

ECM Meeting January 14, 2023

Meeting Minutes - Elected Committee of Managers (E C M)

The January 14, 2023, E C M 1st quarter meeting was conducted in person at the Embassy Suites hotel in Austin, Texas, and via phone through the E C M conference call line.

Instructions to access the conference call line were distributed as follows:

Conference number: 1-832-917-1510 access code: 172170 (after the voice prompt press *)

Press 5* to be recognized for questions or comments (This will let the conference manager know you have raised your hand and you will be recognized by the E C M Chairman.)

Press 4* to mute or unmute

Note: conference call was recorded

Attendees were urged to register the phone number they would be calling in with in advance with Mr. Tommy Crawford by calling him at 254-654-0119 or calling Mr. Tom Chepey at 210-789-3191. This helps the E C M recognize who is attending the meeting and helps to take communications more efficient.

Call to order at 9:00 a.m. by Chairman, Tom Chepey

>> All right so as it's a little strange in the practices that one of the things as Chair of this committee is going to do is pass bylaws there are some that are not clear and some of the things that are not clear is a term of office of a member expires on December 31 on the calendar year after a two-year term but there is an

executive committee their term ends at one year. One would think if the Chair were not there the Vice Chair takes over until there is a Chair. But it's not absolutely clear so hopefully we'll be able to change some bylaws with that soon. That means that calling a meeting to order today is Saturday, January 14, 2023, just welcome members, and guests. Welcome everybody and Kim I'm going to ask you to please take roll call.

Roll call of E C M, Guests, and State Licensing Agency (S L A) Staff

Mrs. Kim Chepey read a list of audience members names, E C M that were present and on the call-in line phone line along with S L A staff in attendance.

>> KIM: Okay. People here in the room introduce yourselves when y'all are done I'll name the members on the call through the conference call line. We'll start over here with you Mr. Jerry.

>> JERRY HOUSE: Jerry House from District 4.

>> TRAVIS WARREN: Travis Warren, District 5.

>> HARVEY STAVINOHA: Harvey Stavinoha, District 1.

>> MANNY SIFUENTES: Manny Sifuentes, District 1.

>> KARLA MARTINEZ: Karla Martinez, District 6.

>> [unintelligible] District 3.

>> JIM DEBUS: Jim Debus, B E T Director.

>> TOM CHEPEY: Tom Chepey, District 6.

>> LARRY WATSON: Larry Watson, District 2.

>> DAVID CORBETT: David Corbett, District 4.

>> TOMMY CRAWFORD: Tommy Crawford, District 5.

>> ASHLEY EDWARDS: Ashley Edwards, District 3.

>> ALVERTIS MCCLURGE District 2.

>> ALOHA COOK: Aloha Cook, District 6.

>> [unintelligible] District 5. Okay. Go ahead.

>> This is Tom Chepey. We'll get the people on the line here.

Ms. Cynthia Gonzalez, our field operations supervisor. Jorge Cabello. Chacha Lima. Joann Kenyon, Clarence Williams, Mike Sparks and Tammy Nowell.

Invocation by Cecilia Wilson

>> Thank y'all, everybody. At this time, I'm going to ask Cecilia Wilson to do our invocation, please.

>> A couple years ago I saw a movie about an Italian --

>> If you can pull that mic towards you a little bit more.

>> Okay. It'll pick me up. [unintelligible] And the character that one of the drivers drives a small sports car that have a convertible that had no top and when the race started, he reached up and took the rear view mirror off and threw it out the car. The pastor said why did you take the mirror off and throw it away? His answer was when I'm in a race what's behind me is not important. We are all in a race. Our program has been through a lot in the past few years but today is a brand new beginning for our

program so I would like to encourage all of us to take that rear view mirror off of the past, throw it away and let's focus forward. Will you bow your heads please? Father, we come to you and thank you for the privilege of being a part of this program, B E T what we do here is very important, what this program stands for and we've gone through a lot of things over the years as a program but today we are looking forward for a bright and beautiful future in our program. Lord, I ask you right now to bless this meeting, bless the E C M, bless our director, Mike Debus, and everyone associated with B E T the S L A give us strength, direction, lead us together with your spirit. In Jesus name. Amen.

>> ALL: Amen.

Election of E C M Officers / Executive Committee

>> I will take my minister hat off and put on my other hat. Today we're going to have our election for the executive committee that will serve the E C M for the year 2023. We will have three elections. The first one for the Chair position. The second for the Vice Chair. The third election for the treasurer. I'll lay a little bit of groundwork here and get into the election and if I talk too fast it is because we want to do this in a timely manner to give our director as much time to make his remarks. I believe he has valuable information to share with us today. First, our bylaw says we have to have a quorum and we have 12 members

present so we have a quorum, we can proceed with the election. We have one official vote counter, Ms. D'Ogee [unintelligible] and the bylaws say that the committee has to approve the vote counter. At this time, I will ask for the committee's input. Does anybody object to Ms. D'Ogee [unintelligible] being our vote counter? Please speak now if you object. There are no objections we'll proceed. I want to remind everyone on the Dias that to count votes if they choose to that's perfectly fine. Here's how the election will take place. We have two people who have announced the position of the Chair, Mr. Tom Chepey and Mr. Manny Sifuentes. At this time, I will take nominations from the committee if you would like to nominate someone you can nominate yours. Anyone else for chair? If there are no nominations, we will proceed for Chair. The way this will work is you'll have three minutes to speak, and those three minutes will be timed. I will time the speakers, if you go over your time, I will have to allow extra time for the other speakers so please stay within your time limits. After each speaker has spoken, we'll proceed with the election. The way that will take place is I will announce each member by name and district and allow them to voice their choice for that particular election. After everyone has voiced their opinion, their choice, I will ask the vote counter to give me the number for the votes and I will ask who won the

position. After that I will give you an opportunity to close out that part of the elections and move on to the next one. So, at this time, we will proceed with the speakers. I will call the speakers out in alphabetical order according to their last name, so we don't have to take time to figure out who's going to speak next.

Alphabetically it is Mr. Chepey and Mr. Chepey if you would like to speak, are you ready?

>> TOM CHEPEY: Yes, sir.

>> You have three minutes. Your time starts now, sir.

>> TOM CHEPEY: Thank y'all. I'm Tom Chepey and you know I don't know if I'm going to take three minutes, but I do talk a lot sometimes. One of the things that people have said to me over the years in training and all that. Some people chastise me and say, "oh, my God you are all business." That's what you do. And some of them don't like that and I am all business. I'm a ton of fun at work. I take a lot of pride; I have a lot of drive and stamina for it. I have love what I do as an entrepreneur. I've been in the restaurant business since I was a kid in 1979. It gives you an indication of how old I am, but not just being in our program or in the restaurant business means anything. You have to measure by your success and what you do just in B E T and it's all business as I drive to get better sales. Lead that facility way better than I ever have looking for new opportunities and do

whatever I can to enhance and push our program forward that's why learning education dealing with the S L A in networking and getting that rapport with them so the last couple of years with Ed Serna the executive director of the program Lizet Hinojosa, the former director and the interim for a while with Jennifer Colehower and now Mr. Jim Debus. I'll tell you; it's been fantastic moving us forward. Holding them accountable to the C F R; educating me, their remainder of the E C M, the manages or the rules, bylaws so it is all business. It's just not a friend. I'm friendly with everybody around here but it is business. That is the business enterprise of Texas. I'll continue to push us forward with the networking that I have throughout the entire country and with our director and executive director and hopefully with every one of you. I support Larry Watson for Vice Chair and Tommy Crawford as treasurer. I yield my time.

>> Thank you, Mr. Chepey. Let me reset the time. Stay with me. Mr. Sifuentes are you ready?

>> MANNY SIFUENTES: I am.

>> You have three minutes. Your time starts now.

>> MANNY SIFUENTES: I don't think I need three minutes but let's see what happens. You have known me for -- I've been serving on the E C M for about 15 years but starting my chapter in El Paso with B E T, but I want folks to understand that I work

great with people and to me it's about everybody doing their part you know, we're strong as a community. Somebody one time asked what are your accomplishments? And I answered like our accomplishments is your accomplishments as a group. We don't go anywhere without a group. I'm looking forward to the future, I'm also looking forward of taking care of what's present at this time. I have four goals that I look at this year and I could have 20 but it becomes a distraction. I have four goals, prioritizes and move forward you know, and Jim is also tackling most of these goals, so we got T A C 21.02 which he is already on his way you know, taking care of that for us and with our input that we had to put in at the beginning of the year I think you know we're at a great start with the rules. It started with Mike Sparks and with the help of the committee with Greg Stavinoha, Zachary Davis, myself, more people Jenna Norwood that was in there, a lot of folks contribute to those rules and will contribute to continue to look and finish those rules this year. So that is very important.

Funding for our program again, Jim will have some things to say and again that is very important. I look at the T W C side, I look at it as us, what we could do in E C M. You know that, too, is well, you know, I think our prison system needs to be revamped. And you know again you know we're looking at how to, you know,

fix those issues because that's most [indiscernible; cell phone ringing] thank you.

>> All right now. I apologize for that. Okay. They've spoken and we'll commence with the election. We'll start with District 1. Mr. Stavinoha state your choice, please.

>> HARVEY STAVINOHA: Manny Sifuentes.

>> MANNY SIFUENTES: Manny Sifuentes
And District 2, Mr. Watson?

>> LARRY WATSON: Tom Chepey.

>> ALVERTIS MCCLURGE: Tom Chepey

>> District 3, Ms. Edwards?

>> ASHLEY EDWARDS: Tom Chepey.

>> District 3, Mrs. Wilson, will abstain at this time. District 4,
Mr. Corbett.

>> DAVID CORBETT: Tom Chepey.

>> District 4, Mr. House.

>> JERRY HOUSE: Manny Sifuentes.

>> Okay. District 4, District 5, Mr. Crawford.

>> TOMMY CRAWFORD: Tom Chepey.

>> District 5 Mr. Warren.

>> Manny.

>> District 6, Ms. Martinez.

>> Manny Sifuentes.

>> District 6, Mr. Chepey.

>> TOM CHEPEY: Tom Chepey.

>> Thank you. The vote counter will count the votes at this time, please. Do we have a vote count? Did anyone else get a count?

>> I did.

>> What did you get?

>> Tom Chepey, 6. Manny Sifuentes, 5.

>> I have the same thing.

>> Okay. Is there any objection to that vote count?

>> No.

>> Mr. Chepey, chair of the committee. Congratulations. We will move on to the next election will be the position of the Vice Chair.

>> May I have a question first?

>> Mr. Stavinoha.

>> Tom Chepey, will you please allow me to call you?

>> Absolutely.

>> His phone won't accept my calls or text. This is the Vice Chair and at this time it is wide open. I don't have anyone that has announced so I will open the floor for nominations for Vice Chair.

>> I nominate Larry Watson for Vice Chair.

>> Larry.

>> Okay. We have one nomination. Any others? Mr. Larry Watson is the only candidate we have. Mr. Watson, would you like to speak? You get three minutes.

>> LARRY WATSON: I appreciate the confidence and the vote. I've been in the program for 32 years plus and I've never been more excited about the future. I look forward to making Texas great again, hopefully the best in the country and I look forward to being a part of that and I give everybody in my district and this committee a 100% commitment. I don't take this job lightly and I'm not going to neglect it or put it on the back burner. I'm ready to dig in and get started. I yield my time with that.

