

COMMITTEE OF BLIND VENDORS

QUARTERLY MEETING

April 24, 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, Jason Wathen and Jennifer Wright, KBE Assistant Directors, Madeleine Ancona, KBE Administrative Assistant, Stuart Boggs, Vending Coordinator, Shelby Glisson, Repair Tech

Guests:

Mac Carnes, Charles Dorsey, Sean Dorsey, Larry Hall, Darrell Keathley, Lisa Kemp, Chris Miller, Steven Miller, Glenn Smallwood, Janell Turner, Veronica Hagen and Shelby Glisson

Guest Speaker

Veronica Hagan was introduced as guest speaker. She is a representative of Kellanova, the company formerly known as Kellogg's, now operating without its cereal division. Ms. Hagan provided an overview of new Kellanova vending products. These include:

- **Pringles Mingles:** The first Pringles snack offered in a bag rather than a can, with 120 puffed bow ties per bag and no wasted space.
- **Nutri-Grain Powerfuls:** A soft, protein-enhanced bar from a trusted brand.
- **Crunchy Pop-Tarts:** Small crunchy “poppers” ideal for on-the-go snacking.
- **Chocolate Peanut Butter Rice Krispies Treats:** A favorite item.
- **Home Style Rice Krispies Treats:** A new, softer, thicker version with more marshmallow.
- **Assorted Cheez-It Case:** A mixed box with four different flavors, ideal for locations with limited storage.

Ms. Hagan explained these items are ideal for vending and micro market setups. Ms. Hagan briefly presented merchandising solutions, such as slat wall racks for micro markets, which improve product display and encourage sales. She shared that displaying Pringles on a wall led to a 7% lift in salty snack sales and a 40% increase in Pringles sales specifically. She offered to send full-resolution images and merchandising materials to interested vendors. Ms. Hagan discussed product availability through major distributors, including Gordon Food Service (GFS), Cisco, Performance Food Service (PFS), and Vistar Kentucky. She confirmed she will send Mr. Marcum the Vistar Kentucky list and clarified she does not manage HT Hackney accounts, as Hackney is handled out of Nashville. She emphasized her strong relationships with Vistar and her willingness to assist vendors in getting access to products.

Approval of Minutes

Todd Stephens made a motion to approve the January 23, 2025 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

Mr. Marcum began his director's report by apologizing for its length, citing an unusually busy quarter. He announced the results of two recent bids: Glenn Smallwood was awarded the Department of Transportation location, and Derrick Kromenacker won the Northern Kentucky route. Mr. Marcum then shared highlights from the RSA 15 data for FY2024 (covering October 2023 – September 2024). Kentucky reported \$19.9 million in gross sales, \$2.6 million in cost of goods sold, and \$12.5 million in total payroll. Other expenses totaled \$3.8 million, with \$243,000 in unassigned vending and \$81,000 in set-aside income. The average vendor income was reported at \$51,000, while the median was significantly higher at \$96,000—explained by the different ways those metrics are calculated.

Additionally, the vendors employed 299 staff, 10 of which self-reported as having disabilities. Total expenses for the year amounted to \$2.9 million. Mr. Marcum emphasized he waits until RSA officially publishes and approves data before reporting it to the Committee.

Strategic Initiatives: Coffee Shops and KSB Outreach

Mr. Marcum detailed a new partnership with Cup of Commonwealth, aimed at launching a coffee shop program for KBE vendors. These locations will feature espresso and coffee service like a Starbucks model and are intended to enhance income

opportunities in food service. The agency also participated in a student engagement event at the Kentucky School for the Blind, continuing efforts to establish early career connections with students. Additionally, KBE responded to a food service RFP at Kentucky State University (KSU) and was identified as the highest-rated bidder, pending contract finalization.

