

**I. Roll Call and Confirmation of a Quorum, Richard Saperstein**

A quorum was present at this meeting.

Richard Saperstein, Chairman  
Bert Hansen, Vice Chairman  
Bill Schley, Secretary and Northern Representative  
Harold Petrofsky, Southern Representative  
Kawana Pohe, Southern Representative

Benita McHenry  
Mikie Yamada  
Beth Perring  
Ben Giron  
Carol Ewing  
Nels Brown  
Lee Weiss

Staff:

Melaine Mason, Deputy Administrator, Rehabilitation Division, DETR  
Drazen Elez, Program Chief, BEN, Rehabilitation Division/ DETR  
Susie Park, BEO II, Rehabilitation Division, DETR/BEN  
Russell Smith, BEO I, Rehabilitation Division, DETR/BEN  
Andy Chao, BEO I, Rehabilitation Division, DETR/BEN  
Janette Parish, AA IV, Rehabilitation Division, DETR/BEN  
Jeanne Clark, AA II, Rehabilitation Division, DETR/BEN

Robert Whitney, Deputy Attorney General

~  
**ED HOPKINS**

~Richard Saperstein asked that everyone observe a moment of silence in memory of Ed Hopkins who passed away in December 2014.  
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**II. Verification of Posting, Jeanne Clark**

Jeanne Clark stated that though she did not personally post the Agenda, she could affirm its proper and timely posting and now on file.

**III. Public Comment, Richard Saperstein**

There was no public comment at this time.

**IV. For Possible Action- Vote to Accept the Agenda, Richard Saperstein**

Kawana Pohe made a motion to accept the Agenda; Bill Schley seconded the motion and it carried unanimously

## **V. Welcome and Introduction of Guests, Richard Saperstein**

Francis Baker and Gloria Giron were present.

## **VI. For Possible Action-Approval of the minutes for the NCBV Meeting, December 19, 2014, Richard Saperstein**

Bert Hansen made a motion to accept these minutes; Kawana Pohe seconded the motion and it carried unanimously.

## **VII. Old Business**

### **A. Discussion-Update of Strategic Planning Project, Drazen Elez**

Melaine Mason initiated this item by announcing that she wished to restate the goals created October 6, 2013 while celebrating the forward movement which the Bureau has gained in advancing these goals. During her recent review of this project Ms. Mason stated that she was reminded of how far the Program has progressed; the benefits which have arisen as a result of discovering along with Operators what was important to the Program to advance it in the future. Ms. Mason commended the Strategic Planning Project work accomplished by the BEN Staff who were instrumental in making these goals a reality all under the leadership of Drazen Elez.

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### **Strategic Planning Project**

- ✓ **Goal#1 To have well trained Operators & Staff**
  - Operators have attended more food training
  - New trainees training
  - Adding food and industry for BEN staff will be added to budget
  
- ✓ **Goal#2 Recruit New Operators**
  - 2 operators trained a year ago who has produced 1 new Operator and working with Lee Weiss for opportunities to fit his situation
  - 8 new trainees to begin training in March
  
- ✓ **Goal#3 Increase Number of Manned Vending Facilities**
  - Shift toward Operators operating their own sites which is the goal of the Program also the purpose of the new trainees
  
- ✓ **Goal#4 Manage Program resources efficiently with appropriate reserves to be maintained**
  - Rewriting policies and procedures of the Health and Retirement funds. With the expansion of the Program the benefits to the Operators will grow.
  - Moving in a forward direction to maximize resources therefore growth
  - Ten-year plan to replace equipment will eliminate excessive and costly repair
  
- ✓ **Goal#5 Have clear, concise Policies & Procedures, protocols that effectively address BEN's current needs.**
  - Policies and Procedures will be a definite emphasis in the next year.
  - The goal would be to remove their objectivity eliminating a Program whose rules are currently subjective.

-Updating or creating necessary policies and procedures will result in a well-managed, fair Program with guidelines modified and/or crafted together as a group documenting the activity in following these rules. 11:14

✓ **Goal#6 Ensure vending facilities are managed efficiently with adequate profits and Operators are accountable for Operators**

-This area has improved and work is underway using tools to develop an updated Operator Agreement.

