



Board of Directors Meeting Minutes

May 2, 2019 • 6 – 8pm

Arcata Playhouse – 1251 9th St, Arcata, CA

Disclaimer: This is not a verbatim transcript of the meeting and is based on the author's understanding of the meeting.

Present at meeting:

Board Members: Colin Fiske (President), James Kloor (Treasurer), Cheri Strong, Ed Smith, Ivy North

Absent Board Members: Robert Donovan (Vice President), Leah Stamper (Secretary)

Co-op Employees: Melanie Bettenhausen, Laurie Talbert, Emily Walter, Sally Grover, Barney Doyle, Kirsten Lindquist, Kristen Hayen

Member-owners: Kathleen Pelly, David Dahler, Aaron Olstrom, Roger

1. Welcome

The meeting was called to order at 6:03pm by Colin.

2. Agenda Review and Approval

Consensus to approve the agenda.

3. Member Comment Period

- Kirsten – I was surprised of the process of appointing a board member last month. The appointed board member hadn't been coming to board meetings when other applicants had been attending and appear to have more business experience.
 - o Colin – we had a good pool of applicants. I can't share what was discussed in Executive Session that lead to our decision.
- Roger – what Kiya was doing in the store for Earth Day was great. Kiya has a lot to offer the Co-op, not just in her role as the Sustainability Coordinator. I would like better instore signage about recycling. The Ukiah Co-op is doing well. Perhaps they'd be good to talk to. When appointing a board member, you should try to appoint someone that represents some of what the outgoing board member represented. The process of having those that applied for the position speak during the meeting felt disrespectful. The board should just have talked about it during Executive Session. I would like to suggest the store be closed for three hours during the Annual Membership Meeting. I would like the board to discuss allowing workers to run for general seats. I hope the board, management and union are working together to get us through this rough financial time. I would like to see the Member Action and Earth Action committee meetings on the floor and not in the conference room upstairs. The financial language on page 17 looks bad to members. If you are going to share it there should be an accompanying narrative.

ACTION: Emily will add education about recycling to the Earth Action Committee agenda.

- David – I'm concerned about board participation and that Robert is not in attendance again.
 - o Colin – the board is concerned about Robert's continued absence. This is his second unexcused absence in a row. The Bylaws state that a board member can't have three consecutive unexcused absences.

ACTION: Emily will include an agenda item to review board attendance policies at the May Policies and Procedures meeting.

- Kathleen Pelly – I would like to see more employee and union representative's participation with the board. Employee commitment to the Co-op has saved the Co-op in the past. I've been involved with unions that have worked hard to get through hard financial times and don't see that happening here.

4. Board Correspondence

Response to Sally Grover's email regarding cuts to the pumpkin patch.

- Laurie – we have proposed cutting back days the Co-op is at the pumpkin patch while increasing the number of tours on those days. We’ve been in contact with Paul at Warren Creek Farms to assure him we are committed to making sure his costs are covered. With reduced staff we don’t know how we’d do what we’ve done in the past. We simply don’t have the staff hours. We are still working on what the pumpkin patch will look like with an abbreviated version.
 - o Paul – I think it would be sad to see this program go down the tubes. I want as many students as possible to get out there.
 - o Laurie – We have discussed partnering with another organization to help take on the pumpkin patch. We want to serve as many students as possible. There are financial restraints. We are looking for solutions for the best outcome possible.

ACTION: Laurie will report back with an update on the pumpkin patch at the June board meeting.

5. Consent Calendar

Motion: Approve the May 2, 2019 consent calendar:

- a) Approve April 4, 2019 Board meeting minutes.
- b) Adopt Bylaws change to section 4.13(c) subject to review of the board attorney and place on the election ballot if necessary. Authorize Leah to consult with the attorney. (PPC)
Proposed Changes to Bylaws Section 4.13(c)
 The record date for determining the members entitled to vote at a meeting is forty-five (45) days before the date of the meeting. The record date for determining the members entitled to vote via written ballot without a meeting is forty-five (45) days before the start of voting.
- c) Send the proposed environmental and social benchmarks to staff for feasibility of measuring, feasibility of goals and to determine how often reports should be submitted. (PPC)
- d) Approve addition to the Board Policy Manual Section 5.A.
 Board members are expected to serve on at least two standing committees.

