**State of California**

**Health and Human Services Agency**

**Department of Rehabilitation (DOR)**

**Quality Location Development Committee (QLDC)**

**Thursday, 04/18/24, 2:15pm – 3:****30pm**

**QLDC Meeting Minutes**

In attendance:

QLDC members (by Zoom): Michael Hatch, Steve Alford, Jerry Gann, Joe Murphy, Ivor Horsfall

DOR staff (by Zoom): Luis Rodriguez, Emma Godinez, Marc Leyva, Oscar Chavez, Joshua Pitts, Jennifer Wilbon

Members of the public (by Zoom): Michael Davis, Sandy Balani

Welcome and roll call

The Chair welcomed attendees, conducted a roll call, and reviewed the rules.

Updates on Interim Locations

Members discussed the status of new and pending facilities that are on a six-month interim list.

Department comments and questions

* Location 864, CIM and CIW. 6-month average net income $3,914. 12-month average, $4,077
* Location 863 Sacramento/Folsom Prisons, 6-month average net income $13,175. 12-month average $10,124
* Location 813 Turlock and Westley, 6-month average net income $4,907, 12-month average $5,705
* Location 563 Federal Office building, 3-month average net income, $-1129. Net sales $1,566
* Location 304, Hall of Records, is a satellite, and signed in 2019
* 563 federal office building, there are missing MOR’s for location 563 (location is a dry stand)

Committee members comments and questions

* Asked how long these interims have been going
* Asked questions about gaps in MOR’s
* Asked questions about location 563, the inventory, cost of goods,

and would like to discuss this location at the next QLDC meeting

Motion: Steve Alford moved a motion to close facility 563, the San Diego Federal Office Building, dry stand. The motion was seconded by Ivor Horsfall.

Vote: Steve, no. Joe, no. Jerry, no. Ivor, no. The motion did not pass.

Department comments and questions

* Location 427 Orange County Courthouse. 6-month average net income $7,391, agreement signed 09/2020

Committee members comments and questions

* Asked if this a permanent or temporary closure
* Temporary closure/long term remodel and to remove asbestos
* Current vendor wants to stay at this location
* Revisit this location after the remodel is completed

Motion: Ivor Horsfall moved a motion that location 427, Orange County Courthouse, allowed to be operated as an interim by the current vendor until the remodel is complete. The motion was seconded by Jerry Gann.

Vote: Steve, yes, Ivor, yes. Jerry, yes. Joe, yes. The motion on passed.

Department comments and questions

* Location 871 CRC, Norco, agreement was signed 2/2021. 6-month average net income, $2,423. Net sales $35,490. Cost of goods $25,094; 69%. Total payroll 17%.

Committee members comments and questions

* Costs high/being run from a distance
* Asked about the cost of goods and payroll
* How long has this location been on interim
* This location is a prison
* Suggested location be circulated

Motion: Steve Alford moved a motion to put out Norco prison as a primary location according to state averages, and if there are no applicants, to continue operating as an interim. The motion was seconded by Jerry Gann.

Vote: Jerry, yes. Joe, yes. Steve, yes, Ivor, yes. The motion passed.

Department comment and questions

* Location 1030 Valley State Prison. Agreement signed 09/2021. 6- month average 36, 586. Net income$10,410. Food costs at 49%. Labor is at 16%.

Committee members comments and questions

* Questions about food costs and labor

Motion: Joe Murphy moved a motion that location 1030 be circulated as a primary facility and if there are no vendors interested in bidding on the facility, that it continue as an interim for another 6-months. The motion was seconded by Jerry Gann.

Vote: Jerry, yes. Steve, yes. Ivor, yes. Joe, yes. The motion passed.

Department comments and questions

* Location 864 CIM and CIW. Signed in 12/2022. Net sales for 6-months $45,377. Cost of goods $24,755, 54%. Payroll $12,214, 28%. Net income $3,914.

Committee members comments and questions

* Asked why the cost of labor was so high
* Provided examples of why labor/costs can be high

Motion: Joe Murphy moved a motion that location 864 be circulated as a primary facility and if there are no vendors bidding on the facility, that it continue as an interim for 6-months. The motion was seconded by Steve Alford.

Vote: Steve, yes. Joe, yes. Jerry, yes. Ivor, yes. The motion passed.

Departments comments and questions

* Location 828, Department of Justice headquarters, cafeteria. 6-month average net sales $1,041. Cost of goods 49%. Net income $497. No payroll.

Committee members comments and questions

* Asked who is operating the facility and if the vendor is interested in keeping it
* Facility is a cafeteria, location is Sacramento, but it is closed
* Are there going to be any changes to this facility
* Get more information and discuss at next meeting

Departments comments and questions

* Location 844 Long Beach vending route. The agreement was signed 06/2023. 6-month average net sales $2,230. Cost of goods 37%. Payroll close to 18%. Net income $747.
* No LDO. Discussed Chowchilla. CIM and CIW will probably be sent out first

Committee members comments and questions

* Asked if there was anything in the near future that may change the circumstances and numbers
* The route will never be a primary
* Discussed making certain locations satellite locations rather than keeping them as interims

Motion: Joe Murphy moved a motion that location 844 be circulated as a satellite; in the event that there are no interested vendors, that it reverts back to an interim for 6-months. Jerry Gann seconded the motion.

Vote: Steve, no. Jerry, yes. Joe yes, Ivor, yes. The motion passed.

Current Pending Announcements and Upcoming Interviews

Members received an update from staff and discussed pending facility announcements and interviews.

Department comments and questions

* May Lee complex interviews coming up in May, interim location
* United States Marine Corps West Coast DOD location interviews coming up May 7-9
* Talked about the new interview process
* Location 827 Santa Clarita Van Nuys US Post Office will be coming out shortly and announced as a satellite
* 4 applicants for May Lee office complex

Committee members comments and questions

* How many applications for the May Lee complex have been received
* Would like QLDC to get draft announcements before they are put out to do a quick review

**Prospective new locations and opportunities**

Members and BEP staff will discuss possible new business opportunities

Department comments and questions

* There is nothing new to report at this time

Committee members comments and questions

* Discussed the airport Courthouse in Los Angeles and talked about their food service
* Discussed the USPS distribution center in Santa Monica
* Would like the department to get figures on Santa Monica Postal Distribution Center from VMU
* Would like to keep federal prisons, state colleges, and rest stops on the agenda

**Open Forum**

* The Committee and members of the public will have the opportunity to suggest agenda items for the next meeting.

Department comments and questions

* Discussed the federal office building location

Committee members comments and questions

* Questions were asked about sales information for the federal office building location

Meeting adjourned at 3:27pm