

Adopted Minutes
East End Food Co-op Board Meeting
Held Remotely via Cisco WebEx
January 24, 2022

In attendance:

Board Members: Ariel Barlow, Vice President; Laura Valentine, Secretary; Brian Alderman; Jenise Brown; Megan Moffitt; Tom Pandaleon; Trevor Ring; Marty Seltman; Mia Sorada

Absent: Debra Johnson

Management: Tyler Kulp, Produce

Member-Owners: Ellen K.

Board Clerk: MaCall Scott

Introduction

Jenise called the meeting to order at 7:03 p.m. and read the Ends statement aloud.

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

Check-In

Those in attendance checked in to express their feelings and any needs.

Amend/Approve Agenda

The January working meeting report was changed to a report on part one of the Board Retreat.

Decision: Motion to approve the amended agenda by Ariel. Second by Tom.

Vote: 9.0.0

Amend/Approve December Meeting Minutes

The minutes were reviewed for accuracy and clarity.

Decision: Motion to approve the December meeting minutes as written by Marty. Second by Trevor.

Vote: 9.0.0

January Board Retreat Report

The Board met virtually on Sunday, January 16, for part one of the Board Retreat. Tom talked about the Co-op's history, Trevor and Marty went over the board committees, Tom and Ariel did a session on board service and fiduciary duty, and Laura did a session on the Co-op's purpose. The second half of the retreat will be this Sunday, January 30, where the Board will determine officers and committee assignments and continue to get to know each other.

Laura noted that due to a discussion at the retreat, they started a spreadsheet to start tracking Board decisions; decisions are highlighted in monthly minutes, but until now have not been collected in a single location.

Member-Owners Open Session

- Brian reported that Allegheny Health Department is proposing food safety regulation changes that are going to impact 412 Food Rescue's operation negatively; they are asking for community support in the form of commenting on the proposal on the AHD website:
<https://www.alleghenycounty.us/Health-Department/Programs/Food-Safety/Food-Safety-Program.aspx>

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- Member-owner, Ellen, thanked the Board for holding the meeting virtually and shared that this was her first meeting. She wondered if there were any updates on the Rockwell Park development across the street from the Co-op.
 - Maura commented that there isn't much to share; they are our landlords, and they have plans for mixed-use space, but we don't have much information about their projects. They have used our name in promotions, but not really with our permission.
 - Tom added that if anyone wants more information on the Lexington Park side of the property, the North Point Breeze Development Corporation's Property Committee meets monthly and has been discussing this development for years. The residential component has been bogged down with funding issues, but there is movement with the commercial component.

GM Update

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: 15,435

New member-owners: December – 24 (5 refunds)

Total member equity: June - \$1,556, 595

Register Round Up Total:

December recipient: Three Rivers Community Foundation – \$1,340.99

January recipient: Humane Action Pittsburgh – <https://humaneactionpittsburgh.org/>

Operations Update:

- YTD sales growth for FY22, through 1/16/2022 = 5.1%
- We kicked off the year with a week-long Member Drive and recruited 29 new member-owners, 2 of which were by referral, a new promotion we tried.
- First TV, a partner with WTAE, asked us to participate in a short documentary of the Co-op. On Tuesday, January 11, they came into the store and interviewed me, Leah Schneider, and Tyler Kulp. The interviews will be used to create a 1-minute clip of the Co-op.
- Saturday, January 15, was VERY busy due to the snowstorm predicted for Sunday/Monday. We opted to close at 6 p.m. on Sunday, January 16, to allow staff to get home before the roads got too bad. Four Seasons canceled our Monday produce delivery due to the weather. UNFI canceled their Sunday, January 16 delivery; the week ended up being our 3rd best week in history and even beat out the two weeks leading up to the Pandemic Panic Shopping weeks in March 2020.
- The Universal Mask Requirement was reinstated on Sunday, January 16 – so far, it has been okay with customers and shoppers – most who refuse to wear one have just opted to leave; we're hoping this is how it continues to go.

Updates/Questions/Comments

- Updates from Maura:
 - We should have net income for Q2 of FY22 – it remains to be seen if it will be within the defined operational definition; therefore, we could be non-compliant for the B1 in March. Historically, the

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sales growth in the first two quarters of the fiscal year isn't the best, and the margin is behind because of all of the holiday season purchasing.

- We are still recovering from the effects of the snowstorm last week. We closed two hours early on Sunday to get staff home safely and opened with abridged hours on Monday. During this timeframe, we had several delayed and missing deliveries.
- UNFI is still “smoothing” orders; it’s a method they put in place during the pandemic to deal with manufacturing challenges. They take an 8-week snapshot of our average cases by department and send us an email telling us what percentage of our order we may get.
- Brian asked that Maura consider joining a Resilience Committee meeting in the next few months to talk and teach about the above issues and how the Committee may help.
 - Maura agreed and said she could talk more about work behind the scenes at NCG to help with resilience issues.
- When are where will the one-minute documentary be shown? Did we approach them, or did they come to us?
 - Maura isn't sure yet. They approached us.
- Tyler, how has produce bounced back from the supply chain shortages resulting from the snowstorm?
 - Appalachian Food Works made a small but significant delivery to us on Monday afternoon, and we were able to get a massive order from Four Seasons on Wednesday. On Monday, it didn't matter much because the weather was terrible, it was a holiday, and we had abridged hours; we were 85% recovered by Wednesday.

