

BEP VENDOR COMMITTEE MEETING MINUTES

July 13, 2018 • DSB Seattle Office

INTRODUCTIONS

1. Vendor Committee Members Present

- Gloria Walling, NW Region
- James Janney, NW Region
- Robert Miller, At-Large, Committee Chairman
- Robert Ott, SW Region
- Roy Gappert, SW Region

2. BEP Staff Present

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

3. Others in Attendance

- Roderick Roberts, BEP SW Operator
- Randy Tedrow, BEP NW Operator

MEETING AGENDA - July 13, 2018

1. Introductions
2. Financial Report for October 2017 – June 2018
 - a. Consumable Inventory Debt owed through June.
 - b. Rent past due through June
 - c. Cash in Bank minus warrants outstanding.
 - d. State & Federal Revenues.
 - e. Expenditures.
 - f. State of budget.

3. Training Program/Candidates
4. Recruiting Candidates
5. Vendor Retention
6. State Rehabilitation Council (S.R.C.) update
7. Facility Business Plans
8. Food Trucks and priority
9. Wi-Fi/connectivity at facilities
10. Report on Facilities
 - a. Department of Transportation (D.O.T.) Olympia & Employment Security Espresso (E.S.D.) – April 2018
 - b. Highway Licensing Building (H.L.B.) & Health Care Authority (H.C.A.) –August 2017
 - c. NOAA- September 2017
 - d. Snohomish County Courthouse (S.C.C.) - September 1, 2017
 - e. Clark County Courthouse (C.C.C)
 - f. Legislative Building
 - g. FAA Des Moines
 - h. US Courthouse Seattle
11. All State Topics/Speakers
12. Other Business – Robert Miller

MEETING MINUTES- July 13, 2018

1. INTRODUCTIONS

- All present introduced themselves.
- Agenda was read.

2. FINANCIAL REPORT FOR OCTOBER 2017 – JUNE 2018

- **Consumable Inventory Debt:** \$17,937 owed by 4 vendors and one licensee. All are on plans to reimburse BEP and nobody is behind in debt.
- **Rent past due:** \$3111. Majority of this is owed by one vendor who on payment plan.
- **Cash in Bank minus Warrants Outstanding:** \$852,491

- **State & Federal Revenues:**
 - **STATE:** \$379k as of May. This is down about \$40k from last year. The reason being there was a unique \$30k payment received last year that BEP doesn't anticipate seeing this year.
 - **FEDERAL:** \$473k as of May. This is up from \$265k last year. BEP received large commission check from naval yard.
 - On a side note, it was mentioned that a second carrier group might be stationed in Everett and this might be an opportunity for BEP to get a site there similar to Bremerton. Bobby said he would look into it.
- **Expenditures:**
 - Newslines are being paid by the agency for 2018-2019.
 - BEP has spent \$80k on equipment and smallwares for the fiscal year and \$36k on repairs. This includes purchases made for new FAA facility.
- **State of budget.** Cash in bank minus federal revenues is \$434k. The amount was accidentally underreported at the last meeting.
 - Was asked if BEP could present the program's income & expenses in a P & L style so that it might make it easier to follow. Tracking it this way monthly or quarterly might allow a clearer picture of spending/income trends. BEP agreed to look into setting numbers up this way.

3. **TRAINING PROGRAM / CANDIDATES**

- BEP is seeking to update the training program by utilizing course offered by Hadley Institute for the Blind and Visually Impaired. Modeling the New York training program, the student would have a two-week on-site situational assessment, followed by online math and business courses offered by Hadley for free or minimal charge. From there the trainee would begin the online Business Enterprise Program Licensee Training Program (BEPLT) offered by Hadley. After successfully completing this step, the student would begin an 8-week On-the-Job training at a designated BEP facility.
- BEP has set up a subcommittee with 3 current vendors (Robert Miller, Gloria Walling and Shannon Warnke), training contractor

(Jim Sutherland) and program staff to discuss details, format, timelines, expectations, etc.

