

## ALA Town Hall Meeting Minutes

3/17/2024, 5:05 pm

### ***A RECORDING OF THIS MEETING IS AVAILABLE***

Board members present are:

- Tad Van Leer
- Chip Stubbs
- Lisa Deweese
- MJ Cullinan
- Charlie Dodge
- Matt Ball
- Peggi Sturmfels

Tad thanked everyone for coming. We have forty-one participants online.

Tad opened the meeting by saying that everyone shares the same goal which is to protect the lake. To do this, we need to take this into consideration and work together to enhance the lake experience. He reinforced that the board is responsible for working for the membership of the ALA. He said that Matt and Charlie would be talking tonight about the dam, and he encouraged everyone to join in and share ideas.

Matt Ball then opened the discussion of the dam with a presentation which can be viewed in the recording of the meeting. He said that three board members, Charlie Dodge and Tad make up the dam committee at this time. He reinforced that the dam committee does not act alone. Matt and Charlie then took a moment to introduce themselves. Matt's background is in investment banking and was recently involved in a transaction of selling a dam. Charlie is a civil engineer and contributes knowledge on planning, design, construction and understanding the operation and conditions of the dam.

Matt then explained the timeline of recent events:

AIM hired an investment banker in 2023 to facilitate the transition of their ownership of structures and water rights to Toddy, Alamoosook and Silver Lakes.

This investment banker then reached out to groups to inform them that they were no longer interested in owning the dams.

Members of the ALA then reached out to form a coalition that included towns such as Orland and Bucksport along with Lake Association such as ALA and the Toddy Pond Association to name a few.

The board set goals to research options that will allow us to make an informed decision and facilitate ownership to a suitable entity, as well as to provide both the coalition and the ALA membership with all options that are available to us as we move forward. The board feels that our job here is to inform members of the risks and rewards of each option.

About the same time that the board started holding meetings to discuss options. AIM sent a non-disclosure agreement (NDA) to the board to sign allowing them to release confidential information about the dam to us. The reason for this on NDA is so that the corporation can share information with us that we need to make informed decisions about the dam, but it may include sensitive information such as tax liabilities and financial information of AIM that they do not want shared.

The NDA is intended to protect shared information from reaching the public and/or AIM's corporate competitors. This means that whatever information they share with the board cannot be shared outside of the board. The information is intended to be shared with us to allow us to make informed decisions.

Susie K asked if this was a customary practice.

Matt responded that he sees thousands of NDAs in his line of work. It is something to protect the companies. Charlie added that he sees them daily as well.

Mary G asked if the ALA members would be able to see the contents of information shared by AIM, as everyone would like to know what is going on.

Matt responded "no." He then went on to explain that whoever signs the NDA can see the info and *only* the people that sign the NDA. He encouraged all members that would like to be involved in knowing the information to join the dam committee. He said that AIM would talk us through the liability and repercussions of a breach. He explained that in AIM's eyes, the chance of such a breach increases with more individuals involved.

Martha asked what is the liability for a breach?

Matt responded that a breach occurs when an individual willfully commits misconduct with privileged information. He said that AIM could take us to court if a breach is committed. He then reinforced that the purpose of signing the NDA from our standpoint is to establish trust and report with AIM.

Martha then asked if the information received by individuals that signed the NDA could be shared with families who were co-owners on the lake. Matt answered no.

Charlie added that the premise of the dam committee with limited members is to get a cross section of individuals who can gather information, assess what the information means, and make recommendations to the association. He encouraged participation in the dam committee if you understand the nuances of the NDA.

Matt then reminded everybody that all who signed the NDA will be liable if there is a breach. The liability will be decided later if and when a breach occurs.

Katie G said that she feels it is important to have a relationship with the Toddy Pond Association.

Tad reported that we have scheduled meetings with TPA, but they are not in favor of signing the NDA. He reports TPA is waiting a bit longer to see how this progresses. He said that the ALA has a policy in place to indemnify members who are acting on behalf of the ALA.

Matt agreed that the TPA is important, however their outlook on this subject is viewed differently than ours. They want to facilitate ownership from one entity to another. Our board feels as though we need all available information to examine and match with the best suitor/owner. Although TPA is not comfortable signing the NDA, the board will do our best to make sure the bond between TPA and ALA is maintained.

Chip S said that he feels that he thinks it is imperative to work with TPA and the town of Orland and wants to know what decision is being made.

Matt said that if we do not sign the NDA, we are limited in what we know for decision making purposes. The decision being made right now is who we should support in dam ownership moving forward.

Charlie added that it is important to Move forward to have input into the fish passage, water level and water quality. He said if we let others make these decisions for us, we are at their mercy.

Mariam T asked if we have considered other entities for the transition?

Tad responded that it is in our interest to get information from AIM to facilitate a sale in such a way that we have a voice.

Matt added that we need to try to find a third party to own the dam. There are many different possibilities. Each interested party will have questions that we cannot answer without the NDA in place. We need to be able to ask the right question based on information shared with us. We do not want ownership to go to someone that does not share our goals.

Mary Jane C added that those who sign the NDA are agreeing to assume the liability for us. The NDA does not prevent developing relationships but allows us to facilitate conversations with interested parties.

