

Blue Hill Co-op Board Meeting
April 14, 2015 Blue Hill Co-op Cafe

Board Members Attending: Mia Strong, Aaron Dority, Diane Bianco, Jerome Lawther, Jim Picariello

Absent Board Member(s): Hadley Friedman, Keith Herklotz,

Others Attending: Mark Deeny (General Manager), Julia Klein (Minute Taker), Bruce Stahnke (Owner, Relocation Architect), Gary Freidman (Campaign Consultant)

Julia Klein, minute taker

Diane Bianco, task and decision keeper

Mia Strong, meeting facilitator, time keeper

Approval of Minutes: **The March 24, 2015 Minutes were approved with a minor change.**

Time Open to Owners: No Owners were present.

Board Process

Relocation Committee Update: Gary Friedman presented a proposal to the Board offering his services as Campaign Counsel, Campaign Manager and Graphic Designer working in conjunction with the Relocation Committee on fundraising. He would focus projected work in the next 6 months on a silent campaign targeting summer people for Preferred Shares. After 6 months he suggested hiring another Campaign Manager to continue on with the Community Campaign in 2016. The Board proceeded to discuss the details of and concerns about the proposal with Gary. Aaron asked about the Board's responsibility in the campaign. Gary responded that they need to recruit 8-12 individuals for the Campaign Committee. Directors expressed concern regarding the cost of hiring Gary versus another Campaign Manager and the felt that the other Manager should be involved in the whole fundraising process. They suggested a hybrid plan involving Gary for a few hours per week as well as another person to do the nitty-gritty. Gary responded that he would be willing to work with another qualified person. He emphasized the need to have a Campaign Committee trained and ready to work in 6-8 weeks. Mark asked what prep work needs to be done before pursuing preferred shares. Gary responded that the pro forma, financial prospectus and design need to be finalized as well as details of the preferred share model. Mark inquired about the benefit of starting the campaign this summer. Gary answered that the community has been primed to expect relocation and there is no fundraising competition in the community this year. It may also take more than one summer to raise the needed preferred shares. The Board thanked Gary for attending.

Schematic Stage Information: Bruce Stahnke presented relocation schematics to the Board in detail and explained how his schedule interacts with Gary's fundraising schedule. He explained cost per month of the project. The Board clarified details of the cost schedule. Bruce urged the Board to apply for grants quickly and discussed where and how with the Board. Mark voiced concern about the amount of money being spent before

proving that the funding and pro forma will work. Discussion ensued. Jim verified that if the project halted Bruce would bill only for work already done. Bruce responded that accepting his proposal would not obligate the Co-op to spend all the money. Aaron inquired about the risk of spending more than planned. Bruce assured the Board that he used the upper range of expenses while preparing the schematics and does not expect to exceed these amounts.

Discussion turned to how to proceed. Mark again emphasized the importance of proving the pro forma before spending much money. The Board discussed how to make that happen. Diane commented that there is no good general information out in the community and raised concern that language being used to sell preferred shares is confusing at present. Mark spoke of the need for a project manager. Jim motioned that Co-op move forward with the project. Mark clarified that money would need to be borrowed in order to move forward and cautioned that the store is behind where it was last year. **A proposal was made and approved to increase the already established line of credit by \$125,000 to total \$200,000. A proposal was made and approved to give authority to the Relocation Committee to update the market study(?), post for hiring a full-time Project Manager for a 2-3 year commitment, a half-time Campaign Manager who will report to the Project Manager and a half-time Marketing person. A proposal was made and approved to accept Gary Friedman's proposal modified at the discretion of the Relocation Committee. The proposal from Bruce Stahnke was accepted and approved as is.** Discussion followed regarding who will hire who. Celebration ensued! Mia will email materials from the Portland Co-op to Diane.

Bylaw Change/Amend Corp Papers: The Board discussed the possibility of changing bylaws to allow for the Co-op to offer preferred shares. Mia will contact a lawyer for the prospective amendments. The Board will approve changes over email. Mia will also contact the Maine Securities Office.

Agenda for Next Meeting:

Executive Session – GM Contract
GM Report: May Produce Hire
Picnic
New Board Mentors
Market Study Update

Meeting Evaluation: No comments were made.

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday, May 9, 2015.

Next Meeting: Tuesday, May 19, 2015 6:30- 9:00 PM Blue Hill Co-op Café.

Minutes respectfully submitted by Julia Klein

