

Attendance: Paulette Richards, Julia Garretson, Eli Mazet, Alex Lanham, Maria Moule, Willy Gibboney, Alan Pointer Excused: Maggie Duncan, Kelly Durian

Staff: Kimberly Cullen, Kim Still

Recorder: Diane McWhorter

Guests: Lynn Brown, Colleen Bauman, Teresa Pitzer, Shelia Pointer, Paula Gourley, Patricia Donohue, Kim Allen

Introductions and Announcements: Intros around the room. Jan Bullock, Market member, has passed away. Noly, who worked for India House, was in an accident.

Pressing Member Issues: none

Agenda Review: no changes

***Motion: Accept the agenda (Alex/Alan) All in favor 6-0-0.

Approval of Minutes: Minutes of February 3, 2016 (It was later pointed out and agreed to that Paula Gourley's name was mistakenly left out of the guest listing, and stands corrected.)

***Motion: Approve the Board minutes for February (Julia/Alan) All in favor 6-0-0.

Administrative Report: Kimberly reported that the first New Member Orientation and Screening was held today, with about nine people screened. There are 228 members and increasing. The reserve deadline has passed and members are being called to choose new spaces. Service contracts are all in place; the tents will be pressure-washed and the forks will be washed at Davis once again. Most staff is returning and the open positions will be posted soon. Permits are in process; the use permit is being reviewed for some text clarifications. The Fire Marshal raised the fees, and SaniPac has an increase scheduled for July. The work to wrap up the fiscal year end of March 31st is on track.

Meetings of the City Council, and the feasibility study group for the Year-Round Farmer's Market are continuing. The preliminary results of the survey showed that our vendors really spoke their minds in thoughtful ways and provided useful responses for the surveyors. The statistical analysis will be made available soon. The group will meet for four more months.

The increase in the minimum wage in July will be budgeted for and won't create problems this year.

There has been a pattern with a couple of food booths which have not paid fees in a timely fashion for the last few years, despite efforts to encourage them to be more compliant with the policies. While they have set up payment plans and are technically in compliance, it is difficult to figure out the next steps to enforce the policies in more strictly. There was some support for tightening the enforcement of the policies, possibly not allowing them to reserve their space, which might pressure them to comply. Owings policy was put into the bin for later discussion.

A member who was suspended from membership for a Code of Conduct violation refused the registered letter advising of the change in status.

***Motion: Accept the Administrative report (Alex/Julia) All in favor 6-0-0

Advertising Update: Kim is currently reformatting some sections of the website such as the FAQs and the Beautiful Booth listings. If anyone discovers broken links they should notify Kim. She discussed collecting some data on Saturdays through Venture Media with her sales rep. Saturday Market will have a table at the Business After Hours event March 17th, with Street Team help. The Facebook event to share will be up next week. We will now be using the word "festival" in our ads more often to appeal to the festival culture followers. There are press links on our website as well if anyone wants that type of information.

***Motion: Accept the advertising report (Willy/Julia) All in favor 6-0-0

Treasurers' Report: Income is up over budget for 2015. Costs were higher but still on track with the budget. A few bills from last season are still coming in but most of the year is tracked with good information and it looks like the year will end well in the black.

***Motion: Accept the Treasurer's Report (Alex/Willy) All in favor 6-0-0

Lynn suggested that a continuing resolution be passed to extend the 2015 budget until the 2016 budget is in place, as there are details still being settled and will still be unfinished after this meeting.

***Motion: Pass a continuing resolution on the budget to extend into the next year (Julia/Alex) All in favor 6-0-0

Committee Reports: Holiday Market Committee: Alan reported that the Stock Removal Committee did meet and will report. The Committee recommended that the initial date for returning BHOR forms be moved to sooner in the summer if it can be done without conflicting with OCF dates. The Elf contest will continue. Additional signage as well as bilingual (Spanish) signage is requested and the Budget Committee may be asked for more funds. Dates were set in the usual pattern of fourteen selling days. Next meeting March 9th, 4 pm.

