

**Commonwealth Terrace Cooperative, Inc.  
Board of Directors  
Meeting Minutes  
July 26, 2017  
5:30pm – 8:15pm**

**Present:**

**Absent:**

<input checked="" type="checkbox"/>	Grace Bell	Board President	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Michael Herrmann	Board Vice President	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Paul Bigwood	Board Treasurer	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Matthew Young	Board Secretary	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Jaddy Yuhong	Board Director	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Guisheng Zhang	Board Director	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Dustin Chernick	Board Director	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Kate Sammons	Board Director	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Javi Monardez Popelka	Board Director	<input type="checkbox"/>
<input type="checkbox"/>	Scott Creer	Housing & Residential Life	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	Hadley Adkins	General Manager	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Shanea Schmelling	Operations Manager	<input type="checkbox"/>

**Total: 9 Present, 0 absent**

**Guests Present:**

<input checked="" type="checkbox"/>	Donna Hanbery	CTC Lawyer
<input checked="" type="checkbox"/>	Chris Crosby	Previous Board Member
<input checked="" type="checkbox"/>	Kim Weaver Olson	Previous Board Member
<input checked="" type="checkbox"/>	Locke Newell	Resident

**Meeting Rules**

- 1. Raise hand to speak
- 2. Two minutes per person
- 3. Give everyone a chance to participate
- 4. Stay calm, be respectful and do not get personal
- 5. Stay at the meeting (even if you get upset)

**Meeting Preparation**

- 1. Please read all documents in board packet in advance
- 2. Please let the group know in advance if you will be late or cannot make it to the meeting

*5:00pm General Manager will be available to discuss any agenda item or call and set appointment if it works better*

**5:30 - 5:35 Welcome, Choose Time Keeper and Process Assistant**

Timekeeper: Guisheng  
Process assistant: Dustin

**5:35 - 6:35 Donna Hanbery, CTC Lawyer (Board Training – legal perspective)**

Full Training guide provided by Donna Hanbery

Introduction

- Cooperative overview:
- Management Co-ops do not own any land and thus there are limitations as to what can be done. We own some assets. This looks different from how most Co-ops are define.
- Co-ops were first formed wherein an entity owns a building and then one bought a share to buy a lease of space in the building.
- Co-ops were popular in the 70s but are now declining.
- Student university co-ops give people a chance to learn how to do property management. This is a tremendous educational opportunity. There is a great opportunity in rental management education.
- Renting has been a lifestyle choice that is currently growing over buying homes. There are a lot of benefits in the growing rental world.
- Role of lawyer
  - To help and be a resource for CTC
  - CTC has some exciting diversity challenges and networking challenges.

Legal Obligation of CTC

- An Incorporated Cooperative with the Purpose Set Forth in Its Articles of Incorporation.
  - Articles are set up to not be long in term, but binding in nature.
  - Next structure includes Bylaws and they can be changed. If they are not working or being productive, then they should be changed and adjusted. They are binding and you do want to follow them.
  - Rules and Policies: can be working documents.
- CTC is a Managing Agent of Property Owned by the University of Minnesota and Has Contractual Obligations with the University.
  - The University is more hands-on than the past. This could be because of changes over time. In addition, how society has become more litigious in nature

- CTC is a Landlord
  - Duty is to repair property and keep it in compliance and code.
  - The University does have some responsibility for upkeep with the Capital Plan.
  - You cannot have unlawful activities on property. We have the duty to evict residents who are doing unlawful activities.
  - Duty to ensure Tenant's safety and security.
  - Provide lead disclosure for buildings constructed before 1978.
  - Offer proper care of property and preventative programs for bedbugs.
  - Screening is limited at CTC, since residents are set up with the University.
- CTC is an Employer
  - All employee issues flow through the general manager. Board members do not have the right to solicit direct contact with employees of CTC for Board items.
  - The board acts as the general manager's boss for hiring and firing of General Manger.
  - Employer has laws for their employees.
  - Independent contractors are hired.
- CTC is a Membership Cooperative
  - CTC residents as members get to drive the activities, resources, and programs we offer
- CTC "Controls" Real Property That is Used By Its Members and Members of the Public
  - Has obligation to take care of snow removal in order to avoid accidents and other care on property.

