

OVRC Minutes

May 13, 2016

Call to order 9:00a.m.

ATTENDED BY REPS: F. Bragassa, A. Lutz, J. Lutz, D. Neufarth, and B White. SECRETARY: Mot. ALTS: D. Bruso. B.S.V.I.: Deputy Director, M. Duncan, Program Manager, C. Hauk. Training Coordinator, C. Lee. OPERATORS: P. Bruso, J. Diakogeorgiou, C. Haggerty, S. Hindel. Guests: M. Leiterman, B. Posner, J. Stringer, K. Whelan.

MOTION (F. Bragassa/B. White) to accept the minutes of the March 18th. 2016 meeting as presented. Passed unam.

COMMENTS ON B.S.V.I.'s RESPONSES TO RECOMMENDATIONS OF THE MEETING OF March 18th. 2016. None.

PUBLIC COMMENT:

D. BRUSO complimented C. Lee and T. Koo on having produced the best BE Statewide training he has ever attended. Then he gave an overall favorable update on his experience with 3-Square, his new micro market service provider, noting only that he had been told by Shaffer Distributing that the "remote purchase" feature could be turned off, but that, in fact, it could not be. D. NEUFARTH read the OVRC vision statement.

AS PART OF THE TRAINING UPDATE, Training Coordinator, C. Lee, presented S. Hindel with her BE operator's license to general applause. C. Lee said that counselors were pleased with the new trainee intake document and noted that it has so far produced one

referral and three inquiries. She described nine new upmo opportunities on the on-line training site. She began the Statewide wrap up with this year/last year attendance figures for the Friday and the Saturday sessions: 88/90 and 66/68. She said that operators returned feedback cards with good suggestions for next year's training sessions, that better name badges were needed, more time for lunch on Friday, and more organized registration. F. Bragassa wanted to know if presenters could be paid and PM C. Hauk said that, yes, they could be. Mot said that a more informative program status report is needed. C. Hauk invited his input for a revised format for such a report.

REGARDING THE NONRENEWAL OF BE's TROOP DINING CONTRACT AT WRIGHT PAT, Deputy Director, M. Duncan said that both BE and the base had agreed to continue BE service without a formal injunction pending arbitration.

RESPONDING TO THE CHAIR'S INQUIRY ABOUT THE STATUS OF BE's response to the Committee's Go-Getter draft policy, PM said that no money had been budgeted for such a project this year and that any money spent on it would take away from the \$860,000.00 allotted to cover operators' wish lists this year.

MOTION (J. Lutz/F. Bragassa) to budget \$100,00.00 beginning 7/1/2017 to fund Go-Getter site acquisitions. Passed with D. Neufarth and B. White voting against.

BE Response: I believe this motion was for \$100,000. The bureau still has many questions it would like to work out with OVRC before supporting this endeavor.

A MOTION PROPOSED BY J. LUTZ to have operators buy the inventory for any Go-Getter sites approved to be added to their facilities did not raise a second.

CHAIR SAID THAT SHE WOULD FOLLOW UP WITH OOD DIRECTOR, K. MILLER, concerning his, so far, not forthcoming response to her suggestion that BE be allowed to obligate operators to pay grantor costs incurred by their facilities. C. Hauk read that part of the AG's "suitable site" opinion that, she said, supported BE's "no commission" decision. It was a citation from the Federal Randolph Sheppard Act that listed the five (maintenance and repair, equipment purchase, fair minimum return, benefits and management services) items on which the State Licensing Agency could spend service charge paid to it by the operators. Since commissions was not one of the five items on which BE could spend service charge, she said that BE could, therefore, not oblige operators to pay a commission unless they were presently paying it under an existing agreement. K. Whalen said that there is no connection between what the agency can spend service charge dollars on and commissions paid to grantors by operators. F. Bragassa reminded the Committee that the agency's "no commission" policy is a management decision (reported as such to the Committee in March, 2015) and not a binding legal opinion or precedent. The Chair noted that the even the pursuit of a 119 hearing for a suitable site resolution with Cleveland State has been dropped although it had been presented to the Committee as the program's most promising opportunity for a successful outcome. D. Neufarth said that BE should continue to knock on

doors and solicit business on a no commission basis. DD. said that the agency would do this.

