

**Middlebury Natural Foods Cooperative
Board of Directors Meeting
July 22, 2015**

Board Members Present: R.J. Adler (7:30), Nadine Barnicle, Ross Conrad, Lynn Dunton, Kate Gridley, Kevin Lehman, Jay Leshinsky, Tam Stewart, Louise Vojtisek.

Board Members Absent: Ilaria Brancoli Busdraghi, Sheila McGrory-Klyza,

Others present: Victoria DeWind (staff liaison).

Board Monitor: Louise.

Call to Order: Jay called the meeting to order at 6:30 pm. Louise asked for a discussion of Ross's suggested method for writing meeting minutes. It was added to the agenda.

Member's Business: Nadine reported a comment from a member-owner about how they love the Co-op Essentials program. It serves as a way to give back to the community and reach more people. The Board supported the suggestion that there should be a press release about it in the newspaper as well as a Board article in the newsletter.

Louise is writing the next newsletter article about credit card fees with the suggestion of using gift cards instead. This keeps the money local. Kate suggested gift cards could be used as payment to people for services rendered.

Kevin reported comments about MNFC hiring practices which seem slow and lacking in timely responses and communication. Lynn said Middlebury College has received similar complaints for their practices. Tam suggested posting concerns on Basecamp.

New Minutes Method: As a way to shorten meeting times, Ross suggested an approach he learned about in which directors make their comments on agenda topics on-line ahead of the meeting. This way minutes may be more accurate and perhaps 90% done. Only items of disagreement would be discussed at the meeting. Kate commented that corrections to minutes used to be done on Basecamp before meeting. This could be started again. Tam was concerned about losing the organic exchange of ideas in discussions. Nadine commented that she relies on the discussions and has limited time before the meeting. Victoria noted that approval of minutes takes very little time at the meeting and posting ideas on line will increase meeting preparation time for directors as well as the time to organize comments into one document.

Approval of Minutes: On a motion by Kevin, seconded by Jay, the minutes of June 24, 2015 were approved as amended with all in favor.

Board Officer Elections: The Board ratified the results of the on-line voting for Officers. With four candidates for Vice President, the Board voted to approve a motion by Kate, seconded by Nadine, to use a simple majority for deciding the outcome of that vote. Ross moved, seconded by Kate, to ratify the previously voted slate of Tam – President, R.J. – Vice President, Louise – Secretary and Lynn – Treasurer. All voted in favor of the motion.

GM Report: Double digit sales growth for the month was noted along with the "too smooth" transition to patronage dividend. Kate said she had heard that A&P is going bankrupt. Jay said

that Ticonderoga had its official opening of their new co-op. Their board will now work on transitioning to policy governance. The Board thought Glenn's note on the possibility of a two phased expansion was interesting as it opens up new possibilities. The Board accepted the report and added appreciation for the inclusion of industry news.

GP Revisions:

GP 1 – Governance Overview: There was discussion of the word “holism”. The Board kept the word with the understanding that it means “thinking as one”, consensus and support of decisions. The words “and policies” were added to “Observe the 10 Policy Governance principles...” sentence.

GP 2 – Vice President's role is minimally described. Work on policies and agendas are part of the job as needed.

GP 3 – The word “standing” was inserted before “Board” in the first bulleted paragraph. The GP still applies for the two remaining standing committees. They have chairs but no permanent members. The Building Committee is an ad hoc committee.

GP 4 – In the seconded bulleted item, Open Meetings - “the membership” was changed to “everyone”. All bullets concerning Executive Session were revised and reformatted with indents under an “Executive Meeting” heading. Including or excluding non-directors in an Executive Session will be part of the motion to go into the session.

(R.J. arrived)

On a motion by Ross, seconded by Louise, the Board approved GP 1-4 as amended with all in favor and R.J. abstaining.

Board Role in Expansion: Jay said this discussion comes from the need for the Board to make key decisions along the planning timeline that is progressing. The Expansion Toolbox by Bill Gessner is being used and includes two areas that are important for Board consideration – fiduciary role and GM reporting. As the Co-op looks at alternative ways to build the equity needed for expansion, what kind of information they will need for these choices needs to be determined. The Board also needs to decide what kind of reports they will need from the GM to be sure things are on track with the project. This would include operational plans as well as information from outside resources for things such as design choices, energy efficiency and finances.

Lynn pointed out that there are implications when there are shifts in a project timeline. She asked if construction management goes through the GM. Jay said he sees it as operational.

Nadine pointed out that large public projects have a “clerk of the works” to oversee projects and represent owner interests with contractors. The Board discussed the benefits of such a position in the MNFC expansion project and RFP's for the position could be released. R.J. felt a “clerk” can relieve pressures due to keeping the on-going operations functioning along with the expansion and should be part of the project budget. Jay noted that as the scale of this expansion is larger than previous ones, a “clerk” could provide needed support to Glenn and ensure the responsibilities to the member-owners is met.

Tam said that communications around the project need to articulate the desired outcome. A “shared understanding” is needed on design choices and how to know if those are being met all without interfering with moving the project forward. R.J. felt that keeping co-op values and Ends in front of the member-owners is an important part of communications for the project. Jay felt that the Co-op Conversations had brought all interests together. It is important the Board stay in

alignment with Glenn. Jay suggested that directors review the 2013 Retreat summary in the file on Basecamp.

R.J. talked about community partnerships in building new facilities as shared resources that are a joint effort between co-ops as done in Montana.

Thank you: The Board thanked Jay for his leadership as President and a smooth transition to Tam. Tam noted Jay's sustained work for five years, taking the Board to policy governance. His efforts to have the Board think broadly and his open accessibility were appreciated. Jay responded he looks forward to continuing to contribute to the Board and support the next President. He is glad to say thank you and not farewell.

Next Meeting – Aug 26:

GM report

Digital EL Monitoring

Growth and Expansion

Monitoring calendar

Adjournment: The meeting was adjourned at 8:25pm on a motion by Ross, seconded by Jay, with all in favor.

Respectfully submitted by Victoria DeWind