COMMITTEE OF BLIND VENDORS
QUARTERLY MEETING
January 23, 2025

Roll Call:

Attendance was taken, a quorum determined, and the meeting called to order at 4:10 p.m. by Chair Lynn Florence. The invocation was provided by Cramer Schneider.

Members Present:

Lynn Florence, Chair, Todd Stephens, Vice Chair, Todd Freeman, Katherine Gore, Jerry Grimes, Brad Holland, Buster Mayne, Derrick Kromenacker and Cramer Schneider

Staff Present:

Corey Marcum, KBE Director, Jennifer Wright and Jason Wathen, Assistant Directors, Madeleine Ancona, KBE Administrative Assistant, Aaron Christy, and Stuart Boggs, Vending Coordinators, Steve Connell and Michael Wellman, Food Service Coordinators, Shelby Glisson and Liam Goforth, Repair Technicians

Guests:

Mac Carnes, Charles Dorsey, Sean Dorsey, Larry Hall, Darrell Keathley, Lisa Kemp, Melissa Lykins, Chris Miller, Steven Miller, Glenn Smallwood and Angela Stevens

Approval of Minutes

Todd Stephens made a motion to approve the October 19, 2024 meeting minutes which were previously distributed for review.

Buster Mayne seconded the motion. The motion passed and the minutes were approved.

KBE Director Report - Corey Marcum

Corey Marcum told the group that with the inauguration of a new U.S. president, it might lead to changes in staffing at federal locations. More people may be reporting back to the office. While no specifics are available, vendors operating in federal spaces should prepare for potential impacts.

Mr. Marcum then continued with the quarterly updates. One bid was awarded in the previous quarter, with Brad Holland receiving the contract for Hall of Justice. He then discussed the National Vending lease contract. This mark the sixth year of the contract, meaning the first group of vending machines put out in the field will be replaced. A list of 50-60 machines from the program's initial phase has been identified for replacement. Vendors whose machines will be replaced will be notified.

Mr. Marcum reported that the agency held a statewide vendor training in October including a food show. There was good attendance by the vendors. Eleven vendors also attended the BLAST conference in November in Nashville. Some of the vendors were able to meet the new Pre-ETS Coordinator, Cory Canterbury, while at BLAST. Mr. Canterbury will be helping blind youth explore entrepreneurship and the Randolph-Sheppard vending.

Mr. Marcum provided an update regarding the Kentucky State University (KSU) Dining Plan. The agency was set to launch a state university dining plan, a first for any Business Enterprise Program (BEP) in the nation. However, the contract has been delayed due to KSU’s failure to notify the current service provider. Notice has now been given and KBE is expected to take over at the beginning of the next school year, in August.

Additional program improvements highlighted included:

- The agency will be the first BEP program in the country to implement an electronic lock system, with training for vendors planned.
- A new box truck was purchased to transport vending equipment statewide, improving logistics.
- In 2024, eight blind vendors received Serve Safe certification, a national food safety standard.
- The quarterly review with the Army regarding Fort Knox food services was positive, with our teaming partner, Southern Foodservice, performing well.
- The agency had been asked by GSA to explore a micro-market setup at TSA checkpoints at the Cincinnati Airport, but progress is being delayed due to GSA resource constraints.

Mr. Marcum said the budget report shows 59.4% of funds spent at the 50% mark of the fiscal year. A large equipment purchase contributed to a temporary over-expenditure.

Vendors have reported non-payment issues with Canteen, and a meeting is scheduled for tomorrow to meet with them and a representative from the Finance Cabinet to address the lack of payments and compliance with the state soft drink contract.

Mr. Marcum presented his 2025 goals for the KBE program.

1. Finalize the KSU food service contract and resume the university dining plan.
2. Develop a KBE coffee program to increase sales at vending and food service locations.

3. Franchise partnerships with Hunt Brothers Pizza for operations at Gateway and Hall of Justice, expected to launch within 90-120 days.
4. Work with new Workforce Investment Commissioner, Michael Yoder and leverage his business connections to expand vending opportunities beyond traditional government locations.
5. Develop KBE career exploration experiences for blind youth using Pre-ETS funds and through shadowing with current vendors.
6. Procurement and implementation of higher-level technology, including mobile site visit software, a new electronic key system, and update or replace the current iBEP system.

Mr. Marcum asked the vendors to reflect on what the agency did well in 2024 to ensure successful initiatives continue while focusing on areas needing improvement. Madeleine Ancona will be sending out a survey for vendors to provide their feedback.

The floor was opened for the Committee members to ask questions regarding Mr. Marcum’s report.

Vice Chair Stephens expressed frustration regarding Canteen’s failure to pay vendors’ commission for the past nine months. He said that despite repeated attempts to resolve the issue, vendors continue to be ignored. His concerns include multiple calls with no response from Canteen representatives, executives shifting blame and failing to address vendor concerns, and W-9 forms submitted in September 2024 have still resulted in no payments issued.

Chair Florence asked how many vendors are affected, and Mr. Marcum estimated about nine vendors, primarily in the Lexington-Frankfort region.

Buster Mayne shared that he also attempted to contact Canteen but received no callbacks after an initial conversation. Mr. Stephens recounted his extensive efforts, including ten calls to different representatives and eventually escalating the matter to the corporate office, which prompted a response within eight hours. However, he remains skeptical of Canteen's commitment to resolve the issue, stating that they failed in their due diligence and may be intentionally stalling payments.

