

**Wheatsville Food Co-op
Board of Directors
30 October 2007
Meeting Minutes**

Present: Jane Kurzawa Cravey, Johnny Livesay, Marilyn Fowler, Tom Wald, Bryan Butler, Jimmy Robertson, Bob Kinney

Absent: Colin Borchert, Rose Marie Klee

Also present: Dan Gillotte, General Manager; John Perkins, Finance Manager; Marisa Newell, Administrative Assistant; Gabriel Gallagos, Member Records Keeper

Call to Order

7:11 pm

HOUSEKEEPING

Agenda Review

6:14 pm

- Gabriel and John would like to present a rough draft membership document (added to Linkage)
- D1 was clarified as discussion-only, since it was not previously mentioned
- A-policies draft not included in agenda, but will be touched upon by Johnny and Jimmy
- GM report not up for discussion; not emailed as stated
- Jimmy would like to add a discussion regarding email sent to him about owner investment drive (added to Business)

Consent agenda

7:18 pm

- August, September, and bylaws minutes
- GM report in hand, not emailed
 - Dan gives broad overview of what is included, so that it can be approved
- September operations report in paper packet
- Board policy B8 and B9 monitoring
- Bob moved to accept consent agenda, Johnny seconded. Motion passed 6-0-1.

BUSINESS

2008 CBLD membership & consultant

7:23 pm

- Bob stated that the Board must decide if our membership will continue in 2008
- Jane suggested the discussion (about choosing a Board consultant) be deferred until after the election
- Tom moved to approve participation in the 2008 CBLD membership, Jane seconded. Motion passed 7-0-0. Consultant TBD.

Letter from owner regarding investor share program

7:26 pm

- Jimmy received a letter regarding eligibility of benefits for purchasers of investor shares
- The letter raised several questions and Jimmy suggested the board consider asking Dan to look into it
- Marilyn asked for clarification
- Johnny responded that through a specific resolution (the co-op as a small business corporation), there are certain aspects of the tax law that apply to Wheatsville. Basically, if the investor shares were issued as meeting the terms of this provision, there may be advantage to investors to have them recognized as sect. 1244 stock
- Johnny suggested we might not be eligible because we are not a "small business corporation"
- Jimmy would like some proactive work performed in researching this situation

-- Dan remarked that he and John will look into this, but he personally feels this does not apply
-- Johnny moved to have General Manager look into this, Tom seconded. Motion passed 7-0-0.

D1

7:33 pm

-- Johnny thought this was to be postponed for discussion, as this handout was just distributed tonight
-- Jimmy asked Bob if he would like to quickly add anything
-- In discussion with Marshall, Bob determined that D1 seemed too prescriptive for Dan
-- Jane interjected she had written the Board via email asking for any suggestions or alterations for D1. She suggested hiring someone to perform a staff survey annually and set certain benchmarks.
-- Tom responded that it might be better to have something well-formulated before the meeting. Perhaps this is something that could be completed within a committee.
-- Bob added that Marshall suggested a one-year, instead of two-year rotation, while having the same person performing the survey (currently Carolee Coulter)
-- As per Dan's suggestion, before the next meeting, Board members will submit any issues and ideas pertaining to D1 for the next meeting

A-policies draft

-- Bob inadvertently failed to include this in the Board packet; however, the Board would still like to discuss
-- Instead, Jimmy and Johnny will give a brief run-down of what is included, and the Board will discuss next time
-- Jimmy stated they wanted to retain what was good in the policies, but also bring in additional ends policies
-- He added that perhaps the A-policies document is a good location for inclusion of bylaws, mission, etc.
-- He and Johnny also found a few outdated aspects of the document
-- They have not offered a side-by-side comparison, but they made only a handful of significant changes
-- Johnny added that a lot of the language was dropped, and a more global policy was adopted
-- The phrase "we will" has been entirely excluded
-- In the future, the monitoring of these policies will be incredibly important. Perhaps a group of Board members could be asked to complete the monitoring, instead of one individual.
-- General consensus of the Board members is that new policies look great

