

PENSACOLA BEACH
SANTA ROSA ISLAND AUTHORITY

Board Members:

Elwyn Guernsey
Chairman

Dave Pavlock
Vice-Chairman

Vernon Prather
Secretary/Treasurer

Thomas Campanella
Acting Secretary/Treasurer

Fred Gant
Tammy Bohannon

W. A. "Buck" Lee
Executive Director

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1-3. A regularly scheduled meeting of the Santa Rosa Island Authority was held on Wednesday April 13, 2011, beginning at 5:05 p.m. Members in attendance were: Mr. Dave Pavlock, Mr. Vernon Prather, Dr. Thomas Campanella, Mr. Fred Gant and Mr. Ed Guernsey, Chairman. Ms. Tammy Bohannon arrived at 5:20 p.m., Mr. Guernsey, 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 – (03/09/2011))

Upon motion of Mr. Dave Pavlock seconded by Mr. Vernon Prather, the Board approved the minutes of the Regular Board Meeting (03/09/2011). (5-0)

5. CHANGES OR ADDITIONS TO AGENDA

Consent agenda item #A – 4(AEC) was moved to Regular Agenda - Old Business # 4.

6. ADOPTION OF AGENDA

Upon motion Mr. Vernon Prather, seconded by Mr. Fred Gant, the Board unanimously recommended adoption of the Agenda as amended. (5-0)

7. CHAIRMANS COMMENTS

Mr. Guernsey stated that he had given Mr. Lee his annual employment evaluation and wished to express his appreciation for the great job Mr. Lee has done particularly in managing the assets of the Authority during a time when government agencies are facing so many challenges; He also wanted to recognize the extra hours that Mr. Lee puts in especially during the BP crisis this year. Mr. Guernsey asked that the Board consider a onetime bonus of 10% in light of the strong financial leadership and for past service for Mr. Lee.

All members agreed with Mr. Lee's evaluation.

Upon motion Mr. Dave Pavlock, seconded by Dr. Thomas Campanella, the

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Board unanimously recommended approval of a onetime bonus of 10% of his salary for Mr. Lee, effective immediately. (5-0)

8. PENSACOLA BEACH VISITOR'S INFORMATION CENTER

Ms. Jayne Bell submitted the report in Ms. Maureen Lamar's absence and stated that we had a great March and the vehicle counts were up 49,000 from last March.

CONSENT AGENDA

9. COMMITTEE REPORTS

A. ARCHITECTURAL & ENVIRONMENTAL COMMITTEE, (3-23-2011)MR. VERNON PRATHER CHAIRMAN, MR. DAVE PAVLOCK AND MS. TAMMY BOHANNON MEMBERS

Item # 1 – Innisfree Hotels – d/b/a Holiday Inn Resort (14 Via de Luna) and Hilton Hotel (12 Via de Luna) – Request for public improvement – construction of a public dune walkover between Holiday Inn Resort and Hilton Hotel on public property. (Referred from the March 9, 2011 Regular Board meeting) (Staff report by Paolo Ghio)

The Committee unanimously approves holding this item in Committee.

Item # 2– Little Sabine, Inc. – 165 Fort Pickens Road – adjacent to Little Sabine Bay – Request to construct an elevated boardwalk (173' x 6') with a platform (14' x 16') to provide access from Margaritaville Beach Hotel parking area on the north side of Ft. Pickens Rd. to Little Sabine Bay. (Staff report by Paolo Ghio)

The Committee unanimously approves staff's recommendation.

Item # 3 – Mr. Greg Pupchek – 262 Sabine Drive, Lot 57, Block "B", Villa Sabine – adjacent to Little Sabine Bay – Request to install an uncovered cradle style boatlift with 8 additional mooring pilings adjacent to an existing residential pier. (Staff report by Paolo Ghio)

The Committee unanimously approves staff's recommendation.

Item # 4 – Robin Noble – 1115 Via de Luna – Lot 16, Block 25, Villa Segunda – Request to construct an in-ground swimming pool with a 7 foot encroachment into the 20 foot rear yard setback and 12 foot encroachment into the 25 foot west side yard setback. (Staff report by Paolo Ghio)

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This item was moved to the Regular Agenda at the request of staff.

