

Minutes of the Patriots Point Development Authority 517th Board Meeting, 9:30 A.M., Friday, May 21, 2021, Leadership Training Facility, Patriots Point Naval and Maritime Museum, Mt. Pleasant, South Carolina.

MEMBERS PRESENT: Wayne Adams, *Vice Chairman*
Darwin Simpson
Susan Marlowe
Pat Waters
Zeb Williams

MEMBERS NOT PRESENT: Mayor Will Haynie

STAFF PRESENT: Royce Breland, *Chief Financial Officer*
Terry Ansley, *Property Manager*
Mike Hastings, *Operations Director*
Cole Futch, *IT Director*
Keith Grybowski, *Education Director*
Chris Hauff, *Marketing*
Katisha Beanland, *Marketing*
Sis Reda, *Marketing*
Lori Held, *Operations*

OTHERS PRESENT: William Craver, *Legal Counsel*
Allison Hunt, *Yorktown Foundation*
Thom Ford, *Yorktown Foundation*
Brandon Dermody, *Southern Strategy*
Christin Mack, *FGP*

Mr. Wayne Adams called the meeting of the Board to order at 9:31 A.M.

Prior to the meeting, a copy of the proposed agenda was distributed via electronic mail to the Board members, media and designated guests.

Mr. Wayne Adams welcomed everyone to the Board meeting.

A. ADOPTION OF PROPOSED AGENDA

Mr. Wayne Adams asked for any changes to the proposed agenda. The agenda was unanimously approved as presented.

B. APPROVAL OF PREVIOUS MINUTES

Mr. Wayne Adams asked for any changes to the minutes presented. There being no proposed changes, the minutes were unanimously approved as presented.

C. COMMITTEE REPORTS

1. Education, Museum Services and Overnight Camping Committee- Ms. Susan Marlowe reported they had a good meeting and went over a lot of material. The committee

received the budget proposals for Education and Museum Services. The committee asked staff to reformat the budget reports in order to review each department's specific responsibilities and the necessary expenses requested as a whole. The sub accounts across departments are fragmented and cross-budgeted across Operations, Education and Marketing. This will be helpful to the board and the new director to have a solidified and consistent budget between departments. Allison gave an overview of the Grant and Covid Relief Fund that she and Jessica are tracking. Brandon is here today to give an update on that. Keith has checked into the State Education money but it is not available for Patriots Point. The Charleston County Council should be contacted for support; they have been a good partner in the past. This is not the school district but the County Council. There was also discussion to add personnel to the Education Department. As schools work on reopening and post Covid support, it is important to be apprised and flexible to support new programs and distance learning. It is important to plan, fund and rebuild the Education staff. There is also a plan to hire a new director for Camping and develop an organizational structure and to reopen when it is right to do it.

2. Development Committee- Mr. Wayne Adams has reported that the last two meetings has brought a lot of good things from Marketing and he has asked Chris Hauff to give an abbreviated presentation at the next board meeting to share about the projects in which Marketing is involved. Allison Hunt brought a presentation before the Development Committee yesterday on a new project which Mr. Wayne Adams asked Allison Hunt to share with the rest of the board. This project is a fundraising opportunity that would entail selling bricks as a Legacy Brick Project. Each brick would include and inscription of the purchaser's choice. There is a lot of latitude on the look and price of each brick, as with the location with the upcoming construction and development/design. Terry Ansley reported the area being looked at for this project would possibly be at the head of the pier and could extend from there in either direction. Also, possible areas around the annex area. Allison also reported that Patriots Point could generate \$500,000-\$800,000 net revenue from this project. This is still in the conceptual phase. Mr. Wayne Adams said that he and Susan liked the project very much. Mr. Pat Waters asked if the brick is printed, and was informed that the bricks are etched. There was a general consensus that this is a worthwhile project. The company has quoted a brick cost is \$30 plus fees and the suggested price is \$95 for sale. Mr. Adams asked Allison to come back to the board at a later date with further plans.

