

The Jekyll Island State Park Authority committees met in Public Session on Monday, March 21, 2011 in Chalet 8 at the Morgan Center Meeting Complex on Jekyll Island, GA.

Members Present: Bob Krueger, Chairman
 Steve Croy, Vice Chairman
 Mike Hodges, Secretary
 Laura Lanier,
 Sybil Lynn,
 Richard Royal, via speakerphone
 Nancy Gallagher, Assistant Attorney General
 Brooks Stillwell, Outside Legal Counsel

Other: Spud Woodward, Representing DNR

Members Absent: Mark Williams

Staff Present: Jones Hooks, Executive Director,
 Eric Garvey, Chief Communications Officer,
 Marjorie Johnson, Chief Accounting Officer,
 Ronny Smith, Chief Operations Officer
 Jim Broadwell, Projects Manager,
 Shanna Brain, Executive Assistant,

Various members of the public and press were present.

Chairman Krueger called the meeting to order at 9:33 a.m.

Chairman Krueger began the meeting by welcoming everyone and noting Mr. Richard Royal was joining the meeting via speakerphone. Chairman Krueger then welcomed Ms. Nancy Gallagher from the Attorney General's office.

Historic Preservation/Conservation Committee: Committee Chair Royal asked Dr. Norton to give a brief update on the Conservation Plan. Dr. Norton noted the following items:

- On March 7 the most recent version of the Conservation Plan was posted online
- The next public meeting would be held on Friday, March 25 from 5:30 till 7:30 p.m. in Magnolia Hall
- Final comments would be due in by end of day on April 1
- Invasive plants were being cataloged and removed
- Wildlife surveys were ongoing

Following his Conservation update Dr. Norton then gave a brief update on the Diamondback Terrapin Conservation Program. Dr. Norton's update consisted of the following points:

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- Research focus
 - Education and awareness
 - Future education and awareness
 - Mitigation efforts
 - Potential future mitigation efforts

Chairman Krueger questioned how the causeway vegetation is being handled. Dr. Norton stated Mr. Gawron is working to make it more turtle friendly. Chairman Krueger then asked if there was a timeframe for the causeway work. Dr. Norton stated it should be completed by late April. Mr. DeLoach questioned if the issue with crab traps was from traps that were abandoned or still in use. Dr. Norton stated both can be an issue. There are ways to achieve more turtle friendly traps and Dr. Norton is pushing for that. Mr. Hodges asked if the barrier on the St. Simons Island causeway could be a problem for turtles and if the program on the Jekyll Island causeway could be used on other causeways. Dr. Norton stated the St. Simons barrier could be a problem and the Jekyll Island causeway plan could be used for any causeway. Chairman Krueger then asked when the vegetation improvements would begin on the causeway. Mr. Gawron stated it would be sometime this fall. Mr. DeLoach asked how much the terrapins help with Periwinkle snails and Fiddler Crabs. Dr. Norton stated they are a significant help.

Finance Committee: Committee Chair Hodges began his report by reviewing the financials for the month of February (Attached). Net revenues for February 2011 were \$866K, expenditures were \$1.3M and net operating cash income showed a loss of \$389K. Committee Chair Hodges then asked Ms. Johnson to review the Greeting Station Report. Ms. Johnson briefly reviewed the decal report for the month of February and noted that for the year to date 907 College of Coastal Georgia passes have been used. Committee Chair Hodges then moved on to a brief hotel occupancy report for the month of February and year to date.

Committee Chair Hodges then moved on to the Lodgian Stock Resolution which would allow Ms. Johnson to redeem the eight (8) shares of Lodgian Preferred A stock. Committee Chair Hodges called for a motion to approve the redemption resolution. Mr. Royal moved to approve, seconded by Mr. Croy, motion passed unanimously.

Committee Chair Hodges asked Mr. Hooks to discuss the Russell Golf Designs contract. Mr. Hooks noted Mr. Randy Russell's company, Russell Golf Design, was located in Austin Texas but he has recently moved to St. Simons. He has done work in Alabama and other areas to the west. Once Mr. Russell relocated to St. Simons Island he came to the Jekyll Island Authority to do a master plan for the Great Dunes golf course. We would only need to provide historical documents to Russell Golf Designs and there is no JIA obligation to undertake or implement any recommendations. Mr. Hooks then noted the contract had been reviewed by the legal team. Committee Chair Hodges asked if we would own the plan. Mr. Hooks stated we would. Committee Chair Hodges then asked if we decided to move forward with the plan they propose, would they do the work. Committee Chair Hodges then called for a motion to allow the Executive Director to execute the agreement with Russell Golf Design. Mr. Croy made the motion, seconded by Mr. DeLoach, motion passed unanimously.

