



**UWF Business Enterprises, Inc. Board of Directors Meeting**  
Scenic Hills Country Club Argonaut Ballroom  
September 21, 2015

**Present**

Chair K. C. Clark, Vice-chair Patel, Treasurer Hal White, Secretary Suzanne Lewis, Member C. Ray Jones, Member Judge Lacey Collier, President Judy Bense, Member John Todorovich, General Counsel Pat Lott, Vice President Steve Cunningham, and Staff Support Secretary Tiffany Nisewonger.

Guests: David O'Brien, Ed Ranelli, James Barnett, Rick Gorman, Jerry Huggard, Megan Gonzalez, Ellen Till, Joy Ward, Tom Heffernan, Dan Lucas, John Todorovich, Chip Chism, Betsy Bowers, Scott Bridgman, Diane DiFebbo, Bryan Clarke, Kimberly Ferguson, Robert Bennett, David Glaze, Chris Curb, Frank Fabre, Jenny Hamilton, Robin Zimmern, Daniel McBurney, Jake Hebert, Dave Scott, Leonard Swartz, Kishane Patel, Angela Wallace, Tammy Ford, Anamarie Mixson, Mark Helmus, and Collin Bissett.

**Welcome/Opening Remarks**

Chair Clark called the meeting to order at 12:30 p.m. Chair Clark introduced and welcomed, Dr. Steve Cunningham, the new Vice President of Finance and Administration and CEO of BEI. Dr. Cunningham will be taking on the leadership role in strategic planning for BEI and we look forward to his leadership. Ms. Nisewonger called roll and confirmed that a quorum was present.

**Approval of Minutes**

May 4, 2015, May 11, 2015, June 10, 2015, and June 19, 2015. Secretary Lewis asked if there were any changes or corrections to the minutes. None were noted.

Motion to approve: Vice-Chair Patel

Second: Member Judge Collier

Motion passed unanimously.

**University Update**

President Bense provided the latest University updates noting the 2015 State of the University Address will be held on September 24, the UWF Board of Trustees meeting is scheduled for September 30, the Board of Governors meeting will be held in Miami on November 4 & 5, and the UWF Presidential Search Committee has been selected.

**Treasurer's Report**

Treasurer White provided the Treasurer's Report.

- Bookstore sales for fiscal year 2015 decreased 5% compared to sales for fiscal year 2014. Digital book sales increased by 23%. Digital books are less expensive than hardcopy books. There was a decrease in freshmen enrollment, which resulted in lower clothing sales during orientation. But the primary reason for the decrease in sales for the fiscal year is from the increased competition of local and on-line vendors.
- Campus dining sales for fiscal year 2015 increased 2% compared to sales for fiscal year 2014. Catering sales increased and there was an increase in sales during the summer program with Bistro Blue at the National Flight Academy.
- Parking and Transportation Services revenue is lower in the 3rd Qtr. of this fiscal year compared to the 3rd quarter of last fiscal year. As mentioned at the last BEI Board meeting, the timing for posting spring Transportation Fees has changed with the new Banner Student system from cash basis to accrual basis accounting.
- Scenic Hills Country Club income for fiscal year 2015 increased approximately 4% from Introductory Memberships cart rentals.
- Scenic Hills Country Club overall expenses for fiscal year 2015 decreased approximately 9% compared to fiscal year 2014 from reduced cost of goods sold, advertising, marketing, and course maintenance expenses.
- Development cost incurred by BEI in fiscal year 2013 and fiscal year 2014 for the University Park project were reclassified from construction in progress to expense in fiscal year 2015. The external master developer working with BEI to develop the original project as a public/private partnership withdrew from the project. In July 2014, the project was re-engineered and transitioned from BEI to the University. It was determined the development costs under BEI do not provide a benefit to the revised project and are non-transferable.
- BEI donated over \$100,000 of dining improvements to the University in fiscal year 2015 from capital investments made by the dining services vendor for the dining venues across campus.
- BEI began earning a small amount of income in the 4<sup>th</sup> Qtr. of fiscal year 2015 from the digital monument sign and the mobile laundry and dry cleaning services.
- The East Campus/Argonaut Village opened Starbucks on June 16, 2015. Starbucks sales will factor into the campus dining sales commissions BEI receives from the dining services vendor.
- The Treasurer plans to meet with the new CEO Steve Cunningham on a frequent basis to review BEI financial information and reconciliations.

