

New Orleans Food Community
Board of Directors Meeting
22 November 2005
1219 North Villere Street
New Orleans, Louisiana

Present:

Tommy Boehm
John Calhoun
Dave Cash
Karley D. Frankic

Proxies:

Betsy Heminway
Leenie Halbert

Guests:

Anne Sobol

The meeting was called all to order at 6:11 pm by Tommy Boehm.

John Calhoun moved to approve the minutes of the November 11th meeting. Tommy Boehm seconded the motion. Tommy Boehm, Erin Laine, Karley D. Frankic & John Calhoun voted to approve the motion. Dave Cash abstained for having not read the minutes yet.

Discussion of proxies

Dave Cash questioned if proxies needed to be in writing and present at board meetings to be valid. Erin Laine said that the proxy from Betsy Heminway had been e-mailed to her to act as Betsy's representative and to Karley D. Frankic as the secretary. John Calhoun said Leenie Halbert had e-mailed him directly to be her representative at this board meeting. John Calhoun said that he believed that Leenie Halbert had also e-mailed the proxy to the forum to be sure that it was valid. Karley D. Frankic suggested that the Chairman should receive proxies in writing or electronic e-mail at or before the meeting.

Treasurer's Report

Marian Comiskey, elected at the last BOD meeting, was not in attendance. John Calhoun reported that she accepted the treasurer position, but was not able to attend this meeting. John Calhoun further reported that he has \$800.00 in undeposited new memberships. This brought the total in checking, savings, money market and cash on hand to \$11,733.55. The separate buying club account has \$1812.72.

John Calhoun reported that the Hope Credit Union is inaccessible. You can access the account only through other member credit unions and the only one in the New Orleans metro area is the Fire Fighters Credit Union on the West Bank. ASI Federal Credit Union is not a member credit union, so we can not use them to retrieve our money. Additionally, their only open branch is in Elmwood. Erin Laine stated that we can make deposits through the mail. Anne Sobol said that we can't write checks so we need to make the move to another banking institution to have our money more accessible. John Calhoun said that we are paying \$10 a month for a checking account there. He suggested moving our money for checking and saving into a different

bank and leave our money market with the credit union. Dave Cash said that the priority is to have our money accessible. John Calhoun reported that the debit card does not work at this time. John Calhoun will get ahold of Marian Comiskey to open an account on recommendation of hers. Dave Cash moved that John Calhoun be authorized to remove the money in the Hope Credit Union through the Firefighters Credit Union and close the account and move the funds into a free checking account, savings and money market. Tommy Boehm seconded the motion. Dave Cash suggested that the savings and money market go into the same institution so that online transactions are possible. Erin Laine reminded the BOD that we put our money in Hope Credit Union because they were in line with our mission statement. Tommy Boehm suggested that this is a temporary solution until Hope can get back on their feet. The motion passed unanimously.

Old Business

Phoenix Stables

Karley D. Frankic reported that Jeff Treffinger told her that James Michalopolous was planning on selling the Phoenix Stables property and we should not concern ourselves with continuing with that plan.

New Business

Membership

John Calhoun reported that the membership committee was all back in town and can schedule a meeting. John Calhoun further reported that there are five new members since Hurricane Katrina.

Website

Erin Laine reported that John Maraist has updated the website with a new look and a focus on the basics about who the co-op is, our background, mission and BOD. It is now posted. John Maraist wants feedback and will be adding graphics. The website has been focused on content, including board minutes which are archived as pdf and html. If you do give John Maraist feedback be specific about what page, include the url.

Erin Laine added the Paypal feature for donations is now operational. There is a nonprofit offering a Paypal like service. Dave Cash said that most people have Paypal accounts already set up. Erin Laine said that we are charged 3% of the donation and \$0.30 fee by Paypal. Dave Cash suggested that we ask for \$104 dollars to make the membership online. Erin Laine said that right now the website only says Donation she will break it out into Donation and Membership. John Maraist is working on the web-form to minimize confusion.

Melonheads

John Calhoun reported that the owner of Melonheads Cafe said that his occupancy license was \$50.00, not the \$500 that Karley D. Frankic had said that it would cost. Karley D. Frankic reported that she had been deterred in the application by a requirement by the city that we receive Health Department approval. She said that she will learn about the final costs of the applications and report back to the BOD.

Erin Laine reported that Anne Sobol drafted an agreement for the Melonheads space with updates after the meeting last Friday with the proprietor.

Erin Laine stated that Letter of Intent would be a letter from the BOD to assure the

Melonheads owner that we are interested in moving forward with an agreement in time. Tommy Boehm questioned if the board is agreed upon already. Dave Cash cleared up that the board is not agreed yet.

