

Islesboro Economic Sustainability Corporation – Board Meeting

Monday September 19th, 2022 - 3:30PM - Town Office and via Zoom

Join Zoom Meeting

<https://us06web.zoom.us/j/84364026673?pwd=eUIXSmtERm5jQVpoWloxUSvaFFMUT09>

Meeting ID: 843 6402 6673

Passcode: 451153

Dial by your location

- +1 312 626 6799 US (Chicago)
- +1 646 931 3860 US
- +1 929 205 6099 US (New York)
- +1 301 715 8592 US (Washington DC)
- +1 309 205 3325 US
- +1 669 444 9171 US
- +1 669 900 6833 US (San Jose)
- +1 719 359 4580 US
- +1 253 215 8782 US (Tacoma)
- +1 346 248 7799 US (Houston)
- +1 386 347 5053 US
- +1 564 217 2000 US

Agenda (Board Book Materials Will be Posted on www.sustain04848.com prior to Meeting)

- All Participants on Call to Mute Their Lines
- Call to Order, Establish Quorum & Determine that everyone can hear and be heard.
- Opening Comments – Roger Heinen
- Approve Minutes August 4th, 2022 Board Meeting & August 16th Executive Comm Meeting - *attached*
- Recurring Reports & Topics
 - Financial Reports
- Business:
 - FY23 Auditor Engagement Letter – *attached*
 - *Action: Review/Discuss/Vote*
 - 111-113-115 Main Property Discussion – Tom Tutor to Lead
 - House and Market Building Maintenance Work
 - Right of Way for Boardman Rd and Parking 2 Option
 - *Action: Determine Who/What/When re Further Activity*
 - HVAC Bid – *attached*
 - *Action: Review/Discuss/Vote*
 - Standby Generator Bid – *attached*
 - *Action: Review/Discuss/Vote*
 - ~~○ Continue Discussion re Investment Policy *attached*~~
 - ~~▪ *Action: Determine Who/What/When re Further Activity*~~
- Other Business?
- Wrap Up Comments
- Adjourn

Islesboro Economic Sustainability Corporation
August 4, 2022

Agenda

- All participants on call to mute their lines
- Call to order, establish quorum and determine that everyone can hear and be heard
 - *Board members present: Heinen, Tutor, Hughes, Wherren, Chiles, Jones. Absent were Anderson, Pendleton and Provey*
 - *Public attendees: Bill, Michael, Rick and Carol Boardman (Eileen Boardman remotely), Sky Purdy, Laura and Michael Giardino via Zoom*
- Opening comments – Roger Heinen
- Approve minutes of July 18, 2022 – *Moved to approve – Jones; seconded – Chiles. Unanimous approval by show of hands*
- Recurring reports and topics – *none as less than one month since last meeting.*
- 111-113-115 Main Property discussion
 - Update on house and market building maintenance work
 - *Waiting for CDC letter clearing lead contamination issue at the house*
 - *Superior Restoration scheduled to clean ductwork beginning in the basements and to clean the rest of the house on 8-11.*
 - *Roofing work in progress*
 - *HVAC at the market – Wherren reported that drawings are ready to submit to the Planning Board when it meets at the end of August. Tutor to send advance notification to abutters*
 - *Michael and Laura Giardino presented new layout for market building stairways, bathroom, truck loading area and support to the outside freezer. Sky Purdy has reviewed and approved the basic plan.*
 - *Heinen moved to approve the plan and put it out for bid, with Tutor and Wherren responsible for supplying necessary documentation to the Planning Board. Motion seconded by Jones. Unanimous approval by show of hands.*
 - Right of Way for Boardman Road
 - *Heinen presented current status, including an aerial view of how the road had been used in 1992, and results of the survey performed for MacDougall on July 28*
 - *Landmark survey for IESC is scheduled for mid-August*
 - *Based on 4-5 discussions between Heinen and Jones and IESC outside counsel, Heinen proposed:*
 - *Accept the right-of-way as deeded*
 - *Work around that for design of parking and road use*
 - *Implement the redesigned plan prepared by the Giardinos, which includes a retaining wall on the south side and no change to the parking for fueling*
 - *A discussion ensued regarding restrictions created by existing fuel lines, grading and leveling, signage and landscaping, plowing considerations*

and safe pedestrian access from the parking lot to the store. An open question is whether Planning Board approval is required.

