MINUTES: September 16, 2010

MEETING: DAYTONA STATE COLLEGE
DISTRICT BOARD OF TRUSTEES

PLACE: DAYTONA STATE COLLEGE
DAYTONA BEACH CAMPUS’ THEATER CENTER
BUILDING 220, ROOM 102
1200 W. INTERNATIONAL SPEEDWAY BLVD.
DAYTONA BEACH, FLORIDA

PRESENT: Dr. Kent Sharples, Corporate Secretary/President
Dr. Steven Miles, Chairperson
Mr. Bob Davis
Mr. William Davison
Dr. Christina Frederick-Recascino
Mrs. Mary Ann Haas
Mrs. Forough Hosseini
Mr. Joseph Petrock
Mr. Gregory Smith
Mr. John Tanner (telephonically)

Workshop began 4:00 p.m.

Dr. Sharples introduced Mr. Will Dunne, Dean Co-Curricular Activities and Athletics, who shared the ladies softball team were the recipients of the Florida Community College Activities Association (FCCAA) Female Academic Team-of-the-Year award; the men’s baseball team received the National Junior College Athletic Association (NJCAA) Academic Team of the Year award and the Male FCCAA Academic Team of the Year award. Mr. Dunne recognized two athletes who were selected by FCCAA for the Hal Chasey Academic award and the Bill Tuten Academic award.

Dr. Sharples introduced Dr. Angela Falconetti, Vice President for Planning and Development, who presented information on the Curb Scholars Presidential Ambassador program and introduced students participating in this program.

Dr. Sharples explained there have been previous Board meeting discussions regarding the Mike Curb facility and the Facilities Planning staff have broken these costs down into $5 million increments and defined what can be constructed in each increment. He shared the facility was originally designed to be constructed on the Daytona campus but moved to the News-Journal Center location and indicated the workshop presentations will review academic programs, construction, and economic impact.

Dr. Doug Peterson, Chairperson for School of Music, Entertainment and Art, explained the News-Journal Center acquisition has increased the visibility and flexibility of programs offered in this facility. He reviewed student sponsored cultural events and community concerts held in this facility and how this is a positive window to the community on what the College does. He shared how in 2008 they looked at music and
entertainment industry studies to see how the division’s programs could expand. He described Mr. Jake Nicely’s background and his work on the development of the Associate of Science in Music Production Technology program curriculum and the creation of a state-of-the art recording studio. Dr. Peterson shared since the program began in January 2010 it has already met the third year projection and anticipates the program to be at maximum capacity by the Spring semester and shared how the existing program will be a catalyst to the entertainment industries program of studies.

Mr. Jake Nicely, Assistant Chairperson, explained most people know about the music industry through television, movies and radio and how there are many people in this industry who are behind the scenes. He shared this industry has been largely underserved by academia and explained how the Internet has opened up opportunities to people and how these people can benefit from an educational program. He shared how there are many careers in the music industry such as recording arts, music technology, arts management, promotions, music merchandising and manufacturing, and how there is a greater need for educated, highly-skilled entrepreneurs. Mr. Nicely shared his background, as well as that of the two faculty members in this program, and their accomplishment and involvement in the music industry. He explained how he became interested in Daytona State College after reading an article about Mr. Curb and how this led to the development of the A.S. in Music Production Technology program. Mr. Nicely highlighted some of Mr. Curb’s accomplishments and how the Mike Curb Family Foundation has given millions of dollars to educational facilities around the country. He reviewed common behind the scene occupations in areas such as recording, live entertainment, business and composers.

Mr. Nicely shared data from the Bureau of Labor Statistics regarding U.S. and Florida occupations in the music and entertainment related industries and how this industry continues to grow and he is confident students will find or create their own jobs. He reviewed how this is an event driven economy and how many people in this area make a large part of their living due to the tourism related industry and work at area events held throughout the year. He mentioned how there are opportunities in the area and gave examples of Doan Entertainment, Daytona International Speedway, and Destination Daytona. Occupations in this industry are not easily defined and are non-traditional jobs. Mr. Nicely shared the first graduating class will be in two semesters and the College will be tracking students once graduated. He also discussed the development of an internship class that would be incorporated into the curriculum where students would receive credit.

Mr. Nicely stated there were currently 84 students enrolled in the program with 14 declaring this as their major in Spring 2010. One hundred seventy-five are enrolled in the program with 129 students declaring this as their major for Fall 2010. He believes, based on enrollment trends, there will be 300 students in the program by Fall 2011 and the limiting enrollment factor is the number of studio control rooms. He believed if there were three additional control rooms this would allow the program to grow to over 1,000 students. Mr. Nicely explained if the new facility was built they would like to add other academic career paths such as Digital Television and Media Production, Radio and Television Broadcast Programming, Theater and Entertainment Technology, and Music Business and Entertainment Industry Studies. He shared as the College is offering
great academic opportunities for students it is also breathing life into the downtown business community.

Dr. Sharples explained the News-Journal Center was built as a performing facility and introduced Mr. Eckman who presented information on the different funding levels to convert this into an academic facility.

Mr. Steven Eckman, Director of Facilities Planning, explained in working on this project, the Downtown/Ballough Road Redevelopment Area Board asked the College to minimize the impact of the view of the river and try to improve the façade on the west side of the building. He indicated how the design team came up with a building that would sit on the existing parking area and was originally proposed as an 85,000 sq.ft. addition to the existing 100,000 sq.ft. News-Journal Center facility. Mr. Eckman clarified this is conception only and the College has not gone through planning and zoning. He reviewed on-site parking and how staff has been discussing with the City of Daytona Beach off-site parking that is within walking distance of the facility. He explained the original concept regarding parking for the News-Journal Center was for those attending evening or weekend performances to also utilize off-site parking because of the limited on-site parking and how this usage would continue. He shared the News-Journal Center was designed as a performance facility and that some existing spaces have been converted to accommodate programs using this facility. Dr. Sharples explained how the educational specifications for a building are developed and how in addition to the availability of funding, the need dictates the size, scope and use of a building.

