

Blue Hill Co-op Board Meeting
July 30, 2019, Blue Hill Co-op Break Room

Board Members Attending: Susan Snider, Deborah Evans, Mia Strong, Tim Tunney, Edie Dunham, Martha Shepherd (Staff Position)

Absent Board Member(s): Jerome Lawther, Jim Picariello, Aaron Dority, Diane Bianco

Others Attending: Julia Klein (Minute Taker), Kevin Gadsby (General Manager)

Julia Klein, minute taker

Mia Strong, meeting facilitator, time keeper

Approval of Minutes: **Susan moved to approve the June 18, 2019 Board Meeting Minutes with a minor correction. Edie seconded the motion. The motion unanimously carries.**

Open Owner Time: No owners were present.

GM Monitoring:

Bylaw Change – Kevin sent a draft letter to the owners to Tim and Aaron for editing. It was approved by the lawyer. The dividend threshold will be set at \$5,000 net profit with no checks less than \$5.00 sent out. The board discussed whether this requires a bylaw change should appear on the ballot. It was determined that only an amendment to the articles with board signatures is necessary. The letter may be approved and signed by board and should be sent with dividend payments to preferred share owners. **Edie moved to proceed with amending the articles. Tim seconded the motion. The motion unanimously carries.**

Board Development - Edie is in communication with Kipp. Three candidates Jennifer Traub, Christine Guinness, and Paul McNulty have agreed to run for board seat. Tim, Deborah, and Diane are up for reelection. Kipp will collect bios and photos and send election materials. She is locating old bios. The Annual Report packet will be compiled in September. Voting will continue until the annual meeting. The board discussed the increase in number of board seats and emphasized the importance of building a new board as current members phase out. **Three board seats were opened per email conversation.** Notice dates for the annual meeting were discussed. Board gave brief bios of the candidates. The nominating committee was discussed and bylaws consulted. The board emphasized that voting procedures bylaws should be revised. Mia will ask Eileen Mielenhausen to count ballots. Mia will accompany the counters. **Edie moved that Jennifer Traub, Christine Guinness, and Paul McNulty be nominated as candidates for the board directors. Susan seconded the motion. The motion unanimously carries.** Nomination petitions will be kept at the customer service desk for members to gather 25 signatures and run for board seat. Paperwork will be in place on August 10th at least 60 days before the annual meeting. Mia and Edie will compile orientation packets including bylaws, policy governance, and the code of conduct.

Project Update – The store is still in soft opening with hours from 11-8. Business has compared to full moon sale days averaging \$16-\$18,000 every day! Kevin extended soft opening hours to allow construction to finish and troubles to be addressed. The Café is behind due to difficulties but is catching up. Refrigeration has been inconsistent but problems have been addressed and full stocking may occur by Friday.

Kevin reported on POS problems explaining that in his experience the company ECRS, has always had major trouble with transitions. This company works uniquely with co-ops and assured him that the change would be seamless. Hundreds of products are not scanning though sales are still booming! Kevin is withholding payment from ECRS until the system is fully functioning. Three consultants are working on the problem and customers understand so far. The board discussed the importance of resolving the issue before public image turns negative.

Kevin shared that some members had tears of excitement upon walking into the new store. A few are sad about the move. Monday and Tuesday sales on moving week brought in \$62-65,000! The finances for the week ended up \$500 ahead of last year though the store was closed for 3 days! Kevin shared the incredible work that the staff and members did to pack and move the whole store. Kevin will be hiring new staff to accommodate new store needs. Kevin will not pay retentions until punch lists are reviewed and completed. Meetings regarding completion will be held this week. Pavers and umbrellas, all signage, and line striping will be completed in the next week.

Discussion turned to pricing. Produce has been #1 in sales since opening. UNFI services were free but they stocked the store with their products and pricing. Kevin is working with the recommended margins with a 10-20 percent variance in most items, though occasional prices are excessively high. Pricing will be adjusted as the store is established. A consultant accidentally left with HABA pricing tags. They will arrive via mail ASAP. Kevin will be communicating with membership regarding this process in Bits and Bites.

Kevin met with an owner who wishes to donate the cost of all the tree plantings! Other donations are expected to cover solar.

The board brainstormed communication and messaging to customers. Tim recommended emphasizing that things always go wrong but everyone is enjoying soft opening. Ideas for positive signage, sharing the problem solving timeline, and creating new shopping habits were mentioned. Frequent email blasts and social media updates were recommended.

Grand Opening – Celebration will start at 11 or 11:30. Mia will draft a speech for the board to review. Kevin and Mia will speak. Three to four musical groups will play through the day and free food will be offered all over the store. The ribbon will be cut by 4:00, a board member, a staff member, the GM and the 1st investor. Tim will check for big scissors. Invitations will go out to press, the chamber of commerce, selectmen, the community development group. Strongs will serve beer.

Finance Reporting – Kevin will be assessing the cash position. All UNFI opening products came with a 90 day payment plan. Tim will join Kevin for a financial meeting with the lending group. The final requisition will be in September. Soft costs and inventory will be discussed.

Agenda:

Dividend Payments

Financials

Board Development

Meeting Evaluation: Productive. We did it!

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday, August 10, 2019.

Next Meeting: Tuesday, August 20, 2019 6:30-9:00 PM, Blue Hill Co-op, Break Room.

Minutes respectfully submitted by Julia Klein