

PENSACOLA BEACH
SANTA ROSA ISLAND AUTHORITY

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PENSACOLA BEACH, FLORIDA
REGULAR BOARD MEETING MINUTES
MAY 7, 2008

Board Members:
Thomas A. Campanella
Chairman
John L. Peacock, Jr.
Vice-Chairman
Tammy Bohannon
Secretary/Treasurer
Fred Gant
Vernon L. Prather
Elwyn D. Guernsey
W. A. "Buck" Lee
Executive Director

- 1-3. A regularly scheduled meeting of the Authority was held on Wednesday, May 7, 2008, beginning at 5:09 p.m. Members in attendance were: Dr. Thomas Campanella, Mr. Elwyn Guernsey, Ms. Tammy Bohannon and Mr. Vernon Prather. Mr. John Peacock arrived at 5:47 p.m. Mr. Fred Gant was absent. Dr. Campanella, Chairman, called the meeting to order and led the Pledge of Allegiance followed by a moment of meditation.
4. APPROVAL OF MINUTES – REGULAR BOARD MEETING (4/9/08), SELECTION REVIEW COMMITTEE (4/22/08), SPECIAL BOARD MEETING (4/23/08)

Upon motion of Mr. Vernon Prather, seconded by Mr. Ed Guernsey, the Board unanimously approved the minutes of the Regular Board Meeting (4/9/08). (4-0)

Upon motion of Ms. Tammy Bohannon, seconded by Mr. Vernon Prather, the Board unanimously approved the minutes of the Selection Review Committee Meeting (4/22/08). (4-0)

Upon motion of Mr. Vernon Prather, seconded by Ms. Tammy Bohannon, the Board unanimously approved the minutes of the Special Board Meeting (4/23/08). (4-0)

5. CHANGES OR ADDITIONS TO AGENDA

Mr. Vernon Prather requested Item #3 of the Consent Agenda, Development & Leasing Committee move to the Regular Agenda. Dr. Thomas Campanella requested Item #4 of the Consent Agenda, Development & Leasing Committee move to the Regular Agenda.

6. ADOPTION OF AGENDA

Upon motion of Mr. Vernon Prather, seconded by Ms. Tammy Bohannon, the adoption of the amended Regular Agenda was unanimous. (4-0)

SANTA ROSA ISLAND AUTHORITY
PENSACOLA BEACH, FLORIDA
REGULAR BOARD MEETING MINUTES
MAY 7, 2008

7. CHAIRMAN'S COMMENTS

The Chairman had no comments at this time.

8. PENSACOLA BEACH VISITOR'S INFORMATION CENTER

Ms. Sandy Johnston submitted her monthly report for the review of the Board.

CONSENT AGENDA

9. COMMITTEE REPORTS

A. DEVELOPMENT AND LEASING COMMITTEE, (4-23-08) Ms. Tammy Bohannon, Chairman

The Committee unanimously recommends approval of the following items:

Item #1 – Pensacola Beach Marina – Mr. Jeff Taggart – 655 Pensacola Beach Boulevard – Request to sublease to Mr. Jeff Jankowski – Mad Gaffer Fishing Charters – 6 passenger fishing charters – subject to payment of the appropriate percentage fees and compliance with all applicable rules and regulations.

Item #2 – Mr. Charles F. Faddis – Santa Rosa Villas a/k/a Regency Cabanas – Request to exercise option to renew lease under third amendment to Lease Agreement. The Committee unanimously recommends moving this item to the May 21, 2008 Committee Meeting to allow time for staff and the representative for Santa Rosa Villas a/k/a Regency Cabanas to begin discussion on the time and conditions for the new lease agreement.

Item #3 – Frederick and Tammy Bohannon – Southern Touch – 35 Via de Luna – Request to sublease to Ms. Kim Gibbons – Emerald Coast Rentals – to operate a rental office for beach homes – subject to paying all applicable percentage fees.

