
**CALIFORNIA VENDORS
POLICY COMMITTEE
(CVPC)**

**Meeting Minutes
March 15, 2006**

CALIFORNIA VENDORS POLICY COMMITTEE

Location: Department of Rehabilitation in Sacramento, California

Meeting commenced at 9:17 am, Wednesday, March 15, 2006.

ROLL CALL

Chair Michael Hatch called the meeting to order at 9:17 am. He began the meeting by taking a roll call of attendees.

The meeting was in compliance with November 1995 Motion 95.212 disclosure requirements for delegates.

There were **nine (9) delegates** in attendance with one (1) alternate-delegate, which satisfied the requirements of a Quorum.

Delegates in Attendance

District	Delegate	Location
District 1	Tom Evans	Facility 704: Agnews Developmental Center and Main Processing Center in San Jose.
District 2	Joe Murphy	Turlock Roadside Rest Area, Turlock, California.
District 3	Arthur Culbert	Department of Rehabilitation
District 4	Joni Patche – <i>Alternate Delegate for Delegate Reece Griffith</i>	BEP Snack Bar Location - Sacramento
District 5	Michael Hatch	Corcoran State Prison
District 6	Jeana Martin-Hanlon	California State Men's Prison in Lancaster, California
District 7	Harry Begian	Cal Trans Building, Los Angeles U.S. Federal Courthouse
District 8	Jack Bedikian	Bulk Mail Center – U.S. Post Office in Bell City, California

District	Delegate	Location
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MINUTES – Recommended Action

Approve the minutes of the CVPC meeting held on January 19, 2006.

MOTION 2006.011. Moved that the committee accept the minutes of the January 19, 2006 California Vendors Policy Committee meeting and the Responses to the motions for the January 19, 2006 as distributed.

Moved: Delegate Martin-Hanlon
Seconded: Delegate Begian
Vote: Passed Unanimously

Reading of the CVPC Motions and BEP Responses of January 19, 2006.

Chair Hatch explained the importance of this section of the meeting. The motions, DOR responses and action items from the previous CVPC meeting were read by Janis Friesen. This special reading would ensure important items are not missed or overlooked and that pending items are followed-up and resolved.

(See Section 1 – Motions from the January 19th Meeting along with DOR Responses)

Action Item: John Westbrook will forward to Delegate Murphy the changes and suggestions to the 20-part Training questionnaire.

From the last CVPC term, several trainees, vendors and delegates had highly recommended that an exit interview be conducted. The exit interview could be a helpful tool in obtaining valuable feedback about the training program. It would also give BEP staff, the CVPC and lead trainer an opportunity to enhance the training program's strengths and address potential weaknesses. BEP trainees who successfully completed the program would be interviewed by members of the CVPC. The exit interview is expected to be implemented by May, in time for the upcoming graduating class.

Reading of Action Items from January 19, 2006 CVPC meeting.

Janis Friesen read the pending Action Items from the last CVPC meeting along with the current status.

Action Item: Mr. Candela will follow-up on Chair Hatch's question regarding the strategy behind the BEP Regulation project – ***Will the regulations go through a public hearing each section at a time or when the entire BEP Regulation package is completed?***

Outcome/Status: No response.

Action Item: Mr. Candela believes that it is \$50 per day reimbursement to the vendor for participating in this program. He will confirm the reimbursement fee.

Outcome/Status: The reimbursement fee to vendors who participate in the summer youth employment program will be a flat rate of \$500.

Action Item: Members of the Executive Committee will take turns attending the BAC meetings. The next meeting is January 30th, 2006, from 9:30 – 3:30. Delegate Hanlon volunteered to attend this session.

Outcome/Status: Delegate Hanlon gave a full report on the BAC meeting that he attended, during his section, "**Report of the Vice Chair**". The BAC requested that the same person attend these meetings; Delegate Hanlon accepted the invitation and will continue to do so during his term.

Action Item: Two election coordinators will need to be assigned. No decision was made at this meeting.

Outcome/Status: The two election coordinators that were assigned to this task during the 2006-2007 CVPC term are Paul Patche and Darren Simmons. They have accepted the responsibility.

Action Item: Delegate Begian highly recommended Steve Miller to participate on the L.A. taskforce because of his previous involvement and knowledge of past contract negotiations.

Outcome/Status: John Westbrook confirmed that the DOR representative to participate in these negotiations would be Steve Miller.

Action Item: Chair Hatch recommended that Mr. Dierks, from the Office of Risk Management, keep in contact with Delegate Griffith, the new Chair of the Vendor Benefits and Revenue Enhancement subcommittee. Mr. Dierks agreed with this suggestion.

Outcome/Status: Mrs. Friesen reported on the information sent from Mr. Dierks later in the meeting during the “**Vendor Benefit Subcommittee**” report.

Action Item: Mrs. Friesen recommended posting the most current rates for Worker’s Compensation and Liability insurance. Mr. Dierks will give Mrs. Friesen the most current rates and information to post on the CVPC website.

Outcome/Status: Mr. Dierks did send the latest Worker’s Compensation rates to Mrs. Friesen and she confirmed that it will be posted shortly on the CVPC website.

Action Item: Chair Hatch requested that each delegate find an alternate within their district and submit a signed letter authorizing the alternate to attend the CVPC meeting in his or her place. The delegate should submit the letter to Mrs. Friesen to keep on file.

Outcome/Status: Mrs. Friesen confirmed that she has only received those letters from 3 delegates on the committee to date. Chair Hatch reiterated to submit those letters to Mrs. Friesen as soon as possible so she has them on file. It is important that each district is represented at each CVPC meeting.

Action Item: Delegate Begian will devise a system to make it easier to find motions in the future and present it at the next CVPC meeting. He stated that the motions should be organized by subject or by subcommittee.

Outcome/Status: Delegate Begian will present his suggestion later in the meeting.

Action Item: Mrs. Friesen also recommended that the agendas for subcommittee meetings be posted on the website rather than mailed to the vendors. A delegate should submit their agenda to Mrs. Friesen **at least 10 days prior** to the scheduled meeting to ensure proper and timely posting of the meeting on the website. She highly recommended that the delegates contact the vendors in their district as another way of notifying them of upcoming meetings and making sure they have a copy of motions and minutes. If vendors would like copies of the motions and/or minutes, delegates should notify Mrs. Friesen of the vendor's request and his or her preferred method of communication.

Outcome/Status: Mrs. Friesen confirmed that only one subcommittee had submitted an agenda before their scheduled meeting. She reaffirmed that it is important to post the agenda on the CVPC website in sufficient time to ensure adherence to the Bagley-Keene Act and for public notification. Chair Hatch suggested to the delegates to start scheduling their subcommittee meetings soon after the CVPC meetings.

Action Item: Delegate Hanlon will be working on the task regarding Interim Locations in his subcommittee, Standards and Procedures.

Outcome/Status: Mrs. Friesen reported that Delegate Hanlon has the topic of Interim Locations on his agenda for next his subcommittee to discuss and explore further. He will submit suggestions at the next CVPC meeting, scheduled in May.

