



Coast Community College District Enterprise, Inc.

BOARD OF DIRECTORS REGULAR MEETING

July 15, 2021 (Zoom Meeting)

MINUTES

1. Call to Order and Roll Call

The meeting was called to order at 12:04 p.m.

Present:

Richard Armendariz, Regina Blankenhorn, David Cline, Chancellor Weispfenning and Student Trustee Roy Sahachaisere

Absent:

Richard Kapko, Arlis Reynolds

In Attendance:

Trustee Mary Hornbuckle, Janet Houlihan, Jane Burton, Julia Clevenger, Dr. Jack Lipton, Ruben Barriga, Rachel Snell, Rachel Kubik, Paul Wisner, Erik Fallis, Julie Hallsted, Miguel Beltran, and Craig Morris

2. Opportunity for Public Comment

There were no requests to address the Enterprise Board.

3. Approval of Minutes from Regular Meeting of April 29, 2021

On a motion by Mr. Armendariz, seconded by Mr. Cline, the Board of Directors voted to approve the minutes of the April 29, 2021 meeting.

Motion carried with the following vote:

Ayes:	Mr. Armendariz, Ms. Blankenhorn, Mr. Cline, Dr. Weispfenning and Student Trustee Sahachaisere
Nos:	None
Abstain:	None
Absent:	Mr. Kapko, Ms. Reynolds

4. Swap Meet Operations Report and COVID 19 Update

Ms. Janet Houlihan and Mr. Ruben Barriga provided the updates.

- a. **Operations and Re-opening Update** – The reopening of the swap meets on July 3, 2021 had been very successful. The OCC vendors attended close to 50% capacity for the reopening Saturday, and 60% for the reopening Sunday. GWC vendors attended at approximately 75% capacity for the first weekend, and it was anticipated that 88% capacity would be obtained by July 18, 2021. The feedback had been very positive.

Ms. Blankenhorn questioned if there was a possibility of holding boutiques or additional vendor sales events during the holiday season to help vendors make up lost revenue during the pandemic closures. Ms. Houlihan noted that some vendors sell at other locations Monday-Friday but that a boutique could be a possibility. She indicated she would discuss this with Dr. Pagel and his team, and also with the vendors to gauge their interest. Marketing strategies would also be reviewed.

i. **Current Orange County Health Mandates/Recommendations including report of conversations with Dr. Chau** – No additional mandates or recommendations were reported. It was noted that 90% of vendors and attendees attending reopening days at the swap meets wore masks of their own accord.

- b. **Construction Update** – The construction contractors had completed the parking lot improvements for GWC prior to the deadline and reopening date for the swap meet. The Language Arts building project was scheduled for completion in 2023. Although construction vehicles would continue to enter and exit through the swap meet areas, they were instructed to clear the areas before the weekends. Any and all remaining fencing issues would be resolved by the end of August 2021.

OCC reported there was minimal impact of fencing around the Adams parking lot, and by the end of August it should be resolved.

Dr. Weispfenning thanked the team for their hard work, dedication and tremendous effort managing the swap meet closures and the successful reopening.

5. Financial Reports, and Report and Ratification of Staff Board Deliverables per Master Agreement Requirements, Sections 8, 10, 11, 13, 20 and 28

Mr. Paul Wisner provided the Board with a financial update which included the following reports:

- Financials Quarterly Report
- Deliverables per Master Agreement/COVID-19
- Cash flow update

Mr. Wisner began the presentation with a review of the Statement of Net Assets for Quarter Ending March 31, 2021. He noted that there was a little under \$700,000 cash available with just over \$900,000 in total assets. Total Liabilities had not changed very much, with just over \$800,000 in liabilities, with total liabilities and equity at just over

\$900,000. The Statement of Revenues and Expenses missed the revenue targets due to the swap meet closures.

Management Agreement Expenses of \$84,000, mainly salaries and benefits, with other direct expenses of \$42,650 and a total net loss of \$126,652.

Trademark licenses of \$25,000 would probably be removed due to the agreement made, to be paid next year, so an adjustment would be seen on the next quarter's statement. Total Enterprise expenses were at just over \$126,000.

