

# Highlander Union Governing Board Meeting Minutes

June 5th, 2018

4pm - 5pm

HUB 260

I. Call to Order

II. Roll Call

A. Members Present:

1. Lewis Luartz, Chair
2. Aram Ayrapetyan, ASUCR President
3. Diana Trannam
4. Alondra Duenas
5. Kaitlyn Lara, Vice Chair
6. Brett Walsh
7. Shawn Ragan, GSA President
8. Dr. Kerry Mauck
9. Alex Ruiz
10. Brendan O'Brien, HUB Director

B. Members Absent:

1. Sawanee Zadey
2. Leandra Doan

C. Guests

1. Nick Olivarria
2. Denise Cisneros
3. David Henry
4. Adam Gutierrez

III. Approval of Minutes

A. Motion to approve the minutes by Alondra, second by Aram

1. In Favor	6	Oppose	0	Abstain	0
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IV. Approval of Agenda

A. Motion to approve the agenda by Diana, second by Aram.

1. In Favor	6	Oppose	0	Abstain	
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## V. Chair's Report

A. Lewis has been talking to Brendan about the budget. ASUCR and GSA should like what he will be discussing during the budget report. Lewis has also been discussing HUB laptops with Brendan, and Kaitlyn has been CC'd. It will most likely be continued throughout the year, and Kaitlyn will give you updates during the next board term. There is a new copy of the By-Laws for everyone to look over. Minors changes are mostly grammatical. This has been done in cooperation with Tom Smith, the interim Vice Chair of Student Affairs, who has questions and brought up some really good points about a lot of oversights we made. Since Tom has already approved these, we can officially approve them here today. Aram asks what changes Tom made. Aram says that Tom fixed grammatical mistakes, asked what constitutes a "major issue" on page 7 because we mention that major issues should be withheld until the next meeting to actually have a topic of discussion and vote on them. Aram responded that major issues are issues that cannot be made to the board prior. The By-Laws were not posted to the website, so they fixed that. On page 8, we still have a section stating that each subcommittee would vote in a chair, but we all agreed that in a previous section to have the Board Chair chair all subcommittee meetings. We had agreed to remove the section about taking minutes at subcommittee meetings because that will be discussed by the Chair during the subcommittee report at Board meetings. Tom also had a question about whether projects discussed in the Finance subcommittee would be discussed and approved/denied by the entire Board meetings, which they are. Aram wants to clarify that a board member can only be removed by a  $\frac{2}{3}$  vote at a Board Meeting, and that there is no loophole. Lewis clarifies that a Board position (Chair, Vice Chair, or the new Secretary Position) can be removed from said position by a  $\frac{2}{3}$  vote, but still serves as a board member. To remove a member from the Board itself, that goes to ASUCR or GSA for  $\frac{2}{3}$  vote for removal at their respective Senate and then they have 48 hours to let the board know. If you are absent from Board Meetings too many times, you can and will be removed. Dr. Kerry Mauck asks when we would update the approved date at the very end of the minutes. Brendan says that once we approve the By-Laws here, we will amend the end of the document. Lewis adds that we previously approved the

By-Laws and sent them over to Tom. He had some changes and approved them. Now the Board has to re-approve Tom's changes in order for the document to officially update. Aram adds that there should be some stipulation regarding removing a member. There should be a reason behind why a Senate is removing a member, not just arbitrarily. Lewis agrees, but also states that when either GSA or ASUCR informs the Board within 48 hours, there should be a reasoning why a member was removed. We could add something to the By-Laws, but the Board cannot tell either party what to do, as unfair as the removal may be.

1. Motion to approve the By-Laws by Diana, second by Aram.

a) In Favor        7        Oppose        0 Abstain        0

b) Note: Brett was present for this motion and for the rest of the meeting.

## VI. HUB Report

A. HUB Budget Redux (Non-Salary Support expenditures and OMP billing revisions). The non-salary support line from the budget was a bit repetitive. There were about \$600,000 of expenses trimmed down or allocated elsewhere. Taking a look at the HUB referendum budget, about half of our expenses is just paying over \$3 million towards the loan on the building every year until 2039. Staff benefits, staff salaries, and campus fees that we incur (Administrative and Infrastructure fees) all amount to the other half of the HUB's expenses. One category of the non-salary support budget is Union Operations. These include media licenses, Service Level Agreements, Supplies, and other program needs. By taking another look at the non-salary line, we are able to include Capital projects in this budget which allows us to not dip into our additional reserves for funding. One of the projects includes the HUB Food Court (\$120,000) in conjunction with dining, but conversations still need to be had. Another project is furniture for Latitude Fifty-Five Upper Level Furniture, but this will continue next year. Brendan will look for the boards opinions on designs and furniture in the Fall. The Habit has done a great job renovating the lower level, but there is a disjunction between the two spaces. Diana asks whether Brendan has heard more from Highlander Gaming about their proposed use of the Upper Level, but Brendan has not heard anything from them. Aram adds that there was trouble on Gaming's end due to lack of corporate funding. Brendan says that if there is no

new updates by the Fall, we should probably continue forward with revamping the space with a new design and furniture. The professional development category of the non-salary support budget includes funding to train student staff, full time staff, and send professional staff to conferences. The facilities portion of this budget includes Utilities recharges to charge back people for OMP. Items not included by the Facilities SLA are included in this budget under Non-SLA supply expenses. The last sections of the budget include Event recharges and HUB programming. In total, the Non-Salary Support Budget totals \$1.2 million, bringing the HUB Referendum Budget to just under \$6 million. Alex asks what the Media SLA is (an item worth \$250,000), and as an active user of the HUB, he notices that many media items are outdated. Brendan says that this SLA will need another look at since some prices are increasing, which will be a conversation for next school year. Aram mentions that he was not aware of the HUB Graduation Sashes, which are given to Student managers and graphic designers. He and Lewis add that maybe that is something the HUB Board would like to do as well.

