MOTIONS PASSED AT THE COMBINED BOARD MEETING MARCH 8, 2016

1. Combined Approved the Combined Board Meeting minutes from February 9, 2016 Walsingham/Patronis #00:02:26

2. Combined Approved the Consent Agenda, Item A, CVB/TDC financial statements dated January 31, 2016; and Item B, Application and Certification for Payment dated February 25, 2016 for Frank Brown Park renovations in the amount of $986,833.25 Wilkes/Patronis #00:19:28

3. CVB Accepted the FY 2015 audit of the Panama City Beach Convention and Visitors Bureau as presented Walsingham/Phillips #00:28:42

4. TDC Approved the purchase of 200 trash corrals in the total amount of $64,940.00 Phillips/Patronis #01:03:41

5. TDC Approved to recommend to the Bay County Board of County Commissioners to allocate the amount of $300,000.00 designated for a lifeguard program at the City Pier, the County Pier, and Rick Seltzer Park for 2016, and to forward the recommendation to the Board of Bay County Commissioners Oberst/Chapman #01:32:54

6. TDC Approved the 2016 Sea Turtle Survey Contract as presented, and to forward to the Bay County Board of County Commissioners for approval and execution Phillips/Walsingham #01:37:34

7. TDC Accepted and recognized excess tourist development tax collections, and to amend the TDC budget as presented by Mr. Rowe, pending the concurrence of the Bay County Board of County Commissioners Walsingham/Wilkes #01:42:29

8. CVB Approved to recognize and set aside the amount of $2,720,473.00 in Department 69, Tourism Development Reserve account Phillips/Patronis #01:48:374

9. CVB Accepted the engagement letter with Mr. Mark Mustian with Nabors, Giblin & Nickerson as presented Phillips/Patronis #01:57:45

10. Combined Accepted the Reimbursement Resolution as presented, and to forward to the Bay County Board of County Commissioners for approval and execution Walsingham/Patronis #02:01:21

11. CVB Approved retaining the firm of Carlton Fields for the scope discussed, and authorized Mr. Rowe to execute the engagement letter #02:13:51

COMBINED BOARD MEETING
Bay County Tourist Development Council
Panama City Beach Convention & Visitors Bureau, Inc.
Panama City Beach

Tuesday, March 8, 2016 | 9:00 a.m. | Council Room, PCB City Hall

Board Members Present:	Philip Griffitts, Jr., Chairman	Yonnie Patronis
	Andy Phillips, Vice Chairman	Rick Russell
	David Chapman	Gary Walsingham
	Gayle Oberst	Buddy Wilkes
Board Members Absent:	Mike Thomas	

Staff Present: Dan Rowe, J. Michael Brown, Tracy Rudhall, Barrie Ainslie, Dara Adams, Anne Williams, Lynsey Beasley, David Demarest, Michaelean Dyer, Richard Sanders, Chris O'Brien, Patrick Stewart, Doug Sale, Legal Counsel.

Others Present: Julie Gordon, John Henderson, Daniel Harmon, Brian Storm, Charlene Honnen, Mike Sharp, Mark Sheldon, Mike Kerrigan, Bryan Durta, Rich Moreira, John Reichard, Mike Greer, Kristin Ordonez, Luke Oppliger, Joe Kennedy, Mario Gisbert, John Dunaway, Sam Tuno, Jack Bishop, Clant Seay, Diane Dupont, Angela Smith, Christy Johnson, Jean Phillips.

I. CALL MEETING TO ORDER

Chairman Philip Griffitts, Jr. called the meeting to order at 9:00 a.m.

II. ROLL CALL

There were eight members present, and one member absent.

A. Invocation

Mr. Wilkes gave the Invocation.

B. Pledge of Allegiance

Mr. Phillips led the Pledge of Allegiance.

C. Approve Minutes from February 9, 2016

Mr. Walsingham moved, seconded by Mr. Patronis, to approve the Combined Board Meeting minutes from February 9, 2016. Motion passed by the following unanimous vote:

Mr. Walsingham	***Yes***	***Mr. Phillips***	***Yes***
Mr. Patronis	***Yes***	***Mr. Russell***	***Yes***
Mr. Chapman	***Yes***	***Mr. Wilkes***	***Yes***
Mrs. Oberst	***Yes***	***Mr. Griffitts***	***Yes***

III. REQUESTS TO ADDRESS THE BOARD ON AGENDA ITEMS (3 Minutes)

None.

IV. UPDATE ON TOURIST DEVELOPMENT TAX COLLECTIONS, Ms. Charlene Honnen, Tourist Development Tax Specialist

Ms. Charlene Honnen, tourist development tax specialist, reported that January 2016 collections were up 6.58% over 2015 collections for Panama City Beach and up 10.81% year-to-date. Panama City showed an increase of 23.92% over 2015 and is up 4.81% over 2015 year-to-date. Mexico Beach showed an increase of 25.96% over 2015 collections, and is up 24.49% year-to-date. She reviewed the schedule of allocation for the month ending December 2015. Ms. Honnen then reviewed the 3-year comparison reports for January based on the percentage of gross rental receipts for Panama City Beach. She reviewed the seasonal gross receipts for a 3-year period, and year-to-date monthly gross receipts comparison for a 3 year period. She then reviewed the reporting units and revenues. There was discussion regarding compliance and enforcement activities. There was Board discussion concerning receiving additional statistics regarding rates, occupancy and visitor demand. Mr. Rowe stated that Young Strategies is able to estimate these numbers by combining information from visitor surveys with data from the tax office.

