

Moscow Food Co-op Monthly Board of Directors Meeting
Tuesday, October 11, 2016
The Armory, 540 East Main Street, Pullman, WA 99163

Present: Colette DePhelps (Board President), Kurt Obermayr (Vice President/Secretary), Laurene Sorensen (Treasurer), David Nelson (Board); Alex Lloyd (Board); Melinda Schab (GM); Joe Gilmore (Co-op IT Manager/Project Manager); Willow Venzke (Board Administrative Assistant)
Absent: Idgi Potter (Board); Tim Kohler (Board)
Facilitator: Colette DePhelps
Guest: Greg Meyer

5 of 7 directors present, a quorum is present

PUBLIC FORUM

Public Forum is a time for the Board to listen to owner and general public comments; follow-up is considered outside of the forum.

Greg Meyer read the following statement:

Dear Moscow Food Co-op Board of Directors,

As you know I have been regularly attending board meetings for well over a year now, but seldom address the board – only when I feel matters before you are of particular importance, especially with regard to the 2nd of the Seven Cooperative Principles that guide governance of the co-op – Democratic Member Control, which states that “Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership.”

I believe that two items on the agenda for tonight’s meeting were important enough to address.

The first is the voting process in the event of an uncontested election, essentially whether or not to once again authorize a yes/no vote requirement if this turns out to be the case. I would advise against adopting this for a number of reasons, not the least of which is the controversy surrounding the last election and how it was related to the yes/no voting. I would hope the board would never want to face a situation similar to that election, and the resulting negative publicity and conflict.

It has been said that yes/no voting empowers owners, allowing them to express their satisfaction or dissatisfaction with a particular candidate, especially incumbents. But owners already have many avenues to express their like or dislike of a board member’s performance.

In an uncontested election, they could simply vote for a candidate or not. I believe that the last election used vote totals to determine how long a director’s term will be. That is another way of empowering voters.

Owners also have the ability to email the board president, a member or the entire board, and express concerns or offer praise. Owners can run for the board, encourage others to do so, and promote

candidates who are doing so. And owners can, as I read the current bylaws, terminate a director. I did not see that provision in the new bylaws.

Owners can attend meetings like this one and express their opinions and observations. Perhaps more importantly, they can learn more about the board and the staff at the meetings. I wonder how voters are even supposed to evaluate a current board member, since I rarely see any other owners at the meetings. What are they basing a “no” vote on?

I have done some research, and am pressed to find any other entities using this type of voting. Tom Lamar is unopposed for county commission. But there is not a “no” vote on the ballot. The same with county prosecutor Bill Thompson.

I encourage you to reject the notion of yes/no voting for the next election should it turn out to be uncontested.

The other matter has to do with ratification of the amended bylaws. Simply put, I was a little concerned about discussions about whether to adopt or not adopt the new bylaws on an interim basis as a way of addressing ratification quorum requirements.

Every effort should be made to make the vote as inclusive as possible and to share information as effectively as possible prior to the vote.

Sincerely,

Greg Meyer
Lifetime Member
Member, Co-op Owner Engagement Committee

STUDY & ENGAGEMENT: Trends- Cooperative Grocer articles

Colette has requested that Todd Wallace send information on Industry Trends he feels would be beneficial for Study and Engagement.

[Growing Leaders from Within – by Melanie Reid](#)

“Growing Leaders from Within” describes the benefits of a systematic approach to prepare employees to move into higher positions within a Co-op rather than hiring from outside the organization. The article also touched on the idea of stay-interviews to help assess an employee’s satisfaction in the workplace.

The Board recognizes that the Co-op strives to adhere to these ideas, and General Manager will continue to work on providing training to employees whenever possible. A discussion on the culture of Co-ops and turnover rates followed.

Action: Melinda to obtain employee turnover rate.

[Strategic Alliances and Consolidations: Exploring cooperation among cooperatives – by Art Sherwood](#)

“Strategic Alliances and Consolidations” explores the importance of alliances and cooperation among Co-ops and the benefits that follow, along with the possible risks.

The Board discussed their alliances and the benefits they have seen. The option of reaching out to other regional Co-ops to form further alliances was discussed.

Action : Refer the Owner Engagement Committee to discuss planning a get-together with other Co-ops in the region.

CONSENT AGENDA

Laurene will abstain from voting on the consent agenda. She did not have time to read the packet due to other commitments.

Minutes:

Motion to accept the September 2016 Board of Director meeting minutes, seconded, **passed 4-0-1**

GM Compliance Reports:

Policy B4: Membership Rights and Responsibilities

The General Manager (GM) provided a written report regarding the rights and responsibilities of members, per policy B4. The GM also provided the Co-op’s current New Owner Form.

The Board discussed current policies regarding general member rights as well as current membership fees. In addition, specifics about wording and design of the New Owner Form were discussed. This was the first time this new policy was reviewed by the Board. They made some suggestions about additional data Melinda could add.

Action: Add the topic “Membership Rights and Responsibilities” to November Board Business Agenda for the purpose of discussing share price and payment options.

Action: Melinda to verify that the ownership form aligns with new bylaws when they’re adopted.

Motion to accept Policy B4: Membership Rights and Responsibilities, and find it in compliance, seconded, **passed 4-0-1**

GENERAL MANAGER (GM) FYI REPORT

The GM provided an FYI report as an informal opportunity for the GM to update the Board on important Co-op information and for the Board to ask brief, clarifying questions.

