

PENSACOLA BEACH
SANTA ROSA ISLAND AUTHORITY

Board Members:

Thom Blas
Chairman

William Griffith
Vice-Chairman

McGuire Martin
Secretary/Treasurer

Jimmie Perkins
Thomas Campanella
Vernon Prather

W A "Buck" Lee
General Manager

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1-3. A regularly scheduled meeting of the Authority was held on Wednesday, January 4, 2006, beginning at 5:00 p.m. Members in attendance were: Mr. Thom Blas, Mr. Bill Griffith, Mr. Jimmie Perkins, Dr. Thomas Campanella, and Mr. Vernon Prather. Board member absent was Mr. McGuire Martin. Mr. Blas, Chairman, called the meeting to order and led a moment of meditation followed by the Pledge of Allegiance.

4. **Upon motion of Mr. Griffith, seconded by Dr. Campanella, the board unanimously approved the minutes of the regular board meeting of December 7, 2005. (5-0)**

Upon motion of Mr. Griffith, seconded by Mr. Prather, the board unanimously approved the minutes of the special board meeting of December 14, 2005. (5-0)

5-6. ADOPTION OF THE AGENDA

Upon motion of Mr. Griffith, seconded by Mr. Prather, the agenda was unanimously adopted with the following change: Added Item #5 to New Business regarding proposed revisions to the Travel Policy. (5-0)

7. CHAIRMAN'S COMMENTS

Mr. Blas had no further comments.

8. FY YEAR 2005 AUDIT REPORT

Mr. Ron Jackson of Saltmarsh Cleaveland & Gund appeared before the board and introduced Mr. David Lister, of the firm, who reported on the FY 2005 audit of the Santa Rosa Island Authority. Mr. Blas thanked the manager and staff for their efforts, noting Ms. Nita Omley's contributions. A brief discussion followed.

Upon motion of Mr. Perkins, seconded by Mr. Prather, the board unanimously accepted the FY 2005 audit report. (5-0)

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9. PENSACOLA BEACH RESIDENTS & LEASEHOLDERS ASSOCIATION
REPORT

Mr. Gary Smith, President of the Pensacola Beach Residents and Leaseholders Association, reported that the annual Christmas party was a success and the response to the membership mail out was excellent. He said the Association would be meeting at different locations each month with the next meeting scheduled for Tuesday, January 10, 2006 at 6:00 p.m. at The Market, and he invited everyone to attend. Mr. Smith said that the Association was focusing on the sea oat sale program to benefit the Pensacola Beach Elementary School. He said that the fourth annual First Shot Day would be observed on January 13. Upon comment by Mr. Blas, Ms. Norton said that a certain percentage of the dune crosswalks were required to be handicapped accessible, and the ramps were selected for handicap accessibility on the basis of the dune angle and the reach required for the crosswalk. Upon inquiry by Ms. Norton, Mr. Smith said that Ms. Debbie Magyarosi was the contact person for the sea oat program.

10. PENSACOLA BEACH CHAMBER OF COMMERCE REPORT

Ms. Sandy Johnston, Manager of the Visitor's Information Center, reported that the chamber was in the process of compiling a count of available units to enable them to better respond to the increasing number of calls from prospective visitors. She said that the reconstruction of the chamber's office was progressing. Ms. Johnston said that she met with Ms. Mary Bolman and was able to clarify the terms of the proposed Commercial Lease Extension Policy.

CONSENT AGENDA

11. COMMITTEE REPORTS

A. DEVELOPMENT & LEASING COMMITTEE (12-14-05) – Dr. Thomas Campanella

The committee unanimously recommends approval of the following item:

Item #1(a) – Acceptance of the public opinion survey compiled by *The Island Times* newspaper

The following item was held in committee:

Item #1(b) – Committee to Redefine Pensacola Beach (scheduled for January 11)

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B. ARCHITECTURAL & ENVIRONMENTAL COMMITTEE (12-14-05) – Mr. Bill Griffith, Chairman

The following item was held in committee:

Item #2 – Revisions to Article 13 of the Escambia County Land Development Code to address covered entry ways for commercial and multi-family residential developments on an island-wide basis. (scheduled for January 11)

C. ADMINISTRATIVE COMMITTEE (12-14-05) – Mr. Jimmie Perkins, Chairman

The committee unanimously recommends approval of the following item:

Item #3 – Adoption of 2006-2007 Holiday Calendar

The committee unanimously recommends acceptance of the following item:

Item #4 – Report on Financial Statements and Expenditures

Upon motion of Dr. Campanella, seconded by Mr. Griffith, the board unanimously approved the consent agenda, as published. (5-0)

REGULAR AGENDA

12. COMMITTEE REPORTS

A. ADMINISTRATIVE COMMITTEE (12-14-05) – Mr. Jimmie Perkins, Chairman

Item #1 – Commercial Lease Extension Policy (unanimously recommended for approval by committee)

Ms. Bolman reviewed the background on the policy, and called the board members' attention to the examples that were provided. She said that staff and the committee unanimously recommended approving the policy, as presented. A discussion followed.

