

# Vendor Committee Meeting Minutes

January 17, 2014 ♦ DSB Office, Lacey, WA

## **Members Present**

Robert Miller- SW  
Roy Gappert- SW  
Carrie Arnold- NW  
James Janney- NW  
Robert Ott- NW

## **Licensees Present**

Brian Raymond

## **Guests Present**

Lee Lensegrav  
Bonnie Raymond  
Greg  
Colleen Arceneaux, DOH

## **BEP Staff Present**

Jeanne Gallo  
Liz Tunison  
Jim Sutherland

## **AGENDA**

1. **Financial Report for Oct. 2013 through end of December 2013**
  - a) **Consumable Inventory owed as of approx. \$2072.74**
  - b) **Rent past due as of Zero**
2. **Training Program – Jeanne & Jim**
3. **RSVA – Las Vegas Conference – Jeanne**
4. **Procurement Work Group Update – Jeanne & guest speaker, Colleen Arceneaux, DOH**
5. **Vending Machine Revenue – Jeanne**
6. **Benefit Package – Jeanne**
7. **System 7 – It’s HERE**
8. **RSA-15 Report – Jeanne**
9. **Opportunity - Jim**
10. **New Buildings —**
  - a) **EPA, Seattle**
11. **Report on Facilities:**
  - a) **Legislature - opening of 2014 Session**
  - b) **TPU, Tacoma - closing**
  - c) **Jackson Federal Building - painting**
  - d) **Pierce Co. Espresso - remodel**
  - e) **King County Courthouse – remodel completed**
  - f) **Energy Conservation - Jim**

# MINUTES

## 1. Financial Report for Oct. 2013 through end of December 2013.

- Approximately \$84K in funds available. This will drop as BEP is awaiting invoices for renovations done at King County Courthouse and Pierce County Annex.
- a. Consumable Inventory Debt owed as of January 2014 is approx. \$2073.
- Huge decline from the \$18,000 owed as of last Vendor Meeting.
  - Several operators paid down debt with their benefit check.
- b. Rent past due as of January 2014 is zero.
- Some operators used benefit check to catch up with any rent owed.

## 2. Training Program – Jeanne

- Next training class begins February 11<sup>th</sup> with 2 Students. One whom has worked with BEP in another state and the other has operated own business.
- Nora Patterson no longer a contracted instructor as she's moved onto another job. BEP will be utilizing workshops offered by other state agencies. BEP is open to inviting guest speakers to share expertise with the class. Please contact Jeanne or Liz if you have suggestions.

## 3. RSVSA Sagebrush Las Vegas Conference – Jeanne

- February 10-14<sup>th</sup>.
- Jeanne was requested to speak on a panel regarding our BEP Training Program. With Jeanne unable to attend, Gloria Walling offered to sit on the panel.
- Committee agreed unanimously that Gloria would be reimbursed with BEP funds for her travel expenses for this conference. Gloria didn't ask for reimbursement, but Jeanne presented the idea due to the fact that expenses have been paid in the past and Gloria was speaking on behalf of the program.
- Vendors also agreed in the future that decisions revolving around paying for conferences and who should speak on behalf of the program should be discussed and agreed upon beforehand.
- The BLAST conference will be November 18–20, 2014 in Austin, Texas.

## 4. Procurement Work Group Update- Jeanne & Colleen Arceneaux, Dept of Health

- Referencing Executive Order 13-06.  
<http://governor.wa.gov/office/execorders/documents/13-06.pdf> that discusses "Improving the Health & Productivity of State Employees".

- While there is a national push for increasing the health of our population, Washington State is the first to have an order mandated by the governor. There is a lot of interest from other states to see how it will work. Our state is getting a lot of support per federal grants to see this through.
- The big concern impacting BEP and the vendors is Section 3a:
  - By July 1, 2014, all state executive agencies shall adopt and begin to implement a food and beverage service policy for employees. This portion of the order applies to other state agency services including students, custodial populations, and residents. By December 31, 2016, each agency's policy shall be fully implemented.**
    - a. These policies shall ensure for the provision of healthful food and beverages in all food venues available, including vending machines, cafeterias, on-site retail establishments, and at meetings or events when applicable.**
- Colleen went over the Healthy Nutrition Guidelines the procurement group developed. It is a point system used to meet the established guidelines. Points needed to qualify vary by facility size. These guidelines would be for all food service establishments in state buildings, not strictly BEP. The guidelines encourage offering whole grains, more vegetables & fruits, leaner meats, lower fat milk products, less fried offerings, and less sugary beverages, to name a few.
- The procurement group understands this won't be successful unless the operators are still profitable while this program is under way. The intent is to make changes gradually to meet the guidelines. Don't expect an operator to do it overnight and then expect success. The goal is to have the guidelines met by end of 2016.
- Lesley Wigin is a dietician with Thurston County that is available to vendors to assist in decreasing salt content in recipes. 360-867-2515.
- By July 1, 2014, all state agencies must participate in the Washington Wellness Worksite Designation Program administered by the HCA. Agencies are encouraged to create own guidelines and if they have a café in their building, these rules can have no impact on the operator. DOH will work with the agencies to insure this. DOH encourages operators to have open communication with the Wellness program in their building.
- Vendors had various concerns about approving these guidelines. Would supporting them open the door for stricter, more extreme requirements down the road? Would customers accept these changes? Concerned with healthier items having shorter life span and the financial impact? Also concerned with marketing which DOH plans to assist with.

