

DRAFT Minutes
of the MC FARM Annual Membership Meeting
February 19, 2013 Willits Grange

Welcome, introduction of Operating Committee (OC). Vice President Michael Foley introduced himself as presiding officer, due to Andy's resignation as MC FARM President. O. C. members then stood and introduced themselves.

Robert's Rules of Orders and Ground Rules for a Good Meeting: Michael explained that the meeting would move into parliamentary procedure when it is time to make and approve.

Approve Agenda: M/S/A: (Motion/Second/Approval) **Motion to approve the agenda as presented. Ana Cox/Michael K. / Approved without discussion or dissent.**

Approve 2012 Meeting Minutes: M/S/A: **Motion to approve the 2012 Annual Meeting Minutes. Julie H/ Gloria Harrison/ Approved without discussion or dissent.**

President's Report: Michael Foley. Overall it has been a good year for MCFARM. Sales are up in most markets. We had one dispute that was worked through. We currently have two market manager openings: Mendocino and Redwood Valley. Any vendor or member of the public may be a Market Manager (MM). General Manager (GM) Scott Cratty: we would like to fast track this and are hoping to have applications by a week from tomorrow (2/18), since we want to have the new MMs on board for the Spring OC meeting on March 10th. The County Ag Department will be presenting a training for MMs at that meeting. There are also openings for MCFARM officers that we will be voting on later in this meeting: a one year replacement for the President; a two year term as Vice-President; a two year term as Secretary; and a two year term for Member Rep. Elections after lunch. Diane said that she thought she was elected to a two year term as Secretary last year, Michael thought it should be this year, last year's minutes were not clear whether it was for one or two years.

General Manager's Report: Scott. I have been in the position for eight months now. It started out quietly and then got very time consuming. In those eight months I have arranged a feature in Mendocino Travelers' Guide, wrote a letter supporting cottage food bill, dealt with a production glitch in the rack cards, have been attending Food Policy Council meetings, and have written lots of letters of support for grants for local food work. The pending regulation to create a buffer zone around our markets was almost ready for its final County Council check off when the County Council decided that it wasn't legal. Despite further research showing that other jurisdictions had adopted similar regulations it ending up in a governmental black hole. We tried to link up with the Mendocino College Culinary program to provide chefs demos in markets,

but they weren't ready yet. The OC used on line voting for the little things that came up between meetings. An extra \$200 was given to the smaller markets for marketing. I also worked on the Gualala market's withdrawal from the association, used one month of my GM salary for the Mendocino Sweepstakes (which it didn't come to much), and joined the National Farmers' Market Coalition in order to monitor what is happening nationally. A number of the rules that govern FMs (Farmers' Markets) are sun setting next year. In the discussion of the new rules, the urban FMs have more weight than rural markets and their interests are not our interests. Food policy and safety rules for farms are changing. The end of the year was agitated by a personnel matter that has been resolved. This year we are going to be finding new managers and getting them trained, moving web providers, and looking at our insurance. Michael Foley added that the bigger markets in the state are pushing for more state inspections, which would be paid for by the vendors. When the time comes we are going to need to support Scott and possibly help in contacting our legislators.

Canopy and Umbrella Weight Requirements: Scott. The biggest hazards at markets are flying canopies and umbrellas. We have been lucky so far that no one has been hurt in any of our markets or sued us. Current rules: all canopies and umbrellas must be tied down or weighted. We have been lax about enforcing it, and this year we are going to improve our enforcement. (Handout passed out.) The regulations require a 25 lb. weight for each leg of a canopy and 40 lb. weight for umbrellas. Remember not to create a tripping hazard with your weights. We will be asking you to take them down if they are not properly weighted. Julie A: I found a set of 4 bags that are filled with sand and velcro around the legs on E-bay for \$40 for the set.

