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COMMONWEALTH OF PENNSYLVANIA
HOUSE OF REPRESENTATIVES
HOUSE STATE GOVERNMENT COMMITTEE
AND
AGRICULTURE AND RURAL AFFAIRS COMMITTEE

RYAN OFFICE BUILDING
ROOM 205
HARRISBURG, PENNSYLVANIA

MONDAY, JANUARY 25, 2010
11:00 A.M.

IN RE: JOINT HEARING ON
CAPITOL CAFETERIA OPERATIONS

BEFORE:

STATE GOVERNMENT COMMITTEE:

- HONORABLE BABETTE JOSEPHS, CHAIRMAN
- HONORABLE KERRY A. BENNINGHOFF
- HONORABLE MICHAEL H. O'BRIEN
- HONORABLE GLEN R. GRELL
- HONORABLE JARET GIBBONS
- HONORABLE JIM COX
- HONORABLE MIKE CARROLL



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4 HONORABLE KATHY L. RAPP
HONORABLE BRAD ROAE

5

6 AGRICULTURE AND RURAL AFFAIRS COMMITTEE:

7 HONORABLE MICHAEL K. HANNA, CHAIRMAN
HONORABLE JOHN MAHER
8 HONORABLE DAVID R. MILLARD
HONORABLE CARL WALKER METZGAR
9 HONORABLE KAREN BOBACK
HONORABLE MICHELE BROOKS
10 HONORABLE MIKE CARROLL
HONORABLE DAVID S. HICKERNELL
11 HONORABLE TOM HOUGHTON
HONORABLE BABETTE JOSEPHS
12 HONORABLE MARK K. KELLER
HONORABLE RICK MIRABITO
13 HONORABLE TINA PICKETT
HONORABLE JOSEPH PRESTON, JR.
14 HONORABLE TIMOTHY J. SOLOBAY

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1 ALSO PRESENT:

2 STATE GOVERNMENT COMMITTEE:

3 RODNEY OLIVER, MAJORITY EXECUTIVE DIRECTOR
4 SUSAN BOYLE, MINORITY EXECUTIVE DIRECTOR
5 MATT HURLBURT, RESEARCH ANALYST
6 KRISTEN KOHAN, RESEARCH ANALYST
7 JENNIFER BELZ, LEGISLATIVE ASSISTANT

8 AGRICULTURE AND RURAL AFFAIRS COMMITTEE:

9 DIANE HAIN, MAJORITY EXECUTIVE DIRECTOR
10 KERRY GOLDEN, MINORITY EXECUTIVE DIRECTOR
11 JAY HOWES, MINORITY DIRECTOR OF POLICY
12 ALYCIA LAURETI, LEGISLATIVE ASSISTANT

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BRENDA S. HAMILTON, RPR
REPORTER - NOTARY PUBLIC

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P R O C E E D I N G S

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CHAIRMAN JOSEPHS: Okay. I'd like to call the hearing to order, more or less on time, two minutes late.

Good morning. I thank you all for joining us, this joint hearing for -- of the House State Government Committee and the House Committee on Agriculture and Rural Affairs.

I want to especially thank my fellow colleague, Chairperson Mike Hanna, for agreeing to my request to hold these hearings on the issues before us because they affect both of our committees.

Just for the record, the House State Government Committee has oversight of the Department of General Services, DGS. DGS is the state agency responsible for cafeteria operations in the Capitol complex, including the main cafeteria in the East Wing.

The House Agriculture and Rural Affairs Committee has jurisdiction over food safety matters and shepherded House Bill 174, a food safety measure sponsored by State Representative Mike Carroll through the house. Representative Carroll,

1 strangely enough, is a member of both of our
2 committees. He joins us here this morning, to my
3 left, to Mr. Hanna's left.

4 His legislation is inexplicably stalled --
5 stalled in the Senate, a fact that I'm sure has
6 absolutely nothing to do with the fact that the
7 Senate has its own private dining facilities for its
8 members only.

9 I'll call for Chair Hanna and the
10 minority -- the chairs of the respective committees
11 to make comments in a minute. However, before I do,
12 I'd like to make a few remarks.

13 The hearing, as I think everybody is
14 aware, is a result of the mice infestation and
15 unsanitary -- unsanitary conditions that closed the
16 Capitol cafeteria for more than two weeks in
17 December of 2009.

18 The incident gained national media
19 attention which -- which shown a less than favorable
20 light on the internal operations of this otherwise
21 beautiful and historic Capitol complex and the lack
22 of adequate attention to food safety issues that
23 caused it.

24 The Capitol cafeteria was shut down
25 December 17th after state inspectors found a mouse

1 infestation and 16 other health code violations.
2 State law requires annual inspections of licensed
3 food services establishments. However, the Capitol
4 cafeteria had not been inspected since 2005. It
5 reopened on January 4th.

6 We want to examine how this was allowed to
7 happen with an eye towards what can be done to
8 prevent similar problems in the future. It's our
9 goal to take a look also on how Ararat -- ARAMARK
10 came to be the company that operates the cafeteria
11 after years of what seemed to be perfectly
12 acceptable services provided by the former
13 operator.

14 Therefore, this morning the committees
15 will examine the following: The contract and
16 present contract for operation of the Capitol
17 cafeteria.

18 The cafeteria's recent public health
19 violations, its inspection history.

20 The oversight provided by the Departments
21 of General Services and Agriculture.

22 And House Bill 174, that I mentioned
23 before, introduced by Representative Michael
24 Carroll, which is a comprehensive food safety
25 initiative that passed the House but stalled in the

1 Senate.

2 Finally, a few words about ARAMARK. I
3 have to admit that I am impressed and pleased that
4 they accepted my invitation to appear this morning.
5 It would have perhaps been very easy for the company
6 to send word that all of the problems have been
7 addressed and that they've given them a clean bill
8 of health.

9 However, the corporation, like the good
10 corporate citizen that it is, has chosen to send a
11 representative to address the tough questions that
12 might be presented to it, why the problems were
13 allowed to transpire in the first place, and why --
14 what they would suggest in order to make sure that
15 they don't reoccur.

16 I'm going to draw your attention to the
17 sheet in the packet, that all the committee members
18 should have, which is entitled ARAMARK and
19 Pennsylvania, which talks about the 1,350 employees
20 that work at ARAMARK's headquarters, not far from my
21 district at 11th and Market, with an additional 250
22 employees at the Bell Atlantic Tower at 18th and
23 Arch, in Lancaster actually, and ARAMARK's
24 Innovation Center at the Wannamaker Building at 13th
25 and Chestnut.

1 ARAMARK has more than 20 office locations
2 and distribution centers across Pennsylvania,
3 occupies more than 700,000 square feet of office and
4 warehouse space and pays more than \$11 million in
5 rent annually in Pennsylvania. It owns and operates
6 three commercial laundries somewhere statewide in
7 the Commonwealth. And in 2009 ARAMARK paid more
8 than \$29 million of taxes in state and local
9 withholding sales and use taxes across
10 Pennsylvania.

11 That's important to our economy, and I
12 don't want us to forget that. The information is
13 impressive that demonstrates the company's
14 commitment to our Commonwealth, and I'm -- I'm sure
15 that -- I just wanted to put the company in the
16 context of this whole problem.

17 There is a document in the packet also
18 that is entitled ARAMARK's Commitment to the
19 Commonwealth of Pennsylvania.

20 I -- just to remind everybody, that the
21 Capitol cafeteria provides dining services not only
22 to state employees and to elected officials, but to
23 a whole range of guests, including school children
24 and the public on a regular basis. It's very
25 important that a safe, sanitary, disease-free

1 environment is maintained.

2 So I want to thank the Secretaries of the
3 Department of General Services and Ag and also --
4 and also of Agriculture, as well as my thanks to
5 ARAMARK for joining us this morning to examine these
6 matters -- this matter. And I welcome you all
7 again.

8 And Mr. Hanna, if you have any remarks,
9 you have an opportunity to make them.

10 CHAIRMAN HANNA: Thank you, Madam
11 Chairman.

12 Those of us on the Ag and Rural Affairs
13 Committee are certainly pleased to have this
14 opportunity to examine the problem that developed
15 here in the Capitol.

16 Suffice it to say that the Ag Committee
17 has spent considerable time on food safety over the
18 course of the last, you know, going into four
19 years.

20 We passed this bill in the -- in the past
21 session and it -- it moved to the Senate where it
22 was considered by the Senate Ag Committee but was --
23 but stalled in the Senate Appropriations Committee.

24 It was the first order of business for the
25 committee when we returned this session, and it was

1 passed early last year. And we look forward today
2 to have the opportunity to hear from those involved
3 how House Bill 174 might have impacted this
4 particular situation and if there are ways that
5 House Bill 174 needs to be improved before we get to
6 final passage.

7 So we'll look forward to that testimony
8 and hope that if there are additional needs for
9 House Bill 174 that we can share those with our
10 Senate colleagues and try and work on that
11 legislation before it comes back to the House for
12 final consideration.

13 With that, Madam Chairman, I'll conclude
14 my remarks. I'd like to thank you and our -- our
15 fellow minority chairmen for their cooperation in
16 bringing this meeting together so we have the
17 opportunity to explore this.

18 CHAIRMAN JOSEPHS: Thank you. My -- my
19 chairman -- my minority chair is not here, but his
20 place is being ably filled by Mr. Grell.

21 If you have a few words, Mr. Grell.

22 REPRESENTATIVE GRELL: Thank you, Madam
23 Chairman. I'll be very brief in my remarks.

24 I do appreciate the opportunity to
25 participate in this hearing and want to express my

1 appreciation to all the testifiers who have prepared
2 and taken their time to come here today.

3 I spoke with Chairman Benninghoff a little
4 while ago. He is detained and hopes to be here
5 shortly. But in his absence he asked me to make
6 just a few opening remarks along those lines.

7 I'll withhold any comments on the
8 substance until after we've heard the testimony.
9 We're obviously concerned about any jurisdictional
10 issues that caused or helped cause this situation
11 with the Capitol cafeteria.

12 In a broader sense, we're interested in
13 hearing information about food safety inspections
14 generally and how we and the public can be confident
15 that situations such as occurred in the Capitol
16 cafeteria are not occurring elsewhere in the
17 Commonwealth. Especially in and around the city of
18 Harrisburg.

19 So with -- with those comments, I'll look
20 forward to the testimony. And thank you, Madam
21 Chair.

22 CHAIRMAN JOSEPHS: Mr. Maher.

23 REPRESENTATIVE MAHER: Thank you, Madam
24 Chairman.

25 I echo Chairman Hanna's remarks. On a

1 bipartisan basis the Agricultural Committee of the
2 House already advanced the bill that's ostensibly
3 the subject of this hearing. In fact, that bill not
4 only cleared the committee on a bipartisan basis but
5 cleared the House.

6 So one might ask why are we here? Why is
7 it that two cabinet secretaries have been asked to
8 drop everything and appear here? Because there's a
9 mouse in the House? How self-involved does that
10 suggest that the current governance of the House
11 is?

12 For heaven sakes, with all the challenges
13 facing the state of Pennsylvania, to assemble a
14 joint committee and ask two cabinet secretaries to
15 drop everything and appear for a problem that was
16 discussed by the Department of Agriculture, has been
17 remedied, and is a matter of contractual concern
18 between DGS and the vendor.

19 There's a mouse in the house so now we're
20 going to have a mouse service. And while I concur
21 that the hygiene issues are very important and the
22 food safety law issues already accomplished by this
23 Agriculture Committee and by this House are
24 important, I am disappointed that we're having a
25 hearing about a bill that isn't in this chamber

1 because it happens to have been a food safety
2 violation where the chairman eats lunch and that
3 doesn't seem an appropriate use of this chamber's
4 time.

5 So with all due respect, Madam Chairman, I
6 know we'll disagree on this, but thank you for the
7 opportunity.

8 CHAIRMAN JOSEPHS: I think we need to
9 introduce ourselves, the members of the various
10 committees who are here. Starting with Mr. O'Brien.

11 REPRESENTATIVE O'BRIEN: Mike O'Brien,
12 Philadelphia, State Government.

13 REPRESENTATIVE BOBACK: Karen Boback, Ag.

14 REPRESENTATIVE PICKETT: Tina Pickett, Ag
15 Committee.

16 REPRESENTATIVE CARROLL: Mike Carroll,
17 member of both committees, Ag and State Government.

18 REPRESENTATIVE BROOKS: Michele Brooks, Ag
19 Committee.

20 REPRESENTATIVE MIRABITO: Rick Mirabito,
21 Ag Committee

22 REPRESENTATIVE KELLER: Mark Keller,
23 Agriculture.

24 REPRESENTATIVE METZGAR: Carl Metzgar,
25 Agriculture.

1 REPRESENTATIVE RAPP: Kathy Rapp, State
2 Government Committee.

3 REPRESENTATIVE ROAE: Brad Roae, State
4 Government.

5 REPRESENTATIVE HICKERNELL: Dave
6 Hickernell, Agriculture.

7 REPRESENTATIVE GABLER: Matt Gabler, State
8 Government.

9 REPRESENTATIVE COX: Jim Cox, State
10 Government.

11 CHAIRMAN JOSEPHS: Do we have everybody?

12 Our first panel, Honorable James Creedon,
13 Secretary to the Department of General Services, and
14 Mr. Bruce Walton, Vice President for Operations for
15 Business Dining from ARAMARK.

16 Mr. Secretary, do you want to lead off?

17 SECRETARY CREEDON: Sure. Thank you,
18 chair. Thank you members of both committees for
19 inviting us in today to share our perspectives on
20 this -- on this issue and discuss actions that are
21 being taken to do the best we can to not have future
22 occurrences along these lines.

23 And I know a little bit later you'll hear
24 from Secretary Redding from the Department of
25 Agriculture who has worked in complete partnership

1 with the Department of General Services and with
2 ARAMARK throughout -- throughout this process to
3 find solutions that make sense and protect the --
4 the public on this issue.

5 I -- I'm going to keep my opening comments
6 rather brief. Those of you who have had me before
7 your committees before know I prefer to let you ask
8 some questions of what's on your mind and kind of
9 get to the issues that way.

10 But let me begin with just some -- very
11 quick summary of the situation that occurred, the
12 actions that the department took, the actions that
13 were a response, but also go over a little bit of
14 the history with you on the contract itself.

15 Going back in to when East Wing was
16 constructed, the Commonwealth has always had a
17 contracted vendor for the operations of the Capitol
18 cafeteria.