- The anticipation with changing to this format was to allow potential clients to start training as soon as possible. It would also decrease the amount of travel. It would allow students to progress at their own pace (although within a set time frame). If motivated, a student could potentially move through all steps in 3 to 4 months. This would hopefully eliminate potential applicants from being discouraged by the possible extended wait for the next class.
- The cost of current training is between \$6k and \$18k, depending on the individual, location and circumstances.
- Currently, clients must pass the BEP Evaluation that includes various standardized tests. Some of these tests include math diagnostics, which could possibly be replaced by Hadley. Hadley offers a math diagnostic test that BEP will require. The test might require client to take 2 math courses they offer in order to improve skills.
- During the initial two-week on-site assessment, BEP staff would spend an allotted amount of time with the client. They would then provide a report to the client's VR Counselor and together they would determine if client was ready to move forward with training or should hold off until further skills, such as mobility, were improved. They could also decide BEP wasn't an appropriate fit.
- A client could do the Introduction to Business Management prerequisite classes in the evening while doing assessment during the day to speed up the process. These classes are very general and would possibly be applicable if client opted to go another route other than BEP.
- There was discussion concerning BEP monitoring the pace of a student while they did their independent online training. BEP intends to monitor their training and there is built-in time constraints with the online training. (1 year to complete)
- Concerning On-The-Job Training (OJT), it will be set up as 8 weeks, but it could increase or decrease by 2 weeks depending on student's progress. BEP wants to ensure they are getting the most thorough training possible. That may require taking an extra two weeks of OJT if it might possibly ensure the student's success

down the road. The training would primarily be at one location so client wasn't using training time to familiarize themselves with a new facility every few weeks.

- BEP is looking to see if a training site can receive a set daily fee while training student. Uncertain if that will be approved. BEP hopes the OJE will be fairly intense and allow student to fully learn the ins & outs of running a business. The training would be done by the hosting vendor and staff. BEP staff or contractors would supplement the training. BEP anticipates having set times, such as start and end of week, to meet with trainee to assess their progress and review training. A Work Skills checklist will be used to keep all trainers on same training path.
- It was asked if BEP or VR covered the cost of the training contractor. This would be a VR expense.
- It was suggested that BEP makes a bigger deal over student's graduating. It's a huge accomplishment that staff and vendors should celebrate.
- Post-training, once a licensee takes on a location, BEP wants to set up designated mentorships. This would encourage the new vendor to obtain feedback, suggestions, advice from an experienced vendor. The hope is this open communication would guide the new vendor through the normal stumbling blocks while getting their business established. This in turn would increase their chances of success. It would require open dialogue. There were concerns with confidentiality and privacy if new vendor was asked to share financials.

4. RECRUITING CANDIDATES

- There was further discussion on the video. BEP got an estimate of \$5k. There is a lot of preparation needed to make it happen, including creating a script.
- Committee agreed they want to move forward with the project and that a subcommittee might need to be set up. An overall budget should be agreed upon and consideration for contracting out the entire project from the ground up needs to be considered.
- Tablet tents to be placed in facilities was mentioned again.

- Having a table at the local NFB and ACB conventions in November was suggested. There was interest by a few vendors to attend.
- Bobby was encouraged to offer more facility tours to DSB VR counselors.

5. VENDOR RETENTION

- This was only touched up as the committee felt the discussion on having a required mentorship during the business start-up was key to creating initial retention. Successful vendors stay.

6. STATE REHABILITATION COUNCIL UPDATE

- DSB is implementing an Order of Selection as of October 1, 2018 due to a decreased budget. Vocational Rehab dollars were cut effectively 15% the Workforce Innovation and Opportunity Act of 2014 (WIOA). This means the agency will create a prioritized wait list to serve eligible individuals by priority category. This could possibly impact BEP by making it difficult for potential candidates to get picked for DSB services and then referred to the program. Could also impact the funds VR have to push clients through the training program.

7. FACILITY BUSINESS PLANS

- This idea of having possible themes (i.e. Mexican or Asian food) was discussed at prior meeting, but no action has been taken at this time.
- Will monitor how the gourmet burger set-up at FAA goes and see if having a theme proves successful.

