

Board Meeting Minutes

La Montañita Co-op

August 15, 2017, 5:45 pm

Gallup Chamber of Commerce, 106 W. Hwy 66, Gallup, NM87301

Board Directors Present: E. Wheeler, A. Satpathi, J. Glover J. Anaya, C. Jones, M. Hildebrandt

Directors Present Via Videoconference: G. Dennis joined the meeting at 6:30 pm from ABQ.

Directors Absent: M. Joe, G. Gould

Quorum Present? Yes

Others Present: R. Dixon (COSO), W. Prokopiak (CRO), B. Bright (TCW)

Members Present that signed in: J. Skeet, Ms. J. Skeet, A. Rondon, B. Bright, S. Grogan, A. Watkins, D. Duran, L. Hannum, J. Stonawski

Members Present Via Videoconference: R. Zaragoza, J. Swan, A. Whitekay, P. Gothard, C. Baren

Proceedings:

E. Wheeler called the meeting to order at 5:48 pm, welcomed everyone, and asked members to sign in. The Board members introduced themselves, and E. Wheeler introduced B. Bright, of Gallup.

I. Discussion Forum: Case for Gallup expansion/relocation (B. Bright)

- B. Bright and TCW –He discussed *The Navajo Nation Food System and Diné Food Sovereignty* organization and asked how the Co-op could work in partnership with them in the future. A. Rondon, Diné, and Executive Director (formerly McKinley Place Matters) said she has been working with various organizations, including Dona Ana, and other counties on health impact assessments. She noted that a lack of support, and infrastructure, and a lack of cooperative networks have been recent barriers.
- Skeets Farms and Covenant Pathways - Mr. & Mrs. Skeet of *Skeet Farms* in *Vanderwagen, NM*, have created collaboratives focused on building families' capacities to grow their own food, which is practical, not theory-based, a nuts and bolts hands on approach. *Skeet Farms*, in partnership with *Covenant Pathways* have organized food drives on the Navajo Reservation in New Mexico, and have worked hard to improve health and social equity issues for the community there. Mr. J. Skeet, formerly a Tribal Liaison for *United Healthcare*, observed a gap related to health and foods. He has been addressing a lack of community resilience in the native communities and is focused on finding ways to build resilience by offering information, materials, and workshops. He is involved with *Working Beauty*, *COPE*, and on the Board of *NM Thrives*, and looking at 501(c)3 organizations and how they can build a strong network. They have helped to facilitate chicken projects, gardening, organic farming, swells, and an incubator farm.

Ms. J. Skeet discussed the biology of the soil, applying microbes through the compost into the soil to feed the plants. How to care for the microbes, and compost research. Their focus is on increasing awareness and encouraging gardening, although it is difficult with drought conditions. She works with homesteaders, and native communities, instructing them on how to grow crops and take them to the marketplace. She offers recipes, developed by Mr. Skeet's mother, including: Blue corn pancakes, chocolate cake, to give others a vision of the use of healthy food. She proudly stated, "the Zuni mountains were the breadbasket of the southwest". She provided information regarding their products and contact information.

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- Gallup Main Street – Growth and Opportunities - L. Hannum, Executive Director for Gallup Main Street, noted that downtown is growing, socially, physically, and economically. There are many business opportunities, they have a quiet zone for trains, and the main grocery store was red-flagged and closed, not to be rebuilt. There is currently a great opportunity there for opening a new grocery store, which will support the downtown workers, and future residents.

There are 5 restaurants downtown, all fried food. *Camille's Sidewalk Café* has "something green", but many places in Gallup don't have "lettuce". There are 3,000 people that work in the downtown area looking for lunch. We have a great opportunity to expand our store, and be part of the downtown growth. There is also a downtown housing community, with a few hundred units. We have also been working with a second-hand outdoor store that is opening soon.

- LMC as Community Partners

E. Wheeler: How LMC can be better partners in the community?

Member: Accessibility with ADA and a need for larger aisles is an issue for some folks at the Gallup location.

Mr. J. Skeet: We are not in partnership. We need to establish relationships to create the cohesive vision. "communities within communities", Native, Gallup, others, how can we bridge the groups. Leaf, do you have any thoughts?: We need to figure out how to support one another.

