

PENSACOLA BEACH
SANTA ROSA ISLAND AUTHORITY

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PENSACOLA BEACH, FLORIDA
REGULAR BOARD MEETING MINUTES
MAY 10, 2006

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

1-3. A regularly scheduled meeting of the Authority was held on Wednesday, May 10, 2006, beginning at 5:00 p.m. Members in attendance were: Mr. Bill Griffith, Mr. McGuire Martin, Mr. Jimmie Perkins, Dr. Thomas Campanella, and Mr. Vernon Prather. Member absent was Mr. Thom Blas. Mr. Bill Griffith, Vice Chairman, called the meeting to order and led the Pledge of Allegiance followed by a moment of meditation.

4. **Upon motion of Mr. Perkins, seconded by Mr. Martin, the board unanimously approved the minutes of the regular board meeting of April 5, 2006. (5-0)**

Upon motion of Mr. Perkins, seconded by Mr. Martin, the board unanimously approved the minutes of the special board meeting of April 12, 2006. (5-0)

5-6. **ADOPTION OF THE AGENDA**

Upon motion of Dr. Campanella, seconded by Mr. Perkins, the agenda was unanimously adopted with the following changes: Added Item 11(D)(5) to the Consent Agenda regarding the FY 2007 Toll Facility Budget, which was unanimously recommended for approval by the May 3, 2006 committee; Added Item #4 to New Business regarding extension of the reconstruction deadlines for the Sun Ray Village Owners Association f/k/a Clarion Suites. (5-0)

7. **CHAIRMAN'S COMMENTS**

Mr. Griffith had no comments on behalf of the chairman.

8. **RESOLUTION OF RECOGNITION – KREWE OF WRECKS**

Mr. Griffith read a resolution of recognition for the Krewe of Wrecks, which was adopted by the board on April 5, 2006

Ms. Sandy Johnston accepted the resolution on behalf of the Krewe of Wrecks.

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9. PENSACOLA BEACH RESIDENTS & LEASEHOLDERS ASSOCIATION
REPORT

Ms. Tona DeMers, President of the Pensacola Beach Residents & Leaseholders Association, reported that within the next six weeks, the Association planned to distribute a beach-wide survey, developed with input from the association's members, to gather comments from the residents and leaseholders about things they would like to see done on Pensacola Beach. She said the association would share the results with the Authority to see if they could work together to accomplish some of the items. Ms. DeMers said the association voted to make suggestions to the Authority about access ways in some of the newer subdivisions. A discussion followed on access ways during which Ms. Bolman said that plats are on file that show numerous public access ways from the Santa Rosa Sound to the Gulf of Mexico, and the chairman suggested Ms. DeMers meet with staff on the issue.

10. PENSACOLA BEACH CHAMBER OF COMMERCE REPORT

Ms. Sandy Johnston, Manager of the Pensacola Beach Visitor's Information Center (VIC), reported that Blues on the Beach began its summer season on Tuesday, May 2, 2006, and it was a great success. She thanked the maintenance department for their support in preparation and clean-up. Ms. Johnston said they were finalizing the updates for the beach maps, which should be completed soon, along with the newsletter mail out piece. She said the chamber was working diligently to promote Pensacola Beach. Ms. Johnston noted that for the past two months, the VIC averaged 100 visitors per day. She said the hotels were experiencing good occupancy rates, and the chamber is tracking occupancy status for visitors.

CONSENT AGENDA

11. COMMITTEE REPORTS

A. DEVELOPMENT & LEASING COMMITTEE (5-3-06) – Mr. Bill Griffith,
Chairman

The committee unanimously recommends approval of the following items:

Item #1 – Ms. Jan Scruggs – The Dock, 4 Casino Beach Boardwalk – Request for approval to sublease to Mr. Stephen Graham d/b/a Dizzy Lizzy's, Inc., serving shaved ice, and approval for 30-day grand opening banner, subject to payment of 5% percentage fees and resolution of pending construction issues

