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Hunger Mountain
COOP
Council Meeting Minutes
March 2, 2020

Present: Scott Hess, Pat Siergiey, Steven Farnham, Olivia Dunton, Julia Goldstein, Eric Jacobson, Eva Schectman, Andrew Sullivan

Staff Representative: Jess Knapp

Staff: Kari Bradley, Mary Mullally, Tim Wingate, Jay Wisner

Guests: Jed Davis, Stephanie Kaplan

Facilitator: Elly Wood

Note Taker: Rowan Sherwood

Begin [Recording 1](#)

1. Welcome, agenda review, time allocation, guest policy review. 5:30PM (0:00:07)

Elly welcomed everyone and introduced herself. Eva requested 5 min. to talk about the Diversity Committee; all agreed. Elly reviewed ground rules for the meeting.

2. Cooperative Community Comments. 5:38PM (0:07:50)

Stephanie expressed a concern about the part of the NCG agreement that states the Co-op will commit to growth. She did not want to stay until that part of the meeting, but it was noted that her concern will be addressed when that agenda item is discussed.

3. Robert's Rules discussion. 5:43PM (0:11:18)

Steven presented a brief overview of some basics of Roberts Rules of Order.

- For items on which a vote is to be called, begin with a motion. A motion launches and brings focus to the conversation. Choose our words carefully. A second confirms the need for the conversation.
- An amendment changes the motion. It can redirect, broaden or narrow the focus of the original motion. Amendments need to be seconded before proceeding with the new conversation.
- Motions and amendments may be withdrawn.
- After discussion, a vote is taken to determine if motion passes or not.
- "Calling the Question" is a very strong move that essentially ends the conversation, thus cutting off others' opportunity to speak. It should be used only when absolutely necessary.

Pat and Eva requested hardcopy of the outline on Roberts Rules. Steven will provide it for April packet. Steven expressed concern that the motion made

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in the February meeting for Milk with Dignity Resolution may not have been properly or clearly articulated, and urged the group to affirm that vote. This did not happen.

4. Consent agenda: Approval of minutes (February 3), Equity Refund requests. 5:52PM (0:21:26)

Scott moved to accept the Consent Agenda. Julia seconded. Kari reported that \$210 in equity refunds were requested. There was no further discussion.

The motion passed unanimously.

5. Bylaw proposal: Updates from the Committee 5:54PM (0:22:32)

Scott announced there would be no vote on the proposed bylaws tonight; he stated the purpose is to discuss proposed amendments and ensure they're understood. The Council agreed to attend a Special Council Meeting March 16 to vote on the final revision. Stephanie presented the proposed amendments.

A) Removing language from the Articles of Incorporation that might be read to prohibit votes by paper or electronic ballot (0:26:45)

This amendment updates the Articles of Incorporation to be consistent with state law which allows for electronic balloting. This amendment is straightforward and non-controversial.

B) Transparency of compensation (0:29:16)

Stephanie acknowledged this proposal is more controversial, and because the full committee wasn't comfortable with it, the committee favoured submitting it for a member vote. The transparency amendment would make management staff pay-scale information available to the membership similar to information on non-management staff pay scale. Jed explained this amendment is presented separately from the full body of bylaw revisions so it may be considered separately to avoid its possibly blocking approval of the full document.

Scott stated that some clearly are not comfortable with the transparency amendment. It was clarified that individual salaries will not be disclosed; a range will be available for each position. In answer to a question from Pat, it was explained that pay scales in the contract are organised by position and tenure. Responding to a question from Julia concerning the voting procedure, Jed explained that each amendment would be voted separately. Each approved proposal will amend the bylaws accordingly. Steven reminded the group that the bylaws can be amended at any time. Stephanie shared that some managers thought that either all employees info should be made available, or none.

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Andrew asked Tim and Jay if any pay grade 5 or 6 union employees earn more than managers. Neither knew the answer. Andrew asked if transparency could be achieved with non-disclosure agreements. This idea hadn't been proposed previously, and it wasn't discussed further. Jess asked if the union contract is public. Kari said the Co-op does not disclose it, but bargaining unit members may share it if they so choose.

Eric clarified distinction between policies and bylaws. Policy addresses matters at the council level and bylaws address matters at the foundation level, subject to approval by the membership. Matters that need periodic "tinkering" should be addressed in policy. Jay pointed out that pay scales in the contract only include 10 years; since many of our employees have worked at the Co-op longer, the contract does not accurately reflect their pay.

