

New Deal Café Board of Directors Meeting Minutes

August 6, 2012
Co-op Meeting Room

Meeting called to order at 6:17pm

Attendance:

Board of Directors:

Michael Hartman – president
Bill Wilkerson – Treasurer
Dorian Winterfeld – Secretary
Lisa Voith
Neil McConlogue

Audit Committee:

Mike Stark

Staff:

Terri Rutledge – General Manager
Amethyst Dwyer – Bar Manager

Members:

Peter May
Ed and Ronnie Scotkin
Nancy Melandry
Craig Tooley
Michael Smallwood

1. Approval of Agenda – unanimous
2. Approval of meeting minutes from June 25, 2012 Board Meeting - unanimous
3. Members/Visitors:
 - No one spoke

Reports:

4. General Manager's Report and 2012 Second Quarter Financial Report (report pending)

Motion from Michael: BOD recognizes Amethyst's efforts toward the café winning the WTOP Best Music Venue in the DC Area Award.

Second: Lisa, unanimous

5. Audit Committee (see attached report)

Old Business:

6. YMLP Email system

Dorian gave report on progress so far. 500 emails for \$5/month. Will continue testing system.

7. Back Bar Refrigerator

Terri gave a cost analysis. See attached report. No action taken at this time.

8. Divestment from Bank of America

Michael is researching options and will give that information to Terri.

9. KMK Financial Report (2011) - follow-up

Terri received report for Jan-May 2012. Waiting for 2011.

10. New Year's Eve (MH)
Terri is working with Konrad Herling.
11. Use of Active Membership Fee. (NM)
Terri will research options.
12. Performance reviews for the General Manager and Bar Manager (BW)
Bill prepared a proposed time frame, but the committee has not reviewed it.
13. Proposed Board Training (BW)
Bill has videos.

New Business

14. Exit Door Safety and Security (DW)
Terri presents report on push-bars for back room doors. (See attached).
Motion from Bill: Table effort to install push-bars until reserve funds are built up. No second

Motion from Dorian: Terri should proceed with installing push-bars.
Second: Neil; Motion passes; Yes: Michael, Dorian, Lisa; Neil No: Bill
15. Wind Energy Update (BW)
No update.
16. Upgrade Wireless to FIOS (DW)
Dorian volunteers to investigate FIOS. Will report back to the board.
17. Volunteer Appreciation Party (DW)
Dorian suggests recognizing volunteers w/ awards or bonuses. Terri will take this on.
18. FONDCA request for Buck Hill (DW)
Motion from Dorian: Request \$100 from FONDCA to pay Buck Hill for his Aug. 17 show.
Second: Bill, unanimous
19. Timetable for 2013 Budget Formulation (BW)
Bill has sent a proposed time table to BOD
20. Board Calendar for 2012 - 2013 (BW)
Bill would like to talk about this in executive session
21. Review Agenda preparation procedure (MH)
Michael requested comments from the board on the agenda preparation procedure.
22. Proposal to Create a Board Yahoo Group for Executive Session Matters (BW)
General discussion. No action taken.

Meeting Adjourned 8:15pm

Dorian Winterfeld, secretary

Audit Committee Report August 6, 2012

The main issue covered in this report is how the board communicates; there are several aspects to this. First, Neil's requested to have all the material associated with the meeting to be placed in a folder in the yahoo group, and expressed concern about organizing information from the large number of emails received. The tone of Bill's response was overly harsh, given that this is a reasonable way to organize information for later access. A well thought out approach to records management and retrieval is a good idea.

The other issue with e-mail communications is that information is not timely for people who read digest form, and that the digest form eliminates attachments. Placing all the files for a meeting in one place on yahoo would at least mitigate the latter problem, reducing the need to keep all the email in one place via the digest feature.

The second issue raised in this report is confidentiality. To be truly transparent, the Board needs a policy clearly stating what items are and are not intended for executive session, and as there are always judgment calls stating principles for deciding the hard cases. It is clear that personnel matters, banning of individuals from the café, and contract negotiations should be held in executive session, and the Board has chosen appropriately this year. But a policy would heighten member confidence in the Board.

Records of executive session should be maintained separately by the Secretary and sent via separate e-mails from open business [note: this has already been instituted].

The last issue for this report is meeting effectiveness. There should be a deadline for read-ahead reports set as a policy. My suggestion is by 6 pm the Friday before the meeting, so people have the full weekend to read them. The general manager's report and the financial report should be available at the same time as reports by Board members. The other aspect of meeting effectiveness is to have a regular schedule. Even if key staff or board members aren't able to make it, they can send written reports. There are at least 8 or 10 people who should attend board meetings, and they all have busy schedules. If it is vital to have a given person available, rather than changing regular meeting date schedule an additional meeting to address that issue. In addition to Board, audit committee and staff, membership should be able to count on blocking off the 4th Monday on their calendar to attend if they so choose.