19 As a matter of fact, ARAMARK was the
20 contractor years back at some point in the '90s.
21 And they were replaced, as best we can put our
22 records together -- at this point, most of the
23 people in the Department of General Services were
24 not working for the Commonwealth at that time --
25 replaced by a company called Nutrition, Inc. in the

1 early -- early -- late -- late '90s, early 2000s.

2 And in 2004 that contract expired and the
3 decision was made to bid the lease of the
4 facilities. What we do is we lease these facilities
5 to a vendor.

6 At that time we had seven companies
7 respond to that RFP. A final ranking was done of
8 those seven down to a competition between companies
9 Sodexo and ARAMARK, and ARAMARK received the lease
10 based upon the final rankings from that
11 competition.

12 I just want to make sure we -- we're clear
13 there. There was a competitive process. Very
14 similar, if not identical, to every other
15 competitive process we use for a lease or for
16 service or, for that matter, even goods and services
17 in the Commonwealth, of asking companies to propose,
18 asking a review committee to assess the
19 qualifications of the company, the amount of money
20 that company would pay us in lease. I believe there
21 are even tastings at that time or site visits by a
22 committee to assess the qualifications of the
23 company.

24 And ARAMARK received the contract and
25 proceeded to make a number of improvements to the

1 Capitol cafeteria at that time.

2 The contract with ARAMARK was a three-year
3 contract with two one-year renewals. We elected to
4 allow those one-year renewals to come into place
5 based upon the performance of the company and also
6 our assessment of the advantages at that point of a
7 competitive environment.

8 I'm sure Mr. Walton can get into some more
9 of the details, but I have to tell you that my
10 meetings with ARAMARK over the years and assessing
11 the business model in which they operate, it is not
12 a business model that is for the light heart or for
13 someone who is looking to take no business risks.

14 The Capitol cafeteria is one that is --
15 has extremely cyclical sales. When the legislature
16 is in session, they tend to do real well. When
17 you're not here on Thursdays or Fridays or weeks
18 when you're not in session, sales drop
19 tremendously.

20 It's difficult to staff for those sales
21 cycles, to keep a consistent level of staffing. And
22 we've even worked very closely with the company
23 simply on hours. And there has been indicated --
24 times where the facility has actually been kept open
25 because of late session days, and the cafeteria

1 staffs up and the session is -- ends early and they
2 sit and wait and no one comes over.

3 So it is an extremely difficult business
4 to operate, and it was our decision that for that
5 reason we'd exercise those final two years of the
6 contract and at the end of the five years we rebid
7 this contract again.

8 Just about this time last year we were
9 receiving proposals, conducting our RFPs. We -- we
10 contacted over 23 companies to get their interest in
11 running the facility. And we had two competitors
12 who did submit proposals, ARAMARK and a company
13 called Treat America.

14 The two companies were -- went through the
15 same process as through the first competition. A
16 committee scored them on their technical expertise,
17 their -- the fees that they would pay to the
18 Commonwealth for the use of the facility; which, by
19 the way, both companies bid exactly the same fee;
20 and also conducted site visits and monitored
21 their -- evaluated the two companies; and the
22 committee ultimately scored ARAMARK just a little
23 bit higher than Treat America; and in the springtime
24 of last year we went ahead and authorized an
25 additional three-year contract with two one-year

1 renewals to ARAMARK.

2 Working -- so I just wanted to go over the
3 history of that so people have an understanding of
4 the processes we use to make the decisions to have
5 people come in to operate these facilities.

6 These were competitively bid contracts,
7 using the same formalities, same procedures, as all
8 of -- whether it's an IT contract, whether it's a --
9 a pharmaceutical contract, we use the same
10 procedures in making these decisions as per the
11 code.

12 The slight difference is that what we do
13 is technically lease the facility to -- to the
14 operator.

15 Let me take you up to the current
16 situation that we're in. On December the 17th I was
17 notified that the Department of Agriculture
18 completed their inspection of the facility and had
19 indicated that they, working with ARAMARK, had made
20 the decision to close the facility based on their
21 concern for the sanitary conditions, among which
22 were mice droppings which were visible throughout
23 the kitchen area.

24 It -- I think probably the one thing I'll
25 remember the most that day is when I walked down the

1 hallway on the fourth floor to meet with some of my
2 team on it and the Department of Agriculture
3 inspectors were still there and they kind of looked
4 at me and I think they thought, oh, we're the people
5 who caused this problem.

6 And I stopped them, and I said, you know
7 what? I said I want to say thank you to you,
8 because you did the right thing. You need to make
9 us aware of what these conditions were and, you
10 know, sometimes you need to take a two-by-four into
11 a situation to make sure that people are doing the
12 right thing.

13 And they certainly did on that afternoon.
14 It was good that they did.

15 I immediately met with -- with ARAMARK to
16 discuss their plan moving forward. The DGS property
17 management team became involved immediately in
18 providing information to ARAMARK on cleaning
19 companies that they could bring in over the weekend
20 to help sanitize the facility.

21 And I think at that point it was our hope
22 that perhaps over the weekend we could reopen, the
23 early part of -- I think that was Chris -- I think
24 it was Christmas week at that point, the week of the
25 holiday.

1 It became apparent to us through some
2 conference calls over the weekend and into -- into
3 Sunday that it probably would be best to keep the
4 cafeteria closed through January 4th.

5 Again, I mentioned the very low volume
6 that occurs through that point. The legislature is
7 not here. A lot of the offices are minimally
8 staffed. A lot of people take vacation.

9 It would be the ideal week to just take
10 a -- take a step back, really make sure we do this
11 right, not try to force the opening, and to do all
12 the things that are necessary to gain the -- the
13 confidence of the customer and the public that the
14 facility was going to be in proper condition prior
15 to opening.

16 So we moved ahead with the monitoring,
17 almost on a daily basis with ARAMARK, the work they
18 were doing, the consultants who they were bringing
19 in to assist them on rodent control.

20 We also learned at that time from the DGS
21 perspective -- I probably won't shock anyone to let
22 them know that a building that's over a hundred
23 years old does have mice. We have conditions within
24 all the facilities that can cause mice to appear.
25 When weather gets cold mice tend to come inside and

1 they like to come inside old buildings that have
2 cracks and crevices and you have a food source and
3 have a habitat.

4 ARAMARK, on the kitchen side, and actually
5 an office that does not close food containers or
6 leaves -- doesn't empty a garbage can is a food
7 source for rodents.

8 The other thing we learned is mice need a
9 habitat, and one of the things that we quickly
10 discovered, working with ARAMARK's consultant and
11 with our pest control consultant, is that the trees
12 that many of you may remember were in the cafeteria,
13 they were going down three to four feet into
14 planters underneath -- there's a crawl space
15 underneath the Capitol flooring. You can't stand up
16 in it, but you can go down inside it.

17 That was the habitat. They were able to
18 bore -- make nests inside the -- the tree area and,
19 therefore, we had -- we had a living space and we
20 had a -- we had a family room and we had a dining
21 room in effect for the mice.

22 And so we needed to not only attack the
23 dining room, but we needed to attack the family
24 room. And so DGS crews, again, during that period,
25 went to work tearing out the -- the trees and

1 tearing out the planters, capping them, working with
2 Ecolab, who ARAMARK brought in, and Orkin, who we
3 had on as our consultant, to -- to deal with all
4 types of pest issues throughout the Capitol on
5 almost a daily basis. Had them come in and seal
6 those off.

7 We're also now shifted over to the other
8 side of the Rotunda where there were some plantings
9 by some of the Senate offices to also kind of take
10 out some of those planting areas, replace it with
11 stone, and cap things off.

12 So it's our hope that between the -- the
13 change of conditions in the dining room and the
14 change of conditions in the habitat that we'll do
15 our very best to eliminate the possibility that an
16 unwarranted rodent, not that there would be a wanted
17 rodent, but an unwanted rodent would necessarily
18 enter the Capitol.

19 We -- we currently maintain, as I said, a
20 working -- they've been working with us on a daily,
21 if not weekly, basis to help us with the setting of
22 traps and the monitoring of the various sites,
23 responding to complaints throughout these
24 buildings. Throughout the entire complex there are
25 problems.

1 The other proactive step that we took is
2 that we realized that we had a number of other food
3 service facilities that were not operated by
4 ARAMARK. The Keystone Building, which is operated
5 by Blind and Visual Services, as well as the Finance
6 Building, the Irvis Building I believe, the 333
7 Market Street, and a number of place -- I'm sorry --
8 Finance Building, not Irvis Building -- Finance
9 Building, Labor and Industry Building and Health and
10 Welfare Building where we had facilities not
11 operated by ARAMARK but operated by Blind and Visual
12 Services vendors.

13 We went to them and met and discussed the
14 situation. They voluntarily agreed to do the same
15 kind of period between the holidays, to shut down
16 and do a thorough cleaning so they could also be
17 inspected by the Department of Agriculture.

18 And we were able to achieve, I think,
19 almost all but two by the January 4th target, and
20 shortly after the week of the 4th we were able to
21 open up all the remaining facilities once we felt
22 comfortable that they would pass that inspection.

23 And those facilities, which are much
24 smaller than the Capitol cafeteria, would also be
25 safe for primarily employees who are in that

1 building.

2 And we will, you know, get -- continue to
3 have an ongoing relationship with BBVS to make sure
4 that that occurs in the future -- that the
5 inspections occur and that -- and that the
6 facilities are kept clean.

7 As far as where we go from here, there
8 was -- you know, one -- one of the items we had in
9 the contract with ARAMARK is we had the right to
10 terminate. The right to terminate with 30 days'
11 notice, upon notice of what the problem is with the
12 contract, but also ARAMARK has the right to cure.

13 So it was my belief that rather than
14 immediately go to terminate, you know, there's
15 certain operations that are easy to terminate and
16 you can pick up and start running the next day.
17 This isn't one of those.

18 We have an -- an operation. This is food
19 service. I think you want to do everything you
20 possibly can to not have to get to the termination
21 point. This is not something that someone can just
22 walk in and -- and operate very quickly.

23 So we notified -- as a matter of fact, on
24 the 17th notified ARAMARK of the notice of cure of
25 what the situation was and, by my judgment, my

1 experience in the service industry before I came
2 here, running a little bit different, a
3 water/wastewater facility, but different, but the
4 same concept, you know, to me they responded to that
5 notice of cure.

6 They responded very professionally. They
7 did everything that we asked them to do and more. I
8 think that they take this situation very seriously
9 and have become a very strong partner with us and,
10 in part, with Agriculture, in assuring that we
11 regain the public and the customer's confidence in
12 this facility.

13 We will -- we've agreed that we will have
14 every-month inspections of the facility for the next
15 six months and then go to an annual basis from
16 there.

17 I can assure you that between the
18 Department of Agriculture, the Department of General
19 Services, and ARAMARK I think we will be making sure
20 that that annual inspection does occur.

21 I think we've all sat down and discussed
22 why it did not occur in between and the importance
23 of having that on a checklist somewhere.

24 And, quite frankly, it's on my checklist
25 on my desk now as well, and I'm sure Secretary

1 Redding's as well to make sure that it happens.

2 So with that I will conclude and I'm
3 certainly open to any questions and any area that I
4 perhaps did not address. Or as we move through our
5 chair -- the chairman will run the meeting.

6 CHAIRMAN JOSEPHS: If I may, I wanted to
7 say that we were joined -- who we've been joined
8 by. And I thought maybe Mr. Walton could give his
9 testimony, then we could ask questions. I know
10 Ms. Brooks has a question.

11 We've been joined by Representatives
12 Delozier, Solobay, Millard, Gibbons and Houghton.

13 And Mr. -- Mr. Walton, if you would go
14 ahead, that would be fine.

15 MR. WALTON: Great. Thank you. Unlike
16 Secretary Creedon, I will read.

17 CHAIRMAN JOSEPHS: Turn on your --

18 MR. WALTON: Okay.

19 CHAIRMAN JOSEPHS: Turn your microphone
20 on.

21 MR. WALTON: Unlike Secretary Creedon, I
22 will read. Really for two reasons. I want to make
23 sure that I hit every point, and also to certainly
24 help with nerves a little bit.

25 So with that being said, Madam Chairman

1 and distinguished members of the committee, I am
2 Bruce Walton. I'm the Vice President of Operations
3 for Business Dining for ARAMARK.

4 ARAMARK is a Pennsylvania-based business
5 that provides food, facility and uniformed
6 services to institutions globally. I'm pleased to
7 be able to appear before you today to address the
8 four issues in your invitation to appear.

9 One, the details of our contract to
10 operate the Capitol Cafe;

11 Two, the recent public health violations
12 and the history of inspections;

13 Three, the oversight provided by the
14 Department of General Services, the Department of
15 Agriculture, and by the city of Harrisburg;

16 And, four, House Bill 174.

17 And, of course, after the prepared
18 remarks, I'll be happy to respond to any questions.

19 However, before addressing the issues,
20 permit me to make an initial statement.

21 On behalf of ARAMARK and its 12,000
22 employees in Pennsylvania and 255,000 employees
23 around the world, we apologize to you, your
24 committees, state government, and the men and women
25 who rely on us to serve them.

1 We take full responsibility and have taken
2 significant actions to ensure that this will not
3 happen again. What occurred did not reflect the
4 high standards of our company and does not reflect
5 our commitment to excellence.

6 Now, I would like to skip the first part.
7 Secretary Creedon, if it is okay, Madam, really
8 covered the contract and -- and move on. Not to
9 repeat what he said.

10 Going to the inspection violations and
11 remedies, during -- turning now to the Capitol Cafe
12 inspection history. On Thursday morning, December
13 17th, 2009 representatives of the Pennsylvania
14 Department of Agriculture appeared at the Capitol
15 Cafe and conducted a health inspection.

16 The Department of Agriculture found
17 violations, including evidence of mice infestation
18 and inappropriate temperature settings on
19 dishwashing equipment. That day, the DGS ordered
20 the cafe closed until further notice.

21 ARAMARK took the inspections and its
22 results very seriously. We made remediation of the
23 situation our highest priority.

24 The same day of the inspection, December
25 17th, ARAMARK's district manager, Andre Obendorfer,

1 met in person with DGS Secretary Creedon to review
2 the facts and the first steps of the intermediate
3 action plan. This included a top-to-bottom cleaning
4 of the Capitol Cafe, including storage, food
5 production, food serving, and dining areas.

6 The next day our on-site team was joined
7 by ARAMARK regional personnel to continue a thorough
8 cleaning effort. This including -- included
9 identifying all food, paper, plastic ware, and other
10 disposable products that might have been exposed.
11 We discarded all of those items.

