

Student Fee Referenda Committee
Meeting Minutes
January 17, 2013

Members Present: Connor Landgraf (phone), Bahar Navab (phone), Claudia Covello, Gordon Hoople, Kelsey Finn, Hugh Graham, Walter Wong, Julian Ledesma (for Fabrizio Mejia), Michael Ferencz

Members Absent: Conner Nannini, Fabrizio Mejia, Anthony D'Asaro, Jodie Rouse, Justin Sayarath, Mark Lucia,

Guests: Kerry O'Banion, Jean Yen- Capital Projects. Mike Weinberger, RSF

Recorder: Sabina Garcia

1. Welcome and Introductions

Main agenda for meeting is to review upcoming referendum. Reminder that purpose for group is to hear status and vet any issues sponsors may need to consider- advisory role. We are getting close to aggressive timelines.

2. Class Pass (Connor Landgraf)

1. Review of proposal- draft ballot language, who handles what (see handouts)

2. Update- Campus is still negotiating with AC Transit but final terms are close.

Working with P&T to finalize. Cost will remain the same, but plan is to remove technology portion of class pass fee- \$3.

A. Goal is to have contract and MOU before referendum and we seem to be on track to accomplish that.

B. Once election results are clear we can either sign or not.

C. Still negotiating with AC Transit on the following:

a. How AC Transit can change bus lines. If they want to make changes we are negotiating for process to confirm approval with student body.

b. Asking for digital signage, particularly near Lower Sproul- similar to one by Berkeley BART- to make easier for students to find route info near campus.

D. Draft ballot language needs to be only two sentences, work to be done to make that happen and capture essence. From the documents provided and with ASUC guidelines, we need to use this to translate into voter guide and referendum fees. (Bahar: Committee on Student Fees writes user guides. We write referendum language.)

a. Before Feb 1- we need to finalize language for UCOP and have voter guideline and two-sentence ballot language.

b. From this point, it leaves the committee and goes to Connor to work with Legal and Budget office.

Q: P&T has technology fund. Is the assumption that there is enough in that fund to continue to innovate over the course of this contract?

A: Yes. Interested parties decided that it is not necessary to continue to add to fund at this time.

Q: Has Cal 1 card been included in that conversation?

A: Connor does not have an answer to that question, but understanding is that Cal 1 card is moving forward already without the need of those funds. Bahar: worst case scenario is to use Clipper card, but working to include in Cal 1 card. P&T is still working with Cal 1 and AC Transit. These parties are still trying to get technology license to make it possible to use Cal 1 card as bus pass. If it is not electronic by fall, we will stay on sticker system for now.

Q: Summer session- if odd number we have been rounding down for summer sessions students.

P&T has been eating this. Is it worth considering using even dollars for fee language amounts?

A: If we haven't come up with a rule we need to. Administratively it can be handled, but maybe not standard practice. Issue will need to be resolved by Budget Office and Financial Aid.

3. Health and Wellness

- A. Background of Project- Started as Director of Rec Sports asking- how do we meet needs of students? Consultants ran surveys and focus groups. Findings indicated that serving only 50% of need in 2007. Benchmark nationwide is 10ft² per student of indoor rec space. We had 3.5ft² student. The overcrowding in RSF, long waits, etc... evolved into a need to establish a more powerful relationship with Health Services. There is the capital component of a Health and Wellness Center, but also a need to develop true partnership between UHS and Health Sports to expand and serve a broader population.
 - A. Both parties want to expand to address known conditions and to grow services.
 - B. Student survey indicates support for instructional kitchen, teaching nutrition, climbing facility.
 - C. ASUC recently passed a bill calling for gender-neutral spaces for changing, showering, etc...
 - D. Recently received grant from E&I for Fitness for all (particularly to serve those with disabilities.)
 - E. Need more space but also different space from what currently exists- to look at student health holistically- better services to address obesity and mental health epidemics.
- B. In addition to constructing a new building, some space has come up at Memorial Stadium for additional fitness. Question of how this impacts this referendum and associated process.
- C. Renamed proposed building to Health and Wellness Center
- D. New information
 - 1. A lot of language has been written around elements of proposal and what you would get if you supported that fee.

2. More details required on how to fund it. Seems that there is more work to do on this component rather than elements.

E. Current fee structure

1. RSF collects student fees from two referendums- 1981 and 2006. Both of those expire in 2016 and 2017. There is a current contribution of \$3 million for operating fees. Original fee is paying off construction bond. This will be paid off in 2016. 2006 fee was designed to expire close to same time to allow students to revisit fees at one time. New fee will replace funds that will be lost, ie- a substantial part of the current operating budget.
2. 2006 Campus Health Fee- initiated in response to significant budget cuts. Campus based health fee approx. \$3 million. Specifically designated to allow for Tang Center to be open later and weekends and counseling fees. This fee is not a part of the current set of fees that will expire.
3. Currently titled Health and Wellness, might be nice to have something that links more directly to RSF. Health, recreation and Wellness fee proposed alternative title
4. Bahar, Connor and Deanna have been putting work into this referendum- student led referendum.