Chip then asked if we could talk to Ron Russell who was on the call to share information that he has.

Ron shared that he has made several inquiries. He shared that as far as he can tell that the state will not take ownership of any dam in Maine. The exception is DOT when a highway crosses one. 15 years ago, the state stopped accepting dams. If they do accept, they will take it down. Inland fisheries liaison Scott said they do not accept dams either. He wishes he had better news, but state ownership was not an option.

Matt said that the biggest question that the board gets when talking to potential partners is how much it will cost for maintenance and what condition it is in. This state did a survey that AIM did not agree with and hired their own third party to answer these questions. This is the kind of information we will get after signing the NDA.

Katie G asked If we do not decide today about the NDA, can we wait until we have a potential owner to sign it because they will want the information too.

Matt explained that anyone can sign on as a joiner if we feel they are possible owners- it does not cut us out in the process. However, if another party signs the NDA before us, we could get cut out. This puts us in a bad position.

Ken M asked if we have access to the state report.

Matt answered yes. He could send it out.

Tad added that with the NDA the other thing that we learn is what covenants there are and what water rights AIM has.

Ron added that if there is not an owner that ignores the dam there is a process for the Lake Association to move forward and maintain water levels.

Matt reinforced that tonight the purpose was to share info and to clear up any rumors-the board is not looking to own the dam.

Mary and AL M said the membership needs time to think about it.

Katie G said that we have had water level agreement with all past owners and that this is important for whoever ends up owning the dam.

Chip said that he is 100% against owning the dam. Because of the NDA, he has stepped off the dam committee. He feels strongly that is important to keep relationships with and work with the watershed coalition.

Tad responded that we have an Orland resident going to the coalition meetings and reporting back to the board.

Amy N thanked the board for holding the meeting and says she feels the NDA is important. She asked who the potential suitors were.

Matt responded that We do not have any primary suitors at this time that. He explained that we have approached towns, the Downeast Salmon Federation, and others, but are not excited about one yet. Is important to make sure whatever group it is has the financial ability to maintain the dam.

Charlie added that we have covered all we needed to share to keep everybody working towards the same goal, but that we do need everyone's support and thanked everyone for joining.

Martha said that she knows the board has the best interest of the association at heart, but that an agenda must be given for meetings especially if members are expected to vote.

Matt encouraged everyone to reach out to make sure that to get the facts and not believe the false info that is floating around. He reinforced that the board would continue to explore all ideas. He, Tad, and Charlie have put their contact information in the chat so you can contact them directly. He added that we have looked at alternative ownerships including options that will make us front runners for grants or even municipal bonds that might increase taxes, but that we will not obligate the ALA to money or risk without membership input. He shared that the board has spoken with a group that can help us to explore options after we find out what we need. None of these solutions are preferred currently but just options. For instance, the DFS's main interests are fish ladders and sustainability so if we talk to them, we need to make sure they will always maintain lake levels.

Charlie reiterated that now is the time to get involved and help. He reminded everyone that we cannot just sit around and hope it works out in our favor.

Tad made a motion to fill vacant board positions with April Giard and Susie Kinter. Charlie seconded the motion.

Martha objected to a vote at this time since several people had left the meeting.

Chip reminded everyone that membership runs January 1<sup>st</sup> to December 31<sup>st</sup> according to the bylaws, and that dues paid apply to the year in which they were paid. He said we need to amend the bylaws. The current bylaws state that membership dues must be paid to vote.

Fred B asked what the board's intent was with the NDA-to go ahead individually or were we waiting on a vote?

Matt responded that the board wants membership support and that we could set up another time to vote on it.

Tad asked Fred what his issues were.

Fred responded that he wondered what would happen with our relationship with TPA if they do not sign it and we do.

Tad responded that TPA is comfortable with ALA signing the NDA they just are not comfortable sending it themselves.

Fred said that he wants to feel like members have an active role.

Matt said that is what the board wants too. He said that according to the bylaws, the board does not need approval from the membership to move forward with this, but we are seeking it out because we want it.

Miriam said that the NDA is an obstacle. She says the board has been transparent, but members are concerned and want to know what the process will be after the NDA is signed.

Matt said if the NDA is signed, we will get things such as AIM's liability information, repair reports, balance sheets including their budget and the geo technical report. The committee would then communicate the info that they had received in general terms, just not the details or the actual documents. We can answer questions in this format and be clear and answer simply that we cannot share that information if it is protected. Our purpose is to represent the membership. The dam committee may have a difference of opinion on options.

Miriam asked if we were asking for dam committee members.

Matt responded yes.

Tad asked Katie for answers to the questions that had been sent prior to the meeting on water quality.

Katie responded that nothing has changed drastically- that the flushing rates have not changed since the mill stopped operation. She responded that she would send out a link to a lake stewards

of Maine website because a lot of the answers could be found there. She said that climate change is responsible for more plant life. She also reminded us that it is imperative that we do not pull native plants out of the lake.

Charlie made a motion to adjourn the meeting.

An email will be sent to the membership with a notice of the next meeting.

Respectfully submitted by Lisa Deweese

03/18/2024.