Minutes of December 22, 1998

Members Attending: John de Castro, Bill Decatur, Sam Deitz, Chuck Derby, Sid Harris, Ron Henry (Chair), Fred Jacobs, Timeka Lamback, Carol Whitcomb

Members Absent: Cleon Arrington

Others Attending: Lisa Beck, Tim Crimmins, Usha Ramachandran, Edgar Torbert

Minutes of December 11 were approved as distributed.

Executive MBA Fee

Dr. Henry distributed a request from College of Business to increase the Executive MBA two-year program fee for the Class of 2002 from $35,000 to $38,000. Dr. Deitz made a motion to recommend the program fee increase as presented. Dr. Derby seconded the motion. The motion passed.

Parking & Transportation

Dr. Decatur distributed two options for increasing parking fees for FY2000-2004: (1) continue flat fee with increase from $35.00 to $38.00 per month for all faculty-staff lots and increase lot "M" from $140 to $160 per semester; and (2) increase all lots except "S" from $35.00 to $40.00 per month, decrease lot "S" from $35.00 to $25.00 per month, increase reserved-space parking from $35.00 to $55.00 per month, and increase lot "M" from $140 to $160 per semester.

Dr. Crimmins asked if the proposed fee for lot "M" would cover costs for that deck. Dr. Decatur replied that such an analysis was not available for individual decks.

Dr. Jacobs asked for clarification of the capital project costs. Dr. Decatur replied these included expansion of "M" deck to full capacity and renovations to existing decks.

Dr. Harris asked for explanation of the accumulated repair and replacement funds. Dr. Decatur replied Board of Regents policy required 5% of revenues to be set aside for this purpose. Dr. Deitz asked how these funds related to the accumulated fund balance. Dr. Decatur replied the accumulated repair and replacement funds were held separately.

Dr. de Castro stated his objection to accumulating funds for deck replacements on grounds that many persons paying the fees would not stand to benefit from the construction projects. He encouraged exploration of alternative ways for funding capital projects in order to have users pay.

Dr. de Castro pointed out that the two options presented by Dr. Decatur did not include an increase in daily rates which had been suggested at the previous meeting. Dr. Henry added that the discussion at the previous meeting had tied increasing daily rates to a lesser increase in the transportation fee.

Dr. Jacobs suggested current parkers should pay for current costs plus a small piece of deck replacement costs. Dr. Deitz asked over how many years such fees should be extended. He urged that concerns about housing and Rialto deficits not drive decisions about parking rates.

Dr. Crimmins commented that it might be helpful to think in terms of the total pool of parking spaces rather than individual decks and lots. Dr. Jacobs responded that this would be in line with the flat-fee approach.

Dr. Decatur noted the Ohio State model of calculating repair and replacement costs based on building component and system analyses. He expressed concern about approaching the GSU Foundation regarding
bonds for parking construction projects given their current obligations for One Park Place and the Alpharetta
 campus and anticipated obligations for a research laboratory building. He added that the cost of involving
 private developers in parking construction would be higher because of their profit requirements.

Dr. Deitz questioned the balance in the repair and replacement fund after the initial construction project and
the lack of loan repayments by Housing to Parking. Dr. Decatur responded that the balance in the fund would
allow the construction of the second replacement deck on a tighter schedule. He responded that the
repayments by Housing would start beyond the period shown on the spreadsheet. He indicated this was
necessitated by debt service increases and need for repairs to the facilities related to normal wear-and-tear on
student housing.

Dr. Crimmins asked about the proposed charges for parking university vehicles. Dr. Decatur replied that this
would primarily affect Physical Plant, Recreation and Athletics. He noted the entire lot behind Classroom
South is currently used for university vehicles, although it is prime parking.

Dr. Deitz voiced concern about evening employees not paying for parking (i.e., parking illegally).

Dr. Deitz stated his agreement with the points made by Dr. de Castro about looking at alternative means of
financing the replacement decks and not putting the burden on current faculty and staff. Ms. Whitcomb stated
her agreement as well with these points.

Dr. Decatur asked what options were envisioned for further exploration. Dr. de Castro urged further
discussions with state officials regarding payback bonds. Dr. Henry noted concern in state government about
lowering the AAA bond rating of the state by increasing the total obligations too high. Dr. Decatur added that
all bonds issued by the state are treated as general obligation bonds, even those backed by revenue streams
such as for parking decks. He noted the Board of Regents and research university presidents had talked
repeatedly with state officials about the need for payback bonds issued through a separate educational entity,
but Speaker Murphy has remained strongly opposed to this revenue bond approach.

