

MINUTES

FORTY-NINER SHOPS, INC.

BOARD OF DIRECTORS MEETING

Friday, December 10, 2021 – Zoom Conference Meeting

(Exception Made Due to Covid-19 Issues & Campus Safety Precautions)

Members Present:

Mr. Scott Apel

Dr. Wendy Reiboldt

Dr. Beth Lesen

Dr. Praveen Soni

Mr. Jesus Gonzalez

Ms. Genesis Jara

Mr. John Barcelona

Absent:

Mr. Jeremy Harris Ms. Lindsay Apaza

Staff Present:

Mr. Robert de Wit, Interim General Manager/Controller

Ms. Marianne Russo, Executive Secretary

Ms. Rosa Hernandez-Henderson, Director of Human Resources & Communications

Mr. Clint Campbell, Director of Contracts & Facilities Management

Ms. Cyndi Farrington, Director of Bookstore Services

Mr. Alfredo Macias, Director of Residential Dining Services

Guest(s):

Mr. Milton Ordonez, Associate Vice-President, Financial Management

Mr. Miles Nevin, Executive Director of Associated Students, Inc.

A. Call to Order:

The meeting was called to order at 10:32 a.m. by Mr. Scott Apel, Chair.

B. Approval of the Agenda: December 10, 2021

Motion to accept the Agenda as presented.

M/S Dr. Soni / Mr. Barcelona

By acclamation the Agenda for the meeting of December 10, 2021, was approved as presented.

C. Approval of Minutes: October 22, 2021

Motion to accept the Minutes as presented

M/S Dr. Soni / Dr. Lesen

By acclamation the minutes of October 22, 2021 were approved as presented.

D. Board Chair's Report:

- Campus Updates:

- Mr. Apel introduced Mr. Milton Ordonez to the Board as the new Associate Vice-President of Financial Management.

- When it comes to Covid updates, Mr. Apel discussed that the campus was reviewing reports about the new Omicron variants, however, they were just continuing with current safety and health guidelines for the time being.

- Additionally, he reported that the vaccination rates for CSULB students is incredibly high and passed on his appreciation to Dr. Lesen and her staff for all of the hard work in keeping the campus and students safe over these past months which would be especially important with more student traffic expected this spring.
- Spring Board Retreat:
 - At the October Board meeting, there had been a discussion about pushing this event to January since Terranea had been able to provide specific weekdays that were available.
 - However, Ms. Russo did receive some feedback from Board members that this would not be a good timeframe for them being in the middle of the Winter Break timeframe.
 - We reached out to Terranea again and they did agree to extend the credit on file to the dates of Friday and Saturday, March 25 & 26th, which was a timeframe before Spring Break that had been traditionally used for this event in the past.
 - After conferring with ASI staff, the newly elected Executives should be available and could potentially have their Board Orientation as part of this Retreat.
 - Mr. de Wit asked the Board to reach out to Ms. Russo if they would be able to attend in March so she could provide a head count to Terranea for confirmation moving forward.

E. Risk Management Review:

- Risk Management Review:
 - As part of CSU Audit requirements, the Shops needs to annually provide a risk management overview to the Board and this is now scheduled to be done during our December meeting.
 - Ms. Hernandez and Mr. de Wit will be reviewing our current risk management efforts along with our general insurance information and financials.
 - Due to our unique work environment that includes retail and dining services, cash handling, alcohol licenses, warehouse conditions along with various satellite operations, risk management has become a critical part of our organization.
 - Since the onset of the Covid-19 pandemic beginning in March 2020, the 49er Shops have implemented the following mitigations efforts:
 - Developed a COVID Response Plan that aligns with the City of LB Social Distancing Protocol.
 - Created departmental Sanitation and Disinfecting Plans with the help of our Shops managers for their specific locations.
 - Contracted with INX for increased cleaning and daily electrostatic spraying.
 - COVID Mitigation Training was introduced on a companywide basis for not only supervisors and managers but also hourly employees.
 - ❖ Our Human Resources Staff have received Covid-19 Safety Manager Certifications.
 - Increased Employee Communication on all updated safety and health mitigation efforts through an expanded Risk Management website and internal Shops At-A-Glance emailed newsletters.
 - Ms. Hernandez explained that formerly the Shops had a Safety Committee whose main focus was on safety and reviewing employee accidents.

- In 2019, we changed our approach based on a recommendation given from a CSU Audit and put together a Risk Management Committee working group.
 - ❖ Our committee members actively help to mitigate risk by ensuring that we are conducting the necessary company-wide safety training, in compliance with regulatory requirements and committee members act as liaisons back to their respective divisions and departments in support of these system-wide efforts.
- Highlights from this committee over the past few years include:
 - a. Updated our process to analyze work injuries and review accident investigations
 - b. Introduced departmental location audits with a corresponding corrective action process
 - c. Organized Cart Vehicle Inspections with key lock boxes
 - d. Revised our Emergency Evacuation Maps
 - e. Implemented a new First Aid Program that included on-campus training for management staff
 - f. Revised the Injury Illness Prevention Program
 - g. Strategically working on a companywide training matrix
- When it comes to our risk management efforts, the Shops strives to maximize resources available through the campus as well as in our Long Beach community with partners such as our CSURMA/AORMA insurance, Fire Marshall, California Alcohol Beverage Control, LA County Weights & Measures, LB Health Department and the CSULB Environmental Health & Safety department.
- Mr. de Wit reviewed the Shops current insurance coverage through CSURMA & AORMA which covers liability, property, workers compensation, unemployment insurance and participant accident insurance.
 - This includes the full year 2021-2022 coverage premium and rates for each different type that the 49er Shops carry.

Motion that the Board has reviewed and approved the current 49er Shops Risk Management program

M/S Dr. Soni / Dr. Lesen

By acclamation the board approved the Risk Management program as presented

F. General Manager's Report

- Mr. de Wit discussed that he recently had submitted documentation for forgiveness of the second SBA Paycheck Protection Program loan for \$2 million that was received by the Shops this past March.
 - Our first PPP loan had been completely forgiven.
- Ms, Hernandez and our Human Resources staff have been working with campus to align with the Vaccination Attestation Survey and process.
- California's minimum wage is increasing to \$15.00 per hour effective January 1st, 2022, which has an estimated impact of \$250,000 to the Shops' annual labor expense.
- Mr. de Wit recently contracted with Web Foodservice Design to assess our current pricing structure and offerings for Residential Dining Services given that our contract with Housing is

set to expire in May 2022. A couple of takeaways from the findings were that:

- CSULB ranked 8th lowest combined housing/meal (out of 21).
- CSULB ranked 5th lowest out of 21 highest meal plans.
- A CalPERS actuarial report had been received in October which reflected the minimal Unfunded Accrued Liability change which remained at \$5.4 million.
 - The Board had approved a planned paydown of this liability that had been put on hold due to cash flow concerns with the decreased business from the pandemic.
 - In January, Mr. de Wit would like to proceed with paying the \$500,000 catch-up payment from last year and resume the approved paydown schedule to reduce this liability moving forward.

G. New Business

- Dr. Soni mentioned that the Textbook Accessibility Policy draft was currently being reviewed by the Academic Senate and Mr. Apel would send that document over to Mr. de Wit and Ms. Farrington for their review.

H. Adjournment

There being no further business, the meeting was adjourned at 11:40 AM