Upon motion of Mr. Griffith, seconded by Mr. Perkins, the board unanimously approved the Commercial Lease Extension policy, as presented. (5-0)

B. ARCHITECTURAL & ENVIRONMENTAL COMMITTEE (12-14-05) – Mr. Bill, Griffith, Chairman

Item #1 – Clyde Henry Pearson and Pauline J. Pearson – 130 Siguenza Drive – Lot 18,

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Block "B", Villa Sabine – adjacent to Little Sabine Bay

- 1) After-the-fact approval of decking adjacent to the reconstructed retaining wall subject to payment of \$500 after-the-fact fee and obtaining permits (unanimously recommended for approval by committee)
- 2) After-the-fact approval for construction of a finger pier subject to payment of \$500 after-the-fact fee and obtaining permits (unanimously recommended for approval by committee)
- 3) After-the-fact approval for a variance to widen the pier at the outer end to a larger size than permitted in the pier regulations (held in committee for January 11)
- 4) Request for approval of five dolphin and three mooring piles (held in committee for January 11)
- 5) After-the-fact approval for a variance to construct a structure above the pier (held in committee for January 11)
- 6) Leaseholder payment of attorney's fees or other expenses incurred by the Authority for this issue (unanimously recommended for approval by committee)

Upon motion of Mr. Prather, seconded by Mr. Griffith, the board unanimously voted to hold sub-items #3, #4, and #5 in committee for discussion on January 11, 2006. (5-0)

Ms. Smith said that staff recommended approval of sub-item #1 for upland decking subject to payment of the \$500 after-the-fact fee and obtaining the necessary permits. A discussion followed during which the board heard comments by Mr. Randy Oglesby.

Upon motion of Mr. Griffith, seconded by Mr. Prather, the board approved the request by Mr. and Mrs. Henry Pearson, 130 Siguenza Drive, to construct decking adjacent to the reconstructed retaining wall, subject to payment of the \$500 after-the-fact fee and obtaining the necessary permits. (4-1 with Mr. Perkins voting against the motion)

Ms. Smith said that staff recommended approved of sub-item #2 for a finger pier subject to payment of the \$500 after-the-fact fee and obtaining the necessary permits. A discussion followed.

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Upon motion of Mr. Griffith, seconded by Mr. Prather, the board approved the request by Mr. and Mrs. Henry Pearson, 130 Siguenza Drive, to construct a finger pier, subject to payment of the \$500 after-the-fact fee and obtaining the necessary permits. (4-1 with Mr. Perkins voting against the motion)

The Manager noted that the attorneys' fees for the Pearson issue were in excess of \$1,900. A discussion followed.

Upon motion of Mr. Prather, seconded by Mr. Griffith, the board unanimously voted to seek repayment of attorneys' fees incurred for the pier reconstruction by Mr. & Mrs. Henry Pearson, 130 Siguenza Drive, subject to payment of all outstanding invoice(s) within fourteen days of receipt; and with the approvals for this item subject to payment of all related invoices. (5-0)

13. NEW BUSINESS

Item #1 – Mr. Gary Work – Pensacola Beach Land Trust – Request for approval to sublease to Sterling Resorts, LLC, to manage Portofino Resort, including transfer of the ownership of the liquor license (Special/Restaurant License) from Abbott Resorts, LLC, to Sterling Resorts, LLC.

Ms. Mary Bolman called the board's attention to a letter of request in their packets and reviewed the request, stating that staff recommended approval of the request subject to payment of the appropriate percentage fees.

Upon motion of Mr. Perkins, seconded by Mr. Griffith, the board unanimously approved the request by Mr. Gary Work on behalf of Pensacola Beach Land Trust for approval to sublease to Sterling Resorts, LLC, to manage Portofino Resort, including transfer of the ownership of the liquor license (Special/Restaurant License) from Abbott Resorts, LLC, to Sterling Resorts, LLC. (5-0)

Item #2 – Mr. Mike Nixon on behalf of Azure Development, LLC, d/b/a Soundside Market, LLC – Request for approval to change the use of Units G2 & G3 at the Soundside Center, 5 Via de Luna, from retail to lounge for the purpose of operating a martini bar serving beer, wine and liquor

Ms. Bolman said a written request was also available for this item, and staff recommended approval of the request to change the use of the units at Soundside Centre to a martini bar, subject to payment of the appropriate percentage fees.

