

PFC Board of Directors Meeting Minutes – November 15, 2011

Location: Menlo Innovations, 410 N. Fourth Avenue, Kerrytown Shopping Center
third floor

Attendance

Board Members: Rebecca Kanner (president), Linda Diane Feldt (vice president), Matt Graff (treasurer), Jeff Tenza (secretary), Jeff McCabe, Gaia Kile, Cynthia Shih

Kevin Sharp, Interim General Manager

Patti Smith, Board administrative assistant - recording minutes (arrived at 6:30)

Call to order – at 6:15 pm by Rebecca Kanner

Agenda Review - Proposal L2 was taken off the consent agenda, the UM Kiosk discussion was moved up to “Member Comments” and since we already have the King Committee, that can be removed from the agenda.

Member Comments – Alex and Ally are looking to start a student food co op and wanted to introduce themselves to the co op. Cynthia went to the information session regarding the UM Sustainability Fund, which is due November 30. She volunteers to do this project.

Announcements, Info-sharing, Future Scanning – Rebecca met with students who came to last meeting. Coffee with the Board garnered some productive discussions. Linda Diane will attend the babo opening and also has another book coming out.

Consent Agenda – Linda Diane moved to accept the October minutes and G.7. , Jeff T. seconded. Passed 6-0, with Jeff M abstaining.

M.1 & M.4 – We are not using all of the tools that M.4 provides us with. The Governance Committee is still looking at how to better use it.

There is a concern regarding the language of M.1. A proposal was made about a year ago but our then-GM resisted. Perhaps some language that says as long as we aren't being unreasonable. For instance, if someone wants something and the GM says it is too much work, that person could then come to the Board. Gaia said that he would bring a proposal regarding M.1's language, as he feels that the Board needs to have information when we need it.

Matt moved to approve the summaries of M.1 and M.4. Jeff M. seconded. Approved 7-0.

Report from the Interim General Manager –

Between the last meeting and this meeting, we made the decision to purchase a pastry case at a cost of about \$10,000. Rebecca officially affirmed this decision.

HVAC work will be completed on or about November 16, at a cost of about \$5,500. October saw about a 6% sales growth, with the grocery groups doing very well (13-20% growth).

Health care costs continue to rise, so Kevin proposed that the staff pay \$10 per paycheck (\$20 per month) for health care (they currently pay \$30 per check). The staff seems to be accepting of this. The co op will pay the remaining costs (about \$600-700 per person per year).

Matt asked if there would still be access to the alley. Kevin said yes, but it will be a tight squeeze. There should be no conflicts with homeowners.

Kevin forwarded a new L.4.9 to Patti (who later forwarded it to the Board) because on the previous copy, he accidentally did not change the date or put his name on it.

There was a question as to what the L.3. report should look like, as the Board is approving the actual report and not just the numbers. Please review and send any ideas of changes or comments to Kevin. L.3. will be approved or not approved next month.

Jeff M moved to approve L.4.9. Cynthia seconded. Motion passed 7-0.

Outreach Report – This report was included in GM report; no questions

Audit Progress Report – Matt said he had no changes to his written report. Matt's understand is that Wegner will provide the local person who must be present at the audit, at no additional charge.

Electronic Voting/ByLaw Changes – Rebecca's reading of the bylaws indicates that paper ballots will have to be sent out. Linda Diane advocated amending part of the bylaw to say voting can be done by "mail *or electronic submission*".

Point: we have no way to electronically deliver the ballots to members because we do not have a database of members' email address.

Counter-point: To "deliver" a ballot means one of two things, using a "push/pull" method. To "push" the ballots means to send the ballot to email addresses. To "pull" means that there is a link that people go on and vote.). Per lawyer, "delivery" doesn't say if it has to be push or pull but that it must be *delivered in some form* and there is your protection for the members.

Point: Legal council seems to think that without wording changes, the policy would allow for e-voting, except for the notice of annual meeting which still needs to be by mail.

Counter-point: Annual meeting notice does not currently have to be sent via mail, as 4.2. says that it must be sent “by personal electronic communication”. However, since we are changing the wording, we might as well make it consistent.

Point: Change language to say it is permissible to use a “voting method chosen by the Board”. Therefore, Kevin could contract with Vote Net (or another such company) that would come in and explain the process. Just saying “by ballot delivered” would not allow for contracting with a company like Vote Net. (H-1 says that Board is entrusted to make voting process fair and accessible to members)

Counter-point: Members may not feel protected or feel they have a voice in voting if the method is left entirely up to the Board.

Point: There are a number of ways to deliver ballots: send out a link the first time and then collect emails that way, send a link to members and let them vote with their member numbers, or just have a link that anyone can vote on (least secure method). Could start collection of email addresses immediately and let members know of electronic voting.

Counter-point: Collecting thousands of emails for this year does not seem feasible.

Point regarding costs of mailings: We are sending thousands of ballots to people who may not respond. Electronic voting would greatly lower costs and increase participating. People could opt out of receiving paper ballots, as well.

Counter-point: Members deserve a once a year mailing saying that the co op is having its elections. People can opt out of receiving the paper copies, but the members deserve this once a year mailing.

Conclusion: Jeff M and Linda Diane will meet and come up with language that they can live with. To that end, Rebecca mentioned also changing the language that says members must submit ballots before or at annual meeting. She would advocate “before the annual meeting”....

Additional Information: There is a consensus that we want electronic voting, except for Gaia who abstains.

