

**Redwood Region Economic Development Commission  
EXECUTIVE COMMITTEE  
Monday, May 23, 2011  
6:00 p.m.  
Minutes**

**I. Call to Order**

Chair Mike Wilson called the meeting to order at 6:04 p.m.

**Members Present:** Julie Fulkerson, Tyler Holmes, Mark Lovelace, Frank Scolari, Mike Wilson

**Absent:** Bruce Rupp

**Staff Present:** Gregg Foster, Bonnie Smoller

**II. Approval of Agenda and Minutes**

**M/S/P: Scolari/Wilson to approve agenda and the minutes of May 4, 2011.**

**III. Public Input** – for non-agenda items

None

**IV. Old Business**

None

**V. New Business**

**A. Loan Approval or Denial: McClellan Mountain Spring Water:** On May 23, 2011 the RREDC Loan Committee unanimously recommended approval for this loan.

This request is for \$250,000 to upgrade the bottling line and provide working capital. The term is 25 years fully amortized, due in ten years, at 10% fixed interest.

Collateral is a first deed-of-trust on the production facility located at 1301 Fay Avenue, Samoa and a UCC1 filing on fixtures and equipment. Personal guarantors are Robert Wortherspoon, Mark Wortherspoon and Reggie Osburn.

MMSW bottles water from a natural spring located near Bridgeville, CA which is owned by the Robert H. and Joy A. Wortherspoon Trust. It is transported to the plant in Samoa, CA where it is bottled into individual and gallon size bottles. Most of the product is sold outside of Humboldt County. Improved bottling capability will let them increase production and better compete in the lucrative private label market.

The loan committee added conditions for approval: a credit report, CPA/EA prepared 2010 tax return, verification of liquid assets and signed personal financial statement for Robert Wortherspoon.

**M/S/P: Holmes/Wilson to approve the loan as presented.** Passed unanimously.

**VI. Adjourn**

The meeting adjourned at 6:25 p.m.