>> Now does anyone object to Mr. Watson as being elected as the Vice Chair?

>> No.

>> Congratulations, Mr. Watson you are the Vice Chair.

>> Our next election will be the election of the Treasurer. We have one person who has announced for that position that would be Mr. Tommy Crawford.

>> I nominate Karla Martinez.

>> Okay.

>> KARLA MARTINEZ: I accept the nomination.

>> All right. Any other nominations for treasurer?

>> I would like to nominate Tommy Crawford.

>> And Tommy Crawford has already accepted the nomination, is that correct, sir? Change your mind?

[Laughing]

>> We have two nominees for the position of Chair each will have three minutes to speak.

And we'll start with Ms. Martinez, excuse me Mr. Crawford you have 3 minutes your time starts now, sir.

>> TOMMY CRAWFORD: Well, I've been doing this job since 2008. You know, it's basic math. We establish with the drop box and spreadsheet basically what both of our financial accounts over the last couple of years and to review in time pretty straight forward. I did develop a spreadsheet where all of the finances are transparent, and I look forward to doing the job again if you want them. Thank you.

>> Thank you, Mr. Crawford. Ms. Martinez are you ready?

>> KARLA MARTINEZ: Yes, I am.

>> You have 3 minutes. Your time starts now.

>> KARLA MARTINEZ: Thank you. Good morning, everybody. I've been working with the E C M for two years now. I do believe that the most important part of being a member of the E C M is that [unintelligible] to the managers and being sure that you support them and that you are being sure that the program

gets much better. Right now, there is a lot of people suffering. I do believe that the treasurer position should do a little bit more to get more funds for the program to help the managers and I have a lot of ideas to help out. Like I said before there are some other managers that are still suffering with people that are still close. You know, they can run out of money and things from the program, so I think that you guys would honor me with your vote, and I can bring out all those ideas and work with us and with the program but also within other people to provide a little more funds to our program that wouldn't come from VR or from us as a donation. I have lot of good ideas. Again, the program and the managers I don't work only for me, I believe in that. It is great to work with all the managers or operators to make this program better, great again. So, with that I yield my time. Thank you so much and I hope I can count on your vote.

>> Thank you, Ms. Martinez. At the time we'll commence the election. We'll start with Mr. Stavinoha and vote for Ms. Martinez or Mr. Crawford for the treasurer.

>> Mr. Stavinoha?

>> HARVEY STAVINOHA: Karla.

>> Mr. Sifuentes?

>> MANNY SIFUENTES: Karla.

>> District 2, Mr. McClurge?

>> ALVERTIS MCCLURGE: Karla.

>> District 2, Mr. Watson?

>> LARRY WATSON: Tom.

>> District 3, Ms. Edwards?

>> ASHLEY EDWARDS: Tom.

>> District 3, Ms. Wilson, I will abstain. District 4 Mr. Corbett?

>> DAVID CORBETT: Tommy Crawford.

>> District 4, Mr. House?

>> JERRY HOUSE: Karla.

>> District 5, Mr. Crawford?

>> TOMMY CRAWFORD: [unintelligible]

>> District 5, Mr. Warren?

>> TRAVIS WARREN: Karla.

>> District 6, Ms. Martinez.

>> KARLA MARTINEZ: Karla Martinez.

>> District 6, Mr. Chepey.

>> TOM CHEPEY: Tommy Crawford.

>> Votes have been counted and will the vote counters please give us a total? Do you have a total, yet?

>> Not yet, no.

>> Okay. I show Karla with 6. Tom with 4.

>> ALL: Aye.

>> Does everyone agree with the vote count as it has been presented?

>> Yes.

>> Ms. Karla you have been voted as the treasurer and so our new executive committee is Mr. Tom Chepey as Chair. Mr. Larry Watson as Vice Chair. Ms. Martinez as treasurer. I declare these elections to be concluded. Mr. Chair you are now residing over this meeting, and I will remain silent.

>> LARRY WATSON: Thank you so much.

[Applause]

APPROVAL OF MINUTES FOR AUGUST 6, 3rd QUARTER MEETING

Chairman Chepey announced approval of the E C M Meeting minutes as motioned by Larry Watson.

>> LARRY WATSON: Next order on there the minutes from the last August 2012 E C M meeting.

>> 2012?

>> LARRY WATSON: So that was emailed out to everyone.

>> 2021.

>> 2022.

>> Sorry. 2022. If anybody wants to make a motion to approve the minutes of the last meeting?

>> Approve the minutes of the last meeting.

>> I second.

>> Seconded the motion. The motion it is approved. The minutes are approved.

Business Enterprises of Texas (B E T) Staff Attending

Jim Debus, B E T Director; B E T Field Operations Supervisor, Cynthia Gonzalez.

So, what is -- I want to discuss the last E C M meeting we had was in August and we're supposed to have had another meeting after that a quarterly meeting that is instructed in our bylaws and it has been very tough meeting in person. We tried it again, that didn't work, and part of the delay and our director knows but part of the delay over the last several years and apparently, we're still learning or want to move to another location to have a meeting. So our conference, which is on the phone line, this was a big thing we had to push that back so we didn't have that quarterly meeting, and you know, when this upcoming year one of the things that I would like to see in order to facilitate another item, as I mentioned in the beginning, is you know the elections for the committees the E C M, those are done, so one of the thoughts I've had and some of the discussion with other people on there is it might be a good idea. We know the elections are [audio cut out] by December 15. So, a possibility is since the way we are doing it now, may be that new board can just simply figure out and have

an election on who's going to be the Chair, Vice Chair and treasurer so that way on January 1 when the entire committee takes over there is already a board.

It is just a thought because the way it is written is not clear. It's just a thought out there.

>> A good thought.

>> You know it may be at that time out going members or whatever, committees maybe we can take the last two weeks, ya'll can call each other, get together and maybe in your district if you know, you don't already know what's going on that might be a possibility to kind of get educated. That way the continuity is better starting January 1. Good preparation and get moving.

>> Absolutely.

>> TOM CHEPEY: So, at this point I want to thank everybody for [unintelligible] Cecilia did a great job on that. We look forward to it and continue to push it forward. I'm really, really pleased to announce our new Director, Jim Debus, and it has been unbelievable. Everybody knows I'm skeptical about a lot of things. I trust, I verify including everything and everybody. That's my nature in business but I must tell you with last year and the [unintelligible] we found somebody and the excitement in her voice. I was excited that she was excited but still a little apprehensive and then when I get kind a tidbit of information this

is an entrepreneur, this is one of us. In the U.S., in more than one facility and this young guy, yeah, you're still young, you know this young man you know, family and runs this business and highly successful and the things that he's done that he can bring to our party in the state of Texas in our own B E T program, that was really, really exciting so the first couple of calls and the meetings we've had. The call that Zach and I had when Zach was Chair was phenomenal. He'll tell you it's obvious we knew the strain of the first 45 to 50 days was pretty tough. I can't image jumping into a government position a state government thing you have to learn and do things differently and a lot of legal matters and the training, so I commend him for going really, really quick and jumping in there. But where it stands, we're going to allow plenty of time for Jim and after that's done, questions and answers and take a break and remind everybody later on when Jim's done, we'll take questions and answers from the E C M and anything on the call. So later just a reminder on your keypad you can dial a 5 star to raise your hand and Kim will take questions in order that your hand was raised. Jim, you're up please.

>> JIM: Thank you, Tom. And congratulations to Tom, Larry, and Karla. For the new appointments. [indiscernible] at the same time I'm excited. All right, is that better? All right. So, this has been a big deal. I think [unintelligible] speaker like I have bullet

points but at the same time stuff comes up so southern hospitality is real. Y'all have been a phenomenal guide in my first two months. Today is two months. And what this program means to me, it's a deep respect and Cheryl talked to me yesterday she called me. [Unintelligible] and she says put the jacket on, put the orange coat on and you can coach and -- so that. I didn't know this was the job for me until I got it, right? I did this in Michigan, in Ohio. I was licensed in South Carolina that's where I started back in 2015. This program means a lot to me, guys. So, for this responsibility and for you guys on the red carpet in my first two months I say thank you. It's been like Tom said, a huge learning opportunity. You mentioned the word "trust", but trust is consistency and time together. It's not going to be done in two months or probably in two years but when we're all doing this together and the E C M, the S L A and when it's all moving forward together is when we can start getting things done. I'm not here to tell you we're not going to struggle. I'm looking here and I have, Tom what is your business name again?

>> It is [indiscernible]

>> So, the reason I say that is, the reason I asked is because Tommy when I went to El Paso this week, he gave me a hat. A small simple -- he told me that I was on the team and that was a big deal. Super meaningful. You are one of us and even though I

know I am, it was like a token of what that represented. With that we're going to go through the fun stuff we're going to have the discussion. And I'm not going to know all the answers. I know that I had state directors, and they would talk, and I never liked you know [unintelligible] and I'll tell you this, it's not going to be the last time I say it. Jim is my mentor, State Director of Michigan. He was my cheerleader getting this job. He was a reference for me getting down here and to come down here and be with y'all. Y'all are my family as far as I'm concerned. But with that comes, we don't always like everybody in our family. We all got a family. We have to put up with each other. Tolerate each other so again I can get into some of the stuff here my state. I'm sorry, I apologize. Jose went by Joe and then Sanchez. What I'd like to do is let's pause for a moment of silence, please. Thank you. Maybe take a few minutes here. I don't know. This is where y'all are going to educate me and tell me who he was. This was 1968 I was four years old. This is a young man so tell me. Did he have a family? This is the stuff I want to learn. I'll get to learn about all of you but someone who is not with us anymore it is unfortunate. Could somebody share their experiences with Mr. [unintelligible].

>> I believe he was a manager since 2004 and he went through the program in 2003 and I happened to meet him in 2003

and he was just a phenomenal soul. You sit with him for two minutes and it's like you'd known him all your life. He was a great man, great manager and a great friend and I will miss him dearly.

>> I speak with Clayton Hill quite often and Clayton had been in touch with Joe Sanchez for a long time and Joe suffered for well over a year with lung cancer. He was very private. He didn't want everyone to know. He suffered for well over a year. Special blessing and comfort and peace to his family.

>> Thank you.

>> Thank you. Remembering Mr. Sanchez. Anybody on the phone line?

>> We do not have anybody.

>> All right, thank you. Getting into business. So, my state report is sort of a few items but there's a staff, eight business consultants right now. We have two job offers out to folks in Dallas. They start February 15 if everything goes according to plan. One in San Antonio that we're interviewing on Tuesday. He is a veteran. If it works out and we like the way the interview goes he could be a direct hire so at least for JoAnn, of course. JoAnn within this last year went to her new position as program analyst. So, the goal is to get JoAnn where she can do what she was hired to do to get business consultants and train them and not do so much in the E C M role anymore.

That's basically all for staff in terms of the staff members that we have. The next item is the leasing of equipment. Okay, here we go. That meeting was going to be Thursday, but we had to move it. There are a lot of moving parts with the vending people, and I was trying to accommodate for some operator schedules. If we open that meeting up, I believe it's in the morning now. I know I have something that afternoon so I really tried to make it whereas many people as possible would be on the phone. Again, we can take notes or record so people can go back and listen to that meeting.