- *Motion by Heinen: Purdy, Wherren and Tutor to complete the plan and (pending survey confirmation of the right-of-way) put it out for bid, including paving and landscaping; with board to approve at a future meeting. Seconded by Chiles. Unanimous approval by show of hands.*
- Surveillance cameras
 - *Moved by tutor, seconded by Jones to accept the bid from Seacoast Security. Hughes questioned whether IESC should pay full cost, and Heinen stated that Purdy was willing to share the cost. Discussion pointed out that the plan is in accordance with Town policy and that cameras have been installed at the garage and market for many years. Motion unanimously approved by show of hands.*
- Investment policy
 - *Discussion concerning amount of fund that should be allocated to cash and the appropriate term length of approved investments. Recommended that Hughes consult with Schwab regarding other policies governing investments by municipalities. Agreed to review policy changes at next board meeting.*

Moved and seconded to adjourn at 11:38 am.

Islesboro Economic Sustainability Corporation – Executive Committee Meeting

Tuesday August 16th, 2022 at 10:30AM - Town Office and via Zoom

Agenda (Posted on www.sustain04848.com)

All Participants on Call to Mute Their Lines

- Roger Heinen, Tom Tutor, Bonnie Hughes attended – a quorum of the executive committee.
 - Sky Purdy attended as a guest
- Call to Order, Establish Quorum & Determine that everyone can hear and be heard.
- Opening Comments – Roger Heinen
 - *The purpose of this meeting is to discuss the status of the market property house. How will we get it cleaned and ready to be rented? Will it every be suitable for a family with young children?*
- Business:
 - 111-113-115 Main Property Discussion – Tom Tutor to Lead
 - Discuss House and Lead paint Remediation, Cleaning & Testing
 - Update Market Building Maintenance Work
 - HVAC & Rear Deck Proposal to Planning Board
 - *Tom lead the discussion. House was inspected by the state reps. Informally we were told it passed. The invoice for the inspection has not been paid by Earl Grindle and no formal report is available until it is paid. Superior was hired to do a wet wipe deep clean of the house on August 10th. Sky subsequently did informal wipe tests that showed lead dust still present especially in the attic space. Sky remains concerned that the house is not appropriately cleaned for his family though it is convenient etc. Possible renters were discussed. House condition re the state might be termed “limbo”.*
 - *Discussion ensued. 1. IESC is not responsible for the inspection invoice. 2) Tom will arrange for a re-test. 3) Purdy’s will find another place to live that will provide a longer-term stable solution for them. 4) IESC will seek to get the house cleaned and satisfactorily inspected to make it rentable.*
- Other Business?
- Wrap Up Comments
- Adjourn

Islesboro Economic Sustainability Corporation
Balance Sheet
As of August 31, 2022

ASSETS

Current Assets

Checking (5715)	236,401
MoneyMarket (5798)	168,229
Charles Schwab	787,873
Investment Clearing	2,718

Total Current Assets **1,195,221**

Fixed Assets

Accumulated Depreciation	(13,263)
Garage - 115 Main Road	56,539
House - 111 Main Road	167,007
Island Market Building	222,387
Land - 111/113/115 Main Road	116,992

Total Fixed Assets **549,662**

Notes Receivable 103,157

TOTAL ASSETS **1,848,040**

LIABILITIES AND EQUITY

Liabilities

Horch Roofing (balance due) 7,576

Equity

Retained Earnings	1,874,120
Net Income	(33,656)

TOTAL LIABILITIES AND EQUITY **1,848,040**

Islesboro Economic Sustainability Corporation

Income by Category

July 2021 - June 2022

	GARAGE	HOUSE	ISLAND MARKET	LOANS	NOT SPECIFIED	TOTAL
Income						
Donations					485,059.36	\$485,059.36
Interest Earned				341.48	2,837.81	\$3,179.29
Investment Earnings					4,066.84	\$4,066.84
Rental Income	100.00	5,400.00	16,900.00			\$22,400.00
Total Income	\$100.00	\$5,400.00	\$16,900.00	\$341.48	\$491,964.01	\$514,705.49
GROSS PROFIT	\$100.00	\$5,400.00	\$16,900.00	\$341.48	\$491,964.01	\$514,705.49
Expenses						
Change in FMV of Investments					17,004.39	\$17,004.39
Depreciation	780.00	3,458.00	4,604.00			\$8,842.00
Insurance		264.00			7,601.35	\$7,865.35
Legal & Professional Services		95.00			6,830.00	\$6,925.00
Office Supplies & Software					860.00	\$860.00
Other Business Expenses					443.28	\$443.28
Property Tax	688.58	3,741.80	2,707.51			\$7,137.89
Rent & Lease		4,200.00				\$4,200.00
Repairs & Maintenance		73,642.18	658.24			\$74,300.42
Utilities	179.96	85.89				\$265.85
Total Expenses	\$1,648.54	\$85,486.87	\$7,969.75	\$0.00	\$32,739.02	\$127,844.18
NET OPERATING INCOME	\$ (1,548.54)	\$ (80,086.87)	\$8,930.25	\$341.48	\$459,224.99	\$386,861.31
NET INCOME	\$ (1,548.54)	\$ (80,086.87)	\$8,930.25	\$341.48	\$459,224.99	\$386,861.31

