

MINUTES
LAKE LANIER ISLANDS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
MAGNOLIA ROOM
LEGACY LODGE AND CONFERENCE CENTER – LAKE LANIER ISLANDS,
GEORGIA

October 21, 2011 – 8:30 a.m.

BOARD MEMBERS PRESENT:

Mr. Lonice C. Barrett, Chairman
Mr. Craig Dowdy
Mr. John Gibb (via telephone)
Mr. Alan Gravel
Mrs. Connie Hagler (via telephone)
Mr. Wayne Jessup
Mr. John Kieffer
Mr. Richard Riley

STAFF:

Mr. Bill Donohue
Mr. Lee Smith
Ms. Joy Hortman
Ms. Marilyn Brown

ABSENT BOARD MEMBER: Mr. Bob Whitley

VISITORS: Mr. Tom Calkins, LLIDA Legal Counsel, Hulsey, Oliver & Mahar (Special Assistant to the Attorney General)
Ms. Nancy Gallagher, Georgia Office of the Attorney General, (via telephone)
Mr. Michael Williams, Lake Lanier Islands Management Company, LLC
Mr. Grier Todd, Lake Lanier Islands Management Company, LLC

NOTE : All referenced materials were provided to Board members during the meeting.

I.&II. CALL TO ORDER AND APPROVAL OF AGENDA

Chairman Lonice Barrett called the meeting to order at 8:30 a.m. and identified those present for those attending by telephone. *The Agenda was approved by acclamation with the following changes:*
Action Item I be converted to “Action Item I-A: Consideration of Infrastructure Committee Recommendation to approve Letting Bids for Phase I of Amphitheater Project and
Action Item I-B: Consideration of Infrastructure Committee Recommendation to approve/consent to a Redirection of a Portion of General Obligation Bonds to Department of Natural Resources (DNR) Project #114.”

(Mr. John Gibb joined the meeting via telephone at this time.)

III. APPROVAL OF MINUTES OF 1) AUGUST 19, 2011 LLIDA BOARD MEETING and 2) AUGUST 18, 2011 INFRASTRUCTURE COMMITTEE MEETING

Mr. Kieffer moved to approve Minutes of the 1) August 19, 2011 LLIDA Board of Directors Meeting and 2) August 18, 2011 Infrastructure Meeting as submitted; Mr. Riley seconded the motion and it passed unanimously.

Chairman Barrett asked that Infrastructure Committee (IC) Chair Craig Dowdy introduce Action Items considered by his Committee.

IV. ACTION ITEMS

IC Chairman Dowdy referred to Action Item I-A regarding Phase I of the Amphitheater Project and asked that the Executive Director provide background information.

1-A. Consideration of Infrastructure Committee Recommendation to approve Letting Bids for Phase I of Amphitheater Project

Reference was made to Mr. Donohue's memorandum dated October 14, 2011 regarding Amphitheater Infrastructure Project, and attached maps showing the following:

- 1) Original Project Scope and \$2 million budget
- 2) Revised Project Scope as a Result of Reduced General Obligation (GO) Bond Funding and Reduced Scope from Lake Lanier Islands Management Company (LLIM)
- 3) LLIM Priority 1
- 4) LLIM Priority 2
- 5) LLIM Priority 3
- 6) LLIDA Version 3 – Working Copy for Use by Infrastructure Committee

Mr. Donohue recalled that the Project Design Contract with Rochester and Associates was approved at the August 19, 2011 meeting. He said subsequent meetings were held with LLIM to discuss design details and the maps mentioned above showed different versions of the design as discussions progressed. During this time, he said, a request for redirection of funds to the Department of Natural Resources (DNR) was received, reducing the Project Budget by \$1 million. He said that a meeting held on October 19, 2011 with LLIM resulted in a consensus of recommendations to present to the Board in today's meeting. He reviewed his memorandum dated October 21, 2011 and the accompanying updated map showing proposed Phase I Infrastructure Improvements.

IC Chairman Dowdy noted that the Phase I Amphitheater Infrastructure Improvements were consistent with those already completed on the Islands -- roadways, parking lots, paths, and lighting -- and must be done to bring the entire property up to desired standards. He said funds would finance only non-revenue-producing projects as required by law, and the budget of \$1,119,632 would use all available GO Bond monies. He said that as LLIM completes its plans for further development, LLIDA can support those plans with infrastructure as needed to the extent that funds are available -- some of which could involve cost-sharing projects.

Mr. Dowdy moved to accept the recommendation of the Infrastructure Committee to approve letting bids for Phase I Scope of the Amphitheater Project consistent with the map provided; Mr. Gravel seconded the motion.

Ms. Nancy Gallagher inquired whether the redirection of bond money required discussion with the Georgia State Financing and Investment Commission (GSFIC). IC Chairman Dowdy replied that subject be discussed under the next agenda item. Chairman Barrett assured Ms. Gallagher that all items brought before the LLIDA Board had the approval of GSFIC.