Item #2 – Mr. Roger Bevans – Radical Rides – Request for new commercial lease to replace existing concession agreement, subject to resolution of unpermitted sign

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Item #3 – Notice of intention to cancel beach rental services license with Cee Bee Beach Rentals for license on the public beach behind the Sans Souci condominiums, effective with the conclusion of the current license year in January 2007

Item #6 – Mr. Bill Goliwas on behalf of The Palace, 701 Pensacola Beach Boulevard – Denial of request to use a residential travel trailer as the dockmaster's office for the marina

Item #7 – Mr. Eric J. Herrholz – Denial of request for approval of beach valet concession

The following item was withdrawn:

Item #5 – Ms. Beverly McCay on behalf of Holiday Inn Express (f/k/a The Dunes), 333 Ft. Pickens Road – Request for approval to place a commercial trailer on the leasehold to house building maintenance

B. ARCHITECTURAL & ENVIRONMENTAL COMMITTEE (5-3-06) – Mr. Thom Blas, Chairman

The committee unanimously recommends approval of the following items:

Item #2 – Rescinding the board's previous action to approve changes to the Land Development Code, Article 13 – Limiting enclosures below the base flood (to be readdressed at the June 7, 2006 committee meeting)

Item #6 – The Dock – Ms. Jan Scruggs – 4 Casino Beach Road – Denial of the request for an after-the-fact construction of an enclosed ground level wooden deck with a canopy cover

The following item was withdrawn:

Item #3 – Mrs. Chistina Lee Cabassa agent for leaseholder – Mr. Joel Campbell – 1203 Maldonado Drive – Lot 10, Block 46, Villa Segunda - Request for a variance to the 700 square foot enclosure below the base flood

The following item was for AEC approval only (no board action necessary):

Item #5 – Mr. Fred Simmons – Gulf-Aire Motel – 27 Via de Luna – Sound side – Request to construct a canopy cover over an existing concrete slab adjacent to the outdoor bar on leasehold property (AEC action only)

C. OPERATIONS COMMITTEE (5-3-06) – Mr. McGuire Martin, Chairman

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The following item was for information only:

Item #1 – Discussion on trash pick-up on public beaches adjacent to leaseholds

D. ADMINISTRATIVE COMMITTEE (5-3-06) – Mr. Jimmie Perkins, Chairman

The committee unanimously recommends approval of the following items:

Item #2 – Disposition of Equipment

Item #3 – Authorization for the General Manager to sign contracts under emergency circumstances

Item #5 – FY 2007 Toll Facility Budget

The committee unanimously recommends acceptance of the following item:

Item #1 – Report on February Financial Statements and Expenditures

The following item was for information only:

Item #4 – Issues with existing noise ordinances

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

REGULAR AGENDA

12. COMMITTEE REPORTS

A. DEVELOPMENT & LEASING COMMITTEE (5-3-06) – Mr. Bill Griffith, Chairman

Item #4 – Request by the following leaseholders for an extension of time to keep their temporary living facilities:

- a. The committee unanimously recommends approval of a six-month extension, until September 15, 2006, for the following leaseholders to continue to use temporary living facilities as their primary residences, subject to provision of additional information at the May 10, 2006 board meeting:

Use trailer as primary residence, per terms of the policy:

- a. Arthur & Vangie Anastopoulo, 901 Largo Dr.

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- b. Charlene Meyer & Glenn Bolton, 1113 Via de Luna
- c. Mike and Sandee Bredesen, 109 Ariola Dr.
- d. LeRoy B. Cardenas, 812 Via de Luna
- e. Ms. Carolyn R. Davis, 1214 Ariola Dr.
- f. Jack & Carol Forest, 1111 Via de Luna
- g. Rob Jackson and Ms. Teena Cobb, 904 Panferio Dr.
- h. Mr. Larry Lowery, 811 Via de Luna
- i. Ms. Linda D. Matthews, 112 Via de Luna
- j. Mr. John Pohlmann, 138 Siguenza Dr.
- k. Laura & Richard Spraggins, 1300 Panferio Dr.
- l. Harold & Caralie Tait, 325 Panferio Dr.
- m. Mr. Herbert Turner, Sr., 311 Ariola Dr.
- n. Ms. Dinah Wells, 811 Maldonado Dr.

