



Coast Community College District Enterprise, Inc.

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## **BOARD OF DIRECTORS REGULAR MEETING**

**January 23, 2020**

Board Office Conference Room  
1370 Adams Ave., Costa Mesa, CA 92626

### **MINUTES**

#### **1. Call to Order**

The meeting was called to order at 12:00 p.m.

#### **2. Roll Call**

##### **Present:**

Richard Armendariz, Regina Blankenhorn, David Cline, Rickard Kapko, Spencer Finkbeiner, Laura Reichelt, and Dr. John Weispfenning

##### **Absent:**

None

##### **In Attendance:**

Trustee Lorraine Prinsky, Dr. Rich Pagel, Rachel Kubik, Paul Wisner, Rachel Snell, Jane Burton, Julia Clevenger and Dr. Jack Lipton.

#### **3. Opportunity for Public Comment**

There were no requests to address the Enterprise Board.

#### **4. Approval of Minutes from Regular Meeting of November 14, 2019**

On a motion by Dr. Weispfenning, seconded by Student Trustee Finkbeiner, the Board of Directors voted to approve the minutes of the Regular Meeting of November 14, 2019.

Motion carried with the following vote:

Ayes:	Mr. Armendariz, Mr. Cline, Dr. Weispfenning and Mr. Finkbeiner
Nos:	None
Abstain:	Ms. Blankenhorn, Mr. Kapko and Ms. Reichelt
Absent:	None

## **5. Swap Meet Operations/Construction Update**

Dr. Pagel provided reports for both Orange Coast College and Golden West College, as Ms. Houlihan was serving on jury duty.

### **a) Orange Coast College**

- Dr. Pagel noted that he was currently flexing his time to oversee swap-meet operations as Julie Clevenger had accepted a position as Director of Chancellor Operations and Governmental Affairs. Due to a hiring freeze there were currently no plans to fill her position.
- Winter season had been very successful, despite challenges with construction some of which necessitated M & O to make asphalt repairs. Operations were running smoothly under the direction of manager, Ruben Barriga.
- 430 parking spaces would be opening up in a new lot provided to the campus out of proceeds of the student housing.
- Student housing move-in date scheduled for August 21, 2020. There was a request for the swap meet to close down on August 22 while families move in, with it opening back up on Sunday, the 23<sup>rd</sup>. As of this date, there were 210 leases out of 800 beds.
- The new Kinesiology Aquatic Center was due to open in April.
- The Board of Trustees approved an additional 2.7 megawatts of solar power, which should be installed by next August. Installation may mean some vendors will need to be moved temporarily, and this could impact sales. A vendor meeting was scheduled for February 2020 to update vendors.
- Consideration of increasing vendor prices by \$5 per stall could take place after construction slows down, possibly late summer 2020. This would be reviewed in April.

### **b) Golden West College**

- Operations continued to run smoothly with minimal disruption from the Language Arts construction. The grounds team was working with the swap meet crew to dispose of some electronic waste that had been left behind.

## **6. 2019-2020 Budget and Financial Reports, and Report and Ratification of Staff Board Deliverables per Master Agreement Requirements Sections 8, 10, 11, 13, 20, and 28**

### **a) Operational Expenses**

Dr. Pagel noted that Coast had recently changed banks from Union Bank to East West Bank district-wide, and also had a new accounting service, Crowe LTD. Crowe would be preparing tax returns for the Enterprise.

President Pagel provided an overview of the financial statements, prepared by Mr. Dana Swart, for the first quarter ended September 30, 2019. He noted a combined cash balance of \$1,866,138 with total assets of \$2,086,381 and total liabilities of \$1,421,367.

Total revenue was \$1,556,114. Master Agreement expenses were expenses paid to the District for management oversight, parking space rent, trademark license, salaries, benefits and facility rental for a total of \$1,401,373. Other expenses paid directly to vendors were \$142,199, for total expenses of \$1,543,572. Net revenue was \$12,542. Purchase Orders and Checks were reviewed.

On a motion by Mr. Kapko, seconded Mr. Cline, the Board of Directors voted to ratify purchase orders and checks and to accept the financials as presented.

Motion carried with the following vote:

Ayes:	Mr. Armendariz, Ms. Blankenhorn, Mr. Cline, Mr. Kapko, Ms. Reichelt, Mr. Finkbeiner, and Dr. Weispfenning
Nos:	None
Abstain:	None
Absent:	None

#### **b) 2020/21 Budget and Vendor Fee Increase**

Dr. Pagel noted that the District had gone through a process to move hourly employees to regular employees, and there were two employee categories moving to regular employees (custodians and public safety), both of which would be 19 ½ hour employees that would need to be recruited. Additionally, the new parking system could provide the ability to charge for parking. This could be another revenue stream for the campus. Charging Orange County Fair patrons was also being considered to generate additional revenues for the campus.

