

*Whidbey Island Grown Cooperative Bylaws*

**Article I. Name**

**Section I.1** The name of this cooperative is Whidbey Island Grown Cooperative and for convenience shall be referred to hereinafter as “WIGC” or the “Cooperative,” with like effect. This organization is a cooperative association pursuant to Chapter 23.86 of the Revised Code of Washington.

**Article II. Mission**

**Section II.1** The mission of WIGC is to support a viable agricultural economy, to increase the production and sales of agricultural products on Whidbey Island and to build a resilient, healthy and sustainable community.

**Section II.2** WIGC is formed as a multi-stakeholder cooperative formally to allow governance by representatives from across Whidbey Island food system in the categories of producer, buyer, and community partner.

**Section II.4** WIGC will take on projects and create programs within the local economy in order to enhance the economic viability of the local agricultural systems. Programs will address challenges faced by stakeholders in organizing shared resources, streamlining sales opportunities and reducing barriers to participation within the agriculture community.

**Section II.5** WIGC will work to connect local agricultural producers with buyers and facilitate aggregation and distribution of local products in ways that improve market access for producers and save buyers time and money.

**Section II.6** WIGC will promote its members to the community through marketing, networking, and agritourism to include but not limited to organizing public events, farm tours, and private events. WIGC will work to tell the stories and highlight the connections between its members, and illustrate the value its members bring to the community.

**Section II. 7** WIGC will work with producers to lower operating costs through aggregation and streamline processing programs such as bulk buying, animal processing facilities, value added facilities, as well as logistics and distribution support.

**Section II.8** The Cooperative will work toward establishing a retail food establishment(s) to give producers a direct sales outlet and give the local community a

reliable source for quality, healthy food with the priority being focused on local producers.

## **Article III. Membership**

**Section III.1** Membership requirements shall include the following and such other requirements as may be determined by the Board of Directors (“Board”):

(1) An applicant for membership must be approved by the Board to become a Member. The Board reserves the right to deny membership to any applicant.

(2) Each Member must purchase one full share of Cooperative common stock at such price as the Board shall determine from time to time.

(3) Each Member must agree to follow agricultural production practice standards, as applicable, which may be adopted by the Board from time to time.

(4) Members must commit to a spirit of cooperation and collaboration within the local economy.

**Section III.2** Membership Categories. There shall be three categories of membership in the Cooperative.

(a) Producers: Businesses who grow vegetables, meat, and other agricultural products on Whidbey Island.

(b) Buyers: Businesses who may purchase producers’ products for resale and/or value-added processing. Buyers commit to purchasing agricultural products locally when possible.

(c) Community Partners: Businesses, organizations, and individuals committed to buying and supporting local and regional agricultural missions and who support the Mission of WIGC.

**Section III.3** Membership Dues.

(a) Annual dues may be established by the board. Dues may vary by Membership Category.

### Section III.4 Membership Termination

- (a) Membership may be terminated by the Board if it is determined that the Member in question has conducted activities contrary to the best interests of WIGC or has violated the terms the Cooperative Articles of Incorporation, or these Bylaws, or Cooperative-adopted policies and practices. Membership termination shall be determined following a hearing before the Board, if requested, upon a simple majority vote of the Directors. Upon such termination, such terminated Member's right to vote and otherwise participate in the Cooperative shall cease, and the Cooperative shall have the right to immediately redeem such terminated Member's share of common stock for the actual consideration paid to the Cooperative. Upon such redemption, such membership and all rights incident to membership shall be terminated.

## Article IV. Member Meetings

**Section IV.1 Annual Meeting.** The Annual Meeting of the Members of the Cooperative shall be held on Whidbey Island, Washington, and shall be held at such hour and on such day during the month of January or February of each year as shall be determined by the Board of Directors. If, for any reason, the Annual Meeting of the Members shall not be held on the designated date, an Annual Meeting may be called for a different date and held upon the giving of four (4) week's notice.

