

Meeting Minutes for Weaver Street Market's Board of Directors

May 2012 Meeting

Monthly Board Meeting, Panzanella meeting room, Carrboro, NC on May 16, 2012, 6:15 pm to 9:30 pm

Directors present: Ruffin Slater (general manager), David Bright (secretary), Audra Marotta (treasurer), Lisa Best, Steve Bos, and Linda Stier.

Attending remotely: Curt Brinkmeyer (chair)

Others attending: Andy Sachs (facilitator), Brenda Camp Orbell (owner services coordinator/notes), and Patrick McDonough, Sr. Transportation Planner, Triangle Transit

The Board has planned several meetings in which the first hour is spent in dialogue with guest speakers. The intent of these conversations is to further educate the Board of Directors on opportunities being considered in 2012. Patrick McDonough is the second guest speaker for 2012.

1. Exploring WSM's 2025 Vision

Guest Speaker, Patrick McDonough, Senior Transportation Planner, Triangle Transit

Patrick McDonough, who describes himself as a “smart growth urban planning nerd,” was invited to discuss the plans for mass transit in the Triangle area and how these plans create opportunities for the downtown areas. McDonough’s presentation addressed three major topics: a General Transit update, his thoughts on sustainable mobility, and a discussion of the opportunities that exist for downtown businesses.

McDonough began with a brief General Transit Update with a focus on long-range plans, including the rail project between Durham and Chapel Hill. He suggested that harsh economic conditions, including increases in fuel prices, led to a Renaissance moment in which people are embracing transit and many are suddenly realizing that riding a bus is easier than they thought. He noted that Durham County passed a referendum last year approving a ½ cent sales tax to support the expansion of bus and rail transportation in Durham County. He reported that Orange County is considering a similar ½ cent sales tax to support the expansion of bus service (by 35,000 hours in the first five years), capital improvement (such as park and ride lots), the Hillsborough train station (an inner city rail station by 2015 to 2016 with Hillsborough as a stop along the route from Charlotte to NYC), and a light rail between Chapel Hill and Durham (a \$1.4 billion project to open in 2026).

McDonough explained that his views on sustainable mobility were heavily informed by a decision to live in Venice, where he experienced a much closer connection to the community when he no longer relied on an automobile. He posited that the automobile has reached its limits in serving Downtown Carrboro. He suggested, that “if during rush hour traffic, you can walk faster than you can drive, the game is over” [for automobiles]. McDonough also noted that the town could build more parking garages, but unless the roads are widened, it couldn’t bring more people in. He suggested that the solution to bringing more people to the center of town required fewer vehicles or more people and the same amount of vehicles. “We need to provide more choices and offer them across a greater span of the day.” He observed that Carrboro has an excellent grid for walking, and that Hillsboro’s grid, though more limited, continues to improve.

McDonough referred to an article on judging how communities walk, which he and his colleagues published in *Carolina Planning*. He observed, “There’s big power in small changes.” As an example, he pointed out that driving to work four days versus five makes a significant difference without totally changing your life. (Your life is still 80% the same.) He encouraged the Board to find ways to nudge employees, customers, and those the market has business relationships with to make these important

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small changes. McDonough referred the Board to a second article he wrote for *Orange Politics*: “Meeting the Access Management Challenges of Downtown Carrboro.”

McDonough identified a number of important takeaways for the Board: Carrboro lacks a transportation management association (a group of businesses and nonprofit stakeholders) that works on the shared interest of getting individuals to move away from one person to one vehicle to shared transportation. One function McDonough identified for the association would be to see that within each business there is an association member who could tell new employees about the transportation options for getting to work and around the community. He suggested that WSM, because of its scale, possesses “an interaction opportunity footprint” that could be used to leverage connections with other business.

McDonough also made some suggestions for future WSM investments: 1) Offering transit benefits to employees at the Hillsborough store who currently pay \$2 each way to ride the bus to Chapel Hill and 2) Sponsoring car sharing (such as a “zip car” or “we car”), through which an employee who uses public transportation can check out a car at the work location. McDonough noted that one share car translates to seven fewer cars in the various lots, which means seven more available parking spots for the ones who drive. Shared cars require money to get started, he noted, but within a year or two should be self-sustainable.