- b. The committee recommends denying the requests of the following leaseholders, who have primary residences elsewhere, to continue to use their temporary living facilities on their leaseholds:

Have primary residence elsewhere:

- a. Mr. & Mrs. Robert Armstrong, 809 Rio Vista
- b. Tommy & Sharon Clardy, 1013 Ariola Dr.
- c. Dr. & Mrs. Alex Gup, 915 Rio Vista Dr.
- d. Mr. David Wright, 210 Panferio Dr.

Ms. Mary Bolman said that in addition to the committee's recommendation for a six-month extension for leaseholders using temporary living facilities as their permanent residences, they also be required to sign a hold harmless agreement or lease amendment stating that they will remove the temporary living facility in the event of a disaster or be responsible for damages as a result of the facility being left on the island. A discussion followed.

Upon motion of Mr. Perkins, seconded by Dr. Campanella, the board unanimously approved a six-month extension for leaseholders using trailers as their primary residences, subject to the leaseholders signing a hold harmless agreement of lease amendment indicating they will remove the temporary living facility from Pensacola Beach in the event of a disaster or will be responsible for damages it causes if they do not remove the facility. (5-0)

Ms. Bolman then asked that the board authorize staff to grant extensions up to September 15, 2006 for pending or future requests from leaseholders currently using temporary living facilities as their permanent residences, subject to the same hold harmless agreement or lease amendment, as staff had received at least ten additional requests.

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Upon motion of Mr. Perkins, seconded by Mr. Prather the board unanimously recommended authorizing staff to grant extensions, up to September 15, 2006 for pending and future requests from leaseholders who are now using temporary living facilities as their permanent residences, subject to execution of a hold harmless agreement or amendment to the lease. (5-0)

Additional discussion ensued. Mr. Griffith reviewed the recommendation that leaseholders with temporary living facilities on their leaseholds that are not their primary residences be required to remove the trailers within two weeks. A discussion followed.

Mr. Perkins made a motion to approve staff's recommendation, and Mr. Griffith seconded the motion. The motion failed on a vote of 3-2 with Dr. Campanella and Mr. Martin voting against the motion.

Additional discussion followed.

Upon motion of Mr. Prather, seconded by Mr. Perkins, the board unanimously approved that any temporary living facility that does not meet the criteria of the board policy regarding temporary living facilities be removed within two weeks. (4-1 with Dr. Campanella voting in the negative)

B. ARCHITECTURAL & ENVIRONMENTAL COMMITTEE (5-3-06) – Mr. Thom Blas, Chairman

Item #1 – Mrs. June Guerra – Quietwater Entertainment, d/b/a Jubilee Restaurant & Entertainment Complex – 400 Quietwater Beach Road – Request to make interior and exterior modifications to existing Jubilee's Restaurant:

- a. After-the-fact request to replace the existing awning covers with wood framing & synthetic thatching, and construction of a new wooden awning (on all four sides of existing roof)
- b. Replace the blue metal roof over the waterside deck with a synthetic thatched covering
- c. Construct two walls at the entrance to the gift shop
- d. Replace existing windows on the exterior wall of the existing kitchen area with doors
- e. Replace wash station on the water side of the Jubilee deck with full sized beach showers

(Unanimously recommended for approval by committee. Placed on regular agenda for Mr. Griffith's recusal.)

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Mr. Griffith announced that he was recusing himself from the vote due to his son's interest in Jubilee Restaurant & Entertainment Complex.

