

**HUMBOLDT STATE UNIVERSITY CENTER
BOARD OF DIRECTORS**

Special Meeting, Thursday, August 6, 2020

Zoom Meeting ID:

<https://humboldtstate.zoom.us/j/99754464704>

5:15 PM PST

AGENDA

Directors Present: Jourden Lamar, Jeremiah Finley, Lynne Sandstrom, Steve Martin, Mark Rizzardi, Armeda Reitzel, Eboni Turnbow

Directors Absent: *None*

Also Present: Todd Larsen, Chele Shaw, Sherie Gordon, Ruth Sturtevant, Roy Furshpan, Travis May, Dave Nakamura, Jan Henry, Yesi Vides, Stephen St. Onge, Mairead Sardina, Martin Flashman, Ken Fulgham, Marissa Miller, Mary McDowell, Bridget Hand, Casey Park, Wendy Sotomayor, Abby Quenzer, Ryan Burns, Deserie Donae, Jason Meriwether, Heidi Chan-Chien, Cyril Oberlander, Victoria, Will Firch, and Katie Burnham (recording secretary)

SUBJECT: Approval of the Agenda – **Action Item**

MOTION: It was moved (Reitzel) and seconded (Finley) to approve the Agenda.

ACTION: The motion was approved.

SUBJECT: Public Comment

Martin Flashman, former member of the UC Board of Directors and Faculty Emeritus of HSU, spoke about his former experience on the Board and how he is deeply concerned about the recent and drastic actions taken by the University President—whereby “removing the Executive Director and the replacement with someone, who appears to me, to have very little experience at that level that would be required to give direction to the Board and allow the Board to operate independently of the University in its change and its charter.”

Ken Fulgham, retired faculty member, HSU Alumni, former Student Body Treasurer when the University Center was created in the late 1960’s, and served on the UC Board for three terms, agreed with Flashman that “this is another outside hostile takeover” of University Center. Fulgham noted that the previous HSU President Rollin Richmond’s motives (in overtaking University Center) was to get as much of UC’s reserve monies to help offset the deficit of the University. Fulgham urged the Board to “exercise their responsibilities to the HSU student population by protecting the components of the UC that seem to be being dissociated to different areas of the campus.”

SUBJECT: New Business

SUBJECT: Dining and Operation Memo— **Informational Item**

Board Chair Lamar noted that he has been in meetings centered around the outsourcing of HSU Dining. Here, students questioned the sustainability of student services, the staff operating these services, and how outsourcing would benefit the students.

Vice President of Enrollment Management, Dr. Jason Meriwether, took the lead in discussing the changes associated with HSU Dining and UC operational reporting lines. Meriwether’s mission is to enhance the services provided to students at HSU. He noted that the changes are not a reflection to the individuals that work at University Center, but HSU thinks there are opportunities for cost savings. This would make more services available to students, and to “shift us into an environment where you see the UC making revenue.” Meriwether discussed his background and his experience bringing in outside companies to work with dining services.

Meriwether further stipulated the HSU President has given him the task of “working with the UC to realign services in such a way that improves student services.” He then presented critical areas that needed to be addressed to create a student first experience:

- Utilization of space—including the Bookstore move and change it to a “student-centered space”
 - Student government needs more/larger space
- Dining—less complex pricing structure and more options
 - Free meal at work for students
- Student engagement—put more resources into core programming and create additional revenue

Meriwether continued to describe that there were opportunities to align services in terms of technology (such as key cards) and student employment. Further, he stated that “there is no interest or attempt to take the money, to disenfranchise, disempower, or to take anything from the University Center. This is about enhancing a student-first, student-centric experience.”

Meriwether further described that there is a high demand from students to live in “the worst building on campus” because students do not need to have a meal plan when living there. “We believe we can create a situation where student demand for the meal plan goes all across the campus and that all students—who live on campus and commuters—can pick up a meal plan.”

