

JICANet Update

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Report of JISPA Feb 15 Meeting

Chairman Bob Krueger brought the meeting to order at 9:26 AM. Board members present were Buddy DeLoach, Mike Hodges, and Ben Porter. Chris Clark, Steve Croy, Sybil Lynn, Richard Royal and legal counsel Denise Whiting-Pack were on conference phone. Also present was Park Authority Executive Director Jones Hooks. The audience numbered about 28 persons.

COMMITTEE SESSIONS; CONSERVATION AND PRESERVATION

Chairman Royal offered a resolution recognizing the reopening of Indian Mound Cottage. Museum Director John Hunter read the resolution. The resolution included the facts that the Cottage was built in 1892 for inventor Gordon McKay and it was purchased in 1904 by William Rockefeller, who added several features. When Rockefeller died in 1922, the Cottage was purchased by Helen Hartley Jenkins. The Cottage served as the first Jekyll Island Museum beginning in 1954. Chairman Krueger acknowledged the support of the Friends of Historic Jekyll Island in the refurbishing of the Cottage.

Hunter noted that the Park Authority will be holding training sessions for those who have volunteered to host the openings of Faith Chapel (2:00 – 4:00 PM daily). The training sessions will be informative rather than intensive, and will be held in February and March, and then at other dates in 2010.

FINANCE COMMITTEE

Chairman Hodges reported total revenues for January of \$787,000, 14% under budget. Inclement weather was largely to blame (golf was \$68,000 under budget). Revenues for the first seven months of the fiscal year were \$9.2 million, 1% under budget. Expenditures for January were \$1,091,600, 12% under budget. Hodges gave credit to Accounting Director Marjorie Johnson and Director Hooks for curtailing spending. Year-to-date expenditures were \$8.7 million, 5% under budget. Net operating income for January was negative \$305,000, and for the year-to-date, positive \$511,000 (this figure was \$40,000 for the previous fiscal year).

Johnson reported that 5,700 fewer cars (30% fewer) passed the collection station in January than in the previous January. For the year-to-date, the decrease was 5%, and the revenues were 44% higher, due to the rise in the rates. There have not been many complaints about the \$5 parking fee. There have been more purchasers of annual decals than usual. Director Hooks' opinion was that the higher fee has not hurt parking-fee income.

Chairman Hodges announced the receipt of the annual State audit report of the Authority's finances. There was a finding regarding timely filing of certain financial figures, and a recommendation to improve policies governing State credit cards. Director Hooks and staff are corresponding with the State Auditor regarding these items.

Hodges reminded the audience that the offers of extension of the leases of the Park's residents have been sent out. Now that many attorneys have reviewed the lease, it has been concluded that there are some points in the lease offers that might need to be changed. The items include insurance requirements and time given for rebuilding in the event of a casualty loss. Legal counselors are assisting the Director and Finance Committee in clearing up potential problems with the leases as they are now written. No leases have yet been signed by residents. [NB: the JICA attorney, Gil McLemore, has detected some trouble spots in the lease, including the requirement that residents provide insurance for the Authority, and the fact that lease default may be imposed for actions other than non-payment of lease fee – this last provision is contrary to Fanny Mae guidelines; both provisions could cause intractable difficulties with bank-loan policies.]

Mindy Egan remarked that her discussions with Park visitors have led her to believe that visitors may generally now believe that the hotel rates in the Park are high. She commended the Days Inn for its marketing ploy involving application of rates equal to the Fahrenheit temperature at check-in time (some visitors got a \$32/night rate). She asked whether the occupancy was raised by this promotion? Answer: during the promotion, the occupancy at Days Inn was 53%; at the Oceanside it was 28%. Egan suggested that more discounting promotions of this sort be used.

