

CALIFORNIA VENDORS POLICY COMMITTEE
MOTIONS FROM CVPC MEETING
May 16th & 17th, 2007
Sacramento, CA
(With Department Responses)

MOTION 2006.047. Moved that the committee accept the minutes of the February 15, 2007 California Vendors Policy Committee meeting and the Responses to the motions for the February 15, 2007 as distributed.

Moved: Delegate Griffith
Seconded: Delegate Hanlon
Vote: Passed Unanimously
Absent: Delegate Martin-Hanlon

Response: No response required.

MOTION 2006.048. Moved that CVPC approves the BEP Proposed draft Regulations dated April 17, 2007, except for the following qualifications:

- BEP regulations are replete with requirements for vendors and consequences of vendors violating these regulations. While we understand the merits of regulations spelling this out precisely, we also believe the responsibilities of BEP staff to all vendors should be definitely set out to a greater degree than is presently included in the regulations. BEP has shown a tremendous lack of consistency in the administration of the Program. Inconsistencies result in grievances, requests for fair hearings and some vendors pursuing the filing of Personnel Actions against staff. The disregard for following the W & I Codes has caused the fourteen-year delay in amending BEP Regulations. As a business Program it is vital to review and possibly revise BEP regulations every three years as prescribed in W & I Code Section 19639(a).
- Forms referred to in the regulations were not included. CVPC should have the opportunity to review and comment on any proposed forms or changes to existing forms.

- A request was made of Legal for an opinion as to the definition of the term “control” as used in 7211(a)(12). We have not been given that opinion to date.
- We disagree with Section 7220(e) where vendors are required to purchase liability insurance from the agent identified by the Department. We question the legality of this regulation. This may possibly violate the Sherman, Clayton, and Unfair Practices Acts. This also might be challenged by Federal Anti Trust Laws.
- The section on “DOD Teaming Contractors” was not included in this package. We realize it is in process but we reserve the right to review and comment on that section when it is completed.
- The section on BEP Owned Equipment was not included in the package. We realize it is in process but we reserve the right to review and comment on that section when it is completed.
- The section on Administrative review and Full Evidentiary hearing requires Vendors to use DR 510/511. CVPC believes with the time restrictions imposed on the vendor for their filing, vendors should be able to use the DR 510/511 or state their Grievance by letter.
- The section on Adequate Net Income should be changed to read; “That minimum income shall be adjusted annually **starting June 30, 2007** in accordance with the Welfare and Institutions Code, Section 19629(b) by using the cost of living separate indices for Los Angeles and San Francisco and as published by the United States Bureau of Labor Statistics”
- The section on Vendor Business Plan and Resume should not disqualify the vendor but only the vendor use of either the business plan or resume if either/or do not meet the criteria font or pages. Further the committee would like to have the word may changed to shall in the line stating; “may result in the disqualification of the applicant.”
- The disagrees with the section on Consolidating or Combining Multiple Sites Into a Vending Facility including any reference to distance between facilities and would like the 50 miles removed.
- The committee believes 7220 (i)(3) should have the following added at the end of the paragraph; “In order to inflate the cost of goods for the purpose reducing fees.

Moved: Delegate Hanlon

Seconded: Delegate Murphy
Vote: Motion Passed
Absent: Delegate Martin-Hanlon

District One – Yes
District Two – Yes
District Three - No
District Four – Yes
District Five – Chairperson
District Six – Absent
District Seven – Yes
District Eight – Yes
District Nine – Yes
District Ten – Yes

Response: As you know the Department is actively involve in developing the Rules and Regulations. These concerns have been forwarded to Buzz Nunn and Tony Candela, and we will all continue to work with CVPC to address them. I am confident that you will be satisfied with the final product.

MOTION 2006.049. Moved that the CVPC authorize the CVPC Executive Committee to request DOR contracts to increase the contract to Ben Allamano by \$5000.00 to cover costs for legal action.

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

Response: No response required.

MOTION 2006.050. Moved that the CVPC Executive Committee arrange a teleconference call on May 25, 2007 at 9:00 am for a closed session to discuss further actions concerning the writ of mandate. Date and time can be adjusted by Executive Committee if there is not a resolve to the Demurrer by this date.

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

Response: No response required.

MOTION 2006.051. Moved to adjourn at 4:30 pm on May 16, 2007

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

Response: No response required.

