



**JEKYLL ISLAND-STATE PARK AUTHORITY**

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<p>Harris to Senators regarding legislation passed in 1990 that included Jekyll Island in OPA, contacts with Representative Kingston’s office and U.S. Fish &amp; Wildlife in 2003, and Mr. Donohue’s trip to Washington, D.C. in May 2003. However, at the legislative hearing on September 25, 2003, Jekyll Island was not removed from OPA. A letter was once again sent to U.S. Fish and Wildlife on March 17, 2005. Response received June 16, 2005 still did not give an answer to why Jekyll Island was included in OPA. Chairman Wood reiterated that the Jekyll Island Authority must have representation at the hearings to help with CBRA issue. Dr. Jones suggested litigation if we do not get through CBRA with an approval of request. He stated that he had spoken with Mr. Matt Hogan and Dr. Benjamin Tuggle of U.S. Fish and Wildlife and was assured that they would not oppose the map that would be presented.</p>	<ul style="list-style-type: none"><li>▫ CBRA Maps Update (Cont’d)</li></ul>
<p>Ms. Spencer advised that a consultant would go to Washington, be able to lobby but was not being hired as an Assistant Attorney General. Mr. Scheer questioned if it was in order to hire a lobbyist. Mr. Boshears, a former State Senator, responded that Congressmen can’t deal with every matter that comes up; therefore, consultants know and find out things for clients because they have the expertise and are able to guide their client on.</p>	<ul style="list-style-type: none"><li>▫ Consultants Presentations</li></ul>
<p>Chairman Wood stated that in September the Authority needed to have someone in place to help with the CBRA issue. He had invited two consulting firms and each one was given an opportunity to make a presentation to the Board.</p>	
<p>Presentation for Troutman Sanders, LLC was made by Mr. Rob Leebern, President of Federal Affairs and Public Affairs Group and Ms. Laura Quattlebaum. Mr. Leebern is former Chief of Staff for then U.S. Representative Saxby Chambliss and Ms. Quattlebaum served as Legislative Director for Congressman Jack Kingston.</p>	
<p>Presentation for King &amp; Spalding, LLC, a Public Policy and Government Advocacy practice was made by Ms. Patricia Barmeyer who concentrates on Environmental Law and Mr. Tom Spulak who concentrates on legislative strategies. They stated their attributes were very strong support from Georgia delegation in Washington, D.C., role would be Jekyll Island Authority’s on-site real time representative, technical assistance, strength of team and strength of progress.</p>	
<p>At the conclusion of the presentations, Mr. Scheer recused himself from discussion of Troutman Sanders as he had worked with the firm in his occupation.</p>	<ul style="list-style-type: none"><li>▫ Mr. Scheer Recuses</li></ul>
<p>Chairman Wood stated that Firm A quoted 6 figures and Firm B quoted 5 figures to represent Jekyll Island Authority. The Board discussed at length the hiring of a consultant. Ms. Kelley</p>	<ul style="list-style-type: none"><li>▫ Consultants Discussions</li></ul>

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<p>commented that she was not at ease with the ambiguity of what Jekyll Island Authority would spend and asked if Jekyll Island Authority was on the house sub-committee agenda for September. Chairman Wood responded yes according to Ms. Heather McNatt of Congressman Kingston’s office. Regarding the quoted figures, King and Spalding was a lump sum of \$50,000 and Troutman Sanders was a monthly cost of \$15,000. Ms. Kelley voiced that she was uncomfortable with the September urgency and suggested that we use Governor Perdue’s Director of Federal Affairs for the September meeting. Board continued discussion of selection of a consultant noting that a cap needed to be established. Ms. Spencer was asked if it was appropriate to go into executive session to discuss the selection and was advised that it should not go into executive session. All of the observers except Mr. Morrison of Jekyll’s Golden Islander exited the room. After further discussion regarding selection of a consultant, it was decided that both consultant firms would be contacted and asked to provide a total cost and the length of time services would be rendered. Chairman Wood offered to contact both consulting firms for this information and get back with the Board members.</p>	<ul style="list-style-type: none"><li>▫ Consultants Discussions (Cont’d)</li></ul>
<p>Mr. Hodges and Mr. Boshears were appointed to study relationship between Jekyll Island Foundation turtle project and Jekyll Island Authority.</p>	<ul style="list-style-type: none"><li>▫ JIF/JIA Relationship Study Request</li></ul>
<p>Meeting recessed at 11:17 a.m. on Monday August 8, 2005.</p>	<ul style="list-style-type: none"><li>▫ Meeting Recessed</li></ul>
<p>Public session reconvened and meeting was called to order at 11:27 a.m. on Monday, August 8, 2005 in Caldwell Hall at the Jekyll Island Convention Center.</p>	<ul style="list-style-type: none"><li>▫ Meeting Reconvened &amp; Called To Order</li></ul>
<p>It was noted that Ms. Spencer was present via conference phone.</p>	<ul style="list-style-type: none"><li>▫ Legal Counsel</li></ul>
<p>Chairman Wood apologized for the delay in reconvening but explained there was a vigorous discussion regarding Jekyll Island and CBRA in earlier meeting that took more time than normal.</p>	<ul style="list-style-type: none"><li>▫ Chairman’s Comments</li></ul>
<p>Chairman Wood and Mr. Donohue presented a Faithful Service Award to Craig Harden, Fire Captain, in recognition of his 15 years service to the State of Georgia and the Jekyll Island Authority.</p>	<ul style="list-style-type: none"><li>▫ Faithful Service Award</li></ul>
<p>Mr. Mickey Spinks, Groundwater Specialist for Georgia Rural Water Association presented award for Jekyll Island being judged the “Best Wellhead Protection Program” in the State of Georgia. Out of 20 cities, Jekyll Island was first and is the very first recipient of this award. Mr. Spinks congratulated the staff of the Jekyll Island Authority for their efforts and this accomplishment.</p>	<ul style="list-style-type: none"><li>▫ “Best Wellhead Protection Program” Award</li></ul>
<p>Ms. Kelley made a motion, which was seconded by Mr. Scheer, to approve the minutes from the June 12, 2005 and June 13, 2005 Jekyll Island-State</p>	<ul style="list-style-type: none"><li>▫ Motion Minutes</li></ul>

