

**Minutes**  
**RREDC Executive Committee**  
**July 9, 2009**

- I. Call to Order:** Chair Sherman Schapiro called the meeting to order at 4:05 p.m. a quorum was present.  
**Members Present:** Helen Edwards, Tyler Holmes, Sherman Schapiro, Frank Scolari  
**Members Absent:** Jill Duffy, Bruce Rupp  
**Staff Present:** Virginia Fisher, Laurie Forman, Bonnie Smoller
- II. Approval of Agenda for July 9, 2009 and the Minutes of May 21, 2009, June 1, 2009, June 8, 2009, June 22, 2009:** The agenda and the minutes listed above were approved as presented. **M/S/P: Edwards/Scolari**
- III. Public Input – for non-agenda items**  
None
- IV. Old Business**  
**A. Update from Audit Committee:** From the RFP's sent to accounting firms, one response was received from David L. Moonie & Co. The Audit Committee will make their recommendation to the Board of Directors at the July 30, 2009 meeting.
- V. New Business**  
**A. Loan Approval or Denial: Travis & Holly Smith dba T.I. Smith Electric**  
The RREDC Loan Committee unanimously recommended approval for this loan at the July 7, 2009 meeting. Travis and Holly Smith are the owners of T.I. Smith Electric (TISE). The loan request is for \$30,000 line of credit (LOC) to provide working capital for the next 12 months. This would be an EDA loan with a fixed interest rate of 10%.  
TISE has two executed contracts with the Klamath-Trinity Joint Unified School District to retrofit lighting at Trinity Valley and Hoopa Elementary schools. Both jobs will begin in summer and are to be completed by fall 2009. The LOC will cover upfront materials, prevailing wage labor and lodging.  
Repayment for this loan will be from Klamath Unified School District and the Redwood Coast Energy Authority (RCEA) in checks made payable to both RREDC and TISE. This guarantees repayment of the loan balance.
- The Loan Committee approval was contingent on three additional conditions. 1) verification of workers compensation insurance, 2) disbursement for the first project will be up to the amount of the rebate from RCEA (\$13,992); the LOC must be paid to zero before the disbursement for the second project is made (up to \$28,553), 3) Lender will verify that funds are available and that no warrants will be issued in lieu of cash.  
A motion was made to approve this loan, with the additional conditions, as presented. **M/S/P: Holmes/Edwards**

- V. **B. LOC Renewal: JAZ Kidz Inc.** This request is to approve a one-year extension of their existing \$150,000 LOC from July 6, 2009 to July 6, 2010. Borrower's current balance is \$20,000. Per the State of California borrowers are required to have access to three-months operating expenses to comply with their state licensing agreement.  
A motion was made to approve this request as presented. **M/S/P: Scolari/Edwards**
- C. Change in Terms: Fern Valley Goats:** This change-in-terms would extend the loan Fern Valley has with the Farm Service Agency (FSA) from 15 months to 36 months. The request originated with Belle Davis, loan manager for FSA.  
Fern Valley Goats (FVG) continues to recover from challenges faced in fall/winter of 2008/09. Restructuring the loan to 36 months will allow FVG to continue to make interest-only payments until May 1, 2010, when principal & interest payments will begin. The loan will mature on Dec. 1, 2011.  
To allow the borrower to start paying into the principal earlier than May 2010, Lender is approved to work with the borrower on a payment structure that allows a reasonable transition from interest-only to regular payments.  
It was moved to approve this request as presented, with the option for a restructured payment plan. **M/S/P: Edwards/Holmes**
- D. Request to Approve Additional Service Agreement with Mead & Hunt:** In order to close out the Delta Airlines project it's likely RREDC will continue to need assistance from Mead & Hunt Inc., air service consultants.  
On July 6, 2009 RREDC received a proposal for additional services from Mead & Hunt, for an amount not to exceed \$6,000.  
As the services this agreement covers directly relates to the County of Humboldt Aviation Division, it was proposed that sharing the cost of this service would be reasonable. Jacqueline Hulsey, airport manager has been sent a copy of the proposal. This matter will be brought to the board at the July 30 meeting. No action taken.

- VI. **Adjourn**  
The meeting was adjourned at 5:00 p.m.