

AGENDA

TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY

Glenn S. Dumke Conference Center
400 Golden Shore
Long Beach, California

November 11, 1998 • 10:00 a.m.

Presiding: William Hauck, Chairman

Call to Order and Roll Call

Chairman's Report

Chancellor's Report

Report of California Postsecondary Education Commission—*Ralph R. Pesqueira*

Approval of Minutes of Board of Trustees' Meeting of September 16, 1998

Report of Standing Committees

Committee on Finance: *Chair—James H. Gray*

2. Delineating and Consolidating CSU Policy for Financing Activities and a Related Notice of Intent to Change Title 5, California Code of Regulations
3. Authorize the Issuance and Sale of the San Diego State University Parking System Revenue Bonds, Series A, and Related Matters
4. Private Sector Participation in the Development of The Village at Centennial Square at San Francisco State University
5. Approval of an Auxiliary Organization Tax Exempt Financing at San Jose State University
6. Private Sector Participation in the Development of a Marine Environmental Resources Building at California Maritime Academy
7. Private Sector Participation in the Development of a 150-Acre Vineyard at California Polytechnic State University, San Luis Obispo

Committee on Campus Planning, Buildings and Grounds: *Chair—Ali C. Razi*

1. Amend the 1998/99 Capital Outlay Program, Nonstate Funded
2. Professional Appointments
4. Approval of Schematic Plans
5. Certify a Final Environmental Impact Report and Approve the Campus Master Plan Revision and Schematic Plans for the San Jose State University—Joint Library

Committee on Audit: *Chair – Stanley T. Wang*

Committee on Governmental Relations: *Chair—Joan Otomo-Corgel*

1. 1997-98 Legislative Report No. 13

Committee on Institutional Advancement: *Chair—Martha C. Fallgatter*

1. Naming of Facility—California State University, Stanislaus

Committee on Organization and Rules: *Chair—Laurence K. Gould, Jr.*

1. Amendment to the Standing Orders—Delegation of Motor Vehicle Inspections

Committee on Collective Bargaining: *Chair—Michael D. Stennis*

Committee on Educational Policy: *Chair—William D. Campbell*

Communications and Correspondence

Old Business

New Business

Public Comment

Adjournment

**MINUTES OF MEETING OF
BOARD OF TRUSTEES**

**Trustees of The California State University
Glenn S. Dumke Conference Center
400 Golden Shore
Long Beach, California**

September 16, 1998

Trustees Present

Joan Otomo-Corgel, Vice Chairman
William D. Campbell
Jim Considine
Martha C. Fallgatter
Bob Foster
Harold Goldwhite
Laurence K. Gould, Jr.
James H. Gray
Maridel Moulton
Joan Otomo-Corgel
Ralph R. Pesqueira
Alice S. Petrossian
Eric C. Mitchell
Ali C. Razi
Charles B. Reed, Chancellor
Michael D. Stennis
Anthony M. Vitti
Stanley T. Wang

Trustees Absent

Ronald L. Cedillos
Gray Davis, Lt. Governor
Delaine Eastin, Superintendent of Public Instruction
William Hauck, Chairman of the Board
Antonio Villaraigosa, Speaker of the Assembly
Pete Wilson, Governor

Chancellor's Office Staff

June M. Cooper, Senior Vice Chancellor and Interim Chief of Staff
David S. Spence, Executive Vice Chancellor
Richard P. West, Senior Vice Chancellor, Business and Finance
Douglas X. Patiño, Vice Chancellor, University Advancement
Christine Helwick, General Counsel
Bruce M. Richardson, Deputy General Counsel
Samuel A. Strafaci, Interim Senior Director, Human Resources

In the absence of Chairman Hauck, Vice Chairman Otomo-Corgel called the meeting to order at 10:55 a.m.

Chairman's Report

Vice Chairman Otomo-Corgel reported that Chairman Hauck was out of the country and that she would give a brief report. She said the trustees, presidents and Chancellor's Office staff had been to The Getty Museum the evening before and thanked Barry Munitz for inviting them all. She thanked the supporters of California State University, Channel Islands for coming to the meeting to express their support of the conveyance of Camarillo State Hospital. She also reported that the board had met in retreat type fashion on August 28 and that it would be meeting via teleconference on October 29 to discuss the 1999/00 Support Budget.

Vice Chairman Otomo-Corgel recognized Mette Adams, chair, California State Student Association. Ms. Adams reported that CSSA now has 16 full voting campuses. She urged the presidents of San Jose, San Luis Obispo, Pomona, San Bernardino, San Marcos and Fullerton, to follow President Maxson's lead, at CSU Long Beach, by supporting and encouraging their student governments to become full CSSA members so that CSSA may truly represent the more than 340,000 students of the CSU.

In closing, Vice Chairman Otomo-Corgel reminded everyone how important Proposition 1A was to the CSU and urged his or her support.

(The complete text of the Chairman's Report is attached marked Exhibit "A.")

Chancellor's Report

Chancellor Reed reported that members of the Florida Student Government Association had been invited by the California Faculty Association to visit and to learn a little more about the CSU. He welcomed and introduced Kevin Mayhew, executive director, and Scott Milner, chief lobbyist.

Chancellor Reed reported that earlier this week he visited Cal Poly San Luis Obispo, which brings his campus visits to 22 of 23 campuses. He promised to visit Humboldt before the first of November, and will begin his second tour of campuses in December.