Dr. Sharples explained how the Board was previously presented the architect’s original plan for an 85,000 sq.ft. building and was asked to go back and breakout into segmented categories. He shared how this project will require the support of many entities, particularly the City of Daytona Beach which has already expressed support for this facility. He also shared the ideal scenario would be a facility that could accommodate general education courses so students would not have to travel to another location for these courses. He discussed the growth of hospitality/culinary management program; growth once relocated to the Hosseini facility; and increased area employment opportunities for graduates.

Mr. Eckman reviewed preliminary proposals for a two story addition and what would be added based on $5 million increments and the number of student stations these levels would serve. Proposal overviews were $5 million – 11,800 gsf; $10 million - 21,100 gsf; $15 million – 34,500 gsf; $20 million – 44,900- gsf; $25 million – 58,900 gsf; and $30 million – 71,400 gsf. He indicated the $5 million to $15 million scenarios relate primarily to building infrastructure for the music program and correcting deficiencies the existing building. Mr. Eckman shared information on construction related jobs that would be created if this facility were to be built, and estimated a total of 30 months to complete construction.

Dr. Bob Williams, Vice President for Economic Development, explained Fishkind and Associates are economic experts based in Orlando and Mr. Stanley Geberer has 30 years of experience conducting this type of research. Mr. Geberer reviewed details of the impact analysis using the $25 million scenario. He discussed permanent effects
which included new faculty and staff, and student spending in the community; construction impacts during the 30 month design/construction period; secondary benefits which is the investment in human capital and how higher education equals higher wages and a better skilled workforce that benefits everyone. The impact analysis was requested and funded by the City of Daytona Beach.

Mrs. Haas discussed the Mike Curb gift agreement and if Board approval had been given prior to entering the gift agreement and noted the agreement contained College and Foundation commitments. Dr. Sharples explained the approval was from the Foundation Board to accept the gift and is not finalized until the three-year window expires, and if the naming agreement and construction of the building could be done. He shared this had not been brought before the Board for final approval and Mr. Brian Babb, College Counsel, explained why the property gifted to the Foundation was in the College’s name. Mrs. Haas did not understand how the Foundation could commit the College to offering courses and naming the building under this agreement. Dr. Sharples explained at the 2008 strategic planning session, one of the potential pillars discussed was performing arts and how the College began entering into dialogue with Mr. Curb about the creation of an academic program around this concept. He indicated this topic had been discussed in other Board meetings. Mr. Petrock recalled Dr. Sharples asking the Board if they wanted to move forward with this project and they did. He also shared Mr. Curb had visited and spoke to the Board over the years.

Dr. Recascino believed the gift agreement was a binding agreement and should have been signed by the Board because it commits academic, planning and resources. She indicated how it ties into the Capital Improvement Plan and News-Journal Naming Rights Agreement discussion and believed there could be legal issues because it was not signed by the Board.

Board Meeting began 6:25 p.m.

Distributed prior to start of meeting, revised Out of District Field Trip Requests memorandum (Page 80). Made an official part of the minutes as Supplemental A: 9/16/10.

I. CALL TO ORDER

Dr. Miles called the meeting to order at 6:25 p.m.

Dr. Miles suggested moving the public participation to the beginning of the meeting so those wishing to speak would not have to wait any longer. Dr. Recascino indicated there were some important items on the agenda for discussion and recommended the agenda order change to election of officers, followed by the combined discussion of the Capital Improvement Program, Mike Curb Bldg and News-Journal Naming Rights before anything else. Mr. Petrock explained since the workshop did not end by 5:00 p.m. he believed public participation should occur first so those signed up to speak would not have to wait. Dr. Miles agreed with Mr. Petrock but explained this would be up to the Board.
MOTION: (Recascino/Haas) That the District Board of Trustees approve changing the order of the agenda to begin with agenda item II.A. Election of Officers, followed by the combined discussion of agenda items V.B.1. Capital Improvement Program (CIP) 2011-2012 through 2015-2016, VI.B Mike Curb Building and VI.C. News-Journal Naming Rights Agreement, followed by agenda item IV. Public Participation. Motion carried by the following vote.

Davis - Yes  Hosseini – Yes
Davison –No  Petrock - No
Recascino - Yes  Smith - No
Haas - Yes  Tanner - Yes

II. ELECTION OF OFFICERS
A. Election of Officers
Dr. Miles turned the meeting over to Dr. Sharples to conduct the election of officers. Dr. Sharples explained using the self-nomination process, two individuals, Dr. Steve Miles and Mr. John Tanner, submitted their names for the office of Chair. He indicated there were no self nominations for the office of Vice Chair and based on parliamentary procedures the election of the Chair should be first, followed by the election for the Vice Chair. Dr. Sharples asked if there were any other nominations for the office of Chair, which there were none. Dr. Recascino asked about the effective date of the appointment and Dr. Sharples explained that would be a Board decision. Dr. Miles explained he would like the Board to have consensus so it can move forward with the common mission statement, goals and agenda. Dr. Miles offered his support of Mr. Tanner as Chair and asked to remove his name from consideration as he believes the Board needs to come together. Mr. Tanner appreciated Dr. Miles’ confidence and support and stated how he will do his best to serve as Chair in a way that would bring progress and honor to the Board and the College.

Mr. Tanner was elected Chairman by acclamation and with unanimous consent of the Board.

MOTION: (Petrock/Smith) That the District Board of Trustees recommend Dr. Miles for the office of Vice Chair.

Dr. Sharples inquired if there were any other nominations for the office of Vice Chair.

MOTION: (Haas/Davis) That the District Board of Trustees recommend Dr. Recascino for the office of Vice Chair.

Dr. Sharples inquired if there were any further nominations and being none, asked for a motion to close nominations.
MOTION: (Hosseini/Smith) That the District Board of Trustees close nominations.

Dr. Sharples explained a roll call vote will be taken for the election of the Vice Chair. The Board elected Dr. Recascino as Vice Chair by the following vote:

- Davis - Recascino
- Davison - Miles
- Recascino – Recascino
- Haas - Recascino
- Hosseini – Recascino
- Miles - Miles
- Petrock - Miles
- Smith - Miles
- Tanner - Recascino

Mr. Tanner asked that the gavel be passed to Dr. Recascino to serve as Acting Chair for the remainder of the meeting.

