



Board Meeting Minutes

July 20, 2023

Board Members in Attendance

Kate Cox, Jim Hutcheon, Linda Myers, Trudy Springer, Harry Levine (via zoom), Andie Giron, Tanzania Ertel, Joanne McCaughan

Other Members in Attendance

Jeni O'Connor, Treavor Sands, Lucas Anderson (via zoom)

Facilitator: Kate Cox

Notes: Max Crabapple

Agenda:

- Member Comment
- Agenda Review
- Mission Statement
- Land Acknowledgment
- Co-op Index 2022 presentation with John McNamara
- Announcements
- Commitment Review
- Approval of June Minutes
- Staff & Committee Reports
- Board Retreat Planning Update
- Board Elections / Candidate Recruitment
- Provender Investment Proposal
- Staff Satisfaction Proposal
- OFC Conduct Proposal
- Discussion of Communication (*deferred to next meeting*)
- New Commitments
- Meeting Eval & Next Facilitators
- Executive Session (*deferred to next meeting*)

Member Comment – none

Agenda Review

There is an ask to defer the OFC Conduct Proposal; there is not consensus to defer, and there's an interest in addressing a pattern of behaviors. The director bringing that item offers taking 5 minutes off to be used elsewhere in the meeting, and expressed an understanding that there is not an expectation to entirely wrap up the conversation in this meeting.

Co-op Index (2022) with John McNamara, presenter

John presented the questions and results of a staff survey conducted in 2022, with particular acknowledgement of the least positive results [see document]. Deciding where to focus and what foundational values to keep coming back to while making change can make all the difference in successful growth. John shares a cautionary tale about co-ops trying to succeed financially, and falling prey to the behaviors of economic competitors. We can see the results as isomorphic growth; the directors wanted to identify primarily as a growing co-op, making money, and the business end was a business. They ended up getting an HR manager from Target who brought Target-like management policies, which then was the final straw leading to the unionization of the workers. It's easy to fall into the trap of capitalist management practices.

Q: Would you include expansion in the category of economic practices of competitors?

A: It can be a source of gentrification; if a co-op comes into a neighborhood, makes that neighborhood 'safer' for the existing members to come into the neighborhood, who may then flip properties in the neighborhood. But adding a second or third store doesn't have to mean that, it depends on how it's done.

Q: Looking at the 'non-positives,' how would you gauge the urgency of these?

A: Being people-centric, we [co-ops] are good at muddling through, and can dust ourselves off when we run into a brick wall. This is wonderful in how resilient and creative we can be in getting through problems that would be insurmountable from another mind-set. That said, when something does become a crisis, it's hard to see it as such until we're really in it. So many problems seem like they might become a crisis, but they aren't, so when we are faced with a real crisis, we may be less prepared to address it quickly. But these, they can use some attention, but responding like it's a crisis can create a crisis where there is none. But looking at these areas can be warranted.

Harry notes that the survey results were used to direct attention that resulted in policy changes and new policies. Harry will get an update from Big Picture CAT as to what policies, updates, etc. have come as a result of one of the 2022 survey.

A director shares a concern about low voter turn-out from the membership, etc. John notes that OFC is (one of?) the largest democratically, community-owned co-ops in the nation. The

number of members can make participation look small, but consumer co-ops tend to have about 6% voter turnout for elections.

Announcements

Kate talked to Joel Brock, who has experience as a People's Co-op staff and board member. People's is collectively managed, and Joel was on the board when People's adopted policy governance. Would the board like him to come to the August meeting? Yes!

Commitment Review

Harry will find out if JM Morris, the contractors for the Westside Remodel, have unionized workers, and also if any of this work may trigger unplanned requirements to do further work in order to meet code. *No answer from JM Morris about unionization, otherwise they're good.*

Trudy will send the Draft Labor Acknowledgements (brought to the meeting tonight) and other related documents to the whole board via email. *Done*

Linda will continue to work on an Expansion Fund proposal and bring it to a later meeting. *Deferred*

June Meeting Minutes Approval

Proposal: The Board approves of the June meeting minutes.

