

**SONOMA STATE ENTERPRISES, INC.**

**Minutes**

**Friday, December 15, 2006**

**MEMBERS PRESENT:** Dr. Ruben Armiñana, Mr. Yale Abrams,  
Dr. William Barnier, Dr. Carlos Benito,  
Ms. Letitia Coate, Ms. Whitney Diver,  
Mr. Neil Markley, Dr. Eduardo Ochoa,  
Joan R. Palmer, Mr. Floyd Ross,  
Mr. Tim Tiemens, Mr. Nadir Vissanjy

**MEMBERS ABSENT:** Ms. Sherri Anderson, Ms. Whiney McClure

**OTHERS PRESENT:** Mr. Laurence Furukawa-Schlereth,  
Ms. Lisa Andresen, Ms. Jenifer Crist,  
Mr. Ryan Ernst, Mr. Walt Leonard,  
Mr. Richard Ludmerer, Mr. Dan O'Brien,  
Mr. Talmadge Savage, Ms. Jessica Way

**06.11 Call to Order**

The meeting was brought to order at 9:35 a.m.

**06.12 Approval of the September 22, 2006 Minutes**

Minutes approved unanimously.

**06.13 Appointment of New Board Members**

Dr. Armiñana announced the new student Board representatives, Ms. Whitney Diver who was in attendance and Ms. Whitney McClure who was absent from today's meeting.

**06.14 President's Remarks**

Dr. Armiñana announced the end of another successful semester. He indicated that the teachers and students are finishing up finals this week.

Dr. Armiñana discussed the current state funding proposal in relation to the campus. He indicated that there could be possible fee increases across the CSU system.

Dr. Armiñana talked about the relationships between student enrollment and SSE. He specified that SSE is dependent on enrollment and business fluctuates accordingly.

Dr. Armiñana reflected on the growth in Freshmen applications received for the upcoming academic year. Trends reveal SSU's reliance on the growth of this population of students.

**06.15 Report from SSU Vice President for Administration and Finance**

Mr. Schlereth reported on two items:

- ***Dining Services*** – He acknowledged Dining Service’s wonderful contributions and professionalism especially during this busy time of year. He noted that Dining Services really gets showcased at this time through the various campus holiday parties, special events for donors and other events that they cater at this time. He thanked them for their high quality services and continued great work.
- ***Sewer Concerns*** – Mr. Schlereth noted that negotiations are currently taking place to address the additional sewage capacity that is required for the University given its anticipated growth plan. He indicated that this is of interest to the SSE Board for three separate reasons: Green Music Center (GMC), new Student Housing project, and Faculty Staff Housing (FSH). SSE is an active partner in each of these projects and is reliant on student enrollment to be successful.

Both Dr. Armiñana and Mr. Schlereth are hopeful that these discussions will have a satisfactory outcome in the near future.

#### **06.16 Chief Operating Officer’s Report**

Mr. Markley presented a PowerPoint presentation highlighting specific areas:

- ***Budget*** – Everything is going well in all areas. All operations appear to be on target. He thanked each area for their continued hard work in making sure that all operations are running smoothly especially during this busy time of year.
- ***Freshmen class expected to rise*** – Currently at maximum capacity in Zinfandel Dining Hall. A plan is being devised to address this issue. Mr. Markley may bring this plan to the Board as an informational item in March or May meetings.
- ***Charlie Brown’s*** – Charlie Brown’s broke its daily sales record earlier this week. On one hand this is a very good thing, demonstrating its popularity with the campus. However, this venue was not designed to do this amount of work and, therefore, Mr. Markley, working with Dining Services, is looking for more space.
- ***Bookstore*** – Sales are on pace for last year. Textbook orders are coming in. There will be a semi-annual review of textbook prices according to the contract. He noted the review completed last year. In addition, B&N has completed a number of mystery shops in which they have done very well. All reports demonstrated positive customer service results. Mr. Markley informed the Board that his organization conducted a mystery shop as well where B&N did very well also.

Dr. Armiñana discussed the new Accessible Technology Initiative (ATI): legislation that will require schools to have all instructional materials available to students with disabilities on the first day of classes. A committee has been established to address this issue for the campus and is currently working on the matter.

Mr. Markley informed the Board that he is working with B&N on this issue specifically in regards to textbooks. It will likely have a significant impact on the textbook ordering deadlines for faculty.

The law will go into effect in January 2007 and will be implemented in a multi-year plan. The CSU target is to be fully implemented after three years.

- ***New Phase of Student Housing (Tuscany)*** – A new phase of student housing will include 115 townhouse style units and provide 600 additional beds to the residential community. The project was approved by the Housing Review Committee in November. An RFP is currently out for bid and it is anticipated that costs for the project will come in February. The costs for this project will need to be reviewed when the proposals are received, however, student housing is extremely important for future growth of the campus.
- ***University Center*** – Hornberger and Worstell are the architects who were selected for this project. SSE is working in collaboration with the Associated Students and Student Union to design this student center. The project is currently in the programming phase.

It is anticipated that all SSE venues will be consolidated into this building with the exception of Charlie Brown's and Toast. This will be very beneficial as it will act as a central location for students, however, it first needs to be determined if there is enough square footage in the building to accommodate all the venues.

A major portion of this project is being funded by SSE as discussed in previous meetings. Mr. Markley plans to bring the plan forward to the Board for review once it is finalized.

- ***Green Music Center*** – Construction is underway for this project. SSE is working to refine the dining and conferences venues in the facility. Architects have been selected to assist in these areas. Once this is finalized, Mr. Markley plans to bring this plan forward for the Board to review.

SSE is spending money to design, develop and equip their areas in this facility. This year's budget allowed for approximately \$700,00-\$800,000 for the GMC. However, SSE will likely need an additional \$1.3 million to finish and equip the facility.

- ***Salary Increases*** – Mr. Markley noted the minimum wage increase that will be effective January 2007. Currently, SSE is analyzing and adjusting salaries to accommodate the minimum wage increase for this year. These increases were factored into the SSE budget for this year. It is anticipated that salaries will be raised again next year when the minimum wage is increased again.
- ***Seawolf Card*** – Employee ID roll out took place this Fall. A promotion took place in November to encourage employees and students to put money on their cards. During this month, 500 employees received cards and \$7,000 in Wolfbucks was added to the cards. It is anticipated that the card will be implemented in the Bookstore and Vending in the late Spring

which should further encourage the use of the card. In addition, the first phase of Housing locks will follow in the Summer.

- *CSU Auxiliary Audit* – As mentioned in the last meeting, SSE participated in the CSU Auxiliary Audit last fall. The Audit was completed in November. Final findings have not been received, but once they are, Mr. Markley plans to bring them forward to the Board.

**06.17 Chief Financial Officer's Report**

Ms. Coate provided the Board with Unaudited Financial Reports for the first four months of the fiscal year. She noted that the Finance Committee met earlier in the week to review these items in detail. Ms. Coate reported that SSE is on target with the budget.

**06.18 Other Non-Action Items**

None

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Letitia Coate  
Secretary/Chief Financial Officer

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Anna Reynolds-Smith  
Recording Secretary