HO‘OPONO

Business Enterprise Program

Services for the Blind Branch

Division of Vocational Rehabilitation

State of Hawai‘i Department of Human Services

1901 Bachelot Street, Honolulu, HI 96817

Phone: 808-586-5283

Fax: 808-586-4143

M I N U T E S

HAWAI‘I STATE COMMITTEE OF BLIND VENDORS STATEWIDE ANNUAL MEETING

DATE: Saturday, June 7, 2025

PLACE: Ho‘opono Auditorium

1901 Bachelot Street

Honolulu, HI 96817

1. ROLL CALL AND CALL TO ORDER:
2. Committee Members: Kyle Aihara, Chris Akamine, Dane Alani, Ivy Galariada, Steve Kim, Lespaul Naki, Donald Patterson, Wanda Takaesu, Stan Young
3. Licensed Blind Operators: Dyllon Asami, Emily Cruz, Ron Flormata, Wilmer Galiza, Clifford Miyashiro, Norman Ota, Jessica Parsell, Myles Tamashiro, Martha Vo, and Dane Waltjen
4. Ho‘opono: Services for the Blind Administrator (SBA) Gavan Abe; Business Enterprise Program (BEP) Manager Barney Higa; Vending Facilities Specialists (VFS) Tad Matsuno, Bruce Chin, and Marlyn Deguchi; and BEP Secretary Mary Jane Andres
5. Guests: Deputy Attorney General (DAG) Lili Young, Jamie Yong, Rachelle Hayakawa

Noting the presence of a quorum, Chair Stan Young called the meeting order at 9:34 a.m.

1. INTRODUCTORY REMARKS FROM THE CHAIR:

Chair Stan Young thanked all the vendors for coming to the annual meeting and noted that we will vote on the budget as well as announce the election results for the new Hawai‘i State Committee of Blind Vendores ("Committee). There will also be a speaker, Christine Grassman, from the Rehabilitation Services Administration. The Chair noted this meeting is to close out the year and there will be a new Committee starting in July. The next meeting will be announced by the new Committee.

He noted that this Committee worked together the past 2 years and believes all have benefited from the work of the Committee. He noted that the amount of benefits we pay are substantially more than most states. Most states have a benefit package of $2,000 per vendor and some have none. Some states have a set-aside which is essentially a tax based on their income to run the agency. We are fortunate that we have an agency in Hawai‘i covered by the State.

We also have a special structure where we not only collect vending machine income from state, federal, and county properties, but we also receive a contribution from Blind Vendors Ohana (BVO) which has been over $1,000,000 the last few years. This allows the benefits package to be expanded, about $38,000 per vendor this year. We are fortunate, but unsure how long BVO can keep it up due to the controversy at the airport.

Again, he thanked the members for the past 2 years.

1. ANNUAL PROGRAM REPORT:

SBA Gavan Abe reported that same allotment of $2,000,000 was approved by the Legislature this past session for the next 2 years. He noted that a big portion of the budget goes toward the benefits package.

He reported that current expenditures are $1,845,390.01, with a remaining allotment balance of $154,609.99, which includes purchases that have been encumbered.

He noted that going forward, they are looking to utilize a lot of the monies to renovate locations. He and Barney Higa are looking at options for contracting with a design and construction management company for the renovations of our facilities instead of using the State Department of Accounting and General Services. Hopefully, this is something we can do to help spend down the $2,000,000, put back into the program, improve our facilities, and overall make our program better.

Chair Stanley Young commended the agency’s effort to make sure the vendors submit their profit and loss statements on a quarterly basis but asked where are the agency’s income and expense reports? Secondly, he asked about the vending machine income and referred to a lawsuit against the State and city. Sadly, the lawsuit ended with a settlement of only $150,000 from the city, but they never settled with the State. The reason for the lawsuit was because the State failed to collect income from the city. His concern is that it’s happening again and is asking for a vending machine report to help them identify the vending machines out there.

SBA Gavan Abe wanted to present a proposal to address the vending machine issue, but it was decided that it would be more appropriate to place this item on the agenda for a future meeting.

Chair Stan Young asked for any public testimony. There was none.

1. APPROVAL OF STATEWIDE BUDGET FOR VENDORS REGARDING STATE FISCAL YEAR (SFY) 2026:

Member Don Patterson moved to approve the Statewide Budget for SFY 2026, which was approved by the Budget & Finance Sub-Committee as well the as the Regular Committee, in its prior meetings. Member Steve Kim seconded the motion. Chair Stan Young provided the summary of the benefits package which is part of the budget:

* $10,000 for Health Benefits in the 1st Quarter of which $8,000 will be paid and $2,000 be paid in the 2nd Quarter
* 2nd Quarter - $5,000 Supplemental Health Benefits
* 3rd Quarter - $10,000 or $15,000 Stimulus, depending on what the budget allows
* 4th Quarter - $3,000 Sick/Vacation Pay and $5,000 for Retirement Benefits

There were questions regarding the use of Sick/Vacation Pay, what if they can’t get someone to keep store open? Chair Stan Young replied and agreed as Membr Kyle Aihara stated that as long as the vendor has made their best effort to try and keep store open.

Upon call of a vote, the motion carried unanimously. There were no nays or abstentions.

