

# 2010 Options for Changes to Co-op Power's Legal Documents

## Changes to Co-op Power's Membership Structure

**Option #1:** When people join now, their membership share is 100% equity plus a \$25 annual fee. The proposal is to have 50% of a person's membership share be equity and the other 50% be an initial fee.

**Implications:** This change will give Co-op Power income that can be used to pay for the cost of recruiting new members and supporting membership programs. It will give people less incentive to withdraw their membership when times are hard. It will reward Co-op Power's founding members who joined when we had not yet shown that this idea could work.

**Option #2:** Add a category of membership for the people who are participating in our Green Jobs programs. A person would earn this Green Job Membership once they had completed 500 hours in a Co-op Power sponsored green job training program or internship or worked in an entry-level job owned by Co-op Power. The membership share would cost them a small amount of money, the annual fee would be waived.

**Implications:** This new category of membership would allow people with very limited resources to join Co-op Power. Right now we have people who have worked intensively with Co-op Power for many months who are not able to join. They don't own homes. They make \$8-15 per hour. They know a great deal about energy efficiency, renewable energy, sustainability and justice. They'd be great Co-op Power members, but they need a class of membership that fits their circumstances. It seems wise for us to give them a way to participate.

**Option #3:** Add a new class of membership for businesses, organizations, and membership organizations. Allow the board to establish a system for determining member equity and fees depending on the size, resources, and service territory of each entity.

**Implications:** Right now all standard members pay the same for their membership. We also don't have a way for a group with 100 members to participate and bring benefit to their membership organizations. This proposal would allow the board to establish a pricing system for businesses, organizations, and membership organizations.

## Changes to the Co-op Power Articles of Inc.

**Option #4:** ARTICLE II. Change our purpose statement to state that Co-op Power engages in the manufacture, purchase, sale and resale of bio-diesel and other fuel products and related goods and services to both members and non-members primarily through education and outreach programs on a not-for-profit basis.

**Implications:** We're exploring in idea of building a training facility and need our Articles and By-laws to reflect what we're doing more accurately in order to qualify for funding and zoning requirements.

**Option #5:** Update our address from 277 Federal Street to 324 Wells Street in several places.

## Changes to the Co-op Power By-laws

**Option #6:** ARTICLE II. Change our purpose statement to state that Co-op Power engages in the manufacture, purchase, sale and resale of bio-diesel and other fuel products and related goods and services to both members and non-members primarily through education and outreach programs on a not-for-profit basis.

**Option #7:** Update our address from 277 Federal Street to 324 Wells Street in several places.

**Option #8:** ARTICLE IV, SECTION 6: Allow members to transfer their shares as gifts to immediate family members.

**Implications:** Our By-Laws now state shares cannot be transferred. It's been our practice, with legal guidance, to allow transfers as gifts between immediate family members. This is a proposal to update our By-Laws so they reflect what we're really doing in reality.

**Option #9:** ARTICLE V, SECTION 6. Reduce the percentage of members who have to participate in an annual member meeting in order to meet our quorum requirements from 50% to 10%.

**Implications:** We set the quorum requirements very high in order to make sure we made decisions with significant member participation, or at least member notification. We figured if members had to send in a proxy form that they at least had noticed that a meeting was happening, instead of having it lost in their mail and email. At this point, it takes staff 2-3 days of phone calling to get members to return their proxy forms in order for us to have a meeting. It's very costly and time consuming, and there have been times where it's been hard to meet that 50% requirement even with all that effort. While we'd love to have more participation, the reality is that we're a regional cooperative with members across New England and New York and participation in a regional annual meeting is

**Option #10:** ARTICLE VI, SECTION 10. Allow the board and board committees to use the Consent Model for decision making rather than Roberts Rules of Order. Here is the proposed text to include: "The Board and its committees will generally make decisions using a Consent Model unless otherwise required by law. Consent decisions will be made when no board member raises an objection to a clearly stated proposed decision formally presented to the Board or committee for consent. Should there be an objection, arguments for the objection must be given; an objection without reasoned argument will not be considered. If a member of the Board believes the discussion is not arriving at a consent decision in a timely manner, he or she can request that the Board make the decision with a vote. If a majority of the votes cast agree to move to a vote, the decision will be made by majority vote."

**Implications:** The board has been using a Consent Model modeled after Sociocracy's Consent Model for several years. It's more cooperative and less combative and fits our culture. Adopting this option would help us match our current practice with our by-laws.