

Meeting Minutes - Elected Committee of Managers January 18, 2020

Intercontinental Houston Medical Center Hotel
6750 Main Street
Houston, TX 77030

Call to order 8:15 a.m.

Roll call of E C M and Guests

All E C M Representatives were present.

The following is a list of audience members that were present: Tom and Kim Chepey, Beverly Hell, Mark Russell, Karla Martinez's guest, Cecilia Wilson, Jenna Norwood and guest.

B E T Staff Attending

Michael Hooks, Acting 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; meeting minutes were approved.

Director's Report

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

Facilities Information

There are currently 113 facilities in B E T. We didn't open any new facilities this year. There are 3 pending new facilities to include the Health and Human Services (H H S) Triangle campus which has a projected opening date of December 2020 to Spring of 2021, the 1601 North Congress facility or Capital Mall, with a projected

opening date of Spring 2021, and the consolidated TxDOT Campus in southeast Austin has a projected opening date of Spring 2022.

There were no facilities closing this year and there were twenty facilities that had operational areas of business upgraded this year. We have ten facilities that are under temporary management, as listed below, with the possibility of adding one more if there are no qualified applicants for the Department of State Health Services.

There are currently 103 assigned managers. We had four managers enter the program this year and they are: Brady Schultz, pre-assigned to San Antonio vending route on Jan 31st; Jake Saldana, pre-assigned to A G Child Support as of Feb 3rd; Sean Wright assigned to NASA; and, Brandi Bengner assigned to the VA in Waco. We also put three new managers to work during this fiscal year: Brandi Bengner, Sean Wright and Sophia Sparks.

There are currently ten facilities with temporary management:

Dwayne Zuppardo – I R S Snack Bar
Robert Pena – Hidalgo County Court House
Zach Davis – A. Maceo Smith Federal Bldg.
Randy Clutter – Orange County Vending
Gay Nimitz – San Antonio Vending
Mike Sparks – T W C Vending
Mario Valles – U S P O
John Watson Jr. – Franklin County Vending
Jaime Garza – A G Child Support
Bobby Allen – Guadalupe County Vending Route

Business Consultant Visitations Completed

1st Quarter: 477

Year to date total visitations: 477

Value of equipment ordered and or delivered in support of businesses: \$229,375 (year to date)

Number of Employees whose disability is blindness in B E T Businesses:

1st Quarter: 8

Number of Employees with Other Disabilities in B E T Businesses:

1st Quarter: 154

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

1st Quarter: 1412

Current Events:

Mr. Hooks reports on the status of the positions that have been posted including the B E T Director, Purchasing for People with Disabilities (P P D) Manager, B E T Senior Business Consultant South Austin, and the P P D Administrative Assistant position.

Mr. Hooks has an update concerning TxDOT's readiness to negotiate an agreement for the operation of their new consolidated campus facility in southeast Austin.

Mr. Hooks discusses the Fort Bliss case contesting the separation and exclusion of the Dining Facility Attendant (D F A) from Randolph Sheppard Contracts to be heard in New Orleans on February 5, 2020. The Army is contesting a ruling that is favorable to T W C.

Mr. Hooks informed all E C M that future meeting room rental contracts must be facilitated by T W C conference planning.

Chairman's Report:

Chairman Hell began his report by discussing the national E C M call that he participates in which centered around the subject of R S A 15 reports being provided to licensed managers in other states and the looming idea of banning disposable plastic bottles. Mr. Hell disclosed that numerous companies such as Pepsi are considering switching to a bio-degradable plastic or an aluminum product.

Another topic Chairman Hell reports on is about the vending industry changing card readers that are utilizing 2G or 3G platforms which will become outdated/extinct as their goal is to convert to 4G and 5G. Mr. Hell advises all managers to start to plan on upgrades for credit card readers. Chairman Hell closes out his report by discussing other topics such as the N F B's Fly-In this February 10th, 2020 and the Sagebrush Conference in Las Vegas and lastly, the BLAST Conference held in Chicago during April.