This item would be brought back to the April meeting, with a draft of the 2020-21 budget, showing the proposed vendor fee increase and increase in personnel expenses.

#### **7. Review, Discussion and Possible Action regarding Job Descriptions and Compensation for Officers of the Enterprise, Inc.**

Ms. Blankenhorn, Mr. Cline, and Mr. Kapko met as a subcommittee to discuss this issue. Ms. Blankenhorn reported they had been presented with a proposal from President Pagel that the seven Directors and the Board of Trustees member would each receive \$250 per meeting. The possibility of compensating the Officers was also under consideration.

The subcommittee reviewed the option of compensating the officers with one share of the compensation for the President (\$15,500), .85 for Vice President (\$13,200), .75 for CFO and .75 for Secretary (\$11,600 each) – total \$52,000.

Ms. Blankenhorn indicated the sub-committee felt this original proposal seemed equitable and had discussed various options such as the President and Vice President having the same compensation, and the Chair of the Enterprise being compensated slightly more than the other Directors.

Trustee Prinsky felt that compensation for the Trustee serving in a liaison capacity was not necessary and noted if she was given this money she would donate it to the District Foundation. Additionally, Chancellor Weispfenning felt it would be inappropriate for him to take any compensation as this is part of his duties as assigned.

Dr. Lipton noted that compensation for the Directors was not agendized and Ms. Blankenhorn agreed that discussion would be held off until the April meeting when it would be included on the agenda. Additionally, Dr. Lipton noted that the bylaws of the corporation provide no compensation for directors so a change would mean amending the bylaws.

After much discussion and deliberation, on a motion by Ms. Blankenhorn, seconded by Mr. Kapko, the Board voted to give the President, Vice President, CFO, and Secretary a stipend in the amount of \$15,000 each for the President and Vice President and \$12,000 each for the CFO and Secretary. This would be retroactive to July 1, 2019. Stipends would be determined each fiscal year by the directors at that time. President Pagel would work with Dr. Lipton, District Payroll, and Dr. Baeza to bring back to the next meeting the logistics of how those payments would be made, and this would be agendized for further discussion.

Motion carried with the following vote:

Ayes:	Mr. Armendariz, Ms. Blankenhorn, Mr. Cline, Mr. Kapko, and Ms. Reichelt
Nos:	None
Abstain:	Mr. Finkbeiner and Dr. Weispfenning
Absent:	None

#### **8. Review, Discussion and Possible Action regarding Potential Participation in the Huntington Beach 4<sup>th</sup> of July Parade**

Discussion took place regarding whether the Enterprise Corporation should consider participating in the Huntington Beach 4<sup>th</sup> of July parade and whether its focus should be the Enterprise (swap meets) or the colleges. It was determined that the cost for a float would probably be in the range of \$5,000 to \$7,500. It was also noted that Golden West College already participates in the parade. Student Trustee Finkbeiner shared his perspective as student that it could be a good marketing tool.

It was agreed that Mr. Armendariz would discuss this further with Ms. Reichart and Dr. Pagel, and this item would be returned to the April agenda for further consideration.

#### **9. Review, Discussion and Possible Action Regarding Bylaws, Master Agreement and Articles of Incorporation**

President Pagel noted that there may be a change to the bylaws depending on the April meeting. The Master Agreement remains in effect until June 2021 and the bylaws do not have an expiration date. This item would be brought back on the April 2020 agenda.

## 10. Future Agenda Items

Draft of 2020-2021 Budget  
Vendor Fees  
Board of Directors' Compensation  
Participation in the Huntington Beach 4<sup>th</sup> of July Parade/Float  
Bylaws/Master Agreement

## 11. Future Meeting Dates

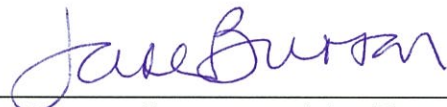
April 23, 2020 at 12 Noon.

## 12. Adjournment

On a motion by Mr. Kapko, seconded by Ms. Blankenhorn, the Board of Directors voted to adjourn the meeting at 1:13 p.m.

Motion carried with the following vote:

Ayes:	Mr. Cline, Ms. Reichelt, Mr. Kapko, Ms. Blankenhorn, Mr. Armendariz, Mr. Finkbeiner, and Dr. Weispfenning
Nos:	None
Abstain:	None
Absent:	None



Jane Burton, Secretary of the Enterprise