Stand aside: 2 (Kate and Joanne)

Block: 0

Consent: 6

CONSENT

Kate stands aside as she was not here for the June meeting.

Joanne stands aside, finding the date stamps noting attendees arriving after the start of the meeting strange and disrespectful.

Staff Report

FINANCE

Sales continue to be strong. As of June 30, we are 606,000 over budget in sales for the year. This is outpacing inflation by 5-7%. Cash on hand is growing, even as we pay for expensive repairs to equipment.

Finance CAT is working on many projects:

- Curbside sales/expense analysis
- Inventory analysis: Should we go to 2 inventories per year?
- Working on better tracking of NCG rebates

- Supporting the analysis of the Garden Center finances. We currently have a task force looking at the viability of the WS Garden Center
- Reviewing Risk Management and Staff theft policies/procedures
- Creating an updated Bonus policy proposal.
- Continuing to work on an ES floor replacement cap plan proposal.

PERSONNEL

Please see the Personnel Comm of the Board summary report

We did terminate the employment of an employee due to substantive proof of theft. We had visual and digital evidence and when confronted with this, they offered no explanation or confession. The Humane Resources team recommended termination and it was then sent to a review team of other staff members. All in all, ten staff members reviewed the evidence and agreed on the outcome of termination. The fired worker did not file an appeal.

LABOR CAT

- Conducting Staff surveys on satisfaction with schedule systems and accountability agreements
- Conducting quarterly hiring assessments

BIG PICTURE CAT

Agenda items for July meetings include:

- *Accountability Section of the Handbook
- * Co-op Commitments Survey Discussion
- * Bonus Policy
- * Parental Leave
- * Facilities Report

MERCHANDISING CAT

- Working on CBD sales and regulations
- Working on supporting Eastside Floor project

Q: Would it be possible to provide the income statement and balance sheet?

A: Yes, they are always provided as part of the finance committee quarterly reports.

Committee Reports

There is a request for more information about Provender's plan, and how this money fits into that plan.

Is there a conflict of interest for a director being on both the OFC and Provender's board? While a conflict of interest is not at play in terms of personal profit, the director on both boards has already determined she'll be standing aside during the consent process.

There is consideration of splitting the proposal into the two component parts: money set aside for OFC staff use, and money given as a donation towards putting on this year's conference. The proposal for the board to dedicate additional funds for attendance at the conference is withdrawn for now.

Proposal: \$5,000 is donated to Provender ahead of the conference.

Stand aside:

Blocks: 2 (Kate and Linda)

Consent:

BLOCKED

Kate spoke earlier about her concern – she would need to first see Provender's plan to address their financial situation and see this donation isn't bailing them out.

Linda believes our profits should be put into expansion, not into another organization.

Staff Survey Proposal

The proposal is to hire Columinate consultant, Sarah Dahl, to assist in the creation of a collective and flex member survey to assess workplace satisfaction.

Harry notes that Columinate is not seen as collective friendly. The language is authoritarian; for example, the full report will be available to the board, but not to the staff. The board would then propose policy changes based on the report, which would not be done cooperatively with the staff. Harry offers to take the proposal as is to the staff and get feedback. He recommends the board makes a proposal to the staff to conduct a survey.

Kate feels the full report should be shared with staff, and she supports transparency. There's an observation that Kate's summation is great, but Columinate's language is very top-down. There's interest in considering the desire to communicate with the board, or if there's a desire to control the rules around that communication. If there is a desire to communicate with the staff, it's important that it comes from a collaborative place.

There could be a re-write of the proposal before it's brought to staff. There is discussion of the impression that comes with going to an outside 'expert'. Andie brings up the consideration that the staff are experts, considering they work at the co-op every day. The mindset comes back to how we use the word president, from our first meeting of the year; there's a cultural shift in considering who is the expert and who should have the power.

