Wednesday, September 17th, 2014—Pat has all internal evidential documents we hold delivered to *The Durango Herald*, thus putting them in the public domain. We don't know what the Board's reaction will be at the upcoming Board meeting, Monday evening, September 22nd.

Note with this string: We struggled with what to disclose right now and to whom, beyond the Herald, and what not to. Pat had been showing her copies of these internal documents to petition signers as that went on from August 27th through September 7th. The documents expose so many claims by the Board as lies. The exchange below shows the three of us (Root, Pat and Kim) held different opinions and disagreed on how aggressive to be now, right on up to the Monday's meeting the 22nd. Root was in favor of keeping the momentum going by controlling the narrative, keeping it alive, not letting the Board's false claims become fact by default without challenge, and pressing the Board back on its heels by exposing its lies with the evidence; Pat and Kim became less so.

Root proceeds, writing up the entire narrative in exposé form, planning on attaching the internal evidence documents we have had in our possession since August 23rd and sending it out to the 205 *before* the Monday Board meeting. The idea was to get as many members as possible there when we hand the Board our 205 petition signatures, requesting they step down. Further, the exposé would validate their signatures and our petition's supporting claims, which would have the members stirred up about the Board's stream of lies now with the proof in front of them.

With nerves getting frayed all around, the three of us (Root, Pat and Kim) have some conflicting emotions to deal with, which surfaced verbally, in text messages and email. A brief "cat-fight" ensues. With no agreement on a strategy moving forward, Root steps back from direct involvement after the September 22nd Board meeting, letting Pat take the lead and follow whatever direction she felt was best.

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

Date: 9/17/2014 1:27 PM [Wednesday, before upcoming Monday the 22nd Board meeting, where we will formally deliver the petition signatures and see what happens.]

From: Pat To: Root

Subject: Internal documents to The Herald and the 205

Root,

Rob is delivering the information packet to Dale Rodebaugh as I write to you so it's time to send the 205 members the following info:

1) Mark Goehring's consulting plan, 2) Jim Forleo's personal invitation to Rob and Pat Blair, two of the specially selected members to be "cultivated to agree with the merger" at Eno, August 6th from 7-8 pm for any questions, 3) Kim's account of events Aug. 6 - Aug. 18, 4) Kim's email to Brett Aug. 8 relating Goeff's instructions concerning the press release and including a copy of the actual release which is titled **FOR IMMEDIATE RELEASE – August 6, 2014**, 5) Letter of Intent and 5) Newbold & Chapman legal invoice.

Pat

[Note: At this point, Pat is onboard with sharing the internal evidence documents with the 205 petition signers.]

Date: 9/18/2014 12:23 PM [Thursday, before upcoming Monday the 22nd Board meeting, where we will formally deliver the petition signatures and see what happens.]

From: Pat To: Root

Subject: RE: Delivery of Information Packet

Root,

9-17-14 at about 12:00 pm Rob took the packet labeled with Dale's name to the Durango Herald front desk. Rob saw Dale in the back room. He didn't stay to see that Dale immediately received it, but it is a fair assumption that he did.

Pat

Date: 9/18/2014 12:50 PM [Thursday, before upcoming Monday the 22nd Board meeting, where we will formally deliver the petition signatures and see what happens.]

From: Root To: Pat

Cc: Kim & Guthrie

Subject: RE: Delivery of Information Packet

Thanks Pat. And you sent that other string I'm sure, that Kim pointed to with the yellow highlights? Here's the vote count of the 184 current members:

Root: 163 (88.6% of 184 current member petition signers)
Pat: 172 (93.5% of 184 current member petition signers)

Root

Date: 9/19/2014 8:09 AM [Friday, before upcoming Monday the 22nd Board meeting, where we will formally deliver the petition signatures and see what happens.]

From: Kim/Root exchange

To: Pat & Kim

Subject: Kim: "Don't send your story out yet; we need to talk"; Root: "We need to stay strong and play our strongest hand"

[Kim and Root talk; Kim is uncertain about the exposé letter strategy, with attached evidence documents she had given us in late August. Root makes the case for it.]

Pat, I just spoke with Kim. She understands that we are already further down the road than this and that we need to play our strongest hand. Kim made an incredibly powerful move by bringing in the president of the NCGA and exposing the DNF Board's actions at that level in her letter to the president yesterday, the 18th. And that's a line of attack "by exposure" that she can now pursue. The only way we can bring this Board down is to expose their wrong-doing. We are well on that path. Kim is actually in a very strong position because she has helped get us on the path to save DNF by looking out for the owners' interests in spite of the risks.

I will be working all day today to finish up my writing and get the piece out to the 205, Board and press late today. I will be sending it to Pat and Kim first when I'm done; and I'll give a heads up text message/phone call to check your email for a quick read once I send it.

We need to keep strong at this crucial point and play our strongest hand. More later.

Root

Date: 9/19/2014 5:06 PM [Friday, before upcoming Monday the 22nd Board meeting, where we will

formally deliver the petition signatures and see what happens.]

From: Root To: Pat & Kim

Subject: Monday's Board meeting; Telling our story, with internal document evidence as attachment

Pat and Kim,

I won't be ready to meet until tomorrow, as I'm still writing the master story. I expect to be working into the night. Will do a print read proofing tomorrow morning and then send you a copy along with comments to you both about fear and strategy. It's well written and strong and will be the definitive case narrative.

Let's hang together, because regardless of what we do or say the waters are already choppy. Don't do much worrying, please! We are really in a powerful position to protect both DNF and Kim.

Root

Date: 9/20/2014 5:00 PM [Saturday, before upcoming Monday the 22nd Board meeting, where we will

formally deliver the petition signatures and see what happens.]

