

Moscow Food Co-op Monthly Board of Directors Meeting
Tuesday, April 12th, 2016 6 p.m.

Present: Colette Dephelps (Board President), Idgi Potter (Treasurer), Kurt Obermayr, Alex Lloyd, Laurene Sorensen, David Nelson (Board);
Melinda Schab (GM); Dena Van Hofwegen (Board Administrative Assistant)

Facilitator: Joan Rutkowski

Guests: Joe Gilmore, Fritz Knorr, Jeanne McHale, George Bedirian, Nancy Bedirian, Greg Meyer, Diana Armstrong, Sherry Dodson, Terri Harber Daily News, Tim Gresbeck, Antone Holmquist, Robert Johnson, Bill Beck, Chris Sokol, David Hall, Leigh Robartes

6 of 6 members present, a quorum is present – 3 Board members present, 3 Board members being seated

PUBLIC FORUM

There was a request by Sherry Dodson to record the public forum section of the Board meeting for radio purposes. The Board discussed this request before the Public Forum and decided to take a vote.

Motion that the Board of Directors authorize the audio recording of the public forum portion only of the Board meeting, **passed 5-0-1**

The Public Forum will be audio recorded.

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

Tim Gresbeck spoke, please see addendum for statement.

Bill Beck spoke, please see addendum for written statement

Jeanne McHale spoke, please see addendum for statement.

Robert Johnson spoke, please see addendum for statement.

Antoine Holmquist spoke, please see addendum for statement.

George Bedirian spoke, please see addendum for statement.

David Hall spoke, please see addendum for statement.

Diana Armstrong spoke, please see addendum for written statement.

Sherry Dodson spoke, please see addendum for written statement.

Colette addressed the speakers of the forum, clarifying that the Board will consider the owners concerns and the Board President will contact them with responses if they have requested follow-up.

STUDY & ENGAGEMENT: Policy Governance and Expansion – Board Roles/ GM Roles

Colette suggested moving the Study and Engagement Discussion to the end of the meeting since one Board member has to leave early from the meeting and other business needs to be taken care of.

CONSENT AGENDA

The Board of Directors would like to officially welcome David Nelson to the Board for a three year term. The Board of Directors would also like to welcome back Idgi Potter for a three year term and Laurene Sorensen for a two year term.

Minutes:

Motion to accept the March 2016 Board of Director meeting minutes, seconded, **passed 6-0**

GM Compliance Reports:

Policy B3: Communication and Counsel to the Board

The General Manager (GM) provided a written report about events and trends affecting store performance and stability.

Motion to accept Policy B3 and find it in compliance, seconded, **passed 6-0**

Policy B12: Owner Data Privacy Policy

The General Manager (GM) provided a written report regarding electronic owner data.

Melinda confirmed that the Co-op's point of sale and owner data base information has not and will not be sold to other organizations. The contract that the Co-op has with National Co-op Grocers (NCG) includes contractual protection of owner information.

Motion to accept Policy B12 and find it in compliance, seconded, **passed 6-0**

BOD Policy Compliance Survey

C2: Monitoring Management Performance

Colette provided clarification on question 5, giving a brief explanation of the three different ways the Board is authorized to monitor policies.

Policy C2 comes motioned and seconded, motion to accept Policy C2 and find it in compliance, **passed 6-0**

D8: Relationship to other Co-ops

Per our agreement with the National Co-op Grocers, The Moscow Food Co-op participates in a Joint Liability Fund with other Co-ops. A joint liability is an obligation, including an obligation to repay a debt

between two or more parties. A joint liability allows parties to share the risks associated with taking on additional debt, and to protect themselves in the event of legal litigation and lawsuits.

Policy D8 comes motioned and seconded,
motion to accept Policy D8 and find it in compliance, **passed 6-0**

D9: Board Nominating and Elections Process

The Board discussed the stress on staff and Directors in allowing last minute changes to the ballot during elections. The Board agrees that all candidates must commit to the election process within two weeks of voting with no last minute changes allowed.

Action: Dena to send all information and comments from the Board Monitoring Report D9 to the Nominations and Elections Committee to implement in the application packet for future elections.

Policy D9 comes motioned and seconded,
Motion to accept Policy D9 and find it in compliance, **passed 5-1**

General Manager (GM) FYI Report

The General Manager (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.