Kate clarifies that the next step is for her to work with Harry, re-write a draft, send it to staff for feedback.

Code of Conduct

Tanzania has brought this in light of expenses incurred by a director that were paid by the co-op and not approved by the board. There is concern that a pattern of inappropriate conduct has landed the board as a whole in conflict with staff and stymied the board's work.

Joanne finds the proposal hurtful, and does not support it.

Tanzania would like to see the recommendations resulting from the investigation taken into consideration, and for the board to establish expectations of directors' behavior, and to hold themselves accountable to the membership. What is supposed to happen when a director seeks legal advice to protect themselves against the co-op, and sends the co-op the bill, without telling the rest of the board?

The ability to self-regulate is crucial in this sort of work, and the deep work of holding the co-op's visioning and stewardship relies on each person's ability to listen and grow.

Taking a step back to do the personal work needed - to truly listen and be in community - is required to arrive to this work ready. There has been a tolerance of racism and hostility at the meetings, and acknowledging it is uncomfortable and necessary.

Some see the upcoming retreat as a place and time to engage with these dynamics (instead of during this meeting). As counterpoint, there is an ask to not expect this work to fit into one retreat, as if the outside facilitator will fix it all for them.

Harry thinks the more we – all of us – come with questions, with openness, with asking for feedback, that's the spirit of openness that true anti-oppression work is about.

The proposals prepared for this item were not presented for consent.

Discussion of Communication - *deferred to the next meeting.*

Executive Session – *deferred to the next meeting.*

Review of commitments

Harry will find out if JM Morris workers are unionized.

Harry will follow up with BPC to see what policies or updates have been made in light of the 2022 Co-op Index findings.

Harry will coordinate tabling for board candidates, and will co-coordinate with Andie for Aug 11-19.

Tanzania will table on Saturday, Aug 12.

Kate and Harry will work together on re-writing a draft of the staff survey proposal to bring to staff for feedback.

August 6 is the deadline for the Fall issue of the Table – Tanzania will write something.

Meeting eval

Acknowledgement of the importance of the deep personal work that needs to be done for the board to be able to work together.

There was too much on the agenda, and not enough time for many of the items.

Looking forward to the retreat, and thanks to the retreat organizers.

Next facilitator: Harry

~ Decisions made outside of meeting ~

Code of Conduct

A Code of Conduct write up was brought by Kate to the July 30 board retreat with the intent to seek consent. There was a concern about process, and the directors present proceeded with the understanding changes would be made to the document, rather than considering this the final draft.

Directors present: Andie, Harry, Jim, Joanne, Kate, Tanzania, Trudy

Directors absent: Linda

Proposal: to adopt the Code of Conduct for the Board, with the understanding that it is not the final draft.

Stand aside: 1 (Harry)

Block: 0

Consent: 6

CONSENT

Harry spoke to his stand aside: there isn't process for consenting to policy under these circumstances; also, he agrees that Linda not being present for the proposal's conversation and consent process is a concern.

8/7/23

To Finance CAT, Facilities CAT, Staff, Finance Committee, BOD
From Bradley for the Eastside Floor Team

Eastside New Floor Proposal

BACKGROUND

As you all probably know, our original vinyl composite tile flooring we have at the Eastside has seen better days. It is way beyond repair. The company who treats the floor has made it clear that there is no longer a way to restore it better than its current state.

The Floor Team looked at three bids: Rubenstein's, Dave's Showcase Floors, & J.A. Morris. Our team decided to go with J.A. Morris because of our positive work history with them, their clear communication, being local, and a good bid.

In our latest walk through, we learned that J.A. Morris sub-contracts Rubenstein's Contract Carpet, which was our second choice. Rubenstein's initially fell short in consideration due to the challenge to get more information we needed. Paul @ J.A. Morris has already helped us get into dialogue and have most of our questions answered.