From: Root To: Pat & Kim

Subject: RE: Pat available after approx. 7:00 pm

Pat and Kim,

Just finished the writing you guys, thanks for your patience. Kim, I've taken the liberty of telling part of your story, using your own words. I think you'll quite like it. Anticipating your approval, it starts at the bottom of page 12 into page 13. I use the words "...with her permission" so let me know if that is all okay with you (and give me your permission), and I hope it is because this is a solid group of petition signers for a new DNF. They want to hear your story and support you in any way they can.

Pat, thanks ever so much for you kind patience. I think you'll be very pleased as well. I need to put together the appendix materials, assembly the document, print it and do a final print proof read before it's ready to send to you and Kim. That means you should take care of your 7pm obligations, as there probably won't be enough time to read it and respond before then. Just read it after and then give me an okay or discuss with me what you wish. It's okay if I get it out early tomorrow morning or later

tonight, but if you don't get it read early enough I don't want to send it while I'm tired with potential for mistakes; early tomorrow morning works for the blast send, assuming I hear from you sometime later this evening.

Kim, please when I send it (I'll text you and Pat that's I've sent it to you guys), read it as soon as you can and get back to me right away. I'd prefer you read it front to back, rather than jumping right to the section I mentioned above, because that is set in the entire context of the narrative, which you need to have first. It's very powerful and picks up on your own efforts in 'fighting back.'

It's coming shortly, Root

Date: 9/20/2014 7:44 PM [Saturday, before upcoming Monday the 22nd Board meeting]

From: Root To: Pat & Kim

Subject: Here it is, fully proof-read

And so attached is the final document, with the evidential documents inside it as an appendix. It's been thoroughly print-proof read.

Please read and give me your go signal as soon as you can, then I'll launch it to the 205, cc: Board, NCGA president, media, also asking Guthrie to pass it on to staff.

Thanks you guys, Root

Date: 9/21/2014 12:48 AM [Saturday, late night; before upcoming Monday the 22nd Board meeting]

From: Kim To: Root Cc: Pat

Subject: RE: Here it is, fully proof-read

Hi Root,

I read through your letter, I would appreciate a meeting in the morning with you both.

Thank you for your work on this.

Best,

Kimberly Wiggins

Date: 9/21/2014 10:41 AM [Sunday; before upcoming Monday the 22nd Board meeting]

From: Pat To: Root Cc: Kim

Subject: RE: Meeting at 11 at Pat's house

Root,

Kim is bringing her boyfriend to the meeting at 11. See you soon.

Pat

[It is at this meeting where our views on basic strategy diverge. Pat has changed her mind about putting out the narrative and supporting evidence documents out to the 205. Kim pulls back. Root acquiesces and agrees not to send out the exposé narrative before the meeting. We decide to remind the members of the meeting, then wait and see what happens at the meeting.]

Date: 9/21/2014 6:05 PM [Sunday; before upcoming Monday the 22nd Board meeting]

From: Root & Pat To: 205 Petition Signers

Subject: IMPORTANT DNF Board MEETING NOTICE, Sept 22nd, 5:30 pm

[After getting Pat and Kim's by-off on what to send out, below is our reminder notice.]

Dear 205 Petition Signers:

This is your chance to be heard, so we are asking you all to show up at the first DNF Board meeting since the petition.

Monday, September 22nd, 5:30-7:30 pm Durango Rec Center, Sunlight Room

We value your input and involvement to date and would really appreciate your participation at this meeting and any future meetings to see the process all the way through the Board stepping down by whatever mechanism it takes. They have indicated they have no intention of doing that, so your continued pressure is needed; large numbers of people are needed at every turn until this goal is accomplished.

Here was Board President Geoff Wolf's September 11 response to our petition results email of September 9:

The DNF Board of Directors recognizes the submission of your recent petition on September 9, 2014. Although the Board has not yet verified the signatures contained within the petition, at this point we will rely on your representations and accept it as meeting the criteria in Section 3.2 and Section 3.9 of the adopted Durango Natural Foods Bylaws. Pursuant to these sections, a special meeting will be called at least 60 days, but no more than 90 days of September 9, 2014. Only proper issues will be considered during the meeting. *See* Sections 3.2 and 3.9, Bylaws. The Board will decide the date, time and place of the meeting, as required in Section 3.3 of the Bylaws. Notice and ballots will be as provided in Section 3.4 of the Bylaws. [original emphasis]

And later on this from Board Secretary Victoria:

Root, our response to your petition is very simple - we are following our Bylaws and scheduling a special meeting with an agenda for any proper issues. The Member Communication Committee

is working on an owner discussion session to talk about the mission and vision statements as well as other policies later this fall. We are not resigning our positions.

They are stating the Board is simply back to their routine business as usual agenda. One big question is how they interpret the fuzzy clause "proper issues". Are they planning to hold a new election? Dig in further and just listen to us, but not respond? What?

We will be presenting the petition signatures and asking some questions ourselves. But at this point **we really need more people directly involved**. So, we are inviting members to bring questions to pose at this meeting. We would like you to write them down and make two copies, one for the Board and one for us to have a record of. They may cut off verbal questions in short order; we don't know. If so, we will turn them in and ask for an email blast response to the members with answers to all of them. That is why it is important to have two copies of your prepared questions. We will also have 5x7 cards and paper to write on there for questions you think of on the spot, but again be sure make a second copy before you turn them in so we have a record of what was asked.

Folks, it's your DNF Co-op; Pat and Root have done what they can to this point. We need others to get more actively involved and these meetings are one way to do that. Here's the most important clause in our Bylaws:

Section 1.3: The Co-op shall be operated in accordance with the cooperative principles adopted by the 1995 General Assembly of the International Co-operative Alliance.

Two of these principles are of primary importance if we are to operate as a member-owned democratic organization where members are empowered to put their values into practice; and the elected Board is held accountable to the members. These two principles are stated very clearly in the "Durango Natural Foods: Board of Directors Information Packet":

Democratic Member Control: Co-operatives are voluntary organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. Members have equal voting rights (one member, one vote)...

