

BET Elected Committee of Managers

Meeting Minutes
January 16, 2016

Call to order

ECM Chairperson Clayton Hell called the quarterly meeting of the ECM to order at 8:30 a.m., Drury Plaza Hotel – Riverwalk, San Antonio, Texas.

- ECM Members Attending:
- Arnold Sanchez
- Calvin Shepherd
- Manny Sifuentes
- Dwayne Zuppardo
- Clayton Hell
- Dave Corbett
- Zach Davis
- Cecilia Wilson
- Aloha Cook
- Karla Martinez
- Harvey Johnson

BET Staff Attending

- Mike Hooks

BET Managers and Guests Attending

- Beverly Hell
- Beverly Corbett
- Sylvia Delaney
- Angel Acosta
- Rufino Acosta
- Harvey Stavinoha
- June Frost
- Kim Chepey
- Tom Chepey
- Chelsea Davis

Approval of minutes of last meeting

ECM Chairperson Clayton Hell called for approval of the minutes from the prior ECM meeting. Aloha Cook moved to approve the previous minutes, Manny Sifuentes seconded; the Motion carried and minutes were approved.

Director's Report

Mike Hooks apologized for not having Braille agendas for this meeting. He welcomed the ECM and audience to San Antonio's Drury Plaza and spoke about the history of the old bank that is now a hotel, and San Antonio being one of the oldest cities in America, founded in 1718.

Mr. Hooks reported on the program status. BET has 107 managers currently assigned and 116 facilities currently operating after starting the year with 117 facilities.

Facilities Information

The Richmond State Supported Living Center was combined with another current facility. Mr. Hooks asked the ECM and BET managers to help locate more facilities if they hear of any.

The FAA Facility in Fort Worth was moved to a new building, new equipment was ordered, and the remodel was completed.

Currently BET is engaged in a dispute with GSA regarding changes to the Federal permit renewals. GSA is demanding the blind manager must contract with another person to be the manager on all Federal locations. This is not just in Texas but is going on nationally. Mr. Hooks did not agree with that wording of the contract.

Eleven BET facilities are planned for operational improvement this year. Two facilities are Outsourced Management: VAWaco; NASA/Houston.

Temporary Management: Camp Hubbard, North Austin; AAFES, Dallas; Hardeman County Rest Area, Quanah; Gatesville Prison.

The most recent graduating class had two licensed managers who are current assigned: Elizabeth Chaney (USPS Perrin-Beitel (San Antonio); Rhonda Ezeb (Farmers Branch IRS).

Unassigned Managers: Currently four unassigned managers Dave Stanzak, Lowell Covington, Mark Harris, and Richard Flores. 107 managers are currently operating BET locations.

Business Consultants have made 677 visits, and \$672,000 has been spent so far this year for equipment purchases.

BET Facilities employed 1,454 employees, of that total 116 are disabled, 14 are blind, 1324 are not disabled.

BET underwent a recent full-scope audit that resulted in 10 recommendations prior to leaving DARS, none that directly impact BET Managers. Audit recommendations were for BET Field staff to perform fewer reviews for managers who usually have good reviews and more reviews for managers who struggle or have more problem areas reported; hiring more disabled employees and determining what manner of incentives could be offered to BET managers for them to hire more disabled staff; and move to risk-based facility reviews. Mr. Hooks stated BET cannot do a rule change, but this might be added to the managers' annual review.

Aloha Cook asked if the performance review is only on the year-end review, and Mr. Hooks answered yes, but this would not take away points on the year-end reviews. David Corbett explained hiring disabled staff is easier for Food Service operations, but not for Vending facilities. Mr. Hooks agreed that managers with more employees can more easily hire disabled workers, rather than managers with just two employees; and there may be more employees with disability who do not self-disclose.

Mr. Hooks continued with the Audit findings that BET needs a more user-friendly database, and moving to TWC may help BET accomplish this. HHSC IT staff admitted they had failed to keep BET updated with newer technology and the database was never updated.

Transitioning BET to TWC is going well and will provide a better environment to allow BET to move forward with integrity intact. He mentioned that moving to TWC will cause a location change for the BET Rules after the move but there would be no changes made to the Rules.

BET now has a Rules draft ready and a completely re-written Title V: Chapter 94 that TWC will adopt once BET moves to that agency.

Facility Vacancies: Pack/Luther was re-advertised as a Level I facility from a Level II, as a result of the median income being reduced. Clayton Hell was contacted to confirm this decision.

Average Income News: Median Income increased this year from \$48,533 to \$54,080. Average income increased this fiscal year from \$102,218 to \$107,842. The RSA15 is online and managers can review the RSA15 reports finalized mid-December.

Staff Vacancies

Lewis Howell retired after 20 years with BET. He began with BET San Antonio as a Business Consultant and was there 7 years, then moved to Austin when he took the Supervisor of Field Operations position. Average income was around \$20,000 per year, and that greatly improved. Lewis was also responsible for updating the current database and moving it online.