The point of it is, leasing of equipment what that might look like, this is a long-term, the directors called it a week ago was, this is 25-26 budget. It is something we are doing in 15 months from now in terms of creating that capital request. So, what that looks like again trying to model after the Michigan program national vending is also used in Kentucky, as well. The whole point behind the leasing of equipment is that it is cheaper and let me backup one step here. National vending is a winning group out of Des Moines, Iowa.

They provide machines all over the country not just -- but they have a national contract with USPS and so. You've probably seen their machines everywhere, maybe not. They are one of the largest vending companies in the country. And so, we're having a

meeting with one of their national, regional sales folks. Bob, even though his company is in Iowa, he visited Illinois, but he spent time in Oklahoma so we definitely [unintelligible] stuff I don't know about Oklahoma. But he's been great in terms of making himself available and again with the national vending can bring it us is the telemeters [unintelligible] the program is called Green Light. What Green Light does is a very powerful tool. I can show anybody who wants to check it out on my phone. It is real-time functionality in terms of you can get in your cell and it goes with the machine. Four minutes later you can see, boom, I made two bucks. It's that real-time. You push the orange button on the machine and that is how you get your texting readouts and stuff like that. Super excited, it's an extremely powerful tool. For anybody vending who wants to, unfortunate thing is I know people involved in the prisons, we run into issues with, not accessibility too much, you can't get, you probably can't get the Wi-Fi signal in there. 90% of the machines that we pay and have their machines in there. I have a message about them is that they worked it the way the machine program does is a five-year 20 million-dollar deal. That sounds like a lot of money but what it really is, is a million dollars set-aside to be matched four times and there's your four million dollars over the 5-year span to make the \$20,000,000 and the other thing that they promote within the USI vending

initiative is that they will do a five-year plan for 20% of your machines are always being, like a 5-year. It is like a 5-year plan where your machine is always getting rotated out every 5 years, so you never have a machine that's older than 5 years old. They supply everything from coffee to ice cream to snacks and drinks. And so, again, I want to have the inside knowledge of doing this at the ground level, so I've seen, taken screen shots of how USI has underperformed in some spots. They want to go so far as to not just supply the equipment, they want to provide the maintenance equipment as well and you know, they run into the same issue that anybody does right now. It's hard to hire somebody when you have the guy who can work at subway for the same and get a job quicker kind of thing.

>> Can I interrupt you for a second?

>> Yeah.

>> Big round of applause. I didn't think I'd ever hear anything like that in two months or one or two days. It's just phenomenal. This is a game changer right here. I've listened to him, and we have a handful of machines, but I've heard from y'all from years and oh, my gosh, Larry. The machines that are pushing 30 years or whatever. So, thank you, Jim. And what a game changer. I just want to thank you.

>> I thought I had three minutes like ya'll did.

[laughter]

>> Cynthia, are you on the line and can you give the director's report, I want to make sure we have, the first quarter financial?

>> CYNTHIA: I'm right here, Jim, and I'd like to give the director's quarterly meeting for the first quarter of 2023. Can everybody hear me?

>> Yes.

>> Yeah.

>> CYNTHIA: And we will begin with the current facility status, we have 116 facilities in place at this moment. The new facilities opened on the first quart were zero pending new facilities to still be opened is one of them that is facility 213, 1601 South Congress. And facilities that received new equipment this quarter were 15. Facilities with operational areas to be up upgrade, we'll convert them into Micro Marts and that will be facility 877 the A. Maceo Smith and facility 906 Stars and Stripes. We also have for the first quarter unassigned license managers two. That will be Ronnie Watson and Mr. Jay Wolf. We have currently two trainees that just graduated Mr. Jorge Cabello and Mr. Axel Cox. The business consultants this quarter had 151 visitations completed. The value that we ordered or delivered in support of businesses that will be all the new facilities, I mean the new equipment that was received this quarter was \$80,539.31. On our report of the

number of disability employees for the first quarter is 1,525. Number of blind employees this quarter were 11. The number of employees with other disabilities and B E T businesses this first quarter was 131 and this is the conclusion of the B E T Director's Report.

>> Thank you very much.

All right, my next point is TAC 21.02 and this is a proposal form only, but I want to sort of. The numbers never lie. Numbers tell a story. So, I visited El Paso this week. I went to Fort Bliss over there and we spoke for 90 minutes. It was Julia and Carlos, the business consultants, Travis, Tommy the E C M, Cynthia and me. We had a 90-minute meeting where the whole idea was, the intent had 13 operators. Tommy recused himself, he didn't feel that it was appropriate he benefited from any facility, so we had 12 managers to work with and 17, quote unquote facilities or contracts to offer folks. I don't want to go into specifics who is making what or who is getting offered what. The point of it is, is that we're offering subcontracting opportunities because we can't swap out equipment right now. We have to honor the subcontracting agreements until they expire. What we are offering folks is take it or leave it. Here's an opportunity on federal property that we previously ran by is now being offered to the manager. You would have to wait until that contract expires to

pursue your own subcontracting agreement, pursue the work entirely by yourself or keep the same contractor in place. Each of those situations is going to come with its own set of dynamics. I learned about sort of maybe what a lot of people told me in the first two months, let me give you a history lesson on this facility, this manager or this subcontractor and sometimes I try to say take the rear view mirror off but sometimes you can't get away from it. If you don't know the history, you do the repeated sort of thing. We had the meetings with the GSAs they told us the good, the bad, and the ugly but at the same time I sort of temper the ugly part and say, wait, wait, wait, what's really going on at this facility or what's the real building occupancy kind of thing? So again, 21.02 is the mish mash of the long-term goal which is the leasing of equipment potentially being an option for us. Here is my short-term plan.

Talked a little bit about this with Cheryl and sort of unorthodox as she refers to it, but again, I'm having meeting in the coming weeks and what this involves is some point managers, at least for the remainder of this year what we are encouraging is that you all had individual plans and employment to become a part of B E T and what we're saying now is that they have gone so far to set up appointments with VR counselors and we're encouraging, and I have four or five bullet points here and we're talking about re-

opening a case here at VR and maintaining and advancement of employee buildings. So, we may be talking about a VR person purchasing, as you know, a couple of vending machines or a couple of credit card readers. That would be the case of equipment I got inventory on this list; I have repairs on this list. I have accommodations and I have training. What training might look like and what I mean by training. I'll just say, a specific example is, we got a guy that has a POS system, and he can't access it. Whatever, the POS is accessible first of all, and you can never expect these vendors, these companies to know how something can be complaint or how a blind person views their piece of equipment. Like the expectation of us having that from that company is not realistic because they're never going to know. We all know so the training would involve, this is where VR is super beneficial in that they have folks that can come out and help. That if your POS system is not accessible to you and Karla and I were talking about it the other day, I use Square personally. It is one of the more acceptable/accessible from what I understand. But I didn't know that before I came here. I just heard you talk about it. So that is sort of the initiative there we can obviously and I know it's one of those things too, where each vocational rehabilitation case is going to look different, some people are going to have a more difficult time than others in terms

of opening up that case, or have a difficult time maybe than a VR person that wasn't paid or whatever we're proposing but I think that's where I you think what helps, maybe having some of the DTs [unintelligible] going to bat for us. I didn't agree with it at first. I didn't like it and one of the BCs said think about it. If the VR person got an email from a T W C dot TX person, they are going to be more responsive to it than maybe the customers as we call them at T W C. It changed my view, actually. I didn't think of it that way. It opened my mind up and I said okay. I want to try this. While we're starting to open up this 21.02 talking about one district at a time and it's not going maybe as clean as it went in El Paso. I realize as we go to bigger places like my goal is on January 31, we're coming for you Larry.

[Laughing]

We want to sit down. We want to have that conversation and we want to bridge that gap of, okay, we have the list of federal sites and we literally got to take them one at a time and talk about who is hurting where and try to make that guy or gal whole again and you know, I don't know if that's a possibility post COVID in terms of I think what it is, is the numbers make more sense for people. We're having to combine more facilities than we thought. We have 116 facilities now and all of these other subcontracting

agreements out there. So, that being said, are there any questions related to?

>> I do. So yeah, you know when we were working on that I think it was the group, no manager's going to turn down free money. Okay you can collect from the subcontracts, and you can even negotiate them, well, there are two thoughts on that; one, we need some sort of oversight because all these numbers, how do we know they're right? For example, the one that I was able to wrestle away, that place with junk equipment. I'm doing more than twice they were or if I had to go there, I could probably make that triple so if that's the case with a lot of them. The best thing I would think, each manager, you know like work out a way to go out there and stack these machines, go to the locations. Especially the bigger ones and do a walk through and see if you can you know at least check some of the reports and see that they match. Otherwise, we'll never know what these machines do. and secondly, I'd like to add that you know, now with the managers get to negotiate those subcontracts. Well, how many managers know how do that? So, I want to create a committee on the E C M that can help managers negotiate some contracts. And I think some that have experience with these contracts because if you don't have any experience they're going to sign. You know we need a support system for these managers, and we also need

to get some accurate, we need to make the facilities pliable as well, you know and using this as a catalyst in a system that is successful, we can use that program moving forward and I'll close with that. Thank you, gentlemen.

>> Every time I [unintelligible] it makes me feel like I'm back in Michigan.

[Laughing]

>> It's a totally true thing. You brought that up on Monday it was a good point. These next 6 months going district by district I thought that was the best way to do it. Take this district first. You know, so we just again, proposal form only. This is what we are proposing so now we bring it to all E C M. Again, I like the way we did it. It was very, sometimes literally when Tommy and Travis say this is the first time it has been brought to the table this early. Cool. Everybody wanted to be included in the discussion as early on as possible. Not to be like, hey this was a mistake this is what we're doing, what do you think? Literally, having a conversation from step one we're hashing this stuff out together and again, that's how you get [unintelligible] and I realize as we go forward there is going to be you know personalities, there is going to be the why did they get this, and I got this? My whole thing is preaching across the board is fairness. If we're talking about gross sales and gross sales only, not profit margin, not profitability

because that's up to the manager to get that. We're talking about gross sales and how that is sort of a we're in the waters in that arena is because we've had COVID stuff and building things and managers were sick and so, I mean, the COVID stuff we don't know but we've got a manager that's been sick and not able it reports numbers because of not going to work or whatever.

That's what's so tough when we make policies around a program that not a one-size-fits-all thing. That's where I really have challenges like what's your SOP when it comes to assigning 2102? You know, I mean that's the way I feel like we have to approach it. It's like they, let me just go off here a second because I'm looking at my next bullet point thing. You have to take it as their own separate things I think in terms of talking about proximity and not sales necessarily. Sometimes we might have, I'm thinking of an instance where you have two people separated by \$80,000 and we have the opportunity to say we're going to give this other person \$80,000 based on the gross sales of the unmanned federal [unintelligible]. And we're going to make it work because it's fair and the other guy's not going to like it. Because he's going to say, why did they get this, and I didn't get this? But I'm like, do you want it fair? That's perfectly fair. It's in the same city. I get it. We have all these sort of people issues, and somebody said are we doing it for the facilities or the

managers at the facilities? Well, it's a two prong thing. If you think about it sometimes you won't have a manager that will say if you can buy these two facilities, I'll work it. We have to make that decision at that point and time because it worked out for the betterment of the facility at the time. It's not a catchall that we don't always have one-size-fits-all approach. I realize that means inconsistency and that's what I'm trying to get a handle on. Again, we did it many El Paso. I feel like we did it in El Paso anyways and present kind of the, and we'll do this outside of this meeting. We'll send out what we're proposing, what the dollars figures are to the entire E C M, and I got to get my all E C M email ready. But that is where it's going right now. El Paso like I said, we'll present the data and then Dallas, like I said, in that spot and that's going to be January 31 that we address that.

