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BRIARPATCH FOOD CO-OP
Board of Directors Regular Meeting
Held via Zoom Teleconference Call
MINUTES May 26, 2020

Directors Present (via Zoom): Rachel Berry, Kwong Chew, Jonathan Collier, Richard Drace, Kali Feiereisel, Mark Fenton, Katie Ivy, Alana Lucia, Alan Weisberg

Absent:

Managers & Guests Present (via Zoom): Andrea Echegaray, Mark Goehring, Mary Hunter, Chris Maher, Rebecca Torpie

1.0 Preliminaries

1.1 Call to Order: The meeting was called to order at **3:07 p.m.**

1.2 Opening Quotes: Presented by Kwong Chew

"Only when the tide goes out do you discover who's been swimming naked."

- Warren Buffett

"Bad companies are destroyed by crisis. Good companies survive them. Great companies are improved from them."

- Andy Grove, CEO of Intel

1.3 Owner Forum: Public Comment/Communications to the Board:

Chris had previously shared an email to the Board about public mask feedback but deferred the discussion to the FYI section of the meeting.

1.4 Chat Box Check-in and Reminders:

Reminders:

June: 2020 CCMA – ~~Sioux Falls, SD (Jun. 8-12)~~; **Online due to COVID 19**; BOD Committees to Review Charters; Update on Committee Membership; New BOD Member Committee Orientation (**TBD**); Confidentiality Agreement & Code of Conduct – All BOD Members Sign

July: Board Performance Monitoring Survey Group 3: C Policies (C:5-8) Review (**Jul. 28**); ~~California World Fest (Jul. 9-12)~~; **Cancelled due to COVID 19** ~~New BOD Member Orientation – Policy Governance~~; ~~N/A Invite New Directors to July BDC Meeting~~; ~~N/A Confidentiality Agreements & Code of Conduct – All Committee Members Sign~~; Discuss 2021 Board Budget Process & Timing

August: BOD Retreat with Mark Goehring of Columinate (**TBD**); Board Members up for Re-election Weigh in on Intentions for Running in Next Election – Mark,

1 Rachel, & Richard (2021); Update Election Policies & Election Timeline; Board
2 Recruitment Group Exercise – Begin gathering names of potential Board
3 Candidates; Update BOD Candidate Packet
4

5 **2.0 Consent Agenda:**
6

- 7 1. Approve May 2020 Board Agenda
- 8 2. Approve April 2020 Board Minutes
9

10 **MOTION: Richard Drace moved to approve the 2020-05-25 Consent Agenda items,**
11 **with the following amendments:**

- 12 1. Spelling correction of Kali’s last name: Feiereisel
- 13 2. Removing “Kali is considering” from Vice President Board Leadership position
- 14 3. Clarifying Alan’s comment: The President Board Leadership position is like a job,
15 due to the responsibilities involved, not the time requirement.

16 **Kwong Chew seconded, and the motion passed unanimously.**
17

18 **3.0 Board Business:**
19

20 **3.1 Board Election Results & Installation** - Jonathan Collier, Kali Feiereisel, and
21 Alana Lucia were re-elected to 3-year terms (ending in 2023) on the BriarPatch
22 Board. Appreciation was expressed for all the candidates, Election Team, staff, and
23 Board who participated in making this year’s election a success.
24

25 **MOTION: Katie Ivy moved to approve the final report from Simply Voting as official**
26 **results for the 2020 BriarPatch Election and hereby approve the election and**
27 **seating of Jonathan Collier, Kali Feiereisel, and Alana Lucia to three-year terms.**
28 **Kwong Chew seconded, and the motion passed, with Kali Feiereisel abstaining.**
29

30 **3.2 Elect Board Leadership Positions**

31 Mark Goehring asked and confirmed that all four current Board Leaders expressed
32 their intent to continue in their leadership roles for the 2020/2021 year. He then
33 asked if anyone else was interested in pursuing any of those positions. Rachel Berry
34 nominated Kwong Chew for Vice President, based on his previous interest expressed
35 at the last board meeting. Kwong appreciated the nomination but said he did not
36 intend to run for Vice-President. Mark reminded everyone that Board authority
37 comes from the contributions of the entire group, not just the leadership positions,
38 and that next year there can be continued evaluation and discussion of Board
39 leadership. He suggested that one motion could encompass all the leadership
40 positions.
41

42 **MOTION: Richard Drace moved to accept Board leadership positions as presented:**
43 **Alan Weisberg as Board President, Alana Lucia as Board Vice President, Katie Ivy**
44 **as Board Secretary, and Mark Fenton as Board Treasurer, each for a one-year**
45 **term. Kwong Chew seconded and the motion passed unanimously.**
46

47 **3.3 Recruitment & Election Process Debrief**

48 The Board shared feedback and suggestions regarding the election process. Alana
49 appreciated the Forever Farms donation program, saying it was a great opportunity

1 to highlight the program. She was excited to share it with others and felt it increased
2 voter participation. Jonathan agreed and asked for more details about the increased
3 voter turnout. Chris explained those specifics were not ready but would investigate
4 and present them to the Board. Kwong expressed appreciation to the BDC, Mary, Kat
5 and the systems in place for a successful election process. Katie noted we worked
6 smarter, not harder this year. She liked accessibility of the Facebook/Zoom format of
7 the Candidate Forum. Andrea and others expressed appreciation for Rebecca as a
8 first-time Election Team Leader and the great job she did.