Islesboro Economic Sustainability Corporation
Outstanding Loan Balances
August 31, 2022

Dustin Reidy	9,932.98
John Apelquist	29,317.60
Kim Grindle	25,534.04
Loony Mahan	24,176.69
Silas Babbidge	14,195.75
TOTAL	103,157.06

Berry·Talbot·Royer

CERTIFIED PUBLIC ACCOUNTANTS



August 31, 2022

To the Board of Directors
Islesboro Economic Sustainability Corporation
150 Main Street
Islesboro, Maine 04848

The following represents our understanding of the services we are to provide Islesboro Economic Sustainability Corporation (the Corporation).

You have requested that we audit the business-type activities of the Corporation, which comprise the statements of net position as of June 30, 2022, and the related statements of revenues, expenses, and changes in net position and statements of cash flows for the year then ended and the related notes, which collectively comprise the Corporation's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP), as promulgated by the Governmental Accounting Standards Board (GASB) require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of this engagement, we will apply certain limited procedures to the required supplemental information (RSI) in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). These limited procedures will primarily consist of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any assurance on the RSI. This RSI is required by U. S. GAAP and will be subjected to certain limited procedures but will not be audited:

Management's Discussion and Analysis

Auditor Responsibilities

We will conduct our audit in accordance with GAAS. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

Islesboro Economic Sustainability Corporation

August 31, 2022

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- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

Marc R. Roy, CPA is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Berry Talbot Royer's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Corporation's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
 - i. Access to all information of which management is aware of that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit;
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
 - iv. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
 - v. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
- d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
- e. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
- f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;

Islesboro Economic Sustainability Corporation

August 31, 2022

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- h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- i. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- j. For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

Nonattest Services

We will also assist in drafting the Corporation's financial statements and related notes in conformity with U.S. generally accepted accounting principles based on information provided by you. With respect to any nonattest services we perform, the Corporation's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities. We will not assume management responsibilities on behalf of the Corporation. However, we will provide advice and recommendations to assist the Corporation's management in performing its responsibilities.

Reporting

We will issue a written report upon completion of our audit of Islesboro Economic Sustainability Corporation's basic financial statements. Our report will be addressed to the governing body of Islesboro Economic Sustainability Corporation. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance.

Other Matters

Engagement Fees

Fees for our services will be \$7,500 for the audit. Our fees are contingent upon anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Fees may be billed as we make progress on the engagement. Our invoices for these fees are payable on presentation.

In the event that this account becomes past due and Berry Talbot Royer, a collection agency, and/or an attorney seeks to collect such past due amount, then, in addition the amount past due, the Corporation shall pay to Berry Talbot Royer all collection costs, attorney's fees, court costs, or fees incurred by Berry Talbot Royer in order to recover past due amounts owed by the Corporation, together with interest up to the maximum rate allowed by law.

Islesboro Economic Sustainability Corporation

August 31, 2022

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You acknowledge and agree that we are not required to continue work in the event of your failure to pay on a timely basis for services rendered as required by this engagement letter. You further acknowledge and agree that in the event we stop work or withdraw from this engagement as a result of your failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable to you for any damages that occur as a result of our ceasing to render services. Our services will conclude upon delivery of our auditor's report, as discussed above or upon our suspension of services or resignation from the engagement.

By your signature below, you acknowledge and agree that, upon the expiration of the seven-year period, we shall be free to destroy our records related to this engagement.

Additional Services

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fee. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Ethical Conflicts

In the unlikely event that circumstances occur, which we believe could create a conflict with either the ethical standards of our firm or the ethical standards of our profession in continuing our engagement, we may suspend our services until a satisfactory resolution can be achieved, or we may resign from the engagement without issuing our auditor's report. We will notify you of such conflicts as soon as practicable, and will discuss with you any possible means of resolving them prior to suspending our services.