Action Item: Mr. Westbrook will investigate further Sandy Balani's situation regarding being placed on the interim listing.

Outcome/Status: Mr. Westbrook has responded to Sandy Balani's situation.

Action Item: Mr. Westbrook will give Janis Friesen the form for those interested to be placed on the selection list for interim locations. Mrs. Friesen will place it on the CVPC website.

Outcome/Status: Mr. Westbrook will forward the form by the end of this CVPC meeting.

Action Item: Mr. Westbrook will research the situation at 915 **Wilshire in Los Angeles** and why the interim location has not been circulated as a permanent location.

Outcome/Status: Mr. Westbrook is presently working on the situation. A BEP vendor, Gordan Chan, expressed his interest in the facility and indicated that he wanted to manage the location. Mr. Westbrook's stated that his primary goal is to make sure all interim locations circulated to bid.

Delegate Begian gave a brief summary about this BEP location. He reported that no one was interested in this location for a long time. The location was place out to bid with no responses received. The DOR had promised Gordan Chan an opportunity to manage the facility as an interim, effective April 1st. To date, the DOR had not received a confirmation from the vendor.

Action Item: John Westbrook will submit a list to the CVPC of all the current interim locations in the program, along with how long they have been interim locations. This information can be placed in the Program Manager's Quarterly newsletter and on the CVPC website.

Outcome/Status: Mr. Westbrook has compiled all the information on all current interim locations; however, the Program Manager's report has not been distributed at the time of the CVPC meeting. He reiterated that all interim locations that are beyond the six-month rule

limitation would be placed out to bid. John Westbrook will submit the listing of BEP interims to the CVPC for review and tracking.

Action Items: Delegate Began suggested that each delegate bring 3-4 priority items or goals that they would like the CVPC to accomplish this term.

Outcome/Status: This action item was a meeting agenda topic and was discussed at length under “**Delegates Priority Items**”.

EXECUTIVE OFFICERS REPORTS

Report of the Chair

Chair Hatch restated the rules of the meeting and wanted to closely follow the agenda. He would like to see the meetings conducted in an orderly fashion, allowing the delegates to speak first and then members of the audience.

Chair Hatch reported that there was a meeting between the Executive Committee and the DOR staff. In attendance to this meeting were Chair Hatch, Delegate Hanlon, Janis Friesen, Director Campisi, Tony Candela and John Westbrook.

Topics of Discussion:

- ◆ **800# for BEP information:** In the past, there was an 800# set up for vendors to get current information on BEP locations, upcoming bids, meetings, facility awards, etc. The Executive Committee suggested reintroducing the 800# as another way to disseminate information to vendors at large. In addition to the CVPC website, it would be another helpful tool to help vendors that do not have access to a computer to get important and up to date information about the BEP program.

Action Item: The DOR is researching the costs and feasibility of having this 800#. It was suggested that Janis Friesen would be the contact person responsible for updating the information on the message line.

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- ◆ **Retirement Committee:** It was highly recommended that there be a CVPC representation on the Retirement Committee. Director Campisi also suggested having several members from the vendor community participate on the committee. Currently, the Executive Committee from a previous CVPC term is on the committee, Frank Rompal, Alice Johnson and David Stalcup.

A major concern is the lack of communication to the vendor community regarding changes or decisions made about the retirement fund. Vendors would like to know what decisions are being made and there is no current mechanism to disseminate information to the vendors as a whole.

Chair Hatch noted that in the Executive Meeting, that DOR extended the contract with the current administrator of the vendor retirement fund, Great West. There is a 30-day termination clause embedded in the contract so that when the new company is secured and ready to oversee the fund, the DOR will give a 30-day notice to Great West and the new company will resume the contract. Chair Hatch restated that this was a new development. He expressed the concern shared among vendors that a decision was again made without notice to the vendors as a whole. The goal is for all BEP vendors to be involved and informed of any decision-making regarding the retirement plan.

Frank Rompal gave some historical background behind the reasons why the Executive Committee was initially placed on the retirement committee. It was a temporary situation so that a “nomination-election” could be held statewide involving all active BEP vendors, including retired vendors. The plan was designed to be for the retirees of the BEP program; therefore their participation on the retirement committee is critical. Administering the retirement program was not to be part of the CVPC’s roles and responsibilities. He stated that vendors have been waiting for the “nomination-election” to occur which would give interested vendors the opportunity to participate on the committee.

Janis Friesen added that several requests were made to the DOR regarding the status of the retirement committee but to date the CVPC has not received any responses. Frank Rompal noted that David Stalcup and himself tried to extricate themselves from the retirement committee so that the “nomination-election” could be

held. He remarked that the CVPC in the past made a motion in support of this action. He also stated that the “election” was a way of gathering the nominations of interested vendors but the ultimate decision of who sits on the retirement committee was that of the Director. The Chief Legal Counsel sat on the committee but she has since departed the DOR earlier this year.

Action Item: Chair Hatch gained agreement from all the delegates to create a letter on behalf of the CVPC and follow-up with Director Campisi about her decision regarding the Retirement Committee and who she would like to see participate.

- ◆ **Vendor Loan Program:** The Executive Committee expressed their disappointment in regards to lack of action to fully implement and activate the Vendor Loan Program, which was approved by SB 87. Several years ago, the CVPC gave its recommendations on how to operate the program. The DOR will reevaluate various avenues to implement this loan program. Currently, there exist other loan programs within the DOR, which can be used as models.

Action Item: John Westbrook reported that Mr. Candela has been working with the Legal Department on the implementation of the vendor loan program. The CVPC should follow-up with Mr. Candela on this issue. Delegate Hanlon researched and discussed this topic with his subcommittee and gave some recommendations on how the program should be administered.

- ◆ **BEP Regulations:** Director Campisi recommended that the Regulations be completed one section at a time. It was estimated that a draft of each section should be completed within 2 to 3 months from the DOR. Each draft will be given to the CVPC for final review.

Action Item: John Westbrook will forward all materials on Interim Locations to the Standard and Procedures subcommittee headed by Delegate Hanlon. The regulations pertaining to Interim Locations will be the next priority item for both the CVPC and DOR.

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- ◆ **Accountability:** One issue that is of concern to the DOR is P&L fee payments not being on time. There are regulations regarding handling late payments and the DOR wanted the CVPC's opinion on strictly enforcing the regulations. Overall Chair Hatch felt that the vendors at large would like to see the regulations closely followed and enforced; in turn, vendors also have the responsibility to pay their fees on-time and should know the consequences of late payments.
 - ◆ **Selection Process:** Chair Hatch stated that the overall perception of the current selection process is one of mistrust. The DOR and the Executive Committee agreed that this "mistrust" of the system needs to be addressed.

The vendor selection process is currently not in the regulations but is in BEP procedures. Everyone agreed that the DOR and CVPC should work closely together and draft some real, straightforward procedures and incorporate them into the regulations.

One goal of the DOR is to have a full-time, permanent Selection Committee Coordinator within 3 months. Currently, Clint Vigen whose primary role is an office technician, is the acting selection committee coordinator.