Chancellor Reed commented on several current issues: the Presidential Search Committee for CSU Dominguez Hills will have its organizational meeting on September 29; the Cornerstones Implementation Plan will be presented to the trustees in November along with the other priority item, teacher education; Chancellor Reed also stressed the importance of the passage of Proposition 1A, saying that he would be meeting with both the University of California and the community colleges to ensure its passage; and, he said that Trustee Gray had been selected by Leadership Long Beach to receive the Excellence in Leadership award.

Chancellor Reed concluded his report by saying that he had worked with a lot of presidents over the past 20 years and that the CSU presidents are an outstanding group of individuals, supportive of the board and committed to system priorities. He said there were three campuses that had just received gifts over 10 million dollars and he wanted those presidents to comment.

President Milton A. Gordon, CSU Fullerton, reported that two days earlier Dr. Arnold Beckman, Beckman Instruments, had announced a gift of 14.4 million dollars. This gift will reach approximately

300,000 school children, K-6, over the next five years, and that CSU Fullerton had been selected to administer this gift for its excellence in science and math education.

President Stephen Weber, San Diego State University, reported that Sol and Helen Price, through Price Charities, had given 18 million dollars, three million a year for six years. He said that under the provisions of this gift, San Diego State would assume responsibility for three schools, an elementary school, a middle school, and a high school.

President Robert C. Maxson, CSU Long Beach, said that the City of Long Beach is hopeful and optimistic that it will be receiving one of 16 empowerment zone grants that will be awarded next year. He said the grant would be 100 million dollars, ten million a year for ten years. He told the trustees that the city leadership had come to the university and asked if CSU Long Beach, through its foundation, would be the fiscal and administrative agent for this project. President Maxson said there was no reason to believe that this project would not become a reality.

(The complete text of the Chancellor's Report is attached marked Exhibit "B.")

Report from the California Postsecondary Education Commission

Trustee Pesqueira, CSU representative to CPEC, referred the trustees to the report contained in their packets.

Approval of Minutes

The minutes of the Board of Trustees' Meeting of July 15, 1998, were approved as submitted.

Report of Committees

Report from the Committee on Educational Policy

Trustee Campbell, chair, reported for the committee.

Trustee Campbell reported the committee heard one information item and one action item. The information item consisted of a report by Gary Hart and Sue Burr, co-directors, CSU Institute on Education Reform

Academic Plan Update for Fast-Track Program Development (REP 09-98-04)

Trustee Campbell moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the Academic Plan for California State University, Sacramento (as contained in Attachment A to Agenda Item 3 of the March 17-18, 1998, meeting of the Committee on Educational Policy), be amended to include projection of a Master of Science in Software Engineering, with projected date of implementation 1999; and, be it further

RESOLVED, That the degree program newly included in the campus academic plan is authorized for implementation, at approximately the date indicated, subject to the chancellor's determination of need and feasibility, and provided that financial support, qualified faculty, facilities, and information resources sufficient to establish and maintain the program will be available.

Report from the Committee on Finance

Trustee Gray, chair, reported for the committee.

Trustee Gray reported the committee heard three information items and considered three action items. The information items consisted of status reports on the 1998/99 and 1999/00 support budgets, and the second annual CSU Investment Report.

Private-Sector Participation in the Development of the North Campus Property at California State University, Northridge (RFIN 09-98-14)

Trustee Gray moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the trustees:

1. Approve the specific development program as presented in this agenda item for the development of biotech (research, development, and manufacturing) uses of the north campus property at California State University, Northridge, as negotiated by California State University, Northridge and MiniMed, Inc., and other members of the Alfred Mann consortium of biotech companies.
2. Confirm the chancellor's authority to enter into such leasing and other associated agreements as necessary to implement the specific development program as approved by the trustees.

Authorize the Issuance and Sale of the California State University, Chico Student Union Revenue Bonds, Series B, and Related Matters (RFIN 09-98-15)

Trustee Gray moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

Orrick, Herrington & Sutcliffe LLP as bond counsel for the Board of Trustees is preparing resolutions for the sale and issuance of revenue bonds to be presented for approval at this meeting that will achieve the following:

1. Authorize the sale and issuance of the California State University, Chico Student Union Revenue Bonds, Series B, in an amount not to exceed \$23,850,000 and certain actions relating thereto including the approval of the form of the Notice of Sale as presented to the board at this meeting.
2. Approve the form of the official statement prepared by Sutter Securities, financial advisor, and presented to the board at this meeting.
3. Provide a delegation to authorize the chancellor, the executive vice chancellor, the senior vice chancellor for business and finance, and the director of financing and risk management to take any and all necessary actions to execute documents for the sale and issuance of the bonds.

The resolutions being prepared by bond counsel and the form of the official statement will be distributed at this meeting and presented for approval.

Authorize the Issuance and Sale of the San Francisco State University Student Union Revenue Bonds, Series B, and Related Matters (RFIN 09-98-16)

Trustee Gray moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

Orrick, Herrington & Sutcliffe LLP as bond counsel for the trustees is preparing resolutions for the sale and issuance of revenue bonds to be presented for approval at this meeting that will achieve the following:

1. Authorize the sale and issuance of the San Francisco State University Student Union Revenue Bonds, Series B, in an amount not to exceed \$12,950,000 and certain actions relating thereto including the approval of the form of the Notice of Sale as presented to the board at this meeting.
2. Approve the form of the official statement prepared by Sutter Securities, financial advisor, and presented to the board at this meeting.
3. Provide a delegation to authorize the chancellor, the executive vice chancellor, the senior vice chancellor for business and finance, and the director of financing and risk management to take any and all necessary actions to execute documents for the sale and issuance of the bonds.

The resolutions being prepared by bond counsel and the form of the official statement will be distributed at this meeting and presented for approval.