Marketing Committee: Committee Chair DeLoach began the update by encouraging all Marketing Committee members to attend the meeting being held this afternoon to hear the 2011-2012 Marketing plan. Committee Chair DeLoach then asked Mr. Garvey to give the Marketing Committee update. Mr. Garvey's update included the following items:

- Jekyll Island Collegiate Invitational
- Several golf and soccer tournaments held recently
- Nest Fest and Turtle Crawl
- Shrimp & Grits
- Recent coverage in Sky magazine
- An article in Coastal Living's upcoming May issue will have coverage on the Jekyll Island Club Hotel
- New Atlanta sales person, Debbie Webb
- Revitalization Rallies

Committee of the Whole: Chairman Krueger began the Committee of the Whole report by noting this is the second reading and adoption of the Satellite Dish Ordinance and asked for a motion to approve the ordinance. Ms. Lynn moved to approve the Satellite Dish Ordinance, seconded by Mr. Croy, motion passed unanimously.

Chairman Krueger then asked Mr. Hooks to discuss the Jekyll Island branded restaurant concepts. Mr. Hooks stated at this point these items are only informational. There is an opportunity for a Jekyll Island Seafood restaurant at the Atlanta airport. Conversations with potential vendors had been held and one group is very interested in moving forward. The ideas for a restaurant are only conceptual at this point. One of the ideas to go along with the restaurant and to tie it more to Jekyll Island is live Skype casts from Jekyll Island. Photos of Jekyll Island would be used in the décor. Mr. Hooks then went on to discuss the beverage portion of the idea. Mr. Hooks noted Young International Beverage Company had recently shared some of their premier brands of alcohol with us, and as a part of their proposal a portion of the proceeds from sales would go to the Jekyll Island Foundation. Mr. Hooks stated we are looking for review from the Board to know the interest level in proceeding. If the Board likes the proposed plan it would go to the Jekyll Island Foundation Board. If both Boards approve then it would go to legal for review and move forward from there. Mr. Croy stated this seems to be a good opportunity that needs to be looked in to. Mr. Hooks also noted Georgia Crown Distribution would make a donation from sales to Jekyll Island Foundation as well. Mr. Hooks then stated if there is no opposition from the Board then this will be moved to the Jekyll Island Foundation Board. Mr. Hodges asked who would be handling the restaurants. Mr. Hooks stated no decision has been made yet, however we would have some input. Chairman Krueger asked for a motion to have Mr. Hooks move forward and explore the concept further then report back to the Board. Mr. Croy made the motion, seconded by Mr. Hodges, motion passed unanimously.

Chairman Krueger then asked Mr. Hooks to discuss the SPLOST projects. Mr. Hooks noted the list of SPLOST projects for Jekyll Island which had previously been shared with the Board had been moved forward to Glynn County this past month and the Jekyll Island Authority staff is looking for Board endorsement of the projects. Mr. Hodges moved for the Board to give an endorsement of the projects submitted to Glynn County for Jekyll Island, Ms. Lynn seconded.

Mr. Hodges then asked if the projects were put in priority level. Mr. Hooks stated they were. Motion then passed unanimously. Mr. Hooks then noted the dredging project had listed in an effort to bring this need forward.

Chairman Krueger then asked Mr. Tony Sammons to discuss with the Board the Brunswick Glynn County Commerce/Conference/Eco-Educational Center. The highlights of Mr. Sammons presentation were:

- Currently the size of facility being looked at is one that would hold 100 people for a seated lunch
- Enticing/Informing people about the area
- Enhance/Encourage people to use all areas of the Golden Isles
- The city gave their support at a meeting on March 18
- The county will be giving their support in April
- Looking for support from the CVB and Jekyll Island
- Once the needed support is received, the process will move forward with planning and determining the needs for the facility

Chairman Krueger questioned the number of 100 seats. Mr. Sammons stated the number may be adjusted. Chairman Krueger then asked if Jekyll Island would be listed as one of the attractions and if people would then be directed to the island. Mr. Sammons stated that was the plan. Mr. Hodges questioned if large convention groups would be sought for the proposed facility. Mr. Sammons said they would not be soliciting large convention groups as that is not the intended use. Mr. Croy stated this sounds like a good opportunity. Chairman Krueger then stated the Board was interested in this facility and asked that Mr. Hooks work with Mr. Sammons to get more details and report back to the Board at the April meeting.