LINKAGE

Fall Owner Gathering

7:49 pm

-- The best one that Bob has ever attended; the contractors were eloquent, and the film really brought people together.
-- Tom also enjoyed the Q & A section with the architects and Dan; he felt that people were very comfortable asking questions, etc. Also, the answers were informative and helpful.
-- Jimmy wondered if anyone asked about timing of the renovation; other Board members felt that the majority of the questions were positive.
-- Gabriel was surprised how many people did not ask about when the renovation will start, in comparison to how many people ask him in the store
-- Jane added that a few owners were wondering why Wheatsville was not hiring owners as sub-contractors
-- Dan interjected that is not completely accurate, though that may be how it seems to others
-- Jimmy thought the piece written by Jane and him about the project and timeline is informative and helpful

Neighborhood Committee Update

7:56 pm

- Jane stated the committee has met a few times, and though they have scaled down their aspirations, they are making progress in connecting with neighborhoods
- Tom stated his plans to attend the Mueller meeting; it appears they want a grocery store, and many people specifically want a cooperative grocery store
- Jimmy wondered if Tom should go as a representation from the Board of Directors, or not; with what message(s) would the Board want him to attend?
- Bryan concurred that it may be productive to have a cooperative representative, but not necessarily with the idea of Wheatsville Two in mind. He also wondered if perhaps a representative from the Mueller project could come to the Board meeting for a discussion.
- Dan suggested Tom could go as a representative, but mostly attend for personal reasons and not push the concept of Wheatsville. On a side note, Dan is not convinced that people will shop at their local store, if they could save money somewhere else.
- Bob emphasized the importance of the Board as a resource for them, with no intentions to spread Wheatsville

Coffee with the Board

8:03 pm

- Coffee this Saturday (11/3) at 10:00 am
- A good topic for discussion: reminding folks to vote

Dinner with the Board

8:05 pm

- Prospectively set for November, but Dan would like to suggest it get postponed to January
- Jane suggested the Board plan for four dinner meetings in the year, from January to October
- Johnny added that perhaps in the future the Board be more involved with the planning, with less strain on Dan
- The December meeting will include a discussion on this

Free-standing membership document

8:09 pm

- Referred to as B.7
- Gabriel stated that he and John have been working on this, mostly to have a conclusive document with guidelines about the co-op for posting in the store and easy access by owners
- Dan suggested that the Board look over the document for discussion at the next meeting
- Jane asked that all the information deferred to the next meeting be included in the Board packet next month
- John added that any additional ideas about this document should also be sent out

DISCUSSION

Board self-evaluation

8:13 pm

- Brainchild of Rose Marie, who is not in attendance
- Jane suggested this be looked over and completed by Board, and then discussed at next meeting
- Perhaps a deadline should be set to complete the survey, and then Marisa could synthesize the results for review at the next meeting
- Jimmy suggested that this would only work if everyone can agree to complete this by a particular time
- Responses will be sent to Marisa by *13 November*, and she will compile them within one week and send them to Bob for inclusion in the Board packet
- Jane mentioned that especially because of Thanksgiving, it would be helpful in the Board packet were distributed longer in advance of the meeting (i.e. one week prior)

Plastic Bags update and discussion

8:19 pm

- Rose Marie discussed this topic with Marshall, and although she is not at the meeting, she spoke with Bob about their discussion

- She decided that the topic could feasibly be dropped
- Dan added that the main point missed is that although the city of San Francisco has adopted this, they are spending an incredible amount of money to create their recycling initiatives throughout the city. Therefore, if plastic bags were done away with in Austin, only one tiny part of the problem would be addressed. If the city council moved in the direction of the city of San Francisco, Wheatsville would be glad to comply.
- Jimmy added that this topic will continue to come up, and perhaps Dan would want to offer a written explanation describing his thoughts on the issue, so that it doesn't seem ignored
- Dan is not sure he wants to be the one beating the drum for plastic bags, though he would answer honestly if asked and/or given the opportunity

