

1 **BRIARPATCH COMMUNITY MARKET**
2 **Board of Directors' Regular Meeting**

3
4 **MINUTES – FIRST DRAFT**

5
6 **FEBRUARY 25, 2008**
7

8
9 **Date: Monday, February 25, 2008, 5:30 p.m.**

10 **Place: BriarPatch Meeting Rm, 290 Sierra College Dr., Grass Valley, CA.**

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12 **Directors Present:**

13 Quorum present: Rod Bedayn, Malaika Bishop, Marshall Goldberg, Joseph
14 Guida, Arthur Katz, Mike Pasner, Debbie Plass, Eddy Sitzler, Alan Weisberg.

15
16 **Directors Absent:** None

17
18 **Managers Present:** Paul Harton, General Manager; Heather Wright, Human
19 Resources Manager; Jose Martinez, Operations Manager.

20
21 **Others Present:** Guests, about 30-40 employees, members and others. (Please
22 see Attached Sign In Sheets.)

23
24 **1.0 Call to Order**

25 The regular meeting of the BOD was called to order at 5:33 p.m. by Marshall
26 Goldberg, Vice President of the Board, meeting Chairperson.

27
28 **Opening Statement by Joseph Guida: Please see page 7 of this document.**

29
30 **2.0 Agenda Review:**

31 Arthur Katz inquired as to the status of the items he had requested to be
32 included on the Agenda, and was told that they have been sent to the
33 Governance Committee. Debbie Plass volunteered to work with Joseph
34 Guida to insure that all of Arthur's items get on the Governance Committee's
35 Agenda.

36 In response to a question, Marshall Goldberg noted that no minutes are
37 published for Executive Session meetings.

38 Arthur Katz asked that the subject be announced in advance for items similar
39 to 6.0 (Statement by Meeting Chair). Marshall Goldberg agreed.
40

1 **3.0 Approval of Minutes for January 28, 2008:**

2 Changes requested: P. 4, line 16, add: “We are losing money and in about ten
3 months the store will be broke. The Board needs to address this.”

4 P. 8, line 6, add: “of the BOD” after the (first) word “Chairperson”.

5 P. 8, line 5, add: “Marshall Goldberg and Debbie Plass noted that” before the
6 sentence beginning “If a director . . .”.

7 P. 11, line 3, add: “Mike Pasner disagreed, stating his interpretation was that
8 to call Board Members personnel flies in the face of logic. We are not paid.
9 We do not have Workers Compensation Insurance. We [the Board of
10 Directors] are not personnel.”

11 “Marshall Goldberg stated that all members of the Board of Directors are
12 covered by Workers Compensation Insurance.”

13 **Debbie Plass moved to approve the minutes as amended, Rod Bedayn**
14 **seconded and the minutes were approved unanimously.**

15
16 **4.0 General Manager’s Report:**

17 Paul Harton made brief comments about items on the “General Manager
18 Report -- February 2008”, (Attached). Paul also presented the financial
19 statements and accompanying narrative for FYE 2007 and January 2008.
20 Those documents are Attached herewith.

21 Paul made a chart on the whiteboard to illustrate the financials and read
22 through it with the audience. A representation of that chart is shown on page
23 8 of this document.

24 In addition, Paul also made the following points:

- 25
- 26 • Catering: There will be very little additional cost for equipment.
 - 27 • Recession: All departments and budgets are being scrutinized to see
28 what cuts can be made in the event of a recession.
 - 29 • Labor: Hiring outside help is being minimized at this time.

30 These points and more are detailed in the attached “General Manager Report”.

31 It was pointed out that the October/November 2007 issue of the “BriarPatch
32 News & Review” (on page 5 under “Finance Report”) stated the net loss for
33 the year should be close to \$500,000. Paul explained that the number should
34 be \$800,000 (as shown on all projections), and it was a typographical error.

35
36 Marshall Goldberg expressed concern that the staff meeting had been
37 cancelled and urged Paul Harton to reschedule it as soon as expedient. The
38 BOD asked to be notified when the staff meeting date is determined.