C) Council member freedom of expression (0:48:40) This proposal is to clarify the "one voice" policy so that council members may freely express their opinions on a Council-voted topic if said opinion differs from the Council's consensus. Eva addressed the difference between stating an opinion and sharing confidential information. Andrew inquired about undermining. Undermining was described; Andrew asked if it had occurred. It has. The concern is that dissenting Council member(s) could disparage the Co-op and actively try to turn Member sentiment against the Co-op. Scott characterised the bylaws like the constitution – we can't outline every possibility, but try to capture the essence of what we want to convey.

D) Defining an annual Council retreat differently than other Council meetings (0:57:29) This proposal addresses use of executive session during Council retreats. Stephanie stressed that democracy and transparency are important; while most people agree that the Council needs some time for, e.g. team building, away from public scrutiny, she maintains discussion of the Co-op's future and direction should be open to members.

Andrew inquired about past practice; are notes taken in executive session? No. Discussion ensued describing what is allowed/not allowed in executive session. Historically, retreats were held in executive session, and notes were not taken. Additionally, votes are not allowed, until exiting executive session.

E) Non-binding vote to develop a family Memberships option (1:04:22) Family Memberships are a frequent request among Members, though the last time it was brought to a vote it was defeated. Olivia clarified that the proposal is to investigate Family Memberships, not create them. Andrew expressed that this is something for the council to decide.

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Kari asked the group to consider how many amendments it wants to put forward at one time. The council may want to prioritize.

6. Council Work Plan: Approval and updates. 6:42PM (1:08:16)

Scott asked if the Council agreed on the proposed work plan. Julia wanted to add discussion of the mission statement. Jay indicated it's covered under diversity. Eric wanted to modify expansion or growth to diversification. Kari said that the next step would be to plug these items into the Council calendar.

Steven suggested Goal 1, Line 1, Orientation, could include more in-depth orientation including time with each department head. Scott agreed this would be helpful. Steven pointed to the third section of Goal 1, Council Role, and suggested it should be visited "regularly," instead of "ongoing." He also thought that "retention" should be added to goal 4, point 1, Recruitment.

Steven moved to accept the work plan as presented. Scott seconded.

Andrew asked if he should vote on the discussions with departments part. Steven suggested an edit. Scott clarified that this is an outline. The details will be determined when a given item in the plan is addressed.

The motion passed unanimously.

6:56PM

*******BREAK*******

Begin [Recording 2](#)

Before resuming the meeting, Elly asked for comments on the first half of the meeting. Julia observed that some did not respond to redirection of the conversation. Eva wanted to say that when people grumble it can be interpreted as disrespectful.

7. Finance Committee: Springfield Co-op investment update. 7:09PM (0:02:50)

Pat reported the finance committee met in February and the employee retirement plan is in good shape. Before the coronavirus affected the stock market, things were looking very positive. The committee recommended a \$5,000 investment in the Springfield Co-op for their expansion, which Tim clarified would be in the form of preferred shares, does not include voting rights, yields 2.5% interest over 7 years, is unsecured, and could be a while before we see a return – but it's money well spent. Kari said the co-op had performed a sound feasibility analysis.

Eva asked for clarification regarding "the plan" that will "pay fees." Kari explained that fees will be transferred to the participants in the plan. Scott

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explained that whether or not employees participate in the 401[k] plan, all contribute because it comes out of the earnings of the co-op.

Returning to earlier conversation, Eric expressed support for the investment in Springfield. He asked how much we invested in MOCO. Kari shared a list of all of HMC's unsecured investments. This one at Springfield is comparable to others. Olivia asked about Springfield's profitability. Kari said it was improving. Andrew asked if we have access to other co-op's investments around the country. We do not. Steven asked if we know how much other co-ops were providing. We do not know, but Kari explained we were not asked for a specific amount; we are offering an amount consistent with what we've provided other co-ops. Eva added that they asked for an amount within a range, and \$5,000 seems reasonably within that range.

Eva moved to accept the recommendation as written. Andrew seconded. The motion passed unanimously.

8. Annual Meeting Committee 7:25PM (0:17:47)

According to Scott and Kari, the committee talked about changes to the last proposal but they presented essentially the same thing.

Olivia moved to accept the recommendation of the Annual Meeting committee. Pat seconded.

