

PENSACOLA BEACH
SANTA ROSA ISLAND AUTHORITY

Board Members:

William Griffith
Chairman

Thom Blas
Vice-Chairman

McGuire Martin
Secretary/Treasurer

Jimmie Perkins
Thomas Campanella
Vernon Prather

Monte E. Blews
General Manager

MEMORANDUM

TO: Authority Members

FROM: General Manager

DATE: March 31, 2005

RE: Minutes of February 16, 2005 Administrative Committee Meeting

A regularly scheduled meeting of the Administrative Committee was held on Wednesday, February 16, 2005. Members present were Mr. Bill Griffith, Dr. Thomas Campanella, and Mr. Thom Blas serving in the absence of Mr. Jimmie Perkins. Also present were board members Mr. McGuire Martin and Mr. Vernon Prather. Mr. Griffith, acting chairman of the committee, called the meeting to order and presented the following item:

Item #1 – Discussion on Commercial Lease Extension Policy

The Manager reviewed the history leading up to the appointment of the Commercial Lease Extension Advisory Committee and introduced Mr. Richard Colbert, chairman of the advisory committee. Mr. Colbert introduced the members of the committee and reported on their efforts and the resultant proposed policy. A brief discussion followed.

Upon motion of Mr. Blas, seconded by Dr. Campanella, the committee recommended accepting the report submitted by Mr. Richard Colbert on behalf of the Commercial Lease Extension Advisory committee. (3-0)

The Manager then reviewed the staff recommendation regarding an alternate proposal for commercial lease extensions, as well as staff comments, and a discussion followed during which the committee heard comments from Mr. Jeff Elbert and Mr. M. J. Menge.

Upon motion of Dr. Campanella, seconded by Mr. Blas, the committee unanimously tabled this item for possible discussion at a later date. (3-0)

(The committee recessed and reconvened following the conclusion of the Architectural & Environmental Committee with Mr. Blas serving as chairman in the absence of Mr. Perkins, and Mr. Prather, serving in the absence of Mr. Griffith.)

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Item #2 – Mr. Chaim Hershkowitz d/b/a The Palace - 701 Pensacola Beach Boulevard – Request for waiver of the late charges, interest and attorney's fees for July-November 2004

Ms. Bolman reviewed the request, and stated that staff recommended denying the request for waiver of late charges, interest, and attorney's fees.

Upon motion of Mr. Prather, seconded by Dr. Campanella, the committee unanimously recommended denying the request by Mr. Chaim Hershkowitz d/b/a The Palace, 701 Pensacola Beach Boulevard, for waiver of the late charges, interest and attorney's fees for July-November 2004. (3-0)

Item #3 – Cdr. and Mrs. Stephan M. Smith – 1600 Bulevar Menor – Santa Rosa Villas Townhouses – Request for waiver of late fees and attorney's fees due to late payment of annual lease fee

Ms. Bolman presented the request and said that staff recommended denying the request for waiver of late fees and attorney's fees.

Upon motion of Mr. Prather, seconded by Dr. Campanella, the committee unanimously recommended denying the request by Cdr. and Mrs. Stephan M. Smith, 1600 Bulevar Menor, for waiver of late fees and attorney's fees due to late payment of annual lease fee. (3-0)

Item #4 - Discussion on Road Improvement Project

Mr. Dave Hemphill, SRIA engineering representative, reported that three contracts were currently in progress. He noted that APAC construction had begun the improvements to Ft. Pickens Road and that a notice to proceed was issued today to Roads Inc. to begin their contracted improvements on Ft. Pickens Road. Mr. Hemphill said that the contract for improvements on Via de Luna was on hold, as the contractor selected, also Roads, Inc., was finishing the debris removal and sand cleaning project. He noted that the Via de Luna project should begin in approximately thirty days and is a 540-day contract.

Mr. Hemphill then reported briefly on the status of the debris removal and sand cleaning project, stating that sand operations were complete, the sand scraping operation was 70% complete, construction on the protective berm had not yet begun, sand screening was 34% complete, debris removal was 85% complete, and hauling was 43% complete. He then briefly reviewed the final stages of the debris removal project, and a discussion followed. The Manager then recognized Mr. Ken Engstrom with R. W. Beck for his leadership during the post-Ivan debris removal project.

Item #5 – Discussion on Consumer Price Index (CPI) Escalator Clause in Leases

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Ms. Bolman reviewed the history of CPI increases and the method through which the leases containing the CPI clause could be increased under the terms of the existing leases. She said the cost of living had increased by a total of 12.6% over the past five years and that staff recommended implementation of a 12.6% increase in the leases containing the CPI clause, effective January 1, 2006. A discussion followed during which Mr. Prather asked that the board members receive a count on the number of leases with and without the CPI clause prior the full board meeting.

This item was held for the March 2, 2005 board meeting.

Item #6 – Discussion on Redefining Pensacola Beach

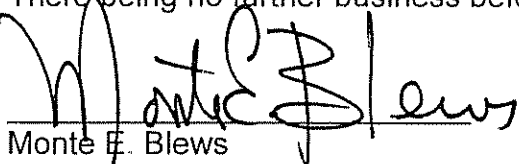
This item was withdrawn.

Item #7 – Report on Financial Statements and Expenditures

Ms. Nita Omley presented the report on financial statements and expenditures, and a discussion followed.

Upon motion of Dr. Campanella, seconded by Mr. Prather, the committee unanimously recommended acceptance of the report on financial statements and expenditures. (3-0)

There being no further business before the committee, the meeting was adjourned.


Monte E. Blews
General Manager

MEB:mks

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