



Union WELL, Inc. Board of Directors Meeting
Wednesday, February 14, 2024, 7:30am
Green and Gold Boardroom, University Union, 3rd Floor

Minutes

1. The meeting was called to order at 7:35 a.m. by Sebastian Raya, Chairperson

Present: Sebastian Raya, Jennifer Harris, Marina De La Cruz Ramirez, Gabriel Cornejo Gallegos, Deborah Williams, Drew Harris, Alina Nadeem, Mark Wheeler, Shawki Moore, Christine Flowers

Also present: Bill Olmsted, Andrew Reddish, Jill Farrell, Andrew Singletary, Zenia LaPorte, Norma Sanchez, Tori Butler

Guests: Humberto Perez, Michael Eldridge, Elizabeth Juarez-Lopez, and Hoan Nguyen from ASI, and via Zoom, Sarah Hintz and Angela Koshiol from CliftonLarsonAllen (CLA)

2. Public Comment: None.

3. Consent Calendar: Action Requested (MSP: Wheeler, D. Harris)

- a. Approval of Board of Directors Meeting Minutes — November 15, 2023

4. 990 Tax Form Presentation: (MSP: Wheeler, Flowers)

—Sarah Hintz, CPA (CLA), Angela Koshiol (CLA)

- a. Olmsted welcomes the team from ASI, who provide accounting services to Union WELL, Inc. (UWI), and the team from CLA attending via Zoom. Hintz presents the 990-tax form for 2022, which is an information return, not a tax return, and is subject to public disclosure. She provides an overview of the document and discusses highlights, summarizing governance and financial information, including a year-to-year comparison. The Statement of Program Service Accomplishments provides the opportunity to promote what the organization did during the year and determines if the organization is meeting its mission and spending money as promised.

- i. Olmsted thanks the team from both CLA and ASI, as well as the UWI Business Office, for their efforts throughout the 990 process.

5. New Business:

- a. 2023–24 TBU04 Updates: (MSP: D. Harris, Moore)

- i. Olmsted presents the updated TBU04 project list and discusses the additional funding request for the University Union (UU) west restroom project, which is getting ready to start this spring. Escalation in the cost of labor and supplies increased the cost to \$2.18 million, which is an increase of \$567,000. He adds that many previously approved capital projects have been backlogged since 2020 and are now slowly moving forward, but prices have increased significantly since that time. All currently approved TBU projects are being reviewed and evaluated for potential changes to the scope and timelines, and whether they are still viable projects.

1. Wheeler assumes that the total, about 1/3 more than the original number, would be expected, given the rise in the cost of services and products. Olmsted confirms that's correct, adding that

when project costs are first presented to the Board of Directors (BOD) the initial prices come from campus Facilities and/or JOC contractors, and are merely early estimates and not final pricing.

2. Flowers asks if any amenities were added to the project scope. Olmsted says the scope hasn't changed. Singletary adds that the \$2.1 million includes campus management fees and \$332,000 in contingencies. Olmsted explains that projects that go through campus have fees added and heavy contingencies are built in by UWI, campus, design, and contractors. If the project goes smoothly, all or portions of the contingency money may be returned at the end of the project.
3. J. Harris sits on the committee that reviews projects on campus and says they are seeing the same escalations everywhere. Olmsted states that the organization has the ability to cover the increase.
4. Moore asks if the restroom capacity will increase as a result of the project. Olmsted explains that the second and third floor restrooms are being made larger to better accommodate the amount of use these spaces get, acknowledging the growth of the student population since these rooms were initially built. Olmsted also states that all necessary code upgrades will be made during this project.

b. 2023–24 Capital Repair and Replacement Updates: **(MSP: Nadeem, Moore)**

i. Olmsted presents the capital repair and replacement project list. Singletary explains that the project to update the chiller network connectivity is being removed from the list because it is no longer deemed necessary due to its overlap with the current service contract. And while this would give more advanced analysis and add some greater remote control capabilities, they decided it's not a necessary expense at this time. Olmsted notes that this creates savings of \$65,000 from the approved project list that he would like to apply to additional shade enhancements for the Serna Plaza outdoor seating area. The project could start right away and the cost is \$42,000. If approved, the project will be completed in time for the return of outdoor programming on Serna Plaza.

