

Wheatsville Board of Directors

June Meeting Agenda

Tuesday, June 24, 2008

6:00 – 9:00 pm @ the Episcopal Theological Seminary Campus, room 210A/213

606 Rathervue Place (near Duval and 32nd St in North Campus/Hyde Park)



TIME	TOPIC	ACTION
6:00pm	1. OPEN TIME – for WV Owners to present any topic to the board	LISTEN
6:10pm	AGENDA REVIEW 2. CONSENT AGENDA: May Meeting Minutes GM Report	DISCUSS VOTE
6:15pm (15 min) (5 min) (5 min) (20 min) (5 min) (5 min)	3. POLICY MONITORING Mid-year Board Evaluation B6 – Board Committee Principles C3 – Delegation to the General Manager A – Ends D1 – Staff Treatment D4 – Financial Condition (Top Level)	DISCUSS VOTE VOTE VOTE VOTE VOTE VOTE
7:10pm (15 min) (5 min) (5 min) (5 min) (5 min)	4. LINKAGE/COMMITTEE WORK CCMA Briefing Nominations Committee Report Bylaws Committee Report Schedule Next Owner Dinner Coffee with the Board	DISCUSS DISCUSS DISCUSS DISCUSS DISCUSS
7:45pm	5. BREAK	ENJOY
7:55pm (10 min) (5 min) (15 min)	6. STRATEGIC LEARNING/BOARD GOVERNANCE PROCESS Strategic Learning Plan Board Communications Process for Discussion/Decision-Making related to Blackstar Co-op proposal	DISCUSS DISCUSS DISCUSS
8:25pm (25 min)	7. EXECUTIVE SESSION Discuss Blackstar Proposal involving real estate	DISCUSS
8:50pm	8. HOUSEKEEPING/CLOSING ITEMS Administrative update – miscellany Review action items/upcoming agenda items Board self-evaluation	DISCUSS DISCUSS DISCUSS
9:00pm	ADJOURN	



**Board of Directors
24 June 2008
Meeting Minutes**

Present: Rose Marie Klee, Board Chair [meeting facilitator]; Jane Kurzawa Cravey, Treasurer; Tom Wald, Secretary; Bob Kinney; Stephanie Johnson; David Pease (at 6:45 pm); Jimmy Robertson; Theron Beaudreau, staff-director; Mike Crissey, staff-director

Absent: n/a

Also present: Dan Gillotte, General Manager; John Perkins, Finance Manager (at 6:09 pm); Marisa Newell, Administrative Assistant; Eva Barnett, owner and prospective board candidate; Jake Carter, Erin O'Bryant, Niel Slaughter, Steve Randall, Steven Yarak, Therese Adams, directors—Black Star Co-op

CALL TO ORDER

6:05 pm

1. OPEN TIME

Introductions of all present at meeting

2. CONSENT AGENDA

6:09 pm

-- A modification was made to the agenda: listen to a formal presentation by the Black Star directors, then enter into executive session to discuss proposal by Black Star Co-op.

- May Meeting Minutes
- GM Report

-- Bob moved to approve the consent agenda, Mike seconded. Motion passed 7-0-1.

3. POLICY MONITORING

Mid-year Board Evaluation

6:20 pm

-- A board self-evaluation is performed annually; last year's survey highlighted certain areas needing improvement: meetings (facilitation), board goals, regularly updated calendar, accomplishing tasks. Are there any specific items the Board could address before completing the end of year evaluation of Board?

-- The Board discussed possibilities for improvement in these areas from a mid-year perspective. Bylaws, goal setting, nomination process, new ends policies, monitoring have all surpassed previous expectations.

-- Board members asserted the importance of long-term goals for the co-op, even though the store is currently undergoing a large scale renovation

-- Overall, the Board has grown and matured substantially over the past few years, and this strong transformation has allowed greater productivity in Board work

B6 – Board Committee Principles

6:30 pm

-- Board continues to improve in lowest scored areas, but there is always room for improvement

-- As for the nominations committee, representative from the committee added that the nominations work began late in the year; perhaps in the future, the January board meeting will mark a formal beginning to nominations committee work

-- Jane moved to accept the monitoring of B6, Mike seconded. Motion passed 7-0-1.

C3 – Delegation to the General Manager

6:36 pm

-- No substantial comments to note.

-- Stephanie moved to accept C3 monitoring report, Rose Marie seconded. Motion passed 5-0-2.