CHAIR PRESENTED SOME OPERATORS' CRITICISM OF THE OVRC NOMINATION process and the suggestion that nomination meetings be eliminated or that exceptions be allowed. The advantages of doing so were discussed but many noted the necessity of a rule change and no motion was proposed. The agency did, however, agree to hold elections for alternates in Cincinnati, Cleveland and Akron/Canton.

F. BRAGASSA PRESENTED C. EDMONSON'S REQUEST that Kenelly facilities #'s 430 & 431 be combined, since his (#431) is so unrenumerative and #430 is closed. Discussion followed. D. Neufarth pointed out that all facilities must be bid. No action.

THE COLUMBUS SELECTION COMMITTEE ASKED FOR THE COMMITTEE'S INPUT concerning whether a debt resulting from an unpaid bill, originated by a grantor (for, say, phone service) and invoiced to an operator should disqualify that operator's bid for a vacant facility. There was consensus that such a debt is not disqualifying if it is not an obligation specified in the BGA. D. Neufarth felt that this question was not the full Committee's proper business.

C. HAGGERTY DESCRIBED THE CHALLENGES THAT CAUSED HIM TO FAIL TO FULFILL a management plan that he incurred at the recently restructured facility #261. This facility now includes open food services at the Reibold Building and the Montgomery County Administration Building in Dayton.

WHAT TO DO ABOUT FOUR LARGE, UNPAID CLOSING INVENTORY SHORTAGES, which threaten specific operators' eligibility to bid, or the continuance of their BOA's was discussed. F. Bragassa suggested that delaying billing could extend the timeline to pay. J. Lutz noted the word, "may", in the relevant rules, and that a license revocation hearing would allow time for the debt to be paid off. No action.

PM REPORTED PROGRESS WITH KENELLY A/C RENOVATIONS. She said that Belmont County EB was complete and that three others were ready to start. F. Bragassa asked if BE could buy parts to help ODOT move on repairs not on the BE schedule, which ODOT said they could not afford. PM said, no.

PM SAID THAT INTEREST HAS BEEN SHOWN IN ALL OF THE SECONDARY HIGHWAY SNACK ADD-ON SITES EXCEPT THE ONE ON RT 7. Discussion followed about the basis on which to make the temp awards. D. Neufarth noted the priority for out of work operators and then lowest net operators. Chair said that other factors would have to be considered on an individual basis.

F. BRAGASSA RAISED THE ISSUE OF PROGRAM WIDE COMPLIANCE TO THE FEDERAL FOOD LABELING REGULATIONS DUE TO BECOME EFFECTIVE DECEMBER 1, 2016. J. Lutz reported that Specialist, B. Ratcliff had determined that 40 to 60 sites would be subject to compliance and could be outfitted with \$500.00/ea. electronic displays called "Vend Minds" which would have to be installed near each bank of machines at each facility. Mot mentioned that compliance was likely to be spotty if left up to

the ingenuity and resources of individual operators and that B.S.V.I. will be subject to compliance as well as the operator because it is the entity contracting to provide service to grantors. Further discussion was deferred until the next meeting.

D. NEUFARTH OPENED A DISCUSSION ABOUT TOO HIGH INVENTORY LEVELS both at facility's opening and later if sales significantly decrease or the facility is restructured. Percentage of projected sales figures were suggested to deal with too high opening inventories, and inventory buy downs were suggested to deal with a decline in sales. Mot and K. Whalen pointed out the long-standing technical obstacles facing operators who want to adjust their opening inventories. PM said that these obstacles might be addressed in phase two of the operator interface of the BE IT renovation now in progress.

ADJOURN

Respectfully Submitted,
Mot, Secretary