



Wheatsville Board of Directors
September 2012 Meeting Agenda
Tuesday, September 25th, 2012
6:00 – 9:00 pm @ Wheatsville meeting room,
3105 Guadalupe

TIME	TOPIC	ACTION
6:00 pm	1. OPEN TIME – for WV Owners to present any topic to the board	LISTEN
6:10 pm	2. AGENDA REVIEW 3. CONSENT AGENDA: August 2012 Meeting Minutes D5 Treatment of Consumers Policy Monitoring Report B8 Governance Investment Policy Monitoring Report Email Vote: Resolution to Authorize the GM to enter into Amended Lease GM Report	DISCUSS VOTE
6:15 pm	4. STRATEGIC LEARNING/DISCUSSION (1 min) Wheatsville Ends (19 min) Visions of CCMA 2012	DISCUSS
6:35 pm	5. COMMITTEE WORK/GOVERNANCE (5 min) Austin Co-op Think Tank Committee (10 min) Strategic Learning Committee (5 min) Fall Owner Gathering Committee (20 min) Audit Committee (0 min) Review Committee (0 min) Nominations Committee (20 min) Board Compensation	VOTE DISCUSS DISCUSS VOTE DISCUSS DISCUSS VOTE
7:35pm	6. BREAK	
7:45pm	7. BIG DIRECTION ***EXECUTIVE SESSION*** Purpose: to discuss confidential/proprietary information related to business planning, real estate, and finance. ***END EXECUTIVE SESSION** Tentative: Possible Board Resolution Authorizing the General Manager to enter into a loan agreement with the National Cooperative Bank	DISCUSS VOTE
9:00 pm	8. ADJOURN	

Wheatsville will be at the forefront of a transformed society that has:

- a thriving community centered on hospitality, kindness, and generosity
- a robust cooperative economy
- easy access to sustainable, healthy food solutions



Board of Directors Meeting Minutes September 2012

Present: Rose Marie Klee, *President*; Doug Addison, *Secretary*; Steven Tomlinson, *Treasurer* (by phone 7:45-end) Reyna Bishop; Mark Wochner; John Vinson; Ellison Carter; Kitten Holloway; and Kate Vickery.

Also Present: Dan Gillotte, *General Manager*; John Perkins, *Finance Manager*; Beth Beutel, *Board Administrative Assistant*; Bruce Mayer of Wegner CPAs (by phone).

Absent: none.

Call to Order 6:00 PM

1. OPEN TIME

The social hour with Theron has been cancelled. Beth will attempt to reschedule.

Dan attended the NCGA General Assembly last week with all the National Cooperative Grocers Association GM's or designated representatives. Wheatsville was widely recognized for its high level of staff satisfaction.

Rose Marie Klee and John Vinson are going to write an article for the Cooperative Grocer about managing Conflict of Interest on the Board.

RMK is having conversations this week with the Urban Renewal Board about solutions to the food desert problem on the east side.

2. AGENDA REVIEW 6:11 PM

Visions of CCMA shortened.

3. CONSENT AGENDA: 6:15 PM

August 2012 Meeting Minutes
D5 Treatment of Consumers Policy Monitoring Report
B8 Governance Investment Policy Monitoring Report
Email Vote: Resolution to Authorize the GM to enter into Amended Lease
FY2011 End of Year Financial Statements
GM Report

Mark Wochner pulled the email vote because it did not have his email signature.

RMK pulled the B8 Monitoring Report.

Mark moved to accept the Consent Agenda. Ellison seconded the motion. Motion passed 8-0-0.



Board of Directors Meeting Minutes September 2012

Rose Marie Klee moved to accept the Email Vote with the amendment that Mark be added to the email vote in the correct time order. Kitten seconded. Motion passed, 8-0-0.

On B8.2.3 policy monitoring, Mark and Doug gave the Board a high score for the great improvement from previous years.

RMK moved to accept the B8 Monitoring Report. Kate Vickery seconded. Motion passed 8-0-0.