E C M Sparks presented a request to Chairman Hell to give some insight and inform everyone about a recent phone call that he and Chairman Hell took part in with the R S A Buying Group; information was presented and discussion also centered around opening up opportunities to use Pepsi provided that Pepsi improved on their service aspect. Mr. Sparks also suggested presenting the Robert's Rules Summary; motion was made and seconded. The reading of the seven-page summary was provided by Mr. Hooks.

District Reports

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

District 1 Food Service – Manny Sifuentes

E C M Sifuentes reports contacting all managers via email. Mr. Sifuentes asked for confirmation concerning the status of the AG's office advertisement; he also touched base on the current mode of teleworking that has become more and more prevalent in today's workforce which of course affects all food service operation manager's bottom dollar.

District 1 Vending – Mike Sparks

E C M Sparks reports reaching out to each manager via email. Mr. Sparks re-iterates the importance of all E C M members being available and ready to offer a helping hand to guide new incoming managers while discussing his interaction with new manager Jake Saldana. E C M Sparks closed out his report by discussing the micro mart endeavor with Accent and the coffee reimbursement.

District 2 Food Service – Alvertis McClurge

Mr. McClurge reports that his district is doing well and highlights his discussion with manager Dwayne Sparks regarding the ongoing G S A issue concerning the process of conducting the background clearance checks and the lengthy time that potential employees must wait. Mr. McClurge mentions Sophia Sparks as doing well however, talks about her objections to some of the food products in the facility changeover and offered his opinion with the duration of the changeover. E C M McClurge moved on to manager Steve Saltzman whom is operating the Young Street café which will be closing in March, however, did report a very positive changeover experience with the new facility that he was awarded. Mr. McClurge closes out his report by reporting his personal experience with his facility remodel, issues with G S A

along with changing out moldy countertops and obtaining a PO for new countertops.

District 2 Vending – Dwayne Zuppardo

Mr. Zuppardo reports about a complaint that is felt across the board by all managers in his district regarding the lack of timely reimbursements on maintenance repairs along with travel reimbursements from the last training conference. Another complaint that he has heard from all managers is concerning the lack of communication and or timely responses from the district Business Consultants. E C M Zuppardo closed his report by citing a concern that was voiced to him by a manager and their inquiry regarding the temporary management of the late John Watson Sr.'s facility.

District 3 Food Service – Greg Stavinoha

E C M Stavinoha reports having a new manager, Sean Wright, whom he has reached out to. Has spoken with manager Ashley Edwards and cites her success with baking a selection of pastries which has contributed to an increase in sales. Mr. Stavinoha also addressed manager Arnold Sanchez's plight with the temporary closure of his facility due to plumbing and electrical issues. E C M Stavinoha closed his report by discussing his personal gains attributed to the photo sales at his facility and the drop in his food sales. He discusses the prospect of using Door Dash or other companies to deliver food.

15-minute break taken at 10:00 am.

District 3 Vending – Laydell Rogers

E C M Rogers begins his report by expressing a note of gratitude to those members that voted for him. He reports that most of his

vending managers communicated with him via email as his primary role is to make sure that he maintains an open line of communication. E C M Rogers addressed one of the newest managers in the district, Mr. Nure Kebirtimo. Mr. Rogers noted some of the transition issues that Nure was experiencing and how he managed to successfully overcome them. E C M Rogers attributes Nure's success partly to the polished teamwork of the Houston Business Consultant's and noting a special acknowledgment going to the new BC as being a skilled communicator. E C M Rogers concludes his report by opening the floor to attendee manager Cecilia Wilson after he shared a few of his endeavors with obtaining new equipment. Ms. Wilson addressed everyone as she talks about some of her vending machines as being old, comments on issues with Dr Pepper and notes her experience with staffing issues too.

District 4 Food Service – Kristen McNabb-Pattison

E C M McNabb-Pattison reports reaching out to all the managers in her district and exclaims getting no responses. Ms. McNabb-Pattison reports on her facility having good sales and is hopeful to see increased sales soon due to an uptick in coffee demand because of the cooler weather. Before concluding her report, E C M McNabb-Pattison gives a shout out to the BC's in her district as being extremely efficient with requesting and reviewing travel documentation to ensure a speedy reimbursement.

