

**Wheatsville Food Co-op
Board of Directors
28 August 2007
Meeting Minutes**

Present: Bob Kinney, Jane Kurzawa Cravey, Rose-Marie Klee, Johnny Livesay, Marilyn Fowler, Colin Borchert, Tom Wald, Bryan Butler

Absent: Jimmy Robertson

Also present: Dan Gillotte, General Manager; John Perkins, Finance Manager; Marisa Newell, Administrative Assistant; Stephanie Johnson, prospective board member

Call to Order

6:10 pm

HOUSEKEEPING

Consent agenda

6:11 pm

- Jane pulled the June 26th minutes
- Rose-Marie pulled July 24th minutes; also, pull B5, B7, C4
- Eventually, no consent agenda remained
- Specific changes to the June minutes will be updated and resubmitted.
- Jane moved to approve June minutes, Rose-Marie seconded. Motion passed 7-0-1.
- Jane moved to approve July minutes, Colin seconded. Motion passed 6-0-2.

B.5

-- Regarding B.5.10, Jane wondered how the board would annually report their adherence to this policy to the membership. Johnny replied that originally he thought this aspect of governance could in fact get lost in the shuffle. So, it was suggested to omit "annually" and add to end of the statement "in the annual report."

-- Jane suggested the board add info into "the annual report" printed in the Wheatsville Breeze. Tom wondered if the timing mattered with elections. Perhaps this annual report should come out following the election since members could change their votes if so desired.

-- Rose-Marie clarified that the annual report is broad and general, and incorporates views from all Board members

-- Jane suggested that the board should discuss this further at the September meeting, as it will be a group collaboration.

-- Jane moved to accept B5 with change, Bryan seconded. Motion passed 7-0-1.

-- Jane interjected an addition to the agenda. Management problems at Pedernales Electric Co-op may affect Wheatsville if the state legislature tightens co-op laws.

-- Jane suggested she would write something up and email the information out to the rest of the Board.

B.7

-- Tom wondered about B.7.2. The final sentence states, "The board must, therefore, obtain adequate and appropriate information on the member-owners." He suggested it should be "from the member-owners."

-- Colin stated that B.7.5 and B.7.8 were not ready for discussion, but he does want to change all writing of "members" to "member-owners."

-- Bob suggested the Board accept it as-is now, but perhaps return at a later time when formal membership gets all straightened out and see what the new structure would look like.

- Colin suggested that B.7.5 could potentially be deleted all together.
- Dan added that D.10 (written in B.7.5) should be replaced with D.9, as D.10 is non-existent.
- Rose-Marie motioned to accept, Marilyn seconded. Motion passed 8-0-0.

C.4

- C.4 discussion moved to executive session.

GOVERNANCE

Renovation

6:42 pm

- Jane stated that she received a list from the city (containing zip codes of neighborhoods around the store) and received a long list of persons who have signed up as neighborhood contacts. She decided the first step to talking to folks would be to find who is involved in the community at all. Consequently, she will bring attention to this activity at the September meeting.

Linkage

6:45 pm

- D.9: Jane stated that Dan's responses were well written and thorough.
- Dan stated that WV would have to pay back equity to people whose memberships are expelled.
- John included the fact that many of these people think they are legitimate members.
- Rose-Marie claimed that one solution, as suggested by Laddie Lushin, is to have an inactive member category.
- Dan responded that people should potentially be penalized for not paying fully, but our system is not organized for that system.
- John added that he and Gabriel are working on membership document, enforcement, timely documents, etc. By the next meeting, he foresees having more information available.
- Also, John mentioned that new members are generally more up to date on payments and information. The real problem is that many older members have not followed through with their invested memberships. He suggested the unpaid members get transferred to annual memberships.
- Johnny implied that it would be disingenuous to take a membership away. Up until a few months ago, we were not as picky with payments, so we should give them a bit more leeway. However, Dan replied that they are contracted into paying full membership when they apply for membership.
- Bryan suggested the wording on the membership application could be vague. However, Dan replied that it has always been maintained that members have specific responsibilities, including paying for full membership.
- Rose-Marie remarked that workers on this specific project will take the best effort to address these issues in a fair and understandable manner, and the Board need not spend a large amount of time in discussion.
- Dan concluded by saying that perhaps there is some wording that could remain in D.9; however this issue should be addressed eventually.
- Rose-Marie suggested this topic diverge to a parking lot issue. Colin added that maybe each part that is in compliance could remain and the others may change.
- Jane moved to accept, Colin seconded. Motion passed 4-0-3 (Bryan temporarily absent).

