



Summer Operating Committee Meeting Minutes for June 1, 2016
Room 1117: The WELL

1. **Call to Order, Chair – 4:36pm Alyssa Trejo**
Present: Alyssa Trejo, Ed Mills, Lindsay Ruth Vampola
Also Present: Leslie Davis, Bill Olmsted, Krista Knifsend
2. **Funding for Union WELL Inc. Phase II, WELL Expansion**
 - A. Davis reviewed funding for Union WELL Inc. Phase II, the WELL Expansion. The total requested for funding for the WELL Expansion is \$300,000. The breakdown included Lionakis Programming Services (\$127,580), Advertising of Project (\$2,500), Peer Review (\$7,000), Topographic Survey (\$16,000), Seismic Peer Review (\$40,000), Mechanical Peer Review (\$17,000), and Code Compliance Review (\$82,920). **(Consensus for approval for this funding request: Passed)**
3. **Long Range Financial Plan Budget Adjustment, Addition of Sprinkler Project**
 - A. Davis referred to page 3 in the packet titled *Changes to the Long Range Financial Plan*. The first change was that the 2-7's that were submitted for the project were incorrect due to an issue with formulas. There also was a change because of the third floor additions in the expansion, which amounted to 12 million dollars. Lastly, the State Fire Marshall is requiring sprinklers in the rest of the Union that will cost 7.2 million dollars.

Questions/Comments: Vampola asked how the sprinkler addition was not foreseen in the plans before. Olmsted answered it was originally planned that the two parts of the building would fit together as an expansion joint, similar to prior expansions of the building. Coming together this way, the building is viewed as two separate parts and therefore only the new addition would need sprinklers. It was decided, under review by the Fire Marshall that the building would be pieced together in a way that it would be viewed as one building. When this was determined, it caused the entire building to have to be brought up to fire code which included the addition of sprinklers.

- B. Davis stated the actions taken for each adjustment were the 2-7 was corrected, expansion additions to the third floor was approved late winter, new scenarios for the sprinklers were created, and a recommendation was determined.
- C. Davis reviewed each scenario for the sprinkler addition that was created and tested.
 - i. There were five scenarios that were initially reviewed.
 - a. The first scenario was to keep the timeline the same. This would cause a dip below reserve policy levels.
 - b. The second was to complete the sprinkler project in five phases. This would bring extra costs and would cause the Union to be under construction for five summers.
 - c. The third was to push Union WELL Inc Phase III of the Satellite Ballroom back by two years.

- d. The fourth was to cut operations to cover shortages in the reserve levels. The cuts would be small and not impact programs and services.
 - e. The fifth scenario was to reduce the scope and allocate less cash to the expansion.
- ii. Of these five scenarios, two recommendations were chosen, Recommendation A and Recommendation B.
- a. Recommendation A was to do the sprinklers at one time, keep the budget timeline the same, and dip below the reserve level that policy requires.
 - 1. The pros to this recommendation are that Union WELL Inc. is well reserved, despite dipping below the policy limit and that the construction impact would happen all at once.
 - 2. The cons to this recommendation are that it could cause Union WELL Inc. to dip below reserve levels for five years. This would limit contingency funds if issues were to arise. In addition, there also would be no financial flexibility for the WELL expansion.
 - b. Recommendation B was to do the sprinklers at one time, change the budget timeline, and delay Union WELL Inc Phase II (Satellite Ballroom) by two years.
 - 1. The pros to this recommendation are that the construction impact would happen all at once, the project would not dip below reserve levels, and financial flexibility would be maintained if any issues were to arise.
 - 2. The only con to this recommendation is that the Satellite Ballroom would be delayed.
- iii. Recommendation B is the staff recommendation.

Questions/Comments: Mills asks with recommendation B, when the sprinkler construction would occur. Olmsted answers at the end of the expansion project construction. The sprinkler project could take as much as 1 year to complete. Vampola comments that from a student perspective, she thinks the students would prefer to have the sprinkler construction done in one-time rather than over five summers. Trejo agreed that students would prefer this. (Decision to approve the Long Range Financial Plan utilizing the 1 year implementation for the sprinkler project, at completion of the Union expansion project, and moving the satellite ballroom project 2 years later in the timeline: Passed)

4. **Discussion of holding a Board Retreat in August**
 Davis stated she would like to hold a half day Board Retreat in August to unify the board, provide training, and discuss the Executive Director Search Committee. All members like this idea. After discussion, a proposed date of August 19th was suggested.
5. **Adjournment 5:17pm**

Respectfully Submitted:



Authorized Signer

9.14.16

Date: