SUMMARY NARRATIVE of Petition period events: August 28th, 2014: Petition stirs up a firestorm and riles DNF Board; Kim is fired the day after petition is launched, no notice or reason given to her; Board promotes Co-GM Brian Gaddy to GM, announced on September 3rd, along with a one-day notice for an emergency special Board-member meeting September 4th, where the Board wished to tell "its side of the story," while the petition was on-going.

In summary: The 10-day signature collection period, from August 27th through September 7th, and the period following, were tumultuous and rancorous from multiple perspectives. The Board was clearly not acting on behalf of the membership or in the interest of the health of our co-op.

- The Board told Brian on August 26th that they were in the process of drawing up a contract for him to become GM beginning September 1st; this was two days before Kim was fired on August 28th. They announced that he was selected (with no selection process) to replace the previous GM who was let go a year before. Brian has a degree in philosophy, had been the grocery manager, but had no business management experience. A short while later they sent him on a trip to the national NCGA meeting for a week, leaving the store to flounder with no management delegation or leadership; while the staff struggled in the chaos under stress.
- We begin our signature collection in earnest on August 27th for a 10-day period, both online and paper signatures wherever we could, but especially right in front of the DNF store. We had a remarkable response: 205 signatures were obtained, of which 184 were current active members; and we brought in 27 current customers as new members, who joined DNF on the spot in order to sign the petition.
- DNF members were outraged that Kim was fired. Two of the three items in our petition (the first was to request the Board to voluntarily resign) were to make no management changes, keeping the co-op *stable* with the same management structure, both Kim and Brian as Co-GMs for the interim period; and to do no further damage to our co-op organization by making any further decisions that affect the current and future operation of DNF. Ignoring this, the Board proceeded to do severe damage to our organization; from which we are still trying to recover well into 2015.
- The DNF staff liked Kim very well and was furious about what the Board had done, demanding answers from the Board and threatening to start their own petition; however, they feared for their jobs due to the vindictive behavior of Board president Geoff Wolf and the fact that the new GM Brian was closely aligned with the Board. In fact, after summarily firing Kim with no reason given to her directly, when Geoff filled out Kim's unemployment papers, she found later that unemployment benefits were denied at the state level because the reason he put for her firing was "she used company equipment for her own personal agenda;" of course being entirely untrue.

Kim was serving member needs at their request to communicate to the broader membership in the midst of a crisis of leadership and continued existential threat to our organization (although the "merger" was temporarily "off the table"; the Board continued to sell the idea and left open the possibility at "some future time" when, perhaps the "membership was more amenable to the idea"). She made an ethical decision that her loyalty should be to the member-owners, to whom the Board is ostensibly accountable via the Bylaws; and all that was being asked of her was for a coalition of members outraged over the Boards lack of transparency and accountability to be able to communicate to the rest of the membership to see who would join them in solidarity by reading and signing a petition—*co-op democracy in action!* Co-op principles state explicitly that they are to be run as a democratic organization.

- Staff morale was extremely low and job stress level very high due to overwork, fear and
 inexperienced general management; several employees began searching for other jobs and
 turnover has been very high ever since. At least one middle manager, Guthrie Hardesty, found
 himself having to work a full month of long days without even one day off just to keep the ship
 afloat; and on the one day he finally took off he received five phone calls from employees
 needing assistance.
- Firing Kim severely crippled our organization. As Co-GMs, Brian was strong in store operations and Kim strong in accounting and finance (she has a BS in Business Management and a BA in Accounting); making for a good interim Co-GM team balance for a small store. After Kim's firing, not only was morale amongst employees rock-bottom and fear rampant throughout the organization; in addition to being Co-GM, Kim held the crucial functional positions of sole bookkeeping manager, accountant, and finance and HR manager. There was no one on board trained to do her job or replace her; or who knew anything about how to handle those critical organizational functions; certainly not Brain. The co-op quickly went through a scramble of at least four temporary persons who tried, then quite out of frustrations with the job and/or the Board itself; the first temps having to call Kim several times after she was fired, just to ask questions about what to do. Kim estimated that even if she were to be rehired fairly soon, at that point it would take some months to get the accounting back in shape and audit what had been done, because of the intricacies of the process that no one else at that point had been trained to do.
- To top this off, shortly after our petition drive closed on 9/7/2014, one board member, Jim Forleo with the concurrence of the entire board, Root was told by another board-member Robert Fitts, wrote a disgracefully slanderous letter to both our local papers (9/10/2014 and 9/11/14), projecting motives on Kim and claiming in public the reason Kim was fired was that she had her own personal agenda and "violated her own job description and policy governance" (she was actually still working under her original hire job position as "bookkeeper" and the Board had decided to suspend policy governance during the interim Co-GM period). He stated "she also used DNF mailing lists for her own agenda, sending out letters to members to protect her job, with fabricated stories that inflamed staff and derailed the merger process;" this being the basis for her dismissal, he claimed. This disgraceful fabrication has inflicted severe emotional damage on Kim and her family and friends; to say nothing of the vicious professional damage. Kim is well liked, grew up in Durango, went to Durango High and graduated with two college degrees: BA in Accounting from Fort Lewis College, 2012; and BS in Business Management, with a Certificate of International Business, from Metropolitan State University of Denver, 2009. She loved DNF, its staff and members, and was just getting a wonderful career started in her small hometown of Durango. To try to damager her reputation in a small close-knit community like ours is an outrage to a young person's dignity; and a disgrace to this DNF Board.