**Section IV.2 Special Meeting.** A Special Meeting of the Members may be called at any time by the President, a majority of the Board of Directors, or not less than twenty-five percent (25%) of the Members of the Cooperative, to be held on Whidbey Island, Washington, at a time and place as determined by the Board. A Member-requested Special Meeting shall be held within 45 days of the request. The agenda of the Special Meeting shall be restricted to the topic(s) for which the meeting was called.

**Section IV.3 Notification.** Each Member entitled to vote shall be notified either by mail or email at least ten (10) days prior to any Annual or Special Meeting.

**Section IV.4 Voting and Quorum.** Each Member is entitled to one vote. Thirty-five percent (35%) or more of the Members entitled to vote, represented in person, by electronic conference, or by authorized representative as provided herein, will constitute a quorum for the transaction of business at a meeting of the Members. However, elections to the Board shall not be postponed for lack of a quorum. Once a quorum has been established, the quorum shall be presumed for the remainder of the meeting.

**Section IV.5 Action by Members without a Meeting.** Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if a written consent setting forth the action so taken is signed by a majority of Members entitled to vote with respect to the matter under consideration. The written consent shall be

inserted in the minutes book as if it were a meeting of the members. Written consent as referred to herein may be by electronic transmission such as email.

**Section IV.6 Authorized Representative.** A Member who is unable to attend a meeting in person shall be permitted to appoint an Authorized Representative to attend and cast a vote in his or her place, as set forth herein. The Member must be unable to attend in person and, in such event, may appoint either a family member, an employee of the Member, or another Cooperative Member. A Member shall submit written notice to the Board not less than three (3) days prior to the meeting in question, verifying the Member's inability to attend and identifying Member's Authorized Representative. Upon meeting the requirements of this section, the Authorized Representative so appointed shall be deemed a Proxy of Member and shall be entitled to cast the Member's vote at the meeting.

**Section IV.7 Electronic conference.** The Board shall provide a secondary electronic option for attendance at Meetings by Members. A Member who is unable to attend a meeting in person shall be able to attend the meeting electronically through the electronic option. Electronic attendance shall be counted toward the quorum and votes may be cast through electronic conferencing.

## **Article V. Board of Directors**

**Section V.1 General Power.** The general powers, business, and property of WIGC shall be exercised, conducted, and controlled by a Board of Directors. Each voting Director shall be entitled to one vote, and all questions, except as otherwise provided by law or these Bylaws, shall be controlled by a majority vote of those present at a duly constituted meeting of the Board.

(a) The Board of Directors shall have the general management and control of the business and affairs of WIGC and shall exercise any and all of the powers that may be exercised or performed by WIGC under the Law, the Articles of Incorporation, and these Bylaws. The Board may make and enforce such rules and regulations as it deems necessary, conducive, incidental, or advisable to accomplish or promote the object and purposes of WIGC and the use of its property, assets, and facilities.

(b) The Board may appoint, employ, terminate, discharge, fix the compensation and provide for the duties and powers of such officers, agents, and employees as, in the judgment of the Directors shall be advisable, subject to the requirements and provisions of these Bylaws.

**Section V.2 Composition.** The business and affairs of WIGC shall be managed by a Board of seven (7) Directors. Initial governance of WIGC shall be the responsibility of an Interim Board of five (5) individuals. The Steering Committee shall serve only from the first organizational meeting until the first Annual Meeting of Members, at which

time the Members shall elect a Board of Directors. The composition of the board will consist of 5 to 9 members, of which a majority must be producer members.

**Section V.3 Terms.** At the first Annual Meeting, the Directors shall be elected to staggered terms such that three (3) Directors will be elected to terms of two (2) years, and four (4) Directors will be elected to terms of one (1) year. Following the initial election, Directors shall be elected to terms of two (2) years.

(a) Each duly elected Director shall serve until the expiration of his or her term and until a successor is elected and qualified, unless the Director resigns or is removed.

(b) Resignations from the Board shall be in writing, addressed to the Board.

(c) Vacancies in the Board shall be filled by a majority vote of the Board of Directors, with the replacement Director so elected serving until the next Annual Meeting of the Members, at which meeting the Members shall vote to elect a Director for such position who shall serve to the end of the term of the Director who has left the Board.

