

WHOLE FOODS COMMUNITY CO-OP, INC.
Minutes of July 28, 2014, Meeting of Board of Directors
As approved by Board of Directors on August 24, 2014

DATE: July 28, 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. Mary Ann Bernard was absent. Also present: Owner Wayne Pulford and WFC's 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 5:31 PM. Board members were prepared, checked in and reviewed Owner linkage since the last Board meeting. The Board accepted, with regret, John Westlund's decision not to seek re-election in 2014.

Chris determined there was no need for a closed session.

Chris appointed David as timekeeper.

CONSENT AGENDA

The Board approved (MSU, David, John) the following items on the July 2014 Consent Agenda as amended:

- Important Dates/Board Calendar/Board Goals/Owner Participation Events
- Minutes of the Minutes of the June 23, 2014, Board Meeting/open session
- Drafts of end of Fiscal Year 2014 financial reports (subject to audit)
- Compliance Report on Policy D8/Minutes Procedure/Heather
- July 2014 Owners Report including:
 - 81 Owner applications and
 - 2 term/transfer requests (#13195, #9962)
 - 3 Matching Fund requests (#12901 and #13265 for \$80/each; #12653 for \$60)

REVIEW

Management Report

With respect to the Denfeld Project, Sharon reported:

- \$680,000 of Owner Loans received and \$66,500 of Class C equity investments received plus \$220,000 in commitments = \$966,500.
- Closing date on purchase of land: August 7, 2014, 9 AM at Consolidated Title.
- Results received on soil boring tests and drafts of Response Action Plan and Construction Contingency Plan.
- Approval of site design and building plan for the Denfeld Project is on the Planning Commission's agenda for August 12, 2014; need Planning Commission design approval for "as will be" appraisal for MCCU and to develop blueprints for construction/site development commitment; also awaiting (due by 7/31) final bid from contractor to update Sources & Uses.
- Discussed options for solar panels at Denfeld site.
- Expect ground-breaking at Denfeld site in late August/early September.

The Board approved (MSU, Jean, Mickey) a resolution authorizing General Manager Sharon Murphy and Board member David Helf to sign any and all documentation required on behalf of Whole Foods Community Co-op, Inc., for the closing on the purchase of the property known as 4426 Grand Avenue, Duluth, MN, and for the financing of the Denfeld (4426 Grand Avenue, Duluth, MN) project with Members Cooperative Credit Union. {Note that Board member Jean Sramek was previously

authorized to be a co-signer on these documents, but she will not be available for the closing on August 7, 2014.}

With respect to the Hillside store, Sharon noted:

- July sales growth at 7% with a goal of 7%.
- The re-brand project is approximately 75% complete; interior lights scheduled to arrive in August along with outdoor signs; front of the building will be re-painted once outdoor signs are installed.
- Replaced bumpers in customer parking lot; bollards will be installed around City light poles; LOLL courtesy bench installed in front of store; both parking lots re-stripped.
- Discussed impact of planned reconstruction of 4th Street (2016-2017 from 6th Avenue East to 24th Avenue East)
- Planning for a grand re-opening at Hillside once re-brand is complete.
- Management's Strategic Plan (2014-2017) was distributed at tonight's meeting, is posted on the wiki site and will be the principal agenda item at the joint meeting of the Management Team and the Board at 5 PM on August 25, 2014.

The Board approved (MSU, Jean, Heather) management's recommendation to donate \$1.00 for each ballot (on-line or paper) received in WFC's 2014 Board election to the Just Label It campaign to label GMO's (justlabelit.org).

Two applications (Mary Ann Bernard and Wayne Pulford) have been received for the 2014 Board election; candidates have until August 1 to submit applications and photos; there will be four positions open on the 2014 ballot.

The Board approved (MSU, Jean, Mickey) an annual dividend of four percent (4%) on Class C equity for Fiscal Year 2014 (July 1, 2013 – June 30, 2014) to be pro-rated based on the date of each investment.

Compliance Report: The Board accepted the following Compliance Report:

- Policy D6 Board Meetings as amended at this meeting with respect to deletion of David's note at the end of the Compliance Report.

OLD BUSINESS

The Board approved (MSU, David, Heather) a motion to remove its annual goals from Policy D2 Board Job Products, Section 4, and to include annual goals, completed and pending, on the Consent Agenda section of each month's meeting Agenda.

The Board discussed its goal to develop technology tools to enhance communication options among Board members and to secure Board archives and make Board archives searchable. Jean and Mickey will review resources and report back to the Board.

The Board discussed its goal about ensuring Board perpetuation. The Recruitment Committee (Mickey, Heather, Mary Ann) will develop and bring a proposal to the Board for discussion regarding the candidate application process.

NEW BUSINESS

The Board discussed Chris' summary (24 months) of meeting evaluation scores, how Chris uses this information to enhance meeting process, and that it is time to do another on-line Board self-evaluation survey. Chris will draft his Compliance Report on Policy D1 Governing Style for review by the Board in advance of the August meeting.

Chris asked:

- Did everyone get to speak who wanted to speak to a particular issue?
- Have we heard the opinion that challenges the wisdom of the day regarding this issue?
- Have all opinions been heard – especially those not present in this room?

Following a written evaluation on process, Chris adjourned this meeting at 7:20 PM.

Respectfully submitted,
Sharon Murphy, General Manager