

DRAFT MINUTES June 22, 2016

Present: Michael Bettmann (6:05), Kevin Birdsey, Sarah Blum (arrived 6:25), William Craig (arrived 6:05), Harrison Drinkwater, Victoria Fullerton, (arrived 6:05) Dana Grossman, Ed Howes, Kay Litten, Anthony Roisman, Brett Tofel
Absent: Elizabeth Blum
Staff: Terry Appleby, Paul Guidone
Members: Benoit Roisin, Diane Guidone

Tony called the meeting to order at 6:03 p.m. in the Richard Black Community Center, Room 212.

Consent Agenda: May 25, 2016 Meeting Minutes, June 6, 2016, Special Meeting Minutes, and June 2016 Share Redemption Request

MOTION: Dana moved to approve the amended May 25, 2016 Meeting Minutes and June 6, 2016, Special Meeting Minutes.

Kevin seconded the motion.

VOTED: 7 in favor, 0 opposed, 0 abstained, 4 absent. The motion passed.

MOTION: Kay moved to approve the June 2016 Share Redemption Request

Dana seconded the motion.

VOTED: 7 in favor, 0 opposed, 0 abstained, 4 absent. The motion passed.

MOTION: Harrison moved that a draft of Board meeting minutes be sent to the Board and General Manager as soon as possible following the meeting.

Dana seconded the motion.

DISCUSSION: The goal is to send draft minutes to Board and management a week after meeting and expect comments a week before the Board packet is distributed. Proposed revisions will be noted.

VOTED: 10 in favor, 0 opposed, 0 abstained, 2 absent. The motion passed.

MOTION: Bill moved that the Board acknowledge that its members, Co-op members in general and the public have a right to record Board meetings.

Victoria seconded the motion.

DISCUSSION: Bill spoke of various NH Laws related to recording practices for public and private meetings. A director expressed concern that sound bites could be used to distort the spirit or context of a discussion. Do members really want this? Point of this motion is to acknowledge only that people have the right to record things.

MOTION to Table: Dana moved to table the vote in order to get clarification from our lawyer
Bill seconds the motion.

VOTED to TABLE: 9 in favor, 0 opposed, 1 abstained, 1 absent. The motion passed.

General Manager Update

Terry reported that the lawsuit brought against the Co-op by two employees has been signed and completed as explained in a previous executive session.

Pennies for Change is off to a good start. Proceeds will go to non-profit partners: three organizations related to food access will get 60%, the other 40% will go to CO-OP charitable partners. If the current rate of giving continues potentially \$166K could be raised for local non-profits.

The June golf event raised \$16K for the Hanover Consumer Co-op Fund.

The membership database clean-up is on track. The project cost, not accounting for staff labor and admin costs is \$6K, which includes mailings, ads, etc. The list of member accounts is posted on the Co-op website.

Additional Questions for GM on other topics

When is celebration in Montpelier for the new Vermont GMO Labeling requirement law? Terry agreed to provide the date and have it posted on the website.

Member Comments

Question regarding other Co-ops' experiences, if any, with a Pennies for Change program with the growth rate and plateau average– is there any data? Terry referenced a Minnesota Co-op that runs a similar program, but did not know the trajectory of their “round-up” program.

Policy Monitoring**EL 12 (Board Logistical Support)**

MOTION: Ed moved to accept the EL 12 monitoring report as in compliance.

Victoria seconded the motion.

VOTED: To accept the EL 12 monitoring report as in compliance.

11 in favor, 0 opposed, 0 abstained, 1 absent. The motion passed.

A related topic was raised regarding the board budget and inclusion of a professional services line item. Should the board hire its own lawyer? There were concerns expressed regarding whether or not the board and management could be on differing sides in legal matters. The board was divided on the subject of whether separate counsel is needed or economical.

CFO Paul Guidone suggested a line item for legal services that doesn't name a specific law firm. Paul reminded directors the budgeting phase begins in August.

B-GM Global (Board-GM Flow of Authority)

MOTION: Kay moved to accept B-GM Global monitoring report as in compliance.

Ed seconded the motion.

VOTED: To accept the B-GM Global monitoring report as in compliance.

11 in favor, 0 opposed, 0 abstained, 1 absent. The motion passed.

B-GM I Unity of Control (Only decisions of the Board acting as a body are binding on the General Manager)

MOTION: Kay moved to accept the B-GM 1 monitoring report as in compliance.

Ed seconded the motion.

DISCUSSION: A director asked for clarification on accepting the data in the report versus accepting the report as “in compliance.” How do SurveyMonkey results determine appropriate Board action: 1) if the Board wanted to make some kind of action based on one of the surveys, would the Board vote it out of compliance and then take action? 2) Do the SurveyMonkey results represent actual votes, or just opinions?

VOTED: 11 in favor, 0 opposed, 0 abstained, 1 absent. The motion passed.

GP 6 Board Member Nominating Process (The Board commits itself to recruiting high quality candidates for open Board positions. Accordingly, the Board will appoint a Nominating Committee, constituted according to the Bylaws.)

MOTION: Kay moved to accept the GP 6 monitoring report
Ed seconded the motion.

DISCUSSION: Expectations and directions have not been specific enough for committees – including the Nominating Committee -- so the board is partially responsible for the results. The more specific, the more successful the committee will be. It was asserted that the Board could vote yes on the motion, recognizing that corrective action be taken before the Nominating Committee starts its cycle of candidate selection.

