State of California

Health and Human Services Agency

# CALIFORNIA VENDORS POLICY COMMITTEE (CVPC)

Wednesday, January 5, 2022

9:00 AM – 3:20 PM

Meeting Location

Department of Rehabilitation (DOR)

Sacramento, CA 95814

ZOOM Meeting

IN ATTENDANCE

California Vendor Policy Committee (CVPC) Delegates

Paul Patche, II, District 1

Denise Hudson-Mendoza, District 2

Barbara Moore, District 3

Michael Hatch, District 4

Sandy Balani, District 5

Harry Begian, District 6

Max Duarte, District 7

Julie Wakamoto, District 8

DOR Staff in Attendance

Peter Dawson, Acting Deputy Director, Specialized Services Division (SSD)

Michael Thomas, Assistant Deputy Director, SSD

Kelly Snow, Business Enterprises Program (BEP) Operations Manager

Emefa Tsikata, Acting Southern Field Manager, BEP

Carlene Guzman, Northern Field Manager, BEP

Kathleen Munyer, Advisory Committee Analyst, SSD

Brian Coffman, Property Manager, BEP

Luis Rodriguez, Business Enterprises Consultant (BEC), Central Valley

Gladden Rangel, Vending Machine Unit (VMU), BEP

Larry Fowlks, BEC, Northern California

Colleen Bowden, BEC, Northern California

Members of the Public

Willie Shoemaker

Ricardo Green

Michael Colbrunn, BEP Vendor, Minnesota

MEETING SUMMARY

CVPC Roll Call and Introduction of DOR Staff and Members of the Public

Michael Thomas, Acting BEP Program Manager

* Michael Thomas welcomed the attendees and took a roll call of CVPC delegates, DOR Staff, and members of the public.

Election of the Executive Committee

Michael Thomas, Acting BEP Program Manager

* Mr. Thomas called for nominations for the CVPC Chair.
* District 6 nominated Max Duarte, district 7, for Chair.
* Michael called for any additional nominations for Chair. There were none.
* Michael asked if there was any discussion. There was no discussion.
* Vote: District 1, yes; district 2, yes; district 3, yes; district 4, yes; district 5, yes; district 6, yes; district 7, yes; district 8, yes.
* Max Duarte was elected as the CVPC Chair.
* Max Duarte called for nominations for Vice-Chair.
* District 5 nominated district 4, Michael Hatch, as the Vice-Chair. There were no further nominations and there was no discussion.
* Vote: District 1, yes; district 2, yes; district 3, yes; district 4, yes; district 5, yes; district 6, yes; district 8, yes.
* Michael Hatch was elected to the Vice-Chair position.
* The Chair called for nominations for Secretary-Treasurer.
* District 3 nominated herself for Secretary-Treasurer.
* District 1 nominated himself.
* District 2 nominated district 5.
* District 8 nominated herself.
* District 3 withdrew her nomination.
* The Chair opened the floor for discussion.
* Discussion
* District 1 stated that he is committed to helping to benefit this program. We need a new outlook and fresh ideas.
* District 5 reported that she has been Secretary-Treasurer in the past and would like to continue working on the committee and working with the DOR on moving the program forward.
* District 8 stated that she brings a commitment to work with everyone and would like to help the program move forward, working with the department and vendors as a team.
* Vote:

District 1: voted for Paul Patche, district 1

District 2: voted for Sandy Balani, district 5

District 3: voted for Sandy Balani, district 5

District 4: voted for Sandy Balani, district 5

District 5: voted for Sandy Balani, district 5

District 6: voted for Julie Wakamoto, district 8

District 7: voted for Sandy Balani, district 5

District 8: voted for Sandy Balani, district 5

Sandy Balani was elected as the Secretary-Treasurer.

