

BOARD REPORT NO. 16-11-103B

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 is proposing an increase in the monthly membership investment for several categories for the first time since February, 2014. We are also proposing to **further reduce** the non-prime time rate for faculty and staff. The proposed rates along with our membership statistics as of September, 2016 are attached. The average of the proposed increase is 4.5% and will have a minimal overall impact on a member's yearly investment as illustrated in the attachment. In a few membership cases, the increase will be completely negated by referring just one new member and receiving a \$50.00 dues credit for doing so. With more than half of the 5,941 members joining the club on a referral basis, this is a benefit enjoyed by many members.

Increases in a member's monthly investment for fitness facilities nationwide are traditionally implemented on an annual basis and are designed to address increases in operational costs including supplies, utilities, equipment maintenance and replacement and other vendor services. The industry standard for increases in membership investment is between 3% up to 10% annually and all of the comparable fitness facilities in the area have increased fees on an annual basis. The San Mateo Athletic Club has not increased membership monthly investment since February, 2014 primarily because parking issues were very challenging for many members and we made a conscious decision not to propose increasing fees during the construction period. We propose the new rates to take effect across the board for all new memberships as well as memberships since August 2016, effective January 1, 2016.

As part of the process, a rate analysis of similar fitness facilities in a radius of less than 5 miles to the San Mateo Athletic Club was conducted. The five facilities that we identified as similar in size, services and programming are as follows. Compare the single rates below to the proposed \$69.00 single rate at SMAC.

Site	Single Dues
Crunch	\$45.00-\$65.00*
Peninsula JCC	\$71.00-\$114.00*
Equinox	\$153.00
Primetime	\$105.00
Peninsula YMCA	\$45.00
*Depends on package purchased	

The proposed single monthly membership investment at SMAC is less than three of the closest facilities for San Mateo County residents and moderately more expensive than the other two. Based on our research, only one of the facilities, Peninsula JCC, offers a family plan with one rate for a household with two adults

and two children/dependents living at home between the ages of 15-22. Our family plan offers a significant savings over the clubs that do not offer such a plan. Every member in clubs that do not offer a family plan pays the single dues rate. A family of four would have a monthly membership investment at SMAC of \$131.00 under the proposed plan. That same family of four would have a monthly membership investment of up to \$260.00 at Crunch, \$130.00 at YMCA, \$233.00 at the PJCC and \$612.00 at Equinox.

As SMAC continues to be successful, it is our intention to continue reducing the membership investment for employees of the District. It is our hope that the lowering the already deeply discounted rates of the non-prime time membership plan approved by the Board in 2012 will further incentivize District employees to make SMAC part of their healthy lifestyle. Student and regular staff membership investments remain unchanged. The student membership is rather transitory and administrative costs of this membership remain high and, therefore, we do not foresee lowering that rate at this time.

In addition to keeping up with increasing costs every year, SMAC has undertaken some major programmatic enhancements since the last fee increase in 2014. The following is information about two of them:

EXOS ESD TECHNOLOGY

A fun and effective cardio experience, EXOS ESD Technology delivers easily accessible, personalized workouts and data tracking via Precor's touch-screen interface on bikes, treadmills, and elliptical. Built using EXOS' proven methodology, the user-friendly design and functionality drives member engagement, results, and retention while also improving operational efficiency.

- EXOS' Energy Systems Development, or ESD, programming is backed by science, delivering results to some of the world's top performers in life and sport
- Each session is tailored to elicit a specific training response and develop metabolic pathways to optimize performance
- ESD is deliberate, intense work that improves cardiovascular performance (VO2)
- Increased VO2 helps support a healthier, more sustainable lifestyle, decreasing risk of illness and improving performance
- Easily scales evaluations to entire population
- Establishes a baseline to build on and measure progress
- Recommends targeted training zones tailored to the user
- Ensures users move confidently toward their fitness goals
- Comprehensive evaluations make training plans unique to the user
- Plans tailored to users' current level of fitness evolve as user progresses toward their goals

JOURNEY

Journey software helps members with behavior change as it relates to adopting a commitment to health and wellness. Journey also provides a full platform to assist members with their health and fitness goals inclusive of a video workout library and nutrition content with menu planning. Every journey begins with a first step. EXOS Journey is designed to be your guide, enabling you to take your first step toward boosting energy, reducing stress, increasing productivity, and reaching higher levels of performance in every aspect of your life. Guided by our four pillars of Mindset, Nutrition, Movement, and Recovery, we'll help you create a personalized game plan that meets you where you are today and supports you in achieving your goals tomorrow.

