

**Headwaters Fund Board Meeting Minutes**  
**February 21<sup>st</sup>, 2020 – 12:00 p.m.- 3:00 p.m.**  
**Prosperity Center, 520 E Street, Eureka, CA 95501**

**MEMBERS PRESENT:** Jenna Catsos, Chuck Ellsworth, Carl Hansen, Dianna Rios, Bruce Rupp, Greg Seiler, Elizabeth Cameron (via phone)

**MEMBERS ABSENT:** N/A

**OTHERS PRESENT:** Kenny Spain, Ryan Heitz, Catherine Carter, Aowyn Crailhardt, David Rodrigues, Mandy Mager, Nate Adams, Joe Davis, Heidi Benzonelli, Mark Weller, Larry Oetker

Item #	Action	Pass/Fail
1	Approve 02-07-2020 meeting minutes with modification	Pass
2	Amend minutes from 12-10-19 meeting	Pass
3	Review and vote on Loleta Community Service District mini-grant request	
4	Final Board Review and Selection of Competitive Grant Application Awards: Recommend the Board of Supervisors approve the requested amount of \$34,700 for the Hoopa Valley Tribe	Pass
5	Final Board Review and Selection of Competitive Grant Application Awards: Recommend the Board of Supervisors approve the requested amount of \$18,825 for the Westside Community Improvement Association	Pass
6	Final Board Review and Selection of Competitive Grant Application Awards: Recommend the Board of Supervisors approve the grant request for \$65,000 with \$35,000 being matched with funds currently identified in the Harbor District's application. The additional \$30,000 would be a challenge grant that requires having to be matched with at least \$30,000 from the EDA (US Economic Development Administration) and at least \$30,000 from private sector sources. The chair tabled the motion until after all the other applications were discussed.	Pass
7	Final Board Review and Selection of Competitive Grant Application Awards: Recommend the Board of Supervisors approve the remaining funds, in the amount of \$11,475, be awarded to the City of Blue Lake	Pass
8	Cancellation of March meeting	Pass

**1. Opening**

Chair Carl Hansen called the meeting to order at 12:03 pm. A quorum was present.

a. Approval of February 7<sup>th</sup>, 2020 Minutes

It was moved by Chuck Ellsworth and seconded by Elizabeth Cameron to approve the February 7<sup>th</sup>, 2020 minutes.

b. Report out on meetings attended

Elizabeth Cameron mentioned she had discussed the upcoming Economic Development meeting with Susan Seaman.

**2. Amend minutes from December 10<sup>th</sup> meeting**

It was determined by staff after listening to the meeting minutes from December 10<sup>th</sup>, 2019 that the minutes did not reflect what was said in the recording. The motion by Bruce Rupp on the Greater Eureka Chamber mini grant request was to provide funding contingent upon funding

being required and on a last-in basis following the chambers reporting of final enrollment, revenues, and costs for the project.

It was moved by Jenna Catsos and seconded by Elizabeth Cameron that the meeting minutes be amended to reflect the recording. Chair called for public comment – none received. Motion carried unanimously.

### **3. Review and vote on Loleta Community Service District Mini-grant Request**

The Loleta Community Services District asked for a \$5,000 mini grant to help fund their purchase of a generator. David Rodriguez, a representative for the Loleta Community Services District, explained that having a generator will make the community less vulnerable to potential PSPS events. The board agreed that the Loleta Community Service District's request was straightforward.

It was moved by Dianna Rios and seconded by Bruce Rupp to grant \$5,000 to the Loleta Community Service District. Chair called for public comment – none received. Motion carried unanimously.

### **4. Discuss alternative funding opportunities through CIF/RLF Loan/Grant opportunities for competitive grant applicants**

The board discussed the potential for incorporating CIF/RLF loan/grant opportunities as a suggestion to applicants in the competitive grant round. The board had questions about how this would fit into current and future spending plans. They also wanted clarification on if it would be acceptable for the board to suggest this option to grant applicants.

The board felt it could be a good option for future grant rounds, but they would want to include it in the spending plan, with considerations of how it would affect the corpus.

### **5. Final Board Review and Selection of Competitive Grant Application Awards**

- Greg Seiler could not stay for the entire meeting, but he wanted to give his input before the final grant funding was decided. It had not yet been determined if Greg Seiler's term on the board had ended, so Kenny Spain advised that another board member make any motions he wanted on the table.
- The board decided to start deliberations with the highest scoring grant application, the Hoopa Valley Tribe. The Hoopa Valley Tribe adjusted their original ask to include only the costs of equipment, \$34,700. Jenna Catsos expressed her appreciation for the adjustment of the Hoopa Valley Tribe's request.