New Supervisor of Operations

Michael Vacek is Lewis' replacement, after starting with BET as an Associate Business Consultant for South Austin, then Senior Business Consultant for North Austin. Michael has integrity and is a very level headed, calm person who had worked prior to BET with Joe Gonzalez around a total of 25 years. These two were each other's bosses a different times before Joe joined BET.

BET will hire another North Austin Business Consultant as soon as possible. The onboarding process is slow and difficult; but managers should expect more 20+ years-of-tenure BET staff to retire in the next few years.

Arbitrations

Fort Sam Contracting circumvented the Randolph Sheppard priority, resulting in an awarded "bridge contract" during arbitration, and extended three months. Fort Bliss attempted to separate the dining facility attendant portion from the full food service portion of their contract and that was in 'discovery' before the formal hearing. Fort Bliss demanded that BET obtain a Freedom of Information request; an Arbitrator was involved and extended the hearing until May 24-25. The 4th Circuit Judge found there are problems with enforcing RSA arbitrations, similar to Veterans Administration arbitrations in the past, that require filing a suit, but the result is an endless loop that leads nowhere. RSA will not become involved in arbitrations.

Financial Report:

The Annual BET Budget is approximately \$2.2 million

Cash Reserve: \$2,495,185.33

Set-Aside Fees 2015 year end: \$636,050

Vending revenue is ahead of last year. The Trust Fund is also up for FY 2016.

Conversation returned to arbitrations with Dept. of Defense, and the fact that Lackland AFB does not go through the arbitration cycle because they are delivering good service and customers are satisfied with the current arrangement. RSA has indicated they are not going to involve themselves in conflicts.

General audience conversation followed regarding BET managers who are helped by their locations' staff who alert them to problems with machines, or who assist with cleaning their machines. Dwayne Zuppardo mentioned going to Louisiana and returning to Texas with pralines that he uses to reward location staff who assist him.

ECM Chairman's Report

Clayton Hell praised the current ECM Treasurer, Harvey Johnson, who decided to step down from the Treasurer position to address personal issues.

Clayton also commended Zachary Davis for completing the Blind Entrepreneur of Excellence course and will be receiving an upcoming Award that will be presented at BLAST 2016 in Chicago. Clayton urged the ECM to fund Zach's flight and the ECM agreed.

Clayton mentioned facilities that have installed 'cashless' systems; at some locations, the BET managers find these changes without the BET office alerting them.

Clayton also commended BET staff despite some managers' recent complaints to the Committee regarding the quality/ability of incoming new managers. He explained BET is still involved with Vocational Rehabilitation and VR staff, at times, send consumers who are not prepared well enough for BET Training, or for work after graduation. Clayton encouraged managers to submit ideas if they have some that might be presented to BET management to assist in getting more prepared consumers for BET Training and subsequent BET Facility locations.

Rufino Acosta mentioned that every changeover has some issues that outgoing or incoming managers do not appreciate. Harvey Stavinoha related his break from BET and returning to BET seven years later; Harvey praised the BET program. Aloha Cook mentioned that managers do not have the right to tell another manager how to operate their location. Karla Martinez also praised the BET program. Rufino Acosta stated that the changes in BET have been for the better.

BET Warehouse News

Manuel Gonzalez took a job with HHSC January 13th. Mike Hooks related a story of moving a vending machine up the stairs to the 3rd floor by putting a rope around the machine; the rope broke loose and the machine landed on Tom Hill; Manny removed the machine and picked Tom up to check his status. One thing most do not know about Manuel is that he eats lunch while watching Gunsmoke on the Encore Western channel, and he is 3rd generation Mariachi who local Austin bands employ. Manuel is moving to a job closer to home that does not require travel.

District Reports

District 1 Food Service

Manny Sifuentes reported he had spoken with a couple of the South Austin managers. Harvey Stavinoha is having a good year so far and getting ready for tax filing season at his location. No other managers have contacted him lately with major issues; however, Manny related issues for almost with a drain that Time Warner Cable messed up after drilling into the grease trap that caused problems for months with

regard to sales/profit. Manny and Harvey Stavinoha discussed the benefits of \$5 gift cards for building business.

District 1 Vending

Calvin Shepherd reported Robert Jones was doing well at Robert E. Johnson Bldg. and Mike Sparks was doing well after buying a new vehicle. LeeRoy Delagarza's voicemail was full, so there was no call back. Carnell did not return Calvin's call. Bobby Allen is doing good, but had relatives pass away recently. Calvin commented that Bobby does well moving his product on busses and special transit. Irwin Orcutt is difficult to contact when his cell phone is out, but he was at the Training Conference. Calvin hopes to have credit card readers soon on all of his machines; he stated if he did not install them after customers ask for them, it would only result in lost sales. Jaime Garza's location is still having water issues, making it harder on Jaime's sales.

District 2 Food Service

Zach Davis reported his District is quiet so far. Alvertis McClurge's is doing well and sales are back up after Christmas. Steve Saltzman had some medical issues including an operation last week; his kids are keeping up with his facility. Tommy Crawford has now transitioned from Food Service to Vending and happy to be fully back into vending. Scott Smith is fine. Ed Marlow is transitioning to the new FAA location and happy to be back having sales again after the facility move. The GSA is involved with BET regarding the height of a serving counter for wheelchair standards at the FAA. Zach could not reach J. D. Stewart. John Mahler is doing well, but sales were down 60% over the holidays. John has issues with the host regarding holiday closure dates and he would like to get a permit or closure schedule approved ahead of the holidays rather than fight with the host. Zach's Café did very well over the holidays with improved sales.

