**State of California**

**Health and Human Services Agency**

**Department of Rehabilitation (DOR)**

## California Vendor Policy Committee (CVPC) Meeting

## Thursday, November 7, 2024

9:00 a.m. – 3:00 p.m.

Hybrid meeting held at Department of Rehabilitation Central Office, 721

Capitol Mall, Room 301, Sacramento, CA 95814, with virtual participation available via Zoom

**In attendance**:

CVPC members (in-person): Paul Patche II (District 1), Joni Patche (District 3), Michael Hatch (District 4), Sandy Balani (District 5), Max Duarte (District 7), Jerry Gann (District 8)

CVPC members (by Zoom): Harry Begian (District 6)

DOR staff (in person): Sue Pelbath, Luis Rodriguez, Oscar Chavez, Brandon Birchell, Joshua Pitts, Vicki Lim, Jennifer Wilbon

DOR staff (by Zoom): Kelly Snow, Ryne Myers, Emma Godinez, Daniel Bertsch, Linda Oliver

Members of the public (by Zoom): Denise Hudson-Mendoza, Steve Alford

**Meeting Minutes**

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

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

**Item 2: Executive Committee Reports: Chair’s Report, Vice Chair’s Report, Secretary-Treasure’s Report,** **Department and Business Enterprises Program (BEP) Reports**

**Chair and Vice Chair’s report**

Committee members comments and questions

* Discussed AB 2959
* Discussed how many vendors are currently in the BEP program
* Provided updates and shared what’s going on nationwide
* Innovation money was denied
* Working on 5013C
* No action items to report
* Discussed a situation where a vendors’ license expired and the vendor will need to retest. Would like to request the department archive the test for future use

Department comments and questions

* The department has the test, and it is being edited

**Secretary – Treasure’s Report**

Committee members comments and questions

* Discussion of funds/how much is in the account
* Discussion of how funds are used
* Funds have been designated to the training committee

**Motion: 2024.14**

District 5 moved a motion to approve the August 1st, 2024, CVPC meeting minutes. The motion was seconded by District 1.

**Vote:** District 1, yes. District 3, yes. District 4, yes. District 5, yes. District 6, yes. District 8, yes. The motion passed.

**Department and Business Enterprises Program (BEP) Reports**

Department comments and questions

* Discussed department vacancies and recent filled positions
* Discussed the struggle with vending machine contractors
* Provided overview of the past quarter for: location announcements, awarded locations, and pending selections
* Discussed equipment expenditures and procurement
* Talked about public records request
* Discussed negotiations with the US Marine Corps
* Discussed locations and estimates

Committee members comments and questions

* Would like to know more about the public request
* Vendors are informed if there is a request to see their MOR’s
* Would like to request the department keep vendors updated on discussions, rather than first hearing it from teaming partners
* Questions regarding primaries and satellite locations

**Item 3: Training Committee Report**

Committee members comments and questions

* Questions about individuals wanting to come through the BEP program when there is currently no training officer
* No training class for five years
* Discussed the upcoming education training conference in December
* Draft BEP education conference agenda reviewed
* Suggested talking about next year’s conference early and having it in Los Angeles

Department comments and questions

* Still recruiting for a training officer position
* If questions arise about the training program, refer to BEP staff
* Training is currently on hold, but individuals can still go through the process and be evaluated
* The 20-day pre-evaluation is what is on-hold for now

**Item 4: Legislative Subcommittee Report**

Committee members comments and questions

* Did not receive innovation funds at the national level
* Discussed AB 2959
* Questions about MOU’s with CDCR
* Request to be informed when meetings occur with CDCR and to be a part of those discussions to provide the department with input

Department comments and questions

* CDCR discussions took place

**Item 5: BAC Report**

Committee members comments and questions

* Discussed OIB program (Older Individuals who are Blind), do not have to be a DOR client
* Received an update from Kim Rutledge, Deputy Director, Legislation and Communication, DOR, on current and upcoming legislation that may affect the way that DOR conducts business and provides services. Suggested Kim present at a future CVPC meeting

Department comments and questions

* Suggested OIB and legislation presentation to CVPC

**Item 6: QLDC Report**

Committee members comments and questions

* Discussed the Department of Public Health snack bar waiver
* Discussed a waiver that passed/ended in the summer. Requested this location be looked at again to see if it has potential
* Discussion about waivers and fees took place
* Would like to know when vendors should ask for financial data
* Discussed keeping up with maintenance
* Discussion about liability insurance

