



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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REGULAR BOARD MEETING MINUTES
JUNE 14, 2006

1-3. A regularly scheduled meeting of the Authority was held on Wednesday, June 14, 2006, beginning at 5:00 p.m. Members in attendance were: Mr. Thom Blas, Mr. Bill Griffith, Mr. McGuire Martin, Mr. Jimmie Perkins, Dr. Thomas Campanella, and Mr. Vernon Prather. Mr. Blas, Chairman, called the meeting to order and led the Pledge of Allegiance followed by a moment of meditation.

4. **Upon motion of Mr. Griffith, seconded by Mr. Prather, the board unanimously approved the minutes of the regular board meeting of May 10, 2006. (6-0)**

Upon motion of Mr. Griffith, seconded by Mr. Martin, the board unanimously approved the minutes of the special board meeting of May 3, 2006. (6-0)

5-6. ADOPTION OF THE AGENDA

Upon motion of Mr. Griffith, seconded by Mr. Perkins, the agenda was unanimously adopted without changes. (6-0)

7. CHAIRMAN'S COMMENTS

Mr. Blas asked that staff define the parameters of the approval previously issued for the Manager to sign contracts under emergency circumstances. Ms. Mary Bolman noted that staff would bring the clarification to the committee in July.

8. RESOLUTION OF RECOGNITION – REPRESENTATIVE DAVE MURZIN

Mr. Blas presented a resolution of recognition to State Representative Dave Murzin in recognition of his efforts to obtain funding for the clean up of Little Sabine Bay. The board heard comments by Representative Murzin at which time he presented the board with a replica check in the amount of \$1 million representing the pending funding for the clean-up. (Copy of resolution attached hereto and by reference made a part hereof.)

9. PENSACOLA BEACH RESIDENTS & LEASEHOLDERS ASSOCIATION
REPORT

Ms. Bolman noted that there would be no report from the Pensacola Beach Residents & Leaseholders Association due to travel by the officers.

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10. PENSACOLA BEACH CHAMBER OF COMMERCE REPORT

Ms. Sandy Johnston, Manager of the Pensacola Beach Visitor's Information Center (VIC), reported that 1,690 visitors registered at the VIC during May 2006. She reported that the top three states for visitors in May were Alabama, Florida, and Georgia, followed by Louisiana, Tennessee, and Texas. She said the top five countries for international visitors were Canada, England, Germany, Bosnia and Nepal followed by visitors from Columbia, Switzerland, Sweden, Wales, Spain, Russia, Ireland, France, Asia, Argentina, Austria, and Brazil.

Ms. Johnston said the VIC was receiving a great number of positive calls regarding the Blues on the Beach concert series. She said the chamber planned to take an active role in dispensing emergency information via the toll-free number and the web site should the need arise. Ms. Johnston noted that Shelley Johnson was going to include the emergency information in The Island Times.

CONSENT AGENDA

11. COMMITTEE REPORTS

A. DEVELOPMENT & LEASING COMMITTEE (6-7-06) – Mr. Bill Griffith,
Chairman

The committee unanimously recommends approval of the following items:

Item #1 – Mr. Frank Peirce, Senior Trustee, Pensacola Beach Community Church – 916 Panferio Drive – Request for lease use change; conditional use as a place of assembly; and combination of leases for the Pensacola Beach Community Church, subject to approval of the conditional use by the Escambia County Board of Adjustments and the new lease fee being set at \$361, representing \$360.00 for the current residential lot, which cannot be reduced per the terms of the bond documents and \$1.00 for the current church lease

Item #2 – Ms. Cindi Vowell – Candy Bouquet Concession – 18 Via de Luna – Request to continue sublease for construction cantina until completion of the construction at 18 Via de Luna

Item #4 – Ms. Carol F. Bores d/b/a Pensacola Beach Realty, 649 Pensacola Beach Blvd. – Delay of further action on the default process for six months to allow the leaseholder to complete repairs and obtain a certificate of occupancy, subject to investigation into application of the Minimum Annual Lease Fee Policy

The following item was held for the July 5, 2006 committees:

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Item #6 – Sabine Marina Associates, Inc., 715 Pensacola Beach Blvd. – Request for approval to sublease to Chulamar, Inc. to offer charter boat services

B. ARCHITECTURAL & ENVIRONMENTAL COMMITTEE (6-7-06) – Mr. Thom Blas, Chairman

The committee unanimously recommends approval of the following items:

Item #1 – Beach Club Condominium Association – 18 Via de Luna – 4 South El Vedado Villa (Gulf side) – Request for final approval to reconstruct the east and west buildings (36 condo units), replacing structures destroyed by Hurricane Ivan

