

**BOARD REPORT NO. 18-10-100B**

TO: Members of the Board of Trustees

FROM: Ron Galatolo, Chancellor

PREPARED BY: Tom Bauer, Vice Chancellor of Auxiliary Services, 358-6782

**APPROVAL OF SAN MATEO ATHLETIC CLUB FEE AND PLAN REVISIONS**

The San Mateo Athletic Club (SMAC) is proposing an increase in the monthly fees for the first time since January 1, 2017. This proposal also recommends reducing the membership dues for faculty and staff. The proposed rates for each category are attached to this report. The average proposed increase is 4.5%. In certain instances, the increase could be negated by referring a new member (receiving a \$50 dues credit for each referral). With more than half of the 6,000 members joining the Club on a referral basis, this incentive is often realized.

Increases in monthly dues nationwide are generally applied on an annual basis and are designed to offset increases in operational costs. The industry standard for increases in membership fees is 3% - 10% annually. Given the increased operational costs in utilities and salary/benefit costs, an increase in dues is necessary to ensure SMAC’s exceptional level of service to its members and economic support for academic initiatives such as the Promise Program. The new rates would be effective January 1, 2019.

A rate analysis of similar fitness facilities in a radius of less than five miles of SMAC was conducted. The monthly dues for the facilities that were identified as similar in size, services and programming are detailed in the table below.

Site	Single Dues
BC Redwood Shores	\$260
Equinox	\$165
Peninsula JCC	\$124
Primetime	\$105
SMAC	\$ 72
Peninsula YMCA	\$ 67

The proposed single monthly membership rate at SMAC is considerably less than four of the facilities closest to SMAC and only \$5 higher than the local YMCA.

It is staff’s intention to continue reducing the membership fees for employees of the District, in hopes that lowering the already deeply discounted employee rates will further incentivize District employees to make SMAC part of their healthy lifestyle. In addition, student membership dues remain unchanged.

**RECOMMENDATION**

It is recommended that the Board of Trustees approve the proposed fee revisions for the San Mateo Athletic Club, as shown on the attached monthly fee schedule, effective January 1, 2019.

<b>Membership Category</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>\$ Difference</b>	<b>% Difference</b>	<b>Annual Impact</b>
<b>Non-County Residents</b>					
Individual	\$ 79.00	\$83.00	\$4.00	5.00%	\$48.00
Couple	\$ 123.00	\$129.00	\$6.00	5.00%	\$72.00
Family	\$ 152.00	\$160.00	\$8.00	5.00%	\$96.00
<b>Community Member</b>					
Individual	\$ 69.00	\$72.00	\$3.00	4.00%	\$36.00
Couple	\$ 109.00	\$113.00	\$4.00	4.00%	\$48.00
Family	\$ 131.00	\$136.00	\$5.00	4.00%	\$60.00
<b>Senior</b>					
Individual	\$ 56.00	\$58.00	\$2.00	4.00%	\$24.00
Couple	\$ 87.00	\$89.00	\$2.00	3.00%	\$24.00
<b>Corporate</b>					
Individual	\$ 58.00	\$61.00	\$3.00	5.00%	\$36.00
Couple	\$ 90.00	\$94.00	\$4.00	5.00%	\$48.00
Family	\$ 114.00	\$119.00	\$5.00	5.00%	\$60.00
<b>Faculty/Staff-Regular Plan</b>					
Individual	\$ 35.00	\$30.00	-\$5.00	-16.67%	-\$60.00
Couple	\$ 60.00	\$55.00	-\$5.00	-9.09%	-\$60.00
Family	\$ 80.00	\$75.00	-\$5.00	-6.67%	-\$60.00
<b>Student</b>					
Individual	\$ 35.00	\$35.00	\$0.00	0.00%	\$0.00
Couple	\$ 56.00	\$56.00	\$0.00	0.00%	\$0.00
Family	\$ 76.00	\$76.00	\$0.00	0.00%	\$0.00
<b>Faculty/Staff Non Prime Time</b>					
Individual	\$ 15.00	\$12.00	-\$3.00	-25.00%	-\$36.00
Couple	\$ 27.00	\$24.00	-\$3.00	-12.50%	-\$36.00
Family	\$ 36.00	\$33.00	-\$3.00	-9.09%	-\$36.00

noticed similarities between this program and the work being done at Cañada College that was presented earlier in the meeting. Professor Langhoff said the team has learned a great deal from Cañada College. Dean Hernandez added that there is synergy among the three colleges. President Claire added that the majority of STEM majors in the UC System are community college graduates.