Department comments and questions

* Discussion about waivers
* Discussed purchasing new equipment
* Will be at about 2 ½ million dollars’ worth of purchases by the end of the 24-25 fiscal year
* Discussed low performing locations not contributing to the trust fund
* Discussed adequate net income; broke it down per location type
* Explained paying fees
* Went over net proceeds for various locations
* There are 16 locations that have not put into the trust fund
* 4 locations reporting as negative

**Item 7: Rules Subcommittee Report**

Committee members comments and questions

* Suggested vendors be held accountable by attending meetings before they can apply for a location
* Discussion took place regarding dismissing the requirement of business plans for DOD locations. Will be reviewed by the legal department and reviewed at the Rules meeting
* Unsure if other states do business plans
* Suggested reading the motion from the last Rules meeting

Department comments and questions

* Read aloud “Dropping a primary from a satellite and making the satellite the primary facility”
* Program manager decides which location will be a primary or satellite when it is initially being put out
* Committee members and department members engaged in conversation seeking clarification regarding language
* It is the law that a business plan is required

Public members comments and questions

* Feels more time is needed to discuss primary and satellite locations
* Asked what other states do regarding business plans

**Motion: 2024.15**

District 6 moved a motion that the CVPC approve the following proposal for replacing satellites to primaries and submit it to the department for implementation. The motion was seconded by District 8.

**Vote:** District 1, no. District 3, no. District 4, abstain. District 5, yes. District 6, yes. District 8, yes. The motion passed.

**Item 8: Finance Subcommittee Report**

Department comments and questions

* Reviewed summary of quarter reports and statewide averages
* Reviewed DOD proceeds/averages
* Will be sending more reports out
* Net proceeds are before fee

Committee member comments and questions

* Asked if net proceeds were before or after the fee
* Discussed increases

**Item 9: Benefits Subcommittee Report**

Department comments and questions

* Went over benefit increase on health insurance, vision, and dental
* Department decided to keep the contribution the same
* Discussed tier levels
* If one person misses their premium payment, everyone’s policy will get canceled
* 14 vendors are enrolled
* Can also apply for Medicare

Committee members comments and questions

* May have to drop the insurance next year
* People should be prepared for changes
* Can apply for Medicare

**Item 10: USI vending asset management program**

Presentation by Jim Chico, Sales Director, Samantha Hadden, General Manager, and Steve Endres. Provided overview and history of vending program. Some highlights include: offer a single source solution for the vending program, full-service equipment repair/replacement, one point of contact, full coverage parts/labor warranty, they work to provide removal of old equipment, provide hands-on training, vending machines are included with the program, machines are all ADA compliant. Discussed the cost of vending machine/leasing program. Machine lease $350 -$450 per month. Vending machines have reporting capabilities to help monitor each machine called “Greenlite” telemeters program. Vandalism is not covered, (vendor financially responsible) but the company will have it looked at, get a quote, and have the machine up and running. Machines have many security features in place.

Committee members comments and questions

* Questions regarding vandalism/what happens if a machine is vandalized
* Asked if the state would have to do an analysis

Department comments and questions

* Questions regarding card readers
* The state would have to do an analysis and needs more information about this program
* Participated in discussion of the benefits and non-benefits of this company
* Questions about transfer ability, asked about the flexibility of the contract

**Item 11: District Reports**

Committee members comments and questions

* Expressed concerns with issues replacing and fixing equipment
* May Lee office complex is up and running and doing well
* Questions regarding insurance
* Discussed a vendor having a grievance but there are no results yet
* A location closed for a month due to a refrigerator catching fire, no one was hurt
* Questions regarding a vendor looking for a salad spinner

**Item 12: Suggestions for next meeting, Discuss and update action items, Open Forum**

Committee members comments and questions

* Presentation from Kim Rutledge about legislation next meeting
* Presentation about OIB next meeting
* Presentation AB 2480
* Discuss redistricting
* Discuss the thousand-dollar rule
* Can trust fund money be used to purchase supplies
* Questions about VR money use
* Questions regarding Erreca Roadside Rest
* Would like a retired annuitant to work with vendors
* Updated district list needed
* Where does the Election regulation that went to RSA stand

Department comments and questions

* The department will have to meet with Caltrans and CHP regarding illegal vendors at rest stops

Public members comments and questions

* Asked if any updates about illegal vendors at rest stops

Meeting adjourned at 2:58pm.