>> Jim, I got a couple of questions, hand's up. I think in first one is out here in the audience.

>> I have a question. And this is not to be mean but if that's 2022 going to go to the managers who choose not to open their facilities when they're people or population in their building. They are choosing not to make that money where you have other managers who have prisons are out there working their butt off to make money when we have managers who just refuse to go in and work their facility.

>> Amen.

>> Is that going to be distributed to them? Because, in my opinion, if they choose not to open their facilities and make money then that's their choice so why are we going to go add more facilities to their facility?

>> I agree. In District 5, I don't think we have those circumstances but that is a bridge we'll have to cross, and I agree with you that we should not reward mediocrity. Or people who chose to do less. We should chose working people who are out there working the hardest to do the best but that's a bridge we're going to have to cross when we come to it.

>> I had some other questions for you. Thank you. I think our next E C M. Okay. I think Jerry had his hand up as well.

>> JERRY HOUSE: Thank you, so I guess my question is, do you have a meeting in El Paso on Monday? Are there right now this minute currently managers in that district making more money than they were Monday? Or is it still? I'm confused.

>> No, we're still putting together the letter. But that's why I said, so again, I took literally everything we talked about this weekend and said I'm going to bring this to the table this weekend. With that, we are proposing and only in proposal form, we're going to bring this up to all 12 of the E C M in a proposal format in terms of here is the facility, here is the manager that's

going to have the opportunity to receive these benefits or receive that facility, the site or whatever the differentiation is there. To answer your question in short, no, no one has been awarded anything, yet. We've just called a forum because working with only two people in terms of E C M and I knew the other 10 would want to have some say. I felt like geographically it was going to make the most sense, I don't want to award something to someone who's two districts away. I'm aware we have a policy where we are offering stuff statewide. I want to go district by district and then again, the presentation will be, here is where we came up with the in El Paso, what does everybody think? And that's going to come out to say this week.

>> So, my follow-up question would be when will managers start to actually benefit from the 2102?

>> Sure. 2102 it's going to be, again, I keep saying before the end of this fiscal year because I want to get into VR opening up cases and things like that. We'll have the funds to spend short-term if we do it that way. Again, it's on a case-by-case basis. And again, my timeline is, El Paso, going to do Galveston in a couple of weeks. That means we're done with every two weeks. So, we did El Paso this week I'll put the proposal out in terms of this is what we propose for El Paso this week, this coming week. And then we'll do Dallas the week after, two weeks later but, in terms

of, we'll put it out in terms of what we're proposing the week after we tack it out in the local meeting that we do. And as far as when those people are going to land in those spots that goes back to the state government side. I got to learn, okay, I know it's not as easy as just saying, now so-and-so is assuming this contract.

What is that going to look like? Again, a manager can't just come in and say, okay, I'm here now. This contract expired in August so I'm going to take it over in February. They can buy their own machines.

We can't alienate our subcontractors. I haven't looked so far as to see what the shortest period of time is in terms of when somebody can start doing their own negotiating versus how long they have to wait like we didn't go that much into the weeds. I didn't want to; you know what mean? It was more I hear a lot about the people in El Paso. I hear a lot about the facility history, and I just want to say let's get something down on paper in terms of the 12 managers that wanted to participant or eligible to participate and I wanted the 17 sites divided out. I think the next stage in terms of the actual assignment of that stuff. I think the 21-02 in the facilities was one step and I think the next step will be okay. Now what's the phase going to look like in terms of how we're actually working this stuff?

>> Can I add to that? The last thing we ever want to have is a gap in service. So, if the subcontractors find out we are going to do this, they could get ticked off and start shutting machines down. That could be a disaster. I do have a question for you, John [unintelligible].

>> JOHN: Sure, go ahead.

>> If we're going to be offering, say they made that list, we'll be narrowing it down getting it right. Are they going to collect that money until we start doing negotiations.

>> I guess the part I sort of forgot to mention Mr. Sanchez first. That's the most important thing for me to get to y'all in putting that money in your pockets as soon as possible. For example, we have the intention where USPS, and I don't remember where is we're still paying them 2.5 or 3.5 percent commission and it is all, you know it's because we don't have a manager there and my question was why? I'm really good at asking why. So again, Travis ask your question one more time?

>> We don't have to wait until we get everything perfect.

>> But what you asked is how soon we get paid? I get it and it's the most important thing to me. I know what we're talking about I know it's all logistics and making things happen the right way. I don't know what you said is going to happen. I don't think we make any contractors upset with doing it the right way, but the

most important thing is do we put the money in the manager's pocket as soon as possible? We might not be able to get equipment, we might not be able to do any of that but what we can guarantee almost immediately is as soon as we can get 21-02 sorted out that's when we get the managers at least to say here is an opportunity, what do you say?

>> Travis the questions about these subcontractors pulling machines out. This is something we address with Nancy and all of this vending. They've been aware of this for almost a year and a half. She's assured us they are not just going to yank a bunch of machines. We're a small part of the overall scheme of their entire business. And that they're ready for it they are not just going to be yanking machines. According to Nancy, I believe her on that.

>> We had another hand from Ms. Karla Martinez and another one on the line, as well.

>> Do you want to go first?

>> I have a question.

>> Okay. Thank you. Looking at all the vending sites, I was wondering what are your thoughts or what [unintelligible]

>> You talking about federal unmanaged sites?

>> Yeah.

>> Okay. Honestly, I haven't looked at the whole list I only looked at El Paso because that's what we're dealing with. I didn't have it physically in front of me. I was sort of facilitating the meeting. Out of the 17 I don't remember -- [coughing] -- make any sales. That's tricky when we get into this, you might see something a low earner.

I remember in Ohio, for example, we have worked the secondary highways and the recording the reports for Ohio, and I get the numbers for what does on the secondary highway and I'm thinking they work like 33 of the secondary highway rest areas. No, it totally not worth our time. So, I said okay. In that case, let's just, keep running it because I mean I don't know if they were losing money, but it wasn't worth our manager's time.

We have every right to, and that's where I get it. We put stuff on is temporary or an advertisement. I totally understand people bid based on the dollar value associated with that facility. So, the fact that we're dicing this up as a side to what people are looking at it is that this is just supposed to be like additional supplemental income. Not a full facility in almost all of the cases. There really isn't. I can't think of anyone, especially in El Paso that was like oh, this is a slam dunk. We had to do several facilities to make anyone make sense. Thank you.

>> KARLA MARTINEZ: Okay. So, my question has to do with what you said earlier, the consistency just to prevent anybody from saying, like you said, why does this person get this or that? I would like to know if you have something in mind just to try to, we know that not a 100% but do you have anything in mind to try to get as much even I know that everybody that if you can go from the line as well are probably worried and lots of people look at similar amount of money for everybody so what do you say about that?

>> So, fairness to me means take where you are now and then take your neighbor and you might not know what you are making you think you do but we know based on what the reports are. So, if what the reading reports say. With that so we take those figures and say okay again like in El Paso. We showed the two people that we were picking and there was an \$80,000 difference and literally the facility that, I'm sorry. I'm using the wrong language. The unsigned federal, no to me unsigned, the federal contracts there was a contractor that did 8,000 and so literally we were going to have two operators making the same amount of money. Tell me where the fairness isn't when that's what we want to do? We literally made two people instead of tens of thousands. That's the mindset that is what we were able to do in El Paso. It is what we're going to attempt to do in Dallas. Your question early, this

is, as far as how it rolls out after that, phase 1 and phase 2 is like, okay now we proposed everything this is what everybody is going to get. Now the actual awarding of it and suppose we could do that in the background. I could be saying, okay, we're going to go through all these districts, but what is this all going to look like when we're done? Hopefully, that will be done, I like quick, and this job does not lend itself to quick things happening. So, I want to try to say it's going to be February soon. I don't want to make any promises that I can't deliver on, so, I mean, I don't know what that's going to look like. I don't have a window of time when the manager is going to assume their first subcontracting deal on federal property.

>> KARLA MARTINEZ: Now, I do want to, in this case, talk about what Alonso was mentioning earlier. I believe that in the beginning that what was mentioned that it was going to be related or given by maybe, because you know if anything changes and the manager leaves, that would be attached to that facility it was good but also I want to say that in case it is like Tom that has a winter cafeteria that is closed, [unintelligible] the health department the problem is that there are people in the building but they are not many and after COVID we have to live in a totally different world and if we are doing business in a totally different world, we need a different concept. Labor work is high up, if you

can find somebody to work for you. So, if you are opening your cafeteria and I have numbers to prove it, if you can open your cafeteria and sale \$175 per day when you are paying your employees \$15 an hour, what money do you have? Now, can you blame those managers for not opening? I cannot. I know that we all wish that the buildings would be full, and we can have -- again, but unfortunately right now it is not the case I know that when the opportunity comes back, we can again have the buildings with more people that would be awesome and go back to being open and think about the market. Everything when you buy a dozen eggs for \$5 good, Lord and they don't want you to [unintelligible] I mean, keep that into consideration when talking about [unintelligible] I yield my time.

>> I think one of the warning signs is to help the people that need the money the most. You know, that for me personally that we need to help the managers that are hurting the most. COVID was a game changer and cafeterias are a thing of the past almost. But are these facilities like Micro Markets or anything like that or even maybe if we don't have a financial building or infrastructure for that to put a Micro Mart or a Grab n Go.

>> So, I guess what I can say to that is a big learning curve it took me a while and I'm sort of accepting of it is Texas has a subcontracting problem. We have 748 contracts. Contracts and

so we only have 116 of those contracts but of course as we've seen contract by contract this guy making 200 bucks a month and is a subcontractor, what's he doing? Well, he is doing that because he is taking a vending route. Sometimes you got to take the three not so good routes to get the two good ones and then unfortunately it has to get diced up sometimes. We can't look at it as like well this one contract is not good, so we don't want it. You have to look at it in chunks. So that's what we're trying to do, like I said, I keep bringing up the \$8,000 example because again, it was the one that fit the most perfectly in terms of like the two managers and one city and here was kind of the issue here is what we know the follow-up is going to be from that and I'm trying not to say I wrote down about rewarding bad behavior because I've heard that too. I'm not afraid to of a manager saying I'm going to file a grievance because you didn't give me 2102, well we did it based on gross sales. Now facility formats. Facility formats, I looked on GSA with a question mark next to it because I didn't know if I wanted to bring it up. GSA, we had a meeting, it's called partnership with GSA it is already friendly terms, right? [indiscernible] even my laptop turned on.

>> Jim, are you going to the next subject because you still had a couple of hands?

>> I'm sorry.

>> That's okay. I know we're all very passionate, but can we not jump in when other people have their hand up?