April 2016 FYI Report – no action needed

1. Market & Industry News – As you know, competition is heating up in the organic and natural foods industry. We're working hard to strengthen our operations. Here's what's happening around the world:

- [OnionRiver/City Market](#)
- [Whole Foods Co-op](#)
- [Fresh Market](#)
- [Whole Foods](#)
- [New Seasons](#)
- [Fresh Market](#)
- [Coop Italia](#)
- [General Mills](#)
- [Lucky's](#)
- [Walmart](#)
- [Whole Foods 365](#)
- [Bellingham](#)
- [Olympia](#)
- [Behind the Scenes](#)
- [Sprouts](#)
- [PCC](#)
- [Industry News](#)
- [Amazon](#)
- [Coca-Cola](#)
- [Whole Foods 1](#)
- [Whole Foods 2](#)
- [Whole Foods 3](#)
- [Whole Foods 4](#)
- [Whole Foods 5](#)
- [Consumer Trends](#)

2. "With Gratitude" sculpture – Dale of Fish Folks carved a sculpture as a thank you gift to the Co-op. We're hoping to install the piece in the parking lot this summer. I've attached photo of the painted sculpture.
3. NCG's 2016 Marketing Matters Conference – Erica Wagner and I have been selected to present at this year's Marketing Matters Conference in Chapel Hill, NC. We were selected to speak about making the transition from a monthly newsletter (that primarily served the core shopping group) to a quarterly magazine (intended to appeal to a broader cross-section of the community at large).
4. Melinda's upcoming schedule:
 - April 5-8 – Spring GM Meeting in Chapel Hill, NC
 - June 6-8 – Marketing Matters in Chapel Hill, NC
 - June 9-11 – CCMA in Amherst, MA
 - July (dates TBA) – family reunion and vacation
 - September 21-22 – Fall GM Meeting in St. Paul, MN

BRIEF ANNOUNCEMENTS AND ACTION ITEM FOLLOW-UP

Action items as of April 12, 2016

Owner Engagement *(internal action items kept separately)*

1. Owner Engagement to add "parking" as the next Beer with the Board topic. – *(strike this action item since the next BWB will be held in Pullman)*
2. Owner Engagement Committee to discuss the time and location of monthly meetings during April Board Meeting. – *(Done)*
3. Owner Engagement Committee will regularly submit a statement, 80 words or less, for the Rooted "Looking Forward" publication. – *(In Progress)*

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

4. Kurt would like to propose to create a Nominations and Elections procedure timeline. – *(Done)*

Policy & Bylaw *(internal action items kept separately)* **ON HOLD – PENDING BYLAW REVISION**

5. Continue to look at B policies (other than B13, B6 and B7) for congruence with the new Ends and the purpose of B policies.
6. Policy and Bylaw Committee will ask Laurene to review the Co-op's bylaws (using drafted version with member-owner changes), and if she finds anything significant she will put it on the Board's agenda for directors to consider submitting for owner approval at the Annual Meeting in April.
7. Policy and Bylaw will move forward with an approach to clarify current ownership practices. The Committee will consider clarifying ownership to clearly specify one Primary owner, with all other persons having only the right to shop on the account.
8. Policy and Bylaw to clean up B10 and make it clear.

9. Policy and Bylaw to remove the annual planning document from B3 and add annual planning document to B8.
10. Policy and Bylaw to merge and combine B6 and B7.
11. Policy and Bylaw to look at the CBLD policy template.
12. The Bylaws need to be updated in order to define what Board member participation needs to be in order to remain on the Board.
13. Policy and Bylaw to update Policy D9:
 - a. engagement in activities that ~~will~~ “would” put the Co-op in legal or financial jeopardy.
14. Policy and Bylaw to explore whether Policy B8 or Policy B9 should include an expectation for the GM to present year end actuals.
15. Policy and Bylaw to update Policy B8 under section B8.3, under second bullet point, from the GM reporting to the Board of Directors about the MFC financial conditions monthly to quarterly.
16. Policy and Bylaw to update Policy D7 to reflect the Moscow Food Co-op’s current mission statement.