Autonomy and Independence: Co-operatives are autonomous, self-help organizations <u>controlled by their members</u>. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on <u>terms that ensure democratic control by their members</u> and maintain their co-operative autonomy.

Contrary to the Board's repeated claims, our co-op does not manifest these principles. If we are to have a co-op democracy uprising, it will take a concerted effort by us all.

Thanks ever so much for signing the petition and your involvement to this point. Let's not let up until the job is done.

With gratitude for your support,

Root Routledge Pat Blair

Date: 9/21/2014 6:15 PM [Sunday; before upcoming Monday the 22nd Board meeting]

From: Root To: Pat & Kim

Subject: RE: IMPORTANT DNF Board MEETING NOTICE, Sept 22nd, 5:30 pm

[Root expresses displeasure with Pat and Kim backing away from a full exposé send out]

Okay you two, I've done what you've asked in terms of this meeting; we're on the same page to that point.

But damn it, I'm not happy holding the truth and not sharing it! People want to know and deserve to know what's going on; they're fishing in the dark. Marty and his stuff below illustrate the point. If and when we finally get it out, they'll be super pissed that we held it all this time and let them flounder by not sharing what we knew and had prepared with a write up earlier. It will look like we are the ones trying to control events by not sharing what we know. Just suppose any one of those people who have seen the original documents that you have been showing to many at the petition signing, Pat, like Marty, spits it out to the board in front of others or by email or whatever. Then where are we? The Board gets the initiative; how do we respond to them jumping on us about that if it doesn't come out from us on our terms? This is very poor battle strategy; and we are in a war for the future of DNF.

And like the position you were in Kim, I know what's going on, have written a powerful response that would bring everyone up to speed, and I want to "speak out about it", meaning my writing and put this Board on notice 'in front of' (meaning in written communication) our petition signers. They deserve that; and this board does not deserve to keep putting out lies and control the agenda! I don't agree with this as a strategy.

Pat, I can easily remove any reference to what you and I might or might not do in a future board; I agree with your thoughts on that, although from my management expertise I have strong thoughts about what would work well and what wouldn't. And, I know that people want and appreciate leadership; so who will step into that role and lead? When? It amazes me you keep wanting to back away from it as if we aren't authorized to do anything without and until getting some full random board together. We've got about 170 people who gave us a vote of confidence to lead; they're looking to us to do that.

So after removing that part; and after this meeting I want to revisit this question with both of you and not sit around for 3 months while DNF gets further damaged! I want to get the truth out. We are not on the same page regarding the ethical question of informing our signers about what we know, or about the strategy of taking on this board now (after this meeting) or hanging around for months on their agenda while DNF slips deeper and deeper into trouble and our signers start to lose interest. I keep seeing the questions, like "What's next? Where do we go from here? What's the board going to do?" We need to step out front and raise the stakes by turning up the heat before we lose the momentum. Let's do this!

Root

September 22, 2014: At the September 22nd evening's Board meeting, the Board with two attorneys in tow who interpret the Bylaws as requiring that DNF vote in an entire new Board to keep the co-op on a solid legal footing if the current Board is removed (whereas the Petition allowed for a separate vote for Root and/or Pat as a temporary Board); the Board decides that our petition *does indeed* merit a special meeting, at which two votes will commence: 1) Remove current Board; and 2) Given a majority on the first vote, vote for seven new Board members. The date is set for December 3rd. A nominating committee is selected, with Pat on it. We [now just Pat] must come up with seven new candidates.

Date: 9/23/2014 11:20 AM [Tuesday; day after the Monday the 22nd Board meeting]

From: Root To: Pat

Cc: Kim & Guthrie

Subject: This is under my name and is ready to go out, should it be decided some day
[Root attaches his final version of the exposé letter, "Letter to 205 DNF Petition Signers,
evidential documents attached." The wording has been changed in order to have it all in first
person context by Root (only), with Pat's name completely removed. Root expresses displeasure
with Pat and Kim backing away from a full exposé send out with the evidence shared; and
"vents" regarding his frustrations. He states he is backing away due to the incongruence of our
strategy ideas and let's Pat run with it however she wishes.]

Pat,

This document is all written in first person under my name; your association has pretty much been removed. The documents are all already in the public domain; you have shown them to lots of people and it was your suggestion to give them to the Herald when you asked me if I could support that, which I enthusiastically did. The attached is ready to go out should that be decided at some point. Right now it's just sitting there.

Please read in its entirety.

I'm thinking of backing away from this entire campaign. I can hardly find the energy to write to the 205 about the meeting last night. I've been working solid on DNF since August 11th, six weeks ago. To get this close to slaying the enemy and timidly back away from it is hard to swallow.

I'm sick of it! I'm sick of the severe damage being done to DNF as time goes on. I'm sick of the damage to internal functioning. I'm sick of the damage to our internal accounting system. I'm sick of the damage to the staff morale and expected high turnover rate, which could bring our ability to function down—you can't run a store effectively with all new people, a disengaged inexperienced and unqualified general manager, and an overworked middle manager (Guthrie) trying to hold things together while we sit on our thumbs. I'm sick of an incompetent weak general manager not addressing the cave-in on the store's front lines, who seems clueless about what it takes to lead and manage an organization; while waltzing off on a junket to hobnob with "fellow GMs" at some national convention, not even having the management insight to delegate a second in charge for a week. I'm sick of the lost opportunity on our part when we should have moved strongly.