12 Midmorning, Friday, December 18th, ARAMARK
13 conducted a work through with the DGS and Orkin Pest
14 Control, which services the cafe and the rest of the
15 building.

16 We identified further treatment for
17 ensuring that all pests were eliminated. Orkin took
18 those steps that afternoon.

19 To follow up on our own cleaning efforts,
20 we retained an outside cleaning contractor, Tuckey
21 Restoration. Tuckey was recommended to us by the
22 DGS. Tuckey commenced cleaning at 5:30 p.m. and
23 completed its work on Saturday.

24 On Sunday, December 20th, ARAMARK
25 inspected the Capitol Cafe and noted areas where new

1 droppings had appeared. ARAMARK personnel then
2 resumed a top-to-bottom sanitizing of the entire
3 cafe. ARAMARK contacted Orkin and in the afternoon
4 Orkin returned to the cafe for additional pest
5 control measures.

6 On Monday, December 21st, ARAMARK
7 conducted a walk-through inspection of the Capitol
8 Cafe with the Department of Agriculture
9 representatives.

10 ARAMARK and the DGS jointly agreed to keep
11 the cafe closed for an indefinite period, until the
12 parties could be satisfied that the infestation had
13 been eliminated.

14 Also, that same day, we engaged an
15 additional pest elimination company, Ecolab. Ecolab
16 provides pest elimination and cleaning services
17 globally to the food service industry as well as
18 other industries.

19 On Wednesday, December 23rd, Ecolab
20 presented its comprehensive plan to monitor and
21 inspect the Capitol Cafe on an ongoing basis to
22 insure that the infestation would not recur. We
23 have accepted their plan.

24 Ecolab representatives have been on site
25 to ensure their actions were successful. Following

1 Ecolab's treatments, we have seen no additional
2 indications of pests of any kind in the cafe.

3 From Monday, December 21st, through the
4 weekend of January 3rd, 2010 our staff remained on
5 site cleaning the cafe and monitoring the premises
6 for the presence of pests.

7 Also during this time the Department of
8 Agriculture came on site and retrained all of our
9 employees on food safety and food handling.

10 On Monday, January 4th, 2010, with the
11 approval of the DGS and Department of Agriculture
12 the Capitol Cafe reopened and it remains open
13 today. Our team still monitors this location
14 closely to ensure this remains a safe, clean, and
15 high-quality dining establishment.

16 In regards to oversight, let me now
17 address the issue. Regarding the oversight of the
18 Capitol Cafe provided by the Department of General
19 Services and Agriculture and by the city of
20 Harrisburg, up until December 2009, the Capitol Cafe
21 had not been inspected for several years.

22 We recognize that, especially given the
23 lack of inspections over the past period of time, we
24 should have been more diligence in conducting our
25 own internal inspections. We also recognize that we

1 should have been proactive and actually asked for
2 inspections.

3 Going forward, we pledge to conduct our
4 own regular comprehensive inspections, including
5 surprise spot inspections and we welcome oversight.

6 In regard to your question as to who
7 should be charged with oversight of the Capitol
8 Cafe, we want to assure the committees that ARAMARK
9 will work under and comply with the rules and
10 regulations of any agency that is given oversight of
11 the cafe.

12 We have no position on what agency should
13 regulate the Capitol Cafe. We welcome the
14 jurisdiction of any agency that is given the
15 responsibility to regulate the facility.

16 In regards to H.B. 174, lastly and as
17 requested, I offer the following comments with
18 regard to House Bill 174.

19 ARAMARK supports food safety training and
20 certification for food service establishments. We
21 believe that providing Pennsylvania's eating and
22 drinking places with comprehensive food safety
23 training and certification programs is an important
24 goal for both government and food service
25 operators. We are happy to cooperate with the

1 Commonwealth in achieving and assuring food safety.

2 As a general matter, we support the effort
3 embodied in H.B. 174 to update and coordinate
4 Commonwealth law concerning food safety. We note
5 that H.B. 174 provided for regulations based on the
6 FDA Food Code.

7 We believe that this is an appropriate and
8 authoritative source of regulatory guidance for food
9 safety issues.

10 We believe that licensing requirements
11 help to assure food safety and the accountability of
12 operators. We will continue to comply with
13 require -- requirements in Pennsylvania.

14 We also believe that it is in the interest
15 of food safety to require that people in charge of
16 food facilities are properly trained and certified
17 in the safe handling of food. Accordingly, we
18 support these provisions of H.B. 174. We believe,
19 as well, that the three-month period for initial
20 training, and for training in the event of employee
21 turnover, are appropriate.

22 We recognize that the reasonable fees may
23 help to insure compliance and they may serve as a
24 source of revenue to fund the Commonwealth's
25 operations relating to food safety.

1 We believe that the fee schedules set
2 forth in H.B. 174 are reasonable and appropriate.
3 We support those fees in the interest of food safety
4 in the Commonwealth.

5 Finally, ARAMARK supports the provisions
6 of H.B. 174 which provide for the sharing of the
7 reports among different licensing authorities, as
8 well -- as well as sharing relevant safety
9 information among different government agencies that
10 need to act on such information.

11 Intergovernment -- intergovernmental
12 cooperation and transparency furthers food safety
13 interests. We believe that such cooperation will
14 aid in the swift and effective response to food
15 safety issues.

16 We will be happy to work with the
17 appropriate committee to answer any other questions
18 that you might have regarding our views on H.B.
19 174.

20 I would like to also thank Secretary
21 Creedon and the Department of Agriculture and -- I'm
22 sorry -- the Department of General Services and the
23 Department of Agriculture for the partnership that
24 we've had.

25 It's been a tough time but really great

1 partners to -- to work through on this.

2 I hope Madam Chairman that I have
3 addressed each of the four points referenced in your
4 letter, and I'm happy to answer any questions.

5 Thank you.

6 CHAIRMAN JOSEPHS: Thank you very much,
7 Mr. Walton.

8 Thank you, Mr. Secretary.

9 We've been joined by Representative
10 Creighton.

11 I know we have a lot of questions.

12 Ms. Brooks.

13 REPRESENTATIVE BROOKS: Thank you, Madam
14 Chairman.

15 Secretary Creedon, I wanted to ask you,
16 did any employee or supervisor from ARAMARK bring
17 any of these deficiencies to your attention?

18 SECRETARY CREEDON: I was first notified,
19 as I -- as I gave in my testimony, when the
20 Department of Agriculture did their inspection on
21 December 17th.

22 I did meet with ARAMARK. I think I went
23 down that afternoon to the cafeteria and then met
24 with them again on Friday the 18th.

25 REPRESENTATIVE BROOKS: It's my

1 understanding that there's roughly 54 violations of
2 existing code that they were cited for and 15 of
3 them were critical. Is that accurate?

4 SECRETARY CREEDON: I believe that -- I
5 know 54 is accurate. I'm not sure on the 15.

6 REPRESENTATIVE BROOKS: And that's
7 violations in existing code. Is that correct?

8 SECRETARY CREEDON: That's correct.

9 REPRESENTATIVE BROOKS: Okay. I want to
10 start. I'm only going to address one of the
11 violations, and that's the rodent droppings, which
12 were very visible.

13 They were everywhere. They were on the
14 food preparation surfaces from my understanding.
15 They weren't easy to miss. And anyone that would
16 have been in that kitchen would have seen that.

17 Mr. Walton, I have a question for you. I
18 do appreciate the apology to the people of
19 Pennsylvania.

20 But is there a -- an understanding from
21 ARAMARK that someone could have been very ill or
22 died from this situation?

23 MR. WALTON: I would say absolutely. I
24 mean we take this extremely seriously. How that
25 happened, it was a breakdown in operation -- in

1 operational procedures.

2 We've taken immediate action and -- as you
3 can see in the cafe, because it is a very serious
4 situation. Working with the Department of
5 Agriculture, there is 33, I believe, known diseases
6 that can actually come from mice.

7 So I think we absolutely understand how
8 serious it is. And not only have we taken actions
9 that we've put into place, I think we've gone above
10 and beyond and we're also launching a number of
11 pilot programs.

12 REPRESENTATIVE BROOKS: Okay.

13 MR. WALTON: Thank you.

14 REPRESENTATIVE BROOKS: I do want to make
15 a comment that thousands of school children and
16 senior citizens trusted ARAMARK. They trusted you.

17 MR. WALTON: That's true.

18 REPRESENTATIVE BROOKS: And that trust was
19 betrayed. And no law really put in place can
20 distinguish between the difference of right and
21 wrong.

22 And in my thoughts and opinion, this is
23 clearly a case of establishing a right decision or a
24 wrong decision. There were many people in that
25 cafeteria that saw these rodent droppings and

1 understood that they were putting people at risk.

2 So in talking about the food safety bill,
3 we -- we -- I mentioned that there were 54
4 violations of existing code. I've got to wonder if
5 there would have been more laws in place -- those
6 laws would have been broken anyways. So new --
7 creating new laws wouldn't have helped this problem,
8 because food and safety training, that's common
9 sense.

10 If you see rodent droppings where food is
11 being prepared, you don't regulate common sense.
12 That's a difference between right and wrong and
13 making a choice not to report that.

14 So I'd hate for this situation to push
15 forward an agenda, further enacting mandates on
16 businesses when the code we have in existence
17 already would have prevented this situation.

18 So I do want to thank you, Mr. Walton, for
19 being here. I want to thank you for saying that
20 you're correcting the situation.

21 But I would also ask you to stress to your
22 employees that people trusted them and they put
23 people's lives at risk and that's the difference of
24 making right and wrong decisions and that a law does
25 not mandate that.

1 Thank you very much.

2 MR. WALTON: Those are excellent points.

3 Thank you.

4 CHAIRMAN JOSEPHS: Before we call on
5 another, we're being joined by Mr. Chairman Kerry
6 Benninghoff and we've been joined by Mr. Chairman
7 Pres -- Preston.

8 Mr. Roae had a question.

9 REPRESENTATIVE ROAE: Thank you, Madam
10 Chairwoman. I don't have a microphone so I'm going
11 to talk loudly so people can hear.

12 On the contract here, it says a joint
13 contract between ARAMARK and Acorn Services, Inc. I
14 was trying to do some research here. Is that
15 related to the Acorn --

16 MR. WALTON: No.

17 REPRESENTATIVE ROAE: -- that was involved
18 with the voter fraud and stuff like that?

19 SECRETARY CREEDON: No, sir, it's not.

20 REPRESENTATIVE ROAE: Because I was
21 looking on --

22 SECRETARY CREEDON: You know what he
23 means?

24 REPRESENTATIVE ROAE: I found an article
25 from the United States House of Representatives

1 Committee on Oversight and Government Reform. They
2 have a list of 361 Acorn affiliates and Number 296
3 on the list is an organization by the same exact
4 name.

5 So I just wondered if that was part of
6 the -- you know, one of the Acorn affiliates since
7 it has the exact same name.

8 SECRETARY CREEDON: To the best -- the
9 best of our knowledge, it's not one of the
10 affiliates that's been subject to the allegations of
11 assisting in improper tax assistance.

12 REPRESENTATIVE ROAE: So the Acorn
13 Services, Inc. listed as an affiliate of -- of Acorn
14 is a different Acorn Services, Inc. as is part of
15 the joint venture?

16 SECRETARY CREEDON: As I said, to the best
17 of my knowledge, sir, it is.

18 REPRESENTATIVE ROAE: Have you -- has
19 anybody researched that to see if that's the case or
20 is that just your best guess?

21 SECRETARY CREEDON: I was told by my staff
22 and our legal counsel this morning it is a separate
23 entity and happens to have the same name.

24 REPRESENTATIVE ROAE: Okay. Thank you.

25 MR. WALTON: I was just going to add, it's

1 a Pennsylvania -- Pennsylvania-based minority owned
2 business.

3 REPRESENTATIVE ROAE: Okay. Thank you.

4 CHAIRMAN JOSEPHS: Mr. Ma -- Maher.

5 REPRESENTATIVE MAHER: Did you mean me?

6 CHAIRMAN JOSEPHS: Yes. I'm sorry,
7 Mr. Chairman.

8 REPRESENTATIVE MAHER: It's Maher. Thank
9 you.

10 Mr. Secretary, back in 1943 Pennsylvania
11 established a freestanding act that authorized the
12 department, which is now known as DGS, to establish
13 restaurants in the Capitol, and that was amended in
14 1967 by Act 174 to provide the Department of Health
15 shall have the power and it shall be its duty to
16 inspect from time to time any and all restaurants
17 operated under the provisions of this Act. That is,
18 restaurants that are in the Capitol.

19 What interrelationship does the Department
20 of Health have with -- with all that's been
21 transpiring?

22 We certainly heard about your role in
23 reference to the Department of Agriculture. Is the
24 Department of Health intending to conduct
25 inspections in accordance with this Act or is there

1 some superseding act that I'm not aware of?

2 SECRETARY CREEDON: We tried to do a
3 little research on that ourselves, representative.
4 You're correct in 1943 the fundamental basis for the
5 Capitol cafeteria was created and amended in 1967.

6 By our research, the Department of Health,
7 I believe, at that time was given the inspection
8 responsibility. At some point actually the
9 Department of Environmental Resources, not DEP, but
10 DER, was actually involved in some of the
11 inspections as well. And then around 1999, it's our
12 understanding that shifted over to the Department of
13 Agriculture.

14 But I don't have any --

15 REPRESENTATIVE MAHER: These shifts, were
16 they pursuant to statute or some --

17 SECRETARY CREEDON: We're -- we're still
18 trying to research that. Quite frankly, we're
19 dealing more with the situation at hand then trying
20 to go back over 50 and 60 years of legislative
21 changes.

22 REPRESENTATIVE MAHER: Thank you. As I
23 expressed at the beginning, I think it's remiss that
24 this committee should be micromanaging circumstances
25 that seem well under control.

1 But if we are going to be having hearings,
2 it seems to me we ought to be at least holding
3 hearings about statutes that are relevant to the
4 situation.

5 Let me ask you this question. Under
6 Act -- under current law, as Michelle Brooks, I
7 think, helped establish, the mice droppings are
8 illegal now. Is that correct?

9 SECRETARY CREEDON: Yes.

10 REPRESENTATIVE MAHER: Would they still be
11 illegal if House Bill 174 has become law?

12 SECRETARY CREEDON: I have to tell you 174
13 is not a bill that DGS has been tracking. I believe
14 that's my colleague, Secretary Redding.