Chair Florence suggested that the affected vendors form a unified group to push back collectively. Mr. Stephens and Mr. Mayne agreed.

Vice Chair Stephens said that he is taking independent action by transitioning his vending locations to self-service models, with new personnel lined up to take over machine stocking as soon as the weather improves.

Mr. Marcum said a meeting with the Finance Cabinet and Canteen was scheduled for the following day. He assured everyone that an email update regarding the outcome will be sent by Monday, if not sooner.

Chair Florence raised concerns about 365 Retail Markets' reorganization, which has caused disruptions in communication and payments. Vendors have been assigned multiple representatives in a short span, creating confusion about whom they should contact. Several vendors confirmed that payment delays persist, particularly for payments due after October 15, 2024, which now appear as income for the new year, potentially affecting tax reporting.

Mr. Marcum explained that 365's billing system is disorganized, making it difficult to determine vendor credits. He stated that they are working with 365 Retail Markets daily to resolve the issue. Vice

Chair Stephens reminded the group that W-2s and 1099s must be sent out by January 31, warning that failure to comply is unlawful.

Brad Holland asked about the contract length with 365. Mr. Marcum said that the current assets are not on a contract but operate through Kentucky Model Procurement regulations. He noted that there are only two major providers in the industry, 365 Retail Markets and Cantaloupe. He said that 365 has been the only company to respond to state procurement requests.

The discussion shifted to Cantaloupe and whether it could be a viable alternative. Vendors debated whether it offered better accessibility or service quality. Mr. Marcum pointed out that past cases in other states show no clear preference between the two providers. He said it’s a "Ford vs. Chevrolet" situation where choice often comes down to availability rather than significant differences in service. Mr. Holland asked if there could be more research done as the things he’s heard seem to favor Cantaloupe for better accessibility. He also asked that they be given till the April meeting to see if they can work out the kinks and if not, the agency needs to put more pressure on them.

Several vendors suggested proactively engaging Cantaloupe and encouraging them to submit a bid when the next request for proposal (RFP) is issued. Mr. Marcum agreed that more competition would be beneficial but reiterated that state procurement rules limit vendor options to those that actively bid.

Vice Chair Stephens raised concerns about market monopolization, suspecting that 365’s acquisition of smaller competitors has left vendors with no real alternatives. Mr. Marcum confirmed that both 365 and Cantaloupe have aggressively acquired competitors, leading to a situation like Kroger vs. Walmart in the grocery industry.

The group decided to monitor 365's performance over the next few months. If issues persist, they will push harder for accountability in the next meeting. Mr. Marcum acknowledged the frustration, explaining that contacting 365 is difficult due to constant staff changes, making resolution efforts even more challenging.

Mr. Schneider asked the Chair to clarify what she meant by payments appearing as income since October. She explained that 365 has not yet transferred her account to the vendor who replaced her, meaning she still receives payments intended for him. As a result, she must manually transfer the money to him. Mr. Marcum confirmed that this issue stems from 365's failure to update account information, leaving vendor payments misallocated.

A vendor asked whether the lock replacement should be delayed until new equipment arrives, but Mr. Marcum assured the Committee that locks can be easily switched out when necessary. He clarified that the new machines would come with dummy locks, requiring manual key swaps anyway.

Katherine Gore asked if there was an ETA when the locks would be rolled out. Mr. Marcum explained that they will test the system on locations in Frankfort first to work out potential issues. Only after this pilot phase will the locks be distributed statewide. He assured vendors that they will receive ample notice before the change affects their locations. Another vendor inquired about how many keys each vendor will receive. Mr. Marcum stated that this would be discussed shortly with each vendor and concluded his report.

Chair Report – Lynn Florence

Chair Florence stated that she had no formal Chair Report at this time. Instead, she encouraged greater participation from all members in the meeting today.

She emphasized that the Committee's success is not dependent on a few people speaking up, but rather on everyone feeling comfortable contributing. She stressed that vendors should not hesitate to voice concerns or ideas, reassuring them that there would be no repercussions for speaking openly.

Old Business

Online Payment System

Mr. Marcum reported that Agate, the company who designed iBEP which is the system used for processing vendor setaside payments, had a key staff member who was obstructing progress and is no longer with the organization. A new program administrator has taken over. This change has accelerated the resolution process, and vendors have likely noticed emails as the backlog is being cleared. While full improvement has yet to be achieved, initial signs indicate positive progress.

He indicated that an alternative system is being developed by Tyler Technology, which handles the actual payment processing for the Kentucky State Treasury. Since Tyler Tech is the only company with direct access to the state's financial infrastructure, they will have to be involved in some capacity. This means that two options are being explored simultaneously: fixing iBEP with Agate under new leadership or developing a new, more reliable system with Tyler Tech as the sole payment processing provider.

He expressed optimism about Tyler Tech's progress, stating that their solution looks promising and may provide a viable long-term replacement.

Chair Florence inquired whether the new system will be accessible for blind vendors. Mr. Marcum confirmed that accessibility testing has begun, with OVR's Accessibility Coordinator, Jimmy Brown conducting the first round of evaluations. More extensive testing will follow once initial feedback is received.

