

Georgia International and Maritime Trade Center Authority

Minutes of the Regular Meeting of the Board of Directors
Wednesday, December 18, 2013

Jasper Boardroom, Savannah International Trade & Convention Center

Members present: Baxter, Cutter, Jackson, McAlister, Marinelli, Monsees, Polote, Quattlebaum and Smith. **Members absent:** Bazzard, Center, Green. **Also present:** Howard Helmken, Mary Carr Mayle (SMN), Michael Owens, Jody McIntyre, Marty Johnston, Bob McClintock (SMG), Allyson Jackson (SMG-Jekyll Island) and SITCC staff Bob Coffey, Ronnie Hickman, Fredia Brady, Stephen Hall, Jamie Parks and Gail Terrell.

Chairman Smith convened the meeting at 11:04am.

Mr. Smith noted a quorum, and asked for approval of November 2013 Minutes and Treasurer's report; moved by Mr. Baxter; seconded by Ms. Quattlebaum and approved by unanimous voice vote.

Mr. Hall reported a favorable variance to the Center budget for the month, and forecasted a favorable year-end. Mr. Smith questioned if the budgeted numbers were ahead for the month and if Mr. Hall was discussing 5 months of actual projections based on the fiscal year, which Mr. Coffey and Mr. Hall confirmed. Mr. Smith asked about the \$250k positive variance to budget versus the year-end forecast projection of positive \$119k to which Mr. Hall replied that although the numbers are favorable at this time, they are lean months approaching in the future that will be unfavorable to budget. Mr. Hall reported that Water Transportation shows an unfavorable variance for November; year-end projected to also be unfavorable. Mr. Hall noted that no Chatham Area Transit (CAT) have been received so far this fiscal year. Mr. Monsees questioned the amount of the invoices to which Mr. Hall replied the June invoice to be approximately \$70-80k. Mr. Monsees confirmed that the monthly accrued amount of the CAT invoices to be approximately \$60k to which Mr. Hall confirmed. Mr. Hall then reported that the Authority shows a favorable variance for November. Mr. Hall reported favorable hotel/motel tax reports year to date. Mr. Marinelli commented that on an increase of 7 ½ percent to hotel/motel taxes over prior years to the budget. Mr. Marinelli further stated that September hotel/motel tax numbers were very strong. Mr. Hall commented that the Authority's year-end forecast is favorable to budget. Mr. Smith questioned if the hotel/motel tax numbers also accounts for the new hotels to open this fiscal year to which Mr. Marinelli replied that the new hotels will add 250-260 additional rooms.

Mr. Smith asked for Counsel's Report. No report noted due to Mr. Gray's absence.

Mr. Smith asked for the Sales and Marketing Report. Ms. Brady reported 23 bookings in November, including 15 definites. Ms. Brady highlighted the Gulfstream Appreciation Luncheon (December 2013), Savannah Arts Academy Prom (June 2014) and Scan Source – Communications Conference (May 2014). Ms. Brady commented on the tentative booking of Southern Living Custom Builder Program in February 2014, Show Technology – Low Country Home & Garden Show in February 2015, Lions Club International – 2016 Board Meeting and Lions Club National Conference in 2019. Ms. Brady also noted the tentative booking of the Association County Commissioners of Georgia – 2016 Annual Meeting. Ms. Brady noted that the cancelled booking of the YMCA of the USA – 2015 Program Expo was due to the YMCA's rotation to return to the West Coast for 2015. Mr. Marinelli commented on current YMCA negotiations for a permanent rotation every 3rd or 4th year to Savannah. Ms. Brady commented that this year's room-night production pace was on target for the best year ever. Mr. Smith cited (FY2004) G8 Summit numbers; and commented that current (FY2014) pace is on track to beat the prior year's record.

Mr. Hall gave a report on the rental credit program and revisions. Mr. Hall reviewed the Authority's share of the Economic Impact statistics. Mr. Marinelli asked Mr. Coffey to elaborate on occupancy and dark

days in the Convention Center. Mr Coffey explained, and stated that year to year variances in business mix mean that 'occupancy' may not equate to revenue performance or room-night production.

Mr. Smith asked for the Food and Beverage Report. Mr. Parks reviewed Savor...Savannah's Profit and Loss statement for November 2013 and Year-To-Date noting that revenue exceeded budget by \$28k. Mr. Parks reviewed Savor...Savannah's Customer Feedback Report for October, which had a 62% return rate, and a score of 3.69 of a 4.00 scale.

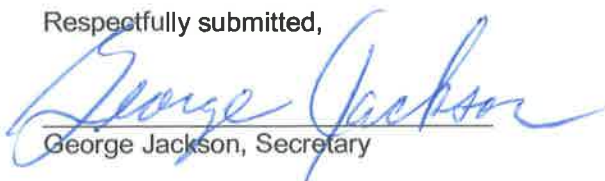
Mr. Smith asked for the Operations Report. Mr. Hickman highlighted the annual fire pump performance test/sprinkler system inspection. Mr. Hickman commented on the heavy attendance at Christmas Made in the South which created high traffic for parking. Mr. Hickman commented on the Capital Project updates such as the Ballroom Lighting Control System Upgrade, Secondary Chillwater Pump Variable Frequency Drive Replacement and the Savannah Harbor Conference Center Corridor Project.

Mr. Smith asked for the General Manager's Report. Mr. Coffey re-introduced Mr. Bob McClintock, Chief Operating Officer of SMG Convention Centers and welcomed Ms. Allyson Jackson; General Manager of SMG managed Jekyll Island Convention Center. Mr. Smith asked Ms. Jackson to comment on Jekyll Island and their facility to which Ms. Jackson summarized the facility, and characterized the event mix there, including some unanticipated corporate business from the Brunswick area. Ms. Jackson also commented on the status of hotel construction--and the recent closing of several older hotels on the island. Mr. Smith asked how the facility operates without an Exhibit Hall to which Ms. Jackson replied that the main room is much larger than the Trade Center's ballroom, and is used as a multi-function space for meetings, exhibits and Food and Beverage. Mr. Coffey then commented on the replacement of the City Hall landing dock which is awaiting GDOT approval and the creation of a City Hall landing Shelter Project next to the Hyatt. Mr. Smith questioned the source of funding for the City Hall landing dock replacement to which Mr. Coffey replied that the funding is from CY2009 Federal ARRA funds.

Mr. Smith then commented on the GIMTCA-SMG Management Agreement. Mr. Smith stated the board extended the contract to the end of March 2014. Mr. Smith stated that the Executive Committee has met several times and Mr. Smith intends to meet with Mr. McClintock after the board meeting. Mr. Smith commented that the GIMTCA-SMG Management Agreement will be a board item for the February 2014 meeting. Mr. Smith stated that the Executive Committee will meet again in the second half of January for any consensus. Mr. McAlister commented that the Management Agreement should be resolved by the end of February to which Mr. Smith commented that he is unable to speak for the entire board but the goal is the end of February.

Mr. Smith requested any further business: and hearing none adjourned the meeting at 11:39am.

Respectfully submitted,



George Jackson, Secretary