

**Fair, Susan P AGRI:EX**

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**From:** Parnell, Grant AGRI:EX  
**Sent:** Tuesday, June 24, 2014 2:02 PM  
**To:** Sturko, Derek AGRI:EX  
**Subject:** Re: Sunshine Organics

Will do.

Grant Parnell, ADM  
Ministry of Agriculture  
250 356 1122  
250 356 7279 (fax)

On 2014-06-24, at 1:57 PM, "Sturko, Derek AGRI:EX" <[Derek.Sturko@gov.bc.ca](mailto:Derek.Sturko@gov.bc.ca)> wrote:

Can you please all Judi on my behalf (Bev will have her number) and explain this to her on my behalf.

Thanks

Derek Sturko  
Sent from my iPad

On Jun 24, 2014, at 1:09 PM, "Parnell, Grant AGRI:EX" <[Grant.Parnell@gov.bc.ca](mailto:Grant.Parnell@gov.bc.ca)> wrote:

The province has contracted with IAF to deliver the Buy Local Program by adjudicating grant applications, awarding grants on the basis of an approved plan of implementation and ensuring quality and value for money prior to dispersing funding.

Sunshine Organics (SO) has an approved grant and implementation plan under the buy local program in the amount of \$100k.

Work has been ongoing for some time  
Some interim payments have been made by IAF for work done

The remainder of the funding decisions are delayed waiting for additional information from SO.

s.13

Grant Parnell, ADM  
Ministry of Agriculture  
250 356 1122  
250 356 7279 (fax)

On 2014-06-24, at 10:40 AM, "Sturko, Derek AGRi:EX" <[Derek.Sturko@gov.bc.ca](mailto:Derek.Sturko@gov.bc.ca)> wrote:

What can I share with Ms. Tyabji Wilson?

Derek Sturko  
Sent from my iPad

On Jun 20, 2014, at 11:08 AM, "Parnell, Grant AGRi:EX" <[Grant.Parnell@gov.bc.ca](mailto:Grant.Parnell@gov.bc.ca)> wrote:

I have spoken to IAF staff about this file -- here are a few notes

Sunshine Organics (SO) is a small business on the Sunshine Coast which delivers organic food from various producers to retail (home) customers

I understand that a representative of the company has made some concerns known to government about the payment of grant funds for work done under the Buy Local program

- Sunshine organics was successful in getting a grant approved under the Buy Local program – total grant approved is \$100k – total project cost is \$350k
- Grant approved in 2012
- \$50 000 funds advanced in 2012 upon approval of project plan
- Work undertaken in 2013
- A request for \$25000 further advance part way through 2013

Grant Parnell  
ADM - Business Development Division  
Ministry of Agriculture

250 356 1122  
250 213 1530 (cell)  
250 356 7279 (fax)

## Fair, Susan P AGRI:EX

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**From:** Parnell, Grant AGRI:EX  
**Sent:** Wednesday, July 2, 2014 3:21 PM  
**To:** Sturko, Derek AGRI:EX  
**Subject:** FW: Sunshine Organics

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**From:** Judi Tyabji Wilson [<mailto:judi@maradadipacific.com>]  
**Sent:** Wednesday, July 2, 2014 2:17 PM  
**To:** Parnell, Grant AGRI:EX  
**Subject:** Re: Sunshine Organics

Hello Grant,

Thanks so much for your note. I did just call Melissa on her cell and reached her, which is the 604-414-4240 number. Thanks for your help.

All the best, Judi

On Wed, Jul 2, 2014 at 1:52 PM, Parnell, Grant AGRI:EX <[Grant.Parnell@gov.bc.ca](mailto:Grant.Parnell@gov.bc.ca)> wrote:

Hello again Judi, I tried calling Melissa last week at the number you provided (604 414 4240) and left a voice mail. I called again today after not hearing from her – this time to 604 483 3188 and again left a voice mail

I will continue to try and contact her and see if I can help move this matter along.

