

Meeting Minutes - Elected Committee of Managers April 13, 2019

DoubleTree by Hilton Hotel & Suites Houston by the Galleria
5353 Westheimer Rd, Houston, TX 77056

Meeting was called to order at 8:00 am

Roll call of E C M and Guests

All ECM Representatives were present except for Calvin Shepherd.

Audience members included Tom Chepey and his wife, Kim, Chairman Hell's wife, Beverly, Mark Russell, Tommy Crawford's wife, Trudy, Greg Stavinoha, Arnold Sanchez's brother, C C R C customer and B E T applicant, Ruben Aguilar and Laydell Rogers.

B E T Staff Attending

Michael Hooks, B E T Director

Approval of minutes of last meeting

E C M Chairperson Clayton Hell called for approval of the minutes from the prior E C M Meeting; minutes were approved as read.

Director's Report

Mike Hooks welcomed everyone and proceeded to report on the program status.

Facilities Information

There are currently 114 facilities operating in B E T. We have not opened any new facilities this year however, there are pending new facilities that are not projected to open at the end of this fiscal year

but are continuing to develop. This includes the 1601 N. Congress, Capitol Complex project and the new Triangle Campus building. The other pending new facility is the Tx DOT campus in Southeast Austin. This facility will replace the current facility at the TxDOT campus on Riverside in Austin. There were no facilities that closed this quarter. There were twenty-three facilities that had operational areas of business upgraded. There are currently one hundred assigned managers. There is one unassigned licensed manager. No managers that left the program this quarter. There were two newly licensed managers so far this year. Ms. Laura Lewis was assigned to 911, Dallas Federal Building and Mr. Eric Sifuentes was assigned to 954, Gatesville Prison Vending Route II, however Mr. Sifuentes left the facility soon after beginning operations. The current class of trainees, scheduled to graduate on May 16, 2019, includes Mr. Nure Kebirtimo, Ms. Sophia Sparks and Mr. Travis Warren. There are currently nine possible B E T candidate prospects for the next BET training class. Two BET managers are preparing to pilot innovative food service components. One involves partnering with Fooda at the Jake Pickle building in Austin and the other introduces a micro market at the T W C main offices in Austin with a Fooda component to be added at a later date.

There are currently twelve facilities with temporary management:

Dwayne Zuppardo – I R S Snack Bar

Rebecca Chambers - Hardeman County Rest Area Vending

Kenneth Landtroop – Donley County Vending

Roberto Pena – Hidalgo County Court House

Zach Davis – A. Maceo Smith Federal Bldg.

Randy Clutter – Orange County Vending

Gay Nimitz – San Antonio Vending

Mike Sparks – Texas Workforce Commission (T W C) Vending

Mario Valles – USPO El Paso

Aloha Cook – Gatesville Vending Route II

John Watson, Jr. – Franklin County Vending

Robert Jones – L B J Vending

Director and E C M discussed low performing facilities.

There are two facilities with outsourced management:

VA Waco – Rene Hearne

NASA – Shemika Fills

Service Delivery – Facility Visitations Completed

Year to date total visitations:

1st Quarter: 636

2nd Quarter: 630

Year to date total visitations: 1,266

Number of Blind Employees in B E T Businesses:

1st Quarter: 11

2nd Quarter: 13

3rd Quarter:

4th Quarter:

Number of Employees with No Disability in B E T Businesses:

1st Quarter: 1412

2nd Quarter: 1392

3rd Quarter:

4th Quarter:

Number of Employees with Disabilities other Than Blindness in B E T Businesses:

1st Quarter: 144

2nd Quarter: 139

3rd Quarter:

4th Quarter:

Current Events

Legislative session:

There are currently several Bills in motion that B E T is monitoring including HB 718. HB 718 contemplates establishing nutritional standards for food and beverages in vending, gave an update as to where it's at, and how this would impact B E T vending.

Mr. Hooks encourages all to go to Texas Legislature Online to follow each bill; he gave a brief explanation of the Bills that are pertinent to B E T.

The second Bill being watched is HB 1014; this bill will enable food service operators to require CPR training for food service employees.

HB 1015 details severe allergies with signage.

HB 476 sets guidelines if customers want to bring their pet/dog, to sit outside at a food establishment patio.

BET Rules Revisions:

Additional movement is possible in late April.

New facilities:

Discussions with T F C and architects regarding the Capital and Triangle improvement projects are ongoing.

Vending Price Increase:

A communication will go out to all managers early next week to include the price revisions, the effective date and example information for customers.