***Motion: Accept the HM Committee report (Alex/Willy) All in favor 6-0-0 (Not approving any outlay of money for banners)

Code of Conduct Task Force: Paulette reported that behavioral expectations were added to the Code draft and the signature line was removed. The TF is meeting tomorrow to rough out an incident report, and to talk about consequences and a grievance process. The document is still in process. Next meeting is set for April 14th, 3:15 pm.

Stock Removal Task Force: The group met and looked at the Fairgrounds contract, fees for security, and changes in the rent to allow stock retention in the building. It was estimated that leaving the stock in would cost each vendor about \$500, which would be required from each vendor whether or not they used the option. While some members were still interested in more discussion, most were convinced

that it was not affordable and that our contract was a favorable one. The option of using volunteers or staff to help load in and out wasn't utilized much this past season, but could be expanded to help people who find the process too difficult. Other creative ways to comply with the policy are sought. It was suggested that for the one week of Thanksgiving it could be affordable to pay for security for the few days presently not used. Training a helper might be of less individual cost for vendors than changing the policy. More discussion will be held.

Standards Committee: The committee suggests that light modification, such as floor lamps, could make the room more comfortable to people who have problems with the overheads. Scents were discussed again with the plan to notify makers of scented products through the newsletter that discussion will be held on April 20th and interested members should attend. More education regarding types of lye and other ingredients may help some members. A letter will be sent to soap makers advising them of lye products which are not appropriate for use.

Pipe sales were discussed at length and it was noted that enforcement of restrictions would be difficult, particularly a percentage of items displayed and the display case requirements. The committee recommended that a new guideline on pipes be written to simplify the existing one.

Recommendation: The guideline would read: **"Pipes: no pipes or smoking devices for illegal drugs may be sold. Sales to customers 21 and over only. "**

***Motion: Approve the recommendation to the Board from the Standards Committee about the revising of the guideline for pipes as read. (Julia/Willy) Vote after discussion: Motion passed. 4-2 (Alex, Maria) -0.

Discussion: This was the wording used by OCF on the advice of legal experts on the subject. Display case requirements and percentages of space were not seen as enforceable, and out of line with the lack of restrictions on any other types of crafts. Cases don't come in 2'x2' size, and glass cases are fragile and expensive. Fears didn't materialize as far as handling by children, or the encroachment of drug culture. If the restrictions worked, why drop them? Not enough time has passed to see if they worked or not. The proposed restrictions didn't actually work at HM, as no one followed them exactly. What about a balance between those restrictions and none? Most vendors won't want kids handling the pipes and can be trusted to keep them out of reach. If complaints come up, the Board can revisit the situation at any time.

Nursery License: Clarifications were made to the requirements for a nursery license for those selling plants. Since generally at our Market the pots sold are most of the value, many of our vendors will not sell above the \$250 threshold for the plant sales and would not require a license, but the Market does need to ask that they research the requirements themselves to see if they are in compliance. A letter will be sent when the facts are clear.

***Motion: Pass the Standards Committee minutes (Julia/Alex) All in favor 6-0-0

Food Court Committee: Colleen reported on the 2-23 meeting. The Prepackaged Food Booth application went online with a deadline for March 15th and an application came in right away through Sprout. A new interpretation of the Basket logo was made for the program. The committee requests a \$500 budget for infrastructure, which would pay for a 5'x5' popup, a table drape, and a wall for the back, with a few other details to have a consistent and professional presentation for every booth.

There will be a laminated handout of basic food booth practice expectations and site requirements given out at the Mandatory Food Booth meeting. Owners will be asked to display it in their booth for their workers. A location for the meeting was discussed. Dates will be discussed when Market is open so that it will be easier to survey the members involved.