**Section V.4 Election of Directors.** In the election of Directors, each Member shall be entitled to nominate one candidate, and each Member will have one vote. All Members are entitled to vote for candidates from all Membership Categories. The Board of Directors may prescribe rules and regulations not inconsistent with these Bylaws governing the nomination of Directors and the qualifications of candidates. However, said rules and regulations shall specify that candidates shall currently qualify as Members of the Cooperative and shall be willing to be a candidate for the office of Director and to serve in that capacity, if elected. Said rules and regulations may also provide that a Nominating Committee be appointed by the Board of Directors. Nominations may also be made from the floor at the Annual Meeting, provided any such nominee is present at such meeting and meets the qualifications of a candidate as referenced herein.

**Section V.5 Removal.** Any Member may request the removal of a Director by filing such request with the WIGC Secretary, together with a petition signed by Members representing twenty-five percent (25%) of the membership, requesting the removal of the Director in question. Thereupon, the Board of Directors must call a special meeting of the Members within forty-five (45) days to consider the removal of the Director. By a vote of Members representing a majority of the membership voting, the Director in question shall be removed from office and the vacancy shall be filled. The Director against whom such a request has been filed shall be informed in writing previous to the meeting and shall have an opportunity at the meeting to be heard in person or by

counsel and to present witnesses. The person or persons requesting removal shall have the same opportunity.

## **Article VI. Standards of Conduct**

**Conflict of Interest.** The Board shall have a Conflict of Interest Policy that shall require Directors to make prompt and full disclosure to the Board of any personal, professional, or financial conflict of interest in any matter under discussion. A Board member shall not participate in any vote on any matter in which the Director has a conflict of interest.

## **Article VII. Meetings of the Board of Directors**

**Section VII.1 Time and Place.** Meetings of the Board shall be held at such times and places on Whidbey Island, Washington, as shall be determined by the President or the majority of the Board.

**Section VII.2 Annual Board Meeting.** The Annual Meeting of Directors, at which the officers of the Cooperative shall be elected, shall be held immediately following the adjournment of the Annual Meeting of Cooperative Members.

**Section VII.3 Regular Board Meetings.** Regular board meetings may be held after the giving of sufficient notice to each Director to reasonably enable the Director to attend, provided there shall be no less than ten (10) days actual notice. Directors unable to attend a regular meeting in person may attend by telephone or video conference.

**Section VII.4 Special Board Meetings.** Special Board meetings may be called by or at the request of the President or Vice President or any two (2) Directors. The person or persons authorized to call a special meeting shall notify Board members of the meeting by mail or email at least ten (10) days prior to such meeting.

**Section VII.5 Open Board Meetings.** Except as provided in below, all Board meetings shall be open to all Members.

**Section VII.6 Minutes.** The Board shall keep minutes of all actions taken by the Board, which shall be available to all Members.

**Section VII.7 Closed Session.** Upon an affirmative vote taken in an open meeting to assemble in closed session, the Board of Directors may convene in closed session, for example, to consider personnel matters, to consult with legal counsel or consider communications with legal counsel, to discuss likely or pending litigation, or to take up matters involving possible liability of a Member of WIGC. The motion to assemble in closed session shall state specifically the purpose for the closed session. The motion and the stated purpose for the closed session shall be included in the minutes. The

Board of Directors shall restrict consideration during the closed meeting only to those matters specifically stated in the motion. No motion or other action adopted, passed, or agreed to in closed session may become effective unless the Board of Directors, following the closed session, reconvenes in open meeting and votes in the open meeting on such motion or other action that is reasonably identified. The requirements of this subsection shall not require the disclosure of information in violation of law or which is otherwise exempt from disclosure.

## **Article VIII. Officers**

**Section VIII.1 Number, Election, and Term of Office.** The officers of WIGC shall be a President, Vice President, Secretary, and Treasurer, all of whom shall be elected by the Board of Directors at the annual meeting of the Board, to serve until the next annual meeting and until their successors are elected and have qualified. The offices of Secretary and Treasurer may be combined into one office as Secretary-Treasurer. Only Members of WIGC may serve as officers of the same. Vacancies in any term of office may be filled by the Board of Directors at any meeting.