Frank Rompal requested why the current selection process is being questioned. Chair Hatch responded that with a majority of the vendors that he has interacted with over the years, there is an overall feeling that the process is unfair. He did add that some of the reviews might be more based on "speculation" than actual facts. It is an opinion being expressed more frequently and by more vendors; therefore, it is a system that may need to be reviewed and evaluated. It is a major priority for the Standards and Procedures Subcommittee this term. Any recommendations from the CVPC will be forwarded to the DOR for agreement and implementation.

Delegate Begian agreed that the current system has its limitations and leaves itself open to scrutiny and skepticism. He questioned the inability for a vendor to submit to the selection committee reviews from building management on a vendor's past performance. These issues should be addressed in the subcommittee.

Report of the Vice Chair

Delegate Hanlon reported on the Blind Advisory Council (BAC) meeting that he attended on January 30th, 2006. The BAC consists of DOR personnel, a BEP representative and related blind organizations such a CCB, NFB, Orientation School for the Blind and other private living skills organizations. The BAC meets every quarter and tends to keep to the same agenda at each meeting. They focus on the function and development of programs relating to blind clients and consumers issues. If there is additional questions or follow-up needed on a particular issue, the issue is escalated to the Deputy Director.

In this last BAC meeting, Delegate Hanlon noted an alarming and disappointing statistic that only 35% of the cases concerning blind clients seeking vocational rehabilitation were actual closures. The BEP vendors that successfully complete the BEP training program are included in the statistical data. However, it was noted that many of the consumer-clients are in an age group that does not want vocational rehabilitating.

During the BAC meeting, Mr. Westbrook gave a summary his Program Manager's report and information about upcoming BEP locations that will be circulated.

Delegate Hanlon was able to give some insight into the status of the Randolph-Sheppard Act and the current actions being taken at the national level to affect the priorities protected by the act.

Action Item: Delegate Hanlon will attend the next BAC meeting in April 2006.

Report of the Secretary-Treasurer

Janis Friesen reported that the CVPC account balance was **\$6368.65** and is still in the process of being transferred from Paul Patche (Delegate/Secretary-Treasurer from the previous CVPC term) to Delegate Griffith.

EXECUTIVE SECRETARY’S REPORT— Janis Friesen

Janis Friesen reported that she is currently working on the directory for the CVPC website. She explained that how it will work is that there will be an alphabet at the top of the page, and when someone clicks on the letter “**A**”, for example, all the vendors in the program whose last name begin with an “**A**” will appear. The user can then click on a vendors name and it will show all the facilities that the vendor currently operates, including any secondary and/or interim facilities. The user would be able to obtain contact information on the facility, which would include addresses and phone numbers.

She noted that creating the directory is a very manual process because there is no way to upload the information electronically.

Once all the information has been imputed and set up, she will also organize this information by district per the request of Delegate Evans. This would be very helpful to the delegates on the committee in their outreach efforts to their constituents.

DELEGATES PRIORITY ITEMS

As an action item from the last CVPC meeting, each delegate was asked to bring to the meeting, at least 3 priority items and/or projects that they would like to focus on this term and get accomplished. Chair Hatch asked each district for their priority items.

District 1 - Delegate Evans:

He would like the CVPC to focus on the following items this term:

- ◆ Facility Development
- ◆ Vendors keeping current on their fees
- ◆ BEP circulating interims to provide opportunities

District 2 – Delegate Murphy:

Delegate Murphy asked some vendors what were some of their major concerns regarding the program and the responses are as follows:

- ◆ **What are we doing to develop new facilities?**

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- ◆ **The slowing down or decreasing of the vendor retirement account.** Everyone agreed that there needs to be more auditing of unassigned vending machine contracts and vendors would like to see the program take a proactive approach to ensuring those funds are applied to the fund. The common response to the lack of collection activity over the years has always been a history of understaffing in the department.

Chair Hatch responded to Delegate Murphy's comments regarding capturing the income from unassigned vending machine contracts. He personally contacted a company that came to the CVPC in previous years and gave a presentation. They are currently working with several states at this time and were not interested in taking on additional collection projects.

Mr. Westbrook contacted a company in Florida that also specializes in collecting vending machine income for schools districts and spoke with their representative Jeff Stoubans. He and Mrs. Westbrook do have a telephone conference set up shortly after the CVPC meeting.

Tony Candela added that he is in full support of this activity and aggressively collecting lost income due to the retirement fund. He really likes the idea of outsourcing especially if the company accepts payment by a percentage of what they recapture. It would be easier for the DOR to outsource this collection activity in lieu of adding additional personnel, which would probably cost more money. The initial intention of this project is to recoup as much revenue as possible from the machines that are currently in service. When talks begin and negotiations are on the table, he will develop conversation around possibly applying this activity to include **new** unassigned vending contracts as well. He concluded that the DOR is in full support of the CVPC on this issue.

District 3 – Delegate Culbert:

Delegate Culbert remarked that he has noticed an increased apathy or reluctance among his vendors to attend CVPC meetings. Vendors are not connecting to the CVPC.

- ◆ **What could we do as a committee to increase interest and involvement in the CVPC?**

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- ◆ **What could be done to build a better relationship with the vendors and rebuild their trust in the CVPC?**
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District 5 – Delegate Griffith: absent from the meeting due to illness. No report given.

District 6 – Delegate Martin-Hanlon:

Delegate Martin-Hanlon would like to develop several ad-hoc committees that focus on specific issues that tend to affect certain types of BEP locations (i.e., vending, prison, cafeteria, snack bar, etc.). For example, one ad-hoc committee would address the specific needs of vendors who have a cafeteria location while another committee focuses solely on prison locations.

District 7 – Delegate Began:

Delegate Began remarked that it is important to remain focused on the “big” issues that affect the program and vendors. He commented that when newly elected delegates attend the first meeting, they are only given an overview of the each subcommittee and a general description. Each delegate should be given a detailed guideline of what the previous subcommittee accomplished and any pending action items and goals to be worked on for the next term. He commented that each subcommittee seems to be reactive and focuses on minor issues. He is noticing that major issues that really affect the livelihood of the vendors tend to be ignored or lost.

- ◆ **Problems with Procurement:** One issue that has always been a problem is the procurement of new equipment. He commented that some BEP locations and vendors are using outdated equipment. In a competitive industry, new equipment could help vendors compete with other food service restaurants.
- ◆ **Searching for new locations.** Delegate Began commented on the procurement process for new locations. It appears that the program “waits for the call” when new locations come available. The program should be proactively seeking out new opportunities for BEP locations all the time.

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- ◆ **Quality of New Locations.** Delegate Began commented on the quality of new locations that are circulated. He recalled an actual instance where there are three (3) different vendors in one building with a building population of 1000+. He asked if it made better sense to have just one vendor be very successful in one building, than to have three marginal locations where vendors are competing against each other and just meeting their budgets.

 - ◆ **Health Insurance for Vendors:** Delegate Began commented on the current rates for health insurance, which is increasing higher and higher each year, reaching rates of almost \$400 per person. He asked who was looking for the best value and options in insurance rates.

