



Mid-Columbia Economic Development District

MCEDD Loan Administration Board Meeting
Tuesday, April 6, 2021
8:00am

Remote only

Please call (541) 296-2266 or email jill@mcedd.org for Zoom Meeting details

AGENDA

<u>Topic</u>	<u>Estimated Time</u>	<u>Item</u>
Call to Order, Introductions		
Loan Administration Board Minutes <i>March 2, 2021</i>	5 minutes	Approval
Loan Request <i>Wangco Inc.</i>	30 minutes	Approval
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	5 minutes	Decision
Funded Loans Updates		
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	5 minutes	Decision
Staff Updates		
Adjourn		

The meeting location is accessible to persons with disabilities. If you have a disability that requires any special materials, services, or assistance, please contact us at (541) 296-2266; TTY 711 at least 48 hours before the meeting. MCEDD is an equal opportunity employer, lender, and provider.

Executive Session Protocol

MCEDD Loan Administration Board

After discussion agenda items are presented in open session by MCEDD staff, the LAB Chair will state the following: "Pursuant to ORS 192.660(f), Exempt Documents, I call the Executive session of the MCEDD Loan Administration Board to order".

LAB Chair asks all non-staff and non-LAB members to leave the meeting. Staff will explain to visitors where they can wait and that they will be invited into Executive Session when their agenda item will be discussed.

For each discussion item on the agenda for Executive Session, the LAB Chair will follow the following procedural steps:

1. Invite the loan applicant (or their representative) into the Executive Session for the presentation of their loan request. LAB Chair requests a brief presentation from MCEDD staff on a summary of the loan proposal or other discussion item.
2. After presentation of information by staff, the LAB Chair asks if there are any questions for the loan applicant or MCEDD staff.
3. Following questions and discussion by the LAB, the loan applicant (and/or their representative) is asked to leave Executive Session with instruction that they will be invited into the Open session when Executive Session is adjourned.
4. LAB Chair asks LAB members if there is any discussion related to loan request that needs to take place before inviting the next loan applicant or other persons into Executive Session for the next discussion item.
5. Additional discussion between the LAB members takes place then Steps 1-5 are repeated for each following discussion item for Executive Session.

At the end of discussion, the LAB chair will close the Executive Session. The LAB moves back to open session. At this point, the LAB Chair asks for a motion on the decision items in open session. Following a proper motion (motion and a second), the LAB chair requests discussion on the motion. Following any discussion, the LAB chair requests a vote ("all those in favor, signify by saying aye" "all opposed signify by saying nay" "any abstentions?"). Staff may ask for a roll-call vote, if the responses are unclear.

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**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
LOAN ADMINISTRATION BOARD MEETING MINUTES**

Tuesday, March 2, 2021

Virtual Only

ATTENDANCE

BOARD: Scott Clements, Les Perkins, Steve Kramer, Joe Dabulskis, Dave Sauter, Dillon Borton, AJ Tarnasky, Bob Hamlin

STAFF: Jessica Metta (Executive Director), Israel Ayala Guevara (Loan Fund Manager), Ami Beaver (Assistant Project Manager), Jill Brandt (Administrative Assistant)

GUESTS: Matthew McLaughlin, Jon Grinter, Jim Hays, Melanie Ditton, all with Invictus Global Services, Inc.

CALL TO ORDER

Scott Clements called the meeting to order at 8:00 a.m. A quorum was present. A round of introductions took place. Scott Clements requested declaration of any conflicts. Dillon Borton noted the applicants were bank clients and he would abstain from voting.

MINUTES

Les Perkins motioned to approve the minutes from February 16, 2021. Joe Dabulskis seconded the motion. Motion passed unanimously.

LOAN REQUEST: INVICTUS GLOBAL SERVICES, INC.

Israel Ayala Guevara introduced discussion on the Invictus Global Services' loan proposal. Mathew McLaughlin provided an overview and background of business. He noted they are one year into a primary contract with Insitu to provide services where military is deployed. He noted they have 10 years involvement with providing services to Insitu. He said they have recently expanded their service model to include selling hardware and some business in the counter-drone market. He noted they are requesting working capital to continue contract with Insitu to support the training requirement in the contract with Insitu.

EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:07 a.m.

Regular session reconvened at 8:34 a.m.

Discussion: Scott opened up further discussion with client. The board and clients discussed questions and concerns around the Insitu contract, other revenue, the factoring company, other existing loans. gives details, noting that the purpose of this loan is to facilitate cash flow and cover payroll. Scott noted that the general consensus of the board is a desire to help Invictus but need to do so prudently.

Steve Kramer left meeting at 8:50 am.

LOAN ACTION: INVICTUS GLOBAL SERVICES, INC.

Bob Hamlin motioned to deny the loan request by Invictus Global Service as presented. AJ Tarnasky seconded the motion. The motion passed with one abstention (Dillon Borton).

Discussion: Dave Sauter noted that the board is supportive to loan the company funds to fulfill MCEDD's mission to aid economic development but cannot approve these terms because they are too risky. He added that the hope is that Invictus will come back with an amended request that the board can support.

Matt thanked the board and agreed to continue discussions with Israel to present new terms that could be approved in future.

EDA RLF DEFEDERALIZATION

Scott introduced topic. Jessica summarized: EDA has approved releasing federal interest in any grant money that was awarded over 7 years ago. MCEDD's loan funds qualify. The new act gives MCEDD more flexibility with less reporting on the use of these funds. Jessica recommended to keep using these awarded monies in MCEDD's revolving loan fund. As MCEDD works through the RLF plan update, staff (with approval from the board) will determine if there are any pieces we want to change. For now, staff is seeking approval for continued use as revolving funds.

Discussion: There was general consensus on supporting the request to continue using the funds for the revolving loan fund. Les was surprised the EDA can release interest but still impose rules on how they are used.

FUNDED LOANS UPDATES

Israel noted he would share an update on Seufert Enterprises and other clients.

EXECUTIVE SESSION

Scott Clements: Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:56 a.m.

Dillon Borton left meeting at 9:07 am.

Regular session reconvened at 9:08 a.m.

LOAN ACTION: SEUFERT ENTERPRISES, LLC

AJ Tarnasky motioned to grant a one-year extension on the demand for full payment dependent on staff review of interest payment requirement. Les Perkins seconded the motion. Motion carried unanimously.

ADJOURN

Meeting adjourned 9:09 a.m.

Respectfully submitted by Jill Brandt, Administrative Assistant