Item # 5 – Crabs We Got EM – 6 Casino Beach Boulevard – Request to attached LED “red” border lighting on the north and west side of the roof line. (Staff report by Paolo Ghio)

The Committee unanimously approves staff’s recommendation; subject to a non – flashing adornment and a three (3) year review from the date of installment (2014).

B. DEVELOPMENT & LEASING COMMITTEE, MR. DAVE PAVLOCK, CHAIRMAN, MR. VERNON PRATHER AND MR. ED GUERNSEY, MEMBERS

Item # 1 – Little Sabine, Inc. d/b/a Margaritaville – 165 Ft. Pickens Rd. – Request to sublease to Ms. Cindi Bear Bonner – Fitness Onboard – to operate paddle board fitness classes and rentals adjacent to Little Sabine Bay. (Staff report by Jayne Bell)

The Committee unanimously approves staff’s recommendation subject to Escambia County DRC approval for Little Sabine, Inc. d/b/a Margaritaville for their Boardwalk on the north side of Ft. Pickens Rd.

C. ADMINISTRATIVE COMMITTEE,(3-23-2011) CHAIRMAN, DR. THOMAS CAMPANELLA AND MR. ED GUERNSEY AND MR. VERNON PRATHER, MEMBERS

Item # 1 – Report on Financial Statements and Expenditures. (Staff report by Dottie Ford)

The Committee unanimously recommends acceptance of the Financial Statements and Expenditures as presented.

Item # 2 – Request for renewal of the economic incentive to Commercial Leaseholders. (Staff report by Dottie Ford)

The Committee unanimously approvals staff’s recommendation.

Item # 3 – Request for funding for a commemorative marker for the late Mr. Yancy Spencer. (Staff report by Executive Director Buck Lee)

The Committee unanimously approval in concept of the commemorative statue of the late Yancy Spencer and permission of the proposed sight at Casino Beach.

Item # 4 – Mr. Rob Babcock – Premier Island Management Group – 10 Portofino Dr.

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– Request to place a volley ball court on the beach (Gulf Side). (Staff report by Paolo Ghio)

The Committee unanimously approves staff's recommendation.

D. SPECIAL PROJECTS COMMITTEE, (3-23-2011) TAMMY BOHANNON,
CHAIRMAN, FRED GANT AND THOMAS CAMPANELLA, MEMBERS

Item # 1 – Mr. Vernon Prather – Update on Concert Feasibility Sub – Committee.

No action taken.

Item # 2 - Mr. Dave Pavlock – Report from 3/22/2011 Trolley Sub – Committee Meeting.

The Committee unanimously recommended 11:00 a.m. to 11:00 p.m. for the hours of operation for the trolleys.

Item # 3 – Mr. Thomas M. Bizzell, Trustee, Holiday Holding Trust II and Gulfside Resorts, Inc., d/b/a Holiday Townhouses - 15 Via De Luna and Holiday Holding Trust II d/b/a Tiki House, Inc. 17 Via de Luna (Santa Rosa Sound) – Request for approval to incorporate Pindo Palm Trees on leasehold property as additional landscaping for the Recreational Vehicle Park. (Staff report by Jayne Bell)

The Committee gave conceptual approval of the request; subject to sign off from the Palm Tree Sub – Committee.

E. OPERATIONS COMMITTEE, FRED GANT, CHAIRMAN, THOMAS CAMPANELLA
AND DAVE PAVLOCK, MEMBERS

Item # 1- Report by Baskerville Donovan, Inc. – Regarding Casino Beach Electrical Power Upgrade.

No action taken.

Upon motion of Mr. Vernon Prather seconded by Dr. Thomas Campanella, the Board unanimously recommends approval of the Consent Agenda as amended. (5-0)

REGULAR AGENDA

10. COMMITTEE REPORTS

A. DEVELOPMENT & LEASING COMMITTEE, (3-23-2011) MR. DAVE PAVLOCK,

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CHAIRMAN, MR. VERNON PRATHER AND MR. ED GUERNSEY, MEMBERS

Item # 1– Ms. Tiffany D’Alemberte – Estate of Terence D’Alemberte d/b/a Tiffany’s on the Beach - # 3 Casino Beach Road - Request for approval of a Restated and Amended Lease Agreement, Mortgage and Security Agreement and Rider to Mortgage and Security Agreement for the above mentioned commercial property. (Referred from the March 23, 2011 Committee Meeting)(Staff report by Mike Stebbins)

Mr. Stebbins gave background on the item and stated that he had reviewed the documents and recommended approval.

