

Adopted Minutes
East End Food Co-op Board Meeting
POWER/EEFC Conference Room
August 19, 2019

In attendance:

Present Board Members: Eddy Jones, President; Sam Applefield, Vice President; Eva Barinas, Secretary; Larry Meadows, Treasurer; Karen Bernard; O.E. Zelmanovich (Zoë).

Absent Board Member: Emily DeFerrari; Jona Reyes.

General Manager: Maura Holliday.

Management Team: eric cressley, Front End; Tyler Kulp, Produce; Kate Safin, MMS.

Board Clerk: MaCall Scott.

Member Guests: Michael Greene, John Kowalski, Megan Moffitt, Tom Pandaleon, Faith Schantz.

Eddy called the meeting to order at 7:02 p.m. and welcomed member-guests in attendance. Eva read aloud the Ends statement.

Amend/Approve Agenda

Decision: Eva moved to accept the agenda. Zoë seconded the motion.

Vote: 5.0.0

Larry arrived at 7:09 p.m.

Amend/Approve previous meeting minutes

Directors reviewed draft minutes from the July 15th board meeting and made corrections for grammar and clarity as reflected in the published minutes.

Decision: Larry moved to accept the minutes as amended. Sam seconded the motion.

Vote: 5.0.1

General Manager Updates

- Maura reported that the next Bulk Sale will be held on Sunday, October 20th. Managers received the finalized waste audit from the Pittsburgh Resources Council (PRC). The Co-op is diverting 84% of its waste away from landfills; PRC feels that number can increase to 92% without major investment. Kate and Maura will examine the report from PRC more thoroughly and submit it to the Board for review.
- The Food Bucks program is in progress; once initiated, it will require 3-4 weeks of setup before going live.
- Two internal candidates have been hired to new positions; Ray Owens will move into the Promotions and Merchandising Coordinator position, and Elly Helgen is the new Community Engagement Coordinator.
- Kate Safin has announced that she will stay on as the Marketing and Member Services Manager.
- Mercato is moving along, with good reviews and many repeat customers. Maura and Kate noted that the pace of the Co-op's online sales growth is not a concern for Mercato; further, should either party decide the arrangement is not working, they may give a 90-day notice to terminate the contract. Kate reported the following statistics regarding Mercato sales at the Co-op: 65 unique customers, 83 orders, \$6,242.64 in sales, average order of \$75.21, and 12 ratings with a 4.6/5 average score.

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B4 – Member Rights and Responsibilities

Maura reported compliance in all aspects of the B4. Kate authored sub-policies B4, B4.1, and B4.2; Maura authored sub-policies 4.3, 4.4, and 4.5. Regarding sub policy B4 (*The General Manager shall not allow members to be uninformed or misinformed of their rights and responsibilities.*): all new members are now receiving a physical new member packet; formerly, there was an opt-in for an emailed version. Kate and Zoë discussed giving more notice for upcoming board meetings and providing a summary of topics that will be presented at the meeting in the E-News, to attract more member-owner attendees. Eddy noted that less than fifty percent of active members are being reached by email, and wondered how that number could be brought to the eighty to ninety percent range. Kate thought a quarterly mailing might help, adding that we “capture people in different places.” in-person, print, mail, digital, and email. Currently the Co-op prints 750 Co-operators, with a pick-up rate of ninety-eight to one hundred percent. Five members attended Member Orientation in fiscal year 2018-19; Kate commented that she and the new Community Engagement Coordinator would brainstorm ways to make it more engaging, including the possibility of making a video instead. Regarding sub policy B4.1 (*The GM will not: Fail to make a good faith effort to keep members informed about elections and the annual meeting.*): Zoë reported that the bylaws state that an announcement is to be mailed to members about the Annual Meeting (*Article III: Member Meetings. Section 3.3 Notice of Meetings: Notice of the date, time, place and purpose of each meeting of the membership shall be posted in a conspicuous place at the Co-op and mailed to members not less than four (4) weeks prior to the date of the meeting, provided however that the Board may determine to use notice by publication in lieu of mailing meeting notices to the members.*). He discussed with Kate the possibility of an announcement being sent to members in the future with a note that members can opt-in for future communications via email. B4.1.2 (*Making sure that members are informed about the importance of supplying (and keeping updated) contact information for said purposes.*): Eddy wondered what other methods could be used to collect member email addresses: if internal resources could be put toward confirming and collecting email addresses at the registers. Larry commented that many organizations are now using text opt-in to reach their audience, adding that those services are generally inexpensive. B4.2 (*The GM will not: Create an environment that discourages membership and member participation.*): Zoë expressed a desire to see staff member sales included in the Percentage Sales to Members chart and Annual Meeting attendance compared year to year. Additionally, he noted that member participation can include attendance at meetings like the GM Candidate Meetings held earlier this year and lay-members who are on board committees. Maura had no data to report for sub-policies B4.3 and 4.4, as no changes have been made. B4.5 (*The GM will not: Make a major (subject to interpretation) change without providing substantive opportunities for member feedback.*): Maura reported that no significant changes had been made in the past twelve months; however, an example of listening and acting upon feedback is the recently completed Zero Waste Audit with the Pennsylvania Resources Council (PRC) and tabling events led by members to encourage zero waste shopping.