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<p>Park Authority Board Meetings. Motion was carried with all in favor after correction of the June 13, 2005 minutes of Chairman Wood’s statement on page four under old business regarding the parking fee and correction of Mr. Hodges’ statement on page two, paragraph two also regarding the parking fee.</p> <p>Ms. Bonds made presentation explaining the final drafts of the CBRA maps. Chairman Wood once again thanked Ms. Bonds for an outstanding job on the maps and reiterated that no existing structure will be left out. Mr. Scheer made motion to approve final draft of CBRA maps for submission to U. S. Fish and Wildlife. Motion was seconded by Mr.Lewis. Motion was carried with all in favor.</p> <p>Chairman Wood stated that he felt it was vital to have representation in Washington, D.C. on the CBRA issue and the Authority must spend what is necessary to resolve issue. Mr. Scheer recused himself from discussion and vote of the matter at 11:38 a.m. Motion was made by Dr. Jones to spend \$50,000 from parking fee revenue to hire a consultant to assist Jekyll Island Authority in Washington, D.C. to bring CBRA issue to a successful conclusion. The Consultants were ranked Troutman Sanders LLP as 1 and King and Spalding LLP as 2. Mr. Collins seconded the motion. Motion was carried with all in favor except Mr. Scheer. Mr. Scheer returned at 11:41 a.m.</p> <p>Because of the length of the 9:30 a.m. session, the Jekyll Club Associates was not able to present their plan for acquisition of the Lodgian dba Holiday Inn lease. Chairman Wood apologized and recognized Mr. Vance Hughes of Jekyll Club Associates. Mr. Hughes stated Lodgian wants to dispose of under-performing properties and they would like to purchase the Holiday Inn as soon as possible. \$2.5M will be spent immediately for improvements. Chairman Wood asked Mr. Hughes what was needed from Jekyll Island Authority Board today. Mr. Hughes responded that Jekyll Club Associates would like authorization to sign a lease and also be given an extension to 2049. They would then operate as a Holiday Inn as long as it was necessary. Mr. Lewis questioned timeline. Mr. Hughes responded that Jekyll Club Associates would spend what’s necessary to make Holiday Inn top of the line. Ms. Bonds made note that a standard hotel lease had been presented to Jekyll Club Associates. She stated that Holiday Inn had two consecutive failed evaluations which warranted default of the lease. Jekyll Club Associates wants to terminate the existing Holiday Inn lease and enter into a new lease. Ms. Bonds’ concern was if Jekyll Island Authority would be setting a precedent. Mr. Lewis commented that the lease should be structured to say that it was a one-time agreement. Mr. Boshears questioned why would Lodgian not remain on lease. Mr. Hughes responded that if Lodgian remained on the lease, it would slow down the loan process. Ms. Bonds asked for clarification of the group name and Mr. Boshears asked for explanation of the \$2.5M. Mr. Runner explained that Holiday Inn prepared a</p>	<ul style="list-style-type: none"><li>▫ Minutes Approved with Corrections</li> <li>▫ CBRA Maps</li> <li>▫ Motion CBRA Maps</li> <li>▫ Consultant Selection</li><li>▫ Mr. Scheer Recuses</li><li>▫ Motion Consultant</li> <li>▫ Motion Approval</li>  <li>▫ Holiday Inn Lease Assignment</li></ul>
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study (PIP) to bring the hotel up to standards; however, that has not been done. Mr. Hughes stated he thinks \$2.5M is sufficient, but will invest more than \$2.5M if necessary. Mr. Scheer also, as Ms. Bonds had voiced earlier, expressed concern if Jekyll Island Authority would be setting a precedent by letting Lodgian off the lease and extending the lease to 2049. Ms. Spencer, Legal Counsel, advised that it would be a risk if current lessee was let out of the lease and no longer be responsible under assignment because in the past it was not historically undertaken in this manner and the Authority should be prepared for others to come forward making the same request. It would open a doorway. Mr. Scheer questioned if the Board could make the decision and protect itself based on the 20-year track record of the Jekyll Island Club Hotel and if it would be the same partners. Ms. Spencer advised that she doesn't know about the protection but would be a justification for the Board's decision. Chairman Wood commented that in the future, the Board would have to look at each individual case and make a judgment. Ms. Spencer asked if Jekyll Club Associates was the same group as Jekyll Island Club Hotel. Mr. Hughes responded that the only difference is Mr. Leon Weiner passed and his interest was held by his company, Leon Weiner & Associates, which is led by Mr. Dave Curtis. Ms. Bonds stated that the existing management of Jekyll Island Club Hotel has five (5) general partners and exceed \$15M. A question was posed as to whether Jekyll Club Associates would be Limited partners. A lengthy discussion continued with various Board members' comments regarding management ownership, the effect of development guidelines when adopted. Chairman Wood questioned if there would be anything to prohibit a motion and add additional years to the lease. Ms. Bonds made it clear that Jekyll Club Associates would need a new survey and base rent would change. She suggested that the Board extend the lease for 30 years and then Jekyll Club Associates come back for an extension to 2049. Mr. Hughes stated that it would be difficult to go back to the bank regarding the loan.

Chairman Wood asked for a motion regarding the request. Mr. Lewis made a motion to release Lodgian from further liability and extend a lease agreement to Jekyll Club Associates to 2049. Dr. Jones seconded the motion. Motion carried with all in favor except Mr. Scheer, who opposed.

Ms. Bonds presented recommendations relating to the renewal of the leases for Merrymakers, Inc., d/b/a Santa's Christmas Shoppe<sup>1</sup> and Milcher, Inc., d/b/a Jekyll Trading Post<sup>2</sup>.

Mr. Lewis made a motion to accept the recommendations to renew the three-year leases for Santa's Christmas Shoppe with personal guarantees from lessees Marie Stubbs, Martha Harvey and Mary Bishop and standard terms of \$7 per square foot (920) base rent of \$536.67 per month plus 3% percentage rental of the amount by which the cumulative lease year gross income exceeds \$107,333.34 and also Jekyll Trading Post with standard terms of \$7 per square foot (672) base rent of \$392 per month plus 3% percentage rental

▫ Holiday Inn Lease Assignment (Cont'd)

▫ Holiday Inn Motion  
▫ Motion Approval

▫ Lease Renewals Christmas Shoppe & Trading Post

▫ Motion Lease Renewals

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of the amount by which the cumulative lease year gross income exceeds \$78,400. Ms. Kelley seconded motion. Motion was carried with unanimous consent.

There being no further business items to discuss or take action upon, Mr. Donohue was recognized to present the Executive Director's Report. Due to time constraints, Mr. Donohue made reference to the Executive Director's Report in distributed Board Report and would leave the reports as submitted if there were no questions.

Referencing the sign-in sheet<sup>3</sup> for public comments, Mr. Dave Harrell of Coastal Towers was recognized to address the board. He commented that his firm constructs communication towers and in the past year, he has been contacted by 5 of 7 broadband carriers regarding cell phone coverage on Jekyll Island and would like an opportunity to make a presentation in the next few months. Dr. Jones questioned if a site has been identified. Mr. Harrell responded not at present, maybe one on south end and one on north end. Chairman Wood advised him to contact Mr. Donohue and set up a meeting to discuss his proposal.

Mr. Ralph Birdsey, a condominium owner at Villas-By-The-Sea, urged the Board to take action on beach erosion occurring on Driftwood Beach and much of the northern beach. Chairman Wood stated that a conservation study that is underway will address beach erosion as well as solutions was underway and should be completed by April or May of 2006.

There being no additional business to discuss, a motion was made by Mr. Hodges and seconded by Mr. Collins to adjourn the August 8, 2005 meeting of the Jekyll Island-State Park Authority.

Meeting was adjourned at 12:45 p.m.

ATTEST:

APPROVED:

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William A. Donohue  
Executive Director

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Richard V. Wood  
Chairman

- Motion Approval
- Executive Director's Report

- Public Comments

- Motion to Adjourn

- Meeting Adjourned

**Attachments**

- *Agenda*
- 1 - *Santa's Christmas Shoppe Lease*
- 2 - *Jekyll Trading Post Lease*
- 3 - *Sign-In Sheet - Public Comments*