Mr. Davis explained he would like to remove or postpone agenda item VI.B. Mike Curb Building until there is more information on state dollars, the availability of matching funds from the College, and until the current value of Mr. Curb’s donation can be determined. The second item he would like removed is agenda item VI.E. Community Cultural Foundation Term Extension. He explained without having information on current and past relationships of the Community Cultural Foundation (CCF) and the College this would make it impossible for him to decide on anything now and would like to postpone the actions and discussion until Dr. Sharples can deliver information requested by several of the Board members.

Mr. Davis explained the previous Board had requested an audit and would like to make a motion that the Board Chairman create a committee of trustees, to pursue an independent audit from the state and brought to the Board at the next meeting. He indicated this should be independent of the College, its Foundation and staff. Mr. Davis further explained how he would not vote on issues he did not have time to review.

Dr. Recascino clarified Mr. Davis’ motions to remove agenda items VI.B. Mike Curb Building and VI.E. Community Cultural Foundation Term Extension. She indicated her previous motion included moving agenda item VI.B. Mike Curb Building to the beginning of the meeting and asked if Mr. Davis wanted it removed entirely from the agenda. Mrs. Hosseini asked Mr. Davis, in reference to agenda item VI.B. Mike Curb Building, if he was amenable to revising his motion to discuss this item but not vote on it and he indicated he was. Dr. Miles explained he would like to hear discussion on the Mike Curb Building so all Board members have the same information. Dr. Sharples explained he wanted to discuss the funding for this project, which included some good news, but could delay this to another meeting. Mr. Smith asked if there is anything that will be delayed by not voting on agenda item VI.E. Community Cultural Foundation Term Extension. Dr. Sharples explained he was going to ask
to extend the current agreement through the end of October to provide the Board with a complete picture of the financials, which have not been completed yet. Dr. Miles understood this extension would allow information to be completed and used for discussion regarding a new contract. Mr. Davis indicated agenda items VI.B. Mike Curb Building and VI.E. Community Cultural Foundation Term Extension would be for discussion only, with no vote and move those items to the beginning of the agenda.

**MOTION:** (Davis/Hosseini) That the District Board of Trustees approve moving agenda item VI.B. Mike Curb Building and agenda item VI.E. Community Cultural Foundation Term Extension to the beginning of the agenda and would be for discussion only. Motion passed by the following vote:

- Davis - Yes
- Davison –Yes
- Haas - Yes
- Hosseini – Yes
- Miles - Yes
- Petrock - Yes
- Smith - No
- Tanner - Yes

Mr. Davis indicated the audit request was not on the agenda but would like the Chairman to follow through from the previous Board to form a committee of Board members, to obtain an independent audit from the state of Florida, and bring back the formulation of the committee to the next Board meeting. Mr. Tanner indicated he would be out of town for two weeks and asked Dr. Recascino to undertake that responsibility. Dr. Miles explained what is not being discussed is the responsibility of putting an item on the agenda before getting through the current agenda. Mrs. Hosseini asked Mr. Davis about appointing only the Vice Chair this responsibility because she was not sure about appointing more than one Board member because of the Sunshine Law and if he agreed, Dr. Recascino could then decide whether she would do this or appoint someone from the Board to do this. Mr. Davis thought that would be appropriate and explained an audit was requested by a previous Board and believes it is time to put this back on the table to address concerns people have shared with him and so things can move forward.

Dr. Sharples explained that when the previous recommendation was made, requests were made to the state auditor and this audit will be occurring during the auditor’s regularly scheduled visit in January and they will be looking at the procurement process at that time. Dr. Sharples asked if Mr. Davis wanted something in addition to this audit. Mr. Davis shared he does not know much about the state auditor and how this may be the proper agency but will leave that decision to Dr. Recascino. Mrs. Haas asked for clarification of what was being audited and Mr. Davis referenced the previous recommendation of the Board. Mr. Smith indicated the audit was of the procurement process and shared the amount of time spent reviewing how this process worked and did not
understand why the Board would want to spend extra money to have this done when the state auditors are scheduled to come. Dr. Miles indicated if the Board had approved an audit, it would have been reflected in the minutes and how it would have been completed. Dr. Sharples clarified for Mrs. Haas that he did not select an auditor, but requested an audit from the State Board of Education. He explained the State Board indicated they would not conduct the audit without an affirmation from the entire Board, which the Board did not give. Dr. Sharples indicated in lieu of that, he requested the Auditor General’s state auditor conduct this audit as they are the State’s independent auditor for state agencies. He explained the state auditors work for the Legislative Audit Committee and work on a prescribed schedule and if they deviate from this schedule it will cost the state money. He shared the Auditor General indicated they would do the audit during their scheduled visit in January and will conduct a full audit of the procurement process at that time. Mrs. Hosseini shared the state auditor’s job is to look at the numbers and not the processes and was on record of being against using this agency for this reason. Mr. Davis explained he did not want his request misinterpreted and was asking the Vice Chair to pick the best route to get the onus off the College so it can be done and move forward. Dr. Recascino understands that everyone realizes there have been outstanding issues since January that have not been discussed and if the Board can do something to resolve this, this would be a good thing.

Dr. Miles shared another piece to this was contacting the Chairperson of the Volusia/Flagler Legislative Delegation to see if this audit could be moved up, but he also received the same answer as Dr. Sharples where they were on a schedule and would cost a tremendous amount of money to change that. Dr. Miles explained this was discussed at length and the Board did not think it rose to the level of spending taxpayer’s money when this is the state auditor’s job. Dr. Sharples shared that the state auditors do conduct complete procedural reviews, as well as financial reviews. Mr. Petrock shared with the new Board members that the Board did review the procurement process in great length. Mr. Tanner also suggested speaking again to the State Board of Education about conducting this audit if the Board supported doing this.

MOTION: (Hosseini/Haas) That the District Board of Trustees approve closing discussion on this topic and move to vote.
MOTION: (Davis/Haas) That the District Board of Trustees appoint Dr. Tina Recascino, Vice Chairperson, to determine options to conduct an audit previously requested regarding the procurement process and bring back to the Board a summary of recommended actions. Motion passes by the following vote:

Davis - Yes    Miles - No
Davison –Yes   Petrock - No
Haas - Yes     Smith - No
Hosseini – Yes Tanner - Yes

Dr. Miles made a point of clarification that the vote was not allowing a single individual to speak on behalf of the Board and would like to see anything brought back to the Board before any action is taken, hence his “no” vote.