39 Appreciation and thanks were extended to Paul for all his work.

40

1 **5.0 Employee Survey Report:**

2 Heather Wright (with Paul Harton’s assistance) went through the recent
3 employee survey, touching on the highlights. The Board was very impressed
4 with the high quality of the survey and pronounced it very professional and
5 comprehensive. They commended Paul Harton for having the foresight to plan
6 the survey, hire a competent survey expert (Carolee Colter) and bring the
7 project to fruition. The survey reports are Attached herewith, including
8 BRIARPATCH CO-OP COMMUNITY MARKET EMPLOYEE SURVEY
9 REPORT and Appendices A, B, and C, plus 20 pages of graphs. There will
10 be a more condensed version (5 or 6 pages) of this survey available soon
11 which will be distributed in the store. It was suggested that it could also be
12 put on the Web site.

13 The cost of the survey was \$3,000.00.

14 The BOD expressed their appreciation to Heather Wright and Paul Harton.

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17 **6.0 Statement by Meeting Chair:**

18 Marshall Goldberg made these announcements:

19 Elections will be coming up soon; there will be 5 vacancies; positions will be
20 for 2 years. Today, 2-25-08, is the last day to file applications. There are 16
21 candidates who have filed their applications and have been officially
22 nominated. They are (in alphabetical order):

- | | | | |
|----------------------|---------------|----------------|---------------|
| 24 Michael Brackney | Mark Fenton | Bruce Frazier | Jeff Gold |
| 25 Marshall Goldberg | Joseph Guida | Julie Hubbard | Paul Jaffe |
| 26 Louise Jones | Julie Jordan | Robert O’Brien | Mike Pasner |
| 27 Debbie Plass | Missa Sampley | Lew Sitzer | Peter VanZant |

28
29
30 The BOD meeting in April will have an Open Forum format, and will be held in
31 a larger space, probably at City Hall in Nevada City. The Board members will be
32 there and a facilitator will be present. Contact Malaika Bishop if you are
33 interested in helping plan the event. *[Note: Next BOD meeting has been
34 scheduled for March 31, 2008, possibly at Nevada City, City Hall. Call to
35 verify.]*

1 Marshall Goldberg responded to comments made at the last BOD meeting:

2 **Comments and Responses:**

3 **Comment: People want to be heard.** The Forum in April will be a step in
4 this direction. People can have dialogues at that meeting, and the facilitator
5 will keep the exchanges orderly.

6 **Comment: Creating more sub-committees would help.** We are looking at
7 ways to do this, and also to incorporate more people into existing committees.

8 **Comments regarding giving employees a living wage.** We are doing the
9 best we can. We are trying to give the employees good benefits, such as
10 discounts on food and health benefits.

11 **Comments on working together:** We will be actively moving forward in the
12 direction of mediation. Our goal is to have effective, efficient meetings where
13 people can feel heard.

14 **Comments on open records:** There has been some disagreement on this
15 issue, and it is high on the list of things we are doing. We want to have
16 transparency, and give out all the information we can legally provide.

17 **Comments regarding an audit:** We have scheduled an audit in 2008.

18 **Comments about negative publicity:** If there are concerns or questions,
19 please contact a Board member rather than the newspaper or radio. Contact
20 more than one Board member, if you feel like there is a controversy you need
21 to address.

22 **Comments of praise and support:** Thank you very much for all your
23 positive feedback. We really appreciate hearing from everyone.

24
25 Marshall Goldberg thanked everyone for their comments and concerns.

26
27 **7.0 Public Comment:**

28 Marshall Goldberg gave a brief introduction during which he reminded the
29 speakers that: there is no restrictions on the issues; speakers need to be
30 respectful; and they need to observe the time limits.

