

**Minutes
Meeting of the Board of Directors
August 27, 2012**

I. Call to Order

Chair Mike Wilson called the meeting to order at 6:31 p.m.

Present: Julie Fulkerson, Tyler Holmes, Nancy Koke, Mark Lovelace, Ken Mierzwa, Mike Newman, John Rogers, Bruce Rupp, Sherman Schapiro, Frank Scolari, Alex Stillman, Bill Wennerholm, Mike Wilson

Absent: Dendra Dengler, Richard Dorn, Bud Leonard, Mike Losey

Guests: Nick Angeloff, Jan Kraepelien, Pete Oringer

Staff Present: Don Ehnebuske, Virginia Fisher, Bonnie Smoller

II. Approval of Agenda and Minutes

M/S/P: Rupp/Holmes to approve the August 27, 2012 board agenda.

M/S/P: Lovelace/Newman to approve the July 23, 2012 board minutes.

Both motions passed unanimously.

III. Public Input – for non-agenda items

None

IV. Program: Nick Angeloff, East-West Rail Line

Mr. Angeloff talked about the proposed rail line between Humboldt County and the Sacramento valley, where it would connect to the national rail system. Supporters of the project state the advantages of having an east-west connection to spur economic development through rail-to-port activity.

Supporters of the project are looking for funds to conduct a feasibility study to identify potential routes and siting issues as well as market potential.

V. Financial Reports

A. Acceptance of Agency-wide Financial Reports: July 31, 2012

M/S/P: Rupp/Schapiro to accept reports as presented. Motion passed unanimously.

VI. Reports – no action required

A. **Loan Portfolio Report. July 31, 2012:** information only.

B. **Executive Director Report:** the report was given in writing.

C. **Executive Committee minutes of May 21, 2012:** information only.

VII. Old Business

A. Consideration of Introducing Changes to the By-Laws of the Commission to Increase Membership of the Executive Committee from Six to Seven Members

These are the suggested changes to Section 1, Article IV of the By-Laws.

ARTICLE IV – COMMITTEES

Section 1. Executive Committee The Executive Committee will consist of ~~six~~ *seven* (~~6~~) (*7*) voting members. The Chair, Vice-Chair, and Immediate Past-Chair, of the Commission will also act in that capacity on this committee; ~~three~~ *four* at-large

members will be elected from the Board of Directors. Terms of the office of the ~~three~~ *four* at-large members shall be three (3) years and should be staggered for continuity. Selection of the at-large members will be held at a regularly scheduled Commission meeting and subject to established quorum and voting procedures. Alternate Members of the Board of Directors shall not serve on the Executive Committee. Alternate Members cannot serve on the Executive Committee in the absence of the appointed Executive Committee member.

In the case of the resignation, removal, or death of member of the Executive Committee, the Board of Directors may appoint a replacement from the Board of Directors for the unexpired term of that member.

The Executive Committee is empowered by the Commission to act in its behalf on necessary business matters between Commission meetings; however, it is not to supersede the Commission on any previously approved and/or rejected actions.

The Executive Committee will: (1) undertake the hiring, review, replacement and/or other actions with respect to the Executive Director, subject to consultation with and confirmation of the Board of Directors; (2) act as the final screening group of all business loan applications; (3) undertake other authority as delegated by the Board of Directors.

A quorum of Executive Committee shall be four (4) members. All matters before the Executive Committee, except approval of loans recommended for denial by the Loan Committee, shall require a majority vote of the members present. Approval of loan requests that have been recommended for denial by the Loan Committee shall require four (4) affirmative votes of the Executive Committee

Here are the requirements for amending the By-Laws.

ARTICLE V – AMENDMENTS

Section 1. Amendments to By-Laws The By-Laws of the Board of Directors of the commission shall be amended only with the approval of at least ten (10) members of the Board of Directors of the Commission at a regular or special meeting.

Amendments to By-Laws shall be introduced at a regular meeting of the Board of Directors. Proposed amendments to the By-Laws shall be circulated to all members of the Board of Directors for review. Action on the proposed amendment may be made at the first regular meeting of the Board of Directors following its introduction.

Recommended Action: Approve Introduction of Changes to Section 1, Article IV of the Commission By-Laws as stated above.

M/S/P: Rupp/Stillman to approve introduction of the proposed change to the by-laws.

Motion passed unanimously. This item will be brought to the board at the September meeting for adoption.

B. Air Service Update

RREDC was successful in obtaining the \$750,000 Dept. of Transportation (DOT) Small Community Air Service Program grant to be used to attract additional air service. These funds can be combined with the \$250,000 Headwaters Fund (HWF) Community Challenge grant to create a Minimum Revenue Guarantee (MRG) of \$1,000,000 when additional community funds are raised to match the HWF grant.

The HWF grant and the DOT grant must be approved by the Board of Supervisors before August 31, 2012.

VIII. New Business

A. November/December Meeting Schedule

November and December board meetings are often cancelled because the fourth Monday conflicts with a holiday. **M/S/P: Stillman/Rupp moved to schedule board of director meetings for November 19 and December 17, 2012.** Motion passed unanimously.

B. Nomination for Board Position on Loan Committee

Sherman Schapiro recently asked to resign from the loan committee due to conflicts with his work schedule. The group was asked to nominate someone from the board to serve as one of the three board representatives on the loan committee. **M/S/P: Schapiro/Fulkerson to nominate Alex Stillman to serve the remainder of Mr. Schapiro's term on the committee.** Motion passed unanimously.

IX. Member Reports: Humboldt Bay Harbor District, City of Arcata

X. Agenda item requests for September 24, 2012 meeting: 1. A request to invite local small business owners to give first hand accounts of their successes and challenges. 2. Adoption of the change to the by-laws increasing number of Executive Committee members.

XI. Adjourn: the meeting adjourned at 8:28 p.m.

Respectfully submitted:

Bonnie Smoller, Recorder

Mike Wilson, Chair