-Strengthens the partnership between Operator and Bureau by showing same vision, requirements

-Operators should have a copy of the Permit or Agreement of their site and will become an attachment.

-Staff currently handing out these Permits to Operators

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Beth Perring stated that she wished to see an Operator participating in the development of policies and procedures and future planning. Melaine Mason reminded Ms. Perring that this is the purpose of the Subcommittees and the reason for scheduling meetings and active participation from the members. The Policies and Procedures and Finance Subcommittees had worked on updating the two (2) policies which would be discussed later during this meeting. 15:20

Before initiating the following discussion Drazen Elez acknowledged Melaine Mason's earlier comments regarding the progress and ongoing work toward the goals of the Strategic Plan adding that he could not have accomplished the headway toward each goal without the hard work of the BEN staff. He also recognized the Operators who participated and offered their support for those changes and thanked Melaine Mason for her help and leadership without which these changes would have been difficult to accomplish. 16:11

**B. Discussion-Update of new, waived and in progress sites, Drazen Elez Potential Sites:**

**Sunset Park**

Plans are currently on hold and will be discussed later during this meeting.

**VA Hospital/Reno**

Has received BEN plans and the Bureau is now waiting for the administrative staff there to choose the plan they desire and will suit their requirements in order to move forward with the needed additions/modifications for this site.

**Existing Sites with Challenges**

**Clark County Government Center**

This site has been under partnership with another Operator for the past few years but had recently transitioned to a "hands-on" operation with Dustin Varnell. There has been early progress in the first few weeks under Mr. Varnell's management, who has worked diligently to execute the contract's requirements while receiving positive customer feedback. Drazen Elez thanked Benita McHenry for her hard work in this site's previous

management as Ms. McHenry has since decided to leave and focus her attention on her other site, the Department of Energy Snack Bar, in order to insure that site's success.

### **Department of Energy**

Benita McHenry is currently working with her new partner to assure a smooth transition. Mr. Elez lauded Ms. McHenry for her choice of partner as this new management has been positively received by the DOE management and staff.

### **Henderson Park Pavilion**

Mikie Yamada has taken sole management of this site. Mr. Elez expressed his excitement in realizing yet another Operator manage their own site and his confidence in Ms. Yamada who had recently taken several food and beverage serving training classes to refresh her existing skills and re-educating her on new practices.

### **Clark County Family Court**

In addition to the Henderson Park Pavilion, Ms. Yamada has accepted the operation of this site formerly held by Harold Petrofsky. Mr. Petrofsky had recently decided to focus his attention on his Grant Sawyer Building site. Ms. Yamada has already seen improvements in sales of 25% in the first month since this transition.

### **East Sahara DMV Snack Bar**

Carol Ewing has been named the Interim Operator for a few months at this site. She has been receiving positive feedback from management and customers. In answer to Carol Ewing's question regarding an error shown on a site document, Mr. Elez acknowledged this address error stating this would be corrected and forwarded to Ms. Ewing.

Beth Perring addressed the previous mention of "manned sites" remembering that when she was awarded her City Vending site, it was during a period when machines were bought for all of the vending machine routes. Prior to the Bureau's decision and cessation of buying vending machines she said she thought of creating a vending company prompting her to visit each site on her vending route, evaluating their individual needs. When the Bureau decided to no longer buy these machines, she was made to partner with a company instead.

Richard Saperstein corrected Ms. Perring by reminding her that the NCBV along with the Bureau had decided that there would be no more purchases of vending machines in sites manned by partners. He added that it was also decided that if a vendor wished to operate their own sites, each individual location would be independently evaluated for the value of purchasing machines in their sites based on several components, but was never completely an impossible request for the Program to approve. Ms. Perring stated she had 21 machines at the main Post Office which she chose for purchase and was filling herself. Mr. Saperstein asked her direction of this discussion and if she wished the Program to buy her vending machines. She answered that the discussion of "manned sites" had been presented and wished to state her history with her sites. At this time Bert Hansen wished to make a point of order asking Ms. Perring to write her feelings, concerns and the history of her issues so that they could be read for future resolution. Ms. Perring agreed. Ms. Perring added that in the past she and her sister took the very first class on food handling.