Bylaws Revision

8:25 pm

- Proposal is to engage Laddie on a first draft of Amended and Restated Articles of Incorporation for an initial amount of up to \$1000.
- Tom suggested that anyone apprehensive speak up, as opposed to everyone speaking around the issue
- John wondered why he feels the articles should be amended
- Marilyn asked about the initial \$2500 (which was later increased to \$4000), and where this fits in
- It is clarified that this is a separate issue (articles of incorporation); the other money was already committed
- Jane, speaking on behalf of Rose Marie, thinks this would make for a smooth transition
- Dan added that we do want the Investor Share Program changed
- John added that the statute we are under expires in 2010. He believes this will include a change to articles of incorporation; in the future, perhaps Wheatsville should use a Texas lawyer
- Johnny added that Black Star Co-op is currently using a Texas lawyer, whom was referred; perhaps Wheatsville could look into this
- Jimmy seconded the notion that Wheatsville use a Texas lawyer; he and Johnny agreed that Laddie's price has still yet to stabilize
- Because Rose Marie is not present, Jimmy wondered who is in favor of supporting Laddie in this endeavor
- John's idea is the best in consensus; the Board should determine what exactly is wanted from Laddie and determine if the Articles of Incorporation are certainly what is desired
- Bob suggested that Rose Marie get in touch with Dan and John, and continue to act as liaison with Laddie
- There is nothing scheduled for a separate bylaws meeting in the next month; however, the Board generally agreed there should be one planned
- Bob will speak with Rose Marie, who will plan a specific meeting time
- Also, Johnny wondered if, at this point, a committee should be organized for bylaws discussion; perhaps, trying to involve the whole group may be slowing the process
- In addition, with the Board turnover, it will be time-consuming to educate the new Board members; Board agreed that this is the reason to get on the fast-track...
- Jane added that the idea was to have them complete the process, so that by January, the changes would be in effect, with everyone being on the same page

Executive Session

8:45 pm

- Will no longer occur

Action items

8:47 pm

- Every board member sends their take on Marshall Kravitz's comments on proposed revisions to D1 policy to Bob by Nov 12 <or sooner> – discuss at Nov meeting if necessary
- Every board member completes the board self-evaluation form and emails it to Marisa by Nov 13 <or sooner> – Marisa compiles results for discussion at Nov meeting

- Bylaws – Rose Marie sets up special board working meeting in first half of Nov to continue bylaw revision work
- Proposed Ends policies draft from Johnny and Jimmy – discuss
- Membership Document (John and Gab) – discuss
- Monitor D3 and D4 policies (postponed till Nov) and D7 policy – Dan
- Monitor B10 policy – Tom
- Check out state regulation angle from Owens letter – Dan
- Background report from neighborhood committee – discuss
- Board Austin retreat in January for new board members prior to attendance at CBLD 101 course in Minneapolis – discuss
- Vision Time – bylaws – discuss
- GM report – Dan
- Oct operations report – John

Board Self-evaluation

-- Plusses:

- o Good pre-meeting facilitation training
- o Good substance at the meeting
- o Good food
- o Happy birthday Rosie!

-- Things to improve:

- o N/A

Meeting Adjourned at 8:54 pm.

Summary of Action

- Consent agenda accepted 6-0-1.
- Board approved renewal CBLD membership 7-0-0.
- Dan will look into Board's involvement in investor shares benefits eligibility 7-0-0.
- Board will submit any ideas and/or suggestions for D1 to Bob for inclusion in next Board packet.
- Coffee with the Board first Saturday of every month (11-3) at 10 a.m.
- Dinner with the Board postponed until January.
- Any ideas and/or suggestions pertaining to membership document should be submitted to John.
- Prospective special bylaws meeting to be planned by Rose Marie and Board