### **CEO's Report**

CEO Cunningham provided information on the East Campus Argonaut Village Space Lease, P3 Guidelines, and the Scenic Hills Country Club Work Group:

#### 1) Argonaut Village Space Lease Update

- Shoney's is very interested in the 4,300 space which will be the large anchor restaurant. They have a new concept that includes a full bar with the restaurant. Ellen Till will be visiting one of their business locations in Panama City.
- The Boneheads and Subway lease agreements have been executed, with those businesses opening later this fall.
- The Herbal Spa & Nail Salon and Follet operated "Spirit Shop" lease agreements are being reviewed at the Compass/Chartwell's attorney's office. No occupancy date has been identified.

- 2) P3 Guidelines – The Board of Governors Facilities Committee approved the Public-Private-Partnership Guidelines on July 23. The Board of Governors approved the guidelines on September 3, 2015. **Key points of Projects** subject to the new Guidelines include:
- Projects having a cost of \$5,000,000 or more.
  - Lease agreement terms will not exceed 40 years.
  - Term of debt should not exceed 30 years, excluding construction time.
  - Proposed projects must be submitted to the BOG Division of Bond Finance no later than ninety (90) days prior to the BOG meeting.
  - Allowed for deviations from a level debt structure for revenue-generating projects utilizing debt. The coverage ratio should be 1.20 x project debt service; however, if the coverage ratio of 1.20x is not projected to be achieved, a justification can be provided.
- 3) The Scenic Hills Country Club Workshop was held on August 10<sup>th</sup> with the Work Group, Presenters, Participants, and Staff to listen to information and provide input on three (3) options to consider with respect SHCC. Suzanne Lewis, the Work Group Chairperson, will provide an informational item on this topic later on in the agenda.

#### **Public Comments**

None

#### **Action Items**

- 1) Audited Financial Statements for June 30, 2015 – Ms. Wallace recommended acceptance of the BEI Audited Financial Statements for June 30, 2015 as presented. The BEI audited financial statements for June 30, 2015 were presented to the BEI Board of Directors by BEI staff and Clifton Larson Allen, independent certified public accountants. Ms. Wallace introduced Ms. Diane DiFebbo and Mr. Scott Bridgman to present the information from the audit. Ms. DiFebbo presented the audit process. Ms. DiFebbo discussed the financial highlights including revenues and expenses and revenue by sources comparison with industry of golf courses compared to SHCC. Mr. Bridgman discussed highlights, metrics, and areas at SHCC that have room for growth during the slide presentation. The BEI audited financial statements for June 30, 2015 were presented for Board approval.

Motion to approve: Member White

Second: Member Patel

Motion passed unanimously.

- 2) Ratification – Corporate Authorization Resolutions (ServisFirst Bank) and Ratification – UWF BEI Signature Authorizations for Checks and Transfers of Funds (ServisFirst Bank) – Ms. Wallace recommended approval of the Corporate Authorization Resolutions and Signature Cards Updates for BEI Bank Accounts (ServisFirst Bank).

Approve the attached Corporate Authorization Resolutions and approve the affiliated signature cards attached for the following persons to sign checks and to approve transfers of funds to pay

expenditures or for other disbursements evidenced by an invoice or other appropriate documentation from the BEI bank accounts established at ServisFirst Bank.

Dr. Steven Cunningham, Chief Executive Officer  
Dr. Hal White, Treasurer  
Dr. John Todorovich, BEI Board member  
Mr. Richard D. Gorman, General Manager, Scenic Hills Country Club

Motion to approve: Member White  
Second: Member Patel  
Motion passed unanimously.

### **Information Items**

- 1) Report of SHCC Workgroup Meeting – Secretary Lewis presented the Report of the SHCC Workgroup Meetings. On May 4, 2015, Chairman Clark charged Secretary Lewis, along with staff ICEO Barnett, General Counsel Lott, and Interim Vice President Bowers to collect data regarding Scenic Hills Country Club and identify various options for future operations and recommend to the BEI BOD appropriate action for the long term viability of this BEI/University asset. The SHCC Workgroup held a workshop on August 10, 2015 where presenters and guests shared their knowledge and experience. The SHCC Workgroup met on August 27, 2015 and September 14, 2015 to review and discuss feedback from the workshop to present to the Board. BOD member Suzanne Lewis, along with BEI staff, developed the following recommendations to the BEI Board for their consideration and approval:
  - a) BEI staff should proceed immediately to develop a request for proposals for leasing or other long-term management of the golf course similar to those arrangements developed by Florida State University or the City of Gulf Breeze, with consideration of an option to purchase or right of first refusal if appropriate.
  - b) BEI should continue and expand efforts to integrate the golf course into the academic and facilities needs of the University.
  - c) BEI should continue and expand efforts to develop partnerships with Escambia County, Navy Federal and other constituents to expand use of the golf course in community based recreation and education.
  - d) BEI should pursue the possibility of grant funding and investment from Escambia County in improvements to drainage and storm water management facilities serving the golf course and the surrounding residential community.
  - e) BEI should request the University provide property, facilities, and personal services, within the meaning of Section 1004.28, Florida Statutes, to assist BEI in marketing and membership efforts to preserve and enhance the golf course.