Adopt Rules for Market Entry and Exit from MCFARM: Angela. This came up last year when Ukiah Tuesday wanted to leave MC FARM and we realized that we did not have any rules to cover it. Look at the last page of the meeting handout (attached) for the proposed changes, which are based on what we have done in the past. The first part is an amendment to the By Laws, the second part would go in Rules and Regs. The content of the proposal was reviewed. Members were reminded that only Ag members have vote on By Law changes

- **M/S/A Motion to approve the By Law Amendment as proposed. Ana Cox/Michael K/**
- **Discussion:** Mimi asked if the vendors vote to exit would require a majority or 2/3s to pass. We assumed a majority. Ana Cox asked if there is a way to inform the general public that they are no longer a part of MC FARM? Only that they can't use our name, logo, etc. Sky: What does "regularly participate" mean? Mimi thought that it was defined somewhere else in the By Laws, but could not find it. What we are trying to achieve is not having a MM making a decision for the market. Are we making a distinction between ag and non-ag vendors. Both can vote at the market level. Scott suggested a vote of 2/3 of the regular vendors (defined as attending 20% of market days). Mimi – 20% is really different in a year round and seasonal market. Is 20% really regular? Maybe it should be a

percent of season and/or number of years they have come to the market. Need to include vendors who come year after year with seasonal produce.

- **M/S/A: Amendment to the Motion: a 2/3 vote of regular vendors who have attended the market for at least three years and/or have participated in at least four markets per season. Scott/Ana/22 in favor, 0 opposed.**
- **Further discussion:** This doesn't close the door on those vendors who still want to stay in MCFARM re-applying to be a part of MC FARM or on some vendors leaving and others staying.
- Michael F asked if there was any objection to adding the intent of the last sentence of section B to section C. There were none. This change was accepted as a friendly amendment.
- **M/S/A Motion to approve the By Law Amendment as amended. Ana Cox/Michael K/In favor 27, opposed, 0.**

Vote on Gualala Market Request to exit MCFARM: Scott. We surveyed everyone who vended at Gualala this year and got seven out of nine surveys back, with six in favor of leaving and one opposed. We also called one significant vendor who did not respond and also voted to leave. So the 2/3 criteria has been met. The problem is the state rule that certified and non-certified vendors must be in different parts of the market. Most Gualala vendors sell both certified and uncertified products and have found no way to configure the market that complies with that rule. We had several meetings with the Ag Dept and could find no solution. **Discussion:** Gordon Brown asked if this is going to be on going; are other markets going to be leaving because more people want to sell nicky-nacky items. Gualala vendor Astrid answered that preserves and other products from the farm are not nicky-nacky. Will the Cottage Food Bill change that? – No, the Cottage Food act is going to complicate this. Could a vendor have part of their booth in each section? That has worked for the larger markets – but has not worked in the smaller Gualala market. Ag and non ag is ridiculous – not understandable to average person – alternative solution would label products as non farm.

- **M/S/A – Motion to allow the Gualala market to leave MCFARM. Michael K / Marbry / No further discussion. In Favor, 28; Opposed: 1**

Proposal for stipend to small market managers: Julie A. Currently the MM stipend is based on half of the stall fees collected (after the state fees come off the top) at that market. Small markets with fewer sales collect less in stall fees and do not get well enough paid for the work they do. Small would be defined as less than \$75,000 in gross sales. If approved this proposal would give each small market manager \$200+their share of stall fees each month. We would try this for a year and in following years it would be contingent on having enough money to include it in the budget. **Discussion:** Does the \$75,000 apply to summer, winter or year around? Year around. Where did \$200 month figure come from? It was what worked in this year's budget.

Two former small market managers supported the stipend. Michael Foley pointed out that MMs now have added responsibilities like EBT. Gordon B. – don't know why we didn't so this years ago.

- **M/S/A: Moved that MCFARM pay a stipend of \$200 month for the six month summer season to the MM in all markets that have gross sales of less than \$75,000 per year, to be reviewed annually as part of the budget. Bob / Ann Maglinte/There was no further discussion. In favor, 29; Opposed, 0.**

Office Manager's Report: Angela H It has been a smooth year in the office We had 170 paid memberships for \$5000 in membership fees The new application will be on the web site by the end of February.