A lengthy discussion evolved as to postponing the price increase effective date to address additional changes such as adding a formula to assist managers with price points on higher priced items. The decision was made to not postpone the effective date.

Mr. Hooks announced the conclusion of his Director's Report and opened the floor to questions or comments.

Mr. Tom Chepey asked for the status of the Capital Complex / Triangle project.

Mr. Hooks noted that B E T had already submitted a design layout for the "grab and go" portion of the facility; Mr. Hooks commented that B E T is still awaiting feedback pertaining to any changes if needed with the layout. Mr. Hooks expects to hear something within the next few weeks.

Additional question/comment posed by Mr. Chepey involving Fooda/micro markets and whether cafeterias are truly a dying breed. Mr. Hooks gave an outline on what BET food service looks like today and how it needs to evolve. Mr. Hooks also addressed how B E T has not dictated or signed any contracts with Fooda however, some managers have by their own accord decided to integrate Fooda into their business model.

Financial Status:

The financial status of the program was reviewed.

Chairman's Report:

Chairman Hell began his report by citing Calvin Shepherd's absence and due health challenges, Mr. Shepherd has resigned from the E C M.

Chairman Hell also made an announcement concerning his inability to attend the Legislative fly-in in DC, due to circumstances beyond his control that involved having to expend funds for his guide dog's unexpected surgery. Mr. Hell confirmed other B E T managers along with E C M representatives that will be attending. Ms. Martinez and Mr. Crawford both stressed the importance of Chairman Hell's attendance at this fly-in and they suggest that the E C M fund Mr. Hell's flight and hotel. Tommy Crawford presented motion for the E C M to assist Chairman Hell with a flight ticket and lodging; motion was seconded, granted, and none opposed.

Mr. Hell resumed his Chairman's report to note manager Elizabeth Chaney and her upcoming attendance at the A C B. Chairman Hell also discussed an email he received from Catriona McDonald that was relative to the importance of attending and meeting with four legislators from Texas that are on the DoD Armed Services committee. Mr. Hell stressed the importance of all to attend and what a difference and impact it will make.

Audience members and the E C M discussed numerous topics that centered around food service and the lack of skilled and motivated managers.

Chairman Hell also shared information about a monthly conference call, that he is a part of, and takes place between national committee chairs to discuss food service and vending issues at a national level.

E C M Cecilia Wilson contributed to the conversation by discussing the complications that managers face whom are not experienced in dealing with food service. Chairman Hell suggested that the person applying themselves after getting the training that is available, will determine success in food service.

E C M Alvertis McClurge noted issues that have resulted into problems at another managers facility in his building. Mr. McClurge asked for recommendations to assist with the issues impacting the manager and their relationship with G S A.

E C M Arnold Sanchez added to the discussion by commenting that not only is a manager's success determined by how hard they work but also by maintaining the aesthetics of the facilities by updating them, so they are fresh and new.

A Break was taken, and meeting resumed in 15 minutes.

District Reports

Each representative provided a report on events occurring in their district:

District 1 Food Service – Harvey Stavinoha

Mr. Stavinoha reports lots of stress at his facility due to lack of employees mainly during the night shift. Manager Manny Sifuentes reports looking forward to the TxDOT project and working with a teaming partner. Manager Ruben Aguilar will have his first year under his belt; has received his first R H I V S check. Debra Weston is still dealing with the VA and the loss of customers on Mondays and Fridays due to teleworking. Tamara Nowell reports seven more works of working night shift. Keith Turner reports a surprising drop in sales that he thinks is a result of the construction around the outside of his building; employees

might be teleworking. E C M Stavinoha concludes his report by commenting that no other managers returned his call.

District 1 Vending – Calvin Shepherd

Not in attendance therefore no report available.

District 2 Food Service – Alvertis McClurge

Mr. McClurge reports leaving a message with manager Ed Marlow however, no communication resulted. Manager Dewayne Sparks reports doing well and reached out for vendor information; spoke with manager Steve Saltzman whom is also doing well considering that he has been dealing with the recent downsizing of the population in his building because of construction. Mr. McClurge reports also speaking with manager Zach Davis whom is doing well at his subcontracted facility, Griffin, where sales have increased. Recently met with manager Laura Lewis who will be having a grand opening; noted her facility's appearance as looking good and very organized; shared advice with Ms. Lewis regarding vending issues. Mr. McClurge expressed spending a great deal of time with Ms. Lewis and is hopeful for the new changes Ms. Lewis is putting forward. To conclude his report, Mr. McClurge announced doing pretty good at his facility where in the last month, sales have topped out as being the best since he started.