Upon motion of Dr. Campanella, seconded by Mr. Perkins, the board unanimously voted to approve the request by Mr. Mike Nixon on behalf of Azure Development,

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LLC, for approval to change the use of Units G2 & G3 at the Soundside Center, 5 Via de Luna, from retail to lounge for the purpose of operating a martini bar serving beer, wine and liquor. (5-0)

Item #3 – Fraud Policy

Ms. Nita Omley reviewed the request, stating that the auditors suggested that the Authority adopt a formal fraud policy, and staff recommended approval of the policy, as presented. A discussion followed.

Upon motion of Dr. Campanella, seconded by Mr. Perkins, the board unanimously voted to refer the fraud policy to committee for further review. (5-0)

Item #4 – Mr. Bill Griffith – Discussion on Board Policy

Mr. Griffith said that he placed this item on the agenda to consider whether the issue of board governance merits further discussion. A brief discussion followed.

Upon motion of Mr. Griffith, seconded by Dr. Campanella, the board unanimously voted to place this item in committee for further discussion. (5-0)

Item #5 – Travel Policy

Mr. Lee presented the revisions, stating that staff recommended approval of the revisions to bring travel reimbursement in line with U. S. General Services Administration (GSA) guidelines, as several staff members will be traveling in the near future, and he would like to have the policy in place prior to their travel. A brief discussion followed.

Upon motion of Mr. Griffith, seconded by Dr. Campanella, the board unanimously approved the revised travel policy, as presented. (5-0)

14. REPORTS

A. MANAGER'S REPORT

The Manager said his report was published for the information of the board and he called their attention to the information item regarding health care focus group on which he had been asked to serve. Upon inquiry by Mr. Griffith, the Manager said he would get together with Mr. Bob West regarding Mr. Griffith's interest in a beach camera.

B. ATTORNEY'S REPORT

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B. ATTORNEY'S REPORT

Mr. Matt Dannheisser, SRIA legal counsel, said his report was published for the information of the board. He recognized Mr. Mike Stebbins, legal co-counsel, for his efforts on the Beasley case resulting in granting of the motion for summary judgment.

C. ENGINEER'S REPORT

Mr. Dave Hemphill, SRIA engineering representative, said his report was also published. He said that Gulf Power's underground work was scheduled to bid that day and he would have the numbers the following week. Mr. Hemphill said that Items 20 and 21 on his report, for the roadway repairs to the secondary roads north and south of Via de Luna, were delegated to the Authority by Escambia County and the engineering firm is hoping to complete the repairs to the roads before the beginning of the season.

15. VISITORS FORUM

The board heard comments by Dr. & Mrs. James Boyd, 201 Sabine Drive, who requested a six-month extension to the January 11, 2006 lease default deadline to demolish or repair their hurricane damaged structure. A discussion followed.

Upon motion of Mr. Perkins, seconded by Dr. Campanella, the board unanimously voted to allow Dr. & Mrs. James Boyd an additional six months from January 11, 2006 to repair or demolish their hurricane-damaged structure at 201 Sabine Drive. (5-0)

The board then heard comments from Dr. Thomas Lampone, 104 Matamoros Drive, who also requested a ninety-day extension to the January 11, 2006 lease default deadline to demolish or repair his hurricane damaged structure.

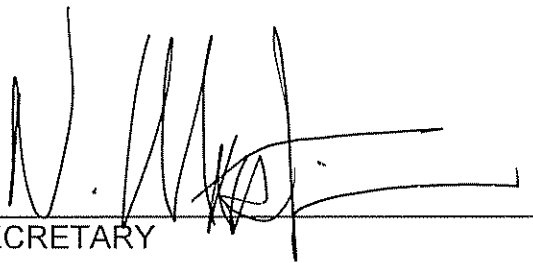
Upon motion of Mr. Griffith, seconded by Mr. Perkins, the board unanimously voted to allow Dr. Thomas Lampone an additional ninety days from January 11, 2006 to demolish or repair his hurricane damaged structure at 104 Matamoros Drive. (5-0)

The board heard comments by Ms. Kerry Anne Schultz on behalf of Mr. and Mrs. Ercan Ciftci, 105 Sabine Drive, regarding additional time to repair or demolish their hurricane damaged structure.


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Upon motion of Mr. Perkins, seconded by Mr. Prather, the board unanimously voted to allow Mr. and Mrs. Ercan Ciftci an additional six months from January 11, 2006 to repair or demolish their hurricane-damaged structure at 105 Sabine Drive. (5-0)

There being no further business before the board, the meeting adjourned at 6:45 p.m.



SECRETARY



CHAIRMAN

(Please note that the Santa Rosa Island Authority does not make verbatim transcripts of its meetings, although the meetings are tape-recorded. Any person desiring a verbatim transcript of a meeting of the Santa Rosa Island Authority will need to independently secure such verbatim transcript.)