

**COLUMBIA RIVER GORGE NATIONAL SCENIC AREA  
OREGON INVESTMENT BOARD**

**\*\*\*\*\*Wednesday, June 21, 2017\*\*\*\*\***

**\*\*\*\* 1:00 P.M. \*\*\*\***

MCEDD Office  
515 East 2<sup>nd</sup> Street  
The Dalles, OR

<b><u>Topic</u></b>	<b><u>Time</u></b>	<b><u>Item</u></b>
Call to Order, Conflict of Interest Disclosures		
Introductions	5 minutes	Information
May 17, 2017 Minutes	5 minutes	Approval
Financial Report	5 minutes	Acceptance
Loan Request Proposal: Bent River, Inc.	5 minutes	Information
Loan Default Action: Sage Creek, Inc. dba Muirhead Canning		
<b><i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i></b> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Hood River Learning Center Update	10 minutes	Information
<b><i>Executive Session per ORS 192.660 (h) (Litigation)</i></b> <i>Regular Session Reconvened</i>		
Funded Loans Report and Updates	5 minutes	Information
Other New Business, Good of the Order		
Adjournment		

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*The meeting location is accessible to persons with disabilities. If you have a disability that requires any special materials, services or assistance please contact Sherry Bohn at (541) 296-2266 at least 48 hours before the meeting so arrangements for appropriate accommodations can be made.*

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## **Executive Session Protocol Oregon Investment Board**

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

OIB Chair asks all non-staff and non OIB 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 OIB 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. OIB Chair requests a brief presentation from OIB staff on a summary of the loan proposal or other discussion item.
2. After presentation of information by staff, the OIB Chair asks if there are any questions for the loan applicant or OIB staff.
3. Following questions and discussion by the OIB, 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. OIB Chair asks OIB members if there is any discussion related to loan request that needs to take place before inviting the next loan applicant or other persons in to Executive Session for the next discussion item.
5. Additional discussion between the OIB members takes place then Steps 1-5 are repeated for each following discussion item for Executive Session.

At the end of discussion, the OIB chair will close the Executive Session. The OIB moves back to open session. At this point, the OIB Chair can ask for a motion of the decision items in open session. Open session is when the OIB can make decisions on agenda items.

COLUMBIA RIVER GORGE NATIONAL SCENIC AREA  
OREGON INVESTMENT BOARD  
Wednesday, May 17, 2017  
Port of Hood River Meeting Room  
1000 E. Port Marina Drive  
10:00 a.m.

**ATTENDANCE:**

OIB Members: Jack Miller, Rick Leibowitz, Jill Amery, Tammy Miller, John Kasberger and Kristine Mier

Absent: John Southgate

Staff: Jessica Metta, Sherry Wickert, Sherry Bohn, and Eric Nerdin.

Guests: Krystyna Wolniakowski (Gorge Commission) and Josef Cushman (Root and Cane Vineyard Services, LLC)

**CALL TO ORDER:**

Rick Leibowitz called the meeting to order at 10:00 a.m. A quorum was present.

**CONFLICT OF INTEREST POLICY AND INTRODUCTIONS:**

Rick Leibowitz requested that any Board member disclose any conflict of interests for any of the topics to be reviewed today. Rick Leibowitz and John Kasberger noted they had previously worked with Josef Cushman. Tammy Miller noted that Josef Cushman's brother Peter was their winemaker. A round table of introductions took place.

**APRIL 19, 2017 MINUTES:**

Jack Miller made a motion to approve the minutes from April 19, 2017. John Kasberger seconded. Motion passed unanimously.

**FINANCIAL REPORT:**

Sherry Wicket noted that the MCEDD Budget committee had recommended approval of the FY18 budget which included the OIB budget. Sherry presented the financial report for the period ending April 2017. She reported April's Interest Income of \$8,797.58 and Principal Repayments of \$9,252.26. Sherry also reported that the only April expense was Professional Services at \$7,683.75. Sherry reported that the Available to Grant/Loan Balance was \$1,357,208.15 and Approved Loans Not Disbursed balance was \$24,500.00 and included the approved loan to Celilo Paddle Company, LLC. She also noted that the April financials included A/R Deposit Error that had been corrected. Eric Nerdin noted that Celilo Paddle Company, LLC had been funded last week.

*Discussion: Jack Miller asked if the \$45,000.00 set aside for Allowance for Doubtful Loan was set aside for a particular loan. Sherry Wickert explained that it was not.*

John Kasberger moved to approve the financials from April 2017 as presented. Tammy Miller seconded the motion. Motion passed unanimously.

**LOAN REQUEST: ROOT and CANE VINEYARD SERVICES, LLC:**

Eric Nerdin presented a loan request from Root and Cane Vineyard Services, LLC for a \$63,000 loan to purchase a used Pellenc 3200 grape harvesting machine for business in Hood River.

**EXECUTIVE SESSION:**

Per ORS 192.660 (f) (Exempt Documents), the Oregon Investment Board moved into Executive Session at 10:10 a.m.

Kristine Mier joined the meeting at 10:13 a.m.

Regular session was reconvened at 10:37 a.m.

**LOAN REQUEST ACTION: ROOT and CANE VINEYARD SERVICES, LLC:**

Jack Miller moved to approve the loan request from Root and Cane Vineyard Services, LLC as presented. Jill Amery seconded the motion. Rick Leibowitz asked if the OIB wanted to consider seasonal loan payments as listed in Alternative Option #2. No changes to the motion were made. Motion passed with one abstention (Kasberger).

**Terms:**

- Loan amount: \$63,000.00
- Interest Rate: 9.75% (Fixed interest rate)
- Loan Term: 88 months (Approximate based on payment schedule listed below; this may vary to fully amortize this loan with this payment schedule)
- Loan Payment: \$500.00 for January through September each year followed by \$2,500.00 principal and accrued interest monthly for October through December each year. Payment is due on the 15<sup>th</sup> of each month. This is a fully amortized loan.
- Loan Fee: \$945.00
- Collateral and Conditions as presented in the staff report.

**FUNDED LOANS REPORT AND UPDATES:**

Eric Nerdin reported that Sage Creek Inc. dba Muirhead Canning is working to meet their May 31<sup>st</sup> deadlines and staff will be presenting a loan update and potential loan restructure at the June OIB meeting. Rick Leibowitz noted he will be meeting with Sage Creek Inc. later this week.

Eric Nerdin noted there may be a loan application for Seufert Enterprises, LLC coming and that the number of OIB delinquent loans is down to two, outside of the two defaulted loans to Hood River Learning Center, LLC. Jessica Metta noted that the Hood River Learning Center, LLC Chapter 11 bankruptcy plan submission date had been extended to June 12, 2017 and there would be no more extensions granted.

**OTHER NEW BUSINESS, GOOD OF THE ORDER:**

Rick Leibowitz asked for an update on development of the Pilot project concept program. Eric Nerdin noted that he will be working more on this when Amanda Hoey is back in the office.

**ADJOURNMENT:** The meeting was adjourned at 10:43 a.m.