District 2 Vending – Dwayne Zuppardo

E C M Zuppardo reports that everyone within his district as doing well and that there is anticipation of some movement in vending; manager Zach Davis might possibly be looking to move to Gatesville and manager Tommy Townsend looking at Orange County. Mr. Zuppardo wrapped up his report by reiterating that he

did not get any reports or issues cited by managers in his district; all is well.

Discussion evolved about vending issues dealing with Coke, their prices, their different account packages, bill validators/coin mechanisms and repairs.

District 3 Food Service – Arnold Sanchez

E C M Sanchez reports that manager Greg Stavinoha, whom is in attendance, reports lower sales however higher profits. Mr. Sanchez did not speak with manager Ashley Edward's however, he is aware that she has new menu boards but unfortunately, they are not up and running yet. E C M Sanchez notes his facility as still dealing with demographic shifts, changes to eating habits that reflect more of a grab and go concept which he is trying to make adjustments to meet those needs; sales have been on an incline but on the negative side, has faced a lot of competition with food delivery services but is expecting a stronger second quarter. Mr. Sanchez concludes his report by citing the occurrence of a few equipment issues and having to wait for PO's; things moving somewhat slower due to having one Business Consultant.

District 3 Vending – Cecilia Wilson

E C M Wilson reports facilities in her district are doing well and they are going in to the busier season for prison vending. Three facilities have become available with one of them being Brazoria Vending which Ms. Wilson was awarded; lots of long hours and lots of driving but work is getting done. Ms. Wilson talked about getting a phone call from a manager whom is interested in bidding for Jester prison; the other facility becoming available being Orange County vending route. E C M Wilson concludes her report by giving kudos to the lone Business Consultant in Houston, Ms. Tina Vega; she is holding it together even though Houston has a lot of managers and is a bigger area. Ms. Wilson reaffirms that managers in Houston are doing well as she concludes her report.

District 4 Food Service – Kristen McNabb

E C M McNabb reports reaching out to all managers but the only manager that she heard from was Mr. Edgar Mendez whom voiced his interest in getting his facility a “mini refresh/remodel” and updated equipment. Mr. Mendez also informed Ms. McNabb the current pricing he is getting with Pepsi which is quite high at \$28.00 per case; Ms. McNabb asked for recommendations and advice for better pricing; Chairman Hell did offer a suggestion. Ms. McNabb next reports on her facility which has debuted a new product line of sandwiches and pastries; both have been a success that have contributed to higher profits. Ms. McNabb also mentions working on getting an electrician quote to connect her digital menu boards; quote she received seems rather high just to connect the electrical for the boards. Ms. McNabb concludes her report after E C M members and Mr. Hooks offered suggestions to her on how to connect the boards.

District 4 Vending – Clayton Hell

Chairman Hell opens his report by commenting that the main question he dealt with in talking with managers within his district was “when, are the new vending prices going into effect?”. Mr. Hell continues his report and discusses manager Kenneth Ballard’s situation of having to look for another food service source for sandwiches; the supplier Mr. Ballard was using to fill his machines at the Beeville unit is no longer going to provide any sandwiches. Various E C M representatives shared names of different suppliers. Chairman Hell concludes his report by citing a slight increase in sales at his facility.

District 5 Food Service – Tommy Crawford

E C M Crawford reports on his one-year anniversary at his facility, April 1st; all is going well with an increase in head count. A recent concern was due to President Trump’s warning about closing the border however, Mr. Crawford discovered that there are not very many staff living in Mexico after all. Another comment shared by

Mr. Crawford was a recent uniform change for his staff which has been received in a very positive manner by all the customers. E C M Crawford wraps up his report by asking Mr. Hooks if there is another food service opportunity that will be available in El Paso? Mr. Hooks responded that Cynthia and Carlos are talking with individuals that run the state office building where their own B E T offices are at however, that space is not yet available.

District 5 Vending – Paul Parker

E C M Parker reports that all the manager/operators that he spoke with have all stated that they are doing well; there are no pressing issues or concerns to report on. On a personal note, Mr. Parker apologized for missing the January meeting and gave a short synopsis of his recent dealings.