Electronic Communications

In the interest of facilitating our services to the Corporation, we may communicate through various electronic media. Such communications may include information that is confidential to the Corporation. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent and consent to our use of these electronic media during this engagement.

Requests for Documents or Testimony

In the event we are requested or authorized by you, or are required by governmental regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagement with the Corporation, you will, so long as we are not party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

Indemnification

The Corporation hereby indemnifies Berry Talbot Royer and its directors and employees and holds them harmless from all claims, liabilities, losses, and costs arising in circumstances where there has been knowing misrepresentation by a member of the Corporation's management, regardless of whether such person was acting in the Corporation's interest. This indemnification will survive termination of this letter.

Islesboro Economic Sustainability Corporation
August 31, 2022
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Dispute Resolution

Berry Talbot Royer and the Corporation hereby agree that any dispute (other than our efforts to collect an outstanding invoice) that may arise regarding the meaning, performance, or enforcement of this engagement or any prior engagement that we have performed for you, will, prior to resorting to litigation, be submitted to mediation, and that both parties will engage in the mediation process in good faith once a written request to mediate has been given by either party to the engagement. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by both parties.

Limitation of Liability

In recognition of the relative risks and benefits of this agreement to both the Corporation and Berry Talbot Royer, both parties have discussed and have agreed on the fair allocation of risk between them. As such, the Corporation agrees, to the fullest extent permitted by law, to limit the liability of Berry Talbot Royer to the Corporation for any and all claims, losses, costs, and damages of any nature whatsoever, so that the total aggregate liability of Berry Talbot Royer to the Corporation shall not exceed Berry Talbot Royer's total fee for services rendered under this agreement.

The Corporation and Berry Talbot Royer intend and agree that this limitation apply to any and all liability or cause of action against Berry Talbot Royer, however alleged or arising, unless otherwise prohibited by law. Both parties agree that there is a one-year limitation period to bring a claim against Berry Talbot Royer for any act arising out of services rendered pursuant to this agreement by or on behalf of the Corporation. The one-year period will begin upon the date of Berry Talbot Royer's completion of this engagement.

We appreciate the opportunity to continue to be of service to Islesboro Economic Sustainability Corporation and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy, and return it to us.

Very truly yours,



Berry Talbot Royer
Certified Public Accountants
Falmouth, Maine

RESPONSE

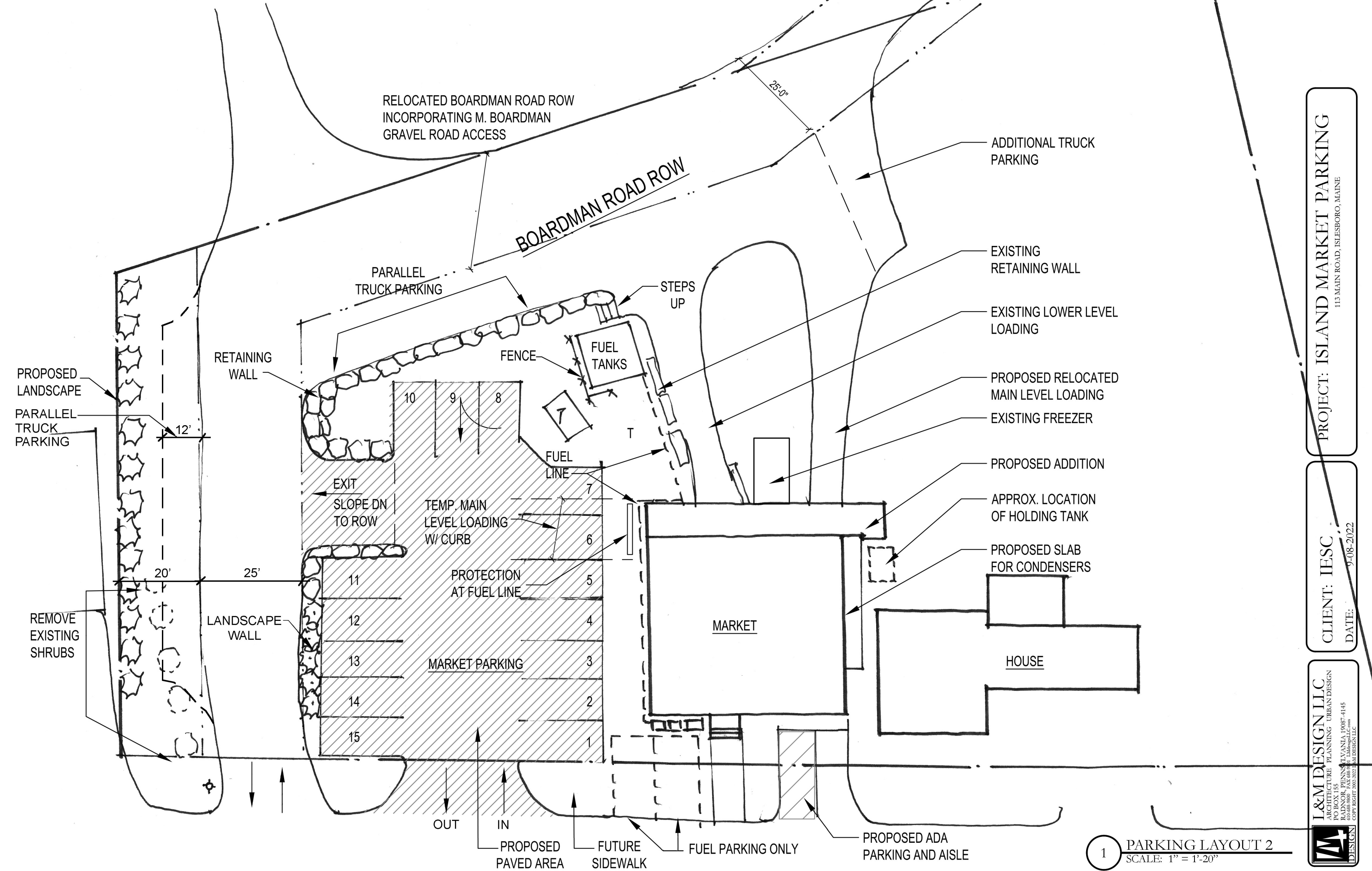
This letter correctly sets forth the understanding of Islesboro Economic Sustainability Corporation.