Financial Performance Review

Mr. Marcum provided a financial update comparing the first two quarters of FY25 (Oct 2024–Mar 2025) to the same period in FY24. There was a 252% increase in set-aside revenue (from \$29,000 to \$103,000) and an 11.5% increase in unassigned vending revenue (\$96,000 to \$107,000). He attributed the dramatic growth to better business performance and the successful reestablishment of operations at Fort Knox. Previously, the site had only one vendor, but now supports four, each earning amounts comparable to what the lone vendor previously made—indicating improved vendor engagement and oversight.

In terms of the overall budget, Mr. Marcum reported that KBE was 79% through its state fiscal year (July 2024–June 2025) and had spent 75% of its budget—only 4% above the target. He expressed confidence that this gap would be closed by the end of the fiscal year. When asked about the larger OVR budget situation, he acknowledged it could impact the next fiscal year but noted the current budget remains intact.

2025 KBE Goal Updates

Mr. Marcum updated the Committee on the six 2025 goals he set in January for KBE.

Goal 1 - Finalize the KSU food service contract and resume the university dining plan.

Mr. Marcum reported that KBE is awaiting contract confirmation from KSU and plans to proceed with Southern Foods as the teaming partner for that initiative.

Goal 2 - Develop a KBE coffee program to increase sales at vending and food service locations.

The coffee shop program is scheduled to launch at CHR and the Department of Transportation, modeled after the Starbucks-style setup. Mr. Marcum hopes it will boost breakfast and afternoon break sales.

Goal 3 - Franchise partnerships with Hunt Brothers Pizza for operations at Gateway and Hall of Justice, expected to launch within 90-120 days.

KBE has issued purchase orders for two new Hunt Brothers Pizza franchise locations—one at the Hall of Justice in Louisville and another at the IRS Gateway Center in Northern Kentucky. These will be among the first franchise locations operated under the Randolph-Sheppard program.

Goal 4 - Work with new Workforce Investment Commissioner, Michael Yoder and leverage his business connections to expand vending opportunities beyond traditional government locations.

Despite ongoing budget scrutiny at the agency level, Mr. Marcum emphasized that vendor services and new initiatives are continuing without delay. He is still working to secure time with the Workforce Commissioner to explore future economic development opportunities but remains optimistic about achieving this goal before the end of the year.

Goal 5 - Develop KBE career exploration experiences for blind youth using Pre-ETS funds and through shadowing with current vendors.

Mr. Marcum reported on outreach efforts to school systems around Kentucky, with some already visiting the agency's offices in Frankfort. Plans are underway for job-shadowing opportunities through the Pre-Employment Transition Services (Pre-ETS) program.

Goal 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 noted that KBE is evaluating improvements to its IBEP set aside payment system, including exploring a potential replacement from Tyler Technologies. Because Tyler Technologies is the only vendor that can access the State Treasury payment system, any transition would be carefully planned with a target implementation date of October 2025.

Mr. Marcum discussed ongoing efforts to develop a new version of the IBEP system, which will be based on an upcoming Microsoft product. He emphasized that the system's accessibility is a top priority. A programmer is already working with third-party groups to ensure accessibility compliance, and the KBE team will conduct its own evaluations before transitioning to the new system. Mr. Marcum praised Madeleine for her extensive efforts to stabilize and improve the existing IBEP platform. Her contributions have made the system highly functional and user-friendly, with automated error detection when forms are incomplete.

Vendor Feedback and Survey Insights

Mr. Marcum thanked the seven vendors who responded to the previous quarter's agency survey. Feedback included appreciation for improved collaboration and transparency, though some expressed a desire for even greater involvement. Mr. Marcum encouraged vendors to clarify what "more transparency" means in practical terms so the agency can respond effectively. Committee members discussed the importance of inclusive decision-making and recognized that while Kentucky is performing better than many states, there is still room for growth in collaboration and vendor professionalism.

Vendor Expectations and National Challenges

A broader conversation followed on vendor professionalism and expectations. Mr. Marcum noted the need for vendors to embrace opportunities rather than expect passive income through teaming partners. He acknowledged that success might require piecing together multiple small locations to create a viable route. He warned against a "collect-a-check" mentality and pointed out that this issue affects the national Randolph-Sheppard program, not just Kentucky. His goal is to promote self-sufficiency among blind vendors.