This item was moved to the Regular Agenda.

Item # 4 – Little Sabine, Inc. f/k/a Holiday Inn (Proposed Indigo Hotel) – 165 Fort Pickens Road – Request to renegotiate the percentage amount paid for room rentals. The Committee unanimously recommends approval of using a room rental percentage fee of 2.55% on all hotels effective October 1, 2008.

This item was moved to the Regular Agenda.

SANTA ROSA ISLAND AUTHORITY
PENSACOLA BEACH, FLORIDA
REGULAR BOARD MEETING MINUTES
MAY 7, 2008

B. ARCHITECTURAL AND ENVIRONMENTAL COMMITTEE, (4-23-08) Mr. John Peacock, Chairman

The Committee unanimously recommends approval of the following items:

Item # 1 – Glenn & Charlene Bolton – 1113 Via de Luna – Lot 15, Block 25, Villa Segunda – Request to construct a swimming pool with a two (2) foot encroachment into the twenty (20) foot rear yard setback.

Item # 2 – Tim Norton – 101 Sabine Drive – Lot 1, Block “C”, Villa Sabine, (Santa Rosa Sound) – Request to construct a 4’ X 209’ pier with an 8’ X 12’ platform, two additional mooring piles for uncovered boatlift, subject to execution of a pier amendment, letters of no comment from the adjacent leaseholders, obtaining permits from the Florida Department of Environmental Protection (FDEP), Army Corps of Engineers (COE) and Escambia County.

Item #3 – James Elbert – 215 Panferio Drive – Lot 7, Block 4, Villa Primera – Santa Rosa Sound – Request to construct a 4’ X 220’ pier with an 8’ X 12’ terminal platform, subject to execution of a pier amendment, letters of no comment from the adjacent leaseholders, obtaining permits from the Florida Department of Environmental Protection (FDEP), Army Corps of Engineers (COE) and Escambia County.

Item #4 - Discussion on amending Section 13.04.00 Automobile Off-Street Parking Requirements for hotels with large rooms. The Committee unanimously recommended Mr. Matt Mooneyham work with the County on adequate parking for hotels.

C. ADMINISTRATIVE COMMITTEE (4-23-08) – Mr. Elwyn Guernsey, Chairman

The Committee unanimously recommends approval of the following items:

Item # 1 – Report on Financial Statements and Expenditures.

Item # 2 – Discussion on e-mailing Board packets to Board members the Friday prior to meetings. The Committee recommended a trial period of receiving Board agendas through the SRIA website.

SANTA ROSA ISLAND AUTHORITY
PENSACOLA BEACH, FLORIDA
REGULAR BOARD MEETING MINUTES
MAY 7, 2008

Item # 3 – Results of the Selection Review Committee for 2008 Audit Services. The Committee unanimously recommended approval of Carr, Riggs & Ingram, LLC for Audit services for 2008.

Item # 4 – Approval of new computer service with Computer Consulting and Training d/b/a Antler Computer Consulting.

Upon motion of Mr. Vernon Prather, seconded by Mr. Ed Guernsey, the Committee unanimously adopted the Consent Agenda. (4-0)

REGULAR AGENDA

10. COMMITTEE REPORTS

A. SPECIAL PROJECTS COMMITTEE (4-23-08) Mr. Fred Gant, Chairman

Item #1 – RFP (Request for Proposal) for development of the Core Area. (Report by Dave Hemphill)

Mr. Prather inquired where the SRIA will go once the current office is demolished. Mr. Hemphill stated that can be part of the RFP. Ms. Bohannon asked if the time frame could be more generous. She did not feel sixty (60) days was enough time for a developer to come up with a suitable proposal. Mr. Guernsey concurred. Ms. Bohannon asked how Mr. Hemphill might advertise nationally. He responded that he would be placing ads in trade journals and newspapers. Dr. Campanella suggested the entire time frame be pushed back thirty (30) days. It was also suggested that the lease be amended to forty (40) years instead of twenty (20) years. Mr. Prather suggested that the language in the first paragraph include and/or other parcels in the core area. And, that the SRIA should be allowed to accept or reject any proposals. Mr. Hemphill stated that he could amend the current RFP to reflect all of the changes as requested by the Board and present the amended RFP at the May 21, 2008 Committee Meeting.

