

Minutes of the Patriots Point Development Authority 525th Board Meeting, 9:30 A.M., Friday, January 21, 2022, Leadership Training Facility, Patriots Point Naval and Maritime Museum, Mt. Pleasant, South Carolina.

MEMBERS PRESENT: Wayne Adams, *Vice Chairman*
Darwin Simpson
Susan Marlowe

MEMBERS PRESENT
BY TELEPHONE: Mayor Will Haynie
Zeb Williams
Pat Waters

MEMBERS NOT PRESENT:

STAFF PRESENT: Rorie Cartier, *Executive Director*
Tiffany Sanchez, *Executive Assistant*
Nick Magar, *Chief Financial Officer*
Chris Hauff, *Marketing*
Cole Futch, *IT Director*
Terry Ansley, *Property Manager*

OTHERS PRESENT: William Craver, *Legal Counsel*
Brandon Dermody, *Southern Strategy*

Mr. Wayne Adams called the meeting of the Board to order at 9:33 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. Adams welcomed everyone to the Board meeting.

A. ADOPTION OF PROPOSED AGENDA

Mr. Adams asked for any changes to the proposed agenda. Mr. Adams asked to add an item “D.” to be labeled “Meetings and Committees.” He asked if there were any changes or other additions to the agenda that needed to be made. The amended agenda was unanimously approved as presented.

B. APPROVAL OF PREVIOUS MINUTES

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

C. COMMITTEE REPORTS

Ms. Marlowe greeted board members who attended by telephone and reported the following:

- In compliance with the EIA grant, the Education department is bringing out new books for distribution, with the added caveat that only schools that request the books will receive them. There are now (5) books; previously, there were only (2). The books are for grades 3rd, 5th, and 8th. All of the books are designed to target the EIA objectives and requirements.
- Also under the EIA, the Teacher Conference is being planned for June and will be held via an interactive platform on the Yorktown website. The State Department wants data and everything is being put in place for that.
- The Flight Academy is working with a company called “Teq Games” on a flight simulation that should be up and running by summer of this year. This will be a huge asset to our Education programs, as well as reengaging ROTC students.
- We will be videoing students for accountability & other purposes, and will be working with Dr. Rainey Knight at the State Department for an assessment of the curriculum.
- The Overnight Camping program has officially restarted with November and December holding test weekends for the new program. There were 280 guests in total and great evaluations were noted via surveys. The only negative feedback was about the lack of food service on-board during the experience. As is, overnight guests have the option of bringing their own food, ordering out, or leaving the premises to go get food. Sarah Edmiston, the Camping Coordinator, feels strongly that food needs to be a part of the overnight experience. Sarah has booked school and scout groups to participate in a Family Weekend on July 15-16th to test the possibility of providing a family experience.
- Discussions have been initiated about bringing in Medal of Honor recipients who were previously Eagle Scouts, to participate in programming involving current Eagle Scouts.
- Dr. Rorie Cartier provided a summary of the Museums for All program with whom Patriots Point is now in partnership. This program offers free admission to SNAP recipients. For admission, they will be required to show their EBT cards and a valid

form of ID. This initiative is to provide accessibility to underprivileged communities and expand our outreach opportunities.

- The Society of Colonial Dames and Patriots Point will be collaborating in the process of turning over the Library of Congress (LOC) Veterans Oral History program to Patriots Point staff. These plans will be discussed further in our January 28th, 2022 with the Society of Colonial Dames.
- In Museum Services, aircraft restoration is slotted to begin in February of this year. (2) Aircraft will be restored.
- A new museum Registrar, Meredith Kablick, has been hired. She will be working on digitizing artifacts and working alongside our current Curator, Melissa Buchanan, with content development.

Mrs. Marlowe thanked Dr. Cartier for his leadership on these initiatives.

Mr. Adams reported the following:

- He stated that some of the discussion about Development will be held privately in the Executive session. He said that he hoped everyone has already gone through the Executive Directors report earlier this week to note how admissions have been going these past 6 months.
- We were up 30%+ above the 5 year average as of December. That is about a 4,000 person increase over the last 5 years. Things are looking really good.
- The Bennett Development construction on the temporary parking lot will begin when it receives its state permit. Receipt of this permit is guiding the timeline.

