**State of California**

**Health and Human Services Agency**

**Department of Rehabilitation (DOR)**

## California Vendor Policy Committee (CVPC) Meeting

## Thursday, December 15, 2022, Day 2 of 2

9:00 a.m. – 3:00 p.m.

Hybrid meeting held in DOR Central Office, 721 Capitol Mall, Room 301

Sacramento, CA 95814, with virtual participation available via Zoom.

**In attendance**:

CVPC members (in-person): Max Duarte (District 7), Sandy Balani (District 5), Michael Hatch (District 4), Paul Patche II (District 1), Harry Begian (District 6).

District 2, absent, District 3, absent

CVPC members (by Zoom): District 8 Julie Wakamoto

DOR staff (in person): Michael Thomas, Assistant Deputy Director, Specialized Services Division, Susanna Bishop, BEP Operations Manager, Jennifer Wilbon, Advisory Committee Liaison

DOR staff (by Zoom): Kelly Snow, BEP manager, Emma Godinez, BEP Los Angeles, Colleen Bowden, Business Enterprise Consultant

Members of the public (by Zoom): Jerry Gann, Michael Davis

Members of the public (in-person): None

## Item 1: CVPC Roll Call and Introduction of DOR Staff and the Public

Max Duarte, CVPC Chair, welcomed attendees, conducted a roll call, and introduced DOR staff and members of the public.

**Item 2: Benefits Subcommittee Report**

Max Duarte reported on behalf of Julie Wakamoto. Bickmore Actuarial reported at yesterday’s CVPC meeting. A motion passed to lower the worker’s compensation rate from $10.00 to $9.50 per 100.00. It will be presented to the department. Julie was not available to report on the numbers for the state liability insurance or the health insurance numbers.

**Quality Location Development Committee (QLDC) Report**

District 1, Paul Patche II: Was not able to get through the QLDC agenda and is working on smoothing out the process to be able to get through it. There is one waiver the CVPC committee will need to ratify. The San Jose Courthouse, the committee voted for a 3-year waiver and it passed with the majority approval. Wants committee to review/evaluate locations. Explore locations and services that are provided. Can we have a QLDC meeting in January. And talk about Coalinga in January.

**Motion:** District 1 Paul Patche II moves a motion: Ratify that waiver. Harry Begian seconds the motion, approving the waiver from QLDC. Motion passes.

District 4 Michael Hatch: Does not oppose voting for a waiver for Atascadero but would like to have sales information and have sales information language put into the waiver. Would like to know if the relationship with state hospitals is in danger since a meeting will not occur until January. Suggests waiving Coalinga for now. Michael request to move a motion: When a vendor has a satellite, the department request from the vendor, on a monthly basis, a breakdown of sales, between the primary and satellites; Max will take this to QLDC.

District 5 Sandy Balani: Stated the importance of having a knowledgeable person (who has knowledge about visits and locations), evaluate locations and present that information to committee members.

District 6 Harry Begian: Shared his experience with the metropolitan hospital. Provided suggestions for locations and vendors. Talked about Norwalk Courthouse. Discussion of subcommittee’s, bylaws, committee’s roles, and Randolph Sheppard Act. Requested to move a motion that if no vendor is selected in January, then automatically waive Coalinga. Requesting clarification when someone gets a primary location, what happens to the satellite locations?

District 7 Max Duarte: Will be going over QLDC issues today. Max likes the 3-year waiver idea but keep an eye on these waivers to assess. Would like to take Richard’s Blvd project to QLDC for further exploration and FSIG is interested in putting together a proposal to work with a vendor because it is a large operation (needs a teaming partner). Happy with the language CDCR proposed. Condolences to the family of Dan S. as he recently passed away (yesterday). He was the president of RSVA and did a lot of work for the blind.

District 8 Julie Wakamoto: Would like to know what is going on with San Diego location since Richard retired several years ago.

Michael Thomas: QLDC meeting in January to discuss Coalinga. Talked about regulations with the Department of State Hospitals. Considering looking at getting advice from legal with the Richard Blvd. building in regard to teaming/partnering with vendors. CDCR brought a proposal regarding pricing to DOR but later dismissed it.

Susanna Bishop: Offered a thank you to Harry, District 6, for the suggestion to not operate a snack bar at Norwalk Courthouse. The location agreed they do not need a snack bar and are happy with the vending machine. Susanna wants to work with the QLDC committee to figure out what is needed and would like to establish the next QLDC meeting date. Department of State Hospitals has two cafeterias; they are requesting a 3-year waiver on one in Coalinga and one in Atascadero. The vendor in the Atascadero area does not want to operate it, it’s been waived once. The vending route was just announced for Coalinga. Whoever wins that waiver can assess the situation. State hospitals wanted to shut DOR out completely. Susanna is trying to work with them and will meet with them monthly. Would like to get to the point where the selection process occurs a few months in advance. Susanna read the language in the CDCR proposal for the MOU’s.