1. Flowers asks what color the shade will be. Sanchez is considering a sand color that would match and blend into the building.
2. Wheeler asked if the shade is permanent once installed. Sanchez confirms and says it stays up year-round and is guaranteed for ten years.
3. J. Harris mentions that campus recently completed a shade structure project on Serna Plaza. Olmsted explains that this new project is in addition to that, and provides greater sun protection for event attendees. He notes that UWI partnered financially with campus on the cost of the original project. Due to that partnership, UWI reached out to campus to inform them they would like to modify it, and campus agreed.

c. North Fields Project Update and Funding Request: **(MSP: Moore, Wheeler; Flowers abstains)**

i. Olmsted provides the history of the North Fields project, which involves adding turf, fencing, and lighting, and which will now allow for evening programming. This will also allow programs to grow, and creates more opportunities for Kinesiology, ROTC, ASI, Intramural Sports (IM), Sport Clubs, and other campus partners who use this space. Although a project budget is in place, prices are much higher today than when the initial project estimates were first done. He shares renderings from the architects, illustrating the creation of this new destination space on campus. The project will also include pedestrian walkway improvements, landscaping, and restrooms, that currently don't exist for users of that field space.

1. J. Harris mentions that the community use these fields to walk dogs, etc. and asks if backlash for losing the space is anticipated. Flowers says she is frustrated by the mistreatment of the fields by community members and states that these people have other options, and that campus fields should be for students and campus programs.

2. J. Harris says there is evidence that microplastics from turf can leak into the ground. Olmsted says the project is working with a very reputable field consultant regarding material of the surface itself and infill material, sustainability, heat etc. There have been many advances in the products available, even since this project first started, and that all aspects of sustainability and usability are being thoughtfully considered. Raya adds that turf also has the benefit of water conservation.
 3. Williams asks if there are small bleachers. Olmsted says there are currently portable bleachers and the project will supply additional sets that can be set in standard spots, but also have the ability to move around. Permanent bleachers limit the flexibility of the space.
- ii. Olmsted adds that the field is also an academic space; Kinesiology uses the space from approximately 8am to 2pm each weekday. After that, it's a competition field for IM and sports clubs. Having the ability to run a tournament or league into the evening provides huge potential for growth and program flexibility.
1. D. Harris asks if there is a concern regarding increased injuries for players on turf. Olmsted says that the Student Organizations & Leadership (SOAL) representatives that oversee sport clubs, including rugby, which is one of the most injury-prone spots, are part of these discussions and are encouraged hearing about the turf options available now. They have agreed with the decision to use turf over grass, especially with options such as shock absorbent pads, that can be added beneath the turf, further reducing injuries.
 2. Moore asks what the upkeep process is on turf. Reddish says they will work with campus grounds to use, or invest in, a field groomer to redistribute the infill material as it gets kicked up and moves or shifts.
- iii. Olmsted states that even though the project has been value engineered down to a cost of \$22.7M, after the addition of campus fees, the current funding contributions to the project remain at \$15.5M, leaving a delta of \$7.2 million that needs to be added. He shares a breakdown of the 2-7 form, contractor gross max price, contingencies, fees, etc. He asks the Board to consider increasing UWI contribution to move the project forward, explaining how UWI could cover this using current reserves. Olmsted formally requests approval to add \$7.2 million to the project. The additional funding would lock in the current construction price and allow the project to move forward.
1. Wheeler wonders about other funding opportunities such as donors. He asks what has been done thus far and what can be done to leverage relationships to get money from the community. Olmsted believes it hasn't been discussed outside of Student Affairs, and he hasn't had formal meetings about engaging others to contribute. Wheeler says he feels the President would support a broader conversation, and will inquire about what can be done.
 2. Wheeler mentions kinesiology occupying fields from 8am to 2pm and asks how much they are contributing. Olmsted says \$6 million is being contributed from campus funds, and that funding takes into consideration the current use by kinesiology and any other academic programs.
 3. Reddish notes that fields are reserved through Space Management who considers it one space, not four individual fields, and kinesiology doesn't use all four fields at once leaving some open for students. Wheeler is in Space Management meetings and is willing to discuss making a change. Reddish is hopeful for updates to the scheduling and protocol for reserving space.
 4. Flowers asks about \$425,000 from athletics. Olmsted explains that Athletics' contribution is allocated specifically for lighting as it will light soccer and softball fields. Flowers suggests asking for more. J. Harris explains that the campus is entering a tight fiscal year, which will be harder to get additional funds.