In answer to a question regarding LLIM's proposed uses of the Amphitheater, Mr. Donohue said that it was expected to be the centerpiece of major Islands events, including weddings, festivals, corporate meetings, church, theatrical and school events, movie nights, auto shows, craft shows, and possibly musical concerts. He added that if a Board Work Session is held in December, LLIM will provide this type information, as well as an additional improvements plan and a request for supporting infrastructure improvements.

Mr. Riley noted that this Board is sensitive to the State's investment in infrastructure, and that the demand for entertainment has shifted drastically since the Amphitheater was originally designed and built, which was outdoor concerts. He said it was his understanding that these type events are no longer financially feasible in today's uncertain economy and that he wanted to go on record and make sure the Board understands and that the Authority has been sensitive to the State's resources and the facility is not being abandoned.

For those attending via telephone, the map showing proposed elements comprising Phase I Scope under discussion were described in detail.

The motion to accept the recommendation of the Infrastructure Committee to approve letting bids for Phase I Scope of the Amphitheater Project consistent with the map provided was unanimously passed.

1-B. Consideration of Infrastructure Committee Recommendation to Approve/Consent to a Redirection of a Portion of General Obligation Bonds to Department of Natural Resources (DNR) Project #114

IC Chairman Dowdy explained that Action Item I-B would approve formal consent to a redirection of the \$1 million in General Obligation (GO) Bonds to Department of Natural Resources (DNR) Project #114, and asked that Board Chairman Barrett provide information relative to this matter.

Board Chairman Barrett said he was glad that Ms. Gallagher had inquired about this item. He reported that meetings had been held with officials of the Office of Planning and Budget (OPB), the Georgia State Financing and Investment Commission (GSFIC) and others regarding the redirection of \$1 million of GO Bonds for a DNR project for improvements at the Unicoi State Parks Lodge. He said that all required approvals had been granted, and paperwork necessary to amend this project had been handled by Mr. Donohue.

Mr. Dowdy moved to accept the recommendation of the Infrastructure Committee to approve the redirection of \$1 million to Department of Natural Resources (DNR) Project #114; Mr. Kieffer seconded the motion and it passed unanimously.

2. Approval of 2012 State Health Benefit Plans and Rates for LLIDA Employees

(At this time, the following people left the meeting: Messrs. Grier Todd, Mike Williams, Bill Donohue, and Lee Smith, and Mrs. Joy Hortman and Ms. Marilyn Brown)

After discussion, Mr. Gibb moved that 1) Bill Donohue's Employment Benefits Package include Authority funding of his personal share portion of his State Health Insurance coverage (\$5,357.00 per year) and a Car Allowance of \$7,000 per year. The car allowance will cover use of his personal auto during his conduct of LLIDA business, only, and will not reimburse him for expenses as he fulfills his duties being performed for the North Georgia Mountains Authority (NGMA). For those travel expenses, he will continue to bill the NGMA for reimbursement, and that 2) Joy Hortman's Employment Benefits Package include Authority funding of her personal share portion of her State Health Insurance coverage (\$1,000 per year). Mrs. Hortman is a faithful, 40-year employee of LLIDA and this Board recognizes and appreciates her faithful and loyal service. Mr. Jessup seconded the motion and it passed unanimously.

V. APPROVAL OF FINANCIAL REPORTS

Reference was made to the July 2011 and August 2011 Financial Reports. Mr. Donohue said that LLIDA was on budget, and, for clarification purposes, noted a change in the way “Operating Cash” (on Page 1) was reported. Also mentioned, on Page 3 (Income Statement) was a large credit under “Operating Expenses”, the result of a reimbursement from the Department of Natural Resources (DNR) for expenses charged to them. He said the Year-to-Date numbers are consistent with the budget. He added that the annual field visit from the State Audit Department is scheduled for October 27, 2011.

Mr. Riley moved to approve the July 2011 and August 2011 Financial Reports as submitted; Mr. Gravel seconded the motion and it passed unanimously.

VI. DISCUSSION ITEMS

1. Report by LLIDA Sub Lease Committee (John Kieffer)

Mr. John Kieffer of the LLIDA Sub Lease Committee, noted that he was speaking for absent Committee Chair Bob Whitley. He said that he and other Committee members (Messrs. Bob Whitley, Alan Gravel, and Wayne Jessup) as well as Bill Donohue and Grier Todd, reviewed the LLIM request for a percentage, or pro rata, payment rather than a fixed payment, which was submitted to the Board at its August 19, 2011 meeting. He said the Committee had studied the matter; however, LLIM had temporarily withdrawn its request, and the Committee’s recommendation will be withheld until an appropriate time.

As an information item, Chairman Barrett reported that Board Member Bob Whitley’s future schedule called for considerable out-of-country travel, and for this reason he plans to resign from the LLIDA Board effective January 1, 2012.

