

**Draft Minutes**  
**Frontier Culture Museum Board of Trustees Meeting**  
**April 9, 2010 9:00 a.m. - Lecture Hall**

**Members Attending:**

Mr. T.E. Beck, Jr., Dr. John Bunch, Delegate Benjamin Cline, Mr. Michael DiGrassie, Mr. George Dygert, Senator Emmett W. Hanger Jr., Mr. Ophie Kier, Dr. Gabriel Lanier, Mr. Frank McDonough, Ms. Gail Nardi, Delegate Kenneth Plum, The Honorable Frank Nolen, Senator Roscoe Reynolds, Mr. Rhodes Ritenour, Mr. William F. Sibert, Mr. Thomas Sheets, Dr. Cheryl Talley, Mr. Paul Vames

**Members Absent:**

Senator Creigh Deeds, Dr. Pamela Fox, Delegate Steve Landes, Mr. John O. Marsh, Jr., Delegate Beverly Sherwood

**Guests Attending:**

Mrs. Maricia Capps, President, American Frontier Culture Foundation, and other Foundation Board members attending; Mr. William Bowman, Mr. Ronald Capps, Mr. Eugene Carter, Mr. John Dod, Mr. Robert Fonger, Mr. David Frackleton, Ms. Cathy McNair, Dr. Ejukime Obassi, Mr. James Russell, Mrs. Jerry Lynn Shipplett; Ms. Judy Wyatt, Special Assistant to Delegate Steve Landes; Mrs. Linda Reynolds, spouse of Trustee member Senator Roscoe Reynolds

**Staff Attending:**

Mr. G. John Avoli, Executive Director, Mr. Eric Bryan, Deputy Director, Ms. Lydia Volskis, Operations Manager, Mr. Michael Sutton, Marketing Director, Mrs. Donna Smith, Fiscal Director, Ms. Frances Carrington, Foundation Manager, Mr. Mark Gatewood, Museum Project Administrator, Mr. David Puckett, Curator and Collections Manager, Ms. Judith Andrews, Foundation Assistant, Ms. Ann Rogan, Foundation Grant-writer

**I. CALL TO ORDER AND APPROVAL OF MINUTES**

Trustees Board Chair Ms. Gail Nardi called the meeting to order at 9:05 a.m. The minutes of the August Board of Trustees meeting were approved as corrected.

**II. EXECUTIVE DIRECTOR'S REPORT**

Executive Director John Avoli gave an overview of the Museum's activities since the August 2009 Trustees meeting. He described the challenging year of budget reductions, economic downturn and particularly bad winter weather. He praised the Museum's dedicated volunteers for their help and support in offsetting the challenging conditions, and complimented the Museum's staff as well. He informed the Board that the West African site buildings (with one exception), survived the winter intact. The Museum filed an insurance claim with the state Division of Risk Management and received \$40,000 to recoup labor costs to reconstruct the damaged building. He continued that overall Museum visitation is good considering the bad weather and other obstacles, and that school visitation is only a small amount less than last year at the same time. He thanked the American Frontier Culture Foundation for its support of disadvantaged schools field trips. He also noted that increasingly, new technology is being employed to market the Museum and its programs and events. He stated that the West African Site work will resume next week, and that the schoolhouse is about 95% complete. The Dod Amphitheater is nearing completion, with landscaping to follow as weather allows. Construction of the Native American encampment, planned for the New World exhibit area will begin in late summer. The 1850's tobacco barn will be reconstructed in late summer or early fall as well.

**A. Budget and Finance**

Fiscal Director Mrs. Donna Smith gave the budget and finance report, beginning with a review of the Museum's state revenue over the past six fiscal years. The state general fund appropriation to the Museum declined by about \$342,000 over the past six years and the Museum has reduced staff from 71 to 33 members.

Mrs. Smith reviewed expenditures, including payroll, operating, capitol projects (maintenance reserve, infrastructure and Dairy Barn renovation) and an overview of fund balances with the Virginia Department of the Treasury. She gave an overview of quarterly visitation and revenue, especially noting the bad winter weathers impact on the Museum in these areas. She also presented a chart showing the comparison of revenue to visitation over the past several years. Mr. Avoli complimented the finance department for their work and noted that even under difficult circumstances the Museum had not appeared in the state auditors listing of agencies with fiscal issues.