>> I'm sorry. I do that, too.

>> That's fine. We have Miss Ashley, and we still have a hand online as well.

>> Jim, I want to go back to one thing you stated early. That with the locations if we are not able to secure vending machines that we could potentially re-open our VR and try that vending machine through VR services I don't know if you are familiar with Texas VR services. It's a laughingstock. We call and get ahold of counselors. Tomorrow, we call back and it's another counselor. They have no clue of what's going on. Half the time they're not promoting our program, they don't know what our program is about, they don't understand it. If you're looking at numbers, successful closing cases for them is, oh, we got you a pair of glasses. Congratulations, you can close your case and get a job now. That's one of the issues, and when you stated that, that's amazing, it would be awesome to be able to get vending machines and stuff through VR. We need to establish a point of contact to hold their feet to the fire and making sure we can get through all of it. I went through probably 10 counselors in the last three years trying to get my case reopened. I had a good one, she quit. I had another one. Next time it was another person. I

want to go back to that because if we as B E T are struggling to get equipment because we're not able to find sourcing equipment are we sure we can get it through VR services by saying, hey, we need upward jobs trying to build our businesses or get back to a certain point. Is this something that you have talked to them about or is it something that you are casting out as an idea?

>> Yeah, so a couple of us there, for one, I have a meeting with Tammy and Juanita. This is Cheryl's second in command if you will. These are higher up people within T W C/VR and Cheryl, we had that conversation last night. Cheryl is always very good in tempering my enthusiasm and she is kind of meets me halfway. She says, let me tell you how we should do this. This is a strategic way. So yes. I thought that through in terms of, for example. I talked with a friend of mine who has worked in VR for 7 to 10 years. I don't know exactly how long. What you get sometimes is a VR person if they don't to pay for what you're proposing VR is only supposed to be the payer of last resort is the language. So, I brought that up in the meeting with the BCs because three or four of them have the VR background right. What do we say when one of our line managers is met with, well, we don't want to pay for that because VR is only the payer of last resort VR language whatever? Katelyn jumps in and says I know exactly what you say. We say that we've done comparable

benefits and I'll write it down and so whatever that means. What it means is you did your research you went and said I done and like one of the guys to Dallas is you got some SBDC, small business development center background and so, picture him as like for all types of businesses and so my strategy behind bringing somebody like him on is like he knows where to find funding within the state because SBDC and SBA, Small Business Administration, are with the state they compete for sources and funding. Again, I have a lot to learn. I can make all the appointments I want with Tammy and Juanita, I'm sure she's going to say there's a way to do this like you said but again I think is starts with Carlos is very excited. Carlos and Julia come from the VR background getting justifications in terms of what that would look like and if I want a vending machine how am I asking for it? Expenses related to employment, so it is a S L Am dunk in terms of we already have the appointment. This is how we want to advance. It may change the appointment, so this was the way that I thought we do you know pursue that. I yield my time.

>> We're going to go to Ms. Chacha Lima who is on the line.

>> CHACHA LIMA: Yes, I think it is very exciting what our director is doing especially trying to reach VR councilors because I was a VR person for a few years, and it is all how you justify the expenses. You can purchase almost anything it is just how you

write it up and I went to, I requested services in the last 3 years, and I have such a hard time like Ashley said, changing councilors and they act like it is their own money they are spending. So, I actually had to tell the counselor justify all I was asking was technology, desk, laptop, desktop and it is so nice that you are trying to reach out and help them because I think they can definitely buy a vending machine in inventory and again it is how you justify it. How you write it up. Thank you, Jim. You are doing a great job it is so exciting to see what you have done in the last two months, so I can't wait to see what the future of this program is under your leadership, thank you.

>> JIM DEBUS: And the thing that I think I'm afraid of or whatever you want to say is all of this stuff we're proposing, leasing equipment or whether it is with somehow not getting ordered but it goes back to again, top -- in terms of Tec 21-02 and VR and long-term leasing equipment all of that has to do with putting money back in ya'lls pocket and that's all I'm about. That's what I'm going to keep being about because I know what it's like to be in this program and frustrated with the speed or lack of speed and so, again, I feel like I have a strategy, a plan and explain it but then there's the execution part there is the best laid plans and oh, shoot, this came up. We didn't foresee that happening. However, it is going to unfold. I don't know I think it is

going to be an amazing journey but again, people want destinations, benchmarks, in February they want this this, in March I want this. So that's why again for Monday about the monitoring part, how do we know that the subcontractors are bringing in what they say they're bringing in? They can provide us the information and we can check it. How much more valuable is it when it goes in your pocket? You're going to be checking it. Again, I don't want there to be a disconnect and most importantly the lack of service. Do we have any more questions?

>> Yes, we got Mr. Dave [unintelligible].

>> I'm going to back up a little bit and say something about 21-02. When talking about leasing equipment you said we were going to be using a million dollars from set-aside to help pay for this lease. Well, in the good days back prior to 2020 we were providing \$600,000 in set-aside fees. And now we're not providing anywhere near that so the whole point of this question is, set-asides can go up, right?

>> No. Because what Tec 21-02 I'm sorry, it will, let me rephrase. If I understand where you're going, you're asking if I'm raising the set-aside for funds from where it is now?

>> Yes, I am.

>> I'm saying no. Because again like now first of all when I heard the tax is 5%, I was like, whoa. That's a low number so in

Michigan 10, in Ohio it's 10. In Oklahoma they pay 0 to 6%.

Based on income in Oklahoma.

Up to 12% in Oklahoma. But that's my side of other places that are paying double in set-aside. Just a thought but again, I'm not going to do anything with your percent rates and set-aside until we exercise all I met Mr. McClurge today he is doing the photography at GSA so all the folks doing the photography for the passport and stuff, they're going through his setup. I love this idea, right? Can we do this at all of our setups? It is literally a business development approach like tech 21-02 let's take what we already have, the 721 contracts, and what is the best way, quickest way to get money back in their pockets? That increases the set-aside in terms of the dollar value not by percentage that you pay back.

>> Jim if you could, if you can kind of elaborate a little bit on one of the big advantages of spending money on a lease payment and say if it's a million dollars, what do we get in return, for example, a federal return? I think a lot of people probably aren't aware.

>> JIM DEBUS: Okay. The director's call, oh, boy. Okay so when we, okay so when we, the S L A, puts up say 21%, I think it is actually 21 point something. Say roughly a good pay set. If we pay \$100 set-aside, we're roughly getting back four hundred,

that's a ballpark figure. Same thing goes for matched by not getting back. It is matched by a total 1 funding. Total 1 funding can be set in one of five ways. We don't do fair minimum return in Texas, so that's four ways, four ways are management, services, which is staff and then we have maintenance and repair equipment, purchasing new equipment, those are the two big ones that have to do with what we're talking about and the other is any insurance or any retirement contributions. Those are the four ways that the title 1-funding can be used. There's this whole thing about you can use set-aside and then this mask and you can't I want to go back to the drawing board in terms of how I want to explain it. I want to look at the email before I explain it. They have misused set-aside and then again got penalized for it later. So, I don't want to say something here without being accurate. So let me, let that be all I say on that for now. But long and short-term is that we met Tom in terms of how the set-aside work.

>> Absolutely, so it boils down to we spend money we can receive federal funds and it's nearly a four to one ratio which is incredible as Jim mentioned earlier about leasing the machines. And a great possibility of leasing restaurant food service equipment also. So, Karla talk about that in a little while we can change some of the concepts of these, quote, "snack bars" or

cafeterias like the Grab & Go I'm doing. Less than a quarter of the labor that we needed before I have a higher food cost but the extreme lower labor totally offsets that and people in the building are extremely responsive to that. So, what Jim's talking about I think this is really the board has looked into some of the funding under contract management services there are other areas of expertise where we've never been able to get expertise. For example, new facilities we've been looking at. How do we get a professional facility or design that's a Micro Market or a Grab & Go? It is flying by the seat of our pants. Most of the people that have done this have a little to almost no restaurant experience or experience in Micro Markets and Grab & Go's. I'm not going to say it was a disaster it's acceptable but a big challenge. So now if we can incorporate that in the leasing, I think this year we can make vast changes on taking these cafeterias or whatever you want to call them, food service location but really change them into something that Zach brought up this year. Not only changing that Grab & Go, let's call it a Grab & Go securing the back half of that and the front half is going to be a Micro Mart that's open 24/7. You'll have to restructure equipment and security cameras in there, such as pan optic that we use, and it cost a little more to do that but this way you have your facility that's open 24/7 to

anybody in that building. It is not going to be one size fits all, but I think that model could be doable in a lot of places.

>> Alvertis has a question.

>> ALVERTIS MCCLURGE: Hello everyone. Well said, Tom. I would like to just add on about the facility. It's a great idea dealing with passport thing and doing some training because that would be a concept that we could have a program do anything to help and train anyone on that. The other thing I'd like to bring up is, with all of our facilities we need to put something together or some type of committee to brainstorm with we have here at Texas we need to dive down deep into facilities to figure out how to modernize our facilities because I'll give you an example. I had two BCs come up to Dallas to the convenient store with that we met, talked and they are surprised of how even I had operation running after a remodel that we had done to a convenient store on this GSA facility. Great job there but we need to really get together and get some things correct with this program. Because it makes us look bad on the GSA facility when we have not the proper structure. What I mean by that is okay, we got a facility remodeled, GSA did that. So, I lost a countertop, like a whole countertop, just an example. Once after that remodel, I had nothing to put a POS system on. I had no type of workstation, and this went on for a couple of years. I literally had a table and

still do, as of today there is no workstation. I had to get creative and find ways to just have something but me as a manager who's been there almost 15 years, well probably a little longer than I think but it feels that way. I would not like for future managers to have to come there and use that and have the same problem. So pretty much what I'm saying is, I took the BCs to the court. You know, we have a large food court up the road and I said, you know I want you guys to walk with me and walk down the street to a big, gigantic food court up the road next to the federal building. This is a competitor. You walk in there, everything is set; you got probably about 20 to 30 different food establishments there coffee, hamburgers to tacos you name it, it's there. They had it all. So, the point that I'm making is we have our convenience store there and we are losing a lot of customers because we're not up to par. And everyone leaves that building and goes out to the shiny modern place you know, to shop.

>> Yeah.

>> ALVERTIS MCCLURGE: So, the other thing I want to make like as far as passports, you know, that business should not stop just because I leave. You know, so that's a problem. I feel that equipment somehow need to figure out a way to own and have that equipment there because a manager should not have to purchase about \$1,200 or more, a manager should not have to

purchase that from me. It should just be at the facility. I want to bring that point up. And another point is the POS system. That's a problem, too. We have this problem here at the convenience store you know, how many facilities do we have this problem at? We want to be modern and work and have businesses then we got to operate like businesspeople, and we should all have POS systems up to date. POS systems in these types of facilities.

>> You say that today.

>> You know with me, you know my end of it I have to step up and purchase my own, so I bought a Square system to operate the facilities, out of pocket. That's just the type of guy I am. If I need it and I can't get it fast enough then I'm going to come out of pocket you know, if I can, to make that happen. One more thing I'm going to stay before I talk too much, you know, I'm happy to be here. Congratulations to everybody, I just wanted to share something with you all. What I'm working on now. I'm an entrepreneur I'm about business, being successful and making money, about helping others make money, too. So just to let you all know I've been looking into other avenues in the private sector so as of a month ago I flew into Buffalo, New York and I'm a franchise owner out for Anchor Bar, and Anchor Bar is a Buffalo Wild Wings place.

