

**Minutes of the  
Marquette Food Co-op Board of Directors  
March 20, 2018 Meeting**

**Start time:** Meeting was called to order by president Phil Britton at 6:06 p.m.

**Roll call:** P. Britton, H. Bush, R. Kochis, C. Morgan, C. Noordyk, C. Thompson.

**Absent:** M. Augustyn (excused).

**Staff:** GM Matt Gougeon, Kelly Cantway, Clayton Lesatz, Mary Moe, Sarah Monte, Evan Zimmerman.

**Public:** Angie Cherrette, Austin Dupras, Allan Dupras, Alex Palzewicz.

**II. Preliminaries:**

(a) Approval of Agenda & Additions: It was noted that P. Britton convened the meeting wearing a banana suit in recognition of fair trade banana month.

*Motion:* To approve agenda without changes (*motion by C. Noordyk, second C. Thompson*).

*Action: Motion passed unanimously.*

**III. Consent Agenda:** The Board received the following items prior to the meeting. No items were removed from the Consent Agenda for further discussion.

(a) Approval of February Minutes without changes

(b) Electronic Communications

(c) L4 – Membership (M. Gougeon)

(d) L10 – Board Logistical Support (M. Gougeon)

*Motion:* To approve consent agenda without changes (*motion by R. Kochis, second C. Thompson*).

*Action: Motion passed unanimously.*

**IV. Public Comment Period:** Newly elected Board member Angie Cherrette introduced herself. MFC employees Austin Dupras and Allan Dupras introduced themselves and commented that this is the first Board meeting they have attended. Alex Palzewicz from Taste the Local Difference introduced herself. MFC staff in attendance introduced themselves.

**V. Board Education (Taste the Local Difference):** Alex Palzewicz spoke about her background and connections to local farms and food industry businesses. She shared about the history of Taste the Local Difference, which she explained is a social enterprise and marketing agency building connections in the community, working with local food systems, and bringing money back into the Michigan economy. Taste the Local Difference provides a printed guide and online resource for local producers and farmers markets. Discussion was held about Taste the Local Difference's operations in the UP. She thanked the Board for the MFC's partnership with Taste the Local Difference. It was noted that Taste the Local Difference took over doing the UP Food and Farm Directory formerly produced by the MFC.

**VI. GM Monitoring**

(a) Store Report (M. Gougeon): The Board received a written report prior to the meeting. The Board inquired about online ordering of product through UNFI. GM explained that online ordering will utilize a program from UNFI to direct ship to customers for special orders.

Discussion was held about online ordering. The meal kit program was also discussed. Mary Moe explained that the kits will be meals for two people, priced around \$9.50 per serving, contents will be vacuum-sealed and will include all the needed ingredients. The MFC is working on reducing the amount of packaging used. The Board inquired about grab-and-go items and it was reported that they have been selling well. Extended hours of store operation were also noted. The Board acknowledged Kelly Cantway who will be leaving the MFC at the end of the month.

## **VII. Outreach Reports**

(a, b) Outreach Report & UP Food Exchange Report (S. Monte): The Board received a written Outreach Report prior to the meeting and received a draft of the Annual Report at the meeting. The Board shared positive feedback about the report. The Annual Meeting was discussed. Registration starts at 5:00 p.m. The popularity of the Cheese Madness promotion was also discussed.

**VIII. Second Public Comment Period:** Public inquired about alternatives to sushi as an option in the grab and go case.

## **IX. Board Monitoring & Discussion**

(a) Committee Reports: It was noted that committee reports are being submitted to the Board via a Slack channel prior to monthly Board meetings. Finance Committee meets immediately prior to monthly Board meetings so it will continue to provide oral reports.

(i) GM Evaluation (P. Britton, R. Kochis, C. Noordyk, C. Thompson): No discussion was held.

(ii) Finance Committee (P. Britton, R. Kochis, H. Bush, C. Thompson): Met prior to this meeting and shared that the store was profitable in the month of February. Sales per labor hour has improved. Labor was at 20% of sales, which was also an improvement. Prepared foods labor percentage has significantly improved. Mary Moe was acknowledged for her work on this effort. It was noted that using cash would save the MFC money on bank fees. GM will be negotiating terms on loans. It was discussed that the Board needs to discuss preferred share dividend payments. It is up to the Board to declare dividend for purchasers of preferred shares. It was explained that the MFC agreed to pay 4% per year after five years. GM plans to use cash on hand and line of credit as necessary.

*Motion:* Based on recommendation from the GM, the MFC is to pay dividends of 4% per annum, as the five year period for preferred shares matures. This will be reevaluated by the Board in 12 months. There are insufficient funds to buy back preferred shares at this time. The Board will look into possible buy back in March 2019. The Board will consider individual hardship cases for buy back of preferred shares. (*Motion by R. Kochis, second H. Bush.*)

*Action:* *Motion passed with one abstention* (abstained due to conflict of interest as an owner of preferred shares.)

GM explained that the first offering was for a five year period. It was noted that due to increased competition the MFC is not in a position to buy back shares this year. This will be reviewed annually. GM noted that individuals that purchased preferred shares may petition the MFC for buy back of preferred shares.

(iii) Communications Committee (C. Noordyk, C. Morgan, M. Augustyn, H. Bush): More information will be forthcoming about a future cleanup event.

(iv) Elections & Nominations (M. Augustyn, H. Bush): Committee would like feedback on proposal for charter and timeline shared on Slack. Board discussed creating a committee protocol section in binders separate from board policy to maintain records of committee charters, timelines, and responsibilities.

(v) Board Education & Orientation (C. Morgan, M. Augustyn, P. Britton): No discussion was held.

(b) Annual Membership Meeting Run Through: Each Board member discussed the topic they intend to speak about at the Annual Meeting. Board members should plan introduce themselves and should speak for two to three minutes.

(c) Begin CCMA Planning: The conference will be held May 31–June 2 in Portland, OR. Group would return on Sunday, June 3. GM inquired who would like to attend. Both C. Morgan and C. Noordyk plan to attend. H. Bush volunteered to attend if space becomes available.

(d) Board Work and Action Items: Board discussed that this time on the agenda would be available for work that needs Board attention. Committee reports will be submitted by the Sunday before each meeting so that copies can be made available to the public at the meeting. Discussion was held concerning which reports should be attached to the minutes. It was noted that historically the minutes have included GM Monitoring reports. The Board discussed whether the Monitoring Reports, Store Report, Outreach Report, and/or Committee reports should be attached to the minutes for the public. The Board decided to only post the minutes publicly and to no longer publicly post the Store Report, Outreach Report, or GM Monitoring reports.

*Motion*: To change the documents provided to the public to include only the minutes and agenda (*motion by C. Noordyk, second C. Morgan*).

*Action*: *Motion passed unanimously.*

**X. Third Public Comment**: Board Recorder inquired whether Board would like to change the February minutes to not include the attached Annual Ends Report, Store Report, and Outreach Report. The Board explained that this change will take effect moving forward and the February minutes were approved with the attachments.

## **XI. Closings**

(a) April Assignments:

- i. Store Report (M. Gougeon)
- ii. Outreach Reports (S. Monte)
- iii. Update Directory
- iv. Orientation Procedure Begins
- v. Consent Agenda:
  1. Approval of March Minutes

2. Electronic Communications
3. L8 – Communication and Counsel to the Board (M. Gougeon)

**XI. Motion to adjourn at 7:47 p.m.** (*motion by R. Kochis, second C. Morgan*)

*Action: Motion passed unanimously.*

**Next Board Meeting: April 17, 2018 at 6:00 p.m.**

Emily Weddle  
Board Recorder