15 REPRESENTATIVE MAHER: That's a fair
16 answer.

17 SECRETARY CREEDON: Something tells me
18 they would be.

19 REPRESENTATIVE MAHER: I'm just trying to
20 understand the -- the relevant part. It's already
21 involved with holding hearings.

22 A matter of great concern to those of us
23 in the western part of the state -- and I represent
24 the southwest corner, Allegheny and Washington
25 Counties, was the sale of the state office building,

1 which was a landmark building right on the Points
2 that was used --

3 CHAIRMAN JOSEPHS: Mr. -- Mr. Maher.
4 Mr. Maher, let's talk about the cafeteria, please.

5 REPRESENTATIVE MAHER: I -- this -- this
6 relates, Madam Chairwoman.

7 So we have this huge building that sells
8 for a fraction of its priced value. Thousands of
9 state employees are displaced and, more importantly,
10 the convenience of thousands of individuals that
11 interacted with state government was affected.

12 Did this -- were there any hearings in
13 this House on that subject?

14 SECRETARY CREEDON: Yes, sir, there were.
15 The House unanimously passed a bill.

16 REPRESENTATIVE MAHER: The House passed a
17 bill. Were there hearings? It seems to me I
18 remember the Madam Chairman --

19 CHAIRMAN JOSEPHS: Mr. Maher.

20 REPRESENTATIVE MAHER: -- complaining that
21 there were no hearings on that subject. But we're
22 having hearings on mice droppings.

23 CHAIRMAN JOSEPHS: Mr. Maher, you and I
24 agreed on that. Remember, we were friends on the
25 floor.

1 REPRESENTATIVE MAHER: I -- I remember we
2 had -- there were no hearings. And that's why I
3 found it astonishing --

4 CHAIRMAN JOSEPHS: Yes.

5 REPRESENTATIVE MAHER: -- that there were
6 hearings on this and not on that subject.

7 CHAIRMAN JOSEPHS: Well, I'm trying to
8 make up for it. Thank you, Mr. Chairman.

9 Are you -- I'm sorry. Are we finished?
10 Mr. Carroll.

11 REPRESENTATIVE CARROLL: Thank you, Madam
12 Chair.

13 A question for the panel. I'm not sure
14 which. What prompted the inspection on December
15 17th?

16 SECRETARY CREEDON: Probably a question
17 best answered by Secretary Redding and his staff,
18 but my understanding was they -- it was time for the
19 inspection. They elected to come and inspect the
20 facility.

21 REPRESENTATIVE CARROLL: Okay. Well, I'll
22 ask -- I'll ask him.

23 SECRETARY CREEDON: I mean he will have
24 more details. It's not -- it's my understanding
25 there were no complaints or there was no call or a

1 concern made. It was they elected to do the
2 inspection.

3 REPRESENTATIVE CARROLL: Well, let me ask
4 to ARAMARK. Did ARAMARK request the inspection on
5 December 17th?

6 MR. WALTON: I do not believe so.

7 REPRESENTATIVE CARROLL: Okay. And,
8 secondly, just broadly, you know, I am the author
9 and sponsor of House Bill 174. And when I got wind
10 of this hearing, I came to the conclusion that some
11 of the other panel members did as well, that the
12 bill is already out of our chamber and it's in the
13 Senate.

14 But the fact of the matter in my view, at
15 least the people that I represent, they would like
16 to have a hearing on this topic to find out what
17 happened and why.

18 And to measure whether 174 would have an
19 impact or not is irrelevant. The fact of the matter
20 is my constituents and my school children and my
21 folks in my district come to Harrisburg as well, and
22 I'd like them to know that their cafeteria at the
23 state capital is safe to eat.

24 And it is not enough for us to use the
25 ostrich mentality and put our head in the sand and

1 say everything is fine, nothing -- no problem here
2 and walk away.

3 This hearing is an effort to try to make
4 sure that citizens through the media know that the
5 problem has been identified and the problem has been
6 corrected.

7 And to say -- lastly, I will say about
8 House Bill 174. You know, 174's broad effort is to
9 do inspections on a regular basis, to tie those
10 inspections with the license renewal, and then to
11 post the results online for all to see.

12 And the fact of the matter is 174, many of
13 the violations, I'm certain, would continue to be
14 violations, but the fact of the matter is there are
15 many other things in 174 that would have a direct
16 benefit for folks throughout this Commonwealth, in
17 all sorts of eating facilities, to make sure that
18 they have a reliance that the food they eat is
19 safe.

20 So the inspection and the license renewal
21 and the posting of the results on the Internet are
22 the key components of 174, and those are what my
23 citizens want. They want to be certain that they
24 are eating safe food.

25 And I applaud the efforts of the

1 department and the ARA since the discovery on
2 December 17th, and I'll reserve the rest of my
3 questions for the Department of Ag.

4 Thank you.

5 CHAIRMAN JOSEPHS: Mr. Mirabito.

6 REPRESENTATIVE MIRABITO: Mr. Walton.

7 MR. WALTON: Yes.

8 REPRESENTATIVE MIRABITO: Do the employees
9 of the cafeteria work directly for ARAMARK?

10 MR. WALTON: Yes, that is correct.

11 REPRESENTATIVE MIRABITO: I guess, you
12 know, it's very hard in an old building not to --
13 keep mice out. Although the trees certainly
14 contributed.

15 I guess what I'm concerned about is how so
16 many employees could be working around this and not
17 have the sense or the impetus to bring it to
18 someone's attention.

19 And I guess one of my two questions, one
20 is, has the human resource department at ARAMARK
21 done anything, instituted any changes to be able
22 to -- making the employees feel that they can come
23 forward with this?

24 And is there an atmosphere -- and this is
25 a difficult question to -- I don't want you to think

1 it's a rhetorical question -- but is there an
2 atmosphere where people feel that they can't come
3 forward? And I -- and I -- you know, obviously you
4 could only tell us your perception --

5 MR. WALTON: Sure.

6 REPRESENTATIVE MIRABITO: -- about that.

7 MR. WALTON: Well, I think it's -- it's an
8 excellent question. And when this did take place,
9 we made some adjustments. Our leadership team has
10 changed.

11 And I've been here quite often. Right
12 behind me is my district manager, Andre Obendorfer.
13 He has lived here.

14 And as part of that, we have a union
15 account. It does not matter to us. It's the way
16 you treat your employees. It doesn't matter if it's
17 union or not union.

18 With that being said, we're trying to
19 create what's called an environment of care. Disney
20 does it really well.

21 But creating that environment of care will
22 allow people to be able to come forward. So I can't
23 speak as much for -- for the past. We have changed
24 the leadership, as I mentioned.

25 But going forward, that's our goal, is to

1 create that environment of care. So if they have
2 any issues whatsoever, they should feel confident to
3 come forward.

4 And I would say -- I would ask the
5 employees. You know, rather than listen to me, ask
6 the employees if they think they're seeing a
7 difference. I think you'll hear the answer is yes.

8 So it's a very good question.

9 REPRESENTATIVE MIRABITO: Thank you.

10 CHAIRMAN JOSEPHS: Mr. O'Brien.

11 REPRESENTATIVE O'BRIEN: Thank you, Madam
12 Chair.

13 Good morning, gentlemen.

14 MR. WALTON: Good morning.

15 REPRESENTATIVE O'BRIEN: As the Secretary
16 knows, I'm a butcher by trade; and at the end of my
17 time in a meat house, I was director of operations.
18 And certainly my day began and my day ended with
19 walking around my plant once a week after the
20 trailers and the boxes and things were sorted to do
21 my own inspection.

22 And truly we -- we appreciate your
23 apology.

24 Now, for the record, you're my corporate
25 constituent. If you were across the street you'd be

1 Chairman Josephs' constituent, but by the luck of the
2 draw you're -- you're my corporate constituent. And
3 I somehow feel as though I want to throw you a line
4 here.

5 Now, perhaps one of the things that I've
6 heard the most, as I walk through the Capitol since
7 this, is this was just the zenith of disregard and
8 disrespect that folks who frequent this Capitol have
9 felt coming from your company.

10 So what was was, it's been found, it's
11 been corrected, and now we need to move forward.

12 Tell us, what are you going to do to be
13 more consumer friendly here? I'll let the technical
14 questions to my colleagues from Agriculture.

15 But what are you going to do to be more
16 consumer friendly, Mr. Walton?

17 MR. WALTON: It's a good question. And I
18 think just like we've done in the past, quite often,
19 is we've created focus groups, and I think that's
20 what we need to do here also.

21 So the focus scoops -- groups are very
22 effective. I'll say the first meeting is tough
23 because everything has been bottled up. But as time
24 goes on, working with DGS, we would like to set up
25 focus groups, and I think we'll do a better job of

1 listening and being able to incorporate some of your
2 ideas.

3 So in response, Representative O'Brien, I
4 would say focus groups are certainly part of it. We
5 also -- continuous training. We just completed
6 fresh training, which is our customer service
7 excellence training.

8 And it's neat, because I think a lot of
9 our employees already have great relationships with
10 a lot of you and a lot of people that come through
11 the cafe.

12 But we want to really get them engaged
13 with our customer and really listening and -- and
14 providing us -- they know. They're on the front
15 line. They know what, you know, what requests are
16 being made. So I think that would be very
17 beneficial.

18 REPRESENTATIVE O'BRIEN: Thank you, Madam
19 Chairman.

20 CHAIRMAN JOSEPHS: Mr. Grell.

21 REPRESENTATIVE GRELL: Thank you very
22 much.

23 Could either of you tell us what the costs
24 of this remediation were? The clean-up, the removal
25 of the trees, all of that.

1 SECRETARY CREEDON: You want to go first?

2 MR. WALTON: Sure. In regards to ARAMARK,
3 this is a P&L business so, you know, we take our
4 receipts minus expenses and that's what we pay, as
5 you know.

6 And so for us, I don't have an exact
7 amount as to -- and we're still going through it,
8 you know. But with that being said, you know, it is
9 substantial. But it's the cost we will bear and
10 need to bear to make this right.

11 SECRETARY CREEDON: On the DGS side I
12 don't have an exact accounting. It's really just
13 staff time between the holidays to remove the trees
14 and actually the trees are going to be sold through
15 Surplus Supply. So...

16 REPRESENTATIVE GRELL: Okay.

17 SECRETARY CREEDON: The mice are gone.

18 REPRESENTATIVE GRELL: So all these -- all
19 these consultants that we heard about that have been
20 brought in a --

21 SECRETARY CREEDON: Orkin, in our case, is
22 already an ongoing contract each year. I don't have
23 the amount we paid for Orkin on an annual basis, but
24 it's not that we paid them extra to come in.

25 REPRESENTATIVE GRELL: Okay. And I

1 understood when you testified, Secretary, that you
2 weren't going to terminate ARAMARK, but is there any
3 provision for a financial penalty as a result of the
4 actions here?

5 SECRETARY CREEDON: Yes, there is. Upon
6 termination, we could seek damages from ARAMARK.

7 REPRESENTATIVE GRELL: I mean absent
8 termination.

9 SECRETARY CREEDON: Not absent
10 termination, no.

11 REPRESENTATIVE GRELL: So that they --

12 SECRETARY CREEDON: They have a right to
13 cure the default. I've taken a look at the -- the
14 financial damages to the Commonwealth really come
15 through the decrease in sales over a particular
16 month.

17 We get 4.5 percent of the total sales
18 after sales tax is paid. So if we were going to
19 seek damages, it would be based on lost sales or
20 lost revenue that the customers are not paying at
21 the restaurant.

22 My quick estimate, looking at the estimate
23 of looking at previous years to this year, we'd
24 probably have to litigate this for a significant
25 period of time to eventually win. It would be a

1 couple thousand dollars to the Commonwealth in
2 losses, in that 4.5 percent of lost sales. That's
3 just a quick, quick estimate.

4 REPRESENTATIVE GRELL: All right. Has
5 ARAMARK told you that you would have to litigate
6 that if you sought it?

7 SECRETARY CREEDON: I haven't gotten to
8 the point of asking for a couple thousand dollars.
9 I look for them to perform better.

10 REPRESENTATIVE GRELL: Thank you.

11 CHAIRMAN JOSEPHS: Ms. Boback.

12 REPRESENTATIVE BOBACK: Thank you, Madam
13 Chair.

14 Mr. Walton, with your company, do you have
15 an internal inspective device? In other words, do
16 you have someone in charge, a manager of your
17 kitchen, a manager of the cafeteria, a manager of
18 your restaurants, whatever type of establishments
19 you have, that is a part of the chain of command?
20 If there's a problem, they report to somebody else?

21 MR. WALTON: Again, the standards here do
22 not reflect the standards overall of ARAMARK. We
23 have a program called operational excellence and
24 within operational excellence --

25 CHAIRMAN JOSEPHS: Mr. Walton, please use

1 your mike.

2 MR. WALTON: I'm sorry. Within
3 operational excellence, there's some different
4 areas, culinary excellence, talent management, and
5 guest experience. And within that is embedded
6 safety and sanitation audits, as well as also a
7 sanitation and food safety audit.

8 So those are to be completed at the local
9 level, and apparently they were not.

10 REPRESENTATIVE BOBACK: Yes. Obviously,
11 that doesn't work. So might I suggest for future
12 reference that somebody be in charge, somebody take
13 charge?

14 MR. WALTON: Sure.

15 REPRESENTATIVE BOBACK: Because, quite
16 frankly, if I may comment, I feel as if a disgusting
17 joke was played on me and mine, those I represent.
18 I was a customer there. Quite frequent customer.
19 Somebody had to know.

20 And why it wasn't reported, why it wasn't
21 reported to the Department of Agriculture, that is
22 beyond belief and to me, that in and of itself is
23 really an egregious situation.

24 Thank you.

25 MR. WALTON: Well, and I want to make sure

1 I'm speaking correctly. The -- the assessments were
2 done, but, you know, they were done at the local
3 level.

4 What we -- we have done is we're building
5 a new team. Those assessments now are done by our
6 district manager on a month -- monthly basis going
7 forward.

8 We also have hired a company called
9 Steritech which will do an unannounced inspection on
10 a quarterly basis. Those are some of the things.

11 We're also launching a pilot -- or two
12 pilot programs. One is with a company called
13 Tuckey's, and basically what happens is whenever a
14 health department inspection takes place, they are
15 sent immediately to this company. They -- they take
16 the information, communicate it throughout ARAMARK.
17 They also look for areas where maybe there needs to
18 be -- you know, we need to enforce handwashing or
19 something, you know, based on some of the issues.
20 And also what does is tracks -- if we're supposed to
21 have a inspection on a 12-month basis, it will tell
22 us 11 months, 12 months, 13 months that
23 the inspection has not taken place.

