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BRIARPATCH FOOD CO-OP
Board of Directors Regular Meeting
Held via Zoom Teleconference Call
MINUTES June 30, 2020

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

Absent: None

Co-op Managers & Employees Present (via Zoom): Andrea Echegaray, Mary Hunter, Chris Maher, Rebecca Torpie

Other Guests (via Zoom): Mark Goehring (CDS facilitator), Anastasia Torres, Chuck Holding, Lorenzo Ortiz, Robert Totoonchie, Casey Tomasi, Lars Ortegren, Michael Burnstein, Ryan Orzalli, Travis Davis, Gia Martynn, Laura Parkes, Michelle Trejo, Joshua Jozefowski, Rachel Bauer, Angelica Niblock, Finnegan Coffin, Nick Overhauser, Nova Kolpin, Martin Webb, Treat Meier

1.0 Preliminaries

1.1 Call to Order: The meeting was called to order at 3:04pm.

1.2 Opening Quote: Presented by Rachel Berry

"Nothing in life is to be feared, it is only to be understood. Now is the time to understand more, so that we may fear less."

- Marie Curie

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

Chris had previously forwarded the Board a summary of owner comments from Co-op Facebook and Instagram pages and emails directed to him and/or the Board of Directors related to BriarPatch COVID mask protocols. He reported that the comments mirrored the in-person comments directed to employees in the store. The clear majority of comments have been positive and supportive of the mask policy, with a small minority expressing dissatisfaction.

Alan read a draft of a Board Statement, in support of the policy put in place on June 18 by Co-Op management, following the Governor's statewide mandate requiring face coverings at all times in public places. This statement would be sent to the public through social media and email channels. The following suggestions were made to amend the statement:

- More clarification of the sources of collection of the overwhelming support
- Support of maintaining a safe working environment for staff
- A link to our Ends Policy

1 **MOTION: Richard Drace moved that the Board approve the Statement, subject to the**
2 **amendments described above. Alana Lucia seconded, and the motion passed**
3 **unanimously.**

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7 **1.4 Check-in and Reminders:**

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9 **July:** Board Performance Monitoring Survey Group 3: C Policies (C:5-8) Review
10 **(Jul. 28);** Wild & Scenic Foody Films Live Virtual Event **(July 9)** ~~California World~~
11 ~~Fest (Jul. 9-12);~~ **Cancelled due to COVID 19;** Confidentiality Agreements & Code of
12 Conduct – All Committee Members Sign; Discuss 2021 Board Budget Process &
13 Timing

14
15 **August:** BOD Retreat with Mark Goehring of Columinate **(TBD);** Board Members
16 up for Re-election Weigh in on Intentions for Running in Next Election – Mark,
17 Rachel, & Richard **(2021);** Update Election Policies & Election Timeline; Board
18 Recruitment Group Exercise – Begin gathering names of potential Board
19 Candidates; Update BOD Candidate Packet; GM Compensation: Strategic
20 Conversation #2, Board draft and review RFP

21
22 **September:** SYRCL River Clean Up **(Sep. 26)** ~~Celtic Festival (Sep. 27-29)~~
23 **Cancelled due to COVID 19;** BOD Approves 2021 Election Parameters
24 (Governance); BDC Approves BOD Budget & Submits to BOD for Approval;
25 Discuss 2021 Storewide Operating Budget Timeline and Key Assumptions; Review
26 BOD Stipends; BOD Performance Monitoring Survey Group 1: D Policies (D:1-4) to
27 Board **(Due Nov 6th);** Columinate Agreement Renewal

28
29 **2.0 Consent Agenda:**

- 30
31 1. Approve June 2020 Board Agenda
32 2. Approve May 2020 Board Minutes
33 3. Approve 2020 Owner Meeting Minutes
34

35 **MOTION: Katie Ivy moved to approve the 2020-06-30 Consent Agenda items, Alana**
36 **Lucia seconded, and the motion passed unanimously.**

37
38 **3.0 Board Business:**

39
40 **3.1 SBA Cares Act Payment Protection Program Loan**

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42 Chris reported that the Co-op was approved for a \$800,000 PPP loan from the
43 Federal government (through the Small Business Association, or SBA). The loan will
44 be facilitated by WestAmerica Bank. It is expected that the loan will be forgiven, once
45 the Co-op demonstrates that it has met certain criteria established by the SBA. Chris
46 informed the board that the balance sheet will reflect a \$800,000 long-term liability
47 until forgiveness is approved by the SBA. After forgiveness, a \$800,000 gain will be
48 reported in the non-operating section of the 2020 income statement.