**APPROVAL OF CAÑADA COLLEGE EDUCATIONAL MASTER PLAN (18-10-1B)**

It was moved by Trustee Schwarz and seconded by Trustee Mohr to approve the Educational Master Plan. The motion carried, all members present voting Aye.

**APPROVAL OF MODIFICATIONS TO SKYLINE COLLEGE, COLLEGE OF SAN MATEO AND CAÑADA COLLEGE MISSION STATEMENTS (18-10-2B)**

It was moved by Trustee Schwarz and seconded by Trustee Mohr to approve the modifications. Trustee Mandelkern said it would have been helpful to see tracked changes, allowing the Board to see which changes were made to the original documents. Trustee Mandelkern also noted that while he was aware that Cañada College is designated as a Hispanic Service Institution, he was not aware that College of San Mateo also has the designation. After these comments, and with the understanding that two minor typographical errors will be corrected, the motion carried, all members present voting Aye.

**APPROVAL OF SAN MATEO ATHLETIC CLUB FEE AND PLAN REVISIONS (18-10-100B)**

It was moved by Trustee Schwarz and seconded by Trustee Mohr to approve the fee and plan revisions. Trustee Mandelkern said that in general, he believes the case for the increase in fees is reasonable. However, he is concerned about the differential between faculty/staff fees and student fees. Currently, the student fees are equal to or less than the faculty/staff fees, but under the proposal the faculty/staff fees would be less than the student fees. Given the District's focus on being student centered, Trustee Mandelkern said it seems odd to charge students more than faculty/staff. Tom Bauer, Vice Chancellor of Auxiliary Services and Enterprise Operations, said student fees have not changed during the eight years that the San Mateo Athletic Club has been open. He said the transitory nature of student memberships causes the cost to be significantly more than it is for other groups. He said the direction from Chancellor Galatolo has been to continue to reduce fees for faculty and staff in order to invest in their health and wellness. Trustee Mandelkern thanked Vice Chancellor Bauer for his comments but said he is still not comfortable with the differential. Student Trustee Topete Eng Goon said she understands that it appears as though faculty and staff are being favored. However, she said she knows this is not the intent and she believes that the student rate of \$35 per month is reasonable.

Chancellor Galatolo said students have the opportunity to have access to the Athletic Club by enrolling in a class for \$46 per semester. He said the \$35 per month rate is for those students who elect to become Club members. Trustee Mandelkern said the same argument would apply to community members or faculty and staff who enroll in a class. Additionally, he said there are reduced rates for faculty and staff during non-prime time but there are no comparable reductions for students. Student Trustee Topete Eng Goon said international students and out-of-state students would not benefit by enrolling in a class in the same way other students benefit because their tuition cost is higher. However, she said she believes their rates would still be affordable.

Trustee Schwarz said the emphasis from the beginning has been promoting health and wellness for faculty and staff, with the understanding that students' needs are met when they enroll in a class. She said she is comfortable with the proposal.

After this discussion, the motion carried, with Trustees Holober, Mohr and Schwarz voting Aye and Trustee Mandelkern voting No. Student Trustee Topete Eng Goon cast an advisory vote of Aye.

**APPROVAL OF CONTRACT AWARD FOR COLLEGE OF SAN MATEO BUILDING 17, LEARNING COMMUNITIES MODERNIZATION PROJECT (18-10-101B)**

It was moved by Trustee Schwarz and seconded by Trustee Mohr to approve the contract. Trustee Schwarz asked for an explanation of the meaning of "key personnel" which is listed as an evaluation criterion for scoring proposals. José Nuñez, Vice Chancellor of Facilities Planning, Maintenance and Operations, said staff looks at the project manager, superintendent, project engineer and other staff of the company that proposes to work on a specific project. They are rated on previous experience, e.g. whether they have experience with the Division of the State Architect, have worked at an educational institution, have worked on an occupied campus, etc.