

**Springfield Food Co-op
Board of Directors Meeting
September 24, 2020 6 p.m.**

Directors present: Sarah Bolaski, Jane Sandelman, Brooke Decker, Steve Greene, John Vorder Bruegge,

Ex-officio: Neomi Lauritsen

Recording Secretary: Lucy Georgeff

Guest: Gail Guy, Jack Hurley, Aminah Christine Pereira, Will Mitchell, Qayyum Johnson

Call to order: 6:00 p.m.

Approving minutes from 8/27/20: *Jane moves to accept the minutes from August 27, 2020, Sarah seconds; motion passes unanimously.*

GM Monitoring: B4 - Membership Rights and Responsibilities

Neomi reports compliance for all parts of this report. Most member communications these days happens online, with newsletters and Facebook messages. *Jane moves to accept the B4 GM Monitoring report as submitted; Steve seconds; motion passes unanimously.*

GM FYI - August

15 new members this month! New deli manager is in place. Sales were up 6%, which is excellent. The departments that were struggling during the height of COVID are slowly growing. ARC Mechanical taught us how to clean some large equipment, which will be good for the new store. Expansion and relocation tasks are heating up. The NCG is supporting Neomi really well and she will have a center store advisor soon. Current staff training includes the Abolitionist's Challenge, along with webinars on topics such as de-escalation.

A member is leaving the area and requested a refund of their membership. The Board approves this request.

Board self-monitoring

D3: Delegation to the GM

Board self-rating: 4.7/5

D4: Monitoring the GM Performance

Board self-rating: 4.7/5

C3: Board's Job

Sarah reads aloud.

Board self-rating: 4.6/5

Board business

Annual Meeting

Board is planning a powerpoint presentation over Zoom and discusses the reports needed: President's, Treasurer's, General Manager's, Expansion Update.

Jane suggests asking members to send any questions ahead of time. Co-op can send a call out for questions, along with a blurb about the meeting, in the 9/30 newsletter. Board will send written material to Neomi to get into the newsletter.

Sarah and Brooke will prepare "swag bags" for meeting attendees, will coordinate with Neomi and include something having to do with food.

Board discusses expenses related to the annual meeting and determines there will be minimal mailing expenses, and the biggest expense will be the swag bags.

Board discusses using breakout rooms to create some opportunity for mingling even in a virtual meeting. Sarah will look into this.

Jane will give the presentation. Board will vote on the new slate of officers - nominate any new directors, and because of COVID complications, Board members whose terms would normally be up will be encouraged to stay on. Brooke and Steve may stay on until June. Sarah will talk to Marilyn about this - however, the Board has the discretion to make decisions that are right for the co-op, to get through expansion and COVID. The Board can make a rational decision and explain it to the membership. Marilyn can help with how to explain this to the membership and it is important to Board members that they are transparent to the membership about the slate of officers.

Discussion about requesting a little speech from all Board candidates. No nominations will be accepted from the floor, and the Board will make a last call for candidates in the newsletter article about the meeting.

Expansion

Steve explains to the guests that the co-op has the option to purchase the 6 Main St building over the long-term. It's a great opportunity for the co-op. Construction has started and the whole plan was based on a pro forma, a financial tool that projects out the next 10 years and includes project costs and operational trends. Originally, when the co-op began this process, the project seemed like it would be too expensive. We have whittled it down and now projected costs are coming in at just under \$2 mil. We are just shy of this by \$150k or so, and we haven't approached potential big donors or investors in Springfield yet.

Steve describes the construction process. Efficiency Vermont is involved and encourages co-op to invest in certain equipment. We may work with them on this. He hopes to keep some current equipment to keep costs down.

There was an unexpected problem, a leak in the underground sprinkler system that will probably cost \$10k or so.

Building is getting a lighting upgrade.

Qayyum asks if he can stop in and see the new space. Steve welcomes potential board members and explains how they can gain access to the building.

Co-op is considering hiring a Project Manager in addition to the construction manager, which is Steve. This project manager would help coordinate equipment, getting the shelves ready, and possibly do some fundraising. Neomi will ask Ben Sandel, our capital campaign advisor, if he can recommend anyone in New England. We do need fundraisers on board.

Board reviews terms of the lease and discusses the need to create an addendum or revise the section concerning the contingency for funding. Jane and Steve mention that Steve Ankuda can modify the lease, that the Six Main group is flexible and wants to do whatever helps the co-op.

Neomi doesn't think extending the lease by 60-90 days gives us enough time to raise the money needed. Board discusses the need to examine how comfortable they are signing a lease while progressing with the project and still fundraising.

Board explains to guests Jane and Steve's roles in 6 Main LLC, and that they have to recuse themselves from board decisions and conversations related to the lease.

Steve suggests that potential board members review the lease and attempt to understand the relationship between 6 Main and the co-op.

Pro Forma

This tool is the road map for profitability for the next ten years, including the expansion project. It is being reviewed by the NCG because of our level of responsibility to them as far as the joint liability fund goes (asset account to protect UNFI purchases in the event a member co-op requires help). The pro forma reflects financial key indicators, including cash on hand. It was built by David Waisman, who is reviewing it again before he retires from the NCG next week.

Capital Campaign

Ben is able to help finish up the last \$150k needed for this project. Hunger Mountain Co-op is investing. Bibens (hardware store) is donating both in-kind materials and a cash donation as well.

Overall Project

Neomi and Steve met with the health inspector to go over needs for the new store. Neomi submitted an economic development grant request for \$25,000 - to fund equipment. Her next big project is submitting an application to the Revolving Loan Fund managed by Springfield Regional Development Corporation. They are asking for a 1% origination fee and, at 4%, a higher interest rate than other loans we're pursuing. Neomi learned that a member of the Cooperative Fund of New England will be attending the co-op's annual meeting to learn more about the project.

Staff Appreciation

Sarah is considering getting staff lunch from the Real Deal Deli in Charlestown. They have been good to work with and have gluten-free options. Estimation for 15 people is \$150. Board agrees this is well worth the expense, especially since the annual meeting won't be as expensive this year. Sarah will plan for a Wednesday lunch sometime in October.

Annual Board Retreat

Virtual meeting to be held in November. Tentative date of 11/7. Timeframe may be 4 hours with a 1 hour break. Sarah will check in with Marilyn about the agenda.

Member Appreciation Days

Co-op is celebrating on all 5 Fridays in October - National Co-op Month. From 12-3 p.m. on these days, there will be live music, a free grill, a member drive, and member coupons. Board members can be there to talk about expansion.

CBLD Renewal

Brooke recommends renewing at the same level, the "regular" membership. This gets the Board 15 hours with a full day retreat. Board describes CBLD to guests and the current relationship with Marilyn Scholl, who is co-op's main advisor. *Brooke moves to renew CBLD membership at the regular rate; Sarah seconds; motion passes unanimously.*

GM Performance Review

Brooke, Sarah, and John are on this committee. Jane will be "on standby" to help as needed.

Member Engagement

Sarah is writing a Black Lives Matter statement on behalf of the Board, and will send it to Neomi.

Question from Gail: where will members pick up the swag bags for the annual meeting? Board will notify members - possibly at the store, or as a curbside pickup.

Executive Session

Brooke moves to enter Executive Session to discuss a personnel concerns at 7:33 p.m.; Jane seconds; motion passes unanimously.

Brooke moves to exit Executive Session and adjourn the meeting at 7:52 p.m.; Sarah seconds; motion passes unanimously.

Respectfully submitted,
Lucy Georgeff