

**Adopted Minutes**  
East End Food Co-op Board Meeting  
Remote Meeting via Cisco WebEx Meetings  
April 19, 2021

**In attendance:**

Present Board Members: Sam Applefield, President; Ariel Barlow, Vice President; Laura Valentine, Secretary; Charlie Orr, Treasurer; Eva Barinas; Tom Pandaleon; Trevor Ring; Marty Seltman

Absent Board Members: Jenise Brown

General Manager: Maura Holliday

Management Team: Amber Pertz, Café

Member-Owners: Kelli Bar; Jamilah Lahijuddin; Joanna Mule; Jen Roberts

Board Clerk: MaCall Scott

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Sam called the meeting to order at 7:04 p.m. Charlie read aloud the Ends statement:

The East End Food Co-op exists to enhance physical and social health in our community.

To these ends, we will create:

1. A sustainable member-owned business open to everyone
2. An ethical and resilient food infrastructure
3. A vibrant, dynamic community of happy, healthy people
4. A creative vision to transform the future

Those in attendance checked in to express how they were feeling and any needs they had.

**Amend/Approve Agenda**

There were no updates to the agenda.

**Decision:** Laura moved to accept the agenda as amended. Charlie seconded the motion.

**Vote:** 8.0.0

**Amend/Approve March Meeting Minutes**

There were no edits to the minutes.

**Decision:** Motion to accept the March minutes by Tom; seconded by Eva.

**Vote:** 8.0.0

**Member-Owners' Open Session**

There were no comments from member-owners in attendance.

**General Manager Updates**

Maura provided the following update to Directors before the meeting:

This report is in addition to monthly monitoring reports. The expectation of this update is to give additional information to the Board of Directors that may not be included in the month's monitoring report. This report aligns with parts of sub-policy B7: Communication to the Board...' The General Manager shall not cause or allow the Board to be uninformed or unsupported in its work.'

**Membership:**

Current total member-owners: 15,006!!!

New Member Owners: January – 40 net (4 refunds)

Total Member Equity: January - \$1,515,079

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**Register Round Up Total:**

March recipient – Pittsburgh Center for Creative Reuse – \$1,660

April recipient – Penn Future - <https://www.pennfuture.org/>

**Operations Update:**

- YTD sales growth, through 4/11/2021 = -0.7%
- Customer count and basket size are back to about what they have been the past year, but still changing little by little as our customer counts increase each week.
- DEI – we are working to get trainings scheduled for leadership and the Board of Directors. We also will be forming a Diversity & Inclusion committee with staff to work on goals and areas that we can make changes to create a more welcoming and inclusive environment.
- Our bargaining unit contract renewal wrapped up on March 10<sup>th</sup> and was ratified by the staff on March 12, 2021. A summary of changes: Our starting wage for entry level positions will increase to \$12.50 per hour on June 28<sup>th</sup>, 2021. Bereavement leave was expanded, we now have five days for immediate relationships and three days for extended relationships. For the purposes of bereavement leave, we expanded the definitions of immediate relationships, extended relationships, and one's partner. Our paid time off was expanded. Our part-time staff now accumulate at the same rate as full-time staff based on hours worked, and rather than waiting 24 months for an increase in accrual, we now have an increase on your first anniversary of being hired. Before our contract renewal, we had been working with our Front End staff to find some better ergonomic improvements for our cashiers and customer service staff so that they can sit while working at the registers. This was also added into the bargaining unit contract, and the work will continue until we can find a solid solution for our current footprint. We were sure to add in language that when we relocate or expand our store to a larger location, this will be built into the plan so that we aren't trying to shoe-horn a fix later on as we are now.
- We are wrapping up the hiring of the MMS manager hiring process this week. This took much longer than I had originally projected, but I am happy to wrap this up and get our new manager on-boarded.
- We hired our Project Manager, Fran Carter, to help with the expansion-related projects and assist with facilities during expansion.
- Extra Storage space, our neighbor, is going to be demolishing the single story level building and replacing it with a 3-store storage facility. We had two units that we need to vacate by April 23<sup>rd</sup>, so Vince and Fran have been working on getting those areas cleared out and into our own space.
- We are beginning to generate the budget for the upcoming fiscal year – we will be returning to a 12-month budget now that much of the uncertainty with the pandemic is less of a mystery.
- Seedlings are BACK!! Woohoo! Staff and customers alike are excited to have seedlings back. Grow Pittsburgh, who took over the Garden Dreams operation last year, has many more seedlings to offer this year, almost double, so we are very excited to have more seedlings this growing season.
- The local growing season is on the verge of ramping up, so our Produce department is getting ready to work with our many local farmers and producers as they have more and more products to sell us.

Updates, Questions, Comments

- Elly Helgen, formerly our Community Engagement Coordinator (CEC), has accepted the Marketing and Member Services Manager position. The CEC position will be posted as soon as possible.

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- Will Open Books Management meetings be starting up again?
  - An effort has begun to see how many staff members are interested in these meetings and figure out what time would work best.
- We had to vacate our storage unit due to demolition; how is that going, and where are we putting the stuff from that unit?
  - We have taken over a little more of the Gemini space; it is contractually included in our lease amendment, and we are just using the area more efficiently. We are also using it for extra break room space for employees.
- Taking a Co-op tour, including the behind-the-scenes spaces, as a new board member was so valuable. Is that something we can still do?
  - Maura offered to take any Director on a store tour.
- Will we be affected by the demolition of the Extra Space Storage building?
  - We have a compressor attached to their existing building, so we are getting bids for moving compressors, either to our roof or connected to our building.
- When do they anticipate starting demolition?
  - It should start mid-May; they have some remediation work to do before demolition begins. It's supposed to be a 3-story building that goes to the sidewalk from Meade Street to Penn Ave.
- Is there an update regarding the Diversity, Equity, and Inclusion (DEI) work?
  - Maura pitched two dates to Inlusant for the Board and two dates for the management team. She's just waiting to hear back about whether any of those dates will work.