- B. Lastly, the OMP Billing. It has been a year long project at looking how each space of the HUB is billed. Currently, all spaces (offices, HUB administrative offices, Dining, Student government) share the cost equally for utilities and services, at about \$1.33 per sq. foot. It is based off of 96,996 sq. feet of HUB and Costo spaces; This doesn't take into account ancillary spaces (walkways, outdoor areas, etc.). This is actually a 161,864 sq. foot facility; this changes how we look at office spaces and how we do our billing. Brendan proposes using all the money left over from the HUB referendum budget (about \$500,000) to offset the cost of offices and student government spaces. Students are already paying \$90 a quarter to use this facility; the more we can do for student organizations/government, the more they can continue doing their mission and provide more opportunities. The Highlander Empowerment Referendum recently failed, they are not going to get the money they expected to basically survive. Many offices and student spaces are in monetary strains; we are taking a look at the additional square footage to pay for the extra spaces. Brendan proposes changing how we bill other spaces in the building by applying the leftover budget funding to these spaces. The new breakdown becomes \$1.40 per sq. foot plus utilities for Dining/Retail spaces, and \$0.70 per sq. foot plus utilities for HUB &

Costo Hall Offices/Student Government. The utility breakdown will happen once we install dedicated utility meters. Brendan has already put in work orders to get this project started and has allocated funding. He has also done a lot of research with other UC Student Unions about their rental/commission agreements between their Union and Dining spaces. Overall Dining spaces have dedicated utility meters and they either are commission relationship or a general base rent.

1. Motion to approve the new OMP billing structure by Aram, second by Alex.

a) In Favor 8 Oppose 0 Abstain 0

b) Note: Shawn was present for this motion and for the rest of the meeting.

2. Motion to approve the HUB Referendum Budget by Shawn, second by Diana.

a) In Favor 8 Oppose 0 Abstain 0

VII. Food Service Report, David Henry, Executive Director of Dining and Retail Services

A. In 2007, the HUB food court opened with all UCR dining locations except for Panda Express. Looking at 2010, UCR Dining was losing \$1.7 million and have been losing money until 2017; they foresaw a loss just under \$221,00 this year. In 2019, they project a loss of \$185,000. UCR Dining wanted to bring in commercial partners with value propositions to negate the losses and oversee the contracts. They talked about bringing in Habit burger in comparisons with other burger restaurants but liked their value proposition overall. At the time, there were discussions about bringing in Pieology, but before contracts could be signed they backed out last minute as this was not the industry they wanted to be in. Hibachi-San came in (they used to run Sushi by Panda), which is all about Poke bowls. It seems to be very well received and their revenues are almost twice that of Sushi by Panda. As for a quick update, Habit opened later November and really transformed the lower space of Latitude. Chronic Tacos was brought in to replace Habaneros and opened around the beginning of the 2017 school year. Panda Express renewed two 5-year contracts under the same parent company as Hibachi San. La Fiamma is the last piece to be completed. UCR Dining is finishing contracts with Mod Pizza to come in and revamp the space; They are similar to Blaze and Pieology. Some risks UCR Dining faces

includes increasing campus assessments, infrastructure repairs, and undecided Union agreements. After the Union strike on campus, the university to increase the wages of union dining staff by 2%. Aram asks if the Board can have access to the contracts signed with these 3rd party vendors; it would be beneficial to know how much money is coming into dining. It becomes more involved with our OMP billing discussion and how we bill dining spaces; David says he is happy to share those with us as those numbers are what they are, as narrow as they are. Dr. Kerry Mauck asked about the staffing impact once dining location switched to new vendors. David did not include them in this presentation because the impact occurred last year, but no student or full time dining staff member did not lose their job. They were relocated to different locations or remained in the building at a different position.

VIII. Public Forum

A. None

IX. Sub-Committee Reports

A. None

X. New Business

A. Motion to approve all early reservation and fee waiver requests (items i. - xi.) by Aram, second by Alex.

1. In Favor	8	Oppose	0	Abstain	0
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B. Aram introduces Adam Gutierrez to the Board, who will be taking the second year of graduation member Brett Walsh's term. Adam was a late applicant to the Board and did not receive a spot in the Fall. Because Aram's position as ASUCR president is now an ex-officio on the Board, Adam will fill the last vacant undergraduate seat.

XI. Old Business

A. All Old Business items will be discussed in Fall 2018.

XII. Announcements

A. Alex wants to thank everyone for what they are doing. Staff have placed fee waivers this year, which helped offset the cost of the 2-1 initiatives (which had no additional funding and cost well over \$8,000). Due to the Board's support, UCOP has informed Alex's department that they have released the \$50 million that they

were withholding. UCR went from a 4.46-1 student ratio to 3.01-1 student ratio; the goal is 2-1 by next year.

- B. Brendan thanks everyone for their work this year as we completed many items. It has been a pleasure working with everyone and he looks forward to seeing many members return for their second term.
- C. Aram thanks Brendan for his work; he states it is rare to find administration who really care about their work and the student on campus. Brendan has made great strides to mitigate any issues ASUCR brought up to him.

XIII. Adjourn

- A. Motion to adjourn by Alex, second by Diana.

1. In Favor      8      Oppose      0 Abstain      0