#### Directors' Individual Responsibilities

- Introduction
  - Duty to govern or direct the cooperative's affairs.
  - Abide within legal framework that governs the cooperative.
  - Directors have a duty to comply with the Statutes, Articles, Bylaws and policies of the cooperative.
  - Directors are not expected to do everything, and you can get suggestions and use resources.
  - Opportunities exist for outreach to experts on issues such as finances
- Duties of Individual Directors
  - Put the Co-op first. Do not have conflicts of interest. It is the board member's duty to express if a topic is personal.
  - Confidentiality- respect the rights of individuals
  - Corporate opportunity – To find opportunities which bolster the mission of the cooperative.
- Director's Duty of Care
  - You have to show up, you don't have to be an expert, you need to respect all those present, to read the reports, and to be prepared.
  - Delegate when and where it's appropriate.
- Board is Charged to Monitor and not to "Micro Manage"
  - Trust the staff and management team hired
- Tips for Productive and Functional Organization
  - Play by the rules- stick to the process.
  - Treat each other with respect, be an active listener, and seek to understand.
  - Set rules, agenda items, and stick with them.
  - Avoid personal attacks or comments in and out of meetings.

- If necessary, set up rules for handling meetings.
- Plan for important meetings and topics in advance.
- Questions
  - Is CTC as a management agency responsible for all vendor/service contractor decisions that are made?
    - Service contracts are made from within management staff taking bids. It is a good idea to have Donna read the contract before signing.
    - Hiring consultants- if you are getting good service, you may want to stick with it. If it is brand new, then you will want to be able to get a good, short contract that you will be able to get out of if something happens.
    - Internally, the management will do at least 3 for bids for services.
    - Consultants and expertise are needed.
  - All conversations to Donna, from Board of directors will need to be done through General Manager. Donna's time is charged, so anything will only be handled through GM and if GM sets up a conference call for group or task force.

***Grace makes the motion to move housekeeping #1- Elect Executive Leadership Committee to end of meeting after Onboarding of New board members. Seconded by Matt; 8 approve, 0 opposed.***

**6:35 – 6:45 Resident Voices – (2 minutes allotted) -Board will direct resident voice in appropriate direction.**

- Locke- interested to be on the Pet Policy Task force. He has gone through some research and is in favor of having more pets.
  - All residents are invited to be involved. The number of residents vs. board members will be decided by Task force.
  - Board would like to talk more about this in housekeeping agenda time.
- Printed Resident Voices Form-
  - Safety Concerns highlighted on wanting to install cameras for parking lot.
  - CTC has Patrol vests, flashlights and walkie-talkies for anyone who wants to have an active foot patrol.
  - CTC management called to ramp up University of Minnesota Police Department Patrol.
  - The board would like to have a future discussion with University of Minnesota Police Department about security system vs camera approaches to security
  - ***Dustin motions to make discussion of security at CTC an agenda item at the August Meeting. Javi seconded.***
  - Shanea will follow up with resident and invite her to the August meeting.
- Curtain rods are needed.
  - Suggestions offered to use spring rod, so that you don't have to put holes in wall and have charges at move out.
  - Can't use spring rods in Phase IV windows.
  - Will be added to agenda item with safety concerns in next meeting.

**6:45-7:00**

Pet Policy Task Force – confirm and assign (Board Members oversight)

- Board members to be on task force:
  - Dustin
  - Michael

- Kate
  - Task force will decide how to include resident voices and choose for future meetings.