At this rate of cowardly non-action, I think DNF's business performance will rapidly deteriorate while this Board hangs stuff in its "Parking Lot" of projects, with as Guthrie notes, never any completion, but trying to make the meeting minutes look like they're doing lots of things. What was on a trend to exceed \$20,000 net profit by the end of the year when I wrote the Supporting Analysis, will likely end up as a

loss, because of this damage and the pillaging away of our precious cash by this Board. Then yet again at the meeting, this outrageously dishonest, fraudulent and incompetent Board puts the blame on the petition people for "causing very costly legal and accounting expenditures," while they're merrily marching along UNACCOUNTABLE! And getting to define and own the public narrative, while firing their most competent critical employee to merely "punish her because she deserves it" in their mind; destroying the gears of our operation; while publicly trashing her personally and professionally. If DNF starts to sink because of all this, and they then bring up an "LMC savior white knight" to save it; I will unload everything I have.

Finally Pat, I resent the fact that Sunday you portrayed my stepping forward to lead with my presentation of what a future Board might look like as self-serving by saying "I don't want another Geoff Wolf." How dare you! After I've been the one to pick up the leadership and write strongly about how to get control of our co-op in order to get it safely into the hands of the members, while organizing for a healthy management structure that does the opposite of what this Geoff Wolf Board is and does! How dare you insult me like that? You asked for an apology in front of Kim as some "housecleaning" because I "raised my voice" when you wouldn't stop talking long enough to hear what I was saying. Then you have continued to walk on my words, interjecting yourself mid-sentence into my thought stream, by keep interjecting that this approach isn't supporting Kim, as if what I was trying to do wasn't. Bullshit! Nothing could be further from the truth; in fact, from the beginning I have presented the strongest support for Kim by attacking the source. I sounded the first alarm to the outside world the same evening the press release went out, August 11th. Unbeknownst to me at that moment, Kim was actively challenging what was going on inside, with staff support. Shortly later, the three of us joined forces. Based on Kim's courage at that moment, she sounded the alarm that the membership was being lied to and shared key documents with us, because the members were being fraudulently sold a distortion of the truth and we were about to lose our co-op. That's what a true whistleblower has the courage to do. Suppose she did nothing; and just let DNF slip away. How could she have lived with herself after that, knowing what she knew? There's not a court in the world that would say she did the wrong thing, if she were to be "sued for violating her confidentiality agreement;" which with aggressive action exposing the fraud she discovered she never would be. I think it was Guthrie who told me he has even looked at those words closely, and the things she released weren't even covered by the signed agreement.

Nothing is more cleansing than full sunlight—meaning full exposure when it would count. That window has gone by and I feel after all this effort and fight, we fumbled the ball.

Here's where I am, Pat: You write the letter to the 205 about what your strategy is and what happened at the meeting last night, and I'll send it out. You give them encouragement to "stay with it" over the months.

I'm quite close to walking away from it; I've had it. And if DNF goes down due to inaction we could have taken to stay on the offensive and keep this scandal in the public light, then I'll start shopping full time at Nature's Oasis and watch it die. All while this Board goes merrily along.

You really do need to understand where I am right now. I even told Kim Monday afternoon when I dropped of an advance copy of the attached document, that should we go you're your path that I would

¹ March 2015 update: Brian doesn't have final figures yet, but told me the year 2014 ends with several thousand dollars loss. Ironically, they had to contract with Kim to come in and sort out the mess of their accounts, just to try and get financial statements together; this before they can even have an accounting firm audit the books.

walk away from it. At first it seemed like maybe something was accomplished with a third party controlling a response meeting; but time is on the Board's side. And they never respond to anything put before them, like what people were saying in support of Kim. They know they hold the power by just not responding. We needed to blast them out of that cave; but that opportunity is over now, because there will be no appropriate context to share what I have written employing the evidential documents. That could have been the basis for a member-class action lawsuit for damage done to our organization.

I don't believe I will put my name up for Board election with this interim election they've decided on, because I wanted to help lead a healthy organization with competent people; not inherit one severely damaged, get blamed for poor performance, and struggle simply to revive it—when we could have prevented it by exposure.

Root

[Note: Root steps back and leaves Pat to deal with the 205; he does not send the document out to the 205, but it becomes source material for this new 2015-03-31 edition of *The Unheard Herald*.]

Date: 9/23/2014 3:38 PM [Tuesday; day after the Monday the 22nd Board meeting]

From: Pat To: Root

Subject: RE: Stepping back

Root,

In no way did I intend to insult you. Please accept my apology. I appreciate the long hours you have dedicated to the DNF cause. Perhaps stepping back from this situation will benefit us all. I accept your request of my writing to the 205 up to the Dec. 3rd vote. Please forward the recall email addresses to Kim and I so I may continue communicating with everyone.

Pat

Date: 9/24/2014 2:48 PM [Wednesday; day after the Monday the 22nd Board meeting]

From: Root To: Pat & Kim Cc: Guthrie

Subject: RE: Stepping back

[Root has had it; presses both Pat and Kim on what he perceives as their timidity in the end.]

Pat, thank you for your concurrence.

Please understand that this has always been a moral issue for me; both in terms of the unethical withholding of information we know and hold from people who stepped up and supported the overthrow of this Board, while sitting with them and having to act like we don't know any other information than they do; and in terms of the suffering going on inside of the organization. It pained me to sit in your living room with the Gordon's last evening after the Board meeting, who are among the strongest supporters, and talk about all this, without being able to bring even them up to speed on what's in the exposé; in my view that is unconscionable. It's not just the unprocessed original documents that are important; that's simply like a bank statement showing that the goods are in the

bank. It is the juxtaposing of lies against the evidence; and the only thing that has done *that* is my exposé.