Professional Development *(internal action items kept separately)*

17. Professional Development Committee will decide if the topic of whether or not the Board is always acting under the influence of members’ commonly held interests is a topic for discussion at a later time. – *(In Progress)*

Strategic Initiatives *(internal action items kept separately)*

18. Strategic Initiatives Committee to plan the Annual Meeting and report on a suggested plan during the March Board meeting. – *(Done)*
19. Create an Advocacy Committee that will keep the Board informed of topics related to Food policy and democracy in action. – *(On Hold)*

General

20. Laurene to draft a new set of Bylaws and propose to the Board. – *(In Progress)*
21. Directors will inform Dena if they would like to run for an officer position and Dena will have a paper ballot for the April Board Meeting where voting will take place. – *(Done)*
22. Each Board member will inform Colette of when they will be arriving at *Reflections Inn* for the Board Retreat. – *(Done, being addressed during the business agenda)*
23. Colette to send Laurene information on the Job’s Act. – *(In Progress)*
24. Laurene will contact Craig Lochner at the Boise Co-op to find out what paperwork they had to file in order to get the owner loan approved. – *(In Progress)*
25. Laurene will contact the State Securities Commissioner to find out where they feel this provision fits under our current statute. – *(In Progress)*
26. Laurene to ask David Thompson about a state that has flexibility to do what we want to do for our Capital Campaign. – *(In Progress)*
27. Laurene to pursue clarification on “intrastate exemption” and “Co-op subsidiaries”. – *(In Progress)*

28. Make a timeline for the capital campaign and consider hiring a capital campaign manager. – *(In Progress)*
29. Melinda to research food safety in regards to serving food in a self-serve bar. – *(In Progress)*
30. Laurene to investigate legal structure of member loans offered in Idaho and Washington. – *(In Progress)*

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

Revisit the topic of “staff serving on the Board of Directors” January 2017

CONFIRM AGENDA

Move the following discussion topics to the beginning of the Business Agenda

- Electing Board Officers
- Committee Assignments

Add a discussion topic to the Business Agenda

- Board meetings open to public attendance

BUSINESS AGENDA

Seating of Board Members (D)

The Board of Directors would like to officially welcome David Nelson to the Board for a three year term. The Board of Directors would also like to welcome back Idgi Potter for a three year term and Laurene Sorensen for a two year term.

Official statement from the Board of Directors regarding Director Bill Beck violation

March 2016

Notice to Moscow Food Co-op members from the Board of Directors

Each person running for the Moscow Food Co-op Board of Directors is required to review and sign Policy D11, “Board of Directors’ Code of Conduct.” If elected, they must again review and sign it when seated and annually at the first meeting following the election of new Directors.

D11 has two parts: the Code of Ethics and the Code of Conduct. The policy clarifies any uncertainty regarding the authority of the Board or individual directors, establishes an agreed upon standard of conduct for all directors, and creates greater unanimity and closer coordination between directors, management, and employees.

By signing Policy D11, individual affirms that they: a) have received a copy of the policy; b) have read and understand the policy; and c) agree to comply with the policy. Upholding this policy, as well as the standards of conduct included in the Moscow Food Co-op bylaws is the duty of the Board of Directors.

When a director signs Policy D11, they also agree that if, in the opinion of the majority plus one of Co-op directors, they have violated the letter or spirit of the policy, they shall resign their position on the Board immediately; shall not seek to cause disruptions to the Co-op Board for that action and shall not seek to serve, or serve, on the Co-op Board for five years from the date of the resignation.

On March 11, 2016, the Moscow Food Co-op Board of Directors called an executive session meeting. And, after careful consideration and review, and by unanimous vote (motion passed 5-0), the five directors

present found Bill Beck to be in violation of the following provisions of Policy D11, and subsequently requested his resignation in accordance with that policy:

I. Code of Ethics

Directors serve as representatives of the cooperative. We shall conduct ourselves in a professional manner which fosters confidence and reflects positively on the Co-op, its members, and its staff.

II. Code of Conduct

As a Co-op director, I pledge to do my best for the Moscow Food Co-op and will...

