



Mission & Vision: Whitewater Grocery Co.'s mission is to support farm to table eating, to be a model of environmental sustainability, to stimulate the local economy, and to create a "third space" for the Whitewater community. To accomplish this mission, we will build a grocery store that sells local and organic foods and is as affordable and accessible as possible.

Date: Sunday, October 14, 2018

Location: UW-Whitewater University Center, Hamilton Room

Description: Annual Meeting of the Owners of the Whitewater Grocery Co.

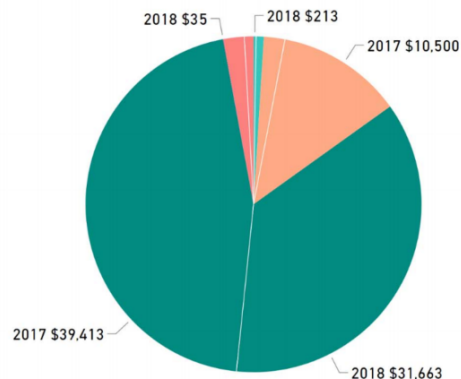
Board Members Present: Lacey Reichwald, Greg Majkrzak, Jennifer Crone, Anne Hartwick, Brienne Diebolt-Brown, Al Stanek, and Joanna Baker.

1. Greg Majkrzak called the meeting to order at 5:21 p.m. and read the mission and vision statement for the Whitewater Grocery Co. The intention of the meeting is to update Owners on our progress in the feasibility research of Whitewater Grocery Co.; engage and energize Ownership; vote on changing the Bylaws and for two Directors for the Board. Brienne Diebolt-Brown, moved to approve the minutes from the 2017 Annual Meeting. The motion was seconded by Jennifer Crone. Motion was passed without dissent.
2. Jennifer Crone delivered the **Treasurer's Report**. She summarized the sources of funding since the inception of this project, including donations, grants, member equity, other, and sales.

TREASURER'S REPORT - SOURCES

Sources, 2017 vs 2018

- Donations
- Grants
- Member Equity
- Other
- Sales



Total

Year	Amount
2017	\$51,310
2018	\$35,399
Total	\$86,709

Treasurer Jen Crone also summarized our expenditures or uses. The largest portion is what best can be called administrative costs - the expenses incurred for office rent, office supplies, software, etc. The consulting category includes fees we've paid to subject matter experts in grocery store planning,

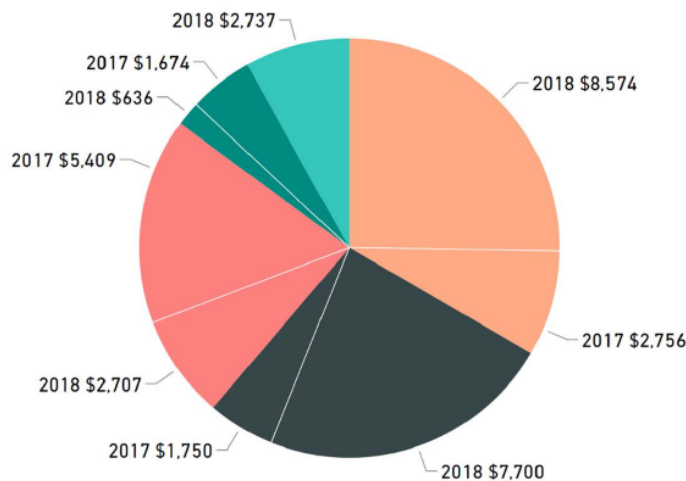


feasibility research, tax preparation, and drafting our financial statements. Our expenses will continue to include outside experts to help with training, formulating our future plans, and for help focusing our direction moving forward. Marketing is another big portion of our budget. Outreach, increasing awareness, and getting our message out to the community is critical at this stage of development. This category also includes special events, like the Annual Meeting! Training includes learning and development for both the Board and for leadership volunteers.

TREASURER'S REPORT - USES

Uses, 2017 vs 2018

- Administrative
- Consulting
- Marketing
- Members
- Training



Total

Year	Amount
2017	\$11,589
2018	\$22,354
Total	\$33,943

Jen's detailed the list of the skills that we've needed so far and what we need to carry us into the future. What we've needed so far is basic accounting and recordkeeping skills. We are going to need some new skills moving forward to advance us into the next stage, including volunteers with knowledge and expertise in QuickBooks, fundraising, finance, pro forma analysis, legal, and task management. Jen encouraged Owners who might be willing and able to provide these skills to come forward and talk to her at the conclusion of the meeting.