VOTED: To accept the GP 6 monitoring report.
8 in favor, 3 opposed, 0 abstained, 1 absent. The motion passed.

MOTION: Michael moved to form an ad hoc committee to address the parameters of the nomination and election, and bring an interim report for board discussion in July.
Ed seconded the motion.

DISCUSSION: Bill, Ed, and Victoria volunteered to serve on this ad hoc committee and prepare a report for the July board meeting.

AMENDMENT TO MOTION: Kay moved to amend the formation of the committee to include a person to be nominated tonight as chair to work with the temporary committee to set goals, boundaries, and expectations.
Dana seconded the motion.

DISCUSSION: Would personality drive the committee if the chair is kept in mind to be chosen for the actual committee chair? It was suggested that sticking with a smaller group to come up with suggestions would be a simpler solution to the problem.

VOTED: 1 in favor, 10 opposed, 0 abstained, 0 absent. The motion failed.

VOTED: to form an ad hoc committee to address the parameters of the nomination and election, and bring an interim report for board discussion in July
11 in favor, 0 opposed, 0 abstained, 1 absent. The motion passed.

Survey Allegation

Terry objected to a Board member’s survey comments alleging that management interfered in Board elections Tony requested that Bill explain his position to Terry in writing, following the Board meeting. The CFO suggested that if distrust of election results continue, directors could hire an independent 3rd party resource to monitor Board elections.

GP 10 Board Committees (We will use Board committees to aid, not to replace, the work of the whole Board.)

MOTION: Ed moved to accept the GP 10 monitoring report as in compliance.
Michael seconded the motion.

VOTED: 10 in favor, 1 opposed, 0 abstained, 1 absent. The motion passed.

MOTION: Kay moved to create a Co-op Board Budget Committee to be chaired by the Treasurer of the Board, with no more than three other Board members, to review and report to the Board on the 2016 Board Budget and develop proposals for the 2017 board Budget.
Kevin seconded the motion.

DISCUSSION: Tony and Kevin volunteered to serve of the committee
[\[Dana added subsequent to board meeting\]](#)

AMENDMENT to MOTION: Ed moved to add an amendment that the committee address additional expenses that may be needed for future work such as 3rd party services (surveys etc.)
Brett seconded the motion

VOTED: 7 in favor, 1 opposed, 3 abstained, 0 absent. The motion passed.

VOTED: 11 in favor, 0 opposed, 0 abstained, 0 absent. The motion passed.

Updates

Succession Planning

Michael presented information regarding the GM search process. One finalist of the 2 was interviewed earlier in the day, and the second candidate will be interviewed on Friday, June 24. The Board will meet again on Monday, June 27 at a special meeting.

Board Administrator

Questions were discussed regarding hiring the new administrator. 1) What are the parameters? 2) What kind of hours -- is it a 20hr or full time position? 3) Will there be additional duties? 4) Is there anyone internally who might like to apply? 5) To whom will the person report -- the GM or Board?

Terry said there would likely be other duties given internal restructuring of administration, to possibly include an event management function. The administrator's position could be arranged under the auspices of Member Services as the possible reporting structure. Co-op H R rules require an internal posting first, which will indicate whether someone internally would like to position. Terry will arrange for candidates to be interviewed by the Board, a practice that was followed when the previous administrator was selected.

New Ad Hoc Committees:

By-laws review, Governing Policies review, and Retreat Planning,

Given the lateness of the hour, Tony suggested that directors who wanted to serve on these committees, send him an email outlining the "charter" they would recommend for their committee work. He might ask directors to round out committee rosters in time for the July Board meeting.

Victoria offered to submit recommendations from the ad-hoc committee on a new website/blog for Board activities.

Additions to the Agenda

[New Business - opportunity for Board Members to suggest issues and topics for which Board action maybe required and for which motions may be proposed for a future meeting. Issues that require immediate attention will be acted upon at this time.]

Administrative Matters

SurveyMonkey forms will be adjusted to allow to Board members to edit their comments. Other software options, such as a discussion board to allow the Board to move off an email chain will be considered, and the Board Admin will present these at the next meeting.

Lesley will add Nominating Committee/election materials for Board review in directors' mailboxes at Co-op offices, Buck Rd.

Adjourn

MOTION: Michael moved to adjourn at 8:42p.m.

Dana seconded the motion.

VOTED: 11 in favor, 0 opposed, 0 abstained, 1 absent. The motion passed.

Topics to Communicate (meeting outcomes):

(None were offered.)

Monitoring Reports - July

EL 2 Financial Condition and Performance (GM)

EL 4 Treatment of Customers (GM)

EL 5 Treatment of Staff (GM)

EL 6 Compensation and Benefits (GM)

Action Items:

1. Organize open forums for members with Board. (08.26.15, Board, Amanda)
2. Set up site visits to all Co-op facilities for the Board. (08.26.15, Board)
3. Complete policy monitoring for the July packet. (Board)
4. Create Bylaws Review Committee, Governing Policies review, and Board Retreat Planning (05.25.16 Board)
5. Decide on Board meeting site after June meeting ((05.25.16 Board, Terry)

Respectfully submitted,

Lesley Hatch
Interim Board Administrator

Harrison Drinkwater
Board Secretary