We have a DNF staff that is suffering; and an organization that is in the process of being corrupted regarding its financial records. With so many having quit over this or actively looking for other jobs, our organization is on a rough path downward. Staff is suffering for multiple reasons; primary among them is the lack of engagement by this Board in reality and its lack of understanding and lack of interest, even having a clue, about what's going on inside the organization; thus they never address anything of importance. Can you believe their meeting agenda?! They sit there talking about items never completed stuck there in their "Old Business Parking Lot," they joke; and spend time talking about the definition of "local" while the very organization they're in charge of is sinking. Staff is suffering due to lack of competent leadership and lack of confidence in the ability of the organization not only to function properly, but to survive. And they are suffering due to overwork, where in fact Guthrie shared with us that he had his first one-day off in an entire month of working seven days a week; yet got 5 urgent messages from staff that day because there's no other competent manager on duty—a hole left by Brian heading off to hobnob with no thought about delegation of management responsibilities while he was gone. Guthrie has told us so many people are overworked and are burning out. People can't survive like this; they bail out and find something else. Then the audacity and cluelessness of Brian on what it takes to keep the store afloat, by chastising Guthrie for too much overtime who has put his heart and soul and energy and time into keeping things from falling apart, yet Brian now spends hardly anytime picking up the load himself in the store. This is an organization that is in the process of sinking. Neither you nor Kim have any experience in larger organizations, to my knowledge. I know this from the inside; I know what it looks like and I know how severe the long-term damage can be.

Releasing the exposé at a strategically opportune time would have put this Board on notice of accountability, pressed them publicly on their fraud and abuse of power putting them on the defensive instead of merrily going along with no accountability getting to have the media state their narrative as the organizational truth. And, it would have given the staff and members an incredible boost in morale and hope to see them exposed for what they have done and that at least someone had an alternative plan for a functional Board for the future—that someone being me, with a large reservoir of management experience and expertise.

Kim, after your initial acts of courage, I am very disappointed in both Pat and you for your fear, timidity and focus on yourself toward the end of this battle. Your staff is suffering; they literally "voted for you", Kim, by being on your side and rejecting this Board, even starting their own petition to get it removed. They were very angry and looked up to you as their leader who was unfairly punished; and that places a moral burden on your shoulders not to abandon them by backing away in your own self-interest and fear. What you have done is indeed abandon them in the midst of their suffering for self-serving interests and fear. This is the opposite of *courage*. There has been very little risk to you personally, in particular knowing how disastrous it would be for this board to go after you further after so trashing you in the public media; and simply firing you to punish you for standing up, while doing severe damage to the functioning of our co-op organization. They've never had any legs to stand on, except all the free space we have given them. My approach has been to be on the offensive and strike while we had the advantage; I'm quite saddened that not only have you and Pat shied away from that; but continually hit me with negative comments in the process, like "trying to pull off a coup;" "you don't really care about me;" and all this self-serving kind of rhetoric. I don't deserve it; and I have never done that to either you or Pat. I truly hope for your sake, this will be a lesson you'll carry with you in your life, about

abandoning those who have worked so hard to support you, our co-op, by not stepping forward with strength and courage when it was needed most on multiple levels.

Pat, I will figure out how to export the names and email contact information and send it to both you and Kim. Then you should get a pretty quick note out to the 205 with your summary of the meeting that they'll want to know about, and whatever words of inspiration you can muster. I do wish you and Kim both the best on your efforts to get seven new board members on who represent our perspectives and would do a good job for DNF. The other side will make sure you have lots of competition, so you may end up getting only a couple on board if you don't form a strong campaign, which means they will be eaten up by the old guard. So communication about who you support and why, and why not the other nominees, will be essential if you expect to win. Not only that, you will have to work hard to keep people's interests and hopes up to recover our lost momentum. I wish you the best, because nothing would please me more than seeing you be successful.

These are the reasons I'm done with this effort. I was willing to lead a new board, given there was minimal damage to our organization and that competent people, especially Kim, were still interested in being a part of the team, and something bigger than their own self-interest. I was never interested in trying to fix a severely damaged organization, when we had the opportunity to take out the enemy, but didn't. Someone else can pick up this crippled organization and try to bring it back to health; which if you get the board members you want, would for sure take at least all of next year to get things back on an even keel—assuming they could find and bring on the competence they need.

Sincerely, Root

PS: Please put Guthrie on every future communication you do, or you don't even have a core team; and cc me just FYI as part of a former team, as I would like to keep informed but not directly involved anymore. Thanks.

Date: 9/24/2014 4:32 PM [Wednesday; day after the Monday the 22nd Board meeting]

From: Kim To: Root

Cc: Pat & Guthrie

Subject: RE: Stepping back

[Kim is now furious at Root; sees things quite differently. A "cat-fight" gets stirred up!]

Root,

The staff are not looking for other jobs, I spoke with a few people today and they are sticking it out. Very few of them check on me or feel empowered to stand against Brian or the Board. Yes they have an incompetent manager but so have earlier managers and DNF survived them and this very same board.

I tried Root, don't you dare call me a coward. I helped DNF move away from the previous manager last year, and that was stressful. I had to co-manage with a poor co-manager for 8 months and I stood against the Board. I've done my part!!!

I'm done being the only one trying. You say you're trying but you're taking the easy route by writing essays with the information I gave you in confidence. Pat collected signatures in person for almost 11

hours a day for a week. We wouldn't have more than 50 signers without her. I didn't want to do it and she didn't either.

If you want to do something, get the members facts but not from what I gave you. If you use that you are risking me and my livelihood and I don't deserve that on top of everything else I've gone through.

Yes I'm angry too but right now we are a little group, we need to be a big group, we need a lawyer and the board needs to answer to the members. They need to answer for their extended terms, lack of effort, using DNF funds, treating members and employees poorly and me as well.

I'm tired of fighting and trying and only being rewarded with hate and viciousness. Not one employee has quit because I was fired and not one of them is currently standing openly against the board - except Guthrie. If every employee or even 70% of them tried to stand against the board openly people would know that there was a real issue.

They are allowing Brian to dictate them. DNF has always been a rough place to work, and Brian is just like Joshua was now that he's GM. People will go back to the old ways of running DNF for a poorly performing GM.

