



California State University, Sacramento
University Union
6000 J Street • University Union • Sacramento, CA 95819-6017
T (916) 278-6744 • www.csus.edu/union

Board of Directors Meeting Minutes
November 2, 2016
Foothill Suite, 3rd floor: University Union

1. **Call to Order, Chair - 7:31 a.m. Alyssa Trejo, Chairperson**
 - a. **Members Present:** Missy Anapolsky, Kisanet Woldeyohannes, Alyssa Trejo, Karen Dhillon, David Rolloff, Stacy Hayano, Chandler Bender, Ed Mills, Lindsay Vampola
 1. **Also Present:** Kate Smith, Dean Sorensen, Leslie Davis, Bill Olmsted, Jill Farrell, Tori Butler
 2. **Absent:** Juan Arroyo, Bill Macriss
2. **Public Comment:** None
3. **Seat Board New Members:**
 - a. **ASI Appointee:** Chandler Bender (MSP: Anapolsky, Hayano)
4. **Consent Calendar: (MSP: Hayano, Anapolsky)**
 - a. **Approval of Board of Directors Minutes – September 14, 2016 (Attached)**
 - b. **Approval of Audit Committee Minutes – September 13, 2016 (Attached)**
 - c. **Committee Appointments to Budget and Finance – NaKisha Allen and Carter Sun**
5. **Old Business:**
 - a. **Expansion:**
 - i. **Update: Information**
 - a. **Olmsted announced that the Union expansion construction documents are 50% complete, which is a milestone in the process. Current focus is on the fire sprinkler issue. Initial meetings were held in the spring and summer with the Fire Marshall regarding the fire sprinklers in the Union and it was decided that they would use the code for the fully sprinklered building. Plan reviewer from the Fire Marshall is revisiting the project as new. At this point we are about two weeks along and are hoping for resolution today. We are hoping to do as little as possible with what we have; maybe add a fourth staircase or make additional modifications to the existing building. What, if any, impact it will have on budget and project is not known at this point. Changes are potentially coming and the architects and engineers will be first responders. In the meantime, we're moving ahead with continuing the relocation of ASI and internal staff. We hope to establish a firm timeline this week. Occupancy review by the Fire Marshall will be conducted in mid to late December. We are on schedule as far as making the building ready for moves. Questions on how to maintain power, water, and HVAC, are being addressed.**
 - b. **Olmsted notes that The WELL expansion is currently in the in-program planning phase. The last creative meeting with the architectural team has**

been held and the team has about 3-4 weeks to put together a plan for final review. RFQ for design build teams is expected early next semester. More information will be available at the next board meeting in February 2017.

ii. **Funding Request: (MSP: Anapolsky, Hayano. 1 abstention: Karen Dhillon)**

- a. Davis refers to the letter included in the agenda packet regarding request of funds from facilities. The letter is requesting \$1,300,000 for the expansion project itself, \$1,300,000 to address relocation of existing tenants, and \$700,000 for electrical and mechanical sub-contractor work. A total of \$3,300,000 has been requested.
- b. Hayano adds that this request is going out for approval from the Board of Trustees in January. The Board of Trustees will not go out for bond funding until February. Since we need to start work on the building, we will be using a portion of our contribution to bridge the gap until we get bond money. Once the bond is received, the money will be reallocated and moved back. This request is just an advance until we get the bond money. The bond money will get used first and then we will use contribution money if necessary, once the bond money is all used.

b. **Policy Approval: Action Requested**

- i. Davis referred to the policies included in the agenda packet and notes that both clean and redline versions of the policies are included. There are a lot of changes but they are easily summarized as mostly corporate name changes, change of position titles, and added correct position titles. The goal with these updates is to make the policies more representative of what we actually do.

1. **Budgetary Process (MSP: Woldeyohannes / Bender)**
2. **Petty Cash Handling (MSP: Anapolsky / Woldeyohannes)**
3. **Bank Accounts, Signature Cards (MSP: Bender / Anapolsky)**
4. **Purchasing Procedures (MSP: Anapolsky / Bender)**
5. **Facility Use Fees (MSP: Anapolsky / Woldeyohannes)**
6. **WELL Reservations Conference Suite Policy 2012-13 (MSP: Dhillon / Bender)**
7. **WELL Facilities General Policy (MSP w/amendment specifying "weightlifting chalk" on policy 2.2.f: Mills, Woldeyohannes)**

- a. Woldeyohannes asked for more information about chalk now being allowed in The WELL. Smith explained that chalk was previously prohibited due to the mess that it created, but the chalk has changed industry wide and is now less messy and easier to clean up.

- i. Mills asks if the policy specifies weightlifting chalk? Smith reviews the policy and reads section 2.2.f which states "Use of chalk is permitted only on lifting platforms" and adds that we can modify to "use of weightlifting chalk" to clarify. Mills agrees that this amendment would be recommended, in the event of confusion we may find chalk writing on the floors or walls.
- ii. Olmsted asks if there is a type of chalk that we do NOT want used in the building? Smith states that staff will be monitoring to ensure that the chalk being used is the correct one. She adds that we believe that the old chalk has been phased out. Mills suggests maybe adding "as approved by WELL staff" to eliminate the need to get too specific on what type of chalk is authorized.