J. Anaya: Asked the farmers how they can be better supported. Ms.. J. Skeet: We will be improving the labeling. J. Anaya: please contact the La Montañita Distribution Center and they can help. Mr. Skeet: Let's look at the vision of how we can work together. Our vision is to start a small cottage industry. We need business help and technical support. We are in a currency system, "rez-nomics", bartering, and we need to learn how we can move into the economic marketplace, and be a viable entity. E. Wheeler: There are lots of pieces in this, LMC is in this for the long haul.

II. LMC Business Meeting

E. Wheeler opened the meeting at 6:19 pm.

- 1) Approve the Agenda:

Issues Raised: A. Satpathi request to modify Consent Agenda as noted in section 2).

Actions Taken: C. Jones motioned to approve with modifications as noted.

J. Glover seconded the motion. Unanimous approval.

Actions Required: None.

- 2) Approve Consent Agenda

Issues Raised: A. Satpathi request to modify Consent Agenda to correct the date on July 18, 2017 Business Meeting Minutes.

Actions Taken: M. Hildebrand motioned to approve as written.

C. Jones seconded the motion. Unanimous approval.

Actions Required: Modify July 18, 2017 Business Meeting Minutes.

- a) Consent Agenda Items:

- i. Approve July 18, 2017 Business Meeting Minutes

Issues Raised: Modify, as noted in Section 2). A. Satpathi motioned to approve with revised dates. J. Glover seconded the motion. Unanimous approval.

- ii. Approve Proposal for Bylaws Changes

- iii. *Issues Raised:* None. C. Jones motioned to approve. A. Satpathi seconded.
Unanimous approval

III. **Committee Updates**

- 1) Policy Development Committee: (A. Satpathi) The Bylaws review is complete and ready for November Election by LMC Policy Committee Members and LMC attorney. The proposed Bylaws changes will now go to the LMC Community Development department to get on the November Ballot.
- 2) Membership Engagement Committee: (C. Jones) We would love to have Gallup involved, and be able to work with Gallup. The Committee meeting was held last week, we added an online forum, 20-30 people engaged and 5-6 subcommittees to roll out. A number of enthusiastic member owners. On Saturday, the 21st of October is the Annual meeting in Santa Fe. A subcommittee has formed to review member survey results, and the product manual as well. Looking at member recruitment and education as well.
- 3) Elections and Nominations Committee: (G. Dennis) The Board Candidate package is available at the LMC website, please pass the word around. The recent meeting was held yesterday. In attendance were R. Dixon, Ronda, D. Duran. The timeline for the elections has been determined. We are reviewing the candidate packets submitted, and determining which candidates meet the criteria as outlined in the packets. We are also verifying their membership, and screening for felony convictions. We're verifying that applications are complete, all questions answered, and a complete list of verified candidates will be submitted to Monique, Community Development. She will put a list of the names in the newsletter. In conjunction with the voting, the language to vote on the Bylaws updates. The Elections & Nominations Committee will prepare the ballot for the candidates, and a ballot for the updates to the Bylaws. After the voting is in for candidates, they will be sent an advanced consent request for background check and finger-printing, and commence the background checks. During elections, any questions can be answered with respect to the stores. The next meeting is the 2nd Tuesday of the month.

E. Wheeler: Is there a budget regarding the background checks? G. Dennis: \$60 per person.
Member: Sheriff office offers it free. E. Wheeler: Thank you G. Dennis.

- 4) Finance Committee: (J. Glover) Wells Fargo is the currently the banking provider for LMC. We have spoken to 3 banks, and are close to the point of making our final recommendation of a new bank to the members. The plan is to start moving by the beginning of calendar year 2018, at the latest. At the next meeting, we will present the banking provider information to the members, allowing members to do their own due diligence regarding this topic. The LMC cash balance is improving for this FY. The financials are available, which provide a breakdown for each store. **Action:** send financial data to the Gallup store. If you have questions, please send emails to board-treasurer@lamontanita.coop.

- 5) Member Questions and Comments on Committees:

Finance Committee Discussion. *Member: Thanks James for the financial update. It would be very useful to hear a report on a quarterly basis by store. Also, see membership trends by stores, look at staff vacancies by store, that impacts finances.*

J. Glover: The Committees looks at Key Financial Indicators, one is vacancies. We Look at membership numbers and what is the strategic plan for growing the membership base.

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Member: On the list of banks, is a credit union being looked at?

J. Glover: Credit Unions, unfortunately, cannot meet our banking needs. One of the banks being looked at does have a branch in Gallup. Looking at serving Gallup as well, and will the proposed changes work.

