

Headwaters Fund Board Meeting Minutes
April 28th, 2020 3:00 pm – 5:00 pm
Held Remotely via Zoom Web Conferencing

MEMBERS PRESENT: Bruce Rupp – Eureka, Dianna Rios – Fortuna, Chuck Ellsworth – Eureka, Jenna Catsos – Eureka, Carl Hansen – Ferndale, Elizabeth Cameron – Eureka

All Board Members and Staff attended remotely in accordance with Gov. Newsom's Executive Order N-29-20 (March 17th, 2020).

MEMBERS ABSENT: N/A

OTHERS PRESENT: Brenna Fulks, Ryan Heitz, Catherine Carter, Ken Bates, Patrick Cleary

Item #	Action	Pass/Fail
1	Approve 04-14-2020 meeting minutes with modification	Pass
2	Request to the Board of Supervisors that an allocation, from the current budget, of 100,000 be awarded to the HAF to support the Covid-19 relief fund.	Fail
3	Request to the Board of Supervisors that an allocation, from the current budget, of \$125,000 be awarded to the HAF to support the Covid-19 relief fund.	Pass
4	Review emergency grant round proposal by staff to determine whether to make a Recommendation to Board of Supervisors to have an emergency competitive grant round, or other funding option, due to COVID-19 pandemic	Pass

1. Opening

Chair Bruce Rupp called the meeting to order at 3:03 pm. A quorum was present.

- a. Roll call, including member location
Board members stated their name and where they were located.
- b. Approval of April 14th, 2020 Minutes
It was moved by Elizabeth Cameron and seconded by Jenna Catsos to approve the April 14th meeting minutes. Chair called for public comment – none received. Motion carried. Ayes – Bruce Rupp, Dianna Rios, Chuck Ellsworth, Jenna Catsos, Elizabeth Cameron
Abstain – Carl Hansen
- c. Public comment on non-agenda items.
No public comment.

d. Report out on meetings attended

Elizabeth Cameron mentioned she met with the superintendent of the Humboldt County Office of Education about the priorities and preparation for the upcoming school year.

2. Board to discuss Recommendation to Board of Supervisors for HWF to participate with Humboldt Area Foundation and the Wild River Community Fund efforts through their Covid-19 Regional Response Fund

Patrick Cleary, the Director of Community Prosperity and Investments from the Humboldt Area Foundation (HAF), spoke about the grant funding through the HAF. He stated that the HAF has raised close to 1 million dollars since the pandemic started. He explained that the HAF fund is broad and they spread beyond Humboldt County. Patrick also suggested bringing grants to the HWF that met the HWF board's specific criteria.

The board discussed how much funding should be given to the HAF and whether that funding should come only from the current fiscal year, or if next year's funding could be used as well. The board decided to only consider using funding from the current fiscal year. Based on the spending plan and considerations for future grant rounds, the board discussed granting either \$100,000, \$125,000 or \$145,000 to the HAF.

It was moved by Carl Hansen and seconded by Chuck Ellsworth to request to the Board of Supervisors that an allocation, from the current budget, of 100,000 be awarded to the HAF to support the Covid-19 relief fund. Ayes – Carl Hansen, Chuck Ellsworth, Nays – Bruce Rupp, Jenna Catsos, Elizabeth Cameron, Abstain – Dianna Rios. Chair called for public comment – none received. Motion failed.

It was moved by Dianna Rios and seconded by Jenna Catsos to request to the Board of Supervisors that an allocation, from the current budget, of \$125,000 be awarded to the HAF to support the Covid-19 relief fund. Ayes – Dianna Rios, Bruce Rupp, Jenna Catsos, Elizabeth Cameron, Nays – Carl Hansen, Chuck Ellsworth. Chair asked for public comment – none received. Motion carried.

The board then discussed defining the criteria for use of these funds. The board determined that the following criteria should be met to lend Headwaters' funds:

1. The funds need to be granted to Humboldt County organizations
2. \$10,000 is the maximum HWF contribution
3. The funds are used for direct costs/support to address urgent needs

It was moved by Carl Hansen and seconded by Jenna Catsos to set criteria for the Headwaters grants that will be awarded through the HAF. The criteria limit the maximum award of Headwaters funds to \$10,000 for any grant. The grant recipients need to be Humboldt County non-profits or public organizations that meet the criteria

of the HWF and are in good standing. Lastly, the funds should go to direct costs, not administrative or overhead costs. The HWF will not ask for a subcommittee for review, but they would like the HAF to provide a report on the grants. Chair asked for public comment – none received. Motion carried unanimously.

3. Board to review emergency grant round proposal by staff to determine whether to make a Recommendation to Board of Supervisors to have an emergency competitive grant round, or other funding option, due to COVID-19 pandemic

The board determined that they should postpone any future grant rounds until there is a better understanding of the economics of the next fiscal year.

It was moved by Carl Hansen and seconded by Chuck Ellsworth that the board postpone future grant rounds until there is an opportunity to do a needs analysis and a financial analysis for the upcoming fiscal year. Motion carried unanimously.

4. Staff and Board updates

Ryan Heitz mentioned that he has been talking with Jane, from AEDC, and Virginia, from RREDC, about their loan deferments for April and May. Ryan explained that because of these deferments the HWF will be seeing reduced revenue in the 4th quarter. Carl Hansen asked about the interest on these deferred loans, and Ryan clarified that they are still accruing interest.

Ryan also gave an update about the PPP loans. He stated that AEDC and RREDC around 6 million dollars going to Covid-19 related loans now. Carl Hansen asked about when the federal dollars would be coming in to offset the loans. Ryan said that Ross, from AEDC, anticipated that it would be around three months before the federal funding came in.

5. Adjourn

Chair Bruce Rupp adjourned the meeting at 4:27 pm.

Next Meeting – Tuesday, May 12th, 2020 1:30 pm – 4:00 pm