

JEKYLL ISLAND-STATE PARK AUTHORITY

May 12, 2008

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The Jekyll Island State Park Authority committees met in Public Session on Monday, May 12, 2008 in Beachside Hall at the Jekyll Island Convention Center on Jekyll Island, GA.

Members Present: Ben Porter, Chairman
Ed Boshears, Secretary
Steve Croy, via speakerphone
Robert Krueger,
Sybil Lynn,
George Zier, Sr. Asst. Attorney General, via speakerphone

Staff Present: Eric Garvey, Director of Marketing,
Marjorie Johnson, Director of Accounting,
Cornell Harvey, Director of Human Resources,
Jim Broadwell, Projects Manager,
Shanna Brain, Executive Assistant,

Various members of the public and press were present.

Chairman Porter called the meeting to order at 9:35 a.m.

Chairman Porter welcomed C. Jones Hooks to the Island and to his new position of Executive Director for the Jekyll Island Authority. Mr. Hooks stated he was happy to be here and looking forward to starting in his new position.

Chairman Porter then welcomed Representative Barnard and Representative Keen to the meeting and stated he was happy they could attend.

Legislative Committee: Representative Keen stated that the \$25 million bond for Jekyll Island is still with the Governor and awaiting his approval. Committee Chair Croy extended his thanks to Representative Keen for all of his hard work to help Jekyll this legislative session, and also to the Governor for the \$25 million bond, which, Chairman Porter stated, is vital to the revitalization of Jekyll.

Committee Chair Croy stated that a group of legislators had contacted him last week about a desire they had to introduce new legislation regarding the residential leases. Committee Chair Croy asked them to please not go forward and let the Authority work through this issue with a good process and not rushing. All four legislators agreed the Authority should run their course. Committee Chair Croy stated he would give those legislators an update after this Board meeting. Mr. Garvey gave a quick update on the Georgia Sea Turtle Center

Attendance

Call to order

Welcome to Mr. Hooks

Welcome to Rep's. Keen & Barnard

Legislative Committee

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Specialty Tag. Mr. Garvey stated that Bart Graham at the Department of Revenue had made some visual enhancements to the art work we had submitted and we are going to make a couple more minor modifications then have ready for production as soon as the Governor signs HB 1220 into law. Mr. Garvey also let the group know that we will be under the revenue sharing program for the specialty tag. Money from the purchase of the tag will flow through the non-game wildlife conservation fund to the Georgia Sea Turtle Center and we anticipate that JIA/Turtle Center will receive \$10 of every tag sold.

Finance Committee: Committee Chair Krueger asked Mr. Runner and Mr. Curtis, managing partner of the Jekyll Island Club Hotel, to please come forward to go through the schematic designs for the addition to the Club Room and also the new hotels being built. Mr. Curtis went over the planned construction of the Ballroom, which is part of an ongoing improvement program, which involves an investment of over \$5 million going into the hotel. Mr. Curtis stated they would be preserving the existing ballroom and just adding on to it for a total of about 5,000 square feet. Their goal is to have it available my mid-March of next year. Mr. Porter praised the operators of the hotel for maintaining the theme of the historic hotel and district in the new plans.

Mr. Runner went over the proposed plans for the two new hotels that the Jekyll Island Club Hotel will be putting up. The first will be a Hampton Inn & Suites managed by Newcastle Hotels. All plans for this hotel are in and they are just waiting for approval with hopes to begin construction the first week in June. This hotel will have 138 rooms and an average cost per night of \$130. The second hotel will be a Boutique Hotel, which will essentially be the Jekyll Island Club Hotel at the beach. It will have 88 rooms, a full service restaurant, ballroom, and underground parking and an average cost per night of \$180-\$190 which is consistent with the Club Hotel. The next hotel will be a condo hotel with 64 condo units, underground parking, and 2 bedroom units on the average. It is hoped the owners of the condos will put them into a rental pool, which will be administrated by Mr. Runner and his team. Mr. Boshears asked Mr. Curtis questions about the condos going into a rental pool and condo association fees. Mr. Curtis stated certain things would need to be discussed with the Authority at a future date.

Committee Chair Krueger brought to the Board's attention the Bleakly Group's proposal for Residential Lease Analysis, stating it is multi-faceted and will give the Authority a chance to look at all the leases, with time to work with all interested groups. Mr. Boshears stated that over the years the legislation has amended the residential leases several times and questioned if the House or Senate Research Committee could look at all the amendments so we are accurately aware of all the changes to the leases to avoid any future legal issues. Committee Chair Krueger stated

GSTC Specialty Tag

Finance Committee

Jekyll Island Club Hotel
new ballroom

Proposed plans for new
hotels

Bleakly Group proposal

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could look at how the statutes were amended over the years. Mr. Zier stated the Attorney General's office routinely goes over those amendments, they have access to Georgia laws, and Mr. Zier himself has done that kind of research a number of times.

Representative Keen requested a copy of the Attorney General's responses to Mr. Boshears' questions to go to Representative Barnard as well as the Chairman of State Institutions Committee and himself.

Chairman Porter asked how we are going to acquire stakeholder input regarding residential leases. Committee Chair Krueger stated there would be specific stakeholder meetings set up and also stated not everything is currently outlined and some of those details are still being worked out. Chairman Porter also wanted to know, would the Bleakly proposal be expanded if it is determined that more work on the subject is necessary. Committee Chair Krueger stated that if it were necessary, there would be a change order.