4. STRATEGIC LEARNING/DISCUSSION

6:19 PM

Wheatsville Ends

The Board recited the Ends Policies in unison.

Visions of CCMA 2013

The Board discussed various ways to optimize the experience of the participants at CCMA, including: inviting city and state officials, inviting other progressive organizations in Austin, having optional activities on Thursday or Sunday, and including other Austin-area non-grocery co-ops.

Kate moved to create a CCMA 2013 Planning Committee, members to include Board, Staff and Owners with no significant resources at this time to strategize for the CCMA 2013 conference. Rose Marie Klee seconded. Motion passed 8-0-0.

5. COMMITTEE WORK/GOVERNANCE, PART I

6:31 PM

Austin Co-op Think Tank

The ACTT conference will be pushed back to the last weekend in January.

There are zoning ordinances against housing co-ops in West Campus that will be voted on November 8th. The Board requested to be notified about activity in this area.

Strategic Learning Committee

John Vinson debriefed the Board on the book club meeting. It successfully engaged owners in a high-level discussion. The next book club meeting is October 15th. Doug Addison, Mark Wochner, and John Vinson will be facilitating.

The Board discussed the charge for the Strategic Learning Committee and decided that they had done their duty of planning the Strategic Learning exercises for the year.



Board of Directors Meeting Minutes September 2012

Reyna moved to the Strategic Learning Committee be dissolved effective immediately. John Vinson seconded. Motion passed 8-0-0.

Fall Owner Gathering Committee

Reyna updated the Board on developments with Fall Owner Gathering planning, noting that the reminder cards have gone out, RSVP's are steadily coming in, and that all aspects of planning are going well.

Investor Shares

Dan and John updated the Board on the two resolutions drafted for the Board by Wheatsville's legal counsel. The first resolution allows Wheatsville's current investor share-holders to extend their put dates with increased financial incentives for the investors.

The second resolution is to raise new money by establishing a new investor shares program with a minimum investment of \$5,000 and incentives for \$10,000 or higher with incentives to stay for lengthier periods of time.

The Board decided to wait on voting on the resolutions in order to allow time to more thoroughly review the wording of the resolutions.

Dividends pay out annually, premiums pay out only once at the put date.

Nominations Committee

The election is underway and going well.

Board Compensation

Mark Wochner submitted a well-researched proposal on Board compensation as part of the Board packet. The Board discussed the differences in compensation between co-ops of a similar size, noting that Wheatsville is one of the few that does not have a stipend. Under the current Wheatsville Board compensation of a 10% discount, there is a factor of three as a benefit discrepancy between the lowest and highest spending directors.

The Board confirmed that the current level of compensation does not adequately reflect the value of the Board's work. The directors stated that they were comfortable accepting compensation in either discount or stipend form.



Board of Directors Meeting Minutes September 2012

Mark moves that for the 2013 Board, Wheatsville maintain a 10% discount per director, affirm the \$300 a month stipend for the president and add a \$100 a month stipend for all other directors. Reyna seconded the motion. Motion passed 8-0-0.

6. BREAK 7:25 PM

7. COMMITTEE WORK/GOVERNANCE, PART II 7:35 PM

Audit Report

Steven Tomlinson and Bruce Mayer join by telephone. As requested, Bruce Mayer debriefed the Board on the auditing process and its results.

Steven moved that the Board accept the 2012 audit. Doug seconded. Motion passed 9-0-0.

Steven moved that the Board dissolve the 2012 Audit Committee. Ellison seconds. Motion passed 9-0-0.

RMK thanked Steven for his service as the 2012 Audit Committee chair and said that it was a great learning experience.

9. BIG DIRECTION 7:57 PM

At 7:45pm, RMK moved to enter into Executive Session, with Dan Gillotte, John Perkins, and Beth Beutel to discuss matters of a proprietary nature.

*****EXECUTIVE SESSION*****

Purpose: to discuss confidential/proprietary information

**At 8:47pm, RMK moved to come out of executive session.
RMK moved to adjourn at 8:47.**

ACTION ITEMS

Dan and Rose Marie will talk about tips on getting through the City of Austin's variance process.