Improved Army Relations and PMR Meetings

Mr. Marcum celebrated significant improvements in the relationship with the U.S. Army at Fort Knox. Previously tense and confrontational, the relationship has become cooperative and productive. Lynn Florence and Buster Mayne, who participated in Performance Management Review (PMR) meetings, confirmed that the Army now praises the service being delivered. In fact, the Army reported no validated complaints from soldiers for two consecutive

quarters—the first time in over a decade. This marks a major achievement and reflects positively on our teaming partner, Southern Foodservice and KBE.

Order of Selection and Budget Constraints

Due to escalating costs and increased demand, OVR is entering into an “Order of Selection” protocol beginning in May. This means that services will be prioritized by level of need, potentially delaying vendor onboarding. Mr. Marcum emphasized this is not unique to Kentucky and noted similar trends nationwide. He assured the committee that although the system will slow down, new vendors will still be served. This situation mirrors a similar phase from eight years ago, and while challenging, it is manageable and not a permanent setback.

Coke Scholarship and RSA Matching Funds

Mr. Marcum announced that the application period for the 2025–2026 Coke Scholarship is now open. The scholarship fund provides four awards of \$5,000 each to blind students pursuing postsecondary education. Jennifer Wright is the contact person for questions, and Todd Stevens is the vendor committee representative assisting with applicant selection. Mr. Marcum highlighted that the scholarship funds qualify for a federal match through RSA, significantly amplifying their impact. The match from the feds is \$3.69 for every \$1.00. Additionally, Coke (or the current state beverage contractor) contributes \$30,000 annually to the Governor’s Scholars Program, making the total vendor-related donation \$50,000. These contributions support both student success and program development.

Youth Summit and Vendor Involvement

The planned Youth Entrepreneurship Summit for blind students has been rescheduled to November 18–20 in Louisville. These dates will align with the Committee of Blind Vendors meeting, allowing vendors to participate. Mr. Marcum hopes to recruit around 30 blind youth, ages 14–21, and envisions the summit becoming an annual event that inspires and empowers future blind entrepreneurs. He encouraged vendor participation and support to make the event a success.

Canteen Payments and Financial Issues

Mr. Marcum provided an update on the delayed payments from Canteen. While most vendors in the state have now received payment, some vendors, including Darrell Keathley, are still awaiting funds. Mr. Keathley explained that although he submitted a new W-9 and received one payment, a subsequent three-month payment was only \$43. Upon investigation, it was discovered that electronic funds were misdirected due to machine issues. Canteen acknowledged the error and is working to rectify it. Mr. Marcum assured the group he would continue pressing for timely payments and accountability.

Farmer's Fridge Product Introduction and Rollout

Mr. Marcum introduced *Farmer's Fridge*, a new full-service vending provider that has entered the Louisville market. The company specializes in fresh, health-conscious food options like salads, wraps, and grain bowls, all presented in visually appealing and environmentally friendly packaging. The containers are durable, recyclable, and somewhat resemble peanut butter jars in sturdiness and shape. The machines include utensils and bowls, enabling customers to eat immediately or microwave meals conveniently.

Currently, Farmer's Fridge services areas inside the Watterson Expressway in Jefferson County, with its Louisville base at the airport. Expansion outside of Louisville, including to Frankfort or western Kentucky, is uncertain and likely to take time. Feedback from initial tastings by KBE staff has been overwhelmingly positive, with many praising both the size and quality of the meals.

Lock System Rollout and Real-Time Site Visit Reporting

KBE is in the midst of rolling out a new lock system, which is now about 50% complete. Reports of issues have been minimal. In addition, the agency is launching a new program called *Measure Up* for site visits. This program allows KBE coordinators to conduct and document site visits in real time using mobile tools. Vendors will receive instant reports, including images and notations, and will be able to comment or respond directly through the system. All reports must be acknowledged via signature, regardless of whether feedback is positive or includes action items.