A major issue with Agate has been its inconsistent functionality, as vendors report sporadic problems each month. Some experience issues while others do not, making troubleshooting frustrating and unpredictable. One vendor states they haven't been able to make a payment in over seven months, even though they can upload data into the system.

Mr. Marcum acknowledged that there is an existing yearly contract with Agate, but he is not concerned about breaking it if necessary. The priority is ensuring a functional and accessible system, whether that means fixing Agate or transitioning fully to Tyler Tech.

Chair Florence and Mr. Marcum agreed that while the recent personnel changes have improved Agate's responsiveness, they must continue monitoring the situation. If Agate cannot meet accessibility standards, KBE will fully transition to Tyler Tech's solution.

Mr. Schneider asked Mr. Marcum to clarify why the contract with Agate must be broken regardless. He explained that, historically, Tyler Tech has always been the backend processor, while Agate provided the reporting and management interface.Tyler Tech is the only entity with access to the state treasury, meaning that even if Agate remains, Tyler Tech will still be required for the actual transfer of funds. Given this, it may make sense to consolidate everything under Tyler Tech rather than maintaining two separate systems.

Mr. Marcum further explained that Tyler Tech already processes all online payments for the state, including fishing licenses and traffic tickets, making them a logical choice for full integration.

KBE Rules and Regulations

Mr. Marcum explained that while the framework for KBE's state regulations has been drafted, they have been unable to finalize changes due to multiple federal updates from the RSA (Rehabilitation Services Administration). Over the past six months, four different directives have been issued, requiring adjustments to KBE's regulations before they can be finalized to a point where KBE can work with the Committee on them.

A new RSA directive was issued on January 16, further delaying the process. He explained that he cannot make final adjustments to present until RSA stops introducing new requirements.

Mr. Stephens asked whether there will be active participation in shaping the new rules, as past processes have not always been inclusive. Mr. Marcum reassured attendees that once the foundational draft is complete, it will be shared with vendors for review and modification. He envisions a workshop-style review process, like previous revisions, ensuring that all stakeholders have a chance to provide input.

Some vendors pushed back, stating that simply posting a draft for comment is not the same as active participation. They emphasized the need for a collaborative discussion rather than a passive review process. He responded that he is open to vendors drafting their own amendments, which will then be compared against the agency draft to integrate suggestions effectively.

He clarified that the current draft is based on Alaska's most recently RSA-approved regulations, as getting new regulations approved is extremely difficult and time consuming. By starting with a framework that RSA has already accepted, it reduces the risk of rejection. However, since a new federal administration and staff are in place, there is no guarantee that what was approved six months ago will be accepted today.

As the discussion continued, vendors expressed concerns about whether their feedback will be genuinely considered before changes are finalized. Mr. Marcum assured them that:

1. The workshop-style review process will allow vendors to discuss and modify the draft before submission.
2. RSA will not accept any regulatory changes without proof of active participation from vendors.
3. A cover page signed by both the Director and Chair will be required to verify vendor involvement, ensuring that changes are not made unilaterally.

Vice Chair Stephens expressed support for the workshop-based approach and Mr. Marcum reiterated that this method was used successfully in the past and will remain the standard. Chair Florence and other participants recall previous workshops, confirming that similar methods were implemented at different locations. The group acknowledged that while details may vary, the process will include multiple workshop meetings to allow thorough review and input.

New Business

Subcommittee Assignments

Chair Florence indicated that Vice Chair Stephens had emailed the subcommittee assignments to the members, allowing them to review their designated assignments. Committee members were encouraged to reach out to her or Vice Chair Stephens if they have concerns or wish to change assignments. Vice Chair Stephens stressed the need for flexibility, explaining that while some people may have preferences, every subcommittee needs participation to function effectively. He said some members expressed concerns about not receiving their preferred assignments, but he reassured them that subcommittee selections were based on where individuals would be most effective. He encouraged open communication but emphasized the importance of teamwork and cooperation.

Chair Florence acknowledged that some members are serving on multiple committees, highlighting the need for a balanced distribution of responsibilities. Ms. Gore expressed excitement about her assignment and is looking forward to contributing to the work ahead.

Restructuring the Bid Process
Chair Florence announced the next agenda item, restructuring the bid process, particularly defining primary and secondary locations. She advised the group to remain constructive during the discussion.

Mr. Marcum requested that a clear threshold be established to define primary and secondary locations. He proposed that for the purpose of bidding, locations grossing over $100,000 a year be classified as primary and those below this amount as secondary. He emphasized the need for consistent criteria to eliminate confusion and ensure fair and transparent bidding.

Chair Florence raised the point that the regulations indicate that a vendor’s income should never be limited. She said that smaller locations should never be treated as standalone businesses, as it may discourage bidding. Instead, she proposed allowing vendors to add smaller locations without being forced to relinquish existing contracts.

Mr. Schneider supported this idea but highlighted the role of seniority in the bidding process, under the current regulations. He presented a hypothetical situation where a long-tenured vendor could dominate the highest revenue sites, leaving other qualified vendors with less seniority, without opportunities. He suggested that a structured approach is needed to balance opportunity and fairness.

Mr. Marcum clarified that each vendor should have one primary location and may acquire secondary locations as they become available. However, secondary locations can be reassigned if they are needed to create a new primary opportunity.

Mr. Holland pointed out a fundamental challenge: certain high-revenue locations receive significant interest, while others are consistently overlooked. He referenced the Transportation food service location that nobody wanted when it went up for bid.