He reiterated that these issues, which are extremely pertinent to vendors, must be constantly reviewed, monitored and if necessary, modified. He believes each subcommittee head should have at least **three (3) essential issues or critical areas of concern** that they feel needs to be worked on during their term. For example, for the Vendor Benefit Subcommittee, a major area or goal to focus during this term would be **“to get the best health insurance for the least price for vendors.”**

Action Item: Delegate Began envisions that each subcommittee head would work with the members of their subcommittee and draft a subcommittee business/work plan for this term. The business plan would list the required and essential duties of each subcommittee and the necessary action steps to achieving their mission. It would be similar to a job description. The draft would be distributed to each subcommittee head for review and comments and would be discussed at the next CVPC meeting. This information would be invaluable for future subcommittees and provide direction.

District 8 – Delegate Bedikian

Delegate Bedikian commented about the DOR budget and timeliness in responding to repairs requests. Vendors have expressed their disappointment in the wait times for repairing machines and other needed equipment. The common response vendors are receiving is that there is a lack of budget for repairs.

Michelle McGuyer supported Delegate Bedikian's comments regarding repairs and considers the process a "nightmare". She has also been told that this is the only statewide contract. She remarked that repairs are being responded to in approximately 2 ½ weeks. Delegate Hanlon remarked that her vendors are experiencing the same challenges with response times.

Chair Hatch concluded that the DOR and the CVPC needs more than verbal feedback about service providers. These complaints need to be placed in writing so that the DOR and BECs have strong documentation to be forwarded to the correct department for prompt follow-up and explanation. The department handling these statewide service contracts need this feedback so there is language in future contracts specifically addressing these challenges.

Action Item: Tony Candela suggested placing the issue of equipment repair and response times into a CVPC subcommittee, perhaps Budget and Finance headed by Delegate Collins, for further review and discussion.

District 9 – Delegate Collins

Delegate Collins heads the Budget and Finance subcommittee and requested additional education on DOR/BEP accounting procedures in order to be able to educate his own subcommittee members and read the reports correctly.

District 10 – Delegate Hanlon

Delegate Hanlon fully agreed with Delegate Begian about being proactive especially about quality of BEP locations. He would like to be more involved in location development and visit sites in his district before they are place out to bid.

Delegate Hanlon mentioned getting back to the why the CVPC was created in the first place and remember the mission of CVPC. It is a participatory group that works closely with the DOR on program and policy development. He remarked that the mission has been accomplished occasionally. He would like to see the DOR and

CVPC work closely together to meet common goals and view the CVPC as a partnership, which mean including the committee on any major decisions that affect BEP vendors.

COMMITTEE REPORTS

GRIEVANCE—Delegate Martin-Hanlon

Naval Base Contract. Delegate Martin-Hanlon reported on the Naval base contract situation in San Diego. There was a grievance letter submitted by Ron Long summarizing his position. She wanted to get some follow-up to the situation and wanted to know what the DOR's position was on the issue. Mr. Candela responded by stating that although he did not know the exact details of the DOR's position on the issue, he reported that Legal is almost finished with its analysis of the situation and has contacted all of interested parties involved. The Naval facility decided to reverse its decision on awarding the contract and thus voiding the contract with BEP, the vendor and teaming partner. After analyzing the situation further, the Naval facility decided to use their own resources to operate the dining facilities. The currently have a "mess attendant" service contract with an outside company. The BEP does not have priority in "mess attendant" facilities.

The Legal department will give Mr. Candela their views on the contract reversal and the next steps if they decide to pursue the matter further and ask for arbitration. If the Legal department decides not to pursue the matter, "then it will ultimately fall back on Ron Long and how he would like to deal with the matter". The DOR's position will follow the advice and direction of the Legal department. The DOR cannot proceed or assume a position on its own. The Legal department will give their final position to Mr. Candela in approximately one week.

There was a teaming partner involved and they have offered their own attorney, whose expertise in this area of contract law, to help the DOR on the details on the contract reversal situation.

Mr. Candela suspects that if the Legal department decides not to pursue the case with the Navy, the vendor could file a suit against the DOR first. If the Legal department finds that the DOR should have supported the vendor initially, then they would have to pursue the case.

Delegate Martin-Hanlon would like to see the DOR take responsibility and pursue the case, to not only show that its supports the vendors but as a way of also setting a precedence - that this type of contract reversals should not be tolerated or accepted.

Ron Long expressed his dissatisfaction by stating the contract should have been awarded to the company in the competitive range. He also voiced his opinion that too much time has been wasted with talking about the case and no initial action. It has been 7 months since the Navy's decision and the DOR will never know if they will win or lose the case unless the DOR takes the first step. He felt that he has not received the "backing" or support of the DOR nor the BEP in this matter.

Action Item: Delegate Murphy highly recommended drafting a letter to the DOR on behalf of the CVPC in support of and advocate on behalf of Ron Long and his situation. Perhaps showing CVPC support would influence the DOR to pursue the case. Delegate Martin-Hanlon will draft a letter on behalf of the CVPC and submit it to the next CVPC.

MOTION 2006.013. Moved that CVPC supports Ron Long's endeavor to claim his facility that is do him by the Navy, which is the Fleet Anti-Submarine Warfare Center and we encourage DOR to pursue arbitration on his behalf.

Moved: Delegate Murphy
Seconded: Delegate Begian
Vote: Passed Unanimously

Delegate Martin Hanlon reported that there were 11 grievances filed. There are 10 for one issue and 1 for another issue concerning a secondary facility.

Mr. Westbrook remarked that the BEP has taken a position and is in the process of eliminating the classification for secondary locations. He stated that there are two locations that still need to be addressed. With the other locations, the DOR has found no violations, as they were locations given as secondary facilities *prior* to the BEP

instituting the policy allowing vendors to operate a business enterprise.

Before implementing the policy, the BEP circulated these secondary locations to the vendors at large and received no responses of interest. These locations were given to vendors who would assume the responsibility in addition to operating their primary location. The BEP started calling them “secondary locations”. The plan is to eliminate these locations and allow the vendor to operate these locations as part of his or her “business enterprise”. There are currently six (6) secondary locations in the program.

John Westbrook reported that if a location is generating less than \$2000 in monthly revenue and it goes out to bid, a vendor could add the location to their primary location as their business enterprise. However, if a vendor bids on it as their primary location, then all the business enterprise applications become null and void because the primary bid application will always take priority. These special locations have to be circulated in the open bid process first. When they are combined into a business enterprise, one P&L is submitted.

John Westbrook reported that the DOR is addressing the situation at the East End Project and will be making a position soon. He will need to address all the grievances submitted and within the next couple of weeks. Currently, the East End project is a secondary location.

Grievance regarding the Interim Location. There was a grievance filed regarding an Interim Location. There was no discussion regarding this grievance but Delegate Martin- Hanlon commended Mr. Westbrook in his efforts to circulate interim locations to the vendors at large.

Delegate Martin-Hanlon remarked that under **W & I code 19638**, it states “the committee has the right to receive grievances of blind vendors and serve as advocates to the vendor.” In order to comply with this responsibility, Delegate Martin-Hanlon would need to have grievances sent to her preferably via fax to promptly respond to these grievances.