I'd suggest you think twice before you talk to me the way you have. I've had enough of being manipulated and told I'm not doing enough. I fought for 2 years there. No one else even cared to check in during that time. Members, the board, employees there is a lack of caring... If I want to preserve what little I have left I deserve care too!

You need perspective!

Date: 9/24/2014 5:01 PM [Wednesday; day after the Monday the 22nd Board meeting]

From: Root To: Kim

Cc: Pat & Guthrie

Subject: RE: Stepping back

[Even in a cat-fight, we need to keep sharing perspectives in order to heal the rift.]

Kim,

Thank you Kim for your comments and perspectives. Just recall some of the text messages you have sent me, and I didn't deserve any of that either; because I've supported you all the way, even when I was pressing you to not be afraid to let me get that stuff out. Regarding turnover, I was going by what Guthrie has shared with us; regarding the degradation of the books, that came directly from you. I'm not making things up. Regarding the analysis and writing, I don't think you have any perspective on how much work that takes. We have all done a big part and I have continually complemented Pat and you for all you guys have done. I sincerely hope DNF doesn't incur much damage; that would be great.

That's all water under the bridge now. So, we can move on from here. I like all you guys very much; and for sure, we're all a little frayed at the edges, but I wish you guys the best.

You and Pat and Guthrie can take whatever steps you wish; I'm simply done, do not want to run for any future board, and won't be a part of what you guys do, other than as an interested petition signer observer.

Root

Date: 9/25/2014 11:15 AM [Wednesday; day after the Monday the 22nd Board meeting]

From: Root

To: Kim, Pat & Guthrie

Subject: Attached 205 Petition Signers names, emails, phone

Pat, Kim and Guthrie,

Attached is an Excel file exported from my Outlook contact list (it exports as a csv, which I then converted to a regular Excel so I could PW it). The file contains the 205 petition signers plus any family member duplicates, which had separate email addresses. So, it totals 213 names. Several bounce-back emails were deleted, which should mean they won't try to go out and you should get no more bounce-backs; but leaving the name there in the list. Perhaps you can find their correct emails to get them in your active contact list. Some didn't have an email address from the start. The file also contains the categories. When you import it you will probably have to map the fields, which just use the same names as in the file.

In summary, I counted 14 with no email address, bounce-back removed or didn't have an email address. If you make an email group in Outlook with this list, which is helpful because you can put it in the bcc and it will bring in all the names. You send to yourself, with the list in the bcc; never put it directly in or you've given away the entire list of contacts, which people might be angry about. It knows not to try to send to the ones with no email addresses automatically.

You should be able to import this file into your Outlook contact list; but you'll need to open it in Excel with the password first, then do a Save As a csv file (which can't be PW protected) in order to import it into your Outlook address book as a separate folder. I used the folder name "DNF petition emails"; with the same Outlook contact file name as the Excel file name: "DNF 205 Petition Signers". I will text you the PW.

Let me know if you have any trouble importing it; Kim you're pretty on top of this kind of software, so once you get it working you could walk Pat through it if she has trouble.

Now all four of us have the list and emails of the 205. Good luck and please keep me in on your cc for any communications amongst you, as I'd like to stay up with you as you proceed. Of course, I'm on the 205 list so I'll get those automatically. If you add new members to this list please send me that info so I can keep my contact folder as current as yours.

Best regards,

Root

PS: I've forwarded a couple of nice replies from people who look like they're very interested in staying involved, so possible Board candidates, as I mentioned in my reply when I forwarded them off to you guys.

September 8th, 2014: Looking back at a few messages not yet in the story; it's been a roller-coaster ride, from high peaks of positive emotion, hope and enthusiasm like some of that below and elsewhere, to the low valley's we've lived, like above and below. The string below begins Monday, 9/8/2014 after the petition closed Sunday, a little over *two weeks prior* to the above "cat-fight" exchange. It starts in the depths of intense but uncertain efforts to keep the momentum going. Root is thinking about future management of the organization, should we be successful in dumping this Board quickly [which wasn't to happen].

It then flashes forward 10 days to 9/18/2014 with Kim's contemplation about her emotional health and future role with DNF, if any; which is at the front end of preparing for the 9/22 Board meeting and our emerging disagreement on strategy, dropping into the timeframe of the string started above. It helps to further understand the intense emotional load we were all under.

Date: 9/8/2014 3:22 AM [Monday, right after petition closing the day before]

From: Kim

To: Root, Pat & Guthrie

Subject: DNF

Hello Root, Pat & Guthrie,

I have been awoken by the moon and a restless mind. I wanted to say thank you for all that you have done for DNF and preserving our coop. I apologize I've been distant, I really care about my job, the work I do, and the people I work with - being fired was very difficult. I've had a hard time sorting through the Board's actions but then I realized I've been focused on the wrong aspect of it all. The real piece is all the supporters of DNF and you three specifically.

I have to say that I am truly inspired by each of you and you've each given me hope for the future. What a journey... When the time comes I'm ready to return to DNF. I will have a lot of work to sort through with the Boards hasty fire of the one person with DNF's finance knowledge. Also creating a 3 month, 6 month, 9 month and 1 year plan would be a good step as well. I may be jumping the gun a little, but I'm anxious for this all to be behind us and to move forward.

Best,

Kimberly Wiggins

Date: 9/8/2014 9:57 AM [Monday, right after petition closing the day before]

From: Root To: Kim

Cc: Pat & Guthrie Subject: RE: DNF

Kim,

Thanks for your comments. Let's start thinking about the future. Do you have a job/position description as a Co-GM? One for Brian as well? If so, please send to me.

If not or even if you have, please work on a job description that you think would be productive and functional for a "management reset" once we can move on. Please specify specific responsibilities and decision authorities, as you see it, for both co-manager positions in order to run all the organizational aspects of DNF. Also specify reporting relationships and who/what positions would answer to whom. Pat and I need to get up to speed on where we were, where we are, and where we need to go to keep things running smoothly. For now think in terms of stability more than big future changes we might need. Then we'll have some place to start.