- After much discussion, this the verbiage the committee members agreed upon:

***Many of the food service operations found in large state buildings are operated as independent businesses by legally blind entrepreneurs through the Washington State Department of Services for the Blind, Business Enterprise Program (BEP).***

***These blind owner/operators will be participating in the state's Employee Wellness Program and have agreed to:***

- 1. Accept and encourage participation in using the Healthy Nutrition Guidelines.***
- 2. Actively participate in defining the changes in the on-going development of future Healthy Nutrition Guidelines.***
- 3. Work with their building's Wellness Committee through one identified point of contact.***
- 4. Accept the marketing assistance from the Washington State Department of Health and the Health Care Authority to promote healthy eating.***

***This has been agreed upon by the Blind Vendors' Committee and staff of the Business Enterprise Program on Friday, January 17, 2014.***

## **5. Vending Machine Revenue – Jeanne**

- Several large vending companies met with the Procurement Work Group and agreed they could go to 50% healthy selections, but anything higher would impact ability to remain profitable. Jeanne did not attend nor was invited to this specific meeting.
- Most likely these changes will reduce incoming commissions from the vending machines in state buildings. Jeanne has already discussed the potential financial impact with DSB and warned the agency they may have to pick up more of BEP costs in the future. Currently, DSB covers office space, utilities, etc.
- Overtime, as customers acclimate to changes, hopefully revenue will level out.
- Per federal regulations, companies with over 20 vending machines must have a way to post caloric content. This may also impact sales, but is also resulting in more costs to vending companies who may have to increase prices to offset these expenses.

## **6. Benefit Package – Jeanne**

- 40% decrease from last year due to several things including furloughs, government shut down, the mandated healthy vending initiative and offices consolidating staff.
- Average benefit check will be approximately \$6400 for operators in place for full year.

## **7. System 7- Jeanne**

- BEP finally using new database and leaving old one (MACCS) behind.
- Been challenge for the software company to meet DSB requirements on the revenue side as no other state they work with has a data base like ours. Plan to be using System 7 exclusively by May 1<sup>st</sup>.

## **8. RSA-15 Report– Jeanne**

- Currently working on it.

## **9. Possible BEP Opportunity - Jim**

- 4200 sq. ft. scatter system cafeteria in old Amazon building on Beacon Hill. Rent is \$24-25 sq. ft.
- About 1300-2000 expected on the overall campus. Some would be college students.
- Equipment installed about 1991. Outdated, too large, would need about a \$300k renovation.
- Vendors agreed it would be expensive and ability to make a profit and pay rent would be worrisome.
- There is a separate espresso stand by main entrance. It was agreed upon that BEP should pursue espresso stand only. Jeanne will contact the facility to find out if this is an option.

## **10. New Buildings —**

### **a. EPA, Seattle**

- Will open about May 2014.
- EPA will be on floors 10-21.
- Facility will be espresso-deli.
- Equipment being installed was discussed.
- Jeanne anticipated putting the location out to bid in March, but vendors asked it go out mid-February.

## **11. Report on Facilities:**

### **a. Legislature / Pritchard**

- Legislative Session in underway. Pritchard is now open.
- 5 employees at Pritchard and 3 at the Dome.
- Going well.

#### **b. TPU, Tacoma**

- Jim got equipment out quickly. Some larger pieces were sold to TPU.
- Cafeteria has not reopened with new operator as of yet.
- Discussion about hiring right staff and finding people to be part of the “team”. Vendors agreed more should be covered in BEP Training about hiring, coaching, training staff. Was suggested to have an expert on hiring talk at next All-State.

#### **c. Jackson Federal Building**

- Some painting done recently.

#### **d. Pierce County Espresso**

- Currently in middle of remodel.
- Espresso stand being moved from lobby into own room.
- County very supportive, but not picking up as much of the cost as BEP anticipated.
- Hoping sales aren't negatively impacted with espresso stand not being as visible.
- Adding soups & chilis and other grab & go items.

#### **e. King County Courthouse - face lift**

- Complete and looks great. Vendor is very happy with the results.
- First time Jeanne had ceiling painted. Good feedback!

#### **f. Energy Conservation – Jim**

- Little tweaking left on the LED light project. A little bit of lighting still left to be installed.
- Getting rebate from Seattle Lighting for installing LED.

#### **Other notes:**

- Jeanne is on vacation from January 20<sup>th</sup> thru February 4<sup>th</sup>. Jim will be in charge.