

BEP VENDOR COMMITTEE MEETING MINUTES

JUNE 24, 2016 • L & I, TUMWATER, WA

Vendor Committee Members Present

- Robert Miller, At-Large, Committee Chairman
- Robert Ott, SW Region
- Jacob Kamaunu, NW Region
- Carrie Arnold, NW Region
- Roy Gappert, SW Region

BEP Staff Present

- Bobby McCalden, BEP Manager
- Jim Sutherland
- Liz Tunison

Others in Attendance

- Joaquin Luna, BEP Licensee
- John Bechtel, BEP Student

Introductions

- Meeting was called to order and everyone present introduced themselves.
- Agenda was read.

MEETING AGENDA – June 24, 2016

New Time: 8:00a – 12:00p

1. Financial Report for October 2015 to May 2016
 - a. Consumable Inventory Debt owed Through April 11 - \$
 - b. Rent past due as of through May 2016 - \$
 - c. Cash in Bank minus warrants outstanding as of the end of March - \$
 - d. Revenues - \$
 - e. Expenditures
2. Training Updates
3. State's Nutritional Guidelines

- a. Individual evaluation reviews conducted w/action plans
- b. December 2016 is deadline for implementation
- c. Emailed customer survey template
- d. Spirit of Executive Order is to offer more options, which everyone does well.
- e. Chef Garret Sept 16 for Operator and/or staff
4. Vending Update
 - a. Evergreen introduced a hybrid machine
 - b. Micromarkets
 - c. December 1, 2016 – All vending, not just government, required to label calories if business has 20 machines or more.
5. Report on Facilities
 - a. FAA Building, Renton – Building is happy, vendor is happy. Challenging situation with only two employees.
 - b. Puget Sound Navy Shipyard, Bremerton – access to base
 - c. Goodrich Building, Tumwater
 - d. King County Courthouse, Seattle
 - e. Pritchard/Leg
6. HLB/HCA combination Notice of Availability due June 27.
7. Blast Conference
 - a. BLAST – May 17 – 20, Chicago
 - b. Two vendors attended plus Bobby
 - c. RSA buying group and LA Fitness
 - d. Communicate with your legislators
8. Upcoming BEP Staff changes 2016
 - a. Job posting, closes June 30
 - b. Interview Panel
 - c. Interviews 1st round, 2nd round
9. All State Planning
 - a. Possible location – NRB meeting room

- b. Oct. 28,29
- 10. 11:15 - Coke presentation
- 11. Other Business – Robert M.

MEETING MINUTES- June 24, 2016

1. Financial Report for October 2015 to May 2016
 - a. Consumable Inventory Debt owed through May - \$8400
 - b. Rent past due as of through May 2016 – Everyone is caught up as of May.
 - c. Cash in Bank minus warrants outstanding as of the end of May - \$583,162. About same as last meeting.
 - d. Revenues –
 - i. State & Rest area revenue slightly up (\$361K) in comparison of last year (\$354K).
 - ii. Concerns around why revenue hasn't increased more with the installation of several micro-markets, increase in state hiring and in vending prices. BEP is unable to pull reports in current data management system to track vending revenue. Committee is concerned and wants analysis done.
 - iii. Federal revenue is up 52% in comparison to last year. \$238K versus \$156K due to some large vending commission payments from naval base.
 - iv. With benefit checks looking to be larger this year, committee asks that vendors might want to consider sharing some of these funds with the program. Will discuss further at All-State.
 - v. With current financial standings, BEP couldn't afford to take on a big opportunity if one was offered. Funds have been dropping consistently about \$100k annually over past few years.
 - vi. Committee wants to see facilities moving forward with technology such as POS systems and electronic menu boards. Important to keeping facilities up to date and competitive.
 - e. Expenditures

- i. Currently expenses are up 15% over last year, but costs really increased at end of last year with several facility turnovers. So, by the end of this year, expenditures should be lower in comparison. On path to about \$150K in expenditures for the current year.
 - ii. BEP considering purchasing cheaper brand of refrigeration going forward as the expensive brands no longer hold up long term. Would mean less investment up front.
 - iii. Committee discussed possibility of increasing vendor repair deductible as it's been at \$350 for nearly 20 years. With inflation, it seems to fair to raise the amount. Anticipate further conversation at All-State.
- 2. Training Updates
 - a. Current student present. Expressed appreciation of support from staff and vendors. On path to graduate in August.
 - b. Bobby has met with several potential students. Hopes to have multiple participants in next class. BEP always in search of qualified candidates.
- 3. State's Nutritional Guidelines
 - a. Individual evaluation reviews conducted w/action plans.
 - i. Another round of evaluations being done this summer on cafeterias and vending.
 - b. December 2016 is deadline for implementation.
 - i. Vending machines will have to offer 50% healthy items that meet Dept. of Health guidelines.
<http://www.doh.wa.gov/CommunityandEnvironment/WorksiteWellness/HealthyNutritionGuidelines/Vending>
 - ii. What will the impact be on vending sales and in turn on BEP? Could eventually result in program being unable to support itself.
 - iii. Snack machine at Lacey DSB office set up at 50% healthy. Weekly there are empty slots from "pleasure" foods selling out while stock of healthier options never seem to move.
 - c. Emailed customer survey template.
 - i. BEP and vendors offered feedback to shorten survey and adjust some of the language.