District 4 Vending – Clayton Hell

Chairman Hell opens his report by citing an email he received from manager Jenna Norwood which centered around the removal of another vending machine at her facility which, in his opinion, cements an increased need to resolve doing something

with this Corpus facility. Mr. Hell then moved on to talk about a phone call he received from manager Rufino Acosta concerning Deli Express sandwiches and their immediate cease in selling sandwiches. Chairman Hell noted the continued increase in prices with Coca Cola and his surprise of not getting very many complaints from managers but did express manager Rames Gonzales wanting additional machines now that the new construction at the bridge has been completed. Mr. Hell concludes his report by acknowledging the newest manager Brady Schultz and his takeover of a complicated route due to the many stops but does feel that manager Gay Nimitz will provide much support to assist Mr. Schultz in his transition.

District 5 Food Service – Tommy Crawford

E C M Crawford emphasized for those that are not aware, his facility as being the sole facility in D5 food service. Mr. Crawford happily reports his staffing issues as being resolved for the time being. E C M Crawford did discuss one significant change in the Dining Facility Attendant contract which allows, after careful negotiation, the placement of managers to assist and streamline the food service operation. Mr. Crawford also noted the very effective teamwork between his Business Consultants and offers compliments to their service.

District 5 Vending – Kenneth Landtroop

E C M Landtroop is welcomed as he proceeds to report that he managed to reach out to all managers using various modes of communication with a few that he was not able to reach. Mr. Landtroop also notes how gracious the former E C M representative for District 5 Vending, Mr. Paul Parker, has been towards him and has voiced his offer to support and guide Mr.

Landtroop into a smooth transition. E C M Landtroop then names the managers that he communicated with saying they have no issues to report but did highlight manger Travis Warren and his inquiry regarding the Roach Prison Unit if it falls under un-manned vending? Mr. Landtroop referred Mr. Warren to communicate with the Business Consultants in respect to that prison. E C M Landtroop mentioned Ms. Esta Scott's 50th year milestone of serving as a B E T manager and his recommendation of presenting her with an award during the next training conference.

District 6 Food Service – Karla Martinez

E C M Martinez begins her report by acknowledging contacting all managers except manager John Latigo. She reports on behalf of manager Ronnie Watson as having lower sales due to construction which also contributed to a loss in power before lunch on one occasion that propelled him to take a big loss after having to dispose of food. Ms. Martinez moved on to read a communication sent to her by manager John DeSimone and his request to the E C M to pass a resolution requiring the B E T Director to mandate specific training by all Business Consultants. E C M Martinez continues her report to mention names of additional managers that are doing well such as Leroy De La Garza; also gives a brief update on Gesilar Joseph who will be leaving the program. B E T manager Tim Dawson will takeover the State Health Department facility that was run by Ms. Joseph and E C M Martinez expresses the committees full support. Ms. Martinez reports on frustration experienced by manager Maria Bosch due to a continued decrease in sales noting Ms. Bosch's request to the Business Consultant's asking to convert her facility into a micro mart, however, has been waiting on an update. Ms. Martinez continues her report by citing manager Myra Escalante

as doing well while discussing Ms. Escalante's inquiry regarding contracted equipment. Ms. Martinez goes on to share an email that was sent to her by manager Tom Chepey regarding his opinion about the lack of leadership within the E C M committee. E C M Martinez reports on new manager, Brandi Bengner's dismay over the temporary closure, for remodeling; noting that this occurred just as Ms. Bengner was beginning to feel confident. However, reports that Ms. Bengner is looking at operating a food truck in the meantime. Ms. Martinez concludes her report by sharing an update on the Brown Heatly building transition which will affect her facility.

District 6 Vending – Aloha Cook

E C M Cook initiates her report by noting that a few managers did respond to her text affirming that many do not have any issues. She discusses manager Zach Davis as having changeover process questions which Ms. Cook notes will be addressed later. Ms. Cook moved on to report on behalf of manager Ozzie Figueroa and his attempt to seek clarification again regarding the mandate by T W C Financial Services requirement of itemized meal receipts during training conferences and another inquiry concerning the requirement of training conference attendance and managers leaving the conference early with no penalty. E C M Cook continues her report by discussing manager Jerry Ramirez and his plight in dealing with the price increases set forth by Coca Cola and his concern with Coca Cola about signing a contract regarding repairs on Coca Cola owned machines. Ms. Cook closes her report by affirming that all is well within the operation of her facility.

