Minutes
UWF Board of Trustees Conference Call Meeting
October 27, 2010

Chair K.C. Clark called the meeting to order at 1:04 p.m. on October 27 with the members listed below participating. However, General Chuck Horner was unavailable.

Mr. Lewis Bear, Jr.
Mr. K. C. Clark
Ms. Nancy Fetterman
Mr. Josh Finley
Ms. Marny Gilluly
Ms. Jeanne Godwin
Mr. Bob Jones
Mr. Collier Merrill
Mr. Mort O’Sullivan
Dr. Richie Platt
Ms. Bentina Terry

Others who participated:

Dr. Judy Bense
Dr. Chula King
Dr. Kyle Marrero
Mr. Michael Dieckmann
Dr. Susan Stephenson
Dr. Jim Barnett
Dr. Jane Halonen
Dr. Kimberly Sessions Brown
Ms. Pat Lott
Ms. Janice Gilley
Ms. Faye Bowers
Mr. Paul Smith, Voyager Reporter

Item

VADM John H. Fetterman Maritime Museum & Research Center - Chair Clark turned the meeting over to President Bense who made opening remarks about the difficulties faced with the Maritime Museum and then called on General Counsel, Pat Lott. General Counsel Lott stated that she had requested the meeting regarding the status of the lease for the Maritime Museum & Research Center between the City of Pensacola and the University of West Florida. Ms. Lott briefly reviewed the history of the University’s efforts to proceed with the Maritime Museum Project. After the University provided its Final Offer to the City, the new market tax credits were reallocated by the City to other necessary infrastructure improvements in the Maritime Park. This made one of the key provisions of the Final Offer inapplicable. In May, she received a requested rewrite of the lease form from City of Pensacola staff. Ms. Lott reviewed in some detail the various ways that the new proposal from the City differed from the Board's Final Offer of January. The most important differences were (i) the City is requiring the right to terminate the lease five years after execution if the University has not commenced construction of the Maritime Museum, and (ii) the City cannot guarantee that the proposed Marine Services Facility will comply with City zoning requirements. Ms. Lott presented a memorandum (attached) concerning these matters. She said that
one of her biggest concerns about the five year termination provision is that the Courtelis program is still not being funded by the State of Florida, making fundraising efforts extremely difficult, along with the negative economic condition of the state and the region as a whole.

General Counsel Lott asked Dr. Kyle Marrero, Vice President for University Advancement to address the fundraising difficulties with the Board. Dr. Marrero reviewed the difficulties faced in fundraising for the Museum and recapped the amount of money that donors have requested to be returned to date. He discussed at some length the cost of fundraising that would be necessary if the University complies with the five year time frame requested by the City, estimated at approximately $380,000 - $584,000 per year for the next five years. He also shared information provided by a fundraising expert, Mr. James Hackney, who advised Dr. Marrero that fundraising for the Museum would be a very difficult task and suggested some action steps. Dr. Marrero’s memo is attached as well.

Then Mr. Mike Dieckmann, Interim Vice President for University Affairs was called on to provide a Summary of Estimated Construction and Operation Costs for the Maritime Museum. He advised that estimated costs of completion of the Maritime Museum and Research Center would be approximately $35,261,000. In addition, he advised that estimated annual costs of operation of the project would be approximately $5,410,000. His memo summarizing the estimated costs of construction and operation is attached hereto.

Following a thorough discussion, Trustee Lewis Bear, Jr. made a motion for the University to sign a lease with the City of Pensacola contingent upon language in the lease which would allow the University to re-evaluate the status and terminate without penalty after 18-24 months if funds were not raised. Trustee Collier Merrill provided a second.

Chair Clark then opened the floor for questions.

The Chair then asked Faye Bowers to call roll for the vote due to it being a conference call meeting.

Trustees in favor of moving forward with signing a lease are: Lewis Bear, Jr., Nancy Fetterman, Josh Finley, Marny Gilluly, Jeanne Godwin, Collier Merrill, Mort O’Sullivan, Dr. Richie Platt, and Bentina Terry & K.C. Clark. Trustee against moving forward with signing a lease: Robert Jones. The motion passed 10 -1.

At the suggestion of Trustee Fetterman the Board has asked President Bense and University staff to provide, at the December Board meeting, funding options for a consultant to review and determine the University’s status on removing itself completely from the project, redirecting the University’s role or whether to hold in place.

Adjournment occurred at 2:21 p.m.

Respectfully submitted,

Faye H. Bowers, recording secretary

Attachments:

BOT Request 10-20-10_final (from General Counsel Lott)
Schedule_2_-Advancement Report –final (from Dr. Marrero)
Schedule_3_-Recap of Construction and Operation Costs_10-20-10 (from Mr. Dieckmann)