Item #3 – Pensacola Beach Elementary School – 900 Via de Luna – Request to place a canopy over the school's outdoor eating area

C. ADMINISTRATIVE COMMITTEE (6-7-06) – Mr. Jimmie Perkins, Chairman

The committee unanimously recommends approval of the following items:

Item #1 – Consideration Fee Policy

Budget Workshop, Item #1 – 2007 Budget

The consent agenda was unanimously adopted without objection. (6-0)

REGULAR AGENDA

12. COMMITTEE REPORTS

A. DEVELOPMENT & LEASING COMMITTEE (6-7-06) – Mr. Bill Griffith, Chairman

Item #3 – Mr. Jim Martin on behalf of Crab's We Got 'Em – 6 Casino Beach Boardwalk – Request to sublease to Mr. Shawn Comis d/b/a Northwest Florida Parking to offer valet parking for Crab's 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

Mr. Blas read the request, and Mr. Martin recused himself from the vote due to his business interest in Crab's.

Upon motion of Mr. Griffith, seconded by Mr. Perkins, the board unanimously

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approved the request by Mr. Jim Martin on behalf of Crab's We Got 'Em, 6 Casino Beach Boardwalk, to sublease to Mr. Shawn Comis d/b/a Northwest Florida Parking to offer valet parking for Crab's 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. (5-0 with Mr. Martin recusing himself from the vote)

Item #5 – Mr. Thomas M. Bizzell, Trustee on behalf of Tiki Motel – Delay further action on the default process and set timelines of thirty days to demolish the structure or submit an application for repair, including the 50% Rule Package; six months to obtain a building permit; and eighteen months to complete construction and obtain a Certificate of Occupancy; subject to investigation into application of the Minimum Annual Lease Fee Policy (Unanimously recommended for approval by committee; placed on regular agenda due to request by trust principal)

Ms. Bolman requested that this item be held for the July 5, 2006 committee meetings to allow time for additional input from the leaseholders.

Upon motion of Mr. Griffith, seconded by Mr. Prather, the board unanimously voted to hold item A(5) for the July 5, 2006 committee meetings. (6-0)

The board then heard comments by Mr. Shawn Comis regarding Item A(3) in which he requested an earlier start time of 5:00 p.m. on the weekdays and 10:00 a.m. for Saturday for all of his valet parking operations. A discussion followed during which Ms. Bolman said staff would be amenable to a start time of 5:00 p.m. seven days a week. Mr. Martin said he would recuse himself from the vote due to his businesses interests in Crab's.

Upon motion of Mr. Perkins, seconded by Mr. Prather, the board unanimously approved a start time of 5:00 p.m. for Mr. Shawn Comis to offer valet parking. (5-0 with Mr. Martin recusing himself from the vote)

B. ARCHITECTURAL & ENVIRONMENTAL COMMITTEE (6-7-06) – Mr. Thom Blas, Chairman

Item #2 – Ms. Beverly Boswell – Sandshaker Lounge & Package Store, LLC, sublease to Little Sabine Investments – 731 Pensacola Beach Boulevard – Request to place a self-contained mobile food unit on the Sandshaker property, subject to a one-year time limit, execution of an agreement indicating the applicant will remove the temporary facility in the event of a disaster, and provision of a \$3,000 performance bond. (Unanimously recommended for approval by the committee; placed on regular agenda

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to address parking issues)

Ms. Debbie Norton said staff counted the available on-site parking and found that the Sandshaker was deficient by two spaces considering the given uses; however, the applicant had provided a new site plan, so staff recommended approval of the request subject to verification of the actual number of parking spaces available.

Upon motion of Mr. Martin, seconded by Mr. Griffith, the board unanimously approved the request by Ms. Beverly Boswell, Sandshaker Lounge & Package Store, LLC, sublease to Little Sabine Investments, 731 Pensacola Beach Boulevard, to place a self-contained mobile food unit on the Sandshaker property, subject to a one-year time limit, execution of an agreement indicating the applicant will remove the temporary facility in the event of a disaster, provision of a \$3,000 performance bond, and verification of adequate parking for all uses. (6-0)

Item #4 – Patricia L. Roberts – 1762 Ensenada Tres – Lot 19, Block 5, Santa Rosa Villas – Request for an eight foot front setback variance and a two and one-half foot east side variance to construct a swimming pool in the front yard subject to after-the-fact approval for a four-foot stucco fence, requiring a one-foot variance to the three-foot height limitation for front yard fences, payment of the \$500 after-the-fact fee, and signing a hold harmless agreement (Unanimously recommended for approval by the committee; placed on regular agenda to address the after-the-fact fence construction)

Ms. Norton said the applicant requested that the item be held for the July 5 committee meetings to allow her an opportunity to be present to request waiver of the \$500 after-the-fact fee.