Drazen Elez addressed Ms. Perring assuring her that the Bureau was familiar with the events regarding the formation of partners of the vending machines companies. Referring to the explanation given earlier that it was the Operators and the Bureau collectively deciding that this business model would be the best course of action going forward and not to place blame on an Operator. He continued by adding that the notion of an Operator managing their own individual machines is not completely out of the question and would be considered even at the present time if it was decided by the Committee and the program to be profitable.

**C. For Possible Action- Discussion: Set up of New BEN Site- Sunset Park Concession, Drazen Elez**

Drazen Elez reviewed a discussion regarding this location and referred to a site survey, details, etc. discussed at earlier meetings but was never voted on. In order to bring a clearer picture to the Committee, Suzie Park created a 5-page site survey and a “snapshot” of the Park. Richard Saperstein thanked Ms. Park for her review and site material stating that from this material he now had a clearer picture of the potential site.

Ms. Park discussed potential growth sales over a four week period during peak hours (5pm-9pm) with an estimated \$9000 and from that will be \$3000 in gross profits with a set aside amount of approximately \$155 taking 8-10 years to recuperate development funds. The estimated equipment cost would be approximately \$17,150.00 which was 4K lower than previously reported due to the elimination of a POS system- using cash registers instead.

**Sunset Park Visitor Site Survey Facts**

Number of visitors in 30 minute period @ 7pm	250
Number of visitors accessing this park location every day	200-500
Competition within 500 feet	None- CCP & Rec will enforce any competitors who wish to enter the park.
Softball leagues played February-April	13 leagues
Volleyball leagues played February -April	21 leagues
Hours of Operation	Seasonal- Operator’s discretion and viability of business
Tournament play held in September- November	same as above
Pick up-basketball games with and without *lighted courts* February-December	16 hrs per day/ 7 days a week

Beth Perring asked when the leagues discussed would be in the Park. Ms. Park answered that most of the league games would take place approximately about 5-9pm weekdays- weekends all day.

Richard Saperstein stated he had no problem going forward with this project devoting \$17,000+ to develop this site. **Bert Hansen made a motion to proceed with plans to develop a BEN site at the Sunset Park authorizing a spending of possibly \$17,000 for this location; Bill Schley seconded it and the motion carried unanimously.**

#### **D. Reports from Subcommittees listed below:**

##### **Finance, Carol Ewing**

No report at this time. 40:02

##### **Policies and Procedures, Harold Petrofsky**

Harold Petrofsky stated that he had a concern about the changes in the procedure for paying back loans. Richard Saperstein explained his understanding of the Bureau's intention allowed under the Randolph-Sheppard Act was to issue the initial stock to the incoming operator rather than provide the Operator a loan which is expected to be paid back. He understood also that this stock would be tracked and when that Operator left the location the same amount of stock must be left in merchandisable condition.

Drazen Elez confirmed this clarification adding that a specific policy would be presented first to the Subcommittee then to the full Committee in order that all Operators understood this procedure. The Randolph-Sheppard Act states that the initial stock could be provided to the operators for the start-up to their business as currently being practiced in other States. He added that the purpose for this new procedure was to avoid burdening the new incoming Operator with a loan yet providing him with stock in a presentable manner without delay to the operation versus transitions in the past which have left the incoming Operator and his customers with a depleted inventory. Mr. Elez repeated the stipulation already stated by Richard Saperstein that upon leaving, that Operator must then stock the site with that equal dollar amount in inventory equal to his start-up inventory.

When Mr. Saperstein asked Drazen Elez if he could email a draft presentation to Harold Petrofsky for his perusal, Mr. Elez agreed adding that there would be other policies along with this one he wished to eventually present as well to that Subcommittee. Richard Saperstein then asked Mr. Petrofsky if he would schedule a meeting in order to initiate this policy. At this time Beth Perring announced that Harold Petrofsky accepted her to the Policies and Procedures Subcommittee. Mr. Saperstein emphasized to Mr. Petrofsky the need for this Subcommittee to also begin to prepare to schedule meetings for the policies and procedures of the retirement and health distribution revisions.

