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5 **FA Board of Directors Meeting**
6 **Tuesday March 17, 2009 (Happy St. Paddy's Day)**

7 **Board Members present:** Bettina Schempf, Camille Freitag, Chris Bentley, Greg Alpert, Larry Plotkin, Toni
8 Hoyman, Liz Kelly

9 **Board Members absent:**

10 **Staff present:** Michele Adams

11 **Board Advisor:** Marcia Shaw

12 **Owners present:** Sharon Nicholson, Jim Moorefield

13 **Guests & Presenters:** Robert Williams, Jim Smith, Blanche Sommers

14 **Scribe:** Claire Pate

15 **Handouts:** none

16 Board Advisor, Marcia Shaw, formally opened the Board meeting at 6:30pm. Introductions were made, and there were
17 three prospective board candidates in attendance to observe a meeting: Robert Williams, Jim Smith, and Blanche
18 Sommers.

19 **I Owner Comment:**

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21 **Sharon Nicholson** said that she has developed a product called smoked tofu and needs a place to make it. She would
22 like to erect a smoke house in proximity to a certified kitchen, with freezer space, space for vacuum packing and clean
23 up. She is already licensed by the State, and would be willing to help construct such a facility. She is hoping for help in
24 locating something suitable, and wondered if the Co-op might have a space.

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26 **Jim Moorefield** spoke on his own behalf, as well as being a representative of the Urban Renewal Action Committee. He
27 is aware that the Board endorsed the concept of the Urban Renewal District (URD) in January, and understood that some
28 Co-op owners were concerned about it. He has lived in Corvallis for 30 years, 26 of which have been in south Corvallis.
29 He got involved with Evanite early on when they wanted to expand the glass fiber plant. As a member of the Citizens
30 for Sound Planning they opposed the expansion, and won. He served on City Council in the late 80's/early 90's and in
31 this role worked on Evanite's issues as well as issues around how to sustain a healthy downtown. He was also heavily
32 involved with the South Corvallis Refinement Plan. One of the proposals that came out of that effort was to rezone the
33 Evanite property into a sort of hybrid zone, giving them the ability to remain but upon the industry's departure changing
34 the zone to allow for more suitable uses for their riverfront property. Since 1998, he has been the director of a non-profit
35 group. With this broad perspective, he is aware of the concerns as well as the advantages associated with Evanite
36 through the years. He believes that the URD is an important next step for the downtown as well as for the Evanite
37 property to evolve, though the process will be complicated. He does not understand the concern that URD or City funds
38 would be used to clean up the Evanite site. In no way would the City voluntarily take on this expense, and it is up to
39 Evanite to continue with the clean up work that they have already been undertaking over the past decades.

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42 **II Approval of Consent Agenda Motion**

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44 **Chris asked that Policy Governance minutes be pulled for further discussion; Bettina asked that the GM report**
45 **also be pulled.**

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47 **Motion 3-2009 (#1) approval of February Board meeting minutes, March Board agenda, calendar and timeline,**
48 **Executive Committee minutes 3/10/09, Finance Committee minutes 3/4/09, Board Development Committee**
49 **minutes 3/5/09, Owner Relations Committee minutes 3/3/09, Policy Governance Committee minutes 3/1/09, GM**
50 **report, GM monitoring report L3, and Board Candidate List of Endorsements submitted by BDC. Toni, Liz**
51 **7-0-0. Motion passes.**

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54 **IV Announcements/Board Correspondence/Affirmations**

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 - Michele will not be at the next Board meeting, and another manager will attend in her stead.