Meriwether continued that it is “really important to make sure that—through the concept of dining—that we go through a clear, public, and robust process to select a new vendor to come in and work with dining through the University Center; the contract is not to be through the University.” The company Aladdin is working to come into a one-year management agreement where employees will continue to

be employed by the University Center, while the management will go through Aladdin to expand concepts and opportunities for our students.” Meriwether noted that this relationship would create “considerably more revenue for the University Center—not decrease revenue.” Further, picking a long-term vendor would be a student-led process, but inclusive of members of the UC leadership team—and with and through the UC Board.

The process of selecting a permanent University Center Executive Director and to “refine and enhance the services or the direction of the services of the Executive Director” will be with—and through—the UC Board, students, employees, and members of the University. Meriwether then went on to illustrate key topics from the July 13th Memo noting:

- Center Activities will report to Athletics
- HSU Dining, the Bookstore, and Marketplace will report to Todd Larsen from Housing
- HSU will work with the Interim Executive Director to identify a permanent E.D.

Ken Fulgham commented on his experience with outsourcing the Bookstore to Follett, which included multiple bids and open public hearings. He advised that the process of outsourcing HSU Dining should be conducted in a parallel process.

The HSU Dining RFP Draft Timeline (2020-2021) was discussed.

Ken Fulgham followed up, noting that the decision should be made by the UC Board and should be highly involved in the decision.

Board Member Steve Martin voiced his concerns in regards to “what’s been done and the decisions that have been made, but also the manner in which those decisions are made.” Martin referred to the legal opinion made by the UC attorney, noting that actions made by HSU “appear to be in violation of several provisions of the CSU contracts, procurement policy, and the California Education Code—including the outsourcing of campus dining services to a private for-profit corporation—despite the University Center being in the third year of a 10 year formal agreement to provide dining services on campus—an agreement that the President does not have the authority to unilaterally break.” Martin emphasized that those decisions made by the President were required to be done “in consultation with—and in some cases even approved by—the University Center Board of Directors. None of which happened.” Martin inquired why there was no consultation or collaboration with the UC Board before the President unilaterally made decisions about dining and the new lines of reporting.

Steve St. Onge responded that the HSU team had met with the UC attorney via Zoom the previous night and it is their expectation to “work within the bounds of the University Center to help—through dialogue and collaboration—to figure out the best way to move forward. No agreement has been signed.” St. Onge noted that the team is working with Aladdin in structuring a “consultation management agreement to help us get through this year.” Covid was noted as creating multiple

challenges in the upcoming year and Aladdin could help with this including: online ordering systems for isolated students.

Board Member Martin reiterated his concerns regarding how the UC Board had not been notified or consulted with regards to the changes.

Martin Flashman noted that decisions do not simply go *through* the UC Board as a process—decisions and actions come *from* the University Center Board, not from the administration of the University. The University Center Board has the authority to make choices, not the University administration. Flashman noted that the process was all *outside* the University Center Board and its authority was ignored.

Board Member Mark Rizzardi noted that it seems that many of these ideas were put across to the Director of University Center (formerly Dave Nakamura), “but were not carried out or executed to the satisfaction of the administration.” Rizzardi further asked: why not just replace the Director, rather than rewriting the entire structure of University Center, and then bring the other ideas to the Board? Rizzardi further noted that Aladdin employees are already on campus and, if that contract has not been signed, why are they advertising jobs at HSU on their national website?

St. Onge responded that the job ads will be taken down and they were “some sort of error” and are not recruiting jobs. The staff are UC staff and reporting under the Dining Director, Melanie Bettenhausen. St. Onge noted that Aladdin is on campus only as consultants.

Martin further questioned whether Aladdin is consulting “pro bono” at the moment. St. Onge replied that they have not been paid and are working towards an agreement to bring to the Board. The UC Attorney is reviewing the currently proposed agreement.

