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Council Meeting Minutes

April 2, 2018

Time: 5:30

Facilitator: Mark Simakaski

Note Taker: Michael Dougherty

ATTENDEES

Council: Scott Hess, Steven Farnham, Mark Simakaski, Bertil Agell, Jose Aguayo, Patrice Siergiey, Eric Jacobson, Carl Etnier, Ashley Hill (arr. 6:00)

Staff: Kari Bradley, Lydia Busler (staff rep.), Stephani Kononan, Tim Wingate, Jay Wisner, Neal Giarro, Bettina Desrochers, Lisa Rochelle

Guests: Eva Schectman, Peter Turmelle, Pat Carstensen, Alec Hill, Alex McLean, Leah Schulz (by phone for #7), Paul Dickin

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1. Agenda review and time allocation - 5:30pm (0:00:03): Scott asked to move the TD Bank divestment item to after #4.

2. Co-op community comments - 5:31pm (0:01:21): Peter asked about offering mail order service. Kari: development of online ordering is not part of the business plan for this year.

3. Consent agenda - 5:36pm (0:05:53): Mark offered an additional change to the notes - before 7:06, substitute Jan for Eva. **Scott moved to accept the consent agenda. Bertil seconded. Passed (Unanimous).**

4. Employee presentation - 5:38pm (0:07:26): Carl recommended moving into executive session because the presentation is about a personnel matter. Bertil seconded. Council unanimously approved motion to enter executive session, including Kari, Jay and Bettina Desrochers, Lisa Rochelle, at 5:40. Executive session ended at 6:09.

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4a.6:10pm (0:00:30) Lisa Rochelle briefly responded to email she received from Scott, and clarified some points regarding its contents.

4b. TD Bank divestment 6:12pm (0:02:08)-(moved up from agenda): The Co-op holds a savings account with TD Bank. Eric said that because there is a standing boycott on the bank, the onus on the Co-op is to try to honor it. **Eric submitted a written motion stating that the Co-op**

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should divest its funds from TD Bank. José said this should include a review process of other investments. Scott said the Council did not take action with entities related to local controversies such as the Chittenden County pipeline. Ashley said this kind of issue would be best addressed in the Co-op's investment policy.

Carl moved to commit this to the Finance Committee. Bertil seconded. Motion to commit the divestment issue to the Finance Committee passed. Initial written motion failed.

5. Operations Report: Forms of Payment - 6:23pm (0:15:03): More customers are using credit cards. The Co-op switched vendors from Vantiv to First Data in February. The majority of fees paid out are surcharge fees. Fees are about 1% of sales total. Cash and checks continue to decline each year. Credit continues to increase; debit is mainly holding steady.

Carl asked whether customers could be charged differently depending on their payment method. Steven said that fees are like a tax paid to corporations, while the cost of cash payments goes to local employees. Gift cards may be a workaround. Bertil said the Co-op should face that credit cards are the future. Ashley suggest educating customers on what the Co-op pays for each method. Lydia noted that cash back transactions using debit cards add to both fees and cash handling estimates.

Eric asked whether the Co-op has considered partnerships with local banks to keep processing fees local. Tim said we have considered affinity cards but faced economy-of-scale issues; partnering with other Co-ops might help.

6. Communications Plan Presentation - 6:52pm (0:43:54): Alex said the Co-op has experienced significant growth, and with that some tensions among groups of members as well as tensions between the union and management. Communications have focused on transactions - like product sales - rather than the Co-op's success in fulfilling its mission. This plan is meant to emphasize the mission.

Alex enumerated many good things that the co-op was "absolutely doing," but that we're not communicating. Improve/expand communications with current and prospective members about HMC's mission and fulfilment of it. Remind employees of mission, and why their work is important. Bolster understanding HMC's identity/mission as basis for improved Mgmt/staff relations.

Alex's Recommendations

- An earned media spot/month
- 2 to 1 alternating messages from GM/Council Chair in eNews focusing on mission and how HMC is meeting it
- Alternate featuring Vendor, Staff, Member, HMCCF grant recipient profiles into eNews
- Include a BLog on website
- Include messaging in sales marketing efforts, and make it strategic
- Increase mission messaging in social media

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- Increase personal engagement opportunities: GM & Council Chair meet informally regularly with members and employees
- Two messengers: Co-op itself/marketing team/management, and Council

Alex encouraged Council members to think about themselves as messengers for the Co-op. Bertil suggested making better use of the website and adding Northfield News to the press list. Steven asked about the staff's capacity for expanding communication efforts. Eric said the Vision Committee has been discussing whether the Co-op should be taking more leadership on certain issues and highlighting that in messaging. José suggested engaging local partners like Milk With Dignity.

7. Draft Employee Survey - 7:14pm (1:05:09): The Co-op will be executing the survey in April. Paul and Leah used an appreciative inquiry approach. They also tracked the evolution of previous survey questions so the Council could still track trends in the incoming results. Questions are grouped into themes. Paul suggested an incentive be based on a 55% return rate. Scott suggested noting that staff members can fill out the survey on their work time. Paul discussed the survey questions.

Ashley said the introduction fell flat and needs more direct language about how information will be shared. A statement from the Council may be a solution. Scott asked why comments are above survey questions - Paul said this was a deliberate approach. Mark suggested changes to questions about benefits, training and communications to elicit more specific, positive answers, which might possibly remind respondents of why the co-op is a good place to work. Mark suggested this is the appreciative part of "Appreciative Inquiry."

Steven said the first questions as a group could make respondents believe they are not being treated anonymously. Paul said there is the option for the Council to not filter the data by certain groups, especially for smaller departments. Lydia noted that there is no message that respondents will not be identified. Paul said that they will emphasize that the data will be shared as aggregated trends rather than individual responses. Those questions can be moved to the end of the survey with a separate introductory message.