### **B. Information Technology**

Mrs. Donna Smith, who also serves as agency Information Technology liaison to VITA (Virginia Information Technology Agency), described the current issues affecting the Museum. The Museum is required to use VITA as its main technology provider. She noted that the Museum's servers are aging and in need of repair and the Museum has been unsuccessfully attempting to obtain replacements for more than one year. She continued that the Museum has recently participated in a network transformation which was slow, disorganized and frustrating. The Museum also is seeking to enlarge its band width use capacity to allow for speed and efficiency of work, although with little support from VITA administrators. She stated that the Museum is attempting to support 32 computers and three servers on less band width than many home systems, and that staff often take work home due to inability to complete it on state computers. Goals include replacement of the three servers, band width increase, and upgrades of primary business applications. She noted that the Museum's agreement with VITA states that VITA must provide 100% support to small agencies. Several Board members noted that the state's new, stricter contract with Northrop Grummond (the company which is contracted by VITA to oversee state computer systems) may improve responses and support from VITA to the agency.

Mr. Avoli reported that the Museum will receive another 15% budget reduction for the next fiscal year. He stated that the funds will be made up without further layoffs by utilizing the Sheetz rental income, funds from an unfilled position and internal reductions. Additionally, he thanked the American Frontier Culture Foundation for their one-time grant of up to \$50,000 to cover operating expenses if needed.

### **C. Capital Projects**

Mr. Mark Gatewood reported that the installation of water and sewer lines to the New World sites is nearly complete; Dominion Power will run electric lines to the area soon. Then the staff restroom and breakroom under the Bowman House will be completed, as well as a public restroom on the New World site.

Next week, all loop road and pathways will be resurfaced; including the pathways leading to the Bowman House and the 1850's house. He noted that the HVAC systems in the administration building are constantly in need of repair, and has not been able to get the project approved for full replacement.

### **D. Management Report Card**

Eric Bryan, Deputy Director reviewed the main sections of the state's Management Report Card, in which all agencies monitor and report on their progress in several key areas. He reviewed the Museum's performance reports in Emergency Preparedness, Financial Management, Government Procurement, Human Resources, and Information Technology. He noted what the progress to date has been for each area and described expectations for the upcoming year.

### **E. Visitor Experience and Satisfaction**

Mr. Bryan reviewed an interesting and informative Visitor Report Card received recently. He noted that overall, based on the 2.4% of visitors who return the report card, 99% of guests during the first three quarters of FY 2010 rated the Museum as a good or excellent experience.

### **F. Marketing**

Marketing Director Mike Sutton reported on visitation since the last Trustees meeting and noted challenges to maintaining steady visitation over the winter with the unusual amount of snow and inclement weather, the H1N1 flu virus, and the economic downturn affecting both school field trips and general tourism. He highlighted several new events which brought new visitors to the Museum last year such as May Day, the Shenandoah Valley Wine Festival and the BBQ competition. He also reported that he had conducted a teacher in-service for a large number of Fairfax County teachers at the Udvar-Hazy Museum at Dulles. Upcoming year plans include a second May Day, Wine and BBQ events as well as a Craft Beer Festival, a special open house for area teachers in August and the opening of the West African site in September. He offered slides of the new Dod Amphitheater, scheduled to open on a limited basis at May Day and fully in June.

Mr. Sutton presented a chart showing the wide geographical distribution of visitors from around the mid-Atlantic region for March 2010. He reported that Museum attendance is down about 1% for the year to date, but that considering all of the negative factors affecting the Museum, this is not as bad as it might have been; the Museum stands to end the fiscal year on June 30<sup>th</sup> with an increase if the Spring season brings good weather and a return of tourists and school field trips. School admission to date is just a bit short of last year's pace, but reservations are still coming in and may show an increase by the end of June.

Mr. Sutton continued that in the upcoming year, the Museum will increase its internet presence with additional web impressions, the Library of Congress archive, through Trip Advisor's #1 rating of the Museum as the top destination in the local area, links to travel sites, web visitors, the West African site page and social networking sites. Print advertising and publications will be somewhat reduced due to increased costs and lack of ability to accurately measure whether the dollars spent are actually affecting visitation. He announced that Museum staff are investigating the possibility of creating a virtual Museum tour, in conjunction with students from the James Madison University marketing school. This year the Museum will also be linked to the new smart phone travel application from e-brains in conjunction with the Virginia Travel Center. The Museum will buy TV ads, particularly focused on special events. He will work with the VTC, SVTA (Shenandoah Valley Travel Association), and the City of Staunton to track local tourism visitation, so as to better target future marketing efforts. He reported on the revised Standards of Learning based programs, and highlighted the four new outreach programs developed by the interpretive staff (Music, West Africa, Early Settlement and Things Fall Apart).

At 10:05 a.m. Mr. Vames made a motion to enter Closed Session for the purpose of discussing real estate matters. Mr. Sibert seconded the motion; there was no discussion and the motion passed unanimously. All non-Board members and staff exited the room; several Members of the American Frontier Culture Foundation's Board of Directors were invited to remain.

At 11:55 Mr. Beck made a motion to end Closed Session. Mr. Dygert seconded the motion; there was no discussion and the motion passed unanimously. Each Member affirmed verbally that no other matters had been discussed.