##### **Training, Bill Schley**

No report at this time.

##### **Legislative Watchdog, Kawana Pohe**

No report at this time.

##### **Future Planning, Bert Hansen**

No report at this time. 47:00

Mr. Saperstein asked Carol Ewing to be ready to work with her Subcommittee on the Retirement and Health distributions for the next couple of years. Ms. Ewing agreed to be ready at any time.

## VIII. New Business

### **A. Discussion- Governors Biennial Legislative Budget Request, Melaine Mason**

Melaine Mason made note that the Budget hearing, under the Ways and Means Committee relating to the Retirement and Health Revision meeting, was tentatively scheduled for the morning of March 18, 2015 though currently absent from the calendar. An email would be sent with its definite date and time for viewing online. Log into the Legislative website and choose the Ways and Means Committee.

While referring to the **Governor Recommended Budget Highlights 2016-17** attachments she published as a layman's document of what the BEN Budget 3253 included Ms. Mason launched into a discussion detailing its highlights:

#### **Budget Building Process**

Begins with an Agency request



That request is submitted at the end of August and is reviewed and worked over by the Governor's office through the budget division.



Goes through to the Budget Division and released in January to the State.



Budget then proceeds to the Legislative process



Budget 3253 begins with \$5.6 million budget which includes \$4.2 million of reserves with an actual budget of approximately \$1.4 million

### **Revenue:**

- No large increases are foreseen as there are no new revenue sources. Drazen Elez and staff have well managed the excess property.
- When retired equipment is sold through State process the money comes back to the Program. More sold equipment to come as equipment will be replaced. 52:38

### **Expenses:**

**Category 01- Personnel** There are currently 6 full time positions in the BEN Program with a possible removal of the 6 Furlough days. Salaries were frozen for the past 4 years so for some personnel there will no 5% raises up to ten steps without cost of living raises. Employees with steps left in their classification may receive a raise. Longevity pay was also passed over with a draft that's before the legislature to total remove longevity pay. Melaine Mason cautioned that these personnel factors in this category were simply recommendations with the final decisions regarding compensation and State benefits-perhaps in May or early June after several other larger resolutions are complete.

**Category 02 - Out of State Travel** A request was recently submitted to have the Bureau Chief and a BEO II attend the BLAST Conference. It was removed from the budget which necessitates a Work Program to be completed in about a year and a half to allow those funds to be place in out of state travel so that the Bureau Chief can

attend. Ms. Mason mentioned that she has gone twice to BLAST and Drazen Elez went with her the November prior and found it quite useful.

**Category 03- In State Travel** These costs have remained the same.

**Category 04- Operating Expenses** These costs have decreased a bit due to the relocation of the Northern Nevada BEN office.

**Category 05- Large Equipment request (purchases over \$5,000)** None have been requested.

**Category 10- Business Enterprises**

There is a movement to replace old equipment after 10 years and bring them up-to-date in this bi-annual budget. All used DOE's equipment which has been discussed for years as being old and plans are scheduled to be replaced. A gas stove has already been installed recently due to a pilot light problem with the former unit.

**Category 16 - Vendor Benefits** will not reflect a change due to the recent proposal of increasing those disbursements which are not yet officially approved. When the approval is given, there would be an ability to write a work program to pay out those benefits based on the number of operators. New trainees have also been calculated and will be considered to make certain there are funds available.

**Category 26- Informational Services** new computers were requested based on a 5-yr. replacement program for staff computers and the schedule is now complete with no computers needed.

**Category 30 - Staff training** Pending an increase in the Budget additional training for BEN staff will be added as this budget increase would not only follow a Strategic Planning goal but answer the request of some Operators who feel that staff would benefit with food service training, etc.

**Division Cost Allocations Internal costs:**

The remainder of the budget reflects the costs associated with the internal services that are provided, (i.e. Ms. Mason's salary, to fund the computer support the staff receives, etc.) or services that state entities provided to the Bureau in order to be in the State.

