



Board of Directors Meeting Minutes  
January 20th, 2022

Zoom: <https://us02web.zoom.us/j/85428644261?pwd=ck5yNkFzU24rdFE2QjRpMEgyVS9YQT09>

Call In: 1 (669) 900-9128 | Meeting ID: 815 6226 4970 | Passcode: 857518

**1. CALL TO ORDER AT 10:02 a.m.**

**2. ROLL CALL**

Jon Frech joined at 10:17 a.m.  
Mary Anne Petrillo (Chair) present  
Katrina Kessen resigned  
Paul Garza present  
Lisa Badenfort (Vice-Chair) present  
Robin Bartholow joined at 10:05 a.m.  
Jeff Kelly present  
Mike Nicholls present  
Paul Castro absent

**3. OPEN TIME FOR PUBLIC EXPRESSION**

Public expression- None

**4. AGENDA ADJUSTMENTS – DISCUSSION/ACTION**

Chair Petrillo asked for a motion to adjust the agenda to allow time for guest Malinda Matson from the EDA to address the BOD on the deficiencies in the CEDS and the corrective action needed.

**Motion by:** Garza to adjust the order of the agenda and to omit the staff reports.

**Seconded by:** Nicholls

**Public comment:** None

**Roll call:** Jon Frech, absent, Mary Anne Petrillo, yes, Paul Garza, yes, Lisa Badenfort, yes, Robin Bartholow, yes, Jeff Kelly, yes, Mike Nicholls, yes, Paul Castro absent.

Motion passed

## 5. STATEMENT OF CONFLICT OF INTEREST

None

## 6. CONSENT ITEMS – DISCUSSION/ACTION

- Approval of Previous Board Meeting Minutes
- December 16th, 2021 SMEDD Meeting Minutes

The Board discussed adding to the meeting minutes the consent for Zoom meetings according to State provisions. A discussion took place regarding the need to continue to make the statement at each meeting. Motion made by Nicholls to approve consent calendar and to continue with Zoom meetings, per State provisions. Gernert will add the language into the consent for each meeting.

**Motion by:** Nicholls to approve previous meeting minutes and add language regarding state provisions to continue with Zoom meetings.

**Seconded by:** Garza

**Public comment:** None

**Roll call:** Jon Frech, absent, Mary Anne Petrillo, yes, Paul Garza, yes, Lisa Badenfort, yes, Robin Bartholow, yes, Jeff Kelly, yes, Mike Nicholls, yes, Paul Castro absent.

**Motion passed**

## 7. FINANCIAL REPORT – DISCUSSION/ACTION

- Monthly Financial Report - 8

The district's fiscal analyst will provide a monthly financial report to the board.

- Monthly Reimbursement Request - 10

The Board will vote to reimburse the County of Sonoma for staff time and contractual expenditures that supported SMEDD activities in the amount of \$7,471.50 during December 2021 .

- Calvin Sandeen reported out and requested \$ 7,471.50 be reimbursed to the County of Sonoma for District Admin, Fiscal Agent and Administrative Aide staff support for the month of December. \$6,047.49 from the supplemental grant and \$1,424.01 from the planning grant.

**Motion by:** Jeff Kelly motioned to approve December financials.

**Seconded by:** Nicholls

**Public comment:** None

**Roll call:** Jon Frech, yes, Mary Anne Petrillo, yes, Paul Garza, yes, Lisa Badenfort, yes, Robin Bartholow, yes, Jeff Kelly, yes, Mike Nicholls, yes, Paul Castro absent.

**Motion passed**

## **8. GUEST SPEAKER PRESENTATIONS: ECONOMIC DEVELOPMENT ADMINISTRATION AND SIERRA ECONOMIC DEVELOPMENT DISTRICT**

Chair Petrillo introduced Guest: Malinda Matson, EDA

Malinda explained what an EDD is and how SMEDD came to be in 2017. The primary purpose of an EDD is economic development planning. A district is to develop, maintain and assist with implementation of CEDS. Administrators of the EDD change but not the districts served. The current CEDS submitted was not accepted. There were critical elements that were missed. The biggest issue: 1) lack of CEDS strategy committee (regulatory requirement) 2) no vision statement, no goals, no objectives noted. 3) no priority projects were listed. Previous CEDS was extended through June allowing 5 months to make the corrections. Advised to pull together industry reps., reps from higher ed, workforce development, etc. to make up a strategy committee. Need to articulate vision, goals, and objectives. Also need to identify priority projects that can address economic distress for underserved communities, etc. Malinda suggested revisiting the previous CEDS.

Chair Petrillo opened the discussion and encouraged the BOD to ask Malinda questions.

The Board asked for clarity on what is required, the timing of the corrections and timing of potential structural changes in relationship to the funds and the grant? Malinda reported Districts were allowed to use a portion of the funds to hire consultants to work on CEDS. Some funds can be used to support staff. Malinda shared Sonoma EDB was the original initial Administrator of the grant, but the goal was to move EDD Admin to a Joint Powers Agreement, which is the BOD. This model has caused confusion. The EDA isn't clear on what exactly is being paid for? The grant team is looking for a new model; one organization running the district and be responsible for it. \$200K dollars remain in Cares Act funds. If the original scope of work is maintained, there is room to adjust. Raul Ramos can assist with budget revisions and fiscal structure going forward.

Chair Petrillo asked if the JPA needs to be adjusted or changed to make structural changes? Malinda responded: Not as far as we are concerned. We just need an eligible entity to receive the money.

Chair Petrillo ended the discussion due to time constraints. BOD directed to email follow up questions to Malinda or Chair Petrillo.