The earlier communication stream and associated internal documents speak for themselves in telling the events that have developed around this profoundly sad and community-damaging story that has hurt many people and our beloved co-op. Below are a sampling of some of the key communications since the launch of the petition, as the battle for the future of DNF proceeded. The Board did everything it could to undermine our petition gathering, as you will see. Nonetheless, we were determined and fearless in our efforts, with the hope of quickly restoring stability and balance to our organization.

In time-chronological order (not reverse email reply order)

Date: 8/27/2014 <u>1:09 PM</u> [Wednesday, the petition launch day] From: Root To: Pat Cc: Kim & Stephen [who managed our web petition] Subject: Your changes made it before it went out [after several final editing exchanges; by mid-day we are starting to breathe again]

Hi Pat,

I just talked with Kim and she says your changes in the cover letter made it in before it went out. I'm glad, since from your phone these late changes to wording we had agreed on earlier were obviously so important to you. I haven't seen them yet, as the webs service that sends out to large email lists is very slow. Nonetheless, I understand that the core message is still pretty much the same, so I'm cool with it whatever was done.

It's really hard to pull such an effort together; so the three of us need to take a deep breath now and relax. Your editing and suggestions have been really helpful to me; thanks!

Don't forget to sign the petition and vote, as the collection file to earlier version that did not have the vote has cleaned for the fresh start. Stephen has been a gem and very easy to work with. Thanks, Stephen.

Warm regards to all, Root

Date: 8/28/2014 <u>9:31 AM</u> [day after petition launch] From: Kim To: Root Cc: Pat & Stephen Subject: RE: Your changes made it before it went out

Root and Pat, Thank you all for your assistance.

Kimberly Wiggins Co-General Manager Durango Natural Foods Co-op

Date: 8/28/2014 <u>1:22 PM</u> From: Root To: Kim Subject: RE: member complaint email on Aug 27 [earlier in the afternoon, while other stuff going on] [In the midst of a lot of positive responses and petition signatures, a handful of complaints came in on the petition response email that was set up; Root responds to Kim's forward of one of them.]

Kim, replies like this are missing at least four points:

First, the petition was not initiated by staff; but by members. But of course, staff are members and can participate as members. Are we getting involvement by signing, etc, from them?

Second, when the Board is the only one with communication access to members, what members get to know is only their bias. They have not provided any justification or facts for anything they've done. **Third,** in fact we are engaging all members in the democratic process, as exemplified by the memberwide opportunity to vote as well as send their thoughts like this letter and others. See the supportive comments in the first day's Excel sheet collection (which should be kept confidential until the voting is done, and not passed around except between you me and Pat).

Fourth, no one has countered any of the basic facts in the supporting analysis or challenged or even questioned the simple claims by the Board.

I see these as a sort of "friends of particular Board members" responses. Let's just watch and see what happens over the days. Thanks for forwarding on these messages. I'm not forwarding them piece-meal to Pat at this point, as there is not enough time yet for a higher level review and don't want Pat to fret.

Root

[at 3:51 PM, Kim replies to Root:

Do not write to <u>petition@durangonaturalfoods.coop</u> I deleted it; but it may be something they can pull back up.]

[at 4:01 PM, Root replies to Kim:

Okay, I replied to at least a couple of them thinking I was replying to you at first. Go to your trash bucket and empty it.]

The exchange below addresses final security checks, and leads up to Kim's firing.

