COMMITTEE OF BLIND VENDORS QUARTERLY MEETING January 26, 2023

Roll Call – Attendance was taken, a quorum determined, and the meeting called to order at 4:30 p.m. by Chair Larry Hall.

Members Present:

Larry Hall, Chair, Lynn Florence, Vice Chair, Charles Dorsey, Todd Freeman, Katherine Gore, Jerry Grimes, Brad Holland, Buster Mayne, Chris Miller, Cramer Schneider, and Todd Stephens.

Staff Present:

Corey Marcum, KBE Director, Jennifer Wright, Assistant Director, Janice Jackson, Administrative Assistant, Aaron Christy and Stuart Boggs, Vending Coordinators, Jason Wathen, Food Service Coordinator, and Dondra Meredith, Deputy General Counsel, Education and Labor Cabinet

Vendors Present:

Reni Jackson, Angela Stevens, and Justin Purvis

Guests Present:

Chris Hazlett, Patriot Distribution

Approval of Minutes – Chair Hall called for a motion for the approval of minutes from the October 27, 2022 meeting, which were previously distributed for review. Todd Stephens made the motion to accept the minutes as written. The motion was seconded by Jerry Grimes. The motion carried.

Introduction of New Members

Chair Hall welcomed the new Committee Members Charles Dorsey, Katherine Gore, and Brad Holland. He explained that there were only 10 vendors who ran for the 11 seats on the Committee, so as dictated by Committee bylaws, he had appointed Mr. Holland to fill the other position.

Chair Hall announced the new subcommittee assignments for 2023-24:

Budget - Chris Miller, Chair, Todd Freeman, Charles Dorsey, and Katherine Gore

Training - Lynn Florence, Chair and Todd Stephens

Upward Mobility - Jerry Grimes, Chair, Buster Mayne, and Cramer Schneider

Grievance - Buster Mayne, Chair, Jerry Grimes, Brad Holland & Chris Miller

Patriot Distribution - Chris Hazlett

KBE Director Corey Marcum introduced Chris Hazlett, an independent distributor of vending products, and stated that all vendors are having supply chain issues and Mr. Hazlett may be able to help with getting products.

Mr. Hazlett said he represents several national brands, such as Grippo, Golden Flake, Mikesells, and Tom's Lance. He carries the usual items like popcorn, chips, and beef sticks. Chair Hall asked about being competitive, Mr. Hazlett said he will beat any competitor's price. His business is based in Stanford. The size of a minimum order is \$200 - \$300. Mr. Marcum said he would send out the contact information for Mr. Hazlett.

KBE Director's Report – Corey Marcum

Mr. Marcum reported that the paperwork has been finalized for the vendors' annual General Assembly meeting October 27-28. It will be held at the Hyatt Regency in downtown Louisville. He will get lodging information out to vendors this summer.

He reported that three more micro markets are scheduled to be installed in mid-March.

Mr. Marcum said he recently visited the Bluegrass Army Depot location. There is still half of the location that he still has not seen. He continues to have conversations with them about vending.

He reported that agency staff will attend virtually, the Randolph-Sheppard Vendors of America's Sagebrush Conference and training in February.

Mr. Marcum said the RSA-15 federal financial report had been filed for 2022. He indicated he will send out a copy of the report to all vendors. The summary of the year's activity is: Gross Sales – \$6,971,462 Merchandise Purchases - \$1,914,260 Payroll Expenses - \$3,351,078 Other Operating Expenses – \$333,591 Unassigned income – \$259,616 Set-aside payments - \$60,251

Total number employed by vendors in the program - 130

He continued by saying that the National Association of Blind Merchants (NABM), BLAST-TNT virtual training will begin in February. There will be speakers from RSA including David Steele. Information has been sent out to all vendors, who are encouraged to attend.

There are still issues with the setaside iBEP payment system that we are working with the two other entities to resolve and hopefully it will be available soon.

Mr. Stephens stated the online payment options for setaside payments should already be in place. Mr. Marcum said he has been dealing with KY Interactive in getting this set up, but the company has been sold to a new company. This is presumably the hold up. Mr. Stephens said he sent an e-mail to Cora McNabb to see if she can help expedite and get this implemented as soon as possible. Mr. Marcum said it has not been a smooth transition with Eport/Greenlight. He said he is aware of continued issues and is working with National Vending daily on resolving the deposit issues.

An RFP has been issued for Fort Knox Summer Cadet Dining. He is working on the response. This is for four dining halls for summer cadet training only. It is not the contract for year-round troop dining.

KBE staff recently had a two-hour meeting with a representative from the Lighthouse of Chicago to look at their virtual training for new vendors. The virtual option may be best for most candidates as they could work at their own pace and wouldn't have to stay away from their homes for long periods. New vendor training would still include extensive on-the-job training before a trainee could become licensed.

