

Belfast Community Co-op Board of Directors Meeting

July 28, 2022, Public meeting commenced at 6:00 pm; hybrid meeting at Belfast Community Co-op Administrative Office and via Zoom teleconference

Directors Present: Sasha Breus, Ernie Cooper (vice president), Susan Cutting (president), Cristiane Gil, John Krueger (treasurer), Elaine Mack, Charlie Pattavina, Buck Sawyer, Edward Sheridan, Valerie Tate (secretary), Collin Thompson

Absent: Kristin Clements

Staff: Doug Johnson (GM), Emily Berry (scribe)

Owners: Annie Bussiere, Jamie Cermak, Elizabeth Dickinson, Patty Duffy, Stefan Durham, Gina Ferendo, Naya Flanzala, Heather Q Hay, Alessandra Martinelli, Ashleigh Russell, Michael Walter

Guests: Ben Sandel

Agenda Review

The BOD agreed to move item *d. Approve Previous Minutes of Preliminaries* to the consent agenda. With this adjustment, the BOD approved the agenda by consensus.

Announcements

The Belfast Street Party is scheduled for Monday, August 1st. Directors have been asked to sign up for hour-long slots to staff the Co-op table.

Owner Comments

Patty thanked Susan and John particularly for taking the time to provide her with additional information about the proposed renovation project. She also thanked all the directors for their hard work.

GM Reporting

Alignment

Katie Porter, the attorney with whom the Co-op worked with for the past year, has moved on from the legal firm of Eaton Peabody and the Co-op will now be in contact with Sarah Newell.

The Belfast Co-op donated to the Open Harvest Co-op's relocation project from the charitable giving budget. P6!

GM Update

The directors did not have any comments or concerns regarding the July GM Update Report but did express their appreciation for the level of detail included in the report.

B6 - Staff Treatment and Compensation

The data for the B6 - Staff Treatment & Compensation monitoring report was taken from the staff survey conducted in May of 2022. Workplace safety was the only metric that did not meet the threshold for compliance causing Global B6 to be in partial compliance.

The BOD accepted by consensus the B6 - Staff Treatment and Compensation monitoring report as in partial compliance with Global B6 and full compliance with the remaining sections.

Board Administrative Matters

Consent Agenda

The BOD accepted by consensus:

1. the minutes of the June 16, 2022 BOD meeting;
2. policy C6 - Officers' Roles as in compliance; and
3. the GM schedule change.

Finance Committee

The Finance Committee unanimously recommended that the BOD decide to proceed with the plan to renovate the current store building and proceed with a capital campaign. There were several points of interest that were touched on by the BOD during this discussion in favor of the recommendation:

- the infrastructure needs to be updated and doing nothing is not an option;
- the pro forma, with increased construction and equipment costs and contingency, continues to show the renovation project as successful under various stress tests;
- it would be better to secure bank loans now, rather than wait as interest rates continue to increase;
- other potential sites are significantly more costly than this project and they come with various problems, such as parking, competition, and access;
- the store's 123 High Street location is critical; important to owners; an anchor for downtown, and keeps the Co-op at the heart of the community
- an updated renovation plan shows much of the refrigeration equipment can be outside the building, which will allow the freight elevator to be inside; and it shows that basement and bump-out spaces will be useful for storage and access to ducts, wiring, and utilities during renovation, without affecting the retail space.

The objections raised by two directors were as follows:

- the numbers are not realistic, expect to pay 30% above estimates
- alternative locations were not adequately explored
- not enough long-term return on investment
- inflation and supply chain issues

The BOD was unable to reach consensus on this recommendation with two directors blocking. Using modified consensus decision-making, which precedent has designated as a two-thirds majority vote, directors present voted nine in favor and two opposed, with one absent director expressing her support for the project in a written statement. With this vote, the BOD will be moving forward with the proposed renovation project of the store at 123 High Street and the capital campaign.

The FinCom recommended that the BOD authorize the capital campaign team to finalize and implement the parameters of the owner loan program once the legal review is completed. The BOD approved this recommendation by consensus with two directors standing aside.

The FinCom also recommended that the BOD approve the Board Budget for FY 2022-2023, which is similar to the current fiscal year with additional funding for professional services. The BOD approved this budget by consensus.

Expansion Charter Ad Hoc Committee

Ernie was accepted as chair of the ad hoc committee to draft a charter for the Expansion Committee. This committee decided to delay drafting a charter until the BOD decided whether they were to move forward with the renovation project. Now that the decision has been made, the committee will move forward with drafting a charter.

Capital Campaign

John was nominated to act as a board liaison, representing the BOD at meetings of the renovation partners.

Valerie reported to the BOD on the preparations for the capital campaign. As the capital campaign gets underway, there are several pieces that will be put into action:

- Collecting testimonials from directors, "I'm investing in the Belfast Community Co-op because ...";
- Celebrate long-term owners and founders at a special event, such as a founder's moment at the reopening of the store;
- Finding a fiscal agent that can help accept large donations;
- Beginning regular weekend tabling events as the campaign ramps up to have one-on-one conversations with owners;

- Putting together FAQs;
- Recruiting owners for the calling team via social media; worker callers will be recruited through operations;
- Reaching out to various entities, such as the Maine Community Foundation, regarding grants and/or investment;
- Determining what rules apply to those owners who would like to participate in the capital campaign and their primary residence is not in Maine; and
- Training frontline workers (i.e., cashiers, clerks, etc.) and directors.

Ben Sandel joined the meeting to discuss the director's individual financial commitments to the capital campaign. He stressed the importance of showing strong support for the project from the core team - directors, management, workers, and select owners. Ideally, 10-15% of the campaign goal will be from the core team. If that's not feasible the capital campaign team will restructure and re-strategize along the way. He encouraged directors to build excitement but not to solicit until the legal paperwork is ready.

Owner Engagement Committee

The Belfast Street Party will be Monday, August 1st and there are at least two directors signed up to attend per hour.

Directors are encouraged to schedule a Meet and Greet time and talk to owners outside the store for an hour or two. This can be anytime but Fridays and Saturdays are suggested. Doug will provide architectural renderings of the renovation to show during Meet and Greets.

Board Development Committee

For each policy that the BOD self-monitors, there is a poll for individual directors to fill out regarding compliance for that policy. BoDev encouraged directors to be very clear if they have strong opinions and would like further discussion regarding compliance.

Homework

Full BOD

1. Take C7 policy poll

Doug

1. Submit a broad project management plan
2. Look into the effects of parking on income from pro forma or early market study
3. Provide updated architectural renderings for director Meet & Greets

All Committees

1. Send items for consent agenda to officers

Officers

1. Discuss expenditure parameters

2. Discuss in-person meeting opportunities

3. Discuss capital campaign team

Board Development Committee

1. Process for violations to the code of conduct
2. Review BOD guidelines & policies re:
 - a. Responding to employees
 - b. Communication norms (esp. email)
3. Consider consultant vs consultants

Owner Engagement Committee

1. Plan BOD work for the 2023 Annual Meeting

Ad Hoc Committee

1. Draft an expansion committee charter

Debrief

Directors were given the opportunity to share comments, concerns, gratitude, and insights regarding the meeting. Many directors shared their excitement about moving forward with the renovation. There was much appreciation shared for each other: everyone's hard work, good will, passion for the Co-op, and willingness to share opinions. Particularly appreciated were those directors that did not agree with the majority but stayed true to themselves despite any perceived discomfort.

Meeting adjourned at 8:18pm. Minutes respectfully submitted by Emily Berry, scribe.