Chairman Krueger asked Mr. Spud Woodward to discuss with the Board the DNR Foundation. Mr. Woodward's presentation included:

- During the 2010 legislative session the DNR Foundation was created and it is still in the formulative stages
- A multi purpose center on Jekyll Island had been proposed to the Foundation
- Discussion had taken place about replacing Tidelands with a new state of the art facility that would be located in the same vicinity of the current Tidelands
- The cost for the proposed facility at the Tidelands location is \$5M
- Mr. Woodward has been working with Mr. Sammons to ensure all facilities would complement one another

Chairman Krueger asked if Mr. Woodward had shared the project ideas with Mr. Hooks. Mr. Woodward stated they had been shared verbally. Chairman Krueger asked Mr. Woodward to continue to coordinate with Mr. Hooks and staff.

Chairman Krueger asked Mr. Hooks to give his report. Mr. Hooks began by reviewing the revitalization projects update which included:

Entry Corridor

- The bid will be posted in June
- Construction will begin in August.

Beach Village/Convention Center/Balance of Great Dunes Park

- Online pictures have been continuously updated to show the progress

Riverview Drive

- Road construction complete and opened, irrigation and landscaping is ongoing
- Moss Cottage landscape starts the week of March 21
- The lighting in the Historic District has been extended to include the 3-way stop

Following his revitalization update, Mr. Hooks moved on to his Executive Director's update which included:

- At next month's meeting, we expect to present revised Project Design Agreements to the Board to reflect updates and changes (Now scheduled for May 23). Currently, all 3 partners are moving forward; continuing to keep us informed; meeting with us; pursuing final financing; discussion with HHCP architects, even with these additional twists, we can still meet our 2012 opening schedules
- There are letters of thanks and commendation in the board packets at each Board member's place
- 287 Residential Rental licenses were issued as of Friday, March 18
- An Oceanfront lease payment was received last week from First Guaranty Bank. Contrary to media reports, the facility has not sold as the high bids were not accepted by the owner
- On Thursday, March 24 at dinner time Fins will have their soft opening and the Grand Opening will be held in April
- There have been several public sessions held recently: Three Revitalization Sessions and a Town Hall Meeting. There were many items discussed, including the fact that we will not be having fire works on July 4th this year due to safety concerns and very limited parking options.
- At the X-Men movie site the dune rehab work continues. The site should be completed by end of April
- Budget process has begun and from April 13 – 22 Departmental Budget meetings will be held
- The deadline for the RFQ for Convention Center Management has been extended until April 6

Chairman's comments:

- Chairman Krueger stated he had received a call from a friend who had recently visited Jekyll and was very complimentary of the new Flash Foods/Dairy Queen facility
- Chairman Krueger and Mr. Hooks had recently met with Governor Deal to discuss the progress on Jekyll Island. Chairman Krueger noted the Governor is pleased with the progress.

Chairman Krueger opened the floor for public comments. Ms. Pat Overholt invited all in attendance to hear the Jekyll Island singers concert on March 23 at the Morgan Center at 7:30 p.m. Ms. Overholt noted there would be no admission charge.

Mr. Frank Mirasola asked if a new facility were to be built at Tidelands, if the services currently offered at Tidelands would be continued. Mr. Woodward stated the plan is to continue the services and enhance them.

Mr. Larry Waldhauer thanked the Board for the new golf carts.

Ms. Nancy Reed asked if the Satellite Dish Ordinance would apply to the campground as well. Chairman Krueger stated it would apply to all permanent dishes.

Mr. Joe Malbasa stated he appreciated what Dr. Norton was doing with the Terrapins and he is excited with the proposals made by Mr. Sammons and Mr. Woodward.

Ms. Mindy Egan asked the Board to review a proposal made by Mr. Al Tate and noted she was pleased with the Boards decision not to have fireworks this year in the interest of public safety. Chairman Krueger then stressed the absence of fireworks is a one year abeyance only.

There being no further business Chairman Krueger adjourned the meeting at 11:18 a.m.

Chairman Krueger called to order the Jekyll Island State Park Authority Board meeting at 11:29 a.m.