[Applause]

>> Appreciate it, this is a concept that the revenues, I studied the revenues, the average revenue with this concept is 3 to 5 million a year. So, I paid my franchise fee out of pocket which was \$50,000 and we're in the process to buy a location in the DFW area. Right now it is moving pretty fast and just letting you know if you want to visit the Taco Bell I want to get with the director I do this pretty successful and talk about ideas but if you would like to check the concept out it is in Round Rock and it is Anchor Bar a place that created the chicken wings they created the chicken wings in 1960 in Buffalo, New York. I yield my time.

>> I'm so proud of you, Al.

>> Thank you.

>> Very proud.

[Applause]

>> Is it okay if we take a break.

>> Yeah.

>> One quick thing though. One of things that bears repeating to the GSA and the Apple complex that when I hear the word "state of the art" up in equipment, the thing that we all know is equipment doesn't consider in some building. So that's the real, Samantha Sweeney is our accessibility liaison in T W C, so I've got her not only doing stuff like working on form and things like that, we have the national calls where you know they talk

about kiosk inaccessibility and in how, the fact that you're still plugging in headphones that have wires attached to them. I care about it because it affects me, and I also know how it affects you all you know when I can't sign a form because I can't read its content. I mean they're still issues so I mean I hear you and we can get into that. I wrote a GSA question mark I don't know if we wanted to go there today but let's take a break.

>> Check out of a hotel since we can bring our baggage here.

>> Let's take a longer break than usually. Stop the recording and start it again when we come back. Let's come back at 11:20. That will give us enough time to pack up and come back here.

[break taken at 10:52a]

The next hand is Miss Sophia Sparks.

>> SOPHIA SPARKS: Hello. I am truly sorry to hear about all the struggles that everyone is going through. I hope you get them resolved soon. My question is for the director that goes along with what Miss Tammy ended on, is how can the S L A help? I know business consultants are to complete MAPR's [unintelligible] reports every month and how can those MAPR [unintelligible] reports truly assist the managers in growing their business? For the business consultants do they really look at the MAPR [unintelligible] reports more in a traditional sense as a traditional business consultant? Is that something the S L A has

thought about? Have you thought about this or is this just a suggestion to put out there? I yield back.

>> Yeah, so this is JR. I was talking last night with some folks, and it is, they require to you have a net 30% in order to submit your monthly operator report accurately and if you don't do that within so many months, they put you on an action plan. Talk about a profit and loss statement you get real good real quick. Gross sales, multiple that times point three and that should be what I'm making or else, so it's very rigid, if you will. Of course, I don't want to take things that far. We're talking about different facilities and I'm trying to get a grasp how the program works in term of the operator reports in terms of their cycles and things like that. So, there is a lot of different variables to consider like the BCs are looking at the reports every month. Are you saying that are the BCs written down, copy goods, is that what you mean? Is that where you're going?

>> No. Yeah, okay. It is more so about the BCs because the BCs come and they visit your facilities and they look at your reports there, it's a combination of things that the BCs do. And so, when they do all of these things, and you speak with your BCs for them to look at everything in totality to help you grow your business. For instance, when you go to a traditional business consultant, they look at everything not just the forms that you

might fill out. Not just your labor cost. Not just the food cost. They look at everything, your market and everything to really give you suggestions on how you can grow your business. So, I'm gearing my question more towards that. How can the BCs take all the information they have, because some of the information considering like population dynamics that's going on in our building some information that we don't get or get late and how can we utilize that information to help us gain plan and be more profitable?

>> Yeah, so, I think like let's take a hole scale approach to this answer, it comes down to like Mr. McClurge and his cartography. He's literally taken the spot he's at and grown a great opportunity outside of the footprint. I've gone out there and said I know (Sheverit?) should be about -- because that program is super lending. We got rules. We have rules coming out our ears. And so how do we grow our businesses? It starts with communication with the building. That's something we stressed the other day. Give me some accurate numbers, we need accurate building figures and guess what? Even with that they don't know. Like they don't know their buildings numbers. They don't have a way to track it. They might have common access cards in their building, but they are not tracking. They don't have a turnstile system. We know if anything, the best, in terms of how many

people are visiting each building. So, you know and that's the other things to, I want to educate the BCs on the procurement process. I'll use Zach as an example. Sorry Zach if you can hear me but you know, I was talking to Zach in maybe December, and I said, Zach, where is your facility? He said it was Gatesville prison for women. Okay. We're going to go onto the Gatesville prison for women site and we're going to see. Every county, city, prison, education, you name it, there is a bunch of RFP and things like that you can sign up for and get email alerts about. That is another way you can grow your business. That requires and I'll be fully, you know Zach the way you laid it out to me you want Randolph-Sheppard to basically get that education and asking us to grow outside the program. In a way yes, because again our program's limiting.

We can provide so much equipment. We can provide so much inventory. We can take you only so far to where then, it's like okay, we can't fly you to Buffalo to do a franchise. But again, I want to give people, I want to have the RSA folks come where they said you want a food cart. Here is how you get it. They literally pay for the training. It is like 1 or 2 day training, and they give you a food cart. That's an RSA buying group opportunity. Hector Benavides that we had in our buying group, I'm sorry, E C M training back in December. That's another opportunity, but

again we have to be smart about it. When I told Rolanda Walker about it, she didn't say no. It's a step again the whole idea behind adding entertainment screens to our equipment. That provides, that requires a lot of, you know, paperwork on our end and for them to allow us to even do it blah, blah, blah but the whole thing is, this is you called a few hundred dollars in the manager's pocket to offset the sales we're not getting. That's another avenue I thought of I was like hey it's something I tried as a manager, but my directors didn't approve it so now that I approve of it you know, what are we doing? But again, we got to be smart about it. You have to go, again, if you're in a GSA building and they specifically want, this is where again you got to, everybody's got, prison's got the warden. GSAs got the building managers, the rest areas have the shared folks, everybody's got their own bosses. The Colorado program, to my knowledge, they pursue the janitorial with the rest area vending. So again, is that something that we could pursue? Again, I look at it as just like you're saying Mr. Sparks it is something we have to do, building from within the business development piece and that's my hole sales approach of, I think there are opportunities with the entertainment screens that we can build. It is almost like you have to ask your building. Larry I'm remembering something that you said about the Securist (?) Building, the company. They do

the Zoom calls the video visits for his prison. And I was like well, let's not be typical sitting on the sidelines pointing at Securist (?) and saying or somebody saying we can't use the Wi-Fi for our credit card readers how can Securist (?) have that access? I said well, the prison didn't say here's what you can't do. They said to Securist (?), this is what we need and how can you provide it? So again, I'm trying to have conversations. We had a conversation with Wash Connect. It is a laundry company. I realize that in some, [unintelligible, it's a good vending machine. Again, trying to step out of our normal footprint in what we can offer that is stuff we're not used to. It goes against the things we've ever done kind of thing. I'm entrepreneurial, my abilities to be that way but I'm also trying my best in terms of having the meetings. So yeah.

>> Yes, thank you. I yield back.

>> All right, that is all of our hands on the call. We have one more hand here from Mr. Travis.

>> So, we're talking so many different things here but there is one underlying thing here that we need to talk about. You know, it's money. Like I talked to you about this here I'm just requesting a copy of the budget for as many years on back as I can. It's this that, I wasn't there but that and someone else, Mr. Serna said you guys never asked. Why don't we get more money? Because you never asked for it. So, I propose that if we're working on the 25-

26 budget that we request \$25,000,000 or whatever the number be as high as we can get it. It doesn't hurt to ask and then that money can be funneled down to the infrastructure of this program. Like the Greenlight Program sounds like it is a perfect thing but why aren't we in the private sector? I can't take this machine and put it in the private contracts. I can't do that. That's limiting us from what we can do, and you know hopefully we need to change with the times. The managers that are struggling, didn't we say 116 businesses that are we don't have no managers for or something? Maybe the number is higher than that. Why should we have managers dipping in their own pockets and taking out loans when we have businesses that [unintelligible] used to Randolph-Sheppard every single one of them, so why are we separating federal and state? That's has no sense. In the Randolph-Sheppard it clearly states in terms that you know it give us access to casual vending and other. If you go in terms, other terms it is basically any contract they can get into. This program is the thing for everything so why are we deciphering the difference? That's a lot to throw out there, I know. But it seems like there is a solution, but we need to be able to go after it. I yield it back.

>> Ashley was next.

>> Excuse me, Ashley. And then Karla is next. We really need to wrap this up to continue our meeting because it's going on 12:30 pm.

>> It's a great meeting.

>> One of the things I was talking about for people that are in my situation, Karla's situation, Tom's situation, who are struggling with reopening the businesses something I have implemented is I started doing Door Dash. It may not be something to work for all of our locations because the access to getting out to the public or their ability to come in to pick up food, but it has been a way of supplementing the income when the population has not been available. What will help you generate the additional business is have some way for people to see you online. If they see you on Google, Yelp your reviews are good, the regular customers can review you online, hey take two seconds to review me, please. Might generate additional business outside. It has helped us to kind of offset things, but we don't have the infrastructure in place to really get a website. The whole purpose of business consultants are people we should be able to go to for advice. When Mr. White first came, I was extremely skeptical. I don't know this guy stand back and just watch. I will say that in the time that we've been working together in the last year you have been very helpful. You don't just do your job you don't just come

and check on us and report back to the S L A you call and say, hey, I got some ideas. You ought to look into this you can try this. I appreciate that and there should be more business consultant like that. Your job is to consult not solely to the S L A but also to the managers. If it's not for us we don't have programs, you don't have a job so something that all of the S L A needs to take into consideration all of the businesses and we need to come up with a way whether one person that we can go to help us build sites or setup structures to generate new revenue for the existing old jobs that are trying to keep their cafes open and coming up with new case ways to do that. If we're going to be there, we've already invested money in the equipment we can figure out ways to bring business back to our location. I yield my time.

>> Ms. Ashley.

>> Yes, I want to tell you that the idea of removing the price from the managers, you know, that's a great thing to do. I have heard that for many years and I do believe that the managers are capable of deciding how much to charge and they're going to have to look to the market, so they don't go out of business doing it. They are not selling enough, let me just drop it or you know, something. Really, I really feel that. I just wanted to say that and also regarding the situation in the buildings. I hear a lot about from people, is there a way the B team could have a competent

person, I know there are many in state and GSA and somebody who can actually tell us, not how many work for the agencies but how many people work in the building? We're always getting these weird numbers, 600 people, 700 people, but when you ask security, it's only 100 people or less. So, if you could in the future, of course, it is too late, but in the future if we could find somebody that could give us real numbers it would be helpful for everybody who has a cafeteria in a federal building. I yield back.