Upon motion of Mr. Griffith, seconded by Mr. Perkins, the board unanimously voted to hold Item B(4) for Patricia Roberts for the July 5, 2006 committees. (6-0)

Item #5 – Changes to the Land Development Code, Article 13 – Limiting enclosures below the base flood (No committee action; held for additional discussion and action.)

Ms. Norton said that she and the Manager met with Mr. Dan Green and recommended that a committee be appointed by the chairman to address the issue of enclosures below the base flood elevation, reporting back to the board in sixty days. A discussion followed.

Upon motion of Mr. Griffith, seconded by Mr. Martin, the board unanimously voted to ask the chairman to appoint Mr. Dan Green as chairman of a committee to address the size of enclosures below the base flood elevation with Mr. Green to recommend four other members to the Chairman and the committee to report at the August 2006 committee meeting. (6-0)

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C. ADMINISTRATIVE COMMITTEE (6-7-06) – Mr. Jimmie Perkins, Chairman

Item #2 – Minimum Annual Lease Fee Policy (Unanimously recommended for approval by committee; placed on regular agenda for full board discussion and action.)

Ms. Bolman reviewed the previous discussions on the policy, stating that the policy was previously approved in concept by the board; the form and content were unanimously recommended for approval by the committee the previous week, and staff recommended approval. A discussion followed during which Ms. Bolman said a suggested revision included delaying application of the policy until the sooner of receipt of a certificate of occupancy with the business open and operating or a set deadline such as two or three years. A discussion followed.

Mr. Perkins made a motion to adopt the policy and Mr. Martin seconded the motion; the motion failed on a vote of 3-3 with Mr. Martin, Dr. Campanella and Mr. Griffith voting against the motion. (3-3)

No further action was taken.

Item #3 – Consideration of Application of Minimum Annual Lease Fee Policy to the following commercial leaseholders:

- a. Coconuts by the Bay
- b. Baywatch Commercial Site
- c. Little Sabine, Inc.

No action was taken on this item due to lack of action on Item C(2) to finalize the Minimum Annual Lease Fee policy.

Item #5 – Proposed Personnel Policy Manual

This item was held for the July 5, 2006 committees.

13. NEW BUSINESS

Item #1 – Mr. Baker Clark on behalf of The Five Flags Inn – 299 Ft. Pickens Road – Request for one year extension of all deadlines for reconstruction

Ms. Bolman said staff recommended approval of a similar timeline to that granted to similar leaseholders, which was six months to submit plans; twelve months to commence construction, and thirty-six months to complete construction. She said staff further recommended that the extension be contingent upon payment of the pending

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consideration fee for the previously approved special exception within thirty days. A discussion followed during which the board heard comments by Mr. Baker Clark.

Upon amended motion of Mr. Prather, seconded by Mr. Perkins, the board unanimously voted to establish a reconstruction timeline for Mr. Baker Clark d/b/a The Five Flags Inn of six months to submit plans, twelve months to commence construction, and thirty-six months to complete construction, subject to payment of the outstanding consideration fee within six months. (6-0)

Item #2 – Mr. Gary Powell on behalf of Pensacola Beach Holdings, Inc. – Quietwater Boardwalk – 400 Quietwater Beach Road – Request for approval of:

- a. Sublease to Mr. Shawn Comis d/b/a Northwest Florida Parking to offer valet parking for Quietwater Boardwalk
- b. To sell beer and wine at the Boardwalk Café

Ms. Bolman said staff recommended approval of the request for valet parking, subject to the same contingencies previously approved for other valet parking operations, a revised start time of 5:00 p.m., and staff approval of all staging locations in the Quietwater Boardwalk parking lot prior to beginning operations.

Upon motion of Mr. Perkins, seconded by Dr. Campanella, the board unanimously approved the request by Mr. Gary Powell, Quietwater Boardwalk, to sublease to Mr. Shawn Comis d/b/a Northwest Florida Parking to offer valet parking for Quietwater Boardwalk subject to a daily start time of 5:00 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. (6-0)

Mr. Martin encouraged the board to remember that valet parking is a stop gap measure due to lack of adequate parking and that Pensacola Beach still needs a parking garage.

