



Board of Directors Meeting Minutes October 7, 2020 • 6 – 8pm Zoom Call

Present at meeting:

Board Members: James Kloor (President), Colin Fiske (Vice President), Leah Stamper, Kirsten Lindquist (Treasurer), Roger, Laura Wright (Secretary), Cheri Strong

Absent Board Members:

Co-op Employees: Emily Walter, Sean Nolan, Barney Doyle, Mara Segal, Margaret Sataua, Thomas Wehland, Kiya Villarreal

Member-owners: Kathleen Pelly, Ahmed Foggie

1. **Welcome**

The meeting was called to order at 6:02pm by James.

2. **Agenda Review and Approval**

Agenda approved by consensus.

3. **Member Comment Period**

Roger – heard from a member that is concerned that luddites are not getting enough co-op information.

Kiya – member feedback – would like text message reminder to use member discount at the end of the month. A member would like more outreach regarding daily senior discount hours to reduce Tuesday surges.

Kirsten – impressed by how safe the Co-op is during COVID.

4. **Board Correspondence**

None

5. **Consent Calendar**

Motion: Approve the October 7, 2020 consent calendar.

a) Approve September 2, 2020 board minutes

b) Approve August 26 Finance committee minutes

Approved by consensus.

6. **Financial Bottom Line** - reported by Barney

P4 was profitable. Just under 24 days of cash on hand. Physically inventory was counted. Sales remain strong. The PPP forgiveness portal was opened this week and we are starting the process.

7. **Annual Membership Meeting Update** - reported by Margaret

AMM is October 11 at 3pm via Zoom and can be attended by computer or phone. It's not ideal that we can't all meet in one room. In addition to some speakers during the meeting we will be showing a local film about tuna.

8. **Member Escheatment** - reported by Margaret

Margaret explained the annual process of member escheatment and is asking for board approval of the member escheatment list. After approval by the board these members will have more opportunities to claim their membership to avoid escheatment. The final step is posting a legal ad in a local newspaper with the names of those about to be escheated.

Emily forgot to send the escheatment list to the board prior to the meeting so the board will need to vote at a later time.

9. **Policies & Procedures Committee (PPC)** - reported by Laura

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a) Household Shoppers

Staff originally brought up an issue with our current database and the number of household shoppers allowed on a membership. Staff are not currently able to easily track members and household shoppers in the current database. The board doesn't want to limit the number of household shoppers but with the current restraints of the member database there is no better option. The following recommendation comes from the September PPC meeting.

Motion: Set the number of designated household shoppers to one and direct staff to investigate alternative membership database options that would support multiple designated household shoppers, is more customizable and has options for variable interest rates on C share dividends.

Motion by Laura, 2nd from Kirsten, motion passes (5/0/2), Cheri and Roger oppose.

b) Annual Membership Fee

PPC is proposing an annual membership fee that would need approval from the Membership, starting at \$10/year. They are not looking for action on this proposal yet but would like further discussion. The PPC committee does recommend that the board review and take action at the December board meeting on including annual fee language on the 2021 ballot.

The board and members discussed their thoughts on an annual fee proposal.

- It was suggested that we support a periodic membership fee.
- Others want the same fee each year so that people know what to expect.
- Anytime there is an annual fee increase it should be decided by the membership, not the board.
- What about making the fee voluntary?
- How and when the member fee would be collected is very important and that needs to be detailed out.
- A \$10 annual fee is reasonable but the logistics of making it happen seems complex.

c) Purchasing Policy Addition

This item moved to be included for discussion during agenda item #10.

d) Bylaws Update (Staff Direction)

The PPC discussed a way to help the development of local co-ops economically and proposed a Bylaws change to do so. If the Co-op makes money, after surplus to members, 10% of the remaining would be invested or donated in a fund to develop the local cooperative economy. The Co-op doesn't currently have a way of supporting the growth of the local cooperative economy, which there isn't much of. It would be nice to encourage other co-ops to start locally. Our bylaws don't reflect Cooperative Principle 6 in any way.

Motion: Direct management to consider the proposed bylaws amendment (see below) and report feedback to the board.