Report from the Committee on Collective Bargaining

Trustee Pesqueira, vice chair, reported for the committee.

Trustee Pesqueira reported that the committee voted to ratify collective bargaining agreements with four unions: California State Employees' Association, Units 2, 5, 7, and 9; State Employees Trade Council, Unit 6; Statewide University Police Association, Unit 8; and, the Union of Physicians and Dentists, Unit 1.

Report from the Committee on Governmental Relations

Trustee Otomo-Corgel, chair, reported for the committee.

Trustee Otomo-Corgel reported the committee heard one information item and two action items. The information item was a review of the propositions that will be on the November 3, 1998, general election ballot.

Legislative Report No. 12 (RGR 09-08-05)

Trustee Otomo-Corgel moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the 1997-98 Legislative Report No. 12 is adopted.

Education Bond Act: Endorsement by Board of Trustees (RGR 09-98-06)

Trustee Otomo-Corgel moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the board supports Proposition 1A, the Class Size Reduction Kindergarten-University Public Education Facilities Bond Act, which appears on the November 1998 General Election ballot.

Report from the Committee on Audit

Trustee Wang, chair, reported for the committee.

Trustee Wang reported the committee heard two information items, a status report on current and follow-up internal audits and a report on the CSU construction audit.

Report from the Committee on University and Faculty Personnel

Trustee Pesqueira, chair, reported for the committee.

Executive Compensation (RUF 09-989-04)

Trustee Pesqueira said the ability to offer a competitive compensation program is critical to the CSU's ability to recruit and retain executives and he moved the following resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the executive compensation table in Agenda Item 1 of the September 15-16, 1998, meeting of the Committee on University and Faculty Personnel, be approved for implementation July 1, 1998, as part of a multi-year plan to compensate executives competitively; and, be it further

RESOLVED, That the July 1, 1998, annual housing levels recommended in Agenda Item 1 of the September 15-16, 1998, meeting of the Committee on University and Faculty Personnel, be approved; and, be it further

RESOLVED, That effective October 1, 1998, or the first of any month thereafter, a president may elect the option of receiving a \$750 per month automobile allowance in lieu of the university vehicle to support university related business travel requirements.

Report from the Committee on Campus Planning, Buildings and Grounds

Trustee Razi, chair, reported for the committee.

Trustee Razi reported the committee heard two information items and six action items. The information items consisted of the annual report on the California Environmental Quality Act and the final report on the 1998/99 capital outlay program.

Certify a Final Environmental Impact Report and Approve the Campus Master Plan Revision for San Diego State University (RCPBG 09-98-13)

Trustee Razi moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that upon consideration of the information contained in the Final Environmental Impact Report (Volumes I and II), prepared by San Diego State University, Office of Facilities Planning & Management, for the SDSU campus master plan revision for the parking structure 5 project and the deletion of the “no charge” parking mitigation measure, the board finds that:

WHEREAS, The FEIR (State Clearinghouse No. 98021065) was prepared to address the potential significant environmental effects, mitigation measures, and project alternatives associated with the approval of the proposed campus master plan revision for SDSU parking structure 5 project, which consists of the following components: (1) a revision to the SDSU campus master plan; (2) construction of a multi-level parking garage (parking structure 5), a new athletic track and soccer field to be located on the top deck of the parking garage (sports deck), ancillary parking management and building storage facilities, and related pedestrian, traffic, and utility improvements; (3) the proposal to delete the parking mitigation measure, which was adopted by the Board of Trustees as part of its decision in January 1991 to approve construction of the new student activity center located on the SDSU campus; and (4) all discretionary actions relating to the proposed project; and

WHEREAS, The FEIR was prepared pursuant to the California Environmental Quality Act and the state CEQA Guidelines; and

WHEREAS, This board, by this resolution, certifies that the FEIR is complete and adequate and that it fully complies with all requirements of CEQA and the state CEQA Guidelines; and

WHEREAS, Section 21081 of the Public Resources Code and Section 15091 of the state CEQA Guidelines require that the Board of Trustees make findings prior to approval of a project (along with statements of facts supporting each finding); and

WHEREAS, This board hereby adopts the findings of fact in Attachment C, Agenda Item 3 of the September 15-16, 1998, meeting of the Committee on Campus Planning, Buildings and Grounds, which identify specific impacts of the proposed project and related mitigation measures, and which are incorporated by reference; and

WHEREAS, The findings in Attachment C, which are incorporated by reference and adopted by this board, include specific overriding considerations that outweigh certain remaining significant impacts; now, be it further

RESOLVED, That the Board of Trustees of The California State University makes the following findings:

1. Preparation of an Environmental Impact Report

The FEIR has been prepared to address the significant environmental impacts, mitigation measures, project alternatives, comments and responses to comments associated with approval of the proposed project, including the revision to the SDSU campus master plan, pursuant to the requirements of CEQA and the state CEQA Guidelines;

2. **Review and Consideration by the Board of Trustees**

Prior to certification of the FEIR, the Board of Trustees has reviewed and considered the FEIR, and finds that the FEIR reflects the independent judgment of the Board of Trustees. The board hereby certifies the FEIR as complete and adequate in that the FEIR addresses all significant environmental impacts of the proposed project and fully complies with the requirements of CEQA and the State CEQA Guidelines. For purposes of CEQA and the state CEQA Guidelines, the record of the proceedings for the project is comprised of the following:

- A. The Draft EIR for the SDSU campus master plan revision and parking structure 5 project;
- B. The FEIR, including comments received on the Draft EIR and responses to those comments;
- C. The proceedings before the Board of Trustees relating to the subject project, including testimony and documentary evidence introduced at such proceedings; and
- D. All attachments, documents incorporated, and references made in the documents specified in items A through C above.