Financial Report (See attached charts for details): No expenses have changed drastically from last year. We may see a change in insurance costs for this year after we review our coverage. We will have to pay 25% tax on the \$1000 profit. Over all stall fees are up 11%. EBT brought in \$38,000 – 3% of gross sales. (Willits added the matching funds into the EBT totals reported to Angela and Ukiah did not.)

Proposed budget for 2013: (see attachment)

- Income is projected to be the same as 2012.
- Changes in expenses
 - \$300 for extra operating funds for small markets
 - \$3200 for the small market manager stipend
 - Added more for insurance in case we need it
 - \$1000 to contingency (which brings the fund to \$4900)
- There is a chart on the back of budget with the operating fund amounts for each market.

Questions and Discussion:

- Could we change from plastic bags to corn starch bags? We will probably not be purchasing bags this year
- Were the Gualala stall fees considered in making budget? Yes, they were not included.
- Is there an error in the Fort Bragg stall fee comparison? Yes, thank you for catching it.
- Don't have 2011 non ag sales in the comparison and it would be nice to be able to make the comparison from year to year. Angela: I can do that in the future

Adopt 2013 Budget: There was no further discussion. **M/S/A: Genia moved approval of the 2013 Budget as proposed/Gloria Harrison/ In favor: 29, opposed: 0**

Market Manager Reports (moved up from the afternoon):

- **Boonville** – Bill – Last year was our first year. A few bumps in the road – leveled it out a little bit. Sales up 5%. Trying to get more Mexican families to the market this year. Over 60% of our business is tourists, which is difficult for

vegetable vendors. Learned a lot this year about being a manager – its a kind of tough job. Looking forward to next year.

- **Fort Bragg** – Julie – The Fort Bragg Farmers Market enjoyed a very successful 2012, up 30% in gross sales over 2011. We expanded to both sides of North Franklin which gives the market a fuller feel. The market offered a terrific diversity and selection. I focused my outreach on keeping the market in people's minds from week to week. Our Facebook page has nearly 900 followers, and we update the photos and teasers 4-6 times a week during the market season, as well as once or twice a week during the off season. Fort Bragg and Mendocino markets advertised on Local Starz at the movie theater. We also utilized the lawn signs and lots of word of mouth. I reached more of our local hispanic population through posters and word of mouth within the community. I offered a 1-10 matching gift to EBT users, which was much appreciated. I am trying to get a real matching grant for 2013. The 2013 season opens on May 1, and I am already feeling the buzz in the community.
- **Gualala** – No formal report. Angela reported on what a wonderful MM Donna has been for 13 years. She was great ballast on the OC. We are going to miss her presence. She is not here today due to health issues.
- **Laytonville** – Gloria – We had a good year and might go year round.
- **Mendocino** -- Angela said that Andy and Winnie, who have just learned that they are losing the land that they have farmed for many years, have been vendors for 29 years and managers for 13. They have done a wonderful job of integrating the market into that sometimes persnickety community. Andy was MCFARM President this year and Winnie has stepped up and filled in open positions on the OC whenever she was needed.
- **Redwood Valley** – Jen - I have nothing to report but good news about Redwood Valley! Market revenues were up by 41%, more than any other market in the system! We enjoyed the company of several new vendors as well as the relocated veteran vendor Floodgate Farms. The Fish Peddler finally joined us after years of me begging and we had baked goods from 2 Willits Bakeries and Redwood Valley raised beef too. It seems "Small" IS better; when I asked new customers why they came to Redwood Valley Farmers Market many would respond that the other farmers markets were too large and overwhelming and they could get everything they wanted at our smaller farmers market, they also loved the weekly music, relaxed atmosphere and very friendly farmers. For advertising this season I had some new more visible signs made for the down town area of Redwood Valley and continued to use KZYX , Facebook and email reminders to get the word out. The *Front Yard* signs from the MCGROW grant were popular and they made me smile every time I saw one! We had a wonderful easy fundraiser this year. We raffled off a "Sunday Brunch in the Park". Chef Jacquie Lee cooked a market fresh meal right there at the market for the raffle winner and 5 guests. All this good news makes it even harder for me to say I will not be able to continue as Market Manager as I have taken a 3/4

time position at the Ukiah Library. It is my hope that one of Redwood Valley's wonderful vendors will step forward to manage the market next season.

