

M I N U T E S  
LAKE LANIER ISLANDS DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS MEETING  
MAGNOLIA ROOM  
LEGACY LODGE AND CONFERENCE CENTER  
LAKE LANIER ISLANDS, GEORGIA

JUNE 15, 2012 – 8:30 a.m.

**BOARD MEMBERS PRESENT:**

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

**STAFF:**

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

**ABSENT BOARD MEMBERS:** Mr. John Kieffer

**VISITORS:** Mr. Tom Calkins, 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  
Mr. Scott Tanner, Joe Tanner & Associates

**NOTE :** **All referenced materials were provided to Board members during the meeting.**  
**In addition to those mentioned during the meeting, the following items were provided to Board members: 1) Memo from B. Donohue dated June 12, 2012 re Budget Update – Amphitheater Project Expenditures to date;**  
**2) Amendment to Modified Agreement for Services (between LLIDA and Lake Lanier Convention and Visitors Bureau) and**  
**3) Memo from B. Donohue re 2011 Capital Expenditures Summary**

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

Chairman Lonice Barrett called the meeting to order at 8:30 a.m. He identified those present for telephone attendees.

*Mr. Riley moved to approve the Agenda as presented; the motion was properly seconded and passed unanimously.*

**III. APPROVAL OF MINUTES OF 1) FEBRUARY 16, 2012 INFRASTRUCTURE COMMITTEE MEETING; 2) FEBRUARY 17, 2012 BOARD OF DIRECTORS MEETING ; 3) MARCH 28, 2012 INFRASTRUCTURE COMMITTEE MEETING; 4) MARCH 28, 2012 BOARD OF DIRECTORS MEETING AND 5) APRIL 20, 2012 BOARD OF DIRECTORS MEETING**

*Mr. Dowdy moved to approve Minutes of the 1) February 16, 2012 Infrastructure Committee Meeting; 2) February 17, 2012 Board of Directors Meeting; 3) March 28, 2012 Infrastructure Committee Meeting; 4) March 28, 2012 Board of Directors Meeting and 5) April 20, 2012 Board of Directors Meeting as submitted; Mr. Jessup seconded the motion and it passed unanimously.*

#### IV. ACTION ITEMS

1. **Consider Approval of Extension of Staffing Agreement between LLIDA and North Georgia Mountains Authority (NGMA) for FY 2013**

Reference was made to Mr. Donohue's memorandum dated June 8, 2012 regarding the LLIDA/North Georgia Mountains Authority (NGMA) Staffing Contract, as well as a copy of the Agreement. Mr. Donohue noted that approval of an extension to the current Agreement (which expires on June 30, 2012) is being requested. He explained that the Agreement provides for Executive Director services to the NGMA and that NGMA pays half of his salary. He referred to Section 6.2 in the Agreement which provided that LLIDA would seek reimbursement from NGMA in the event its staff is assigned to the LLIDA offices. In answer to a question as to what lodges are coming under the administration of NGMA, he named Unicoi, Amicalola Falls, George T. Bagby and Little Ocmulgee.

Legal Counsel Mr. Tom Calkins indicated that both he and NGMA Legal Counsel had reviewed and approved the staffing agreement as presented.

*Mr. Dowdy moved to approve the extension of the staffing agreement between LLIDA and the North Georgia Mountains Authority (NGMA) for FY 2013 as presented; Mr. Gravel seconded the motion and it passed unanimously.*

2. **Consider Approval of the FY 2013 LLIDA Operating Budget**

Chairman Barrett commented that the LLIDA Board is fortunate to have members with special areas of expertise, and that among them is Mr. Richard Riley, who brings strong marketing background and experience to the group. He said he had asked Mr. Riley to review Islands marketing practices and share his thoughts with those present.

a. **Remarks by Mr. Richard Riley**

Mr. Riley said that he was privileged to serve on the LLIDA Board. He said that he believed it important for Board members to become "the customer" in order to understand how the property functions. He said that he had recently spent time in that role and among his comments were the following:

- his Sunday School class recently had golf outing on Islands and all were treated like royalty;
  - ~ he has golfed on innumerable properties and has never been more favorably impressed with the excellent treatment by the staff
- brought his grandchildren to Lanier World Water Park recently
  - ~ noted that there are seven water slides!
  - ~ first class experience; fun for children and adults as well
  - ~ young staff members highly professional
  - ~ overall experience was excellent
- recent visit to Sunset Cove provided great entertainment!