Best to you as well for all you've done and gone through. Let's keep this positive and move forward thinking about organizational healing and effective team work.

Root

Date: 9/9/2014 2:10 PM [Tuesday, after petition closing; two weeks from next Board meeting, the 22nd.]

From: Root To: Kim Cc: Pat

Subject: Moving forward: Assignments we'd like you to be working on

[Forward Looking: At this point, we needed to be forward looking and be ready to take control of the organization, should we be successful for a quick transition. Of course, that ended up not manifesting as the Board successfully fought off direct democracy rule by the DNF members via the petition. And that's a lesson about how weak democracy really is when it comes up against entrenched power—a lesson for us to consider when the Bylaws finally get rewritten.]

Hi Kim,

Well, here we are close to the finish line. So, we need you to be getting on to work issues that will help Pat and I as your new interim Board. Kim, here are some very important things we need from you pretty soon (by next Monday). Keep in mind that you will be reinstated with full back pay, so consider yourself "on duty" off-site to work on top level issues until the transition occurs September 22nd.

- 1. Job description: Per my email yesterday. Here's your opportunity to make your best shot at laying out responsibilities, reporting relationships and decision authorities, and organizational structure. Specifically, write something up (if you have previous position descriptions, give us those as well; but here you're starting from scratch from what you've been doing) for your position and Brian's position, which I'm thinking in terms of him being responsible for grocery operations (and...?). With this as a "DNF management reset", you and Brian will for now still be "Co-General Managers" after a reset; however, we will be redesigning the responsibilities and authorities, addressing any ambiguities and conflict generators, which is what this assignment is about. We want you to take the lead on that by preparing something Pat and I will review and discuss with you, then implement from the Board level. This will take you some time, but I'd like to have something ready for Pat and me by next Monday. We need to be ready to fly one week later.
- 2. **Umbrella Co-op Memberships:** We need a list of whatever membership co-op organizations we belong to, such as UNFI, NCGA, other distribution and buying organizations, etc why we belong; and what expectations, constraints, and guidance they have for participating co-ops. If they have such policy documents; please give us a brief summary, then point us to their specific documents (online or policy commitments we've signed, whatever). The reason is, we need to

know what the sideboards are for our DNF co-op in terms of requirements related to management structure, etc, such as "democratic member control", "autonomy and independence", "The Co-op Identity" kinds of things, as well as any specific things we have to do. Keep this top-level thinking, not details of ordering, etc. We will make sure we meet or exceed all the expectations from these organizations we belong to. Beyond that we will be completely creative in developing a new co-op management structure, including the role of the Board, DNF management, and a new Board culture—from scratch.

- 3. **Urgent management issues you are aware of:** Let us know anything you can think of that might "bite us" if we weren't aware of it. What's in the way of immediate success as you come back on board? What do you need from Pat and me right away? We will be working on restructuring the Bylaws to empower the members more; but that's after we get up to speed on the current running of DNF. We are depending on you to bring us up to speed.
- 4. **Previous Board ongoing activities and projects in process:** Let us know, to the best of your knowledge, what the current Board has been doing and what was on their agenda list (besides the merger issue, now dead)... without asking anyone else; just things you are aware of. I doubt there's anything we'll continue on with, unless it falls under item 3. We are starting fresh.

Kim, I'll be leaving for Denver tomorrow morning, Wednesday, and won't be back until Sunday. Item 1 will be the most involved, and I want you to have fun with it; tell us your best ideas about how to facilitate smooth and stable operations for DNF in this interim period. Be creative and innovative in writing this up, but a first draft doesn't have to be very lengthy. We'll be dealing with future long-term visions later.

Priority wise, focus first on items 2, 3 and 4; which you should be able to accomplish pretty quickly and send those to us as soon as you have them addressed. Then get back to item 1. Let us know if you'll have trouble accomplishing all four items by next Monday; and if so, when we can expect to have them.

We're not quite there yet, Kim; but, with the overwhelming petition response we are expecting things to go pretty smoothly, without a fight. If they dig in, we'll address the transition more formally, perhaps with legal advice if we need it. But we are both hoping it doesn't get to that. We need to move on to a bright new future for DNF; and you have earned a prominent role in how that manifests. Thank you so much for your courage to do the right thing, which for sure put your job at risk.

Bottom line right now is rebuilding a solid staff "team feeling", which of course includes you and Brian working effectively together. That's part of holding the stability theme.

Best to you Kim; now "get to work"! (:o) With warm regards, Root & Pat

9/18/2014: Kim sends long email to president of NCGA president, explaining what has happened to our co-op and her firing; expressing her deep concern over the impact on DNF. She never got a response, as NCGA was actually involved in trying to get DNF sold to LMC. We also learn that the Board consultant, Mark Goehring of CDS Co-op Consulting, is also on the NCGA Board.

Kim's letter to NCGA comes after her early morning reflections to Root and Pat on her future. Kim also shares some helpful thoughts on restructuring the management relationships. Date: 9/18/2014 5:02 AM [Thursday, before upcoming Monday the 22nd Board meeting, where we will

formally deliver the petition signatures and see what happens.]

From: Kim To: Root & Pat Subject: DNF

Hi Root & Pat,

I just wanted to chat with you briefly. All of this with DNF makes me sick, and being a key player if the Board is removed is very difficult for me. I realize it is essential that I assist but I cannot return to DNF permanently. I can help someone get trained to be GM and possibly do contract bookkeeping but I must respect my needs as well. Yes you've both put yourselves on the line - thank you, but I lost my job, have been defamed and as an accountant I work and receive work based on ethics and goodwill. I grew up in the Durango area and a lot of people know me and my family. I am exhausted, anxious and stressed and have not had a moment to truly clear my head and recover. I care about DNF and that's why it's hard to pull away and I do want to help but it must be on a healthy level for me as well and so far it hasn't been.

