

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

August 20, 2010 -- 12:30 p.m.

BOARD MEMBERS PRESENT:

Mr. Lonice C. Barrett, Chairman
Mr. Craig Dowdy
Mr. Hank Burnham (via telephone)
Mrs. Dorothy Burns
Mr. Alan Gravel
Mr. John Gibb (via telephone)
Mr. Bob Whitley

STAFF:

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

ABSENT BOARD MEMBERS: Mrs. Connie Hagler and Mr. John Kieffer

VISITORS: Mr. Samuel L. Oliver, LLIDA Legal Counsel, Hulsey, Oliver & Mahar, (Special Assistant to the Attorney General)
Mr. Michael Williams, Lake Lanier Islands Management Company, LLC
Mr. Grier Todd, Lake Lanier Islands Management Company, LLC
Ms. Stacey Dickson, Lake Lanier Convention and Visitors Bureau
Ms. Jennifer Miller, Lake Lanier Convention and Visitors Bureau
Ms. Cheryl Smith, Regional Tourism Specialist, Georgia Department of Economic Development

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 12:30 p.m. He noted that two items were being removed from today's meeting agenda for later consideration:

- 1) Action Item #1: "Consider approval of an agreement with LLIM to fund marketing and advertising programs at Lake Lanier Islands" and
- 2) Action Item #6: "Consider a recommendation of the Infrastructure Committee to increase the amount of the contract [with Townley Construction] by \$65,000 to cover the increase cost for rock removal in the installation of the new sewer line to the hotel." It was explained that the first item required additional work and that the sixth item dealt with a change order for which the cost was not yet finalized and was expected to be considered at the next Board meeting. The Board unanimously approved these changes in the Agenda by acclamation.

III. APPROVAL OF 1) JUNE 15, 2010 INFRASTRUCTURE COMMITTEE MEETING MINUTES and 2) JUNE 18, 2010 LLIDA BOARD MEETING MINUTES

Mr. Whitley moved to approve Minutes of the June 15, 2010 Infrastructure Committee Meeting and the June 18, 2010 LLIDA Board of Directors Meeting as submitted; Mr. Burnham seconded the motion and it passed unanimously.

IV. ACTION ITEMS

Chairman Barrett asked that Mr. Donohue report on Action Item #2 regarding LLIDA support for planning grant proposals for local communities.

2. **Consider Approval of Resolutions Expressing Support for Planning Grant Proposals for Hall County and for a Regional Group Comprised of Buford, Oakwood, Flowery Branch and Braselton**

Reference was made to Mr. Bill Donohue's memorandum dated August 10, 2010 regarding the Sustainable Communities Grant for which Hall County, Buford, Flowery Branch, Oakwood and Braselton are jointly submitting an application. Also referenced were 1) a letter from Mr. Guy W. Herring, Planning Director, McFarland-Dyer & Associates, Inc., who is coordinating the effort, 2) as well as a proposed letter from Mr. Donohue voicing LLIDA's support for Hall County and these municipalities in their application for the Regional Planning Grant.

Mr. Donohue explained that the group is not requesting funding, and that both Lake Lanier Islands Management Company and the Lake Lanier Convention and Visitors Bureau are also supporting the initiative.

Mr. Gibb moved to approve Lake Lanier Islands Development Authority's (LLIDA's) support for Planning Grant Proposals for Hall County and for a Regional Group comprised of Buford, Oakwood, Flowery Branch and Braselton; Mr. Burnham seconded the motion and it passed unanimously.

3. **Consider Approval of a Request to the Department of Natural Resources (DNR) to include \$250,000 for Planning and Design Work on the Amphitheater Project on the List of Projects to be funded from the Proceeds of the Georgia State Financing and Investment Commission (GSFIC) Proposed October General Obligation (GO) Bond Sale**

Reference was made to Mr. Bill Donohue's memorandum dated August 10, 2010 regarding Planning and Design Funds for the Islands Amphitheater Project. He explained that the FY 2011 State Budget included \$2 million in the Department of Natural Resources (DNR) budget for the renovation of the existing Islands Amphitheater. Among points made during discussion were the following:

-- the Georgia State Financing and Investment Commission (GSFIC) is currently developing a project list to be funded from a proposed October General Obligation (GO) Bond sale

-- it is the staff's recommendation that DNR be requested to include \$250,000 of the \$2 million on the project list for planning and design work required for the Amphitheater renovation

-- there will be a more formal Resolution from DNR and GSFIC; this is the first step to place it on DNR priority list to recommend to GSFIC

He said that the remaining funds needed for the renovation construction would be requested on the list of projects included in the Spring 2011 GO Bond sale and that construction was expected to take place during the summer. Mr. Oliver said that this action only commits to placing the item on DNR's priority list.