Order of agenda items changed

VI. TIME RESERVED/PRESIDENT
B. Mike Curb Building
   Dr. Sharples explained during the workshop the staff presented data on the funding levels for the Mike Curb building and how the College had tried to obtain $10 million in funding last year from state and federal governments. He shared the College was successful at the state level through the Legislature for $5 million but it was ultimately vetoed by the Governor. Dr. Sharples explained that funding for facilities is provided through Public Education Capital Outlay (PECO) funds which is a result of a utility tax and is a separate set-aside by the state. These funds are used only for education facilities. He shared that last year there was $190 million in PECO funds for the state. Further, he stated the State Board of Education has approved the $19.3 million Mike Curb facility in the legislative request for 2011, which will eventually go before the Legislature and Governor.

V. FINANCE/FACILITIES/PURCHASING
B. Facilities
   1. Capital Improvement Program (CIP) 2011-2012 through 2015-2016
      Dr. Sharples explained the Mike Curb project is listed under remodeling projects on the Capital Improvement List (CIP) 2011-12 through 2015-16 in the agenda because it is an addition to the News-Journal Center. He shared the state, recognizing the tremendous growth by state colleges, has placed a significant amount of money into college construction. Dr. Sharples shared the ultimate recommendation to the Board would be to move forward to the Legislature with the $19.3 million request and explained there is still a lot of work to find funding for this building.
Mrs. Haas inquired about the information in the paper and asked if it needed Board approval. Dr. Sharples shared the Board will need to ratify the CIP that is in the agenda.

Distributed packet that included the following documents: Major Funding Source for Public Education Facilities The Gross Receipts Tax; 2010-2011 PECO Appropriations After Veto Updated 6/1/10; The Florida College System Facilities Legislative Budget Request Council of Presidents 9/9/10. Made an official part of the minutes as Supplemental B: 9/16/10.

Mrs. Haas asked that the CIP be presented to the Board prior to being submitted to the Division of Florida Colleges. Dr. Sharples explained he will ensure staff bring this to the Board prior to submission and mentioned the only thing that changed was the ability to negotiate with state staff the funding levels for these projects. Mr. Steve Eckman, Director of Facilities Planning, explained the guidelines to prepare the CIP are received in mid-May and require submission in August. Dr. Sharples explained if the Board would like to remove a project or change the priorities they do not need to approve the CIP at this meeting. Mr. Eckman explained because there is normally not a July Board meeting this would have been presented in August for approval and how this information was not ready for the meeting called in July. Dr. Sharples explained with submittal deadlines from the state that occur prior to a Board meeting there could be a special Board meeting scheduled to approve those types of items.

Dr. Recascino asked if there are different funding levels for each category in the CIP. Dr. Sharples explained the state has traditionally given higher priority to renovations, then remodeling and finally new construction. He indicated one thing that strengthens the opportunity to receive funding for construction is the accumulation over the years, through good management, local construction funds which are currently around $25 million. He believed if the College placed $10 million to $15 million of local construction funding into this project, making the funding ratio between state and College more balanced, would help make a better presentation in Tallahassee. He shared how the Legislature will be meeting soon to form committees for the upcoming session and the College should begin work to see what funding the College could actually receive. He shared he would then come back to the Board to find out if they still wanted the building and where it should be located. He shared the Board may want to re-prioritize these projects since there are new trustees on the Board.
Mrs. Haas asked if the CIP has been presented to the Legislature and Dr. Sharples indicated the CIP has been sent to the Division staff and will then be presented to the Governor’s staff for review and then to the Legislature. Mrs. Haas believed the Board would want to discuss this item prior to it being submitted to the Division and how she received her information from the newspaper article. Dr. Sharples explained the request can be pulled back and the Board can review and change the priorities or whatever the Board feels is most appropriate. Mrs. Hosseini asked if the Board priorities were different from the College staff, does an amended version get submitted and Dr. Sharples believed this could be done. He shared when talking about the Board’s priorities, it was important to keep in mind that each year the Board goes through a strategic planning session in April and discusses what the College is proposing. He explained for the newer trustees, this Mike Curb project has been discussed since 2008 and even though there may not have been a formal vote on this particular year’s CIP, this project has been evolving and has been discussed, including this year. He indicated how previously he has been doing business in a different way and if this Board wanted to take the time to review and discuss each of these items then he recommended not approving the CIP and how he will work with the Division and try and re-adjust the priorities. Mr. Davis stated how he has read where the state is $2.5 billion in deficit for next year and heard how there are no funds in Tallahassee and some colleges have increased fees because of decreases anticipate in state funding. He asked how the College will receive funding for these projects with this type of deficit and Dr. Sharples explained there are earmarked restricted bunds and PECO funds are a separate line item tax applied to utilities. Dr. Sharples explained he was not asking the Board to commit to building the Mike Curb building tonight or the next few months as he would not know if the College would receive any of the $19.3 million until the end of the Legislative session. Dr. Sharples explained what he did need from the Board is direction and how nothing has to go forward and there are no commitments in doing any of these projects.

Dr. Sharples explained how Building 220 (Theater Center) is on the CIP list for remodeling and the plan had been to convert the building into classroom space by keeping a portion of the existing building and adding to it, similar to how Building 500 (Academic Support Center) was done. He shared because of the acquisition of the News-Journal Center, the theater on campus was no longer needed. Dr. Recascino was concerned if the Board did not approve the CIP at this meeting there would be less time to work with Division staff and the Legislature on funding these projects. She believed it would be helpful for the Board to have a presentation on these projects prior to submission to the Division
next year. Dr. Sharples concurred that there should have been more time spent at the July workshop to review this area and how he did not want any of the Board members to be uncomfortable about moving forward on something they feel has not been adequately discussed and would rather postpone the item until the next Board meeting. Mrs. Hosseini explained that she believes the Board does not feel pushed, nor do they not want to do this project, but it was how they learned about the project in the newspaper before it was brought to the Board for approval.