Management Report

Tyler Kulp, Produce Manager, reported that the winter storm and its aftermath were the most notable happenings lately. We are getting our 2022 seeds and florals; they have started coming earlier each year.

Questions/Comments

- Is it a trend among suppliers to discontinue delivering to small businesses?
 - It happened with Crosset and Castellini, but Tyler expressed that he's not worried, and it doesn't seem to be a trend.

B9 – Emergency GM Succession

This report is in place to mitigate the risk of disruption of operations, should the GM not be able to perform their duties for any reason. The GM is responsible for designating and training a team of successors who can keep the business running until the Board chooses another GM.

Updates/Comments/Questions:

- How involved is the current management team with expansion activities?
 - Maura reported that department managers get regular updates regarding expansion activities. Shawn is the most informed because he is part of conversations with real estate brokers and NCG consultants. It would be fruitful to have a transitional discussion, if possible, to leave the Board and interim GM team informed and able to continue with expansion progress.
- Do the managers have years of experience supervisory outside of the Co-op? One hundred seventeen years of combined experience is impressive, but there is value that people can bring from outside experience.
 - Maura thinks that only Shawn, Tyler, Eric, and herself have supervisory experience outside the Co-op. Many of the managers have worked here their entire careers. Maura's thinking about talking to our supervisory team to see if they'd like to take turns attending board meetings to get exposure to the Board and reporting structure.
- If a staff member temporarily cannot perform their duties, how are other staff prepared to take over those responsibilities?

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- Most of the time, those duties can be absorbed by other staff members because people have worked at the Co-op long enough to know what needs to get done. There isn't a formal cross-training program in place at this time.
- How would the current management team step in if something happened to you (Maura)?
 - Jen, Shawn, and Eric were the interim management team for about a year after our last GM left; they are versed in what to do. Managers are automatically part of the interim team, but they can opt-out if they don't feel capable of the additional duties. We also have support systems with NCG that could give us help.
- One Manager has not been present at a board meeting; it would be great to have them attend.
 - Maura noted that they have already started planning for this.
- Might it make sense for Maura to report on what is in place to continue the expansion momentum at the management level?
 - Rather than making it a sub-policy, we could request that Maura address it in the B9 reporting until it's no longer relevant.
 - Maura agreed that she could add that information to the report without it becoming an official sub-policy.

Decision: Brian motioned to accept the B9 as compliant. Second by Marty.

Vote: 9.0.0

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

Committee Updates:

Finance

The next B1 is in March; the practice has been that the Finance Committee meets quarterly ahead of the B1 report. The Committee consists of Tom, Brian, Mia, Jenise, and Shawn at this time.

Board Perpetuation and Elections (BP&E)

Tom anticipates a new Chair of this Committee following the second half of the Board Retreat.

Member-Owner Participation (MOP)

The Committee met last week; they added ground rules to the MOP meetings and agreed that Marty, as Chair, would either facilitate or take minutes at each meeting, not both. They are updating the Charter for 2022. A sub-committee will be established to be part of the discussion over the future of the governance survey.

Annual Meeting

No updates. A new Chair will be established at the Board Retreat.

Bylaws

Laura proposed that this Committee, which was intended to be temporary, become a permanent Policy and Governance Committee; its remit being bylaws, directors manual, and a process and procedures manual.

Expansion

The Committee met and discussed current expansion activities; right now, there is nothing to share publicly. The Board will continue the conversation in Executive Session.

Resilience

The Committee is meeting this Thursday – all Directors and members are welcome to attend.

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Action Items

#	Description	Who is Responsible?	Status
174	Discuss opportunities to revitalize the Co-operator	Elly/Marty/Tom	Elly has already made significant changes. Ongoing
178	Research stipends for Board of Directors at other co-ops	Ariel	Ongoing – Tom volunteered to help Ariel with this research
179	Follow up with Sam re: manager feedback received about board/operations boundaries	Tom	Ongoing
180	Plan board retreat	Tom	Complete

Closings

Next Meeting: Monday, February 28, 2022 (due to Presidents Day on February 21)

Packet submission due: Monday, February 21, 2022

Decision: Motion to adjourn the meeting at 8:38 p.m. by Marty. Second by Laura.

Vote: 9.0.0

The Board entered Executive Session to discuss Expansion at 8:38 p.m. and adjourned at 9:57 p.m.

Minutes respectfully submitted by MaCall Scott, Board Clerk.