

WHOLE FOODS COMMUNITY CO-OP, INC.
Minutes of January 27, 2014, Meeting of Board of Directors
As approved by the Board of Directors on February 24, 2014

DATE: January 27, 2014
TIME: 5:30 PM
LOCATION: Whole Foods Co-op, 610 East 4th Street, Duluth, MN

Attended by Board members: Chris Edwardson, David Helf, Heather Murphy, Mickey Pearson, Jean Sramek and John Westlund. Also present: Owner Mary Ann Bernard, Store Manager Sarah Hannigan, and General Manager Sharon Murphy.

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 Chris Edwardson called the meeting to order at 5:29 PM and appointed Mickey as timekeeper. Board members were prepared and reported no conflicts of interest.

The Board approved (MSU, David, Jean) the appointment of Owner Mary Ann Bernard to fill the remaining term (expires October 2014) of Jennifer Cummings.

As the representatives of the National Cooperative Grocers Association-Development Co-op/NCGA-DC were unable to attend this meeting due to severe weather conditions, their presentation will be rescheduled. Sharon asked the Board to share their questions regarding the NCGA-DC's proposal for second site consulting services so that she could gather more information before the next Board meeting.

Owner linkage, especially with respect to Board recruitment, the WFC-sponsored film on January 19 and the January 25 Owner Forum, was reviewed. John will not be able to attend the February Owner Forum or the February Board meeting.

CONSENT AGENDA

The Board approved/accepted (MSC, Heather, David; Mary Ann abstained) the following items on the January 2014 Consent Agenda:

- Important Dates
- Minutes of the December 16, 2013, Board Meeting/open session
- January 2014 Owners Report
 - 49 Owner applications
 - 4 Term/transfer requests (#13844, 9481, 12013, 13087)
 - 2 Matching Fund requests (#12500/\$80; #12343/\$80)
- Compliance Reports:
 - Policy C1 Unity of Control
 - Policy C2 Delegation to General Manager
 - Policy C3 General Manager Job Contribution
 - Policy C4 Monitoring General Manager Performance
 - Policy D2 Board Job Products
 - Policy D9 Search Committee
- Board Calendar items
 - January 31st is *Gazette* submission date
 - Annual Business Plan due (*submitted with January 2014 Management Report*)

- Plan Annual Meeting (*forwarded to February Board agenda*)
- Schedule General Manager Evaluation Committee meeting (*5-5:30 on Monday, February 24, 2014*)

REVIEW

MANAGEMENT REPORT

Sharon:

- Reviewed activity on the discovery process in the lawsuit (Last Chance Liquor vs. City of Duluth and Whole Foods Co-op).
- Asked Board members to consider attendance at the Consumer Cooperative Management Association/CCMA Conference in Madison, WI, (June 10-15, includes travel time)
- Noted that January sales growth to-date is 12% with a goal of 8.75%.
- Advised she would include the suggestions/comments from the January Owner Forum in the next *Gazette*.
- Asked if there were any questions on Management's 2014 Business Plan for the current location.
- Asked Board members to consider attendance at the CBLD Cooperative Café in Rochester, MN, on March 29 (David, Jean and Mary Ann/yes; John/maybe).

The Board confirmed the following dates:

- Board Orientation for Mary Ann will be on Wednesday, February 19, 2014, at 2 PM in the conference room; David Helf, Store Manager Sarah Hannigan and Sharon will also attend.
- Board Recruitment Committee will meet starting at 4:30 PM on Wednesday, February 19, 2014, in the conference room.
- The General Manager Evaluation Committee will meet from 5 to 5:30 PM on Monday, February 24, 2014, in the conference room.

Management recommended and the Board took the following actions:

- The Board approved (MSU, Jean, Mickey) commissioning Dakota World Wide for two (Site A and Site B) site-specific market studies indicating sales potential, assessing impact on sales at current location and competition, etc.
- The Board approved (MSU, David, Jean) an earnest money deposit of \$10,000 to temporarily secure Site A while additional research is conducted.
- The Board approved (MSU, John, David) a storewide performance bonus for eligible staff for the October-December 2013 period in the amount of \$12,573.

Following discussion and barring objections, the Board accepted Management's Compliance Report on Policy B4 Financial Condition and the 2nd QTR/FY 2014 financial reports attached thereto.

NEW BUSINESS

The Board reviewed the summary of suggestions and comments from the January 25, 2014, Owner Forum conducted at Hartley Nature Center and gave Management recommendations for process changes and topic at the February Owner Forum.

The Board noted that the proposed amendment of Policy D2 Board Job Products to include the Board's 2014 goals was approved at their December 2013 meeting.

There was no Board or Management recommendation for changes to Policy D10 Board Recruitment and Election Ballot Committee.

Following a written evaluation on process, Chris adjourned this meeting at 7:17 PM.

Respectfully submitted,
Sharon Murphy, General Manager