All of the above information has been and will be on file with The California State University, Office of the Chancellor, Physical Planning and Development, 4665 Lampson Avenue, Los Alamitos, California 90720, and San Diego State University, Office of Facilities Planning and Management, Administration Building, Room 130, 5500 Campanile Drive, San Diego, California 92182-1624.

RESOLVED, By the Board of Trustees of The California State University, that the board adopts the findings set forth in Attachment C, Agenda Item 3 of the September 15-16, 1998, meeting of the Committee on Campus Planning, Buildings and Grounds, including the rejection or modification of mitigation measures and the other findings presented in Attachment C. The board specifically finds that the rejected or unmodified mitigation measures were not feasible for the reasons stated in the FEIR, and describes the reasons for modifying these measures in Attachment C; and, be it further

RESOLVED, By the Board of Trustees of The California State University, that the board hereby certifies the FEIR for the SDSU campus master plan revision and parking structure 5 project; and, be it further

RESOLVED, That the Board of Trustees of The California State University hereby adopts the revised SDSU campus master plan, dated September 1998; and, be it further

RESOLVED, That the Board of Trustees of The California State University approves deletion of the previously adopted “no charge” parking mitigation measure associated with the trustees’ approval of the student activity center project on the SDSU campus; and, be it further

RESOLVED, That the mitigation measures identified in the Mitigation Monitoring Plan are hereby adopted and shall be monitored and reported in accordance with the Mitigation

Monitoring Matrix incorporated in the Mitigation Monitoring Plan which is Attachment D, Agenda Item 3 of the September 15-16, 1998, meeting of the Committee on Campus Planning, Buildings and Grounds, and which meets the requirements of CEQA (Public Resources Code Section 21081.6); and, be it further

RESOLVED, That the chancellor or his designee is requested under the Delegation of Authority granted by the Board of Trustees to file the Notice of Determination for the FEIR for the proposed project.

Certify a Final Environmental Impact Report for California State University, Channel Islands and Approve a Concept Long-Range Development Plan (RCPBG 09-98-14)

Trustee Razi moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that upon consideration of the information contained in the FEIR prepared for the California State University, Channel Islands LRDP, the board finds that:

WHEREAS, The FEIR for the California State University, Channel Islands LRDP was prepared to address the environmental effects, mitigation measures, and project alternatives associated with the approval of the plan and all discretionary actions related thereto; and

WHEREAS, The FEIR for the California State University, Channel Islands LRDP (State Clearinghouse Number 98021053) was prepared pursuant to the California Environmental Quality Act and the state CEQA Guidelines; and

WHEREAS, This board, by this resolution, will certify that the FEIR is complete and adequate and that it fully complies with all requirements of CEQA and the state CEQA Guidelines; and

WHEREAS, Section 21081 of the Public Resources Code and Section 15091 of the state CEQA Guidelines require that the Board of Trustees makes findings prior to approval of a project (along with statements of facts supporting each finding); and

WHEREAS, This board hereby adopts the findings of fact in Attachment B, Agenda Item 4 of the September 15-16, 1998, meeting of the Committee on Campus Planning, Buildings and Grounds, which identify specific impacts of the proposed project and related mitigation measures and which are hereby incorporated by reference; and

WHEREAS, The findings in Attachment B which are hereby incorporated by reference and adopted by this board include specific overriding considerations that outweigh certain remaining significant impacts; now, be it further

RESOLVED, That the Board of Trustees of The California State University makes the following findings:

1. Preparation of the FEIR

The FEIR has been prepared to address the environmental impacts, mitigation measures, project alternatives, comments and responses to comments associated with the approval of the California State University, Channel Islands LRDP, pursuant to the requirements of the California Environmental Quality Act;

2. Review and Consideration by the Board of Trustees

Prior to certification of the FEIR, the Board of Trustees has reviewed and considered the above mentioned FEIR. The board hereby certifies the FEIR for the California State University, Channel Islands LRDP as complete and adequate in that the FEIR addresses all environmental impacts of the proposed project and fully complies with the requirements of CEQA and the state CEQA Guidelines. For the purpose of CEQA, the record of the proceedings for the project is comprised of the following:

- A. The DEIR for the California State University, Channel Islands LRDP;
- B. The FEIR including comments received on the DEIR and responses to comments;
- C. The proceedings before the Board of Trustees relating to the subject project, including testimony and documentary evidence introduced at the meetings; and
- D. All attachments, documents incorporated, and references made in the documents specified in items A through C above.

All of the above information has been and will be on file with The California State University, Office of the Chancellor, Physical Planning and Development, 4665 Lampson Avenue, Los Alamitos, California 90720 and at the Office of Facility Planning, CSU Channel Islands, 1878 South Lewis Road, Camarillo, California 93011.