2. Report by Infrastructure Committee (Craig Dowdy)

IC Chairman Dowdy reported that most of the Committee’s recommendations were covered under the Action Items portion of the meeting. He said there was an update on the Samuel L. Oliver Memorial and asked that Mr. Donohue discuss the matter.

a. Samuel L. Oliver Memorial

Reference was made to a detailed map and photographs showing plans for the Samuel L. Oliver Memorial. Mr. Donohue reported that a number of options for this project existed and these were synthesized into one drawing which is intended to reflect the

Board's wishes. He explained that the concept was to create an approach trail off the existing concrete sidewalk circling the hotel that would lead down to a council ring with a boulder featuring a plaque honoring Sam Oliver. From there, he said there would be another access path leading to a seating area where there would be a cobblestone seating plaza overlooking beautiful views. He said the cost for the project was estimated at \$20,000.

In answer to a question, Mr. Donohue said that no formal requests for funding outside LLIDA had been undertaken, but it was known that there was interest in participating on the part of a number of Sam's associates. In answer to a question, IC Chairman Dowdy indicated that possibly formal action regarding the solicitation of funds for the Memorial could be considered at the December 16, 2011 Board meeting.

3. Report by LLIDA Executive Director (Bill Donohue)

Reference was made to the Executive Director's Report dated October 14, 2011, along with the following materials: 1) 4 photographs depicting portions of the Legacy Lodge Walking Trail; 2) Letter from LLIDA voicing support of local municipalities in their application for the 2011 Sustainable Communities Regional Planning Grant; 3) a final, revised version of the EXECUTIVE DIRECTOR DUTIES AND RESPONSIBILITIES.

Among points made during Mr. Donohue's report were the following:

-- Walking Trails – approximately 80% of the work on the Legacy Lodge Walking Trail is complete, and photos provided are examples of the bridges and boardwalks, all of which are excellent quality and construction; it was suggested that those who directed the work join the Board at its next meeting

-- Grant Request -- Letter of support for local municipalities provided in order to assist these communities in obtaining grants for a variety of improvements projects

-- Landscaping – Conceptual plans depicting major hardscape improvements expected at next meeting

~ Flag Roundabout will be first project

~ Plans are to use trees and hardscape features in place of temporary grassing

-- Lake Level – now at approximately 1060 (normal pool is 1071)

-- Executive Director Job Description – this is the final, edited version

Chairman Barrett noted that LLIDA lacks a set salary scale, and that he and Bill Donohue would discuss and bring a proposal to the Board for its consideration at a subsequent meeting

(Mr. Gibb left the meeting via telephone at this time.)

Mr. Riley complimented the LLIDA staff on doing a great job; specifically, he commented that Bill Donohue is an excellent communicator; it is difficult to find someone with his outstanding skills; he is “the best he’s ever worked with”.

4. **Report by LLIDA Legal Counsel (Tom Calkins)**

Mr. Calkins said he had no report at this time.

5. **Report by COO, Islands Management Company, LLC (Grier Todd)**

Among the points made by Mr. Grier Todd were the following:

-- Summer Season 2011 was good; currently the extremely low lake level is a concern but was good throughout the season

-- Magical Nights of Lights (MNOL); opening is Friday, November 18 and there are new and exciting elements this year, including new entertainment options; Coca Cola is adding a special new element

~104-FISH Radio and Free Chapel Church are presenting a video Christmas Story using a 30’- 40’ screen and big speakers in the upper Beach and Water Park Parking Lot; it is a 12 minute program showing the real meaning of Christmas

~Board is welcome to Lights Show tickets; LLIM is encouraging the group to help get the word out about MNOL

~Board members and their families, as well as other friends of the Islands, are invited to a late afternoon MNOL reception on opening night, Friday, November 18; plans are to serve refreshments, then everyone would independently drive through the Islands to view the lights

-- Looking forward to the 2012 Season and appreciate Bill Donohue and the Board working with LLIM on the Amphitheater Project

-- New Trail System is magnificent; Ronnie Phillips and his team are doing a beautiful job; Hall County Detention Team is doing excellent work

-- Auto Decals are being mailed to Board members

VII. PUBLIC COMMENTS

Chairman Barrett commented that Grier Todd is a good bridge between this Board, the LLIDA staff and the Williams Family and that all his efforts are sincerely appreciated.

Chairman Barrett asked whether the LLIDA Board meeting date of Friday, December 16, 2011, would be satisfactory with all present. He said in all likelihood, LLIM would provide a presentation of its plans during a Work Session before the Board meeting. Also, Mr. Donohue stated that action on bids for the Phase I Amphitheater Project was expected to be an item on the December Board Meeting Agenda.

All in attendance agreed on the date of Friday, December 16, 2011 for a Work Session and LLIDA Board Meeting.

VIII. ADJOURNMENT

There being no further business, the meeting was properly adjourned at 9:40 A.M.

Lonice Barrett
Chairman
Lake Lanier Islands
Development Authority

These Minutes were recorded
and transcribed by

Marilyn Brown
Assistant Secretary
Lake Lanier Islands Development Authority