Respectfully submitted,
Mike Stark, Audit Committee

Exit Door Safety And Security

I recently met with Ernie Breazeale of White Flint Safe Co., Inc. to discuss the café's exit strategy. We reviewed the proposal he had given us 2 years ago, confirmed design and details, and discovered new door problems that needed fixing.

Attached is Ernie's most recent estimate. There are basically 3 components of the proposal: installing paddle bars on both back doors for easier exit, installing exit alarms on both sets of doors that can be turned off using a key, and fixing 2 doors that are in need of repair. The estimate for performing all the work described is \$1981.06.

The paddle bar type of entry will enable customers to leave the café by simply pushing a paddle, but not to enter, unless the latch has been unlocked with a key. The door closest to the stage will be able to remain open from the outside if unlocked with a key. The second back door (the one closest to the front room) will not be able to be left open without propping, as it currently doesn't allow access from the outside. There is no key to enter that door, just a dummy plate on the outside where the inside deadbolt is. So there would be no change in use of that second door, except that it would be easier to exit from the inside.

This paddle bar type of entry would not be as secure as what we have currently, as the existing deadbolts will have to be removed, though it will still be Grade 1. Deadbolts are much more secure as they are longer, heftier rods going through the door frame. The paddle bars would have an outdoor latchguard covering the latch mechanism between the two doors, making it more difficult to probe.

We did confirm during Ernie's visit that we are in compliance with the county fire code. The county requirement is "one motion" activation, and the thumb turns we currently use qualify as one motion. The police review we had prior to getting the last estimate had basically recommended the paddle bars as an even more user-friendly and immediate safety measure.

I don't believe that alarms are necessary on the doors at this time, given the cost. I also think it would be too disruptive, particularly during a performance, if the alarm went off. If we find them to be desirable at a later date, and funds are available, they can always be added.

As a side note: musicians often like to step outside during their break, and it may become problematic to have them locking themselves out with this design. It is possible that we could unlock the doors during their break, but it would not necessarily be convenient to do that every night. I suggest that we keep a doorstop handy to use during breaks, allowing musicians freedom to step outside if we haven't unlocked the doors for them. We shouldn't require them to go all the way to the front during their breaks.

I think this proposal is straightforward: it improves safety by making it easier to exit in an emergency, increases security because the door automatically locks when someone exits through it, and smooths the co-op's relationship with Karim in terms of operations. He would much prefer the paddle bars in contrast to always having to make sure the back doors are locked. This requires an embrace of the overall concept that customers enter and leave through the front door only, which I think is appropriate and will lead to smoother operations overall. Karim also agrees with me that alarms on the doors are unnecessary.

There has been some discussion as to whether it is Karim's responsibility to repair the doors. To make this simple and straightforward, and as a small gesture of goodwill, I recommend the co-op pay for the door repairs.

We have used this company in the past and have been happy with their performance. I recommend that we fix the leaking and broken parts of the doors, and install White Flint Safe Co.'s recommended system, without the alarm component.

Terri Rutledge
NDC Co-op General Manager
8-6-2012

PROPOSAL
WHITE FLINT SAFE CO., INC.

11302 Orleans Way
 Kensington, MD 20895-1017
 Phone: (301) 468-8900

VA DCJS #11-5910
 Email: whiteflintsafe@verizon.net
 Fax: (301) 816-9200

Proposal Number: 07301205-01

Sheet Number: 1

Date: August 2, 2012

Proposal Submitted To:

Work To Be Performed At:

Name: New Deal Café
Street: 113 Centerway
City: Greenbelt **State:** MD **Zip:** 20770
Attention: Terri Rutledge
Telephone Number: (202) 641-0664 **Email:** terri362@verizon.net

Name: New Deal Cafe
Street: 113 Centerway
City: Greenbelt **State:** MD **Zip:** 20770
Site Contact: Terri Rutledge
Telephone Number: (202) 641-0664

DESCRIPTION

We hereby propose to furnish all the materials and perform all the labor necessary for the completion of:

Replace two (2) rear double-door aluminum/glass door deadlocks with deadlatch lock with strike plate, paddle, and latchguard. Will use existing cylinders on door, only the keyed cylinder can be used to keep latch retracted. Doors rub and need to work freely - will do minor adjustments; adjust door closer, adjust weather strip, raise door. Any excessive will need glass company.

