

**MINUTES September 30, 2015**

**Present:** Michael Bettmann, Sarah Blum, Harrison Drinkwater, Margaret Drye, Victoria Fullerton, Kay Litten, Benoit Roisin, John Rosenquest, Susan Sanzone Fauver

**Absent:** Anthony Roisman, Brett Tofel

**Staff:** Terry Appleby, Anthony Alongi, Eugenia Braasch, Lori Hildbrand, Steve Miller, John Holmes

**Members:** Dottie Anderson, Nancy Carter, Antoinette Jacobson, James Keifer, Donald Kreis, Nancy Leavitt Reibel, Ryan Scelza, Lynn Kneedler Schad, Robert Spottswood

Margaret called the meeting to order at 6:00 p.m. in the Richard Black Community Center, Room 212. She noted that the Co-op Board meeting is not public and requested that no filming or recording take place.

**Welcome**

Board members introduced themselves.

**Co-op Stories**

Margaret read a note of appreciation from a customer to the service center staff.

Kay recently visited Great Britain where she observed that while there are many cooperative food stores, the buildings don't look as nice as the renovated Hanover Co-op.

Susan noted that the Hanover Co-op compared very positively with the cooperative food stores that she saw during a drive across the United States last month.

Benoit wondered where the holiday evergreen trees will be displayed at the Hanover store, now that the renovation expansion occupies the side yard where the trees were placed. Management said that the trees will be located at the store front entry and the Lebanon store is another retail option. It was also noted that the same tree grower supplies the Co-op and the Hanover High School Christmas tree fund raising drive (which supports its music department).

**Consent Agenda: August 26, 2015, meeting minutes and September 21, 2015, Share Redemption Request**

**MOTION:** Michael moved to approve the August 26, 2015, meeting minutes and the September 21, 2015, Share Redemption request as written.

Kay seconded the motion.

**VOTED:** To approve the August 26, 2015, meeting minutes and the September 21, 2015, Share Redemption request as written.

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

The motion passed.

**General Manager Update**

Terry told the Board that Rosemary Fifield, Member Services and Education Director, and Tony White, Operations Director, completed many years of service to the Co-op last week. He wished them both well in their new endeavors, Rosemary as novelist, and Tony as National Cooperative Grocer Western Corridor Director.

The Hanover store renovation project is finished on schedule. The inspection for the certificate of occupancy by the Town of Hanover will take place on October 5<sup>th</sup>. Tony Alongi reported that the \$5.3M

project, managed by Tony White, incurred only an estimated \$13K cost overrun associated with change orders requested by the Town of Hanover.

The company that the Co-op uses to process credit cards had technical difficulties on August 28<sup>th</sup> and September 24<sup>th</sup>. Some swiped cards were ‘denied’ yet the charge was applied, and if the card was then reprocessed manually, a double charge occurred. All stores, except the Community Market, were involved. The Co-op is planning a campaign to notify all members, however it was noted that due to the new “chip technology” it is difficult to trace purchases back to the customers, so it’s faster and more efficient for customers to check their own credit card statements. The transaction flaws will be resolved by the credit card companies and may take a while to correct. These credit card glitches occurred nationwide and affected other stores, including Hannaford’s and Shaws.

David Thompson, member of the Cooperative Hall of Fame and President of the Twin Pines Foundation, will speak about the role of cooperatives during the civil rights movement at the Culinary Learning Center, Lebanon Co-op store, on October 22<sup>nd</sup>. He will also be the keynote speaker at the Neighboring Food Co-op Association meeting on October 24<sup>th</sup>. Board members were encouraged to attend these opportunities to listen to Mr. Thompson.

Board members noted that it was interesting to learn that Walmart is offering higher compensation for full-time employees and also reducing the number of full-time staff. Also, consumer trends indicate that increasingly, people eat alone and away from home.

### **Member Comments**

John Holmes, produce department supervisor in the Hanover store, expressed appreciation for the Co-op employee training opportunities he has received and criticized members whose negative comments about the Co-op have hurt local sales in particular and the Co-op’s reputation in general.

### **Policy Monitoring**

#### **EL 3.7 Asset Protection**

MOTION: John moved to accept the EL 3.7 monitoring report as demonstrating compliance.

Michael seconded the motion.

VOTED: To accept the EL 3.7 monitoring report as demonstrating compliance.

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

The motion passed.

Board members appreciated being informed about the plan details and believe that it is comprehensive. They supported the goal of gathering opinions from members via survey during 2016 and suggested that Member Outreach Director Amanda Charland present the information gathering plan at the December meeting. When asked about the Board’s role, Terry responded that the Board should identify what topics they want member input about and could help to build the Co-op’s consistent image and its successful outcomes. A Board member offered to begin regular face-on meetings with members as soon as possible.