RESOLVED, By the Board of Trustees of The California State University, that the board adopts the findings set forth in Attachment B, Agenda Item 4 of the September 15-16, 1998, meeting of the Committee on Campus Planning, Buildings and Grounds, of this resolution including the rejection of mitigation measures presented in Attachment B, the identification of other agencies which are the proper agency responsible for mitigation measures in Attachment C herein, and the other findings regarding agency proposals presented in Attachment B. The board specifically finds that the rejected mitigation measures were infeasible and describes the reasons for rejecting these measures in Attachment B of this resolution; and, be it further

RESOLVED, By the Board of Trustees of The California State University, that the board hereby certifies the Final Program Environmental Impact Report for the California State University, Channel Islands LRDP; and, be it further

RESOLVED, That the Board of Trustees of The California State University, hereby adopts the California State University, Channel Islands, LRDP; and, be it further

RESOLVED, That the California State University, Channel Islands LRDP is adopted with the goal of serving a total enrollment of 15,000 FTES; and, be it further

RESOLVED, That the chancellor or his designee is requested under the Delegation of Authority granted by the board to file the Notice of Determination for the California State University, Channel Islands LRDP, Final Program Environmental Impact Report; and, be it further

RESOLVED, That the mitigation measures identified in the mitigation Monitoring and Reporting Plan are hereby adopted and shall be monitored and reported in accordance with the Mitigation Monitoring Matrix incorporated in the Mitigation Monitoring and Reporting Plan which is Attachment C, Agenda Item 4 of the September 15-16, 1998, meeting of the Committee on Campus Planning, Buildings and Grounds, and which meets the requirements of the California Environmental Quality Act (Public Resource Code, Section 21081.6).

State and Nonstate Funded Capital Outlay Program 1999/00 (RCPBG 09-98-15); Five-Year Capital Improvement Plan 1999/00 Through 2003/04, *information*; Previous Five-Year Funding Program 1994/95 Through 1998/99, *information*

Trustee Razi moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the 1999/00 State Funded Capital Outlay Program identified in Attachment A of Agenda Item 5 to be handed out at the September 15-16, 1998, meeting of the trustees' Committee on Campus Planning, Buildings and Grounds is approved; and, be it further

RESOLVED, That the 1999/00 Nonstate Funded Capital Outlay Program including authorization to the chancellor to proceed in 1998/99 with design documents on fast-track projects in the 1999/00 program is approved; and, be it further

RESOLVED, That the chancellor is requested to explore all reasonable funding methods available and communicate to the governor and the legislature the need to provide funds for the state program totaling \$347,797,000 in order to develop the facilities necessary to serve all eligible students; and, be it further

RESOLVED, That the chancellor is authorized to make adjustments, as necessary, including priority sequence, scope, phase, project cost, and total budget request for the 1999/00 State Funded Program within the \$347,797,000.

Trustee Razi reported that the agenda item also contained information on the five-year capital improvement program 1999/00 through 2003/04 and the previous five-year funding program 1994/95 through 1998/99.

Approval of Revised Project Budget—California State University, Chico—Bell Memorial Union/Food Services Expansion/Renovation and New Bookstore (RCPBG 09-98-16)

Trustee Razi moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the revised budget for the California State University, Chico—Bell Memorial Union/Food Services Expansion/Renovation and New Bookstore is hereby approved at a total project cost of \$26,422,000 at ENR 5929.

Approval of Revised Project Budget—San Francisco State University—Student Union Terrace Renovation and Expansion (RCPBG 09-98-17)

Trustee Razi moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the revised budget for the San Francisco State University, Student Union Terrace Renovation and Expansion project is approved at a total project cost of \$13,593,000 at ENR 5929.

Approval of Schematic Plans (RCPBG 09-98-18)

Trustee Razi moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

1. Approval of Schematic Plans—California State University, Northridge—Health and Human Development/Technology Center

RESOLVED, By the Board of Trustees of The California State University, that upon consideration of the information provided in the previously approved Final MEIR prepared for the California State University, Northridge master plan revision; the board finds that:

1. The Final MEIR was prepared to specifically include this project and has been previously approved by this Board of Trustees on May 13, 1998, pursuant to the requirements of the California Environmental Quality Act; and
2. Based on the information contained in the previously approved Final MEIR and the mitigation measures identified therein and previously adopted, the proposed project will not have a significant effect on the environment; and
3. Therefore, no additional mitigation measures are necessary, and
4. The project will benefit The California State University; and, be it further

RESOLVED, That the mitigation measures and implementation of recommended improvements specified in the Final MEIR for the campus master plan relative to main (academic) campus development projects are hereby adopted as part of this approval of the California State University, Northridge, Health and Human Development/Technology Center; and, be it further

RESOLVED, That mitigation measures shall be monitored and reported in accordance with the plan previously approved by the Board of Trustees as Attachment D of Agenda Item 5, master plan revision and Final MEIR certification, approved on May 13, 1998, which meets the requirements of the California Environmental Quality Act (Public Resources Code, Section 21081.6); and, be it further

RESOLVED, That the chancellor is requested, under Delegation of Authority by the Board of Trustees, to file the Notice of Determination for the California State University, Northridge, Health and Human Development/Technology Center; and, be it further

RESOLVED, That the schematic plans for the California State University, Northridge, Health and Human Development/Technology Center project are approved at a project cost of \$14,270,000 at ENR 3722.

2. Approval of Schematic Plans—California State Polytechnic University, Pomona—University Union Improvements, Phase II

RESOLVED, By the Board of Trustees of The California State University, upon consideration of the information provided in the Mitigated Negative Declaration prepared for the California State Polytechnic University, University Union Improvements, Phase II project, the board finds that:

1. The Mitigated Negative Declaration was prepared for this project pursuant to the requirements of the California Environmental Quality Act; and
2. With the implementation of the mitigation measures set forth in the Mitigated Negative Declaration prepared for this project and specifically identified in Attachment A herein, the proposed project will not have a significant effect on the environment; and
3. The project will benefit The California State University; and, be it further

RESOLVED, That said mitigation measures and implementation of recommended improvements are hereby adopted as part of this approval of the California State Polytechnic University, Pomona, University Union Improvements, Phase II project; and, be it further

RESOLVED, That the mitigation measures shall be monitored and reported in accordance with the plan included as Attachment A herein which meets the requirements of the California Environmental Quality Act (Public Resources Code, Section 21081.6); and, be it further

RESOLVED, That the chancellor or his designee is requested, under the Delegation of Authority granted by the Board of Trustees, to file the Notice of Determination for the California State Polytechnic University, Union Improvements, Phase II project; and, be it further

RESOLVED, That the schematic plans for the California State Polytechnic University, University Union Improvements, Phase II project are approved at a project cost of \$16,573,000 at ENR 3722.