The system is fully accessible, intuitive, and allows annotations on photos. Vendors should monitor their email inboxes next week for account setup instructions. Mr. Marcum requested patience and understanding as both staff and vendors navigate the learning curve of this new process.

New Site Opportunity and JCPS Consolidation Plan

Mr. Marcum updated the group on a site visit to the new *LG&E* building in Louisville, the future home of the Army Corp of Engineers. The site has strong potential for a hybrid café model, but the landlord has yet to offer definitive terms. Unlike the GSA managed Mazzoli Building, this building's ownership and contracting process is separate, so KBE's status remains uncertain.

Additionally, Jefferson County Public Schools (JCPS) plans to consolidate staff from multiple buildings—including Van Hoose, Lam, and CB Young buildings—into a single yet-to-be-determined location, possibly near the Kentucky State Fairgrounds. KBE anticipates an opportunity to provide services at the new consolidated site, potentially allowing for a larger and more dynamic service footprint.

Mr. Marcum also addressed staff changes: Liam Goforth, KBE Repair Tech, was unexpectedly terminated due to a cabinet wide policy affecting all temporary employees, not a specific KBE action. Meanwhile, Shelby Glisson and Aaron Christy are on temporary assignment to the Office of Unemployment Insurance until year's end.

Legislation: SB 87 and Implications for Airport Contracts

Mr. Marcum discussed Senate Bill 87 (SB 87), a new Kentucky law affecting airport procurement processes. The law references OVR and may provide a competitive edge in airport contracts under the federal acquisition threshold. However, the benefits are not guaranteed unless local airport authorities decide to exercise that authority. KBE is still analyzing the full implications of the legislation, particularly as they relate to securing future contracts at airport locations—currently an area with limited presence.

Tennessee Bill Defeated and the Risk to Kentucky Vendors

Mr. Marcum shared an important development from Tennessee, where a proposed bill aimed to eliminate Randolph-Sheppard priority status for blind vendors in state contracting. Intense lobbying efforts by vendors and advocates ultimately defeated the bill. If it had passed, 72 of Tennessee's 90 blind vendors—most of whom operate on state or municipal property—would have been

affected. Tennessee's vendor program generates \$32 million annually, largely from commissary business. Mr. Marcum warned that poor service by any vendor in Kentucky could lead to similar legislative threats. He emphasized that only A-level service will protect the program's credibility and future.

Call for Service Excellence Across the Program

Concluding this portion of his report, Mr. Marcum issued a strong call for consistency and professionalism. He warned that average or poor performance at any single location could trigger statewide consequences, including possible loss of vendor priority status. Given the increasing scrutiny and competition from private companies, it's essential that vendors across Kentucky deliver top-tier service. Mr. Marcum's message was clear: the success and sustainability of the Randolph-Sheppard program in Kentucky depends on each vendor's commitment to excellence.

Chair Report – Lynn Florence

Ms. Florence began her portion of the meeting by acknowledging the recent flooding and recognized Buster Mayne, Jerry Grimes, and others for helping KBE Assistant Director, Jennifer Wright during a flood emergency. This act of community support was highlighted as exemplary.

Old Business

Canteen Service Issues

Discussion returned to Canteen's ongoing soft drink performance issues. While some vendors had finally received overdue payments, concerns remained about the quality of service. Mr. Keathley reported receiving out-of-date products and low fill rates in his machines. Chair Florence and Mr. Marcum both noted that end

customers often blame the vendor, not realizing Canteen handles refills. Mr. Marcum mentioned contacting Coke Consolidated about these issues, emphasizing that continued poor service damages the credibility of the program statewide. Vendors also discussed possibly adding signage to machines indicating they are filled by Canteen to help redirect accountability.

KBE Rules and Regulations

On rulemaking, Chair Florence reported that new rules and regulations are written but are stalled due to the lack of general counsel at RSA. Given current administrative instability, the team agreed to pause progress until federal leadership and direction become clearer.

