

1                                    **BRIARPATCH COOPERATIVE OF NEVADA COUNTY, INC.**  
2                                    **Board of Directors Regular Meeting**  
3                                    **MINUTES February 27<sup>th</sup>, 2018**

4  
5 **Please refer to Digital Recording for additional details of this meeting.**

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7 **Directors Present:** Kwong Chew, Jonathan Collier, Richard Drace, Mark Fenton, Alana Lucia,  
8 Lew Sitzer, Alan Weisberg

9  
10 **Absent:** Kali Feiereisel, Katie Turner

11  
12 **Managers & Guests Present:** Kat Bass, Cameron Brady, Margaret Campbell, LeeAnne  
13 Haglund, Chris Maher, Brett Torgrimson

14  
15 **1.0 Call to Order:** The meeting was called to order by Richard Drace, President, at 6:03 p.m.

16                    Mark Fenton presented this month's opening quote(s):

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18                    "The intuitive mind is a sacred gift and the rational mind is a faithful servant. We have  
19 created a society that honors the servant and has forgotten the gift." - Albert Einstein

20  
21  
22 **2.0 Owner Forum: Public Comment/Communications to the Board:**

23  
24 **3.0 Reminders and Check-in:**

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26                    March: Candidate Orientation (Mar. 8); Election Notice Mailed to Owners (3/26/18); Article  
27 for Annual Report (reminder to BOD President); Ends Report; Admin Assistant Request  
28 BOD to Bring BOD Binders to April Meeting for Updating.

29  
30                    April: BOD Candidate Campaign (4/1/18-5/15/18); 2018 CCCD – San Diego (4/27/18-  
31 4/29/18); Candidate Forum (4/21/18/); Annual Report to BOD Members; Confirm  
32 Patronage Dividend

33  
34                    May: BOD Candidate Campaign (Apr. 1 – May 15); BOD Retreat with Mark Goehring of  
35 CDS (TBD); BOD Election (May 1-15); OEC Election Tabling Event (TBD); Giving of BOD  
36 Binders; Exiting Directors Thank Yous; Confirm Officers; 2018 CCMA – Portland, OR (May  
37 31 – Jun. 2)

38  
39 **4.0 Consent Agenda:**

- 40  
41                    1. Approve January Agenda  
42                    2. Approve December Minutes

43  
44 **MOTION:** Lew Sitzer moved to approve the 2018-02-27 Consent agenda items, Kwong  
45 Chew seconded and the motion passed unanimously.

46  
47 **5.0 Board Business:**  
48

1 **5.1 Board Election / Candidate Update:** There are six Board candidates running in the  
2 2018 BriarPatch Board Election; Rachel Berry, Richard Drace, Mark Fenton, Susan  
3 Gouveia, Lee Perry, and Jeffrey Williams.

4  
5 Candidates have been informed of and asked to attend the March 8<sup>th</sup> Candidate  
6 Orientation.

7  
8 Margaret shared a copy of the Vine with the Board, highlighting the Board Candidates  
9 biography section.

10  
11 **5.2 “Co-op Love” Tabling Survey Debrief:** The Co-op Love tabling survey took place in  
12 front of the store on Valentine’s day. Many thanks were given to all volunteers who  
13 participated, the Marketing Department for their creativity in promoting this event,  
14 BriarPatch owners and shoppers for spreading the love for the Co-op, and to Weiss  
15 Brothers for contributing the wine barrels full of mulch to plant the 200 plus valentines in.

16  
17 Alana noted how many comments people made about their love for BriarPatch staff, and  
18 wanted to highlight how important it is to customers and owners that our staff are here.

19  
20 **5.3 Sac CBL Co-op Café Debrief:** The Directors and Staff who attended the CBL  
21 (Cooperative Board Leadership) Co-op Café held on February 24<sup>th</sup> at Sacramento Natural  
22 Foods Co-op were asked to share any highlights or take aways from their experience.  
23 There was a great turn out for this workshop.

24  
25 It was noted that a common theme take-away was how Co-ops can work together more to  
26 share best practices, common goals, and areas of opportunities. There was a lot of  
27 enthusiasm also shared around Board collaboration with other Co-ops in the region.

28  
29 **5.4 NC Sustainable Food & Farm Conference Debrief:** The Directors who attended the  
30 2018 Nevada County Sustainable Food & Farm Conference were asked to share their  
31 experience along with any highlights or take aways. The Board noted what an invaluable  
32 event the Sustainable Food & Farm conference is, and shared their gratitude for Sierra  
33 Harvest for putting it on for the community every year.