DNF and its employees are the ones who are getting hurt the most over this. Sales may be up but the Board has put Brian and the staff in a horrible position. The accounting work alone will take 3-6 months to adjust if I'm working on it. This is due to the intricacies I did not being done as well as checking past data for errors. The morale needs to be brought up and by the time this is all said and done probably 3-5 jobs will need to be hired for, trained and brought up to speed. If those positions are buyers or managers it will take longer.

The damage done by all of this is at least a year's work with a steady strong team. If Brian gets burnt out in all of this he will be a very difficult position to replace. He has done operations, grocery and management for over a year at DNF, he has also done all the NCGA trainings. Brian and I were the most valuable people at DNF in terms of the crucial functions we performed.

DNF is strong, luckily it has survived through many other problems. I think that instead of hiring a GM, running the store as a collective where the deli manager, produce manager, front end manager, center store manager and an admin manager (preferably an accountant) collectively meet, make decisions and work toward a common goal may be the best. Having a GM takes away a lot of salary for others, plus the GM job in a coop as small as DNF is a lot of work. I think empowering the staff and having them sign a collective agreement is the best route. The pay would be evenly distributed and the longer one has worked at DNF the more they make.

I think if the collective management team was to come to an impasse they should call on the Board. A good Board could and should guide the team to success. At first the logistics may be a bit hard to sort out, but I feel if done right it's the best option. The team would obviously need a seriously strong agreement that states the team works cooperatively, their input is given as team leaders and not on a personal level. They represent their staff and departmental needs. Together they set budgets, hold each other accountable, etc. The team would be responsible for hiring and managing of staff.

It would not be a perfect system as personalities are not always compatible but the empowerment, voice, fairer pay, etc. would help encourage the team. This to me would also feel like a democratic system.

I'm happy to assist but I cannot carry the weight of DNF, nor should any single person. I feel if the Board does resign then the membership should have meetings about what their needs are, the staff about what they feel would work best and then move forward.

If I decide it won't be fair to the people working at DNF, they need support and a strong voice. They are the ones who can move DNF into the future the best. I am happy to bookkeep and advise but at the moment I cannot think about being a GM nor do I feel it is a healthy decision for me too.

Best,

Kimberly Wiggins

Date: 9/18/2014 7:23 AM [Thursday, before upcoming Monday the 22nd Board meeting, where we will

formally deliver the petition signatures and see what happens.]

From: Root To: Kim & Pat

Subject: RE: DNF and Kim's involvement

Kim,

Thanks very much for your candid comments and personal perspectives and decisions. Also, thanks for coming over to discuss DNF and the issues facing it; that meant a lot to me. I respect your personal needs and decisions regarding your professional future and what role you might be willing to play, and what you would not, in the future of DNF.

I am asking that you share your knowledge at a structural level by completing the "assignment" we had discussed and you said you would do regarding descriptive position descriptions when you were working there; and then more formally lay out what you see would be most helpful structurally for the organization if it could be done in the best way possible, by fleshing out some of the observations you've made in your note below. Then we can bring closure to this phase with you having shared your insights and recommendations. Kim, you are the only one right now with the knowledge to do that; and we, meaning DNF and its members as well as anyone who might be in a leadership position, very much need to benefit from it. Without it we are clueless as to where to take things next.

With that we will at least have something to go on. Who knows how this will all turn out? We have and still are giving it our best; but as you well know the management decision-making structure and staff are severely compromised. This Board is intransigent, as the email I'll forward from Victoria demonstrates. They are simply blowing off the petition and carrying on like its business as usual. So, we need your help to complete this last assignment; you are the only one who can and it would be greatly appreciated.

Best regards and best wishes for a very positive future, Kim. I know Pat has the same feelings.

Root

Date: 9/18/2014 <u>8:37 AM</u> [Thursday, before upcoming Monday the 22nd Board meeting, where we will formally deliver the petition signatures and see what happens.]

From: Kim To: Root & Pat Subject: RE: DNF and Kim's involvement

Hi Root & Pat,

I can and will do the assignment. It will take some time. I'll do the job descriptions as well as a SWOT (strengths, weaknesses, opportunities and threats) analysis of the business during my time there.

Kimberly Wiggins

9/18/2014 8:47 AM [Root replies]

Wonderful! Thanks so much Kim. Root

Date: 9/19/2014 6:01 PM [Friday, before upcoming Monday the 22nd Board meeting]

From: Kim To: Root & Pat

Subject: Thank you [after some text message exchanges]

Hi Root and Pat,

I wanted to thank you for the work you've been doing. I apologize for not being supportive to you both as well. [After some emotional text and verbal exchanges between us.] It's easy to get caught up in one's own problems. Today has been very hard, but I'm working through it. My family is very upset by the ongoings and many community members have been asking for my story. I just feel ragged and I'm sure you both do too.

Whenever you have time to chat let me know.

Best,

Kimberly Wiggins

Date: 9/19/2014 6:13 PM [Friday, before upcoming Monday the 22nd Board meeting]

From: Root To: Kim Cc: Pat

Subject: RE: Thank you

You sound much better Kim. Keep your spirits up; this battle is not over. As I mentioned in my previous forward of Marty's letter, I won't have my narrative finished until late tonight. So, expect to hear from me tomorrow morning, assuming I don't burn out early tonight and have to work on it tomorrow. Regardless, I'll be in touch as soon as I have something.

Thanks for this more uplifting note, Kim, albeit sharing what you've been going through. In the long run you will look back on this experience as a character building 'trial by fire.' I will be telling parts of your story from my perspective; but you began telling your story when you wrote to the president of NCGA. Later on perhaps, you'll be able to share your words widely.

Warm regards,

Root