

**Rising Tide**  
**Board of Directors Meeting Minutes APPROVED**  
**Thursday, January 12, 2017**  
**5:00 p.m., FARMS Kitchen**

Jessie called the meeting to order at 5:03pm. In attendance were Directors Jessie Trafton (President), Kevin Posman (Vice President), Dana Wilson (Secretary), Stephanie Nelson (Treasurer), Mary Ellen Barnes, Peter Kraus, Deb Poor, and Meg Taft. Heather Burt and Amy Leshure represented the Interim Management Team. Dwight Chamberlain and Michael Alderson were absent. About 20 staff and member-owners were in the audience.

Jessie began the meeting with a President's Report, announcing many items moved out of this agenda to a special, additional meeting date to be determined, in order to free up time to discuss and hear member comments on the GM succession plan since Michael Walter's termination. She noted that a Staff-Board potluck is coming up on **January 18, 2017** to help these two groups get to know each other better. She also announced that she moved the usual member comment period to the end of the meeting agenda to allow for the audience to reflect on what the Board discusses tonight.

Jessie put the December minutes up for discussion. Stephanie made a motion to approve them. Deb seconded. All voted in favor.

Jessie brought up the 2017 Board calendar and the many revisions the calendar went through in 2016. A draft has been circulated to the board, proposing the GM policy monitoring reports to begin in March and be done by the Interim Team quarterly. She asked board members to take a good look at the draft. Dates to nail down include: Annual Meeting, bylaws revision discussion series, and a Board Retreat. It was noted that the bylaws revision discussions are intended to be carried out throughout 2017, for possible final changes to be included in the 2018 ballot.

Jessie will distribute Michael Walter's 2017 store budget spreadsheet and justification via email for the Board to vote for approval. The Board agreed that this was satisfactory.

Jessie noted that Michael's December 2016 Ends policy submission has been amended to reflect the changes the Board requested around the status of member engagement and the specific increase in beer/wine sales. Dana made a motion to approve the amended Ends report. Mary Ellen seconded. All voted in favor.

Jessie stated that the employee turnover rates have to be confirmed by Amy. We plan to make them public at the February meeting.

The Board agreed to schedule a special, interim Board meeting on Thursday, **January 26, 2017** at 5pm to cover the many agenda items moved from tonight's meeting.

Amy presented the Finance Committee update. The recent committee meeting focused on the 2017 budget. November was a good month at the store. Dana pointed out that members increased by 632 in 2016 as of November 30, more than a 16% increase. Front-end Manager Jess noted that roughly 50 percent of this number represents lapsed members coming back aboard.

Deb presented the Annual Meeting Committee report. She said we have reserved the Round Top Darrows Barn for **May 20, 2017** but have not yet made a deposit. The Committee is hoping to really try to engage members. They are thinking about a good band to make it fun, with good food, drinks, and dance. Jenny Begin and Will Addison are also committee members. New members are welcome. They are hoping the Rising Tide kitchen will do the food. Deb said that we need the slate of Board of Director candidates to be finalized by **February 20, 2017**. The board asked the audience for comments and feedback about the annual meeting and the date selected. No one spoke up.

Deb also presented the Nominating Committee report. Michael Alderson and Deb Poor are the members. Michael is up for renewal and candidate Chris Mahoney has voiced interest in running. Dana asked if the 2016 board winners who were voted on by the membership need to be back on the 2017 ballot, perhaps as a separate section, in order to obtain the necessary minimum number of votes required by our bylaws. A member in the audience asked about how the membership would be notified about the option to run for a Board seat. It was noted that digital and printed newsletters and in-store postings are the communications vehicles at our disposal.

Jessie brought up interim management team policy monitoring reporting and asked what policy monitoring reports the Board felt they ought to ask the interim team to continue doing. She asked Board members to look through the policies. This will be on the January 26 agenda.