Committee Chair Krueger next brought to the Board's attention the Arts Association tenancy at Goodyear Cottage. Mr. Zier stated it was not a landlord/tenant type of lease, but more in the form of a revocable license with a 10-year term with a 5-year renewal and a nominal rent of \$100 per year.

The Finance Committee next discussed a lease with Red Bug Motors for a Pizza Delivery service. It would be located at the Great Dunes Golf Shop and it is a standard 1-year lease. Red Bug Motors will assume all expenses for renovation with no cost to the JIA.

The Finance Committee next discussed the Jekyll Island Service Station. Committee Chair Krueger stated an RFP would be going out within the week and the timeline would be to demolish and replace the service station in January of 2009. The new service station facility will be operated by a private partner, subject to approval of the design by Authority staff, such that it fits with the Revitalization scheme of Jekyll Island.

Committee Chair Krueger gave a brief financial update, then asked Ms. Johnson for more input. Ms. Johnson stated the Georgia Sea Turtle Center was below budget by quite a bit which could be in large part due to increasing gas prices. She did state, however the Center had kept costs down to offset the decline in revenue. Ms. Johnson also stated she is continuing to work on budgets. Mr. Garvey stated he, along with Mr. Harry Kicklighter, has worked on a way of saving money at the golf courses. Mr. Garvey stated the Great Dunes golf course will be open in the Fall/Winter and Oleander will be open in the Spring/Summer. By doing this there will be a \$200-\$300K expense savings and, coupled with

Jekyll Island Arts
Association License

Red Bug Motors Pizza
Delivery

Jekyll Island Service
Station

Financial Update

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<p>a moderate price increase, should help out. Another benefit being that it will extend the life of the wells.</p>	
<p>Chairman Porter opened the floor to public comment. Ms. Betty Rasmussen of the Jekyll Island Arts Association wished to thank the Authority for the lease of the Goodyear Cottage. There were also comments on the residential lease renewals and it was requested there be a definition of 'Island Lease Renewal' vs. 'Residential Lease Renewals', to come from the Executive Director's office as well as comments on the necessity of Revitalization.</p>	<p>Public Comment</p>
<p><u>Conservation/Preservation Committee:</u> Ms. Frangiamore informed the Board that two more Georgia Forestry Grants had been applied for.</p>	<p>Conservation/ Preservation Committee</p>
<p>Chairman Porter stated we had a check in hand for the Huddle House settlement in the amount of \$30K to go to the Georgia Sea Turtle Center.</p>	
<p><u>Personnel Committee:</u> Mr. Harvey passed around pictures of the Jekyll Squares Ribbon Cutting event, which was held in downtown Brunswick on April 18th. Authority members praised the staff volunteers who worked on this project.</p>	<p>Personnel Committee</p>
<p><u>Marketing Committee:</u> Mr. Garvey went over a couple of recent events on the island: Nest Fest, and The Turtle Crawl. Mr. Garvey stated the Turtle Crawl had over 200 participants. Mr. Garvey also went over the concept approval for a Georgia Sea Turtle Center/Jekyll Island information kiosk at a security queue at the Atlanta Hartsfield Jackson airport and also the promotion of Ms. Larissa Harris to Assistant Marketing Director. Mr. Garvey also stated Summer Waves' Grand Opening went well with over 2K people present.</p>	<p>Marketing Committee</p>
<p>Dr. Irwin gave an update on some of the released turtles and also related the story of 'Bev', who was released by the Georgia Sea Turtle Center staff at a Panama City Beach, who briefly returned to visit Jekyll Island.</p>	
<p>Chairman Porter called for a break at 11:15 a.m.</p>	<p>Break</p>
<p>Chairman Porter called to order the meeting of the Jekyll Island State Park Authority at 12:45 p.m.</p>	<p>Call to order</p>
<p><u>Minutes:</u> Approved minutes of the April 14, 2008 Jekyll Island State Park Authority Board Meeting.</p>	<p>Motion Approved</p>
<p><u>Finance Committee:</u> Mr. Krueger made a motion to approve the Schematic Design of the Addition to the Jekyll Island Club Hotel Club Room. Mr. Boshears seconded, the motion passed unanimously.</p>	<p>Motion Approved</p>

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<p><u>Finance Committee:</u> Mr. Krueger made a motion to approve the Bleakly Group's proposal for Residential Lease Analysis. Ms. Lynn seconded, the motion passed unanimously.</p>	<p>Motion Approved</p>
<p><u>Finance Committee:</u> Mr. Krueger made a motion to approve the Jekyll Ocean Oaks schematic design for phase 2 and phase 3 of their expansion, subject to reaching an agreement on the PDA. Ms. Lynn seconded, the motion passed unanimously.</p>	<p>Motion Approved</p>
<p><u>Finance Committee:</u> Mr. Krueger made a motion to proceed with issuing an RFP for a completely new service station facility to be operated by a private partner, subject to approval of the design by Authority staff, such THAT it fits with the Revitalization scheme of Jekyll Island. Ms. Lynn seconded, the motion passed unanimously.</p>	<p>Motion Approved</p>
<p><u>Finance Committee:</u> Mr. Krueger made the motion to move forward with the Jekyll Island Arts Association Lease. Ms. Lynn seconded, the motion passed unanimously.</p>	<p>Motion Approved</p>
<p>There being no other business, the meeting was adjourned at 12:55 p.m.</p>	<p>Adjourned</p>
<p>ATTEST:</p>	<p></p>
<p>APPROVED:</p>	<p></p>
<p>_____ C. Jones Hooks Executive Director</p>	<p>_____ Ben Porter Chairman of the Board</p>