The Committee recommends replacing the missing banners on the Park Blocks so that the opportunity is not lost as they advertise for SM every day of the year. The awnings of the tents also need some sprucing-up. EW has a new Chow editor who is interested in a whole issue focusing on SM food booths and there was discussion on how to make the most of the opportunity.

Board discussion centered on the budgeting for the new prepackaged food opportunity in light of the budget issues on the agenda, and suggested trying other ways to fund the program such as donations, borrowing booths, charging rent, etc., if the professional appearance can be maintained. If a 5x5 cannot be found it may be possible to set up an 8x8 in the plaza to the south of the Food Court. Asking potential members to commit more might lead to stronger commitments and result in continuing membership.

***Motion: Approve the FCC report (Eli/Willy) All in favor, 6-0-0.

Market Street Team Task Force: New potential members appeared and Group Agreements were reviewed. There is renewed interest in the souvenir booklet and a survey is suggested, with or without professional help. The Board hasn't directed staff to hire any PR yet but there are still ways to find out what customers and others are thinking. The Outdoor Season poster and handbills are in progress and hoped-for by the Chamber of Commerce event 3-17, which team members will attend in support of staff. Next meeting will be 3-31 at noon.

***Motion: Accept the Street Team report (Alex/Willy) All in favor 6-0-0

Leave of Absence/Attendance by Reserves Task Force: Alan and Maria presented a revision of the Leave of Absence policy which limited the reasons for leaves to medical or sabbatical leaves, which was not their intention, so they were asked to resubmit at the next meeting. There is a policy in place so this was not seen as pressing and as meeting time was limited, there was not broad discussion. Because the season will have started by the next meeting, the change in reserve attendance will be deferred for later discussion.

***Motion: Accept the report (Willy/Alex) All in favor 6-0-0

Both items remaining in New Business, Closing at 4:00 pm and Closing November Markets were deferred until there is more time to focus discussion on them. Neither would have a large budget effect but would generate a lot of issues for many members.

Please note: Comments in discussions are opinions of individual members and not the consensus of the group.

Overtime Reform Group: This group included members of the Budget and Personnel Committees, and staff, who met three times to consider the budget issues of overtime reform and increased costs. They identified three issues that will add substantial expense to the budget and require more funds: overtime reform (about \$9000), a 3-5% increase in Fairgrounds rent (about \$3000-5000), and an increase in hours for an Administrative Assistant .

Raise the hours of the Administrative Assistant: The hours are presently 23 hours but raising the hours to 32 would allow for cross-training to cover staff emergencies, more work on the City contract, and more available task assistance for all staff. There is presently a temporary employee in the position. This would not make the employee eligible for health insurance.

***Raise the hours for the Administrative Assistant to 32 hours (Julia/Willy) All in favor 6-0-0.

Overtime Reform law: Research shows that the proposed changes in the laws will require SM to pay overtime at time-and-a-half for eligible employees. Raising the salaries of the two eligible employees to the \$50,440 limit will be a fixed amount while paying overtime will depend on the hours worked. The nature of both jobs includes a lot of overtime not only on Saturdays and at HM but for meetings, monitoring online needs, and member services. The start date is not solid but could be retroactive to January 2015 and would affect only a small percentage of employers (mostly small nonprofits) so there is not a lot of lobbying against it and it is thought that it will become law. Bringing in more lower-paid assistance will not solve the problem because of the associated costs of adding an employee. A 40-hour employee at \$15 would cost over \$31,000 just in wages without benefits.

It is not humane to require as much overtime as our model requires, so strategies for reducing that have been discussed. Time is currently tracked, and the causes of overtime were examined, but some are just built in and can't be eliminated. Using the Rainy Day fund for wages is not a good strategy as that money has been saved over decades and is the only cushion for huge unexpected expense. Those savings have already been accessed for the several money-losing years in the past decade and are being rebuilt.