- *be honest, helpful, diligent, and respectful in my dealings with the Co-op, with other directors, and with the Co-op's management, staff, and members*
- *work to ensure that the Co-op is controlled in a democratic fashion by its members and that all elections are open, fair, and encourage the participation of all members*

Bylaws Section 4.5 states as follows:

Standards of conduct:

Directors and officers with any discretionary authority shall be responsible at all times for discharging their duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner they reasonably believe to be in the best interests of the Co-op. Asking for the resignation of a director due to Policy and/or Bylaws violations is a solemn and necessary duty of the Board of Directors. We understand Co-op members have many questions, that our fiduciary and legal duties to the Co-op prohibit us from answering. As a Board, we can assure you that we sought external legal counsel in this matter and followed the Moscow Food Co-op's By-Laws and Policies throughout these proceedings.

Sincerely,

*Colette DePhelps, President,
On Behalf of the Moscow Food Co-op Board of Directors
board@moscowfood.coop*

Official statement from the Nominations and Elections Committee regarding the disqualification of candidate Bill Beck from the 2016 Board of Directors Election.

Thank you for contacting the Nominations & Elections Committee and sharing your concerns about our last election.

Bill Beck was disqualified due to two violations of campaign guidelines, specifically: 1) aggressive campaigning; and, 2) engaging in activities that would put the Co-op in legal or financial jeopardy. Following proper procedures of notification prevented us from removing Bill from the ballot before the end of the election. We apologize that this was the case.

The Committee regretted having to make this determination, however the integrity of the MFC Board Elections relies on our following our election policies and procedures as outlined in the 2016 elections "Moscow Food Co-op Board of Directors Information and Application Packet."

We understand it may be frustrating to owners to not receive additional details about our decision. At the same time, it is the Nomination & Election Committee's and the Board of Directors' obligation to act in a manner that provides as much information to owners as possible, while protecting the Co-op from legal and fiduciary risks. Please be assured that the Nominations & Elections Committee and Board have been diligent in following established policies and procedures in this situation.

Sincerely,

*Kurt Obermayr
Chair, Nominations and Elections Committee*

Electing Board Officers (P)

Directors interested in holding an officer position for the Co-op Board of Directors added their name to the ballot. One Director per officer position volunteered. The Director vote was unanimous with the following results.

Colette DePhelps for President 6-0
Kurt Obermayr for Vice President/Secretary 6-0
Laurene Sorensen for Treasurer 6-0

Committee Assignments (P)

Colette has requested that the Strategic Initiatives Committee Charter would not default to the Board President holding the chair position, but that the Board would appoint a Director to hold the position of chair.

Motion to amend the Strategic Initiatives Charter to read that a Board member approved by the Board of Directors would hold the Chair position of the committee, **passed 6-0**

The following Board committee assignments were approved:

Nominations & Elections Committee - David Nelson (chair), Colette DePhelps
Policy & Bylaw Committee – Idgi Potter (chair) Kurt Obermayr, Alex Lloyd, Laurene Sorensen
Owner Engagement Committee – Laurene Sorensen (chair), Kurt Obermayr
Strategic Initiatives Committee – Alex Lloyd (chair), David Nelson
Executive Committee – Colette DePhelps (chair), Kurt Obermayr, Laurene Sorensen

The Board proposed that the Executive Committee absorb the Professional Development Committee since the duties and responsibilities overlap.

Motion to merge Professional Development Committee with Executive Committee and to absorb all Professional Development Committee duties, seconded, **passed 6-0**

Code of Conduct Signing (D)

Colette read Policy D11: Board Members' Code of Conduct, all Board members agreed to comply with the Code of Conduct by signing it.

POLICY D11: BOARD MEMBERS' CODE OF CONDUCT

I. Code of Ethics

The Board of Directors of Moscow Food Co-op adopts the following Code of Ethics to clarify any uncertainty regarding the authority of the Board or individual directors. This Code of Ethics is proposed to create greater unanimity and closer coordination between directors, management, and employees. If, by a vote of a majority plus one of the Board, a Board member is found in violation of the Code of

Conduct, the Board member will be requested to resign their Board position. The Board may, at its discretion, issue one warning by majority vote plus one for a Code of Conduct violation by an individual Board member. Any further violation will require a vote to request a resignation.