Decision: Zoë motioned to accept the report as compliant. Sam seconded the motion.

Vote: 6.0.0

Finance Committee Update

Larry reported that there were no Finance Committee updates. Next month is the B1 – Financial Condition and Activities. Eddy asked that Shawn be reminded to include a quarterly board expenditures report.

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Board Perpetuation & Elections Committee Update

Sam reported that three candidates had applied to run for the Board; at this time there are three open positions. Zoë expressed a desire to be appointed to the remaining term (one year) of the vacant board seat, rather than running in the upcoming election. The Board is permitted to appoint, and there is a precedent for a director being appointed to a vacant position to extend their term. Although the Board has been moving away from appointments in favor of democratic election, they decided that in this case, it does make sense, given Zoë's contributions and dedication to the Board and his desire not to serve more than one additional year.

Decision: Larry motioned to appoint Zoë to the vacant board seat, with a term ending in 2020. Karen seconded the motion.

Vote: 5.0.0

Asked if there was any outreach activity beyond the email, Kate and Sam responded that there are flyers available at the Customer Service desk. Eddy commented that last year saw a nice mix of candidates, and reminded the group that there is about a month left to apply to run for the Board – encouraging everyone to reach out to their networks. The next BP&E Committee meeting has not been scheduled; Sam reported that they would meet soon.

Member-Owner Participation Committee Update

In Emily's absence, Faith reported that the Committee's continued focus is on the Governance Survey. Kate's opinion is that a human subject review does not need to be done; however, the Committee would still like to submit it for professional review. A new draft of the Survey will be included in the September board packet. The Committee has recommendations for changes to the member-owner packets and will send them to Kate. The Committee endorses Karen's recommendations for promoting the upcoming Annual Meeting (see the Annual Meeting Committee Update for more information). Speaking for herself, Faith suggested holding an email drive during the October Bulk Sale.

Annual Meeting Committee Update

Karen led a discussion regarding the time allotted for board and management reports at the Annual Meeting; it was decided that there will be thirty minutes for reports, 20 minutes total for questions, that the work portion of the meeting will be two and a half hours, and there will be thirty minutes at the end for socializing. The BP&E and Annual Meeting Committees request that word be spread about elections and the Annual Meeting at the register: both verbally and with flyers. Eric reported that last year flyers were distributed at the registers, and training was provided for Front End staff to help them answer questions. He added that the same would be done this year, and he will work with Karen to sort out details. The following ideas were presented by various attendees: make a banner to hang outside (or possibly inside) to promote elections and the Annual Meeting, ask volunteers to table in the month before the meeting, give gift cards as thanks to volunteers. Karen concluded by expressing the Committee's disappointment that the Café won't be able to provide food for the Meeting, and their concern about the underlying issues causing the Café's diminished capacity.

Management Transition Committee Update

Zoë was pleased to report that this Committee is officially defunct. They held their final oversight meeting with Maura; future meetings will be conducted by the Executive Committee. Eddy thanked Zoë for his time spent chairing the Committee.

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Bylaws Committee Update

Zoë reported that the Board met on August 5th, at the working meeting, to review a draft of proposed bylaws changes and that a productive and complicated conversation ensued. The next step is to call a committee meeting and discuss the suggestions from the full board.

Expansion Committee Update

Eddy reported that most of the content would be discussed in Executive Session, but spoke about the Board and managers having a facilitated session in the next one to two months to bring together existing goals and strategic vision for expansion. To select a facilitator, the Board wants a procurement process that is as inclusive as possible – not just familiar faces, but talented new people or companies to be brought to the table. Directors and managers discussed the logistics of bringing together as many critical stakeholders as possible for the strategic planning session, including union staff. Zoë encouraged the presence of staff as it is an opportunity for them to get to know Directors.

Action Item Follow-up & Discussion

Directors and managers reviewed progress or lack thereof on action items from previous meetings.

