

Minutes
RREDC Loan Committee
July 7, 2009

Present: Jennifer Budwig, Helen Edwards, Scott Pesch, Frank Scolari, Sherman Schapiro, Liana Simpson, Phil Sullivan

Absent: Dan Sweet

Staff Present: Virginia Fisher, Laurie Forman, Bonnie Smoller

I. Call to Order

Chair Scott Pesch called the meeting to order at 4:00 p.m. A quorum was present.

II. Approval of Agenda and Minutes

The agenda and the minutes of December 2, 2008 were approved as presented. **M/S: Edwards/Schapiro**

III. Public Input

None

IV. Old Business

None

V. New Business

A. Loan Approval or Denial: Travis & Holly Smith dba T.I. Smith Electric: Travis and Holly Smith are the owners of T.I. Smith Electric (TISE). The loan request is for a \$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%. This loan was referred by Dan Sweet of Coast Central Credit Union.

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.

A motion was made to approve recommendation of this loan to the RREDC Executive Committee with the following conditions: 1) borrowers to have a blanket workers comp policy in addition to Express Personnel, 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 \$28,555), 3. Lender will verify that funds are available and that no vouchers/warrants will be issued in lieu of cash. **M/S/P: Scolari/Schapiro**

B. Committee Business

1. Election of Chair and Vice Chair for 2009: As this was the first meeting of the Loan Committee in 2009, a new Chair and Vice Chair were selected.

It was recommended that members from financial institutions should not serve as chair/vice chair because each institution has two representatives who rotate attendance at meetings, depending on their availability.

Scott Pesch volunteered to continue as Loan Committee chair and Liana Simpson volunteered to serve as vice chair. It was moved to approve Mr. Pesch and Ms. Simpson as chair and vice chair of the RREDC Loan Committee. Their terms will be from July 7, 2009 until March 1, 2010. **M/S/P: Schapiro/Sullivan**

2. Loan Committee Vacancies: Currently there are two vacancies on the Loan Committee; one in the small business category and the member-at-large position. A decision was made to not actively recruit new members at this time. Recruitment can take place on a continuing basis; applications are available for anyone interested in being considered for the committee.

VI. Adjourn

The meeting was adjourned at 4:52 p.m.