Report from the Committee of the Whole

In the absence of Chairman Hauck, Vice Chairman Otomo-Corgel reported for the committee.

Vice Chairman Otomo-Corgel reported the committee heard one information item and two action items. The information item was the biannual report on the status of significant litigation confronting the CSU.

Appointment of Member to the California State University Headquarters Building Commission (RCOW 09-98-04)

On a motion duly made and seconded, the Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that Mr. James Algie be appointed a commissioner of the CSU Headquarters Building Commission for the term ending September 30, 2002.

Conveyance of the Camarillo State Hospital to the California State University (RCOW 09-98-05)

Trustee Considine moved the resolution; there was a second.

The Board of Trustees approved the following resolution:

RESOLVED, By the Board of Trustees of The California State University, that the chancellor is delegated authority to pursue and accept conveyance of the former site of the Camarillo State Hospital and Development Center to the California State University to be used as a site for California State University, Channel Islands and the California State University, Northridge off-campus center.

Communication and Correspondence

Old Business

New Business

Public Comments

The board heard comments from George Kurtz, a concerned citizen, and Rich Reed on the Easyread System of Music, Math and Languages.

Adjournment

The meeting adjourned at 11:45 a.m.

REPORT OF VICE CHAIR JOAN OTOMO-CORGEL
Board of Trustees
The California State University
September 16, 1998

I am to give the Chair's Report. Last night the trustees, the presidents, and the Chancellor's Office staff visited the Getty Center in Los Angeles, following an invitation from Barry Munitz. I'm sure all of you were impressed with the facility, with the art, with the appetizers, and the ambience of the entire situation, so we'd like to make sure Barry is thanked for that. Also, I want to thank all the people who came from Ventura County to our meeting and made the conveyance of that campus a very special occasion.

On the 27th and 28th of August the board did hold a retreat and we discussed a myriad of issues. David Spence and Richard West presented information items about current board policy objectives, trustee responsibilities regarding Cornerstones, teacher education, the support and capital budgets, and it was a very worthwhile session. It certainly brought everybody up to date. It is thanks to the encouragement of Trustee Pesqueira that we continue this process. We also had the opportunity to develop an open, communicative pattern with our new chancellor. We are delighted with where we are with Charlie. On October 29, we will also be having a conference call, so we will be sending out a survey trying to find out what is the best time that we can all confer. Please be timely in returning the survey so we can get that settled.

Right now I'd like to recognize student leadership. Mette Adams, CSSA Executive Committee Chair, has a couple of words to say to us.

Mette Adams: Thank you, Madam Chair. First, the CSSA Executive Committee and staff would like to thank the Chancellor's Office and Dr. and Mrs. Munitz for including us in the festivities last night at the fabulous Getty Museum. We had a wonderful time meeting with each of you and looking at the fabulous art.

I believe Thomas Jefferson once said that democracy required an educated electorate. If Mr. Jefferson were alive today, he might rephrase his statement to include an educated and participatory electorate. Given this to be true, CSSA has made a concerted effort toward voter registration, voter education, and full and active support of the school bond measure for the upcoming elections. Our goal is to increase student participation by instilling in each CSU student the understanding that it is our civic and moral responsibility to take part in the electoral process.

Last, as chair of the California State Student Association, I am very pleased to announce that this year 16 of our campuses are full voting members of CSSA. However, the campuses of San Jose, Cal Poly, Cal Poly Pomona, San Bernardino, San Marcos and Fullerton are not yet full members. We would therefore like to ask, respectfully ask, the presidents of those campuses to follow President Maxson's lead at Long Beach State, by supporting and encouraging their student governments to become full CSSA members so that CSSA can truly represent the more than 340,000 CSU students. Thank you.

2

EXHIBIT A
Full Board Minutes
September 16, 1998

Otomo-Corgel: Mette, do you want to introduce the people that are with you?

Mette Adams: Yes. To my left is Geoff Sacala; he is our Vice Chair of Internal Affairs; he is from Sacramento State. To my right is Alex Arteaga; he is our Vice Chair of External Affairs. Next to Alex is Christy Zamani; she is our Chair of University Affairs and she's from Long Beach State. Phillip Leonard, Chair of Legislative Affairs, would be here if he could; he's dealing with school. I believe you know our staff Ginny Whitby behind me and Susan Cusack, who is our legislative coordinator in Sacramento.

Otomo-Corgel: We welcome you and thank you for being here. Also if Chair Bill Hauck were here, he'd also put in a push for us as trustees, staff, presidents, to give our undying support for Prop. 1A. I think that means to give your time, your heart and your pocketbook. He's not here to hit us up with that today but I don't think he should have to hit us up. We need to go to Bill and say this is how we can help. I'm sure Bobbie Metzger will be ready to let us know how specifically we can do that as well. That concludes my presiding Vice Chair Report.

REPORT OF CHANCELLOR CHARLES B. REED
Board of Trustees
The California State University
September 16, 1998

First, it gives me great pleasure to introduce some very important people who are here today from the state of Florida. The California Student Government Association was interested in trying to find out a little bit more about me. They were following the California Faculty Association who invited some of the union leaders from Florida out to talk to them about me. I'd like to introduce two of the three students, one had to go back to school early this morning, who came out. I'd like to tell you that they chose among the very best Florida students and the leaders of the Florida Student Government Association to come out and spend a few days with students in California. It was Cathy's and my great pleasure to host a dinner on Monday evening at the State House for all of the students.