This highlights a key problem in the current system, vendors naturally gravitate toward profitable, well-located businesses, while less desirable sites struggle to attract bids. This issue raises questions about how to make smaller or less attractive locations viable for vendors.

The conversation continued around how to balance opportunity and fairness in assigning vending locations. Some participants expressed frustration over vendors "cherry-picking" high-revenue locations while ignoring fewer desirable ones. Mr. Holland argued that if a vendor is willing and able to take on a location, they should be allowed to do so, rather than having artificial restrictions in place. He emphasized that qualified vendors should not be denied opportunities, particularly when no other bidders are available.

Mr. Schneider reiterated concerns about seniority-based bidding, which could allow one vendor to accumulate all the most profitable locations, leaving other vendors with fewer options. However, it was pointed out that seniority is part of the regulations and while the system may not be perfect, it is how KBE must currently function.

Mr. Marcum clarified that the program is not intended to create monopolies. The goal is to define clear criteria for what makes a primary vs. secondary location, ensuring a structured approach. He emphasized that each vendor should have one primary location, while secondary locations should be allocated with flexibility, preventing a handful of vendors from controlling all the best sites.

As the debate continued, there was growing agreement that establishing a revenue threshold for primary locations was necessary. Chair Florence clarified that she never opposed setting a threshold for high-revenue locations. She said her concern is ensuring that low-revenue locations are not designated as standalone sites when they are not viable businesses.

Everyone agreed that it would be unreasonable to classify a $40,000-a-year location as standalone, as such sites would not generate a sustainable income for a vendor. Instead, such locations should be attached to existing businesses, allowing vendors to expand their operations rather than struggling with insufficient revenue.

A new concern was raised about how vendors are selected for locations. Some argued that assignments should not be based purely on seniority, as this does not necessarily ensure the best-qualified vendor gets the location. While merit-based selection is difficult to formalize, some believe it should play a larger role in decisions. However, we must operate under the regulations currently in force and they indicate seniority as the deciding factor when all other things outlined in the regulations, are equal.

Another issue discussed is emergency appointments, where vendors are placed in a location due to urgent needs, even if they lack the necessary qualifications. Participants suggested that in cases where no suitable vendor is available, the agency should delay assigning a location rather than rushing into an appointment.

Mr. Schneider pointed out that the current rules mandate vendors to give 30 days' notice to leave a location, meaning the agency cannot force a vendor to remain in a site after that time. However, some members believed that encouraging vendors to stay longer in transitional locations could help the overall health of the program.

A comment was made about the need for collective responsibility in strengthening the program and that vendors should think beyond individual success and consider how their actions affect the program. If one vendor succeeds, the entire program benefits from that success. Mr. Schneider urged participants to adopt a collaborative mindset, where decisions are made with the well-being of the program in mind rather than purely personal gain.

Recognizing that the discussion on bid structuring is too complex to resolve in one meeting, a proposal was made to create an ad hoc subcommittee which will:

- Investigate appropriate revenue thresholds for primary and secondary locations.
- Consider inflation and market conditions when making recommendations.
- Ensure a structured and adaptable approach for future location assignments.

Several participants agreed that this approach would provide a more thoughtful, data-driven solution, rather than making a rushed decision. Mr. Marcum emphasized that input from vendors is critical, as this will shape the active participation process required by RSA.

Chair Florence asked if smaller locations could be assigned without a formal bid process, or do they always require bidding? Mr. Marcum explained that this is exactly why a firm, agreed-upon structure is necessary to prevent inconsistencies where some locations are bid out, while others are assigned differently.

A new idea was introduced: a three-tier classification system instead of just primary and secondary locations, which would allow for greater flexibility in assigning smaller sites while ensuring major locations are distributed fairly.

Mr. Holland suggested that temporary placements should be an option. If a profitable site goes unclaimed, an existing vendor could temporarily manage it as a placeholder until a new vendor enters the program. That would prevent lost revenue and help keep sites operational without immediately locking them into permanent assignments.

The discussion revisited the issue of temporary or emergency appointments, which are used when a location lacks a permanent vendor. Some participants argued that the use of placeholders has contributed to ongoing issues within the program, as locations that were supposed to be temporary assignments have remained with the same vendors for extended periods. Others clarified that emergency appointments already exist within the system, and this is not a new concept—rather, the issue lies in ensuring these appointments serve their intended purpose rather than being used as indefinite assignments. The federal regulations dictate than no emergency appointment may last longer than six months.

Mr. Marcum reiterated the need to establish clear guidelines for what qualifies as a primary location, while allowing secondary locations the flexibility to grow into sustainable businesses. He emphasized that secondaries should be treated as steppingstones toward larger opportunities.

Several participants advocated for a comprehensive study to better understand the program's financial disparities. Mr. Marcum referenced the RSA 15 data from the previous year, which reveals a stark contrast between vendor incomes:

- The average vendor income is approximately $90,000 per year.
- The median vendor income, however, is closer to $50,000, meaning that many vendors earn significantly less than the top earners.

This discrepancy is largely influenced by a few high-revenue military facilities that skew the overall average. The study would aim to identify vendors who need additional support and opportunities, rather than allowing a small percentage of participants to dominate the highest-earning locations.