Upon motion of Mr. Martin, seconded by Mr. Prather, the board unanimously approved the request by Quietwater Entertainment to make interior and exterior modifications to Jubilee's Restaurant including , a) an after-the-fact request to replace the existing awning covers with wood framing and synthetic thatching and construction of a new wooden awning; b) replacing the blue metal roof over the water side deck with synthetic thatched covering; c) constructing two walls at the entrance to the gift shop; d) replacing the existing windows on the exterior wall of the existing kitchen area with doors; and e) replacing the wash stations on the water side of the deck with full-sized beach showers. (4-0 with Mr. Griffith recusing himself from the vote)

Item #4 – Flounder's Chowder & Ale Restaurant – 800 Quietwater Beach Road – After-the-fact approval for placement of a permanent roof structure over a portion of an existing outdoor dining area on leasehold property (Unanimously recommended for approval by committee. Placed on regular agenda to allow for Mr. Martin's recusal)

Mr. Martin announced that he was recusing himself from the vote due to his interest in Flounder's Chowder and Ale Restaurant.

Upon motion of Dr. Campanella, seconded by Mr. Prather, the board unanimously approved the request by Flounder's Chowder & Ale Restaurant, 800 Quietwater Beach Road, for after-the-fact placement of a permanent roof structure over a portion of an existing outdoor dining area on leasehold property. (4-0 with Mr. Martin recusing himself from the vote)

13. NEW BUSINESS

Item #1 – Flounder's Chowder & Ale House – Request for approval to sublease to Mr. Shawn Comis d/b/a Northwest Florida Parking, LLC, to offer valet parking

Ms. Bolman said that staff recommended approval of the request for a trial period, through December 31, 2006, subject to a daily start time of 6:00 p.m., no cones in the public parking lot, payment of 5% percentage fees, and execution of a hold harmless and indemnification agreement by both the master leaseholder and the subleaseholder, which requires provision of an insurance certificate in the amount of \$1,000,000 naming the Santa Rosa Island Authority as an additional insured. A brief discussion followed during which the board heard comments by Mr. Shawn Comis.

Mr. Martin announced that he was recusing himself from the vote due to his interest in

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Flounder's Chowder & Ale House.

Upon motion of Mr. Prather, seconded by Mr. Perkins, the board unanimously approved the request by Flounder's Chowder & Ale House for approval to sublease to Mr. Shawn Comis d/b/a Northwest Florida Parking, LLC, to offer valet parking for a trial period, through December 31, 2006, subject to a daily start time of 6:00 p.m., no cones in the public parking lot, payment of 5% percentage fees, and execution of a hold harmless and indemnification agreement by both the master leaseholder and the subleaseholder. (4-0 with Mr. Martin recusing himself from the vote)

Item #2 – Report on March Financial Statements and Expenditures

Ms. Nita Omley presented the March Financial Statements and Expenditures, and a brief discussion followed.

Upon motion of Mr. Martin, seconded by Mr. Prather, the board unanimously accepted the report on March Financial Statements and Expenditures. (5-0)

Item #3 – Information report from Bob West, Public Safety Director, regarding implementation of lifeguard pay increase

Mr. Bob West stated that as a matter of clarification and information, the April 5, 2006, action of the board to approve the "Temporary Position" appointment type for students and six-month employees, including all seasonal lifeguards, resulted in a \$1.00 per hour pay increase enabled by the elimination of benefits such as retirement, health insurance, and other benefits that are not needed or used by this class of employees.

Mr. Griffith verified that the board members present were in agreement with the report.

Item #4 – Sun Ray Village Owners' Association d/b/a Clarion Resorts – Request for extension to reconstruction deadlines

Ms. Bolman reviewed the request and said that staff recommended granting an extension of six months, until November 13, 2006, to obtain Authority approval; an extension of one year until May 10, 2007 to obtain a building permit; and an extension of three years, until May 10, 2010, to complete construction, subject to removal of the remaining debris on the leasehold within thirty days of the board's approval. She said the recommended extensions were similar to those recently granted for the former Holiday Inn property. A discussion followed.

Upon motion of Mr. Martin, seconded by Mr. Perkins, the board unanimously approved extending the deadlines for reconstruction for the Sun Ray Village

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Owners' Association to November 13, 2006 to obtain Authority approval; May 10, 2007 to obtain a building permit; and May 10, 2010 to complete construction; subject to removal of the remaining debris on the leasehold within thirty days of board action on the extension. (5-0)

15. REPORTS

A. MANAGER'S REPORT

The Manager's report was published for the information of the board.

