

SPECIAL RANKING COMMITTEE MEETING MINUTES - Continued
SOUTH FLORIDA STATE COLLEGE FOUNDATION
HOTEL JACARANDA
July 19, 2021

Ranking Committee Members Present:

Mr. Terry Atchley, DBOT	Dr. Tom Leitzel, DBOT
Mr. Peter Elliott, DBOT	Mr. Tres Stephenson, Foundation
Mr. Michael Kelly, Foundation	Mr. William Jarrett Jr., Foundation
Mr. John Shoop, Foundation	

Others Present:

Mrs. Jamie Bateman	Miss Anastasia Saunders	Mr. Bob Swaine
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I. CALL TO ORDER

At 12:08 p.m., Mr. Tres Stephenson, president, called to order the continued meeting of the Special Ranking Committee of the SFSC Foundation from July 13, 2021. He asked Mr. Atchley to lead this group in prayer and bless the food.

II. STUDENT RESIDENCE FACILITIES PROPOSALS

Mrs. Bateman asked each committee member to submit his completed evaluation forms signed and dated for each of the proposals. Mrs. Bateman documented each committee member's forms and tallied for the total of each proposal provided. The results were shared with the committee in no particular order:

- Heartland Development Group: 635
- Short Pants Development: 434

Dr. Leitzel asked if it was a unanimous decision by the numbers to which Mrs. Bateman confirmed yes.

Mr. Atchley stated that at the last meeting there was a lot of discussion regarding the proposals. He reiterated that both developers approached the college to help and he is glad that this committee took the time to review both of them and rank accordingly. He is looking forward to seeing how this turns out.

Mr. Atchley made a motion to approve the rankings as proposed and submit them to the Foundation board meeting on July 20, 2021. Mr. Stephenson seconded the motion. All approved, none opposed, motion carried.

Mrs. Bateman will share the results at the board meeting Tuesday, July 20, 2021. She verified with Attorney Bob Swaine to file and keep the proposals, the completed evaluation forms and the evaluation calculation sheet for records.

III. HOTEL JACARANDA

Mrs. Bateman shared with the committee the status of the Hotel Jacaranda and recent concerns brought to the Foundation's attention. As she shared at the May 2021 Foundation Board Meeting, there are 130 windows on the dorm side that need repair.

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Five of them need immediate attention and 30 need to be repaired soon. Dr. Leitzel clarified that the window issue is all on the dorm side of the Jacaranda. Mrs. Bateman confirmed yes all on the dorm side; the hotel windows had been replaced.

Mrs. Bateman shared that the plumbing renovation will begin this week and continue through next week. Once completed she will be able to provide the board with an estimate for a complete renovation on plumbing.

She shared new information brought to her attention at 10 a.m. this morning. The contracted electrician for the college notified her the hotel and restaurant, the arcade, stairways and hallways all have knob and tube wiring which needs to be replaced. He stated this is of great concern since any water leak throughout these areas could cause a serious incident. Mr. Shoop asked if the sprinkler system is tested annually and Mr. Atchley asked if they visually inspect them onsite annually. Mrs. Bateman confirmed yes. Mr. Shoop asked if the Jacaranda had active smoke alarms that alerted the fire station, Mrs. Bateman confirmed yes. Mr. Kelly asked if the entire building was wired with knob and tube, and Mrs. Bateman replied no, the dorm side and the offices and tenants locations were all re-wired through an earlier remodel. Mr. Kelly asked if the electrician gave an estimate. Mrs. Bateman shared a best guesstimate of at least \$300,000. Mr. Swaine asked what that cost would include. Mrs. Bateman stated it would replace all knob and tube wiring in the hotel foyer, both dining rooms, the hallways, the arcade, the second and third floor stairway including the hallways. Dr. Leitzel asked about the junction box on the dorm side. Mrs. Bateman reiterated it is all updated on the dorm side. Dr. Leitzel and Mr. Atchley asked again, is it the dorm side or the hotel side with the knob and tube wiring? Mrs. Bateman stated it is the hotel side, the connecting hallways, the hotel foyer and dining rooms and the arcade.

Mr. Jarrett asked the question knowing what we now know, how do we tell the Foundation about this at tomorrow's meeting and not shut down the Jacaranda? Mr. Swaine shared shutting down the main area of concern, the hotel side of the Jacaranda. He agreed that the Foundation would be open to liability exposure and inspectors would err on a side of caution, greatly err. He asked if the electrician provided a timeline on the repairs. Mrs. Bateman stated she would ask specifically for a timeframe. Mr. Swaine asked if the electrician could prioritize the work needed. Mrs. Bateman stated she will follow up and see if he can narrow down priorities. (I moved these two lines down for better flow of information) Mr. Jarrett asked again what does the foundation do.

Mrs. Bateman shared that the safety lights are all run on battery and not hooked in to the generator; therefore, they will last about 45 minutes in an emergency. This will need to be addressed as well. Mr. Jarrett stated that the Foundation Board would need to either take action immediately to get this work done or to shut down until further notice. Mr. Kelly asked if the Executive Director of the Foundation has the ability to make the decision in an emergency to have the work done. Mrs. Bateman shared that the bylaws limit the amount of money she can spend. The executive committee or full board would have to approve expenditures in excess of her limit.