Kari reiterated the committee's recommendation for Annual Meeting to become a more celebratory event, and allow more time for member comments and discussion. The proposed schedule is as follows:

4:00PM - 5:00PM – Business Meeting

5:00PM - 6:00PM Dinner

5:45PM – Awards, Honors, raffles, council candidate introductions (if that bylaw change passes)

6:30PM - 8:00PM Contra Dance

Discussion ensued regarding scheduling Annual Meeting Saturday instead of Thursday to enable higher attendance. Eric liked the idea of a speaker, but it takes time and resource to get a good one. Eric also liked the idea of adding breakout discussion sessions on various topics including labor, industry trends, finances, ethics and diversity. Pat asked if we'd ever held one on a weekend. Kari explained that for years, Annual Meeting was Sunday brunch. Steven checked and assured the group that it did not conflict with a regular contra dance. Elly asked if there were any objections to moving it to Saturday 11/14. There were none, effectively amending the motion.

Scott moved to table the discussion until the March 16 so folks who were not present could weigh in on the date change. Steven seconded. The motion to table passed unanimously.

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Note: A technical problem caused the recording to stop during agenda item 9. No recording is available for the remainder of the meeting.

9. GM Evaluation Committee 7:42PM (0:34:00)

Evaluation Committee chair, Eric, described a set of reports and surveys he's used to evaluate the GM. He wishes there was more participation in the staff survey, and is thinking about ways to improve that. He asked council members to let him know if anyone has a question they would like Kari to reflect on for his self-evaluation. Eva asked for a reminder and a deadline for that and Eric agreed.

10. Committee Reports 7:49PM

Diversity Committee –

Eva spoke on behalf of this committee asking how the council felt about adopting the We All Belong work group's vision statement, found on page 93 of the March Council Packet:

Hunger Mountain Co-op wants everyone to feel welcome. We respect differences, honor each person, and value their unique stories. We seek to learn from each other and we succeed when you feel this is your Co-op.

Eva moved to adopt the vision statement. Pat seconded.

Jess asked if this vision statement is intended specifically for diversity at the co-op, or for the co-op as a whole, and wanted to know how it would be used. Kari responded that it will be used to talk with staff and council on diversity topics. Steven wondered what we would do with it if approved and where it would live. Kari said it could be used in training, it could be posted on the wall, on the sales floor.

Steven moved to delegate the disposition of We All Belong work group's vision statement to staff. Scott seconded.

Andrew asked if it could be worked into our ends statement and if there was any legal obligation if adopted. There is no legal piece. Kari seemed to think the ends statement is not an appropriate place for it.

Seven voted in favor of Steven's amendment; one abstained. Motion to amend original motion passed.

Observing that there was need for further discussion on the vision statement, and no time remained, Eva moved to table the topic until "later." Not knowing a specific date on which the discussion could be resumed, **Eva withdrew the original motion altogether.**

Recruitment Committee 8:02PM –

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The committee requested more involvement from the rest of the council in recruitment efforts. Eva said that council members should keep one another apprised of their individual efforts. Kari stated that it is squarely the council's responsibility to recruit new council members with staff as a support resource.

Communication Committee 8:09PM –

Steven moved to accept the communication committee charter as proposed. Eva seconded.

Steven explained that he drew from previous charters to form the current proposed communication committee charter. Kari thought the 4th bullet was too specific. Steven suggested to strike that. There were no objections and 4th bullet was deleted. Andrew thought the word "several," in the final bullet could be removed. Steven and Eva agreed. With no objection the word "several" was stricken from the last bullet.

A vote was taken to adopt the communication charter as amended. Motion passed unanimously.

Kari requested clarification on Communications Committee membership. Eva, Andrew, and Jess volunteered.

11. NCG Membership Agreement 8:17PM

Steven moved to adopt the resolution to authorize Kari to sign the NCG Membership Agreement. Eva seconded.

Kari stated that 90 days notice is the minimum required to sever NCG contract, and our UNFI (through NCG) is valid through 2021. Olivia asked if we could argue specific lines of the agreement. We cannot.

In regards to Stephanie's concern about growth, Kari said that we need to grow a certain amount, but it is not our primary focus. If we chose to contract, Kari is confident that NCG wouldn't stop us. Eric asked about restrictive agreements with UNFI. Olivia briefly explained, and Kari said our membership gives us leverage to negotiate in the next contract. He also told the group that we are exploring [KehE](#) as a secondary supplier. Steven commented that to commit to growth is not a command to grow. Jay stated that he believed Stephanie's concern was about having a goal of endless growth, which is not sustainable or even possible. It was thought by the group that that is a valid concern, but not what the agreement is requiring.

The motion to authorise Kari to sign the NCG Membership agreement passed unanimously.

12. Financial Report: Q2FY2020 Statements 8:30PM

We had a relatively high level of profitability last quarter – the co-op is in good shape. There were no questions.

