

**Minutes of Lakewinds Natural Foods Cooperative  
Board of Directors' Meeting  
Monday, February 24, 2014**

Doug Engen, President\*  
John DePaolis, Vice President  
Brenda Pfahnl, Treasurer  
Tracy Kochendorfer, Secretary  
Dale Woodbeck, General Manager

Caroline Hermes  
Fred Ladner  
Stephanie Matz  
Tim Reese  
Taiha Wagner

*\*absent*

The Vice President called the meeting to order at 6:02 p.m. on Monday, February 24, 2014 in the Eden Prairie headquarters meeting room.

Intentional Learning Hour

Today's learning hour was focused on identifying desired Outcomes or Benefits we expect our co-op to provide to the Beneficiaries of the co-op identified at the January board meeting. A subgroup of the board shared thoughts stemming from its latest call with Art Sherwood of CDS Consulting to help us focus on big picture thinking. The larger board weighed in with various perspectives. Next month we will set the stage for the board/senior management retreat with Art in April. The goal of this work is to arrive at refreshed Ends policies that guide senior management as they plan, prioritize and implement actions that generate desired Outcomes for the Beneficiaries.

Consent Agenda

The consent agenda included a list of new owners for January 2014, a list of owners who sold back their shares to Lakewinds in that same month and the draft minutes of the January 2014 regular board meeting. *A motion was made to approve the consent agenda, seconded and all voted in favor.*

GM, Richfield and Financial Reports – Dale

Dale presented the General Manager's Report, the Financial Report, and the Richfield Report. Sales continue to exceed forecasted budget and membership continues to increase at a rate of about 100 per month between the two stores. Modifications to office, bathroom and storage space at the Chanhassen store have been successfully completed.

March will bring the annual food shelf drive with owners' donations at the Minnetonka store supporting the ICA Food Shelf and donations at the Chanhassen store supporting the PROP food shelf. Lakewinds' social media traffic is building and there will be a Kids Day promotion in the stores on March 15.

In tandem with the work the Board is doing with Art Sherwood, Dale and senior management are also working with Art on strategic, business and budget plans for FY2015.

Dale reported on his involvement as part of an ad-hoc steering committee with several board members of a local 501(c)3 nonprofit, Renewing the Countryside (“RTC”). RTC has received a grant from the Bush Foundation to work on issues surrounding farm land access and transitions. Minnesota’s farmers are aging and many do not have children able or willing to take over the farms. These farms are likely to either be sold at auction or rented to other large landowners. New and beginning farmers interested in sustainable and organic farming have limited financial resources and need access to farm land. Lakewinds is interested in supporting new generations of farmers to continue having access to local, sustainable and organic food for our owners and shoppers. Tim and Tracy will join Dale at an initial grass roots meeting of about 30 subject matter experts to discuss various aspects of barriers to land access and ways the barriers might be addressed and overcome.

Construction is going well on the Richfield store now that an insulated roof and temporary heating enable underground plumbing, refrigeration and electrical work to be done prior to pouring the cement slab for the entire store. Despite a few change orders, the previously projected construction budget remains sound and within planned- for variance. Opening date looks to be around June 26. We have collected/commitments for \$1,650,000 of the \$1,800,000 we need to show as “equity” to our bank lender for the Richfield project. There will be a renewed effort this spring to reach out to new potential owners and highlight the loan opportunity for the remaining \$150,000 needed toward equity.

Board members weighed on reported items and general discussion was had.

There being no further business, the meeting was adjourned at 6:47 p.m.