Term Limits: Right now, the bylaws allow for three year term limits, so a Board member could keep running in perpetuity.

Point: If someone keeps serving on the Board, could create a shit of power and leaders will become entrenched. This affects who wants to run for the Board.

Counter-point: We already have a hard time recruiting people to run and this might discourage people.

Straw poll: Linda Diane and Cynthia are in favor of them, Jeff M, Jeff T, Gaia and Rebecca are not in favor. Matt does not seem any “driving need” for them.

GM Search Committee – Process may take longer than originally hoped for. Another potential facilitator, Jacob Corveday (phonetic) is going to the November 16 meeting. Lori White has also been suggested as a mediator. About 400 resumes have been submitted, of which 35 have been passed on by Maureen.

Patti will receive digitally recorded meeting discussions and prepare summaries for the Committee and Board.

Discussion ensued regarding if the Committee would speak as one voice or if they would not.

Point: Board speaks as one.

Counter-point: Want to hear why folks disagree with the potential candidates; wants to hear the pros and the cons.

Goal is to have more than one candidate brought to the Board.

Budget: Board & PFC –

Matt handed out a list of board expenses that were added to by Rusty. The reason for the change from \$33,000 to \$37,600 was because of insurance costs.

We decided to reduce Member Linkage by \$3,000 because the survey is not being done until 2014. Therefore, the new line item total is \$34,600.

Matt moved that the board budget be included in the total co op budget (including adjustment of \$3,000). Linda Diane seconded.

Discussion: Rebecca said she was not ready to approve and had some questions. Does “Board development” included training/retreats/conferences? Is CDS included in the budget? CDS is not, and apparently never has been, included in the board budget. Money for Board development can include, but is not limited to, trainings and conferences.

Motion passed unanimously.

CDS Contract – Do we want to continue to engage their services? Concerns include raising rates, value of their services, underutilization of their services.

Point: What is the value of their services? Do we have a summary of what we get from them? For example, it was reported that Ken used them to help improve his monitoring reports. Are there substantive examples showing how his reports improved?

Counter-point: Rebecca and Linda Diane feel that the monthly conversations with them are valuable. Former VP thought that there was little value until she sat in on the monthly conversations, which others are welcome to do if they are concern about values.

Point: Underutilization. Cynthia said she has had no exposure to them.

Point: Are there any other groups who do this sort of thing?

Point: Jeff T is not pleased with the services he receives from them. For example, when he has a question he feels that they state the obvious answers and give him articles he could have found himself. He would like to see some substantive examples of how they have helped us.

Rebecca moved that we accept the CDS contract. Linda Diane seconded.

Discussion: Agreement from some that Joel did not represent a high level of service at the first retreat that some members attended. The president and vice-president are interacting with CDS but it seems like no one else is...how can that be changed? If you vote yes to continue with CDS, you are also saying that you agree to go to trainings and utilize CDS, although it was noted that you cannot force people to attend such things. There was a suggestion that members or Board members could research the same things that CDS does, but then the problem is that they are just volunteering and might not put the same time into it. Lengthy discussion on CDS and conferences and value (or lack thereof) received from these.

Rebecca called the question to vote. Two yes votes (Linda Diane and Rebecca), two no votes (Jeff T and Cynthia) and two abstaining (Jeff M and Matt). Gaia said that while he did not vote, he did not consider himself to be abstaining either because wanted to keep the discussion open.

The motion did not pass and therefore discussion will continue.

Looking Ahead – Next month, policies G.1 (Governing Style) and G.8 (Cost of Governance) are due. Matt will do the former and Cynthia will do the latter. L.3 must be voted upon as must the entire co op budget. M.1 will be revisited as will the electronic voting issue.

Task List Review -- Gaia will work on a proposal regarding the language of M.1. All will review L.3 and contact Kevin with any suggestions for change. Jeff M & Linda Diane will meet to discuss language regarding electronic voting. They will bring suggestions to the next meeting. Patti will contact the Search Committee to arrange for the receipt of the recorded meeting. Patti will also send out the surveys, make a small correction to G.7.1. (typographical error), send Minutes to the website and also make sure that the December agenda is sent in for publication to the website.

Future Meetings – Next meeting is December 20.

Attendance – No issues reported at the meeting.

Meeting Evaluation -- Jeff M said that it is good to have Patti doing “too good a job” and it was interesting to talk about a future Board that he won’t be on. Given that, he wants to work really hard to do the best that he can to leave us all in a good place. Gaia said that we will miss Jeff M and he thinks that the question of board development is very important and we should chunk into more management pieces for discussion purposes. Kevin said that the passionate CDS and e-voting discussions are good and apologized for his “messy reports”. Jeff T thanked everyone for the discussion regarding CDS and reminded us that we deserve answers from them. Cynthia asked if we could have fewer agenda items, to which Rebecca replied that would mean more meetings! Matt said that he enjoys the weekly Search Committee meetings because they are more leisurely. Maybe the Board can do more “sidebar” type issues (i.e. the pastry case) in order to give us more time during meetings. Also, he is concerned about recruiting folks to run for the Board. We need to start doing that now. Linda Diane opined that we don’t need more meetings and maybe people could identify issues/passions ahead of time. Patti thanked Jeff T for filling in for her and thanked everyone for putting up with her lateness/tiredness (cheer practice at school). Rebecca said that she was a little confused by the bylaw change presentation.

Adjournment: Rebecca adjourned the meeting at 9:01 p.m.

Respectfully submitted, Jeff Tenza, Board Secretary