

Meeting Minutes - Elected Committee of Managers October 25, 2019

Wyndham Garden Hotel
3401 South IH 35
Austin, TX 78741

Call to order 3:00 p.m.

Roll call of E C M and Guests

All E C M Representatives were present.

Due to some of the names on the recording not being audible, the following is an incomplete list of audience members that were present:

Georgina Stavinoha, Beverly Corbett, Dave Corbett, Beverly Hell, Gay Nimitz, Jenna Norwood, Nicky Gacos, Terry Smith, Nure Kebirtimo, Laydel Rogers, Jesse Qualls, Carlos Aguirre, Jerry Ramirez, Esta Scott, Sylvia Delaney, Joyce Lytton, Roger Best, Boice Best, Calvin Shepherd, Zach Davis, Chelsea Davis, Kim Chepey, Tom Chepey, Tim Dawson, Brady Schultz, and Jack Saldana.

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.

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 HHSC Triangle campus, 1601 North Congress facing what will be the new Capitol mall, and the new innovative food service facility at the TxDOT Campus in south Austin. One facility closed this year, facility 724 Hardeman County Rest Area, as it was combined with facility 905, Donley County Vending. There were seventy-seven facilities that had operational areas of business upgraded this year. We have one facility, 779, NASA, that is currently outsourced. We have eleven facilities that are under temporary management with that number slowly beginning to decrease. There are currently 101 assigned managers. There are two unassigned licensed managers, Mr. Jay Wolf (resigned) and Ms. Sophia Sparks (pre-assigned to facility 868, FAA). Four managers left the program this year including Bill Jones, Eric Sifuentes, Andrew De Avila and Laura Lewis. Due to the recent successful, state-wide recruitment campaigns that were presented by the B E T Director, Criss Cole personnel and E C M members, B E T has experienced larger trainee classes. The class of current trainees set to graduate on November 15, 2019 are: Brady Schultz, Brandi Bengner, Jake Saldana, Jesus Baeza and Sean Wright.

Mr. Hooks reported on the eight advertised facilities for assignment in the last twelve months. These included at least one that produced \$100,000 in the twelve months prior to the advertisement.

Many have heard the B E T Director say that our program must innovate or disintegrate, and that statement includes seeking new business models and partnering with entities to expand our

business scope. Throughout the year, Mr. Hooks has asked managers to take advantage of these innovation opportunities.

Mr. Hooks noted how several licensed managers in our program have answered that call and are transforming program facilities. B E T now has six micro markets in operation including units at the Austin L B J building, Austin Texas Parks and Wildlife Headquarters, Austin Texas Workforce Commission headquarters, Austin Attorney General Child Support Division building, the Farmers Branch I R S office building in Dallas and the Robert E. Smith Federal Building in El Paso. Finally, a pop-up restaurant was opened at the Jake Pickle Federal building in Austin. Many thanks to the managers who have made this innovation a reality.

Mr. Hooks confirmed how B E T is also making ground on expanding offerings of healthy food and drink in our facilities. However, Mr. Hooks noted that we are not moving at the speed of our customers and the industry. B E T continues to risk state and federal regulation. N A M A (National Automatic Merchandising Association) has adopted a public health commitment to substantially increase the percentage of 'better for you' offerings to 33% in the nation's vending machines.

On the BET rules revision front, Mr. Hooks reminded everyone that B E T submitted revised rules to R S A in May, that the committee and the agency agreed upon, and along with many other states, Texas is still waiting for approval.

B E T deals with challenges just like any Randolph Sheppard program. For instance, in the last 16 months, 25% of our licensed managers assigned to food service facilities have left their facility; most of those departing managers are going to vending facilities that provide lower earning histories than the facilities they are leaving. As we continue to face challenges in obtaining licensed managers to operate food service facilities, B E T will continue to

be required to assign newly licensed managers to larger food service facilities and sometimes those managers become overwhelmed by the operations.

Chairman's Report:

Chairman Hell thanked everyone in attendance, notably Mr. Nicky Gacos and Mr. Terry Smith. He encouraged participation in the upcoming BLAST conference that will be held in Chicago. The Chair then proceeded to provide a very brief overview of national issues affecting Randolph Sheppard as he reflects on the current status of the B E T program while addressing ongoing local issues with G S A. Chairman Hell reiterates the importance of licensed managers doing their best to attend future DC legislative fly-ins that serve as educating opportunities. The Chair closed his report by stressing participation in Washington as being key.

