

Approved Nov. 16, 2010

**Grain Train Natural Food Cooperative
Board of Directors October 19, 2010 Meeting
Horizon Book Store, (basement meeting room) 6:00 PM**

Attending: John Paul Westbrook (J.P.) - President, Amy Maus - Vice President, Hal Willens - Treasurer, Trisha Shattuck - Secretary, Allie Greenleaf Maldonado, David Heidtke, Maggie Daniels, Renee Allen

General Manager (GM): Robert Struthers

Attorney present: Matthew Lesky

Employees attending:

Member / Owners attending: Erica & Dan Tosch previous Board members, William Boldyreff, Walter Harrier (Board candidate applicant)

Time Keeper: Amy

Secretary: Trisha

Our Mission: The Grain Train is committed to empowered individuals, vital communities and a healthy planet. As a Natural Foods Cooperative, we are the trusted source in northern Michigan for high quality, local, organic and natural products at a fair value to our membership and community.

Meeting called to order: (6:03) Quorum determined

Open member forum: Visitors make no statements.

Approval of minutes from the September 21, 2010 Board meeting.

Motion: Allie motions to approve the September 21st minutes as read. J.P. seconds the motion. Unanimous approval. (Amy not present yet.)

Motion: Allie motions to approve the Minutes of the Special Phone Meeting of the Board of Directors, Grain Train Natural Foods Cooperative, Inc., Monday, September 13, 2010. Trisha seconds the motion. Amy, Trisha, Allie, Maggie, Dave for the motion. J.P. and Hal abstain.

Next Meeting: November 16, 2010 - 6:00 Horizon Book Store, basement meeting room. (J.P. won't attend.)

J.P., Board President welcomes Robert (Bob) Struthers, new GM to his first meeting with the Grain Train Board.

General Manager's Report: Document provided to Board members via e-mail.

Motion: Allie motions for the Board to empower the GM to handle Lifetime Memberships as he sees fit, assuming he consults CBLD. (Cooperative Board Leadership Development) Renee seconds the motion. Unanimous approval.

Old Business:

West facade store signage to be reproduced for display on the Mitchell Street side.

Motion: Allie motions before the Board to thank John Paul Westbrook for his work in securing an insurance claim resulting in a recovery of \$25,000 to date, with the potential of receiving an additional \$10,000 to cover the Forensic Audit. Amy seconds J.P. abstains. Nearly unanimous approval.

New Business:

Motion: Allie motions before the Board to present to the membership the following revision to the Bylaws, and supported by the Board and the GM. Trisha seconds the motion. Discussion:

Proposed ByLaw Changes: (Highlighted in red.)

5.1 **SIZE AND ELIGIBILITY.** A Board of Directors, consisting of five (5) to nine (9) members elected by the membership or appointed by the Board under Article 5.3, shall govern the affairs of the Co-op. **No person or person with a family member who has a conflict of interest or a substantial personal or financial interest in the Grain Train shall be eligible to serve on the Board of Directors unless such interest is held in common with all co-op owners. Should a dispute arise regarding whether a conflict of interest exists, the parties shall defer to the Grain Train attorney for an assessment and a final determination on the matter.**

5.4 **REMOVAL OF DIRECTORS.** Members shall judge the performance of Directors and may remove them at their pleasure, with or without cause. The removal shall take place at a membership meeting, provided that notice of the intent to remove is included in the notice of the meeting. In each case, the question shall be put, "Shall __(name)__ be removed from the Board of Directors?" and a majority of valid votes cast in favor shall remove that Director. The meeting shall provide adequate time for the objects of the removal to provide a defense and for full discussion of relevant points of view. The Board may remove any Director who during his/her term has been absent, after receiving proper notice, from three or more regular ~~or special~~ board meetings **during the course of one year**, but excluding emergency **and special** meetings. **The Board may also remove any Director if the Board determines by 3/4 majority vote (not including the Director in question) that the Director violated an agreement with the Co-op, or worked against the Co-op's interest thereby causing financial harm to the Co-op. Board members facing removal will have the opportunity to defend themselves before the Board prior to the vote to remove.**

Unanimous approval.

Board CBLD Retreat November 14, 2010 at the Little Traverse Bay Golf Club 9:00 AM - 5:00 PM. Laying the framework for an efficient, effective and productive Board. Review of Policy Governance. Include prospective candidates: Troy Smith,Carolynn Belknap, Walter Harrier, Michael Cromley Unfortunately, Maggie won't be able to attend.

Letter of Resignation: The Board received Gary Hammons Letter of Resignation from the Board. Letter received by the Secretary for filing.

Proposed By-Law Revision re/ Audits:

I, Trisha Shattuck, Board Secretary motion before the Board, to bring the following proposed By-law change to the Member / Owners at the General Membership Meeting, January 8, 2011:

Under section 5.2 POWERS AND DUTIES of the By-Laws of the Grain Train Natural Food Cooperative, Inc. Ratified December 12, 2009, the following changes highlighted in red.

5.2 POWERS AND DUTIES. (Highlighted in red.)

g. Overseeing the Co-op's finances, such as ensuring that the books are compiled, or reviewed, and audited by accredited Certified Public Accountants at least every two years; approving bank affiliations, investments and loans; and establishing the cost of membership. Allie seconds the motion. Unanimous approval.

Motion to adjourn: Hal motions to adjourn. Renee seconds. J.P. & Maggie for adjournment. Allie, Trisha, Dave, Amy vote against. Motion failed.

Motion to Rescind the Personnel Policy Board approved September 21, 2010:

I, Trisha Shattuck, Board Secretary motion before the Board, to rescind the Grain Train Personnel Policy approved September 21, 2010 and revert to the pre-existing policy previously in effect to allow the General Manager time to have input in the Policy that reflects his goals and vision for the future of the organization.

J.P. seconds. Unanimous approval.

Motion to adjourn revisited: Hal motions to adjourn. Renee seconds. Unanimous approval.

Adjournment: 7:48 PM

The Absolute defense against slander and libel is the truth. ~ Allie Greenleaf Maldonado