Mr. Simpson reported on Facilities:

- The IT platform is continuing to be upgraded and made to be more efficient.
- The main ballast tank on the Clamagore submarine is failing. As a work-around, air has been injected into non-ballast tanks on the sub to keep it afloat, but that is not sustainable and is an ongoing problem.

Mr. Simpson reported on Finance:

- Financially, we are in excellent condition but for the month of December, which is typically a really slow month, operating income was \$114,000.
- Our cash and cash equivalents as of December 31, 2021 was \$3.1 million. Cash in the capital reserve account as of December was \$7.235 million, with total cash on hand of \$10,343,000 dollars, more than anyone remembers Patriots Point having.
- Operating revenues for July-December increased from \$3.7 million dollars in the same period in 2020 to \$6.5 million dollars in 2021.

- Expenditures only increased from \$3.9 million up to \$4.1 million so most of that gain in revenue was moved to bottom-line profit.
- During this last period, our gain before depreciation for the period of July-December was \$2.4 million, plus the \$700,000 dollars that we received from the lease settlement; totaling about \$3 million dollars.
- Attendance was up during that same period of July-December from 80,000 people to 145,000 people. Admission revenue was up from \$1.8 million up to nearly \$3.5 million.
- Giftshop revenue increased from \$670,000 to nearly \$1.1 million.
- Lease revenue increased from \$1,060,000 up to nearly \$1.6 million.
- We still have an opportunity in Overnight Camping revenue which just restarted in December; therefore, there is no current reported Camping revenue.
- Parking revenue increased from \$175,000 up to \$310,000 for the period we are discussing.
- Net-Net; we are in excellent financial condition
- Due to having so much cash on hand, Mr. Simpson made a motion to pay the \$700,000 principle due on the Laffey loan immediately.

Mr. Adams asked for a second.

Mrs. Marlowe seconded the motion

Mr. Adams recalled that Patriots Point had a Proviso last year allowing it to defer payment on the principle of the Laffey loan until the next year via a forbearance plan. The Proviso was meant for the following 2022-2023, and not 2021-2022. Mr. Adams talked to the treasurer Curtis Loftis about it and the treasurer gave Patriots Point a waiver. Mr. Adams agreed that since the funds are available, payment on the principle should be made.

Mr. Adams asked for any comments. The motion was unanimously approved. Mr. Simpson noted that the Operations and Finance report was complete.

D. MEETINGS AND COMMITTEES

Mr. Adams reported:

- There is not really an issue with how committees are operating currently.
- He moved for the suspension of the bi-laws that call for (3) people on the committee until some vacancies on the board are filled.
- He met with the Governor's office in November/December to ask them to fill the vacancies; hopefully that will happen.
- He had asked Bill Craver to draft a brief resolution for the board to consider.

Mr. Craver handed the board members the resolution.

Mr. Adams continued:

- This is a resolution by the PPDA suspending the (3) Board Member Committee requirement.
- The resolution reads as follows:

Article V, Section 2 Three Member Committee Requirement Suspended. That the Board hereby suspends the requirement in Article V, Section 2 of the Bylaws that each Committee consist of three Board Members and recognizes two Board Members on Committees as sufficient until such time as Board Members are appointed to fill the vacancies and the Authority rescinds the suspension of the three Board Member requirement.

This motion is effective immediately upon enactment.

Mr. Adams asked if there was a motion to pass the resolution. Mr. Simpson made the motion. Mrs. Marlowe seconded the motion which passed unanimously.

Mr. Adams raised a second issue.

- Considering the need for hybrid and virtual meetings, Mr. Adams suggested eliminating the by-law that states that a Quorum must be sitting at the table in order for a meeting to occur, and allowing the Quorum to exist virtually.
- Bill Craver was asked to draw up a resolution along those lines. He presented the resolution to amend the By-Laws.
- Mr. Adams asked if there was a motion to amend the by-laws. Mr. Simpson made the motion. Mrs. Marlowe seconded the motion which passed unanimously..

Mr. Adams added:

- Due to last minute items being posed to the board, a deadline should be established for receiving talking-points items from people who would like to present to the board; particularly if a vote is expected. Giving 1-2 days' notice is not enough time for the board to consider the item.
- A resolution setting forth deadlines for submissions to the PPDA was drafted by Bill Craver and submitted to the Board.
- The deadlines for submissions in the resolution were as follows: Complete submission should be added to the Authority agenda for discussion only must be received (14) days before the meeting. Complete submissions to be added to the Authority board agenda for both discussion and consideration should be submitted to the board (30) days before the meeting.

