



Policies & Procedures Committee Meeting Minutes
January 20, 2016 Ten Pin Conference Room

Present at start of meeting

Board: Colin Fiske

Staff: Melanie Bettenhausen, Alisha Stafford and Bella Waters

Member-owners: John Lucas

Meeting commenced at 6:00pm. Colin Fiske welcomed everyone.

Agenda Review. No changes discussed

Minutes. **Consensus to approve December 9 2015 minutes.**

Board Meeting follow-up. Discussion included:

- Colin updated the committee on the progress of determining an attorney. He's contacted the two main options and has reached out to the Sustainable Economies Law Center. Compiled information will be made available to the Board at the February meeting and hopefully they'll make a decision then.

Review next steps for bylaw sections 2.02, 2.08, 4.02, 4.13 and 5.05. Discussion included:

- Referenced bylaw numbers weren't changed to reflect the new numbers in Section 2.02.
- John provided alternative wording for Section 5.05 to address the concern of if the annual membership meeting is canceled for any reason. **Consensus reached to revise the last sentence of Section 5.05 to: "Director terms begin and end at the time and date of the regularly scheduled Annual Membership Meeting."**
- Colin felt 4.13 should include language notifying members that they can change who the designated voter is and suggested wording. Committee discussed one person per membership, what household membership means, increased cost of member discount if people purchased their own membership, awkwardness of joint memberships, individual rights vs. organizational rights. John suggested looking at his proposed 1.09 wording and if that's rejected come back to 4.13 and solidify. Need to look at bigger picture, not just voting rights.
[Dave Feral entered 6:39pm]
- Colin reviewed the current discussion and John's suggesting of designating a person for all pieces of membership, not just voting. Committee agreed to continue with agenda and come back to 1.09 if time permits.

Continue reviewing approved policies. Discussion included:

1. Election Requirements for Candidates. Committee continued discussion of requirements and agreed to provide an avenue for candidates to contest Nominating Committee decisions. Committee discussed a timeline for shoplifting and desire to tie store and board shoplifting policy together. Committee discussed that some felonies shouldn't preclude board service (certain marijuana charges) vs. some that should (embezzlement, fraud). **Consensus reached to recommend that the board approve the updated board candidate qualification policy:**

The following are the basic qualifications for candidates for the Co-op Board:

- *Has no record of shoplifting at the Co-op or has had the right to shop reinstated according to operating procedures.*
- *If previously employed by the Co-op, was not fired within the past 12 months.*
- *Any actual or potential conflict of interest is disclosed and there is no overriding conflict of interest.*
- *Any past felony conviction is disclosed and there is no conviction which in the judgement of a reasonable person precludes service on the board.*
- *Is a member of the Co-op at the time of submitting application for candidacy.*

The Nominating Committee shall use these qualifications to determine whether a candidate is excluded from candidacy. Should the Nominating Committee exclude a candidate, the full board may reconsider the exclusion provided the candidate chooses to contest it in a timely manner.

Active membership qualifications. Discussion included:

- According to bylaws members aren't automatically purged for not meeting the qualifications, but they become eligible for becoming expelled, which required board action. Suggest creating a board policy where membership rolls are reviewed annually and purged. This would be done after the end of the fiscal year and before elections. John will draft a member-friendly policy.
- Melanie noted the bylaws say 'may' not 'shall' so board can determine who is purged and suggests cutting members who have no current contact information or investment vs investors who haven't met the \$50 requirement.
- Clarify what patronization means.
- Purge process provides several opportunities for members to respond. Staff will work on best guess for number of purged members for a Board vote in March with the process starting in April.

Other new business from hotlist.

- Committee reviewed potential bylaw 1.09 and use of 'agent' vs 'administrator' vs first person already on the account.
- Some committee members in support of only one person per membership, though other committee members can see benefit of having a household member like Costco. Committee recognizes the need to have one person responsible for all aspects of the membership, not just voting or dividend checks. If you change the first person on the membership then by default that person becomes the primary person as they'll receive the patronage refunds, newsletters, communication, etc.
- If creating a right for the first person, others could want that same right.
- Important to keep this bylaw vote simple to allow electronic voting in 2017. Focus on bylaws that pertain to voting rights and elections. Strategic decision to handle one aspect now then another later to ensure passing of the bylaws.
- All potential bylaw changes will be reviewed by an attorney before putting on a ballot. Can use education forums to vet proposed bylaw changes.
- Committee discussed tabling 1.09 and going back to 4.13, but felt that 1.09 sections A-E aren't too controversial. Will discuss again at February meeting.
- Melanie uncomfortable with creating an 'agent' of membership – alludes to membership but isn't a membership.

Agenda items for next meeting.

- Active member/purge policy
- Next steps for proposed new bylaw section 1.09
- Status of attorney and bylaws
- Continue with hot list – distinctions need to be made between management and board positions.

Next Meetings: Feb 17 and March 16 @6pm

Meeting adjourned at 8:22pm by consensus.

Minutes by Bella Waters

Recommendations for Board:

1. **Recommend that the board approve the updated board candidate qualification policy.**