Upon motion of Mr. Vernon Prather seconded by Mr. Dave Pavlock, the Board unanimously recommended approval of the request by Ms. Tiffany D’Alemberte – Estate of Terence D’Alemberte d/b/a Tiffany’s on the Beach - # 3 Casino Beach Road for a Restated and Amended Lease Agreement, Mortgage and Security Agreement and Rider to Mortgage and Security Agreement for the above mentioned commercial property, contingent upon the lessee curing her default on the commercial site the same day as closing.(5-0)

B. SPECIAL PROJECTS COMMITTEE, (3-23-2011)MR. VERNON PRATHER SERVED AS CHAIRMAN IN MS. TAMMY BOHANNON’S ABSENCE, FRED GANT AND THOMAS CAMPANELLA, MEMBERS

Item # 1 – Mr. Dave Pavlock – Report from March 31, 2011 Trolley Sub – Committee Meeting.

Mr. Pavlock gave background on the item and referred to Mr. Paolo Ghio for additional discussion about the Trolley Tracking System.

Mr. Ghio stated that 2 out of 3 vendors responded with final quote for the Trolley Tracking System.

Mr. Lee stated that Nextbus came in the lowest at \$25,306.00 and Wirehead Labs came in at \$26,400.00; Nextbus was lowest for the 3rd, 4th and 5th year also.

Mr. Pavlock stated that there is about \$250,000.00 budgeted for trolley operations and the initial cost estimate is about \$315,000.00 so one area that may can be delayed is the four (4) stations. The trolleys will run 7 days a week from 11:00 a.m. to 11:00 p.m.

Mr. Lee stated that he had emailed Commissioner Grover Robinson last week and asked about the local option sales tax (LOST) for the trolley budget. Commissioner Robinson asked how much money we needed and was told about \$60,000.00.

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Mr. Lee stepped out of the room at that time and called Commissioner Robinson and was told he would get the additional \$60,000.00 from LOST for the trolley stations. Mr. Pavlock stated that due to the escalating cost of fuel and other items, including the four (4) shelters, staff increased the request to Escambia County for the budget amendment from \$100,000.00 to \$150,000.00.

Additional discussion followed.

Upon motion of Mr. Dave Pavlock seconded by Mr. Vernon Prather, the Board recommended approval of the \$250,000.00 budget for the trolleys for this year (May to August time frame). (5-1) Dr. Campanella voted in the negative.

Upon motion of Mr. Dave Pavlock seconded by Mr. Fred Gant, the Board recommended approval for staff to enter negotiations and prepare a contract with Nextbus for the trolley racking system and authorize the Executive Director to sign the contract for a five (5) year period. (5-1)Dr. Campanella voted in the negative.

11. OLD BUSINESS

Item # 1 - Request approval of the First Amendment to Development Lease Agreement and the Second Interim Agreement between the SRIA and Gary Work as Trustee of the Pensacola Beach Land Trust d/b/a Portofino.(Staff report by Mike Stebbins)

Mr. Stebbins gave background on the item and stated that he had reviewed the documents and recommended approval of the documents as presented.

Upon motion of Mr. Dave Pavlock seconded by Dr. Thomas Campanella, for discussion.

Dr. Campanella asked Mr. Stebbins what had changed in the document from the previous approval.

Mr. Stebbins stated that the only change was there being no numerical number of trees and that either party (SRIA or Portofino) have the discretion to reject any proposal.

Upon motion of Mr. Dave Pavlock seconded by Dr. Thomas Campanella, Board unanimously recommended approval of the First Amendment to Development Lease Agreement and the Second Interim Agreement between the SRIA and Gary Work as Trustee of the Pensacola Beach Land Trust d/b/a Portofino as presented.(6-0)

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Item # 2 – Gulf Coast Community Bank – Regarding the Pensacola Beach Marina, LLC default – Request consideration to refund late fees and interest paid.(Staff report by Dottie Ford)

Ms. Ford gave background on the item.