31 Eleven people who signed up to speak included: Cecilie Hooper, Michael
32 Pedone, Richard Burton, Bob O'Brien, Giza Kelley, Gloria Kirsher, Michael
33 Brackney, Ken Odom, Bill Drake, Greg Zaller, and Lew Sitzer. Louise Jones
34 wrote a letter with comments which Debbie Plass volunteered to put on the
35 internet; Bill Drake and Lew Sitzer wrote out comments which are included in
36 the Attachments to this document.

37 Some of the comments voiced by the speakers included (but are not limited to)
38 the following:

- 39 • The BriarPatch is having growing pains.
- 40 • We need to express our differences with no fear of repercussions.

- 1 • We need a leader who will lead the BriarPatch to a higher level.
- 2 • Ask yourself this question: What can I do to make it better?
- 3 • We're setting up a Web site to have dialogues: FriendsofBriarPatch.com.
- 4 • New members need a class in what it means to be a co-op.
- 5 • Losing \$25,000 per month is a concern.
- 6 • We all want to see the co-op survive.
- 7 • If financial information is available to all of us, we can help.
- 8 • Is negative publicity really hurting the BriarPatch?
- 9 • The Board is on top of things.
- 10 • Anyone should be able to put an item on the Agenda.
- 11 • The Board needs a mediator.
- 12 • This is not a great time to do projections.
- 13 • If you can't do good, at least don't do harm.
- 14 • Make dialogue opportunity available on BriarPatch Web site.
- 15 • There is a difference in managing and micromanaging.
- 16 • The Board needs to agree on how meetings are to be conducted.

17
18 All comments (and the whole meeting) can be heard on cassette tapes
19 and/or digital recording. Ask Debbie or Mimi for details.

20
21 Marshall Goldberg thanked everyone very much for all their concerns and
22 comments.

23
24 **ADJOURNMENT:**

25 The open session of the meeting was adjourned at 8:05 p.m. and the Board
26 went into closed session.

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29 **DECISIONS SUMMARY:**

30 None

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32 **SUMMARY OF ASSIGNMENTS/COMMITMENTS:**

- 33 1. Debbie plass to insure Arthur Katz's items are on the Governance
- 34 Committee Agenda. P. 1, lines 33-35.
- 35 2. Debbie Plass to put letter from Louise Jones on Internet. (Verbal)

36
37 **NEXT REGULAR MEETING WILL BE HELD MONDAY, MARCH**
38 **31, 2008 at 5:30 P.M. (POSSIBLY AT NEVADA CITY, CITY HALL –**
39 **CALL TO VERIFY).**

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Minutes prepared 2-29-08 by Mimi Malthan.

APPROVED BY:

DATE:

ATTACHMENTS:

- Board Meeting Agenda for February 25, 2008
- Sign In Sheets for February 25, 2008
- Nominations/Elections Meeting – 2-21-08

- General Manager Report, February 2008
- Narrative to FE 2007 and January 2008 Financial Statements
 - Profit and Loss – Summary as of January 31, 2008
 - Balance Sheet of January 31, 20008
 - Profit and Loss FYE December 31, 2007
 - BP community Market Financial Model
 - BP Community Market Financial Projection – Whole Store Summary

- BP Co-op Community Market Employee Survey Report (16 pages)
 - Appendix A
 - Appendix B
 - Appendix C
 - 20 Pages of Graphs

- Presentation to the Board, 2-25-08, Bill Drake
- Items Mentioned at 2-25-08 Board Meeting – Lew Sitzer

(The ATTACHMENTS are fastened to the Minutes Draft and posted on the bulletin board, lower left hand corner. The bulletin board is near Customer Service, in the front of the store.)