5. Flowers asks about the walkway and whether it will be pedestrian-only, and Olmsted says carts will continue to share the walkway. There will be spots along the path with landscaping and seating, and the overall path will be wider to meet current fire code.
 6. Wheeler notes that he supports the project and feels it's extremely important, but talking with others about getting more funding to offset makes a lot of sense, and he's happy to look into options.
- iv. Olmsted acknowledges it's a big ask and doesn't want anyone to feel pressure. If the group wants more information or wants more data, it can be revisited at the March meeting.
 - v. Raya acknowledges that the Board has expressed a lot of pros and cons. If comfortable, members can vote today or it can be tabled for the next meeting, and asks for consensus.
 1. Flowers suggests holding a vote and looking quickly at options on naming rights. This space is not just sports, there are health benefits for students getting outside. There are many opportunities outside of traditional sports, and she feels there are foundations with funding approaches geared toward this type of project.
 2. J. Harris says it can take months to develop donor relationships and would hate to delay the project. If funds are available, the project should move forward. Then if moneys come in later, it will help to offset the cost at that point.
 3. Wheeler agrees that it's an attractive fundraising target, and they could likely get donor funds for it. He feels delaying a vote is delaying the inevitable. He thinks leadership has brought a compelling case, and he supports and encourages voting today.
- d. Sac State Event Center Project Update: **Information**
- i. Olmsted shares the current court layout rendering for the event center. The new layout shows three courts, all collegiate length, with the middle court being a competition court for intercollegiate athletics. The drop floor was not feasible, so the existing floor will just be repainted to suit the needs of the new layout. He shares a rendering of the competition setup with bleachers expanded. The design team is still flushing out final seat count numbers, and hope to have that solidified in March. A current focus for the design team is establishing how to attach bleachers to the existing structure, how they come out, and how to maintain the necessary space requirements for recreational sports. A lot of progress has been made in the past few months.
 1. Flowers asks about the second-floor track. Olmsted says there is no plan for a permanent change at this point, but there will likely be temporary uses for that space during games.
 2. Williams asks what type of material will be used for seats. Olmsted says it appears that it will be molded plastic, as is typical in these kinds of venues.
 3. Wheeler asks if the Athletic Director and President have had chance to review the project. Olmsted says Carl Reed from Athletics is on the committee, and assumes he is sharing out the information. Wheeler will make sure everyone is getting updates.
- e. Proposed Travel Policy Update: **(MSP: J. Harris, wheeler)**
- i. Olmsted acknowledges that the Board recently approved changes to the travel policy in November, but says staff are now proposing additional changes. Changes come directly from the Chancellor's Office (CO) travel policy, almost verbatim. Changes have a lot to do with satisfying IRS regulations pertaining to payment of meals, per diem, etc. The policy is changing to a per diem model, similar to campus and the CSU system. There is very specific language to ensure travelers don't make the wrong assumption about how to spend funds and have potential tax implications.

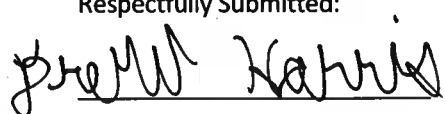
1. J. Harris confirms the change does align with CO and the CSU system.
- f. WELL Building Hours 2024–25: (MSP: D Harris, Nadeem)
 - i. Olmsted explains that the WELL building hours are presented to, and approved by, the Board each year. The proposed hours for the upcoming academic year outline closures and changes, and would be effective July 1.
- g. WELL Membership Rates 2024–25: (MSP: J Harris, Wheeler)
 - i. Olmsted presents WELL membership rates which has no changes. He notes that changes were made to rates last year, and the team currently doesn't see a need for an increase or decrease.
 1. Wheeler asks how these rates compare with other rates and whether increasing rates is possible. Reddish says it's tricky as parking is a challenge for members who aren't students. Alumni have to pay for parking, which would equal a gym membership if they attend 2-3 times a week. One area of emphasis over the next year is to hold focus groups with non-students such as faculty, staff, and alumni and also do a deeper competitor analysis into local market rates.

6. Reports and Comments

- a. Board Members
 - i. None
- b. Executive Director: Olmsted
 - i. Olmsted points out flyers handed out and the UWI sticker of the month with a Lunar New Year theme, which are given out in both buildings on the first day of each month and go quickly.
- c. Information Technology and Facilities: Singletary
 - i. As distributed.
- d. University Union: Sanchez
 - i. As distributed.
- e. Marketing: LaPorte
 - i. As distributed.
- f. The WELL: Reddish
 - i. As distributed.

7. The meeting was adjourned at 9:35a.m.

Respectfully Submitted:

 3/13/2024
Authorized Signature Date