To that end, we, the directors of Moscow Food Co-op agree that:

- The **Board's authority** is limited to overseeing the affairs of the cooperative in a manner deemed beneficial to the cooperative as a whole. To do this, we employ a manager to be responsible for the overall and day-to-day management of the business under the direction of the Board and work with management to set the future of the Co-op. We are also responsible for carrying out other duties as provided by the bylaws or by general or specific corporate laws.
- Each **director's authority** is equal only to the rights and authority of any individual member of the cooperative except when the Board is in formal meeting. No individual director may take action on behalf of the cooperative alone unless explicitly delegated that authority by Board action, and no individual director has any particular rights to information not made available to all directors.
- The **authority of the manager**, as approved by the Board in the General Manager's job description, is to manage the affairs of the cooperative. The manager shall employ, supervise, and discharge all employees, agents and laborers and engage in all negotiations and discussions on behalf of the cooperative as necessary and/or directed by the Board.
- While an individual director may **disagree** with a policy approved by or action taken by the majority of the Board s/he will accept that policy or action as being the considered judgment of the Board. An individual director shall have the right to present further evidence and argument to the Board for further consideration in a manner consistent with the Board's practices. The Board shall have the duty to reconsider its actions appropriately.
- All directors will maintain **confidentiality** as needed to protect the Co-op's interest and financial viability. This means that the directors shall not discuss disputed or confidential corporate actions, policies, or issues with Co-op members, employees, or the general public unless all directors agree that such information is no longer confidential. All issues related to personnel, real estate, market strategy and goals, and pending litigation will be considered sensitive issues subject to confidentiality unless or until full disclosure is approved by the Board as a whole.
- Directors **serve as representatives** of the cooperative. We shall conduct ourselves in a professional manner which fosters confidence and reflects positively on the Co-op, its members, and its staff. We respect the rights of other directors, staff, and members to communicate their ideas free from interruption and without intimidation. All directors shall affirmatively and, at all times, disclose any/all economic conflicts of interest.

II. Code of Conduct

As a Co-op director, I pledge to do my best for the Moscow Food Co-op and will:

- devote the time needed to fulfill the responsibilities of the position;
- attend all regular and special board meetings, committee meetings, and retreats; and if on

- occasion I am unable to attend, I will notify the board or committee chairperson in advance;
- arrange my absences in advance of Board or committee meetings, and I understand that absences not arranged in advance will trigger a Board review to consider whether to place me on probationary status. The Board President will provide written notice of the review, and I understand that upon a third absence not arranged in advance I will be considered to have resigned, effective immediately after the third absence;
 - be prompt, attentive, and prepared for all Board and committee meetings;
 - contribute to and encourage open, respectful, and thorough discussion by the Board;
 - attend and actively participate in the Board's training sessions and annual planning retreat to enhance Board understanding and cohesiveness;
 - disclose any personal or organizational conflict of interest that I may have and refrain from discussing or voting on any issues related to the conflict;
 - be honest, helpful, diligent, and respectful in my dealings with the Co-op, with other directors, and with the Co-op's management, staff, and members;
 - protect the Co-op's interest when the cooperative is contemplating entering into a transaction or arrangement that might benefit my private interest or might result in a possible "excess benefit" transaction;
 - work for continued and increased effectiveness in the Co-op's ability to serve its member/owners;
 - be a team player and agree to abide by the majority action of the Board, even if it is not my own personal opinion;
 - present the agreed-upon view of the Board of Directors, rather than my own, when I speak for the Co-op Board of Directors to employees, members, shoppers, and the general public;
 - refrain from asking for special privileges as a Board member and from interfering with management's authority;
 - work to ensure that the Co-op is controlled in a democratic fashion by its members and that all elections are open, fair, and encourage the participation of all members;
 - strive at all times to keep members informed of the Co-op's status and plans, and of the Board's work, as appropriate;
 - continually seek to learn more about the Co-op and its operations and about my responsibilities as a Board member by pursuing educational opportunities;
 - resign from the Board as soon as I decide to apply for a Co-op management position.

Each director, principal officer, and member of a committee with Board-delegated powers shall annually sign a statement that affirms such person:

- a) has received a copy of this policy;
- b) has read and understands the policy; and
- c) has agreed to comply with the policy.

As a Co-op director, I agree to abide by this Statement of Agreement. I agree that if, in the opinion of the majority plus one of Co-op directors, I have violated the letter or spirit of this agreement, I shall resign my position on the Board immediately and shall not seek to cause disruptions to the Co-op Board for that action. I agree that if I have resigned for Code of Conduct violations I will not seek to serve, or serve, on

the Co-op Board for five years from the date of the resignation. The choice to not sign will result in immediate removal from the Board of Directors.