First, I'd like to introduce Kevin Mayhew. Kevin is the Executive Director of the Florida Student Government Association. And just to prove to you that they go after the very best, Kevin has a bachelor's degree, a master's degree and a law degree all from the University of Florida and so he is better known as the Big Gator among the Student Government Association. With Kevin is Scott Milner. Scott is the chief lobbyist for the Florida Student Government Association. I want to share this: Kevin has completed his degrees and Scott's still working and wants to go to law school but the Gators were able to stay an extra day out here because their curriculum is not as hard as their fellow students who had to go back to school.

Kevin and Scott provide great leadership in Florida and we formed a partnership a few years ago. I couldn't believe when we were seeking an increase in fees, hear that Mette, that it was the Florida Student Government Association that beat me to the microphone to recommend an increase in fees in Florida so that the students could get something that they weren't currently getting. We had that kind of relationship and partnership. So, Kevin, thank you and Scott for coming out here and it was a fun time the other evening. I won't embarrass Kevin by asking him to give the same speech that he did at the State House the other night.

As to my report, first of all I'd also like to thank Barry and Anne for a lovely evening. Getting a chance to go to the Getty and experience what Barry gets to live with each and every day is great, but also it just reminded me—again, Dave Spence said this—in what really outstanding condition and shape that Barry left this system and this board in and I really appreciate that. He and I probably talk on the phone every week or so about what's going on.

School has started, fall classes have begun this week; our quarter campuses have started their classes. I can tell you enrollment is up throughout the system. We're still experiencing robust enrollments at San Diego, Chico, Long Beach, Sonoma, Fullerton; we'll probably over enroll this fall above what we anticipated. So I will be reporting to you in November where we really are after the quarter system enrollments come in. Trustee Campbell will also report to you about increasing the numbers in teacher education.

EXHIBIT B
Full Board Minutes
September 16, 1998

Tomorrow I will be making an official visit to the Northridge campus. Earlier this week I was at San Luis Obispo and I can report to you now that, after tomorrow, I have set foot on 22 of 23 campuses; the only campus that I will not have been to yet will be Humboldt and I promise to be at Humboldt before the first of November. So I will complete, by the first of December, all of the official visits. I plan to re-visit a few of the campuses where I only spent a short amount of time.

Third, about a month ago, I visited Channel Islands in Ventura County and met with the citizens and support groups there with Handel and the other members of the staff working on the Channel Islands project. We really look forward to working with this board. Dave Spence and I have talked quite a bit about this, of doing the academic planning that is necessary to open up a new campus. We hope that we're going to be able to take the kind of time needed to do the academic planning. There are not very many people in the United States who get a chance to plan one brand new campus and I'm going to have the opportunity with Dave and the other staff and Handel to plan for two. So I'm looking forward to that, but it's a lot of hard work and we want to keep this board informed as we start the detailed academic planning for Channel Islands.

I also want to recognize what trustee Vitti said at the retreat. I spoke a little bit about new campuses. We don't want to do this too often. This is one more child to feed and when you have 23 kids that's a very large family and it's expensive and so we want to focus on doing the right thing in Ventura County. The people of California are going to give the people in Ventura and their students a great gift. That gift will have to be taken care of, and that includes operating money as well as the capital money. I look forward to working with Senator O'Connell; he's very sensitive about that, he's been a great supporter this year for the rest of our operating budget and the capital budget. Frankly, thanks to Karen Yelverton and some other folks there was a little tweak in that \$9.2 billion capital budget where most of that \$165 million was all going to go in one place. I won't say where that was going to be, but thanks to Senator O'Connell it will be divided up for all brand new campuses that are starting and that will be a tremendous help to us. But I also want to say that given the legislation and the operating budget and the capital budget and the plans, we need to thank Handel and Noel Grogan, Richard West and Karen Yelverton because everybody has had a big part of getting this to the five-yard line. Then you all carried the ball across the goal line this morning.

On September 29 there will be an organizational meeting by Chairman Stennis of the search committee for the new president of Dominguez Hills. Along with Trustee Ali Razi and Trustee Otomo-Corgel, we will begin that process. We will keep this board informed of our process of advertising and searching for candidates for Dominguez Hills. I can also report to you that Dominguez Hills is under great leadership and in good hands. The reports from that campus and the turnaround, shall we say, has been phenomenal. We really appreciate Herb's leadership and attention there.

We will, with Dave Spence, be coming to this board in November to report to you on an implementation plan for Cornerstones. We are sticking with the Cornerstones objectives of educational results, access, financial stability and university accountability. That is a very important document that has been put in place and we're committed from an accountability standpoint to report to you on that on a periodic basis.

Along with that we'll be reporting to you on teacher education as the other priority. In the area of teacher education, we have begun the development process to convert the British Open University materials. We hope to complete that in the next ten months. We assembled an awesome group of the best and the brightest faculty members from throughout the CSU system to begin that work. They started about two weeks ago and we'll keep you informed of that.

Trustee Campbell earlier today made a statement, along with Gary Hart, that teacher education continues to be a state and national priority. The *New York Times* will be sending a reporter out here in the next couple of weeks to talk and look at what the CSU system is doing. One of our professors was interviewed on NBC nightly news last week. I have been asked to attend a meeting of the Carnegie Foundation in New York along with joining a group on the American Council on Education to focus on improving teacher education. So there is a lot going on in that area.