Specialized Services Division and BEP Report

Peter Dawson, Acting Deputy Director, SSD

Michael Thomas, Acting BEP Program Manager

* Peter Dawson reported that he has started the new year with mixed emotions.
* He described a newscast that he heard the day before about the hardships COVID has made throughout the country.
* He reported that he reviewed last year’s Rehabilitation Services Administration (RSA) report and it is obvious that COVID severely impacted the BEP.
* Most state and federal personnel are working from home and not going into the buildings.
* New buildings are not opening as soon as projected.
* Some BEP vendors are retiring from the program.
* DOR will continue to support BEP vendors.
* DOR and BEP vendors need to work together to find ways to make the program stronger.
* Some DOR staff attended the National Council of State Agencies for the Blind (NCSAB) conference in December.
* Two BEP vendors from other states reported on the progress they have made working toward doing business in the private sector with companies who employ 50 to 100 people.
* DOR is in the process of interviewing for the position of the Deputy Director of SSD.
* The Governor will appoint the applicant who will fill the position.
* Michael Thomas reiterated that BEP should consider opportunities to explore doing business in the private sector.
* BEP has announced the position of BEP Program manager. Michael encouraged attendees to share this information with those who may want to apply. BEP will ask a member of the CVPC to sit on the interview panel.
* BEP is reviewing the job descriptions of open positions to ensure that the duties are relevant to the position.
* Emma Godinez is expected to return to work on January 17, 2022.
* Carlene Guzman reported the regulations package that BEP submitted to the RSA in 2016 has been approved.
* The package contains revisions to the Monthly Operating Report (MOR) form, DR478, revision date of 6/16.
* Section 2221 reflects a change in the late penalty fee. The late penalty fee is now 10% or $50, whichever is greater. Prior to the change in regulations, the late penalty fee was 15% or $75, whichever was greater.
* The actual MOR form did not change, only some of the instructions on how to complete it changed.
* The new MOR will go into effect for the February MOR and will be due in March.
* Within the next 45 days, BEP will be sending out a notification to all vendors, explaining the changes in more detail.
* Carlene Guzman reported that BEP staff in the Northern Field Office will introduce themselves and provide a brief description of their job duties.
* Luis Rodriguez, BEC, Central Valley
* Larry Fowlks, BEC Northern California
* Colleen Bowden, BEC Northern California
* Nancy Abila, Staff Services Analyst (SSA), Central Office
* Meghan Johnson, Office Assistant, Central Office
* Kelly Snow, BEP Operations Officer
* Brian Coffman, Property Manager, Central Office
* Gladden Rangel, Vending Machine Unit (VMU), Central Office
* Kelly Snow added that Frances Volk, an Associate Government Program Analyst, (AGPA) is the Financial Officer responsible for preparing spreadsheets and other financial data pertaining to BEP is unable to participate in the meeting today.
* Kelly Snow reported that the following positions within BEP remain open
* Location Development Officer;
* Equipment Specialist;
* Training Officer.
* Emefa Tsikata, a BEC who has been the Acting Southern Field Office Manager since July 2021, reported that two BEC’s, Paul Darkwa and Frank Mejia, are not working today and will not be joining the meeting.
* She reported that Paul Darkwa has been a BEC for eight years and that Frank Mejia has been with BEP since March 2020.
* Luke Outland introduced himself as a BEC who has been with BEP since October 2021.
* Jaime Iglesias reported that he is an SSA responsible for invoicing, work orders, and problem solving.
* Juana Robinson stated that she is an Office Technician (OT) and has been with BEP for 16-1/2 years.

Active Participation

* Gavin Duarte, the Chair’s son, read out loud the entirety of the “Technical Assistance Circular,” RSA-TAC-21-01, the federal guidelines for active participation between the State Licensing Agency (SLA) and the BEP Vendors.
* All CVPC members and BEP vendors received an electronic copy of the TAC 2101 document and an electronic copy of the Internal guidelines for Active Participation.