As election results were not ready, SBA Gavan Abe provided a summary report of the expenditures from July 1, 2024 to June 6, 2025, as follows:

Food Supplies, Initial Inventory $6,503.98

NFBEI Subscription $3,500.00

Other Postage, FedEx $1,144.76

Transportation, Intra-State – BV $2,066.26

Subsistence Intra-State – BV $40.00

Subsistence Out-of-State – Other $870.00

Out-of-State BV Airfare $5,236.53

Subsistence Out-of-State – BV $6,503.87

Other Travel (Taxi, shuttle, etc.) $215.59

Repair & Maint NEW equip $9,453.92

Repair & Maint REPLACEMENT equip $75,431.93

Repair & Maint Other (equip maint) $70,560.35

Medical, Life Insurance $623,905.10

Retirement & Pension $195,096.68

Registration $1,848.00

Other Current Expenditures VM comm $678,013.07

To Blind Vendor

Monies Encumbered (bills to be paid) $164,999.97

Total Expenditures $1,845,390.01

Remaining Allotment Balance $154,609.99

Vending Machine Income through March 2025:

Federal Properties $26,530.73

State Properties $48,815.58

City & County Properties $2,869.56

Total VM income $78,215.87

Chair Stan Young noted that the vending machine decreased from $200,000. SBA Gavan Abe agreed and noted that we need someone dedicated to focus on unassigned vending machines.

Myles Tamashiro asked if the state would allow for a VFS to monitor just the vending machines moving forward. SBA Gavan Abe replied that it would be ideal for unassigned vending machines and suggested the committee discuss this issue in future meetings.

Dyllon Asami suggested we get vending machine info from merchants like Pepsi and Coke. SBA Gavan Abe also note we have third-party merchants to look at.

The meeting went into recess at 10:18 a.m. and reconvened at 10:38 a.m.

1. ELECTION RESULTS OF HAWAI‘I STATE COMMITTEE OF BLIND VENDORS:

SBA Gavan Abe read the election results as follows:

Non-Federal Properties:

Kyle Aihara

Chris Akamine

Dane Alani

Shontel Jones

Mike Miyashiro

Stan Young

Federal Properties:

Steve Kim

Don Patterson

Wanda Takaesu

He congratulated the elected members and thanked the League of Women Voters who tallied the votes.

1. TRAINING – Guest Speaker Christine Grassman via Zoom from the Rehabilitation Services Administration (RSA):

Christine Grassman gave a presentation on Active Participation:

* Active Participation is a process, not an outcome
* You’re putting the effort and time to meet your goals; you know where you want to be
* It doesn’t mean you’ll always meet the goals you set although you have the best intentions
* You have more control with personal goals
* It’s not the State Licensing Agency (SLA) taking action without consulting the Committee
* Neither is it when the Committee say to the SLA they’ve exhausted meetings, have had testimonies on what they want to do and don’t agree with the SLA’s decision
* Unless there’s a grievable violation that one side or the other is insistent upon, the SLA has the final decision on program decisions
* Reference a technical assistance circular distributed in 2020, we want active participation to be broad, robust, and a constant collaboration between the Committee and SLA
* It’s not something where committee can say to the SLA you didn’t do what we wanted so there wasn’t any active participation
* It’s not simple. RSA offers a facilitation process to include de-escalation and technical assistance to both the SLA and committee to avoid grievance process

Member Ivy Galariada expressed a grievance regarding expansion of her facility. SBA Gavan replied that unfortunately it’s due to the State procurement issue. Christine Grassman noted that all the active participation will not resolve the procurement process; it’s the same in all states.

Chair Stan Young asked how the Randolph Sheppard staff is doing with recent major cuts in DOE and RSA. Christine Grassman replied that the Randolph Sheppard Act was established by Congress and is one of those programs that have an extra layer of protection, and would take an act of Congress to change, revive, or abolish the program.

1. CLOSING REMARKS BY BEP MANAGER REGARDING Visions and expectations for the upcoming year:

BEP Manager Barney Higa shared some key bullet points he gained from the National Automatic Merchandising Association (NAMA) Show:

* Not a fan of seniority
* Technology is constantly changing
* Establish a Loyalty Program for returning customers
* 75% of transactions are cashless
* Offer healthy options
* Offer functional beverages – energy boost, electrolytes, vitamins, probiotics
* Good customer service
* Work with distributors to offer meal deals to consumers
* Coffee options

After attending this past NAMA Show and reviewing the past fiscal year, he suggested to make the facilities better than the past fiscal year by focusing on the following:

* Good customer service – think out of the box, work with your VFS for help, see what other people are doing that’s working
* Healthy options – consider healthy snacks, see what’s new and try different products
* This is a business enterprise program – it aims to empower people who are blind with social, economic, and self-sufficiency for business opportunities. Don’t wait, make things happen.

Norman Ota asked for updates on movements and facilities. BEP Manager Higa replied that Jessica Parsell accepted #37 Prince Kuhio Federal Building.

VFS Tad Matsuno added the following movements:

* Brad Basta, came from the Colorado BEP program, attended our training, and has accepted #51 Hale Koa
* Jamie Yong, accepted #42 State Tax Building contingent her passing her exam
* Jessica Parsell, still in transition pending full access into #37 Prince Kuhio Federal Building

VFS Bruce Chin provided the following facilities update:

* #25 Ho‘opono Snack Shop – appliances have been upgraded, vacancy announcement to be sent
* #H-14 Hilo County Building – Virgil Stinnett has accepted to operate as a satellite facility

SBA Gavan Abe reassured the members that the placements were done in accordance with program procedures. Any licensed blind vendor coming from another state must go through the same process before becoming licensed in Hawai‘i.

VFS Tad Matsuno reported they are struggling to find candidates for Neighbor Island facilities for #H-16 West Hawaii Civic Center, Kona Courthouse, and Maui.

1. ADJOURNMENT:

There being no further business and hearing no objections, Member Don Patterson moved to adjourn the meeting. The motion was seconded by Member Steve Kim and carried unanimously by voice vote. There were no nays or abstentions.

The meeting was adjourned at 11:35 a.m.

Respectfully submitted:

BH: mra

Ho‘opono/Employment Section