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**From:** [judi@maradadipacific.com](mailto:judi@maradadipacific.com) [<mailto:judi@maradadipacific.com>]  
**Sent:** Wednesday, July 2, 2014 10:08 AM  
**To:** Sturko, Derek AGRI:EX  
**Cc:** Parnell, Grant AGRI:EX; Melissa Call  
**Subject:** Sunshine Organics

Good morning!

Just checking in, on behalf of Melissa Call, regarding recent discussions.

Many thanks,

Judi

Sent from my BlackBerry 10 smartphone on the TELUS network.

--

Director  
Maradadi Pacific  
*from Great Challenges come Great Opportunities*

**Fair, Susan P AGRI:EX**

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**From:** Parnell, Grant AGRI:EX  
**Sent:** Tuesday, June 24, 2014 5:45 PM  
**To:** Sturko, Derek AGRI:EX  
**Subject:** Re: Touching base

She is not an officer in Sunshine So I was not able to get into the business details (privacy). She was ok with that and requested that I call the owner Melissa to see if I could help out.

Ms T seemed satisfied with the contact and thanked me for speaking to her.

Grant Parnell, ADM  
Ministry of Agriculture  
250 356 1122  
250 356 7279 (fax)

On 2014-06-24, at 4:42 PM, "Sturko, Derek AGRI:EX" <[Derek.Sturko@gov.bc.ca](mailto:Derek.Sturko@gov.bc.ca)> wrote:

Thanks. How did it go?

Derek Sturko  
Sent from my iPad

On Jun 24, 2014, at 4:25 PM, "Parnell, Grant AGRI:EX" <[Grant.Parnell@gov.bc.ca](mailto:Grant.Parnell@gov.bc.ca)> wrote:

Derek I spoke with Ms Tyabji today. I will be phoning her acquaintance Melissa at Sunshine Organics tomorrow

Grant Parnell, ADM  
Ministry of Agriculture  
250 356 1122  
250 356 7279 (fax)

On 2014-06-24, at 2:17 PM, "Sturko, Derek AGRI:EX" <[Derek.Sturko@gov.bc.ca](mailto:Derek.Sturko@gov.bc.ca)> wrote:

Sorry that was my cell number. Call 250 356-1800....

Derek Sturko  
Sent from my iPad

On Jun 24, 2014, at 2:05 PM, "Sturko, Derek AGRI:EX" <[Derek.Sturko@gov.bc.ca](mailto:Derek.Sturko@gov.bc.ca)> wrote:

No problem Judi. Sorry this has taken so long.

I've asked one of my ADMs, Grant Parnell (who I've copied on this reply) to contact you about what he has discovered in discussion with the IAF.

If you'd like to call him call my office<sup>s.17</sup>  
s.17 and someone will connects you.

Derek Sturko  
Sent from my iPad

On Jun 24, 2014, at 1:59 PM,  
"judi@maradadipacific.com"  
<judi@maradadipacific.com> wrote:

Hi Derek,

Sorry to be such a pest, but we are in full planning for a ribbon cutting here on Thursday, featuring Minister McRae and Melissa Call, who has the Buy BC file. know he's going to ask how the program turned out since he announced it in March 2013. If you can possibly help me have some by tomorrow that would be SO helpful.

Thanks so much,

Judi

Sent from my BlackBerry 10  
smartphone on the TELUS network.

## **Fair, Susan P AGRI:EX**

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**From:** Parnell, Grant AGRI:EX  
**Sent:** Friday, June 20, 2014 11:08 AM  
**To:** Sturko, Derek AGRI:EX; McLaren, Solveig AGRI:EX  
**Subject:** Sunshine Organics

I have spoken to IAF staff about this file – here are a few notes

Sunshine Organics (SO) is a small business on the Sunshine Coast which delivers organic food from various producers to retail (home) customers

I understand that a representative of the company has made some concerns known to government about the payment of grant funds for work done under the Buy Local program

- Sunshine organics was successful in getting a grant approved under the Buy Local program – total grant approved is \$100k – total project cost is \$350k
- Grant approved in 2012
- \$50 000 funds advanced in 2012 upon approval of project plan
- Work undertaken in 2013
- A request for \$25000 further advance part way through 2013

s.13

If more info is needed please let me know

Grant Parnell  
ADM - Business Development Division  
Ministry of Agriculture

250 356 1122  
250 213 1530 (cell)  
250 356 7279 (fax)