Minutes: Chairman Krueger called for a motion to approve the minutes of the February 21st Board meeting. Mr. DeLoach moved to approve the minutes, seconded by Ms. Lynn, motion passed unanimously

Finance Committee: The Board approved the Finance Committee's motion to approve Ms. Johnson to redeem the eight shares of Lodgian Preferred A stock.

Finance Committee: The Board approved the Finance Committee's motion to approve the Executive Director to execute the agreement with Russell Golf Design.

Committee of the Whole: The Board approved the Committee of the Whole's motion to approve the adoption of the Satellite Dish Ordinance.

Committee of the Whole: Chairman Krueger asked Mr. Hooks to move forward and explore the Jekyll Island branded restaurant concepts further then report back to the Board

Committee of the Whole: The Board approved the Committee of the Whole's motion to approve the endorsement of the SPLOST projects submitted to Glynn County for Jekyll Island

Committee of the Whole: Chairman Krueger asked Mr. Hooks to work with Mr. Woodward on the projects being proposed for Jekyll Island and communicate back to the Board.

Committee of the Whole: Chairman Krueger asked Mr. Hooks to work with Mr. Sammons and others on the Brunswick Glynn County Commerce/Conference/Eco-Educational Center and report back to the Board in April

Mr. Croy stated he is proud of the Jekyll Island Authority staff for doing a great job on the island. Chairman Krueger then gave his endorsement of the staff and all they do.

There being no additional items to bring before the Board, Chairman Krueger adjourned the meeting at 11:38 a.m.

Jekyll Island Authority
CONSOLIDATED BUDGET COMPARISON
For the Eight Months Ending February 28, 2011

	<u>MONTH</u>	<u>MONTH</u>	<u>BUDGET</u>		<u>YTD</u>	<u>YTD</u>	<u>BUDGET</u>		<u>PRIOR</u>	<u>VARIANCE</u>	
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>%</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>%</u>	<u>YEAR</u>	<u>VARIANCE</u>	<u>%</u>
	<u>FY-11</u>	<u>FY-11</u>	(000's)	%	<u>FY-11</u>	<u>FY-11</u>	(000's)	%	<u>ACTUAL</u>	(000's)	%
Revenues											
Administration											
Business Leases	159,964	144,140	16	11%	1,565,401	1,521,845	44	3%	1,725,421	(160)	-9%
Hotel Tax	45,510	49,314	(4)	-8%	834,541	844,160	(10)	-1%	758,152	76	10%
Parking	113,157	96,125	17	18%	1,373,569	1,190,270	183	15%	1,155,383	218	19%
Interest	1,260	2,000	(1)	-37%	7,174	25,030	(18)	-71%	24,269	(17)	-70%
Lot Rentals	8,234	0	8	0%	306,998	288,206	19	7%	133,678	173	130%
Grants	(15,202)	0	(15)	0%	4,481	18,675	(14)	-76%	9,926	(5)	-55%
Administration revenue	1,457	1,002	0	45%	82,370	76,627	6	7%	45,148	37	82%
Employee Housing	725	1,100	0	-34%	4,425	9,125	(5)	-52%	2,325	2	90%
Total Administration	315,105	293,681	21	7%	4,178,958	3,973,938	205	5%	3,854,302	325	8%
Enterprises											
Golf	120,298	133,689	(13)	-10%	851,019	945,181	(94)	-10%	874,553	(24)	-3%
Food & Beverage- Conv. Ctr.	37,805	24,483	13	54%	530,588	486,215	44	9%	668,013	(137)	-21%
Food & Beverage - Restaurants	55,545	53,720	2	3%	568,435	576,855	(8)	-1%	534,728	34	6%
Summer Waves	(1,093)	1,980	(3)	-155%	968,581	806,439	162	20%	780,072	189	24%
Campground	79,470	86,040	(7)	-8%	617,764	673,578	(56)	-8%	611,679	6	1%
Museum	34,413	30,185	4	14%	318,830	276,779	42	15%	281,610	37	13%
Georgia Sea Turtle Center	53,117	65,757	(13)	-19%	622,730	628,143	(5)	-1%	464,511	158	34%
Miniature Golf & Bikes	9,913	8,217	2	21%	168,641	153,746	15	10%	139,366	29	21%
Water/Wastewater	87,719	91,218	(3)	-4%	676,344	677,708	(1)	0%	662,872	13	2%
Sanitation	44,537	45,395	(1)	-2%	179,951	181,867	(2)	-1%	179,143	1	0%
Fire Department	2,710	2,990	0	-9%	808,143	797,981	10	1%	793,017	15	2%
Tennis	306	4,168	(4)	-93%	46,639	43,583	3	7%	39,866	7	17%
Destination Mktg & Special Event	4,341	19,000	(15)	-77%	237,115	374,729	(138)	-37%	257,283	(20)	-8%
Welcome Center	7,753	10,445	(3)	-26%	42,172	76,393	(34)	-45%	37,188	5	13%
Advertising	5,243	3,300	2	59%	29,516	27,600	2	7%	24,458	5	21%
Soccer	8,650	1,050	8	724%	21,550	17,500	4	23%	16,800	5	28%
Landscaping	530	100	0	430%	7,891	6,100	2	29%	7,765	0	2%
Golf Course Maintenance	5	0	0	0%	449	0	0	0%	1,050	(1)	-57%
Service Station	0	0	0	0%	0	0	0	0%	8,676	(9)	-100%
Total Enterprises	551,262	581,736	(30)	-5%	6,696,359	6,750,397	(54)	-1%	6,382,651	314	5%
Total Revenues	866,366	875,417	(9)	-1%	10,875,317	10,724,334	151	1%	10,236,953	638	6%

