

## MINUTES

### LEON COUNTY EDUCATIONAL FACILITIES AUTHORITY

April 8, 2009

The Leon County Educational Facilities Authority met Wednesday, April 8, 2009 at 12:00 noon at the Lambda Chi Alpha House at Heritage Grove, Tallahassee, FL pursuant to public notice.

Authority Members Present: Bob Kellam, Henry Lewis, Bill Hilaman, Liz Maryanski and Randy Guemple.

Authority Members Absent: Craig Fletcher and Anne Peery...

Others in Attendance: Calvin Ogburn, Terry Madigan and a host of others.

The meeting was called to order at 12:30 p.m. and the group was welcomed by Chairman Kellam and Randy Guemple, who represented the Lambda Chi Alpha Fraternity. Randy Guemple called on fraternity board member Doug Mannheimer who gave a brief history of the Educational Facilities Authority as it pertains to the creation of Heritage Grove. He specifically noted the contribution made by Bob Kellam, Andy Miller, John Dalton and Sandy D'Alenberte. He traced the history of the property of its early days of being a par three golf course to its current usage of a site for 13 structures housing primarily fraternities.

The minutes of January 14, 2009 and March 12, 2009 were moved approved by Randy Guemple, seconded by Liz Maryanski. All were in favor.

Liz Maryanski and Buck Buchanan (OTC) presented a report on the proposed rate structure for wireless service for Heritage Grove. A handout was circulated to the group (attachment 1). After discussion, it was agreed that an upgraded wireless system would be preferred and that the new rate would be \$70.80 per month per apartment. This agreement would be in effect for a 5 year period beginning with the fall of 09. It was agreed that Terry Madigan would review the contract prior to execution and without objection, all were in favor.

Henry Lewis then reported on the Authority's scholarship program. He presented a \$20,000 check to TCC for their CROP program and \$20,000 to FAMU for the Pharmacy School. He reminded members that \$20,000 had earlier gone to FSU to endow a circus scholarship.

Ray Allen (Coastal Property Management) and the Authority members then discussed the debt service coverage ratio which is required by the bond documents at Heritage Grove. This ratio is 1.25 percent. Although the property is in no financial danger at this point, due to the continuing escalating cost of operation, when compared to the flat rent rate increase, the debt coverage ratio is now below this amount. The property is now experiencing a debt coverage ratio of 1.1 percent. After discussion, it was agreed that Hugh Tanner of Morgan-Keegan Company would be contacted by Terry Madigan to

review and compare the bond documents requirements to the current financial conditions and make a recommendation to the Authority. There was a motion by Randy Guemple, seconded by Billy Hilaman that Terry Madigan be authorized to make the contact with Morgan-Keegan. All were in favor.

(Liz Maryanski left the meeting.)

Chairman Kellam then opened the discussion on Fire Safety inspections at Heritage Grove. He expressed frustration that the fraternity was being required by Greek Life to independently contract for inspections that had little value. Ray Allen discussed the numerous inspections and requirements that were being conducted as part of the management duties. After discussion, it was felt by the Authority that the requirement by Greek Life is a duplicate and an unnecessary expense placed on the fraternities. Robin Brock, representing Greek Life, explained to the Authority members the rules and regulations that she is operating under. A motion was made by Randy Guemple, seconded by Billy Hilaman that the management company meet with Greek Life to see if their differences be resolved. All were in favor.

(Randy Guemple left the meeting.)

The SouthGate report was deferred until a later date.

Chairmen Kellam recognized the FSU Police Department Officers, Cliff Wiley and Mike Rodes, who in tern gave a brief report on their activities at Heritage Grove. Chairman Kellam thanked them very much for their hard work and cooperation and stated that he felt that the fraternity/FSU PD relationship had improved measurably over the last several years.

It was agreed that a special meeting would be called to review the Southgate project in about two weeks.

There being no further business, the meeting was adjourned at 1:56 p.m...

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Robert E. Kellam, Chairman

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Calvin P. Ogburn, Executive Director