Member Survey/Poll would ask the membership if they think that considering the Melonheads site and if we should move quickly to secure the site and fill the need in the community and address the operations questions as they come up or take more time to work out the details to insure a good customer service.

Store Manager. Erin suggested that we are going to need someone to work with the owner of Melonheads and wholesale vendors. We need to think of having one person in charge of the operations of the store. The owner of Melonheads requested that he have one person as contact for the BOD and membership. Dave Cash wondered if a person needed to be named in the agreement and what happens if that person needs to be changed later. Karley D. Frankic said that she found this to be a common business request. Dave Cash suggested that we name it the Store Manager. Anne asked if we have identified someone to fill the position. John Calhoun said that he was available to volunteer full-time and is in a position to dedicate himself. Tommy Boehm said that he was behind John Calhoun's taking over the position because of his dedication and reputation in the community. John Calhoun said that he had received an e-mail from a former grocery vendor who will help train him how to manage a grocery store. Tommy Boehm recognized that we have this volunteer and Marian Comiskey to guide us for bookkeeping. Anne Sobol said that she questioned if it was reasonable to have the board ask someone to take on a full-time responsibility on a volunteer basis. Dave Cash questioned if a volunteer position is free of possibility of not being taken out of service. John Calhoun stated that he is dedicated and could take on a full-time job, but is used to working on a volunteer basis. Dave Cash said that if John became unable to continue as store manager, can we count on having a volunteer to replace him. John Calhoun suggested that the Store Manager would delegate the responsibilities among the other volunteers to make sure that one person is not overworked. John Calhoun reminded the BOD that this is a problem that any for-profit business would have with a paid manager. Dave Cash said that this is not a question of if John Calhoun is appropriate for the job. Tommy Boehm said that he has a deep desire to fill the job and will be at the grocery and feels that this is a common feeling. Karley D. Frankic said that she does not want anyone working fifty hours a week if they are paid or volunteer because quality of life is essential to our mission. Erin Laine said that we need to have someone who is very committed at all times and not just an untrained volunteer. Dave Cash said that most co-ops require training before volunteer/members can work there. Tommy Boehm said that the 300-400 sq. ft. is very manageable with two worker and maybe one person after we work out the kinks. Erin Laine maybe said the store manager does not have to be in the store at all times. Karley D. Frankic moved that the BOD designate a store manager for the contract with Culinary Nation, the parent company of Melonheads Cafe and that an operations committee work with the store manager to work out a plan for the delegation of duties. Tommy Boehm seconded the motion. All present voted in favor of the motion. Tommy Boehm moved to nominate John Calhoun as store manager on a voluntary basis. Dave Cash seconded the motion. Erin Laine stated that one of the reasons she likes working with nonprofit groups is that they offer opportunities for people to volunteer and gain experience that they would not be able to get elsewhere. Erin Laine also said that what we need to be clear that the store manager position is not infinite, a position for life, that it will not be a volunteer position for life. Dave Cash said that this is a special condition that can be taken away or changed later. John Calhoun said that he feels comfortable taking the store manage position for one year. The motion passed unanimously.

Draft Agreement vs. Letter of Intent

Karley D. Frankic said that it is important that we get a letter of intent to the owner of Melonheads saying that we are working toward getting a consensus from our membership to confirm that the board's efforts are in line with the will of the members. Dave Cash does not feel like we are ready to make a firm agreement at this time. John Calhoun said that he feels that majority of the board and membership are in favor of moving into the Melonheads space. Tommy Boehm said that he feels like there is an overwhelming desire to open a store. All of our choices are limited at this time and everyone is living under duress, but this should not be a hindrance to us. Dave Cash said that we could be a victim of our own success. Tommy Boehm pointed out that even restaurants have a limited menu and people would be grateful to take advantage of our store and support us as much as they can. We shouldn't stop opening a door because we can't figure everything out right now. Erin Laine said that since we have Anne Sobol here tonight, she would like us to discuss the amendments to the draft agreement that have been shared via e-mail.

Anne Sobol said that the things still to be worked out in the agreement are the division of space, the cash register situation and what happens if Melonheads goes out of business. If NOFC is not willing to be on the lease than if Melonheads goes out of business, we are not protected. Erin Laine said that if Melonheads goes out of business than we need to negotiate with the property owner. Anne Sobol said that it is not possible to include that in the agreement with Melonheads. She said that cash registers can have one drawer or two for the two separate businesses. Anne Sobol went on to say that the store manger should look into cash registers donated or bought that can serve our needs. Erin Laine said that she keeps pushing the two drawer cash register issue because she does not feel that we have the experience to share a register and deal with the consequences if something goes wrong. The agreement has to include this point. John Calhoun said that he will find out the information to make this point clear for us to clear up this in the agreement. Anne Sobol said that it is best to ask for a register that includes a scale. Dave Cash questioned that if we had a register donated, would it replace Melonheads or if the two businesses would have separate registers. Erin Laine said that when she had met with the owner of Melonheads and other members and the owner of Melonheads said that he wants to have one register that could be moved to a new location within the store. Anne Sobol said that this is a sticking point if money disappears. John Calhoun is determined that money should be settled at the end of each shift.