Mr. Sibert made a motion, seconded by Senator Reynolds that the Board adopt a resolution prepared by the Office of the Attorney General with the subsequent modification. (The full resolution as approved is attached to the minutes as Appendix A.)

*Resolution as prepared by the Office of the Attorney General*

3. To carry out the objectives of this Resolution and to complete the transfer hereby contemplated, the Museum's Executive Director, or, in the alternative, the Museum's Deputy Executive Director, shall be, and each hereby are, on behalf of the FCMV and this Board, authorized to execute and deliver any and all documents, including deeds and agreements, with or without warranties, reverters, covenants, conditions and restrictions, as are deemed appropriate or as may be required by the Governor or Attorney General of Virginia

*Addition to (3.) by the FCMV Board of Trustees*

Together with an assignment of all right in the title and interest of the FCM of VA in and to that certain lease from the FCM of VA to AWASAW, LLC, its successors and assigns for development of a cultural center.

Dr. John Bunch, seconded by Mr. Beck, called the question to a vote, that the Board adopt the resolution as prepared by the Office of the Attorney General and as amended by the Board. (The complete resolution as amended is attached as Appendix I to the draft minutes) Fifteen Members voted yea, one Member voted nay and one Member abstained. The motion passed.

**III. Report from the Foundation**

Mrs. Maricia Capps, President of the American Frontier Culture Foundation gave an overview of the Foundation's Funding Report, highlighting the annual fund, event income, memberships, special events and restricted and unrestricted funds. She noted that Annual Fund giving is ahead of four prior years except one (last year), and noted that the Foundation's Strategic Plan is unfolding as expected with more active committees and a goal-oriented planning structure. She introduced new Foundation Grant-writer Anne Rogan. She stated that the Foundation's Finance Committee had approved a one-time grant to the Museum of up to \$50,000 to cover operational expenses during the current state budget reduction, and to avoid additional staff layoffs. Grant funding will be sought for requests and projects which may have been put on hold for the time being due to the state budget crisis. Ms. Nardi remarked that it is especially important in the upcoming year or two for all Board Members to financially support the Museum, even with a modest donation. Often grant organizations look carefully for Board support of the organization.

Dr. Bunch offered special thanks to Mr. Bryan, Mr. Richardson and Museum Consultant Dr. Johnston "JAK" Njoku for their West African site presentation at the recent Virginia Association of Museum's conference.

**VI. NEXT MEETING DATE**

September 10, 2010

**V. ADJOURNMENT**

With no further business to discuss, the meeting adjourned at 12:05 P.M.

## **APPENDIX A**

### **Frontier Culture Museum of Virginia**

PO Box 810  
Staunton, VA 24402  
540-332-7850  
www.frontier.virginia.gov

#### **Resolution of the Board of Trustees of the Frontier Culture Museum of Virginia**

WHEREAS, Virginia Code §23-296 creates the Frontier Culture Museum of Virginia as a state agency and educational institution with responsibility to administer certain historical and interpretative programs as may be established; and

WHEREAS, on September 7, 2001, the Museum's Board of Trustees adopted a detailed Mission Statement that states: The mission of the Frontier Culture Museum is to increase public knowledge of the formation of a distinctive American folk culture from the synthesis of European, African, and indigenous peoples. The museum uses historic structures, artifacts, and living history interpretation to represent how immigrants to America lived in their homelands, crossed the Atlantic, and traveled from costal ports into the Shenandoah Valley. These travelers built farms along the early Western Frontier where they and their descendents formed a new American culture; and

WHEREAS, a considerable amount of land, with improvements, including the Old DeJarnette Center property, has been transferred to the Museum, including by inter-agency land transfers from the Department of Mental Health, Mental Retardation and Substance Abuse Services; and

WHEREAS, it was the historical understanding of Museum officials that such land, including the Old DeJarnette Center property, could be used to help support the Museum in carrying out its mission, specifically, by supplementing the general funding needs of the Museum through the generation of principal and/or income from the sale or lease of such land; and

WHEREAS, the Museum has studied the potential uses of such land, including the Old DeJarnette Center property, but, in spite of various efforts to develop the land, only minimal success has been achieved, including commercial leases to Sheetz, Inc, for a gasoline station, and to Awasaw, L.L.C., for a cultural center; and

WHEREAS, this Board has determined that the best interests of the Museum will be served by transferring to the American Frontier Culture Foundation (the "Foundation"), a Virginia non-stock corporation serving the needs and promoting the mission of the Museum, fee simple title to approximately 116 acres of land, as more fully described below; and

WHEREAS, to minimize costs, increase flexibility and facilitate successful development of such land, the proposed transfer of fee simple title to the Foundation would be for nominal monetary consideration, thereby resulting in a type of transfer that may not be within the scope of transactions authorized by Virginia Code §23-4.1 or other statutory powers of the Board; and