Date: 8/28/2014 10:20 AM [forward of blast stats to Root]/1:07 PM [Root's reply] From: Kim/Root [Kim now using personal email address in case anything happens] To: Root/Kim Subject: Email petition blast stats [Kim forwards activity report link]/RE: [Root's reply; concerned with security of petition and our communications]

Kim,

This is an extremely helpful report, Kim, on these blast stats. Please send me it every now and then. I presume you have the sites well protected with passwords so they can't be brought down by some outsider; yet you maintain control of them, not accessible by, say Brian?

Got your email address changed; good backup protection. Is your computer access also secure from anyone getting on it without your password?

Root

Date: 8/28/2014 <u>1:41 PM</u> From: Kim To: Root Subject: RE: Email blast stats [Kim replies to Root's 1:07 PM email asking about petition security]

All is secure. The Board is coming to talk to me this afternoon. I wish I had a lawyer... Kim

Date: 8/28/2014 <u>3:23 PM</u> From: Kim To: Root Cc: Pat Subject: [Urgent note to change Kim's email address] RE: First results: 24 signatures, 19 votes 8-27-2014 [Kim expects to be fired shortly and quits using her formal DNF email address and signature]

Root,

Start using my <u>*****@gmail.com</u> e-mail. The Board will most likely fire me, if not shove me in a corner and make me shut up...

Thanks Kim

Date: 8/28/2014 <u>4:02 PM</u> From: Root To: Kim Subject: RE: Email blast stats [Root replies to Kim regarding her fear.]

Kim,

Think of your role as that of a whistle blower. As we know, the covert efforts to sell (take) DNF are the real issue, and that is the real legal issue laying in the bushes. It involves misrepresentation of a "taking" for the cost of our loan as an "opportunity" for the members, which falls flat on its face.

Keep strong, Kim; you've done nothing wrong. You sent the petition out to the members at our request because it has manifested as a very serious issue and they were only hearing one perspective, with no supporting facts. What "the two members have done is provide the other perspective, in the interest of our independent co-op and its members, with supporting facts. And yes, members have a right to know the financial details of our organization." Refuse to answer any specifics about what you have or not have shared, except for the DNF financial data and plan you and Brian put together for the future. "I'm not going to answer that."

The waters will probably get choppier before they calm down. Root

[at 4:03 PM, Root forwards above to Pat with cc to Kim: Pat, Kim hasn't replied to this, so don't know if she got it before the Board was coming over to talk to her this afternoon. Can you bring your lawyer friend Fred up to speed? Root]

Date: 8/28/2014 <u>4:03 PM</u> From: Kim To: Root Subject: Laying low [Kim lets us know she's been fired] Hi Root,

Well as I am now "retired" from DNF. I am taking a LONG weekend, I am hoping for some nature and sanity. I deleted all our correspondence from my <u>accounting@durangonaturalfoods.coop</u> address, however they may be able to recover it with help from the e-mail hosting guy. I also think of myself as a whistle blower... and whistle blowers get fired. But people have to do what is right and not hide away because someone threatens their livelihood. I love(d) my job at DNF very much and I hope that I will be re-united with it again soon. Hopefully before someone fucks it up!

You and Pat are great. Remember only contact me at this e-mail address please.

Best, Kimberly Wiggins *****@gmail.com

Date: 8/28/2014 <u>4:14 PM</u> From: Root To: Kim Subject: RE: Laying low

Kim,

I've forward several of your recent emails onto Pat, and cc'd you to that if there was something I added to Pat.

You're walking the path of integrity and truth and speaking truth to power, Kim, which is always fraught with landmines. What reason(s) did they give you for firing you? Any written stuff?

Take care of yourself and get some peace right now; Pat and I will stay with it. I'll be writing a letter to the Herald and Telegraph, maybe this weekend.

Warm regards, Root

[at 4:16 PM, Kim replies:

They did not give me or our staff any reason.]

[Only the Board knows or has access to who the members are; so Kim makes a quick copy so the Board can't prevent us from checking petition signatures, or communicating with the full membership again, if we deem that necessary.]

[at 5:01 PM, Kim comments about the attached Excel file: "Snagged this before I left."]

Date: 8/28/2014 <u>6:20 PM</u> From: Root To: Kim Cc: Pat, Stephen Subject: RE: Laying low [securing our petition, supporting analysis, and petition stats] Kim, save these links: The petition is still up as we have control of that site: https://durangonaturalfoods.wufoo.com/forms/petition-to-remove-dnf-board/

The supporting analysis is still up on the <u>mailchimp.com</u> site at this moment: <u>https://gallery.mailchimp.com/bdf7c8b3e553fac9a0a0fb1bd/files/DNF_Members_PETITION_to_remove_Board_SUPPORTING_ANALYSIS_8_27_2014_01.pdf</u>

If they take that down, I have it prepared and working up on my website, which we'll put into the petition wording as a "permanent link": <u>http://alpineanalytics.com/reports/dnf/DNF-PETITION-to-remove-Board-SUPPORTING-ANALYSIS-8-27-</u>2014.pdf

Kim, can you get me the link to the blast stats? Do we still have access to it?