E C M committee members and a few audience members participated in a lengthy discussion related to Coca Cola, their higher prices and their practices in dealing with B E T managers.

Sub Committees Reports –

Rules and By-Laws Sub Committee:

Chairman Hell refers to returning to this topic later.

Finance and Budget Sub Committee:

Tommy Crawford presented the financial status of the committee by first presenting information regarding the Pay-Pal account which has a current balance of \$692.48; the Wells Fargo account has a current total of \$8,792.38. Mr. Crawford gives a detailed listing of transactions. Motion was made and seconded for approval of the financial report presented by Mr. Crawford.

Election Sub Committee:

Kristen McNabb-Pattison provided a brief overview along with commenting there was high participation. District 3 winners were Greg Stavinoha and Laydell Rogers.

Training Conference Sub Committee:

Chairman Hell announced the lack of a Chairperson for this committee; says there is no activity to report however, this topic needs to be addressed later.

Training of Potential Managers Sub Committee:

Karla Martinez mentions there were three candidates however, one of them did not fare well; at this time, there will be only two candidates and Ms. Martinez pledged to having more detailed information later.

Vending Sub Committee:

Aloha Cook and Chairman Hell addressed this topic commenting that it will be discussed during the next conference call.

Chairman Hell addressed the committee to ask if okay to adjust the remaining agenda items as they have neared a time crunch and attendees are trying to meet departure flight times; everyone agrees to move onto the next agenda item of:

Election of Executive Committee: Chair, Vice Chair and Treasurer –

Floor is opened to the nomination for the position of Chair; Aloha Cook nominates Mr. Mike Sparks; Tommy Crawford seconded the nomination and Mr. Sparks accepts. Chairman Hell nominates Manny Sifuentes; his nomination is seconded, and Mr. Sifuentes accepts.

A brief campaign speech, highlighting their mission, is given by each nominated candidate.

Written votes were submitted; Mr. Mike Sparks wins the position of E C M Chair.

Vice Chair nominations were: Laydell Rogers, Manny Sifuentes and Karla Martinez.

Each candidate gave a brief campaign speech.

Written votes were submitted; Karla Martinez is elected Vice-Chair.

Treasurer nominations proceed with a single nomination for only one candidate, Mr. Tommy Crawford; Mr. Crawford accepts and is elected to continue service.

Vice-Chair, Karla Martinez, gives a message of gratitude towards the service and commitment demonstrated by Chairman Hell; everyone applauded.

Short break taken; remaining agenda items resumed as follow:

Discussion of E C M's proposed active participation in the selection of the next Director of B E T –

Mr. Hooks presented the agency's position concerning the topic of the E C M's participation in the B E T Director hiring process and reports the following on behalf of the agency. B E T Rule §854.212(f) titled B E T Elected Committee of Managers Exclusions from participation states the following. "Neither the E C M, nor any of its members, nor any manager is an employee, officer, or official of the State of Texas. Therefore, the E C M shall not participate in any decision-making process regarding personnel of DARS D B S, personnel policies, or personnel administration."

Discussion of prison issues such as commissaries, video visitation, and cashless systems –

Chairman Hell notes the recent activity by Laydell Rogers, regarding cashless systems; Mr. Rogers proposed the formation of a committee to spearhead these specific prison/vending topics.

Lengthy discussion emerged revolving the logistics and impact of video visitation and the propensity of high-risk situations involved with prison commissaries.

Chairman Hell announced that the final agenda item, "Discussion of the changeover procedures policy and where the E C M stand as to its completion", would not take place due to a lack of time

however, noted that this topic will be visited later during a conference call.

Set Date and Location for Next Meeting or Workshop -

Vote was taken; next meeting will be held in Austin, Texas on April 25, 2020.

Adjournment -

Motion made to adjourn and seconded.