In the discussion that followed the presentation, McDonough confirmed that the rail planned from Durham to Chapel Hill will stop at UNC hospital (around 2025) with future phases (approximately 2040) to eventually extend it to downtown Chapel Hill, Carrboro, and Carolina North. The GM observed that part of the co-op’s 10-year vision was to find sustainability indicators both for the co-op and for our customers and owners. McDonough noted that the Boston Indicators Foundation has a \$2 million grant to gather and issue a report every two years on social indicators such as per-capita donations to the arts. He suggested that “what gets measured gets acted upon.” In that light, he recommended that the Board pursue Carrboro-specific research, such as a survey on how customers are coming to the market and what it would take for customers to consider walking or biking to the store. He also related the value of asking the question, “What would need to happen to connect all people, but particularly local income families, within a 20-minute bus ride to fresh food?”

McDonough pointed out one of the challenges in the Triangle is that “life on foot” is limited to the downtowns, and urged the Board to remember, “The price of not doing something is not nothing.” He pointed out that Carrboro is becoming less and less income diverse, which he mainly attributed to the increasing scarcity of housing, which was pushing lower income families further and further away from the city. McDonough noted that according to Pew Research Center, Orange County is more “income unequal” than 98% of the counties in the United States.

Examples were discussed where shared transportation works and is a natural part of life, including Hong Kong and Washington DC. A Board member suggested that involving the youth would be critical to the success of any cultural shift in which walking and shared transportation were an integral part of life. The group also discussed the potential of shared bikes, especially combined with bus systems. In response to a member’s question about parking studies, McDonough observed that parking capacity changes throughout the day. He recommended looking at what Arlington, VA had done with its parking space system. For example, residents look online to find open parking spaces in real time, which reduces parking congestion. He also recommended charging for premium parking spaces. He suggested that “Free parking forever in Carrboro” is not a tenable position.

A Board member asked about the impact one store could make on the bigger picture. McDonough noted again that the co-op has tremendous interaction opportunities in which employees and volunteers can promote change, particularly with the cashiers who interact with large number of customers daily. He suggested that people want to make change but are motivated when they perceive it be simple. One

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simple example of sharing the motivation would be to have buttons for employees that say “I biked here today. Ask me how!”

Another member observed that change has to come through an integrated, coordinated process that involves all the stakeholders as well as the various transportation options. McDonough called this concept a “Coordinated Mobility Policy,” which allows “the most people to do the most things they want to do with incentives and disincentives” regardless of their preference to walk, ride the bus, etc.

When asked to make projections about transit stops around the Triangle, McDonough discussed the phenomenon that occurred in Arlington, Virginia. He observed that the planners decided where the growth would go and reached consensus on where it should not grow. McDonough suggested that there were indicators that downtown Carrboro wants to be bigger. He offered three hints he had seen recently: where food trucks are located, where bands put flyers on the telephone poles, and where people yarn bomb. These indicators suggest the walking footprint and the areas people think are important. McDonough considered a question about areas other than Carrboro where growth was likely to happen. He showed the Board an activity intensity indicator for the current activity levels and for projections to 2035. The level of the activity for 2035 suggested that Carrboro was a reasonable place for train service.

Based on his assessment of transportation plans and projected growth, McDonough suggested that a location for a new store might be Lee Village near I-40. The location is largely “green field.” A group of landowners collectively own more than 220 acres. Landowner Jet Harris, who owns 60 acres, has been an advocate for doing something with the land that preserves the legacy of the land. McDonough observed that Lee Village is located at exit 273 on I-40, which is the first exit where people can go toward Chapel Hill after the long trek around Jordan Lake. He also noted that UNC Hospital has plans to replace Friday Center with a 750-bed hospital. He predicted that there would be a train stop right at Lee Village. He suggested that there were other individuals in Durham with “cathedral thinking” and remarked in closing that “big decisions with the long view can be very powerful.”

2. Preliminaries

Owner Input: None.

Agenda: There were no changes to agenda.

Minutes: Minutes from the April meeting were approved.

New Owners: There were no exceptions to the owner lists for April 2012: 79 new consumer owner shares, 3 new worker owner shares, and 14 refunded shares.