I'm going to have Stephen see if we can attach a link to the words SUPPORTING ANALYSIS in the petition, and make it my site where people will still be able to get the supporting analysis document if they take the other down. I'll also run some additional wording by Pat to put at the top of the petition:

Something like:

"Most unfortunately, the Board has fired Kim on the afternoon of Thursday 8-28-2014 due to this petition. Your signature on this petition is very important; we appreciate your support to save DNF and Kim's job from further Board damage. A permanent link to the <u>SUPPORTING ANALYSIS</u> is: <u>http://alpineanalytics.com/reports/dnf/DNF-PETITION-to-remove-Board-SUPPORTING-ANALYSIS-8-27-2014.pdf</u>."

Stephen can you check on the technical capability of attaching links to words in the petition? Let me know. Also, can we make the font of some words, like the notice above, a different color (red); or do we only get one color for the entire petition? Don't make any changes until further notice.

Pat, your thoughts on the above, please?

Thanks, Root

[NEXT MORNING, Thursday: at 05:23 AM, the 29th, Kim replies with the link, username and pw for the blast stats]

[to which Root replies at 07:55 AM: "What a soldier in this battle for integrity and truth!"] [at 09:59 AM, Kim replies: "Thanks :) Some staff came and cheered me up last night. I keep encouraging them to read your report so they can be fully informed."

Date: 8/29/2014 <u>10:00 AM</u> [two days after petition launch] From: Root To: Kim Subject: RE: Laying low [reply to Kim's emotional support comments above by staff visiting her]

Great, Kim!

I'm writing an op-ed and will ask the Herald to get it in Sunday. This is very visible now, with two front page articles so far; so it's time to keep that courage up. The first paragraph will refer to your firing, and I would like to have you be okay with that. I'm not done editing it, but the first paragraph will read something like:

The Durango Natural Foods Co-op Board fired our wonderful and competent Co-General Manager Kimberley Wiggins Thursday, August 28, 2014, the day after our member-petition went out to DNF members to request that the Board resign. The reason was because Kim facilitated the notification of DNF members about the petition with the email blast Wednesday with a cover letter drafted, with input from others, by myself and Pat Blair, the principal long-time DNF member activists endeavoring to save DNF from damage due to this Board's decisions. See related *Herald* articles August 19th and August 28th.

Are you okay with me letting the community know what's happening? It's important we get max visibility on this. I'll send you the full op-ed once I'm finished with it.

Root

Date: 8/29/2014 <u>10:13 AM</u> From: Root To: Kim & Pat Subject: Petition results so far [now into second day of online signature gathering]

We now have 41 signatures on the petition, with 31 voting for Pat and/or Root or both. Pat, we have the member list that Kim snagged, so we can do our own cross-checking.

Please keep these confidential until voting is complete; or at least the three of us decide what to do. Root

Date: 8/29/2014 <u>11:58 AM</u> From: Root To: Op-ed and Letters Editor, Durango Herald Cc: Kim & Pat Subject: Attached op-ed: DNF member petition to remove the Board of Directors

Bill Roberts, *Herald* opinion page editor *The Durango Herald*

Dear Bill,

As you well know, Durango Natural Foods Co-op is currently a hot topic and in a state of flux. Attached you will find my op-ed related to all that is going on with DNF and the petition to request the DNF Board's resignation or removal. This online member petition is currently in process and closes Sunday, September 7th.

I'm asking you to please put this timely and community interest op-ed in this Sunday's *Herald*. Thanks very much for your consideration.

Sincerely, Root Routledge [This goes through a series of editing down to a 350 word "letter-to-editor" finally published in *The Durango Herald*, Sunday 9-7-2014, *the last day of the petition;* with the longer op-ed version graciously published in *The Durango Telegraph*, Thursday 9-4-2014, *three days before petition closing*.]

[In the SUMMARY NARRATIVE at the top, last bullet item; the letters referred to as published in the *Herald* (Wednesday after the petition closing, 9-10-2014) and *Telegraph* (Thursday 9-11-2014) by Board member Jim Forleo, with the concurrence of the entire Board, were in response to Root's published letters.]