24 The last piece which I'm launching for
25 business dining is a program called 5 S and 5 S was

1 created by Toyota. It's a program along the lines
2 of TQ -- TQM, and that program really is a
3 super-housekeeping program.

4 So it takes each area, reduces clutter.
5 We had too much clutter in this operation. So it
6 moves out all the clutter. Everything has its
7 place.

8 I mean it's super organized. Everything
9 is labeled and then the sanitation is taken to the
10 highest degree.

11 So 5 S is being launched at the PA state
12 Capitol.

13 Thank you.

14 REPRESENTATIVE BOBACK: May I follow up,
15 please?

16 MR. WALTON: Sure.

17 REPRESENTATIVE BOBACK: I respect that,
18 Mr. Walton. And that's going to come to fruition I
19 don't doubt, but the here and the now, do you have
20 something in place that if something is seen it is
21 immediately reported to someone in charge? Because
22 you can't wait for somebody --

23 MR. WALTON: Right.

24 REPRESENTATIVE BOBACK: -- to come in and
25 inspect. It's got to be here and now.

1 MR. WALTON: Sure. Sure. And we are --
2 we're doing a few things. Besides our sanitation
3 reports, which we're doing and actually I did the
4 last one two weeks ago.

5 But we took the Department of
6 Agriculture's report, and we've turned that into an
7 inspection. They were going to be coming in on a
8 weekly basis -- or I'm sorry -- a monthly basis, and
9 we've now put that into a weekly basis for us.

10 So -- so we perform that inspection every
11 single week. So when they come in, we will be
12 prepared.

13 REPRESENTATIVE BOBACK: And are your
14 employees ready to say -- if something is wrong,
15 that they can call somebody and not wait for the
16 weekly report, call you, call somebody in charge,
17 now, we found something, it has to be checked out
18 before the inspection?

19 MR. WALTON: Yes. And I will go back
20 and -- and reinforce that, as well as my district
21 manager.

22 REPRESENTATIVE BOBACK: Thank you,
23 Mr. Walton.

24 MR. WALTON: Thank you.

25 REPRESENTATIVE BOBACK: Thank you, Madam

1 Chair.

2 CHAIRMAN JOSEPHS: Mr. Metzgar. Pardon
3 me. I'm sorry. Please.

4 REPRESENTATIVE METZGAR: Thank you, Madam
5 Chair.

6 Mr. Secretary, I noticed that the leases
7 are on state letterhead. Does that mean that DGS
8 drafted the lease?

9 SECRETARY CREEDON: Yes. Yes, sir.

10 REPRESENTATIVE METZGAR: You spoke about
11 ARAMARK's right to cure in this lease. Are you
12 referring to Paragraph 48 of the lease that says
13 about termination rights and the 30 days to cure?

14 SECRETARY CREEDON: Section 48, yes, sir.

15 REPRESENTATIVE METZGAR: 48. I
16 apologize.

17 Now, in that section, it says that they
18 have 30 days to cure and that's why you would have
19 trouble trying to terminate this lease. Correct?

20 SECRETARY CREEDON: I'm sure we could
21 terminate if we wanted to terminate it, sir.

22 REPRESENTATIVE METZGAR: Okay. What --
23 you know, I see --

24 SECRETARY CREEDON: If that was our -- if
25 we had judged that the response of the company was

1 so poor and so negligent that they deserved
2 immediate termination. That was not the case.

3 REPRESENTATIVE METZGAR: All right. Well,
4 then in your testimony it says that -- that the
5 notice was given on December 17th. The cure was on
6 January 4th. Correct?

7 You were back open and operating January
8 4th. Is that right?

9 SECRETARY CREEDON: Department of
10 Agriculture passed the cafeteria on -- on -- I
11 believe it was the 4th.

12 REPRESENTATIVE METZGAR: What is that? 17
13 days? Something like that?

14 SECRETARY CREEDON: Sure. I'll go with
15 you on that.

16 REPRESENTATIVE METZGAR: All right. I'm
17 not an expert in math either. So I don't know on
18 that.

19 Now, if you go -- in Paragraph 34, there's
20 a provision that says health and safety and it says
21 lessee will comply with all local, state, and
22 federal health and safety standards for food
23 preparation and food service.

24 Did that happen?

25 SECRETARY CREEDON: No, it did not in this

1 case.

2 REPRESENTATIVE METZGAR: Would you
3 consider that a substantial and important part of
4 this -- this lease contract?

5 SECRETARY CREEDON: Absolutely it was, and
6 that's why we took the action that we did.

7 REPRESENTATIVE METZGAR: All right. Well,
8 then following up to Paragraph 34 where it says:
9 Failure by either party to carry out any
10 substantial -- which you just said was a
11 substantial provision -- of this lease shall be
12 cause for termination of this lease of such party
13 which has not cured such failure to carry out the
14 substantial provision of this lease within ten days
15 of being notified.

16 So it took 17 days to cure. You -- you
17 don't consider it, you know, a violation worthy of
18 termination at this point?

19 SECRETARY CREEDON: We could have gone in
20 and asked the Department of Agriculture to do an
21 earlier inspection.

22 As I stated, given the period of time, we
23 were in between the holidays, we felt it was best to
24 hold until January 4th to reopen to make sure we got
25 it right. Whether the days didn't exactly match up

1 with the lease and we missed it by two or three
2 days, it's certainly very possible.

3 But, again, let me emphasize, at no point
4 did we feel that there was cause for termination.

5 REPRESENTATIVE METZGAR: Mr. --
6 Mr. Walton -- I had to laugh, he -- he referred to
7 the -- the relationship with DGS and ARAMARK as a
8 partnership.

9 And I think that's a very apt term,
10 whenever DGS sees fit to just simply ignore the
11 contract and not enforce the contract that -- I
12 think that they're supposed to enforce for the
13 people of the Commonwealth.

14 SECRETARY CREEDON: Well, first, I mean I
15 think -- let's put this in perspective. I think
16 when you make a determination to terminate a
17 contract, you have to make sure you've got a pretty
18 good alternative in place to continue the service.

19 And my assessment was that if the company
20 failed to respond, they didn't take immediate
21 action, they do not come in and do the right things,
22 they do not begin training of their employees, they
23 did not get a cleaning company in there that first
24 weekend, and they were voluntarily giving up sales
25 for two weeks to make sure we got it right.

1 To make sure we can get our end of the
2 bargain right, too, to make sure we're eliminating
3 all -- as much as we could, any of the rodent risk
4 within that cafeteria, I needed a little bit of time
5 for my staff to get in there and dig those trees
6 out, to make metal plates to cap them, to do the
7 things right. We were not going to rush it.

8 Our worst nightmare was to rush to open it
9 and have a mouse run across the cafeteria.

10 REPRESENTATIVE METZGAR: How many other --

11 SECRETARY CREEDON: And -- and we didn't.

12 REPRESENTATIVE METZGAR: How many other
13 companies did you say tried to vie for the
14 contracts?

15 SECRETARY CREEDON: Two.

16 REPRESENTATIVE METZGAR: Okay.

17 SECRETARY CREEDON: Including ARAMARK.

18 REPRESENTATIVE METZGAR: You have two
19 other companies --

20 SECRETARY CREEDON: No.

21 REPRESENTATIVE METZGAR: Or two together?

22 SECRETARY CREEDON: No. One. One
23 including ARAMARK.

24 REPRESENTATIVE METZGAR: Okay. Of Mr. --

25 SECRETARY CREEDON: So you -- you --

1 REPRESENTATIVE METZGAR: Mr. Walton --

2 SECRETARY CREEDON: Excuse me.

3 REPRESENTATIVE METZGAR: Mr. Walton --

4 Mr. Walton --

5 CHAIRMAN JOSEPHS: One at a time.

6 REPRESENTATIVE METZGAR: He already

7 answered my question.

8 SECRETARY CREEDON: I don't believe I

9 did.

10 REPRESENTATIVE METZGAR: But I don't --

11 SECRETARY CREEDON: I don't think I

12 finished the reason why we didn't go to termination.

13 CHAIRMAN JOSEPHS: Let's try to do one at

14 a time, gentlemen.

15 REPRESENTATIVE METZGAR: I just had a

16 follow-up for Mr. Walton.

17 Mr. Walton, is ARAMARK -- is the operation

18 here in the Capitol profitable for ARAMARK?

19 MR. WALTON: Well -- and I'd like to go

20 back. You mentioned partnership, and then I'll

21 answer your question.

22 But in terms of partnership, it is not

23 just hiring a new pest control company. It's not

24 just changing the management. But it's also making

25 sure you seal, you know, seal holes up. That you

1 make sure that the access to the cafe is not
2 accessible. You know, a mouse, like a bat, can --
3 can fit through a very small hole.

4 So with that being said, they were very
5 responsive in anything that we asked for. So it was
6 a partnership in regards to that.

7 The -- the -- in terms of profitability,
8 if you go back to the old lease, at times we were
9 profitable and at times we were not.

10 Certainly going through this process right
11 now, we're not profitable. But we view this as --
12 this is a long-term commitment, and so -- we will
13 work hard on building those sales back.

14 REPRESENTATIVE METZGAR: I mean I guess
15 what I'm getting at --

16 MR. WALTON: Sure.

17 REPRESENTATIVE METZGAR: -- this is a
18 profitable enterprise here at the Capitol. This is,
19 a lease that provides you space at no cost, the
20 utilities at no cost. Essentially it's all paid for
21 and you just return a portion of the profits to the
22 Commonwealth. Is that correct?

23 My reading of the lease --

24 MR. WALTON: It's four-and-a-half percent,
25 correct.

1 REPRESENTATIVE METZGAR: -- says that,
2 yeah. I mean I find it very difficult to believe
3 that it would be very hard to get someone else to
4 come in and fulfill that goal, if that's what you're
5 getting at, Mr. Secretary.

6 SECRETARY CREEDON: To immediately have it
7 available so on January 4th everyone could have
8 lunch would have been very difficult.

9 REPRESENTATIVE METZGAR: Well, I mean
10 is -- is the expediency of getting a replacement
11 more important than having a proper replacement?

12 SECRETARY CREEDON: If ARAMARK had not
13 responded correctly to what we asked them to do, we
14 would have been in that situation.

15 Quite frankly, from my judgment, my
16 experience, my experience running and working in the
17 service industry told me they were doing what they
18 needed to do and we should not be looking at
19 bringing in an alternative provider at that time.

20 If going forward, we continue to have
21 these problems, we're going to have to seriously
22 take a look at that.

23 REPRESENTATIVE METZGAR: Thank you,
24 gentlemen.

25 CHAIRMAN JOSEPHS: Ms. Pickett.

1 REPRESENTATIVE PICKETT: Thank you, Madam
2 Chair.

3 This is for Mr. Walton. I have read that
4 the operation has in the neighborhood of, on
5 average, 1,500 guests or customers on a day. There
6 are many restaurants that would dearly love to have
7 a customer base like that.

8 And to hear in the beginning of this
9 hearing how large your company is, I think it's
10 beyond my belief and understanding that you could
11 have an operation get in a situation like this.

12 The mice took the headlines, but there are
13 a lot of other things in these reports that are
14 equally of concern.

15 I was in your business for 30-plus years.
16 There are things in there like temperatures not
17 being correct, equipment not being properly cleaned,
18 handwashing facilities not in place. An extremely
19 sloppy food service operation in my estimation.

20 I cannot imagine someone of your size not
21 having someone on staff who on a daily basis --
22 forget the catch words of the new little programs
23 that are coming in -- on a daily basis who doesn't
24 have a thermometer in their pocket, who is assigned
25 the job of constantly checking temperatures.

1 Equipment fails. It's not something you wait for an
2 inspection on.

3 It's easy to point fingers at inspection
4 people. But really this is a day-to-day operation
5 that's in the food service business. You're a huge
6 company.

7 What is the employee structure within your
8 operations on a daily basis? And you have a lot of
9 locations. Okay. You're telling us the Capitol is
10 good. What about the other hundreds or thousands of
11 operations you have?

12 Your company does not have that kind of
13 a -- of a set-down pattern with your employees at
14 each operation where everybody is checking on all
15 these things that we all know to be critical to a
16 food operation on a constant daily basis?

17 MR. WALTON: Yeah. And they absolutely
18 do. I mean this, again, does not reflect the
19 standards that we have throughout ARAMARK.

20 I do work with a lot of different
21 locations, and we do. Our people -- if you go down
22 there, if you went down before, they do have their
23 temperatures -- their thermometers.

24 Our processes that are in place -- and
25 I'll just name a few -- that are within all of our

1 locations is we check our refrigerators twice a
2 day. There's a form that they fill out. We look at
3 internal temperatures of dangerous items such as
4 proteins, you know, tuna fish, you know, items like
5 that. We check those three times per day.

6 Also we keep food samples, four-ounce food
7 samples from two to three days.

8 So there is a lot of things that are in
9 place in all the locations. Again, this does not
10 reflect what we have throughout, and I talked a
11 little bit about operational excellence. But
12 embedded amongst that is many, many standards that
13 are dealt with on a daily basis.

14 Because you can't just wait till the end
15 of the month. Your point, you have to really do
16 this on a daily basis.

17 REPRESENTATIVE PICKETT: So we are to
18 believe here today that just, by chance, on a given
19 day, when the Department of Ag walks in, this
20 operation is in the disarray that it's in? That's
21 pretty hard to believe.

22 I hope that inspectors are certainly
23 checking all of your locations on a constant basis
24 now. I think you seriously failed here.

25 Thank you.

1 MR. WALTON: Thank you.

2 CHAIRMAN JOSEPHS: I have two more people
3 who want to ask questions. I have no desire to cut
4 anybody off or to ask this -- actually three more
5 people. But we do have the Secretary of
6 Agriculture, and we do have other witnesses.

7 So I'd ask people to move forward as best
8 as possible, both questions and answers.

9 Mr. Millard.

10 REPRESENTATIVE MILLARD: Thank you, Madam
11 Chair.

12 Secretary Creedon, from your testimony
13 today, my understanding is that you're in charge of
14 all state facilities, even something other than here
15 in the Capitol that would include a restaurant
16 operated by somebody else? I mean DGS doesn't
17 operate the restaurant. It's contracted out.

18 SECRETARY CREEDON: My divisional service
19 operates the restaurants. DGS does not operate all
20 Commonwealth facilities. We operate the Capitol
21 complex and then the -- well, Pittsburgh state
22 office building for a few more weeks and a facility
23 in Reading and a facility in Scranton.

