

Board members in attendance:

Betsy Blake, Stephen Johnson, Alexandria Jonas, Joel Landau, Yvonne Lee-Hawkins, Jonathan Maj, Dave Reed, Allen Sharpe

Board members absent: Tia Cromartie

Owners: 7 owners present

Meeting start time 6:00 pm

1. Review Minutes for August 29th

Proposed Joel, Seconded Jonathan. Accept minutes with changes proposed.

Passed unanimously

2. Owner Feedback

2.1. Request to understand how the Board will communicate with the wider ownership of Deep Roots

2.1.1. Laurie will send document to Board for inclusion with Board material

2.2. Request for Deep Roots to talk with Dabney Sanders about Greenway development

3. Review of Items from Previous Meeting

3.1. Update on review of monthly reports to Board

3.1.1. Presentation at October Board meeting by Joel, Jonathan, and Stephen

4. Policy Updates

4.1. Board of Director Responsibilities – follow up on question about Director responsibilities with regards to previous Board decisions

4.2. Discussion on posting of minutes online

Following approval of the minutes they are made public through the Deep Roots website and in a binder available at the store, including any attachments.

Proposed Alex, Seconded Joel

Passed unanimously

4.3. Officer's Roles Secretary Policy 4.4

Amendments proposed and accepted.

Action – Dave to provide update for Policy Register on GM acting as the Registered Agent, and that the primary office is the current store location.

Action – Stephen to check that GM is registered agent for Deep Roots.

Action – Other Officers (President, Vice President, Treasurer) to create a similar document for their role

Motion to approve amended policy on the role of the Secretary (see attached)

Proposed Jonathan, Seconded Joel

Passed unanimously

5. Outreach Committee

5.1. Proposal on Community Meeting

5.1.1. Tabled for October meeting

5.2. Terms of Reference

That the Terms of Reference for the Outreach Committee be presented to the Board through email and consent to approval through email

Proposed Jonathan, Seconded Joel

Passed unanimously

5.3. Next Meeting scheduled for Wednesday October 5th

6. Discussion of Driscoll Berry Boycott

Driscolls and grower are in discussions with farm workers. Discussions with Familias Unidas Por La Justicia asked Deep Roots not to send letter to Driscolls or Sekuma at this time.

7. Discussion of Owner Potluck for Employees

Staff appreciation potluck set for October 25th, 6:30pm, First Friend's Meeting at the Fellowship Hall
Request for volunteers for decorations, entertainment, setup and cleanup
Vernon stated that the "Landlord will participate financially"

8. GM Report

8.1. Paul is out for medical reasons

8.1.1.No formal report for this month

9. Committee Reports

9.1. Finance Committee

9.1.1.Treasurer has access to more in depth reporting for QuickBooks

9.1.2.Focusing on P&L and Balance sheet – books for first half of 2016 are still a work in progress

9.1.3.First half draft summary – positive net income, approximately \$30-40,000 for the first six months, once some "costs" such as depreciation, line items incorrectly categorized, are backed out

9.1.4.Pay advances & employee IOUs – there is still some lack of clarity on these outstanding debts. Seems to be approximately \$13-14,000 cash outstanding and requires further review and updating to ensure that the cash paid back by staff has been credited to the right accounting line. Will work on update to policy on pay advances to staff.

9.1.5.Draft from CPA on 2015 financial report is available- Finance Committee is reviewing.

9.1.6.Some discussion with CPA about moving 2015 data into QuickBooks online, but not clear whether that is possible.

10. Downtown Greenway

10.1. Construction of next phase around Deep Roots is about to start around October 10th from 9am to 4pm, not on the weekends. They are required to maintain current access and parking. Following that they will work on Fisher and engage in more traffic restrictions.

11. Executive Session: 7:45pm

12. Weaver Street Repayments

12.1. Initial negotiations by managerial staff with Weaver Street, highlighting that we wish a mutually beneficial relationship between two cooperatives, under the guidance/mediation of NCG.

12.1.1. Reach out to Shared Capital about the letter received from Weaver Street

Meeting adjourned: 9:22pm

Sept. 26, 2016 Board of Directors Meeting

To the Board of Directors:

I am here before you today to ask the board of directors, as the representatives of our owners, what action in the immediate future is planned for you to listen to our concerns and act upon them. According to our by-laws, this cooperative must be operated in accordance with the Cooperative Principles, one of which is “democratic governance.”