Fill Board Vacancy

Motion that Nominations & Elections Committee initiate the process of appointing a Director to fill the Board vacancy, passed 6-0

Action: Nominations and Elections Committee will begin the process of appointing a Board member to fill the current vacancy by the June Board meeting.

Board Document Archiving – Wiki or Slack (D)

The Board continued a conversation that began last Work Session regarding the filing and organizing of Board documentation using Wiki or Slack.

The Co-op is currently using Google Sites for storage of Board documentation. A few members find it difficult to locate items and information that they are looking for using Google and would like to easily locate information.

Joe informed the Board that Google will not be adequate to cover multiple locations when we expand, and he is currently researching other document storage options.

Joan remembers maintaining a Drop Box account years ago in hopes of the Board easily finding documentation but it was cancelled.

Action: 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.

Discussion of Annual Meeting (D)

Melinda thanked Dena for all her hard work in arranging the annual meeting.

Comments shared regarding the annual meeting:

- Ice cream was a great draw to the event for families
- The trivia game was very fun and Joan did a great job organizing it
- Pullman owners were in attendance
- The timing and set up of food was not very organized

Suggestions for next the 2017 annual meeting:

- Hire a keynote speaker
- Our deli does not have the time and resources to do such a large event, it was suggested hiring a local food service to provide the meal for future meetings.
- Sell Co-op memberships at the door

Discussion of future Board Meetings/ Beer with the Board held in Pullman (D)

The Board would like to discuss holding future Board meetings and events in Pullman WA to start developing relationships with Pullman owners. Todd Wallace has confirmed that it would be a good idea to hold future Board meetings in both Pullman and Moscow in order to reach more owners.

Colette would like to propose that the May Board meeting be held in Pullman WA at the Gladish Community and Cultural Center.

Kurt believes that it is too early to hold a Board meeting in Pullman since there is nothing happening in the growth sector quite yet.

Motion to have our May Board meeting in Pullman to instead have the June Board meeting at a Pullman location, seconded, **passed 5-0**

Action: Dena to schedule the upcoming Beer with the Board in Pullman on June 14th immediately before the Board meeting.

Spring Board Retreat Logistics (D)

Friday, April 15th

Dinner at 6:30 followed by social time.

Saturday, April 16th

Breakfast served at 8 am

9 am-discuss the proposed bylaw process and timeline presented by Colette and Laurene.

1 pm-begin to work on the Policy revision

Sunday, April 17th

Continued policy manual work

Meeting adjourns at 3 pm on Sunday

Action: Dena to send David the Policy and Bylaw CBLD Fresh start manuals.

Committees: Reports/Work Plans progress (report)

Nominations & Elections –

Policy & Bylaw –

Professional Development –

Owner Engagement – The Committee will continue to meet the second Monday of the month at One World Café at 4 pm.

The Owner Engagement Committee meetings are open to the public for anyone to attend. Should we make them sign a confidentiality agreement just like Participating Owners on the Committee?

Colette answered that the format of the Owner Engagement Committee meetings should be similar to Board meetings, that if confidential matters are being discussed any public attendees that have not signed a confidentiality agreement must leave.

The Committee is also discussing the possibility of holding an educational forum to define what sustainable is and possibly bringing in speakers and representatives to help answer the questions.

Strategic Initiatives –

Executive Session –

Public meeting Discussion

The Board discussed the subject of public meetings and who is invited to attend. It is important to distinguish if attendees are owners or not if a vote is taken.

This subject will be discussed further at the Board Retreat this weekend.

Colette would like to call an executive session to discuss what the Board heard during the Public Forum.

Discussion of cancelling July Board Meeting/ April Work Session (D)

Motion to cancel the April Work Session, seconded, **passed 6-0**

Motion to reschedule the Work Session on May 17th to May 31st at Laurene's home, seconded, **passed 4-0-1**

Colette and Melinda will be out of town for the July Board Meeting scheduled for July 12th and would like to cancel. The Board has decided to reschedule the July Board Meeting for July 19th.

Colette would like to propose that the Board skip Study and Engagement tonight.

BOARD ASSIGNMENTS AND MEETING REVIEW

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

May 13 – owner forums regarding bylaw revision
August 12 – Election Timeline?