Mr. Dowdy moved to approve LLIDA's request to the Department of Natural Resources to include \$250,000 for planning and design work on the Islands Amphitheater renovation on its List of Projects to be submitted to the Georgia State Financing and Investment Commission (GSFIC) and funded from the proceeds of the GSFIC proposed October 2010 General Obligation (GO) Bond Sale; Mr. Gravel seconded the motion and it passed unanimously.

4. Consider Recommendation from the Infrastructure Committee for Approval of Change Order #8 to the Contract with GP's Enterprises for the Phase 2 Road Project

Chairman Barrett asked that Infrastructure Committee (IC) Chairman Craig Dowdy discuss the first IC Recommendation. He said that he was well pleased with the work of this Committee for its preliminary research and review of items being considered by the LLIDA Board. He thanked Chairman Dowdy and the IC members for all their efforts.

IC Chairman Dowdy asked that Mr. Donohue discuss this item. Mr. Donohue reported that the three items covered by Change Order #8 for GP's Enterprises at a total cost of \$15,549.40 were listed in materials provided to Board members: 1) Change Order #8; 2) Itemized Costs for Water Line Repair and Driveway Entrance to Golf Course in Segment 5 and 3) Map showing location of work on PineIsle Parking Lot replacement. Referring to the map provided, Mr. Donohue explained how the areas were impacted and summarized steps taken by the contractor. He said he anticipated there would be one additional change order. He said the project was in good shape financially and the total cost for the work was expected to be under \$10.5 million.

Chairman Dowdy moved to accept the recommendation of the Infrastructure Committee (IC) to approve Change Order #8 to the Contract with GP's Enterprises in the amount of \$15,549.40 for the Phase 2 Road Project; Mr. Whitley seconded the motion and it passed unanimously.

5. Consider Recommendation from the Infrastructure Committee for Approval of Thirty (30) Additional Days to the Contract with Townley Construction due to Large Amount of Rock Removal in Installation of New Hotel Sewer Line

Infrastructure Committee (IC) Chairman Craig Dowdy asked that Mr. Donohue discuss this item. Mr. Donohue referred to a letter from Townley Construction Company, Inc. requesting thirty (30) additional days to complete the new sewer line project because of a large quantity of rock removal. He said the Engineering Strategies, Inc., LLIDA's engineer, recommended approval of the time extension. He noted that day-to-day operations would not be impacted by this work.

Chairman Dowdy moved to accept the recommendation of the Infrastructure Committee (IC) to approve the addition of thirty (30) days to the Townley Construction Contract because of a large quantity of rock removal; Mrs. Burns seconded the motion and it carried unanimously.

V. FINANCIAL REPORTS

Mr. Donohue referred to the May and June 2010 Financial Reports. He said that LLIDA's fiscal year performance continues to be slightly better than budget and that there were no anomalies needing attention. Mr. Burnham moved to approve the May 2010 and June 2010 LLIDA Financial Reports as submitted; Mr. Dowdy seconded the motion and it passed unanimously.

VI. DISCUSSION ITEMS

1. Report by Legal Counsel (Mr. Samuel L. Oliver)

Mr. Samuel L. Oliver, LLIDA Legal Counsel, reported that two matters had recently required his attention: 1) the LLIDA Lease Subcommittee activities, which would be addressed by Subcommittee Chair Bob Whitley, and 2) the General Obligation (GO) Bond Proposal. He indicated he had not yet received a response from the Law Department regarding the GO Bond Proposal, and was proceeding with work on it. He said that the Department of Natural Resources (DNR) would be present in discussions of the proposal and would be the conduit for the funds. He said it is expected that an arrangement similar to one executed eighteen years ago between LLIDA and DNR would be appropriate. He added that he, the Chairman and the Executive Director would need to meet with Georgia State Financing and Investment Commission (GSFIC) staff regarding GSFIC approval of the proposal.

2. Report by LLIDA Lease Subcommittee (Mr. Bob Whitley)

Chairman Bob Whitley of the LLIDA Lease Subcommittee referred to a draft of an "Agreement for Services" between LLIDA and LLIMC. He reported that meetings had been held with all Board members and with LLIMC representatives regarding the content of the Agreement. He said that LLIMC's suggestions were currently being reviewed; a meeting will be held the week of August 30 and it is anticipated that a final draft of the Agreement will be available for Board consideration at the next meeting.

Chairman Barrett recognized Ms. Stacey Dickson and Ms. Jennifer Miller, representing the Lake Lanier Convention and Visitors Bureau (LLCVB); and Ms. Cheryl Smith, representing the Georgia Department of Economic Development. He expressed LLIDA's thanks for all their services.