Dr. Leitzel shared with the committee that he was made aware of this situation five minutes prior to this meeting and it is troubling that it was not known before today. He advised Mrs. Bateman to share with this committee today. Mrs. Bateman shared that the Foundation has been trying to find out what the needs are to get to a final decision to move forward. Now the Foundation is aware and needs to take action. Mr. Kelly asked if the Foundation could borrow money to help with this project; Mrs. Bateman said the Foundation could borrow up to \$500,000 at the discretion and approval of the Board.

Mr. Kelly stated that after tomorrow's meeting, this would all be public knowledge and the Foundation Board will need to know their statement to the press. Mr. Swaine asked if the electrician could attend the Board Meeting to share his expert view, Mrs. Bateman will ask him to attend.

Dr. Leitzel asked Mrs. Bateman what the estimate for the windows came to be; Mrs. Bateman shared that for the first three rooms, four windows, the cost would be a little over \$12,000 and reiterated that there are 130 windows. Mr. Swaine asked if the Avon Park Community Redevelopment Agency (CRA) was able to assist the Foundation with any funds for the exterior/windows. Mr. Jarrett said yes, there are funds available for the seven addresses on the Hotel Jacaranda. He shared that with the passion the city has to keep the Jacaranda alive, there may be an opportunity for more money. Mr. Kelly asked if there was a passion within the community to fundraise to help offset the cost to fix the Jacaranda. Mrs. Bateman stated that the mission of the Foundation is to be the Direct Support Organization (DSO) to the college and the students, not to support a hotel. If a fundraiser were to happen, it would need to be done by the community and not through the Foundation. Mr. Kelly clarified that the community would need to undertake the fundraising. Mr. Jarrett opened up the conversation that this is going to be a public relations nightmare and how does the Foundation move forward. Mr. Atchley asked the question how many other DSO's are in the brick and mortar business, specifically a hotel and restaurant. Mr. Elliott answered there are no others in the college system; they may operate dorms but none like this commercial enterprise. Mr. Jarrett said that over the years the Band-Aid approach on this 100-year-old building has led to the current state. Mr. Jarrett said the Jacaranda was great for the college and the community 30 years ago, but what do we do now? Dr. Leitzel said it is a hard topic to bring up so not to criticize decisions made in the past but we need to make a decision for the now.

Mr. Swaine asked if other electricians were available for a second opinion to share with the board. Mrs. Bateman said yes, but this electrician is under contract with the college. Mr. Swaine said it may be that several are contracted to work together to get this done. Mr. Shoop suggested a fire marshal come in to review the situation and give a status report. Mr. Swaine discussed that with another building within the community, the fire marshal was able to come in and assess the condition providing a timeline to take steps to correct the issues so not to shut down. Mr. Jarrett agreed that this could be a good step and then put the Avon Park CRA on alert. Mr. Shoop expressed that the review by the fire marshal would take some of the pressure off the Foundation. Mr. Swaine agreed that it would show the Foundation is seeking expert recommendations. Mr. Stephenson asked

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Dr. Leitzel, if the Jacaranda were to shut down, where would the students go? Mrs. Bateman stated this was a similar issue with the pandemic and there were many roadblocks for safety concerns of students, those same roadblocks may appear for this situation as well. Mr. Stephenson asked about how many students would be displaced? Mrs. Bateman stated between 76-78 students. She let the group know that Volleyball and Cross Country move in next week and the remaining students arrive in mid-August. Mr. Atchley stated that tomorrow's meeting would be tough as there will be some that are sensitive to this topic. Mr. Shoop agreed and that is exactly why the fire marshal should be at the meeting to reduce the pressure on the Foundation and possibly provide a timeline. Mr. Atchley reiterated that tomorrow's meeting must include a statement from the Foundation moving forward with these concerns and next steps. Mr. Jarrett asked if a night watch would assist this situation. Mr. Swaine explained it might and that this could be an option.

Dr. Leitzel posed the question at what point do we say that the Hotel Jacaranda needs are extraordinary beyond our means? Mr. Stephenson stated a decision needs to be made on this at tomorrow's meeting. Mr. Atchley suggested that the Foundation needs to review the priorities of a DSO and the saving of the Jacaranda. Mr. Swaine shared that the Foundation could rely and take comfort in the advice from professionals. He asked if this committee had any other thoughts or ideas for Mrs. Bateman to present to the board for tomorrow night. Dr. Leitzel tasked Mrs. Bateman and Mr. Elliott to coordinate with the fire marshal, while he and Mr. Stephenson would meet with the Athletic Director to discuss steps for student athletes.

IV. ADJOURNMENT

Mr. Swaine asked Mr. Atchley to close the meeting in prayer over the matter at hand with the Hotel Jacaranda. There being no other business, the meeting adjourned at 1:29 p.m.

Respectfully submitted,

William R. Jarrett, Jr.

William R. Jarrett Jr.
Board Secretary