Upon motion of Mr. Vernon Prather, seconded by Mr. John Peacock, the Board recommended moving this item to the May 21, 2008 Committee meeting with the recommended changes. (4-1) Mr. Vernon Prather, Mr. John Peacock, Mr. Ed Guernsey and Ms. Tammy Bohannon voted in the affirmative, Dr. Thomas Campanella opposed this motion.

11. NEW BUSINESS

SANTA ROSA ISLAND AUTHORITY
PENSACOLA BEACH, FLORIDA
REGULAR BOARD MEETING MINUTES
MAY 7, 2008

Item #1 – PCB Landholdings, LLC, d/b/a Charlie Bananas and Carlito's Pizza – 400 Quietwater Beach Boulevard – Request for an extension to display a grand opening banner. (Staff report by Matt Mooneyham)

Upon motion of Mr. Ed Guernsey, seconded by Mr. Vernon Prather, the Board unanimously recommended approval for the request for an extension to display a grand opening banner through May 12, 2008. (4-0)

Item # 2 – Mr. Mike Pinzone – Pensacola Beach Gulf Pier – The Fish Sandwich – 41 Fort Pickens Road – Request for an extension to display a grand opening banner. (Staff report by Matt Mooneyham)

Upon motion of Mr. Ed Guernsey, seconded by Mr. Vernon Prather, the Board unanimously recommended approval for the request for an extension to display a grand opening banner through May 12, 2008. (4-0)

Item #3 – Native Café – 45-A Via de Luna – Request for a thirty (30) day grand opening banner. (Staff report by Matt Mooneyham)

Mr. Prather announced that he was looking forward to the new businesses and was pleased to give them the opportunity to advertise.

Upon motion of Mr. Ed Guernsey, seconded by Mr. Vernon Prather, the Board unanimously recommended approval for the request for thirty (30) day grand opening banner (May 8, 2008 – June 8, 2008). (4-0)

Item #4 – Azure Development d/b/a Soundside Center – 5 Via de Luna – Request to sublease to Mr. Sean Lambert – Olive Drop Martini Bar & Grill – Units G-1 and G-3 to combine for a restaurant and bar; subject to paying all applicable percentage fees. (Staff report by Executive Director Buck Lee)

Upon motion of Mr. Vernon Prather, seconded by Ms. Tammy Bohannon, the Board unanimously approved the request to sublease to Mr. Sean Lambert – Olive Drop Martini Bar & Grill – Units G-1 and G-3 to combine for a restaurant and bar; subject to paying all applicable percentage fees. (4-0)

DEVELOPMENT AND LEASING COMMITTEE, (4-23-08) Ms. Tammy Bohannon, Chairman

These items were moved from the Consent Agenda.

SANTA ROSA ISLAND AUTHORITY
PENSACOLA BEACH, FLORIDA
REGULAR BOARD MEETING MINUTES
MAY 7, 2008

Item #3 – Frederick and Tammy Bohannon – Southern Touch – 35 Via de Luna – Request to sublease to Ms. Kim Gibbons – Emerald Coast Rentals – to operate a rental office for beach homes – subject to paying all applicable percentage fees. (Staff report by Executive Director Buck Lee)

Ms. Bohannon wished to recuse herself from this item as she is a principal in Emerald Coast Rentals.