Mr. Riley also stated that he had been asked to meet with Stacey Dickson of the Lake Lanier Convention and Visitors Bureau (LLCVB). He referred to the LLCVB's "Special Program Progress Report" provided to Board members. Among his remarks were the following:

- Ms. Dickson recognizes that Lake Lanier Islands is the crown jewel of Lake Lanier and strongly promotes it in every possible way
- She and LLCVB are great assets in terms of economy
  - ~ big events are drawn to Islands through her efforts which translates into increased revenues for the Islands and the entire region
  - ~ she is tireless in her work to promote Lake Lanier Islands and performs very well in her position as President of LLCVB

Mr. Riley suggested that providing additional funding to LLCVB would be an excellent investment of LLIDA revenues. He also suggested that a Board of Directors Marketing Committee be formed, and that Board members actively promote the Islands. He noted that "word of mouth" marketing has always been – and still is – extremely effective and that once people have visited the Islands, they will return.

He commented that the Williams Family's improvements to the Islands are remarkable. He noted that Michael Williams' and Mr. Grier Todd's efforts on behalf of the Islands are outstanding, and asked them to pass the compliment on to Mr. Virgil Williams.

Chairman Barrett added that Mr. Todd is always cooperative in arranging visits to the Islands and that Board members should feel free to ask his assistance in coordinating Islands outings. He also noted that he would take under advisement the feasibility of appointing a Marketing Committee.

Ms. Hagler expressed agreement that both Mr. Todd and Ms. Dickson perform their duties in an exemplary manner, and that she and her family had experienced first hand the fine quality services offered by the Islands on numerous occasions.

**b. LLIDA FY 2013 Operating Budget**

Mr. Donohue referred to his memorandum dated June 8, 2013 re "FY 2013 LLIDA Operating Budget". He noted that it is identical to last year's budget except for four items explained by footnotes. Among his comments were the following:

- Interest Income is slightly reduced
- regarding July Operating Expenses, the \$45,000 amount includes a \$25,000 increase in funding for the Lake Lanier Convention and Visitors Bureau (LLCVB)
- September Operating Expenses (\$70,000) includes a \$50,000 sponsorship for the "Superbowl" Bass Fishing Tournament (*Mr. Donohue's memo on this subject dated June 8, 2012 with accompanying site agreement among the parties involved is provided to Board members*)
  - ~this tournament was at LLI in 2010 and is returning with a new sponsor
  - ~LLIDA investment will reap considerable benefits for LLI
- upgrade for LLIDA office computers (\$24,000) budgeted in June 2013

-- remaining portion of the three year Board approved marketing program (\$471,304) is budgeted to be spent by 1/1/2013

In answer to a question, Mr. Donohue stated that LLIDA is in the third year of the LLIDA/LLCVB Agreement; an amendment has been added to that contract and another three-year agreement will be considered when it comes due in 2013.

*Mr. Dowdy moved to approve the FY 2013 LLIDA Operating Budget as submitted; Mr. Riley seconded the motion and it passed unanimously.*

**3. Consider Approval of Amendment to Lake Lanier Convention and Visitors Bureau (LLCVB) Funding Agreement**

Reference was made to Mr. Donohue's memorandum dated June 8, 2012 regarding an amendment to the Lake Lanier Convention and Visitors Bureau (LLCVB) Funding Agreement as well as the Amendment itself. He explained that this Amendment to the current LLIDA/LLCLVB Agreement provides for increased funding in the amount of \$25,000, as discussed earlier in the meeting.