9
10 Kali asked about getting feedback from interviews with candidates Tiana Rockwell
11 and Dana Bursk. Kali explained that post-election candidate follow-up is an
12 important Board Development Committee (BDC) function. Kwong reported that he
13 had called Dana and learned that being a newcomer to Nevada County, she had a low
14 commitment level toward this election. She was impressed with the election process
15 and acknowledged the hard work being done by Chris as GM. Also, she appreciates
16 the way BriarPatch is handling the pandemic. Kali reported that we will get more
17 feedback from Deb Plass' interview of Tiana after the BDC June meeting.

18
19 Chris reminded the Board that he intends to propose a revision to the B4 Membership
20 Rights and Responsibilities Policy to incorporate the Election Team reports into the
21 framework of policy governance. He intends to present proposed language to the
22 Governance Committee in June and bring it to the Board for approval in time for the
23 2021 election. He offered to answer any questions about the draft proposal
24 individually outside of the board meetings.

25 26 **4.0 Accountability – GM**

27
28 **4.1 FYI Report:** Chris provided additions to his written report:

29 Over a year ago, the Co-op began a receipt-based customer satisfaction survey.
30 In the last few weeks of the pandemic, survey participation and the results of the
31 survey all improved significantly. From April 2019 to April 2020, the following
32 improvements were noted:

- 33 • “Highly Satisfied” customers rose from 84% to 88%
- 34 • “Friendliness of Staff” increased from 89% to 94%
- 35 • “Cleanliness of store” increased from 83% to 91%
- 36 • “Likelihood to return” increased from 88% to 100%
- 37 • “Likelihood to recommend” increased from 85% to 97%

38
39 Summary of Chris' answers to questions posed by the Board about the FYI report:

- 40 • Price inflation in the natural foods sector is being watched closely but is
41 expected to continue. Chris maintains an ongoing conversation with the
42 Pricing Manager to ensure timely price adjustments to reflect higher supplier
43 costs.
- 44 • Increased sales will be affecting whether staff receive the OBM profit sharing
45 in the coming year. In the short-term, the impact is positive, with staff
46 receiving the Q1 sales and labor bonuses and also recapturing the missed Q4
47 2019 sales growth bonus. However, it may become more difficult in coming
48 quarters to achieve the sales growth targets, due to economic downturns

1 related to the pandemic. These incentives will be factored into crafting future
2 budgets.

- 3 • Over the past five weeks of the program, approximately 225 lbs. of our
4 recycled disposable gloves have been sent for conversion into gymnasium
5 floor mats.
- 6 • Open enrollment is underway for the benefits plan year that begins on July 1st.
7 The employer contribution to employee health benefits contribution increased
8 for the PPO plan and coverage was increased for life insurance and the
9 employee assistance program. The carrier rate increases were within budget.
10 92% of Co-op staff are eligible for benefits.
- 11 • Deli is closed next week for floor resurfacing.

12
13 COVID-19 Pandemic Response update:

14 Co-op management has been deliberating whether to implement a customer mask
15 requirement. Nevada County Public Health Officer Dr. Ken Cutler has been unwilling
16 to mandate masks in public spaces at the County level. As a result, the Co-op must
17 determine its own policy. It has been decided that Senior and Immuno-Compromised
18 hours (“At Risk Hours”) will be extended by one hour to 10am every day and
19 customers will be required to wear masks during those hours. Staff will provide
20 masks at the door and will deny entrance to anyone not wearing a mask.

21
22 Board members expressed agreement with the policy, noting the compromise it
23 offers by allowing shoppers to choose their safety measures by choosing their
24 shopping time. Questions arose about how the policy would be enforced. Staff
25 training will include talking points and instructions to avoid interactions with
26 customers about the scientific or political controversy. In addition, staff will be
27 encouraged and empowered not to engage with customers who are disrespectful or
28 volatile. Chris anticipates there will be increased stress for staff, but they will be
29 supported with training and Board members expressed strong support for Chris and
30 the Co-op for this mask policy.

