

Wheatsville Board of Directors

Board Meeting Minutes (approved)

March 22, 2007

Present: Marilyn Fowler, Rose Marie Klee, Anthony Piccola, Bryan Butler, Colin Borchert, Bob Kinney, Johnny Livesay

Absent: Jimmy Robertson, Jane Kurzawa Cravey

Also Present: Dan Gillotte (GM), Allison Porter(AA), Linsey Auten (staff member), John Harper (T.F. Harper), David Crutchfield (Antenora), Gordon Bingaman (Antenora) Tom Wald (member/guest)

Call to Order: 6:00 PM

Harper and Bingaman introduce themselves and what their company does.

VISION

Board Retreat 6:25pm

- The board discusses the board retreat and proposed topics.
- Rose Marie and Colin propose shortening the business discussion from 3 hours to 1 hour.
- Dan thinks that it will not be done gradually, but requires a radical shift to force into action. He thinks if the time schedule is too broken up, then nothing will get done.
- Colin thinks topics should be organized based on importance and designated more or less time accordingly. Use a more streamlined process of time management but also be flexible.
- Bob suggests during the next meeting reversing the schedule and discussing business first. Rose Marie suggests equal time for topics.

Ends Discussion 6:30pm

- Dan -- review long range planning topics to make sure nothing is missing, ensuring the most important topics have been covered.
- Rose Marie -- break down the topics and revisit each task
- Colin -- prioritize importance -- include a bylaws category.
- Dan -- select 3-5 tasks to focus on to avoid overwhelming responsibilities.
- Marilyn -- rewriting bylaws is a necessary task --other tasks not so.
- Dan -- pick out most important topics, add topics & send in to Bob by April 19 for the board agenda. 90 minutes to discuss next meeting

Renovation Update 6:45pm

- John Harper gives the board an overview of Harper & Associates' project history.
- David Crutchfield of Antenora endorses the work of T.F. Harper.

- Dan emphasizes the importance of working with a construction company with a lot of grocery store experience.
- Initial bid for total project: \$2.5 mil.
- T.F Harper is working with Dan and staff to foster ideas for lowering project cost.
- John discusses the number of contractors working for T.F. Harper and their length of time spent working with the company.
- Bob asks about current projects. John says they are currently engaged in playground development for many public school districts and they hire minority subcontractors.
- Harper's staff includes 12 electricians, 2 plumbers, and over 50 total employees. T.F. Harper is large and growing.
- Work should begin by the next board meeting. T.F. Harper advocates sticking to an aggressive schedule.
- InStep will be renovated first.
- Dan passes around the pro forma information along with his 3-year vision. He discusses sources and uses of funds as well as projected sales, cash, debts, etc.
- Cash will be lowest due to investor shareholder returns in the sixth and seventh years following renovation,.
- During the 3rd year we would like to have enough cash to begin looking at opening a second store but the store will probably be losing money in the second year.
- Our intent is to get the construction cost closer to \$2 million and total cost near \$3.8 million
- Over the next few weeks the total cost of the renovation project will be negotiated with the contractors. Our goal is approximately \$1.8 million.
- Dan discusses his 3-year vision draft. It is a tentative plan but should serve as a point of reference.

HOUSEKEEPING

Agenda Review 7:05pm

- Policy B.1 - Colin's edited version has been resubmitted for approval. Colin does not see a problem with naming people. He asks for Dan's thoughts on the argument of specificity. Dan thinks Colin was using himself as proof for the policy and is in support of that.
- Rose Marie moves to accept policy B.1. Colin seconds and the motion is approved. / Vote Results: 6.0.0.
- February Minutes -- "both B policies - accepted" should be changed to "B.1 - not accepted" and "B.2 - accepted". "Wagner" should also be spelled "Wegner". Colin moves to approve February minutes as amended. Marilyn seconds and the motion is approved. / Vote Results: 6.0.0.
- Policy B.3 - Dan suggests agreeing upon a certain style to use as a framework for monitoring reports. Marshall may be able to offer an example as a guideline.
- Colin moves to approve policy B.3. Marilyn seconds and the motion is approved. / Vote Results: 6.0.0.

Consent Agenda (7:15pm)

- December and January minutes
- GM report
- February operations report
- Bob makes a motion to approve the consent agenda. Colin seconds and the motion is approved. / Vote Results: 6.0.0.

Spring Member Gathering (7:20pm)

- Dan suggests setting up tables outside in the parking lot for the world café exercise. He recommends some possible topics to discuss with members at the gathering. Mangia Pizza, root beer and music
- Rose Marie will call Mark Goehring for how to suggestions for the world café and Colin will help.
- Marilyn suggests giving members a chance to contribute ideas. Dan says we will post up signs inviting all members.
- Member gathering will be held from 4 to 5pm on April 15. Small group discussion will be encouraged
- Dan says one of the table topics is member linkage is a topic for one table. Who would like to facilitate?
- Responsibilities -- Dan does food and music. Rose Marie and Colin will organize the World Café layout.
- Marilyn thinks it should be open and involve less structure. Dan notes that we want to encourage our members to be more involved which may require structured organization.
- (Johnny joined the meeting at 7:35pm)
- Rose Marie moves to form a committee to organize the agenda for the spring member gathering. Bob seconds and the motion is approved. / Vote Results: 6.0.0. The committee is comprised of Marilyn, Rose Marie, Colin, Johnny, and Bob.
- Official business meetings are required in the bylaws but have not been regularly held in the past. Bob thinks since it has never been done before, it should be amended in the new bylaws. Johnny thinks that since it has been in the bylaws, we should start doing it now.
- The board agrees to designate Johnny to organize the business meeting for the member gathering.