Chair Report – Larry Hall

Chair Hall said that we have reached a point where vendors must accept change. Things are never going back to pre-Covid levels. He suggested that all vendors step out of their comfort zones to look at new possibilities. He indicated that he has talked to many legislators about the situation. He said all Committee members need to push the program forward. Chair Hall said that food service in state and federal buildings, and vending, are basically three good days and two slow days per week. It is hard to find employees to take three-day-a-week jobs. Vendors need to have plans in place, it costs too much to run food service for basically three days a week.

He asked each of the Committee members to indicate suggestions to help the program.

Some of the suggestions included:

Getting rid of small locations that don't make a profit.

Getting out of the equipment repair contract. Repairs are not being made in a timely manner.

Buying instead of leasing equipment.

Receiving regular budget reports from the agency and being transparent with each other as to where the money is going.

Having better communication and transparency between the agency and the vendors.

The Committee and the agency must work together and be accountable to each other.

Setting goals for success.

Keeping labor costs down by capitalizing with technology, including micro markets.

Branching out into private business and checking into manufacturing, hospitals, etc. Need to capitalize on the workforce that continues to work every day, such as facilities outside of government. Targeting local Chamber of Commerce members, City Commissioners and talking to local businesses. Making connections with local unions and tradespeople. They always know of the new places that are coming to the community because they will be building them.

Investing in food trucks that serve local entities such as city and county government offices, police, and fire departments.

Looking at opportunities other than selling food items. Don't be trapped in the food and beverage mindset. Maybe investigate car washes and grocery delivery.

Getting in on the ground floor of new industry and staying on top of it through completion.

Chair Hall asked Mr. Marcum to coordinate with counselors statewide to get good referrals for blind vendor candidates, and then, the Training Subcommittee needs to screen them very closely to see if they have what it takes to become a good vendor. He told Mr. Marcum that once someone becomes licensed, their agency Coordinator needs to go out and work with that vendor for several weeks till they're very confident in their skills, like they do with the food service vendors. He said that the agency has slacked off in inspecting and enforcing higher standards for blind vendors.

New Business

Chair Hall said he has asked the Vice Chair, and Brad Holland, to contact all active vendors before the next meeting to find out suggestions and issues they may have, and report back to the Committee at the April meeting.

Todd Stephens, Chair of the Bylaws Subcommittee, reported that the proposed updated bylaws have been approved by the cabinet's legal staff and were sent to all Committee members 30 days prior to the meeting for their review. He said that the main changes were made to mirror the language in the KBE state regulations and Open Meetings law, and to allow for the use of technology in meetings, email instead of postal mail. He explained that according to the existing bylaws, this action is not open for discussion. The vote is only to either approve, or vote down, the changes as submitted.

Mr. Stephens made a motion that the bylaws changes be accepted as submitted. It was seconded by Vice Chair Florence. The motion passed unanimously. The new bylaws will take effect two weeks from approval.

Chair Hall asked Mr. Marcum to talk about the Lighthouse of Chicago Randolph-Sheppard training for new blind vendors.

Mr. Marcum said that the training was previously administered by Hadley. It was moved to the Chicago Lighthouse last year. It is web based and self-paced and there will be live help during business hours for questions by the student. The program includes history of the Randolph-Sheppard program and the basics of business. The cost will be \$4,500 per person.

He indicated he likes the curriculum. There are 11 modules, and the candidate must score at least 75 percent on each module to pass. There is a comprehensive final exam at the end. It includes bookkeeping and business practices, which are needed. On-the-job training will also be required once the trainee finishes the online training. The trainee can shadow a vendor and learn the business. Mr. Stephens said that he took this course in 2018 to become a licensed vendor and got a lot out of it. He recommends it. He also suggested that the trainee be partnered with someone from the SCORE organization to learn even more about running a business.

Chair Hall said that he and Mr. Stephens both went to the McDowell Center to be evaluated before their blind vendor training. It included evaluation of math skills, mobility skills, and customer service, etc. He recommended that the agency start sending candidates to the McDowell Center for evaluation before they are accepted for the vendor training.

Chair Hall announced that the next meeting of the Committee of Blind Vendors will be held in person, with a virtual option, on April 27th.

Public Comments

Chair Hall asked if anyone would like to speak.

Blind Vendor Justin Purvis said he has done two things since Covid to expand his business. They have been profitable. First, he worked with a third party through Amazon to set up a virtual storefront, with product fulfillment by Amazon. Since it's virtual, he sells to people all over the world, which greatly increases business. Second, he has been purchasing abandoned storage units and selling the left behind items on websites such as Poshmark and Mercari. He said the startup cost for the Amazon storefront is \$40,000, with a balance of \$15,000 in working capital. He said it's an opportunity for the blind community to get into something other than vending. Also, he thinks food trucks could work. He said whatever you do, you must get in there and hustle to make money.

Mr. Holland also suggested exploring automatic car washes and laundromats. He said that he's trying to think about things other than just selling snacks. Mr. Marcum said that he had read recently that 90% of all drycleaning operations succeed.

Adjournment

Todd Stephens made a motion to adjourn. A second was made by Todd Freeman. The meeting was adjourned at 6:03 pm.