31
32 **4.2 Monitoring Report: B-1 Financial Conditions & Activities 2020 Q1:** The report
33 for the first quarter of 2020 asserts compliance with the B-1 Financial Conditions &
34 Activities policy, which states the GM shall not cause or allow the development of
35 fiscal jeopardy or material deviation of actual expenditures from Board priorities
36 established in the Ends policies. The Finance Committee reviewed the report at its
37 last meeting and recommends approval.

38
39 **MOTION: Alana Lucia moved to approve the B-1 2020 Q1 Monitoring Report. Rachel**
40 **Berry seconded and, after a discussion, the motion passed unanimously.**

41
42 Rachel asked why budgeted profit for the first quarter is so low. Chris explained that
43 Q1 budgeted net income is typically very low, and that February (a short month) is
44 always predicted to be a loss, due to the combined effect of seasonally low sales and
45 relatively high post-holiday expenses.

46
47 Richard asked for clarification about the amount of the Starbright Acres Farmlink
48 loan. The Co-op approved a guarantee up to a \$30K loan, but that only \$20,000 has

1 been funded to date. This illustrates the fact that many Farmlink operating loans are
2 funded gradually over time, as needed by the farm to sustain operations until harvest.

3
4 Richard also asked why the balance of fixed assets is so much lower than the prior
5 year. The decrease is due entirely to depreciation expense, which is recorded on the
6 income statement (and reduces the asset balance) over the period that the assets are
7 used. In the past, this balance has grown significantly each year, due to large
8 construction projects such as parking/solar, store remodel, etc. During 2019,
9 however, no large construction projects occurred to offset the decrease from
10 depreciation expense.

11
12 Kwong asked about the outlook for sales growth moving into Q2. Sales growth
13 continues, although not at the record-breaking pace experienced in March. Growth
14 continues to be driven by significant increases in the average basket size, with the
15 number of transactions continuing to be 40% lower than last year..

16
17 Jonathan asked how the pandemic has affected staff headcount. The FTE summary
18 on the April Board Financial Report shows a drop from 181 in January 2020 to 152 in
19 April. Approximately 25 staff members left on some form of leave when the pandemic
20 began.

21
22 Alan requested a report showing hiring patterns, retirement, or leaves of absence
23 directly related to the pandemic. Chris will try to cover this topic in a future FYI
24 report, but noted it is hard to establish trends in this quickly changing environment.

25
26 **5.0 Development (Open Session): No discussion items**

27
28 **6.0 Closed Session: No discussion items**

29
30 **7.0 Accountability – Reports: Committee Reports, Recommendations, & Actions**

31
32 **7.1 Owner Engagement Committee: Update**

33 Committee Chair, Alana, reported that this committee is on hold indefinitely, as it
34 needs to be reinvented to best serve owners. It no longer needs to perform some of
35 the functions that the Marketing Department is now handling. Further discussions
36 with management, Marketing and other Board Committees are required and input
37 from anyone on the Board is welcomed. Kali remarked that the message to owners
38 needs to be carefully crafted. Alan and Jonathan offered to help.

39
40 **7.2 Finance Committee: May Report**

41
42 **7.3 Board Development Committee: No Report**

43
44 **7.4 Governance Committee: No Report**

45
46 **9.0 Meeting Evaluation:** The Board expressed appreciation for the efficiency and
47 effectiveness of the meeting format, although the in-person camaraderie was missed.
48 Chris and the Board thanked Mark Goehring for his support and facilitation of the
49 meeting.

1
2 **10.0 Meeting Adjournment:** Board Meeting was adjourned at 4:36 p.m.
3

4 **SUMMARY OF DECISIONS:**

- 5 1. Approve May 2020 Consent Agenda Items P.2, lines 10-16.
6 2. Approve Board Election Results & Installation P.2, lines 25-28.
7 3. Approve Election Board Leadership Positions P.2, lines 42-45.
8 4. Approve B-1 2020 Q1 Monitoring Report P.4, lines 39-40.
9

10 **SUMMARY OF ASSIGNMENTS AND COMMITMENTS:**

- 11
12 1. Chris to ask Rebecca about specific post-election voter turn-out information, if
13 available.
14 2. Mary to add "Proposed Revision to B4 Membership Rights and Responsibilities
15 Policy" item to the June Governance Committee Agenda
16 3. Chris to include information about pandemic effects on HR staffing in a future FYI
17 report.
18

19 **Announcements, Reminders & Dates:** See **Date Reminders** at bottom of Agenda
20 page.
21

22 **NEXT REGULAR MEETING WILL BE HELD Tuesday June 30 at 3:00–5:30p.m.,**
23 **via Zoom Webinar.**
24

25 Minutes prepared by Mary Hunter on May 28, 2020.
26

27 **APPROVED BY:** 

DATE: 7/1/20

28 (These minutes were approved by the Board of Directors on June 30, 2020. The
29 official signed copy is on file.)