One of the biggest concerns raised is the impact of seniority on new vendors. Some vendors, particularly those earning as little as $6,000 per year, struggle to advance in the program because senior vendors continuously win the locations due to seniority.

A question was raised whether all locations are required to go through the bid process, or can struggling vendors be appointed to low-revenue sites without competition? Several members agreed that primary locations must go through the bidding process, but secondary locations could be assigned without a formal bid, allowing new vendors a chance to grow their businesses without being outcompeted by more experienced vendors.

Mr. Marcum suggested setting clear revenue thresholds to determine when a location qualifies as primary or secondary.

However, there was no consensus on what the exact cutoff should be.

Transportation was identified as a major obstacle in managing vending routes across the state. Some locations, particularly those in remote areas, are difficult to maintain because vendors lack the resources to travel long distances for service.

Mr. Holland shared his experience with the Western Kentucky route, explaining that while it did not generate significant profits, he was able to manage it because of his personal financial situation. However, he said that many vendors do not have the same flexibility, meaning that they cannot take on scattered, low-revenue locations without significant financial hardship.

Ms. Gore and Todd Freeman agreed that transportation costs must be factored into the bidding process, as certain vendors may be at a disadvantage simply due to their geographic location. Some participants proposed designating vendors for specific regions rather than allowing vendors to claim locations across the state, which would make it easier to ensure equal distribution of opportunities.

An issue arose when discussing vendors who already hold profitable locations but continue to bid on small, low-revenue sites, preventing newer vendors from accessing opportunities.

Chair Florence pointed to the example of one vendor who has been stuck in a low-revenue prison location for two years. Despite multiple attempts to bid on better locations, he has consistently been outbid by more senior vendors who already control successful businesses. This has left him with no viable path for financial stability, mirroring the struggles faced by other new vendors in the program. She argued that some senior vendors should relinquish smaller locations to create opportunities for struggling participants.

She commented that some vendors refuse to give up low-revenue sites, choosing instead to accumulate multiple locations regardless of their financial viability.

The discussion touched on how emergency appointments have been inconsistently applied. Some vendors receive long-term emergency assignments, while others are required to participate in bidding. Chair Florence expressed frustration over the lack of fairness in these decisions, stating that vendors who are struggling should be prioritized over those seeking to expand their existing portfolios.

The conversation shifted toward the need for systemic change in how primary and secondary locations are assigned. Chair Florence said that the program must do more to support new vendors, rather than allowing a small group of senior vendors to dominate all available opportunities. She warned that new vendors will leave the program if they are forced to wait years for a viable location, giving them a false sense of opportunity that never materializes. As a result, the program risks losing future entrepreneurs who could help strengthen the vending network.

Ms. Gore and Mr. Freeman echoed these concerns, emphasizing that the regulations must be revised to create a more equitable system. Mr. Marcum acknowledged these concerns and agreed that changes must be made to prevent stagnation. However, he noted, any changes must comply with existing regulations, which limits how much flexibility the agency has in assigning locations.

The conversation turned to a moral responsibility within the vendor program, with some arguing that senior vendors should recognize when they have enough and allow newer vendors opportunities. Chair Florence expressed frustration that while a subcommittee can be formed to address these issues, there are vendors who urgently need locations now. If they do not receive opportunities soon, they may leave the program permanently.

It was suggested that seniority should not be the only factor in determining who receives new locations and that job performance over the past year or two should also be considered, rather than solely relying on tenure. However, others pointed out that rules and regulations currently prioritize seniority, making it difficult to incorporate performance-based assessments until the regulations are updated.

Mr. Marcum responded by explaining that each vendor's business performance is considered when reviewing bids. However, he acknowledged that the current evaluation criteria are limited, often focusing on complaints and financial efficiency rather than a vendor's overall ability to manage a location effectively.

A concern arose regarding the lack of transparency surrounding bidding. Some members expressed confusion about why the list of bidders is not made public. They argued that if everyone knew who bidding, senior vendors might step aside to allow struggling vendors a better chance.

One suggestion was to require vendors to submit bids in an open format, where all names are shared with the vendor body. This would allow vendors to make informed decisions about whether they truly need to bid on a location or if another vendor might benefit more. Some believed that this transparency could reduce competition over smaller locations and encourage fairness in the process.

Chair Florence stressed that her concerns are not about favoritism—she emphasized that all vendors should have a fair chance to build a sustainable business, not just those with the most experience.

Mr. Mayne agreed with the proposal for greater transparency in bidding, questioning why bidders are kept secret when the winner will eventually be revealed anyway.

A motion was made by Vice Chair Stephens to require that all bidding information be shared with the vendor body. Jerry Grimes seconded it. The motion passed unanimously.

Ms. Ancona, who is responsible for sending out bid information, asked for clarification on how frequently updates should be provided. After discussion, the group agreed that updates should be sent at the midpoint of the bidding period (seven days in a two-week process) and a final list should be shared 24 hours before the bid closes.

It was suggested that this timeline would give vendors ample time to decide whether to stay in or withdraw from the bidding process, rather than making last-minute decisions that discourage others from bidding.

Mr. Schneider brought the discussion back to the need for immediate action on open locations, particularly the Transportation Cabinet vending and the Northern Kentucky Route, where an emergency appointment is still in place after more than two years.