**Category 88- Statewide Allocation** The costs of Human Resources to hire staff.

**59:23**

Beth Perring requested a descriptive line next to each Category number in order for greater understanding. Melaine Mason expressed her wish to work in tandem with Ms. Perring to expand this document but explained that some descriptions, included referring to the Revenue Ledger # (i.e. 2501), are already on page one and Category # are shown on the second page of the Budget Account document. Ms. Perring mentioned that with the worsening of her vision and those of other blind Operators this enhancement would benefit all going forward. Ms. Mason agreed that when the budget is Legislatively approved she would add this while Drazen Elez also stated that in sending out his email monthly he would review this with Ms. Mason to find a way to make this clearer.



Bert Hansen inquired how many Operators there were currently in the Program to which Ms. Mason responded that there were 15. Mr. Hansen asked, given the costs listed with Expenditures on line # 01 administrative costs of \$632,104 for 15 Operators, could she research how these numbers compare with other State's BEP Programs. Ms. Mason agreed adding that a discussion would have to take place to decide how the work would be completed if staff was reduced. Mr. Hansen asked whether the BEN Program had the same type of staffing problems as other states. Ms. Mason answered by explaining that numbers could be tabulated and presented, however, she questioned if this issue was simply a numerical exercise based on a ratio basis comparing it with other states or rather than one that considers which level of service Operators wanted from a 6-member staff and including all of the recent activity in all BEN locations. She asked Operators for their feedback as to how they felt their resources would be better spent with those 6 staff members. Ms. Mason mentioned the prior suspension of BEN staff visiting Operator's homes or acting as drivers for Operators, etc. rather than spending resources on activities within the businesses.

Mr. Hansen stated that he wished to conclude this discussion by stating that if another state has administrative costs of \$10,000 per location and based on Nevada's 30 locations, there should be a good explanation of what the BEN Program is receiving that other states are not. Ms. Mason remarked that there was an effort for the agency to add 8 new trainees to the Program to expand the locations as well which relates to the theory that the Program cannot continue with the number of existing operators with their ages. Bert Hansen expressed appreciation for the efforts of her and the BEN staff. Beth Perring stated she would never wish to see any staff member lose their jobs especially in the current financial climate but that Deputy Attorney costs as well as administrative building costs may be considered. A Subcommittee meeting would reveal this, stated Richard Saperstein who asked Carol Ewing to review this information

#### **B. Discussion- Update on New Potential Operators Training, Drazen Elez**

Drazen Elez reported that new operator training will commence March 3, 2015 with 4 new candidates currently set for training in the Southern Nevada area and 4 new candidates in Northern Nevada; all having outstanding experience and backgrounds. These candidates have been presented by Rehab counselors throughout Nevada to the BEN Program and expected to produce great future Operators. Their training program is the same as that which was developed with the aid of Bill Schley and his Subcommittee and used the year prior keeping the same outline as before with more subjects in different training locations. He continued to explain that there will be 12 weeks of training initially. Those who have successfully completed the first 12 weeks will advance to an additional 4 weeks of on-the-job training and then will proceed with their individual licensing procedure.

#### **C. Discussion- Annual Operator In-Service Training, Drazen Elez?**

A couple of months ago Drazen Elez sent an email asking if anyone` was interested in developing this workgroup so that we can work on developing the in-service that's relevant to the operators and the in-service training. The purpose of this email was intended to gather all Operators to stir communications and ideas regarding relevant topics to all Operators such as current activity with the BEP industry and the Randolph-Sheppard Program. Though there has been no response so far, Mr. Elez stated that he wished to keep this invitation open to any/all Operators for their input to this session held in Northern and Southern Nevada via video conferencing. The tentative date for

this meeting is **Friday, June 26<sup>th</sup> which would be formally announced when dates/times are set.** Terry Smith already confirmed his invitation to fly in and join the training at no cost to the Program as part of BEN's annual membership with NFBEI. Topics which have been considered for discussed are safety training, technological training with the Rehab Division staff as well and other training ideas advised by the proposed work group.

