

## **Meeting Minutes - Elected Committee of Managers April 28, 2018**

Omni Corpus Christi Hotel  
900 N. Shoreline Blvd.  
Corpus Christ, TX 78401

Meeting was called to order at 8:30 A.M.

### **Roll call of E C M and Guests**

All ECM Representatives were present. Guests included Jerry House and guest, Karla's guest Wayne, Mark Russell, Harvey and Georgie Stavinoha, Clayton's wife Beverly and Paul Parkers wife.

### **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 provided historical Corpus Christi facts. Mr. Hooks stressed the importance of B E T finding ways to improve the B E T business model by incorporating a new mind set, "BET must "innovate or disintegrate". He noted the decline of the 1950's style cafeteria and the 1940's vending machine and how these business models no longer serve all the needs and wants of our customers.

Mr. Hooks then proceeded to report on the following program status:

### **Facilities Information**

There are currently 114 facilities in B E T. There are zero pending new facilities and no facilities closed this quarter. There were forty-nine facilities that had operational areas of business upgraded this year. There are currently 101 assigned managers. There is one unassigned licensed manager, Mr. Travis Warren. Seven managers left the program so far, this year, Mark Russell, Bill Pearce, J D Stewart, Peggy Scott, Billy Joe Hutchison, John Watson, Sr. (deceased), and Ralph Thornell. Gesilar Joseph and Ruben Aguilar entered the program this quarter and were pre-assigned to facility 818, Health Department and facility 892, Secretary of State. The current trainee is Nathan Young and is projected to graduate on May 18, 2018.

### **There are currently seven facilities with temporary management:**

Dwayne Zuppardo – I R S Snack Bar

Mario Valles – Hardeman County Rest Area Vending

Mario Valles – Donley County Vending

Randy Clutter – Orange County Vending

Bobby Allen – T W C Vending

Tim Dawson – D D S

Robert Jones – L B J Vending

### **Facilities under advertisement:**

Dallas Main Post Office

Abilene Vending

Hidalgo County Courthouse

**There are two facilities with outsourced management:**

VA Waco – Rene Hearn

NASA – Shemika Fills

**Service Delivery – Business Visitations Completed**

1<sup>st</sup> Quarter: 787

2<sup>nd</sup> Quarter: 726

3<sup>rd</sup> Quarter:

4<sup>th</sup> Quarter:

Year to date total visitations: 1513

Value of equipment ordered and or delivered in support of businesses: \$208,914

**Number of Blind Employees in B E T Businesses:**

1<sup>st</sup> Quarter: 14

2<sup>nd</sup> Quarter: 12

3<sup>rd</sup> Quarter:

4<sup>th</sup> Quarter:

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

1<sup>st</sup> Quarter: 135

2<sup>nd</sup> Quarter: 133

3<sup>rd</sup> Quarter:

4<sup>th</sup> Quarter:

## **Current Events**

**Rules:** B E T continues with the process for revising program rules. There is still much technical ground to cover. The rules will be reviewed again by the committee after technical review by the agency, obtain approval of revisions by the agency Commissioners, publish the revisions in the Texas Register for 30 days to provide opportunity for public comment, and finally obtain R S A approval. We anticipate enactment of the rules on October 1, 2018.

**Monthly Facility Report Database Improvement:** This is a long-term project with a projected completion in the fall of 2019.

**Regional Recruiting and Program Awareness Tour:** This project is underway and we have already completed the Central Texas Region. Many thanks to Karla Martinez and Manny Sifuentes for their contributions to this effort. San Antonio will be next on May 31<sup>st</sup>.

**Kahala Tour in Corpus Christi:** We will be touring a Kahala business model today and Mr. Harvey Stavinoha has joined us to explore utilizing Kahala at his facility in Austin.

**Legislatively Mandated Customer Satisfaction Survey:** We normally conduct the survey in August with a submission deadline of October 1. After we moved to T W C, we conducted the survey beginning in June due to a longer agency approval process. That timeline produced far less responses and we are now contemplating moving the survey to begin July 1.

**Equipment Purchase Contracts:** We execute contracts for the purchase of equipment used in B E T facilities. We were presented with new Comptroller review requirements at the last minute this

year and our contract award is critically behind schedule. We are working hard to expedite but, expect equipment delivery delays.

**GSA Issues:** We have been working with G S A and have submitted an action plan to address their concerns. We have received no reply to the plan but, relations have improved and we are actively exploring the establishment of a Micro Market at the IRS alpha Road facility in the near future.

**Fort Bliss:** Mr. Crawford and his team are in place and operations are moving along smoothly.

**R S A Pre-approval:** We have received guidance from R S A regarding pre-approval of program expenditures (read PAC).

**Secretary of Education Opinion on RS Applicability to Dining Facility Attendant Contracts:** (letter was read)

**Litigation:**

**Fort Bliss:** Briefing at the Federal Court of Claims. Sent Secretary of Education letter; 30-day stay.

**Fort Sam Houston:** Briefing at Federal Court of Claims. Still awaiting action on award and operating on a bridge contract until action is taken.