Mrs. Hosseini mentioned the purchase of the News-Journal Center and the donation of the Mike Curb building and wanted to understand how the Foundation can hold one building and not the other. Dr. Sharples explained the Foundation provided the $2.6 million to buy the News-Journal Center and transferred ownership to the College so the College will receive Operating Costs for New Facilities (OCNF) funds. He indicated the building Mr. Curb donated to the Foundation is booked as an asset. He then answered questions regarding insurance coverage for buildings owned by the College and the Foundation. He shared the donated buildings location and how Mr. Curb originally paid around $1.3 million for the building, then made some renovations as he planned to display his NASCAR memorabilia in this building. There also was discussion on the athletic housing complex owned by the Foundation. Dr. Miles asked for a point of order because he was unsure where they were on the agenda. Dr. Recascino explained the Board was on the CIP portion of the agenda.

Dr. Miles shared when he read the article in the newspaper he was very impressed that Dr. Sharples was able to get the Mike Curb project on the list for $19.3 million and how discussion on this project began just after he began serving on the Board. He explained how much effort it takes to get a project on that list and how these lists have to be worked every day to get projects funded. He thanked Dr. Sharples for his good work on getting this project on the list. Dr. Sharples apologized for not contacting the Board before the article was published in the newspaper and how the Board did not have to approve the CIP now and could call a special meeting, or delay until October, to discuss the projects in detail. He explained how this list has been developed by staff internally for the past ten years and will make adjustments to how this Board would like to do business.

**MOTION:** (Smith/Hosseini) That the District Board of Trustees ratify approval of the Capital Improvement Program for 2011-2012 through 2015-2016 as submitted to the Division of Florida Colleges on August 2, 2010. Motion carried unanimously.
VI. TIME RESERVED/PRESIDENT

B. Mike Curb Building

Discussion continued regarding the Mike Curb project. Mrs. Hosseini was trying to clarify where $1.3 million came from when the County Property Appraiser is appraising the building significantly lower. Dr. Sharples explained Mr. Curb purchased the building in 2005 or 2006 for $1.3 million and shared this was in the naming rights agreement but the College does not have a copy of the sales contract. Mrs. Hosseini asked if the property is only worth a certain amount of money do they receive tax credit for the amount they paid for the building or does the College have to get an appraisal. Mr. Babb explained that was not a College issue and explained Mr. Curb gifts the property to the College and the College receives the property and there is no tax credit given. Dr. Sharples shared Mr. Curb has not taken the building as any kind of contribution because he still wants to resolve that the College wants the building and in November 2011 the building will revert back to Mr. Curb if ground is not broken on the Curb building.

Mrs. Hosseini asked about the appraisal done in 2009 for $760,000 and how Mr. Davis had asked for three appraisals. Dr. Sharples explained the College did not intend on selling the property and when Mr. Curb donated the building, the market had already started to fall and the value of real estate had gone down significantly. He shared the plan was to sell the building at the point in time when the College could maximize the benefit of the gift and then use that to be matched by the state. He explained there was no logical reason to sell the building at this point because of its depressed value and no state match. Mrs. Hosseini asked if the College needed money to construct the building and Dr. Sharples explained if the College should get the $19.3 million the revenue from selling the donated building was very minimal compared to the cost needed to construct the building and the gift is the incentive to move forward. Dr. Sharples shared the real key of the agreement with Mr. Curb is that ground is broken in three years and he does not want to be in a situation when the building has been sold and the ground has not been broken and then the building has to be given back to Mr. Curb. Dr. Recascino asked if the building had to be returned to Mr. Curb in 2011 the agreement would become null and void and another agreement could be done. Dr. Sharples explained that was correct and the development of another agreement would be up to the Board and Mr. Curb. He indicated if the Board decided for any reason not to break ground then the agreement is no longer valid. Dr. Recascino asked if the $19.3 million is funded and the Mike Curb building did not get started by November could the $19.3 million be repurposed. Dr. Sharples explained there is a possibility those funds can be directed toward another project but mentioned part of receiving funding is selling the idea on what those buildings are. He shared Mr. Curb is very flexible on this and will take the building back or change the agreement if the College is close to breaking ground.
Dr. Miles explained when Mr. Curb came to this College because of Dr. Sharples and his son-in-law, he knew, because of the generosity of the Hosseini’s, that this gift can be leveraged into a community asset like the Hosseini building, and how it does not matter how many appraisals are done. He shared with this gift, another $25 million building could be built without acquiring too much debt and would train students to be recording studio engineers, the College and Board has done its job. Dr. Miles explained this project has been discussed for three years and feels if this project does not move forward the time spent on this project has been wasted and he does not want to see that happen. He shared he would like to complete the relationship with probably the largest philanthropic donor that’s walked through the doors of Daytona State College. Mr. Smith shared Mr. Curb’s name is a bigger asset than the building he donated and brings with it Nashville and is known all around the country. Dr. Sharples shared Mr. Curb visited the July 15, 2010 workshop and concurred with Mr. Smith about having that name on that building would be huge if a person is familiar with the music industry. He shared Mr. Curb has donated over $200 million to academic institutions and how the College is very fortunate to be able to use his name and how the name is an incredible asset to attract not just students, but the industry, and give credibility to this community. Mr. Curb has plans to have an American Music Hall of Fame in the building which would bring performers from Nashville and induct six posthumously and six live performers. He shared how you look for opportunities and this could be another cornerstone building for the College, like the Hosseini building, as well as provide an opportunity to move students to this building which would give great relief to the Daytona Campus. He shared for all those reasons that is why this project came to the top of the priority list. Mr. Petrock echoed Mr. Smith’s comments and shared because the College does not have a football team or a major alumni association and it does not receive major gifts from major donors and with the Mike Curb’s affiliation with the world center of racing, music industry and political arena, the dollar value of that alone would be great for the College Foundation in raising funds during tough economic times. He said because of what the College has accomplished over the last twelve years the Foundation has been able to raise money and what is being done with Mike Curb’s name has unlimited possibilities for the future. Mr. Davis shared there are three new Board members who need to get an understanding of this project and need time to get up to speed. Mr. Davis asked what the College is required to keep in reserves and Dr. Sharples shared it was five percent.