Frank Mirasola reminded the Board that Chairman Hodges had clarified at the last Board meeting that residents had until 31 December 2010 to sign the new, "special" lease-extension offer. However, in the FAQs that came along with the mailed copies of the lease-extension offer, the date of 1 September 2010 was recommended for signing of the lease, if one wanted to be sure that his/her lease were put into effect on time. This chipped three months off the promised signing period. Mirasola applauded the Board for taking the remaining legal problems in the lease offers into consideration, but added that this would also likely take away time from the promised signing period. Mirasola asked for some relief with regard to the squeezing-down of the signing period. Hodges replied that the Committee is now trying to do just that, by resolving the legal issues ASAP – he pointed out that they could just say, "take it or leave it as-is", but they are trying to do the right thing and get the problem areas rewritten if necessary. Chairman Krueger took issue with Mirasola's statement about a time shortage – he views the lease (barring a couple of legal issues under review) as a good one, and the signing decision a simple one. Mirasola suggested that repair of the legal problems could take longer than a few days, and cause the time for decisions to be seriously shortened. Krueger asked

Mirasola to rest assured that the Board is working quickly and in the best interests of those involved. Mirasola asked the the Board to hold a public meeting after resolving the legal issues with the lease offer, and bring some legal help (not necessarily from the Attorney General's Office) to the meeting who could answer questions from the public.

Steve Newell inquired whether the new lease's written requirement for residents to purchase \$1 million liability insurance for themselves and for the Authority is one of the items that appear problematic? Answer: yes.

Director Hooks commented that the suggested deadline of 1 September for signing of the lease-extension offer was used in order to get residents moving on the question of the lease extensions, in view of the fact that they may need to have discussions with their attorneys, mortgage companies, etc.

PERSONNEL COMMITTEE

Chairman Lynn called upon Human Resources Director Cornell Harvey. Harvey reported that currently the Authority has 167 full-time employees and 160 part-time employees; these figures are holding steady. Several of these employees received 10- and 5-year Faithful Service Awards in February.

Babs McDonald inquired whether there were plans to hire a Conservation Manager to replace Christa Frangiamore? Director Hooks replied that he is considering some shifts in responsibilities and a new description for that position. The set of responsibilities will not be the same as those for Christa Frangiamore. McDonald asked about the nature of the changes in the responsibilities? Answer: these changes are being developed internally.

MARKETING COMMITTEE

Chairman Porter called upon Senior Marketing Director Eric Garvey. Garvey called upon Sea Turtle Center Director Terry Norton to provide a summary report of the Center's recent activities and functioning over the time from its outset. Norton gave a very impressive report (see <http://www.jekyllislandauthority.org/turtlecenter/seaturtlecenter.htm>). In collaboration with the Georgia Aquarium (they paid for the satellite-tracking time), the Center released a loggerhead turtle at Cape Canaveral recently, with a tracking device attached. Over one thousand sea turtles (mostly green turtles) were stranded in Florida during recent extra-cold snaps, and Norton and his staff took the opportunity to travel south and perform surgeries on fibropapilloma (large external tumors) cases to give the affected turtles a better life upon release. There are new exhibits at the Center, including a box-turtle exhibit.

Garvey added that the Sea Turtle Center conducted a private tour recently for State First Lady Mary Perdue and her grandchildren. On 25 March, a brainstorming session will be held between Director Garvey's staff and the Park's hoteliers. Also participating in that session will be sales/marketing-department staff from along Georgia's coast. A site has been secured at the I95 Exit-29 area for establishment of a Park visitor-information center.

COMMITTEE OF THE WHOLE

Director Hooks observed that the Great Dunes Park construction is on schedule. The North Beach Parking Lot (just south of the Oceanside Inn) is the location selected for the temporary retail center to open after this summer. Construction on the temporary convention-center area at the Morgan Tennis Center will begin within the next two weeks, handled by Landmark Associates (the Club Hotel entrepreneurs); a July completion date is anticipated. It is now planned to use fewer tent structures and more Historic District structures as part of the temporary convention center.

Regarding the Park gasoline station, Hooks announced that a lease has been signed with Flash Foods. Mitigation recommendations have been received from GEFA for soil contamination at the gas-station site, and Flash Foods is considering them. It is likely that the contaminated soil will be removed, and replaced with the soil from the excavation dug to receive the new gasoline tanks. Construction of the station and convenience center is expected to be complete in about five months.

