

**Headwaters Fund Board Meeting Minutes  
January 8, 2019 – 12:15-2:45 p.m.  
Prosperity Center, 520 E Street, Eureka**

**MEMBERS PRESENT:** Elizabeth Cameron, Chuck Ellsworth, Carl Hansen, Dianna Rios, Bruce Rupp, Greg Seiler, Buzz Webb

**MEMBERS ABSENT:** None

**OTHERS PRESENT:** Scott Frazer, Erin Dunn, Karen Brooks, Gregg Foster, Ross Welch, Scott Adair, Kenny Spain, Debbie Damiano

Item #	Action	Pass/Fail
1	Approve November 13, 2018 minutes as written	Pass
2	Appoint Ellsworth/Rios to 2019 Chair/Vice Chair nomination committee	Pass
4	Extend grant round application deadline to March 29, 2019	Pass
4	Broadly advertise grant round and commit to attending add'l meetings	Pass
5	Accept year-end financial report w/corrections/modifications	Pass
6	Appoint Seiler (primary) and Rios (secondary) to CEDS Strategy Comm	Pass

**1. Opening**

Chair Chuck Ellsworth called the meeting to order at 12:15p.m. A quorum was present. Introductions were made around the room.

It was moved by Carl Hansen and seconded by Bruce Rupp to approve the November 13, 2018 draft minutes as written. Motion carried with Elizabeth Cameron and Chuck Ellsworth abstaining.

Chair called for public comment on non-agenda items. The following comments were made:

- Ross Welch from Arcata Economic Development Corporation provided information about their revolving loan balance and upcoming loans.
- Karen Brooks provided information on the upcoming Innovate Business Challenge.
- Scott Frazer commented on the closed Headwaters Fund Community Investment Grant to the Humboldt Bay Harbor, Recreation and Conservation District for the mariculture expansion project.
- Gregg Foster from Redwood Region Economic Development Commission provided information on the LA flight; traffic was up overall the past year.

Members reported out on meetings attended as follows:

- Buzz Webb attended the reception to introduce Scott Adair, Economic Development Director, and Cody Roggatz, Director of Aviation.

**2. Election of Board Officers for Calendar Year 2019**

The Chair and Vice Chair terms will expire in March 2019. The by-laws call for the current Chair and a past Chair will serve as the nominating committee. It was moved by Greg Seiler and seconded by Buzz Webb to appoint Chuck Ellsworth and Dianna Rios to the nominating committee. Motion carried unanimously.

**3. Rescheduling February 2019 Board Meeting due to Holiday**

The February meeting falls on a county holiday (Lincoln's Birthday). It was the consensus of the board to reschedule the meeting to Tuesday, February 19, 2019. Dianna Rios requested the election of officers agenda item be one of the first topics on February's agenda since she will have to leave the meeting early.

**4. Staff Request to Extend Competitive Grant Application Deadline to March 29, 2019**

Staff reported the notice of the grant round went out later than expected and is therefore requesting the deadline date be extended in order to give more time to help ensure quality applications. It was moved by Dianna Rios and seconded by Elizabeth Cameron to extend the application deadline to March 29, 2019. During discussion, a concern was raised that extending the deadline may result in the funding not being awarded in the current fiscal year. It was recommended additional meetings be held in order to make the awards this fiscal year. It was also recommended to broaden the communication plan when announcing grant rounds to ensure it is effective. Chair called the question. Motion carried with Greg Seiler opposing.

It was moved by Bruce Rupp and seconded by Buzz Webb to broadly advise the public as to the availability of the grant, and to put on record the board is committed to meeting more frequently in order to ensure the awards are made this fiscal year. Motion carried with Carl Hansen opposing.

**5. Year End Financial Report – Revised Format**

Greg Seiler and Kenny Spain met to revise the form to bring it back to its original intent. After review, the following corrections/modifications were suggested:

- Page 3, the AEDC Fees need to be carried over to the Total column.
- Page 1, the Actual to Date amount should be \$487,146 and the Unallocated Funds should be \$164,850
- It was suggested a line be added to the report to track contingencies

It was moved by Greg Seiler and seconded by Carl Hansen to accept the report with the corrections/modifications discussed. Motion carried unanimously.

## **6. Comprehensive Economic Development Strategy (CEDS), Economic Development Administration (EDA) Approval, and Appointment of Headwaters Fund Board Member and Alternate to CEDS Strategy Committee**

Staff reported the EDA reviewed and approved the 2018 CEDS on December 18, 2018. In order to encourage dialogue between the public and private sectors and develop a more coordinated regional approach in implementing the CEDS, a CEDS Strategy Committee was formed. Staff is requesting a Headwaters Fund Board member (and an alternate) be appointed to serve on the committee. It was moved by Buzz Webb and seconded by Carl Hansen to appoint Greg Seiler as the primary member and Dianna Rios as the alternate. Motion carried unanimously.

## **7. Staff and Board Updates**

Staff reported the following:

- The \$1.8 million loan to Southern Humboldt Community Healthcare District has been further delayed due to the Federal shutdown. Since there will be a significant amount of time that will elapse since approval to funding, RREDC will require updated financial statements from the district once they have a firm date for the transaction. RREDC will prepare a memo summarizing any changes that he may find during the updated review.
- Scott Adair has requested the board consider whether or not they consider it necessary to have an Executive Director as opposed to having just staff assigned for board support. Scott will be at the February meeting to discuss the topic in greater detail and listen to the board's input.

## **8. Adjourn**

Chair Ellsworth adjourned the meeting at 2:55p.m.

Next Meeting: February 19, 2019