Decision: The Board approved the April minutes.

Decision: The Board made no exceptions to new consumer and worker owners.

3. General Manager Reports

General Managers Report

The General Manager answered questions on his monthly General Report. *General Report* included a number of highlights:

- Sales growth in April continued to be fairly strong, with the three stores up 8%. The wine sale fell a little later this year, which means that April lost some sales that will show up in May.

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- 28 Dividend Vouchers were redeemed since last report. So far, 41% of the dollar amount of the vouchers has been redeemed.

Monitoring Report 2-6 Financial Condition

The GM reported on Financial Condition for Q3 FY 2012. The GM clarified that the increase in the cost of benefits was due to being partly self-insured. He noted that cost of benefits can go up due to individual health claims. He also clarified that the category "Other Income" under Unit Expenses is really "Other Income/Expense"; that is, negative expense is really income. For this report, a minor correction to cost of goods created miscellaneous income instead of expense.

Decision: The Board accepted the Financial Condition Monitoring report.

Update on Draft 2025 Vision and Benchmarks

The GM provided an updated 2025 vision, which continues to evolve and will be presented at the Manager's retreat Thursday. A Board member asked how the co-op would maintain the feel of community while growing and questioned whether there was a threshold at which the cooperative starts to lose something by becoming too big. She suggested the idea of "a cooperative of cooperatives" rather than just adding onto the existing cooperative. Another Director asked if there was a way to quantify what would be gained by adding stores. Another noted that it would be important to demonstrate the value of expansion and to keep the voice of each store active.

The GM noted benefits a WSM co-op brings to the community and local economy, including the ability to hire the skill and talent. He noted the greatest level of change at the co-op came with the expansion from one store to two, and that opening a third store necessitated the Food House. He suggested that opening a fourth store would require less change.

Update on "Summer of Engagement" Process

The GM reported that the process would begin with small groups meetings to discuss potential plans. After the discussions, the plans would be revised and then communicated.

Patronage Dividend Memo

The GM presented scenarios for a patronage dividend. A number of questions were raised by Board members: Did the dividend satisfy the Board's intention with the dividend? Could the co-op do more than 20% this year? Did owners redeem the small value vouchers? How many used the owner appreciation coupons? What rate would be used for the worker owner savings accounts?

The GM agreed to provide information on

The distribution redemption rate for the different \$ amounts

Scenarios for distributing more than 20 percent

Possible interest rates to tie to the worker owner savings accounts

A Director also suggested that dividend disbursement creates a sense of "individuals separate from the collective." She suggested more communication about the collective use of the money.

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4. Owner Communications Update

The Owner Services Coordinator reviewed the event schedule for the Board members at the Co-op A-Fair in Durham on June 2. She provided preliminary drafts of the Summer 2012 Owner News which is targeted to arrive in the mail, in the stores, and online on June 13.

5. Board Process

Elections Committee Manual and Timeline

The Board approved the Procedures Manual for the 2012 Election and the proposed timeline.

Decision: The Board approved the Election Procedures Manual for the 2012 Election.

Report on Board Emails

The Board of Directors received one email in April. It was to be addressed in the Executive Session.

Follow-Up on the Agenda Planning Survey

The Board Chair reviewed the Agenda Planning policy and the current process being used. He reported that the policy does not reflect the process being used and that the two need to be brought into alignment.

Task: Audra, Steve, and Curt will draft a revised Agenda Planning Policy for the Board to review.

Board Monitoring Survey: Policies 4-5: Linkage with Owners and 4-6: Job Products

The Chair presented a summary of the Board Monitoring Surveys for Policies 4-5: Linkage with Owners and 4-6: Job Products. Chair recommended checking Policy 4-5: Linkage with Owners next year after the Board has undertaken the engagement activities planned. He reported that the group was aligned in its assessment of the governing process covered in Policy 4-6: Job Products.

6. Open Board Time

Curt will be on medical leave for 2 to 4 weeks.

7. Closings

Tasks and Decisions: The Board reviewed and confirmed its tasks and decisions.

June Agenda Items:

- Update on 2025 Vision
- Meeting, Monday, June 25
- Draft of revised Agenda Planning Policy

8. Executive Session