V. CONSENT AGENDA

A. FINANCIAL STATEMENTS – Approve CVB/TDC Financial Statements Dated January 31, 2016
B. SPORTS FACILITIES – Approve Application and Certification for Payment Dated February 25, 2016, Frank Brown Park Renovations

Mr. Rowe read the Consent Agenda into the record.

Mr. Wilkes moved, seconded by Mr. Patronis, that the Board approves the Consent Agenda, Item A, CVB/TDC financial statements dated January 31, 2016; and Item B, Application and Certification for Payment dated February 25, 2016 for Frank Brown Park renovations in the amount of eight hundred ninety-six thousand eight hundred thirty-three dollars and twenty-five cents ($986,833.25). Motion passed by the following unanimous vote:

Mr. Wilkes	***Yes***	***Mr. Phillips***	***Yes***
Mr. Patronis	***Yes***	***Mr. Russell***	***Yes***
Mr. Chapman	***Yes***	***Mr. Walsingham***	***Yes***
Mrs. Oberst	***Yes***	***Mr. Griffitts***	***Yes***

VI. PRESENTATIONS

A. FY 2015 Audit, Mr. Rich Moreira, Carr, Riggs & Ingram

Mr. Rich Moreira, Carr, Riggs & Ingram, presented the FY 2015 audit of the Panama City Beach Convention and Visitors Bureau. Mr. Moreira stated that the CVB was provided a clean unqualified opinion which means the financial statements were free of any material misstatements. Mr. Moreira continued review of the audit and pointed out there is a new line item in the "Assets" section which is the land and construction in progress (purchase of the sports park land and costs that are being accumulated for the construction of that project). He then reviewed the income statement and expenses. Mr. Moreira stated that one material weakness was identified, which caused the auditor to make one significant adjustment. Mr. Rowe stated that the CVB requested funds for the purchase of the land to come from prior year monies and the Clerk of the Court took from current year monies. Mr. Phillips asked when there had been an internal controls audit. Mr. Rowe stated that the Clerk of the Court's office conducts ongoing internal audits of the CVB.

Mr. Walsingham moved, seconded by Mr. Phillips, that the Board accepts the FY 2015 audit of the Panama City Beach Convention and Visitors Bureau as presented. Motion passed by the following vote:

Mr. Walsingham	***Yes***	***Mr. Patronis***	***Yes***
Mr. Phillips	***Yes***	***Mr. Russell***	***Yes***
Mr. Chapman	***Yes***	***Mr. Wilkes***	***Yes***
Mrs. Oberst	***Yes***	***Mr. Griffitts***	***Yes***

B. Update on 2016 SpringJam, Mr. Mark Sheldon, R & M Entertainment

Mr. Mark Sheldon, R & M Entertainment, stated that he anticipates SpringJam to sell out. Capacity at Aaron Bessant Park is 7,500. He stated that there are more than 35 sponsors on board. Mr. Shelton reported that they have partnered with St. Jude and gave them a donation to help them raise over $75,000 in this market area. The focus of SpringJam is family, and promotions/contests are being done with some of the artists to help promote the event. The site layout is near completion. Mr. Sheldon stated they do need to bring in lights, sound, etc. He described ingress and egress. Mr. Rowe stated that the CVB has continued to invest in the wireless issues at Aaron Bessant Park. Mr. Sheldon stated they are bringing in the same network for sales they have used in the past. Mr. Wilkes asked if intercept surveys will be done to determine demographics at the event. Mr. Sheldon replied they will doing surveys, and will be using a similar instrument as they used with Gulf Coast Jam. There was brief discussion of the future of the event in regards to musical genre.

C. Update on Summer Marketing Campaign, Ms. Kristen Ordonez, Fahlgren Mortine

Ms. Kristen Ordonez, Fahlgren Mortine, introduced Mr. Luke Oppliger who heads the creative team working on the Panama City Beach account. Mr. Oppliger presented the :30 television commercial. He presented digital (web and mobile) banner ads which include "fun" elements and expandable rich media ads. Ms. Ordonez stated that all of the ads have been targeted to moms and families. Depending on the website, a person can close or opt out of viewing the messaging. Mr. Oppliger discussed the Pandora partnership, and the Panama City Beach radio station. Mr. Oppliger then presented the military focus banners, a new element this year. Some of the new photography and images were shown.

Ms. Ordonez then reviewed the summer media and markets which include television, print, digital and Facebook. The summer marketing campaign will target, in addition to moms and families, young professionals and empty nesters. She reviewed the "always on" and "seasonal" paid media. Ms. Ordonez discussed the Facebook partnership. Panama City Beach CVB is one of the first destination marketing organizations to partner with Facebook which has provided unprecedented access and will provide the destination increased awareness through digital video views. She reviewed the markets, Facebook video, and carousel ads that began in February and will run through June. To date, there have been almost 8 million impressions, a .68% click through rate; 1.45 million total video views (watched the video in its entirety); and 1.459 million engagements (liking, sharing or commenting on the video). Mr. Rowe added that a very specific message can be targeted to a very specific audience. With all the content being created through Chasin' the Sun Fishing Show, :15 or longer videos can be deployed to those markets (anglers). