

**MINUTES
LAKE LANIER ISLANDS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING**

LAKE LANIER ISLANDS, GEORGIA

March 28, 2012 – 9:00 a.m.

(meeting was held via teleconference)

BOARD MEMBERS PRESENT:

Mr. Lonice C. Barrett, Chairman
Mr. Craig Dowdy
Mr. Michael Bennett
Mr. John Gibb
Mr. Alan Gravel
Mrs. Connie Hagler
Mr. Wayne Jessup
Mr. John Kieffer
Mr. Richard Riley

STAFF:

Mr. Bill Donohue

ABSENT BOARD MEMBERS:

VISITORS: Mr. Tom Calkins, LLIDA Legal Counsel, Hulseley, Oliver & Mahar (Special Assistant to the Attorney General)
Mr. Grier Todd, Lake Lanier Islands Management Company, LLC

NOTE : All referenced materials were provided to Board members.

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

Chairman Lonice Barrett called the meeting to order at 9:20 a.m. and the agenda was approved as presented.

III. ACTION ITEM

- 1. Consider Approval of an Infrastructure Committee Recommendation to Increase Engineering Services Contract for Rochester & Associates in an Amount Not to Exceed \$209,700 for Project Management, Well Testing and Completion of Georgia Environmental Facilities Authority (GEFA) Application**

Chairman Barrett asked for a report from Infrastructure Committee (IC) Chairman Craig Dowdy. Chairman Dowdy referred to documents provided to attendees as follows: Proposal Letter dated March 27, 2012 from Rochester & Associates, Inc. to LLIDA regarding the Flowery Branch Well Project and accompanying

- 1) map depicting well's location (Exhibit A);
- 2) RECOMMENDATION TO ASSESS THE LONG-TERM RELIABLE YIELD, THE POSSIBLE IMPACTS ON NEARBY CITY WELLS, AND THE POTENTIAL SOURCES OF WATER OF LONG TERM PUMPING OF THE HENDERSON WELL IN FLOWERY BRANCH, GEORGIA (EXHIBIT B);
- 3) Preliminary Estimated Costs, and
- 4) Notes.

He reported that the Committee met and formulated two recommendations.

After discussion, Mr. Dowdy moved that 1) the LLIDA Board of Directors accept the Infrastructure Committee's recommendation to authorize LLIDA Legal Counsel and Executive Director to negotiate a Letter of Intent with Mr. Henderson (current well owner) allowing LLIDA to be on the property, including Right of Access and Hold Harmless; also, providing that LLIDA be first in line in negotiations so that during LLIDA's process of evaluating the property, the well owner will not negotiate with a third party.

2) Mr. Dowdy moved that the LLIDA Board of Directors accept the Infrastructure Committee's recommendation to approve the request to increase the engineering services contract with Rochester & Associates in an amount not to exceed \$209,700 for project management, well testing, assistance with completing the Georgia Environmental Facilities Authority (GEFA) application related to the potential acquisition of the well belonging to Mr. Henderson, as more fully outlined in the Rochester & Associates proposal letter dated March 27, 2012.

Among points discussed were the following:

-- according to all preliminary data collected related to the potential purchase of the well under current ownership of Mr. Henderson, there appeared to be promising benefits to the Authority and to its current and future partners

-- since this is the information-gathering stage of the project, discussion of LLIDA's fees for the use of water from the well is premature

-- the concern that LLIDA's costs for the project should be recouped
~concern about the public's perception that LLIMC could receive something for nothing

Mr. Gibb moved to amend the motion regarding the Letter of Intent to add that the Board establish fees for the sale of the water to recoup the cost of the project. There was no second so the motion failed.

-- historically, dealings between LLIDA and LLIMC have been conducted in good faith, with final results agreeable to both parties

The question was called and the first motion regarding the Letter of Intent passed unanimously.

The second motion regarding increasing engineering fees to Rochester & Associates passed unanimously.

Chairman Barrett asked for additional discussion. Mr. Gibb asked that the record show that he raised concern that the cost of the project should be recouped through fees charged for water use, and that there could be a public perception that LLIDA's partner, Lake Lanier Islands Management Company (LLIMC), was benefiting from the project at no cost to LLIMC.

Mr. Dowdy stated that he would like the record to show that LLIDA desires, to the extent legally possible, the results of its testing to be kept confidential from the parties with whom negotiations are being held, and that LLIDA asks that LLIDA Legal Counsel Tom Calkins and Executive Director Bill Donohue be certain LLIDA is in compliance with the Open Records Law, but to the extent legally possible, protect LLIDA's negotiating position in going forward with the project.

IV. ADJOURNMENT

There being no further business, the meeting was properly adjourned at 9:38 A.M.

Lonice Barrett
Chairman
Lake Lanier Islands Development Authority

These Minutes were transcribed by

Marilyn Brown
Assistant Secretary
Lake Lanier Islands Development Authority