M I N U T E S

ADHOC VENDING MACHINE SUB-COMMITTEE meeting of the HAWAII STATE COMMITTEE OF BLIND VENDORS

DATE: Friday, December 12, 2014

PLACE: Ho`opono Conference Room

1901 Bachelot Street

Honolulu, Hawaii 96817

PRESENT:

1. Sub-Committee: Joel Cho, Stan Young, and Kyle Aihara
2. Members: Lyn Pasak, Joaquin Luna, and Virgil Stinnett

3 Ho’opono: SBA Lea Grupen, BEP Manager Kat Fujimoto, VFS Bruce Nitta and Susan Chong, and Account Clerk Janis Maraya

1. Guest: DAG Lori Wada

CALL TO ORDER:

Noting the presence of a quorum, Chair Joel called the meeting to order at 2:11 p.m.

MINUTES:

Joel asked if there were any comments to the minutes of the last sub-committee meeting held July 10, 2014. There were none.

OLD BUSINESS:

1. Fire Department Vending Placements: VFS Bruce reported that Susan of Coca-Cola is working with the HFD regarding placement of vending machines.

2. Follow-Up on Delinquent Unassigned Vending Machine Commission Payments: Subsequent to the last meeting, Joel asked if we need to establish a policy for non-receipt of payments. BEP Manager Kat responded that in the past they’ve called the companies asking for payment; however, there are a few who are chronically late.

Following discussion, BEP Manager Kat noted that VFS Susan Chong will be assigned vending machines. Joel suggested that the SLA research and give an account of machines that have not been paid and also have someone physically verify if the machines are still in place and follow-up with payment status.

In regards to the commission spreadsheet, Joel commented that the report is detailed and a lot easier to read than spreadsheets in the past. He suggested that the commission rate be added to the report so we know what we’re receiving from each company.

BEP Manager Kat asked Joel to address the continuation of the City and County settlement agreement as we are overdue in getting all sites surveyed. Kyle confirmed that the SLA will be working with Coca-Cola on Oahu to assist the agency with placement of vending machines at program sites in addition to HFD sites.

NEW BUSINESS:

1. Coca-Cola Proposed Agreement: Joel asked if the agreement was signed. BEP Manager Kat reported that the agreement hasn’t been signed yet because it was reviewed by DAG Lori, but looks good to go.

Kyle noted that the committee reviewed the proposals from both Pepsi and Coke and decided to go with Coke because the program has a lot of machines with low volumes and Coke will pay commissions regardless of volume of machine, whereas, Pepsi will pay by based on a minimum volume.

2. Pepsi Proposed Agreement: Joel noted that Pepsi will be servicing neighbor islands namely Big Island and Kauai.

3. Missing Machines on Kauai: Kyle noted that there’s list of machines on the spreadsheet that were turned over to Garden Island Vending aka Maunaloa Vending, however, a lot of the machines were supposedly removed due to poor performance. He stated that we need to physically verify. Joel added that if the machines are there, to turn over to Pepsi.

4. Coca-Cola Agreement (continued): Joel noted that he was notified last week by VFS Bruce that he’d been in talks with the harbor authorities about placing vending machines and are set to go. His concern is for the lack of active participation from the start. He definitely wants to get vending machines in that area and agrees it could be a lucrative opportunity for unassigned machines, but noted that by not having active participation it didn’t give the committee a seat at the table to have a say from a different angle that the agency may or may not have looked at. He added that it’s great that we have good opportunities to place unassigned vending machines, but emphasized that first and foremost this program is a blind vending program where we look to place blind vending facilities first, then unassigned vending machines. We want to look at all angles of possibly placing a facility before deciding to place vending machines. Subsequently, at this point, the best thing will be to place the vending machines.

This came about because BEP Manager Kat was contacted by Filo asking the status on an email addressing this subject which was originally sent to VFS Kyle, who was out at the time, so she forwarded the same email to VFS Bruce to follow up because she didn’t want to miss this opportunity.

VFS Bruce met with Ann Stevens of DOT who is familiar with our vending program because she was once at the State Capitol and knows David Cameron. She informed VFS Bruce that the personnel at the waterfront were selling water out of coolers to consumers coming off the ships at Piers 2 and 11. She knew they were in violation and advised her supervisor. Subsequently, they want to rush to place vending machines:

Pier 2 Site: Requesting two machines, 1 strictly water and 1 with other vitamin water or healthy juices; indoor; secured area; no water source; Ann to research power sources and info on permits; estimated 2,500 passengers a ship every Saturdays, 2-3 times a week when in season. Plans for the future include concession stands, Ho’opono will be included.

Pier 11 Site: Similar set-up, but smaller; only 1 water vending machine.

Currently, the only personnel are the stevedores and security. Traffic will include taxi and bus drivers.

Stan suggested more machines will be needed to service 2,500 or more consumers.

The committee agreed to have VFS Bruce move forward and work with Coke for installation of vending machines.

5. Kona Hospital Missing Machine Outside: Joel asked for the status on the Pepsi machine outside the building which was serviced by Maunaloa Vending. Account Clerk Janis said that Susan of Maunaloa Vending was asked to remove machine by the hospital. Kyle suggested that an on-site visit be done and ask the hospital.

Joel suspected the problem was that the hospital didn’t want the school kids from across the street going into their cafeteria to use the vending machines because they blamed the kids for their property getting vandalized without proof.

VFS Bruce did a site visit to Kona Hospital, but to no avail was able to meet with the hospital staff to discuss the matter.

Kyle said as was previously decided to go ahead execute turning over all vending machines on Big Island and Kauai to Pepsi.

6. Kekumu and Lailani Public Housing: Joel noted that there were vending machines at Kekumu and Lailani through Maunaloa Vending which were doing very well, but the machines at Kekumu were removed by request of the resident manager. Susan of Maunaloa said that she was advised by BEP Manager Kat to remove until she had an opportunity to meet with housing authority. The machines at Lailani are still there, however, commissions are no longer being paid because Susan claims they no longer qualify under the program and that BEP Manager has all the information. Point is the machines were there before Maunaloa took over, they are in a public area, but program is no longer receiving commissions from them.

BEP Manager Kat recalls that these were privately-owned public housing properties on list for sale as told by City and County at one time; subsequently, there was no sale so they need to look into this.

7. Third-Party Vending Machine Providers’ Servicing Concerns: Joel reported that Rod & Company and Oahu Vending have the lowest commissions and is recommending these machines be turned over to Coca-Cola.

8. Life Care Center in Keauhou: Joel reported this is another machine serviced by Maunaloa which Susan claims also doesn’t fall under the program.

9. Post Office Vending Machines: Joel reported resolved, included on spreadsheet.

10. Budget and Enterprise Rental Car Baseyards at Kona Airport: Joel reported that a couple machines serviced by Pepsi were going directly to the rental company. Program still hasn’t received commissions from car rental companies subsequent to letter sent requesting that commissions be sent.

NEXT MEETING: To be announced.

ADJOURNMENT: There being no further business to discuss, Kyle moved to adjourn, Stan seconded, and hearing no objections, the meeting adjourned at 3:12 p.m.

Transcribed by:

MJ Andres, Secretary

SBB/Employment Section