**7:00 – 7:05 House Keeping:**

1. Confirm monthly Board meeting date and time
  - a. 6:00pm
  - b. 4<sup>th</sup> Tuesday of the Month
2. Terrace Times article -- July 31<sup>st</sup>
  - a. Matthew Young

**7:05 – 7:06 Approve: Packet / Agenda / Consent Agenda**

*-This is add or drop time only leading to an up or down vote. Any concerns or questions with the packet should be attended to during monthly reading of the packet prior to the meeting. (Financial, Management Report, Meeting Minutes, Committee Minutes, etc.) Address questions to Exec Committee or GM.*

**Grace motions to approve the consent agenda, agenda and packet; Dustin seconds; 8 approve, 0 opposed.**

**7:06 – 7:14 General Manager – Intro to onboarding**

- The previous General Manager retired March 31<sup>st</sup> and Hadley started April 1<sup>st</sup>. From this we had a shift within office staff with this retirement change.
- The office has made some changes within operations and feel that we have high level of standards to serve members of CTC.
- We are excited to move forward as a refreshed group and soon will get community pictures up in the Center.
- Fun facts: Hadley grew up at CSCC. She played women's hockey on the U Of M club team before they went Division 1. She also played on the MN Thoroughbreds with some of the women who played on the US Olympic team. She has been working at CTC for 11 years. She started in property management at the bottom. She did everything and then went into subsidy housing at Skyline Towers. She was hired at CTC under the Wilder Foundation and left for 45 days as things were headed south. She was hired back when Kris Graham was hired as the General Manager.
- Updated board manual noted- suggestions and feedback are appreciated as we move forward.
- Kim and Chris, previous board members, wanted to be a part of onboarding for new board members and mentorship as new members come in.

**7:14 – 8:15 Onboarding of new Board Members – logistics and functions of the Board**

- Board's relationship to U of M, Management and Residents can be confusing when first coming onto the board.
  - View flow chart in Board of directors manual.
- In 1958, CT housing was started and in 1970 the cooperative was formed because residents were not happy with how the University was managing the property. As it became a coop, the board then hired the GM, and the GM hired the staff. 2015 was the last year when the management contract with U was reviewed, but it is reviewed and signed every 5 years.
- Half of our gross income goes to the University, which is intended to go into the projects they have under Capital projects.
- Scott's role as Housing Resident Liaison (HRL) with the Board of directors:
  - HRL oversees CTC, Como, and Pillsbury properties.

- Serves as the contact person whom the General Manager communicates directly with for the University. GM meets monthly with Scott.
- Working relationship
- Communication protocol
- Work of Board
  - Subject board member code of contract
  - Informal discussion at end of meeting gives all board members the time and space to discuss possible future agenda items. This gives more discussion that would not let the executive committee have the only power dictate the future agenda. Proposed to not be a part of the formal meeting so that the Board can be candid between the whole board and encourage productivity.
- Financial reports and board calendar also reviewed.

#### **Elect Executive Leadership Committee – (FY17-18)**

- Description of each role sent in each previous document and short review given.
- President:
  - Nominate Grace- Grace accepts nomination
  - No other nomination
  - Motion to nominate Grace; seconded; All 8 in favor.
- Vice President:
  - Nominate Mike- Mike accepts nomination
  - No other nominations
  - Motion to nominate Michael; seconded; All 8 in favor.
- Secretary:
  - Nominate Matt via self-nomination
  - Motion to nominate Matt; seconded; All 8 in favor.
- Treasure:
  - Nominate Guisheng- accept
  - Nominate Dustin - accept
  - Nominate Paul- accept
  - Vote by ballot.
    - First voting round leads to a three-way tie between Dustin, Guisheng, & Paul. A second voting round (removing board president vote) leads to- 3 votes to Paul, 3 votes to Guisheng, 2 votes to Dustin.
    - Guisheng chooses to step down
    - Motion to vote Paul in as treasurer because Guisheng stepped down; All 8 in favor; 0 opposed.
  - Paul motions to appoint Dustin and Guisheng as Executive Committee members. Seconded by Javi. All 8 in Favor. 0 opposed.

#### **8:39 Close Board Meeting**

#### **Enclosures:**

Board Training Materials