

MEETING MINUTES, September 26, 2018

Present: Tom Battles, Kevin Birdsey, Liz Blum, Bill Craig, Rosemary Fifield, Victoria Fullerton, Jessica Giordani, Dana Cook Grossman, Ed Howes, Benoit Roisin, Ann Shriver Sargent, and Jessica Saturley-Hall

Staff: Mark Langlois (Director of Finance), April Harkness (Board Administrator)

Members:

Bill Craig called the meeting to order at 6:00 p.m. in the Board Room of the Hanover, NH, store. (Victoria Fullerton arrived at 6:30 p.m.)

Addition to the Agenda

Ann Shriver Sargent, as board liaison to the Lebanon store renovation project, asked to add an update on the project to the agenda under Committee Updates. The president agreed to the addition.

Consent Agenda: August 22, 2018, Meeting Minutes (Appendix A) and August 2018 Share Redemption Requests

MOTION: Dana Cook Grossman moved to accept the August 22, 2018, Meeting Minutes.
Kevin Birdsey seconded the motion.

VOTED: 9 in favor, 0 opposed, 2 abstained. The motion passed with Tom Battles, Kevin Birdsey, Rosemary Fifield, Jessica Giordani, Dana Cook Grossman, Ed Howes, Benoit Roisin, Ann Shriver Sargent, and Jessica Saturley-Hall in favor, and Bill Craig and Liz Blum abstaining.

MOTION: Dana Cook Grossman moved to accept the August 2018 Share Redemption Requests.
Kevin Birdsey seconded the motion.

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

General Manager Report

Ed Fox is attending the National Cooperative Grocers conference out of state, but he provided a written General Manager's Report. There was one clarifying question that will be asked upon his return.

Policy Monitoring

Monitoring Report: EL 7 – Communication & Counsel to the Board

MOTION: Benoit Roisin moved to accept the General Manager's report on EL 7 – Communication & Counsel to the Board.

Liz Blum seconded the motion.

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

DISCUSSION: Kevin Birdsey commented that upon review of EL 7, when considering the board's evaluation of the board packet, he believes that the entirety of the EL 7 report is in fact necessary for the board to be able to decide whether to accept the report.

Monitoring Report: B-GM 2 – Accountability of the GM

MOTION: Kevin Birdsey moved to accept the report on B-GM 2 - Accountability of the GM.

Liz Blum seconded the motion.

DISCUSSION: Board members were reminded to identify themselves in their survey comments and to remember that from now on survey results, including comments, will be made available to the public.

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

Monitoring Report: B-GM 3 – Delegation to the GM

MOTION: Kevin Birdsey moved to accept the report on B-GM 3 – Delegation to the GM.

Benoit Roisin seconded the motion.

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

Member Comments

Member comments were delayed until 7:00 p.m. — the time set on the agenda.

Committee Updates

Lebanon Store Renovation Liaison

Ann Shriver Sargent reported on the status of the Lebanon store renovation. At recent meetings with the GM and team leaders, it appears that the majority of the funds available for the project will need to be put toward equipment purchases, upgrades, and improvements (roughly \$2 million out of an estimated total of \$2.5 million). There were several questions regarding the status of funds spent to date and the total cost of the project; Director of Finance Mark Langlois said his records show that about \$57,000 had been spent as of the end of July. There was also concern expressed about the potential project manager's fee of 2.5% of the project cost, since it now appears that the project will be predominately equipment purchases, installation, and upgrades. Mark Langlois said a contract has not yet been signed with a project manager, however, and it will likely be renegotiated in light of this new information.

Concern was also expressed about how realistic projections are for increased sales after the project is finished, since much less of the work will involve visible enhancement of the customer experience. However, Mark said there will be some impact on the customer experience, such as through improved lighting and more roomy display cases. In addition, the Board expressed its appreciation of the need for equipment upgrades to improve energy conservation, efficiency, and maintenance expenses. One Board member suggested that more research be done, including on department-specific demographic and market trends, so that the portion of the renovation budget available for visible enhancements can be targeted to the areas that will have the most impact on sales.

Victoria Fullerton arrived at 6:30 p.m.

Election Committee

Liz updated the Board on new members of the Election Committee, including employee Alicia Barrows and member Tricia Groff. The committee is in the process of updating the candidate materials. A major goal of the committee this year is to seek a diverse field of candidates. This is in line with the new End 8: "Everyone engaging with our business shall be included, welcomed, and appreciated, contributing toward more diversity, inclusivity, and equity in our Upper Valley community." The Board is looking for racial, cultural, economic, age, occupational, and experiential diversity. Board members were reminded that it's everyone's duty to solicit qualified candidates.

Liz also gave a brief summary of the recent Board Peer Conference that she, Kevin, and Rosemary attended last weekend. She'll send notes to the board on some of the highlights.

Governance Committee

Kevin reminded the board that policy monitoring survey comments are now public, so it's important to be careful with confidential information. Questionable comments will be redacted by the Governance Committee before being made public. The committee plans to look into secure file sharing platforms so confidential matters can be discussed among Board members.

