



ASC EXECUTIVE COMMITTEE

Minutes – Regular Meeting
 ASC Offices, Conf Rm 102
 1121 N State College Blvd, Fullerton CA 92831-3014
 4:00 pm • January 30, 2020

Present: Amir Dabirian (by phone), Rosalina Davis, Bob Hall, Theresa Harvey, Danny Kim, Chuck Kissel, Sean Walker.

Staff: Kim Ball, Raul Castaneda, Ann Ehl, Hee Joon Kang, Tony Lynch, Alina Zuniga (guest).

- I. CALL TO ORDER
 Chair Bob Hall called the meeting to order at 4:00 pm. Quorum was present.
- II. APPROVAL OF MINUTES
 Ms. Harvey moved, Prof. Walker seconded and motion carried to approve the minutes of the November 21, 2019 ASC Executive Committee meeting.
- III. PUBLIC COMMENT
 There was no public comment.
- IV. EXECUTIVE DIRECTOR & FINANCIAL REPORTS
 Chuck Kissel reported that seven offers were received for 1 Banting. Other possibilities for this property include refinancing it as a taxable bond, with the earliest opportunity in September. Current tenants Westcliff will move out in June. Tim White is Chancellor thru June; announcement of replacement will be made in March.

Earlier this week, ASC made a presentation to both the Associated Students, Inc (ASI) and Titan Student Union (TSU) committees regarding Roscoe’s options. Option 1 would require ASI financial commitment; Option 2 would be a popup “Pub 57” sports bar concept; and Option 3 would be to start a new idea from scratch. Option 2 would seek involvement from ASI and Athletics for memorabilia, no capital requirement from ASI, and would make use of equipment already in place. VP Dabirian suggested that TVs in this scenario would make a big difference, showing CSUF games. Mr. Kissel said it was their hope to hear from ASI and TSU by March. Tony Lynch is working with ABC to determine if they can keep the license with the change of concept.

Campus Dining recently completed a required Togo’s refresh for under \$50K and extended its franchise lease; this 10-year refresh typically costs \$400-500K, saving ASC 90% of typical refresh costs. This refresh includes a new color scheme, illuminated sign and an oven to toast sandwiches. Also, we are working on the Library Starbucks refresh and awaiting parts to arrive. ASC expects this to be completed later this semester.

In other areas, ASC has resolved and closed all issues with the Elks. We received a second quote and provided Elks with a check for \$6323 to close all claims. ASC awarded its first scholarship (First in Family Humanist) as part of the old strategic plan. We presented a \$1000 check to student Natalie Medeiros, a former Titan Shops and Starbucks employee.

Kim Ball, Titan Shops director, reported that the first part of the semester saw an increase in customer transactions, online orders and course material units, for the period ending this Monday. Point of sales transactions were up 3.7% (even with C-stores closed during break), online orders were up 9.3%, and total course material units sold/rented up 2.4%. The direct access program provides students with two weeks free access to materials, so those sales should materialize next month. Price points continue to drop in course materials; even with increased transactions, this does not mean increased sales dollars. New/used prices dropped 11%, rental prices are down 9% and digital is flat at 0.2%. While course material sales are down \$600K over two years, general merchandise sales has offset it by \$330K. Mr. Kissel added that preliminary analysis shows that this year will be flat with last year. He also added that the initial decision for the digital-opt in was a mistake; and that staff is moving quickly to a digital opt-out. Additionally, increases in minimum wage have been problematic.

Tony Lynch, Dining Services director, said that while retail sales are flat over last year, Grubhub online sales are up 12%. Minimum wage has also been problematic for Dining Services, but bottom line numbers show that division is doing well against budget.

Mr. Kissel concluded his financial report stating that in the past, neither designated funds nor campus programs were budgeted and that budgets were over optimistic. Management will start the budget process soon and look at actuals while creating next year's budget.

V. ACTION ITEM: CAPITAL REQUEST, CARL'S JR MAINTENANCE REFRESH

VP Dabirian moved, VP Kim seconded to approve the capital expenditure of up to \$110K in FY 2019-20 to meet franchise lease extension requirements; motion was unanimous.

Mr. Kissel reported that Carl's (CKR) agreed to extend the franchise for another three years, with a two-year extension at \$110k (depreciating at \$22k/yr). Management believes that this is the best approach, which provides the next three years to do due diligence on a possible replacement. Ms. Harvey asked what would be the timing of this refresh and its impact? Mr. Kissel replied that this is a minor refresh with paint and new menu boards; we would refresh this fiscal year, doing the work after hours. Mr. Lynch added that the typical CKR refresh is a minimum of \$500K. The CKR menu board is the original from 1992. The furniture would remain the same. VP Dabirian noted that this is money well spent and will likely attract more people with a new look. Mr. Lynch added that CKR was the first to come out with plant-based burgers and the franchise is committed to healthier foods.

VI. DISCUSSION ITEMS

A. LH EXPRESS CONVERSION

Mr. Kissel reported that Brief Stop and LH Express operate across the hall from one another. With the goal to have a presence in every building and to save \$100K required

for the Brief Stop to remain in its location, the idea is to close the current LH Express (operated by Campus Dining) and move Brief Stop (operated by Titan Shops as a C-store) in the LH Express space. The only downside is that there will be no fresh sandwiches or coffee made to order; however, coffee is readily available at Carl's and Brief Stop offers prepackaged sandwiches. The goal is to reopen a convenience store in Gordon Hall. Prof. Walker asked what happens when Brief Stop closes and whether it makes sense to have two c-stores fairly close to each other. Mr. Kissel replied that yes, ideally, the goal is to have a c-store in each building and that all together this conversion and Gordon Hall could add up to \$200k to the bottom line.

B. POLICY #203: EQUAL EMPLOYMENT OPPORTUNITY & AFFIRMATIVE ACTION

Mr. Kissel said that while Management does not see a need for changes, he agreed with Prof. Walker to have employment counsel review for updates with new law changes.

C. POLICY # XXX: PERFORMANCE APPRAISAL (NEW)

After discussion, Management will review before making a determination if this should be a policy or procedure. No action was taken.

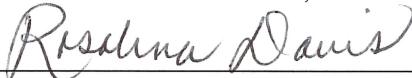
VII. ANNOUNCEMENTS

- Executive Committee meeting: Thu 02/27/20
- Board meeting: Thu 03/26/20
- Executive Committee meeting: Thu 04/30/20 (first draft of budget)

VIII. ADJOURNMENT

Mr. Hall adjourned the meeting at 5:20 p.m.

Approved by the Executive Committee, February 27, 2020.



Rosalina Davis, Secretary