Member Dinner 7:38pm

- Johnny, Jane, and Bob attended.
- Bob thought it went well for a first time and provided good ideas for the next one. He says the members appreciated having been invited and were very nice.
- Johnny thinks it was helpful to hear ideas from members which reminded the board that the grocery store is what is most important.
- Dan thought it was tricky to navigate the schedule since members want to hear from the board and vice versa. He thinks next time we should have a clearer plan for discussion.
- Rose Marie asks when the next one will be. The plan is to hold them quarterly or every 3 months which would set the next one up in May. It is roughly scheduled for early to mid May; to be further specified in April.

GOVERNANCE

Bylaw Revision 7:42pm

- Rose Marie passes out an update including possible suggestions from Marshall. He strongly suggests hiring a professional to rewrite the bylaws.
- There is some hesitation to hire an outsider since these are our co-op's bylaws. Nevertheless, they must be clearly and legally written and be reviewed by a lawyer.
- It may also be beneficial to hire a lawyer to review them once they have been drafted.
- Rose Marie proposes hiring Laddie to rewrite the bylaws. Cost is: \$2,500 -- \$135/hr for 18 hrs.
- Colin notes that Marshall suggests listing everything in the bylaws that we want to keep to ensure they form the core.

- Dan -- it may not be wise to rewrite the bylaws ourselves and turning it out to a professional is preferable.
- Rose Marie -- although the board may not be writing the bylaws, the board will decide what should be in the new text.
- Johnny recommends involving members more and asking for their input before drafting a document.
- Colin defines the rewriting process in 3 parts: board discussion, membership input, professional drafting. Johnny adds an additional step of reviewing the document and voting on it.
- Johnny -- seek member input.
- Rose Marie -- hold a forum and invite staff members specifically to discuss bylaws. She thinks the board should develop clear ideas to present to staff and membership.
- Marilyn moves to approve entering into agreement to pay Laddie Lushin \$2,500 to rewrite the bylaws. Colin seconds and the motion is approved. / Vote results: 6.0.1.
- The board discusses the organization and tasks of the bylaw committee. Johnny reads the policy in the bylaws pertaining to committees. He believes the bylaw committee is unnecessary.
- Step1: enter into negotiations with Laddie and have a timeline by the next meeting; Step 2: board be provided with a copy of the existing bylaws in spreadsheet format where they can indicate which bylaws to change/keep.
- Rose Marie would like to clarify whether she is a one-person committee or just a board member with a task. She would expect committee members to review the spreadsheet and respond.
- Bob suggests 4 components of the revision process: 1) board input; 2) staff & member input; 3) Laddie's draft; 4) review and vote.
- Bryan makes a motion to disband the bylaw committee. Johnny seconds and the motion is approved. / Vote results: 6.0.1.

GM Monitor D.1 Policy 8:25pm

- Johnny moves to accept policy D.1. Tony seconds and the motion is approved. / Vote results: 6.0.1.
- Lindsay asks if the board policies are posted on the website. Dan answers no, but the board decides to post them. Aldia will post on website. Bob will update store binder.

Social Audit 8:29pm

- Johnny notes that the social audit committee has existed for 2 months and has never met.
- Dan suggests the board develop a plan first.
- The board discusses first reviewing the ends of the social audit and then developing a committee to take specific steps to achieve them.
- Johnny moves to disband the social audit committee. Bryan seconds and the motion is approved. / Vote results: 7.0.0.

Executive Session 8:54pm to 8:58pm

No minutes

April Agenda

- Contractor approval?
- Switch agenda sections -- business first and then vision discussion
- Each board member reviews the list of possible long-range planning topics (pgs 5 & 6 of March agenda), adds a topic if they feel so, and email their paper to Bob for inclusion in the April agendas
- May member dinner planning
- Bylaws update
- Executive session

Board Self-Evaluation 8:59pm

Positive:

- Rose Marie did a great job with the bylaws by taking initiative, and proposing a plan.
- Board cleaned up unnecessary committees

Negative:

- Attendees arriving late and 2 people were absent.

Summary of Action

- Motion to accept policy B.1 -- approved: 6.0.0.
- Motion to approve Feb minutes as amended -- approved: 6.0.0.
- Motion to approve policy B.3 -- approved: 6.0.0.
- Motion to approve consent agenda -- approved: 6.0.0.
- Motion to form SMG committee -- approved: 6.0.0.
- Motion to hire Laddie Lushin to rewrite bylaws -- approved: 6.0.1.
- Motion to disband bylaw committee -- approved: 6.0.1
- Motion to accept policy D.1 -- approved: 6.0.1.
- Motion to disband social audit committee -- approved: 7.0.0.
- Motion to adjourn meeting - approved: 7.0.0.

Action Steps

- Dan will provide food and music for spring member gathering.
- Rose Marie will call Mark Goehring for gathering ideas.
- Bob will post policies in store and send to Aldia for website posting.
- Marilyn will report on policy B.4 at April meeting.
- Johnny will organize the business meeting portion of the spring member gathering.

**Rose Marie makes a motion to adjourn. Colin seconds and the meeting is adjourned
9:01pm. / Vote Results: 7.0.0.**