## **Fair, Susan P AGRI:EX**

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**From:** Parnell, Grant AGRI:EX  
**Sent:** Tuesday, October 28, 2014 3:25 PM  
**To:** Sturko, Derek AGRI:EX; Patterson, Mat AGRI:EX  
**Subject:** FW: follow up to site visit - IAF Project BL022 (SUNSHINE ORGANICS)  
**Attachments:** BL022 Repayment Request 27Oct2014 Final.pdf

I just saw this in my email

Grant Parnell, ADM  
Ministry of Agriculture  
250 356 1122  
250 356 7279 (fax)

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**From:** Elaine Burgess [<mailto:eburgess@iafbc.ca>]  
**Sent:** Tuesday, October 28, 2014 2:13 PM  
**To:** [info@sunshineorganics.ca](mailto:info@sunshineorganics.ca)  
**Cc:** 'ken bates'; 'Bar Hayre s.22' Parnell, Grant AGRI:EX; Hall, Kim AGRI:EX; Daina Rozitis  
**Subject:** follow up to site visit - IAF Project BL022

Melissa,

Please see the attached letter which follows up on our October 2<sup>nd</sup> site visit.

On behalf of Peter Donkers, Executive Director

Elaine Burgess  
Administrative Officer and Secretariat to the Board  
Direct: 250.356.1662  
Email: [eburgess@iafbc.ca](mailto:eburgess@iafbc.ca)

**Investment Agriculture Foundation of BC**  
Mail: PO Box 8248, Victoria, BC V8W 3R9  
Courier: 3rd Floor, 808 Douglas St., Victoria, BC V8W 2Z7  
Fax: 250.953.5162  
Web: [www.iafbc.ca](http://www.iafbc.ca)

*Helping agriculture adapt, diversify and grow!*

Please consider the environment before printing this email.

October 27, 2014

File: 1150-30/BL022  
via email: info @sunshineorganics.ca

Mail  
PO Box 8248  
Victoria, BC V8W 3R9

Courier  
3rd Flr, 808 Douglas St  
Victoria, BC V8W 2Z7

Phone 250-356-1662  
Fax 250-953-5162

www.iafbc.ca  
info@iafbc.ca

Melissa Call  
Sunshine Organics Home Delivery  
4726 Marine Avenue  
Powell River, BC V8A 2L4

**Re: BL022 Coastal Buy Local Program**

Dear Melissa:

I am writing to thank you for making both yourself, your staff and resources available to our contractor, Liane Clark, during her visit on October 2<sup>nd</sup> 2014. I am also writing to inform you of the results of Ms. Clark's review.

Ms. Clark reviewed the bookkeeper's notes, and the general ledger provided by your accountant. Ms. Clark also reviewed information supplied by Ms. Tyabji; both the materials available during the site visit and also the additional materials emailed to her subsequent to the site visit. The result of Ms. Clark's review of the material provided indicated that:

- discrepancies with wage, consulting and travel expenses exist between the bookkeeper's notes, the general ledger and the financial report submitted in the final project report to IAF;
- regular operating costs such as 100% of utility costs, advertising costs and food purchase expenses were charged to the project during the period of March to December 2013;
- 100% of wages and associated CPP and EI costs for Sunshine Organics were charged to the project, some of these charges were noted to be outside the timeline of the Buy Local Project, and;
- capital expenses including vehicle lease costs and equipment purchases were charged to the project.

Ms. Clark also reported that in her opinion there were eligible expenses associated with this project; however, there was insufficient detail in the information provided to accurately determine what those expenses or their associated values would entail.

The terms of the contribution agreement that you entered into with the Foundation states: §3C "The Recipient will ensure that proper and accurate accounts and records are maintained with respect to the Project". It is the opinion of the Foundation that this condition has not been met.