- **Ukiah** – Scott - Over all it has been a good season. No fights. Lots of collaboration. Slim on events this season – I want to improve that next season. Stricter enforcement of ag non/ag is still a problem. Roland Bakery may draw more people to the non ag end. Transitioning from a market with a couple of major anchor vendors to a market with a larger array of small farmers. Big challenge for the coming year is that the music sponsor is no longer going to be providing that support and we need to figure it out. EBT is 19% of our total income. We are fund raising to keep the \$15 match going (it brought in new customers every week) and have enough money to keep going thru April and people out looking for more. There has been a huge shift in the winter market, now in its fifth year. It has finally come into its own. The first six weeks of this year sales are up 60% and this week there were 6 different greens vendors!
- **Willits** – Michael – The market was pretty flat this year, but no one really knows why. We have the impression that there were fewer people coming to the market and there were fewer vendors. The bigger vendors did well (which brings down the staff fees) and we had more bigger vendors – farmers who grew up. There were food vendors who did a lot of sales. EBT and the matching program really helped the market – close to 10% of sales. Winter market: In the first three weeks of January 25% of sales were EBT. We have had more winter vegetables. Will be doing more advertising and like Julie's ideas.

DELICIOUS LUNCH

AG Department Discussion of 2013 Producers Certificate Guidelines and Upcoming Approved Source Meetings: AG Commissioner Chuck Morris and Assistant Commissioner Diane Curry

- **Approved Source** – meetings about this are coming up around the county. The Environmental Health (EH) Director and Ag Commissioner are working on creating a program similar to the ones in Napa and Sonoma as we are all dealing with the same things. We are looking at hard and fast regs vs. best management practices. Complying with the Point Source regulations will give a grower the status that permits sales to a middle person, institution or business that is going to prepare and sell the food. We will be introducing this process to the Board of Supervisors on February 25th as we need their approval to go forward spending county resources on it. We will then officially announce the upcoming meetings to be held in Boonville, Willits and Fort Bragg and are planning three meetings at each location. The CA Health and Safety Code requires that the raw ag products that are used to prepare a meal that someone is going to sell come from an approved source and leaves it up to the county to make the rules. We are trying to craft rules that will let the small producer get the approved source status. Currently direct marketing regs allow for FM vendors to issue a bill of lading to purchasers. We are going to try to make this process cost

free. I don't have time to answer questions now, so please come to one of the public meetings.