Dr. Sharples shared projects like the 100 acre acquisition and Mike Curb building he tries to get new trustees involved and is working with Mr. Davis on the Mike Curb building, Dr. Recascino on the acquisition of the 100 Acres, which has been very helpful. He shared by taking new Board members and engaging them heavily in a specific project, the learning curve goes way up because there will be a lot of dialogue and discussion. He and staff have met numerous times with Dr. Recascino and has tried to
meet more with Mr. Davis but could not and shared how he is trying to get new Board members up to speed as quickly as he can. Mrs. Hosseini commented on Dr. Miles remarks about working on this for three years and explained because there is limited time for presentations and questions, she believes these discussions are good because the meeting is being televised and it helps the Board become better informed when speaking to the public and can make informed decisions. She shared because a Board member asks questions does not mean they are against a project.

Dr. Recascino shared because the importance of these projects and the amount of information that has to be covered there may be a need for additional meetings outside of the monthly Board meeting to go over projects in detail so the Board can get through issues in a timely manner. Dr. Sharples shared originally the workshop was held prior to the Board meeting so Board members only had to make one trip but thought a workshop one day and a meeting another day was a good idea.

Mrs. Hosseini inquired what other items required Board approval before she needed to depart the meeting and in reviewing items needing action, Dr. Sharples explained the American Music Festival (AMF) made some money and how a preliminary pro-forma shows they have made around $130,000 and will bring back to the October 21, 2010 Board meeting in its finalized form. Dr. Sharples shared he met with Daytona Beach Mayor Glenn Ritchey and Volusia County Council Chairman Frank Bruno about their commitment to work with the College and will be working on an agreement to bring to the Board that would include, not just the College but the City of Daytona Beach, Volusia County and the Community Cultural Foundation. There was discussion about having another meeting next week to review the Consent Agenda and the extension agreement with the Community Cultural Foundation. Dr. Sharples indicated it would probably take until the October Board meeting to get everything worked out with each of the entities to present a new agreement to the Board.

### VI. TIME RESERVED/PRESIDENT

#### D. Bahamas Technical Vocational Institute (BTVI) Agreement

Dr. Sharples explained the BTVI has recognized the need for assistance in training faculty, particularly in the area of pedagogy, and would like to continue their relationship with the College for these services. Dr. Sharples shared there is funding available in the grant so there would be no additional cost to the College.

**MOTION**: (Hosseini/Davis) That the District Board of Trustees approve the extension of the term of the agreement with the Bahamas Technical Vocational Institute for nine months. Motion carried unanimously.
E. **Resolutions of Appreciation**
Dr. Sharples presented for approval.

**MOTION:** (Hosseini/Davison) That the District Board of Trustees approve the resolutions of appreciation for Dr. Mary G. Bennett, Mr. John E. Graham, and Mr. Edward E. Schatz, Jr. and a signed copy of the document be presented to them at an appropriate time. Motion carried unanimously.

V. **FINANCE/FACILITIES/PURCHASING**
C. **Purchasing**
1. **E-Text Publishers – RFP #10-016**
   Dr. Sharples presented for approval and explained there is no funding requested only approval to move forward with the four top ranked publishers.

   **MOTION:** (Smith/Davis) That the District Board of Trustees approve the College’s E-Text Committee to move forward with the four top ranked publishers to establish standards and requirements for implementation of an e-text environment at Daytona State College. Motion carried unanimously.

Discussed having another meeting the following week to address the Consent Agenda and Mr. Tanner asked if there was anything time sensitive that could not wait until the next regularly scheduled Board meeting on October 21, 2010. Dr. Sharples appreciated having time to work on the CCF agreement and shared the College is currently operating under a continuous resolution to extend the contract based on the authority of former Board Chairman, Dr. Miles, through September 30, 2010. Mrs. Hosseini asked if that should come to the Board and expressed concerns she has with the extension agreement and how between August and October the American Music Festival falls within that timeframe and wants to have everything cleared before the agreement is extended. Dr. Sharples explained this extension provides additional time needed to get all of the data regarding the AMF to the Board. Mrs. Hosseini believed if the agreement was not extended after August the College would not be responsible for anything that occurred after this date. Mr. Davis mentioned the confusion surrounding various dated contracts he received and in the agenda with the Daytona Beach International Festival, now the Community Cultural Foundation, and how they do not legally make sense and wanted information on those so he could make sense of everything.

Dr. Recascino suggested having a deeper discussion about this at the next Board meeting. Mrs. Hosseini wanted to make it clear that because it was not being discussed at this meeting, did not mean it was approved.
Mrs. Hosseini departed the meeting at this point.

Dr. Sharples felt compelled to respond to Mr. Davis and explained the original contract with the Daytona Beach International Festival was signed in August 2009 and went through August 2010. He shared in recognizing that the major function they were going to do on July 4, 2010, but was delayed until Labor Day, which was after the final day of the original contract, he consulted with then Board Chairman, Dr. Miles, who gave authorization to go sign the extension, absent the Board meeting in August, to allow time through the end of September to clear the books. He had hoped the financials would have been ready by this Board meeting, but shared it is taking longer to complete. He explained the document in the agenda simply extends the agreement through October to complete the financials, but the original agreement was from August 2009 to August 2010, and approved by the Board. Dr. Miles explained he asked Dr. Sharples if College funds would be put at risk and Dr. Sharples said the College was the fiscal agent and how in June 2009 Mayor Ritchey, Council Chairman Frank Bruno and Mr. Lester Kaney who was CCF (formerly DBIF) President at the time, approached the College and for help because they felt the CCF would die without the umbrella of the College and the agreement was then developed, brought to the Board, passed unanimously. He explained all of the contracts with the performers were with CCF/DBIF and authorized for payment by a letter from Cobb Cole, Mr. Lester Kaney, and how the College as the fiscal agent issued the checks for them. Dr. Miles asked if there were any potential shortfalls how would they be made up. Dr. Sharples explained in August CCF was asked to obtain a line of credit, which they could not achieve, so they were asked for a resolution, which was executed, that states if there should be a shortfall they are obligated to raise those differences in funds. Mr. Davis explained he only wants transparency, honesty and integrity and wanted to know who the players were and shared Volusia County did not make a contribution, even though some are saying they did, and wanted the right facts. Dr. Sharples explained how he hoped Mr. Davis did not think the College was not being transparent and was not giving Mr. Davis the truth. Mr. Davis explained he was not saying that, he just wanted all the figures and the players and could then move on. Dr. Sharples shared there were agreements between the CCF Board, which he did not participate in, and the County and the City. He explained this is what is trying to be resolved on how much did the County commit and how much the City committed. He shared all are booked as receivables by the College but it is up to the CCF Board to provide the collection of those receivables. Dr. Sharples hoped no one thought that there was any attempt not to be fully transparent, fully disclosed and give any and all the accurate information. Mr. Davis said the CCF did a great job and worked hard and wanted to make sure the College was not in any jeopardy.
Dr. Sharples shared he met yesterday with the Mayor, Council Chairman and City and County managers, and there is a full level of support that they would like to see this continue and would bring a new agreement for the Board’s consideration between the City, County, the College and CCF and how this is trying to be pulled together by the October Board meeting. Dr. Miles clarified for the record that CCF/DBIF would not exist today if it were not for Dr. Sharples and the leadership in the community. He explained this program had operated for 25 years and if they had not received this help there would be no chance the London Symphony Orchestra would be coming in 2011.

