

**Middlebury Natural Foods Cooperative
Board of Directors Meeting
October 28, 2015**

Board Members Present: R.J. Adler, Nadine Barnicle, Ross Conrad, Lynn Dunton, Kate Gridley, Jay Leshinsky, Sheila McGrory-Klyza, Tam Stewart, Louise Vojtisek.

Board Members Absent: Ilaria Brancoli Busdraghi, Kevin Lehman.

Others present: Victoria DeWind (staff liaison), Glenn Lower (GM), Laura Slavin (staff), Heather Wright (guest presenter).

Board Monitor: Louise.

Call to Order: The meeting was called to order at 6:30 pm with a review of the agenda.

Member Business: None.

Heather Wright, Atty. - Unions and Co-ops: After meeting with the Management Team earlier in the day, Heather gave a brief overview of the changes to regulations for union organizing in an effort to educate and prepare the Co-op should union activity start.

Unionizing activity often starts with store expansions or a personnel issue that management is not free to discuss with employees. Those employees that supervise, set salaries or hire and fire are considered management as opposed to rank and file employees. Management is prohibited from interfering or using persuasion in any unionizing activity.

The likely union to approach MNFC would be the United Food and Commercial Workers (UFCW) but it could be any union. While unions have a social mission around employee rights, they are businesses that need funds to operate and do lobbying.

The first step in organizing a union is employee engagement and public notice to gather signatures on Authorization Cards to proceed to next steps. With sufficient interest, the union then requests voluntary recognition of the union or petitions for a vote which would have to take place within 2-3 weeks. If a vote is held, the winner is the majority of those voting, not the majority of eligible voters. If the vote fails, the union may re-petition after one year. If successful, all employees must join and pay dues to the union. Only immediately before the expiration of the contract, usually in 2-3 years, is there a 30 day window when voting out the union is possible.

Once a union is voted in, several months can be spent negotiating a contract. These can cost as much as \$40,000 to write and grievances can lead to arbitration. If there is an impasse on bargaining a strike would be called.

Heather said, as co-op culture does not align well with union culture, it is often found that after unionizing, employee satisfaction goes down as rules keep them out of the negotiating process and there is no transparency or respectful communication.

For the Board, while they are not considered management and are not directly affected by unionization, they are agents of the cooperative and what any one of them may say or present publicly about the co-op or the union can be a liability and used in any legal action. The Board was made to understand that a unified neutral public position is essential. By law they, like management, may provide facts but may not try to persuade people one way or another or

interfere in any way in the unionization process, even in the face of community pressure to be involved.
(Heather and Laura left the meeting at 7:30.)

Approval of Minutes: On a motion by R.J., seconded by Sheila, the minutes of September 30, 2015 were approved as amended with all in favor and Kate and Nadine abstaining.

GM Report: Glenn said he has not yet received the paperwork for the loan to the East Aurora Co-op, a start-up in Aurora, NY. He has learned the loan will have a five year payback with an annual interest payment of 2.5%.

Louise and Jay found no previously approved MNFC loan policy. The suggested policy from Michael Healy was discussed. Nadine asked if the limit should be tied to fiscal health of the Co-op which will change with expansion. Lynn thought the \$100,000 limit was high but recognized there are currently \$65,000 in loans out now. There was consensus that there should be different parameters for co-ops and individual producer loans. Glenn will work on a final draft policy for Board consideration.

EL 4 Monitoring: Glenn's report was accepted as on time with reasonable interpretation of sufficient data and in compliance.

BGM Overview, 1, 2, 3: There was consensus that the Board was complying with the terms of the BGMs. Tam suggested that at some point they be streamlined to be less wordy which Kate said should happen before the Co-op is in full expansion. All agreed to changing the BGM 1 monitoring date to October. External reports would include consultants. Management review would be used under Direct Board Inspection.

GP 4 - Board Meetings and Attendance: The Board continued their discussion from last meeting and the changes Tam posted on Basecamp. The concern was having attendance issues as agenda items. Commitment to Board work and compensation requires attendance at meeting. Ross said these expectations are a way for the Board to follow its policies. Kate pointed out that directors are still doing the work even when they can't attend meetings. As the Board Development Committee is responsible for developing board culture and balancing personal needs with board responsibilities, it was agreed that instead of agenda time the BDC Chair will follow up with directors missing two meetings in a row. For missing four meetings, R.J. suggested changing it to "may" go on an agenda. Louise will do further editing on the GP on Basecamp.

Neighboring Food Co-op Association Conference: Jay and Glenn attended the recent Neighboring Food Co-op Association meeting that included over 100 people from 30 co-ops including several start-ups. Jay recounted a talk by co-op historian David Thompson about the important role of co-ops in social justice movements for civil rights, voting and housing in the past. He also learned about advocacy training done at the Highlander Center. Kate suggested this would be a good newsletter topic. They also attended workshops on expansion and expansion fundraising.

Glenn mentioned that City Market has just purchased a 5 acre lot in the Flynn Avenue and Pine Street area for their new second store which will cover 2 acres of the lot. How to use the remaining land will be a community discussion.

Next Meeting: November 18

Ends monitoring

EL12

CDS contract renewal

GP4 revision

BDC retreat planning – place and date

Election cycle planning

NCG membership

Adjournment: On a motion by R.J. seconded by Louise, the meeting was adjourned at 8:38 pm with all in favor.

Respectfully Submitted by Victoria DeWind