Q: Question will be raised- we already have a health fee- why do we need another?

A: Bahar feels confident that we can address the differences in the fees.

Q: What does the flow of money look like on the backend?

A: Joint ownership of facility but org chart and operating structure has not yet been determined. Not one department, it is a joint effort. Administratively, campus based fees are distributed through general accounting on campus. All are in agreement that money should not flow through the ASUC and won't per established procedure. Oversight is always through fee committees.

Q: Do all programs paid for by fee require an RSF membership?

A: This decision has not been made. This is an opportunity to possibly do away with \$10 fee for RSF. UHS feels that if every student pays fee, everyone should have access to Health and Wellness Center. Bahar proposes that this conversation be taken off-line and that interested parties continue to work on this.

F. Financial background of this proposal

1. Connor and Bahar- Met with Mike, Claudia, Deanna—to discuss desired features of building, met with capital projects and resulting numbers were incredibly high. Revisited to discuss what could be scaled back and what would be the cost.
2. Student survey 60% willing to pay \$85 for number of additional services. Good number said they would pay between \$60 and \$75. Asked whether it is possible to get to \$85 or less so that students would pay for it? (\$85 on top of existing Rec Sports fee.) Reviewed elements that might need to be dropped. Went back to Capital projects and budget office to develop fee models.

3. All agreed that we would like to avoid what Lower Sproul has become- tie hands of students who had no say in it down the line.
4. Capital Projects representatives Kerry and Jean- With general direction of \$85 compiled an exercise (not even proposal yet) with parameters no more than \$85 above and beyond current fee, though findings suggest that perhaps over time a progressive structure may raise fee to \$120.
 - a. Progressive structure is factored in because students may not want to pay fees for facility that they can't use yet.
 - b. First three years would support satellite facility in Memorial Stadium. Portion of fee that supports new Wellness Center wouldn't come on line until facility is completed. Students then only pay for what they can use.
 - c. Only a little over half of \$85 fee goes towards debt on construction cost, other half goes to operations. Fee kicks up 2026 to \$111.
 - d. Structured debt so that first ten years only are interest only. Remaining 20 years would then pay off debt. This is why fees ramp up in year 11. Also assuming that operations cost are escalating at 2.5% per year.
 - e. By 2017-2018 increasing in 5-yr intervals. These are estimates.
 - f. Fee committee that lasts life of fee that looks at every year and can make adjustments. Slowly phasing out current fees and phasing in new fees.
 - g. Start with existing facilities- how do we continue to support? Given that, what amount of money would support the new facility- \$29 million for new facility.
 - h. Asked Capital projects to review previous numbers- they have come back with preliminary estimate that if built on Tang lot site, could get facility at cost of \$870/ft²- doesn't want to represent on behalf of capital projects, but this figure was used and that is where numbers come from. Not owning those numbers, but utilized for fee scenario.
 - i. Fee schedule assumes issues are worked out for timing.
 - j. Build out of Memorial Stadium is covered by this fee

Q: What is covered by the issuance of bond?

A: Bond issuance covers construction of new and destruction of existing building. Cost to relocate would need to be covered by campus. Once building is empty, everything after is covered by fee.

Q: Offer now is to use space at Memorial Stadium, but under what circumstances do we retain rights? A: Verbal agreement that Athletics will assign MOU that commits occupancy for minimum of 15 years with renewal options. Fee assumes that space continues in perpetuity.

Q: Is assumption that space at Memorial Stadium is donating space?

A: No \$2.25/ft² per month rental fee. Fee is discounted for the first three years. If this goes forward we would negotiate terms for how often and how much could increase. Terms need to be agreed before it goes to vote. It doesn't seem that it will be difficult to get agreement in writing. Any increase is not factored into fee right now and would impact financial model but not significantly.

Q: Is Parking at Tang going away?

A: Half of site is being developed for Athletics Aquatics Center. Other half is intended for this project. Parking and Transportation is looking at this larger issue.

Q: Does model need to be adjusted? Are students, in particular, comfortable with what has been presented?

A: Program list is rough estimate of what we could fit in 35,000ft². It doesn't include pool, large rec space. Does include high priority items. Design work would help to gain support. Campaign wouldn't start much before March 1. Sooner start talking about this the better. Rec Sports funded a site study. Some work has been done because of this. It is a starting point. Bahar is driving process with Alyosha Rubinsky, Student consultant architect for Lower Sproul and working with Rob Gale.

4. Remaining needs- Voter language, ballot language

- A. Do we need additional time to look at financials? Yes, students agree that we need a little more time to look at this.
- B. Question remains whether we should take this opportunity to take away \$10 fee to allow opening up facility to all students?
- C. Claudia and Mike will organize follow up to address financial issues. All needs to be done in next two weeks to keep on schedule.
- D. Issue to come back to Capital project on Feb 28.
- E. Two major issues are title of facility and eligibility. Separate work group to address financials.
- F. Committee on student fees that will write voter guide language.