PARKING LOT



RESOLUTION TO AUTHORIZE SIGNING OF AN AMENDED AND RESTATED LEASE AGREEMENT WITH CONTINGENCIES

WHEREAS the purpose of Wheatsville Co-op is to create a self-reliant, self-empowering community of people that will grow and promote the transformation of society through cooperation, justice and non-exploitation; and

WHEREAS the Wheatsville Co-op is committed to being at the forefront of a transformed society that has a thriving community centered on hospitality, kindness and generosity; a robust cooperative economy; and easy access to sustainable, healthy food solutions; and

WHEREAS retail grocery outlets that tangibly express our values in every aspect of their operations are our means for transforming society; and

WHEREAS the success of Wheatsville's flagship store at 3101 Guadalupe is based on the trust, commitment and support of our 11,000+ Owners, the Austin community and the broader cooperative movement; and

WHEREAS the Wheatsville Co-op General Manager and the subject-matter experts with whom staff collaborate do recommend and assert the viability of preliminary plans for the development of a second retail location; and

WHEREAS under a prior resolution dated May 6, 2012, the General Manager was authorized by the Wheatsville Board of Directors to sign a lease agreement with contingencies for the site of a second outlet in the Lamar Oaks Shopping Center, and under that authorization the General Manager did on May 23, 2012 execute a lease agreement with contingencies expiring on September 20, 2012; and

WHEREAS the contingencies established in the May 23, 2012 lease agreement have not been cleared but the General Manager and subject-matter experts with whom staff collaborate continue to assert the viability of plans for the development of a second retail at the Lamar Oaks Shopping Center location; and

WHEREAS work is ongoing to refine plans for such second retail outlet and test their final viability:

NOW THEREFORE BE IT RESOLVED that the Wheatsville Co-op Board of Directors does authorize the General Manager or other Wheatsville representative designated by the General Manager to sign an amended and restated lease agreement for the Lamar Oaks Shopping Center location with contingencies including approval by the Wheatsville Board of Directors, in its sole discretion, of all terms and provisions of the lease and reserving Wheatsville's right to terminate the lease agreement if such contingencies are not satisfied to Wheatsville's satisfaction by the end of the day on November 5, 2012.

This resolution is adopted by unanimous consent of the Wheatsville Board of Directors, to be effective on the 19th day of September, 2012.

Rose Marie Klee, President

Doug Addison, Secretary

Wheatsville Co-op
Board of Directors
September 19-20, 2012

Email Action to Approve Resolution to
Authorize General Manager (or is designated agent) to enter into an amended lease agreement

On Sep 19, 2012, at 2:24 PM, Rose Marie Klee wrote:

Dear Board,

Attached please find the resolution to authorize the General Manager (or his designated agent) to enter into an amended lease agreement.

I hereby motion to approve this resolution, and would like to call for a second.

Thank you!

-rmk

On Wed, Sep 19, 2012 at 2:37 PM, Doug Addison <daddison@wheatsville.coop> wrote:
I second Rose Marie's motion to approve a resolution to authorize the General Manager (or his designated agent) to enter into an amended lease agreement.

Doug Addison,
Sept. 19, 2012

Date: Wed, 19 Sep 2012 14:43:23 -0500
Subject: Re: WV - lease resolution *ACTION REQUIRED ASAP*
From: kate.vickery@gmail.com
To: daddison@wheatsville.coop
CC: Boardemail@wheatsville.com; John@wheatsville.com; gm@wheatsville.coop; bbeutel@wheatsville.com

I vote in favor of the motion to approve a resolution to authorize the General Manager (or his designated agent) to enter into an amended lease agreement.

Kate Vickery
Sept. 19, 2012

On Sep 19, 2012, at 2:47 PM, Reyna Bishop wrote:

I vote in favor of the motion to approve a resolution to authorize the General Manager (or his designated agent) to enter into an amended lease agreement.