**Financial Status:**

The financial status of the program was reviewed.

Mr. Hooks announced the conclusion of his Director's Report and opened the floor to questions however no questions were noted.

## **Chairman's Report:**

E C M Chair, Mr. Clayton Hell, began his report by citing the dates of May 21<sup>st</sup> and 22<sup>nd</sup> for a Washington DC legislative fly-in to lobby the DOT and the DoD in both the house and the senate. E C M Chair noted the names of those managers that will be attending and enthusiastically encourages more participation for those that can.

General discussion swirled around the topic of the fight against roadside commercialization.

End of Chairman's Report

## **District Reports**

### **District 1 Food Service – Manny Sifuentes**

E C M Sifuentes reported emailing all managers in his district; Manager Mac Cantu responded along with Ruben Aguilar. Both managers expressed doing well with Mr. Aguilar expressing his gratitude towards other managers in the program that gave him great feedback and tips for starting up his facility. E C M Sifuentes concluded his reported and exclaimed not getting any other responses from the rest of the managers in his district except for Harvey Stavinoha's report claiming that he is short handed in staff. Manager Stavinoha also affirmed his desire to do business with Kahala which will in turn alleviate his need for a grill employee.

### **District 1 Vending – Calvin Shepherd**

E C M Shepherd reported on various activities within his district citing Mark Vanlaningham as doing fine; Manager Jamie Garza and his ongoing problem at the rest area during any hectic holiday

weekend which creates a septic problem therefore TxDOT shuts down the water. Mr. Hooks commented working with Mr. Garza with ideas that he can propose to TxDot that would counteract the water problem by providing signage to the public that states vending machines as operable. E C M Shepherd continues his report by citing all other managers in his district as doing well except for manager Bobby Allen whom was recently hospitalized with an illness. E C M Shepherd also addressed the recent installation of card readers at his facility and how that has positively impacted his sales. That information wraps up E C M Shepherd's report.

### **District 2 Food Service – Zachary Davis**

E C M Davis reports his newfound awareness concerning McDonalds and their incentive in recruiting employees by offering a college tuition reimbursement program and how that creates more of a challenge to B E T managers that are trying to attract and recruit employees. Mr. Davis continues his report by citing each manager within his district as doing well.

### **District 2 Vending – Dwayne Zuppardo**

E C M Zuppardo expresses that he has two things of importance to report as follows; the first being an interview at the Dallas main post office and the possible micro mart at the Alpha road location. Mr. Zuppardo confirms that every one of the managers within his district report being quite content.

### **District 3 Food Service – Arnold Sanchez**

E C M Sanchez noted not hearing from manager Ashley Edwards; spoke with manager Greg Stavinoha whom is reporting slower sales and has decided to cut back on labor cost. E C M Sanchez

affirms his current situation as continuing to recover from the hurricane; has noticed a change of demographics within his building as being younger personnel that are interested in “grab and go” food items; E C M Sanchez declares making adjustments to his menu by offering “grab and go” choices at his facility while continuing to make a profit. Conclusion of E C M Sanchez’s report.

### **District 3 Vending – Cecilia Wilson**

E C M Wilson reports that managers are doing good in Houston; a few managers have received new equipment and seems that most managers have gotten back on their feet after the hurricane. E C M Wilson concludes her report by re-iterating that things are running smoothly and looking good throughout Houston.

### **Food Service – Kristen McNabb**

E C M McNabb reports that everything is fine; sent out email and text to all managers however only one manager responded, Mr. Alex Gaytan whom is asking when will the managers stop having to pay their set-aside fees? Mr. Gaytan say’s the he does not want to pay for people to “party”. Director Hooks suggested that E C M McNabb refer Mr. Gaytan to the B E T website link that has the agendas and notes from previous E C M meetings and to advise Mr. Gaytan for him to familiarize himself with that information.

### **District 4 Vending – Clayton Hell**

E C M Chair reports that manager Luis Cantu is the first manager that is partnering up with Push Beverages and getting away from Coca Cola and Big Red because of soaring prices. Push Beverages offer machines that they provide or you can get into a lease to own program. Jenna Norwood reported that she has a new administrator in Corpus and that they want her to move her

machines into another area, however that area does not have any electricity. E C M Chair reports that manager Dave Corbett is experiencing some challenges due to his wife's health issues. However her health is on the upswing now and his plan is to refocus on his business again; manager Rufino Acosta reports increased sales from year to date. E C M Chair concludes his report by citing that the remainder of managers within his district are doing well.