District 6 Food Service – Karla Martinez

E C M Martinez reports speaking to most managers. A few managers along with herself are still dealing with labor issues in the Austin area; other managers inquired on when the new vending prices go into effect. Ms. Martinez also referenced concerns that were posed by manager Tom Chepey, which were addressed, regarding future B E T candidates being told that food service was a dying breed and concerns about the employee/customer population at the new Capital Complex / Triangle facility and whether B E T had a plan for a food service operation there. Ms. Martinez concludes her report by citing other managers doing well even with the short labor struggles.

District 6 Vending – Aloha Cook

Ms. Cook reports sending managers in her district a text, email and phone call with only a few managers responding to her. Responses received were in relationship to the healthy food

campaign, the new vending prices and the relationship with Coke pertaining to having to pay for repairs on Coke owned machines. Ms. Cook touched base on the Gatesville advertisement and the possibility of two prospective applicants. E C M Cook concludes her report by listening to Chairman Hell's perspective regarding the Coke and vending manager relationship.

Sub Committees Report

Rules and By-Laws Sub Committee

Chairman Hell reports that the rules have not been sent to R S A; Mr. Hooks reaffirms that the rules will not be sent without informing the E C M first. Mr. Hell shares information obtained from his recent national committee chairs conference call where he learned that R S A has hired two new employees; this will certainly help the rules back log that R S A has.

A discussion emerged after a question was posed as to any reference in the B E T Rules about getting financial assistance in paying for parts on equipment that is not stated owned. Mr. Hooks quickly noted that there is nothing in the rules or the state procurement system that allows payment of parts on equipment that is not state owned. E C M members discussed deducting the expense; Mr. Hooks expressed the request in writing to avoid any miscommunication.

Finance and Budget Sub Committee –

Tommy Crawford presented his first financial status report and noted getting the signature on the E C M Wells Fargo bank account changed over from Zach Davis to his name as the new E C M treasurer. Mr. Crawford also gave details about the account, noting a balance of \$7,000.50, not including a \$1000.00 donation

that was made by Mr. and Mrs. Paul Parker, which will be deposited by Monday, 4/21/2019, bringing the E C M account balance to \$8000.50. Question was asked if donations to the E C M could be made on-line; Chairman Hell response was that the ECM.org website is still functional and has a PayPal link that is available for donations. E C M Crawford concludes his report by requesting all members send him an email whenever a manager submits a donation; he also reports that he will notify everyone when Chairman Hell makes his flight and lodging reservations to attend the legislative fly-in as the E C M will cover those costs.

Elections Sub Committee –

Ms. Kristen McNabb Pattison reports that there is no activity.

Training Conference Sub Committee –

Chairman Hell discussed the upcoming Upward Mobility training conference and confirms that no one has stepped up to head this committee. Mr. Hell reports the actions that he has done thus far which include booking speakers and the set-up of the hotel; is requesting input from all regarding what subjects to include on the agenda. Numerous E C M members and managers in the audience mention the subject of adding the topic of having a cashless system in prison vending; lengthy discussion about cashless vending proceeds.

Karla Martinez expressed her interest with assisting the Training Conference Sub Committee. Alvertis McClurge offered the suggestion of E C M member's and managers being available to mentor new licensee's; discussion and several opinions were shared on this subject.

Training of Potential Managers Sub Committee –

Karla Martinez begins her report by citing nine applicants that will be heading into the B E T panel interviews scheduled in June 2019. As mentioned previously, Sophia and Nure are the two trainees in class and are doing well. Ms. Martinez suggest that a review will be needed to determine how many trainees will be able to train at one time. Discussion took place about past B E T classes. Ms. Martinez concludes her report by commenting to everyone the resource available to all managers needing assistance, B E T trainer, Joe Gonzalez, whom is a wealth of information and is always available to personally assist by going to the facility if the manager makes the request and is willing to get help; Joe is a great resource as a consultant to the managers.

A lengthy discussion evolved around the B ET rules and policies pertaining to facility change-overs and inspections; this discussion centered around the responsibilities of managers and the Business Consultants.

Vending Sub Committee –

Aloha Cook provided an update on the status of the current pricing review.

Chairman Hell wrapped up meeting by discussing the importance for managers of highlighting their efforts to offer healthier options at vending locations in state and federal facilities. He stressed how vital it is for managers to be part of the solution and not the problem to help mitigate any possible damage to the future of the program. Managers play an integral part in this campaign. Discussion centered around diverse ways to encourage managers to be proactive in their efforts to provide healthy items in their businesses.

Set Date and Location for Next Meeting or Workshop

Next meeting will be held in Lubbock, Texas on July 20, 2019;
location T B A.

Adjournment