MOTION 2006.052. The rules subcommittee has reviewed the Vendor differential between all CVPC districts, and finds that there is no more than a four vendor differential as our bylaws provide for a seven vendor differential, we believe there is no need for redistricting for the 2008-2009 CVPC term.

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

Response: No response required.

MOTION 2006.053. Moved to reduce Vendor's liability premiums and reflect more appropriate risk factors for liability, CVPC requests the BEP Program Manager to instruct the Department of Insurance Risk Management to break down the BEP Liability premiums to a minimum of three rates for all vendors;

- 1 – Vending machine only facilities
- 2- Dry/Wet C- Store facilities
- 3 – Snack Bar/Cafeterias facilities

These rates should reflect the outside differentials for similar risks. We further request BEP implement the new rates no later than the beginning of the next contract year for liability insurance.

Moved: Delegate Griffith
Seconded: Delegate Hanlon
Vote: Motion Failed
Absent: Delegate Martin-Hanlon
Delegate Adams

- District One – Yes
- District Two – No
- District Three - Absent
- District Four – Yes
- District Five – Chairperson
- District Six – Absent
- District Seven – No
- District Eight - No
- District Nine – No
- District Ten – Yes

Response: Motion failed. No response required.

MOTION 2006.054. CVPC believes to encourage Vendor accountability and to lower all Vendor's liability premiums, the BEP Program manager should instruct the Department of Insurance Risk Management to cease charging all vendors for the deductible fund and require individual vendors having liability claims to pay the deductible portion, if any for those claims charged to their facility.

Moved: Delegate Griffith
Seconded: Delegate Hanlon
Vote: Motion Failed
Absent: Delegate Martin-Hanlon
Delegate Adams

District One – Abstain	District Six – Absent
District Two – No	District Seven – No
District Three - Absent	District Eight - No
District Four – Yes	District Nine – Yes
District Five – Chairperson	District Ten - Yes

Tie vote Chairperson voted no.

Response: Motion failed. No response required.

MOTION 2006.055. Moved to change the medical payment by all vendors to be raised from \$5 per month to \$250 per month. Starting June 1st 2007.

Moved: Delegate Hatch (on behalf of vendor in his district)
Seconded: No second
Vote: No vote taken
Absent: Delegate Martin-Hanlon
Delegate Adams

Response: No response required.

MOTION 2006.056. Moved to require BEP to send notices to all vendors that are missing MOR's and have funds owing to the program. This notice is to be mailed by June 1st, 2007. Those failing to provide MOR's and full repayment of owed funds shall have their vendor licensing revoked as per law.

7213.2. Grounds for Termination or Suspension of License.

(i) Failure to pay set-aside charges, scheduled loan repayments or penalty charge on delinquent set-aside charges and/or repayments

for more than 90 days.

(l) Failure to provide records or financial reports requested by BEP.

Moved: Delegate Hatch (on behalf of vendor in his district)
Seconded: Delegate Murphy
Vote: Failed Unanimously
Absent: Delegate Martin-Hanlon
Delegate Adams

Response: Motion failed. No response required.

MOTION 2006.057. The CVPC moves to demand all legal rights to all Federal prisons within the State of California. And that BEP immediately file with GSA for our rights to all Federal prisons within California, showing the CVPC copies of all filings and all responses from GSA within 5 business. Days.

§ 395.31 - Acquisition And Occupation Of Federal Property

(a) Effective January 2, 1975, no department, agency, or instrumentality of the United States shall undertake to acquire by ownership, rent, or lease, or to otherwise occupy, in whole or in part, any building unless it is determined that such building includes a satisfactory sites or sites for the location and operation of a vending facility by a blind vendor.

Moved: Delegate Hatch (on behalf of vendor in his district)
Seconded: Delegate Murphy
Vote: Passed Unanimously
Absent: Delegate Martin-Hanlon
Delegate Adams

Response: The Department is currently receiving VM commissions from all the California Federal prisons. The newly appointed consultant for BEP promotions has been instructed as a high priority to survey all the federal prisons to determine their viability as BEP facilities.

MOTION 2006.058. Moved to adjourn at 3:30 p.m.

Moved: Delegate Begian

Seconded: Delegate Collins

Vote: Passed Unanimously

Absent: Delegate Martin-Hanlon
Delegate Adams

Response: No response required.
