

**MINUTES OF THE OCTOBER 12, 2016  
SIERRA ECONOMIC DEVELOPMENT CORPORATION (SEDCorp)  
BOARD OF DIRECTORS MEETING**

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*Members Present:* Maryann Argyres, Patricia Borelli, Kim Douglass, Howard Levine, Diann Patton, William Seiffert, Jon Gregory, Ed Scofield, Kathie Pacileo-Jenkins

*Members Absent:* Jennifer Montgomery, Shiva Frentzen, Matt Spokely, Dale vanDam

*Staff Present:* Randy Wagner/President & CEO, Kelley Selvy, Loan Administrative Asstant.

*Guests Present:* Alison Barratt-Green/Nevada County Legal Counsel

**MINUTES**

**1. Flag Salute**

The October 12, 2016 meeting of the Sierra Economic Development Corporation Board of Directors was called to order at 12:40 p.m. by SEDCorp Chair, Howard Levine, at the Auburn City Hall 1225 Lincoln Way, Auburn.

**2. Roll Call**

A quorum was present

**3. Guest Introduction**

The guest in attendance was introduced

**4. Old Business**

**1. Action - Adopt Agenda**

A motion was made and seconded (Borelli, Patton) and it was unanimously approved to adopt the agenda as presented.

**2. Action – Adopt Past Meeting Minutes**

A motion was made and seconded (Borelli, Scofield) and it was unanimously approved to accept the Past Minutes as presented. Maryann Argyres abstained.

**3. Action – Approve Past Financial Report**

A motion was made and seconded (Borelli, Seiffert) and it was unanimously approved to accept the Financial Report as presented.

**5. Correspondence**

The Guest Speaker provided the correspondence.

**6. Public Comment**

None

**7. Guest Speaker**

Alison Barratt-Green updated the Board on the change in direction the Counties are now considering with regard to the JPA, the District and SEDCorp. An email from the EDA was sent to the County Counsels, expressing their concern about the administrative structure being proposed for the new JPA and District. They also requested that the proposed transfer not take place until the current grant has expired and they have a letter from SEDCorp indicating they no longer want to manage the District and/or the grant. Alison stated the Counties have spent considerable time and money working on the transition details and are now inclined to dissolve the JPA the District and the Sierra Economic Development Corp. Alison indicated a discussion had begun to consider the dissolution and while no specific date had been set, a decision is likely to be reached quickly. She also stated the EDA has not been advised of the Counties potential change in position.

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**8. New Business**

**1. CEO Report**

Randy presented his President & CEO Report to the Board that contained three elements intended to assist the Board in reaching a decision about the future of the organization. It included a financial summary, a proposed "Go Forward" Strategy and a high level "Shut Down" process. After much discussion centering around the desire of the existing Board to continue to support SEDCorp, the dynamics and challenges of transitioning SEDCorp to EPIC, including the perceived difficulty in doing so without the support of the Counties and Cities, a motion was made (Seiffert, Gregory) to continue SEDCorp as a 501c4 and EPIC as a 501c3, the motion was defeated by a six to two vote with one abstention. With the motion defeated, a discussion then took place about next steps and the future of the organization. A motion was made (Scofield, Jenkins) to disband SEDCorp and close the operation- with the support of Nevada County Counsel through the end of the year (upon approval) and to lobby the other Counties for their legal support as well. The motion passed by a six to two vote with one abstention.

Randy noted that the PUC had tentatively approved a \$300,000 Grant, however, they are requesting to be advised immediately if a different fiscal agent will be appointed. It was also stated that a need for pre-prepared statements need to be created that advise our funders, loan customers and other partners of the Boards decision. It was agreed that the statements should have a positive tone and that Randy would create the statements and present them to the Executive Committee for final review and/or approval by Friday October 14. It was also noted that Nevada County Counsel would prepare the Resolution required to dissolve the JPA the District and SEDCorp to be presented at the November 2 Board Meeting.

- i. **SEDCorp Financials Review**
- ii. **Business Lending Program Update**  
Not addressed at this time
- iii. **EDA Program Update**  
Not addressed at this time
- iv. **Credit Policy Amendment (Action Item)**  
Not addressed at this time

**9. Potential Future Meeting Topic**

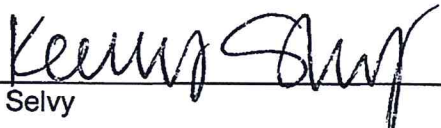
Board approval of Resolution and Closed Session.

**10. Adjournment**

The meeting was adjourned at 2:45.

- 1. Next Meeting 12:30 – 2PM November 2, 2016 Auburn City Hall.**

Transcribed by:

  
Kelley Selvy