Vista Volunteers and Seniors over 60 are available at reasonable rates and should be considered. Have all cost-cutting opportunities been considered? Kimberly assured the Board that all cost-cutting measures are being examined, and there are some decreases in costs. Does the increase in wages to meet the exempt level have to happen now or can it wait until the law actually passes? Can't staff be directed to just not work overtime until the law is passed? The event is cyclical and some weeks demand 45 hours or more, so should the employee lie or not do the work needed when their hours are up? Cutting out all overtime won't give us the performance we are accustomed to. The Rainy Day fund could just be used from September on, to give the budget security asked for. Projections show that the cost of raising the wages now would be \$9000, but the overtime by September could cost more.

Funding proposals include raising the daily fee from \$10 to \$12, and raising strollers to \$5, 4x4s to \$7, and also raising the Food booth daily fee to \$25, keeping the percentage the same ten percent for all.

The Holiday Market funding structure would be changed, with all booths paying about \$1 more per day, and more complicated changes for food booths. Some expenses were identified that seem to be problematic at HM. Services for food booths to provide electricity and gas are much more expensive for them, as crafts do not use gas (amounts to \$91 per user, mostly installation costs) and the electricity is between \$200 and \$400 but minimal for crafts. The square footage of food booths is larger and charges are not based on that as they are for crafts booths. Charging \$2 more per day to food booths would equalize the square footage costs. Charging \$221 per food booth for electricity would move the expense to them instead of spreading it over all of the booths. The total amount of these inequalities amounts to \$4094 (use and installation of gas, electrical and square footage discrepancy.) Charging these costs to the Food Booths would change the present situation of spreading all costs over all booths.

At Holiday Market many craft vendors sell more than food vendors do, a reversal of the general situation at the Park Blocks. Increasing Food Booth fees more than \$300 in one year seems unduly harsh to some, who suggested it could be spread over several years, and possibly shared by all booths as all members benefit from food offerings, as at present. Customer services connected with food may seem greater, but all customers are everyone's customers. The intention of the committee was not to penalize food booths, but to move toward attributing costs of services to the users of the services. However, if the food booths who cannot afford the increases feel that they are inequitable, they will simply lower their compliance with the percentage to compensate and no gains will be made. Dividing the vendors into two separate groups is a big change from our ethics of equality.

Some members have no problem raising the base fee, even to \$15 per day, as that is the best source of more cash, and has been discussed before. Low earners may just compensate on the percentages if they don't feel they can afford the increase, so it can't go too high at once. Loyalty and showing up on marginal days may decrease if the costs rise. The Board would have to be united in promoting the necessity of the increases. Supporting the food booths is really important to all of us so evening the costs over all of us makes more sense than lumping so much of the cost on them through the perception that they make more. Losing a couple of food booths would have a huge impact on HM expenses.

Trying to predict what people will do when fees increase is hard, as any increase will have unknown effects and it is dangerous to guess. All of the daily fee data from 2015 was used in the analysis. Smaller raises show concern for retaining members, which is just as important as attracting new ones. The entry-level 4x4 fee is important to being accessible to new members. Raising the Holiday Market craft fee above \$1000 seems to be a threshold that scares people.

Discussion points mostly approved seem to be: graduate the food booth increases over three years, raising HM fees \$1-2 per day for all booths, and raise the 8x8s to \$15 base fee, with food booths at \$25.

***Motion: Throw this back to committee (Alex/Willy) Rescinded.

The decision about salaries needs to be made before the fiscal year starts April 1st. A Straw vote on increasing the two employees up to the new exempt level of \$50,440 was held, showing a 4-2 vote in favor.

***Motion: Raise the Market Managers to new Federal exempt status on April 1st. (Alex/Willy) Motion passes, 4-2 (Maria, Eli)-0.

***Motion: Move the funding back to the Budget and Personnel committees. (Julia/Alex) All in favor 6-0-0.

Adjourned 9:20 pm.