

Blue Hill Co-op Board Meeting

October 16, 2018, Blue Hill Library, Howard Room

Board Members Attending: Jim Picariello, Aaron Dority, Susan Snider, Tim Tunney, Mia Strong, Deborah Evans, Jerome Lawther, Edie Dunham, Martha Shepherd (Staff Position)

Absent Board Member(s): Diane Bianco

Others Attending: Julia Klein (Minute Taker), Kevin Gadsby (General Manager), Tim Seabrook (Owner)

Julia Klein, minute taker

Mia Strong, meeting facilitator, time keeper

Jerome Lawther, tasks and decisions

Approval of Minutes: **Mia moved to approve the September 18, 2018 Board Meeting Minutes with a date change. Deborah seconded the motion. The motion unanimously carries.**

Open Owner Time: Tim Seabrook shared his project photographing the building progress at the Co-op's new site. He's been taking pictures every few days from day 1 with the intention of sharing photos on social media and educating the members about the process. He spoke of getting to know the contractors and workers personally. In a conversation with the R.F. Jordan Company's owner Patrick Jordan, Jordan remarked that these are the best plans he's seen in years! He said they are very well thought out and he does not foresee a glitch moving forward. The company is using GPS technology to map out the earth work within ½ inch accuracy on all layers. Kevin and the board proceeded to brainstorm informing the public about the building process. Also, the well is drilled and is producing 30 gallons/minute. The board thanked Tim and look forward to seeing pictures!

Relocation: Kevin opened with a sales report. This 3rd quarter yielded the highest sales since 2012! Kevin took questions.

Pro Forma - Kevin explained his work dissecting the pro forma and working with Bill Gessner to understand inconsistencies and decipher the exact member investment needs. The pro forma still fails to account for money already spent and therefore inflates the investment need. To date he believes that the gap may be shrunk from \$700,000 to under \$500,000. This significantly improves the cash position. Discussion ensued with emphasis on the need to understand the opening day balance sheet.

Discussion turned to funding the gap and proceeding with construction. Conversation continues with CEI and they are pushing for closing on \$3,900,000. They are drafting a memorandum stating that the Co-op is using their own funds for current construction. A meeting with the construction monitoring representative was excellent and they acknowledged that the Co-op has hired highly competent work. Funding through Bar Harbor Bank fell through over future projections and cash position in the pro forma. The Finance Authority of Maine is waiting for the finalized pro forma before agreeing to terms. Aaron noted that current sales are far above projection and multiple goals have been exceeded. This should improve the cash position. Kevin commented that the contingency fund will be required for the construction and the electrical and plumbing bids are still out. LISC requires that the pro forma show cash never dipping below \$250,000.

In fundraising there are two weeks left for the out of state investors. Kevin is working with the attorney to establish the public in state fundraising phase 3 to open in early November. Lenders need

assurance that there is a plan for raising the final \$500,000. Pledges from investors would enable closing on loans. Jerome requested that Kevin email the board when the pro forma is finalized. The urgency of completing fundraising was emphasized!

The board brainstormed fundraising strategies for the public phase 3. Mia suggested contacting investors to encourage them to host parties and inspire their friends to invest as well. Kevin will supply a list of previous Maine investors categorized by level of investment. Each director will communicate with 5 people within the next week. Jim will compose a 5 bullet point template for contacting investors. Kevin will send a list of out of state investors for directors to contact before phase 2 closes. Jim will draft a script for phase 2 contacts. Mia will supervise and check in weekly. Mia will compare lists to avoid overlaps.

Crosswalk: The town of Blue Hill agreed to install a painted crosswalk with push button lights at the new Co-op location. Parents of local school children and their lawyers emphasized the need in the town meeting. The town desired that the Co-op be responsible for the maintenance of the walk and lights but the Co-op will not agree.

GM Report: The board agreed that the GM report should consist solely of the sales wrap and exclude the monitoring report during this part of relocation.

Agenda:

Relocation

Meeting Evaluation: No evaluation was mentioned.

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday, November 10, 2018.

Next Meeting: Tuesday, November 20, 2018 6:30- 9:00 PM, Blue Hill Public Library.

Minutes respectfully submitted by Julia Klein