>> May I say quickly we had a GSA meeting this week, it's going to be a quarterly meeting in terms of everybody across the state. I propose at the end, what if we did it monthly for Austin, Houston, Dallas, Austin that was the areas that we were covering during that whole conversation, so I said, you know, let that be the focus then we're getting more communication. Then it's not coming up. I don't know if they're going to come up for a solution for that. Again, we can say COVID blah, blah, blah. They are not going to know what the numbers are and they're not going to know soon it is very, right now I mean, it is very up in the air in terms of like okay we got teleworking and these are our heavy days, literally they don't know. They never say that. They sit there and tell you we got this many in the building. Sometimes it is just a guess. We can't live on a guess. And that's the part where I challenge the managers. We need B E T numbers or a way to do

it. Our building format stuff is based on, I've challenged them as much as they've challenged us, not filling machines or not cleaning machines, or not refunds quickly enough. Lots of sorry's [unintelligible] but at the same time I've said profit first. Reasonable request based on profit for the blind man first. We can't give you a cafeteria.

We can barely give you a Micro Market. It's having that conversation and it is constant communication. That's all.

>> Thank you.

>> Jim, thank you very much. I know you said you may not be able to fill that one hour, but you've done a wonderful job of that.

[Laughing]

Great job but, great participation from E C M and people on the phone and in the room and all that. I'm going to have to abbreviate some of this since we're already pushing 12:35, I think. Chair report a lot of what I was going to say was part of our discussions now and I think now is not the time bring up some of this. It would just be a giant discussion once again but first of all, thank y'all I appreciate that leap. He got a good group. Larry, I hope you are okay here.

[coughing]

You want some water?

>> LARRY WATSON: No.

>> Okay. Part of that we've covered a lot last year. You know even, Larry had said to me this past year about these forms, and you know, your forms committee and well geez, the forms committee we have certain guidelines we have to do our SOA and I think this year is going to be B E T completing the forms. I believe it is going to be a lot more efficient. So, let me go ahead and say the training conference and I'll put it out right now, it's going to be in person. There's no way we are going to do it over the phone anymore. When and where? We don't know yet the T W C training that's a tough one and Jim and I talked a lot about it in the office and that's all we really know. With the training conference and including where these quarterly meetings are going to go, we can get some ideas but it's really up to the training department. And then now we know more of the rules and obviously where the quarterly meetings are going to be held if our facility is located in the city. We aren't going to get reimbursement, so we'll take those into consideration. There is more than one way to skin a cat. So obviously if Manny, Harvey, Karla and I if our facilities are in the city limits, we can find a place just outside of somewhere else. We'll look for that and I think the planning department is willing to look to that too, where we didn't have that opportunity before and then you know I'm going to go ahead and escalate to the next topic, the district reports.

District Reports

Each representative provided a report on events occurring in their district

District 1 – Manny Sifuentes and Harvey Stavinoha

Can you brief on that? We're supposed to be getting out of the room here soon. Be brief on that. Start off with District Number 1. Manny will cover a couple of topics, but Mark VanLaningham is concerned because thanks to Tom and Matt they got these new buildings he brought some of his people and he thanks you for taking care of his customers, by the way.

[Laughing]

>> But he's concerned because he's losing people out of his building to some other places and he's looking for ways to increase his income. The people that I've talked to this is their slow time of year, January and February but they're holding up well and Keith Turner is just barely hanging on. No increase in sales but he's hanging in there hoping to get more people in the building. My place is doing fantastic because if you send taxes in on paper it comes to my building. And they supposedly have 3,000 people in that building so we're busy, as busy as we've ever been. That's all I have for my part. Manny.

>> MANNY SIFUENTES: I spoke to Mac Cantu and he's very excited, he just opened his Micro Market at 1801 Congress he is doing well. I think he said he's doing a little bit over \$500 a day with 175 transactions average. I know that he's concerned when it was opening day because it was the same day as the training conference, so he was concerned about his time that was short because he was opening. He just wanted to say his time was spent opening the location. I'm sure they'll reach out to be in compliant. He wanted me to let you know his concerns. As for my location and TXDOT things are getting slightly B E T, about 98% of it has been installed. The equipment. We had Sodexo back out about two to three weeks before service was going to begin, unfortunately so it satisfies the people there we got food in there so they can start providing the hard numbers as to you know, the data as to you know, what are we looking to add for lunch services in the population? So, you know we're looking at that. Taking that opportunity to look at the data. Things continue to be very slow at the location that I take care of at EDF [unintelligible] but you know, it's I've been there since COVID started so it's kind of grown on me. I don't mind it at all. Let's see. I know I need to make this short, but I like the idea about the VR and using VR to get services. I was wondering if there could be a way for managers because right now there is no, they're stuck with their

income with, hurt and to transfers to another location it would come up with the inventory to start that business it could be 8 to \$10,000 that would be great if the VR funds could be used to help managers [indiscernible, coughing] in and around Texas again because they are hurt, they want something B E T but there is no money for inventory for them to move. So, can we get some kind of assistance? That would be awesome. With that I yield my time. Thank you.

District 2 – Larry Watson and Zachary Davis

>> All right, next district. [indiscernible]

>> I hope so. Anyway, as you all know we lost Mr. Sanchez in December. I guess that's the biggest topic of conversation that I have. I appreciate a moment of silence for him and appreciate all of ya'll for support with his family and prayers for his family. He was genuinely a good man. He didn't tell anybody about his illness. He didn't contact me until it was too late. He wanted me to assist him in getting his location subcontracted out while he was recovering from his cancer treatments, and I think it was 7th of December and he passed away on the 10th. So, he was a good friend and a good manager and just another good one gone. Moving off of that the next topic of conversation was Nancy Greeley got spent a week in District 2 prior to Christmas and go to

see firsthand the State of Union so to speak. The equipment, the lack of, you know, equipment issues that everyone in our district has had. The lack of being able to get junk equipment picked up. I think every manager in our district has old equipment that needs to be picked up, as well as several pieces of equipment that need to be replaced or equipment pieces of equipment, they can't get parts for any more to get them working at an acceptable level. Charles[unintelligible] I spoke with him, I know Jim is aware of the situation with the changeover of the convenient store with Al and the lack of having a POS system there and he's very apprehensive about taking that over and not being able to provide the same level of service to the customers there because of the POS system and oh, I spoke in great detail about other ways to possibly get the money or the revenue to purchase a POS system so that doesn't happen to him and Moses told him earlier talking about his situation with the () I think that was taken care of or handled for him. Mr. () I understand was supposed to, Nancy recommended that Farmers Branch location that the line with Mr. () location. As far as I know Alfred Freddy is doing good because () opened for the holidays and they had a lid pump down on the sewer system and about gave him a coronary. They got it back open, so he didn't totally lose out for the holidays. I guess that

concludes it. Mr. () I didn't get a chance to talk to him. But anyway, I know he's doing good that concludes District 2, my part.

>> He's on vacation.

>> Al.

>> All right. That was pretty good. Thank you, Larry for the bulk of District 2 report so I'm not going to go along with it. The only thing that I will add to the report of Fort Worth Naval Air Station, and I will let you all know that we all should be very proud because the same good report I had with GSA the federal building when I got to the Naval Air Station it was a [unintelligible] to be on it. It was met, but we have great performance reviews, excellent. They are very pleased with us and very happy and we have all the troops at the location. So, I'm proud of that things are going really good with you know the military base up there, so I yield my time.

District 3 – Cecilia Wilson and Ashley Edwards

>> ASHLEY EDWARDS: All right. District 3. All the cafes are doing well, Sean myself and Scott. Scott is really picking up in stride he is filling in the void in Greg's absence and is doing a heck of a job in getting along very well with GSA. Nothing but good reports on that end. I didn't hear from too many people on vending, it is very quiet in Houston, those people keep their heads

low to the ground pushing through but overall, Houston has been doing very well. I yield my time.

>> Miss Cecilia.

>> CECILIA WILSON: District 3, I had three [unintelligible] along the way and we are struggling right now with our card readers at two of my locations because the building has a steel frame and for two and a half years that I've been there I've worked at every angle I can to make those card readers work. I'm doing everything I can and finally I almost had a solution, I bought boosters and put them way up in the rafters of the building to make it work and we almost had the bugs worked out. I'm hoping that anybody has any suggestions, had this problem elsewhere to get ahold of me and tell me what you did and how you did it because I'd double my sales overnight if I had the reader working. And so that's what I'd like to say and another thing I'd like to say is I want to commend our BC, Mr. Louis White. The BCs are not required to come to these meetings especially out of town. And this is the second one that he has attended, and he hasn't been a BC for even a year yet. I want to commend him for that and also the advice that he gives us because Ashley said it correctly. He don't just sit in the office and look at our reports but he gives us advise and talks to us and encourages us. He came to one of my locations the other day and we had a visit and talked about

entrepreneurship and running the business and all that. I appreciate you for being here, sir. Thank you for coming and we have a new BC now Mr. Ian Arscott, he just started. I spoke with him the other day and he's on fire, he's ready to help out. So, Houston's been good. We're on a roll. I believe Houston has great [unintelligible] in its future. I'm looking forward to that part of it for a few more years. I thought about retiring when I had cancer and I thought about it. I love it too much. I can't retire. I will find a way to get through this and keep fighting in the fight so I'm still here. You have to put up with me. I yield my time.

>> Thank you, Cecilia.

District 4 – Dave Corbett and Jerry House

>> District 4.

>> DAVID CORBETT: Okay. I spoke with Allen and he's BC going to contract negotiations and definitely went out of his way to let me know that he voted for me, and I owe him something.

[Laughing]

And I chatted with Rowan Marshal he said everything is doing good at Fort Sam. Jerry and I both spoke with Edgar Mendez, and he has a lot going on there and circling the drain. He has the Naval Air Station in Corpus Christi he is no longer receiving equalization pay. When I ran that facility that equalization pay

was about \$30,000 a year in my pocket and that's been taken away from him. They are popping up all kinds of Micro Markets in the Army Depot where he's at they have a Micro Market just on the other side on his wall that is competing with him 24-hours a day. And he inquired about maybe having something added to his facility and I told him I would make the recommendations of the other facility in Corpus Christi is about to be vacated then possibly that be added to his facility and that would put us in the position where we only have one manager in that area, but we at least need one successful manager.

>> One is better than no manager.

>> That's right. Are you done?

>> I have a few for things.

>> Sorry about that.

>> I chatted with Freddy Schultz, I had a hard time getting ahold of him, but we made contact, and he provided me with current contact information so I will be able to be in touch with him a lot more. Mr. Cantu down in Corpus, he said his sales are up and down with all the things going on with immigration. One day they are packed and the next day all of them have been released into the United States and people these are people they would not give Visas to stay in the United States and now they're releasing

these criminals. Everything else I have it is pretty much irrelevant so I'm going to yield with that.

>> Jerry.

>> JERRY HOUSE: I just wanted to add a little bit more about Edgar because we've been talking about this for quite a while now and it's the equalization payment, I think is paramount I don't think we've gotten a legal opinion from our lawyers. I don't think we have. That's my information and the apparently, we're not going to do it. Without any kind of you know, there's no legal opinion behind that. Just said we're not going to do it anymore. I think there is a lot of room for improvement there.

>> Litigation.

>> I think there needs to be at least a strongly worded letter from our attorney. Or whatever. That's all I'm going to say. I think that district wide email to Tommy and B E T, too, because if I use the so sorry Tommy that --[coughing] I haven't been getting feedback from anyone but Edgar so that's my report.