B. ATTORNEY'S REPORT

Mr. Mike Stebbins, SRIA legal co-counsel, said that the attorney's report was also included for the board's information.

C. ENGINEER'S REPORT

Mr. Dave Hemphill, SRIA engineering representative, said that his report was also published. He said that, with the exception of the bike path, the Ft. Pickens' portion of the road improvement project should be complete by July 4, and a discussion followed. Mr. Hemphill said the plans for the Public Restrooms and Public Safety Facility should be ready for bid soon. He said reconstruction of the maintenance facilities destroyed by Hurricane Ivan was nearly complete.

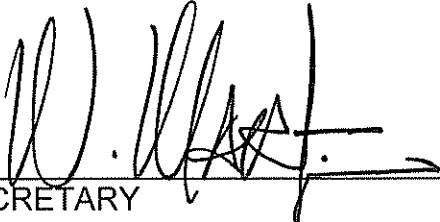
Mr. Hemphill said the state legislature had approved some funding for Little Sabine Bay. He said Panhandle Paving and Grading was doing a great deal of road work on secondary roads, parking lots, a portion of Ft. Pickens parking lot, and Park East parking lot. He said the contractor hoped to be complete by Memorial Day. Upon inquiry by Mr. Griffith, Mr. Hemphill said that staff was trying to assist the Escambia County Utilities Authority with securing a contractor to repair the unpaved portion of Sabine Drive to be repaired by the Escambia County Utilities Authority. A brief discussion followed.

16. VISITORS FORUM

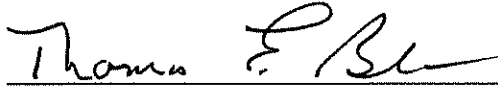
The board heard comments by Ms. Tammy Bohannon.

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There being no further business before the board, the meeting adjourned at 6:10 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.)

RESOLUTION

WHEREAS, the Krewe of Wrecks was instrumental in bringing Mardi Gras to Pensacola Beach, and

WHEREAS, after Hurricanes Ivan and Dennis Pensacola Beach suffered damage to the extent that the 2005 Mardi Gras festivities were cancelled, and

WHEREAS, the Krewe of Wrecks along with the other Pensacola Beach Krewes banded together to obtain funding to bring Mardi Gras back to Pensacola Beach for 2006.

NOW THEREFORE BE IT RESOLVED BY THE SANTA ROSA ISLAND AUTHORITY that the Krewe of Wrecks, Association of Krewes and all Pensacola Beach Krewes be commended for their commitment and perseverance in obtaining funding to return an annual tradition to the island.

BE IT FURTHER RESOLVED that this resolution be made part of the official records of the Santa Rosa Island Authority and that a copy be presented to the Krewe of Wrecks, Association of Krewes, the other Pensacola Beach Krewes and to the media.

Presented this the 10th day of May 2006.

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Thomas E. Blas, Chairman

ATTEST:

W. McGuire Martin, Secretary

RESOLUTION

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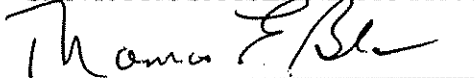
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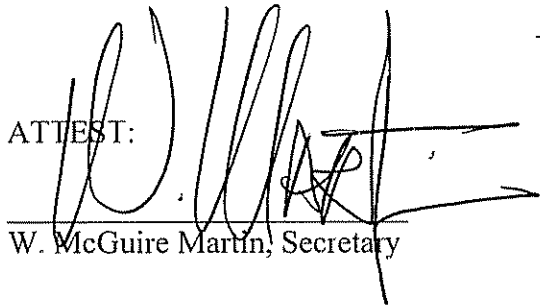
Presented this the 10th day of May 2006.

SANTA ROSA ISLAND AUTHORITY



Thomas E. Blas, Chairman

ATTEST:



W. McGuire Martin, Secretary