Action Item: Mr. Westbrook will from this point forward fax all incoming grievances to Delegate Martin-Hanlon.

Action Item: Mr. Westbrook will have a position on the East End Project and will communicate the decision to all BEP vendors in the next several weeks.

As part of her report, Delegate Martin-Hanlon will read the grievances to the CVPC but eliminate the name of the vendor in order to protect the privacy of the vendor.

Action Item: Delegate Martin-Hanlon will create a template for vendors to utilize when submitting or filing their grievance with the DOR.

Frank Rompal requested that the grievances received be read aloud and be recorded in the minutes.

Janis Friesen read the following grievances during CVPC meeting:

Grievance #1:

“This is a formal grievance to inform you that I know that the East End project is being illegally withheld from the open bid process. The past vendor took over a different primary facility back in October last year. And as such, to do so, he would by law have to have fully released the East End project. At this time, I demand that you abide by the law and release the East End project immediately for open bid as required by law.” - BEP vendor

Grievance #2:

“Grievance concerning the disposition of the vending facility at the East End project located at 1700 Capital Avenue, Sacramento, California. That the department did not circulate the vending facility at the East End. Note, I am requesting a full hearing. Arguments and Issues.

1. Upon a meeting with Kelly Snow and Hershel Baser around December 2005 and inquiring about the future availability of vending facilities, they had no certain knowledge of any announcements at

that time. Upon learning of Frank Rompal's winning the selection of the facility, i.e.: Defense contract in Southern California, I asked when the East End will be circulated. They had no information at the time.

2. On Friday, February 3, 2006 making further inquiries about the East End, ensuing my desperate financial situation, I was informed by a fellow vendor that the East End vending facility has been appointed as a secondary location to Frank Rompal's Southern California facility. After investigating further through members of CVPC, I was disheartened to learn that it was true that this appointment was made by John Westbrook.

3. It is within the scope of all existing Regulations to provide equal remunerative opportunities to all licensed vendors.

4. There is no Regulation for permitting or allowing secondary appointment.

Solution requested - that the vending facility at the East End be circulated immediately to all licensed vendors." - BEP vendor

BUDGET AND FINANCE—Delegate Collins

A. Status Report on BEP Budget Information

Delegate Collins requested a short training on DOR budgeting and accounting procedures for himself and his subcommittee members. John Westbrook recommended contacting Steve Miller, the Assistant Program Manager.

Most program expenditures are match funds. John Westbrook clarified that the program has to spend the money first before it is matched with federal funds.

Delegate Collins reported that his subcommittee wanted to explore ways to increase funding for repairs. John Westbrook explained that it is a budget issue and each year

the accounting department creates a specific budget for repairs during the fiscal year.

Action Item: John Westbrook was cautious about supplying a list of vendors who were delinquent in paying their fees but he will place in his quarterly report the percentage of delinquent accounts.

John Westbrook followed-up on a question regarding repeat offenders who are consistently delinquent in fee payments and the penalty that is enforced. After the third warning and if the vendor still has not made a payment or an arrangement, the vendor's license can be revoke and could potentially lose their location. This penalty was enforced and two (2) vendors were affected last year in 2005 for late payments.

To prevent loss of locations or vendors, Delegate Collins suggested that after the first warning, someone, possibly the BEC, should assist the vendor with her or her accounting. John Westbrook responded that in most instances, the BEC is already working with the vendor but the vendor may not always cooperate or accept the offer of assistance.

Changes to the P&L are not on the agenda for the DOR.

STANDARDS AND PROCEDURES— Delegate Hatch

A. Status of SB87 – Vendor Loan Program

Janis Friesen read Delegate Hanlon's subcommittee report as follows:

David Hanlon conducted a subcommittee meeting on February 18, 2006. He reported that there were two items on the agenda, (1) SB 87 – Vendor Loan Program initiated by Senator Soto and (2) Legal Department's draft of the roles and responsibilities of BEP vendors and contractors in the operation of vending facilities on military installations.

SB 87 – After a letter from Senator Soto to the DOR about the status of SB 87, Tony Candela agreed that he would

look into the matter and have a report at the next CVPC meeting in May regarding his findings. John Friesen, a committee member, conducted an extensive report along with ways to implement SB 87 (***See Section 2 – SB 87 Report – Vendor Loans by John Friesen***). Delegate Hanlon personally thanked Mr. Friesen for his work on this matter.

BEP Regulations re: DOD Contracts – To view all subcommittee’s remarks and changes to the draft of the BEP Regulations, see (***Section 3 – Draft of the Roles and responsibilities of BEP, Vendors and Contractors in the Operation of Vending Facilities on Military Installations***).

Future projects of the subcommittee include working on the Rules and Regulations for Interim Locations and other sections of Regulations as assigned.

Delegate Hanlon noted that he is looking forward to working closely with the DOR in creating our future as set down in W&I Code Section 19368 – “The Director should ensure the participation of the committee of blind vendors is at a minimum, equal to that required by Section 107 B-1, which states that the ‘responsibilities and actions of the committee of blind vendors shall include but not be limited to: (1) participation with the department in major administrative decisions and policy and program development and in any implementation or changes in administrative policy or program development that is within the discretion of the department shall occur only after review by this committee of license blind vendors.”

Janis Friesen read the synopsis on the report on the vendor loan program submitted by John Friesen. For a full report and history on the vendor loan program, ***see Section 2 – SB 87 Report – Vendor Loans by John Friesen***.

B. Approval of recommendations from subcommittee on DOD draft.

Delegate Hanlon remarked that the intention of the subcommittee was to support the interests of the vendor in the Regulations, ultimately giving the vendor the sole responsibility in all negotiations regarding the DOD contract.

Mrs. Friesen read the entire draft pertaining to the DOD Regulations along with the comments from the Standard and Procedures subcommittee. (***Section 3 – Draft of the Roles and Responsibilities of BEP, Vendors and Contractors in the Operation of Vending Facilities on Military Installations***).

In the document, Janis Friesen recommended replacing the word “affiliate” with “subsidiary”.

The goal of the subcommittee was to keep the vendor selection process for DOD contracts as fair and open-ended as possible giving all interested vendors the opportunity to bid for that contract.

Delegate Hanlon also wanted to ensure that the 5 major teaming partners are autonomous entities and not in any way affiliated with each other.

John Westbrook remarked that on a DOD contract, if the vendor has been operating the facility well, the military has the right to “direct negotiate” with the vendor at the termination of the contract. The contract may not be placed out to bid competitively.

Delegate Murphy thanked Delegate Hanlon and his subcommittee for supporting and protecting the interests of the vendors. He reiterated the importance of taking a closer look at the Regulations to ensure vendors are actively involved in the decision making process of every aspect of their business.

MOTION 2006.012. Moved that CVPC approves the Standards and Procedures recommendations on the DOR draft on Department of Defense Teaming Partners and that those recommendations be submitted Department of Rehabilitation.