Dr. Miles shared how he reviews information given to him in preparation for the Board meeting so he is prepared and knows how everyone has important things to do but he does whatever it takes to get through the agenda. He indicated the staff are very transparent and provide answers for any questions asked of them and was embarrassed by the amount of time spent at the meeting and they had not gotten through the agenda. He explained how Dr. Sharples did not ask for new Board members and felt it was the responsibility of the new Board members to get up to speed. Mr. Smith commented during the time he has served on the Board, Dr. Sharples and the staff have done a pretty good job and commended them for this. Dr. Recascino did not feel anyone was saying anyone had done something wrong and how she has met with Dr. Sharples for hours on various projects and believed all Board members have done that and how they all care about the College.

*Mrs. Hosseini returned to the meeting at this point.*

Dr. Recascino explained there are discussions that have to take place and how these can take awhile and if this was not the venue to do them then the Board will need to find another meeting time to go over some of these items in depth. She agreed there was a lot of information to process and some may need more time than others and felt there may be the need to meet more than once a month and how it was unfair to belittle the new Board members because they are dedicating their time. She shared that she cares about the College and the community and wants the best for the community. Dr. Sharples explained he will call the Board as often as necessary and if the Board has questions, as they review the agenda, he would be glad to meet with them and try and walk them through it. He recognized there are Board members who have served a long time and others who have served a short period of time and felt it is his job to get the Board up to speed and did not want anyone to feel uncomfortable or any sense of disagreement on the Board about the fact that he has to do a better job of doing that. He explained he would spend the time with Mr. Davis if he has questions regarding CCF and Mr. Davis shared he only wanted the ends tied and is in favor of Dr. Sharples.
Mrs. Haas felt the Board wanted to move on and did not feel that would happen unless the Board and audience are courteous to one another. She understands people may not like the questions the Board asks or the topics that are brought up and but explained it is the Board’s job to probe, discuss and debate and ask for further information. She explained how she requested back up information on the consent agenda agreements and felt the Board could not vote on something if these items were not included in the agenda. She shared everyone does their job differently and should not be criticized for their work habits and thought it was inappropriate. Mrs. Hosseini shared when she received the additional information she spent the day reading through all the pages and how there were items she had trouble with and felt Dr. Miles was critical of those asking questions and how the Board is not a cohesive body.

Dr. Sharples explained the College has used a consent agenda for many years and until he received Mrs. Haas e-mail the afternoon prior to the Board meeting he was unaware the Board wanted this information. He shared staff did their best to get those documents to the Board as quickly as possible and indicated all of these documents will be provided as part of next month’s agenda.

VI. TIME RESERVED/PRESIDENT

C. News-Journal Naming Rights Agreement

Dr. Recascino recognized Daytona Beach News-Journal owners Mr. Michael Redding and Mr. Rupert Phillips, who were in attendance to speak on behalf of the News-Journal Naming Rights Agreement. Mr. Redding explained when they purchased the News-Journal, one of the assets that was included was the naming rights and felt the College, which now owns the News-Journal Center, should have the naming rights to that facility and would like to offer this to the College for $1 million, even though the naming rights had been appraised at $2.8 million. Mr. Phillips shared when they began negotiating with the College earlier this year they were asking $2.8 million but have agreed to reduce the price to $1 million. He explained how they will not be keeping the naming rights and would like to sell this to the College, but if the College was not interested they would sell to someone else. He shared the naming agreement is the name on the three sides of the building and how any piece of paper, promotion or novelty in that facility requires that name to be placed on it. He also shared they have not required the College to have insurance which could have cost $200,000 a year for the News-Journal Center. Mr. Phillips shared they would like to be a part of the community and work with the College.

Dr. Miles asked if there was any tax benefit for them to donate this to the Foundation and Mr. Phillips shared there is only a certain amount of value they can take and will be taking a significant loss by offering at $1 million. Dr. Sharples explained how the naming rights was listed as an asset in the Cox Communications lawsuit against the News-Journal and was not
available for purchase when the College purchased the News-Journal Center. Dr. Sharples shared that this is a marketable asset and how the College, if it owned these rights, could sell to someone else for a higher price. Dr. Sharples believed it would be in the best interest of the College to control that asset as to whose name goes on the building and how there could be some impact because if the Mike Curb building is added onto the News-Journal Center, would the naming rights apply to the addition.

Mrs. Hosseini asked if they would take into consideration donating the naming rights to the College. Mr. Phillips shared how he has been negotiating with the College for six months and that was something the College had already proposed but they were not interested and indicated if the Board wanted to start over and begin negotiating he would begin at $2.8 million. Mrs. Haas shared the Bonham Group conducted the analysis of the value of the naming rights in 2004 and she felt that value may not be applicable to today’s market and thought the price could come down a little further. Mr. Phillips explained the naming rights is $2.8 million today but if it was taken out over the twenty-five years that are left, it would be closer to $5 million. He felt they have bent over backwards to make this a great deal for the College and the $1 million is the lowest they will go. Mrs. Haas explained because of the huge financial commitment the College has to revitalize the downtown area if the Mike Curb building gets built, she would like all the financial assistance they can receive. Mr. Redding explained because of the late hour they will give the Board six months to consider the proposal and will come back to the Board at that time.

