

# BEP VENDOR COMMITTEE MEETING MINUTES

June 2, 2017 • Lacey DSB Office

## **Vendor Committee Members Present**

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

## **BEP Staff Present**

- Bobby McCalden, BEP Manager
- Elvis Pruet
- Liz Tunison

## **Others in Attendance**

- John Bechtel, BEP Vendor-in-waiting
- Jim Sutherland, BEP Consultant

## **MEETING AGENDA- June 2, 2017**

1. Introductions
2. Financial Report for October 2016 – April 2017
  - a) Consumable Inventory Debt owed Through April:
  - b) Rent past due through April: \$
  - c) Cash in Bank minus warrants outstanding -
  - d) State & Federal Revenues:
  - e) Expenditures:
3. Vending/Revenue opportunities
4. Legislative updates
5. All-State Topics
6. SRC update – Gloria Walling
7. Training Updates
8. Catering request problems /Scam
9. BEP Opportunities

- a) FAA Des Moines
10. Report on Facilities
  - a) HLB/HCA -Sept 2016
  - b) DOT/ESD – Notice of Availability
  - c) Snohomish County
11. Other Business – Robert Miller

## **MEETING MINUTES- March 24, 2017**

- 1) Introduction & Agenda review
- 2) Financial Report for October 2016 – April 2017
  - a) Consumable Inventory Debt owed Through April: Zero
  - b) Rent past due through April:
    - Through April \$4799 is due in rent with 4 vendors owing. Going through May, then \$9650 is owed by 6 vendors.
    - Vendors are aware of debt and several have payment plans in action or at least in discussion.
    - Was asked if these delinquencies were due to financial struggles and if possibly the increase in minimum wage was impacting ability to cover rent. Was further concern that vendors might get too far in debt and unable to recover.
    - Bobby asked for attendees' suggestions in how the program could assist in getting vendors on track financially. Recommendations included BEP management services, consultants, experienced vendors offering mentorship, controlling costs, eliminate overspending, controlling labor, tracking inventory, monitoring for employee theft & portion control and automatic bill pay.
  - c) Cash in Bank minus warrants outstanding: \$652,553
  - d) Revenues - \$325,824 for State/Local. State revenue trending slightly higher than prior year. Might be explained by some "catch up" payments on a few sites. \$257,394 on Federal side.
  - e) Expenditures: Controllable costs, such as equipment repair, is approximately \$45,000. Anticipate spending roughly \$100,000 on FAA.

- 3) Vending Update
  - a) MicroMarkets: Over past 3 years, the number of micromarkets have tripled. The percentage of commissions from them has increased from approximately 4% to 16%. Continue to receive requests for them. Installation depends on number of staff as well as logistics of the building.
  - b) Food Trucks: BEP currently working with Western State Hospital (WSH) to contract mobile food truck service. There are states that do contract food trucks and it could prove to be a low-risk opportunity for BEP. Been several requests over the years and there is always concern of impacting BEP vendors' business. Bobby suggests meeting with Food Truck Association to establish possible working relationship. If it proves successful, there might be feasible for BEP to add a truck as a satellite site. Question was asked if it's possible to add a no-compete clause in the DES-Facility contract. One vendor is going to start offering "food truck" fare on Fridays.
  
- 4) Legislative session updates
  - Important to continue discussion on impact of minimum wage. Will continue to increase annually.
  - Paid sick time kicks in next year as well. Some counties (King & Pierce) already mandate paid sick leave. Will plan to discuss in detail at All-State.
  - DOT Safety Rest Areas. On federal level, Trump's budget is recommending privatization of rest areas. In meeting with WSDOT last month, they felt rest areas were not going to change anytime soon. They do want to update their lease with us concerning vending at rest stops.
  
- 5) SRC update – Gloria Walling: Unable to attend meeting. Topic not covered.
  
- 6) All-State Topics
  - Sick Leave. How to track and pay out while being mindful of impact on labor dollars. Will payroll company, if using one, track?
  - What will make us more successful as a program going forward? How to stay relevant and competitive. How to avoid being stagnant. Beyond food trends.
  - Food Costing

- Last year's breakout session evoked discussion, but how can these be used more productively?
- BEP considering hiring speaker to discuss "Change Management", but price might be out of reach.
- How to create harmony with staff. How to create loyal & long-term employees, especially in today's PNW market.
- How to motivate and drive employees.
- Revisit "Give 'Em The Pickle".
- Food Service best practices and how to raise the bar.
- Discussed extending All-State or offering extended training after a scheduled vendor meeting. Consensus that offering more training opportunities was good idea.

#### 7) Training Updates

- No BEP Training Classes scheduled at this time. Bobby has met with several interested clients, but nothing further.
- With potential opportunities in future if and when any current vendors in larger facilities start considering retirement, it was suggested to offer additional training and development to strengthen current bench. The extra education would be great opportunity for all vendors. Idea of offering quarterly continuing education was discussed. Could be 2 hour sessions. Possibly offered via Skype. Utilize guest speakers, current staff and vendors. Will deliberate further.