**Section VIII.2 President.** The President shall preside at all meetings of Directors and Members, and shall have general management of the affairs of WIGC, shall sign all written contracts of WIGC, shall appoint and discharge all agents and employees, subject always to the approval of the Board of Directors and subject to the right of the Board of Directors to remove or discharge the same, and shall perform all such other duties as are incident to the office or as may be required of the President by the Board of Directors.

**Section VIII.3 Vice President.** The Vice President shall perform the duties of the President in the absence or incapacity of the President, and such other duties as may be requested by the President or the Board of Directors.

**Section VIII.4 Secretary.** The Secretary shall keep the minutes of all meetings. The Secretary shall attend to the giving and serving of all notices of WIGC, shall have charge of all corporate record books, shall attest by signature to all written contracts of WIGC, and shall perform all such other duties may be required of the Secretary by the Board of Directors.

**Section VIII.5 Treasurer.** The Treasurer will generally oversee the financial record keeping of WIGC, shall ensure that proper books of account are kept, and shall submit these books, together with all corporate records and papers, to the Board of Directors at any meeting when required to do so. The Treasurer shall perform all such other duties relating to the financial affairs of WIGC as may be required by the Board of Directors.

**Section VIII.6 Other Officers.** In addition to the foregoing officers, the Board of Directors may, from time to time, elect such other officers as they see fit, with such

duties as the Board deem proper.

**Section VIII.7 Manager.** The Board shall have the discretion to establish a position for a Manager, who shall not be an officer nor a Board member and who shall work at the direction of the President.

## **Article IX. Accounting and Finance**

**Section IX.1 Fiscal Year.** The fiscal year of WIGC shall begin on January 1<sup>st</sup> of each year and shall end on December 31 of each year.

**Section IX.2 Accounting System and Reports.** The Board of Directors shall cause to be established and maintained, in accordance with generally accepted accounting principles, an appropriate accounting system.

**Section IX.3 Contracts.** Except as otherwise provided in these Bylaws, the Board of Directors may authorize any Officer or Officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name and on behalf of the WIGC.

**Section IX.4 Checks, Draft, Etc.** All checks, drafts or other orders for the payment of monies, and all notes, bonds, or other evidence of indebtedness issued in the name of WIGC shall be signed by such Officer or Officers, agent or agents, employee or employees of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. Checks of \$1,000 or more for items not in the approved budget must be approved by the Board.

**Section IX.5 Deposits.** All funds of WIGC shall be deposited from time to time to the credit of WIGC in such depositories as the Board of Directors may elect.

**Section IX.6 Audits.** The Board of Directors shall determine the level of audit required (i.e., compilation, review, or full audit) for the fiscal year and appoint a Financial Review Committee or a Certified Public Accountant. Financial records and review shall be made available to Members at least two weeks prior to the Annual Meeting. The Financial Review Committee shall comprise three (3) Members not on the Board but who are appointed by the Board.

## **Article X. Insurance**

**Section X.1 Insurance.** WIGC shall purchase adequate liability and property insurance for WIGC.

**Section X.2 Responsibility.** The Secretary shall be responsible for obtaining and maintaining all insurance, with the approval of the Board of Directors.

## **Article XI. Conduct of Business**



**Section XI.1** Robert's Rules of Order shall be recognized as authority governing all meetings when not in conflict with the law, the Articles of Incorporation of the Cooperative, or these Bylaws. WIGC should make every attempt to ensure that all perspectives are heard and thoughtfully considered during the course of discussions.

## **Article XII. Amending or Replacing Bylaws**

**Section XII.1** The Board of Directors shall have the power to make, amend, or repeal the Bylaws of the Cooperative at any meeting of the Directors by an affirmative two thirds (2/3) vote of the entire Board of Directors.

**Section XII.2** A record of the vote shall be recorded in the meeting minutes.

**Section XII.3** The Board shall notify the Members of any change in the Bylaws within thirty (30) days of such change.

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