Several people have mentioned this but we can't overdo it. Proposition 1A is on the ballot on November 3. We have to do everything we can to see that the citizens are informed so that we can build the new campuses and expand the capacity of the existing campuses of the CSU system. I will be meeting with members of the Education Roundtable next week to make sure that both the University of California and the community colleges are working as hard as they can as a team. It's interesting to me that the third gubernatorial debate will be held on a CSU campus, the Sac State campus. Don, we wish you the best, and I know John Welty set the standard for hosting that, and they were in San Diego before that. I hope that the candidates will at least mention over the air waves our CSU as they visit our campuses.

I want to mention an award that Trustee Jim Gray will be getting next month. He will be honored by the citizens of Long Beach for his "Excellence in Leadership," for being the chair of the Aquarium of the Pacific, and all the other civic duties he has performed in Long Beach. I look forward to that and it's a well deserved honor, Jim, that your citizens are bestowing on you.

I know I'll ask for your final approval, but yesterday I appreciated your approval of the executive compensation package. The presidents of the CSU are an outstanding group of individuals. I have worked with a lot of presidents over the last 15 or 20 years and I can say that as a group we have an outstanding, hard-working group of presidents which is very supportive of this board and the system priorities and I very much appreciate that.

Now there are three just brief reports I would like to ask the presidents to make. Whenever you get over \$10 million, I think we deserve to recognize that. First, I would like to ask Milt Gordon if he would just briefly share with us the gift that he received earlier this week. There's a brochure on your table that has to do with teaching elementary school, K-6 children, science and mathematics skills, and you might want to share that, Milt.

President Milton Gordon: Thank you very much, Chancellor. You have before you a brochure called "Preparing Children Today for a World of Science Tomorrow." Two days ago Dr. Arnold Beckman of Beckman Instruments announced a gift of \$14.4 million that will reach approximately 300,000 school children, K-6, over the next five years. Secretary Marian Bergeson said at the announcement that she believes this is the largest private gift for public education in the history of

EXHIBIT B
Full Board Minutes
September 16, 1998

California. It's a very, very exciting project and I'm really delighted to announce that Cal State Fullerton has been selected to administrate this gift, and I think one of the reasons is that we have one of eight regional centers for excellence in science and math education. It will be directed by Dr. Julia Wong at our campus. As soon as it was announced on Monday, we were already hearing from schools and teachers who want to participate in it.

If you saw the video on TV, it showed Dr. Beckman and, if you were not aware of it, he is now 98 and a half years old. I was with him last night at a dinner in Orange County. He is very excited. If you followed his history from his inventions to his philanthropy, you will know that he usually gives, and he's given a tremendous amount of funds, to science research projects. He has funded the laser center at UCI; he's funded many science research projects at Cal Tech and University of Illinois. I believe this is the first attempt by him of funding something like K-6. I've had conversations with him over the past year as we've prepared for this. He is very concerned about science education. He was born in 1900. At the age of ten he read his first chemistry book, which was written in 1867. That was the excitement that turned him on and, you know, he was recently installed in the America's Hall of Inventors along with Alexander Graham Bell and Thomas Edison for his inventions that are still used across the world. As I say, this project has just been very, very exciting for him and the first phase of it is the \$14.4 million.

We had some school children with us on Monday at the time of the announcement. He's in a wheel chair and he rolled over to the table and started playing with the science box with the second and fourth grade classes. We couldn't be more excited about the entire project and we're determined that 300,000 school children in the next five years will indeed be touched. All of Orange County is as excited concerning this project as it can be and I think it fits our mission, the CSU and the CSUF's mission of reaching out, helping K-12. So I'm just delighted to make this announcement and invite all of you if you have any questions or feedback concerning it, to just please direct them to me. I'd be glad to answer any questions about that I can.

Chancellor Reed: Milt, we don't want you to be disappointed—that was the largest gift at that minute. But, moving on, I am going to call on Steve Weber to talk about another gift that came to San Diego State. I had the great pleasure of being at Hoover High School, one of the schools that is going to benefit from this next gift.

President Steve Weber: Thank you. Sol and Helen Price through their Price Charities have given San Diego State \$18 million, three million a year for six years. Under the provisions of this gift, we will assume responsibility for three schools—an elementary school, a middle school, and high school in City Heights, which is one of the most disadvantaged communities in San Diego. This is a joint project. San Diego State and Price charities have worked closely with the San Diego teachers union. This was overwhelmingly approved by the teachers in those three schools and the San Diego Unified School District accepted this proposal just last week. We will be in a position to make a contribution to the community and to thousands of students in these schools. We're particularly looking at benchmarks to show improvements in student performances throughout the grades, but I would say, equally important, this will make us a better college of education and it will enable us to learn more about preparing teachers and we think it will have an impact on all the teachers produced by San Diego State.

Chancellor Reed: Thank you, Steve. Both of those will be inspiring programs and great gifts to build partnerships with our communities. Last, and any other president I've left out who can top this, just jump up. I want to ask President Maxson to share, this is not so much a gift, but a contract or grant that CSU Long Beach is going to manage, to improve the community of Long Beach. Bob.

Bob Maxson: Thank you, Chancellor. The city of Long Beach is rather hopeful and optimistic about getting one of the sixteen empowerment zone grants that are going to be awarded this next year. It's \$100 million, ten million a year for ten years. The citizen leadership in the community that oversees this project came to the university and asked the university through its foundation if we would be the fiscal agent and the administrative agent for this project if, in fact, it comes through, and there's every reason to believe that it will. Thank you.

Thank you, Bob. You know, we're on the move, and I like these kinds of reports. Madam Chair, that completes my report.