**Investment  
Agriculture  
Foundation**  
of British Columbia

Funding provided by:

Canada



BRITISH  
COLUMBIA

In its role as a trustee of public funds, the Foundation has an obligation to account for how the funds entrusted with us are used, and to ensure that they are used only for the purposes expressly set out. The Foundation's Executive Committee has determined that we must terminate the project and request repayment of the \$50,000 advanced to Sunshine Organics by cheque number 9936 on March 14, 2013.

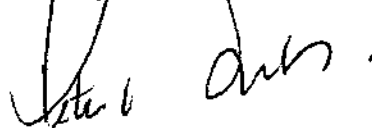
The Foundation recognizes that eligible expenses associated with this project have been incurred. We would encourage you to closely examine your records and forward additional financial documentation that supports those eligible expenses. We are always prepared to review those materials and, if approved, reimburse Sunshine Organics based on the original cost-sharing ratio stipulated in the contribution agreement.

Please forward your cheque in the amount of \$50,000 made payable to the Investment Agriculture Foundation of BC and sent addressed to my attention at the following address:

Investment Agriculture Foundation of BC  
PO Box 8248  
Victoria, BC  
V8W 3R9

Should you have any questions or wish to discuss the matter in more detail I can be reached at (250) 356-6654.

Sincerely,



Peter Donkers  
Executive Director

Cc:

Ken Bates: Chair, Investment Agriculture Foundation  
Bar Hayre: Chair, Performance & Evaluation Committee  
Grant Parnell: ADM, Ministry of Agriculture  
Daina Rozitis: Manager Finance and Operations

#180668

**Driedger, Emily AGRI:EX**

**From:** Coastal Buy Local <cbl@sunshineorganics.ca>  
**Sent:** Friday, July 4, 2014 8:25 AM  
**To:** Peter Donkers  
**Cc:** Minister, AGRI AGRI:EX; McRae.MLA, Don LASS:EX; Simons.MLA, Nicholas LASS:EX  
**Subject:** Sunshine Organics IAF Buy BC Campaign  
**Attachments:** Mr. Donkers July Letter.pdf

Dear Mr. Donkers,

Please see attached letter.

Melissa

Melissa Call - President & CEO  
ECOSSENTIALS LOCAL MARKET INC.  
SUNSHINE ORGANICS HOME DELIVERY  
604-485-7000

[www.ecosentials.ca](http://www.ecosentials.ca)

[www.sunshineorganics.ca](http://www.sunshineorganics.ca)

[www.suncoastgrown.ca](http://www.suncoastgrown.ca)

[www.pebpond.com](http://www.pebpond.com)

cc: Honourable Norm Letnick, Minister of Agriculture

Honourable Don McRae, Minister of Social Development and MLA Comox Valley

Nicholas Simons, Official Opposition Agriculture Critic and MLA Powell River – Sunshine Coast

MINISTER OF AGRICULTURE			
Referral #	180668		
Refer to:			
Received:	JUL 04 2014		
MIN Response <input type="checkbox"/>	Reply Direct <input type="checkbox"/>	Minifile <input checked="" type="checkbox"/>	NIA <input type="checkbox"/>
DM Response <input type="checkbox"/>	Breaking Note <input type="checkbox"/>	Speaking Notes <input type="checkbox"/>	
Other _____			



***Because Local is Growing***

Sunshine Organics, Ecosystems Local Market  
& SunCoast Grown  
Local, Fresh, Direct



July 3, 2014

Peter Donkers  
Executive Director  
Investment Agriculture Foundation of BC  
PO Box 8248, Victoria, BC V8W 3R9

Re: BL002 - Coastal Buy Local Campaign

Dear Mr. Donkers,

I am writing to you in response to your letter of June 11 and the correspondence we have had since the completion of the BL022 Coastal Buy Local project in January. We at Sunshine Organics are concerned by your response since it appears that the program is trying to find ways to not pay us the second half of the IAF grant contribution of matching funds.