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13. Monitoring Report: L5/L7 8:31PM

Scott moved to accept the monitoring reports. Steven seconded. There was no discussion.

The motion to accept L5 and L7 monitoring reports passed unanimously.

14. Monitoring Report Evaluation Form Discussion 8:32PM

Steven explained the criteria and process to evaluate monitoring reports, and how to translate the outcome into a number to enter into the appropriate column on the evaluation form. He explained the nature of comments to include in the comments column, and what nature of comments to write in the policy evaluation portion.

Specifically, for any given policy addressed in the monitoring report, examine the data, and analyse its completeness and ability it provides for evaluating performance and compliance with the stated policy, and insert a number 0 to 4 in the Data column, where 0 is inadequate, and 4 is far above expectation. Next analyse the degree to which the data indicates compliance. Again, 0 is inadequate, and 4 is far above expectation. Enter that number in the Compliance column in the row of the appropriate policy.

Steven added that comments are not required for “passing” numbers, but if a number is entered that indicates data or compliance is not acceptable, then out of fairness, comments are required. If you’re going to rate some aspect of the report as unacceptable, then you owe the GM some guidance regarding what you believe is unacceptable. It’s not fair to give a negative rating if you cannot explain why.

Lastly, the policy evaluation comment area is where to write your assessment of the policy itself. Is this the policy we want? Does it measure what we need to measure? Should something be added to it, edited from it, or deleted altogether? This portion is *not* an evaluation of the GM or the monitoring report, but rather an evaluation of the policy, itself, as written.

15. Staff Rep Report 8:40PM

Jess reported that staff are unhappy with the lack of growth opportunities within the co-op. Some employees feel as if they have been overlooked for internal promotions and question the co-op’s commitment to internal hiring. Jess reported a widening of the trust gap due to an employee’s firing. Julia asked if the staff knew the reasons why she was fired, thinking that lack of information may breed distrust. Jess said the union leadership is aware of the full situation but individual employees may or may not be. Olivia asked if the contract was followed, and Kari stated that it was. Jess stated that the council may want to be prepared for negative publicity from the union around this subject. Andrew said he heard there may be an arbitration vote. Jess said

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she did not think that was going to happen. While the contract was not violated, the union feels as if she should have been given another chance based on her seniority and past performance. Steven surmised that proper process was followed, but apparently there's a feeling that something was unfair. He asked what the the council role should be in this situation. There was some discussion about the council's role and how they might be guide Kari in this situation, but the council cannot advise to break the contract. Andrew asked how this [widespread disappointment with handling of a personnel matter] could be avoided in the future. Eva suggested adding this topic to a future Council meeting agenda for a deeper discussion.

16. GM Report 8:56PM

Because agenda was in OT, Kari will email the draft of the staff coronavirus response plan to the council.

17. CCMA Interest 8:57PM

It's being held in Sioux Falls this year from June 4-6. Three council members usually go. Steven has been and highly recommends it. He would like to go, but will defer to any Council members who've never been.

18. Action Items, Communication, Calendar 8:58PM

Kari will email action items. Bylaw committee meeting on March 9. Special meeting to vote on the bylaw proposals on March 16. Next regular meeting is April 6.

19. Meeting Evaluation 8:59PM

Question: Has the presentation of bylaw changes been adequate? Thorough feedback is welcome.

20. Council or Community Comments 9:02PM

None.

21. Other Business - Future Meeting Facilitation 9:03PM

Eva liked Elly's facilitation. Thinks we should continue alternating Elly and Mark. Steven thanked Elly. Andrew, Pat and Olivia thought alternating is the right choice.

22. Julia moved to adjourn the meeting. Unknown seconded. Many ayes were heard as people scampered from the room. Meeting ended at 9:05PM

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Action	Who	Notes
Robert's Rules basics for April packet	Steven	
Notice/Prepare for Special Council meeting on March 16 at 5:30	Kari	
Email Council with request for questions for GM self-evaluation	Eric	
Email to Eric requests for questions for GM self-evaluation	All Council Members	
Update Council calendar based on work plan, Kari will draft	Executive Committee	
Add discussion on Council Role re: Employee Morale - to future agenda	Executive Committee	
Set facilitator schedule with Elly and Mark	Kari	
Execute Springfield investment	Kari	
Talk with staff about timing of annual meeting, add AM agenda item to 3/16	Kari	
Execute NCG member agreement	Kari	
Send Council action items and coronavirus plan	Kari	
Fill out summer meeting schedule poll	Council	
Update orientation to include more operational background/tour	Kari	