August 21st Owner Dinner

6:57 pm

- Colin thought the meeting was great. He felt that Jimmy was confident, and all the owners present were positive and maintained enthusiasm.
- Rose-Marie wondered how the gallery of values differed. Dan replied that it was more WV focused and less broad.
- Dan stated that he was a bit nervous about this meeting, but Jimmy had a good idea to have people each tell one story they have about Wheatsville. In addition, he read the preamble to by-laws and facilitated the

Gallery of Values activity. Dan concluded that connections of owners with each other and with the Board are both very important, and overall the meeting went quite well.

-- Rose-Marie asked if the Gallery of Values could continue to be used in the future, or if it's been worn out.

-- Colin and Dan both agreed that this activity is quite useful and enjoyable for attendants.

-- Next owner dinner is scheduled for November 14.

August 4th Coffee with the Board

7:04 pm

-- Jane stated that the meeting was fun, as usual. She added that she met an array of eclectic people, and really learned a lot from them all.

-- Overall, she has found the meetings very rewarding and highly recommends other Board member's attendance in the future.

-- The next meeting will be this Saturday, September 1st, from 10am to noon.

Fall Owner Gathering

7:09 pm

-- This fall, the Wheatsville annex may not be available due to construction, and the gathering will consequently be planned off premises.

-- Rose-Marie wondered how the meeting would ensue. Colin responded that it might be nice to kick back and celebrate more than discuss and work.

-- Dan mentioned the fact that we have more money than we did in the past, and perhaps we could rent out Alamo or some other venue and screen a movie, etc.

-- Bob also mentioned that a prospective board candidate and documentarian made a movie about food growers, which may be a suitable introduction to the meeting.

-- The board is in support for renting the theater for the fall owner gathering. Depending on the Alamo's availability, Dan will look into a weeknight viewing.

Nominations Update

7:15 pm

-- So far, Stephanie (present at meeting) and Joanna Devine (documentarian) are considering running.

-- Also, Bob and Tom will both seek re-election.

-- Applications are due next Friday. Also, Jane mentioned Mike Crissey (staff member) may be interested in the staff rep position.

-- Rose-Marie read 3.1: Two directors must be staff members. Both shall be elected, and must be co-op owners as well as staff members.

-- Johnny interpreted that there must be two or zero staff reps. However, others agreed that is not the case.

-- RM stated that, in essence, someone could be elected that never shows up, but just maintains membership on paper.

-- John suggested that there could temporarily be a vacancy, and could be later appointed.

-- Tom suggested that perhaps staff members are not well enough informed about open positions. The Board's response overwhelmingly suggested otherwise.

-- Colin stated that if there was an attempt to elicit two staff members to no avail, perhaps the bylaws could change.

-- Rose-Marie added that perhaps staff members are overwhelmed by the commitments.

-- Dan contended that many folks realize they are a bit burned by WV and are involved to a great extent. The catch-22 is that full-timers know WV well but are exhausted after a full workweek, and part-timers don't know WV as well and may not make exceptional Board members.

-- Colin reiterated that having a full board would be ideal, but Jane responded once again that no force could be used.

-- Bob added that the communication task force could possibly play a role, but Johnny interjected that this group has never actually been fleshed out.

-- Colin suggested that non-staffers could fill lacking staff member spots and maintain a full Board of 9 members.

- Johnny suggested the Board put the predicament up for election in the fall.
- Rose-Marie stated that bylaws amendments about staff rep position could certainly be included and wondered if the idea was realistic.
- Perhaps an article about qualifications, reasons, problems, etc could be included in the October Breeze (the election issue).
- Rose-Marie suggested that perhaps the Board should vote tonight, so that by September 15th, the Board would be in compliance.
- Dan stated that because people vote by email, ideas would be based on original bylaws. To get the word out to everyone, there would have to be plenty of opportunity (i.e. earlier this year for the October election).
- It is concluded that a 2/3 Board vote is necessary for bylaw change, so it must be done now.
- Johnny will write the bylaw change for a vote later in the meeting.