Reyna Bishop
Sept. 19, 2012

From: Ellison Carter [mailto:ellison.carter@gmail.com]
Sent: Wednesday, September 19, 2012 3:43 PM
To: Steven Tomlinson
Cc: Doug Addison; Boardemail; John Perkins; Dan Gillotte; Beth Beutel
Subject: Re: WV - lease resolution *ACTION REQUIRED ASAP*

I vote in favor of Rose Marie's motion to approve a resolution to authorize the General Manager (or his designated agent) to enter into an amended lease agreement.

Signed,
Ellison Carter
September 19, 2012

I vote to approve the resolution.

Signed,
Ellison Carter
September 19, 2012

From: Mark S. Wochner [<mailto:mwochner@wheatsville.coop>]
Sent: Wednesday, September 19, 2012 4:26 PM
To: Boardemail
Cc: John Perkins; Dan Gillotte; Beth Beutel
Subject: RE: WV - lease resolution *ACTION REQUIRED ASAP*

I vote in favor of Rose Marie's motion to approve a resolution to authorize the General Manager (or his designated agent) to enter into an amended lease agreement.

Signed,
Mark Wochner
9-19-12

On Sep 19, 2012, at 9:08 PM, Doug Addison <daddison@Wheatsville.com> wrote:

I vote in favor of Rose Marie's motion to approve a resolution to authorize the General Manager (or his designated agent) to enter into an amended lease agreement.

Doug Addison,
Sept. 19, 2012

I vote in favor of the motion to approve a resolution to authorize the General Manager (or his designated agent) to enter into an amended lease agreement.

Steven Tomlinson
September 19, 2012

From: **Kitten** <tenhollow2247@att.net>
Date: Wed, Sep 19, 2012 at 9:26 PM
Subject: Re: WV - lease resolution *ACTION REQUIRED ASAP*
To: Rose Marie Marie Klee <rkleee@wheatsville.coop>
Cc: Boardemail <Boardemail@wheatsville.com>

I Approve the resolution to authorize the General Manager (or his designated agent) to enter into an amended lease agreement.

Signed
Kitten Holloway, WV Board Member
Sent from my iPhone

On Thu, Sep 20, 2012 at 9:00 AM, John Vinson <johnvinsonatty@yahoo.com> wrote:
I vote to approve the Resolution authorizing the signing of the Amended and Restated Lease Agreement.

Signed John W. Vinson
9/20/12

John W. Vinson, Attorney
John W. Vinson, PLLC
700 Lavaca Street, Suite 1400
Austin, TX 78701
T- [\(512\) 334-6140](tel:(512)334-6140)
F- [\(512\) 926-7380](tel:(512)926-7380)
C- [\(512\) 585-4883](tel:(512)585-4883)
johnvinsonatty@yahoo.com

From: rosemarie.klee@gmail.com [mailto:rosemarie.klee@gmail.com] **On Behalf Of** Rose Marie Klee
Sent: Thursday, September 20, 2012 9:03 AM
To: Boardemail
Cc: Dan Gillotte; John Perkins; Beth Beutel
Subject: Re: Amended and Restated Lease Resolution

I vote to approve the Resolution authorizing the signing of the Amended and Restated Lease Agreement.

With all directors voting unanimously, the motion passes 9-0-0.

Thanks to all for the responsiveness!

Signed,
Rose Marie Klee
9/20/2012



RESOLUTION TO AUTHORIZE SIGNING OF AN AMENDED AND RESTATED LEASE AGREEMENT WITH CONTINGENCIES

WHEREAS the purpose of Wheatsville Co-op is to create a self-reliant, self-empowering community of people that will grow and promote the transformation of society through cooperation, justice and non-exploitation; and

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WHEREAS retail grocery outlets that tangibly express our values in every aspect of their operations are our means for transforming society; and

WHEREAS the success of Wheatsville's flagship store at 3101 Guadalupe is based on the trust, commitment and support of our 11,000+ Owners, the Austin community and the broader cooperative movement; and

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A handwritten signature in black ink, appearing to read "Rose Marie Klee".

Rose Marie Klee, President

A handwritten signature in blue ink, appearing to read "Doug Addison".

Doug Addison, Secretary