Chair Petrillo introduced Guest: Kristin York, EDA & Sierra Economic Development District

Kristin shared how the EDD is structured in her area and answered questions.

- Sierra Business Council hosts the EDD
- EDD Region: 4 counties; Eldorado, Placer, Nevada and Sierra
- EDD is all about building relationships
- Formed an advisory Board from SBDC contacts and grew from there.
- It's not a lot of money but matches help in delivering the best product.
- Sierra Business Council is launching an update a year early due to CERF.
- CEDS should inform the priority projects for the CERF.
- Every county she covers operates a little differently.
- Kristin spoke to the relationship with Valley Vision and how she built a relationship to ensure there wasn't a duplication of efforts because the regions overlap.

Sierra Business Council provides 3 area of services: 1) Energy action plans (Sub contractor for PG&E) 2) Government Affairs 3) Economic Empowerment area; SBDC, EDD, Broadband consortia and other one-off projects such as grants administration, feasibility studies, disaster planning and we are also contracted by Placer and Nevada counties to deliver economic development services. Working with the SBDC we provide special workshops and counseling services. They contribute funds for wrap around services. "It's all about relationships and building trust to deliver the best services." Kristin suggested keeping the Admin simple. They meet quarterly.

## **9. AD HOC COMMITTEE REPORTS - DISCUSSION/ACTION**

Ad Hoc Committees will report to the Board on recent progress.

- District Financials/Budget Ad Hoc

The Board will discuss the current status of the Financials/Budget Ad Hoc with the District's fiscal analyst to determine ongoing needs to maintain this ad hoc or similar group for operational purposes.

- a. Finance & Budget Ad-Hoc Report.docx - 12

Jeff Kelly shared he now had a better understanding of what needs to be done after hearing Malinda's feedback regarding the layers it takes to move money. His 3 big take-aways were:

- 1) The need to amend the MOU for the full amount
- 2) Shifting funds from personnel to contract services and amend EDA staffing plan
- 3) RFP's need to be drafted for additional contract services
  - Each grant has a scope of work and an approved staffing plan.
  - Staffing plan in Supplemental grant: \$161K SMEDD personnel costs (EDB staff)

- Planning grant: \$22,250 for contract services
- EDB staff doesn't have the capacity to take on additional responsibilities
- If staff time is going to be adjusted, it must go before Sonoma BOS.
- Because funds are matched all changes go before the Board of Supervisors

The Board discussed all changes of the MOU need to go before the Sonoma County Board of Supervisors and their lead time is a month and a half. Ethan will speak with the Analyst and inform him that this is a time sensitive matter. If there is action this week, Ethan anticipates it would be mid-March when it goes before the Board of Supervisors. Until that is completed, we are not able to contract for additional services.

The Board discussed using the remaining funds in Marie Jones' contract (estimated \$2,600-- This figure needs to be verified due to the timing of when invoices are submitted.) Chair Petrillo explained the strategy committee will need facilitation and there might be an advantage in utilizing Marie Jones who is already familiar with the work and has hours remaining. Ethan clarified if you have an identified spend already included in the MOU and there is a desire to use funds for a different purpose under \$50K, it doesn't need to go before Sonoma County BOS. Any changes over \$50K require BOS approval. Chair Petrillo asked if there had been any budget changes in the staffing plan of the planning or supplemental grant so far? Calvin responded, no, there haven't been any changes.

Chair Petrillo opened discussion on correcting the CEDS and resubmitting it. She stressed the time constraints involved and importance of the work.

The Board expressed concerns about the Sonoma County BOS agenda item process and the potential problems if we can't get on the agenda. To be an active organization we can't have those timelines.

**Motion by:** Jeff Kelly made a motion to direct staff to amend the MOU to include the full total outstanding undesignated supplemental funds for use as quickly as possible.

**Seconded by:** Garza

**Public comment:** None

**Roll call:** Jon Frech, yes, Mary Anne Petrillo, hell yes, Paul Garza, yes, Lisa Badenfort, yes, Robin Bartholow, yes, Jeff Kelly, yes, Mike Nicholls, yes, Paul Castro absent.

**Motion passed**

Discussions continued regarding next steps, staff capacity and timelines.

**Motion by:** Robin Bartholow to meet next week to continue the conversation based on Malinda's feedback. Thursday, Jan 27th 10-12 noon via Zoom.

**Seconded by:** Garza

**Public comment:** None

**Roll call:** Jon Frech, yes, Mary Anne Petrillo, hell yes, Paul Garza, yes, Lisa Badenfort, yes, Robin Bartholow, yes, Jeff Kelly, yes, Mike Nicholls, yes, Paul Castro absent.

**Motion passed**

#### **10. STAFF UPDATE - DISCUSSION**

a. 2021 CEDS Update Bradley Johnson

b. Broadband Initiative Update Calvin Sandeen

NOTE: Due to time limitations, this item was not discussed.

#### **11. SUGGESTED AGENDA ITEMS FOR NEXT BOARD MEETING – DISCUSSION**

NOTE: Due to time limitations, this item was not discussed.

#### **12. MEETING ADJOURNMENT - ACTION**

**Motion by:** Garza to adjourn the meeting at 2:20 p.m.

**Seconded by:** Bartholow

**Public comment:** None

**Roll call:** Jon Frech, yes, Mary Anne Petrillo, yes, Paul Garza, yes, Lisa Badenfort, yes, Robin Bartholow, yes, Jeff Kelly, yes, Mike Nicholls, yes, Paul Castro absent.

**Motion passed**