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- 58 • CBLD workshop for Board members – April 18 in Portland April 2 is the drop dead date. Signups: Robert, Blanche and Jim (board candidates); Camille and Toni; maybe Larry.
- 60 • Date for Annual Owner Meeting – June 7, 2009; Board members should be there at 5:45pm.
- 61 • Please respond to the Board processes evaluation questionnaire that Camille sent out electronically, as soon as possible. Will be discussed at next meeting.
- 63 • Judy and Marcia are beginning to plan the orientation for new Board members. If you have any feedback about the orientation, let Marcia or Judy know.
- 64 • Board chats schedule: April 3 – Bettina; May 2 - Liz

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67 **V Items Removed From Consent Agenda**

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69 **PG Minutes**

70 Chris asked for further clarification on changes proposed to Policy G11 (Political Action) Specifically, she asked if any political action undertaken by the Board still required consensus. The answer is yes. The PG Committee recommends that the board undertake a full review of the use of consensus at a later date, and that whatever approach is adopted be uniformly applied throughout all the policies. On L2 (Code of Conduct), Chris asked for clarification about statement #9, and whether this would preclude her talking to the GM about specific staff member concerns that might have been expressed to her. The answer is no, though staff members should not be encouraged to take specific concerns to individual board members. The term “other entities” does not include board members and does not preclude them from getting information from the GM about something. This is not about GM-Board member interactions.

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79 **GM Report**

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81 • **Election Change**

82 Camille said that the whole process will be looked at. BDC needs to hear from both other committees if there are objections to moving the election. An important component is to know how requirements for the owner meeting and financial reporting inter-relate with the setting of the date for board elections. One possibility would be to move the owner meeting date back to later in the summer. It could then be an outdoor event with the emphasis on “fun” things to do, along with the required information sharing and introduction of new board members. Camille will take it back to BDC and come back with a recommendation.

- 89 • **Reduction of support discount from 15 to 10%.** Bettina suggested that it go to a 12% cut. Camille said that it is two-tiered already because board members get 5 years of a discount for 3 years of service. We are already compensated at a higher rate.

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93 **3/2009(2) Motion** Give the GM flexibility in changing the support discount in steps to a minimum of 10% until such time as the economy improves. **Larry, Camille**
94 Discussion: Former board members understood it was 15%, does this break a contract with them? (no). Several members expressed concern that the 15% meant a lot to them. GM should make it very clear that it is necessary to save staff positions. It is a way of sharing the pain. Michele – it does not save staff hours, because this is below the line. Larry – might be hard to differentiate between discounts for various support workers, like past board members. Greg - we have prospective board members who expect 15% since we advertised it that way. **4(yes)-2(no)-1(abstention) Motion passes**

- 102 • **Staff Survey -** Consensus is that a “down time” is an important time to do a staff survey so that staff gets the ability to voice their opinions. It lowers morale even more to not be able to give voice to their concerns. Certainly, the results of such a survey would be viewed holistically knowing what the economic impacts have been and the impacts this has had on staff morale.

106 **3/2009(3) Motion: That we do a staff survey this year as planned. Toni, Larry, 6-0-1 Motion passes.**

- 108 • **Owner Worker Pool –** Michele gave some of the background of why she was bringing this to the Board, since past boards have considered the owner-worker program as very important and did not want to reduce it or eliminate it. Larry said a temporary cutback would be fine, but he would be uncomfortable with making a policy change at this time. Michele explained the difference between support workers (volunteers) and owner-workers. Consensus was that the Board would not like to see the program go away, but there should be flexibility for Michele to manage it, with cutbacks taken as an interim measure until the economy improves. A trigger point for ending this temporary situation would be when we do not have to cut back on hours for the paid staff

115 **3/2009(4) Motion:** That we strongly support the owner worker program, but we must give GM flexibility on
116 setting owner worker pool hours to save staff worker hours until such time as the economy improves and the trade
117 off is no longer necessary. **Larry, Bettina 7-0-0 Motion passes**
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120 **VII Discussion about Policy governance Committee and Executive Committee**