Management signature: _____

Title: _____

chair

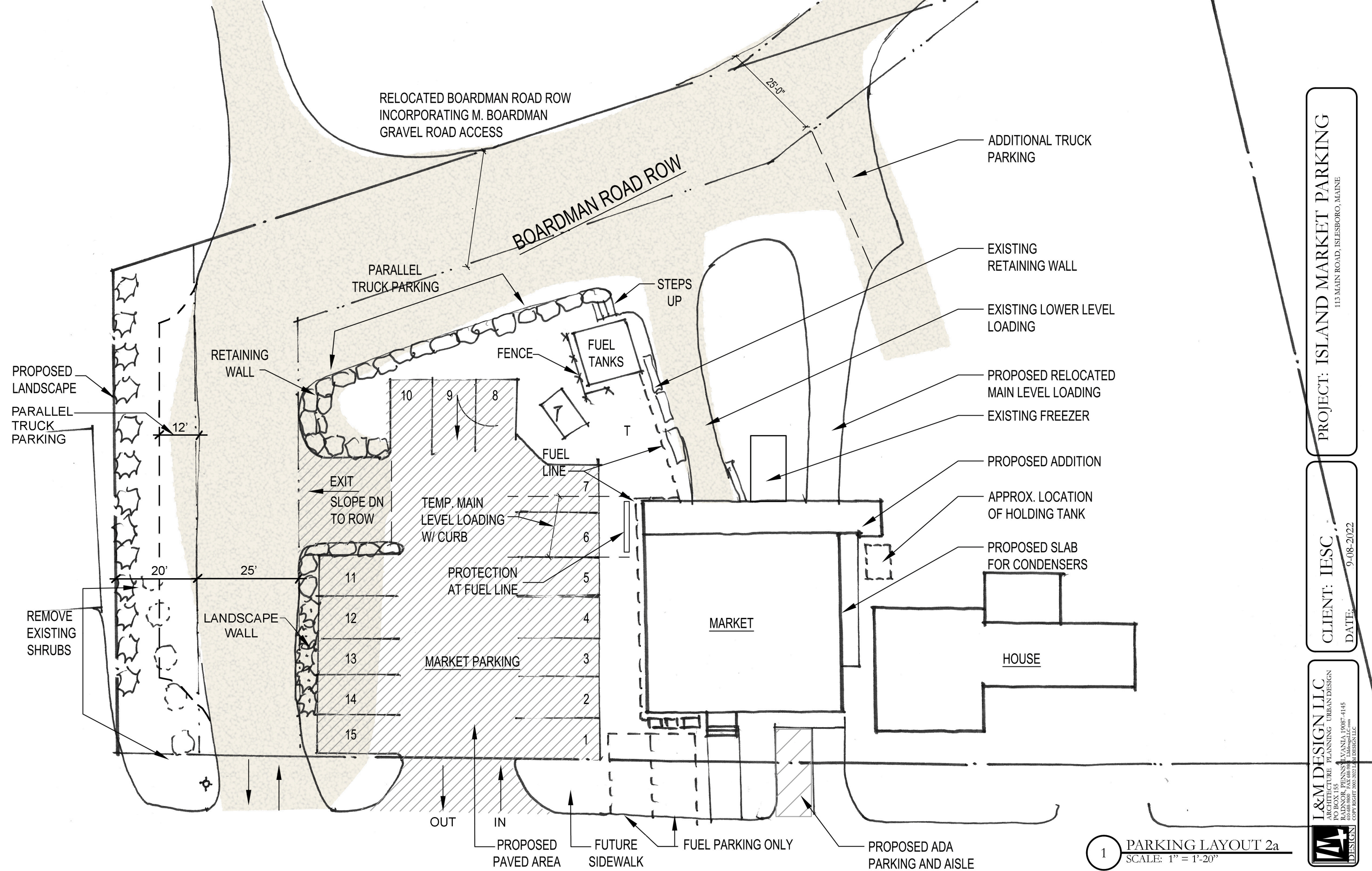
Date: _____



PROJECT: ISLAND MARKET PARKING
113 MAIN ROAD, ISLESBORO, MAINE

CLIENT: IESC
DATE: 9-08-2022

L&M DESIGN LLC
ARCHITECTURE PLANNING URBAN DESIGN
PO BOX 155
RADNOR, PENNSYLVANIA 19087-4145
610.688.9800 FAX 610.688.9801
COPY RIGHT 2002 L&M DESIGN LLC



PROJECT: ISLAND MARKET PARKING
113 MAIN ROAD, ISLESBORO, MAINE

CLIENT: IESC
DATE: 9-08-2022

L&M DESIGN LLC
ARCHITECTURE PLANNING URBAN DESIGN
PO BOX 155
RADNOR, PENNSYLVANIA 19087-4145
610-688-9800 FAX 610-688-9801
L&Mdesignllc.com
COPYRIGHT 2002-2022 L&M DESIGN LLC

1 PARKING LAYOUT 2a
SCALE: 1" = 1'-20"



Mid-Coast Energy Systems, Inc.
33 Midcoast Rd., P.O. Box 1118
Damariscotta, ME 04543
207.563.5147
www.midcoastenergysystems.com

To: Island Market
113 Main Rd
Islesboro, ME 04848
207-734-6672

Quote # 219655
Location: 113 Main Rd, Islesboro
Email: wherren@hotmail.com
Date: 9-13-22

We hereby submit specifications and estimates for:

Central Heating/Cooling & a Mini Split

This proposal includes the supplying and installation of two complete ducting central heat and cooling air to air heat pump systems and a single zone ductless mini split to cover all of the first floor of the Island Market. The design consists of a 3 ton system for the heating and cooling of the main areas of the store with the air handler and all of the ducting to be in the attic space, a 1.5 ton system for the heating and cooling of the addition with the air handler located in the basement at the basement foundation wall where the addition is connected with all ducting running under the addition, and a single zone mini split system with the indoor unit in the kitchen area primarily for additional cooling to that hot spot.

Our scope of work includes the delivery and placement of the three outdoor units right next to the building (exact locations for each to be determined), the installation of the two air handler units with one in the attic, on in the basement adjacent to the addition crawl space, and the mini split indoor unit to be located on the right side of the building on exterior wall in the kitchen area. The outdoor unit for the kitchen will be located to the right side of the building but has to be at least 5' from LP gas storage tanks. All three outdoor units will be placed on 24" high stands placed on composite pads placed on a bed of crushed stone.

Ducting for the store includes 7 supplies and two returns, supply and return plenum, and ceiling grilles all located in the attic with air filters in the return grilles for ease of changing on the filters from below in mind. The ducting for the addition includes 4 supplies and 1 return, supply and return plenum, and a filter box at the air handler unit with all ducting to be run in the crawl space under the addition and floor grilles.

We will supply and install two wireless controllers set up as room temperature sensors (thermostats) with one each to control the two air handler units. The exact locations of these thermostats will be determined at the time of installation. The mini split comes with a hand-held remote controller with the temperature sensor built into the indoor unit via an integral room temperature averaging system.