3. Brienne Diebolt-Brown, Chair of the **Outreach & Ownership Committee (O&O)**, provided her report, starting off by saying that this Committee is probably the busiest. They not only meet weekly, but they also help staff office hours. She provided a list of all of their activities, including:

Events

- Sent the O&O team to Up & Coming Co-op Conference in March
- Weekly Committee meetings
- Office Hours - Mondays 11-2, Wednesdays 2-6 and Fridays 11-2



Tabling at the Winter Market, January-April
Tabling at the Tuesday City Market, May-Oct.
Owner-versary Open House May 5
2 owner meetups at the Black Sheep and Staller Winery
One Volunteer Training
Planned the Annual Meeting

Marketing

Designed new brochures (in Spanish and English)
Designed hangers for a door hanger campaign
Designed new tablecloth for tabling

Social Media

More than 800 posts on Facebook - please share out posts on Facebook
Followers on our FB page grew from under 900 to over 1200!

Traditional Media

New brochures, door hanger campaign
Publicity in Whitewater Banner, Daily Union, Michael Clish, Royal Purple

Presentations

Common Council, CDA, Kiwanis, Lions Club, Optimists, Rotary, UWW Student Government, UWW Faculty Senate

Field Trips

Willy Street North, Madison
Outpost, Milwaukee
Seward, Minneapolis, MN
Green Top Grocery, Bloomington, Illinois

Brienne encouraged anyone who might have an interest in working on this Committee to come talk to her after the conclusion of the meeting. .

4. Katy Wimer started her **Volunteer Report** by extending a huge thank you to all of our volunteers, not only the 15+ helping at this event tonight, but for helping with anything during the last year. She also thanked all in attendance for becoming Owners, recruiting your friends and family to become Owners, and believing in this endeavor. She called all in attendance leaders and early adopters who pave the way for startups to be taken seriously.

She then started talking about a few big asks. As the co-op grows, we need more people power to help with that growth. We have small roles all the way up to big ones, that for the most part, can be done on your time with your specific skill-set. We understand that everyone is busy, and that's why we want to do whatever we can to accommodate your needs while you spend an hour or two (or ten!) doing something you're really good at.

Right now, Katy reported that we have 12 heavily involved volunteers. 7 of those are our Board



of Directors and the other 5 are serving on the Ownership and Outreach Committee that meets every Wednesday at our office in the Innovation Center. We have fulfilled countless volunteer hours, both behind the scenes from the comfort of our own homes, “off the clock” and “out in the field.” We’ve done a volunteer training, created a float, completed a door-hanger campaign, held two Owner meet-ups, and planned this event.

Currently, each person on our Outreach Committee fulfills about 2-3 volunteer roles. For example, Katy is the Volunteer Coordinator, the social media/marketing manager, the writer and editor of the newsletters, and our photographer. Vicki Hagstotz is a tabler at the Whitewater City Market and was the event planner for the Annual Meeting while at the same time selling her home these last few months. Ruth Peterson is our PR Coordinator and idea generator at our meetings. She also is a mom and works for the university.

Katy talked about needing more high level volunteers for specific roles. She referenced a handout at the tables. Starting in November, we’ll need people to staff the table for the Winter Market. We’re also seeking an Event Coordinator who will be in charge of creating meet-ups for Owners to have fun together and be updated about our process this next year. This person can mostly work on all the details, phone calls, etc. from home while occasionally frequenting our Ownership & Outreach meetings.

Katy asked that everyone at the meeting take a moment and think about if you could spare anywhere from 2-10hrs/wk toward one of those roles. If you’ve felt like you’ve wanted to be more involved, these are great opportunities to do so.

Katy wrapped up her report by listing some of the greatest things about being a volunteer for the WW GroCo. 1. You get to hang out with fun, driven people. 2. You get the inside scoop (most of the time). And, 3. You get to actively be a part of bringing a grocery store to our community! Volunteers are the backbone of cooperative start-ups. She asked people to consider joining us and if they’re interested, to come talk to her after the meeting concludes.

5. Lacey Reichwald began her President’s Report by talking about how we’ve seen tremendous growth since the last time we were all together! At our 2017 Annual Meeting, we had 270 Owners, today we have more than 488.

In the past year, we...

- Amended our Articles of Incorporation to allow for up to 1,000 Owners
- Grew from \$40,000 to over \$70,000 in Owner equity
- Rented much-needed office space
- Established governance policies for Board of Directors and three committees
- Had more than 20 media mentions or appearances
- Spoke to a dozen community groups resulting in new owners at each presentation



- Were invited to present at two conferences regarding rural grocery store development
- Received results of our preliminary market study:
 - Whitewater can reasonably support a full-service grocery store
 - We will plan to build a 15,000 square foot full-service grocery store
- Built pro forma and continue to work on proving financial feasibility given different inputs
- Began the location evaluation process
- We continue to be one of the fastest growing cooperatively owned grocery store start-ups in the country (one year or more ahead of others in membership numbers)

She talked about the three stages of development in building a cooperatively-owned grocery store. The roadmap provided by this model is invaluable, but it's important to remember that this is not always a linear process. We often have multiple major projects happening at any given time. She referred the Owners to the Progress Update provided as a handout at their tables and went through the following checklist.