Chair Florence argued that if a vendor was unable to handle a location initially, they should not be allowed to keep it as an emergency appointment. Other members agreed that this practice prevents other vendors from having a fair opportunity to bid on those locations.

Mr. Marcum said that only two locations are currently open, as a third location, West Kentucky Prison Route received no bids and must now be assigned to a third party.

The discussion continued whether. As suggested earlier, an ad hoc subcommittee should be formed to address open locations and vendor placement, or if an immediate decision needs to be made regarding the current openings.

The discussion shifts toward how to handle open locations that have not received bids. Some members expressed concern about whether Mr. Marcum, as director, should have the unilateral authority to appoint vendors to these locations. Others argued that these locations do not generate enough revenue to be considered standalone and should be assigned as secondary locations to existing vendors.

Mr. Marcum reiterated for the third time that he needed the Committee's direction on clear and consistent rules for handling locations under a certain revenue threshold. The goal is to ensure there are no questions or inconsistencies in future assignments.

The Committee began discussing whether these locations should be re-bid or if Mr. Marcum should assign them outright. There was concern about fairness, as some vendors might have placed a bid had they known the locations would not be standalone and they wouldn't have had to give up all their other locations.

To address these concerns, the Committee suggested setting $100,000 in annual revenue, a number that has been used in the past, as the threshold for primary and secondary locations as a formal guideline.

A motion was made, by Vice Chair Stephens, to officially define locations making $100,000 or more as primary locations and those under that threshold as secondary (add-ons). The motion was seconded, by Mr. Freeman, and a unanimous vote was cast in favor of the motion.

Expanding Vendor Opportunities Outside of Major Cities
Vice Chair Stephens raised concerns about vendors outside of major metropolitan areas (Frankfort, Louisville, etc.) struggling to find economic opportunities. He suggested that efforts should be made to develop more locations in rural areas to accommodate vendors who may not have access to the more competitive bid opportunities.

Mr. Marcum responded that this aligns with KBE's goal to establish stronger relationships with the new Commissioner of Economic Development. This Commissioner has statewide business connections, which may help open more vending locations in areas beyond the "Golden Triangle" (Louisville, Lexington, and Frankfort).

Kiosk Providers and Payment Delays
The discussion moved toward the need for better kiosk providers to improve vending technology. Mr. Marcum explained that the state is not the best customer for suppliers, as payments are often delayed beyond the standard 30-day window. Suppliers to the state typically receive payment between 60-90 days, sometimes longer, making it difficult to establish partnerships with kiosk manufacturers.

He stressed that he has no brand loyalty to any kiosk company but is committed to working with whomever is willing to do business with the state under these conditions. He acknowledged the ongoing frustration with 365 Retail Markets as a kiosk provider said efforts to find alternatives will continue within procurement regulations.

Training
The Committee discussed how to mandate retraining for current vendors who may be struggling with key aspects of their role. This applies to individuals who have remained in the program but are not meeting expected performance standards. While retraining is

already part of the established rules, there needs to be a clearer process for identifying when retraining is required and how it should be implemented.

A second discussion point involved a former vendor who left the program but wants to return. This individual is still licensed but has been away from vending for an extended period. The question is whether they should be required to undergo full training again, like a new vendor, or if a refresher course would be sufficient. The refresher would focus on new technology and business procedures that have changed since their departure.

There was agreement that assessments should be conducted to determine which areas a vendor needs help with before requiring them to repeat the full training process

The discussion shifted to how training needs should be identified in the first place. Coordinators play a key role in monitoring vendor performance, but their evaluations often focus on compliance rather than practical business skills.

Some committee members suggested that Coordinators should spend more time with vendors in the field, observing their daily operations and identifying issues before they become major problems. For example, a vendor may struggle with ordering supplies online, using electronic reporting systems, or managing inventory.

It was noted that the food service industry has changed significantly in recent years, with most ordering and inventory management moving to digital platforms. Vendors must be proficient in these areas to remain competitive. Mr. Mayne shared his experience transitioning from pen and paper ordering to online systems, emphasizing that while it was intimidating at first, it ultimately made operations much easier and more efficient.

There was a consensus that vendors should not be relying on their Coordinators to handle ordering or administrative tasks for them. Instead, vendors should be provided with guidance on how to use digital systems themselves.

The Committee acknowledged that some vendors struggle with technology, particularly with online ordering, kiosk management, and financial reporting systems.

Several training solutions were suggested:

- The McDowell Center offers technology training for vendors needing help with computers, assistive technology, or orientation and mobility training.
- Peer mentorship: Vendors who are proficient using ordering and reporting systems could train and mentor others who need help.
- In-house training: Coordinators should be knowledgeable enough to assist vendors with basic technology issues related to their operations. If that is not enough, more extensive training should be sought.

The point was made that vendors should be proactive in seeking training rather than waiting until they are in crisis. One member emphasized that help is available, but vendors must take the initiative to ask for it.

The Committee moved toward formalizing a process for identifying vendors who need retraining.

Key Points Discussed:

1. At what point should a vendor be required to undergo retraining?

- If a vendor consistently struggles with ordering, reporting, or other business functions, they should be flagged for additional training.

2. Who is responsible for identifying training needs?

- Coordinators should spend more time observing vendors in their work environments rather than just completing routine reports.
- If a Coordinator notices ongoing struggles, they should recommend retraining.