Mr. Adams asked if there is a motion to pass the resolution. Mr. Simpson made the motion. Mr. Waters seconded the motion which passed unanimously after discussion.

Mr. Adams asked Dr. Cartier for the Executive Director's report.

Dr. Cartier reported:

- December was a good month but the period of July-December had great success as a whole.
- He credited the success to the extremely hard work of the Patriots Point staff who are essential to what we do here.
- He followed Mr. Simpson's Operation report by adding that the Operations department had noticed a leak in the main ballast tank of the USS Clamagore at the beginning of December. Maintenance staff have been able to fill non-ballast tanks (non-fuel tanks) with air. In abundance of caution; Clamagore has been closed to the public indefinitely.

Dr. Cartier asked for any questions or comments. Pat Waters asked if customers have been notified that the Clamagore submarine is closed. Dr. Cartier responded that customers are being notified via Patriots Point social media posts and in person at the ticket counter.

Dr. Cartier continued:

- In regards to Strategic Planning, we are in phase one which is the Framing and Internal Assessment process. This phase includes an internal data review—staff has been collecting all of our internal data: SOPs, financial records, etc. for the Strategic Planning team to look over and do a deep dive into our organizational health. They plan on coming here during the first week of February to meet with a staff planning committee. That staff planning committee will be in charge of planning out the next phase and creating ways that we can disperse this information.
- Phase two will be the Audience and Field Research phase and will be happening during February and March. This phase will include visitor's surveys created by our consultants for our onsite guests and visitors to participate in. These confidential surveys will contain a mix of multiple choice and short answer questions. Stage two will also include Stakeholder focus groups. Ideally, segments of the visitorship, regional-community-and-business leaders, veterans associations, veterans, their family, and local community members will be asked what associations they have with Patriots Point and similar items. Along with this research, we'll be doing a 'national trends review; which will allow us to analyze the activities of all of our peers and best-in-class maritime museums and cultural institutions that have like-minded missions and goals.
- Phase three is the Strategic Planning Retreat with the board members and staff. We're aiming for April; depending on current world events and with travel considered. The April retreat will be either an on-site retreat, or a virtual retreat, depending the circumstances. And that's where we really start setting the overall direction and goals of Patriots Point, with the board's guidance.
- Stage four will be putting all that information and guidance into a strong document that we can actually follow and complete.
- Finally, by June and going into the new fiscal year, will be the delivery and board approval phase.
- That summarizes what the Strategic Planning process looks like.

Dr. Cartier asked if there were any questions and offers to send scheduling documents at the board's request. Hearing no questions, Dr. Cartier continues.

- We continue to have staffing issues which is a national issue at the moment.
- We are continuing the hiring process while being very intentional about making sure we are hiring the best qualified candidates.
- We are trying new avenues to attract employees and market job openings, and will continue to adapt as needed.
- He asked the Board Members who are on LinkedIn to promote these openings within their network.
- That concludes the Executive Report.

Mr. Adams asked if anyone had questions for Dr. Cartier. Mrs. Marlowe asked what the price tag is for the Strategic Planning consulting service. Dr. Cartier replied with a total of \$59,000; \$9,000 for phase one which will be covered by Patriots Point and the remainder will be split in half between Patriots Point and the Yorktown Foundation. To clarify, we will be paying 25K and the Yorktown Foundation will be paying the other 25K. Mr. Adams asked if there are any other questions. Hearing none, Mrs. Marlowe began reporting on the Fragile Collections Exhibit.

- Since opening on December 17th, that exhibit has had 6200 visitors.
- This may be an avenue we can take with the Clamagore artifacts that are preserved.

Mr. Adams added that the exhibit is worth seeing and encourages all board members to take a look at it.

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. 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. Simpson, and passed unanimously. The Board moved into Executive Session at 10:06 A.M.

The Board returned from Executive Session at 10:41 A.M. No motions were made and no votes were taken in Executive Session.

Major Haynie moved to extend the option on the Medal of Honor Museum by 180 days.

Mr. Simpson second the motion which passed unanimously.

G. ADJOURNMENT

With no further business, the meeting was adjourned at 10:43 A.M.

Respectfully submitted,

Tiffany Sanchez, *Recording Secretary*

Rorie Cartier, PhD., *Executive Director*