1
2 **MOTION: Mark Fenton moved that the Board authorize the General Manager/**
3 **CEO to sign loan documents and borrow up to \$800,000 through the SBA**
4 **CARES Act Paycheck Protection Program for a 5-year term at 1% interest, with**
5 **the expectation that the loan will be forgiven following demonstration that the**
6 **Co-op has met certain forgiveness criteria set by the Federal government. Katie**
7 **Ivy seconded and the motion passed unanimously.**
8

9 **3.2 Confidentiality Agreement & Code of Conduct Forms**

10
11 Admin Mary Hunter reported that all 2020-2021 Board Members have signed and
12 submitted these required forms, in accordance with Board Policy C-5 and By-Laws.
13

14 **3.3 Update on Committee Membership**

15
16 Alan Weisberg approved the Chairs of all committees and all committee chairs
17 confirmed that the updated committee rosters as presented are accurate. The Owner
18 Engagement Committee is still on hold until further notice. All non-Board members
19 of the OEC have been informed of this and Alana Lucia and Jonathan Collier will be
20 sending a follow-up email.
21

22 **3.4 Discussion of July Board Meeting**

23
24 Historically, the Board has not had a meeting in July, but Chris anticipates the need
25 for Board discussion regarding development next month. Alan Weisberg suggested
26 further CCMA follow-up discussions. Alana Lucia requested a shorter meeting
27 focused on development and any current affairs. Katie Ivy will be out of town. The
28 meeting will stand as scheduled.
29

30 **4.0 Accountability – GM**

31 **4.1 FYI Report:**

32
33
34 Chris reported that, at the request of the Finance Committee, some excess cash is
35 being invested in two certificates of deposit (CDs) in the amount of \$200,000 each,
36 in an effort to maximize interest income. Management selected National Cooperative
37 Bank (NCB) and River Valley Community Bank (RVCB), based on alignment with
38 cooperative values and in support of local and regional businesses. RVCB requires
39 Board approval for CDs so the Board is being asked to approve the resolution
40 provided in the Board packet. The NCB CD will be funded in August, when the
41 existing \$50,000 CD matures, in order to minimize the number of accounts at a
42 single institution. No Board approval is expected to be required for that CD.
43 Discussion followed regarding current interest rates.
44

45 **MOTION: Kwong Chew moved that the Board adopt the River Valley**
46 **Community Bank resolution, as presented, to authorize the deposit of**
47 **\$200,000 into a 1-year certificate of deposit. Katie Ivy seconded and the**
48 **motion passed unanimously.**
49

1 Summary of comments and questions about the General Manager's FYI report:
2

3 What is being done to reduce wait time at the register? We are looking into ways to
4 minimize delays in register check-out caused by operational changes related to
5 COVID-19. Management is also considering options for re-opening the bulk
6 department, self-serve Deli items, and the dining room, following guidelines of the
7 County health department.
8

9 How much have EBT sales increased? EBT sales generally run \$65K-\$85K per
10 month. In May, additional EBT funds were automatically added to shoppers' EBT
11 debit cards which caused EBT sales to increase to \$100K during the month. This
12 represents 3% of our sales, up from 2%.
13

14 Strong support was expressed for the newly announced Merchandising Policy, which
15 will be made public and available in the store and on the website. The policy hasn't
16 fundamentally changed, but the information is better presented and explained.
17

18 There is much to be proud of regarding BriarPatch leadership in the larger
19 community, both from management and the Board.
20