#### 8) Catering Request Scam- Robert Miller

- Robert shared current catering request he received via email. Be professional, but be cognizant of potential scams if something seems "off" or odd in their email. Try to get them on the phone and that should prove legitimacy.

#### 9) Opportunities

##### a) FAA Des Moines

- Bobby & Elvis scheduled for walk-thru on June 6th for final measurements for equipment. Some equipment from existing location will be transferred, but BEP will be purchasing most as it

must be Energy Star. FAA willing to donate equipment to BEP if another federal agency doesn't claim it first.

- Still waiting finalization of menu. Anticipating a hybrid of fast food and build to order products.

#### 10) Report on Facilities

##### a) HLB/HCA –Operated started Sept 2016

- Nothing new to report.

##### b) DOT/ESD – Notice of Availability

- New vendor starting on July 1st. BEP is working on transition checklist to allow for a smooth switch from existing contractor to new vendor. Vendor-to-be moved to Olympia in May to allow some time to work directly with the contractor in the facility.
- No change on ESD espresso stand. Current contractor considering cutting back hours with approval of facility. Closing at 11 might allow barista to work thru lunch at DOT. Still debating pros and cons of shutting down the site. Don't want to see the site end up with another company operating it.
- Concerns that DOT staff has lost faith in the café with so much turnover in the past few years. New operator may need to work to win them over.

##### c) Snohomish County

- In March, facility management brought various service concerns to the vendor and BEP. The vendor, with support of BEP and the vendor committee, is actively working through an action plan in hopes to rectify these issues. The vendor currently has taken advantage of additional leadership training under the mentorship of other BEP operators. Vendor will return to facility on June 19th and both BEP and facility are checking in with the staff regularly while owner is away. The committee encouraged vendor to send letter to the facility to genuinely thank them for opportunity to further develop leadership and management skills. It was also recommended that vendor leave a thank you card over the weekend in the facility to welcome their team on Monday morning. Going forward, BEP staff and the committee members will continue to offer support and guidance to the vendor in hopes to make their café as successful as possible.

## 11) Other Business – Robert Miller

- Robert felt it would be beneficial for the committee to discuss some of the common employee relation and customer service concerns amongst the group to generate ideas and share best practices.
- Below are some key ideas generated in the open discussion:
  - Always ensure upon hire that every job position will ultimately be responsible for all duties and functions within the restaurant. It's a "team".
  - Positive communication with staff (and customers) is invaluable. Always use please and thank you. Greet your staff when you first see them and tell them thank you when they leave for the day. Be genuine. Be respectful. Be friendly.
  - Delegate the \$10 tasks to your staff and focus on being the face of your franchise. As the business owner, focus on making those connections with your customers.
  - Lead by example.
  - Find the best spot for you to allow your staff to be where they are best utilized to provide friendly, efficient service to your guests.
  - When getting employees involved in things like creating daily specials, it might be best to give them options to choose from rather than free reign to come whatever they like. It still gives them input, but you still ensure the option is suitable for your facility and mindful of food cost goals.
  - Cross train everyone. Staff should have support positions so they know whom to assist when it's busy or they are done with their work. It eliminates staff standing around when their work is done or getting in someone's way if they try to jump in somewhere they aren't familiar.
  - Staff should be better at doing their jobs than the owner. Train them properly. Allow them to make necessary adjustments to task lists or work stations to improve their service.
  - Pre-make labels for sandwiches & salads with all ingredients. Will be required soon. Get into habit now.
  - How do you earn employee's respect? By showing them respect. Be professional. Thank them every chance you get

and be specific. Tell them you appreciate you them being there. They chose to work for you at your business when so many other options are available. Be thankful for their time and efforts.

- Recognize them by name. Don't refer to them as "my cook, my barista". They don't belong to you.
- Give recognition.
- Open lines of communication. Have weekly planning meetings. Get their input. They will feel valued.
- How can you make the atmosphere more fun for employees (and customers)? Reward staff. Allow staff to give occasional freebies to guests such as ice cream bars to someone having a rough day. Or offer 25 cent popcorn on Fridays and give proceeds to the facility's favorite charity.
- Make staff feel vested in the business. One vendor continually quizzes staff on pricing and food costs.
- Create friendly competition in selling select item, where daily special or specific espresso drink.
- Specific dress up days like jersey day, crazy hat day, ugly sweater day.
- Eliminate stress. Staff appropriately. Let stress fall on you, not them. As business owner, you are responsible for the vibe or atmosphere of your facility. Guests shouldn't feel the stress nor should your staff.
- Be flexible with your staff. Bend a little. Listen to their ideas, discuss pros and cons. Compromise. Don't be stuck in how things "are always done". Be open to change. Their ideas generally are efforts to improve your business and their ability to do their job more effectively. Don't cut them down for their efforts or suggestions.
- Be excellent and strive to be outstanding.
- It's okay to be uncomfortable sometimes when faced with a challenge.
- Robert recommended everyone come up with a list of ways to show employees appreciation.