Board members had questions about granting the money to a for-profit business. Kenny Spain explained that the money would be granted to the tribe, which is separate from the enterprise. The board also had concerns about the use of old growth trees and a representative from the Hoopa Valley Tribe explained that they are looking to move away from old growth and use material that would be otherwise wasted.

It was moved by Jenna Catsos and seconded by Dianna Rios to recommend that the Board of Supervisors approve the requested amount of \$34,700 for the Hoopa Valley Tribe. Chair called for public comment – none received. Motion carried. Ayes – Jenna Catsos, Chuck Ellsworth, Carl Hansen, Dianna Rios, Bruce Rupp, Elizabeth Cameron. Nays – Greg Seiler.

- The board then discussed the second highest scoring grant application, which was the Westside Community Improvement Association. Bruce Rupp noted that the program supports opportunity and future growth. Greg Seiler also mentioned the past success of the Jefferson Project. Dianna Rios stated that she would like to fund the project, but at a lower rate. It was moved by Bruce Rupp and seconded by Chuck Ellsworth to recommend that the Board of Supervisors approve the requested amount of \$18,825 for the Westside Community Improvement Association. Chair called for public comment – none received. Motion carried. Ayes – Jenna Catsos, Chuck Ellsworth, Carl Hansen, Greg Seiler, Bruce Rupp, Elizabeth Cameron. Nays – Dianna Rios.

- The next grant application the board discussed was the third highest ranking, the Humboldt Bay Harbor, Recreation and Conservation District (HBHRCD). At this point, because a significant portion of the funds had already been allocated, the board decided to discuss each of the remaining grant applications, then make decisions for funding. The board discussed that they could potentially lend HBHRCD the money in the form of a \$65,000 CIF loan. Larry Oetker, a representative for the HBHRCD, said they already have a high debt-to-income ratio, and they are not looking to take on any additional debt at this time. Bruce Rupp and Jenna Catsos noted that this is a critical project for the area. Greg Seiler suggested that the funds be issued in the form of a challenge grant with \$35,000 being matched with funds identified in the grant application, and the remaining \$30,000 would be a challenge grant that requires being matched with at least \$30,000 from the EDA and \$30,000 from the private sector.

It was moved by Elizabeth Cameron and seconded by Jenna Catsos to approve the grant request for \$65,000 with \$35,000 being matched with funds currently identified in the Harbor District's application. The additional \$30,000 would be a challenge grant that requires having to be matched with at least \$30,000 from the EDA (US Economic Development Administration) and at least \$30,000 from private sector sources. The chair tabled the motion until after all the other applications were discussed.

- The board recognized that if they were to fully fund the HBHRCD project, there would be \$11,475 outstanding for the three remaining applicants.
- Ryan Heitz explained that Humboldt NeuroHealth adjusted their original ask to \$16,000, to cover only the costs of training. The board acknowledged the value of Humboldt NeuroHealth's mission. It was suggested that Humboldt NeuroHealth come back for the next grant round in July. Bruce Rupp asked Nate Adams, a representative for REEL (the Humboldt-Del Norte Film Commission), if the \$11,475 would be useful for the FAM Tour 2020. Nate explained that this amount wasn't enough to help with the tour. He also explained that the Humboldt-Del Norte Film Commission is working with a tight schedule and their ideal timing for the tour would be this Fall.

The board asked Mandy Mager, a representative from Blue Lake, if the \$11,475 would be beneficial to their project and she explained that any amount of funding would be useful. She also stated that the city of Blue Lake is flexible, and they are willing to come back for the next competitive grant round.

- After the discussion the board revisited the tabled motion made by Elizabeth Cameron and seconded by Jenna Catsos. The chair called for public comment – none received. The motion carried unanimously.
- It was moved by Bruce Rupp and seconded by Chuck Ellsworth to recommend to the Board of Supervisors that the remaining funds, in the amount of \$11,475, be awarded to the City of Blue Lake. Chair called for public comment – none received. Motion carried unanimously.

#### **6. Set the next meeting date**

The board decided to cancel the March meeting and resume in April on the regularly scheduled meeting date.

It was moved by Chuck Ellsworth and seconded by Jenna Catsos to cancel the March meeting. Chair called for public comment – none received. Motion carried unanimously.

#### **7. Staff and Board updates**

The board commented on the improvements in the scoring rubric but noted it could still be improved. Kenny Spain stated that the spending plan will be discussed during the April meeting. He also asked the board to consider increasing the mini-grant allocation to \$25,000 or \$30,000 in their recommendation to the Board of Supervisors.

#### **8. Adjourn**

Chair Carl Hansen adjourned the meeting at 2:58 p.m.

The next meeting will be Tuesday, April 14<sup>th</sup>, 2020 from 1:30 to 4:00 p.m.