- **Changes in CPC process** – There will be at least one Coast day, we are trying for two days and will announce the date(s) and new location as soon as possible (Michael Foley: if you are not getting the **MC FARM e-newsletter**, please get me your email address, so I can get you on the list as many of these kind of dates and announcements go out on it.) Chuck handed out a producers check list for preparing and obtaining CPC. **The most important change in the CPC is that we now only want you to put what you really think you will grow on it.** We used to urge you to put everything you might grow on it and they ended up too large. There is no charge for amendments, if you start growing plants not on the CPC. Is there some way to simplify the mid season amendment process? Not really. The CPCs do roll over year after year in the database.
Varieties: The State wants every single one of them. This is a State driven form and has to work for their database. If you don't know, give some sort of descriptor (i.e. antique, seed saver, etc.) What is the purpose of recording them? Intent when the legislation was passed was for the inspector to be able to identify all the different varieties during a growing grounds inspection as proof against brokering. The law mandates an annual inspection, which hasn't happened here, but which we are working towards. Send your CPC in to the office, then check in with Carolyn to make sure we got it and schedule an appointment. Having an appointment should cut down the time you spend in line in the office. Plant starts need to be on the CPC. What about mixed flowers bouquets that include wild things? Everything that you grew and sell needs to be on it. Wild grown? – if you “practiced the agricultural arts” upon those plants on your land, put them all on your CPC.
- **Site Inspections** – Diane – we did start doing them last year. Required by law. With only three biologists in the office there is no way to get to every farm, every year. We are permitted to charge \$60/hour to the farm for doing them, but we don't want to do that. We may have time to do 3% of the farms per year. Will start with new applicants and then will be working back. We will inspect if there is a complaint. We will call and make an appt to come out. What are you looking for? What you have in the ground vs. what you have on your CPC. We are only interested in what you have on your certificate and what you are selling at the market – we are not interested in anything else you might be growing on your land. 120-140 CPCs issued per year currently. We do issue CPCs for farmers that do not sell in this county. Right now we charge \$15/CPC – probably cheapest in state; but the law allows us to charge \$60/hour for doing inspections. Some counties have a charging structure for CPC so the cost may vary in those counties. CPC forms are on the web site under the Certified FM tab. The CPC is good for one year, then needs to be renewed.
- Reminder list of your responsibilities as a Certified Producer handed out.
- **Violations last year:** most were for not having items that were being sold on the CPC or CPCs not being posted. Do double check your CPC when you get it

back to make sure it is correct. There was an inspection this year of a farm that was accused of brokering. We take all complaints seriously.

- Farmers Market Manager University: We are currently developing a curriculum for it and will hopefully be ready for the Spring OC meeting
- May have to raise the fee for CPCs a little bit.
- \$.60 that is paid with the stall fees all goes to the State to run the Direct Marketing program at that level.

Officer Elections:

- **President** (one year term): Scott nominated Julie A.. Julie accepted. No other nominations. Approved by hand vote
- **VP** (two year term): Scott nominated Michael Foley for another term, he accepted. No other nominations. Approved by hand vote
- **Secretary** (2 year term): Scott nominated Diane Paget for another term. She accepted. No other nominations. Approved by hand vote
- **Member Rep** (2 year term): Scott nominated John Richardson for another term. He accepted, No other nominations. Approved by hand vote
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West Company Presentation: Paula Gaska. Paula introduced herself. My partner, Adam Gaska, and I operate Mendocino Organics, we used to sell at the FMs. West Company has a new grant to offer free farm business development services, and I am working part time for them doing outreach for this grant. There is a workshop series starting at the end of this month in both Ukiah and Fort Bragg. Includes individual business or marketing plan consultations and someone coming out to your farm to work with you. The six workshops cover planning, pricing, marketing, etc. There is a completion award of a cash stipend if you complete your individual training plan. Apply at www.westcompany.org or contact paula@mendocinoorganics.com. NCO is a partner in the grant, which also includes a part for strengthening CSAs

Farm to Fork Project – Susan Lightfoot This project is funded with a NCO community action grant from CDFA and started last spring. I have primarily been working with school districts to build their capacity to buy and use fresh fruits and vegetables. Working with a handful of producers so far. In the second year, the focus will be on working with retail food establishments – stores, restaurants and caterers. Please use me as a resource in helping to making connections between producers and processors, and in distribution. We are trying to create a buyers database of who is responsible for buying produce, how they want to be contacted, what they need, etc. in lieu of the distribution network we don't have. The approved source regs came up in the middle of the project, but schools and hospitals were already asking about this as they have to be able to show where their food came from. Chuck and Dave Jensen (EH Director) have really been on our side about this. Meetings are going to include producers, purchasers and public. Trying to develop a policy to be implemented next year. This year will be like last year, your CPC number needs to be on your boxes and on invoices for purchases going to food processors. You are all invited to **the North**

Coast Farmers Convergence on Friday, March 1st, at Barra. It is free with dinner and a party in the evening and the convergence during the day, so producers from Mendocino, Napa, Sonoma, Humboldt, Trinity counties to learn from each other. Please RSVP if you are coming. slightfoot@ncoinc.org 467-3238

VAP workshops, Farm Trails Map Project & Farmers Convergence – Jen Dalton.