James moved to approve the consent agenda, Ed second, approved (5/0/0).

6. Environmental Bottom Line

a) GM update – reported by Melanie

We should be getting a covered bus stop at 4th and B in Eureka. New reusable bulk bags with the Co-op logo and printed tare are available for sale.

ACTION: Kiya will create a summary of what has been done to incentivize using durables and present her findings to the Earth Action Committee.

b) Strategic Partnership Opportunity with Pacific Outfitters – Aaron Ostrom

I’m the co-owner of Pacific Outfitters. We are a business and have the Pac Out Green Team non-profit. We have been partnering with other like-minded businesses and are interested in seeing how we can collaborate with the Co-op to benefit both businesses.

- No specific proposal for a collaboration was made. The board discussed the concept with Aaron.
- Staff feels ready to collaborate but wanted to bring this to the board to see if there are any red flags before moving forward.
- The board decided to discuss further during Executive Session.

7. GM Search Update – reported by Colin

The GM job was posted this week. The GM search committee will meet again at the end of the month to review the pool of applicants and see if we need to take further steps to broaden our audience.

8) Member Escheatment – reported by Laurie

Member escheatment and the bylaws that detail it were explained. There is an outline in the Board Policy Manual of how to expel a member. We are working on removing a list of members with three years of no contact. A portion of that list is being presented to the board tonight. We are asking board approval to expel these members after going through the escheatment process.

Motion: Authorize staff to expel the members on the presented escheatment list 60 days after the final letter/ad is posted, unless contact is established with said member.

James motioned, Ivy second, approved by consensus (5/0/0).

9. Financial Bottom Line

a) GM update – reported by Melanie

- We expect to complete the FY19 audit by the end of June.
- We found out what Redwood Coast Bank requires for an extended line of credit.
- We talked with David Thompson from Twin Pines to explore funding options from them.
- We are working to complete the Eureka deli upgrades. The new deli oven that broke has been replaced.

There was a discussion about “good, better, best” policy for products and what we mean when we use that terminology.

- Melanie - it’s about price points and having something that is affordable, a step up and then items that are best, such as local products that can sometimes cost a little more.
- Colin – concerned there can be conflicts with good, better, best and the purchasing policy.

ACTION: Barney will give the board a year to date detailed breakdown of what is in G&A compared to last year.

{5-minute break}

10. Social Bottom Line

a) GM update – reported by Melanie

- We found a security company that fits well with the Co-op that could be used at the Eureka store.
- Some members have been banned for recent behavior towards employees. There is a list of members that have been banned but no process to expel those that should be. Staff need clarity on a process. This is about protecting the Co-op and staff.
- Annual grower meetings are complete with added produce to be provided for the deli.
- IT is working to update software to be able to accept e-WIC later this year.

ACTION: Kiya will investigate grant funding to help with WIC upgrades.

ACTION: Melanie will look into upcoming changes to LEED training for our ABC license.

b) KHSU underwriting

KHSU violated our contract so we pulled our funding. If KHSU asks us to underwrite again it will need to go to the board for approval.

ACTION: James will write an article for the next Co-op News about KHSU with board approval of the draft.

11. Reserved for Removed Consent Agenda Items

None

12. New Business (items for next agenda):

- Pumpkin patch update

Consensus reached to adjourn the May 2, 2019 meeting at 8:24pm and move into Executive Session.

Minutes by Emily Walter

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Board of Directors Executive Session Minutes
May 2, 2019
Arcata Playhouse – 1251 9th St, Arcata, CA**

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Absent Board Members: Leah Stamper (Secretary), Robert Donovan (Vice President)

Approved Guests: Melanie Bettenhausen

No reportable action taken.

Executive session ended at 9:15pm

Reported by Colin Fiske