Upon motion of Mr. Vernon Prather, seconded by Mr. John Peacock the Board unanimously recommended approval for the request to sublease to Ms. Kim Gibbons – Emerald Coast Rentals – to operate a rental office for beach homes – subject to paying all applicable percentage fees. (4-0)

Item # 4 – Little Sabine, Inc. f/k/a Holiday Inn (Proposed Indigo Hotel) – 165 Fort Pickens Road – Request to renegotiate the percentage amount paid for room rentals. The Committee unanimously recommends approval of using a room rental percentage fee of 2.55% on all hotels effective October 1, 2008. (Staff report by Executive Director Buck Lee)

Mr. Prather would like staff to submit a status report to the Board after a one (1) year trial period of the 2.55% room rental fee.

Upon motion of Mr. Vernon Prather, seconded by Mr. Ed Guernsey, the Board unanimously recommended approval of using a room rental percentage fee of 2.55% on all hotels effective October 1, 2008 provided staff reports to the Board after a one (1) year trial period. (4-0)

12. REPORTS

A. EXECUTIVE DIRECTOR'S REPORT

Mr. Lee submitted his monthly report to the Board. Mr. Lee explained that he met with Mr. Thaddeus Cohen regarding a ferry service from the Palafox Pier to Hemingway's. It could possibly operate as early as July. Mr. Guernsey asked if it was economically feasible to add a stop at Fort Pickens. Mr. Lee responded that it would be feasible if there was a full passenger load. If there were only one or two passengers it would not be practical.

Mr. Lee stated that there is an effort underway to rejuvenate Spring Fest and move it to Pensacola Beach. Although, there is a question as to how to rope off portions of the beach for the purpose of charging entry fees. Mr. Lee presented

SANTA ROSA ISLAND AUTHORITY
PENSACOLA BEACH, FLORIDA
REGULAR BOARD MEETING MINUTES
MAY 7, 2008

the Board with an Events Check List and explained that the information it contained was what one would need to follow to hold an event on the beach.

Mr. Lee was able to speak to Mr. Steve Sorrell and agreed to the appropriate verbiage necessary for the ECUA to provide potable water prices to the SRIA until the reuse facility is completed and operational. This change should save SRIA about \$50,000 per year on water.

Mr. Lee is working with the Escambia County Budget Director and the County Attorney concerning lease fees. They should formalize an inter-local agreement in a few months.

Mr. Lee noted that pets will not be accepted at a hurricane evacuation center without proof of a current rabies vaccination. He suggested that pet's records should be kept handy in case of an emergency situation. One cannot enter a shelter without rabies documentation.

B. ATTORNEY'S REPORT

Mr. Stebbins submitted his monthly report to the Board. Mr. Stebbins had three items to bring to the Board's attention. First, a final decision was made in the Beasley case at the Trial Court level. The appeals Board decided to mandate a final decision which removed the right to appeal. How they reached their conclusion was not disclosed. Mr. Stebbins recommended the Board make a motion to approve the payment amount of \$100,000.

Upon motion of Dr. Thomas Campanella, seconded by Ms. Tammy Bohannon the Board unanimously approved the payment of \$100,000 for the Beasley lawsuit from the Contingency Budget. (4-0)

Next, Mr. Stebbins updated the Board on the Cox case and the various deadlines that will be imposed. At the end of August there will be a hearing to dismiss the case. Mr. Stebbins reminded the Board that the plaintiff's also sued the Holiday Inn, and that case was dismissed. Mr. Stebbins stated he will probably request a special meeting to update the Board. Ms. Bohannon asked how a family can sue for a drowning. Mr. Stebbins explained that Mr. Beasley's death occurred at a recognized swimming area. Mr. Cox was not at a designated swimming beach. There was no parking lot, no signage present and there were no licensed vendors present.

SANTA ROSA ISLAND AUTHORITY
PENSACOLA BEACH, FLORIDA
REGULAR BOARD MEETING MINUTES
MAY 7, 2008

Finally, Mr. Stebbins prepared the Board for a new administrative claim for a bicycle accident near Casino Beach. Mr. Stebbins asked Gulf Power to indemnify the SRIA.

