

MINUTES November 19, 2014

Present: Michael Bettmann, Sarah Blum, Margaret Drye, Martha Graber (arrived at 5:40 p.m.), Kay Litten, Zeb Mushlin, John Rosenquest, Susan Sanzone Fauver
 Absent: Kerry Artman, Wynne Washburn Balkcom
 Staff: Terry Appleby, Eugenia Braasch, Amanda Charland, Tony White
 Guest: Marilyn Scholl, CDS Consulting Co-op
 Members: 15 people attended the comment portion of the meeting.
 Members: 5 people attended the business portion of the meeting after the dinner break.

Welcome

Margaret called the meeting to order at 5:33 p.m. She noted that the Co-op board meeting is not public and requested that no filming or recording take place.

Agenda Review & Changes

The Ends discussion was postponed. A briefing about the *3SquaresVT Challenge* and a summary of the November 15th Board and Management retreat were added to the agenda.

Co-op Stories

Michael was told that the Hanover Co-op “is their model” when he recently visited the Weaver Street Food Co-op in Hillsboro, North Carolina. A friend who recently moved to Burlington misses her Upper Valley friends and the Hanover Co-op.

Margaret and her grandson enjoyed participating in the ground-breaking for the Hanover store renovation on Monday, November 10th (video posted on the Co-op’s FaceBook page).

Zeb toured three stores (City Market/Onion River Food Co-op, Trader Joe’s, and Healthy Living Market) on a recent trip to Burlington. He concluded that the cooperative model has the “sweet spot”.

October 22, 2014, Meeting Minutes

MOTION: Kay moved to approve the October 22, 2014, minutes, as written.

Susan seconded the motion.

VOTED: To approve the October 22, 2014, minutes, as written.

8 in favor, 0 opposed, 0 abstained, 2 absent.

The motion passed.

Member Comments

Margaret assured members that they are heard and that many people contact the Board with different points of view. The Board is looking for a practice to determine responses and responsibility for specific follow-up about member concerns.

The Board took comments from three members about the following topics:

- EL 5 Treatment of Staff policy discussion; a person affiliated with the Concerned About The Co-op group expressed deep frustration with the Board’s response to that group’s efforts and asked that a discussion about EL 5 Treatment of Staff policy be added to the meeting agenda.
- Member engagement; a former Board member expressed concerns about the firing process as well as the member engagement process. He indicated that he cares about the Co-op, yet feels that his efforts to work with the Board have not been adequately responded to.

- Public Service: Another member suggested that public service requires a Teflon coat and indicated that increased attendance at Board meetings is a positive development and may be the new norm..

Margaret responded that the Board has read and discussed the Concerned About The Co-op recommendations, has a policy review process which is moving forward deliberatively, and is considering the long term impacts of potential changes to that policy on the Hanover Co-op. She informed members that an EL 5 policy discussion will not be added to the agenda. Ten members left at that point.

Board members said that they are listening and expressed appreciation for member remarks. It was noted that the Board has responded to members in a variety of ways, via direct conversation, correspondence, a variety of media channels, holding meetings in larger venues, and through a forum series about topics of member concern. Board members characterized themselves as individuals of good will who are trying to do the right thing under difficult circumstances.

Discussion

Ends Policy Review Committee

This topic was postponed.

Discussion

Food Insecurity

Zeb is participating in the *3SquaresVT Challenge* hunger awareness campaign. He described some challenges of living within a \$36/week food budget: time required for meal planning and shopping to compare prices, the expense of fresh produce, the exclusion felt when not able to afford participation in a workplace potluck event. The Co-op offers both products and services to shoppers, notably bulk food, special sales, and cooking classes. A member suggested that the Co-op offer cooking and nutrition classes for people on a limited budget.

The meeting broke for dinner at 6:30 p.m.

The meeting resumed at 7:00 p.m.

Update

General Manager Update

Terry offered staff updates, reported that modest income is forecast for FY 2014 year-end, and said the FY 2015 budgeting process is in the final stages. A higher tax bill is anticipated because a deferred tax liability is due.

Tony White briefed the Board about the Hanover store remodel project; floor reinforcements will be installed next week, and new freezer and dairy cases will be in place mid-February. Management is paying close attention to cash flow due to significant front end construction payments that will be made prior to the availability of loan funds.

The Co-op, recognizing that it is a best practice to have a confidential eligibility verification process for participation in the Co-op discount program that is based on income level, plans to partner with the Haven and the Listen Center, two Upper Valley agencies that offer services to needy people.

The Board asked to see the staff satisfaction questions which will be administered to all employees in January, 2015, and Management agreed to circulate the survey.

Policy Monitoring

EL 10 Appropriate Architecture and Design

MOTION: John moved to accept the EL 10 monitoring report as in compliance.

Kay seconded the motion.

VOTED: To accept the EL 10 monitoring report as in compliance.

8 in favor, 0 opposed, 0 abstained, 2 absent.

The motion passed.

Terry indicated that the Hanover Store renovation was planned with Board priorities and policies in mind. The energy benefits (including upgrades in HVAC, LED lighting, and refrigeration systems) could be realized as early as February, 2015. Management also reported a pre-approval \$42K rebate on its investment in a water-cooled condenser, once it is installed.

Policy Revision

GP 6 Board Member Nomination Process

MOTION: Zeb moved to approve the GP 6 policy revisions, as amended.

Susan seconded the motion.

VOTED: To approve the GP 6 policy revisions, as amended.

8 in favor, 0 opposed, 0 abstained, 2 absent.

The motion passed.

The policy revisions were approved in order to correct spelling and grammatical errors, and also to reflect current practices. A word change was suggested and approved as an amendment at the meeting.