E-newsletter brief assignments – 200 words or less:

April 10th due date/ 15th publication – Owner Engagement
April 20th due date/ May 1st publication – Nominations and Elections regarding Board Appointment
May 10th due date/ 15th publication –
May 20th due date/ June 1st publication -

Rooted Article – 600 words for single page; 1200 words for double page:

May 13 –
August 12 –

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

March 25th - Idgi Potter
April 25th - Idgi Potter
May 25th - Idgi Potter

Upcoming dates to remember:

Spring Retreat: April 15-17
Work Session: April 19th 5-7 - cancelled
Board Meeting: May 10th
Work Session: May 31st
CCMA: June 9-11 (Massachusetts)

Colette and Laurene are interested in attending the CCMA Conference in Massachusetts in June

Action: Laurene to let Melinda know if she can attend the CCMA Conference by tomorrow.

Meeting review – Colette thanked Joan for facilitating very well during the open forum.

Meeting motioned to adjourn at 8:22 p.m.

EXECUTIVE SESSION

*Notes taken by Dena Van Hofwegen
Meeting adjourned at 8:55 p.m.*

The next meeting will be Tuesday, May 10th at 6:00 p.m. (with dinner beginning at 5:30 p.m.) in the Fiske Room of the 1912 Center.

Signature of the Board President

Date

ADDENDUM
STATEMENTS FROM PUBLIC FORUM

Tim Gresbeck – Shared his disappointment in the removal of Bill Beck as a candidate for the 2016 election and believes that the Co-op is suppressing free speech.

Bill Beck Written Statement

*The Moscow Food Co-op Board Fears Free Speech
Public forum comments by Bill Beck April 12, 2016*

I address you this evening to respond to your decision to involuntarily remove me from our Board of Directors and void my re-election to our board. This decision suppresses owner's right to political free speech and subverts our co-op's democracy.

On March 11th, without respecting my right to due process, you voted that I violated our Bylaws Article IV, Section 4.5, our code of Ethics/ Code of Conduct Policy D11 and our Campaign Guidelines. The basis of these alleged violations is that I "started a rumor by telling a co-op member that (I) believe a large group of co-op members affiliated with a local faith based community planned to vote no for (my) re-election at the urging of another member that disagreed with (my) actions, in 2015, to uphold the co-op's antidiscrimination policy."

The basis of your decision quoted above is not true. I never told many one this. The real question is whether our board believes everyone has the right of free speech. Given that your decision was made without my knowing the exact nature of the charges against me, without my hearing the evidence against me and without me responding to the evidence against me, I will respond to these false allegations now.

It is not a rumor, it is a political belief based on fact, that co-op members affiliated with Christ Church have and are participating in our Co-op's democratic process. It is their right to do so. There is at least a decade long history of political controversy surrounding Christ Church in our community. After our 2015 election, three board members, 43% of our board, were people affiliated with Christ Church. In the fall of 2015, one of these Christ Church affiliated board members stated that he was going to advocate against my re-election. These are easily verifiable facts. They are not rumors.

Many in our community think that followers of Christ Church Pastor Doug Wilson's beliefs regarding LBGTQ rights, slavery, patriarchy and attitudes toward sexual predators are inconsistent with cooperative values. Everyone has the right to advocate his or her political beliefs. Apparently, the evidence against me was that I am somehow responsible for some owners' beliefs and their expression of them. Apparently, our board is afraid that owners practicing their basic legal right of free speech might be harmful to our co-op.

The fear of free speech and the lack of respect for due process are, in my opinion, not good for our co-op. I find it worth noting that Director Laurene Sorensen stood up in a March 2015 public meeting and advocated that owners vote in our co-op election because Christ Church was threatening to control our Board of Directors. Then, on March 11, 2016, she voted that I started this alleged rumor. Her vote was necessary to remove me from our board and, as a direct consequence, invalidate my candidacy in the election in which she was also a candidate.

Your decision on March 11th has harmed my family and me by falsely accusing me of dishonesty and of acting in bad faith toward our co-op. Your decision has harmed our co-op by suppressing free speech and by subverting the voting process. I have always believed that the real sustaining strength of our co-op was found in the cooperative values of honesty, openness, social responsibility, equality, equity and democracy. I don't believe our co-op is practicing these values anymore. Your decision has caused me to lose any hope for the long-term health and prosperity of our co-op.