I’d like to read an excerpt from our by-laws from Article IV, Section 4.1.

“The powers and duties of the Board shall include, but not be limited to, overseeing the operations and finances of the Cooperative, establishing policies to govern operational decisions, engaging a general manager and monitoring and evaluating his or her performance, maintaining communications with owners, and assuring that the purpose and mission of the Cooperative are properly carried out.”

Now I’d like to read a couple of excerpts from the letter to the owners dated March 9.

"We believe that expanding our selection of products to include more local and regionally sourced products, and a wide variety of more affordable options - in addition to our organic offerings - will make us a place that meets everyday grocery needs."

A little further in the letter:

"The second part of this local focus is that Deep Roots will make all of our purchasing commitments with a “local first” lens. Not just in the products we sell to our customers but also the products and services we buy – from our distributors to our accountant. Deep Roots is making sure it is part of the movement to build local community wealth. We will prioritize returning our customers’ and owners’ dollars here in our community. This may mean that we replace some existing products from national or international providers with products from regional and local farmers, producers, or distributors."

Most of the owners at the annual meeting understood that the vision was to carry more products from local vendors and producers, not national products that COMPETE with

our local vendors products. In the food world, LOCAL means locally produced, not the area around the venue. This was misleading to our owners.

When we brought our concerns to the board about the sudden appearance of many products we did not expect, such as products from factory farms that produce food in cruel and filthy conditions for animals, or products from food production facilities and industrial farms that treat their workers unfairly, or products that poison our water, soil, air, and bodies, we were told that our objection really was that we did not want to shop in the same store with poor people.

This was dismissive of our concerns, untrue and highly insulting. Is it any wonder that we are upset?

Many of us invested in Deep Roots because we are deeply concerned about the environment and we are ethical consumers. We have no problem with what other customers buy. Your personal shopping choices and my personal shopping choices have nothing to do with the issue. **We have a problem with our investment supporting companies with records of abuse to our land, our people, and our animals.**

Many of us are not rich. I invested in Deep Roots Market when I made minimum wage by buying my ownership in payments. But I think that the Board knows that, and the purpose was to try to deflect criticism by blaming the owners themselves for not accepting what to us appears to be an abuse of power.

The last thing we expected was for the very thing that made Deep Roots special - its honesty and trustworthiness - to be abandoned. This was our brand, one that we developed over many years as a community.

We feel tricked. We feel sad. We are mourning the loss of an organization that we devoted a lot of heart and soul to, because what you don't understand is that the survival of Deep Roots is about much more than money.

Scolding from the board is not professional communication and is not acceptable communication in a cooperative. Insulting your customers, employees, and anyone who disagrees with you is terrible practice in any kind of business.

In my opinion the core of Deep Roots problems lies in communication. The owners are not getting clear communication from the Board or the management. The Board is

not getting clear communication from the manager. The Board is not listening to the owners or the staff. This must change because this is YOUR JOB.

The election of three new directors to the board whose vision is in the opposite direction of the continuing board's vision IS communication from the owners that we are upset about the current direction of the board and management and a change is mandated.

The number of owners selling back their shares is a form of communication that must not be ignored. [Don't look surprised. It's happening.] The only reason I have not sold my share is because I want to vote in the next election if Deep Roots survives until then. I am concerned that if a change in direction is not made immediately, you will have squandered every chance to win back any of your core customers.

There was little social media marketing for the past three months other than announcements about beer sales (which aren't really great deals anyway) and new beer products. This weekend a couple of posts appeared about fall plants and pumpkins for sale. If the social media admin is out sick or on leave, someone needs to fill in.

Marketing is crucial right now. Free marketing is the LAST thing that we need to ignore right now!

I understand that this board is not compensated for its work. **But if you are not willing or able to do your jobs as the representatives of the owners, and as the overseers and monitors of the operational directives of the management team, then I respectfully urge you to step down and allow someone else who cares about the original mission of Deep Roots to step up.** We need to know how you plan to communicate respectfully and truthfully with the owners and staff of Deep Roots from right this minute onward.

Laurie O'Neill

Owner and advocate for our co-operative community