



North Coast Co-op
Board of Directors Meeting Minutes
January 14, 2016 - Co-op Community Kitchen – Arcata

Present at start of meeting:

Board: Jeremy Cotton, Dave Feral, Colin Fiske, Leah Stamper, and Cheri Strong

Staff: Melanie Bettenhausen, Kelli Costa, Jason Davenport, Mark Hubbard, Austin Lightfoot-Wright, Ron Sharp, Ed Smith, Alisha Stafford, Duncan Thomas, Kevin Waters, and Bella Waters

Member-owners: Roger, Mary Ella Anderson, Peggy Leviton, John Lucas, John Schaefer, Amanda Wright and Nicole Waters

Meeting was called to order at 6:00pm by Director Dave Feral at the Co-op Community Kitchen. Introductions were done, people stated their member number and favorite aspect of shopping at the co-op. Ground Rules referred to. Director Dave invited member Fred Moore to speak. Fred noted that he had emailed a letter to the Board and Ron about his concerns and asked the Board to think about the issues he brought up.

Filling Vacant Board Seat Process: Director Dave provided brief history on the process the Board discussed. Would like the process to be open, transparent and inclusive with the present group. Special election would be expensive. Qualities and characteristics will be published in the February Co-op News and interested member-owners will be asked to write letters of interest to the Board. The Board will review those letters and approved member-owners will be invited to attend the March meeting for an informal forum. The Board will then deliberate and appoint two new directors from that process. Director Colin reviewed the tentative list of qualities in appointed candidates.

Member Comment Period: The meeting then opened up to what characteristics the members would like to see:

- Business management experience
- Understanding of fiduciary responsibilities
- Passion for community involvement/development
- Ability to balance diverse needs of the 10,000 members
- Understanding the grocery business – it's a business
- Consideration of workers

MaryElla inquired as to why the candidates who received the third and fourth place votes weren't appointed. Directors Dave and Colin noted that the Board discussed that process didn't feel like the best route. Hard to predict who would have won if Colin and Leah weren't in the election and Board was not comfortable giving members the candidates who were not picked. Members can apply with letter of interest for the vacant seats. Terms for those seats are up in October.

Agenda Review: Director Leah added the Nominating Committee meeting to list of dates – Jan 21, 1-2:30, Ten Pin.

MOTION: Move to approve the agenda. Strong/Fiske	MOTION PASSES	5/0/0
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Approval of the Minutes:

MOTION: Move to accept the December 3rd Board meeting minutes. Fiske/Cotton	MOTION PASSES	5/0/0
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Approval of Email Vote: Director Dave reviewed the record of vote by email in which all board members approved the election of Leah Stamper as Nominating committee Chair and Jeremy Cotton as Treasurer via an email as a form of written consent. All directors signed the paper copy of the action. Director Colin explained that the action was done outside of a meeting, which is allowed in the Bylaws, due to the unexpected resignation of two directors and the remaining directors did not feel it was responsible to leave those positions open. The board will also sign a similar record of the vacant board process at the February meeting.

Board President Report: Director Dave noted that the board will be discussing the process of finding a full time general manager tonight in Executive Session. Very fortunate to have Ron Sharp in place and the Board will take their time to ensure the right person is hired for the position. Reported on his visit to Camoapa, Nicaragua.

Co-op News Author Assignments: February – June authors were determined: Dave – Feb; Leah – Mar; Colin – April; Jeremy – May; Cheri – June.

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Committee Reports:

Policies and Procedures Committee: Committee Chair Colin reviewed the December meeting. Discussion and recommended motions were:

MOTION: Move that the Board replace its current Code of Ethics and Requirements and Expectations for Potential Candidates with this Code of conduct inclusive of the packaged documents that board members be required to sign upon being elected or appointed and that it be provided informational to candidates beforehand.

Fiske/Cotton

MOTION PASSES 5/0/0

Director Colin noted that the PPC is reviewing already adopted policies that weren't incorporated into the Board Policy Manual. No change was suggested on the policies pertaining to C share investment cap and dividend proration.

MOTION: That the Board readopt the share policies pertaining to C Share Investment Cap and Dividend Proration.

Feral/Stamper

MOTION PASSES 5/0/0

Director Colin noted that the PPC's charter indicates a code review section should be conducted every twelve months and suggests that be scheduled on the February agenda. PPC also working on other things that are pending review by an attorney. Director Dave stated that the selection of an attorney is a personnel decision and will be discussed in Executive Session.

Member Action Committee: Co-op member Roger reviewed MAC's December and January meeting. Few topics are regularly being discussed: senior discount, low income membership program, bulk pricing concerns and member volunteer program. Director Dave asked Director Cheri to discuss the volunteer program with Union rep John Frahm. Ron will request that Kelli Costa look at historical information on the senior discount change, what it would cost the store and any specific direction the Co-op should go in. Management is also working on the bulk pricing concerns and staff is working with the MAC on educational pieces to educate shoppers on why there might be price differences between bulk and packaged items.

Interim General Manager Report: Ron Sharp reviewed his January report. Discussion included:

- Co-op basics has over 100 items, additional 100 items on sale due to the warehouse.
- Security at Arcata store has been well received.
- In lieu of a formal membership drive, stores will be holding a soft membership drive at the registers and customer service. Need to conduct a membership purge and cease running two membership systems.
- Management Retreat will be one day with Peggy Farmer to bring team together outside of work.
- Tenant was only temporary and provided an additional \$1200/month to revenue. However, warehouse is paying for itself. Initial conversation is that offices will move onto landing and warehouse operations will be expanded.
- Membership purged discussed. No set timeline. Staff need clarity on who would be purged. PPC discussing this.

MOTION: Move to approve the January Interim General Manager's report.

Cotton/Strong

MOTION PASSES 5/0/0

Member Comment Period: Topics discussed were:

- Arcata store moral is good.
- Kelli Costa asked why legal counsel is to be discussed in Executive Session. Director Dave answered that the Legal as the Board would like to put the person on retainer.
- Appreciation for openness of board meetings and members ability to explain comments with the board.
- Director Jeremy noted that as a member he's very appreciative for IT's amazing work lately and publically show support for Arcata's security guard.
- Director Dave reminded all that they are invited for the Board's retreat on March 20th and reviewed the outline of the day.

Board Education: Finance Literacy: Kelli Costa presented a Zingermen's presentation of Open Book Management (OBM).

Consensus reached to adjourn the January meeting at 8:10pm.

Minutes by Bella Waters



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Board of Directors
Executive Session Minutes
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Board: Jeremy Cotton, Dave Feral, Colin Fiske, Leah Stamper and Cheri Strong

Meeting opened to Executive Session at 8:11pm

Meeting closed from Executive Session and reopened to Open Session at 8:36pm.

Staff members Melanie Bettenhausen, Kelli Costa, Ron Sharp and Bella Waters entered.

It was reported that no action was taken during Executive Session.

Meeting adjourned at 8:53pm

Minutes by Bella Waters