Moved: Delegate Martin-Hanlon
Seconded: Delegate Begian
Vote: Passed Unanimously

C. Status on Regulation re: Selection Process.

D. Status on regulation re: Interim Facilities

No report given. Subcommittee focused primarily on the DOD Draft Regulations and the SB87 Vendor Loan program. A review of the Selection Process and Interim Facilities are next on the agenda for the subcommittee.

TRAINING/UPWARD MOBILITY—Delegate Murphy

A. Status of the new licensee questionnaire

Delegate Murphy met with his subcommittee about a week before the CVPC meeting. He reported that they created an implementation plan to execute the exit interviews.

He mentioned that in the last term the focus has always been on the “training” aspects of the BEP program. He would like to see more concentration on the “Upward Mobility” part. He asked the members of his subcommittee to start thinking about which direction they would like to see the subcommittee go in this term and to prioritize several goals they would like to see accomplished.

Mrs. Friesen read the response letter from John Westbrook regarding the exit interview questions.

The DOR thanked the members of the subcommittee because the work done contributes tremendously to the success of the training program, which states an over 80% success rate.

“After some discussion and reflection among management and staff, it is generally felt that the goals of the exit interview are already being met for the most part by the procedures that are currently in effect. It is felt that exit interviews, whether for the purpose of gathering feedback on the quality or techniques used by the BEP training or the training officer, should be done by BEP administration. It should be noted that experience has shown the value of training received by the vendor could not be accurately evaluated until he or she has been operating a facility for three to six months. Therefore, we propose to use these questions for interviews conducted by BEP staff after the class graduates in May and again after the licensee has operated his or her facility for three to six months. We will share the results with the training subcommittee.” – John Westbrook.

Delegate Murphy will discuss the DOR response letter at his next subcommittee meeting. He noted that the intention of the 20-part questionnaire was to be used by the Training subcommittee to interview newly graduated trainees directly. He will revisit the approach with his subcommittee.

Action Item: Delegate Hanlon would like to see the training class exposed to the CVPC and learn about the CVPC hands-on. Delegate Murphy will meet with Bill Shirah and explore perhaps have the training class attend a CVPC meeting in order to get a hands-on account of what the CVPC does, along with its role and responsibilities within the BEP program. He will also extend an invite to Mr. Shirah to attend the next subcommittee meeting.

Joni Patche expressed what she has noticed in the field working with actual trainees. During the actual on the job skills training, Joni recommended that there be a checklist of the necessary skills required to run a location and ensure that these skills are learned, i.e. stocking, inventory, running a cash register, fixing a vending machine, etc. She also suggests having some time devoted in the exit interview to have the trainees evaluate the different facilities they had worked or visited.

Roy Harmon suggested that the BEP training should incorporate more discussion on how to bid on and operate DOD contracts. This topic could also be part of the Upward Mobility goals of the subcommittee. There is a particular skill set and knowledge base required and involved in operating and managing a DOD contract. Delegate Murphy also noted that it could lead to 8a Certification, which can open more opportunities for military contracts. Some vendors may want to start exploring DOD contracts.

VENDOR BENEFITS AND REVENUE ENHANCEMENTS— Delegate Griffith

Janis Friesen reported that Delegate Griffith had requested some information from Jeff Dierks. Mr. Dierks forwarded an insurance recap for the BEP Program with interesting statistics and information about health insurance participation and liability/property/worker's compensation claims. (See Section 4 – Insurance Recap Report)

Action Item: Jeff Dierks will forward the following information to John Westbrook – (1) The number of vendors that are currently late on their payments and (2) how many are contributing to liability insurance.

Action Item: Andy Brown asked about the considerable decline in Worker's Compensation claims and what factors could have contributed to the decline. Mrs. Friesen will forward his question on to Delegate Griffith who can research the answer further.

QUALITY LOCATION DEVELOPMENT— Delegate Evans

A. Status report on SRRAs (1) Priorities 1, 2 & 3

Delegate Evans reported that the roadside rest areas, Donner and Gold Run, are being developed and will be available in 2007.

Also mentioned in the meeting was the granting of 2 roadside rest areas, Sunbeam and Buckman Springs, located on Highway 8, to Host Vending Machines. John Westbrook expanded and reported that these two

roadside rest areas have had historically very low volumes and the incoming revenue was so low they were not viable options for a vendor. These locations were transferred over to the vending contracts department. The department placed the locations out to bid and Host Vending Machines was awarded the contract for two (2) years. At their own expense, they are installing their own utilities and will pay the department a commission, which will be deposited, into the vendors' retirement fund.

John Westbrook further stated that there are 25 roadside rest areas that have not been developed. 12 out of the 25 have been cited as potential BEP locations for vendors. The others have been designated as locations to be placed under the direction of the vending contracts unit for outsourcing and collecting commissions for the vendor retirement fund.

Roy Harmon commented on and questioned the decisions to outsource some vending machine locations to an outside private vending company. The Donner roadside rest area has had as many cars passing by as the Buckman Springs RSRA. He commented that all roadside rest areas are in remote locations and that where a facility is located or how many cars are in the parking should not be the only deciding factors to outsource. He feels that the program just lost two viable locations and therefore, income for a vendor. Buckman Springs has no vending machines and that may be a major reason why drivers do not stop. In the first five years, he was able to increase his business at his location by over a million and a half people stopping at his roadside rest area. He concluded, "Cal Trans count the number of toilet flushes, not the number of cars that pass by. They post this information every two years on their website."

Action Item: Chair Hatch highly recommended that John Westbrook contact the Chair of QLDC, Delegate Evans of any decisions regarding locations that are being developed and/or outsourced to an outside contractor.

This would ensure that the CVPC is “kept in the loop” of such decisions and projects.

Janis Friesen read a section of the W&I Code 19640 and it pertains to the DOR reporting to the committee all surveyed BEP locations. It states that, “the director should obtain all available information from the Department of General Services to conduct a survey in every odd number year on or before June 30th of each odd number year, commencing with 1991 for incorporation into the report required under subsection 8. The survey shall include but not limited to all as follows:

- (1) The number and identity of state buildings,
- (2) The number and identity of those state building, which have vending facilities or machines.
- (3) The number of employees located in each building rather than in the field during working hours,
- (4) The square footage of the building,
- (5) Other appropriate information requested by the department.”

Action Item: John Westbrook knows who generates this report and will ask the person (Elizabeth) to forward the report to CVPC. Mr. Westbrook will look further into this particular section of the W&I code 19640 and report back to the CVPC. He will ensure that a listing of state and federal properties that either already has or could support vending services (or a BEP facility) is sent to the QLDC subcommittee.

Action Item: Delegate Evans, as the head of QLDC, would like to be more involved with BEP location development and will need to work with John Westbrook on developing his role and responsibilities as the subcommittee chair and learn the process of site visitations, placing his input on viable locations, etc.

Outsourcing 100% Management of BEP Locations: In the meeting, another issue or concern that was discussed at length was BEP operations that are subcontracted out completely. The vendor is not involved in the day-to-day

operations of the business. Some other questions that arose were if the vendors is subcontracting out the operational aspects of the facility, how is the vendor submitting P&L fees, what or who are they using as a service provider for repairs, etc.