1. **October** is
 - National Fair Trade Month
 - National Cooperative Month
 - Non-GMO Month
2. Co-op On Campus updates:
 - We are still working with the architect on the design of the space. We are trying to balance the needs of the Co-op, the needs of The Center, and the requirements of the Health Department.
3. Melinda's upcoming schedule and other events:
 - November 12 – Board Fall Retreat at The Center
 - January 2 – store closed for ½ day due to inventory

Melinda clarified with the Board regarding communicating about operational details.

BRIEF ANNOUNCEMENTS AND ACTION ITEM FOLLOW-UP

BOARD Action Items– 10.11.2016

Owner Engagement (*internal action items kept separately*)

Election/Recruitment (*internal action items kept separately*)

Policy & Bylaw (*internal action items kept separately*)

1. Policy and Bylaw to prepare the Policy Appendices for adoption by the Board in the future. –*In Progress*
2. Policy and Bylaw Committee will develop a policy that allows the Co-op membership access to notify members of a special meeting to meet the quorum requirements of 10%. –*In Progress*

Executive Committee (*internal action items kept separately*)

3. Follow up with Todd Wallace about scheduling a consultant to lead the Fall Retreat. –*Done*

Strategic Initiatives (*internal action items kept separately*)

4. Create an Advocacy Committee that will keep the Board informed of topics related to Food policy and democracy in action. (This item is on hold until further notice).

General

5. Schedule a Work Session to discuss the suggested FAQ's from the "Growth Roadway" article.

6. Kurt and Idgi will meet to discuss Board document archiving and decide how they would like to move forward before discussing the topic with Melinda, then Joe. *–In Progress*
7. Make a timeline for the capital campaign and consider hiring a capital campaign manager. (This item is on hold).

Future Action Items (These items are in process and ongoing)

1. Board and GM to reread “Growth Roadway” article.
2. Revisit the topic of “staff serving on the Board of Directors” January 2017

CONFIRM AGENDA

Additions/changes to the Business Agenda:

- Reschedule November Board meeting due to Election Day
- Schedule Beer with the Board for December

BUSINESS AGENDA

Voting process in the event of an uncontested election (D)(P)

Motion—In the event of an uncontested election, the ballot will contain only a yes option and an abstain option, seconded, **passed 4-1**

Increase Board Directors to nine seats (D)

The Board discussed the possible positives and negatives regarding increasing the Board to nine seats. The option of not filling a seat mid-year if it became open was discussed.

Motion to expand the Board to nine, seconded, **passed 5-0**

Approve election packet – available 10/15 (P)

Language on page 16 of the Election Packet was changed to include “I understand that all membership information I have provided will be checked for accuracy.”

Language on page 1 was added to specify the number of open seats. “For the 2017 election, we have 4 seats available.”

The Board asked Melinda to make sure that all election’s promotional materials included the number of open seats.

Motion to approve election packet as amended, seconded, **passed 5-0**

Action: Willow will make language corrections before the packet becomes available to the public.

Action: Melinda will communicate with Marketing and Outreach to ensure the number of vacant seats is included in promotional material.

Update on Bylaw Review (D)

The Bylaw draft is being reviewed by Dorsey & Whitney law firm.

Fall Retreat (D)

Colette provided an update on the Board's Fall Retreat, which is scheduled for November 12th at The Center. Todd Wallace is available to facilitate. Retreat packets will be available the first week of November.

Committees: Reports/Work Plans progress (report)

Nominations & Elections – Election Application Packet was approved and will be available October 15th.

Policy & Bylaw – Nothing new to report.

Owner Engagement – Revising committee confidentiality and discuss Annual Meeting.

Strategic Initiatives – Has not met.

Executive Committee – Had monthly call with Todd Wallace to discuss upcoming Fall Retreat.

BOARD ASSIGNMENTS AND MEETING REVIEW

E-newsletter brief-200 words or less

Due the 10th and 20th of each month

- (10th) Owner Engagement
- (20th) elections – David

Community News online/printed: “Board News” – 800 words or less

Due the 25th of each month – Willow

- Board expanding to 9 seats
- In an uncontested election, vote will be yes or abstain
- November Board Meeting moved to Thursday, November 10th

Rooted “Looking Forward” event submission – 80 words or less

November 11th-- Colette

- Beer with the Board, December 13

Rooted article – 600 words for single page; – 1200 words for double page

November 11th -- Colette

- Bylaw revision
- Annual Meeting
- Elections

Action: Owner Engagement to discuss bringing in a guest speaker for the Annual Meeting.

Upcoming dates to remember:

Work Session: October 18, 5-7 pm

Board Meeting: November 10th at the 1912 Center in Moscow

Fall Board Retreat: November 12th at The Center in Moscow

Beer with the Board: December 13th, 5 pm

Meeting review

Meeting motioned to adjourn at 8:05 p.m.

EXECUTIVE SESSION

Motion to give Melinda approval to negotiate lease with landlord of current downtown Moscow location, seconded, **passed 5-0**

Notes taken by Willow Venzke

Meeting adjourned at 8:41 p.m.

The next meeting will be Thursday, November 10th 6:00 p.m. in the Arts Room at the 1912 Center.

Signature of the Board President

Date