WHEREAS, it is the intent of the Board to make this Resolution, and its approval of a transfer of fee simple title to the Foundation, subject to, and contingent upon, direct authorization of the General Assembly of Virginia.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Frontier Culture Museum of Virginia (“FCMV”), subject to, and contingent upon, direct authorization of the General Assembly of Virginia, and further subject to the prior receipt of any required approvals by the Governor and the Office of the Attorney General, is hereby authorized and directed to transfer and convey, for nominal monetary consideration, to the American Frontier Culture Foundation (“Foundation”), a Virginia corporation (with IRS § 501(C)3 designation) serving the needs and promoting the mission of the FCMV, fee simple title to 116 acres of land, more or less, together with any improvements thereon and appurtenances thereunto belonging, fronting, in part, on Richmond Road (U.S. Rt. 250), and located partially in the City of Staunton and partially in Augusta County, and briefly described as follows:

ALL THAT certain tract or parcel of land to be more specifically identified prior to transfer, together with the buildings and improvements thereon and the appurtenances thereunto belonging, situate, lying and being in the City of Staunton, Virginia, and being located on the eastern side of Route 644 (Frontier Road) and on the southern side of U.S. Route 250 (Richmond Road) and being a portion of Tract 1 (originally 40.90 acres) as shown on the plat by Robert E. Funk Land Surveyor, dated October 7, 1993 revised December 16, 1993 and January 12, 1994 entitled “Plat of Portions of the Commonwealth of Virginia Property, Staunton, Virginia and Beverley Manor District, Augusta County, Virginia.”

Also, two parcels of unimproved land together with the appurtenances thereto belonging, located at the northeast intersection of Interstate Routes 64 and 81 in Augusta County, Virginia further described in that certain Transfer Agreement dated July 8, 2002 from the Commonwealth of Virginia, Department of Mental Health, Mental Retardation and Substance Abuse Services, to the Commonwealth of Virginia, Frontier Culture Museum of Virginia, recorded in the Clerk’s Office of the Circuit Court of Augusta County, Virginia as Instrument Number 030002593, and identified therein as the De Jarnette Parcel 2, containing 17.593 acres, more or less and the Western State Parcel 2 containing 60.762 acres, more or less, each as shown on that certain plat attached thereto entitled Plat Showing Western State Hospital & De Jarnette State Sanatorium Lands, Beverley Manor District, Augusta County, Virginia, dated December 29, 1971, made by Higgs & Shumate, Engineers, Surveyors.

The precise legal description of the conveyance shall be determined by the Museum and approved by the Office of the Attorney General prior to its use in any deed conveying such property.

The purpose of the transfer shall be to facilitate the development of the transferred property by the Foundation, either in whole or in stages, through sales, leasing or both, and to maximize the value and/or income of such property in a manner that is consistent with the Master Plans of the respective localities.

The transfer shall be subject to such terms and conditions as are deemed appropriate by the Governor and Attorney General of Virginia, which terms and conditions may include restrictive covenants and agreements to be imposed and binding upon the Foundation, including a reverter provision that would operate in the event of any sale or lease of such lands or properties, or any part thereof, that did not have the prior approval of the FCMV’s Board of Trustees or of the Board’s Executive Committee if so authorized to act on the Board’s behalf.

Any and all proceeds from the sale and conveyance or leasing of all or any portion of such property that shall be paid over to the FCMV or its Board of Trustees shall be held by the FCMV or its Trustees for the future maintenance, expansion and benefit of the FCMV.

2. It is the additional finding and determination of this Board that, manifestly, the transfer and conveyance to the Foundation of fee simple title in and to the lands briefly described above, including portions of the Old DeJarnette Center property, for purposes of development and other appropriate uses so as to generate income from sales, leases and other sources, will support the Mission of the Museum and this Board (which mission or purpose is set forth in the Code of Virginia and in the Museum's official Mission statement) in that the said property (i), will be developed subject to oversight of the Museum and this Board (ii), will generate income and profit to the Commonwealth from sales, leases and other sources of revenue (iii), will attract visitors to the Museum, and (iv) that any income received will be used and administered in support of the exhibits, maintenance, expansion and general funding needs of the Museum.

3. To carry out the objectives of this Resolution and to complete the transfer hereby contemplated, the Museum's Executive Director, or, in the alternative, the Museum's Deputy Executive Director, shall be, and each hereby are, on behalf of the FCMV and this Board, authorized to execute and deliver any and all documents, including deeds and agreements, with or without warranties, reverters, covenants, conditions and restrictions, as are deemed appropriate or as may be required by the Governor or Attorney General of Virginia. Together with an assignment of all right in the title and interest of the FCM of VA in and to that certain lease from the FCM of VA to AWASAW, LLC, its successors and assigns for development of a cultural center.