

Blue Hill Co-op Board Meeting
April 19, 2011 Blue Hill Public Library, Howard Room

Board Members Attending: Keith Herklotz, John Miller, Ruth Sullivan, Allison Watters.

Absent Board Member: No absent directors

Others Attending: Michael Luciano (Interim General Manager), Julia Klein (minute taker), Mia Strong (prospective board member), Laura Livingston (prospective board member), Richard Paget (prospective board member)

Julia Klein, minute taker

John Miller, meeting facilitator

Keith Herklotz, decisions and tasks,

Allison Watters, time keeper

Approval of March 15, 2011 Meeting Minutes: **The minutes were approved pending minor grammatical edits.**

Time Open to Owners: No owner comments.

Market Study: **A proposal was made and approved to release an edited market study to the owners upon request to the Board Secretary. A note will accompany the study requiring that it not be made available to the public or any non-owner.**

Relocation Update: **A relocation update letter, written by Keith Herklotz, was approved to be sent to the newsletter and posted in the store.** A discussion was held concerning three possible relocation sites: the Liberty School property; Merrill & Hinckley; and the empty lot across from Barncastle. The Liberty School property offers 4 acres, at least two usable buildings and room for expansion. The owner, Bob Marville, has offered a matching challenge if the Co-op raises \$100,000. Merrill & Hinckley offers 7000 square feet, a downtown location and proximity to George Stevens Academy. The financial goal for relocation is to maintain monthly expenses at or below the current level allowing higher profits to be utilized for the development of the Co-op.

Board Development Committee: **A proposal was made and approved to create a Board Development Committee consisting of one director and several owners. The committee is mandated to recruit new directors for board service. The name is yet to be determined.** Allison Watters will be heading this committee. **A proposal to correct a discrepancy in the bylaws regarding the number directors permitted on the board was tabled until next month for further research.**

Blue Hill Library Usage: **A proposal was made and approved that the Co-op will contribute \$5 per use of the library.** The Co-op used the library 130 times last year while contributing only \$250. **The Board will now contribute \$250 per year, and the Store will pay for any additional use. Budget and payment details will be determined next meeting.**

Board To-do List: A proposal was made and approved that the minute taker will include a separate to-do list in the minutes for board tasks.

Board Secretary: The board requested that Allison Watters consider serving as Board Secretary upon Ruth Sullivan's departure. Further discussion was held in executive session.

Rodents: A Proposal was made and approved that the Board will work with the Interim GM to formulate a letter summarizing the Pest Control Report. The letter will be filed in board records in case of concern from Co-op patrons. The Board recognizes the effort of management and staff to resolve the rat infestation problem. Due to these efforts and the hired pest management firm, (Modern Pest Control) the problem is now under control, if not eliminated, with only a few traces of mice remaining.

General Manager's Report: The Interim GM reported briefly on Profit and Loss from the month of February, and the payment of consultant fees accrued this year. **The President requested a breakdown of consultant fees.** Michael took time to express the frustrations he felt while working under former Co-op management and to offer suggestions for future management. He explained that in 60 days as GM he, with his appointed management team, has overseen the resolution of several urgent but ignored maintenance issues. He felt that the Co-op had experienced abuse of power and mismanagement of funds. He stated the need for a forum in which staff can contact the board to alert them to areas of concern. He requested that the board consider a team management approach to create accountability for the GM and to protect the Co-op's assets. **The board thanked Michael for his honesty and expressed willingness to consider co-management, the need for checks and balances, and the possibility of allowing a staff member on the board.**

Freedom Panels – Panels have been ordered and are under budget at \$9,321.75, to be paid in 3 monthly installments. This allows for payment to be made out of revenue rather than from assets.

Membership Update – The Co-op has 37 fully vested owners, 32 new owners since January 2011, and 12 new owners since March. **A discussion was held regarding changing the membership database to a more efficient system. The discussion was tabled for next meeting.**

Co-op Repairs – A list of repairs for which the landlord is responsible versus those for which the Co-op is responsible, will be compiled. A question was raised regarding the cost of preventative measures taken by the staff.

Workshops – The topic was tabled for email discussion.

Policy Governance: A discussion regarding the revision or disposal of the policy governance structure of financial accountability was tabled for next meeting. Further review of the current structure, as well as the possibility of a committee structure of governance, will take place as new directors fill the board. The Interim GM was assured that any changes made under his watch will not increase his work load.

Board Candidates: Prospective board members were invited to introduce themselves to the board, sharing their backgrounds and the areas in which they are interested in serving.

Richard Paget - After a working career in public finance, Richard has been involved in the local Biodiesel Co-op and currently with several community agriculture projects. He feels that his experience in finance may be of use to the Co-op during the relocation process. He is also interested in developing greater engagement with the community.

Laura Livingston – Laura has been involved with co-ops for many years. As a working member, she is aware of the Co-op’s unique difficulties and avenues for improvement. She brings common sense, bookkeeping experience, communication skills and a level-headedness that comes from raising five kids. She is interested in developing better ways to work with volunteers. **Laura alerted the Board to an error in policy D3 regarding the GM’s protection of the Co-op’s assets. Corrections will be made.**

Mia Strong – After having left the board last September in frustration, Mia feels that she may help the board again as changes have occurred. She thanked the Board for having listened to her concerns. She feels that she may contribute to the revision of policy governance, reengaging the membership, reaching out to the community, and restarting committees.

Agenda for May Meeting:

Bylaw Amendment – Number of Directors Permitted

Relocation

Improve (Owner?) Management System - Discussion and Decision

Board Workshops - Email Discussion

Explore/ Revamp Policy Governance.

Library Usage

Board Budget Adjustment - Library Donation.

Name for Board Development Committee?

Board To-do List:

- Research changing numbers of directors in bylaws to agree with articles of incorporation
- Correct wording in policy D3 regarding GM protection of assets.
- Written expectation for Interim GM financial accountability in May.
- Michael to submit a detailed breakdown of consultant fees to the Board.

Due Date for the Board Packet: Items for the board packet will be due on **Saturday, May 7, 2011.**

Next Meeting: **Tuesday, May 17th, 2011** 6:30 - 9:00 PM Blue Hill Public Library, Howard Room.

Executive Session: Discussion was held regarding, personnel, new board members, board secretary, and relocation.

Minutes respectfully submitted by Julia Klein