3. Facilities and Operations Committee - Mr. Darwin Simpson reported that the PBR engine compartment has been completed and the fiberglass hull repairs/work is underway. The Flight Deck is now 80% complete. IT has completed most of the upgrades and is now working on accounting for the inventories in the gift shop. IT has disposed of several old cell phones and tablets which has resulted in a monthly savings of about \$9,000. Attempts to economize as much as possible continue. At the next board meeting, there is a reasonable proposal to dispose properly of the Clamagore that will be presented. This needs to be tended to sooner than later.

4. Finance Committee - Mr. Darwin Simpson reported that the report is interesting, summarized in a few points. Right now the museum has accumulated \$6,250,000 cash and cash equivalents on hand. Last month, Patriots Point had \$500,000 profit, which compares to the \$400,000 profit last month. Part of this is due to Covid resulting in expenses being reduced significantly. Part time employees were reduced by 50 and full time employees by 22. The part time positions alone cost more than \$1 million per year. Currently, the museum is still about 20%

below the revenue generated before Covid. As we build the organization back, add camping, we've got to make sure revenues continue to increase. Some of the funding out of the 6.25 million for the disposition of the Clamagore will probably be used. Mr. Darwin Simpson will bring more information on this at the next board meeting. Mr. Adams and Mr. Simpson noted that the \$2.7 million was earmarked for the disposition of the Clamagore, was transferred by the State to our operating fund last Fall.

5. Executive Search Committee – Mr. Zeb Williams reported that the Executive Search Committee moved to hire Mr. Rorie Cartier to be the next Executive Director of Patriots Point Development Authority. Mr. Wayne Adams asked for any discussion. There was no discussion and Mr. Wayne Adams proceeded to give some background on Mr. Cartier before asking for a vote on his hiring. The vote was unanimous in favour of hiring Mr. Rorie Cartier. He will start work on July 1, 2021.

D. EXECUTIVE DIRECTOR'S REPORT

Mr. Mike Hastings reported the following:

- The FY 2022 Budget was presented, noting that things are getting back on track after Covid.
- Each Committee had a budget presentation on Thursday.
- The Board has the next 30 days to dissect the budget and the staff is available for questions.
- The Board was reminded that Covid affected two fiscal years, FY 19-20 and FY 20-21.
- The budget books go back to FY2018 for a comparison from the last "healthy" year, Mr. Wayne Adams had asked for that comparison.
- This budget is about 65% of the 2018 budget.
- Mr. Mike Hastings highlighted the Education and Camping department as taking the largest hit during the shutdown and needing to hire employees and other associated costs with restarting the Camping program.
- The proposal is to separate Camping from the Education Department into it's own department; this will require the hiring of a Camping Director.
- The Education position of History Teacher has been posted and closes on June 2.
- In June, the budget will be broken down and presented in a more refined presentation after the board has the opportunity to review the budget notebooks.
- Mr. Wayne Adams pointed out that the intent to separate Camping into it's own department is to allow Education to have the focus it needs to get back to where it was, as well as the focus needed to restart the Camping program.
- A better look at financials is needed to know the exact cost of a program, for instance, the gift shop budget has revenue and expenses. Mr. Wayne Adams pointed out that the salaries and facilities are not factored in the revenue/expenses.
- Mr. Wayne Adams wanted to thank the Search Committee for their work sorting through candidates and Cristina Mac with FGP, the recruitment firm.

E. PUBLIC COMMENTS

There were no public comments.

F. EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSING CONTRACTUAL, LEGAL AND PERSONNEL MATTERS PERTAINING TO PATRIOTS POINT DEVELOPMENT AUTHORITY.

Mr. Wayne Adams made a motion for the Board to go into Executive Session to discuss contractual, legal and personnel matters pertaining to Patriots Point Development Authority, which motion was seconded by Mr. Darwin Simpson, and passed unanimously. The Board moved into Executive Session at 10:00 A.M after a 5 minute recess.

The Board returned from Executive Session 11:35 A.M. No motions were made and no votes were taken in Executive Session.

G. ADJOURNMENT

With no further business, the meeting was adjourned at 11:37 A.M.

Respectfully submitted,

Jessica Steinberg, *Recording Secretary*

Michael Hastings, *acting Executive Director*