24 REPRESENTATIVE MILLARD: Okay. Well, in
25 light of what has occurred here in December with the

1 inspection, I think that we all agree that it was a
2 catastrophic failure with laws that are currently in
3 place, that procedures that could have been followed
4 that weren't.

5 So I think that it really begs the
6 question, how many other contracts, Mr. Walton, does
7 ARAMARK have in the state of Pennsylvania at
8 state-owned or related facilities?

9 MR. WALTON: I don't have that
10 information, but we could certainly provide that to
11 you.

12 REPRESENTATIVE MILLARD: And also in light
13 of what happened here, at these other facilities --
14 and I'd be interested in having that information
15 supplied to this committee.

16 MR. WALTON: Uh-huh.

17 REPRESENTATIVE MILLARD: Is there an
18 intent to do an inspection at all of these
19 facilities?

20 I think, Mr. Walton, that what ARAMARK
21 needs to do is something along the lines of
22 restoring consumer confidence. And if there are
23 other facilities out there, this is the one that
24 came to notice in the public. But I think that --
25 that an effort should be made for all of the

1 facilities operated by ARAMARK through DGS contracts
2 or other contracts that -- that should have
3 inspections.

4 SECRETARY CREEDON: Just to be clear.
5 ARAMARK does not operate any DGS-operated
6 facilities. We don't have facilities in Reading or
7 in Scranton or the Pittsburgh state office building.

8 REPRESENTATIVE MILLARD: I'm talking about
9 Bloomsburg University --

10 SECRETARY CREEDON: That's --

11 REPRESENTATIVE MILLARD: -- and any of the
12 other facilities. And I believe that ARAMARK is
13 involved at Bloomsburg University.

14 MR. WALTON: Yeah. Which I don't have
15 that information, but we can certainly share that
16 with you.

17 But I can let you know that certainly it
18 is a very serious situation. It is being discussed
19 on all levels of ARAMARK, and it's a discussion with
20 all of my people to make sure that we are doing a
21 tremendous job, we're upholding the standards that
22 ARAMARK is known for.

23 REPRESENTATIVE MILLARD: Thank you.

24 MR. WALTON: Thank you.

25 REPRESENTATIVE MILLARD: Thank you, Madam

1 Chairman.

2 CHAIRMAN JOSEPHS: For the second time,
3 Ms. Brooks.

4 REPRESENTATIVE BROOKS: Secretary Creedon,
5 I would ask that an employee from the Department of
6 General Services eat lunch at least once a week in
7 the cafeteria and when they're eating lunch in that
8 cafeteria, they go through the kitchen.

9 I don't think it should be left up to just
10 ARAMARK to say, we're fixing this and we're
11 inspecting our kitchens once a week. I think it
12 needs to be the Department of General Services.

13 And I understand that your employees have
14 many, many tasks to do. But I would ask that you or
15 one of your employees unexpectedly drop by, eat
16 lunch, and inspect the cafeteria, just meander
17 through at least weekly.

18 I think that is going to be one of the
19 first steps in restoring confidence. Because what
20 happened here was a blatant ignoring of the law and
21 abusing the trust that thousands of people put in
22 ARAMARK.

23 And so I think that we need to ensure that
24 trust again. And so I'm asking, again, the
25 Department of General Services weekly stops by and

1 goes through that kitchen. And it doesn't have to
2 be, you know, a five-hour inspection, but making
3 sure things are clean and restoring that confidence
4 and that trust.

5 SECRETARY CREEDON: That's excellent
6 advice. I've actually been eating lunch -- I'd eat
7 lunch in the cafeteria before this occurred, and I
8 continue to eat lunch.

9 I don't stop in the kitchen every time I
10 eat lunch there. My staff has been down there. I
11 can -- and you're free to join me sometime. I'd
12 love to have you down and we can take a walk through
13 together.

14 REPRESENTATIVE BROOKS: I don't think
15 though once a week for two or three weeks. I think
16 it needs to happen for months and months and
17 months. And I think they need to be unexpected
18 visits.

19 SECRETARY CREEDON: Well, we -- we have a
20 team that's -- that runs that building who now
21 understand they have a greater responsibility to go
22 in there and nose around that kitchen than perhaps
23 they did before.

24 MR. WALTON: Yeah. I was just going to
25 mention, we have clients certainly throughout North

1 America that have that program in place and we
2 welcome it.

3 Also want to -- back to your earlier
4 question that -- and -- and this is in no way saying
5 it was not a serious situation. It was very
6 serious.

7 But there was no mice dropping on food
8 service areas. There was listing of a slicer which
9 was out of use that had it. I'm just mentioning
10 that. But it was a very serious situation. I do
11 agree with that.

12 REPRESENTATIVE BROOKS: I don't think that
13 helps your cause but that's, you know --

14 MR. WALTON: No. It doesn't.

15 REPRESENTATIVE BROOKS: -- 54 blatant
16 violations of the law.

17 MR. WALTON: Absolutely.

18 REPRESENTATIVE BROOKS: So I understand
19 why you're saying that. But I don't think that even
20 gets you in the door of excusing what happened
21 here.

22 MR. WALTON: Yeah.

23 REPRESENTATIVE BROOKS: And -- and I do
24 appreciate your interest in trying to correct the
25 situation. I really do. Thank you.

1 MR. WALTON: There is no excuses. Thank
2 you.

3 CHAIRMAN JOSEPHS: So for the second time,
4 Mr. Mirabito.

5 REPRESENTATIVE MIRABITO: Secretary
6 Creedon, in listening it sounds to me -- I'm
7 beginning to understand that the rodent problem was
8 partly due to structural problems in the building in
9 that there was an access, a big access there. You
10 said you had to make metal plates to cover the holes
11 where the trees were?

12 SECRETARY CREEDON: Yes. I don't know if
13 you can picture the atrium where you walked into the
14 cafeteria, there were rather large palm-like trees.

15 REPRESENTATIVE MIRABITO: Right.

16 SECRETARY CREEDON: Underneath that area
17 that we could walk on where the little kiosk is,
18 there's about a four-foot high crawl space. Down in
19 that area were the planters for those trees.

20 REPRESENTATIVE MIRABITO: But what I
21 understand is that -- and this is not a question
22 whether you should have or should have not cancelled
23 the contract.

24 But even had you replaced ARAMARK, whoever
25 came in would have had to deal with the problems,

1 the structural problem in the building, because of
2 those openings, and that was not the responsibility
3 of the food service provider. Correct?

4 SECRETARY CREEDON: It wasn't the
5 openings. It was the fact that the planters allowed
6 a --

7 REPRESENTATIVE MIRABITO: A rodent to go
8 up.

9 SECRETARY CREEDON: -- a welcome place for
10 the rodents to build a home.

11 REPRESENTATIVE MIRABITO: Right.

12 SECRETARY CREEDON: To live. And then the
13 dining area resides -- provides the -- or the
14 building itself, anywhere. It could be -- there
15 were offices -- actually we've gone and done a
16 little counseling with offices as well on the first
17 floor level to say, you can't leave open food.

18 We actually found sugar open on the
19 floor. You can't do those types of things.

20 So we have to work very hard with the --
21 all of the tenants of all these buildings for people
22 to realize that when the weather gets -- the
23 weather -- the weather gets cold the mice come in.

24 REPRESENTATIVE MIRABITO: So I guess what
25 I'm trying to understand is how long has the mice

1 been there? Whose idea was it to put the plants in
2 the dining area?

3 REPRESENTATIVE PRESTON: The legislature.

4 REPRESENTATIVE MIRABITO: And have they
5 been there a long time or is it --

6 SECRETARY CREEDON: I've -- I've only been
7 here since 2003, sir. I -- I believe the first time
8 I ate there in 2003 they were there. I don't think
9 they grew -- I think they've been there for a long
10 time. I don't know -- I don't know who to blame for
11 the plants.

12 REPRESENTATIVE MIRABITO: Well, I'm not
13 blaming anyone. I'm just trying to understand where
14 there's a breakdown in the way -- you know, the way
15 we set up our dining facilities.

16 Thank you.

17 CHAIRMAN JOSEPHS: Yes. Mr. Chairman
18 Benninghoff.

19 REPRESENTATIVE BENNINGHOFF: Thank you. I
20 appreciate both your testimony.

21 I'd like to just make one request as to
22 consideration of do we really want those plants only
23 about 25 feet away from the cafeteria in the other
24 hallway if indeed they're home to our rodents?

25 SECRETARY CREEDON: Which? Which other

1 plants?

2 REPRESENTATIVE BENNINGHOFF: I believe
3 there's a sitting area which is directly across from
4 the cafeteria where there are Senate offices.

5 SECRETARY CREEDON: Like the Senate
6 offices on either side?

7 REPRESENTATIVE BENNINGHOFF: I mean I
8 have --

9 SECRETARY CREEDON: Those were removed, I
10 believe, last week.

11 REPRESENTATIVE BENNINGHOFF: Okay. Thank
12 you.

13 CHAIRMAN JOSEPHS: Thank you very much.
14 Actually I have a question, but I'm not going to do
15 it because we are running very far behind for the
16 Secretary of Agriculture, and what I am planning to
17 do here is to ask my chair, my colleague,
18 Mr. Chairman Mike Hanna, to conduct this part of the
19 hearing since he is the chair of the agriculture
20 committee.

21 Thank you. Thank you very much though.

22 SECRETARY CREEDON: You're welcome.

23 MR. WALTON: Thank you.

24 CHAIRMAN JOSEPHS: Certainly appreciate
25 your appearance here.

1 MR. WALTON: Thank you.

2 CHAIRMAN HANNA: Thank you, Madam
3 Chairman.

4 At this point we welcome the Honorable
5 Russell Redding, our dep -- our Secretary of the
6 Department of Agriculture and Lydia Johnson,
7 Assistant Director of the Bureau of Food Safety and
8 Laboratory Services.

9 In the interest of accuracy, before they
10 begin their testimony, I would like just to correct
11 a comment by Chairman Maher.

12 We certainly appreciated the bipartisan
13 effort to work on House Bill 174; but in the
14 interest of accuracy, it was reported from the House
15 Ag Committee with only Democrat's votes. That was
16 before he became the chair of Ag and we've certainly
17 enjoyed a much more bipartisan approach to our
18 legislation since you've arrived.

19 REPRESENTATIVE MAHER: Thank you,
20 Mr. Chairman. You're exactly correct.

21 CHAIRMAN HANNA: Thank you. I appreciate
22 that. I just wanted the record to be accurate.

23 With that, we'll turn to Secretary
24 Redding.

25 SECRETARY REDDING: Thank you.

1 Mr. Chairman, Madam Chairman, committee, thank you
2 for the opportunity to be here and share this
3 hearing with Secretary Creedon and our colleagues at
4 ARAMARK as well.

5 There's been a lot of discussion this
6 morning, and I think you have the background frankly
7 pretty well. You have a copy of the testimony that
8 I would have provided for you so it gives you a lot
9 of background that we need for this discussion. So
10 I won't read that. I'll just give you a few
11 highlights.

12 But before I start, I just want to
13 acknowledge Lydia Johnson who is here as our
14 Assistant Director of Food Safety for the bureau,
15 and Food Safety really has been our lead person in
16 addressing the Capitol cafeteria in the Capitol
17 complex area. So she'll be helpful in answering
18 some of the questions you have as well.

19 But just three points, and then we'll get
20 into questions.

21 Number one, I want to give a little
22 insight to PDA's role with respect to food
23 establishment inspections in Pennsylvania generally
24 and, of course, the Capitol complex specifically.

25 Two, the work done by the department to

1 address the issues raised in the critical
2 violation.

3 And, three, how pending House Bill 174
4 will address some of those concerns. I want to say
5 thank you to the Chairman, as well as Representative
6 Carroll, for the work on that.

7 On point number one, it's important to
8 note that the department's food safety efforts are
9 built on the foundation of working with local health
10 departments and local governments.

11 We inspect about 30,000 establishments in
12 the state of Pennsylvania, but there are a equal
13 number that are inspected by another 180 local
14 health departments or local jurisdictions. And the
15 law currently is structured that way.

16 So we rely heavily on local governments to
17 help us out. Of course, that's the issue here with
18 the city of Harrisburg as well.

19 Point two, just on the framing, you know,
20 prior to December of 2009 PDA last inspected the
21 Capitol cafeteria in November of 2005. This was a
22 courtesy inspection at the time. It was requested
23 by the Department of General Services and the reason
24 there is because the licensing at that point had
25 been handled by the city. They had jurisdiction.

1 But we did go in at that point and have a
2 courtesy inspection. This was done at a time when
3 the Department of Agriculture's food safety program
4 was being audited, being reviewed. It was an
5 intense audit. Taking a look at everything we do in
6 terms of our protocol, in terms of posting, and
7 really became the basis of what is now incorporated
8 into House Bill 174.

9 The audit required an intense focus on the
10 backlog of sites that we had at the time, which has
11 since been remedied. The audit consumed the bureau
12 and the department I think it's fair to say, but
13 we -- we at that time put all our resources of the
14 department and the bureau into addressing the
15 facilities where we actually had licensing
16 responsibility.

17 Unfortunately, the inspection of the
18 Capitol cafeteria was overlooked for following.

19 We did respond to consumer complaints
20 through the course of the last couple years. There
21 were eight consumer complaints, none of which were
22 in the Capitol cafeteria but at other eating
23 establishments in the Capitol complex.

24 On the 17th of December we conducted a
25 courtesy inspection of the Capitol cafeteria and

1 found that 54 violations occurred, and 15 of those
2 are critical.

3 Since we did not hold the license for the
4 facility, DGS, in turn, shut down the Capitol
5 cafeteria.

6 The question was raised in earlier
7 testimony of Secretary Creedon about what prompted
8 that. It's fair to say that we have been working
9 with ARAMARK through the fall to get in to inspect
10 that facility, but on instruction from the Bureau of
11 Food Safety finally went in on the 17th to do the
12 inspection.

13 We needed to get in and get that done.
14 That's a credit to -- to Lydia Johnson who is with
15 me.

16 We have since that time held a number of
17 training programs that have been referenced by
18 Mr. Walton and Secretary Creedon. Certainly it is a
19 different facility today than it was on the 17th of
20 December. I think due to the intense scrutiny that
21 it's received, but also the work that ARAMARK has
22 done to really change their procedures.

23 As you heard from Mr. Walton, doing the
24 inspection form that we use and has been the basis
25 of our inspection program, using that on a weekly

1 basis to do a walk-through, I think, is important
2 and certainly a good practice as well.

3 It's also important -- I think the last
4 attachment to the testimony is the letter of
5 agreement with the city of Harrisburg.