Emma Godinez: Agrees with Sandy that someone who is knowledgeable should be involved regarding locations. The San Diego location, Location 390, was closed 12/31/2018.

**Motion:** District 6 Harry Begian moves a motion: Atascadero state hospital, 3-year waiver for one cafeteria. Michael Hatch seconds it. Motion passes

**Motion:** District 6 Harry Begian moves a motion: Coalinga state hospital be waived for 3 years. Sandy seconds it. Motion passes.

**Motion:** District 4 Michael Hatch moves a motion: we ask the department to put into the language of waivers that we request sales information. Paul Patche II seconds it. Motion passes.

Action item: Harry Begian will put it on as an action item San Diego, Julie’s question 32nd street, back of the Navy base in San Diego, location # 390.

**Finance Subcommittee Report**

The subcommittee did not meet. The previous chair resigned. No reports to speak on. Michael Hatch is appointed temporary Chair for the Finance Subcommittee. Next meeting January 25, 2023, 1:00pm – 2:00pm.

**Rules Subcommittee Report**

Harry Begian, Chair. No report at this time. Harry and Julie are on the subcommittee. Jerry Gann volunteered to join the subcommittee.

Action item: to schedule the next Rules Subcommittee meeting before the CVPC meeting adjourns.

**Item 3:** **Training Subcommittee Report**

Sandy Balani, Chair, requested to schedule a training for January 18, 2023, 1:00 – 2:30pm. Discussed training seminar for the Spring, 2023 statewide vendor training and other options.

Michael Thomas: The department is looking at bringing on a trainer. Will request District 5 to help with the interview committee. Looking at hybrid training. Hoping to have in-person annual training in the Spring, will see if time permits. If time does not permit, then need to decide when the annual training will occur.

Susanna Bishop: Seeking a recruitment officer for training.

District 7 Max Duarte: Thinks summer for annual 2023 statewide training is more of a reasonable timeline. Discussed reasons of why having a trainer is helpful. Suggested instead of having mandates, to have options. Can look at the job duties of the training officer and see how to distribute those duties.

District 1 Paul Patche II: Suggested the trouble of hiring a new training officer and instead, suggested how about creating online courses or training videos. No need for a training officer all year.

District 6 Harry Begian: Shared ideas about how training can be done.

District 8 Julie Wakamoto: Shared what has been done in the past for training.

**Motion**: Michael Hatch moves a motion: the department allow vendors to use management services money to subscribe to NFBEI for services to help with training. Sandy Balani seconds the motion. Motion passes

Action item: (by Sandy) NFBEI to conduct annual training and to put something into regulations that it is mandatory to have an annual training for vendors. Sandy suggested teaching trainee’s rules and regulations, they can have a one 8-hour class for example, there is no need for a trainer for 6 months.

Public comment and questions:

Andy Ngo: Discussed wanting to make sure educational/training material is available to vendors.

**Legislation Subcommittee Report**

There is no committee chair. Will wait to see who comes on board at the next meeting and decide on a leader. This meeting is to develop relationships with the representatives. This committee is to inform people of what is going on

at the legislative, state, and federal level. Mentioned reinstituting the grievance committee.

Michael Thomas: A reminder that the subcommittee is a representative of the department. Can disclose the number of grievances and give a general idea of what the grievance is. The department must officially respond to grievances.

District 1 Ryan Patche II: The subcommittee is meant to report what is going on. In favor of reinstituting the grievance committee.

District 6 Harry Begian: Would like to know the purpose of the grievance committee and shared his knowledge regarding the process.

District 4 Michael Hatch: Would like to know what the department can tell members about grievances, or would that be breaking confidentiality?

Public members comments and questions:

Paul James: mentioned there used to be a website that held grievance information.

**Blind Advisory Committee Report (BAC)**Sandy Balani BAC, vendor representative to provide an update on discussions that have taken place regarding BEP during BAC meetings – no discussion held/no report.

**Item 4 District Reports:** Reports on the happenings of members respective districts.

District 1 Paul Patche II: Directed vendors to talk to BEC’s when there are equipment issues.

District 4 Michael Hatch: One facility out for bid, Coalinga roadside rest.

District 5 Sandy Balani: Willie Shoemaker retired. Welcomed Steve Alford, new vendor. Encouraged vendors that when there are grievances, seek advice/communicate.

District 6 Harry Begian: Discussed Norwalk Metropolitan and the courthouse.

District 7 Max Duarte: Prisons are still affected by Covid. Working on mending relationships with the prisons.