John Westbrook stated that there are no existing Regulations to neither stop this activity nor penalize a vendor for outsourcing 100% of his or her business out to a third party. This activity does exist in the program. Delegate Martin-Hanlon also noted that the vendor does not have to technically pay Worker's Compensation insurance because the partner will most likely handle the payment.

It was suggested that one way to try and discourage this activity is raising the percentage of the P&L payment from 6% to 10%. John Westbrook remarked there is one (1) location confirmed in the program that currently outsourcing its entire operations. The BEP program handles the major repairs and ensures the partner has liability insurance.

Joni Patche remarked that 100% subcontracting completely misses the purpose of the BEP program which is to provide management opportunities and employment for blind persons.

Action Item: Chair Hatch recommended that the issue about outsourcing business operations be placed in the Standards & Procedures subcommittee for further review on the legalities of this subcontracting activity and the effect of P&L payment. If time allows, perhaps the subcommittee may want to explore drafting some regulations to help control this activity in the future.

B. Status report on federal prison facilities

Mr. Westbrook noted that Jeff Garcia's position has not been replaced. The DOR is actively looking for candidates. Mr. Garcia was responsible for location development and also served as the selection committee coordinator. In the future, Delegate Evans would be in contact and work closely

with the new person to coordinate site visitations and give feedback on potential BEP locations, whether or not they are viable for a vendor. Mr. Westbrook expects to have someone in the position in approximately 3 months.

John Westbrook responded to Delegate Murphy's question regarding the status of the negotiations with the federal prisons. They are currently submitting a percentage of the commissions to the program, which is then deposited into the retirement fund.

The last part of the negotiations ended with the federal prison not wanting to give the program access to the machines in the visitation area. They want to give BEP priority on the machines where the prisoners are located. This is unlike the state system where the machines are located in the visitation area. The program remains firm on its position of having priority on all the machines.

Mr. Westbrook expects to resume negotiations when the new person comes on board. At the moment, his department is extremely short staff to continue effective negotiations at this time.

C. Status report on California Youth Authority facilities

No report given due to time limitations

LEGISLATION – Executive Committee

A. SB 522/254 – State property: vending machines

B. SB 468 – State highways: safety roadside rest areas

C. S.732 – Federal Highways: Interstate Oasis Program.

Janis Friesen read the Executive Committee's report about pending legislation.

"On the state level, legislation SB468 – Roadside Rest Area, is no longer on the legislative docket. However, SB 522 and 254 – State Property, is inactive and does not appear to be an issue at this time. *** (Mrs. Friesen corrected this statement and noted that SB 522 is "dead" and inactive

while the other one is not. SB 254 is still active and viable although it is not moving.)***

On the federal level, S.732 – Federal Highways: Interstate Oasis Program does not appear to be a challenge to the Randolph-Sheppard law. This bill allows construction of gas stations, hotels and restaurants within 3 miles of the interstate highway. The consensus of CCB RSVA lawyers do not expressed deep concern about this bill. However, it is something to be aware and conscious of.” - Delegate Hanlon

Delegate Hanlon will continue to keep everyone informed of what is occurring at the national level and the various threats to the Randolph-Sheppard Act. Janis Friesen will continue to place this information on the CVPC website.

PUBLIC RELATIONS AND CONVENTION—Delegate Bedikian

A. Status report on 2006 CVPC Educational Conference

Janis Friesen reported that an event planner has been secured, Connerly & Associates. There were five responses to the solicitation; the lowest bid came in at \$8,000. The lowest bidder was found to be non-responsive because their paperwork was incomplete.

Connerly & Associates who was the second highest bidder at \$10,000, received great reviews and praises from their references. They are located in Sacramento. They have been in business for a long time and one of their clients has worked with them since 1973. The contract should be signed shortly after this CVPC meeting. After the contract is signed, the subcommittee will meet with the contractor to communicate the special needs and requirements of the attendees and to set a timeline of deliverables.

Mrs. Friesen has also verified that the American Express Meeting Planner Account, which the CVPC was intending to use several years ago to book the hotel and airline tickets, is still valid and active.

The conference is expected to be in October in Sacramento. An exact date will be established once the subcommittee has met with the event planner. Currently, the Hilton has room availability the last weekend in October to sponsor the event.

Action item: Another idea was to have the new company that will be handling the vendor retirement fund to be at the training conference as a great way to introduce themselves, define their role and expectations and gather feedback from vendors about the fund. Mr. Westbrook will need a copy of the proposed agenda for the educational conference once it has been finalized.

John Westbrook clarified the statement that was placed in the solicitation announcement that required vendors to submit a written business plan upon award of a location and if it was not submitted within 30 days, the contract was subject to being revoked. The DOR has no intention of enforcing this rule. However, he mentioned that it is highly recommended that a vendor have a business plan because it is sound business practice.

Action item: Because having a business plan is not required, Mr. Westbrook will delete the word “**shall**” from the statement requiring vendors to have a business plan.

LA COUNTY TASK FORCE—Delegate Begian

A. Status report on LA County contract

Currently, the Task Force is waiting for the LA representative to make contact with the DOR and begin negotiations. The LA Taskforce will consist of himself (Delegate Begian), Michael Sebring, Gordan Chan, LA Representative and Steve Miller (Assistant Program Manager).

Delegate Begian remarked that the CVPC has to strictly follow the rules of moving and passing a motion. The motion has to be considered first before passing. Chair Hatch agreed.

DEPARTMENT REPORTS

Financial Report – Overall, Mr. Westbrook remarked that the program is in “good shape” financially despite funds being diverted to developing state prison locations and replacing outdated equipment. Last year the financials were in the “red” because of the expenditures.

Fees are increasing from last year and he has been closely monitoring the budget. He expects to end the year again in “good shape” and in the “black”. He confirmed that there are funds for repairs.

Legislation/Regulations Report

Program Manager’s Report – Mr. Westbrook stated that a major goal of his is to distribute all the interims into the open bid process. His commitment is to have a list of only 3 to 4 interims, all within six months.

Chair Hatch asked the question regarding those interim locations that have been operated by a vendor for several years. John Westbrook responded that all decisions will be presented first to the CVPC for additional input because there will be some difficult decisions to make especially in the cases of long-term interim locations.

Another commitment of the program is the elimination of all secondary locations. Most of these locations are very small in nature and are not viable options as stand alone primary locations. He recalls only one interim location of which he would consider a viable primary location. Currently, the US Post Office in L.A., the Superior Court Building in Pasadena and a location in Merced are now in circulation for all interested vendors to bid.

He is presently trying to fill three (3) open positions, two of them being BEC positions. The job posting has closed. After sorting through the applications and determining the qualified candidates, an exam date will be set. Those candidates that pass the exam will be

placed on the list of which Mr. Westbrook will start contacting and interviewing candidates. One BEC will be hired for the LA office and one for the Sacramento office. The position previously held by Jeff Garcia will also be filled.