Closings

The next board meeting was scheduled for Monday, September 16th. Submissions to the next meeting packet are due to the Board Clerk via email on Monday, September 9th, at 9:00 a.m.

Member-owners' Open Session

Megan Moffitt, EEFC staff member and President of UE Local 667, read aloud a letter prepared for this occasion, which can be found attached. She concluded by imploring the Board to seek staff input on a more regular basis. Michael Greene, member-owner, reported that he has heard staff members express that EEFC management doesn't care about their employees. He stated that as a member-owner, he is discouraged to know that morale among staff is low. The Board acknowledged the Union's concerns and takes these allegations seriously.

Adjournment

Decision: Larry moved to adjourn the meeting at 8:50 p.m. Eva seconded the motion.

Vote: 6.0.0

The Board went into Executive Session at 9:00 p.m. to discuss matters pertaining to expansion (including market study), communications between management and labor, and candidate eligibility in the upcoming election. The board voted 6-0-0 to authorize the General Manager to move forward with a market study contingent on receiving from the vendor an example market study from another client, statement of work including costs, and clear expectation of what's needed from the Co-op. At 10:04 p.m. Eva moved to adjourn the session. Larry seconded. The Board voted 6-0-0 to end the session.

Minutes respectfully submitted by MaCall Scott, Board Clerk.

With respect,

To the managing body of the East End Food Co-op:

We are tired. We feel underappreciated, overworked, underpaid; we feel that our voices are being stifled; we feel that we are always in the dark about the comings and goings of new employees, of the hiring practices, and disciplinary measures that all affect how well we can perform our jobs.

We are assumed to be hired on the grounds that we are not only able to perform the work, but also wish to embody the values of the Co-op. We are capable, creative, progressive-thinking individuals who wish to bring our best to work every day; we do so so that we may collectively enact social and political change, and be a model of how cooperation -- both between businesses and people -- can lead to a better, brighter future for all of us.

Things are not all well. Some of our members report working 6 days a week, some for 10 day stretches at a time, some regularly pulling doubles that have them on their feet for over 12 hours, only to have to return first thing in the morning. In the face of all this, hiring procedures move slowly -- up to eight weeks, even for introductory level positions. This affects us all directly, and when there is no cross-training or educational development to speak of, it leaves us with the feeling that there's nothing we can do to help what we see as a flailing and reactionary system of management.

The union stands for each worker's right to have their say in how the business is run. **The cooperative model and member-owned system stands for the member's say in how the business is run.**

And so we are left with challenging philosophical questions, and frustrating attitudes of indifference to face. Are managers more important than the rest of the employees? Are we a disposable people, in the eyes of the administration? Grievances are time and again dismissed, and we are left to swallow our pride and continue on like there are no lingering problems. There are many problems, and we have brought them to your attention.

We absolutely have to enforce a bottom line accountability across all departments in order to work towards a greater goal; we have to make time to work together to lay those goals out, and set plans in motion. When a working part ceases to fail, fix it or replace it. We demand that you hear us and respect our concerns, because if not -- then this isn't a cooperative at all, it's just another corporation.

As appointed leaders of this community body, we humbly ask that you take seriously **each of these** issues addressed in this letter.

And with respect,

To the Board of Directors:

Take note of the tone of this letter: it doesn't espouse vitriol, it doesn't come with a price tag, or unreasonable demands. We are laying ourselves open during a time of unease. For too long have we served administration that, out of one face preaches people, planet, profit, while the other deafens itself to the people who stock the shelves, make your lunches, and beseech you to have a nice day. In the last two years, formalized grievances have been levied, and rejected, against specific managers and departments, and they have been rejected outright, with no consolation or future plan.

The union was formed four years ago so that the employees would have job security, and freedom from business practices that seemed, at that time, critically punitive; it was formed to provide basic means of making a living for ourselves -- hopes for a livable wage, a retirement plan buy-in, paid time off and sick leave and a collaborative platform to air our concerns and grievances formally, without fear of retribution -- but still we find that management dismisses our grievances, pays us a pittance, and enforces the same tired old policies that kept us on our toes, before we told them we'd had enough.

We want to feel needed. We want to work towards a brighter future. We want to work collaboratively and creatively with our managers to improve and vary our working experiences. We want you to take note of what is going on, what we as the working body are telling you, and ask yourselves: what is the co-op? What do we stand for? And how can we hold each other accountable for the triple bottom line: people, profit, planet? As elected leaders of this community body, we humbly request that you consider these unanswered but important questions.

Sincerely,

UE Local 667 Rank-and-File workers at the East End Food Cooperative and their elected representatives