8. FOOD TRUCKS & PRIORITY

- The Randolph-Sheppard Act gives the program priority to provide vending services on federal property. On State land the building and adjacent outdoor space such as a patio or entryway are included. (RCW 74.18.190)
- There is a state building that has continually requested approval for food trucks in their parking lot. It was brought to the DSB attorney and they concurred that the RCW doesn't cover the State

owned access road open to the public, thus BEP couldn't restrict the food trucks in this situation. Committee discussed possibility of updating the RCW to bring it current with the Federal Act updates. Vendors felt it was important to get DSB executive team on board to ensure the proper procedures are followed.

- In the short term, vendors possibly being impacted were encouraged to stay competitive with pricing, selection, marketing, and quality.
- A vendor suggested meeting with the Washington Hospitality Association to discuss options. It was pointed out that the WHA also represent the food truck business owners.
- Discussion will continue at the September meeting.

9. **WI-FI CONNECTIVITY AT FACILITIES**

- Is Wi-Fi a necessity to operate a business, and who should bear the cost? Many vendors present concluded they had installed the service on their own. BEP has had recent requests to pay for the installation of Wi-Fi in an existing location, but in the past BEP has not paid for this item.
- Due to time constraints, this subject will be revisited at the next meeting.

10. **REPORT ON FACILITIES**

- **DOT & ESD OLYMPIA – Start date: April 2018**
 - Current operator was in attendance to share update.
 - Facility is staffed and cleaned. New menus have been put up. Service has been consistent and has received positive feedback.
 - Sales are about the same as listed in past notices of availability. The DOT Espresso stand is a viable business. ESD sales are steady, but room for improvement. Vendor has some ideas to boost sales. Hopes to get some systems in place to allow for future success of next operator.
- **HLB & HCA OLYMPIA– Start date: August 2017**

- Vendor reported sales are slower on Mondays and Fridays. Now offering cheaper daily special on Fridays.
- Been some staff transitions that seemed to be beneficial to operations.
- **NOAA - Start date: September 2017**
 - Notice of Availability went out July 9th as current operator put in notice to vacate one year after start date.
 - Sales have dramatically dropped since last operator. This will be a challenge to attract a bidder.
 - BEP may have to find a subcontractor to operate facility if no bids are submitted. There was discussion on how long subcontractor should be offered facility in order to recoup investment without taking away a potential site for a licensee.
 - Committee felt it might take over a year to build sales back up. Was agreed that NOAA could be offered to a subcontractor on a 2-year basis if no one bid on it.
- **SCC EVERETT - Start date: September 2017**
 - Remodel of kitchen area to accommodate required three compartment sink almost complete.
 - Business going well. No issues reported by facilities.
 - CCC VANCOUVER
 - Current vendor is retiring at the end of 2018.
 - BEP is examining ways to increase business and decrease costs as sales are very low.
 - BEP has one potential candidate in Vancouver for BEP Training.
 - Was suggested BEP try to team up with School for the Blind as they run an espresso stand. Bobby has been in communication with them.
- **LEGISLATIVE BUILDING – Start date: March 2018**
 - Current operator took over in March on a one year Non-Primary agreement.
 - Vendor reported sales are slower on Mondays and Fridays. Now offering cheaper daily special on Fridays.
 - Been some staff transitions that seemed to be beneficial to operations.

- **FAA HQ DES MOINES**
 - Vendor was in attendance to share feedback.
 - Recently received Excellent on health inspection.
 - Sales are picking up, but vendor states high food and labor costs. Been working with Elvis and Jim Sutherland to explore ways to improve business.
 - Turnover has been a bit of an unexpected issue due to the stringency of facility background check. Employees may start working and then have to quit a few shifts in once background check comes back.
 - Going to implement online ordering soon.
 - Experienced vendors present offered to discuss ideas to get costs in line. Several offered to continue the discussion via phone if vendor wanted to call.
- **US COURTHOUSE SEATTLE**
 - GSA offered it to BEP on a permit in April 2019.
 - Bobby is meeting with BEP contractor to observe location and discuss men.

11. ALL STATE MEETING TOPICS- October 2018

- Credit card services / talking credit card machines.
- Mentorship
- Facility Plan
- Labor
- Employee Work Ethics

12. OTHER BUSINESS – Robert Miller