



UWF Business Enterprises, Inc. Board of Directors Meeting
Scenic Hills Country Club Argonaut Ballroom
February 23, 2015

Present

Chair K. C. Clark, Vice-chair Jay Patel, Treasurer John Todorovich, Secretary Suzanne Lewis, Member C. Ray Jones, Member Judge Lacey Collier, Member Hal White, President Judy Bense, ICEO James Barnett, General Counsel Pat Lott, Interim Vice President Betsy Bowers, and Staff Support Secretary Marie Glass.

Guests: Angela Wallace, David O'Brien, Tiffany Nisewonger, Tammy Ford, Rick Gorman, Jennifer Claypool, Martha Saunders, Megan Gonzalez, Susan Stephenson, Gail McGrady, Ellen Till, Dave Scott, Bill Healey, Joy Ward, Kevin Bailey, Dan Bevil, Tony Nguyen, Cole Rabin, Collin Bissett, Richard Kelly, Tom Heffernan, Derick Johnson, Justin Beck, and Stacy Taylor.

Welcome/Opening Remarks

Chair Clark called the meeting to order at 1:30 p.m. Ms. Glass called roll and confirmed that a quorum was present.

Approval of Minutes

November 20, 2014. Secretary Lewis asked if there were any changes or corrections to the minutes. None were noted.

Motion to approve: Vice-Chair Patel

Second: Member Collier

Motion passed unanimously.

University Update

President Bense provided the latest University updates about the Carnegie Community Engagement Classification, reaffirmation of accreditation visit by SACSCOC, metrics with noticeable improvements, and football signing day.

Treasurer's Report

Treasurer Todorovich provided the Treasurer's Report. Comparing this fiscal year's 2nd quarter to the 2nd quarter results of last year, the following results were noted:

- Bookstore sales increased by a small amount;
- Campus Dining Services sales decreased;

- Parking and Transportation Services revenue is higher. The timing for posting spring Transportation Fees has changed with the new Banner Student system from cash basis under the old system to accrual basis with the new system.
- Scenic Hills Country Club income at the end of the 2nd quarter is under budget. Scenic Hills Country Club fiscal year-to-date revenue through December 31, 2014 is up approximately 14% compared to the first 6 months of last fiscal year. Scenic Hills Country Club year-to-date expenses through the end of the 2nd quarter are in line with the budget at 50.53% of the total expense budget established for this fiscal year.

Capital investments by Compass Chartwells in progress include \$50,000 for Scenic Hills Country Club dining upgrades. New table tops and chairs have been purchased for the dining area with installation planned in mid-March. Compass Chartwells also invested more than \$100,000 in retail dining improvements for the fall semester, which BEI donated to UWF in October 2014. BEI and Compass Chartwells executed in December 2014 Amendment One to the Amended and Restated Dining and Event Services Agreement for the main campus, which includes additional capital investment of \$350,000 from Compass Chartwells for the East Campus/Argonaut Village. This changes the amortization period start date from October 2014 to the opening date of the restaurant facilities. The Treasurer and Interim CEO continue to meet with the Director on a frequent basis to review BEI financial information and reconciliations.

Public Comments

None

CEO's Report

ICEO Barnett provided an update on the three projects that were supportable as proposed and recently announced. ICEO Barnett suggested a special Board "Strategic Planning Session" where they could think strategically about what projects and in priority order they wish to upon in the future.

A special meeting of the Board will be necessary for the Lease Agreement between UWF BEI and Compass Chartwells for spaces within the East Campus/Argonaut Village development. Negotiations continue with Compass Chartwells; BEI received correspondence during the week of February 9 stating Compass Chartwells will agree to a ground lease only. To ensure BEI receives a "good value" for the land, an agreement is being developed for CBRE staff to provide appraisals on the undeveloped and developed land. The Board agreed to a special board meeting on March 31, 2015 @ 3:00 p.m.

ICEO Barnett met with Dr. Lisa Assante, Chair of the UWF Department of Hospitality, Recreation, and Resort Management to discuss SHCC internship opportunities.

An update was provided on Green No. 13 and the impoundment structure that breached in the April 29, 2014 storm. SHCC is not obligated financially or legally to replace the structure. During the week of January 26th, the Department of Agriculture, Division of Natural Resources Conservation Services called. They were conservatively optimistic about some mitigation monies sufficient to restore the Green at No. 13; however, the monies would be significantly insufficient to fund the impoundment replacement. The federal appropriated monies would be a 75:25 match. Presently, BEI does not have a cash reserve in its operating budget for the match. If and when the grant is received with specific money appropriation, BEI will evaluate its cash position, and determine the next steps before signing the grant contract.

Compass Chartwells continues to be an excellent partner, and recently hired Chris Cleveland as the new Director of Food Services.

ICEO Barnett provided an update on the East Campus/Argonaut Village. CBRE and Beck Properties are making progress with the leases. Negotiations continue with perspective tenants and CBRE/Beck Properties are seeking the large anchor. Starbucks will be operational mid-May. ICEO Barnett invited CBRE/Beck Properties Justin Beck and Stacy Taylor to provide an update on the East Campus leasing. Mr. Beck reported they have commitments for five out of the six (6) retail spaces. As noted earlier, work continues regarding a tenant for restaurant anchor space; he continues conversations with many interested parties.

Action Items

Amendment of Master Sub-Lease Agreement between the University and UWF B.E.I. -Ms. Lott explained to the Board the purpose of the Amendment of Master Sub-Lease Agreement between the University and UWF BEI. This amendment is being recommended because the original Master Sublease Agreement contemplated developments that are not being accomplished at this time. This amendment defines the spaces leased to BEI at this time to be solely the spaces underlying the East Camus improvements.

The Amendment of Master Sub-Lease Agreement between the University and UWF B.E.I. was presented to the Board for approval.

Motion to approve: Member White

Second: Member Lewis

Motion passed unanimously.

Informational Items

- 1) 2015-16 BEI Board Meeting Dates - Ms. Glass presented the proposed 2015-16 Board meeting dates. The board should review the options and be prepared to finalize meeting dates at the May 4, 2015 BEI BOD meeting.
- 2) SHCC Strategic Sales and Marketing Plan, 2015 – UWF SHCC General Manger, Rick Gorman and SHCC Jennifer Claypool briefly explained the SHCC Strategic Sales and Marketing Plan for 2015.
- 3) Budget to Actual – Ms. Wallace explained the Budget to Actual Report represented a summary of actual revenue and expense transactions through the 2nd quarter ending December 31, 2014 for all BEI activities 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.

The Board requested to see the budget year-to-date as well as actual year-to-date. They would like to see a quarterly simplified budget. A year-to-year comparison is also helpful.

Other Business

- 1) Fraud and Internal Control Workshop – The board agreed to defer this item to May.

New Business

- 1) Although three projects were stopped recently, some or all of these projects could be viable with a future procurement process. Chair Clark suggested the communication process be improved.
- 2) Chair Clark recommended the Board schedule a one-half day BEI BOD Strategic Planning Session in three to four months to include the leadership team.

There being no further business, the Chair adjourned the meeting at 4:10 p.m.

Respectfully submitted,
Tammy Ford, Assistant Staff Support Secretary