Using the web and mobile apps, EXOS Journey connects you to a variety of resources to support you along the way:

- **Guided Paths**--A series of steps designed to reframe your view on common topics and guide you in making meaningful and tangible upgrades to your life.
- **Workout library**--Expansive libraries of workouts based on our proven training systems that help you get started, burn calories, and recover quickly.
- **Meal Builder**--A personalized tool that helps you build meals and snacks according to your goals and needs.
- **Complementary movements**--A set of three corrective exercises prescribed for you based on your Performance Profile.
- **EXOS Journey App**--A mobile app providing you with access to missions, Meal Builder, and complementary movements.
- **EXOS Movement App**--A mobile app allowing you to experience EXOS performance methodology via instructor led videos.

In addition to these exiting programmatic changes, we have also upgraded equipment to include 66 new pieces of fitness and cardio equipment at a cost of over \$300,000 approved by the Board last year. These pieces of equipment all have warranty and maintenance costs associated with them and are a benefit to both students in the academic program as well as members.

RECOMMENDATION

It is recommended that the Board of Trustees approve the proposed fee and plan revisions for the San Mateo Athletic Club to be effective on January 1, 2017.



**SAN MATEO
ATHLETIC CLUB**

AT
COLLEGE OF SAN MATEO

WHERE EDUCATION MEETS FITNESS



Proposed Membership Dues

Investing in your Health also supports education in your community

	Existing Monthly Investment	Proposed Monthly Investment	%	Annualized
Non-County Resident				
Individual	\$75.00	\$79.00	5%	\$48.00
Couple	\$117.00	\$123.00	5%	\$72.00
Family	\$144.00	\$152.00	6%	\$96.00
Community Member**				
Individual	\$66.00	\$69.00	4%	\$36.00
Couple	\$105.00	\$109.00	4%	\$48.00
Family	\$126.00	\$131.00	4%	\$60.00
Senior				
Individual	\$54.00	\$56.00	4%	\$24.00
Couple	\$84.00	\$87.00	2.5%	\$36.00
Corporate				
Individual	\$55.00	\$58.00	5%	\$36.00
Couple	\$86.00	\$90.00	5%	\$48.00
Family	\$109.00	\$114.00	5%	\$60.00
Faculty/Staff*				
Individual	\$35.00	\$35.00	0%	\$0.00
Couple	\$60.00	\$60.00	0%	\$0.00
Family	\$80.00	\$80.00	0%	\$0.00
Student				
Individual	\$35.00	\$35.00	0%	\$0.00
Couple	\$56.00	\$56.00	0%	\$0.00
Family	\$76.00	\$76.00	0%	\$0.00

***Faculty/Staff – NPT (non prime time)**

Individual	\$ 17.50	\$ 15.00	-14%	\$30.00
Couple	\$ 30.00	\$ 27.00	-10%	\$36.00
Family	\$ 40.00	\$ 36.00	-10%	\$48.00

**This membership option affords a significant reduction in monthly fees by providing club access during non prime time hours. Faculty/Staff would have access
M-F: 5:30am-8:00am and again 2:00pm - Close
Sa/Sun: 2:00pm - Close*

**** Community member defined as one who lives or works in San Mateo County**

Proposed Monthly Investment (Dues) Increase

- Annual Increase in operational expense.
- Industry standard 3-10% annually
- Last dues increase: February 2014

Membership Statistics

Period ending September 30th, 2016

	Memberships	Members
Community Member		
Individual	1,055	1,055
Couple	511	973
Family	170	565
Total	1,736	2,595
Senior		
Individual	425	425
Couple	306	562
Total	731	987
Corporate		
Individual	579	579
Couple	168	322
Family	28	80
Total	775	981
Faculty/Staff		
Individual	215	215
Couple	105	210
Family	13	36
Total	333	461
Student		
Individual	688	688
Couple	92	166
Family	15	55
Total	799	470
Non-Community		
Individual	6	6
Couple	0	0
Family	0	0
Total	333	0
Grand Totals	4,382	5,941



SAN MATEO
ATHLETIC CLUB
 AT
 COLLEGE OF SAN MATEO

APPROVAL OF CONTRACT AWARD FOR COLLEGE OF SAN MATEO TREES FIRE MITIGATION AND SAFETY PROJECT, PHASE III (16-11-101B)

It was moved by Trustee Goodman and seconded by Trustee Holober to approve the contract award as detailed in the report. Trustee Schwarz asked if neighbors need to be notified about the tree removal. Chancellor Galatolo said this is an ongoing program which was contemplated in the Environmental Impact Report that was completed. After this discussion, the motion carried, all members voting Aye.