The revisions are shown below; the current policy text is on the left, with text [deletions in brackets], and the new text is on the right, with text **addition changes in bold type**.

GP 6.1.2: Nominating Committee members will communicate with potential candidates about the nominating process, the election process, the requirements of their service, and encourage potential candidates to attend a board meeting(s) if they have not already done so. The Nominating Committee will make clear to [perspective] candidates the obligations associated with board membership. Board members serve as unpaid volunteers who are expected to commit a significant amount of time per month to board activities, which include:

- Preparation for and attendance at monthly Board meetings (6-8 hours per month). Meetings take place [on the third Wednesday of each month] from approximately 5:30 PM – 9:00 PM with dinner provided [by the Co-op Catering Department].
- Participation in various working groups (e.g., committee work) during the month (2-3 hours per month);
- Participation in the planning and conduct of the Annual Meeting (a few hours plus the meeting each year);
- Participation in events, such as [Dairy Day, Harvest Day, Voting Booth], and ballot counting. (Several hours a few days each year).
- Attend annual Board [“Advance”] (a day-long session) and other leadership or cooperative development

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- Participation in various working groups (e.g., committee work) during the month (2-3 hours per month);
- Participation in the planning and conduct of the Annual Meeting (a few hours plus the meeting each year);
- Participation in events, such as **Producers Fair**, and ballot counting. (Several hours a few days each year).
- Attend annual Board **retreat** (a day-long session) and other leadership or cooperative development training sessions (from half-day to full day sessions, usually held

training sessions (from half-day to full day sessions, usually held on weekend);

- Attend the annual CCMA conference one or two times a term (will require long distance travel and being away from home for four days' time).

GP 6.1.3: Communicate with new candidates the requirements for their personal statements for the [Co-op News], and provide them with any necessary support to prepare and submit this information in a timely manner.

GP 6.1.4: To [insure] a competitive election, the board will strive to recruit a sufficient number of applicants to provide for two more candidates than open Board positions. The chair of the Nominating Committee will present a slate of candidates [at the February Board meeting], which includes why each candidate is qualified for Board membership[, for Board approval].

GP 6.1.6: Connect with new board members before they attend their first board meeting to confirm meeting time, Board materials they will require, forms needing to be filled out, and welcome new board members at the first meeting.

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- Attend the annual CCMA conference one or two times a term (will require long distance travel and being away from home for four days' time).

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GP 6.1.4: To **assure** a competitive election, the board will strive to recruit a sufficient number of applicants to provide for two more candidates than open Board positions. The chair of the Nominating Committee will present a slate of candidates **to the Board and explain** why each candidate is qualified for Board membership.

GP 6.1.6: Connect with new board members before they attend their first board meeting to confirm meeting time, Board materials they will require, **and** forms needing to be filled out, and **to** welcome new board members at the first meeting.

Share Redemption

MOTION: Michael moved to authorize the redemption of the shares, as presented, in the Share Redemption Request dated November 12, 2014.

John seconded the motion.

VOTED: To authorize the redemption of the shares, as presented, in the Share Redemption Request dated November 12, 2014.

8 in favor, 0 opposed, 0 abstained, 2 absent.

The motion passed.

Discussion

Board and Management Retreat

The retreat focus was board teamwork, member engagement, and transparency. The program included identifying effective team characteristics, hearing about member engagement experiences from representatives of two other co-ops (City Market and River Valley Market), and discussing potential future member engagement approaches at the Hanover Co-op.

2015 CBLD Contract

MOTION: John moved to approve the 2015 CBLD contract.

Michael seconded the motion.

VOTED: To approve the 2015 CBLD contract.

6 in favor, 0 opposed, 1 abstained, 3 absent. (1 person was temporarily absent).

The motion passed.

The cost is slightly higher this year (which can be met via the contingency funds in the Board budget). Board members asked Marilyn how the consulting fee is structured (the same for all food co-ops with

financial aid assistance for lower income co-ops), how many co-ops she consults for (four, as she also serves as the manager of the CDS Consulting Co-op). Some members indicated that they believe it is the Board's responsibility to review the value of the CDS Consulting services and explore other consulting options.

Administrative Matters

Four 'Co-op Month' Forums, offered on Tuesdays during October, 5:30 – 6:30 pm, at the Culinary Learning Center, Lebanon store, offered opportunities for members to become informed about the financials, cooperative regional and national networks, product selection and pricing, local agricultural food supply chain, and partnership with a Mexican coffee cooperative. The presentations were well-prepared, attendance averaged about a dozen people, and the program feedback was very positive.

Executive Session (to discuss a personnel matter)

MOTION: Michael moved to enter into Executive Session at 7:53 p.m.

Zeb seconded the motion.

VOTED: To enter into Executive Session at 7:53 p.m.

8 in favor, 0 opposed, 0 abstained, 2 absent.

The motion passed.

Terry Appleby and Marilyn Scholl left the executive session at 8:36 p.m.

Tony White left the executive session at 9:03 p.m.

MOTION: John moved to close Executive Session at 9:06 p.m.

Michael seconded the motion.

VOTED: To close Executive Session at 9:06 p.m.

8 in favor, 0 opposed, 0 abstained, 2 absent.

The motion passed.

Adjournment

MOTION: Susan moved to adjourn the meeting at 9:09 p.m.

Zeb seconded the motion.

VOTED: To adjourn the meeting at 9:09 p.m.

9 in favor, 0 opposed, 0 abstained, 2 absent.

The motion passed.

Respectfully submitted,

Eugenia F. Braasch
Board Administrator

Susan Sanzone Fauver
Secretary pro tem