Kawana Pohe questioned Mr. Elez regarding his statement of 8 total trainees and whether there were available sites for them. Mr. Elez answered that there were 4 trainees in the North and 4 in the South. Mr. Elez explained that there were some sites in development. He added that the Bureau could not preselect these operators for locations which would be similar to the question, "Which came first, the chicken or the egg"? BEN Program's stance is the Operators come first and that once these candidates are trained and licensed this period of time is the only time staff has to actually develop the sites. Site plans have not been finalized; however there are preliminary Northern and Southern locations being reviewed for possible BEN sites. He promised to share this information with everyone as plans develop. Mr. Pohe then asked if existing Operators would have a chance to bid on them, to which Mr. Elez answered all licensed Operators could bid and that these locations would not be exclusive to anyone as the policy and procedure process would be followed. Drazen Elez specified that if an Operator has three (3) locations and they choose to bid on another, they would be required to vacate one of their existing locations in order to operate this new one as the Policies and Procedures reflect. Mr. Pohe stated that the problem with many locations is that some are not profitable for anyone and barely making an income for anyone taking them over. Drazen Elez addressed this comment countering that he disagreed that there were unprofitable BEN locations stating that if Operators operated the sites themselves, without a partner to share profits with, they would be profitable. In reviewing all sites, he stated that the Program expected all sites to be profitable at least to SGA standards according to RSA if managed by the Operator.

#### **D. For Possible Action- Discussion- Approval of Two Revisions to Draft of Health Care Reimbursement Policy to Bring in line with Federal Affordable Care Act, Drazen Elez**

Mr. Elez initiated this discussion by expressing the Program's excitement in having these revisions close to completion in a short amount of time as once those two policies are approved by the RSA they would be returned to the Bureau to be submitted to the Legislature for their review. The RSA wished to bring the BEN's Policy in line with the Federal Affordable Care Act therefore the proposed revisions would be:

- Change the age of eligible dependents from 24 years old to 26 years old.
- Remove the full time student restriction from post-secondary education program for eligible dependents qualification.

Once these revisions are approved the RSA would then sign off on them so they could advance through the approval processes.

**Kawana Pohe made a motion to add to and change these revisions; Harold Petrofsky seconded this motion and it carried unanimously.**

### **IX. Second Public Comment, Richard Saperstein**

Melaine Mason reiterated her earlier announcement regarding the move of the Northern Nevada Rehabilitation Administration office from its present location to 751 Basque Way on the north end of Carson. She spoke of the transition time from one office to another with regard to “down time” and the transfer of phones and office equipment noting that Andy Chao could be reached on his cell phone. She assured all that an email would be forwarded to all with the new phone numbers.

Lee Weiss questioned who was responsible for the site surveys and approvals and what would happen if there were discrepancies in the surveys. Drazen Elez answered that according to the Randolph-Sheppard Act the site survey was completed by the SLA and the approval of site surveys is given by the head of the SLA agency. In order to abide by policy of transparency of this agency these survey results are shared with the Committee in order for ensure all agree with the findings as witnessed at today’s meeting involving Sunset Park and based on fact.

Mr. Weiss also wished to state that the week prior he visited the Oregon Science and Health University, one of the most renowned universities in the world and that he learned that there is new technology involving molecular structures of the DNA now being conducted that was unheard of prior to this. He reminded all that he was active with the Foundation for Fighting Blindness and that Retinitis Pigmentosa does not improve and I continue to struggle with reading. Mr. Weiss further described the work being done involving molecular structures of the DNA which has recently been explored and the work being studied several thousand primates whose retinas were filling petri dishes for future implantation into humans with retinal problems. Richard Saperstein advised all to stay healthy so that when technology arrives with new ideas and devices they would be ready.

### **X. Discussion- Date for Next NCBV Meeting, Richard Saperstein**

Kawana Pohe asked the Committee if it would be agreeable to all if the current meeting day of Friday could be switched to Thursday to which all decided would be acceptable. Thursday April 16, 2015 at 3:30pm was chosen for the next meeting.

### **XI. Adjournment, Richard Saperstein**

**Bill Schley made the motion to adjourn; Kawana Pohe seconded that motion and it carried unanimously.**

This meeting was adjourned at 5:02pm