New Business

Corrective Action for Underperforming Vendors

Todd Stephens introduced the idea of implementing structured performance improvement plans for vendors who fall short of program expectations. He framed this as both a necessary strategy for maintaining the reputation of the program and an opportunity for professional development. He reminded the group that the Randolph-Sheppard program is often viewed as an affirmative action effort and may be resented or misunderstood by the public. Ensuring high performance and business competence across the vendor body is vital to defending and advancing the program's credibility.

Vendor Interviews During Bid Process

The discussion shifted to the idea of incorporating interviews into the bidding process for vendor locations. Chair Florence and others expressed strong support, stating that every job requires an

interview, and this program should be no different. Brad Holland added that conducting interviews helps both the selection committee and Mr. Marcum better understand each candidate's capacity and fit for specific sites. Interviewing ensures that placements are more thoughtful and tailored, helping prevent mismatches that could affect service quality and vendor success.

The conversation continued with strong support for introducing interviews into the bid process. Participants expressed concern that some vendors apply for locations based solely on expected earnings without understanding the responsibilities involved. Interviews would provide an opportunity to evaluate technical skills, preparedness, and fit for a location. Members noted that interviews could be conducted via Zoom and would allow both the committee and the agency to better assess vendors before awarding sites. The Upward Mobility Committee was tasked with developing a plan for implementing this process, with Subcommittee Chair Mayne, Mr. Stephens who introduced the suggestion, and Cramer Schneider agreeing to lead the effort.

Public Comments

Proposal for Vendor of the Year Recognition

Todd Freeman introduced the idea of creating a "Vendor of the Year" award, suggesting it could boost morale and professionalism. While the idea initially seemed unrelated to the interview process, it was ultimately well-received. Members agreed that the award should be based on concrete criteria such as customer satisfaction, professional conduct, participation in agency initiatives, and community involvement—not just seniority or popularity.

Some members recalled that a similar award existed in the past, but disagreements over who should make the selection led to its discontinuation. There was consensus that the agency, not the

vendors, should make the final decision based on nominations and data. However, it was also noted that vendor nominations could help surface contributions not visible to the agency alone.

As discussion deepened, participants debated how to balance subjective and objective criteria. Mr. Holland emphasized the value of customer testimonials and community engagement, while others stressed that basic job performance should not earn extra recognition—doing one's job well should be the standard, not a reason for an award.

Chair Florence stressed that the award must not become a popularity contest. Instead, it should be grounded in measurable performance, such as timely reporting, quality of service, and mentorship of students. Participants discussed whether nominations should come from vendors, the agency, customers, or coordinators. Many felt it should be a hybrid process, with input from coordinators and the vendor body but final selection by the agency to maintain fairness and credibility.

There was clear consensus that the award should recognize excellence beyond the baseline of daily duties, such as community involvement or mentoring. The overarching goal is to incentivize excellence and professional growth without creating division or resentment among vendors.

Darrell Keathley raised concerns about the quality of food service at KSU and how the new contract might affect their operations. Mr. Marcum clarified that vending services should not be impacted and confirmed that the new food contract would be for five years. He also announced that vending machines on campus would soon accept student cards through Blackboard integration, aiming to increase sales.

Additional discussion followed about plans for a micro market in the unfinished area of the new dorm. Mr. Marcum confirmed this could fall under the vending contract if the current vendor chooses to pursue it. The vendor expressed enthusiasm for maintaining the location, praising their experience and relationship with students there.

Mr. Marcum also noted challenges with vandalism at KSU machines and acknowledged difficulties in getting the campus police to act. He offered to escalate the issue, explaining that their current positive relationship with KSU stemmed from a long-standing connection with a former state employee, now on staff at the university. He used this example to stress the importance of treating all customers and partners respectfully, as it can open doors unexpectedly.