Jekyll Island Authority
CONSOLIDATED BUDGET COMPARISON
For the Eight Months Ending February 28, 2011

	<u>MONTH</u>	<u>MONTH</u>	<u>BUDGET</u>		<u>YTD</u>	<u>YTD</u>	<u>BUDGET</u>		<u>PRIOR</u>	<u>VARIANCE</u>	
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	%	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE</u>	%	<u>YEAR</u>	<u>VARIANCE</u>	%
	<u>FY-11</u>	<u>FY-11</u>	(000's)		<u>FY-11</u>	<u>FY-11</u>	(000's)		<u>ACTUAL</u>	(000's)	
Expenditures											
Human Resources	661,205	735,408	(74)	-10%	6,052,938	6,119,830	(67)	-1%	5,895,929	157	3%
Supplies & Materials	143,134	171,370	(28)	-16%	876,406	1,022,264	(146)	-14%	719,278	157	22%
Advertising & Sales	75,313	35,133	40	114%	544,920	506,101	39	8%	667,670	(123)	-18%
Repairs - Facilities & Grounds	69,814	87,578	(18)	-20%	621,236	644,295	(23)	-4%	431,941	189	44%
Utilities	91,564	67,026	25	37%	771,367	682,774	89	13%	753,056	18	2%
Insurance	40,722	26,419	14	54%	517,386	502,782	15	3%	443,919	73	17%
Contracts	81,413	50,701	31	61%	567,363	726,341	(159)	-22%	314,760	253	80%
Rentals	42,417	23,082	19	84%	158,614	193,627	(35)	-18%	135,603	23	17%
Printing	19,184	17,698	1	8%	113,908	118,370	(4)	-4%	106,568	7	7%
Motor Vehicle	786	13,496	(13)	-94%	106,878	119,429	(13)	-11%	110,265	(3)	-3%
Telephone	5,805	6,554	(1)	-11%	50,655	52,142	(1)	-3%	60,730	(10)	-17%
Equipment Purchase <\$1K	2,873	900	2	219%	16,278	24,999	(9)	-35%	24,310	(8)	-33%
Equipment Purchase \$1K to \$5K	0	2,000	(2)	-100%	27,624	8,595	19	221%	18,665	9	48%
Travel	2,652	4,580	(2)	-42%	26,107	41,599	(15)	-37%	30,879	(5)	-15%
Dues	13,048	2,575	10	407%	58,690	35,769	23	64%	39,757	19	48%
Grants expenses	0	0	0	0%	3,687	0	4	0%	15,573	(12)	-76%
Satellite Transmitters & time	318	2,853	(3)	-89%	9,345	15,560	(6)	-40%	8,960	0	4%
Interest Expense	4,915	4,915	0	0%	39,316	39,316	0	0%	58,304	(19)	-33%
Total Expenditures	1,255,162	1,252,287	3	0%	10,562,715	10,853,792	(291)	-3%	9,836,169	727	7%
Net Operating Cash Income	(388,796)	(376,869)	(12)	3%	312,601	(129,458)	442	-341%	400,784	(88)	-22%