Ms. Bohannon wished to recuse herself from voting on this item because she owns bank stock in Gulf Coast Community Bank.

Mr. Lee wished to disclose he has friends who work for Gulf Coast Community Bank.

Mr. Guernsey wished to disclose that he has clients that own stock in Gulf Coast Community Bank.

Mr. Prather stated that the Bank paid the total amount due and made the account whole before requesting the refund carried a lot of weight in his mind.

Additional discussion followed.

Upon motion of Mr. Vernon Prather seconded by Mr. Dave Pavlock, the Board recommended approval of the request by Gulf Coast Community Bank to refund late fees and interest paid regarding the Pensacola Beach Marina, LLC default. (\$11,144.56)(5-0)

Item # 3 – Mr. Patrick Bruha – update on Osprey nest.

No Action taken

Item # 4 – Robin Noble – 1115 Via de Luna – Lot 16, Block 25, Villa Segunda – Request to construct an in-ground swimming pool with a 7 foot encroachment into the 20 foot rear yard setback and 12 foot encroachment into the 25 foot west side yard setback. (Moved from the Consent Agenda - AEC) (Staff report by Paolo Ghio)

Mr. Ghio gave background and explained that the purpose of the amended recommendation on the item was to correct a miscalculation of the encroachment in to the setbacks; which is actually less than originally estimated. He stated that staff recommended approval of the request to construct and in-ground pool with a 12 foot encroachment into the 25 foot east side yard setback, subject to meeting all applicable codes and regulations.

Upon motion of Dr. Thomas Campanella seconded by Mr. Vernon Prather, the Board unanimously recommends approval of staff's recommendation as amended. (6-0)

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12. NEW BUSINESS

This item was added per Mr. Guernsey.

Item # 1 – Request by Mr. Rich Chism – Surf and Sand Development, LLC d/b/a Soundside Center – 5 Via De Luna – For approval of a jet ski rental business.(Staff report by Bob West)

Mr. West gave background on this item and stated that he had very serious safety concerns because of the rock revetment, the submerged rock and this is a heavily congested area. He expressed these concerns to Mr. Chism and has been assured that they will keep everything east of the rock revetment and will adhere to the strict rules and guidelines provided by staff.

Dr. Campanella stated that he was concerned that this item did not go through Committee and was aware of other businesses that were not approved for the same request.

Dr. Thomas Campanella made a motion to have this item brought back through Committee that died for lack of a second.

Mr. Prather stated that there is nothing in writing that limits the number of jet skis.

Mr. Gant asked Mr. West if he was confident this is a doable project and how can this be monitored.

Mr. West stated he is not completely comfortable with it and the best he can do is make every effort to de conflict them. A herd boat will be in the water and will allow operators to power up the jet skis and monitor them to make sure they do not encroach to the west of the imaginary line as established.

SPEAKERS:

Mr. Rich Chism
Mr. Matt Spicer
Mr. Michael Johnson
Mr. Roger Bevins
Mr. John Ehenreich
Mr. Kirk Newkirk
Mr. Chic Demerau
Mr. Julian MacQueen

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Mr. Chism thanked the Board for allowing him to speak on this item tonight. He felt he had addressed Mr. West's concerns.

Mr. Johnson and Mr. Spicer each explained the operational and safety procedures of the proposed business.

Mr. Bevins, Mr. Ehenreich and Mr. Newkirk, all objected to the request and stated as the long term jet ski rental business owners on Pensacola Beach they had safety concerns regarding the number of jet skis in the water, both their rentals and personal owners and had agreed amongst themselves in previous years to limit the number that they would each have. The congestion and the speed of the jet skis make it dangerous and difficult to control. Mr. Newkirk asked the Board to allow this request to go through the Committee process.

Mr. MacQueen encouraged the Board to consider the tourists and providing additional entertainment for them.

Upon motion of Mr. Dave Pavlock seconded by Mr. Vernon Prather, to grant Innisfree approval immediately for non – motorized vessels and bring the motorized vessels back to Committee for additional information. (3-3) Motion fails with Mr. Guernsey, Ms. Bohannon and Mr. Gant voting in the negative.