Meriwether noted that Aladdin would have to go through the process of bidding on a long-term RFP. He continued that the attorney’s legal opinion misquoted him on several occasions and stated “the questions are wrong” and “flawed” and further discussed the current circumstances with regard to dining services and Aladdin. In regards to question two, Meriwether noted that he wanted to reach out to students to let them know—no matter what may happen with dining—that they won’t lose their jobs. He then shared the UC’s attorney’s opinion, which at the time of the Board Meeting, was still private and not public and further discussed the attorney’s opinions. He stated that the most important aspect was to keep the staff and the student staff jobs protected.

Interim VP Sherie Gordon expressed that the University is committed to strengthening the partnership between HSU and UC by working together and enhance student experience. Of note, she commented that conversations of change have occurred since both she and the President have come on campus a year ago, and more recently conversations revolving student space and dining services were brought up in May.

Board Member Martin remarked that the goal of HSU Dining has always been to feed students and that the reason there is no executed contract with Aladdin is because HSU Contracts Office will not approve and sign—as they know it’s being done improperly. Martin further asked what Aladdin’s role on campus is, as they don’t have the authority to do anything on campus without an executed contract. Additionally, a year of “inside information” to “one hand-picked food vendor” was an unfair competitive advantage to any other company that would want to compete for an RFP dining contract next year. Additionally, Martin pointed out that in the last month, since UC had been directed under Meriwether’s oversight, the UC Board of Directors had not been contacted or consulted with in regards to the “major substantive significant decisions and actions.”

Martin Flashman inquired whether Meriwether understood that “the Board has the authority to approve policy from the University Center?”

Meriwether replied that yes, he understands and he intends to work with the University Center Board of Directors. He reiterated that it will be a fair and competitive bid process for dining and he will work with the Board. Also reiterated was “the purpose to all this is for an enhanced and improved set of student services, to improve the experience for students offered by the University Center, to eliminate unnecessary chargebacks, to create revenue that isn’t totally based on a cost structure that is not beneficial to students, and to create an opportunity where dollars are invested in student services and programs.” He further illustrated that there is a “right-sizing that will have to take place” to make University Center a strong Auxiliary by changing operation and practices—simultaneously protecting student employees and professional staff during the transition.

Board Member Martin replied that the Board attorney’s opinion distinctly points out that “multiple provisions of the policies and codes were violated.” Martin further stated his questions as to why the full Board of Directors was not originally notified and consulted with on the afore mentioned decisions had yet to be answered. Also reiterated, UC is in the middle of a ten-year operating agreement that cannot be unilaterally changed by anyone.

Meriwether reiterated his stance that the President has the authority for oversight and organizational authority over University Center.

Board Member Rizzardi commented that both the University and UC have the mission to be student centered—the question is the procedures centered around becoming more student centered. Further, Rizzardi clarified about the Aladdin contract stating that the “consultants just advise you on what you might want to do; what’s their authority right now?” And third, Rizzardi commented that he wished that these subjects had been brought to the full Board for consultation and much sooner.

Dr. Meriwether responded that Aladdin is working to execute a management operation agreement and are currently working pro bono and exploratory in hopes of acquiring that agreement. Further, he explained that he did not know why the

Board had not been notified sooner, but when he assumed the oversight role he reached out to the University Center Board Chair.

More discussion between the board and HSU Administration continued. The Board requested that they be informed and involved in further decision making with University Center.

Board Member Armeda Reitzel commented that this had been a very interesting meeting and case study and she hopes to continue working as part of the Board and that she's very proud of the Board and there is a sense of being student centered.

More discussion ensued.

SUBJECT: Board of Directors Update

Chair Lamar noted that Todd Larsen is the acting Executive Director.

Board Member Jeremiah Finley added that the Board should meet more than once a month during the academic year.

Todd Larsen spoke to the Board.

Casey Park addressed the Board.

SUBJECT: General Board Comments

none

SUBJECT: Announcements

SUBJECT: Board Vacancies

There are two Student-at-Large 1-year positions available and Jourden will be working to create a flyer to advertise.

The meeting was adjourned at 7:15 PM.

Minutes Submitted By:



9/12/2020

Katie Burnham, Administrative Assistant Date

Minutes Approved By:



9/11/2020

Jourden Lamar, Board Chair Date