Dr. Crimmins asked if the GSU Foundation was an option. Dr. Decatur responded that a full analysis of the
capacity of the Foundation to take on debts of this sort had not been initiated, but the state auditors had
already expressed discomfort with such use of the Foundation. Dr. Henry added that the research laboratory
building was the next major project for financing through the Foundation.

Dr. Deitz suggested attention be given to two issues: tiering and fee increases. Dr. Decatur replied that tiering
had been removed from the proposal with the exception of the "S" deck price break and the premium for
reserved-space parking. Dr. Deitz expressed opposition to the "S" deck price break. Dr. Deitz made a motion
to eliminate tiering from consideration.

Dr. de Castro reiterated his opposition to the premium for reserved-space parking given job-related needs to
park in such locations. He suggested the premium should be tied to the better lots. Dr. Deitz questioned how
the better lots would be determined. Dr. Crimmins commented that the increased revenue from such an
approach would not be worth the resulting faculty and staff dissatisfaction. Ms. Whitcomb reiterated staff
opposition to any increase in staff parking fees, but support for the increase in daily rates. The motion failed.

Dr. Decatur noted availability of data for other downtown parking and parking at other universities as well as
data on operating and replacement costs.

Ms. Whitcomb commented on conditions in the Five Points deck. Dr. Decatur responded that these were
leased spaces and not ours to maintain.

Dr. de Castro made a motion to recommend premium rates for the B, C, L, U, and Z lots. Dr. Harris seconded
the motion. Dr. Jacobs observed there was a problem with premiums for these lots if the users had no choice
of lots. Dr. Harris commented that while he was sympathetic to the tiering approach, he feared the discussion in FACP would only reverberate across the campus. He offered a substitute motion for flat rates.

It was agreed to vote on three schemes: (1) flat rates, (2) premiums for lots B, C, L, U and Z, and (3) premium only for reserved spaces. The vote was: 1 for flat rates, 1 for premiums for certain lots, and 7 for premium only for reserved spaces.

Dr. Deitz asked that the revised proposal also include options for increasing daily rates and lowering the "S" deck rate by $5 instead of $10.

**Differential Student Activity Fee**

Ms. Ramachandran presented additional information concerning student activity fees structured as a flat fee plus an hourly based fee. She outlined eight models: (1) $228 flat fee with no hourly fee; (2) $120 flat fee with $12 hourly fee capped at 12 hours; (3) $160 flat fee with $8 hourly fee capped at 12 hours; (4) $190 flat fee with $4 hourly fee capped at 12 hours; (5) $120 flat fee with $12 hourly fee and no cap; (6) $120 flat fee with $11 hourly fee and no cap; (7) $160 flat fee plus $7 hourly fee with no cap; and (8) $190 flat fee with $4 hourly fee and no cap.

Dr. Harris made a motion to recommend a flat fee plus an hourly based fee (i.e., differential fee). Dr. de Castro seconded the motion. The motion passed.

Dr. Jacobs made a motion to recommend the hourly fee for the total number of hours taken (i.e., no cap or plateau). Dr. de Castro seconded the motion. Ms. Lamback noted the student committees discussing the structure of the student activity fee had strongly preferred the flat fee with no hourly fee, but given the probability of a recommendation from FACP to change to a flat fee with an hourly fee, had in that case indicated a strong preference for a plateau. Dr. Decatur pointed out that the 12-hour plateau for matriculation and tuition was mandated by the Board of Regents. Dr. Harris observed that following the 12-hour plateau for all fees would reduce the complexity of the overall fee structure. Dr. Henry commented on the concurrent efforts to encourage students to take more courses. Dr. de Castro emphasized the need to take away any disincentive for students to take a third or fourth course. The motion passed.

Dr. Jacobs made a motion to recommend either model #5 or model #6 (see above) as the starting point for further consideration of the fee requests. Dr. Derby seconded the motion. The motion passed.

It was agreed to continue discussions of the parking and transportation fees, student activity fees, and the applied music fee at the next meeting on January 8, 1999.

Prepared by Edgar Torbert

Approved January 8, 1999