1
2 **Opening Statement by Joseph Guida:**
3

4 **“Good evening everyone. Thank you for coming. Thank you for your passion and**
5 **energy for the Co-op. Thank you for your love for the Co-op. I’ve been considering the**
6 **Co-op a long time this weekend and I’ve talked to many people about it during the past**
7 **few weeks. I’ve come to the conclusion that the Board of Directors, all 9 of us, are**
8 **responsible for the Co-op. All of us, all 9 Directors are responsible for all the people here**
9 **tonight and for their reasons for being here. We are responsible for any conflict, any**
10 **division, any malfunctioning of our own Board; all 9 of us; we’re responsible, and I’m**
11 **responsible as well. I would ask this Board of Directors to remember that we did agree to**
12 **hire a consultant to interview all of us and to make a report, which occurred. The second**
13 **step was to have a day-long retreat with some professionals. I suggest we have a day-long**
14 **retreat in the month of March with a professional facilitator, a professional mediator, and**
15 **a professional non-violence communicator. I want to take steps toward healing and**
16 **reconciliation. I don’t like being divided anymore; I don’t like having trouble**
17 **communicating anymore. We have trouble communicating among ourselves and I don’t**
18 **think anybody likes it, but it keeps going, and going, and going. We have trouble**
19 **communicating with owner/members in this store and somehow it keeps going and going**
20 **and going. I think that with our education, our intelligence, and with our hearts and**
21 **minds we can do it; we can heal and we can reconcile. I think the Board needs to do it**
22 **ourselves, so that we can tell the owner/membership, the staff of the store, the**
23 **management of the store and the general public that we can get along together and we can**
24 **work hard together and we can work for the common good of the entire Co-op. I want to**
25 **get the Board on this as soon as possible and try to have a day-long retreat with some**
26 **professionals.**

27 **There’s a Board Leadership Training in Portland by the Cooperative Development**
28 **Services on Saturday, April 19, 2008. . . . The National Co-operative Grocers’ Association**
29 **Western Corridor presents effective leadership training for Co-op Directors and**
30 **Managers. It’s \$75.00 for the first participant from a co-op, \$60.00 per person thereafter.**
31 **Hotel room is \$125.00. It’s a one-day, all-day Saturday. . . . The Cooperative Development**
32 **Services offer leadership trainings for Boards. They charge \$4,000.00 per year . . . it’s**
33 **one-day-long meeting with 4 professionals (facilitators, team building, consensus building,**
34 **mediation, etc.) and they follow that up with 12 months of phone calls, as many as possible**
35 **to every single Director of the Board. Even though that’s when we’ll be opening up the**
36 **election, I still think it’s important. It’s close, we could carpool, or we could all go to**
37 **Portland for the training.**

38 **I really think we need to do something about our own communication in here. We’re**
39 **just not understanding each other very well. We’re just not understanding where we are**
40 **coming from. Whatever I can do to facilitate some healing and reconciliation among all of**
41 **us here at this table, I want to do it.**

42 **This is not a proposal because we’ve already agreed to have a one-day retreat. We’ve**
43 **already agreed on the amount of money that a consultant and a one-day retreat would**
44 **cost, and we haven’t even used half of it. I just hope that somehow, if this idea is not**
45 **acceptable, even though we’ve already agreed on it, let’s do something as soon as possible**

1 to promote this healing and to promote togetherness and to promote communication.
2 Thank You.

3
4
5 The Chart shown below is a representation of one written on the whiteboard by
6 Paul Harton and used as a visual aid in his narrative regarding finances. Anyone
7 who wishes to hear the narrative can do so by accessing the minutes for that
8 meeting. Minutes are now recorded in the computer system for the BriarPatch.
9 For more information see Paul Harton.

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14 Project Expenses

<u>Budget</u>		<u>Actual</u>	
1st year operating loss --	\$804,000	\$827,750 (\$877,750	-- 1.75%
Capital Expenditures --	\$3.2 million	\$3.25 mil (3.2 mil	-- over Budget

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19 Sales

20 Break Even -- \$1.1 million per month
21 December -- \$1,030,000
22 January -- \$ 981,000
23 February -- \$1,025,000 (29 days)
24 March -- \$1,100,000 (projected sales increase of 2.7%)

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26 Cash

27 \$100,000 On Hand
28 \$160,000 Tax Refund
29 \$260,000 Total Cash
30
31 \$250,000 Line of Credit

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