District 2 Vending

Dwayne Zuppardo contacted managers in his area. Jose Friedrichsen said his main vending route is down and needs to add something to it to make it worthwhile. He said machines he has put out on his own do better. John Watson, Sr. Paul Friddle had something added to his route and Dwayne is feeling neglected. Tommy Crawford's good news is Ranger Hill should open this month. Chung Ahn's satellite operation at AAFES is running smoothly with sales picking up. Dave Stanczak returned Dwayne's accidental call and complained about the BET program; Dwayne's phone battery finally lost the charge and after Dwayne's phone battery died, Dave called back to leave more complaints.

District 3 Food Service

Arnoldo Sanchez' first report to the ECM. He spoke with the two food service managers in Houston, who were looking forward to getting back to business after the holidays; Arnoldo's facility is on his third year and looking forward to a prosperous year.

District 3 Vending

Cecilia Wilson was glad to be back in the ECM. She had not contacted the Houston area vending managers and hoped to get in touch with them to report for the next meeting. Medical issues with a broken arm have taken much of Cecilia's time and hoped there would be a full report at the next meeting.

District 4 Food Service

Dave Corbett spoke with Sylvia Delaney who has issues with her facility replacing 80% of her vending with a facility the host would run. Mr. Hooks has been negotiating with the host regarding the location going cash free. Rebecca Chambers will bid on other facilities since the Courthouse location added their own machines outside her facility.

District 4 Vending

Clayton Hell spoke with Rufino Acosta who is happy with population at his facility, increasing overall sales by 20%. Ken Ballard is well and doing good. Luis Cantu is happy about hitting projected numbers for his facility, and about getting new machines at his location. Jenna Norwood had issues at her facility with clients shaking/vandalizing her machines; the building host is allowing her to attach the machines to the wall in an effort to prevent that. Also, one of the clients harassed Jenna and the building host is ensuring that person is not out on campus when Jenna services her machines. Gay is happy to have Clayton's old facility and looking forward to moving out of the Post Office when Elizabeth Chaney takes over. Pablo Cantu, Bob Pena did not return Clayton's call. Paul Zapata is concerned about a couple of new service stations competing with his business. Clayton was not able to reach Robert Chaney in Brownsville yet. Rames Gonzalez has a couple of issues with the Laredo Bridges that he is working through. David Corbett is doing well with his facility. Clayton's facility warranty repairs are being addressed that will allow visitors to access his machines. Clayton asked Michael Hooks who he could contact to secure the machines; Michael Hooks referred Clayton to Tom Hill or JoAnn Kenyon to address this issue.

District 5 Food Service

Harvey Johnson indicated everything at Ft. Bliss was good.

District 5 Vending

Paul Parker reported everyone was okay in the El Paso region. Kenneth Landtroop had a break-in. Hill County Rest Area had water outages. Everyone survived the blizzard. Paul received a letter from Coke notifying him of a price increase. Paul went to Georgia to purchase his own machines and is working a deal with suppliers to give his customers what they want. There is still 10-11 foot snowdrifts on the ground in his region, but he invited everyone to come see him!

District 6 Food Service

Karla Martinez reported that Travis Warren is out of the country, but should be back soon. Maria Bosch has corrected the crew issues and making money again. Ronnie Watson is doing fine with no complaints. John DeSimone has not made a decision regarding the changes at his facility. Kristen's convenience store should benefit from local construction as the crews want items her store sells. John Latigo reported low sales during the holidays, made some repairs to equipment and doing fine. Arnold Martinez said sales are back to normal, and there were some issues with crew and with his credit card company that are now resolved. Tom Chepey is happy with sales/profits. Karla reported her sales are good and she is happy, except not so much with Accent, the vending company. She reported working on her business plan and being proactive to fix her issues.

District 6 Vending

Aloha Cook reported that half her managers do not return phone calls. Mike Sparks asked why his facility went down to a Level I and he is satelliting it. Jerry Ramirez does not want the coffee machines' servicing any longer and asked if BET would allow Greg Fanning to service them. Animated conversation among the ECM followed. Aloha reported sales up despite the host talking with staff about retirement.

Subcommittee Reports

Resolutions and Bylaws Sub-Committee and Rules Revision Committee: Greg Stavinoha is no longer on the ECM, so no report available.

Finance and Budget Sub-Committee: Michael Hooks gave a brief report of the financial data

Elections Sub-Committee: Zach Davis commented on the few people voting in the last elections.

Training Conference Sub-Committee: Manny Sifuentes spoke about this year's training conference and thanked those who assisted him. He mentioned BLAST coming up in Chicago and a company who assisted in saving the ECM money on a contract. Clayton Hell also added some information explaining why the ECM turned to this company to assist them.

Adjournment

ECM Meeting adjourned.