6 That really closes the loop. There was a
7 hole, a big hole in terms of how we were addressing
8 the Capitol cafeteria complex, and certainly by that
9 letter now we have the authority to both license and
10 inspect. And in the event that there is not
11 compliance or there are critical violations, this
12 would allow us to go in and close the cafeteria.

13 That's an important difference between
14 what was and what is today.

15 So with that -- and that letter was
16 secured on the 24th of December. So it sets the
17 stage for going forward here as well.

18 Just a final point on House Bill 174.
19 Again, we appreciate the work of the committee,
20 particularly Representative Carroll, to address the
21 concerns that were long-standing in some respects in
22 terms of the Department of Food Safety program, but
23 also the specific findings that were in the audit of
24 2005 by the Auditor General.

25 As was noted, there are a couple key

1 differences between what we currently do today and
2 what House Bill 174 would provide for. I think it
3 is fair to say that clearly there would be a state
4 minimum standard for every establishment in
5 Pennsylvania. I think that's an important point.

6 180 local jurisdictions, I mentioned
7 before, may or may not be using the model food
8 code. 174 would require that as a minimum.

9 It would also require that the local
10 entities, if they chose to inspect, must report
11 those findings to the Department of Agriculture
12 electronically.

13 It would allow for the department to act
14 within 15 days in the event that a local
15 jurisdiction, which was trying to inspect but
16 doesn't inspect, to allow us to go in and do the
17 inspection.

18 Again, an important difference. If we had
19 that authority previously, the city of Harrisburg,
20 as an example, if they failed to move, we could
21 actually move very quickly to do that. It's a very
22 important difference.

23 It also allows for re-inspection fees
24 which we don't have presently. It ties -- as
25 Representative Carroll mentioned, it ties the

1 inspection and licensing functions together, which
2 is important, and also allows for the department to
3 use a risk-based inspection approach to -- to our
4 work. That presently is not the case.

5 So a lot of benefits to 174. A lot of
6 work has been done. We believe that with the
7 experience at the Capitol cafeteria that there could
8 have been a problem averted if we had had 174 and
9 the provisions of 174, particularly the opportunity
10 to move independent of the city of Harrisburg in the
11 event that they failed to do so within 15 days.

12 So a lot we could talk about, but, again,
13 a good bill. A lot of good work being done. A lot
14 of work done by the department and I will say by the
15 health departments across the state, most of which
16 are using the digital health reporting system which
17 we put in place back in 2005.

18 As many of you know, those inspections are
19 public documents. We put those on our web site to
20 include the inspections of both the initial work at
21 the Capitol complex on the 17th of December as well
22 as the final inspection of January the 4th.

23 I will note that as part of our protocol
24 with the Department of General Services and ARAMARK
25 calls for -- to do a monthly inspection. We were

1 there today. And that inspection form will be put
2 online today so you have a chance to monitor that
3 real-time.

4 And they are in -- the first grading
5 period, if you will, in the six-month period.
6 They're in good standing.

7 So with that, Mr. Chairman, I'm open to
8 questions and comments. Thank you.

9 CHAIRMAN HANNA: As we did before, if the
10 deputy has testimony, we'll take that first before
11 we take questions.

12 MS. JOHNSON: I do not have testimony. I
13 will address questions.

14 CHAIRMAN HANNA: All right. Well, let me
15 remind everyone that we are in session at one
16 o'clock and the committee, of course, is not allowed
17 to meet when session starts. So I would ask
18 everybody to be as brief as possible.

19 And we'll start with Chairman Josephs.

20 CHAIRMAN JOSEPHS: Thank you. I -- this
21 question is to all four actually of our -- of our
22 witnesses.

23 Is there anything about the configuration,
24 the footprint of the cafeteria, that ought to be
25 changed that would make it easier to avert these

1 kinds of problems? Does anybody know?

2 SECRETARY REDDING: Madam Chair, I'm --
3 I'm not aware of anything, but it may be a more
4 appropriate question for Secretary Creedon.

5 CHAIRMAN JOSEPHS: Is there an answer for
6 that or is there not a --

7 SECRETARY CREEDON: Chairman Josephs, I
8 think that we feel that the changes that were made
9 with the plantings should go a long way to solving
10 the problem.

11 CHAIRMAN JOSEPHS: Okay. Thank you.

12 Thank you, Mr. Chairman.

13 CHAIRMAN HANNA: Thank you.

14 Chairman Maher.

15 REPRESENTATIVE MAHER: Thank you,

16 Mr. Hanna.

17 Mr. Secretary, there was genuine
18 bipartisan enthusiasm when your appointment was
19 announced as secretary and your confirmation, and I
20 think every member on both sides of the aisle in the
21 Agriculture Committee shares in that.

22 SECRETARY REDDING: If that remains after
23 today --

24 REPRESENTATIVE MAHER: Absolutely. I -- I
25 just wondered in your wildest dreams did you ever

1 imagine that your initial appearance as the
2 Secretary of Agriculture for the Commonwealth of
3 Pennsylvania could be an issue as important as the
4 Capitol cafeteria? Was that beyond your wildest
5 dreams?

6 SECRETARY REDDING: Pretty much.

7 REPRESENTATIVE MAHER: I imagine it might
8 be. And I -- two other questions that I won't ask
9 you to necessarily respond to now as so much as
10 perhaps as an area of research.

11 Earlier with the Secretary of General
12 Services we reviewed -- there's a free-standing act
13 of 1943 that established the restaurants in the
14 Capitol, which was amended in 1967 to statutorily
15 put the responsibility for inspections of the
16 cafeteria with the Department of Health.

17 I'm not aware of any superseding
18 legislation that would have transferred that
19 responsibility, and I understand though that with an
20 issue this important it may not be on the top of
21 everybody's mind.

22 But I would note that if -- if it is
23 correct that the Act 174 of 1967 is the last word to
24 this point on the subject, that House Bill 174 is
25 altogether irrelevant to it because it only deals

1 with restaurants that are subject to inspection by
2 the Department of Agriculture or these political
3 subdivisions and not those that are subject to the
4 Department of Health.

5 So since this bill is in the Senate and it
6 is not subject to any amendment over here at this
7 point, I would -- I would ask that maybe you could
8 research that point and, if you think it's worthy,
9 suggest to the Senate that they might want to clean
10 up House Bill 174 on -- on that point.

11 But, again, I -- unless you have an
12 opinion you wish to express.

13 SECRETARY REDDING: No. I would just say
14 that clearly the -- as Secretary Creedon laid out,
15 there's some confusion with that in the transfer of
16 responsibilities to PDA.

17 Our read, though, would say that if the
18 Department of General Services was, in fact, the
19 operator of the Capitol complex, the Department of
20 Health in that case would be the entity with
21 jurisdiction to license and inspect.

22 Of course, with a contracted entity,
23 that's where it goes to local governments and with
24 our agreement with the city now it comes to PDA.

25 But we'll take a closer look at the

1 provision that you mentioned.

2 REPRESENTATIVE MAHER: Thank you. And the
3 other question is, are you aware of a Secretary of
4 Agriculture ever being summoned to testify before a
5 House Committee as a result of an inspection of a
6 single restaurant before?

7 SECRETARY REDDING: Not to my knowledge.

8 REPRESENTATIVE MAHER: Thank you.

9 CHAIRMAN HANNA: Representative Rapp?

10 REPRESENTATIVE RAPP: Thank you,
11 Mr. Chairman. I do not have a microphone at the
12 table so I will try and speak up.

13 I'm going to follow up on some questions
14 and comments by Representative Pickett and
15 Representative Metzgar.

16 I actually have a restaurant owner in
17 McKean County who has actually been following this
18 story, and he was actually quite unhappy with some
19 of the results that he saw. He was pleased that
20 ARAMARK was shut down but concerned that it was
21 reopened and that's in regard to Representative
22 Metzgar's statement and Representative Pickett.

23 So my question to you, Mr. Secretary --
24 thank you being here -- and this is actually a
25 question from my constituent, a restaurant owner in

1 McKean County, the northwest PA.

2 Do you believe that a private business
3 owner in food service would have had the same --
4 what my constituent perceived as the same generosity
5 that was given to ARAMARK just to continue on?

6 Because my constituent strongly believes
7 that if these same violations were found in his
8 restaurant he probably would have been shut down
9 forever.

10 And his concerns were with the amount of
11 violations, the critical violations, he hires
12 somebody to come into his restaurant to clean for
13 him when he knows he's going to be inspected, or
14 once a month whether he's going to be inspected or
15 not.

16 And I -- I find it hard to believe that
17 the facility here -- if I have a little restaurant
18 owner in McKean County that knows enough to have a
19 professional cleaner come in and look at his -- look
20 his restaurant over -- over to make sure it's clean
21 and is going to be up to any code and passing
22 inspections and if you could just address those
23 concerns of my constituent, whether it's you or
24 Secretary Creedon, I'd be very appreciative.

25 Thank you.

1 SECRETARY REDDING: Yeah, thank you. I
2 would say this to the constituent in McKean County.
3 You know, there was a systemic failure with the
4 ARAMARK piece, but I think that's changed. You
5 heard that this morning.

6 Any business within the state who had the
7 number of critical violations would be shut down as
8 the Capitol cafeteria was shut down, and they would
9 be allowed an opportunity for reinspection that is
10 provided for under the law to get into compliance,
11 which is what ARAMARK has done.

12 So on that basis, I'd say the ARAMARK and
13 McKean County business are on equal footing. The
14 difference here, I think, is we just had not been in
15 that Capitol cafeteria facility as frequently as
16 we've been to our constituent in the county.

17 On top of that, I think the individual
18 owners of facilities -- I mean there's a very
19 personal attachment with it. It's their
20 livelihood. It's their business. It's where they
21 work and live, and they're going -- they're going to
22 take care of that operation the best.

23 So the frustrating here is -- point here
24 is it just took us this moment to get the problem
25 corrected. But under 174 every one of the

1 businesses, whether they be the Capitol complex or
2 McKean County business owner, will be held to the
3 same standard and operate from the same set of
4 rules, which I think is important for all
5 Pennsylvania businesses to know that they will be
6 held to the same standard.

7 REPRESENTATIVE RAPP: And to Mr. Walton,
8 if I may. And I believe you may have said this in
9 your testimony that you are now having other people
10 come in to look at the facility and clean the
11 facility on a regular basis?

12 MR. WALTON: Yeah. What -- you know,
13 we've set up a number of programs, but one of them
14 is Steritech, which will come in unannounced and on
15 a quarterly basis, and they do a very thorough
16 inspection. So that's in addition to what else
17 we're doing.

18 REPRESENTATIVE RAPP: And how often is
19 that?

20 MR. WALTON: That is on a quarterly
21 basis. So every three months they'll be coming in.

22 REPRESENTATIVE RAPP: Thank you.

23 MR. WALTON: Thank you.

24 CHAIRMAN HANNA: Representative Keller.

25 REPRESENTATIVE KELLER: Thank you,

1 Mr. Chairman.

2 And thank you, Secretary, for your
3 testimony.

4 I'm going to kind of take off. You
5 alluded to Representative Carroll's question that he
6 had asked prior about what implemented the
7 inspection, and in your testimony -- maybe I read
8 this wrong or heard this wrong -- but I believe you
9 said you were working with ARAMARK to get in to
10 inspect it.

11 What do you mean working with them?

12 SECRETARY REDDING: Well, the -- I mean if
13 you go back to the audit of 2005, the agreement that
14 we made was that we would go in and do the
15 inspection of -- of that facility, and it was also
16 noted in the follow-up status report we provided to
17 the Auditor General.

18 But in our discussions with bureau staff
19 and the field inspectors, we found that it was not
20 done. So we've started this -- started on a trail
21 to get in the cafeteria and meet with the ARAMARK
22 folks and do the walk-through.

23 It took a little while to do that just
24 because of scheduling to get in. But the final --
25 the final call made by the bureau was to simply get

1 in on the 17th and do the -- the inspection. So
2 that was sort of the piece.

3 It was on our -- it was on our head for
4 the department to get in and do the inspection.

5 REPRESENTATIVE KELLER: So what you're
6 telling me is -- you know, the question that
7 Representative Carroll asked is -- is what
8 implemented this? You're saying that it was on your
9 to do list?

10 SECRETARY REDDING: Yeah.

11 REPRESENTATIVE KELLER: But you did not
12 get there as quickly as you -- I'm taking from
13 that --

14 SECRETARY REDDING: Yes. Based on --

15 REPRESENTATIVE KELLER: No. I would think
16 that as an inspection facility, who knows when
17 you're going to show up?

18 SECRETARY REDDING: Correct.

19 REPRESENTATIVE KELLER: So I mean working
20 with them to get in to inspect, that's -- that
21 doesn't -- I'm trying to understand that.

22 SECRETARY REDDING: Well, working with
23 them in the sense that we -- I say them, not that
24 they were open conversations with them about when we
25 were showing up; but we needed to get in. What was

1 the status of the license?

2 It was not consumer complaint driven, but
3 we needed to know what the city was going to do in
4 terms of licensing. That was not happening. It was
5 not happening on a course that we were comfortable
6 with. So we decided, independent of that action of
7 the city, to get into the cafeteria and actually
8 physically do the inspection on the 17th of
9 December.

10 REPRESENTATIVE KELLER: All right. Thank
11 you.

12 Thank you, Mr. Chairman. Thank you,
13 Mr. Secretary.

14 CHAIRMAN HANNA: Representative Pickett.

15 REPRESENTATIVE PICKETT: Secretary
16 Redding, it seems that Representative Keller and I
17 are on actually the same wavelength here because my
18 ears perked at that one, too.

19 Again, having been in the business as long
20 as I was, I thought that the Department of Ag did a
21 very effective and fair inspection of my facilities
22 when they arrived. But, boy, I never had any
23 warning, and I never had any of them talk with me
24 ahead of time about it.

25 Are we to understand here that ARAMARK had

1 some sort of indication of when you might arrive?

2 SECRETARY REDDING: No. I mean I want to
3 make it clear, the action was more with the city in
4 what they were doing or not doing with the licensing
5 of that facility, since they had jurisdiction and it
6 predated our letter of agreement being in place.

7 So that was the trigger to get the
8 inspection done. But given our frustrations with
9 the city, we moved independently of that to get the
10 ARAMARK facility inspected.

