



## **EFC Board of Directors Meeting**

**November 13, 2023, 6:01- 8:10 pm**

### **In Person**

**Directors Present:** Samantha Bailey, Joleen Baker, Sarah Baeverstad, Michelle Spangler, Nina Houts, Julie Tilka, Alicia Marcellis, Zack Avre

**Directors Absent:** Kristel Porter

**Staff Present:** Anne Gazola, Michelle Spangler, Luke Stensby

**Guests Present:** Seth Kuhl-Stennes, Ryan Brown, Mark Butcher

### **Call To Order:**

Samantha Bailey, Board President, called the meeting to order at 6:02 pm.

### **Preliminaries:**

The board voted to accept the consent agenda which includes the October meeting minutes and the November meeting agenda. Samantha motioned to approve the amended November agenda and the October BOD minutes. Zack seconded the motion. Upon voting, the motion was carried 8:0.

### **Owner Comment Period:**

Mark Butcher introduced himself as both staff and owner. Seth Kuhl Stennes introduced himself as former staff and board member and current owner. Ryan Brown was in attendance awaiting appointment to the board.

### **Board Business:**

#### **Certification of Board of Directors' Election Results from 2021 + 2022**

Alicia read Eastside Food Cooperative Board Resolution 2023.001:

Eastside Food Coopera.ve Board Resolution 2023.001 to Affirm and Uphold the Results of the 2021 and 2022 Eastside Food Coopera.ve Annual Election and Board Actions Taken and Decisions Made in 2021, 2022, and 2023. Whereas, Minnesota Statute **308A.631 QUOROM Subd. 1. Quorum** states, *(a) Except as provided in paragraph (b), the quorum for a members' meeting to transact business is: (1) ten percent of the total number of members for a coopera.ve with 500 or less members; or (2) 50 members for cooperatives with more than 500 members. (b) The quorum provisions of paragraph (a) apply notwithstanding quorum requirements of the articles or the bylaws, except for: (1) a larger quorum in articles filed by a cooperative after March 26, 1949; or (2) a larger quorum provided by amending the articles or bylaws after May 1, 1959; Whereas, **Article III: MEMBER MEETINGS, Sec5on 3.5 Quorum** states, *At any meeting of the members, or for any vote of the members, a quorum necessary for decision-making shall be 200 members; Whereas, One Hundred Forty Nine (149) members participated in the 2021 Eastside Food Coopera.ve Annual Election; Whereas, One Hundred Sixteen (116) members participated in the 2022 Eastside Food Coopera.ve Annual Election; Whereas, Minnesota Statute **308A.631 QUOROM Subd. 3 Meeting action invalid without quorum** states, *An action by a cooperative is not valid or legal in the absence of a quorum at the meeting at which the action was taken; Whereas, the Secretary of the Department of Health and Human Services (HHS) made a determination that a public health emergency (PHE) exists nationwide as the result of the 2019 novel coronavirus on January 31, 2020; Whereas, the Secretary of HHS last renewed the PHE as a result of the continued consequences of the coronavirus disease 2019 (COVID-19) pandemic on February 9, 2023; Whereas, the PHE required that coopera.ve businesses adjust their methods of opera.ng to ensure the safety of individuals; Whereas, many coopera.ve businesses experienced decreases in owner engagement during the PHE; Therefore, be***

it resolved that the validly and legally elected Eastside Food Cooperative Board affirm and uphold the validity of the 2021 and 2022 Eastside Food Cooperative Annual Elections; and Be it further resolved that the validly and legally elected Eastside Food Cooperative Board affirm and uphold the actions taken and decisions made by the Board of Directors during 2021, 2022, and 2023. Signed on this 13th day of November, Two-Thousand Twenty-Three.

Eastside Food Co-op Board of Directors

Michelle Spangler President

Zack Avre, Vice President

Julie Tilka, Secretary

Alicia Marcellis, Treasurer

Nina Houts, Director

Kristel Porter, Director

Joleen Baker, Director

Ryan Brown, Director

Sarah Baeverstad, Director

**Sarah** motioned to accept Eastside Food Cooperative Board Resolution 2023.001, as written, to Affirm and Uphold the Results of the 2021 and 2022 Eastside Food Cooperative Annual Election and Board Actions Taken and Decisions Made in 2021, 2022, and 2023. Alicia seconded the motion. The motion passed 8:0.

### **Director Appointment to Fill Vacant Seat**

Michelle motioned to appoint Ryan Brown to fulfil Samantha Bailey's board term until the 2024 Board of Directors' election. Nina seconded the motion. The motion to appoint Ryan Brown to a one-year board term passed 8:0.

### **IT + Security Presentation**

Luke Stensby, IT Manager, presented best practices for cyber security when using Eastside's Microsoft 365 system. This training is provided each year to the board following the seating of new board members.

### **Board Education**

The board read and discussed an article highlighting the importance of a healthy Board-GM relationship for strong cooperative direction.

### **Board Monitoring Report:**

Given the recent onboarding of new board members, the board decided to postpone board policy monitoring. Instead, Joleen shared that the policy governance committee met to discuss a shared interpretation for policy D4.2. The board discussed the nuance of "reasonableness". Anne shared a Columinate article that illustrates what that looks like concerning a board of directors of a cooperative. Joleen agreed that the governance committee will revisit this policy again in committee next month.

Joleen shared that she will be sending out a policy monitoring survey soon that adopts the new policy monitoring schedule.

### **Executive Limitations Monitoring Report:**

The Board discussed Anne's monitoring on policy, B1- Financial Monitoring. Anne reported compliance with the policy and all sub-policies with the exception of B1.2 due to one-time unplanned expenses. Samantha motioned to approve Anne's B1 reporting. Alicia seconded it. The motion passed unanimously.

## **GM Time:**

### **Store Updates**

A community member approached Eastside about bringing Save-a-Life stations stocked with free naloxone and supplies to the co-op. The board agreed with the importance of having naloxone available to the public. However, they expressed concern with those supplies being accessed by children. Anne agreed to work with the organization to find a safe, accessible location for the supplies.

New and additional numbers of cameras are coming to Eastside soon. Eastside's new E-Commerce is coming along. Anne is still awaiting an answer from the union about bringing tips to the Bev Bar. The conversation about tips with the union began in June.

### **Roof Project**

Eastside's roof on the original building has reached the end of its lifespan and needs to be replaced. The co-op has experienced water damage in the past and mitigation is no longer an option. Alicia Marcellis, Facilities Manager, has been pursuing estimates from several roofing companies. The board was presented with several options and chose the company that offered the lowest bid and offered the most "green" options. Anne is pursuing financing at NE Bank and leveraging Eastside's cash reserves for the best interest rate on a loan.

Alicia motioned to accept the All Weather bid with board approval up to \$600,000 to complete the roofing project and to delegate financing negotiations to the GM. Joleen seconded the motion. The motion passed unanimously.

### **Officer and Committee Chair Elections:**

Joleen motioned to elect Michelle as President, Zack Avre as Vice President, Julie Tilka as Secretary, and Alicia Marcellis as Treasurer. The board elected Nina Houts as Board Development Committee Chair and Joleen Baker as chair of the Policy Governance Committee. Sarah seconded motion. The motion passed 8:0.

### **Adjourn**

Samantha motioned to end the meeting at 8:10 pm. Joleen seconded the motion. Upon voting, the motion to close the meeting was carried 9:0.

The board moved into Executive Session to discuss confidential personnel matters.