34  
35 Kwong noted how appreciative Sierra Harvest is for BriarPatch’s support and sponsorship  
36 of this event every year.

37  
38 Chris will have a follow up meeting with Aimee Retlzer and Malaika Bishop of Sierra  
39 Harvest to debrief on the turn out and overall success of conference.

40  
41 **5.5 Board Retreat Date: Spring / Summer**

42 In their absence, Richard noted that Katie and Kali requested to remain informed about the  
43 date for the Board Retreat.

44  
45 It was proposed to potentially hold the retreat after the Board Election to help in the process  
46 of onboarding new Directors, and also after the CCMA (Consumer Cooperative  
47 Management Association) Conference. This would put the retreat in late Summer or early  
48 Fall.

49  
50 Richard asked the Board to express any retreat topics that they would like to put on the  
51 slate for discussion at the future retreat. It was proposed to have a light review of the Board

1 policies, and an outreach event to host other Boards within our region for a portion of the  
2 retreat.

3  
4 **5.6 Committee Appointments:** Richard asked the Board to think about committee  
5 appointments and the possibility of implementing term limits for Board committees. There  
6 are currently no policies in place for term limits for committee members, or for maximum  
7 number of members on a committee. This surfaced due to the Owner Engagement  
8 Committee’s growing membership number. At some point a discussion by the Board needs  
9 to take place about how large a committee can be and still function, and if there is a place  
10 for turnover and new membership.

11  
12 Each Committee Chair was asked to discuss this topic within their committees and bring  
13 back feedback to the Board via committee reports.

14  
15 **5.7 Board Performance Monitoring Survey: C-3**

16 Jonathan noted that he intended to select “Strongly Agree” on C-3.1 – C-3.3.

17  
18 **6.0 Accountability - Reports: Committee Reports, Recommendations, & Actions**

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20 **6.1 Owner Engagement Committee Report (February):** No further discussion.

21  
22 **6.2 Finance Committee Report (February):** The Board discussed a memo from Wegner  
23 CPAs regarding the Tax Cuts and Jobs Act of 2017. The new lower 21% corporate tax rate  
24 will benefit BriarPatch financially beginning in 2018.

25  
26 **6.3 Board Development Committee Report (February):** The Board Development  
27 Committee reviewed the Strategic Trends and Topics list and selected three priority topics  
28 identified from the list for the Board to discuss. The chosen topics were as follows:  
29 Regenerative Agriculture, Worker Hybrid Co-ops, and Local Economy for further Board  
30 engagement.

31  
32 Recommendation: The Board Development Committee recommended that the Board start  
33 with Regenerative Agriculture first for Study and Engagement, out of the three suggested  
34 topics of Reversative Ag, Worker Hybrid Co-ops, and Local Economy, and the Board  
35 affirmed their support for this recommendation.

36  
37 **6.4 Governance:** No report for February, however, the committee will reconvene in March  
38 to start a bylaws review.

39  
40 **7.0 Accountability - GM:**

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42 **7.1 FYI Report: Operational Points of Interest to the Board**

43 CA Farmlink Loan - It was noted that BriarPatch is renewing the Riverhill Farm’s CA  
44 Farmlink loan.

45  
46 New BriarPatch Library Resource – A resource library was added to the BriarPatch website  
47 as a link from the News menu, which will be announced to owners in the Vine and regularly  
48 promoted via email and social media.

49  
50 Adopt-A-Highway – The BriarPatch Food Co-op Adopt-A-Highway sign is now up right past  
51 the Dorsey Drive Exit 183A sign on Highway 49.

1  
2 Wage Scale & Livable Wage Review – The Board discussed the wage scale pay increases  
3 that will become effective for most BriarPatch employees in mid-March. Chris shared his  
4 appreciation for Andrea and LeeAnne’s work on this large project.  
5

6 **7.2 Preliminary Patronage Dividend:** The Board was asked to decide whether to declare  
7 a patronage dividend for 2017. Based on preliminary financial results for 2017, our  
8 declared patronage dividend would be equal to the amount of taxable income that is  
9 attributable to owners. Under IRS regulations, we are required to pay out at least 20% of  
10 this amount to owners, with the remainder retained for reinvestment in the Co-op.  
11

