 State House Station
Augusta, Maine 04333

Honorable Ryan Fecteau
Speaker of the House
2 State House Station
Augusta, Maine 04333

Dear President Daughtry and Speaker Fecteau:

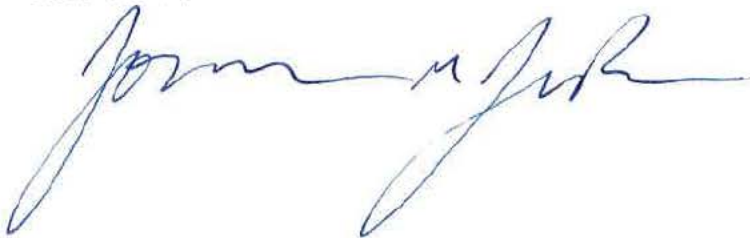
Pursuant to 5 M.R.S.A., Section 12023, please consider this the letter of transmittal for the required report from the Loring Development Authority due by February 1, 2025.

Please contact me if you have any questions or need additional information.

Thank you.

Sincerely,

Jonathan M Judkins
President/CEO



**QUASI-INDEPENDENT STATE ENTITIES
ANNUAL REPORTS TO THE LEGISLATURE**

LORING DEVELOPMENT AUTHORITY OF MAINE

FEBRUARY 1, 2025

Sec. A-1. 5 MRSA c. 379, sub-c. 3

§12023. Reports to the Legislature

Dear Mr. President and Madam Speaker,

My Name is Jonathan Judkins, present and CEO of the Loring Development Authority Of Maine. In compliance with the Government Accountability and Oversight Law requirements for quasi-independent state entities (5 MRSA §12023),

I am submitting this report on behalf of the Board of Trustees of the Loring Development Authority (LDA). Established in 1995 by the Maine Legislature (5 MRSA §13080-B), the LDA is responsible for redeveloping the properties of the state's largest industrial park, Loring Commerce Centre, formerly Loring Air Force Base, to support new job creation and economic activity.

The LDA manages a 3,700-acre business, commercial, and industrial park, including a 1,600-acre aviation complex. It serves as the landlord to leasehold businesses and provides municipal-type services to approximately 290 residents and 28 businesses that collectively employ around 770 people and occupy 1 million square feet of space in numerous major buildings.

Operations began on January 1, 1995. In compliance with the Government Accountability Act, please find below our responses to the statutorily required questions:

A. A list of all procurements exceeding \$10,000 in the preceding year for which competitive procurement was waived under the policies adopted pursuant to section 12022, subsection 3, including procurements exceeding \$10,000 that were made under contracts previously entered into for which competitive procurement was not required. The list must include the names of the vendors and costs associated with those procurements;

- 1.) Allen's Environmental Service was contracted for \$18,417.50 to clean the Clear Well as part of our water system. The services required a specialized vac truck, which is the only service available within 300 miles.**
- 2.) Consolidated Communications Phone and Alarm Services cost \$13,768.26. The previous administration established these services based on the need for phone lines**

- to buildings and alarm lines. A cost-saving transition to Spectrum has begun for some locations, including the LDA main office.
- 3.) Dead River Company for propane, gas, and diesel costs \$97,208.30. This vendor has had a very friendly long-term relationship with the LDA. They have provided us flexibility in the past, including allowing us to run a negative balance. They are a strong partner. They are currently contracted for this upcoming winter but will seek bids in July 2025 from other distributors, such as Daigle Oil and Tulsa Inc.
 - 4.) E.J. Prescott Inc. charges \$23,756.03 for plumbing, water, and flow meter supplies. They are industry-specific and can only be accessed through this vendor. Additionally, they are the preferred vendor of MRW, our water operator. The availability of manufactured parts controls purchasing costs and is always compared against local vendors and FW Webb.
 - 5.) Elite Management Services provides roads and grounds maintenance services for \$76,599.28. The previous administration made a two-year agreement with EMS to familiarize themselves with the campus as the new developer; LDA will put this out for bid as soon as the contract expires in October 2025. We hope to partner with our local municipality since our taxable base is increasing along with our municipal services.
 - 6.) Jason Dionne Industries was awarded the 22-23 contract for roads and grounds but remained until the new vendor could be up to speed. This vendor is no longer operating this service.
 - 7.) Kingsco Transport, costing \$29,552.57, supplied our salt for use on the roads and grounds at the Loring site. Due to its geographical location in New Brunswick, this vendor was more affordable than the municipal rate we were offered. We will continue to monitor costs in the fall and work to ensure price and quality.
 - 8.) Limestone Water & Sewer District incurs a wastewater treatment cost of \$508,307.48, easily our largest annual expense. This originated when the Town of Limestone and Loring, along with the Maine DEP, formed a contract to upgrade the Great Limestone Plant, allowing both organizations to use it. During this process, Loring agreed to pay 80% of the operating costs for the life of the DEP agreement, initially due to the large planned industrial users interested in locating at Loring. When these projects did not materialize, it left Loring paying up to 90% of its operating revenue to the Limestone wastewater. MRW and Loring have reviewed this agreement and proposed options to the Limestone sewer board to help reduce expenses, and we are exploring other options for reductions.
 - 9.) Maine Municipal Employees Health Trust costs \$25,087.38 for health insurance. The previous administration set up this current provider as LDA is a Maine governmental organization; this is the recommended employee healthcare provider for state employees.
 - 10.) Versant Power supplies electricity for \$127,035.58. This vendor has a strong relationship with the LDA. Our administration is reviewing our power footprint with a focus on cost reduction. This is the only service available within 300 miles.
 - 11.) Maine Rural Water charges \$219,342.00 for water operations run by the Maine Rural Water Team. A Class 4 plant operator is required to run the Mad Damn, a surface water treatment plant. This is a two-year contract with an option to extend, and it is the only service available within 300 miles.