Jeanne McHale – Would like evidence and answers from the Co-op Board in regards to the alleged accusations against Bill Beck.

Robert Johnson – Disappointed in the Board’s decision to remove Bill Beck as a Director and a candidate in the election so quickly without any investigating into the accusations. Robert stated that he had considerable contact with Bill during the election period and he never heard any campaigning from Bill at all.

Antoine Holmquist – is a close friend of Bill Beck’s and has never known him to be dishonest, also, he doesn’t believe that Bill started these so called rumors. Antoine believes that due process has not been done here.

George Bedirian – Has questions regarding the sanctity of the voting process and the right of the members to vote. Bill’s disqualification came in the midst of the voting period after Bill had gathered more than 400 yes votes. What happened to the votes that were cast for Bill? The annual election is the one opportunity that the members have to influence the governance of the Co-op. The Board’s decision to disqualify Bill’s candidacy also disqualified the members in terms of their right to vote. George feels that the Board has no right to do this and owes the membership an explanation of how this is a legitimate act.

David Hall – feels that Bill Beck is owed an apology from the Co-op Board of Directors for the alleged violation that removed him from the Board.

Diana Armstrong

Written statement by Diana Armstrong to the Board of Directors and Guests, April 12, 2016

I want to talk about the ballot. One of the 5 candidates for the 4 positions dropped out a few days before the election. Thus, the election became uncontested. Uncontested means, as everyone knows, the candidate doesn’t face a challenger, thus the outcome is already known, which is, the candidate will be seated. But the ballot we were faced with had a “Yes” and a “No” beside each candidate, unlike the ballots we are used to which have only a box which you check or don’t check.

On March 4, the day before the election, an update on the election was sent to managers and assistant managers at the Co-op for them to share with their staff. This says:

“To give our owners a choice in an uncontested election, owners can vote “yes or “no” for each candidate.” This may have also appeared on the ballot itself, I don’t remember.

This is confusing. Also, if you read between the lines, which everybody can do in a nanosecond, you sense the option of using your vote to do harm. You can vote against candidates. Even though this is an uncontested election, a candidate or candidates can be prevented from taking a seat. If a candidate receives 20 yes votes and 21 no votes, they wouldn’t be seated.

The intention of voting “yes” or “no” was to determine terms. But the bylaws say: “...candidates receiving the highest number of votes shall be given the longest available terms.” It doesn’t say the candidates receiving the highest number of “yes” votes.

But does voting “yes” or “no” for up to 4 candidates determine 3 term possibilities? No. I thought David should have the 1 year term because he’s new. But the ballot did not allow me to vote this. To weight my

vote toward David getting the fewest votes, I would have had to vote "no" for him. It's confusing and upsetting to suggest voting against a candidate, especially in an uncontested election.

Here's what your ballot should have said. This would have been positive and served to build community instead of tear it down and spark or feed rumors.

"As the election is now uncontested, all 4 candidates will be seated. However, to determine terms please vote (put a check in the box) for the two candidates you believe should have 3-year terms."

This still prevents me from indicating I think David should have the 1 year term, but I am voting positively not negatively. The best way to determine terms would have been to rank the candidates from 1 to 4, 1 and 2 meaning the longest terms."

So why didn't you make the ballot reflect the "no contest" reality? Didn't you think about your unconventional ballot from the perspective of the voter?

In conclusion, by failing to declare this election to be uncontested and by having a "no" option as a way to determine terms, you caused most of the trouble.

Sherry Dodson

Written statement read by Sherry Dodson to the Board of Directors

I want the election ballots to be changed back to the reasonable vote or not option. Having the "no" box to check by each candidate's name takes away my ability to weigh my vote in favor of those I most want to be elected and/or want to have the longest terms. I find it unfair and certainly unnecessary to be put in the position of voting "no" for people I would happily see elected to the board. For example, I wanted to vote for two candidates. Bill Beck because he has always spoken for me in board decisions. David Nelson because I am confident he will do a good job and because many people I know are not yet familiar with him or his abilities. I see no place in the Co-op's policies and procedures that allows the board to implement such a system, especially without it having been discussed at a board meeting so that members could express their opinions.