The ducted systems specified above will provide 100% of the heating needs of this building down to an outdoor temperature of about 4°F. We size heat loss calculations for the store's geographical area to an outdoor temperature of -6°F. The heat pumps alone can not provide enough heat at the colder outdoor temperatures. For that reason, our proposal includes the installation of an 8 kW electric duct heater integral to each air handler to make up the difference when needed. **IMPORTANT NOTE: Additional insulation in the attic will bring the design temperature down below 4°F which will make the heat pumps more capable of providing 100% of the heat needed and the need for the electric booster heater would, therefore, be less.**



Mid-Coast Energy Systems, Inc.
33 Midcoast Rd., P.O. Box 1118
Damariscotta, ME 04543
207.563.5147
www.midcoastenergysystems.com

Our scope of work includes the running of condensate drain lines from the two air handler units and from the indoor unit of the mini split system.

We will install all of the required power circuits required for the systems specified and run the wires and install weatherproof disconnects at each outdoor unit. The required circuited breakers will in installed in the generator selected circuit automatic switch panel (please see separate generator installation proposal).

Quote total \$59,066

Main components:

Store:

Mitsubishi hyper heat 3 ton condenser.....SUZ-KA36NAHZ
Mitsubishi 3 ton multi positional air handler unit.....SVZ-KP36NA
Mitsubishi 8 kW electric ducted booster heater.....EH08-SVZ-M
Mitsubishi wireless controller.....MHK2

Addition:

Mitsubishi hyper heat 1.5 ton condenser.....SUZ-KA18NAHZ.TH
Mitsubishi 1.5 ton multi positional air handler unit.....SVZ-KP18NA
Mitsubishi 8 kW electric ducted booster heater.....EH08-SVZ-M
Mitsubishi wireless controller.....MHK2

Kitchen:

Mitsubishi mini split condenser.....MUZ-FS12NA
Mitsubishi mini split indoor wall mounted unit.....MSZ-FS12NA

NOTES:

A work platform for the air handler in the attic and walkway from the hatch to air handler will need to be built by others and, the air handler located in the attic needs to be in a "conditioned" space. Which means a small insulated room or insulated box will need to be built to house the air handler. In other words, the air handler unit needs to be within the insulated envelope of the building.

Thank you for the opportunity to present this proposal. If you wish to proceed with this installation please sign one copy of this proposal form and return it to this office with a **\$20,673** deposit. Upon receipt, your contract will be placed in process and deposit credit to your account.



Mid-Coast Energy Systems, Inc.
33 Midcoast Rd., P.O. Box 1118
Damariscotta, ME 04543
207.563.5147
www.midcoastenergysystems.com

To: Island Market
113 Main Rd
Islesboro, ME 04848
207-734-6672

Quote # 219655
Location: 113 Main Rd, Islesboro
Email: wherren@hotmail.com
Date: 9-13-22

X Fixed Price Contract: \$59,066

Payment to be made as follows:

35% DOWN - MONTHLY PROGRESS PAYMENTS. BALANCE DUE ON COMPLETION NET 30 DAYS
1.5% INTEREST RATE WILL BE APPLIED MONTHLY FOR PAYMENTS PAST 30 DAYS

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Our workers are fully covered by Workers' Compensation Insurance. Up to 25% restocking fee and shipping/handling charges will be charged for all special ordered materials should this agreement be breached by the customer after a deposit has been received.

