

**Blue Hill Co-op Board Meeting**  
October 15, 2013 Blue Hill Public Library, Howard Room

Board Members Attending: Mia Strong, Richard Paget, Laura Livingston, Jerome Lawther, Aaron Dority, Jim Picariello, Keith Herklotz,

Absent Board Member(s): Hadley Friedman, Kristyn LaPlante, Diane Bianco

Others Attending: Mark Deeny (General Manager), Julia Klein (minute taker),

Julia Klein, minute taker

Keith Herklotz, task and decision keeper

Mia Strong, meeting facilitator, time keeper

Approval of Minutes: **The September 17, 2013 Minutes were tabled for November's meeting to allow for Board review.** Mia will email September's Minutes to the Board.

Time Open to Owners: No Owners were present.

Board Process:

GM Report – Mark took questions from the Board. Aaron asked whether joint accounts have negatively affected Ownership numbers. Mark responded that to the contrary, Ownership numbers have increased since joint accounts were made possible Owners appreciate having this option. Mark noted the Newsletter deadline was the 15<sup>th</sup> but Deirdre will be accepting pieces for another 10 days. Mark and Aaron will compare Relocation notes. Mia asked the reason for the Farm tour cancelation. 5 Star cancelled. No reason was given. Mia asked about the Co-op's presence at Taste of the Peninsula. Mark responded that \$118 worth of food was sold. He felt it was good to be there. Aaron commented that it is good to see the Café taking off after last year indicating that changes have been effective.

Mark asked the Board to consider a Co-op donation to the Halcyon Grange Commercial Kitchen project. He informed the Board that he is already \$200 over his donation budget of \$3500 for the year. However, he feels that a commercial kitchen at the Grange would eliminate the need at the new store while providing space for expanding educational opportunities and creating marketable products. **Discussion followed resulting in the unanimous decision to raise the gifting budget ceiling by \$1000 to be given to the Halcyon Grange this year.** Mark will look into helping source kitchen equipment and paying \$4000 ahead in 2014 for booking kitchen space or buying product.

Board Seat Opening: The Board discussed the Board seats left by Allison Watters (2015) and Marge May (2016). Wes Barton, Tim Crawly, and Rick Chapman were recommended. Mark will forward a list of new Owners to the Board. Candidates for these seats may be Owners for less than six months. All new names will be vetted by the Board through email.

Board Resignation – Marge May resigned from Board Service for personal reasons. Her office of Board Secretary will be filled in November. Mia currently has the file box.

Low Income Membership – Mark informed the Board that he was asked about financial assistance mentioned on the Ownership application. Mark found no paperwork pertaining to assistance other than a line on the liability side of the balance sheet from years ago.

**After considering options for financial aid a motion was approved that mention of aid should be removed from Ownership literature as well as from the balance sheet.** Richard urged the Board to consider how the Co-op can help with local food insecurity. Mark responded that Co-op currently donates produce through Healthy Peninsula and has opened the definition of EBT qualification as broad as possible.

#### Committee Reports:

Relocation – Aaron summarized his written report and opened discussion regarding a motion from the Committee. He invited all to attend weekly Relocation Meetings on Tuesdays at 4:30 at the Co-op. The Committee requested approval of a line of credit from the Cooperative Fund of New England of \$75,000 to be used for research expenses while building credit. CFNE recommended the line of credit and is willing to be the fiscal sponsor if the Co-op takes its first loan amounts from them. The line of credit would be paid off out of reserves. **After lengthy discussion of Director’s concerns the motion was tabled for next month to research interest rates from CFNE and local banks and whether credit history is built if the account is paid off each month.**

**Following more discussion the Board moved to approve CFNE as Fiscal Sponsor pending our lawyer’s review of the paperwork.**

**A proposal was made and approved to hire a fundraising consultant for \$27,500. Power was given to the Committee to decide between Bethany Savage Klyver and Gary Freedman, after interviewing Bethany, and hire.** Keith will contact the other candidate to inform them that they won’t be used. Richard and Mia urged the Board to consider what to do with the money if fundraising proves insufficient.

**A proposal was made and unanimously approved to hire for not more than \$3000 either UNFI or CDS for in-store layout and equipment planning. Power was given to the Committee to decide which will be hired.**

**A motion was approved to spend \$3000 to hire an engineering consultant for the “net zero” concept.** Aaron will notify Bruce of the decision.

Finance Committee Meeting. - Keith briefed the Board on recent Committee discussions including downsizing summer inventory and utilizing the current store space efficiently. Keith recommended that the Board consider purchasing an exterior walk-in cooler which would open retail space now, and be incorporated in the new store later. Jim strongly favored the idea while other Directors were hesitant about the expense. Mark mentioned that the project could be plan B or C if fundraising for relocation proves insufficient.

Miscellaneous: Gail Bartlett sent a letter to the Co-op thanking Mark for his explanation of the Owner Equity system and requesting that the Board re-evaluate the practice of allowing discounts for working members, the Full Moon Sale and specific products in the store. She expressed concern that the discounts cancel out the Dividends earned by Owners each year. The Board discussed the concerns but concluded that the discounts provide an important selling point for promoting Ownership and have significantly increased Ownership over the pasts 3 years while dividend checks remain small and

inconsistent. However, Mark will evaluate “stacked up” discounts received by Working Owners and Staff on sales.

John Miller requested to be emailed copies of the Minutes.

Agenda for Next Meeting:

Secretary Opening  
September Minutes  
Board Seat Options  
Line of Credit  
Relocation Committee  
Buying Policy  
Budget  
Board/ Store Budget Draft  
Walk-in Fridge Proposal

Meeting Evaluation: “Preposterous!” stated Jim. All other Directors were in a daze of large decisions made for large expenditures of money.

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday, November 9, 2013.

Next Meeting: Tuesday November 19, 2013, 6:30- 9:00 PM Blue Hill Public Library, Howard Room.

Minutes respectfully submitted by Julia Klein