Key: ☒ completed, ☒ in progress, ☐ not yet started

Stage 1: Organizing started with an idea to organize a retail food cooperative that will meet the needs of the Whitewater community. The organizing stage includes:

- ☒ convening a core group
- ☒ assessing common interest and needs
- ☒ designating leadership
- ☒ building a shared vision
- ☒ community meetings and survey
- ☒ preparing for incorporation

Stage 2a: Feasibility began when the organizing stage reflected positive assessments of market potential and internal readiness, including incorporation and a seated board of directors. In the feasibility stage we are:

- ☒ assessing market potential
- ☒ using financial projections to assess locations and sites
- ☒ assessing and building organizational capacity
- ☒ evaluating available locations

Stage 2b: Planning occurs when all factors of feasibility are met. This means, when we have the data to support the success of the store we can move on to planning by:

- ☒ finalizing the vision and mission of the store
- ☒ finalizing the business plan for financing and operation
- ☐ hiring a project manager or outreach coordinator



- ☐ launching a capital campaign plan to finance the store
- ☐ negotiating to buy or lease a location (with contingencies)

This is a major decision point for our group. Once we move from Planning to Implementation, there's no "turning back". Stage 3: Implementation is set off when there is sufficient capacity in all the cornerstones – vision, talent, capital, and systems – to launch the business operation and sustain it into the future.

6. The Owners then engaged in a Group Visioning Exercise. Each table had an opportunity to cooperatively design their dream store.
7. The Site Selection Committee Report was delivered by Committee Chair Al Stanek. The process for site evaluation was based on the Real Estate Resource Guide developed by one of our consulting organizations, Food Co-op Initiative. According to our preliminary market study, the store size should be somewhere between 12 - 15,000 sq. ft. Sentry was 50,000 sq. ft. The Committee included community members with backgrounds in real estate – Gayle Stettler, finance – Katie Nass, construction – AJ Tanis, and government regulations – Kevin Brunner. They started with a list of 35 sites. Using acreage as their #1 criteria, the number of sites was quickly narrowed down to 8. The Committee evaluated each site based on the following recommended criteria (non-weighted): availability, size/expansion options, visibility/ease of access, parking, potential build-out cost issues, and potential operating / efficiency issues. Al took us through three of the finalists: East Central, Roundabout, and Hardware Store. The fourth site is the Library Block Development which is an emerging opportunity.

"East Central" site option

- Existing 2.1 acre lot
- Direct access off US Hwy 12
- Proposed remodel of 12,250 SF of existing building with existing loading docks
- Remove existing building #1 for new parking lot of approx. 97 stalls
- Allows for possible future expansion



Existing site plan



Proposed site plan





"Roundabout" site option

- Open 1.92 acre lot
- Access off of roundabout
- Proposed new 12,000 SF building to include loading docks and approx. 73 parking stalls
- Minimal options for future expansion



Proposed site plan



Existing site plan



"Hardware Store" site option



Proposed site plan



Existing site plan

- 2.5 acre lot with direct access off US Hwy 12 in the west business district
- Potential to remodel 10,000 sf of existing hardware store with a small front building addition for more retail space
- Approx. 65 parking stalls
- Minimal options for future expansion



- Joanna Marr Baker asked the Owners to vote on a **change to the Bylaws**. Al Stanek moved to approve changing section 4.1 Powers and Duties of the Bylaws to read as follows: The Board



shall be composed of **an odd number of Directors, no less than seven, to be elected from among the Member-Owners of the Cooperative. Decisions to increase or decrease the number of Board seats must be made by unanimous vote of the sitting Directors.** The motion was seconded by Lacey Reichwald. During the discussion, Owner Karl Brown asked a question regarding whether or not the vote should be unanimous or if it should actually be by 2/3rds of the sitting Directors. Lacey addressed the question stating the current Board thought it would be in our best interest if all Directors were in agreement when a change is made to the number of members, and that is why we are recommending it be by unanimous vote. The motion was then put to the Owners to vote and it passed without dissent. The Secretary was directed to change the Bylaws accordingly.

Two seats on the Board of Directors were up for election. These seats were elected to serve for three years until 2021 for the Whitewater Grocery Co. The election resulted in 50% of owners completing the voting process (down by 23% from the 2017 election). The candidates were Brienne Diebolt-Brown (I), Sarah Hoots, and Greg Majkrzak (I). Jo announced the election results, congratulating Brienne Diebolt-Brown and Greg Majkrzak who were elected to serve as Directors for three more years.

9. Anne Hartwick announced that we had surpassed our goal of reaching 500 Owners and was met with a rousing round of applause. She then entertained a motion to adjourn. Brienne Diebolt-Brown moved to adjourn the meeting. The motion was seconded by Greg Majkrzak . The meeting adjourned at 6:34 p.m.

The minutes were respectfully submitted by the Board Secretary Anne Hartwick on October 20, 2018.