Jessie opened a discussion about the Management Structure at Rising Tide and whether having a single manager or a team is the best structure for this store. Deb commented that we need to think about it very seriously because there are so many moving parts. Stephanie suggested we need to do some information gathering and ask staff. Kevin would like to know what other management models exist. Jessie will do some research on other co-op models. Meg would find a list of questions helpful, asking what information we want to know as a board—a script of questions for information gathering from staff and members. Meg will draft something for board input.

The Board discussed the search procedure and timeline. Dana noted that everyone should be prepared for this to take some time—the last GM search took about 6 months to complete. Mary Ellen inquired about notifying members and soliciting feedback. Jessie is drafting something for the February newsletter.

Kevin opened up the Member Comment period with remarks about Michael's dismissal and the confidential nature of the situation due to legal and privacy reasons. Ultimately, the Board was deliberate, unanimous in its decision, and felt it had to do what was best for the co-op. He noted the board's priorities going forward: making sure the interim team has what they need, working toward staff and members feeling respected and heard, and that the board is reacting, getting membership involved and not operating in a vacuum, and planning for upcoming elections and meetings.

Jessie opened the floor to questions and comments from the audience. Comments and questions included:

- Approval of how Allen and Karin worked as a management team
- Does the store have to pay unemployment compensation? Jessie responded that we would if it Michael applied for it.
- Approval of the past interim team (Karin, Dwight, and Candy) and urging the board to listen to the staff and involve staff in the process

- An inquiry about if there are standard criteria for the GM job description and if it needs to be edited to fit the store's needs better
- Concern that Michael's references were contacted, but his last place of employment was not contacted in the last hiring process. Mary Ellen responded that the Search Committee reached out to at least four different people for references.
- An inquiry about whether CDS consultants were giving us their opinion. Jessie responded no and noted what Thane does for the board.
- A suggestion to reach out to Belfast Co-op. Rachael attended one of their recent bylaw meetings. They have a single GM who works very inclusively with senior management team including Operations Manager. Belfast has probably faced a lot of the same challenges as RT.
- An inquiry about the CDS contract renewal vote and whether it had been approved. Jessie explained the vote did not have a two-thirds majority. Paul urged us to speak with Linda Bruchette at CDI in Maine.
- A comment that if we post a job opening for a team position, it might be less attractive and very hard to fill. Jessie responded that the team would be composed of Senior Managers. Dana commented that a team would likely be recruited from existing staff.
- A question about peer consulting with neighboring coops that would not require a consultant. Brattleboro, VT offers it.
- Concern about what our community needs to do to help Rising Tide get through this. Jessie said what you can do is get involved and volunteer on committees or voicing ideas at meetings.
- Coop Café being brainstormed by Jenny Begin and Deb. One or two casual gatherings per month from now to spring. Maybe first topic could be management structures. Jenny offered to help Jessie with this research. Other topic ideas: Member workers, transparency in pricing, and buying policies. The Board voiced approval of these ideas.
- A comment that we did not fail Sherpa and Michael. Meg noted that we need to be clear on what GM skills are coachable and teachable.
- A comment that staff can get things done on their own right now because they love what they do. New leader(s) need to be chosen who values what staff have done so well on their own.
- A comment that some coops are moving to half employee-ownership, from 100% member-ownership. Takes away some of the hierarchy problems. Management is more of a team. Profit sharing. Amy pointed out that she is meeting with the auditors soon and one of her questions is about profit sharing. Tom Brown out of Northport is expert in member-owned businesses. Another member commented that there is legislation in Maine happening right now around this topic.
- Concern about why members can no longer volunteer to work in the store. They used to be able to work when Scott and Maryanne were here. Good Tern does it. Deb said she was here then and they were told it was a tax and liability insurance issue. Jess hoped that volunteer worker members would not take over any of the paid staff's jobs.

The meeting adjourned at 6:22pm and the Board moved into Executive Session to discuss Strategic Planning, HR, and personnel.

Respectfully submitted by Dana Wilson, Secretary of the Board of Directors.

These minutes were voted on and approved by the Board of Directors on January 26, 2017.