1. **Warranties:** MCES warrants that the Work will be free from faulty materials, constructed according to the standards of the building code applicable for the location of the Work, constructed in a skillful manner, and fit for habitation and/or suitable for its intended purpose. The warranty rights and remedies set forth in the Maine Uniform Commercial Code apply to this contract.
2. **Resolution of Disputes:** (Optional) If a dispute arises over the interpretation of any term or condition of this Contract or the performance of either MCES or Customer, MCES or Customer may, but are not required to, agree to settle the dispute by one of the following methods:
 - A. Binding Arbitration as regulated by the Maine Uniform Arbitration Act, with MCES and Customer accept as final the arbitrator's decision
Agreed _____
 - B. Non-binding Arbitration with MCES and Customer free to not accept the arbitrator's decision and to pursue the remedy by any other available means, including civil lawsuit.
Agreed _____
 - C. Mediation, with MCES and Customer agreeing to enter into good faith negotiations through a neutral mediator in order to attempt to resolve their dispute.
Agreed _____
 - D. None of the above, with MCES and Customer free to pursue any and all legal and equitable remedies against the other to address and resolve their dispute.
Agreed _____
3. **Change Orders.** Any alteration or deviation from the above contractual specifications that involve extra cost shall be performed by MCES only upon execution by MCES and Customer of a written change order in a form to be provided by MCES for this purpose.
4. **Responsibility:** MCES shall not be responsible for damage to a persons or property occasioned by Customer or his agents, third parties, acts of God or other causes beyond the control of MCES. Customer shall hold MCES completely harmless from, and shall indemnify contractor for, all costs, damages, losses and expenses, including judgment and attorney's fees, resulting from claims arising from any cause or causes described in this Section 2.
5. **Customer Insurance:** At all times during and until completion of the Work and at the Customer's own cost and expense, Customer shall obtain, maintain and provide proof if upon request by MCES such as fire, tornado and other insurance as MCES, in its sole discretion, may require for performance of the Work.
6. **Entire Agreement: Amendments:** Except as expressly provided for in Sections 1 through 3 above, this Contract embodies the entire and complete understanding of MCES and Customer and may not be changed except by a separate written agreement, duly executed by both MCES and Customer.
7. **Breach of Contract:** Subject to Sections 2 (A) – (C) above, if applicable, MCES and Customer reserve any legal and equitable rights redress to a breach of any term or conditions of the Contract by the other.
8. **Choice of Law:** Interpretation of any term or condition of this Agreement shall be made in accordance with applicable Maine law.
9. **Contract Acceptance:**

Authorized Signature Richard Gross Note: This proposal may be withdrawn by us if not accepted within 15 days.

ACCEPTANCE OF PROPOSAL - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. This proposal is valid for 15 days.

Signature: _____ Date of Acceptance: _____



Mid-Coast Energy Systems, Inc.
33 Midcoast Rd., P.O. Box 1118
Damariscotta, ME 04543
207.563.5147
www.midcoastenergysystems.com

To: Island Market
113 Main Rd
Islesboro, ME 04848
207-734-6672

Quote # 218392
Location: 113 Main Rd
Email: wherren@hotmail.com
Date: 9-13-22

We hereby submit specifications and estimates for:

RESIDENTIAL STAND-BY GENERATOR PROPOSAL

GENERATOR: Provide and install a Generac RG03015ANAX 30 kW liquid cooled automatic stand-by commercial generator with an extreme cold weather kit and a battery. Unit is equipped with a concrete pad and will be installed on a crushed stone base. Generator unit will be located back right corner of the building as faced from the street. The exact location is to be determined. The generator can be as close as 18" from the building but has to be at least 5' from any opening (door, window....) and at least 10' from LP gas storage tanks. The quote total shown below assumes the generator is no more than 10' from the building. It can be further away but there may be additional costs in materials and labor. We will do the trenching for the electrical conduit and backfill with the removed material. Seeding and/or landscaping would be by others.

TRANSFER SWITCH: Provide and install a RXG425HA1 200 amp single phase 42 space selected circuit automatic transfer switch. The switch will be mounted on plywood backer board mounted beside the 2 existing breaker panels in the basement. We will load the new heat pump circuits into this switch along with whatever circuits are chosen by store management as their top priorities. The heat pumps (as specified on a separate proposal) will need 10 spaces which will leave 32 spaces open for store use. During a power outage the transfer switch will deliver power from the generator to these circuits only.

WIRING: All required electrical wiring from the generator unit to the panel will be done according to manufacturer's recommendations and practices in compliance with the 2020 National Electrical Code.

FUEL SUPPLY: Charges from your L.P. Gas supplier for tanks, installation and hook-up are not included in the price quoted above. Coordination of the propane installation is the responsibility of the home owner.

Quote total \$34,646

Thank you for the opportunity to provide you with this proposal. If you wish to proceed with the above installation please sign this proposal form and return it to our office with a 50% deposit to secure your installation date. The remaining balance will be broken down as follows: 40% is due on completion of the installation of the generator, and the remaining 10% is due after fuel is connected to the generator and the final start-up procedure is completed.

Initial: _____



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Damariscotta, ME 04543
207.563.5147
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To: Island Market
113 Main Rd
Islesboro, ME 04848
207-734-6672

Quote # 218392
Location: 113 Main Rd
Email: wherren@hotmail.com
Date: 9-13-22

____ Approximate cost of Labor & Materials (+/-): \$

X Fixed Price Contract: **\$34,646**

Payment to be made as follows:

50% DOWN - MONTHLY PROGRESS PAMENTENTS. BALANCE DUE ON COMPLETION NET 30 DAYS
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Signature: _____ Date of Acceptance: _____