Add Section 9.03(i): "At least 10% of any surplus not attributable to patronage of the members of the Corporation and remaining after the processes described in Subsections (a), (b), and (c) of this Section of these Bylaws shall be: (i) invested, donated or otherwise provided to other cooperative corporations, with a preference for cooperative corporations located in close geographic proximity to the Corporation's then-existing operations; and/or (ii) invested, donated or otherwise provided to a fund or organization controlled by the Corporation or otherwise, dedicated to supporting the creation of new cooperative corporations or supporting existing cooperative corporations in close geographic proximity to the Corporation's then-existing operations."

Motion by Colin, 2nd from Roger, motion passes (5/0/2), Kirsten and Cheri oppose.

10. Purchasing Policy – reported by Sean

Staff updated the Purchasing Policy with the requests brought up at the September board meeting. The staff implementation part of the policy has been removed and will remain an internal policy, not a board policy.

The updated proposed policy was reviewed. The Policies and Procedures committee proposes adding a section called “cooperative” to the Purchasing Policy. This is a way for our Co-op to prioritize and support other Co-ops via our purchasing policy.

Motion: Adopt the proposed Purchasing Policy from staff with the proposed section (see below) from the Policies & Procedures Committee.

Add a new section labeled “Cooperative” (in addition to the existing sections “Environmentally Sound,” “Socially Responsible,” Local,” and “Meeting the Needs of Our Community”): “When the Co-op faces a choice among products that meet the goals of this policy to a substantially equivalent degree, the Co-op will prioritize purchasing of products that are produced and/or processed by other cooperatives.”

Motion by Laura, 2nd from Colin, motion passes (7/0/0)

11. GM Report - reported by Sean

General

- A major reset is happening in the Arcata store. Bulk, Wellness and General Merchandise are being relocated.

Environmental

- Been in communication with Tesla who will be providing free backup battery to our Eureka Co-op. The backup batter will help generate the entire store during power outages, up to 8 hours. We will also be able to use the batteries during our peak energy use times which is great to reduce our use of electricity.
- New alternative transportation punch cards are now available.

Social

- September Seeds for Change Round Up went to the Northcoast Regional Land Trust. It’s exciting to be able to help give back to the community through round ups, with over \$35,000 in donations in 2020.
- Online voting was rolled out for the first time. We hope this will increase the number of votes cast.
- We now have Co-op news boards at both stores where print outs of the online blog are posted.
- New “Everyone Welcome” sign is up in Eureka and looks great. A large banner will be up in Arcata soon.

12. Elections/November Board Meeting/Orientation

- Because the current President and Vice President will no long be on the board at the November meeting, Kirsten volunteered to run the November board meeting.
- We hope to have a board orientation sometime the last week in October.
- There was a misprint in the election guide. The candidate with the 2nd most votes will get a 1-year term, completing Colin’s term. The highest voted candidate will get a 3-year term.
- Ballots will be counted at the Jefferson Community Center on Saturday, Oct. 17.

13. Reserved for Removed Consent Agenda Items

The Finance Committee voted to change the current C share dividend rate, but the board never voted on it.

Motion: Change the current dividend rate of 2.65% to 2.50% for the FY21 third quarter C share dividend. Motion by Colin, 2nd from Laura, motion passes (4/1/2), Roger abstained, Kirsten and Cheri oppose.

14. Thank Leaving Board Members for Their Service

Everyone took turns thanking the outgoing board members (James, Colin, Cheri) for their service to the Co-op as board members.

15. Member Comment - none

16. New Business (items for next agenda):

- 2020 Election Results
- Vote Board Officers
- Review 2021 Board Calendar

Consensus reached to adjourn the October 7, 2020 meeting at 8:35pm and move into Executive Session.

Minutes by Emily Walter

**North Coast Co-op
Board of Directors Executive Session Minutes
October 7, 2020
Zoom**

Present at meeting:

Board Members: James Kloor (President), Colin Fiske (Vice President), Leah Stamper (*via phone*), Kirsten Lindquist (Treasurer), Roger, Laura Wright (Secretary), Cheri Strong

Absent Board Members:

Approved Guests: Sean Nolan

No reportable action taken.

Executive session ended at 9:07pm.

Reported by James Kloor