A – Ends (monitored by general manager)**6:41 pm**

- First time these policies have been monitored since their revision in 2007, and perhaps ever. Nice job Dan!
- The GM stated the best way to approach a policy of this size is to use strong data, though it was difficult to acquire some information. Any suggestions to make this process more factual? Perhaps the POS system could be used to access information (i.e. fair trade, local products sold).
- It was noted that compliance was not stated throughout the monitoring report. Dan responded that this was unintentional, but also that it seemed more difficult to answer the question of compliance directly and concretely.
- The board should consider how the results of Ends policy monitoring can be incorporated into the Annual Report to communicate these powerful ideas to our owners and engage them in the discussion .Dan posed a question in his report, “What choices does a values-based moral, humane and positive business make?” that might be particularly interesting to discuss with owners.
- The board discussed how this policy could be monitored and improved. The topic will be revisited later this year when time permits.

D1 – Staff Treatment**7:02 pm**

- Directors shared their varied reactions to this monitoring report, and one director suggested that, while accompanying data from a recent staff survey strengthened the report, overall the information in this policy is quite dense, and perhaps concrete acceptance of monitoring is difficult.
- Motion to accept will be postponed until next month, with more time slated for further discussion.

D4 – Financial Condition (Top Level)**7:14 pm**

- Liquidity and solvency from mid-year is shown, but the Board sought more recent data available (perhaps third quarter financials). Also, percentage in profitability (2.92%) not changed, as outlined in previous meeting. Topic will be reported on next month, and these figures will change for next meeting.
- Jane moves to not accept D4 monitoring, Jimmy seconded. Motion passed 8-0-1.

4. LINKAGE/COMMITTEE WORK**CCMA****7:19 pm**

- Board directors who attended CCMA will write a synopsis of attendance to help others understand the experience a bit better.
- Those who attended CCMA shared some of the highlights of their experience and learning, including:
 - Always refreshing to remember WV Board is part of a vanguard of special change; also, nice to see that the Board is in sync with others working around the country
 - Cooperation among co-ops incredibly important, and working locally could perhaps provide an excellent portrayal of WV in the community; there are definitely co-ops in Austin that WV is not reaching out to as much as possible
 - Put values first and business prospers; if business is put first, just like all other businesses, will have greater likelihood of failure
 - CCMA inspires community orientation
 - Also, it is evident that the Wheatsville organization is growing rapidly and constantly transforming for the better; Board is better equipped and continuing to lead successfully

Nominations Committee Report**7:37 pm**

- Criteria for candidates has been established and emailed to board members. The committee has also organized packets for prospective candidates and sent to all those interested (currently 14 owners).
- As discussed, a few orientations will be organized (first one slated for June 30th) in order to familiarize candidates with duties and activities of Board members. It is determined that attending this orientation is not required for incumbents who have previously attended a board retreat, CBLD, or another similar orientation in order to receive an endorsement of the Board.

Bylaws Committee Report**7:42 pm**

- The most recent bylaws revision from Board consultant, Thane Joyal, was received and reviewed by bylaws committee. Committee will schedule another meeting with her to discuss this second draft. Draft three will likely be (or be very close to) a finished product.
- Information will be posted on the store website, and a Breeze newsletter article will be presented for owner information. Ideally, a full draft proposal would be published in September issue of the Wheatsville Breeze.
- Guidance on legal issues has been sought with a local counsel. There is a possibility that the Board will need to allocate more money for bylaws work; more discussion on this at a later date.

Schedule Next Owner Dinner**7:46 pm**

- Planning will be completed via email.

Coffee with the Board**7:47 pm**

- Though an increasingly popular event, Saturday morning is not generally a busy time at the co-op. Also, organizing each event on the same meeting day often yields the same visiting owners. Perhaps a weekday evening would enable a more varied crowd.
- Other options will be organized and disseminated to the remainder of the Board, and directors will discuss this topic via email.
- July 5th is next planned meeting, and it will stay as-is.

→ BREAK ←

6. STRATEGIC LEARNING/BOARD GOVERNANCE PROCESS**Strategic Learning Plan****8:04 pm**

- Two study questions: How can Wheatsville benefit community? How do other organizations measure their impact/benefit on community? These questions will influence how the fall owner gathering will ensue.
- Also, there was an invitation for board president plus one other member to attend a retreat at the Hanover Consumer Cooperative Society in New Hampshire on August 23rd, 2008. This is an interesting prospect and could be a very fortunate opportunity for members of the WV board to attend.
- No Board members are opposed to a Wheatsville presence, but it would be difficult to determine who will attend. Interest will be expressed to the Hanover Board, though discussion will be postponed until next month's meeting to determine who will actually attend.