The new flooring will be a commercial grade luxury vinyl tile. Our choice of flooring is:

<https://www.artwalktile.com/products/next-floor/indestructible/indestructible-umber-oak-415-008>

While vinyl composite tile is a little cheaper, the long term maintenance of waxing and stripping and waxing makes VCT a more expensive and laborious long term option. The new flooring will be laid on top of the existing flooring.

WHAT WILL IT TAKE?

To make this project happen we will be closing the Eastside at 6 pm, for about 2 weeks during the Monday through Friday business week. The floor will be worked on from 6 pm to midnight, approximately.

In efforts to recover approximately 20%+ of the lost sales due to the early closures, we will coordinate a campaign to get the word out to our membership, encouraging earlier shopping, West shopping, and Curbside. We will communicate with staff on changes to their schedules and coordinate staff labor to help with store prep and set up. J.A. Morris has a couple high school aged "kids" which they hire to help move big stuff. This will relieve some of our staff labor and cost.

Considerations:

During open hours, the store will still be shoppable. However, some display fixtures may be unavailable on certain days as the project progresses.

We will need a floor wax stripping/remover applied prior to the new floor being adhered to the existing floor. We will leave all the perimeter shelving in place, including leaving the bulk gondolas against the walls. For the prep, it is important the bulk gondola catch trays are removed and the stripper is generously applied under the fixtures. This will allow them to run the flooring under the units and ensure it stays adhered to the floor.

The flooring adhesive is almost zero VOC. Of course, those who are sensitive to low/no VOC latex paint may also have reaction to the flooring glue. This will be included in communication to the membership.

We plan to start the project in mid September, pending consent. Alternately, we would look at mid January. Though, we will likely not be able to have a better total cost estimate by waiting longer.

We still do not know if we will move the longer runs of the angled gondola shelving. If we move the angled gondolas, the flooring will go quicker because there will be less cutting at angles.

However, this will be a lot more work for us, and make whole aisles unavailable for a day during the project.

Any fixtures that move, we need to be very careful to put them back in place without scratching or damaging the new floor. What we do or don't move is flexible, even as the project goes. We won't know entirely what will all happen until we are fully into the project.

The flooring will be installed on top of the existing VCT. In the areas where we have cracks this will require a two night process - first removal of VCT and filling, leveling and drying of the filler. Second night it can be floored. Due to the cracks, like in Produce, flooring will take a couple nights. Produce will probably a combination of moving some produce to coolers and having wheely basket displays for the island dry produce.

The Dairy/Deli "off retail" section of flooring will all be removed due to the height of the dairy cooler door off the existing floor. This section will be a two night process. Day use of any of the areas in progress is just fine.

ATM will be left in place and tiled around, as it is bolted to the concrete.

Check stands remain a question of keeping in place or moving.

Flooring specialist recommended running the flooring planks in a east/west direction. We will likely go with this. Normally, he would suggest north/south to run the length of the store. However, due to our angled aisles, he suggests for us to run the floor east/west. The psychology behind that is that it will make the aisles appear more spacious. We can still choose which way we want it to run.

J.A. Morris will help prep the store with plastic tarping areas adjacent to grinding. We will move our air filters set near the work areas, if possible.

Produce island breakdown will be for 2 nights. Probably a combination of moving some produce to coolers and having wheely basket displays for the island dry produce.

We plan to move alcohol gondolas, even though they are on the edge.

We plan to move all of customer service.

We still deciding about the middle islands of bulk and the water machine. (rice, nut butter, coffee, granola, etc) It is entirely fine to leave all this in place and tile around.

The big time difference would be if the angled gondolas are removed or not. More labor for us and time of flooring is reduced if we pull them.

Because we will close early, we are cutting about 14 staff hours a night. Thus, we are including minimal labor cost increase over the already planned labor budget.

Cost Estimates

JA Morris's initial bid	\$64,000
Staff Labor Estimate ABOVE CUT HOURS	\$2,000
Tax @9.5% for JA Morris	\$6,080