Bidding on the construction of the new convention center should take place in early August, and the demolition of the current Convention Center should begin in September. RFPs (Requests for Proposals) were issued for the hotels and retail zones in the forthcoming Beach Village just south of the new convention center (see <<http://www.jekyllislandauthority.org/>>). The three RFPs issued were for: 1) a 200-room full-service hotel; 2) a 120-room limited-service hotel; and 3) thirty-thousand square feet of retail. The deadline date for proposal submission is currently set at 23 March. A public-information session on progress in proposal consideration is set for 14 April. Reviews from peers and from the Georgia State Financing and Investment Commission are to be consulted as the Beach Village project progresses.

The committee working on the construct of the Park's Conservation Plan is hiring a consultant to work with them, and plans to have the Plan completed by the end of 2010 (see <<http://www.jekyllislandauthority.org/conservationplan.html>>).

The Jekyll Island Foundation has approved the new operating agreement between the Foundation and the Authority Board.

The Verizon mobile-phone tower continues to exhibit antenna dysfunction. No date is now given for initiation of functionality of the tower.

CHAIRMAN'S COMMENTS

Chairman Krueger reported that Board representatives had met with Governor Perdue and updated him regarding the Park's new construction plans. The Governor was said to be supportive of current directions. Lonice Barrett of the Governor's staff visited the Park and also expressed support for the Board's current work.

Pat Overholt commended the Board and the Authority for the Landmark Party to celebrate the completion of the United Way Campaign. She complimented Director Hooks on his dancing skills. Overholt thanked Museum Director Hunter and Director

Hooks for meeting with her and her husband Jack regarding the future plans for Faith Chapel.

Gloria Zocchi requested that Authority celebration and meeting dates be coordinated with other events planned in the Park, by checking the calendar at the JICA website (<<http://www.jekyllcitizens.org/>>). Zocchi also inquired about the money that the Golfers' Association and the Garden Club had contributed toward preparing a butterfly garden around the pond adjacent to the putting green? Answer: we'll check into that.

Babs McDonald wondered whether the Conservation Plan would be available from the committee working on it by the end of 2010, or whether the committee would be finished, but the Plan would need further work? Answer: the goal is to have the plan available by the end of the year. McDonald also requested that the Board consider matters beyond the revitalization work, to include potential improvements to the recreational experiences of visitors. Finally, she requested that the Board consider allowing long-distance audience members at Board meetings to listen-in by telephone.

Chairman Krueger adjourned the meeting at 10:37 AM.

Respectfully submitted,

Steven Y. Newell, Jekyll Island Citizens Association

Minutes of JICA Feb 15 Meeting

Attendance - Bob Lelli, Co-President; Norm Haft-Co-President; Rich Hoffman-Vice President; Larry Waldhauer-Treasurer; Gloria Zocchi-Secretary; Steve Newell, Frank Mirasola, Mindy Egan and Stan Jennings.

The meeting was called to order by Co-President Bob Lelli.

The minutes were corrected and accepted. The fee for membership is \$40 for families and \$25 for individuals.

Treasurer Waldhauer gave his report. The balance was \$15,419.61 as of January 11, 2009. Since then \$40 was collected in dues and \$137.87 was spent on stationary and audio rental for a total of \$15,348.74. The treasurers report was accepted.

Membership Report - Megan Jeffries reported that as of today there were 98 individual members and 211 family memberships for a total of 520 voting members.

ANNOUNCEMENTS -

Most residents on Jekyll Island have received a draft of the extended lease agreement from the JIA in the mail. Some new provisions, not previously announced, have caused concern.

Gil McLemore, an island resident and practicing attorney in Brunswick, had been retained by JICA in the matter of the extended lease. In that connection, Mr. McLemore addressed the current problems with the lease. Frank Mirasola, Stan Jennings, Pat Overholt, Sandy Squires, Mindy Egan and Tice Eyler all expressed various problems and concerns after having received the proposed lease in the mail.