Ms. Bolman said staff also recommended approval of the request by Mr. Powell to sell beer and wine at the Boardwalk Café, subject to payment of 2% percentage fees. Mr. Martin said he would recuse himself from the vote due to his business interests in competing restaurants.

Upon motion of Dr. Campanella, seconded by Mr. Griffith, the board unanimously approved the request by Mr. Gary Powell to sell beer and wine at the Boardwalk Café. (5-0 with Mr. Martin recusing himself from the vote)

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Item #3 – Report on Financial Statements and Expenditures

Ms. Nita Omley presented the Report on Financial Statements and Expenditures, stating that staff recommended approval of the report, as presented.

Upon motion of Mr. Griffith, seconded by Mr. Perkins, the board unanimously voted to accept the Report on Financial Statements and Expenditures as presented by staff. (6-0)

Item #4 – Disposition of Vehicles and Equipment

Ms. Bolman said staff recommended approval of the disposition of vehicles and equipment, as presented.

Upon motion of Mr. Griffith, seconded by Mr. Martin, the board unanimously approved the Disposition of Vehicles and Equipment as presented by staff. (6-0)

At this time Mr. Green presented a list of names for the committee to address the size of enclosures below the base flood elevation, and the chairman read the appointees, as follows:

Mr. Dan Green, Chairman
Mr. Rob Wilson
Mr. Jim Mallett
Mr. Phillip Napier
Mr. Scott Holland

Upon motion of Mr. Martin, seconded by Mr. Griffith the board unanimously approved the appointment of the committee as presented by the chairman. (6-0)

Mr. Blas asked that Mr. Green consult with SRIA legal counsel regarding the Sunshine Law requirements for the committee.

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, noted that the Attorney's Report was also published and said that legal counsel was having difficulty obtaining a response from a

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leaseholder in default by the name of Walter Don Bryan and solicited input from those present regarding contacts for Mr. Bryant. A brief discussion followed.

C. ENGINEER'S REPORT

Mr. Dave Hemphill, SRIA engineering representative, said that his report was also published and introduced Mr. Robbie Williams, foreman for Roads, Inc., the contractor for road improvements on Via de Luna. He then distributed and reviewed a schedule for the road project. Mr. Hemphill said the repairs to the toll facility were ongoing, and the repairs to Quietwater Pier were substantially complete. He said the Ft. Pickens restrooms were operational for Memorial Day, using temporary stairs, with final repairs ongoing. Mr. Hemphill said repairs to the Park East restrooms had not yet begun, although some minor work was done; he said the parking lot was operational, but the restrooms were not.

Mr. Hemphill said the maintenance buildings were nearly complete and the Gulf Side Pavilion, Cowley Park, and the picnic shelters were scheduled to be addressed in the fall. He said repairs to the Visitor's Information Center were complete, and the sand nourishment project behind the Authority office was complete. Mr. Hemphill said Seashore Village was complete, and the fund for Little Sabine Bay should become available in July. He said roadway repairs north and south of Via de Luna were ongoing and included sand cleaning by Panhandle Paving and Grading.

16. VISITORS FORUM

No one wished to address the board during Visitor's Forum.

There being no further business before the board, the meeting adjourned at 6:25 p.m.

CHAIRMAN

SECRETARY

(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, Representative Dave Murzin was first elected to the Florida House of Representatives in 2002,

WHEREAS, Representative Murzin prior to his 2002 election to the house acted as Legislative Assistant to House Majority Leader Jerry Maygarden and Legislative Assistant to then State Representative Jeff Miller, and

WHEREAS, Representative Murzin has been instrumental in helping the citizens of Escambia County through the difficult days after Hurricanes Ivan and Dennis, helping to restore Pensacola Beach to the beach's pre-hurricane conditions, and

WHEREAS, Representative Murzin through his leadership on the Health Care Appropriations Committee, Domestic Security Committee, Health Care General Committee, PreK-12 Committee and the Utilities and Telecommunications committee at the Florida House has insured that Escambia County is treated with respect and fairness in all House deliberations, and

WHEREAS, Representative Murzin worked with the Santa Rosa Island Authority through the State's local budget process to obtain funding in the amount of \$1 million for Little Sabine Bay.

NOW, THEREFORE, BE IT RESOLVED BY THE SANTA ROSA ISLAND AUTHORITY that Representative Murzin is commended for his dedication to the residents of Escambia County and particularly Pensacola Beach for his outstanding performance and leadership.

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 Representative Murzin and to the media.

Presented this the 14th day of June. 2006.

Thom E. Blas
Chairman

McGuire Martin
Secretary