- d. Spirit of Executive Order is to offer more options, which everyone does well.
 - i. Focus shouldn't be on eliminating menu items. Removing items can jeopardize vendor's sustainability.
 - ii. Concerns that the requirements don't take profitability of operating restaurant business into account. Example is push to advertise free water and offer to-go cups. Providing free cups can be expensive over the long run.
- e. Chef Garret Sept 16 for Operator and/or staff.
 - i. Will be demonstrating and sharing ways to reduce salt in recipes.
 - ii. Hoping to use Pritchard. Waiting for permission. DOH will pick up cost.
 - iii. Vendors should share common entrees they'd like to see addressed so Bobby can forward that information to Chef Garret to ensure it's covered. Was asked that he cover sauces, salad dressing, entrees.
 - iv. Tentative plan is to have the Vendor Committee Meeting in the morning and then meet with Chef Garret in the afternoon.

4. Vending Update

- a. Evergreen introduced a hybrid machine
 - i. Combination machine that only offers Pepsi and Frito-Lay products that focus on the healthy. Program is called "Hello Goodness". BEP supports them installing in facilities outside of Capitol Campus.
- b. Micromarkets
 - i. Currently about 35 micromarkets installed across state in local, state and federal facilities. Overall, they do well. Continually getting requests for them.
- c. December 1, 2016 – All vending, not just government, required to label calories if business has 20 machines or more.

5. Report on Facilities

- a. FAA Building, Renton –
 - i. Building is happy, vendor is happy. Challenging situation with only two employees.
- b. Puget Sound Navy Shipyard, Bremerton –

- i. Continual challenge accessing base. Costly to the vendor who must pay for clearance for staff.
 - ii. When emergency agreement for site #2 expires, the two locations will be merged into one facility.
 - c. Goodrich Building, Tumwater
 - i. Sales are steadily improving.
 - d. King County Courthouse, Seattle
 - i. Vendor present. Reports everything is going well. Sales are increasing.
 - e. Pritchard/Leg
 - i. Pritchard is closed until next session.
- 6. HLB/HCA combination Notice of Availability due June 27.
 - a. Current vendor of HLB was present and explained they gave up site earlier than original agreement time frame due to staff situation.
 - b. BEP in discussion with Committee Chair felt staggering the open dates of HLB in July and HCA in September would be beneficial to selected vendor. Would give them opportunity to successfully settle into HLB before taking on second location. HLB will serve as the commissary for HCA's grab & go items.
 - c. Also suggested going forward to stress in outgoing Notices of Availability that interested applicants arrange for facility tour with BEP staff and not to visit site independently.
- 7. Blast Conference
 - a. BLAST – May 17 – 20, Chicago
 - i. Two vendors attended plus Bobby
 - ii. RSA buying group and LA Fitness
 - b. Bobby received information from RSA buying group that he will forward to the committee if they are interested. If a vendor signs up, they'd have to forfeit majority of rebates as the buying group is funded by them. Bobby didn't receive any figures on what type of savings they offered.
 - i. Communicate with your legislators

1. Encouraged vendors to advocate for the program. Get to know legislators now before you may need to approach them to vote in favor of bills that support program. Make an appointment.
8. Upcoming BEP Staff changes 2016
 - a. Jim retires at the end of the year but will be gone much earlier due to accumulation of vacation hours.
 - b. Job posting for Program Specialist 2 posted earlier this month. Closes June 30.
 - c. Interview Panel
 - i. Please forward potential interview questions ASAP.
 - ii. Bobby will construct questions from the list of desired requirements committee created earlier this year.
 - d. Interviews 1st round, 2nd round
 - i. Will have committee member participate.
 - ii. Potential participants will be allowed to review applications prior to interviews.
 - iii. Hope to extend job offer by end of July and have person in position mid-August to shadow Jim.
9. All State Planning
 - a. Possible location – NRB meeting room
 - b. Oct. 28-29
 - i. Planning 3 to 4 speakers.
 - ii. Topics ideas: Customer service & upselling, legal issues for business owners involving employee rights, finding & retaining quality staff and minimum wage.
10. 11:15 – Coca-Cola presentation
 - a. Alcie Arora, District Sales Manager for South Sound shared benefits of working directly with Coca-Cola.
 - b. He would like to visit facilities and offer ideas on how to market products to build sales. Company can offer tools such as company specific refrigeration to drive sales.
 - c. Pricing discounts would be offered to group as a whole.

d. Interested vendors should contact BEP for Alcie's contact information.

11. Other Business – Robert M.

- a. Discussion came up concerning talking credit card readers. Committee chose Robert Ott and Roderick Roberts to meet with Liz to research possible options.
- b. Wi-Fi accessibility in facilities is a concern especially for use with credit card machines. Bobby will follow up with agency (DES) that manages most state facilities to discuss Wi-Fi options.
- c. Bobby shared some scheduling ordinances that passed in San Francisco that could be on the horizon in our area in the future. It applied to businesses with over 20 employees. Requires schedules to be posted 2 weeks out. Requires additional hours to be offered to current part-timers rather than hiring or contracting out. New employees have to be given good faith estimate of hours to be worked. If changes are made to an employee's schedule with less than seven days' notice, the employer must pay the employee a premium of 1 to 4 hours of pay at the employee's regular hourly rate. On call employees must be paid 2-4 hours even if not called in.