>> I think we need to turn the -- loose on the Navy down there to get this equalization pay back.

District 5 – Tommy Crawford and Paul Parker

>> TOMMY CRAWFORD: District 5, stuff that I was going to talk about today but one thing I'd like to add on that visit to Fort

Bliss is Jim did inquire in our informal meet and greet with the director who already inquired of vending out there in Fort Bliss and got our fingers crossed that they create another facility. It was casual and they agreed that kind of input and also this week I think you kind of touched on it we had a meeting in District 5 regarding 21-02 and basically it went really well because the district like that two representatives we were able to you know, get I felt like we were able to get more done in 20 minutes than the 12 of us questioning in four hours. It well really smooth and what I took from that meeting was that we basically propose that the BCs have the numbers along with Nancy Greeley that these BCs will provide, correct me if I'm wrong Kim, but they'll provide us with just to use an example for Lubbock we had two managers there and the facilities and divide them close to equal if possible, knowing that it might turn out 45/55 or whatever. They're going to go their very best and what I didn't take from that meeting, Jim. One of the BCs come up with a plan. Will the E C M have the opportunity to review that one more time?

>> Yes.

>> Okay. And it went really well regarding my district we all know it was representatives that we try to call our managers and every one of them has different schedules and very seldom I did something different this week. Tom Chepey wrote a really nice

email advising all the managers that the director was going to attend and might have some good information for us, and I took that email and forward to my district, called Kim. And I did that, and I followed up this week with an email to all managers if they had any concerns or anything that they wanted me to take to the meeting this weekend please let me know. I copied Tom on that because too many times, too many times managers say I didn't get anything. That's the way I'm going to start communicating with my district to be transparent. Having said that, nobody contacted me. Until last night about 10:30 Mario Valles tried to call me, and I'll concluded my report I had my phone on silent and I did not get to talk to Mario so he would like an opportunity to, I don't know what the nature of his call was, but if he's here feel free to speak up Mario.

>> Okay, he is on the call. Let me unmute him. Mario, would you like to speak? Mario you may have your phone on mute. Can you hear us? All right if you change your mind raise your hand and I'll unmute you again. We'll go on to Mr. Travis.

>> TRAVIS WARREN: District 5 we have the largest amount of area in just ground, so I was just in El Paso I'm up there on the border of Oklahoma in North Texas in the Panhandle you know a lot of miles to get to some of these places, but I stay in contact with every member in our district as best I can.

There is still a couple that don't, but I hate to say but there will be a removal of a manager in our district who has been in this program over 50 years. So sorry to hear that but when you are stealing from this program you are stealing from every single person here and that manager wanted me to help him but they lied to me repeatedly so I can't help someone who is just doing that like lying to my face and you know what the rules are and you know if there was a manager who needed help seriously I would be there and try to do my best but we obey every rule as it falls and that's going to be hard to see someone go. If anyone has an opinion on that speak now or forever hold your peace because it's about to happen.

So that will be a big facility coming up in the middle of nowhere and that's the problem. I think District 5 had so many facilities in the past 6 to 8 months it's just crazy. And they are all doing really well actually because we're mostly all prisons and roadside, post offices and a lot of vending and Tommy you know mentioned that about possibly getting the Sheppard Air Force Base waiting and I'm waiting for a letter from the secretary of the air force he mentioned that Randolph Sheppard Act has priority. There's quite a few vending machines in there and I would love to have more knowledge and try keep knocking on my doors to hopefully open it one day and you know personally I'm very thankful for everything

I get through this program, and I love this program with passion and we're all here because we want to be and at a financial cost. I won't get reimbursed everything, but I'm not worried about that. I want what's best for all the managers. Unfortunately, there are dishonest people in this world and at some point, you got to weed them out. I think that's what the future of this program depends on you know, having the [unintelligible] Texas is the biggest state, and we got the most prisons and a hell of a lot of military bases. But we have a lot of people and area to cover and every one of you is, I'll probably see more of you in the future. Thank you.

>> I got to say something just really, I got to say this is not the time or place to get into personal details about a particular manager it's not the right forum. Please don't go into those details. Karla you are up.

>> I didn't know. Everyone here been talking about managers in the district, so I don't know there was a difference. I just wanted to make people aware.

>> All right, we got it, thank you.

>> I don't know if, I can't remember if it happened in the last meeting, maybe a quarter late but Tony Campbell is no longer licensed in our district and is everyone aware that Rebecca [unintelligible] is doing that temporary work. If she's listening, she's going from Abilene and past Colorado City. She's got a ton

of stuff on her plate my report is she's batting a thousand with that.

>> Thank you. Okay. Karla.

District 6 – Karla Martinez and Tom Chepey

>> KARLA MARTINEZ: I was able to speak with Brandy Benger, one of the other manager's who's in the same situation that I'm trying to get information building the one food service open and running but buildings don't have enough people in the buildings, and she has two locations. She shares with me that the only one she's profiting from is the prison that is her official facility. That she's trying to make it happen. Maria Bosh, she is wondering about DPS, she said there was going to be a Micro Market, but the business consultants have not clarified that. She's waiting for a solution for that. She's ready to go back to work. Mrs. Escalante, same situation. She's does have a commission check for the vending machines that are still contracted, she's hanging on. Also, Debora has the cafeteria at the health department doing probably only the vending machine she's struggling, \$400 a month and there is a lot of machines, but she doesn't have the sources to go and get Daniel, or somebody to come and do that for her. She's struggling really bad. I was going to ask and probably talk to the business consultant this week to help her with that. But she very very disappointed and

tried so hard and it's not happening for her. () -- he hasn't opened yet he is also waiting for the building to have more people and be able to open. Michael Chandler, I already talked about him.

Davis, he sent an email he would like to make it where all the managers that didn't make it to the conference pay for the 75% of the time wants the managers to be held accountable for that. I think that Jerry Ramirez is going to be happy about this. He has been struggling with some opening [unintelligible] I think your idea about business consultant and helping I think that he's going to be extremely happy about this and it's going to be helpful for many many people. The other thing I just check with them. I got for three managers in my district, but everybody got the statement. I yield my time.

>> All right the majority of it and we had that, we used to call it the triangle but now it's called the North Area complex not really a Micro Market it's a little bit different. That will either be coming up for bid or probably hopefully, it's going to be temporary assignment soon, pretty quick and a little bit more people coming back to the building and the department from another building but they're going to be relocated in the triangle that used to be OIGs office. So that's good and the finance department, they're bringing them back. That's positive and to say that if anybody wants to call or discuss really changing your concept to a true

Grab & Go to totally get out of the mind set of cafeteria or snack bar just give me a call. You know the thought process of purchasing the products, the way we do things, it is nothing that I've ever done before. There were a lot of struggles in the very beginning but making it work it's not easy. There's nothing that's easy. You reap what you sow for sure. The last topic is 1601 N Congress, I know it's not open yet. We still say hopefully soon. So that's going to be a Grab & Go downtown. We hope it's going to open soon. That concludes my report.

>> KARLA MARTINEZ: I was going to say I get that question from many people, when is Tom, people have been asking.

>> TOM CHEPEY: Have them call me. Now is the time. They can come out, hangout with us, really look and find out how do you make it work on the little space and --

>> How would it work? It's called show up every day and perform.

>> KARLA MARTINEZ: People that respect, I'm not going to say a name, mentioned to me what is still there for them. They were trying to think of another option for work. So that's the reason why I say please, come up with something and we don't want to lose good managers that are there you know chat about what's going on trying to make it happen. [unintelligible] is doing good, \$388.00 last month. That's it. I yield my time.

Propose E C M Bylaw Rule Change – Election of E C M Officers / Executive Committee to be held B E Tween 12/15 – 12/31 of each calendar year. This would allow time for Sub Committee Appointments and reports to be available for 1st Quarter Meetings of the following year.

>> All right, the agenda. I'll run through this really quick. Some of the bylaws needs to be referred to the subcommittee. I don't know why, technically it's called a standing committee so currently we have the resolutions committee, finance committee, elections committee, communications committee and the training committee so I'll be reaching out to all of you to discuss all of that and then special committees those are rules and bylaws in the training conference. So, training conference is a big one you know now we're less than a calendar year away. It's going to be tough to pull off, so you know we'll need help on pulling people together. Obviously chatting with Karen and Jim about what are we going to do, where are we going to have it but we're going to need you know make this as big as we can and we're going to need multiple people to get on the phone and find vendors and manufacturers to have breakout sessions with them and restructure the payment. I can tell you for food service, whenever there are good trade shows and all that, they pay pretty good money. Obviously, we won't ask as much but maybe we could put

on a little bit of a small breakout sessions that we can find a facility that has more breakout rooms, jack up the price a little bit that goes into the E C M fund and give them that ability to put on a 15 minute session and they got to participant in that trade show. We really need to think about how to do this but we'd certainly like help from the non-E C M members. You have great ideas. Just reach out to your E C M and we can discuss that.

>> Mr. Chair?

>> Yes.

>> May I make a suggestion that we separate the rules and bylaws and make two separate committees? The bylaws as they are now are going to take a lot of work just by themselves and I think we have worked on the rules and sent them to for approval and I think they've been approved or are somewhere in the process. I think if we made a separate committee for the bylaws, we can focus on that and not interfere with the rules.

>> Thank you, I appreciate that. So that was my last topic and I know we, time check. 1:16. Thank y'all very much on that and if anybody wants to make a motion.

Open floor for discussion, questions, comments, and concerns.

>> Not yet you have a hand from the call. Ms. Chacha Lima.

>> Thank you.

>> CHACHA LIMA: Yes, this is a recommendation regarding the bylaws. I would like to recommend had we go back to have one rep for vending and one rep for cafeteria in our districts and also, I would like to make sure that if we're required to vote for two people that we vote for two people and if there is a ballot that comes for a vote with one person only that should not count. We all should vote for two people. And the last recommendation I want to see the chair position be a two-year term. The reason I'm saying that is because it takes a while for things to get moving a year is not enough to make the difference that some people would like to see. So, by the time progress is maybe being made it is time for new elections. There may be a new Chair coming in. I would like to see a two-year term on the Chair. Those are my recommendations. Thank you very much.

>> Chacha, now that I got you. One last thing for you. There has been a discussion just over a year ago we have 12 but adding the 13th person to that that would represent the entire state as a whole and not one particular district. Chacha, thank you very much. Thank you everybody.

>> Tom, you have another hand.

>> Okay. Miss Tammy Nowell.

>> TAMMY NOWELL: We have opened a whole can of worms. I want to categorically say from the other side of the fence

I categorically disagree 100% of what Chacha said. I'm not going to get into the particulars we can do this all day I think we need to adjourn. But no. I 100% disagree with every single one of her points. I don't want any of those things that she suggested. No one has a right to vote for more than one person. No one has a right to do that. Oh, my goodness I yield back. That's all.

>> Any more hands?

>> KIM: No more hands.

>> Real quick this has just been brought up no one should be forced to vote for a candidate they do not support. That's just my thought on that because –

Adjournment-

Motion to adjourn and seconded.

>> Now we need to adjourn after this. I move that we adjourn.

>> All right. [voices overlapping] [indiscernible]

>> Next meeting to be determined hopefully somewhere in April. We are now adjourned.