District Reports

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

District 1 Food Service – Harvey Stavinoha

E C M Stavinoha reports all managers in his district are doing well; does not have any complaints from any managers.

District 1 Vending – Mike Sparks

E C M Sparks reports reaching out to all managers except for Mr. Irwin Orcutt whom had his son report on his behalf. All managers are doing well with nothing major to report. Mr. Sparks confirms that he is continuing to be the temp manager at the TWC Micro Market and closed his report by commenting that Mr. Calvin Shepherd along with Mr. Irwin Orcutt are dealing with a few medical issues.

District 2 Food Service – Alvertis McClurge

Mr. McClurge reports that his district is doing well as he comments talking with Mr. Dwayne Sparks and noting his location as running smoothly. Another manager that Mr. McClurge spoke with was Mr. Steve Saltzman who reminded him that the facility on Young street will be closing in April however, is stable now. E C M McClurge finalized his report by sharing the status of running his facilities with the G S A cafeteria providing him with the most challenges; all other managers are doing well.

District 2 Vending – Dwayne Zuppardo

Mr. Zuppardo reports that everything and everyone is doing fine in his district; comments on getting a new manager, Mr. Ed Marlow as taking over the mail facility downtown. E C M Zuppardo reiterates that things are running smoothly, and that no one has any complaints therefore, he concludes his report by noting that all managers are making their price adjustments based on the recent price increase.

District 3 Food Service – Arnold Sanchez

E C M Sanchez reports speaking with managers Ashley Edwards and Greg Stavinoha, noting that each had nothing to report as well did other managers within the district. Mr. Sanchez finalized his report by sharing his ongoing equipment issues but noted that he is working through them and is making things work.

District 3 Vending – Cecilia Wilson

E C M Wilson reports all managers are doing great in Houston and that all are very happy about getting a new Business Consultant, Ms. Ren'ee Britt. Ms. Wilson shares her excitement in seeing so many Houston managers in attendance at this conference and urges everyone to stop by and say hello. She

welcomed new manager Mr. Nure Kebirtimo as he has taken over Jester Prison. E C M Wilson closed her report by encouraging everyone to participate in the silent auction and 50/50 raffle.

District 4 Food Service – Kristen McNabb

E C M McNabb reports reaching out to all the managers in her district; spoke with manager Edgar Mendez whom shared his progress and sales improvement at the military base. Ms. McNabb confirmed speaking with Mr. Jim Delaney on behalf of manager Sylvia Delaney, whom shared news about renovations occurring at the state hospital however, those long-awaited renovations will not affect the B E T facility. Ms. McNabb closed her report by noting great sales at her facility and that coffee is a high selling point during the cold weather.

District 4 Vending – Clayton Hell

Chairman Hell opens his report by saying thank you to manager Gay Nimitz as she has taken the helm and has stepped up several times by temporarily managing facilities throughout the course of her B E T career. Another manager that Chairman Hell praised is Mr. Rufino Acosta whom is celebrating a 50th year milestone as a B E T manager. The Chair and audience members applaud Mr. Acosta's success. Chairman Hell also highlights manager Dave Corbett whom is doing very well and manager Jenna Norwood dealing with downsizing issues at her facility; manager Rames Gonzalez reports the Laredo International bridge renovation as being completed, has reopened to an increase in traffic. Other managers contacted by the Chair all report doing well however, a few managers did not respond. Chairman Hell closed his report by citing that in general, all is good.

District 5 Food Service – Tommy Crawford

E C M Crawford begins his report by thanking everyone for their donations helping to make this conference possible. Mr. Crawford emphasized how consistent Fort Bliss has been in terms of meal service delivery since his management begun however, the big challenge for them has been staffing shortages. On a positive note, they have begun the re-hiring process and the icing on the cake is that the military contract to provide dining facility attendant services has been extended for another three years. E C M Crawford attributes that outcome to the day to day, tireless efforts of the B E T Director and his staff. Mr. Crawford finalized his report.

District 5 Vending – Paul Parker

E C M Parker begins his report by thanking managers from District 5 Vending that are in attendance. Mr. Parker continues his report by citing that all managers are doing well. He closed his report by sharing a brief weather forecast for the Lubbock area in comparison to the warmer weather in Austin.

District 6 Food Service – Karla Martinez

E C M Martinez also begins her report by thanking and naming those managers from her district that are present and attending the conference. Ms. Martinez does apologize for not speaking to all managers prior, due to schedule conflicts around the pre-planning stages of the conference that she was involved with; she does confirm speaking with manager Tim Dawson whom is doing well. Managers Maria Bosch and Gesilar Joseph continue to deal with staffing/labor issues affecting the Austin area. Ms. Martinez continues her report by acknowledging the construction progress at the new facility within the Triangle complex and that much else

about the project is not known. E C M Martinez wraps up her report by citing that all is well.