### **District 5 Food Service – Tommy Crawford**

E C M Crawford reiterates the Fort Bliss information that was covered by Director Hooks; discussed other issues that have been addressed within his facility such as a recent timeclock upgrade and a sanitation/quality control app that was introduced to him by his teaming partner. E C M Crawford concludes his report by citing various activities within his district.

Discussion emerged about a very popular inquiry made by managers from various districts involving an accessibility portal issue using Mac computers. Mr. Hooks explained that the State of Texas utilizes a PC environment that is accessible.

### **District 5 Vending – Paul Parker**

Mr. Paul Parker's wife asked if she may report on behalf of her husband, E C M Parker. Mr. Parker left the meeting to return to his hotel room due to feeling ill. His wife reports that everything within his district is fine; have not heard any complaints.

## **District 6 Food Service – Karla Martinez and District 6 Vending – Aloha Cook**

A recorder malfunction occurred at the end of this session through the break. Ms. Martinez' and Ms. Cook's reports were not recorded.

### **Sub Committees Report**

#### **Rules and By-Laws Sub Committee**

E C M Chair Clayton Hell comments that there is no need to discuss the Rules since that information was already covered by Director Hooks' presentation at the beginning. E C M Chair asked if there is anything pending to discuss regarding the By-Laws; response is no and unanimous agreement to continue on to the next agenda item.

#### **Finance and Budget Sub Committee – Zachary Davis**

E C M Davis reports \$26,600.50 in the budget; discussion emerged between E C M Chair and E C M Davis concerning BLAST costs regarding the registration fee for all B E T managers. Motion was presented by E C M Davis to only pay \$20,000 and it was seconded by E C M Cook and all were in favor.

Lengthy discussion took place concerning the BLAST hotel choice, transportation options in San Antonio and overall travel cost. Question raised concerning opportunity to form a fundraising committee that will come up with ideas on commemorative souvenirs that will incorporate a San Antonio theme, as a viable fundraising source.

#### **Elections Sub Committee – Cecilia Wilson**

E C M Wilson announced the election of E C M representatives for districts two, four and six; election will be forthcoming and discussed in further details during the meeting set for August.

### **Training Conference Sub Committee –**

E C M Chair Clayton Hell expressed his thoughts as to the training conference information having already been detailed in length earlier. No questions were raised pertaining to BLAST and all in agreement to move on to the next agenda item.

### **Training of Potential Managers Sub Committee – Karla Martinez**

E C M Martinez reports on the status of the current trainee, Nathan Young, whom completed his on-site training with manager Tom Chepey. Nathan is set to graduate May 18<sup>th</sup> and is projected to go to DDS. E C M Martinez announced taking part in a two-week evaluation this coming June with a prospective B E T candidate that looks very promising.

### **Vending Sub Committee – Aloha Cook**

E C M Cook is working on pricing through the committee; has taken the lead in speaking directly with the B E T Field Operations Supervisor, Mr. Michael Vacek, regarding managers from different districts submitting receipts/invoices showing a degree of varying prices in order to justify a program wide beverage price increase. E C M Cook also reports the food manufacturer upswing in candy bar prices and how they are shrinking in size; she opened the floor to suggestions about using or removing the ounces in the vending description of candy bars. E C M Cook finalized her report by stating that she will present a food cost analysis to Mr. Vacek that will show how it's affecting the managers.

**G S A - Short term and long-term planning regarding relations between B E T, G S A and the lack of satisfactory service our managers are providing. Discussion and proposal of the creation of a G S A liaison committee.**

Director Hooks discussed his interpretation of this agenda item to be that the E C M is willing to help and work as liaisons with G S A; also, if there are any direct communications with G S A, the E C M wants to be involved by way of a conference call. Director Hooks agrees with that strategy.

Discussion continued and proposal to create a G S A liaison committee which would be fully involved on conference calls and meetings between B E T and G S A. If the member can talk during these meetings, is to be determined, but it is vital to at least be present and listening.

Housekeeping preparation took place for those needing transportation to tour the Kahala business model in Corpus after meeting is adjourned.

E C M Chair Clayton Hell begins dialog to get back on track with the agenda items of highlighting efforts to offer healthier options in vending locations. Discussion concerning the Legislature and Wellness Committee took place detailing ways on how to make them aware of our efforts; addressed different ideas and emphasis made on how to be part of the solution not the problem and to mitigate any possible damage to our future.

**Final Agenda Item:**

**Set Date and Location for Next Meeting or Workshop**

E C M Cook suggested Lubbock as the next location however due to challenging logistics in getting to Lubbock, the city of Austin

was nominated and motion was seconded by EC M Davis; everyone in agreement and date of next E C M Meeting was set for Saturday July 14, 2018 in Austin, Texas.

Motion for adjournment of meeting made by E C M Chair Clayton Hell and seconded by E C M Cook; all in agreement.