- b. Anapolsky refers to the presentation where policy updates are being summarized and commented that the wording "photography between

consenting parties” may be misconstrued as it being okay to take pornographic photos. Smith checks the policy to verify that policy does not use this verbiage and confirms that section 1.7.b of the policy just states that unauthorized and inappropriate videos and photos are prohibited.

- c. Vice Chair Election: Karen Dhillon (MSP: Anapolsky / Hayano)
- d. Executive Director Search Update: Mills.
 - a. Mills starts by extending his gratitude to Davis and the staff at the Union and The WELL regarding the policy updates. He is fully aware that it takes a lot of work and he applauds the efforts and work being put into it.
 - b. Mills states that the candidate search for Executive Director is progressing nicely and notes that David Rollof is chair of committee. They will be bringing in 4 candidates for interviews, so they are currently looking at schedules and working on getting information out to everyone as these will be open forum.

6. New Business:

- a. 2017-18 Budget and Strategic Plan Schedule (MSP: Hayano, Dhillon)
 - a. Davis refers to a packet which includes a prepared outline of the timeline.
- b. Wage Scale: Action Requested (MSP: Woldeyohannes, Dhillon)
 - a. Farrell begins by explaining that the state of California enacted a schedule through 2022 for a minimum wage increase. On 1/1/17 the minimum wage will increase \$0.50, on 1/1/2018 it will increase another \$0.50, and then the next 4 years will increase \$1 per year, up to \$15 per hour. She refers to the agenda packet which outlines our current wage scale and notes that we have our own step increases based every 300 hours of work. Typically, students work around 600-900 hours within 1 year, so we need to be able to change that policy because we can't do both increases. We're proposing to eliminate step increases and allow increases to take care of themselves through the state of California increase. We would still keep the rate increase per class. We have current employees who have already stepped past beginning wage; those employees will keep their rate and, along with new hires after 1/1/17, will receive the \$0.50 increase as of 1/1/17.
 - b. Proposed caps have been established to avoid pay rates from getting too high. We do have a cap right now, but we did a compression to keep an equitable spread in order to recognize the difference in responsibility, which is why classes were combined. Farrell refers to the projector presentation with examples of pay rates with the cap and without in an effort to illustrate a reason for the cap. She refers to the wage scale in the packet which includes compression, wage increase and class cap. Classes highlighted in green on the proposal are personal trainers and fitness instructors; their rates are based on market rates and by 1/1/18 we will have recommendations for that class.
 - i. Mills asks how performance or evaluation plays into the increases. Farrell explains that when people apply for other jobs in different pay classes, their pay would increase, and goes on to answer that we currently don't offer a performance based increase. She notes that we do assessments of employees, but we don't base them monetarily.
 - 1. Mills asks if a student continues to be employed does that mean that a student performs satisfactorily? Davis assures Mills that if they aren't performing satisfactorily they will not continue to work here.

c. WELL Membership Discussion: Information

- a. Smith showed a non-student membership rates presentation which has already been presented to The WELL Advisory Group (WAG), and they approved presenting it to the board. A non-student member is defined as either faculty, staff, alumni, or sponsored guests, and also includes students who are on campus over the summer but aren't enrolled in classes. We feel that there is an opportunity to review membership rates, specifically non-student membership rates, compared against local competition since we currently struggle to compete.
- b. We also want to provide opportunities for discounts and incentives as we currently don't offer any. WAG members discussed veteran discounts, targeting alumni who are recent graduates rather than lifetime alumni members for example.
- c. Also, students tell us that they work out elsewhere during the summer since the rates are more affordable. We'd like to eliminate the concern of pricing ourselves out of local markets and our inability to compete. We have asked faculty and staff what amenities we can offer that they seek elsewhere. We are trying to distinguish that a gym membership is different than a student fee. Someone who purchases a standard gym membership won't benefit from what we offer students. The benefits are outlined in the packet insert. In general, we want to improve the experience that we offer for the campus community. In 2004 students voted for the WELL and the fee became part of the Union fee and that number determined membership rates. The faculty staff rate was \$29, and is now \$33 per month. We adjusted the rate annually based on CPI (Consumer Price Index). The desired practice is to evaluate membership prices annually, compare them to local competition and comparable universities, and compare the value of memberships (hours of operation, amenities, programs). Smith then refers to the packet insert which outlines research on competition and explains that we would propose rate options to WAG each year, then it would go to BOD for final approval. She adds that we don't have numbers to propose at this time since this is more of a discussion item but we don't anticipate ever going below \$29 per month. We want the ability to not have to increase every year. Smith refers to the presentation slide which lists ways that the student fee is different than the membership rate. This outlines what students get with the fee as our mission is to serve students. When students, faculty and staff are looking at the amenities, they don't realize the other things that students benefit from. If we increase revenue, we would have more money to go into these offerings. Ultimately we want to keep their money in the campus economy rather than have it go elsewhere.
 - i. Davis adds that there was a discussion regarding the appearance of faculty and staff paying more than what students are paying. If the budget goes south, this is a way that we can capture and generate revenue to continue moving forward.
 - ii. Kisanet asks if the faculty rate goes to \$29, for example, and then they don't start using the facility as much as students, is there any way to pull back that idea and try something new?
 1. Smith explains that our idea is to propose a rate each year and present it to the board.

