

Silver City Food Co-op — Board Meeting Minutes
Wednesday October 17, 2018— 4:30 p.m. to 7:00 p.m. —
LOCATION: 907 Pope St.

Present: Board members Jennifer Johnston, Jean Beffort, Julianna [last name], Shanti Ceanne, Scott Zager. General Manager Joe Zwiebach and Assistant Manager Mike Madigan. Presenters Jamie Crocket and Nathan Newcomer, members Susan van Auken and Betty Mishuk.

Meeting called to order 4:45.

I. Welcome

- A. The Board approves agenda by consensus.
- B. Kudos or Appreciation of Board Members: A Board member thanks the entire Board and suggests removing kudos from future agendas.
- C. Directors' Announcements: The Board decides to move the next meeting a week earlier to November 14, avoiding Thanksgiving week.

II. Old Business

- A. The Board approves August board meeting minutes by consensus

III. Board Consideration of Endorsement Letter for Wild and Scenic Rivers Legislation

Jamie Crockett of New Mexico Wilderness Alliance presented the case for the co-op sending a letter to Senator Heinrich endorsing the proposal to designate 460 miles of the Gila River as Wild and Scenic under federal law, this preserving current uses and protecting it from development. The Wild and Scenic law was written 50 years ago by Udall's father. The current proposal would not directly address the planned diversion, which is in a different part of the river on private land. The designation is not a response to specific current threats, but going forward would protect against selling off of public lands, and presidential authorization of dams and diversions within wilderness areas. The wild and scenic river area would be ultimately managed by forest service but trigger broad-based collaboration to craft a management plan. A Board member reports good results from the wild and scenic designation of the St. Croix River. Co-op endorsement is a good fit because it's representative as a large segment of community. Management points out that protecting the environment is the seventh cooperative principle, and that the co-op should publicize this aspect more. Jamie says the co-op is a good endorser because they represent a broad swath of the community (2,300 members), and a Board member adds that Round-Up donations to UGWA indicate membership support. A co-op member thinks we should include the number of members in the endorsement letter. The Board approves by consensus the sending of a letter of endorsement to Senator Heinrich designating a specific portion of the Gila River as a Wild and Scenic, with possible edits to personalize it to the co-op.

IV. Monitoring Reports

- A. The Board acknowledges by consensus B6 (Communication and Counsel to the Board) Monitoring Report.
- B. Management explains changes to the inventory process. The co-op normally hires an inventory company, and Management submits variance reports to the Buyers to reconcile. This time, staff did the counting and hired only a team leader who brought

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devices, and buyers are compiling their own reports. The most common variances are receiving errors, wastage not recorded, and shoplifting.

The Board and management think this is a good opportunity for staff learning and accountability. A Board member points out that although it doesn't save money for the co-op, it keeps the money within the staff.

C.

V. Committee Decisions and Announcements

A. Member Connect (MC) notes. Member-volunteer Lita Furby presents on the member survey. She has emailed 2200 and mailed 460, including current and 1-year-lapsed members. About 100 emails bounced back and those members were mailed surveys. Lita has hand-delivered 10. So far 690 members have responded, exceeding the total goal with weeks to spare to the November 1st deadline. Reminders are set up through SurveyMonkey and MailChimp, and she will be calling people as well. A 15% one-time discount is given for completing the survey, and respondents are entered for one of five \$100 gift cards. Lita is tracking down problems full time, such as rescuing surveys from spam filters, and says staff is helpful. The Board thanks Lita for her thorough work and reminds those present that the Board needs this analysis for their expansion business plan and to report back to members.

B. Recruitment, Orientation and Development (ROD) notes

The Board tables confirmation of Bart Roselli as BIT until next month when hopefully he can attend.

2. The Board affirms by consensus the ROD recommendation to continue a CDS contract through next year at a cost of \$7,000. Board members decided that allowing it in the budget will let them decide later whether to spend the money once they can better assess the value of the current contract and negotiate possible alternatives if possible.

C. Board and Manager Evaluation (BME) notes. The BME committee is developing a system of evaluation that is more streamlined and cooperative between the Board and Management.

D. Finance Committee (FN) Meeting notes:

Board approves by consensus the FN recommendation to hire Clifford, Ross & Cooper, LLC as our 2018 review and tax preparation firm. An audit was not recommended for 2018 as it would be an unnecessary burden on staff during this transitional time.

Board approves by consensus the FN recommendation that small, one-time expenditures requested by the PSP committee up to \$500 per month need not be reviewed by the finance team. It is already the case that any expenditure related to the upkeep (versus remodeling) of the new building is not subject to review. For example, fixing the parapet or hiring someone to do yard work would be considered operations. However, even if someone is hired using an existing staff position, that expenditure would be subject to review if that person's duties are primarily related to the remodeling.

Bylaws Review Committee (BR) did not meet.

VI. Pope Street Project

Jessa Tumposky was approved for hire as Fundraising Coordinator, and a final signed contract will be filed on the ftp site and in the in-store board drawer.

Pope Street Project timeline: A Board member suggests clarifying the language on the timeline regarding the 1.25 debt service to credit ratio required by the bank, replacing it

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with “figure out how much debt we can afford.” Board and management share sense of urgency about the need to come up with a planogram for arranging the various departments in the new space, and that other steps (RFP criteria and cost estimate) hinge on having at least a rough outline. Management has looked into applicable software which would cost \$1,000. Management emphasizes the need for staff inclusion in the process and the Board encourages timeliness over perfection. Management also points out that the results of the member survey could alter the final plans, and a Board member says that staff who analyze sales patterns already have a good enough of customer needs. Both the Board and Management agree that the end of November is a reasonable deadline. A member of the PSP committee suggests that time be set aside during committee meeting to revise the schedule.

Pope Street Project notes (x4) and discussion: Management is arranging the delivery of a large hot-or-cold salad bar from Los Alamos, delivered by a company that might to refrigeration for Pope Street for which this limited engagement could be an instructive trial. Management’s previous experience with salad bars is that they are high maintenance but very popular. Former attorney Pam Ray recommended that the co-op define substantial in the bylaws to lower the threshold of voting members necessary to sell property. 100 members are required to vote for bylaws changes. The Board considers and rejects applying the rules change to buying property since they sometimes need to be more nimble to take advantage of opportunity, i.e. Pope Street. The Board considers advice to put the old property on the market as soon as possible. Pam Ray suggested working with attorney Peter Chestnut on drafting language for bylaws. A co-op member asks about updating website, and a Board member offers to write a summary update for the website.

VII. Board Meeting Closure

A. Review task list, tabled items, if any, and calendar.

Betty will draft award letter to Clifford Ross & Cooper for Jennifer to sign and send, and also a letter to the firm that was not awarded the contract.

Chair of PSPC will either do a monthly summary for the website or delegate the task.

Away Dates:

Julianna Nov. 21-24

Shanti Nov. 18-24

Scott Nov. 18-24

Joe Nov. 20-22

Jennifer Nov. 22-24

B. Meeting adjourned 7:45

Executive Session to follow on personnel matter