3. How should vendors be informed that retraining is necessary?

- There needs to be a clear, structured approach to informing vendors that they must undergo training.
- Some vendors may resist retraining, so it must be presented as a positive opportunity rather than a punishment.

The discussion emphasized that training is essential for both new and experienced vendors. Just because a vendor has been in the program for years does not mean they are keeping up with industry changes.

A strong case was made for peer-led training. Experienced vendors who have already mastered certain skills such as ordering, reporting, and kiosk management should be available to mentor those who are struggling.

Mr. Freeman shared how he personally trained two new vendors by having them shadow his operation for a month. By the end of the training period, the new vendors were fully capable of running their own operations.

A suggestion was made by Chair Florence that Coordinators should not do tasks for vendors but instead teach them how to complete the tasks themselves. If vendors are simply told what to do rather than being guided through the process hands-on, they are less likely to retain the knowledge.

There was also a recommendation that Coordinators receive training themselves on how to effectively train blind and visually impaired individuals. Some Coordinators may not fully understand how to convey information in a way that is accessible to blind vendors, and this gap should be addressed. Ms. Wright pointed out that in August, all KBE employees went through training at the McDowell Center in working with blind individuals.

The key takeaway from this discussion was that all vendors should be willing to help their fellow participants. Training should not be limited to formal instruction from Coordinators—peer mentorship should also be encouraged to ensure everyone has access to the knowledge they need to succeed.

A question arose regarding whether a subcommittee should be formed to oversee vendor retraining requirements. However, it was determined that this should remain the responsibility of Coordinators and agency staff, who are best equipped to identify when a vendor is struggling and needs additional training.

If a vendor refuses necessary retraining, consequences such as formal warnings or potential loss of business privileges may be necessary. The Committee agreed that vendors must take responsibility for their own development, and if they are unwilling to improve, they may not be suited for the program. Chair Florence stressed that refusing to adapt to modern technology or updated procedures is not acceptable, as it affects both the individual and the overall reputation of the program.

The Committee moved on to how vendors who previously left the program should be reintegrated. A key concern was ensuring a fair and consistent process for assessing returning vendors. The Committee agreed that the amount of time a vendor has been away from the program should determine the level of retraining required.

- For vendors who have been gone for 11 months or less, a refresher course should be sufficient. This would cover new technologies, updated procedures, and key operational skills.
- For vendors who have been gone for one year or more, a more intensive retraining program may be necessary, particularly if major changes have occurred in the vending industry.
- If a vendor had performance issues before leaving the program, additional assessments may be required to ensure they are prepared to return.

The discussion highlighted that the vending industry has changed significantly over the years, with new self-checkout kiosks, online ordering systems, and reporting tools. A vendor who left the program several years ago may not be familiar with these advancements and would struggle without additional training.

The Committee also agreed that returning vendors should not automatically be placed in a micro market or other advanced location unless they have been properly trained in that specific setting.

To ensure consistency in decision-making, the Committee proposed developing a standardized re-entry assessment. This would allow the agency to evaluate a returning vendor's skills and determine what level of retraining they need.

There was also discussion on whether returning vendors should receive financial support for initial stock and startup costs, like new vendors. Some argued that this could be seen as "double-dipping" if the vendor had previously received startup funds, while others believe it is reasonable to provide assistance if they have been out of the program for a significant period.

Another concern is the upcoming closure of certain vocational rehabilitation funding priority categories, which may affect whether some vendors can receive financial assistance for retraining. However, since blindness is considered a significant disability, it is expected that vending program participants should still qualify for funding under priority category one.

To finalize the process for vendor reentry, the Committee agreed to form a subcommittee work group to:

1. Define the assessment criteria for returning vendors
2. Determine what level of retraining is required based on time away from the program
3. Clarify whether returning vendors are eligible for financial support

Chair Florence suggested that the training subcommittee take the lead on this issue but agreed that additional members should be added to ensure a balanced discussion.

A mix of experienced and newer vendors will be included in the subcommittee work group to ensure perspectives from different stages of the program are considered.

Mr. Mayne volunteered to join the subcommittee work group, emphasizing the importance of having a structured and transparent process for vendor reentry.

The Chair appointed Mr. Mayne to the Training subcommittee work group handling the assessment and retraining of returning vendors.

The bylaws allow for non-Committee members to serve on a work group and it was agreed that those involved in the reentry process should actively seek input from other vendors, especially those with a variety of experiences in the program.

Jennifer Wright provided an update on the vendor training guide, stating that it remains a work in progress due to continuous changes in techniques and procedures.

She said that Chair Florence, Buster Mayne, and Todd Stephens submitted input, but overall participation had been low.

The Committee emphasized that all licensed vendors should contribute feedback, not just Committee members. Newer vendors, particularly those who recently completed training, are encouraged to share insights on areas where they felt unprepared.

A follow-up email will be sent by Ms. Wright to clarify that all licensed vendors are welcome to participate in shaping the training guide. The goal is to create a comprehensive and effective resource that meets the needs of both new and experienced vendors

KBE Goals for 2025 and General Assembly

Mr. Marcum said that the KBE goals for 2025 had already been covered earlier in the meeting. The Committee moved on to discussing a potential guest speaker for the 2025 General Assembly.

Mr. Marcum stated that he had sent out working agendas and welcomed suggestions for guest speakers.

The Committee encouraged reply-all communication to foster transparency and active participation when submitting speaker recommendations.