11 REPRESENTATIVE PICKETT: Impromptu to
12 ARAMARK? No notice?

13 SECRETARY REDDING: No notice.

14 REPRESENTATIVE PICKETT: Thank you.

15 CHAIRMAN HANNA: Representative Carroll.

16 REPRESENTATIVE CARROLL: Thank you,
17 Mr. Chairman.

18 Mr. Secretary, thank you.

19 You know, it seems abundantly clear, after
20 listening to the testimony today, that there is a
21 breakdown with respect to inspection and renewals of
22 licenses. And it's clear that there was a lapse
23 with respect to the inspection or reinspection of
24 the Capitol cafeteria.

25 And it -- I guess it dawns on me to ask

1 the very basic question, should the citizens of
2 Pennsylvania be concerned about other jurisdictions
3 in this Commonwealth renewing licenses without doing
4 inspections?

5 SECRETARY REDDING: No.

6 REPRESENTATIVE CARROLL: Considering the
7 current law.

8 SECRETARY REDDING: Under the current law,
9 I mean the -- the difference is, for the 30,000 that
10 we do and the 180 others, I'd say anybody who has an
11 inspection done by the local health department and
12 anyone using the digital health department, which is
13 about 44 other entities --

14 MS. JOHNSON: Yes.

15 SECRETARY REDDING: -- in PDA, that there
16 is a relationship now between the licensing and the
17 inspection.

18 We believe because we audited, as painful
19 as that audit was, that the practice of -- of
20 issuing licenses without inspection has been
21 significantly curtailed.

22 You will make it clear in 174 that
23 there -- that it will not -- you cannot issue the
24 license without the inspection being in place. But
25 I don't believe that there's a -- a big problem with

1 that presently.

2 REPRESENTATIVE CARROLL: But the phrase
3 significantly curtailed is not very comforting to
4 me. And despite what some on the panel think about
5 the merits of the hearing, it's important to those
6 folks in Pennsylvania who rely on that food being
7 safe.

8 I think of my eleven-year-old daughter
9 with serious, severe food allergies. And food
10 handling at food facilities, whether it's the school
11 cafeteria or any of the restaurants that she
12 attends, is critical to her health. And we have
13 been to emergency rooms with her, and I'd like not
14 to go again.

15 And the fact of the matter is, is that we
16 have to find a way to make sure we don't just
17 significantly curtail but that we try to reach to
18 the highest standard and then let's inspect these
19 facilities. Make sure they're inspected and make
20 sure they pass, renew the license and post the
21 results.

22 And I think we as a department, as a
23 Commonwealth, and as people in the -- in the
24 Commonwealth who provide food services to folks, we
25 have to get that right. Because for folks -- it's

1 not good enough to say we tried and it's not good
2 enough to say that we did our best. We have to get
3 there.

4 So thank you for your testimony.

5 SECRETARY REDDING: Well said. Thank you.

6 CHAIRMAN HANNA: Representative Cox.

7 REPRESENTATIVE COX: Thank you,

8 Mr. Chairman.

9 I was on the Agriculture Committee last
10 time. I'm fortunate enough to be on the State
11 Government Committee this time. I do try to stay
12 up-to-date on the agricultural happenings in the
13 state, and I have constituents who call me quite
14 frequently regarding the dog law.

15 The reason I bring that up is this. We
16 made some pretty vast changes to the dog law within
17 the last couple of years. We are now inspecting
18 kennels at an astronomical rate.

19 I had some kennel owners call me and say
20 they've been there three times this week. Where I'm
21 going with this is --

22 SECRETARY REDDING: Yeah.

23 REPRESENTATIVE COX: -- we've got people
24 and we've got dogs. And while I was on the
25 Agriculture Committee, I got beat up a little bit

1 for saying this, but dogs are just not as important
2 as people.

3 My concerns are like those of
4 Representative Carroll. We're dealing with children
5 with allergies, adults with allergies, people with
6 all sorts of sensitivities that food handling is
7 premium. We've got to make sure that we stick to
8 that.

9 Thirty thousand eating and drinking
10 establishments around the state. Some overlapping
11 authority with the 180 additional local health
12 departments.

13 But my question in hearing that from 2005
14 to 2009 the Capitol cafeteria just happened to slip
15 under the radar begs the question, how many other
16 facilities statewide slip under the radar?

17 I'm one of a handful of people I think
18 that actually goes to the -- goes to the web site
19 and says, you know, who does the restaurant look
20 before I go there.

21 But my question is this. How many are not
22 inspected? Have you guys looked and said, 500,
23 5,000 have not been inspected for X period of time?
24 I mean annual inspections are required. Correct?

25 SECRETARY REDDING: That's correct, yes.

1 REPRESENTATIVE COX: Do you know or have
2 you discovered how many might have fallen through
3 the cracks, whether because you thought local was
4 doing it or any ideas on --

5 SECRETARY REDDING: Right. Well, a couple
6 comments here. Current, in that 30-day window of
7 being current, I think that was one of the lessons
8 of 2005. There's nothing more personally
9 frustrating and disappointing to me than to have our
10 food safety system have the type of public scrutiny
11 it had.

12 But I take that as a lesson learned from
13 2005 and put in place systems, you know, the
14 scheduling of -- of staff and making all inspections
15 public, having a relationship between license and
16 inspection and putting those on public view.

17 So I can assure you that that system has
18 changed. In this case, what we assume was that, you
19 know, ARAMARK was doing what they needed to do
20 within the Capitol complex and the city was doing
21 what they needed to do in its place.

22 It wasn't happening. Right? And that's
23 the surprising disappointment. But that's not a
24 reflection of what we were doing with other
25 facilities outside of the Capitol complex.

1 REPRESENTATIVE COX: And like
2 Representative Maher, my concern is not as much a
3 focus on this particular incident. This, I think,
4 highlighted it. It's what drew our attention to
5 it.

6 When we have -- and, again, I'm going to
7 talk about the dog law here. When I think
8 Department of Agriculture, I know it's a vast array
9 of things. I would love to see the Department of
10 Agriculture -- Agriculture shift its focus off of
11 the dogs, the farmers, et cetera, and onto things
12 like this.

13 Obviously farmers, there has to be food
14 safety and issues dealing with the chemicals and
15 whatnot that they use. We need to make sure that
16 how it gets to the table is done properly there as
17 well.

18 But I'm looking at why are we so involved
19 and why -- and I know you're new to this. Can we
20 look for a shift under your term here? Can we hope
21 for a shift, I guess would be the better way to put
22 it, toward what the Department of Agriculture should
23 actually be doing? And that's focusing on the food,
24 where it starts, where it gets to and how it ends up
25 on our tables. Can we hope for that?

1 SECRETARY REDDING: Well, I mean the
2 Department of Agriculture is a lot of things to a
3 lot of people. You know, I've come to appreciate,
4 you know, if you've got a companion animal or dog,
5 that's what we are.

6 If you're a restaurant, you know us by
7 that. If you're a farmer, you know that.

8 And our challenge is to blend that and, of
9 course, a lot of what we're doing has been directed
10 by law. All right? That we will inspect and what
11 we will do and so forth.

12 So I guess I look to you maybe if the
13 department is not doing things that we should be
14 doing or doing things that we really don't need to
15 do or change the frequency that -- that we're open
16 to that suggestion.

17 One of the real benefits of 174, while
18 we're on it, is the issue of some risk-based
19 assessment. To your point about the analogy with
20 the kennels, if we've been back to some of those
21 kennels, we've needed to go back to those kennels
22 for corrective actions.

23 Right now, under the food safety law, we
24 can go back to those facilities, but there's no way
25 to, you know, generate any of the inspection fees

1 off of that. And I think that's an important
2 point.

3 Secondly, that we can attach or -- or
4 incorporate some type of risk-based assessment to
5 those inspections. Right now, every facility,
6 regardless of whether they're low risk or high risk,
7 it's -- the calendar drives the conversation whether
8 we're there, not whether you're a higher risk
9 facility and serving higher risks food.

10 174 will allow us under the model food
11 code to actually do some type of risk-based
12 standard. We were doing that when the audit
13 occurred. It was not in law, but we were noted for
14 that. And so we're anxious for that piece in
15 particular.

16 So if you have a high risk facility, we
17 can go back more frequently to address a concern,
18 but it's still a -- a minimum of -- of once a year.

19 REPRESENTATIVE COX: One last aspect of
20 that and that is this. I know we're under some
21 budgetary constraints this year. It's going to be
22 probably tighter this year than last year.

23 I'm a fiscal conservative. I'd rather cut
24 spending. I'd rather move things around,
25 re-allocate resources that are necessary rather than

1 starting new things or adding additional burdens.

2 Would you, your department be in favor, if
3 perhaps proper legislation was introduced and
4 passed, would you support legislation that shifted
5 inspectors and personnel and so forth away from the
6 kennels and the -- again, it's a -- it's a high --
7 very high level of inspection that these kennel
8 owners are -- are seeing.

9 Not that I don't care about the dogs.
10 But, you know, at a time of priority shifting, would
11 you support a move to shift some of that personnel
12 back to food safety to allow those inspections to be
13 more current, to allow us to -- to get out there
14 and, you know, make sure the people were protected
15 more so than the dogs?

16 SECRETARY REDDING: Well, the dog law
17 is -- is self-funded and that's a restricted account
18 that's paid for by every -- everybody that goes and
19 buys a dog license.

20 So there's no general fund money
21 appropriated to the administration of dog law. So
22 there's no ability for me to take the employees we
23 have there and move them into some other aspect of
24 the department. Of course, you can take -- you
25 know, change the law to do that.

1 Generally though, any discussion about
2 resources is a welcome one. I mean I think as we
3 all look at responsibilities of the department and
4 the -- and the responsibility of this government,
5 trying to balance all of that is our collective
6 challenge.

7 And so if there's some suggestion as to
8 how we do our work and do it more effectively and
9 efficiently, we're open to that conversation.

10 Thank you.

11 REPRESENTATIVE COX: Thank you.

12 CHAIRMAN HANNA: Madam Chairman, I have to
13 respectfully turn the meeting back over to you. I
14 have the opportunity to provide the opening prayer
15 for today's session. So I -- I need to leave to be
16 there.

17 I still have Representative Brooks and
18 Chairman Benninghoff left to question.

19 CHAIRMAN JOSEPHS: Ms. Brooks.

20 REPRESENTATIVE BROOKS: Secretary Redding,
21 you share the same great personality and humor as
22 your wife does on your -- in some of your opening
23 comments and remarks.

24 But I did -- I did want to just make a
25 comment that I understand that there may be some

1 ambiguity as far as who had the authority to inspect
2 this entity.

3 So I do want to let you know that I will
4 be sending around a cosponsor that would
5 specifically address the authority and would shift
6 that authority to give you direct authority to
7 inspect facilities like this.

8 That way it clears up any language and it
9 would allow you to go into this cafeteria.

10 But with that being said, we've talked a
11 lot about new mandates on our businesses and this
12 would have protected, you know, things that happened
13 in the cafeteria.

14 There were 54 violations of existing
15 code. Having two or three new laws, I think we can
16 all agree, it wouldn't help this situation.

17 So shifting the authority to give you the
18 ability to go in and inspect the cafeteria, I think
19 we need to do that. But putting further mandates on
20 our businesses is only going to drive jobs out of
21 here and it's not going to protect the residents of
22 this Commonwealth.

23 There is a food safety code, and there
24 were 54 violations of that current food safety code
25 that were broken here.

1 Thank you very much.

2 SECRETARY REDDING: I appreciate your --
3 your comments.

4 The current food code that we're using in
5 the Capitol cafeteria will be the food code going
6 forward. What it does is requires that as the
7 minimum statewide and also then, as I mentioned
8 earlier, allows for some risk-based assessments as
9 to the frequency of that inspection.

10 CHAIRMAN JOSEPHS: Mr. Benninghoff.

11 REPRESENTATIVE BENNINGHOFF: Very
12 briefly. Thank you, Madam Chairman.

13 Thank you, Mr. Secretary.

14 Not to rehash the past, but look into the
15 future, in the Health and Human Services Committee,
16 we have had similar type of questions regarding
17 inspections for nursing homes and things, and one of
18 the issues was not having enough inspectors. They
19 were six months, nine months behind.

20 Do you feel there's adequate personnel or
21 inspectors either by local jurisdictions reporting
22 back to you or by the state and how will 174 impact
23 that positive or negatively?

24 SECRETARY REDDING: I think at the moment
25 we're okay in terms of the number of inspectors.

1 I'll speak for the department. I can't speak for
2 all the local jurisdictions.

3 But from what we understand, they're doing
4 okay in terms of their inspections. And so we -- if
5 we had 174 -- and I keep coming back to that and
6 that risk-based assessment is probably key for us,
7 because there are going to be some facilities today
8 that we know are lower risk but the calendar drives
9 our -- our participation with them.

10 REPRESENTATIVE BENNINGHOFF: Right.

11 SECRETARY REDDING: But if we can have a
12 little latitude in how we address that, it goes a
13 long way in terms of scheduling of inspectors on a
14 daily basis.

15 Secondly, again, just as a general point,
16 the re-inspection fees that are in this bill are
17 important because that money comes back. If we have
18 to keep going back -- let's use the ARAMARK as an
19 example. I can't tell you the number of times we
20 were there. Right?

21 We would have some ability under -- using
22 174 to actually generate some revenue and pay for
23 those employees' time. So that's an employee that
24 wasn't tasked to do some other inspection today who
25 also, in fact, is expecting us to get it done. That

1 would be helpful to us.

2 And I would just say for the committee's
3 benefit, you know, the investments that we've made
4 in technology have been incredibly helpful because
5 it allows for electronic inspections by -- our
6 real-time facility -- facility inspections, the
7 posting of those.

8 We also need though to be sensitive to the
9 local governments who are doing this on their own,
10 who presently haven't participated with us, to find
11 a way as -- you know, the department and the
12 committee, to really encourage that, facilitate
13 that. Will be something going forward that we need
14 to be sensitive to.

15 REPRESENTATIVE BENNINGHOFF: Thank you,
16 Mr. Secretary.

17 That is my question, Madam Chair.

18 CHAIRMAN JOSEPHS: Thank you. It is
19 1:00. It's even 1 after 1:00. We are really not
20 supposed to be holding a committee meeting.

21 I just want to thank everybody, all of the
22 witnesses and all of the good questions from both
23 sides of the aisle. Thank you, everybody.

24 SECRETARY REDDING: Madam Chairman, thank
25 you.

1 CHAIRMAN JOSEPHS: The meeting -- the
2 hearing is adjourned.

3 (The proceedings were concluded at
4 1:01 p.m.)

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I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me on the within proceedings and that this is a correct transcript of the same.

Brenda S. Hamilton, RPR
Reporter - Notary Public