There was discussion about tiered opportunities for training and career advancement; designed so that an employee can decide whether to advance via increased supervisory responsibilities or through becoming expert in a product area.

A board member was interested in the grievance process, with its focus on anonymity, and suggested the possibility of establishing an ombudsman program for conflict resolution.

### **EL 7 Communication and Counsel to the Board**

MOTION: John moved to accept the EL 7 monitoring report as demonstrating compliance.

Susan seconded the motion.

VOTED: To accept the EL 7 monitoring report as demonstrating compliance.

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

The motion passed.

Terry reported about recent changes in staff who directly report to him: with the departures of Rosemary Fifield and Tony White, Bruce Follett serves as Director of Merchandizing and interim Director of Operations. Terry responded to questions about his current General Manager responsibilities, including overseeing more direct operational work, hiring a new operations manager, and service to the food cooperative sector at the nation level, as he approaches retirement. He proposed the idea of hiring an Operations Director who might then assume the responsibilities of General Manager. The Succession Planning committee responded that the Board's priority is to conduct the General Manager search, not fill the Operations Director position. Board members agreed that there are a lot of elements to consider at this time, noting that the next General Manager might wish to hire the next Operations Manager.

### **Board-General Manager 2 Accountability of the General Manager**

MOTION: John moved to accept the B-GM 2 monitoring report as in compliance.

Susan seconded the motion.

### **Board-General Manager 3 Delegation to the General Manager**

MOTION: John moved to table action on the B-GM 2 and B-GM 3 monitoring reports to the October Board meeting, pending the General Manager's report on the two policies.

Michael seconded the motion.

VOTED: To table action on the B-GM 2 and B-GM 3 monitoring reports to the October Board meeting, pending the General Manager's report on the two policies.

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

The motion passed.

Board members agreed to seek the General Manager's input regarding his relationship with the Board and Board accountability; and asked him to submit those monitoring reports in the October packet.

The meeting adjourned at 7:40 p.m., then resumed at 7:50 p.m.

### **EL 5 Treatment of Staff**

MOTION: John moved to take the EL 5 monitoring report off the table.

Victoria seconded the motion.

VOTED: To take the EL 5 monitoring report off the table.

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

The motion passed.

MOTION: John moved to accept the EL 5 monitoring report as in compliance.

Benoit seconded the motion.

VOTED: To accept the EL 5 monitoring report as demonstrating compliance.

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

The motion passed.

Board members noted that the employee survey results trended in a positive direction relative to the last organization-wide employee survey, conducted in 2012. The Employee Handbook was characterized as a work in progress, reflecting a high degree of professionalism. Board members expressed appreciation for the executive session briefings regarding personnel matters, which informed them about the processes used for addressing employee concerns.

#### Discussion

##### **Nominating Committee**

Kay is recruiting members to serve on the Nominating Committee and asked Board members to contact her if they are interested in participating. The Board asked her to submit an update in the October meeting packet in order to review and vote on the committee composition (per the Bylaws, Article VI, Section 7).

##### **Hanover Cooperative Community Fund**

Susan plans to hold a committee meeting in early October with committee members Joanne Bouchard, Amanda Charland, Tom Guillette, Kay Litten, and Sarah Simpson. The 2016 annual golf tournament fundraiser date is set for June 15<sup>th</sup>.

##### **Succession Planning**

Michael asked Harrison, Susan, and an executive search professional to serve on the committee. In response to questions about the size of the search committee and the decision to use an external firm to conduct the search, he told the group that he intends to report back at the January, 2016, meeting about the search process and timeframe. John explained that the Board FY2016 budgeting process is underway and requested an estimate of the search expenses.

##### **Communication Task Force**

Sarah said that there hasn't been a meeting yet.

##### **CDS Consulting Co-op 2016 Contract**

MOTION: John moved to approve the CDS Consulting Co-op 2016 Contract.

Kay seconded the motion.

VOTED: To approve the CDS Consulting Co-op 2016 Contract.

8 in favor, 1 opposed, 0 abstained, 2 absent.

The motion passed.

The CDS Consulting services are very helpful, especially for the Board leaders.

##### **Administrative Matters**

John said that four electronic tablets were budgeted in order to move towards the Board goal of becoming paperless. It was agreed to set these up for the officers' use.

Genie encouraged the Board to provide feedback to her about the SharePoint resource site design.

Margaret asked the committee chairs to put regular updates in the packet.

Margaret said that no all day Board retreat is planned for this fall.

**Adjournment**

MOTION: John moved to adjourn the meeting at 8:45 p.m.

Kay seconded the motion.

VOTED: To adjourn the meeting at 8:45 p.m.

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

The motion passed.

Respectfully submitted,

Eugenia F. Braasch  
Board Administrator

Harrison Drinkwater  
Secretary