Dr. Campanella asked Mr. Stebbins if there were any regulatory laws in effect regarding decibel meters or sound measuring equipment. Mr. Stebbins used the example of traffic radars. He stated that traffic radars must be certified for accuracy and calibration. The burden then falls on the person committing the traffic violation. He could not find standardization for accuracy or calibration equipment regarding decibel meters or sound measuring equipment. Mr. Prather stated that he had received several e-mails from Mr. Jeff Marker regarding the noise at Bamboo Willie's and Capt'n Fun. He suggested the Board should issue a time limit. Mr. Peacock concurred. Mr. Lee stated that he spoke with local businesses to conclude what time they closed.

The Board requested staff make a recommendation for time limits for the noise issue to be presented at the May 21, 2008 Committee Meeting.

C. ENGINEER'S REPORT

Mr. Hemphill submitted his monthly report to the Board. Mr. Hemphill stated that it currently takes eleven (11) months to turn the Sabine water. With the new pump it will take thirty (30) days to turn the water. Mr. Prather asked if the SRIA will own the pump upon completion and will the SRIA be responsible for maintenance and upkeep. Mr. Hemphill answered in the affirmative. Mr. Prather asked how much it would cost the SRIA for energy bills. Mr. Hemphill said he would get that number to Mr. Lee. Mr. Lee stated that we received \$1 million from the state of Florida. He asked Mr. Hemphill if this would be enough to cover the cost of this project. Mr. Hemphill said he thought the project would be very close to \$1 million. Mr. Lee stated that the SRIA received \$375,000 for dredging and that these monies could only be used if permission was received from West Florida Water Management. Mr. Lee stated that almost \$18,000 had already been spent on dredging and he did not authorize the expenditure of those funds.

13. VISITOR'S FORUM

Mr. Jim Cox of 229 Sabine Drive addressed the Board. He stated that he feels the County is looking forward to granting fee simple title and taxing the land. He feels this will lead to the dissolution of the SRIA. Mr. Cox expressed his concern that the SRIA may no longer be around to protect the public land, and the County may turn that public land to private land. Mr. Cox would like the Board to work

SANTA ROSA ISLAND AUTHORITY
PENSACOLA BEACH, FLORIDA
REGULAR BOARD MEETING MINUTES
MAY 7, 2008

with the County to protect the public land in perpetuity. Perhaps, discussion could include only transferring fee simple title to land that holds an existing lease. Mr. Peacock thought this was a great idea. Dr. Campanella stated that he had already spoken to Jeff Miller about these issues. Mr. Prather suggested that a resolution be drafted stating the desires of the Board.

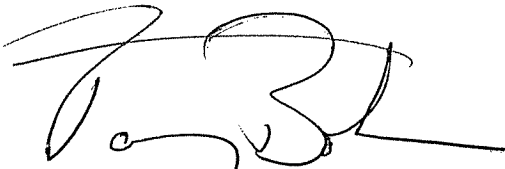
Upon motion of Mr. John Peacock, seconded by Mr. Vernon Prather the Board unanimously requested a resolution be drafted by staff and legal counsel stating the Board's desire to preserve public land and only grant fee simple title to pre-existing leases. (5-0)

14. BOARD MEMBER'S FORUM


Mr. Guernsey stated that the SRIA had great employees and he was impressed with the quality of their work. He feels the Board needs to make sure the staff's compensation packages are fair. He expressed the importance of a compensation study. Mr. Peacock asked if there are areas where SRIA staff is duplicating Escambia County. If there are duplications those monies could be used for other staff members. Dr. Campanella added that we should be exemplary to Escambia County and how well we run.

Upon motion of Mr. Ed Guernsey, seconded by Mr. Vernon Prather the Board unanimously recommended staff acquire a recommendation for a compensatory study to be presented at the May 21, 2008 Committee Meeting. (4-0)

There being no further business before the Board, the meeting was adjourned at 7:11 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.)