How the space will be shared. Anne Sobol said that there wasn't much room for negotiation. There needs to be a clear understanding of how much square feet we would control (35% or 300-400 sq. ft.). Erin Laine said that the owner of Melonheads was amenable to moving around tables to work with us; we are not being very firm in our negotiations. Erin Laine said that the owner of Melonheads is not willing to give up tables. We should take up as much space as we can without taking away from the customers' experience. Anne Sobol said that the we need to work out the details for the agreement.

Anne Sobol said that if we are going to poll the membership, than we need to have one person work out the issues still up for negotiation, including the cash register and the space split. Anne Sobol said that the questions that Dave Cash has raised are important, and the membership should be polled, but we can move forward if someone is willing to work out the details of how big the coolers should be, etc. Anne Sobol worries about if in such a small space we can carry enough stuff that people will want to insure repeat visits. Anne Sobol said that the space limitations need to be worked out. John Calhoun questioned how we work this out. Dave Cash said that we should have half of the space, but Erin Laine said that when she attended a meeting with the owner of Melonheads, the measured space was far less. John Calhoun said that we can

have produce outside on rolling carts that can be brought in at night. Anne Sobol pointed out the sun and heat could be a problem. Anne Sobol said that these details need to split the responsibilities of maintaining the space.

John Calhoun said that he is open to having a member vote, but a meeting would be too hard Post-Katrina. Anne Sobol said that all of this rhetoric about democracy and not having a vote would be ridiculous. Dave said that Post-Katrina makes things very problematic, especially when deciding to open a store. John Calhoun said that he would like to have the store open by February 1st. John Calhoun asked if we can agree to have a member vote. Erin Laine asked if the member vote was specifically for moving forward with the Melonheads site. Dave Cash said that the way a member vote is worded can steer the answer. Anne Sobol said that there is a way to word the poll that would appease everyone. She said that the vote should make an initiative for the members to vote on: Melonheads, 300-400 sq. ft., John Calhoun as manager to open on a certain date. Dave Cash said that in that case we need to have a list of vendors with the restrictions on supply by deliver times or we could have the wrong things on the shelf. John Calhoun said that the deliveries can be arranged to accommodate in overflow storage. Dave Cash said that his second concern is that we can't keep up with demand. John Calhoun said that if that is the case than we can increase deliveries. Dave Cash said that in the past we have talked about doing surveys and doing a more methodical approach. John Calhoun said that as for having the right stuff on the shelves, he has done surveys and been busy contacting vendors about delivery schedules and supplies.

Karley D. Frankic said that a good example of pleasing customers is Zara's which would gladly order items requested by customers of they didn't already carry it. She also pointed out that rarely, if ever, new businesses a year after they open are still operating according to their original business plan. You learn how to tweak your business model based on the reality after opening, no matter what the business

Tommy Boehm questioned if we would be tied into a lease. Anne Sobol said that the owner of Melonheads wants to be solely listed on the lease with the property owner. Karley D. Frankic moved that we send a letter of intent to Melonheads that we are negotiating in good faith. Anne Sobol said that she did not see the need to have a written letter, but that we should simply tell him what is going on. Erin Laine said that it is important to have a timeline. John Calhoun is still hoping to move as quickly as possible. Erin Laine asked if we send a letter to the membership, what would the deadline for input be for the response. Tommy Boehm said that a deadline is essential. John Calhoun said that we should try to get ahold of people by e-mail, mail and telephone. Erin Laine suggested that she work with Anne Sobol to word the survey. Dave Cash said that the BOD does not need to appease him. Erin Laine said that she had a hard time being impartial and didn't think that Dave Cash's response to her draft was not impartial either. John Calhoun asked what exactly we are asking the membership vote upon: moving into the space? the details? Erin Laine said that the basic goal is to inform the membership about the situation. John Calhoun feels that listing the details is too micromanaging. He said that member input is important, but the details are the BOD's responsibility.

Should the NOFC enter into a one year lease to open it's first grocery store in the Melonheads Cafe using 400 sq. ft. therein? is the core of the survey question. Details will be included below the question. Discussion about the risk of investing most of our money should be included in the survey. Dave Cash said that he thinks that the members should know the risk. Tommy Boehm said that the BOD responsibility is to give the best effort possible. We stand as a group to guide these efforts. John Calhoun said that because Dave Cash and Budd Hirons raise questions it makes him stop and take care of these issues.

The meeting was adjourned at 8:13 pm.