Chair Clark recommended approval of two action items by the Board.

- Adopt recommendations of the work group.
- A timeframe of 3 months for developing an RFP.

Motion to approve: Written by SHCC Workgroup  
Second: Member Patel  
Motion passed unanimously.

Chair Clark charged the work group with drafting an RFP and to report back to the Board as soon as possible. Chair Clark also charged CEO Cunningham to coordinate the RFP/RFQ production.

- 2) Parking and Transportation Services – Ms. Till presented a video off the University’s Parking and Transportation Services. At the September 21, 2014 BEI Board of Directors meeting, the Board expressed interest in receiving a presentation regarding the University’s Parking and Transportation Services. Ms. Till introduced the Director of Parking and Transportation Services, Chip Chism. Mr. Chism noted several accomplishments made by the department to date. There are two phases of the 70k maintenance plan. Phase 1 of campus standards, included the addition of crosswalks, maintenance of 40 parking lots, the addition of four trolley shelters and eleven benches. Phase II included signage and lighting improvements. The department also purchased a P2 hand held monitor that enables the tracking of permits and citations. Transportation services now has four trolleys, one express route, and an “app” for viewing trolley locations and routes. A video of the university’s parking and transportation services was shared with the Board members.
- 3) Budget to Actual - Ms. Wallace explained the Budget to Actual Report represented a summary of actual revenue and expense transactions from the beginning of the fiscal year through the end of the 4<sup>th</sup> quarter (July 1, 2014 – June 30, 2015) compared to the revenue and expense budgets established for the fiscal year. Ms. Wallace discussed the details of transactions listed on the reports as presented to the Board.
- 4) Public-Private-Partnership Guidelines – CEO Cunningham presented the Florida Board of Governors P3 Guidelines. After months of drafting and revisions, the Florida Board of Governors adopted a final version of the P3 Guidelines that will govern development of SUS projects that do not presently require Board of Governors approval. The final draft guidelines are presented today. Changes from the previous draft provided to the BEI Board are not extensive. The final guidelines include the exception for projects costing under \$5,000,000.

#### **Other Business**

None

#### **New Business**

- 1) Consideration of letter from Daniel McBurney, Student Government Association President – On May 4, 2015, Dr. Kevin Bailey, UWF Vice President Student Affairs, requested the Board include a student representative from the Student Government Association (SGA) on the BEI Board. The Board recommended Dr. Bailey have representatives from SGA attend the next BEI Board meeting and make a presentation of what the group can bring to the Board. SGA President Daniel McBurney submitted a proposal to Chair K.C. Clark. BEI Board Chair Clark recommends the BEI Board revise by-laws if the board wishes to incorporate a seat on the board for an SGA representative. The SGA President will appoint a non-voting member for a one-year term. The Board approved the SGA proposal to appoint a non-voting member to the BEI Board.

Motion to approve: Member Todorovich

Second: Member Jones

Motion passed unanimously.

- 2) Consideration of RESTORE Act Presentation from Escambia County and letters of support – Vice Chair Patel introduced Escambia County Representative; Mr. Chris Curb, Engineering Manager,

Escambia County Engineering Division of Public Works. Mr. Curb presented the proposed RESTORE storm water improvement project concept to the Board and requested a Letter of Support for the Grant Application and Construction Process. The BEI Board members reviewed and recommend support of the County's Proposed RESTORE Project Concept and executed a Letter of Support. The Board also authorized CEO Cunningham to work with Escambia County to analyze the proposal, and, if appropriate, provide follow-up related to the Grant Application and Construction Process.

Motion to approve: Member Patel

Second: Member White

Motion passed unanimously.

### **Adjournment**

The Scenic Hills Country Club Workshop occurred from 1:30 p.m. - 3:30 p.m.

Respectfully submitted,

Tammy Ford, Assistant Staff Support Secretary