

Blue Hill Co-op Board Meeting

February 15, 2011 Blue Hill Public Library, Howard Room

Board Members Attending: Keith Herklotz, Chip Angell, John Miller, Ruth Sullivan.

Absent Board Member: No absent directors

Others Attending: Michael Luchiano (Interim General Manager), Julia Klein (minute taker), Philip Osgood (facilitator), Sandy Buxton (owner, prospective board member) Eileen Mielenhausen (staff), Yvonne Chick (owner), Mia Strong (owner), Hadley Friedman (owner, chair of The Simmering Pot), Anneliese Riggall (co-chair of The Simmering Pot), Betsy Bott (owner), Susan Sorenson (owner, prospective board member), Bob St. Peter (owner, former staff), Phil Retberg (farmer, Quill's End Farm), Aaron Dority (owner, PERC), Allison Watters (owner, former staff, prospective board member)

Julia Klein, minute taker

Philip Osgood, meeting facilitator

Keith Herklotz, decisions and tasks, time keeper

Approval of January 18, 2010 Meeting Minutes: **The minutes were approved with no changes.**

Time Open to Owners:

Betsy Bott – Betsy requested that the board consider the possibility of hiring co-managers due to the complex nature of the Co-op. She requested that the Co-op consider lowering markup on local food products to encourage buyers and to ensure that the producers are well compensated.

Hadley Friedman – Hadley expressed her hope that changes at the Co-op would include opportunity for growth in community outreach and offered Simmering Pot's assistance. She will write a letter to Michael regarding her interest and would like to explore the possibility of serving local food to the community through the Simmering Pot.

Phil Retberg – Phil expressed his desire to see the Co-op courting local farmers. He stated that if negotiations with the farmers were made prior to the beginning of the season they could produce specifically for the Co-op at affordable prices.

Bob St. Peter – Bob requested a written report from the board notifying the ownership of the status of the Co-op's relocation. He expressed his desire that relocation be discussed in an open forum, preferably in the next meeting.

Mia Strong – Mia suggested that the board listen to the wisdom and needs of the staff as they seek new management. She requested that the board be open to the owners through owner forums, surveys, etc. in effort to rebuild the relationship.

Betsy in response to Phil - Past relationships between the Co-op and local farms created a negative history with many of the farmer. Tony is reaching out again.

Yvonne Chick – Yvonne agreed with the idea of co-management to create checks and balances and allow for shared responsibility. She agreed with Betsy regarding support for local farms and lowering the cost of local foods. She expressed her hope for the reengagement of owners in the Co-op's proceedings. She affirmed that this transition is an opportunity for change and expressed her commitment to participation. Also, that there is great possibility for new management with broad experience who could bring the cooperative to its fullest potential.

Aaron Dority – Aaron echoed comments about serving the needs of the community, local food, serving local farmers, and finding a site which suits the needs of the Co-op and the ownership.

Aaron approached the Co-op in the past regarding selling fish from his Community Supported Fishery but was turned down. He expressed hope that transition and relocation would create a new opportunity.

John Miller – In response to concern regarding the status of relocation, John stated that the market study has not been released to the ownership due to confidential real estate information, but that its release would be discussed at the next meeting.

Bob – Bob expressed concern that the market study is not currently available to owners.

Chip – In response to concern about the definition of ‘local’, Chip explained that two attempts have been made to revise policy regarding local products. The board is working on defining ‘local’ and Chip has some ideas to bring to the next meeting.

Phil – Phil reiterated his statement that local farmers are able to negotiate a wholesale price if approached early, bringing prices into competition with larger farm.

Ruth – In response to Phil, Ruth stated that the Co-op meets with local farmers yearly and that the produce manager should be proactive in negotiations.

Closing Comments – Good discussion was held. This is a reason for open owner forums.

Board Role in Co-op Operations: It was noted that Karen Doherty has resigned as General Manager of the Co-op and that the board has hired Michael Luciano to be the Interim GM. A director inquired as to whether the secretary has a copy of the resignation letter. A director raised concern regarding the board’s communication with staff during the current transition. He reiterated policy which states that all communication between directors and staff should go through Board President to the General Manager. **Consensus was reached that the procedure should remain as it is until policy is officially changed. A discussion will be held on the topic at the next meeting.**

Board Presidency: **A proposal was made and accepted that John Miller should continue as acting president until the board votes for a permanent President in September.**

New Board Candidates: Susan Sorensen, Allison Watters, and Sandy Buxton were presented to the board for consideration to fill 3 open seats. **A proposal was made and approved by consensus to accept Susan Sorensen to the board. Susan was given 24 hours to refuse the nomination.** Sandy Buxton left the meeting before this item was brought up and her nomination, along with Allison's, were tabled. Mia Strong, Aaron Dority, Bob St. Peter, and Peter D’entremont also expressed interest in serving on the board. Peter will need to be an active owner for 6 months prior to nomination. Discussion was held regarding the nominating process.

GM Monitoring Report:

D1- Financial Conditions – D1 monitoring report was accepted by the board. Discussion was held to acquaint the Interim General Manager with the monitoring process and the expectations of the board. **The IGM was not held accountable for the report.** It was suggested a larger discussion should be held regarding training and expectations for the IGM. **A proposal was made and approved that the president should discuss expectations for next month’s A2 monitoring report with Michael over email. Also, a board calendar will be forwarded to Michael.** It was suggested that Mark Ford (POS coordinator) may be able to assist in training Michael.

Freedom Panels – The IGM sought board approval to replace outdated freedom panels in the Co-op cash registers due to a change in UPC code technology. The current panels are slowing the scanning process and wearing out the touch screens. **A proposal was made to allow a capital expenditure of \$12,000 with the purchase decision to be made by the IGM. No consensus was reached . Directos agreed to hold a special meeting within a week or two after this meeting to get questions answered by Mark Ford.**

Department of Labor – A proposal was made and approved to release to the IGM minutes of the executive session in which Karen Doherty resigned and the resignation letter so that Michael could use these documents to handle an interview with the Department of Labor regarding unemployment benefits for Karen.

Liquor Registration – The IGM informed the board that the Co-op is due to file with the Department of Public Safety for a liquor license renewal.

Financial Institutions – The IGM collected the signatures needed to replace Karen’s name on checking accounts etc.

Relocation – The GM informed the board that a prospective seller has requested a decision from the board regarding real estate.

Search Committee: **A proposal was made and approved that the search committee consisting of 2 directors, 2 staff and 2-3 owners should be filled by John Miller, Eileen Meilenhausen, Rick Traub, and Ric Pomilia, leaving 2 seats to be filled at a later date. Committee members will receive the working owner discount for the duration of their service on the committee.** The committee will convene to create a budget which will be presented to the board for approval. The board will set qualifications and requirements for the new General Manager and bracket the salary. Discussion was held in regards to filling the remaining seats on the committee.

Meeting Evaluation: Much hard work was accomplished in a difficult meeting.

Agenda for March Meeting:

Board’s Role in Operations – discussion
Market Study Availability to Owners – discussion
Freedom Panels – discussion and decision
A2 – GM Monitoring Report

Due Date for the Board Packet: Items for the board packet will be due on **Saturday, March 5, 2011.**

Next Meeting: **Tuesday, March 15, 2011** 6:30 - 9:00 PM Blue Hill Public Library, Howard Room.

Minutes respectfully submitted by Julia Klein