District 8 Julie Wakamoto: Roadsides are doing well, courthouses are getting busy. A new BEC in District 8.

Kelly Snow: Gave update on San Clemente Island, Navy Base. Requested on behalf of RSA’s that vendors provide stories regarding how FFRP money has benefited them.

District 5 Sandy Balani: The money helped her buy inventory and helped with payroll and she continues to use the funds to cover payroll.

District 4 Michael Hatch: Michael has less credit card debt now.

District 7 Max Duarte: Max rents an outside warehouse and recently purchased a truck. He went through his retirement fund to survive and pay bills. The money was a great help and gave him hope. It helped him keep his warehouse and his truck. It was a vital instrument to help him stay a vendor and not retire early or go out of business during the pandemic.

District 6 Harry Begian: Many vendors closed their locations. They saved the money to re-open and start their business again. Every single vendor has been grateful for the money.

District 8 Julie Wakamoto: The 20k helped. Julie said she was putting everything on her credit cards and was not making very much from roadsides. She used the money to pay her credit cards off and was able to keep her business up and running.

Members of the public questions and comments:

Jerry Gann: Had 75 machines that were full and many boxes of chips that he could not sell. He and his daughter made bags, filled them up, and gave them a way for free. The money he received helped him “reboot”.

Committee member questions and comments:

District 6 Harry Begian: Would like to know how to recognize efforts of others, in particular, Willie Shoemaker. Questions about reimbursement and getting the correct forms.

District 1 Paul Patche II: Would like to recognize vendors. Consider creating a subcommittee for rewards and recognize everyone’s hard work.

District 8 Julie Wakamoto: Suggested saying kind words, put it in the minutes and Willie can see it.

Michael Thomas: CVPC and the department can get together as far as coming up with a recognition for Willie.

**On behalf of the entire CVPC, we would like to express a thank you and our appreciation for Willie’s efforts, hard work, participation, enthusiasm, and knowledge. Willie will be greatly missed. We wish you the best of luck in your retirement.**

**Item 5: Guest speaker Michael Colbrunn, second vice president of National Association of Blind Merchants (NABM)**

Second VP, Michael Colbrunn: condolences to Dan S. family as he passed away yesterday. Dan dedicated his life to advocating for blind people. Michael Colbrunn is a blind vendor in Minnesota. Updates: NABM priority is vending on military bases and military contracts. NABM has been in touch with the military regarding the new style of dining going more toward a college food court experience instead of the cafeteria style. Meeting with Center of Disease Control in January 2023 to discuss the push for 75% of healthy food items in vending machines sold on federal property. NABM has brought on D. Jones. D. Jones started out as a licensed blind vendor, obtained her law degree, and worked for RSA. She is now retired and wishes to devote her time and energy back to Randolph Sheppard. NABM wants to spend time at Capitol Hill and be able to speak to the lawmakers about what vendors do. RSA: purchases over $5,000 needed approval but now is down to $1,000. It affects how day to day operations work. Michael discussed how Minnesota works around this change.

Committee member questions and comments:

District 5 Sandy Balani: Would like to know the dates for upcoming events.

District 7 Max Duarte: Shared thoughts and comments about Michael Colbrunn’s presentation.

Michael Thomas: Duante Allen has been nominated for the RSA commissioner. He is waiting confirmation by the US Senate.

**Item 6:** **Action Items Report**: Michael Hatch, Vice Chair. Michael will discuss the action items at the next meeting.

**Item 7:** **Open Floor**.

District 1 Paul Patche II: Would like to form an awards committee, Paul does not want to include it in the training subcommittee. Paul volunteered to assist with the awards committee. Shared his experience with accounting and sending in MOR’s.

District 7 Max Duarte: Will have awards subcommittee through another subcommittee or during training. Will decide at the next CVPC meeting.

District 6 Harry Begian: Offered suggestions for an awards committee. Explained how he sends in his MOR’s.

District 5 Sandy Balani: The subcommittee can assign someone to take over a particular project. Sandy volunteered to assist with the awards committee.

District 4 Michael Hatch: Mentioned vendors were getting notices that they were not turning in their invoices etc, maybe some confusion with who is processing the MOR’s.

Michael Thomas: Working on processes with accounting with submitting MOR’s and invoices and to avoid erroneous letters. Send MOR’s to accounting and to BEC’s.

Susanna Bishop: The department is going to implement new software.

Emma Godinez: Most vendors are submitting MOR’s to the BEC’s.

Members of the public questions and comments:

Jerry Gann: Volunteered to help with the award committee.

Steve Alford: Any discussion regarding accounting issues? Requesting to prioritize MOR’s and invoices in an accessible format upon submission.