Mr. Prather left the meeting at this time and returned at approximately 7:00 p.m.

Mr. Chism stated that they would be willing to reduce the number of jet skis to 6 with a three (3) year term for re-evaluation.

Additional discussion followed.

Upon motion of Mr. Fred Gant seconded by Mr. Ed Guernsey, the Board recommended approval of the request by Mr. Rich Chism – Surf and Sand Development, LLC d/b/a Soundside Center – 5 Via De Luna – For approval of a jet ski rental business (with a sublease application provided) subject to obtaining all applicable permits, (FDEP/COE to remove rock) paying all applicable percentages, agreeing to keep all water craft east of the imaginary line between the no wake sign/pole and the white marker, and providing the SRIA with certificate of liability insurance for a two(2) year term. (5-1) Dr. Campanella voted in the negative.

Upon motion of Mr. Vernon Prather and seconded by Mr. Ed Guernsey, amending the motion to include approval for six (6) jet skis and a three (3) year term subject to staff approval/sign off of a safety/operation plan. (5-1) Dr. Campanella voted in the negative.

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Item # 2 – Request approval of flyer regarding the new days and hours of operation for the trolleys prior to distribution. (Staff report by Jayne Bell)

Upon motion of Mr. Dave Pavlock seconded by Mr. Vernon Prather, the Board recommended approval of flyer regarding the new days and hours of operation for the trolleys prior to distribution, pending any revisions by the Trolley Sub – Committee. (5-0) Dr. Campanella left the meeting.

Mr. Guernsey asked Mr. Julian MacQueen to speak about the Boardwalk and walkover between the Holiday Inn Resort and the Hilton Hotel at this time.

Mr. MacQueen stated his concerns regarding the cost of the walk over and offered his assistance to help the SRIA.

Mr. Guernsey suggested Mr. MacQueen and Mr. Lee meet to discuss the matter.

Mr. Lee stated the dune walk over would be on the upcoming SRIA Committee agenda and asked if the Board would like to take a vote to hold off on the survey of the sidewalk and allow the permitting to move forward.

Upon motion of Mr. Dave Pavlock seconded by Ms. Tammy Bohannon, the Board recommended approval for staff to move forward with the permitting of a 6 ft walk over with existing sidewalk between the Holiday Inn Resort and the Hilton Hotel, and rescinding the Board's previous action to survey the sidewalk. (5-0) Dr. Campanella had stepped out of the room.

13. REPORTS

A. EXECUTIVE DIRECTOR'S REPORT

Mr. Lee submitted his monthly report for the review of the Board. In addition to his report Mr. Lee asked the Board to vote to allow the Authority to provide the Pensacola Beach Chamber funding in the amount of \$7,000.00 for a fireworks display on July 1st and 2nd, pending the proposed site for a live Florida Lottery drawing coming to fruition.

Upon motion of Mr. Vernon Prather seconded by Ms. Tammy Bohannon, the Board recommended approval for the Authority to provide the Pensacola Beach Chamber funding in the amount of \$7,000.00 for a fireworks display on July 1st and 2nd, pending the proposed site for a live Florida Lottery drawing coming to fruition. (5-0)

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B. ATTORNEY'S REPORT

Mr. Stebbins submitted his monthly report for the review of the Board.

C. ENGINEER'S REPORT

Mr. Langston submitted his monthly report for the review of the Board. He also wished to inform the Board that BDI had met with consultants about the Toll Plaza regarding long and short term solutions to the problems there.

14. VISITORS FORUM

SPEAKER:

Mr. Jim Cox wished to give an update on the fee simple title issue and asked the Board members to share the information provided with their Commissioners.

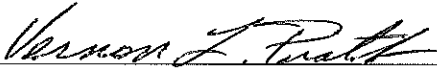
15. BOARD MEMBERS FORUM

Mr. Gant wished to review the Steering Committee meeting with the members. He stated that the discussion included less expensive open air trolleys, TDC funds and working on contest for a theme for the beach.

Mr. Guernsey wished to discuss reclaimed water.

16. ADJOURN

There being no further business to come before the Board, Chairman Guernsey declared the Regular Board Meeting of the SRIA Board adjourned at 8:00 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.)