Bagley-Keene Presentation

Elizabeth Colegrove, Attorney III, DOR Legal Affairs Office

* Elizabeth Colegrove explained that meetings of the CVPC and its subcommittees are open meetings and must meet the requirements of the Bagley-Keene (BK) Open Meeting Act per California State law.
* The law is in place to ensure transparency for public monitoring and participation in decision making.
* An agenda must be publicly posted at least 10 calendar days prior to the meeting.
* BK is not in place to ensure efficiency; it is in place to uphold the law and ensure transparency in government.
* The Statute regarding public meetings can be found in the California Code, Welfare, and Institutions Code, 19638.
* The meeting notice must include:
* The name, address, and telephone number of a person who can provide information about the meeting.
* A brief, general description of the item to be discussed.
* If an item is not on the agenda, it cannot be discussed other than to recommend that the item be included on the next meeting agenda.
* The discussion about the suggested agenda item may not be substantive; that discussion may only take place when it is an agenda item.
* A meeting is defined as any meeting where a majority of the members are present, either virtually or in person, to hear, discuss, or deliberate on any item that is within the purview of the committee.
* BK during COVID
* Prior to the pandemic, a distant meeting could take place as long as the address from where the member would be attending was included on the agenda and the location was open to the public.
* Governor Newsom issued an executive order allowing virtual meetings to take place without publishing the address of the location where a member would be attending a meeting.
* A bill was passed in October 2021 which extended the exemption of publishing a member’s location through January 31, 2022.
* When exemptions for publishing a member’s meeting location expires, members may attend meetings from a DOR office.
* Arrangements should be made through the committee liaison.
* Committee members must communicate in an open meeting session that has a duly published meeting agenda.
* Discussing committee business without establishing a quorum, not publishing an agenda, and members communicating via emails, phone calls, or in person is considered a “Serial” meeting and is a violation of the BK act.
* DOR is monitoring the possibility of changing requirements of holding meetings during the COVID pandemic, depending upon guidance provided by the Governor’s office.
* Closed Session
* These meetings are very rare and require a minimum of 48 hours’ notice.
* If the committee wishes to hold a closed meeting, communicate with the committee liaison who will coordinate with the Legal Section to schedule the meeting.
* Special Meeting
* A minimum of 48 hours-notice must be given and are rarely approved.
* Work with the committee liaison to coordinate with the Legal Section to determine whether a special meeting may be scheduled.

Form 700

Elizabeth Colegrove, Attorney III, DOR Legal Affairs Office

* Form 700 is a statement of economic interest.
* Its purpose is to inform the public about a person’s financial interest to ensure the person is working for the best interests of the State rather than their own personal interests.
* TheFair Political Practices Commission (FPPC) reviews and amends form 700.
* DOR is currently reviewing its policy on the form 700.
* Title IX of the code of regulations identifies designated positions

within the department that are required to provide a form 700.

Bylaws & Robert’s Rules of Order

* The Chair of the CVPC had a designee, Carlene Guzman, read the CVPC bylaws out [loud](https://www.dictionary.com/browse/out--loud) to the attendees.
* Gavin Duarte read the Summary Version of Robert's Rules of Order out loud to the attendees.
* All CVCP members and BEP Vendors received an electronic copy of Robert’s Rules of Order and the CVPC bylaws.

Appointment of the Subcommittee Chairs

Max Duarte, CVPC Chair

* The Chair made the following appointments as Chairs of the Subcommittees:
* District 1: Paul Patche, Quality Location Development Committee (QLDC)
* District 2, Denise Hudson-Mendoza, Legislation Committee
* District 3, Barbara Moore, Finance committee
* District 5; Sandy Balani, Training
* District 6, Harry Begian, Rules
* District 8, Julie Wakamoto, Benefits
* The Chair called for reports on unfinished issues from the previous subcommittees and requested reports on subjects that the new Chairs will pursue.

Quality Location Development Committee (QLDC)

* Barbara Moore reported that QLDC members did not feel comfortable waiving locations due to the uncertainty of the number of people who would be in the buildings daily.
* She also recommended that the issue of determining whether a location is a primary, interim or satellite needs to be discussed.
* Harry Begian added that caution needs to be exercised when determining whether a location is a primary, interim, or satellite as some vendors who are open are only making about 25% of pre-COVID sales. A study needs to be made of at least 10 locations.
* Willie Shoemaker added: all interims must go through QLDC and not be bypassed by DOR.
* Max Duarte suggested that Electrical Vehicle (EV) charging stations at roadside rest stops need to be monitored.

Finance Subcommittee

* Denise Hudson-Mendoza reported that Willie Shoemaker and Frances Volk were extremely helpful in the Finance Subcommittee.
* Willie Shoemaker reported that the cost of liability insurance needs to be addressed.
* Michael Thomas reported that he has spoken to David Kwan about providing staff to be present at Finance Subcommittee meetings.

Training Subcommittee

* Sandy Balani reported that at the last meeting, the hiring of a Training Officer was discussed. The Committee would like to see a BEP Training class starting in February of this year.
* The Training Committee would like to have an on-site training this year.
* Harry Begian reported that he has the $5,301 that the CVPC made at the yearly Trainings in his possession.
* The non-profit license expired. Harry will work with Sandy and Max to reinstate the account.

Rules Subcommittee

* Harry Begian reported that the committee will focus on redistricting, cleaning up the bylaws, and work on quarterly reviews of locations.