*Mr. Gravel moved to approve the Amendment to the Lake Lanier Convention and Visitors Bureau (LLCVB) Funding Agreement as presented; Mr. Dowdy seconded the motion and it passed unanimously.*

**V. APPROVAL OF FINANCIAL REPORTS**

Reference was made to the February 2012, March 2012, April 2012 and May 2012 Financial Reports. Mr. Donohue noted that there were no variances in these reports, and thanked Mr. Jessup for his help in making changes to the Balance Sheet. Mr. Jessup said that the same information was being presented and changes were primarily to make it easier to follow and clarify certain categories. He referred to a detailed Project Tracking Sheet accompanying the Executive Director's Report.

*Mr. Dowdy moved to approve the February 2012, March 2012, April 2012 and May 2012 Financial Reports as submitted; Mr. Jessup seconded the motion and it passed unanimously.*

**VI. DISCUSSION ITEMS**

Chairman Barrett announced that Mr. Michael Bennett had been reappointed to a full term as a member of the Board, and that he was pleased to welcome him in that capacity. Also, the Chairman noted that Board members were invited to view the site of the Henderson Well in Flowery Branch after today's meeting.

**1. Report by LLIDA Executive Director (Bill Donohue)**

Reference was made to the Executive Director's Report dated June 15, 2012. Among his comments were the following:

-- most projects are progressing well

- well testing has begun (former state geologist Dr. McLemore will be present to answer Board members' questions at the well site following today's meeting)
- a portion of the new dock has been installed and is in use
  
- referred to the Project Tracking Sheet mentioned by Mr. Jessup during the Financial Report
- noted that the amphitheater infrastructure project was completed under budget

(Mr. John Gibb joined the meeting via telephone.)

- tickets to Lanier World Water Park are being provided to Board members so they can assist in the marketing and promotion of the resort
- the annual independent auditors (Frazier & Deeter, LLC) report provided
- LLIMC continues to invest much more than required by contract
- distributed "magic" drinking cup (promotional item from LLCVB)

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

Mr. Calkins stated that his report had been included under "Action Items". Also, he said that a number of legal issues had been considered recently and he wished to compliment both Mr. Donohue and Mr. Todd. He said they usually have most of the required details worked out before submitting to him, making his job much easier.

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

Mr. Todd expressed thanks for the group's kind words and emphasized that the LLIMC operation is a team effort. His comments included the following:

- had good first quarter – almost on budget
- May was a little "soft"; other properties (such as Stone Mountain and Dollywood) have experienced the same situation
- June-July are ahead of budget
- Lanier World Water Park is now operating; the whole venue has been well received since other activities were incorporated into that location
- first concert held at Peachtree Point (renovated amphitheater); this venue is starting to generate excitement
  - ~first concert featured Christian rock bands – extremely pleased with its reception and attendance
  - ~ next concert is July 7 featuring "Gloriana", a country music group
  - ~August 18 will be a 40<sup>th</sup> anniversary concert by Banks & Shane
  - ~September will be last concert of the season – Nitty Gritty Dirt Band
- daily attendance is dependent on morning weather conditions: if sunny, attendance will be up; if cloudy, attendance will decrease

In answer to questions, Mr. Todd provided information about Lanier World's operating schedule and the number of employees in that location. Also noted was that staff members'

specific duties/locations are identified by color coded tee shirts. He said that water park life guards receive 30 hours of training so that they are well prepared to react in crisis situations. Additionally, it was noted that

- boat traffic issues will be resolved once the docks are in place
- forest clean up is now in progress
- wellness trails are now open

In answer to a question, the well site address was provided: 4741 Atlanta Highway, Flowery Branch. Mr. Donohue gave detailed driving directions to the location for those who wished to visit the site.

**VII. ADJOURNMENT**

There being no further business, the meeting was properly adjourned at 9:37 A.M.

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Lonice Barrett  
Chairman  
Lake Lanier Islands Development Authority

These Minutes were recorded  
and transcribed by

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Marilyn Brown  
Assistant Secretary  
Lake Lanier Islands Development Authority