

WHOLE FOODS COMMUNITY CO-OP, INC.
Minutes of October 26, 2015, Meeting of Board of Directors
Approved by the Board of Directors on November 23, 2015

DATE: October 26, 2015
TIME: 5:30 PM
LOCATION: Whole Foods Co-op, 610 East 4th Street, Duluth, MN

Attended by Board members: Carol Andrews, MaryAnn Bernard, Brad Nelson, Mickey Pearson, Wayne Pulford and Jean Sramek. Also present: General Manager Sharon Murphy, Hillside Store Manager Sarah Hannigan and Denfeld Store Manager Peter Krieger.

Motion, seconded and carried is abbreviated as MSC, followed by the names of the maker, second and vote tally. U = unanimous vote.

OPEN SESSION

President Jean Sramek called the Board meeting to order at 5:31 PM. MaryAnn was appointed timekeeper. Board members were prepared, checked in and reviewed Owner linkage including a letter to the Board about canola oil (management will respond) and comments from the 2015 Annual Owners Meeting. Carol advised that she would abstain from voting on the Temporary Easement request from St. Louis County as she is employed by St. Louis County Public Works.

CONSENT AGENDA

The Board approved (MSC, Wayne, Mickey, Brad abstained) as amended at this meeting the Minutes of the September 28, 2015, Board meeting.

REVIEW

OWNERS REPORT – The Board approved (MSU, Mickey, Wayne) approved the following items on the October 2015 Owners Report:

- ❖ 73 applications
- ❖ Three term/transfer requests (#1452, #13460 and #13480)

MANAGEMENT REPORT-

DENFELD – The Board will tour the Denfeld construction site, hard-hats and safety vests required, from 12 to 12:30 PM on Wednesday, November 11. Management has negotiated a purchase agreement for a staff-only parking lot (20 spaces) adjacent to the Denfeld site; Attorney Sandra Butterworth and Members Cooperative Credit Union Loan Officer James Lundberg are aware of these negotiations. The Board approved (MSU, Carol, Wayne) to authorize management to proceed with this purchase on the time line and terms outlined at this meeting.

HILLSIDE – The Board approved (MSU, Wayne, MaryAnn) management's request for Board President Jean Sramek to sign the Retail Food Vendor Agreement from the Minnesota Department of Health for WFC to be a certified WIC vendor for the next three years. The Board approved (MSC, Mickey, Brad, Carol abstained) management's request for approval to sign on behalf of WFC all documents relating to the request of St. Louis County for a Temporary Easement (4 months) along a narrow strip of land in front of WFC on 4th Street during the 2016 road construction project along 4th Street between 6th Avenue East and 10th Avenue East; Attorney Sandra Butterworth and Members Cooperative Credit Union Loan Officer James Lundberg have reviewed the easement. The Board approved (MSU, Carol, Wayne) management's request for Board President Jean Sramek to sign the following Member Co-op Board Resolution from the National Co-op Grocers:

On behalf of the Board of Directors of Whole Foods Community Co-op, Inc., of Duluth, MN, I hereby authorize Sharon L. Murphy, our co-op's designated representative (DR) to NCG, to sign this agreement. The Board of Directors has read Documents A and B and understands the obligations and requirements associated with NCG membership. In authorizing our DR to sign these agreements, I am certifying that our Board of Directors understands and agrees that our co-op's DR will comply with the requirements, policies, and agreements of NCG including:

- A. *Informing the Board upon receipt of any notification of non-compliance with the requirements of NCG member agreements and policies*
- B. *Informing NCG staff of changes to the co-op's board chair, including complete contact information for that person (email, telephone and mailing address)*

Following discussion, the Board agreed to carry over its review of the draft Minutes of the Owners Annual Meeting on October 23, 2015, to the November Board meeting. Mickey will draft a proposal for the November Board meeting relating to requests by other groups to participate at Annual Meetings.

Jean will start a "doodle" to determine scheduling for the Board's retreat in early 2016. Brad and Peter will attend the CBLD 101 course on Saturday, January 9, in The Cities; Jean noted that CBLD is also offering a Leadership Training opportunity on that date and encouraged interested Board members to attend that session.

There will be a representative from WIPFLI, Inc., our accountants, at the November Board meeting to present the financial audit for FY 2015. Average daily sales growth to date in October is 5% with a 5% goal; September average daily sales growth was 1.27% with a 5% goal; the Board reviewed a comparative report of WFC's rolling four quarters financial performance vs. average performance of top 25% of other food co-ops in our sales range.

COMPLIANCE REPORT

Following discussion and barring objections, the Board accepted:

- ❖ Jamie's Compliance Report on Policy C7 Board Committee Principles
- ❖ Sharon's Compliance Report on Policy BI Financial Condition and Activities

BOARD CALENDAR

The next Search Committee meeting will be on Monday, November 23, 2015, at 4:30 PM in the conference room at WFC. Human Resources Manager Colleen Kelly will attend this meeting. Mickey and Wayne will join the Search Committee (Jean, Carol and Jamie).

NEW BUSINESS

Jean will submit a report from the General Manager Evaluation Committee meeting on September 28, 2015. The Board discussed the following possible topics for their early 2016 retreat: General Manager succession; the Board's 3-5 year strategic plan, and review of the compiled comments from the Cooperative Café session at the Owners Annual Meeting on October 23.

Following discussion and barring objections, the Board accepted by consensus a slate of officers for the next year:

- ❖ President Jean Sramek
- ❖ Vice President MaryAnn Bernard
- ❖ Secretary Mickey Pearson
- ❖ Treasurer Wayne Pulford

Following a written evaluation on process, Jean adjourned this meeting at 7:28 PM.

Respectfully submitted,

Sharon Murphy, General Manager