IV. PUBLIC PARTICIPATION

Dr. Recascino inquired if there were any members from the public that requested time to appear before the Board.

Request to appear before Daytona State College District Board of Trustees forms. Made an official part of the minutes as Supplemental C: 9/16/10.

Mr. Jeff Feasel, Community Cultural Foundation Board Chairman, explained he was speaking on behalf of the CCF Board and wanted to thank the Board and Dr. Sharples for being a community partner with the American Music Festival (AMF) and how this would not have been possible without their help. He shared the CCF Board believed the AMF was a successful event and how the College was approached for assistance to bridge the gap between LSO events. He concurred with Dr. Sharples about the City of Daytona Beach and Volusia County being engaged and supportive of continuing this and how the CCF is very optimistic in having more of these events where artists like Usher, Tony Bennett, Huey Lewis and others come to the community. He asked for the Board’s continued support and help to bring the LSO back to town in 2011.

Mr. Jerry Kenney spoke on behalf of the Al Jazeera English and RT news programs being aired on WDSC and asked the Board to consider placing this
item on a future agenda for a more detailed discussion. He felt these programs were government propaganda and were being aired free on public, tax supported television, and had concerns with WDSC airing these programs.

Ms. Cindi Ritzi, downtown business owner of Ritzi and Company Jewelers and President of the Downtown Business Partnership Association (DBPA), shared the DBPA Board supported the Mike Curb building and have received resolutions from all of the downtown businesses in support of this project coming to the downtown area. She explained as one of the oldest downtown businesses, she has seen how the downtown area was once a vibrant area and believes the Mike Curb building will bring positive change back to this area, along with the Riverfront Master Plan, and how this building would be a wonderful asset to the downtown community.

Mr. Al Smith, downtown business owner of Angell and Phelps and Chairman of the Downtown/Ballough Road Redevelopment Area Board, shared the support of the downtown businesses for the Mike Curb building and explained how this state of the art facility should be no less than a $30 million project. He shared there must be vision and faith for this project and how these opportunities do not last forever.

Mr. David Slick, Community Cultural Foundation Development Chairman, thanked the Board for the unanimous vote it gave last year for the CCF and the College’s vision in providing learning opportunities for its students with actual performing arts events and how this became a reality during the American Music Festival. He shared the AMF was a financial success and all the figures were not in yet but explained revenue exceeded expenses by a solid margin. He shared this was a first time event and an event of this proportion being successful was phenomenal in itself and how there were 21,000 attendees with the music for all tastes and age groups. He shared the hoteliers and restaurants seemed happy with the results they experienced and thanked the Board again for their vision and support of the students and the CCF. He also mentioned if the relationship was postponed he cannot begin fundraising for the LSO visit in April 2011 and urged the Board to approve this item because things need to happen quickly for the upcoming LSO visit.

_Distributed American Music Festival notebook containing various literature on the America Music Festival and 2010 Sponsorship Fulfillment CD. Made an official part of the minutes as Supplemental D: 9/16/10._

Dr. Phillip Fleuchaus, Daytona State College Foundation Board member, explained there are 37 community/business leaders on the Foundation Board who are committed to giving and raising funds, and how they have been able to acquire student athletic housing, the News-Journal Center, and provided $1.5 million in scholarships annually. He shared Dr. Sharples and his staff are one of the most important economic engines in the community. He explained the Board should look ahead because he believes that with Mr. Curb’s philanthropy there will be more to come and this will not happen if the Board cannot work together.
He shared the Board plays a big role in the Foundation’s success and how it will be honoring Mr. Joe Petrock at the annual fundraiser. He explained in his closing that the Foundation Board is working for Daytona State College and would like the Board to be a part of the Foundation, just as much as they are a part of the Board.

Dr. Dave Turetsky of Ormond Beach, shared initiatives achieved under Dr. Sharples’ leadership and believed the Board was confused about what their job was and sees their job as hiring the president, providing oversight and direction to the president, but let the president take care of the day to day operations of the College. He explained Dr. Sharples is the expert and has been doing this most of his life and thinks this is not about the College, it is about politics and power. He shared how the Board just elected a new Chair and Vice Chair and those individuals have only been on the Board since June 2010. He shared there have been five chairpersons in nine months and how the recent board appointments were made two days prior to an important Board meeting where the budget for the coming year would be reviewed. He read from a newspaper article about Dr. Mary Bennett’s appointment being terminated without explanation and how Mrs. Hosseini’s comment about new members being elected seemed to acknowledge that more than one of the current board members would not be reappointed. He sees a voting block and how some are using politics over what is in the best interest of the College. He shared how Mrs. Haas’ husband works for Mrs. Hosseini and believes this is a conflict of interest. He believes it is important for the Board to put politics behind and do what is right for the College. He indicated how everyone is aware of the ongoing feud between Dr. Sharples and Mr. Hosseini and how the Board now voting six to three, could terminate the president if they wanted, but shared how this College has grown under the leadership of Dr. Kent Sharples.

Dr. Sharples indicated he would work with Mr. Tanner and Dr. Recascino to structure enough meeting time to cover the consent agenda and explained he would be working with the County and City to develop the CCF agreement to present to the Board at the October Board meeting. Dr. Recascino asked that Dr. Sharples and Mr. Babb review what was not covered and was time critical, the Board would be willing to schedule a meeting to cover those topics.

III. CONSENT AGENDA
This item was not reviewed.

V. FINANCE/FACILITIES/PURCHASING
A. Finance
      This item was not reviewed.

   2. Report of Purchasing Items
      This item was not reviewed.
VI. TIME RESERVED/PRESIDENT
   A. Enrollment Report
      This item was not reviewed.

   E. Community Cultural Foundation Term Extension
      This item was discussed earlier in the minutes and will be placed on the
      October 21, 2010 Board Meeting agenda for further discussion and
      consideration.

   G. 100 Acre Property Acquisition Update
      This item was not reviewed.

VII. TIME RESERVED/CONSTITUENT HEADS
     This item was not reviewed.

VIII. TIME RESERVED/BOARD MEMBERS
      This item was not reviewed.

IX. ADJOURN
    Dr. Recascino adjourned the meeting at 9:13 p.m.

    Date of next meeting: October 21, 2010.