

## Blue Hill Co-op Board Meeting

February 13, 2018 Blue Hill Library, Howard Room

Board Members Attending: Jim Picariello, Edie Dunham, Jerome Lawther, Tim Tunney, Deborah Evans, Aaron Dority, Susan Snider

Absent Board Member(s): unfilled (Staff Position), Mia Strong, Diane Bianco

Others Attending: Julia Klein (Minute Taker), Kevin Gadsby (General Manager), Bruce Stahnke (Relocation Architect)

Julia Klein, minute taker

Jerome Lawther, task and decision keeper

Jim Picariello, meeting facilitator, time keeper

Julia noted that due to work schedule she may be late to some meetings. The board will start meeting preliminaries in her absence.

Approval of Minutes: The board agreed that the January 16, 2018 Minutes should be reworked and approved next month. Julia will make changes.

**Time Open to Owners:** Jerome brought a request from his wife to keep popular items stocked on the shelves. Kevin will ask Michael about the flow of stocking. As a new vendor, Deborah brought samples of her Bagaduce Soap for everyone.

**Relocation:** Tim opened with details of where the \$462,000 spent relocation funds appear in the pro forma. Dividends and principal payout schedules were discussed at length. Kevin consulted the attorney for legalities and is waiting for response. Kevin will develop a basic decision tree to be presented to the board next month.

Tim explained the funding gap to be filled by community loans. Kevin noted that current numbers leave a loan gap of around \$850,000. Discussion turned to whether owner investments or long term bank loans make sense. The Co-op needs to be in a viable cash position of no less than 15 days for stability. Tim encouraged directors to experiment with the pro forma to understand how it functions. Kevin has a list of pro forma updates for Bill Gessner.

**After lengthy consideration Jim moved to approve Bruce Stahnke to proceed with the contract document phase and include additional service fees of \$27,800 as stated in his February 12, 2018 letter. Deborah seconded the motion. The motion unanimously carries.** Kevin stated that Bruce will need to be paid out of the line of credit which was previously paid down. Discussion continued regarding construction documents. Bruce stated that revisions are needed throughout drawings and

documents before the project can go to bid. The goal is to begin building in September. Bruce recommended forming a committee to make contractor recommendations and selections. He emphasized the need to solidify documents to present a concise and competent plan to potential contractors. Timelines as well as contractor vetting and interviews were discussed. Whether to bid or negotiate the project must be decided. Aaron requested a project management document from Bruce detailing decisions to be made before construction. Bruce emphasized the importance of having a strong and trustful relationship with the contractor.

**Aaron moved to charge the relocation committee with 1) developing contractor selection methodology; 2) making a recommendation to the board; 3) drafting a pre-construction project management schedule. Susan seconded the motion. The motion unanimously carries. Jim moved that a special board/relocation committee meeting should be held on Thursday, March 1, 2018 at 5:30, at the library conditional upon quorum. Edie seconded the motion. The motion unanimously carries.** Susan will take minutes. Jim will reserve the library.

**GM Report:** Kevin will send information to the board about dividend and principle distribution.

Susan recommended discussing relocation plans with the landlord to ensure that the terms of the building's sale include the Co-op's lease renewing in July. The store budget will be reviewed at the March meeting. Kevin reviewed P&L statements noting that January was good and sales were up in the last quarter going into the New Year. 2017 saw \$53,000 in profit. Discussion turned to losses in 2016 related to unusual costs. Kevin commented that the Co-op is financially very stable especially when relocation expenses are removed. Ideas for improving Café management and cooler/freezer related losses were discussed. **Edie moved to accept the GM report. Susan seconded the motion. The motion unanimously carries.**

#### **Board Monitoring:**

C1 Governing Style – The board reviewed the policy. **Jerome moved that the board is in compliance with C1. Edie seconded the motion. The motion unanimously carries.**

#### **Board:**

##### Agenda for Next Meeting:

Public Meeting

Relocation

Capital Campaign

2018 Budget

Annual Meeting

## Elections/Reelections

Meeting Evaluation: Productive, important! Tim felt confronted with the weight of the board's responsibility. He emphasized board's need to be informed, crisp, and efficient as relocation proceeds, particularly in engaging a contractor. Susan thanked Tim for his expertise and assessment of the pro forma.

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday, March 10, 2018.

Next Meeting: Tuesday, March 20, 2018 6:30- 9:00 PM, Blue Hill Public Library.

Minutes respectfully submitted by Julia Klein