

Minutes
RREDC Executive Committee
October 6, 2009

- I. Call to Order:** Chair Sherman Schapiro called the meeting to order at 4:06 p.m. a quorum was present.
Members Present: Tyler Holmes, Bruce Rupp, Sherman Schapiro, Frank Scolari
Members Absent: Jill Duffy, Helen Edwards
Staff Present: Gregg Foster, Virginia Fisher
- II. Approval of Agenda for October 6, 2009 and the Minutes of August 13, 2009:** Approved as written. **M/S/P: Holmes/Scolari**
- III. Public Input** – for non-agenda items
None
- IV. Old Business**
None
- V. New Business**
- A. Loan Approval or Denial:** Kenneth E. Gossard: This loan was recommended for approval by the RREDC Loan Committee at their September 29, 2009 meeting. Kenneth Gossard is a commercial fisherman who has received a Carl Moyer Grant Award from the North Coast Unified Air Quality Management District (NCUAQMD). The purpose of the grant program is to fund replacement of older gross polluting engines and machinery with new, cleaner than required ones. This includes engines for commercial fishing vessels. The terms of the grant are that the work must be completed and paid for before funds are reimbursed to the recipient. The work needs to be completed by the Dec. 1, 2009 start of crab season.
- This loan request is for \$58,400 to purchase and install a new engine in a commercial fishing vessel, “The Persistent”. This would be a 90-day term loan (LOC), EDA, at 10% fixed rate. \$58,400 is 80% of the cost of the engine and installation. Borrower is contributing \$17,663 of his own money.
- The loan will be collateralized by a lien on F/V “The Persistent” through a U.S. Coast Guard Homeland Security filing and a UCC-1 filing on the vessel and any or all business assets. **M/S/P: Holmes/Rupp**
- B. Defaulted Loan Update and Consideration of Actions:** Michael and Debbie Stussi dba Mike’s Baits: Borrowers have two loans with RREDC; both loans are in default. A motion was made to authorize staff to send a declaration of default to borrowers. **M/S/P: Rupp/Scolari**
- C. Consideration of Declaration of Loan Default: J.R. Stephens Co.:** This loan has been in the 60-day range since April 2009. Staff has been consistent in communicating the status of the loan to

the borrower. Borrower is experiencing cash flow problems due to late receivables. Borrower promised the loan would be made current by September 1, 2009, however no check was received. Staff met with borrower and his accountant on September 17, 2009 where payment was promised by September 30, 2009. No payment was received on September 30, resulting in the loan becoming 90 days in arrears on October 1, 2009.

It was moved that staff contact the borrower and request that the three payments be made by in October 2009. **M/S/P: Scolari/Rupp**

D. Consideration of Selection of RREDC Counsel: A motion was made to approve staff to formalize an agreement with Paul Brisso, of the law firm of Mitchell, Brisso, Delaney and Vrieze, for on-call legal services. **M/S/P: Holmes/Scolari**

VII. Adjourn

The meeting was adjourned at 4:40 p.m.