E. Wheeler: asked if there were any more questions or comments. There were no further questions or comments.

IV. LMC Business

- 1) Next Meeting Location: Move the September Meeting to ABQ ; October to SF (E. Wheeler)
LMC business will change meeting locations due to the annual meeting in Santa Fe this year. The September meeting will be in Albuquerque, due to October meeting in Santa Fe (vs. September meeting in Santa Fe and the Annual meeting in Santa Fe in October). *G. Dennis: Point of clarification, what is the Saturday meeting? C. Jones clarified that the annual meeting is on Saturday, October 21 in Santa Fe*
- 2) H.R. Audit Update
Member: Were all employees interviewed? E. Wheeler: No they weren't all interviewed. Generally, a sample is done. D. Duran: We interviewed about a dozen, from varying stores. The stores posted notices, team members were notified that the Auditor was available, and they had opportunities to speak with them. E. Wheeler: The HR Audit was about processes and not about interviewing every individual. They looked at onboarding, appraisals, processes, were any processes or rules broken? The next step is to interview through anonymous surveys, where every employee (270) will have an opportunity to comment. The next audit coming up is an internal controls audit. *Member: It was not clear that all members were not going to be interviewed.* E. Wheeler: we appreciate your comments and will merge the audit scope and the staff survey. G. Dennis: Only 12 people were interviewed, however, there were elements that were objective. The results indicated that LMC could do a better job with recruitment. The anonymous employee survey will capture direct comments to give us a more comprehensive picture.
- 3) New Stores and Strategic Locations
Member: A developer was approached by someone at the Coop by leasing space in a new development at the Rio Grande Crossing. E. Wheeler: The Co-op is looking strategically at all leases, as all businesses do. For example, the Rio Grande lease is up in 2 years. We are considering, "What is the best strategic location for the Co-op?". *Member: Would like to encourage the Coop to familiarize itself with the issues of the neighborhoods, before any decisions are made.* E. Wheeler: We are looking at all these issues – the team members and Co-op members will not be blind-sided.
- 4) Move for Gallup LMC
Leaf (Gallup Store Team Lead): If we do consider a move for the Gallup LMC to a bigger location in Gallup, it is really important to stay downtown. J. Glover: thanks for the presentation as to what Gallup wants. From the financial side, there were large losses last year, and in the first quarter. Now, that we are looking healthier, we can have that dialogue.

V. Member Comments/Questions

- 1) Proposed Bylaws Changes

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*Member Comments on the Bylaws proposed changes: **Section 1.2.5**, elimination of the November 19th date, recollection there was a capital campaign that was conducted for more life memberships, part of the date was you could get a refund of the life membership. Please look at this, may not come up again. **Section 2.7.8.8**. Co-op has always done reviews, unless there was a major issue. Requiring an audit every year is a fiscal hit- the reviews seems sufficient. **Section 3.1**. Elect Officers at a member-attended meeting.*

2) Diversity & Recruiting - Discussion

A discussion ensued regarding diversity and the new recruitment budget for LMC. LMC has made many changes since January of 2017, and is moving forward with various planned improvements and strategies for recruitment. It was emphasized that it is of high importance for the entire organization to address diversity concerns, improve recruiting methods, and begin implementing these strategies at the recruitment stage. The H.R. Department has new budget provisions, providing funds for increased H.R. staff, active recruiting, and access to improved recruiting tools. With an awareness of our state’s minority population, LMC has been diligently developing and implementing new processes designed to improve staff diversity and incorporate these goals and objectives into the new recruitment and planning processes.

R. Dixon: the HR audit is available at the stores. Member-owners can see the demographics, and comparisons. When reviewing the data, please realize that the number of those identifying as double minority status is twice as high as the state average. Member: that is our market base and a way to increase membership.

3) Member Communication Avenues

Member: Offered suggestions on how to communicate with more member-owners. She noted there is no video conference from Santa Fe. As a member of 3 international Boards, we have used live video streaming on Facebook. Means other members can see it, and will bring increased participation. At each meeting, someone staffs email and texts, and then sends those in and reports during the Board meeting. This is a way for everyone to participate in and view the meetings. E. Wheeler: Santa Fe is connected today by videoconferencing, but no one is there. You’ve made some very good points, thank you.

VI. Adjourn Member Session. Motion was made by J. Glover to adjourn; Motion was seconded by G. Dennis. The meeting was adjourned at 7:09 pm.

Executive Session – To be held following the Member Session.

ATTEST:

ALLENA SATPATHI, BOARD SECRETARY

_____, **BOARD DIRECTOR**