Board Communications**8:13 pm**

- The Board discussed a wide range of communication issues, including the importance of Board confidentiality, extent of committee work discussions during meetings, and other general ideas for sharing information.
- This topic has proven consistently pertinent to the Board, and the purpose of the conversation was to find commonality about "good communication," both a challenge and an art.

Process for Discussion/Decision-Making related to Blackstar Co-op proposal**8:18 pm**

- Black Star Board members are in attendance to present a proposal for Wheatsville to aid Black Star in opening the world's first cooperatively owned brewpub.
- Wheatsville directors discussed several issues regarding process much of it stemming from the fact that 5 of 9 directors are also owners of Black Star. Discussion covered potential conflicts of interest or appearance of conflict, the right for all board members to voice their opinion, even if they ultimately recuse themselves from a vote, what exactly recusing one's self consists of, Wheatsville's role and responsibility in supporting new co-op enterprises, and how does assisting Black Star benefit Wheatsville's owners' interests.
- The directors decide to proceed including all directors with the expectation that individual directors will assess whether they feel the need to recuse themselves at any point as the discussion evolves, and ultimately at any decision points.

-- Steven Yarak, Black Star founder and board president, and Steve Randall, site search leader and board member, present the proposal to the Wheatsville Board beginning with some basic background information about the Brewpub co-op start-up.

- Black Star Co-op is the world's first cooperatively owned brewpub, with over 700 member-owners and over \$130,000 in investor shares
- Recently searched for a physical location for the brewpub, researching 42 properties for rent, and located two that were presented to the Board and owners of the co-op
- Over 92% of owners chose 1712 Lavaca Street, in Austin, Texas, as the brewpub's new home

-- After Black Star owners selected a preferred location for their new brewpub, the board became engaged in negotiations to secure the site. The owners of the building are seeking a personal guaranty or a guaranty from an established business in order to lease the space to Black Star. Black Star is not able to secure a personal guaranty, so they have come to Wheatsville to ask Wheatsville to secure their lease. The lessor is willing to accept a guaranty from Wheatsville.

7. EXECUTIVE SESSION

8:59 pm

-- Rose Marie moved to enter into executive session to respect the confidential nature of important aspects of Black Star's proposal. Dan Gillotte, John Perkins and Marisa Newell were invited to stay for the executive session.

-- Rose Marie moved to come out of executive session at 9:33 pm

-- Black Star was invited back in for a brief discussion and presentation of motion.

-- Jimmy moved that Board expressed interest in proposal brought forth by Black Star Co-op, and will direct General Manager to research risks and opportunities (including third party analysis) and report back to Board in July, David seconded. Passed as follows (in a role call vote):

Jane: recuse

David: favor

Mike: recuse

Theron: recuse

Tom: favor

Jimmy: favor

Rose Marie: recuse

Bob: recuse

Stephanie: favor

8. HOUSEKEEPING

In interest of time, omitted from agenda.

Board Self-evaluation

-- Plusses:

- Hard work done!
- Great visitors!

-- Things to improve:

- Members should assess timing of certain activities to ensure topics covered thoroughly

Meeting Adjourned at 9:42 pm.

Action Items/June Agenda Items

- * owner survey discussion (remember those 2 questions that we were all supposed to ponder?)
- * proposed revision to D4 related to \$ amount requiring board approval (Jane)
- * proposal to update the D monitoring calendar to improve timing of D3 and business plan (Dan and rmk)
- * additional CCMA follow-up (Mike, Jimmy, Jane, Steph, rmk)
- * bylaws committee--draft?
- * monitor B7, D4 (full policy)
- * begin discussing GM evaluation (rmk)
- * board self-eval - provide form and results to date (rmk/Marisa)
- * monitor D1, not accepted at June meeting
- * set date for August owner dinner by email
- * coffee with the board (Jane will email the discussion idea, but we will not actually try to discuss by email-- just be thinking about it!)
- * nominations committee update
- * strategic learning
- * board manuals
- * query new CGIN BoardList-serve about conflict of interest questions (Mike)

Parking lot

- discuss board budget (what % of sales, what should be included) - this fall
- should there be some written language regarding having staff on the board who are direct reports to the GM
- ends policy revisions