- 12.) Mechanical Services, Inc. charges \$14,766.67 for heat system services. They were selected as the company has been servicing the campus with the same staff for 20 years; their institutional knowledge is extremely valuable. Additionally, they are the only vendor that can service some building boiler types due to proprietary industry design.
- 13.) Trombley Industries provides paving services for \$13,628.71. This vendor was selected because of its lower costs compared to other local pavement providers. Only two vendors operate within 300 miles.
- 14.) The Town of Limestone incurs municipal pilot fees and ambulance service dues totaling \$78,150.00. This payment in lieu of taxes is required as Loring continues to develop privately owned businesses and landowners into the tax base. We expect this cost to decrease.
- 15.) Univar Solutions USA Inc. provides water treatment chemicals for \$27,472.71. Prices were checked against EJ Prescott, FW Webb, and others. These chemicals are specific to proprietary industry design and require ordering from an industrial chemical provider. We strive to ensure that the cost model aligns with our budget.

B. A list of all persons to which the entity made contributions greater than \$1,000 in the preceding year and the total amount contributed to each; and

No contributions, which are payments for membership dues and fees, gifts, donations and sponsorships, including those that result in public advertisement of the entity, greater than \$1,000 were made.

C. A description of changes made in the preceding year to the written policies and procedures required by section 12022 or to the procedures used by the governing body to monitor compliance with those policies and procedures.

No changes were made.

I would also note that Loring Development Authority submitted a detailed narrative of the Year of Progress, and we are currently completing a detailed Audit with RHR Smith to submit our financial report for the calendar year 2024 to Governor Janet Mills, consistent with the requirements of 5 MRSA §13083-S.

Sincerely



Jonathan M Judkins
President/ CEO

A. A list of all procurements exceeding \$10,000 in the preceding year for which competitive procurement was waived under the policies adopted pursuant to section 12022, subsection 3, including procurements exceeding \$10,000 that were made under contracts previously entered into for which competitive procurement was not required. The list must include the names of the vendors and costs associated with those procurements.

Vendor	Cost	Description
Allen's Environmental Service's	\$18,417.50	Clear Well Services Specialized Vac Truck Required (Only Service Available for 300 Miles)
Consolidated Communications	\$13,768.26	Phone and Alarm Services (Previous administration - cost-saving transition to Spectrum has begun for some locations, including the LDA Main office)
Dead River Company	\$97,208.30	Propane/gas/diesel (Currently contracted for this upcoming winter but will be seeking bids in July of '25 from other distributors, ie Daigle Oil and Tulsa Inc).
E.J. Prescott Inc.	\$23,756.03	Water and flow meter supplies Availability of Manufactured Parts controls Purchasing cost is always compared to local vendor and FW Webb
Elite Management Services	\$76,599.28	Roads and Grounds Maintenance services (A Previous 2-year agreement was made with the previous administration to familiarize themselves with the campus, as the new developer will be putting it out for bid as soon as the contract expires).
Jason Dionne Industries	\$35,035.61	Roads and Grounds Maintenance services (Previous provider, now being done by Elite Management Services).
Kingsco Transport	\$29,552.57	Road Salt: The cost was compared to municipal pricing (the Only service for the quantity Available for 300 Miles).
Limestone Water & Sewer District	\$508,307.48	Wastewater Treatment (Contractually bound to pay 80% of operating cost for life of DEP agreement)
Maine Municipal Employees Health Trust	\$25,087.38	Health Insurance (currently provide set up by the previous administration as LDA is a Maine governmental organization)
Versant Power	\$127,035.58	Electricity (Only service available for 300 miles)
New England Utility Management Ent LLC	\$219,342.00	Water Operations by the Maine Rural Water Team Class 4 plant operator is required this is a two-year contract with the ability to extend (only service available for 300 miles)
Mechanical Services, Inc.	\$14,766.67	Heat System Services was Selected as the company has been servicing Campus with the same staff for 20 Years; institutional knowledge is extremely valuable as well, and they are the only vendor that can service some of the building boiler types by industry proprietary design
Trombley Industries	\$13,628.71	Paving Services Compared with the other Local Pavement providers lower cost only two within 300 miles
Town of Limestone	\$78,150.00	Municipal PILOT fees and Ambulance Services dues This is the Payment include of Taxes required to the town of Limestone
Univar Solutions USA Inc	\$27,472.71	Water treatment chemicals (chemicals for water district prices checked against EJ Prescott, FW Webb, and others. Chemicals are specific to industry proprietary design).