

**Community Food Co-op  
Board of Directors Meeting  
January 11, 2006**

**Present:** Philip Buri, Jo Ann McNerthney, Brooks Dimmick, Brent Harrison, Judy Willis, Derek Long, Jim Ashby, Sharon Sounders, Jean Rogers

**Absent:** Steven Harper, Karen Thomas, Negash Alem

**Facilitator:** Holly O'Neil

**Dining with Directors Evaluation:** There was a good turn out. Seating in the new store seems to be an issue for people. It sounds like there is a desire for more than the grab and go focus. Many groups meet in, and got started in the café. There's a warmth that happens in that space even though a relatively small percent of members use it. The second store seating area will be heated, and can be opened up. It could be enhanced with a hedge or fence, vines or espaliered trees, or an enclosed garden. We will be looking at trade offs to balance seating and grocery. People in the back couldn't hear the full conversation. If we presented the seating a little differently people might have had a different sense of it. We should at least look hard at the issue. Several directors observed that people stressed a sense of community and whatever we can do to accommodate it, especially with a community area in the store. Childcare might encourage shoppers. We need to be clearer about the LEED consultant's role. There were quite a few bylaw questions, although people didn't opt for another meeting on that subject. Some of the exciting elements of the new store and their lasting benefits may not be apparent (green roof, raised beds, etc). We should work to make sure presentations highlight the store's innovative design. We could have Jim or Brennan answer questions. We have one more presentation on the final design and should address how to make that a very exciting event. It was very helpful that Board members arrived promptly.

**Consent Agenda:** The Board confirmed that they had received and read the consent agenda. ***GM Monitoring Reports;*** The Board agreed to add discussion of B8.2 to the main agenda. Jim clarified that we do an employee survey every two or three years, the last one being in '05. The interpretations listed are Carolee Coulter's (the person who did the survey). ***Monitoring Reports:*** no comments. ***Committee reports:*** Jean will adjust the first paragraph of the Member Affairs Committee (MAC) minutes to reflect that the patronage refund allows the Co-op to keep more income and distribute a dividend to co-op members through tax savings. ***Board Minutes:*** Jean will update the last sentence of the Food To Bank On (FTBO) report to reflect that fourteen percent is the overhead for Sustainable Connections as a whole organization. ***Approval of new members:*** According to the new bylaws the Board approves new members. Jim proposed that the Board approve members who joined during previous month as part of the consent agenda. If something comes up regarding approval of an individual member we would bring it down onto the agenda. **Dealing with approval of new members will be put on the February Board agenda for discussion. The Board unanimously approved the consent agenda with the exception of the adjustment to MAC's report, clarification of the FTBO section of the Board minutes and B8.2, which was added to the main agenda for more discussion.**

**Report from the Chair:** Phil announced Jim's 20<sup>th</sup> anniversary as General Manager of the Co-op and congratulated him on his work for the Co-op.

**Board Self Evaluation:** Tabled until February.

**Monitoring of B8.2:** Jo Ann noted that it seems like we should keep an eye on our product criteria. Jim explained that we're still developing our system. The information is written down but people develop their own hand with the process and we do rely on their values. Jo Ann's concern is that because there

isn't a set process, the product criteria could potentially deteriorate. Jim stressed that establishing product guidelines is harder than it sounds. The worksheet Judy worked on is a good first step. We're planning to use the grid for marginal products. We could also figure out more social criteria. We need to be sure we're talking about the same kind of store. Judy cautioned that some information changes very rapidly and we could get cornered into being too specific. Phil's impression is that the grocery staff and store manager have a good sense of what's appropriate. He would leave the policy as is unless problem products are making it thorough the screen too often. Derek suggested that Board stress the importance of considering the Co-op's values when buying for the store, and convey that we need to develop an institutionalized selection criteria. Jim does ask questions about values and socially based criteria. He agreed that it would be great to make the system formal, and will respond to the Board's concern. In a new environment our current intuitive system might not work as well and it's best to address it now.

**Boycott Committee:** Jo Ann presented a revised version of the Boycott Committee's letter to Wolfgang Puck, Inc., expressing concern that the company may be using animal cruelty practices. The committee would like to send the letter out to Wolfgang Puck. **The Board agreed to send the letter. Judy agreed to contact concerned Co-op member Phyllis Shelley, and will convey official thanks from the Board. The letter will also be sent to Wolfgang Puck's managing partners.**

**Annual Meeting Topic Question:** Derek stated that the Board has talked about having growth as a theme, also incorporated into a pertinent yearly topic. Then some good ideas came out of MAC responding to the perception of food costs at the Co-op and taking the opportunity to talk about the true cost of food – an excellent topic. Winona LaDuke and Alan Durning were suggested as speakers. Alan does the Cascadia scorecard (this topic would be more related to growth). Brent recommended waiting to spend money on a costly speaker until we have a better facility for the presentation. **The Board agreed to look into the topics of the true cost of food or sustainability indicators, depending on available speakers, and empowered Derek and Judy to make a final decision.**

**The Patronage Dividend System:** The Board had a discussion about describing patronage and exactly how it works. The concern is to be sure directors are presenting the same information. The Board is in agreement with the system in concept, but it can be difficult to articulate it well. It was agreed that patronage and the non-member surcharge are two different things. The Board is keeping the surcharge for another year. The dividend comes from the same money we've always made, but if we call it something different we get tax savings. The refund is a distribution of tax savings dollars, half of which would be directly refunded to the membership. Brent clarified that REI's dividend system reads like ours but is administered differently. Patronage gives members a more tangible return on their investment. Part of the goal of instituting a patronage refund was to create more of a connection to the membership. It's important to explain that tax savings largely will pay for the dividend. It's a win-win proposition for the Co-op and its members. The tax savings would offset the loss of the surcharge if we remove it in a year. We might have to gauge different people's interest about patronage and provide several levels of explanation. **The Board agreed to review and use the information sheet on patronage prepared by Ginger.** For more detailed information people can call Jim or Ginger or review the FAQ's. Brent was surprised and a bit concerned at the number of questions about the surcharge from members attending the Dining with Director's forum. However, when asked, the group didn't want another meeting on the topic. It was noted that when the Board decides how much to distribute, it would be important to make sure our procedures match the description and use of the system.

**The Meeting ended at 10:00 PM. The next Meeting of the Board of Directors will be *Wednesday, Feb. 8, at 7 p.m. at the Co-op Connection Building.***