José noted that the survey originated with the staff's desire to get involved - this should be included in the messaging. Paul said Council members should personally encourage staff to participate. The group discussed a target return rate threshold for incentives.

Steven is concerned that messaging Cope's participation too strongly ~~was~~ may create the perception that the Co-op spends money on outside professionals that it could be sharing with employees. Lydia said Council members should emphasize to staff that they need a strong response in order to effect change. Scott said the next draft needs to be promptly vetted by the Council.

BREAK - 7:58pm

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9. Vision Committee - 8:06pm (0:00:19): Kari asked whether the Council would be open to scheduling strategic conversations of about an hour each. Scott said the May 22 open house could be an opportunity.

10. Bylaw Committee - 8:08pm (0:01:53): The committee met with Michael Healy to come up with solutions. Michael recommended that any bylaw changes should first be firmly anchored with the Council.

Carl moved to have the bylaw committee process move forward with the provisional charter and revisit next month. Patrice seconded.

Steven said the bylaws need to be more understandable. José is concerned about going through the same process that has failed multiple times. Eric said some ambiguity in the bylaws is standard and that this time could be better spent.

Motion approved (Seven in Favor, Two Opposed).

11. Annual Meeting Committee - 8:18pm (0:11:26): The committee voted to have the Annual Meeting on Thursday, November 1 at Lost Nation/City Hall.

12a. Executive Committee: Facilitation, Roundtable - 8:19pm (0:12:43): The roundtables have been successful. Staff will be getting a synopsis of what has been discussed. Scott said the tone has been very constructive. Lydia said staff felt like they were able to connect with the Council.

12b. Executive Committee: Facilitation, Roundtable - 8:21pm (0:14:57)The committee has discussed narrowing meeting facilitation to Scott and Mark for greater efficiency. Michael Healy had recommended this strategy. **Scott moved to designate himself and Mark as meeting facilitators for the remainder of the council year. Carl seconded. Approved (Seven in Favor, Two Abstentions).**

13. Treatment of Staff Monitoring - L2.1, 2.2, 2.4, 2.5 - 8:24pm (0:17:25): L2.1 and 2.2 are back because of a point about survey data being used to measure harassment and discrimination. L2.5's language about widely held staff concerns is subjective. Kari used recent examples to interpret this policy.

Bertil moved to accept the report. Carl seconded.

Steven is concerned that stating compliance with these policies is not accurate. The objective of the report is not to express compliance - it's to direct the Council to what areas need attention.

Carl moved to table the motion for approval of the L2 monitoring report. Ashley seconded. Approved (Eight in Favor, One Abstention). Initial motion tabled.

14. Shopper Survey Results - 8:35pm (0:29:06): The group agreed with Kari's suggestion to move this item to next month's agenda.

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15. Monitoring Report- L1/L3, Treatment of Customers/Members - 8:37pm (0:30:31): Kari said this report presents a wide variety of information about the shopper experience. **Scott moved to accept the monitoring report. Patrice seconded. Approved (Unanimously).**

16. General Managers Report - 8:39pm (0:31:25): Allegations were made about an employee around alcohol procurement. Kari found that the allegations were improper and there was no wrongdoing. Specifics can be discussed in executive session. A group from the Co-op attended a regional Co-op association meeting. Kari noted a case study presented by Brattleboro and Willelantic Co-ops about listening and establishing board norms. NFCA is having a board-to-board networking event on September 15 in White River Junction. Kari acknowledged Krystal Fuller's work - her last day is Friday.

17 Staff Rep Report - 8:41pm (0:34:36): Lydia said the last roundtable group had a good discussion. Staff issued a statement of support for Burlington High School and Montpelier High School's decisions to raise Black Lives Matter flags. Emma Schoenburg from Rights & Democracy spoke to staff about the Raise the Wage initiative. Some staff members will attend the regional meeting in Springfield.

Staff are not trusting in surveys in general. Messaging for the next employee survey will need to emphasize that it is coming from the Council and responses will be kept anonymous. Employees have acknowledged that results from union surveys tend to be different from results from management/Council surveys. Steven proposed working with the union to combine surveys.

Carl offered to attend tomorrow's union meeting to promote the survey, if invited. Jay said the group should be mindful of laws around labor/management relations, and any interaction should go through official channels.

19. Discussion: Plainfield Co-op Support - 8:55pm (0:48:45): Eric said Plainfield Co-op is seeking funding to expand backstock and renovate - about \$8-10k. Kari said he has had several meetings with Plainfield Co-op leaders this winter and will look into the request. Bertil said supporting those nearby co-ops could cut into our business. Scott said the Co-op's mission includes supporting other co-ops.

20. Wrap-up - 9:00pm (0:53:51): The Council reviewed action items (below). Carl said the executive session was handled well. Ashley encouraged members to be mindful about adding to a conversation before speaking.

21. Council/Co-operative community comments - 9:04pm (0:57:30): Scott said a member suggested having a nutrition person part-time or on staff. Steven got another endorsement for having the bulk section be more visible and better promoted.

Scott moved to go into executive session. Steven seconded. Approved (Unanimously).
Council moved into executive session at 9:05.

The Council left executive session at 9:27pm and immediately adjourned.

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Action items

- Kari will look into gift card costs
- Scott will draft survey intro
- Mark will draft charter for bylaw committee
- Scott will write a summary report for staff on roundtables
- Kari will update Council calendar facilitators
- Council will weigh in on next draft of employee survey - send comments to Kari by Thursday at 3.
- Talking points for Council members discussing the survey with staff (unassigned)
- Finance committee will respond to TD Bank/investment policy issue
- Kari will email slides on the shopper survey in advance of discussion at the next meeting
- Kari will look into the Plainfield Co-op's loan request.