21 How is food inflation measured and what does it mean for the Co-op? Food inflation
22 is measured using data from the Bureau of Labor Statistics, both at the regional and
23 national levels and for both food-at-home and all goods. However, the BLS data for
24 food-at-home only measures conventional foods. So, the Co-op also performs an
25 internal measurement of natural food inflation, using cost data from products
26 purchased from distributors. We're seeing a dramatic increase in food-at-home
27 inflation, particularly in the natural food sector, which results in higher prices for
28 shoppers at the register. Inflation also helps us understand our sales growth. If
29 inflation is at 5% and sales growth is also at 5%, this can indicate that all growth is
30 coming from increased costs (prices), rather than increased sales volume. Supply
31 chain issues remain a problem. Normal fill rates are 95% or higher, but they have
32 dropped to as low as 70%. Shelves are adjusted to accommodate. UNFI has lifted the
33 30-item limit on orders, which helps.
34

35 **4.2 Monitoring Report: B-3 Asset Protection:** 36

37 **MOTION: Mark Fenton moved to approve the B-3 Asset Protection Monitoring**
38 **Report. Rachel Berry seconded and, after a discussion, the motion passed**
39 **unanimously.**
40

41 A question was posed regarding whether the Co-op receiving the PPP funds resulted
42 in another organization not having access to the funds. Chris reported that this was
43 not the case, since \$130 billion in unused funds remained when the program ended
44 on June 30, 2020.
45

46 **5.0 Accountability – Reports: Committee Reports, Recommendations, & Actions** 47

48 **5.1 Owner Engagement Committee: No Report** 49

1 **5.2 Finance Committee: No Report**

2
3 **5.3 Board Development Committee: June Report**

4
5 Chair Kali Feiereisel asked for the Board feedback regarding future Study and
6 Engagement and possibly pulling this topic out of board meeting agendas. She
7 suggested designating a different time for review of the various S&E topics. There
8 was some agreement to this proposal, and it will be further discussed at the next BDC
9 meeting on Wed., July 15th

10
11 Alan Weisberg requested a more extensive CCMA follow-up discussion suggested
12 that board members independently read “White Fragility” in the meantime. Chris
13 offered Co-op copies to any members in need of it.

14
15 **5.4 Governance Committee: June Report**

16
17 B4 Members Rights and Responsibilities Policy Revision: A revision was drafted to
18 describe the attributes of the election that the Board would like to ensure are met,
19 clarifying membership rights regarding elections.

20
21 **MOTION: Alana Lucia moved to approve the revision of the B-4 Members Rights and**
22 **Responsibilities Policy to include additional language as presented. Katie Ivy**
23 **seconded and the motion passed unanimously.**

24
25 **9.0 Meeting Evaluation:** Board Members stated the meeting went well and expressed
26 appreciation for the Chris, the staff and the cohesion of the Board.

27
28 **10.0 Meeting Adjournment:** Board Meeting was adjourned at 5:32 p.m.

29
30 **SUMMARY OF DECISIONS:**

- 31
32 1. Approve Board Statement on Co-op Face-Covering Policy (P.2, lines 1-3)
33 2. Approve June 2020 Consent Agenda Items (P.2, lines 35-36)
34 3. Approve SBA Loan (P.3, lines 2-7)
35 4. Approve RVCB Resolution (P.3, lines 45-48)
36 5. Approve B-3 Monitoring Report (P.4, lines 37-39)
37 6. Approve B-4 Policy Revision (P5., lines 21-23)

38
39 **Announcements, Reminders & Dates:** See **Date Reminders** at bottom of Agenda
40 page.

41
42 **NEXT REGULAR MEETING WILL BE HELD Tuesday July 28 at 3:00–5:30p.m.,**
43 **via Zoom Meeting.**

44
45 Minutes prepared by Mary Hunter on July 2, 2020.



- 1 **APPROVED BY:**
- 2 **DATE: 7/30/2020**
- 3 (These minutes were approved by the Board of Directors on July 28, 2020. The official signed copy is on file.)