Member Comments

No non-Board members were present. Jessica Saturley-Hall informed the Board of an email she received from a member. Based on the content of the email, she was told to forward it to the GM for follow-up.

HCCF Committee

Rosemary shared the committee's recommendations for HCCF Community Project Grants and the Gerstenberger Scholarship Award. They recommended giving grants to specific projects proposed by four local organizations (Twin Pines Housing Co-op, West Central Behavioral Health, the Clara Martin Center, and the Growing Peace Project), and giving a scholarship award to one individual (Melissa Scanlan of Norwich, Vt., to support her work as a Senior Fulbright Scholar in Spain, where she will be researching the iconic Mondragón Cooperative).

MOTION: Rosemary Fifield moved to accept the HCCF Committee's recommendations for four community project grants and one scholarship award.

Liz Blum seconded the motion.

VOTED: 12 in favor, 0 opposed. The motion passed.

Waste Reduction Committee

Liz said that the committee has met a couple of times and includes Marta Ceroni (executive director of the Donella Meadows Institute), Marc Morgan (solid waste manger of the City of Lebanon), and Co-op member Pat McGovern. They are continuing to work on their charge and recommendations. Jessica Saturley-Hall and Amanda Charland are also on the committee. Liz and other members of the committee recently attended a meeting with Sustainable Hanover, an organization that's doing good work in this field.

New Business/Action Items

Proposed Correspondence Protocol

Tom opened with some changes to the proposal included in the board packet. Other board members suggested edits as well, but mostly agreed on a need for a better process for handling correspondence to the Board. There was much discussion about the different kinds of correspondence and the differing ways to deal with each kind. The overriding theme was that every Board member should be made aware of and have access to any correspondence addressed to the full Board. However, the Board is also aware of the need for confidentiality and for providing a safe avenue of communication for members and employees. The Governance Committee will work on revising the proposed protocol.

CDS Proposal

The Board Treasurer expressed a concern about additional Board expenditures in 2018. Bill Craig explained that he had communicated with CDS about their billing cycle, and it looks like this will not be a problem — that even if we begin making use of their services in October that billing can

be delayed until after January 1. Some Board members spoke in favor of engaging CDS and described the benefits they might bring, and other Board members expressed concerns based on their own interactions with CDS or interactions that have occurred in the past.

MOTION: Kevin Birdsey moved to invite Mark Goehring to the October Board meeting to work out the contract details.

Liz Blum seconded the motion.

DISCUSSION: Bill and Rosemary will amend the contract and communicate with CDS between now and the October Board meeting. Rosemary asked all Board members to communicate their suggested changes to her.

VOTED: 9 in favor, 1 opposed, 2 abstained. The motion passed with Tom Battles, Kevin Birdsey, Liz Blum, Bill Craig, Rosemary Fifield, Jessica Giordani, Dana Grossman, Ed Howes, and Jessica Saturley-Hall in favor, Victoria Fullerton opposed, and Benoit Roisin and Ann Shriver Sargent abstaining.

Reminder: Nov. 3rd Diversity Workshop and Oct. 17th Community Dinner

The Board was reminded of the upcoming workshop on diversity on November 3rd and the Co-op's Community Dinner for members on October 17th. The Waste Reduction Committee will be making a presentation at the dinner, and Board members are encouraged to attend. More details to come.

Jessica Saturley-Hall left the meeting at 8:15 p.m.

Proposed Revision to B-GM 4 – Monitoring GM Performance

Benoit worked with Director of Human Resources Lori Hildbrand on clarifying language in B-GM 4 by adding this section:

B-GM 4.5: *The Board will review the performance of the General Manager annually based on a summary of the monitoring reports received during the previous calendar year.*

B-GM 4.5.1: *The Board will complete its review and consider possible action with regard to the General Manager's employment and/or adjustment to the General Manager's compensation no later than 1 March.*

B-GM 4.5.2: *A letter summarizing the review and possible adjustment to the employment and compensation rate of the General Manager will be prepared by the President, approved by the Board members in attendance at the regular March Board Meeting, and hand-delivered to the General Manager within two weeks following.*

MOTION: Liz Blum moved to accept the changes to B-GM 4 Monitoring GM Performance.

Benoit Roisin seconded the motion.

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

Executive Session

MOTION: Ann Shriver Sargent moved at 8:30 p.m. to go into Executive Session to discuss a letter to the Board and to include the two employee Board members in the executive session.

Benoit Roisin seconded the motion.

VOTED: 9 in favor, 0 opposed, 2 abstained. The motion passed with Liz Blum and Bill Craig abstaining.

Benoit Roisin left the meeting at 8:31 p.m.

MOTION: Liz Blum moved at 9:00 p.m. to come out of executive session.

Tom Battles seconded the motion.

VOTED: 10 in favor, 0 opposed.

MOTION: Tom Battles moved at 9:01 p.m. to adjourn the meeting.

Ed Howes seconded the motion.

VOTED: 10 in favor, 0 opposed.

Respectfully submitted,

April Harkness
Board Administrator

Dana Cook Grossman
Board Secretary