**A – Ends**

Updates, Questions, Comments

- Is there a way to separate the data regarding senior shoppers from the low-income shoppers?
  - No, unfortunately, it's a limitation in our point-of-sale software.
- The definition of "local" in the report should be amended to include all of Pennsylvania.
- Regarding the Food Bucks program, why was it so good in July and August and then steadily declined?
  - During that time, there was a \$2 for every \$2 promotion and also no limit to the dollar amount of coupons you could receive at one time. After the promotional period ended, and they put a cap on the coupon limit of \$10, the sales declined.
- Do we have data on the percentage of shoppers that choose to participate in the Register Round-Up?
  - We don't, but Maura will find out if we can get those numbers.
- It seems like our seniors may be benefiting more than our low-income shoppers; what else can we do to support the latter?
  - We have a 10% discount for SNAP recipients – we want to expand that to make it more inclusive. We also want to make membership more accessible. The USDA guidelines have changed, and as a result, we should technically not be offering the 10% discount incentivizing SNAP use; we will have to apply for a waiver. To increase access, Maura would like to include some WIC products in the store – that is a more extensive conversation because WIC does not cover most organic items. It means we would have to carry some conventional brands and maintain a minimum inventory of those things – we don't have a good source for that right now. We need to have a program that is more inclusive and not just tied to SNAP card users. If we can get the discount to be linked to the membership and automatically applied, we would eliminate anyone having to identify as low-income at the register.
- Regarding this report being so open-ended and the challenge that it presents, just wondering what role the Board should play in setting goals around things like local sales – it may be walking the line of operations and governance. Would it be helpful to have more sub-policies, or are you comfortable with it the way it is?

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- Maura replied that as much as the ambiguousness is hard, it is a good challenge. She doesn't necessarily desire specific sub-policies. We may want to change the Ends at some point, and then the policies would also have to change. Most co-ops keep the Ends report without sub-policies.
- An observation on operational definition number three, "Maintain strong margin dollars:" seems to conflict with other goals like access for those with limited resources. We want a good margin, but some things offset that.
  - The margin dollars drive our ability to have net income, but there are many ways to do that without driving up prices. Being wise with how much we hold on the shelves and not just on the sales floor, but in the back area as well, because if we're sitting on product, then we're sitting on cash that we could be putting elsewhere, like programs that can support our community or staff.
- Tom said that Maura's job is difficult – if we didn't care about waste or care about our staff, this would be a different story. As long as Maura is telling the story twice a year in the Ends report, he's all for giving her and the management team the freedom to reach and maintain the balance. If she's addressing the tension between running a business and running a responsible business, that's good enough.
- Sam noted there's so much good narrative in this report that would be good to share with the membership, like the nearly \$200,000 that we've spent on hazard pay to employees during the pandemic, or \$45,000 in Food Bucks redeemed over the past year. He added that as difficult as this report is to write, it's nice to have that time to reflect on where we are, what we're doing, and how we're living up to our values.

**Decision:** Motion to accept the A-Ends as compliant by Laura; seconded by Tom.

**Vote:** 8.0.0

The Board completed the GM Monitoring Matrix for the above report, highlighting strengths and opportunities.

**Finance Committee Update**

Charlie will meet with Shawn in the first week of May to talk about the Board's budget for the upcoming fiscal year. A new committee charter is forthcoming.

**Board Perpetuation and Elections (BPE) Committee Update**

Tom reported that the Committee is enjoying a hibernation period until next month, when election timelines will start to be established.

**Member-Owner Participation (MOP) Committee Update**

The next meeting will be held on Wednesday this week. Otherwise, there's nothing new.

So far, seven members have expressed interest in serving on board committees.

**Annual Meeting Committee Update**

Eva reported that planning would start in a few months.

**Bylaws Committee Update**

One area we are struggling with is that there isn't a procedure manual for Board operations. Laura is going to take on writing a manual, and Zoë can hopefully edit it.

**Expansion Committee Update**

Sam shared that the Expansion Committee met last Thursday. Maura talked about the two options for raising money: one is through member loans, the other is preferred shares; a significant difference is that loans show up as debt and preferred shares show up as equity. We are looking now at what our current bylaws and articles of incorporation allow us to do –

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we have a law firm that will look into that on our behalf. We should have that information back for the working meeting in May.

Also discussed was communication to members. Tom and Sam will start drafting what some of the initial messaging might look like. Fran, the Co-op's Project Manager, will be surveying East Coast and Midwest co-ops who have done capital campaigns in recent years to see whether they used loans or shares and what pitfalls they may have encountered.

**Resilience Committee Update**

The Committee held its first meeting in March. Trevor said they were interested in Maura presenting her thesis on food hubs. They talked about NCG, discussed what a sustainable supply chain looks like, and the resiliency of the Co-op in general. He said their discussion was a great precursor to the Ends report. The Board reviewed the Resilience Committee charter.

**Decision:** Motion to accept the Resilience Committee charter by Charlie; seconded by Eva.

**Vote:** 8.0.0

**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, May 17, 2021. Reports, agendas, and packet submissions are due to the Board Clerk via email on Monday, May 10, 2021, at 9:00 a.m.

**Adjournment**

**Decision:** Laura moved to adjourn the meeting at 8:53 p.m.; Tom seconded the motion.

**Vote:** 8.0.0

Minutes respectfully submitted by MaCall Scott, Board Clerk.