

**WHOLE FOODS COMMUNITY CO-OP, INC.**  
**Minutes of May 19, 2014, Meeting of Board of Directors**  
*As Approved by the Board of Directors on June 23, 2014*

DATE: May 19, 2014  
TIME: 5:30 PM  
LOCATION: Whole Foods Co-op, 610 East 4<sup>th</sup> Street, Duluth, MN

Attended by Board members: Mary Ann Bernard, Chris Edwardson, David Helf, Heather Murphy, Mickey Pearson, Jean Sramek and John Westlund. Also present: Owners Jeffrey Petcoff, Rebecca Finnigan, Wayne Pulford, Tom Maas and Jocelyn Zentz 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 5:30 PM. Board members were prepared and checked in; Chris determined there was no need for a closed session.

Chris appointed Jean as timekeeper.

### **CONSENT AGENDA**

The Board approved (MSC, David, Mary Ann) the following items on the May 2014 Consent Agenda:

- Important Dates
- Minutes of the April 21, 2014, Board Meeting/open and closed sessions
- May 2014 Owners Report including:
  - 85 Owner applications and
  - 5 term/transfer requests (#4476, 2260, 4863, 1099 and 14164)
  -

### **REVIEW**

#### **Management Report**

With respect to the Denfeld Project, Sharon:

- Reviewed posted preliminary site design (X-2) and interior layout design (X-2) as well as site survey results for the Denfeld location.
- Advised that a Phase I report has been received and a Response Action Plan/RAP requested from Braun InterTec.
- Reported \$525,000 in Owner loans received and commitments and \$78,500 in Class C shares purchased and commitments as of May 19, 2014 = total \$603,500 with goal of \$1.5 million by June 15.
- Advised that a conventional financing loan application has been started at Members Cooperative Credit Union and requested Heather's signature as Board Secretary on a resolution certifying the February 24, 2014, Board action authorizing the General Manager and Board Vice President Jean Sramek to sign any and all documents relating to financing the Denfeld Project.

With respect to the Hillside store, Sharon reported:

- That remodeling for the re-brand project begins tonight after the store closes and reviewed the color palette and material choices that will be implemented in both locations and
- That the back-up generator is now fully installed and we are waiting on MN Power to conduct testing.

With respect to travel logistics for Board and management to attend the 2014 Consumer Cooperative Management Association Conference in Madison, WI, Jean confirmed that she, David and John would be driving together; Sharon and Sarah Hannigan will be driving in another vehicle.

At management's request, the Board approved (MSU, David, Mickey) changing the eligibility criteria for Owners applying for Fran Skinner Memorial Matching Funds to an Owner presents one-time proof (at Customer Service Counter) of his/her participation (e.g., a current card or current award letter) in one of the following eight programs:

- Emergency Assistance Program (e.g., through St. Louis County or the Salvation Army)
  - Energy Assistance Program (e.g., AEOA)
  - Medicaid
  - Section 8 or HRA Housing Program
  - School Meal Program
  - SNAP (formerly Food Stamps)
  - Social Security Disability Insurance/SSI or RSDI
  - WIC/Women, Infants, Children Food Supplement Program
- This change in Matching Funds criteria is NOT an annual requirement.
  - This change in Matching Funds criteria does NOT affect any Owners previously approved for Matching Funds.
  - Approval of applications for awards from the Fran Skinner Memorial Matching Fund continues to be a Board responsibility.
  - This change in criteria will be effective concurrently with the introduction of the Access Discount, a monthly benefit for Owners who provide annual proof of participation in one of the above eight programs.

Following discussion, the Board accepted management Compliance Reports on the following policies:

- B1 Staff Treatment
- B2 Compensation and Benefits

The Board (MSU, Mickey, David) approved amending the introduction to Policy B1 Staff Treatment as follows:

“With respect to treatment of paid ~~and volunteer~~ staff, the General Manager may not fail to take reasonable steps to prevent conditions that are unsustainable, inhumane, unfair or undignified.”

The Board (MSU, John, David) approved amending the introduction to Policy B2 Compensation and Benefits as follows:

“With respect to employment, compensation and benefits to employees, consultants ~~and contract workers and volunteers~~, the General Manager may not cause or allow conditions that are illegal, unfair, or that jeopardize the Co-op's fiscal integrity or public image.

The Board reviewed and accepted the April Income Statement; Sharon reported that May sales growth is 7.6% to date with a goal of 8.5%.

## NEW BUSINESS

Mary Ann is now on the Board Recruitment and Election Ballot Committee.

The Board reviewed outcomes from their April 26, 2014, retreat with CBLD Consultant Joel Kopischke; retreat goals yet to be completed will be added to the agenda for future Board meeting.

The Board and guests watched and then discussed a video from the CBLD archives by CDS Consultant Marilyn Scholl on creating community.

Following a written evaluation on process, Chris adjourned this meeting at 7:30 PM.

Respectfully submitted,  
Sharon Murphy, General Manager