Mr. Haft stated that the JIA knows that there are several provisions in this proposed lease which are unreasonable and will continue to solve the problem as quickly as possible.

The Co-Presidents restated that their goal is for a fair, understandable and simple lease agreement. When the final agreement is completed, there will be an opportunity to ask questions and be informed at a general meeting of the residents.

OLD BUSINESS:

There is a need to change three items in the constitution:

The annual meeting should be changed to a date in January or February.

The fiscal year should be changed to the calendar year.

The monthly board meeting dates should be more flexible, not just the first Monday of the month.

Arrangements will be made to obtain the approval of the membership for these changes.

NEW BUSINESS:

1. Frank Mirasola made a motion that there be an end to the confidential meetings between the JICA Co-Presidents and Jones Hooks and/or the Authority unless the information is shared with the entire Board and the membership.

There was a good deal of discussion on the motion and finally Mr. Mirasola called for a vote on the motion.

The motion was defeated by a vote of 7 to 2.

2. Gloria Zocchi said that Indian Mound Cottage has been completely refurbished. It is worth seeing.

3. Mandy Screven spoke on behalf of the new Hampton Inn and Suites. There was a potential for a complete sell out of all the rooms because of the JI Kids Cup. However, the weather interfered, and 10 rooms out of 38 were not rented. There has been a lot of interest in the hotel. Many tours of the facility have been given in the five weeks since opening.

Lelli mentioned that in volunteering at the US Kids Cup there have been many positive comments about the Hampton Inn. Ms. Screven said there were quite a few queries

about extended stays (60-90 days) by winter visitors. This was not expected--it is something they will look into.

JIA UPDATE - RON SMITH

1. The Authority is rethinking moving the bait and tackle shop to the shelter building at Clam Creek. That shelter will probably be left as a protection area in case of storms, and a new building will be erected in partnership with the present bait and tackle shop.
2. A handicap accessible path made of a pervious surface will be placed down by the new bird watching tower at St. Andrew's beach.
3. The new south bike trail is in the design phase.
4. The Authority is considering a campground extension on the remaining 23 acres in that area. The campground was built in the 50's and 60's, and since that time the size of trailers has increased considerably. A new area to service these big rigs, plus a larger store and more bathrooms are being considered.
5. The shopping center will be closed on August 1, and eight stores will be placed in the temporary shopping area in the north parking lot. The preliminary design should be ready in the next few weeks. The Authority's goal is to have the trailers open by Labor Day.
6. Verizon still has not been able to get their tower behind the fire house operational.

MEMBERSHIP COMMENTS:

Peter Leininger had several questions about the lease agreement . These included notifying the Authority every year, dealing with ordinances, and the catastrophe and the umbrella liability insurance clauses.

Nancy Reed mentioned the Easter Egg hunt on April 3. Volunteers are needed.

Chuck McManus felt that the JICA needs to be more aggressive about the new lease agreement.

Tice Eyler was concerned about the changes at Faith Chapel. The church originally was opened just for meditation. Recently the Authority has insisted upon doing a training to teach volunteers about the history of the building. This isn't the real purpose. Gloria Zocchi pointed out that getting daily volunteers has become more and more of a problem.

Don Thornhill, a part time resident of Jekyll Island from 1993 thanked the Board for the work it does representing the residents who are only here on a part time basis.

Meghan Jeffries mentioned that the Lions Club Phone Books are out.

Bonnie Newell thanked Gil McLemore for his information about the leases. It is important to get together and iron out the debatable points in the lease and to let people know that the leases shouldn't be signed until the problems are solved.

With no further comments from the audience, Co-President Haft adjourned the meeting.

Respectfully submitted,

Gloria Zocchi

---and that's the news from Jekyll Island where history lives, nature abounds and lets hope that March doesn't come in like a lion!! -- Jim Reed, JICANet Editor

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