Action Item: John Westbrook will give Delegate Evans, the chair of the QLDC subcommittee, information regarding the company in Florida that specializes in collecting vending machine income, including any next steps. The representative is expected to give a presentation of all their services to John Westbrook and Tony Candela via conference call.

DISTRICT REPORTS

District Seven (7) – Delegate Begian

Delegate Begian held a district meeting on March 9th and the participants were Jay Narang, Gordan Chan, Elias Thomas, Michael Sebring and David Norris from the DOR.

Vendors are concerned about operating a facility in L.A. with an invalid Health Department Certificate. Although the certificate is valid for 5 years, the L.A. County Health department will not accept any certificates after 3 years. Several messages were left with the instructor to see if he has any upcoming certificate classes or if he can suggest other alternatives. John Westbrook remarked that the BECs proctored the tests last year in October in both Sacramento and Los Angeles and all vendors were notified of the training.

Vendors are concerned about rent and remodeling increases. Delegate Begian indicated that they will address this issue during the negotiations and will try to prevent any rent increases if at all possible.

John Westbrook remarked that the transfer of county facilities to the State of California was expected to be completed by July 2007. Facilities in Riverside County were determined to be first affected in this process. He is also confirmed to meet with representatives from the Office of Administrative Courts to get more details on the logistics of transferring county facilities to be State operated and managed.

A. Recommended Action

Action Item: Delegate Begian highly recommended that each chair of a subcommittee create and present a detailed mission statement or plan, along with several defining goals that they would like to achieve this term. This information will be presented to the CVPC for further discussion and commentary. The main reason for doing this project is to create a solid foundation and some direction for each subcommittee.

If the CVPC agrees, the Standard and Procedures subcommittee will then take the information submitted and could incorporate into the Bylaws. At the beginning of each CVPC term, a full description, including defining responsibilities of each subcommittee, would be read. Delegates should clearly know the expectations and any pending projects of each subcommittee.

Action Item: Delegate Begian also suggested giving John Westbrook a list of CVPC action items and requests before each scheduled meeting so he can research, prepare and bring the needed information and/or documentation to present.

B. Approval of time limits on interim facilities

Delegate Begian presented a motion but after open discussion about the intention of the motion it was withdrawn from the floor. Motion was not seconded. Chair Hatch indicated that there are already procedures in place to address the time limitation on interim facilities. Delegate Begian will present the motion to his district for revisions and reintroduce at the next CVPC meeting.

MOTION 2006.015. Moved that when a BEP Vendor is selected for a new location which is not open and not operating yet, the Vendor can keep the old location for 90 days from the date that they start operating the new location, however under justifiable circumstances approved only by the BEP Manager, only an additional 90 days will be extended to the Vendor to keep his old location.

Moved: Delegate Begian
Seconded: Delegate Bedikian

Vote: Motion Failed

District One – No
District Two – No
District Three – Absent
District Four – No
District Five – Chairperson
District Six – No
District Seven – Did not Vote
District Eight - Yes
District Nine – No
District Ten – No

Delegate Began argued that there needs to be some time limitations on when a vendor can continue to operate an old location. In the current process, Delegate Began indicated that the Program Manager could extend the time that a vendor can operate his or her existing location while at the same time, manage their new location.

Chair Hatch commented that this issue needs to be placed in the Standards and Procedures subcommittee because it is part of the upcoming Regulations work on Interim Locations. Delegate Murphy agreed that it is not the role of the CVPC to create or revise Regulations through CVPC motions. The BEP Regulations always take priority over motions.

C. Approval for CVPC meeting to be held in Los Angeles, San Diego and Sacramento

Delegate Began wanted to make an effort to increase vendor participation at CVPC meetings and in order to achieve this, would be to rotate the venues of the CVPC meetings between Los Angeles, Sacramento and San Diego. Different venues would make the CVPC meeting easier and more accessible for vendors to attend.

MOTION 2006.014. Moved that CVPC regular meetings will be held in consecutive terms at Los Angeles, Sacramento, and San Diego.

Moved: Delegate Begian
Seconded: Delegate Martin-Hanlon
Vote: Passed Unanimously

Re-read with Friendly Amendment:

MOTION 2006.014. Moved that CVPC regular meetings will be held in consecutive terms at Sacramento, Los Angeles, Sacramento and San Diego.

DISTRICT REPORTS

District 1 - Delegate Evans reported that several vendors have inquired about the implementation and details of the vendor loan program.

There was an award presented to Tom Linker on behalf of the US Army (Presidio Monterey) for his dedication to excellence, leadership and exceptional performance in food service. He is being recognized as having the #1 largest dining facility in the Southwest region. Delegate Begian commented that Tom Linker remains a model vendor that everyone can learn from; he has excelled in his personal and business life despite the many obstacles he has faced and overcome.

District 2 – no report

District 3 – no report

District 4 – no report

District 5 – Chair Hatch has asked Mrs. Friesen to see if delegates are able to use the same 800# conference call number for **District Meetings**. This would make it easier for delegates to hold conference calls with vendors in their districts especially when it is physically difficult to meet in person.

District 6 – Delegate Martin- Hanlon reported that she had a motion regarding creating ad hoc committees to address specific issues in the program. She will present the motion at the next CVPC meeting.

District 7 – no report

District 8 – no report

District 9 – Delegate Collins attempted to hold a subcommittee meeting but not too many vendors understood the goals of the Budget and Finance subcommittee. He will meet with Steve Miller to get a better understanding of the DOR's budget and accounting procedures.

District 10 – Delegate Hanlon held a district meeting and the primary discussion was on the vending machine situation in El Centro. Fritz Wilkins was recently awarded the Police Department in San Diego. There are three (3) scheduled selection committees for open locations in San Diego: ***Hall of Administration, Chula Vista Courthouse and the Caltrans Building.***

NEW BUSINESS

No Discussion during this section.

OPEN FORUM

Roy Harmon mentioned the list that was supposed to be compiled of interested vendors who wanted to participate in the Summer Youth program for blind teenagers. Mr. Westbrook clarified that the two primary locations for this program will be in Sacramento and Los Angeles. It has not been extended to the San Diego area at this time.

Mr. Harmon gave some additional background on the status of SB 468. He mentioned the various organizations, including Dan Kaiser and the CVPC, who supported the vendors against this legislation. He was disappointed about the lack of support from the DOR. He is very concerned about the privatization of roadside rest areas and mentioned that Cal Trans has ways of bypassing the program. He reminded everyone that the SB 468 legislation is not a "dead issue".

ADJOURNMENT

Chair Hatch reminded the committee that the next CVPC will be held at the Los Angeles office in May. An actual date and location will be finalized by the Executive Committee.

MOTION 2006.016. Moved to adjourn at 4:15 p.m.

Moved: Delegate Begian
Seconded: Delegate Hanlon
Vote: Passed Unanimously

SECTION 1

*Motions from the January 19th Meeting with
DOR Responses*

SECTION 2

SB 87 Report – Vendor Loans

SECTION 3

*Draft of the Roles and responsibilities of
BEP, Vendors and Contractors in the
Operation of Vending Facilities on Military
Installations*

SECTION 4

Business Enterprise Program Insurance ReCap