2. Davis adds that the decision would be revisited annually with justification as to why it worked or didn't work. We would provide documentation of proof for either scenario.
- iii. Chandler asks whether there has been any sort of survey or analysis with faculty, and whether it's confirmed that the membership rate is a real concern amongst faculty and staff?
 1. Smith advises that there was a survey conducted 3-4 years ago, but there wasn't a specific question regarding the membership rate. We don't have data to show us what would happen if rate went down.
 - a. Rolloff mentions that he is a member of The WELL and that the value has never been a question. Among faculty he has always heard concern regarding being crowded and working out around students, etc. The cost is minimal compared to what one might spend on coffee, for example. He has never heard a complaint regarding price.
 - b. Smith reiterates that we are trying to get people who have a membership elsewhere to start coming to us.
 2. Anapolsky inquires as to whether a marketing campaign is taking place?
 - a. Smith confirms that if we proceed, we would start a campaign to increase awareness on any promotions or events.
 3. Hayano thinks that targeting summer months would be a good way to get people to start coming in.
 4. Rolloff mentions that an incentive that is offered at Oregon State and the University of Maine is a session with a personal trainer. Since some older folks start to get nervous with machines and technology, this helps them get comfortable and into a routine. He adds that he's not that kind of person, but he thinks that access and programs are the barrier here.
 - a. Smith advises that we do offer a free orientation to WELL members, and encourages everyone to take advantage.
 - b. Rolloff acknowledges that we offer orientations but reiterates that we don't offer personal training *sessions*, and he thinks that would be key to incentivize people to come in.
 - c. Vampola adds that older staff members get nervous to work out around students and acknowledges that it also could be dangerous for older members to start a workout routine without proper guidance. So a personal training session would be a good way to get people started.
 5. Bender mentions that since we're discussing getting members of other gyms to come to the WELL, we should consider that they may have a contract to cancel, which possibly involves a fee. Maybe we could offer a free first month to help offset any cancellation fees. As far as personal

- trainers, he inquires as to whether we have resources to offer free sessions? Do we have enough staff and are their schedules booked? Would we have to hire more trainers?
- a. Smith states that we are currently fully staffed. We have two separate sets of hours for personal trainers, floor hours and actual paid personal training hours.
 - b. Davis advises that we need to consider that once we offer free classes there is no going back. So if plans don't produce the revenue we hoped for, we need to have a backup plan.
 - c. Woldeyohannes suggests maybe cutting the price for a personal training session in half first, and if that doesn't work then offer a session for free.
6. Woldeyohannes asks if the board would have the opportunity to review the staff/faculty survey before it goes out?
- a. Smith confirms that we can send it to the board. We should have a full plan by the February board meeting including a survey, rates, programs and incentives.
7. Bender asks what the timeline is for implementing the change.
- a. Smith states that the anticipated timeline for any change is next fiscal year, in the fall.
8. Vampola states that if working out around students is a concern with faculty and staff, she suggests offering a staff/faculty only class.
- a. Davis states that we do offer the Start Strong program, which is faculty and staff only.
 - b. Trejo asks how often Start Strong is advertised, as she's never heard of it.
 - i. Smith advises that we do advertise on Monday briefings, and there's also a campaign approaching the New Year to support new year's resolutions, etc.
9. Karen asks whether we have discussed summer student employees, orientation leaders, etc.
- a. Smith assures that we will take those individuals into consideration as well.

7. Reports and Comments

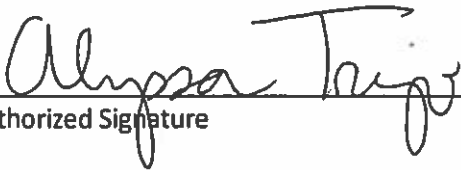
- a. Board Members: None
- b. Executive Director: Davis
 - i. Davis refers to packet insert and reviews updates. She announces that this is her last board meeting and extends her gratitude the board and all boards before for all of their support.
 - ii. Mills adds that there will be fun opportunities to celebrate Davis's retirement close to February and states that he will make sure that board members are invited.

8. Information: Activity Reports

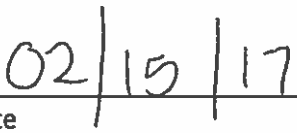
- a. The WELL:
 - i. Smith refers to the activity report included in the packet and reviews key points.
- b. University Union:
 - i. Sorensen states that there is a lot going on in the Union. He refers to the report included in the packet and discusses key points.

9. The meeting was adjourned at 8:56am by Alyssa Trejo.

Respectfully submitted:



Authorized Signature



Date