Charles Dorsey, another vendor and KSU alumnus, added insights on student enrollment, suggesting that the official enrollment number includes many community students who take night classes, in addition to the 1,300 on-campus students. Mr. Marcum confirmed that figure aligns with current data and noted the school's aggressive growth plans under its new president.

Mr. Dorsey also inquired whether the Stober Lane location was part of the Jefferson County Public Schools (JCPS) consolidation plan Mr. Marcum had mentioned earlier. Mr. Marcum replied that Stober Lane was not specifically named in the press release and may be classified under unspecified lease space. Unfortunately, he could not provide a definitive answer due to lack of clear information.

Equipment, EBT Access, and Building Updates

The meeting continued with updates on resolving equipment issues at food service locations. New equipment has been sourced and approved by local authorities in both Franklin and Jefferson

Counties, with purchase orders pending issuance. This improvement aims to correct persistent service problems and was welcomed by vendors seeking reassurance that progress was underway.

A vendor raised a question about accepting EBT (Electronic Benefit Transfer) cards at locations with food services. Mr. Marcum explained that while this is not currently allowed for vending or convenience items, national advocacy is in progress. The National Automated Merchandiser Association (NAMA) is lobbying Congress to allow EBT use in vending machines, especially to address food deserts. However, at present, only traditional grocery items—not prepared food—are eligible.

Another vendor clarified the name of the JCPS building under discussion as the “Stober Building,” based on information from the school district’s website. It remained uncertain whether the building was included in JCPS’s consolidation plans, as press releases had not provided full clarity. Attendees were encouraged to directly inquire with building administrators for updates.

Discussion turned back to the Stober Building, where rumors circulated about planned expansions. Several members commented on the building’s underutilization and recent renovations, calling it a beautiful but largely empty facility.

Mr. Stephens then announced he had completed his term on the State Council of Vocational Rehabilitation (SCVR) after nine years. Brad Holland was confirmed as the new blind vendor representative for the SCVR, appointed by the governor’s office. The group expressed gratitude for Mr. Stephen’s years of service.

Chair Florence emphasized that vendors must respond promptly to emails, especially regarding set-aside fees and documentation. Deadlines are provided for a reason, and compliance is mandatory.

If vendors have trouble uploading documents through IBEP, they can email them directly to Madeleine Ancona.

There was a question about a mileage log for reimbursement. Ms. Ancona explained that a template had been sent to Jimmy Brown, OVR's Accessibility Specialist, to ensure accessibility. In the meantime, vendors can continue to manually calculate mileage based on federal rates. There was general discussion about using Excel with screen readers and converting files to accessible formats like PDFs.

Vendors discussed payment logistics from Canteen. Vendors are receiving physical checks rather than direct deposits, which helps with tracking. Some vendors reported long delays in receiving payments, and Mr. Marcum committed to following up with Leslie from Canteen to resolve outstanding issues.

There was also clarification around Coke's and Canteen's territories. Canteen operates primarily in Lexington, while Coke Consolidated still manages vending in Carter County and other locations. The regional coverage map is fragmented, causing operational ambiguity.

It was noted that after years of neglect, Coke finally removed machines from First City, reflecting slow but visible change in inventory management. Some vendors expressed uncertainty about which machines were active due to poor maintenance or unclear ownership.

Charles Dorsey shared a tip for saving money on vending supplies. Vendor Supply of Ohio, a company he used previously, offers products at significantly lower prices than Vistar. Several members confirmed that they had used Vendor Supply and found their prices, especially for chips and candy, to be more affordable. The

company delivers to many locations, including Louisville, provided the facility has the appropriate dock for semi-trucks to unload.

The group also discussed rising prices on candy bars and snacks, even at wholesale clubs like Sam's Club. Vendors agreed it might be time to raise retail prices to keep up with increasing costs.

Next Meeting Date

The next meeting date will be July 24, 2025. It will be a hybrid meeting with the option to attend in person or via Zoom.

Adjournment

Vice Chair Todd Stephens made a motion to adjourn, which was seconded by Buster Mayne. The meeting was adjourned at 6:13 pm.