--Following prices are based on above work being done, if above not desired but below is, prices will vary!--

_____Furnish and install exit alarm on both sets of doors, keyed alike with 7 keys. If no, deduct \$723.72

_____Replace leaking/broken door closer on furthest back door. If no, deduct \$249.00

_____Fix front door bottom flush bolt & re-attach door closer arm. If no, deduct \$177.00

Initial if accepted

All material is guaranteed to be as specified, and the above work to be performed in accordance with the drawings and specifications submitted for above work and completed in a substantial workmanlike manner for the sum of:

---One-Thousand-Nine-Hundred-Eighty-One-and-06/100-Dollars--- (\$1,981.06)

with payments to be made as follows: Cash, Check, or Credit Card (Visa or MC) upon completion of work.

Any alteration or deviation from above specifications involving extra costs, will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance upon above work. Workman's Compensation and Public Liability Insurance on above work to be taken out by White Flint Safe Company, Inc.

Respectfully submitted:

Ernest V. Breazeale

Note-This proposal may be withdrawn by us if not accepted within thirty (30) days.

ACCEPTANCE OF PROPOSAL:

The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Organization: _____ **Signature:** _____

Date: _____ **Name Printed:** _____

PROPOSAL
WHITE FLINT SAFE CO., INC.

11302 Orleans Way
Kensington, MD 20895-1017
Phone: (301) 468-8900

VA DCJS #11-5910
Email: whiteflintsafe@verizon.net
Fax: (301) 816-9200

Proposal Number: 07301205-01

Sheet Number: 2

Date: August 2, 2012

Proposal Submitted To:

Name: New Deal Café
Street: 113 Centerway
City: Greenbelt **State:** MD **Zip:** 20770
Attention: Terri Rutledge
Telephone Number: (202) 641-0664 **Email:** terri362@verizon.net

Work To Be Performed At:

Name: New Deal Cafe
Street: 113 Centerway
City: Greenbelt **State:** MD **Zip:** 20770
Site Contact: Terri Rutledge
Telephone Number: (202) 641-0664

Keg Beer Cost Analysis and Consideration of 2nd Keg Cooler

This report examines the cost of the keg beer the New Deal Café buys and specifically the effect of various size kegs. It also looks at some of the relevant facts in considering whether the Café should invest in a second Keg Cooler to enable more beer to be purchased in larger (and more cost-effective) kegs. Some background information is given below for reference:

Keg Type	Capacity	Price range of beer Café buys in this size
1/6 Barrel	5.2 gallons	\$55-58 per keg
European Barrel	13.2 gallons	\$122-\$135 per keg
1/2 Barrel	15.5 gallons	\$ 128-145 per keg (estimated, we don't buy this presently)

During the period from January 2012 through May 2012 we sold on average about 90 gallons/month of beer from smaller 1/6 Barrels and another 92 gallons/month from larger European Barrels (mainly Loose Cannon).

Calculating how much money could be saved if all of the beer we purchased in 1/6 barrels had instead been purchased in larger kegs shows that in a year we'd save between \$1200 and \$2700. The range results from the fact that it is dependent on the price of the larger kegs for a particular beer and whether it is available in 13.2 gallon or 15.5 gallon sizes. For example, if we had purchased the Marzen and In-Heat Wheat in larger kegs only, our savings would have been \$1536. (Marzen is only available in European barrels, while In-Heat Wheat comes in 1/2 barrels.)

Based on the above it is clear that a second keg cooler (~\$2000) would pay for itself in at most a few years. How quickly of course depends on whether we can move to exclusively larger kegs or by necessity retain some mix of large and small. This would be based on the physical size of the kegs, which varies as well, and the cost of the individual beers.

Making this problem messier still is the fact that our current keg cooler holds 5 European barrels, but only 4 1/2 barrels. So we won't be able to simply start purchasing the very cheapest beer (15.5 gals), because since those kegs are bigger, 8 of them won't fit in two coolers, defeating the purpose of the purchase. Keg sizes are completely variable between breweries, and kegs that hold the same amount can vary in size as well. I think we can come up with a solution that will enable us to keep all of our beer cold; it just won't necessarily include buying it all in the largest amounts possible. (One of the reasons we've always bought the stout in smaller 1/6 barrels.)

The Keg Cooler under consideration will hold two 1/2 Barrel kegs. As mentioned before, there is some variation in keg sizes and if we are able to purchase 13.2 gal European Barrels that are

slightly smaller in diameter it may be possible to squeeze three of these in the new cooler. But to reiterate, if we are buying all 13.2 gallon kegs, our overall savings will be less.

I believe a second Keg Cooler would benefit the Café both in cost savings and quality (less beer will need to be stored warm). But as the cost savings are quite variable I recommend that there be further study before proposing a purchase. Various configurations of purchasing can also result in savings, as Don Comis can attest to. Research of a walk-in refrigeration unit should also be done before spending such a large sum of money on equipment that might be replaced. This was the course of action decided on at the last meeting.

Terri Rutledge
NDC Co-op General Manager
August 6, 2012