

APPROVED

Bylaw Committee Meeting
7/9/2019
4-6pm
HMC Community Room

Present: Kari Bradley (GM), Cheryl Conner, Jed Davis, Carl Etnier, Steven Farnham, Stephanie Kaplan, Sue Zekas, Rob Barossi (Note Taker)

Carl started meeting at 4:05 with review of agenda. No changes or additions proposed.

Notes from June 25 meeting. Kari had provided notes for a change. Steven has minor spelling corrections, will send to Rob. With those changes, minutes are approved.

Next topic, notes from July 1 council meeting. Steven had forwarded some comments to Carl and Kari. Question of does council want committee to be involved after council adoption of bylaw draft? Council is in favor of committee still being involved and taking the lead on presenting to the membership. Question of how much time council would need or want to go over work. Council did not have a lot of discussion on that topic. Council could get introduction to recommendations at meeting prior to August 26 meeting. Might need one meeting to go over things prior to regular council meeting. Question of timing of special member meeting to vote on bylaws changes. Council didn't spend a lot of time on that question, Scott had suggested after first of the year. Consensus to avoid anything during holiday season.

Carl noted it might not be a hand-off to the council and the committee stops work, they may continue to do much of work after council ratifies. He asked committee their feelings about being involved. Stephanie happy to be involved but won't be around in August. Carl asked, how much is the committee willing to continue working on bylaws process. Sue raised question, how much time would committee end up spending? Would there be more forums? Tabling? She is willing to do what she is able to but not sure how much time can give up. Cheryl noted she would like to see meaningful working meeting with council and committee, all working together. Would like that sooner rather than later. Meaningful meeting with council, reviewing each section of new bylaws.

Cheryl noted she can commit to being part of work moving forward but unsure of how involved she can be. Would be able to be involved via internet in future meetings and work.

Steven noted potential difficulty of getting council at an additional meeting. Agreed with Cheryl's point that council needs to know what they are signing off on. Sue agreed that a meeting should be held with committee and council so that council is prepared to discuss and ratify at their August meeting. Carl noted worst case scenario is that meeting happens in September and ratification happens in October. Stephanie noted she is not available during August. Carl noted that council is scheduled to have lighter schedule in July and August. Cheryl also not available in August.

Cheryl noted that at least three hours would likely be needed for the meeting. Steven proposed meeting a week before August 26 council meeting, but have a longer meeting. Kari noted might not get enough council members there to make it worthwhile. Stephanie felt strongly she would like to be at meeting with council. Carl proposed September meeting, 2-hour meeting, maybe week before council meeting, perhaps schedule for 3 hours and plan to try to be done in 2. Could propose on a Monday evening, 5:30, same as council meeting time, 30th of September. Dinner at 5:00 and meeting at 5:30, same as regular council meeting.

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Committee moved to review new draft bylaws created by subcommittee. Carl proposed going through document paragraph by paragraph to see if it works/sounds right.

Article 1.1 – Stephanie noted might not need quotation marks, parentheses are enough for (“the Co-op”). All agreed to strike the quotation marks. 1.2 - mission is correct updated mission statement. Title of section will just be Mission, rather than Purpose and Mission. 1.3 – suggestion to strike “of owners” from first sentence. Will stay the way it is for now. 1.4 – comma after “Way”

Article 2.1a – edited and changed to: A person wishing to become a Member must complete a membership form and must make a financial investment to gain equity in the Co-op. The investment provides capital funds to the Co-op. The Council shall determine the amount of, and schedule for, the equity payments. Additional investments may be necessary over the course of an ongoing membership, as determined by the Council. [NOTE CONNECTION TO 8.4A]

2.1b – change to each person who has remitted the required equity payment shall be considered a Member.

Carl raised question about how to refer to members of the council. Should the members of the council not be referred to as members? Steven in favor of changing council to board of directors, instead of calling it a council. Cheryl noted she likes council, this is not a nonprofit, board sounds more corporate. Jed noted they should be called councilors if it’s a council. Jed noted council could consider this outside of the bylaw discussion. Suggested that committee pass that question back to council for them to discuss. Carl noted could change council members to councilors in the bylaws for now, could ask council about complete change later. Cheryl seconded that idea.

2.1c – no changes. 2.2 – Changed first sentence to make into two sentences. Changed list of three organization types for clarity. Carl raised question of whether or not to add reference to the statute language comes from. Jed noted there will be two versions, one clean and one strikeout, could have third version that has references, footnotes and what changes were, where they came from. Could be a hyperlinked version to electronic version of bylaws. Carl added statute to section, will be hyperlinked later.

2.3 – Steven asked about other member benefits, are they privileges or rights? Would they be determined by management or the council? Stephanie raised question is there anything in the bylaws that would be considered a privilege? Steven noted the need to clarify first sentence. Change section title to Privilege and Rights of Members. First part edited into two sentences. Voting right placed first on list, then seeking election to council, then patronage refund.

2.4 – Added reference to article about equity payments return, 8.4b. Sue proposed changing title to Termination of membership by a member. Title was changed to that.

2.5 – Changed title of 2.5a to Open Meetings. Reworded section for clarity. 2.5b, Kari noted language is very broad. Committee members agreed. Jed raised question are there other stakeholders who should be mentioned? Carl asked is there some language that could be used to reference information that would be useful to members but would not be too broad and vague? Kari noted financial statements, weekly financial data. Stephanie raised question, what else is there? What other financial records are there? There are things that members should be able to know, Stephanie noted. Steven asked, what are

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exceptions that would need to be kept confidential? Kari asked if this section refers to financial information, Steven noted if it includes talk of contracts, would be broader than just financial. Could keep title broad but specify types of information within section. Kari noted its unknown to what extent people we do business with expect that terms will be kept confidential. Jed noted existing bylaws language mentions moral, legal or business reasons. Carl noted it was changed because that was questionable language. Title of section changed to Financial Information. Stephanie noted members of the co-op have the right to see contacts and agreements being entered into with other organizations. Kari disagreed, noted council are representatives of the members and they sign off on things. Steven noted that being able to see contract provides opportunity to give input and feedback. Asked if there's a review period where members could give some input as contract is being worked out. Kari noted council is middle ground, as representatives of members who review contracts.

Carl asked, would Kari see problem with contracts that coop is now in or contemplating if sentence at end of 2.5b read "An exception is information that would put the Co-op or a vendor at a competitive disadvantage." Kari noted it's often not specified in contacts that we will not share pricing information. Jed asked, is there anyone else besides co-op and vendor who should be included. Cheryl noted what about union? Carl noted that union is fine with contract being public. Jed advocated for broader stakeholder language. Kari noted there is certain information that they are required to share if it's requested, member level information, etc. Kari asked about "competitive disadvantage," need clarity on that term, how is it judged or determined? Carl asked about leaving language as it is and could Kari draft a policy that protects interests needing protection. Kari said he would add to topics for managers to consider as well. Steven noted bylaws can have broad language but could be more defined in council policies. Carl noted language in bylaws should guide those policies. Jed noted competitive disadvantage and substantial harm have not been defined anywhere. Carl asked if committee could leave section for now and revisit it. Committee agreed to do that.

2.5c – Committee agreed on new language, keep as is, at least for now.

Meeting was adjourned.