As you know, in our contract we committed to a work plan with specific deliverables: enhance marketing, heighten awareness, expand distribution, and increase consumption of local agrifood products through promotion, social media, and special events through the Comox Valley and Powell River, working with local organizations and businesses. We also committed to create a "local" brand with a logo and materials to be shared with producers and retailers, and a survey of local producers to help them reach the marketplace and sell more products. We committed to staff booths at community events, with samples of local products, displays of weekly bins, and featured farm goods with materials from the farms. In the ten months of the campaign, we did all of this, and more. We added suppliers to our lists, sold out of many farm's goods, worked with farmers and producers to set higher production goals for them this year, and created a good presence for the SunCoast Grown brand, which we created with input from the Skookum Food Provisioners. After surveying producers, we created a user-friendly online marketing network for producers in our region, plus we promoted agriculture as a key tool in economic development, a message which we took to rotary, the chamber of commerce, local governments of the Comox Valley and Powell River, and the many festivals we attended. The program requires matched funds, and in fact we exceeded this requirement with a substantial additional investment in local food and promotions.

After we filed our final report, and then provided the long list of supplementary material you requested, plus a box of food demonstrating some of what we used for promotions and samples, we received your letter for another level of detail to back up our accountant's numbers with copies of every invoice from each supplier, etc. As you may know, in the six months since the end of the

/2



[www.SunshineOrganics.ca](http://www.SunshineOrganics.ca)  
[info@sunshineorganics.ca](mailto:info@sunshineorganics.ca)

**Ecosystems Local Market Inc.**  
[www.Ecosystems.ca](http://www.Ecosystems.ca)

[www.SunCoastGrown.ca](http://www.SunCoastGrown.ca)  
[info@suncoastgrown.ca](mailto:info@suncoastgrown.ca)



***Because Local is Growing***

Sunshine Organics, Ecosentials Local Market  
& SunCoast Grown

Local, Fresh, Direct



- 2 -

campaign, my company has made a commitment of over \$600,000 to the expansion of retail space for local food in a store and restaurant which is going to offer about a 400% increase in shelf and cooler space for local food. As I write this, I am surrounded by drywall dust and new equipment and we are days away from our grand reopening. Because we believed the final payment from IAF would be received by May or June of this year, my company is now experiencing financial hardship in carrying costs for the completed campaign.

Given that all of my resources are engaged in the expansion of Ecosentials/Sunshine Organics, I ask that you consider my considerable investment, the deliverables that Sunshine Organics provided through Buy BC program, our successful completion of the work plan of the campaign, our twelve year commitment to local agriculture, our ongoing investment in the promotion and support of BC agriculture, and our pressing needs as a small and growing business, and agree to pay us the final \$50,000 on this contract, which we expended last year in addition to our matched funds.

Thank you for your consideration.

Melissa Call  
President  
Ecosentials Local Market Inc.  
Sunshine Organics Home Delivery

cc. Honourable Norm Letnick, Minister of Agriculture  
Honourable Don McRae, Minister of Social Development and MLA Comox Valley  
Nicholas Simons, Official Opposition Agriculture Critic and MLA Powell River – Sunshine Coast



**Morales, Stefan AGRI:EX**

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**From:** Patterson, Mat AGRI:EX  
**Sent:** Friday, October 31, 2014 10:20 AM  
**To:** Parnell, Grant AGRI:EX  
**Subject:** FW: follow up to site visit - IAF Project BL022 (SUNSHINE ORGANICS)

FYI

**Mat Patterson**  
BC Ministry of Agriculture  
250-356-5126

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**From:** Sturko, Derek AGRI:EX  
**Sent:** Friday, October 31, 2014 10:19 AM  
**To:** Bill, Karen F AGRI:EX; Crebo, David GCPE:EX; Boelens, Robert GCPE:EX  
**Cc:** Patterson, Mat AGRI:EX  
**Subject:** RE: follow up to site visit - IAF Project BL022 (SUNSHINE ORGANICS)

s.13

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**From:** Sturko, Derek AGRI:EX  
**Sent:** Wednesday, October 29, 2014 8:40 AM  
**To:** Bill, Karen F AGRI:EX; Crebo, David GCPE:EX; Boelens, Robert GCPE:EX  
**Cc:** Patterson, Mat AGRI:EX  
**Subject:** FW: follow up to site visit - IAF Project BL022 (SUNSHINE ORGANICS)

As discussed

Derek Sturko  
Deputy Minister  
BC Ministry of Agriculture

