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University of South Carolina
BOARD OF TRUSTEES

Executive Committee, Called Meeting

November 20, 2015

The Executive Committee of the University of South Carolina Board of Trustees met for a called meeting at 11:05 a.m. on Friday, November 20, 2015, in the Board Room at 1600 Hampton Street.

Members present were: Mr. Eugene P. Warr Jr., Chairman; Dr. C. Edward Floyd; Mr. William C. Hubbard; Mr. Toney J. Lister; Mr. Miles Loadholt; and Mr. John C. von Lehe Jr.

Other Trustees present were: Mr. Chuck Allen; Mrs. Paula Harper Bethea; Mr. Thomas C. Cofield; Mr. A. C. "Bubba" Fennell III; Mr. William W. Jones Jr.; Mr. Hubert F. Mobley; Ms. Leah B. Moody; Mr. Thad H. Westbrook; and Mr. Charles H. Williams. Dr. C. Dorn Smith joined the meeting by telephone.

Also present was student representative Jonathan Kaufman.

Others present were: President Harris Pastides; Secretary Amy E. Stone; General Counsel Walter "Terry" H. Parham; Chief Operating Officer Edward L. Walton; Provost Joan T.A. Gabel; Chief Financial Officer Leslie Brunelli; Vice President for Student Affairs Dennis A. Pruitt; Vice President for Information Technology William F. Hogue; Vice President for Human Resources Chris Byrd; Chief Diversity Officer John H. Dozier; Chief Communications Officer Wes Hickman; Athletics Director Ray Tanner; Vice President for System Planning Mary Anne Fitzpatrick; Palmetto College Chancellor Susan Elkins; USC Aiken Chancellor Sandra Jordan; USC Beaufort Chancellor Al Panu; USC Upstate Chancellor Thomas Moore; Senior Vice Provost and Dean of Graduate Studies Lacy Ford; Graduate Student Association President Andrew Fogner; Associate Vice President for Student Affairs and Academic Support Jerry T. Brewer; Executive Director for the Office of Economic Engagement William D. "Bill" Kirkland; Executive Director of Audit & Advisory Services Pam Doran; College of Arts and Sciences Interim Dean Roger Sawyer; USC Aiken Executive Vice Chancellor for Academic Affairs Jeff Priest; Chief of Staff, President's Office, J. Cantey Heath Jr.; Calvin Gallman, Law Enforcement and Safety; University Technology Services Production Manager Matt Warthen; and Board staff members Debra Allen, Terri Saxon and Ina Wilson.

I. Call to Order

Chairman Warr called the meeting to order and stated that notice of the meeting had been posted and the press notified as required by the Freedom of Information Act; the agenda and supporting materials had been circulated; and a quorum was present to conduct business.

Mr. Hickman introduced members of the media in attendance: Cassie Cope of *The State* and Dawn Logg with WSPA-TV.

II. Contracts

Chairman Warr called on Mr. Parham.

A. 707 Catawba Street Lease, USC Development Foundation

Mr. Parham said that the University sought approval to renew its lease agreement with the USC Development Foundation for the building located at 707 Catawba Street. The building contains approximately 26,658 square feet of space. The University has utilized this space since 2005 primarily to house the University's MovieTone news collection, a Chinese film collection and other films. The building also contains high-bay storage space that is used by the University.

Renewal would be for five years, beginning October 1, 2015, and ending September 30, 2020. The delay in bringing the lease to the Board was because the lease had to be approved by the Real Property Services Division of the new South Carolina Department of Administration, and that approval was not granted until recently. However, since October 1, the University has been occupying the space pursuant to the month-to-month holdover provision contained in the lease previously approved by the Board, so the continued use of the space has been authorized by the Board and the University has been protected.

Under the lease, the University will pay rent in the sum of \$123,006 per year for a total value of \$615,030 over the five-year term. This is a "triple-net" lease, so USC will be responsible for taxes, of which there are none; public liability insurance and maintenance and repairs; and utilities.

In response to a Trustee question, Mr. Parham said the short-term lease was to facilitate possible purchase of the building at some point, although that had not been a priority, and that the rent represented fair market value as compared to similar property and approved by the state.

Chairman Warr called for a motion to approve the lease as described by Mr. Parham. Mr. von Lehe so moved. Mr. Loadholt seconded the motion. The vote was taken and the motion carried.

B. STM Charters, Inc.

1. Men's Basketball Flight Agreement
2. Women's Basketball Flight Agreement

Mr. Parham said that at its October 16, 2015, meeting, the Executive Committee approved a charter flight contract with Private Jet Services Group, LLC to transport the women's basketball team to eight away games and the men's basketball team to nine away games.

The following week, Private Jet Services advised the Athletics Department that it would not be able to provide charter service for some of those games, but that it would be available to provide service for others. After discussion with Women's Basketball Coach Dawn Staley and Men's Basketball Coach Frank Martin, the Athletics Department decided that it would rather do business with a different charter company. Thus, the current charter flight agreements for men's and women's basketball with STM Charters, Inc. STM Charters has provided this service to USC Athletics in the past.

The value of the women's agreement is \$304,700, and the value of the men's agreement is \$369,000. The good news is that these amounts are less than would have been paid under the previously approved contracts, probably because of gas prices. By approving these contracts, Athletics will save about \$29,000 between the two contracts.

Chairman Warr called for a motion to approve the STM Charters flight agreement for the Men's and Women's basketball programs as described by Mr. Parham. Mr. Hubbard so moved. Dr. Floyd seconded the motion. The vote was taken and the motion carried.

III. Adjournment

There being no other matters to come before the committee, Chairman Warr declared the meeting adjourned at 11:10 p.m.

Respectfully submitted,

Amy E. Stone
Secretary