APPROVAL OF CONTRACT AWARD FOR THE DISTRICTWIDE ELECTRIC VEHICLE CHARGING STATION EXPANSION PROJECT (16-11-102B)

It was moved by Trustee Schwarz and seconded by Trustee Holober to approve the contract award as detailed in the report. In response to a question from Trustee Holober, Vice Chancellor Nuñez confirmed that the twelve existing charging stations were fully funded by a grant from the California Energy Commission. As part of the grant agreement, use of the stations was to be at no cost for the first six months. The Board subsequently approved a fee structure for users other than faculty and staff. The proposed new stations will be funded by a \$72,000 grant from the Bay Area Air Quality Management District and Measure H general obligation bond funds. Trustee Holober asked if the fees to be charged for the new stations will be sufficient to amortize the cost of installation as well as covering operational costs. Vice Chancellor Nuñez said it is his understanding that this will be the case. Trustee Holober said he is pleased that this is the arrangement. After this discussion, the motion carried, all members voting Aye.

APPROVAL OF SAN MATEO ATHLETIC CLUB FEE AND PLAN REVISIONS (16-11-103B)

It was moved by Trustee Schwarz and seconded by Trustee Goodman to approve the fee and plan revisions as detailed in the report. Trustee Holober asked about privacy rules for the EXOS Journey software program. He said there is a great deal of concern with the rapid growth of health-related apps that are not subject to the Health Insurance Portability and Accountability Act (HIPPA). Tom Bauer, Vice Chancellor of Auxiliary Services and Enterprise Operations, said he will confer with EXOS regarding the privacy policy and will send a response to the Board.

Vice President Mohr said he is puzzled about why the fee increase is being brought to the Board for approval while other fee increases, such as lab and health fees, are not. Vice Chancellor Bauer said the overall fee structure was approved as part of the establishment of the San Mateo Athletic Club (SMAC). He said bringing SMAC fee increases for approval is an exception. Trustee Schwarz said she appreciates seeing the proposed increases. Trustee Goodman said he believes having the information is beneficial and he suggested that it be placed on the consent agenda. Trustee Holober said he would be interested in hearing President Mandelkern's thoughts on whether to continue bringing SMAC fee increases to the Board. The Board agreed to discuss this at a future meeting when all Board members are present. After this discussion, the motion carried, all members voting Aye.

AUTHORIZATION OF USE OF UNIVERSITY OF CALIFORNIA CONTRACT TO PURCHASE DISTRICT-WIDE ROOM SCHEDULING SOFTWARE FROM AD ASTRA (16-11-104B)

It was moved by Trustee Holober and seconded by Trustee Schwarz to approve the use of the contract as detailed in the report. The motion carried, all members voting Aye.

COMMUNICATIONS

None

STATEMENTS FROM BOARD MEMBERS

Trustee Holober reported on a job-related success that is connected to the recent discussions on race and equity because it directly impacts the rights of all consumers. Two weeks ago, the Federal Communications Commission, in a three to two vote, voted to enact sweeping broadband consumer privacy protections that will prevent broadband providers from giving customers' private data to third parties without the customers' permission. The coalition that worked on the new rules included consumer groups, privacy groups and civil rights groups, including Color of Change.

Trustee Schwarz said she attended the recent New Hire Orientation at the District Office. She said the welcome and introductions by Chancellor Galatolo, union representatives, and staff from various departments were interesting and inspiring. She said the new hires were engaged and impressed with the feeling of community and family.

Trustee Mohr said he was unable to attend a meeting of the College of San Mateo Academic Senate to which he was invited and hopes to attend a future meeting to discuss matters of interest, particularly as they pertain to curriculum.