3. Report by Executive Director (Mr. Bill Donohue)

Mr. Donohue expressed appreciation for the exceptional efforts of Ms. Dickson, Ms. Miller and Ms. Smith during the FLW Fishing Tournament and the Don Carter State Park dedication ceremonies. He said he heard much praise from Tournament officials and remarks indicating that the event will definitely be back to Lake Lanier. He added that Stacey received two "shout-outs" from the Governor during his remarks for her excellent work.

Also, he stated that the LLCVB had provided excellent hospitality, refreshments and commemorative items for the August 19, 2010 Groundbreaking Ceremony at the Don Carter State Park on Lake Lanier.

At this time Mr. Donohue asked that Ms. Stacey Dickson provide her report on the activities of the Lake Lanier Convention and Visitors Bureau (LLCVB). Ms. Dickson distributed the LLCVB Activity Report dated August 20, 2010, as well as Forrest Wood Fishing Tournament commemorative items. She summarized LLCVB's current promotional activities and programs.

Mr. Donohue referred to his Executive Director's Report dated August 13, 2010. Referenced items were as follows:

- 1) Old Wastewater Treatment Plant Demolition Report and Photograph;
- 2) Sanitary Sewer Improvements Report with Accompanying Photograph;
- 3) LLIDA Summary of Construction Costs;
- 4) LLIDA Project Budgets for Engineering by ESI;
- 5) Letter from Georgia Department of Natural Resources (DNR) Commissioner dated August 9, 2010; and
- 6) LLI Water Reclamation Facility Project Inspection Report from DNR Environmental Protection Division dated 8/9/2010.

Mr. Donohue's comments included the following:

- Road Project: completing close-out paper work
- Wastewater Facility: warranty items work continues; membrane tank liners being replaced; completion expected mid September
- Wastewater Plant Demolition: work expected to be finished by end of August
- Water Tank: project will begin at end of August and will take approximately 6 weeks
- Reciprocal Golf Membership Program: LLIMC, LLIDA and North Georgia Mountains Association (NGMA) working to develop a reciprocal golf membership arrangement for the Islands and Brasstown Valley Resort with the possibility of expanding to include Stone Mountain, Jekyll Island, State Park golf courses and others
- Fiscal Year Close-Out: Thanks to Lee and Joy for their efforts to accomplish Close-Out
- September and October Board Meeting Time Change: *It was the Board's consensus that the September 17, 2010 LLIDA Board of Directors Meeting time be changed to 11:00 a.m.*
- Amphitheater Project: As earlier discussed in this meeting, funds for planning, design and engineering of the amphitheater renovation project have been requested from the Georgia State Financing and Investment Commission (GSFIC)
 - a consultant will provide cost estimates and potential revenue estimates

- scope of work detailing three different options will be developed
- continuing to work closely with LLIMC on this project

Chairman Barrett thanked the LLIDA staff (Mr. Donohue; Mr. Lee Smith and Ms. Joy Hortman) for all their hard work.

4. Report by COO, Islands Management Company, LLC (Mr. Grier Todd)

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

- LLI experiencing a good season! while it has been much better than past 2 years, still not at the previous level before poor economy/drought
- Water Park has had super year -- thanks to 90-degree days (there have been 70 days of over 90°) and positive early-in-the-day weather reports
- Water Park open weekends until Labor Day
 - Water Park budget was \$150,000; now at \$170,000+
 - VERY good July and strong start in August
- Hotel has had good summer and anticipate good fall
- Forecast shows LLIMC exceeding its budget this year – “seems to be a little daylight”
- After Labor Day, Magical Nights of Lights preparation starts
- New Fall Event being introduced this year: “Haunted Nights of Lights” will feature carnival, fun house, haunted house
- Sunset Cove continues to perform well; hosted LLI's first, very successful Elvis Tribute; now discussing what needs to be done for next year
- Bermuda golf greens are gorgeous; excited about fall golf season
 - planning first annual father-son golf tournament second week in November
- Mike Williams named Tourism Subcommittee Chairman for Georgia Chamber of Commerce
- the Islands will again host the Susan G. Komen Walk for Breast Cancer
- in answer to a question, said the LLIMC revenue report had been submitted to LLIDA; it will be distributed to LLIDA Board members
- Wedding Venue is complete
- New group boat being launched –
 - a 35-40 passenger paddle wheel, red and white Mississippi River Boat named “The Spirit of Lanier”

- fall leaf tours are being planned

VII. PUBLIC COMMENTS

1. September Meeting Time Change

Chairman Barrett reminded the group that the Friday, September 17, 2010 meeting time will be 11: 00 a.m. with lunch served after adjournment.

VIII. ADJOURNMENT

There being no further business, the meeting was properly adjourned at 1:30 p.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