- I am working on an **analysis of all current or past CSAs** in Mendocino County and want to talk to you about what has worked, etc., if you have or have had a CSA. Your info can be private, only the overall analysis will be public
- **Farm Trails Map** is a joint project with Visit Mendocino County. We haven't had a map like this since the 80s when Carrie Brown developed one for the Farm Bureau. We are expanding the concept to include gardens, nurseries and other interesting places for people to visit. Right now I am raising the money to publish it. Let me know if you are interested in being on the map.
- There will be a Marketing Workshop on March 18th in Ukiah at the NCO Conf Rm. (cost -- \$75) that will help you look at what and who are missing from your marketing plan.
- jen@kitchentableconsulting.com

Cottage Food Bill Overview – Scott: This legislation makes it legal to cook some things at home and sell them to the public. It applies to a designated list of approved foods, which can be added to by the state health department. Most of the regulations are being written at the county level and are being formulated now. Class A will allow direct sales to consumers in your home county. Class B will allow sales in some other counties and thru retail outlets. Mendocino County is proposing that a Cottage Food business can employ family members plus one other full time employee, that sales can not be greater than \$35,000 in the first year and then go up step by step in following years. A Cottage Food business will have to register with County EH Department, submit a self certification form, take a food processor safety certification course (that doesn't exist yet) within three months of applying, certify that it has city or county planning approval (cottage industries are automatically legal in many zones in Mendocino County), is registered with the Franchise Tax Board and has business license. Class B businesses will also have to have and pay for a kitchen inspection (\$182 / year) every year, have their water tested if it is not on a municipal system and pay for that, meet certain labeling requirements, use ingredients from an approved source and more. (Scott – I am not sure if these only apply to Class B or to both and I need contact info for EH) This legislation became effective at the beginning of 2013, without the county regulations in place yet. Questions: Were we going to discuss Food Safety within MC FARM? Yes, but the OC withdrew that discussion because the Point Source stuff came up and is going to impact it. How will this impact selling dried fruits? You are now going to have to go through the Class A process to sell them.

Discussion of plastic bag and single use plastic bottle ban:

- County ban is on carry out bags, not on produce bags.
- Lets do a group purchase of cornstarch bags. Corn is usually gmo. Angela L: We have been using bio bags (made with non gmo corn) from company in bay area, that would give us a deal on a bigger order, but they are quite a bit more expensive than plastic.
- Wrap vegetables in newspapers. The papers in this county are printed with soy based ink and are not toxic.
- The Ecology Center banned plastic bags, had a six month transition period with bio bags and sells \$1 cloth bags at the markets.
- Investigate local sources of bags.
- Make up banners to remind people to BYO Bags to the market.
- We just have to stay on people over and over again until they remember. People are bringing their bags more and more
- Issue of tare weight of bags since bags have different weights. For loose things, use a basket that you know the tare on for weighing, then pour into their bag
- Tourists don't have bags with them.
- MC FARM still has cloth bags with our logo on them.

Announcements

- Friedman's Bros will not be giving us a discount this year.
- First Five wants to do some collaborative events with FM this year.
- Floodgate Farm Salad University: March 10th at our farm in Redwood Valley
- Angela passed a draft MC FARM poster around the room for comment – just look at the art – info has not been updated -- theme farm to table fresh.
- Inland growers, you are invited to give FB market a try.

Meeting adjourned at 3:15.

Respectfully Submitted,

Diane Paget, MCFARM Secretary

Attachments:

- 2012 Gross Sales
- Stall Fee Comparison
- 2012 Profit and Loss Statement
- Approved 2013 Budget
- Approved By Law Change