Since the meeting was running long, the Committee decided to delay further discussion on the guest speaker for a later date.

Vendor Candidate Updates
Ms. Wright provided an update on new vendor candidates who were interviewed in November:

One candidate has already scheduled his evaluation at the McDowell Center and will soon begin Lighthouse training. Another candidate, failed to follow up on her next steps despite repeated outreach efforts. After receiving an email from Ms. Wright and the Counselor, she finally responded and has been scheduled for her assessment. The third candidate has not responded at all. It is unclear whether he remains interested in the program.

The Committee expressed frustration over candidates not taking personal responsibility for their application process. There is concern that if someone is unable to follow through on the initial steps, they may struggle as a vendor.

Vice Chair Stephens, who knows one of the candidates personally, agreed to reach out to him and determine if he still wishes to proceed.

Retirement Announcement
It was announced that Helga Gilbert would be retiring within the next month. She has been an integral part of interview panels and vendor assessments for the Committee.

Next Meeting and Blind Youth Entrepreneurship Summit

Mr. Marcum announced that the next Committee meeting will be April 24th and will be held at the Hyatt in Louisville to coincide with the Blind Youth Entrepreneurship Summit.

The summit will be aimed at high school students, specifically juniors and seniors, through the Pre-ETS program. The Committee supported the decision to combine the meeting with the Summit, as it will expose students to entrepreneurship and the vendor program. Participation in the event will be voluntary, and vendors will need to cover their own travel and lodging costs.

Mr. Marcum said that while vendors would not receive reimbursement for expenses, they are encouraged to treat them as a business expense. He urged members to be prepared to participate and potentially present during the event, is asked.

There was discussion about creating a shadowing program where students could work with vendors for a week or more, provided funding was available.

Public Comments

Darrell Keathley, a vendor with 17 years of experience, raised a concern about seniority for returning vendors. He asked whether a returning vendor retains their previous seniority or restarts from zero. Mr. Marcum clarified that seniority remains intact from when they left, but performance history is a key factor in reentry. If a vendor was not active during Mr. Marcum’s tenure, he relies on input from the files and from long standing vendors to assess the qualifications. Mr. Keathley acknowledged the challenges of tracking vendor history through multiple director changes but appreciates the transparency in the decision-making process.

Melissa Lykins, a former vendor looking to reenter the program, shared her personal journey and insights on vendor success. She indicated that she initially left the program due to a lack of confidence, limited vendor networking, and reliance on her spouse to manage satellite locations. Some of the challenges she encountered were trust issues with staff she depended on for vending operations and a lack of knowledge about hiring trustworthy assistants. She is concerned that the program’s shift to digital operations compared to when she originally participated may be a challenge.

Ms. Lykins said she would like to return to the program because she has grown in confidence and now understands the importance of networking within the vendor community. She wants to fully embrace the program, using technology and mentorship to ensure success. She is particularly interested in supporting younger vendors who may face similar confidence struggles.

She supports the idea of vendor assessments for returning members to ensure they are prepared for the technological and procedural changes in the program. She also suggested that bid postings include more detailed information, such as previous vendor schedules (days/hours worked), whether the location was a primary or secondary facility and work expectations, so vendors can make informed decisions before bidding.

Ms. Lykins expressed concern for new and returning vendors who may feel isolated, emphasizing the importance of mentorship and a supportive network. She said her motivation extends beyond personal success. She is also thinking of her child, who has a degenerative condition, and wants to set an example of what is possible despite vision loss.

Chair Florence reassured Ms. Lykins that the vendor community would not let her fail as long as she is committed to her work. Success depends on vendor effort, but also on having a reliable support network to ensure long term stability. Ms. Lykins emphasized that she left her facility in good standing but knew she needed better support before returning.

The Committee discussed ways to better prepare vendors through real world training. They said vendors should seek hands-on experience by working part-time with experienced vendors before managing a location. Mistakes in ordering and logistics can be costly, so learning by doing is essential. Training through shadowing will help new vendors adjust to the fast-paced nature of vending operations.

Ms. Wright and the subcommittee work group members will explore how to facilitate practical training opportunities for both returning and new vendors. The subcommittee working on vendor retraining guidelines is urged to finalize their recommendations quickly. Retraining will be tailored to vendor needs, ensuring that those out of the program for extended periods receive adequate preparation before returning. Committee members agreed to provide updates soon to help streamline the process.

Darrell Keathley suggested that bid letters should include estimated time commitments for each location.

- Some routes require long hours and extensive travel, and new vendors should be fully informed before bidding.
- The outgoing vendor should provide insights into their work schedules, supply logistics, and operational challenges.
- Vendors should be listed in the bid letters as points of contact so that interested bidders can reach out for more information.

The Committee agreed and asked Mr. Marcum to adjust the bid process by:

1. Requesting outgoing vendors to submit a brief overview of their work schedules and location logistics.
2. Ensuring contact details of the outgoing vendor are included in the bid notice.
3. Providing a clearer scope of responsibilities, including whether supplies are delivered or need to be purchased independently.
4. Hours of operation of the buildings

This move is expected to help vendors make better-informed decisions and avoid unexpected challenges after acquiring a location.

Adjournment

Vice Chair Stephens made a motion to adjourn, which was seconded by Ms. Gore. The meeting was adjourned at 7:08 pm.