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122 Toni explained the makeup of the Executive Committee (President, Vice-President, Treasurer, Secretary, Board scribe,
123 GM, and Board Advisor) and how it works. It meets a week before the monthly board meeting and its basic role is to set
124 the agenda. At times it discusses other issues, but mostly addresses whether items should be taken to the board as a
125 whole. Affirmations were given for their work.
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127 Liz explained that the Policy Governance Ad Hoc Committee reviews policies as assigned by the full board. Initially,
128 with the help of the GM, this group reviewed all of the L policies to clarify and simplify so that they could be reported
129 on more easily and without redundancy.
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131 **The question was asked, where do we go now with the committee discussions?** Toni said we should give Judy
132 Forgey another opportunity to come to a meeting to talk about BDC, perhaps at the next meeting. Then she would
133 suggest that the board meet on a more informal basis at a later date, perhaps over dinner, to discuss committees.
134 Marcia suggested we could meet as a “committee of the whole”, as long as no formal decisions were made at that time.
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136 **VIII Survey Monkey results re L2 & L5** - no discussion.
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140 **IX Patronage Dividend discussion**

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142 Bettina explained that the Finance Committee did not recommend distributing a patronage refund this year due to the Co-
143 op’s financial status. If we chose to distribute one, it would be about \$27,000 in funds.
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145 **3/2009(5) Motion:** That the Board accept the Finance Committee recommendation to not distribute a patronage
146 refund for 2008. **Toni, Greg 7-0-0.**
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148 Bettina will be writing the letter of explanation to the owners that will be going out in the owner packet. She offered
149 others an opportunity to review it. It was agreed that language was very important, in that the letter will have to foster
150 support for the decision not to give a dividend.
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153 **X Proposed revisions to policies GIL, L2, L5, L7, L8, L9, L10**

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155 With reference to proposed changes in Policy L8 (Owner Relations), a question was asked about what was meant by
156 “any disputed ownership status.” Michele explained that the only time she would bring a matter of ownership status to
157 the board was when there was a dispute over the righteousness of an action she might take regarding such status. It is a
158 very rare occasion that this might occur. An example is if an owner were to write a bad check, one line of action is to
159 cover the check by using the owner’s share monies which would impact their ownership. If they were to object to this
160 line of action, it might be brought to the board.
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162 **3/2009(6) Motion:** That the Board accept the changes to the policies as recommended by PG in their 3/1/09
163 minutes. **Liz, Toni 7-0-0 Motion passes.**
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165 **XI Board responses to Owner/Board meeting visitor comments**

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167 Should owner letters be published in the Thymes along with the board response? Consensus was no, but a summary of
168 the question and response might be appropriate for posting on the Board bulletin boards in each store. The owner’s
169 comments should be paraphrased and the owner’s name should not be used.
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XII Continue planning Spring Owner meeting/Proposed strategic direction questions for ballot

Greg said that the Owner Relations Committee had done most of the work, and had decided to go electronically entirely with the strategic direction questions. There will be a laptop in each store to fill out the survey questions. Directions for how to use the “survey monkey” would be posted and would likely be a part of the owner packet sent out with the ballots. There will be some of the same information being requested this year as last for comparison.

There was discussion about what topics would be discussed at the owner meeting? Greg explained that the emcee had a process of having each table come up with a question. Expansion seems to be one of the hot questions. Another possibility is still to use the “Ends” statements for a discussion.

XIII Meeting Wrap-up

Camille will be doing the board Thyme’s article instead of Chris. Toni will respond to Sharon Nicholson’s owner comment/question, and Greg will respond back to Jim Moorefield.

Meeting Adjourned: at 8:40pm

Policy Governance parking lot:

*Review Governance policies
Look at the wording – G7 Code of Conduct policy*

Agenda for April:

*Invite Judy Forgey to discuss BDC
Include two items as standard agenda items: 1) Assignments for responding to owner comments/questions; and 2) wrap-up discussion – how did the meeting go?
Board processes survey – Camille’s summary of comments*

Agenda for June:

Marty Schultz – Financial Training at 7pm