VISION

Bylaws

7:47 pm

- First, Rose-Marie would like to discuss price cap change from \$2500 to \$4500. Bob moved to increase limit to \$4500 for Laddie Lushin's services, Jane seconded. Motion passed 8-0-0.
- Schedule and process:
 - o outstanding hot topic items: director compensation, voting process, petitions, and article 7, article 8, and articles of incorporation
- Rose-Marie declared that language should not be addressed this evening.
- Director compensation: seemed that consensus was close at previous meeting. Annual stipend for directors: \$1000, and \$1200 for officers, including 10% discount as well. Staff directors still receive regular staff discount (15%).
- Rose-Marie stated that she would ask Laddie to draft this with either perspective (with or without discount).
- Petitions: Rose-Marie doesn't quite understand the problem with petitions exactly. In essence, the confusion is all about language and numbers.
- Johnny stated that rather than people declaring personal interests and choices, we would educate them about more sustainable products. Rose-Marie agreed that we could educate people about awareness and product choices and leave it up to them.
- Follow up on staff forum: Bob declared the meeting was good, but not many people showed up.
- Colin volunteered to formalize an email (regarding article 3 of bylaws), coordinate people's responses, and keep track of ideas received, etc.

Return to bylaws draft change

8:06 pm

- Existing Bylaws
 - o 3.1.5 The Board shall consist of nine Directors.
 - o 3.1.5.1 Two Directors shall be staff members. The staff shall act as a nominating committee for these positions by a democratic process approved by the Board. They shall be elected by store vote to one-year terms. To be eligible to be nominated or elected, the person shall be a member of the cooperative. Only staff who are cooperative members may participate in the nomination process. The other Directors shall not be staff members.
 - o 3.1.5.2 Seven Directors shall be elected by store vote to two-year terms, with four terms starting in even-numbered years and three terms starting in odd-numbered years.

- 3.1.5.3 The election store vote shall start in the fall quarter of each year.

-- Proposed:

- 3.1.5 The Board shall consist of nine Directors who shall be elected by store vote to two-year terms. Up to two Directors shall be staff members.
- 3.1.5.1 The election store vote shall start in the fall quarter of each year.

-- Bob moved to make these draft changes up for election, Bryan seconded. Motion passed 8-0-0.

Executive Session

8:09 pm

-- The board entered executive session for its annual evaluation of the general manager.

-- The board left executive session at 9:45 pm.

Board Self-evaluation

-- Plusses:

- Nice board candidate present
- Staff bylaw revision well done
- Work was completed quickly and efficiently
- Good detail to minutes by Jane

-- Things to improve:

- Board members missed talking about VISION

Meeting Adjourned at 9:50 pm.

Summary of Action

B.5 has been reworded and accepted 7-0-1.

B.7 has been reworded and accepted 8-0-0.

Next owner dinner is scheduled for November 14.

Next coffee with the Board meeting will be this Saturday, September 1st, from 10am to noon.

Motion to approve Laddie Lushin's limit of cost for services was passed 8-0-0.

Changes to wording of staff rep bylaws passed 8-0-0.

Action Items

Revised approved minutes – June (Marisa) and July (Colin)

Unapproved August minutes (Marisa)

Draft B5 report to membership for Nov Breeze (Colin)

Neighborhood contacts for board outreach (Jane)

Membership document (John and Gab)

Possible change in Texas co-op law to lobby (Jane)

Fall owner dinner in October at Alamo (date TBA) with films and fun

Bylaws – article 3 – email out and keep track of suggestions (Colin)

Staff bylaw change article for election issue of *Breeze* and post notice of proposed change in store (Rose-Marie)

Board monitor policy B8 – Board Perpetuation (VOLUNTEER please)

GM monitor policy D6 – Customer Treatment and Service (Dan)

August operations report (John)

Executive session on revamping some board policies

In next few weeks – Call special board meeting to present new pro forma and get ok to sign commitment letter to NCB (Dan)