There had been no purchase orders between January and March, the bulk of the checks was refunds.

Improvement for future months due to expected income from the reopening of the swap meets was indicated.

On a motion by Mr. Cline, seconded by Mr. Armendariz, the Board of Directors voted to approve the deliverables.

Motion carried with the following vote:

Ayes:	Mr. Armendariz, Ms. Blankenhorn, Mr. Cline, Dr. Weispfenning and Student Trustee Sahachaisere
Nos:	None
Abstain:	None
Absent:	Mr. Kapko, Ms. Reynolds

Ms. Houlihan advised the Board that more information would be brought to the next meeting regarding the new reference to the CA Code Regulations in Section 22 of the Master Agreement wherein Enterprise must disclose the value of services performed by District employees under the direction of the Enterprise.

On a motion by Ms. Blankenhorn, seconded by Mr. Cline, the Board of Directors voted to ratify the purchase orders and checks.

Motion carried with the following vote:

Ayes:	Mr. Armendariz, Ms. Blankenhorn, Mr. Cline, Dr. Weispfenning and Student Trustee Sahachaisere
Nos:	None
Abstain:	None
Absent:	Mr. Kapko, Ms. Reynolds

6. Review, Discussion and Possible Action Regarding Annual Insurance Policies

Mr. Craig Morris from Marsh Risk and Insurance Services joined the meeting to discuss and review the annual insurance policy. The previous expiring policy 2020-2021 was extended for a short interim period through July 2021 while policy comparisons were

shopped. The new policy coverage for 2021-2022 would remain with Burlington Insurance Company.

The rate per vendor day remained the same with a reduction of vendor days from 102 to 94. The deductible remained the same. The primary coverage would be \$1 million. The excess insurance policy renewal insurance for 2021-2022 remained with Scottsdale Insurance Co. with a total insurance coverage including the excess coverage policy of \$6 million. Terms and conditions remained the same.

The Directors and Officers coverage was structured with AIG as the primary for \$1 million and Chubb provided the excess for a total of \$2 million. The Chubb final proposal was pending.

There was an increase in the premium for Directors and Officers Liability Insurance with AIG from \$7,000.00 to \$9,175.00. The insurance marketplace had continued to be a challenge for the insurance providers due to Covid-19.

July 31, 2021 was the expiration date for the 2020-2021 policies.

On a motion by Mr. Cline, seconded by Mr. Armendariz, the Board voted to ratify the extension of the 2020-2021 insurance policies to August 1, 2021.

Motion carried with the following vote:

Ayes:	Mr. Armendariz, Ms. Blankenhorn, Mr. Cline, Dr. Weispfenning and Student Trustee Roy Sahachaisere
Nos:	None
Abstain:	None
Absent:	Mr. Kapko, Ms. Reynolds

On a motion by Mr. Cline, seconded by Mr. Armendariz, the Board voted to receive and accept the general liability annual insurance policy renewals for 2021-2022, and the D & O coverage with Chubb, not to exceed a 31% increase on the pending proposal. If the proposal from Chubb exceeded the 31% cap, a special meeting of the Board of the Enterprise Corp. would be held on July 27, 2021 at noon.

Motion carried with the following vote:

Ayes:	Mr. Armendariz, Ms. Blankenhorn, Mr. Cline, Dr. Weispfenning and Student Trustee Roy Sahachaisere
Nos:	None
Abstain:	None
Absent:	Mr. Kapko, Ms. Reynolds

7. Review, Discussion and Possible Action regarding Updates to the Amended Master Agreement

The Master Agreement had been approved by the Board of Trustees and would be brought to the District Foundation for approval. The final fully executed copy of the Amended Master Agreement would be brought back to the Enterprise Board meeting in the fall.

8. Future Agenda Items

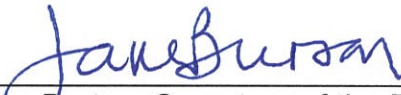
- Boutique sales for November or December 2021

9. Future Meeting Date

A future meeting date was set for Thursday, October 21, 2021 at 2:00 p.m.

10. Adjournment

The meeting adjourned at 12:54 p.m.



Jane Burton, Secretary of the Enterprise

