

Minutes
Coastal Carolina University
Board of Trustees

Teleconference
November 19, 2009

Presiding: Mr. William H. Alford

Board Members Present:

Mr. Larry L. Biddle
Mr. William S. Biggs
Mr. Gary W. Brown
Mr. Joseph L. Carter
Mr. Samuel H. Frink
Mr. J. Wayne George
Ms. Natasha M. Hanna
Mr. D. Wyatt Henderson
Mr. William L. Lyles Jr.
Mr. Daniel W. R. Moore Sr.
Dr. Oran P. Smith
Mr. Eugene C. Spivey
Dr. Samuel J. Swad
Mr. Robert G. Templeton

Board Members Not Present:

Mr. Robert D. Brown
Mr. Charles J. Hodge

Others Present:

Ms. Stacie A. Bowie
Dr. David A. DeCenzo
Dr. Edgar L. Dyer
Mr. Will Garland
Mr. Mark Nesselroad
Mr. Timothy E. Meacham
Ms. V. Chyrel Stalvey

(In accordance with the requirements of the South Carolina Freedom of Information Act, the news media were notified of the time, location, and agenda for the meeting.)

Chairman Alford brought the meeting to order at 9:40 a.m.

Dr. DeCenzo reported that Mr. Mark Nesselroad of Chestnut Holdings LLC has presented us with the excellent opportunity of assuming the outstanding debt on Quail Creek Golf. The University spends \$353,794 per year in lease payments and has options to extend the lease up to 10 more years through two extensions. It will be cheaper for us to assume the debt than it is to continue the lease payments.

We are coming up against a state-mandated deadline on December 2 to present this project to the state Joint Bond and Review Committee which has necessitated this teleconference.

CCU operates Quail Creek as a public course that also serves as a classroom and laboratory for students in its golf management program, one of 20 in the nation accredited by the PGA of America. Neighboring Horry-Georgetown Technical College oversees course maintenance and utilizes the course for students in its golf course management technology program. Coastal Carolina pays all the bills and the salaries of nine employees. The agreement will be renegotiated with HGTC when the purchase is finalized.

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Ms. Bowie stated that the project has two parts: 1) the gifting of Quail Creek for Coastal Carolina University's PGM program and the cooperative program with Horry-Georgetown Technical College (HGTC); and, 2) the purchase of the driving range.

Mr. George wanted to know if we have a memorandum of understanding for the purchase of the driving range and Mr. Meacham reported that we do.

After review of the economic impact of the PGM and Quail Creek Golf Course on the University, Ms. Hanna asked how much of the tuition actually went towards the golf course. Dr. DeCenzo responded that none of it goes directly to the golf course. The tuition goes to the general fund and apportioned to cover operating expenses.

Mr. Biddle asked why there was a dip in 2007 of out-of-state tuition for the PGM Program. Dr. DeCenzo reported that in 2007 students who declared their major as the PGM Program in order to play golf for free were filtered out and the 2007 showed the true PGM Program students; thus, the downturn in the tuition.

Mr. Carter made a motion to approve the purchase/assumption of outstanding debt on Quail Creek Golf Course for the price not to exceed \$2,825,000. Mr. Frink seconded and the motion carried. (Motion 09-44)

Mr. Carter made a motion to purchase the Quail Creek Golf Course driving range not to exceed \$500,000. Mr. George seconded, and the motion passed. (Motion 09-45)

As Coastal Carolina University moved forward with the penny sales tax income, public/private and working with government agencies, a manager is needed to spearhead the projects. The Board of Trustees has given Dr. DeCenzo the latitude to hire people to assist him. He would like to hire Robert Rabon as this manager as a temporary with no benefits. The Board was in agreement that he would be the person for the job.

Dr. Dyer added that he anticipates forming a campaign and a consortium to prepare Coastal Carolina's growth in 2020 to 12,000 students. A list of 38 projects will be reviewed at the next Board meeting to arrange in order of priority. The projected income from the penny sales tax is \$125M, and we will need about \$240M.

Mr. Garland would like for Mr. Rabon to serve on the selection committee for the campus master plan's request for proposal. Mr. Gary Brown will also be asked to chair this selection committee. The Board will be informed of the makeup of this selection committee.

Mr. Lyles moved to continue to retain Jackson and Schmidt as consultants to drive the culture change for Coastal Carolina. Mr. Frink seconded, and the motion passed. (Motion 09-47)

Mr. Lyles moved to continue Coastal Carolina's annual membership at Brookgreen Gardens for \$2,500. Mr. Biggs seconded and the motion passed. (Motion 09-46)

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Mr. Biddle reported that he has asked Dan VanBeek, graphic artist, to join the Marketing Ad-hoc Committee. Mr. VanBeek is on campus today meeting with the Marketing staff.

As there was no further business, Mr. Carter moved to adjourn and Mr. Lyles seconded. The meeting adjourned.

Respectfully submitted,

Samuel H. Frink
Secretary/Treasurer