District 6 Vending – Aloha Cook

E C M Cook initiates her report by apologizing for her malfunctioning cell phone when she attempted to send out a text to all the managers within her district. Ms. Cook acknowledged those managers in attendance and stressed that when managers do have any issues, they are quick to inform her; she did not hear from anyone. E C M Cook closed her report by informing any managers that are donating door prizes to please take them to her room after the meeting.

B E T Director, Michael Hooks made a brief announcement concerning the arrival of the T W C Vocational Rehabilitation Director, Ms. Cheryl Fuller, as stopping by the conference to say hello. Chairman Hell offered a warm welcome as applause ensued.

Chairman Hell re-capped his earlier recognition of manager Rufino Acosta celebrating his 50-year B E T career and acknowledged another manager that will be celebrating a 50-year B E T career next year, manager, Ms. Esta Scott; audience applauded.

Sub Committees Reports

Rules and By-Laws Sub Committee

Chairman Hell confirmed that the status remains the same; the Rules are still with R S A and are waiting for approval.

Finance and Budget Sub Committee –

Tommy Crawford presented the financial status of the committee however; a few last-minute donations were received, and Mr.

Crawford stressed getting the revised total out to everyone before the conference ends; he would be sending out a written report to all.

Election Sub Committee –

Kristen McNabb provided a brief reminder about forthcoming elections for all the odd districts, 1, 3 and 5; she noted receiving a few nominations for the E C M positions within those districts and asked if any members have any more nominations to be added. Nominations end on November 15th at 5:00 p.m., central standard time.

Training of Potential Managers Sub Committee –

Karla Martinez named the four trainees that are in training, Brady Schultz, Brandi Bengler, Jake Saldana and Sean Wright; noted as no longer a trainee was Jesus Baeza. Ms. Martinez shared her thoughts about the trainees that participated on their two-week evaluations at her facility; those were Jake Saldana and Sean Wright whom both did exceptionally well. Ms. Martinez also commented hearing about the other two trainees, Brandi Bengler and Brady Schultz as doing very well too. Ms. Martinez closed her report by expressing the committee having high expectations for the future licensees.

Vending Sub Committee –

Aloha Cook provided an update saying that new prices went into effect back in May and she has not heard any complaints.

Before moving on to the next agenda item, Chairman Hell requested manager Zach Davis step up to the front podium to make an important announcement. Mr. Davis addressed everyone and gave a brief overview of his recent meetings with

Norma Crosby, Nicky Gacos, Terry Smith and Ed Birmingham concerning the potential creation of a Texas chapter of the Association of Blind Merchants with the purpose to associate blind vendors in Texas with the National Federation of the Blind (N F B); discussions have been on-going. Lastly, Mr. Davis extends an invitation to those interested in attending the states N F B conference which will be held in Austin, November 15th through 17th, at the Crown Plaza Hotel.

Chairman Hell noted another item that was added to the agenda, was a request that was posed by manager Jenna Norwood; Ms. Norwood made her way to the front podium to address the E C M. She asked for consideration in revisiting the By-Laws and restructuring the committee. Ms. Norwood also asked if possible, to form a Rules sub-committee to go over the By-Laws but allowing B E T licensed managers that are not on the E C M, the opportunity to be on the sub-committee therefore giving them a chance to review the By-Laws as well. Ms. Norwood mentions if the Rules are returned by R S A, would the E C M consider looking at all the rules and not just the ones that are needing to be corrected as the E C M has new board members that are currently serving and were not part of the original Rules revision. Lastly, Ms. Norwood posed a request for consideration involving the funds coming in from vending machines on state properties that are considered unassigned vending and are may be federally matched; she is requesting if those funds may be reviewed with the intent to channel those facilities to B E T licensed managers that are earning wages below the poverty level.

A lengthy discussion took place between the E C M and a few audience members regarding Ms. Norwood's topics.

Set Date and Location for Next Meeting or Workshop -

Vote was taken, next meeting will be held in Houston, Texas, January 2020.

Request to address the committee and audience made by manager Joyce Lytton. Ms. Lytton wished to thank the B E T Director, Michael Hooks, for his tireless service to B E T, which she has witnessed first hand throughout her forty-five years as a B E T licensed manager. Applause ensued.

Adjournment

Motion made to adjourn and seconded.