Benefits Subcommittee

* Max Duarte reported that the committee worked in collaboration with the DOR in the distribution of Fair Minimum Return (FMR) payments.
* The Benefits subcommittee collaborated with the DOR in writing the language for distribution of the Financial Relief and Recovery Payments (FRRP).
* The subcommittee recommended Prudential to manage the BEP retirement account and provided suggestions on what benefits would be received and how they would be distributed.
* The subcommittee reviewed the TAC 21-02, vending machine commissions on federal property, and should work with the DOR to determine next steps.
* Willie Shoemaker reported that the cost of Liability Insurance needs to be reviewed and discussed.
* Julie Wakamoto reported that the subcommittee will continue working

on these matters and provide reports to the CVPC.

Legislation Subcommittee

* Max Duarte reported that the Legislation Subcommittee needs to focus on all issues pertaining to BEP, such as EV chargers at Roadside Rest Stops, and inform the CVPC of important findings.
* Michael Thomas reported that DOR must be given advance notice of any appointments made with representatives of the Legislature.
* Max Duarte reported that the role of the Legislation Subcommittee is to be aware of issues that the Legislature is considering and to report those issues at a CVPC meeting.

District Reports

Reports from each delegate:

District 1: No report;

District 2: The prison in her district is closed for visiting;

District 3: No report, but the delegate asked for a list of vendors in district 3.

District 4: All vendors are struggling. Jerry Gann’s roadside rest is shut

down and visiting at prisons is tenuous.

District 5: A BEP vendor in district 5, Tyrone Galbreath, passed away in

November. Vendors are looking forward to receiving checks from the liability insurance.

District 6: The delegate is very concerned about two vendors in his district

who are on the verge of bankruptcy. CVPC needs to work on certain issues, such as considering combining some locations to create more income and to consider if there is help that can be provided to those vendors who are having severe financial problems and need help. We are not out of the woods.

District 7: Prisons are not doing well because of Omicron. Things are

changing very rapidly; visitation can be allowed on one day and on the next day it could be canceled.

District 8: Some vendors are living day by day. There is not too much to

say.

Motion:

Moved by district 6 and seconded by district 5:

Since the liability insurance covered more than losses of 2020 and includes losses in 2021, move to evenly distribute to all vendors who filed claims.

Vote: District 1, yes; district 2, yes; district 3, yes; district 4, yes; district 5, yes; district 6, yes; district 8, yes. The motion passed.

Motion:

District 5 moved to approve the minutes from the CVPC meeting that was held on November 4, 2021. Seconded by district 3.

Vote: District 1, yes; district 2, yes; district 3, yes; district 4, yes; district 5, yes; district 6, yes, district 8, yes. The motion passed.

Motion:

Moved by district 6 and seconded by district 3:

The California Vendor Policy Committee moves that the Department of Rehabilitation takes a proactive approach in scheduling a meeting with California Department of Corrections and Rehabilitation (CDCR). This meeting, in active participation, would include two vendors currently operating a prison location to identify and get in front of any issues CDCR has with its blind vendors, and convey to them any concerns we may have.

The measured and proactive actions should include:

* Establishment of a DOR representative group with the Participation of 2 CDCR vendors appointed by CVPC, as required by active participation.
* Conducting an internal discussion within the DOR representative group each time before meeting with CDCR, in order to obtain a unified strategy for the meeting.
* As much as possible, the DOR representative group should not make any commitments during the meetings with CDCR, but afterwards when they have ample time to evaluate their commitment.

Vote: District 1, yes; district 2, yes; district 3, yes; district 4, yes; district, 5 yes; district 6, yes; district 8, yes. The motion passed.

* Max Duarte added that BEP should be at State inmate family council meetings.
* A discussion took place regarding the participation of BEP vendors during BEP’s meetings with CDCR. BEP vendors expressed the challenge of working with a system that does not have a centralized communication network.
* Willie Shoemaker added that BEP vendors should be involved in the process of writing permits and memorandums of understanding (MOU).

Open Floor

DOR Staff and CVPC delegates.

* Harry Begian stated that a meeting of the Preferred Food Service Taskforce should be scheduled.
* Barbara Moore reported that the BEP vendor looks bad, and is held responsible, if equipment is broken and not promptly fixed.

Motion:

Moved by district 3 and seconded by district 5:

Recommend that the CVPC instruct the administrators of the retirement plan to select scenario two (B) as presented at the benefit’s subcommittee meeting of December 22, 2021.

Vote: District 1, yes; district 2, yes; district 3, yes; district 4, yes; district 5, yes; district 6, yes; district 8, yes. The motion passed.

Adjournment

* The meeting adjourned at 3:40 PM.

CONTACT PERSON:

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