12 The Board was also asked to establish the methodology to be used in calculating the  
13 patronage dividend. Three scenarios were presented for consideration: 0% payout of the  
14 declared dividend, 20% payout and 100% payout. Management is recommending that the  
15 Co-op pay out 20% of the declared dividend, or approximately \$225,000 (the minimum  
16 distribution required by the IRS). This methodology is consistent with the prior year. This  
17 would result in a retained dividend of \$900,000, to be used for reinvestment in the Co-op.  
18 This amount preliminary, based on pre-tax net income. The actual dividend amount will be  
19 based on taxable income and will be finalized in March after our auditors prepare our  
20 federal tax return. The Board will be asked to approve the final dividend amount at the April  
21 meeting.  
22

23 **MOTION: Alana Lucia moved to approve the declaration of a patronage dividend for**  
24 **2017 and to approve the preliminary 2017 patronage dividend calculation**  
25 **methodology, as follows: (a) the declared dividend shall be equal to the amount of**  
26 **net income attributable to owner sales, (b) distribution of an amount equal to 20% of**  
27 **the declared dividend will be paid out to owners, with the balance retained for**  
28 **reinvestment in the Co-op, and (c) as allowed in the bylaws, only dividends of \$2 or**  
29 **greater will be paid out. Lew Sitzer seconded and the motion passed unanimously.**  
30

31 **7.3 B-1 Financial Condition and Activities Q4 2017 Monitoring Report:**  
32 B-1.7 - Chris reported compliance with Policy B-1.7, with the exception of one  
33 monthly sales tax payment in December, which was submitted one day late.  
34 Severity, implication and trend are all low which suggests that no Board action is  
35 required.  
36

37 **MOTION: Alan Weisberg moved to approve the Q4 2017 B-1 Monitoring Report as**  
38 **presented, Mark Fenton seconded and the motion passed unanimously.**  
39

## 40 **8.0 Development Planning (Open Session)**

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42 **8.1 Development Progress Update:** The design phase continues for the RAD  
43 (Refrigeration, ADA access, and Delivery Yard) project. Recent changes are minor, to  
44 reflect detailed engineering concerns raised by the civil engineer. BriarPatch is working  
45 again with Sutti & Associates to design the refrigeration, which is one of the last pieces of  
46 design work to be completed. The design process will wrap up once Gwen returns from  
47 vacation, after which we will obtain cost estimates and perform feasibility analyses.  
48

49 This is a relatively short project, with construction expected to take 6-8 weeks, beginning in  
50 late May. Chris is focusing efforts now to determine the best way to maintain effective flow  
51 of traffic and product during construction. Overall, he feels very confident about the project

1 and believes that the RAD project is a key element in the master design plan for  
2 BriarPatch.

3  
4 **9.0 Executive Session (Closed Session):**

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6 **9.1 GM Evaluation:**

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8 **10.0 Meeting Evaluation**

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10 **11.0 Meeting Adjournment:** Board Meeting was adjourned at 8:55 p.m.

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12 **SUMMARY OF DECISIONS:**

- 13 1. Approve February 2018 Consent Agenda Items P. 1, lines 44-45.  
14 2. Approve the preliminary 2017 Patronage Dividend Calculation P. 4, lines 23-29.  
15 3. Approve 2017 Q4 B-1 Monitoring Report P. 4, lines 37-38.

16  
17 **SUMMARY OF ASSIGNMENTS AND COMMITMENTS:**

- 18 1. Kat to send Alan Board candidate applications.  
19 2. The Board Development Committee was asked to arrive at 4:15pm on March 8<sup>th</sup> to set  
20 up for the Candidate Orientation.  
21 3. Kat to put the Board Retreat topic discussion on the April Board Development  
22 Committee meeting agenda.  
23 4. Kat to change Jonathan's responses to reflect "Strongly Agree" on Board Performance  
24 Monitoring Survey results for C-3.  
25 5. Kat to update attendees on Owner Engagement Committee report since they were  
26 missing.

27  
28 **Announcements, Reminders & Dates:** See **Date Reminders** at bottom of Agenda  
29 page.

30  
31 **NEXT REGULAR MEETING WILL BE HELD Tuesday March 27<sup>th</sup> at 5:30 – 8:30p.m., in**  
32 **the Community Room of the BriarPatch.**

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34 Minutes prepared by Kat Bass on February 28<sup>th</sup>, 2018.

35  
36 **APPROVED BY:**



**DATE: 3/29/18**

37 (These minutes were approved by the Board of Directors on March 27<sup>th</sup>, 2018. The  
38 official signed copy is on file.)

39  
40 This meeting and all Board meetings are recorded digitally and uploaded to the computer  
41 server for storage. To listen to recordings, please contact Chris Maher, General Manager.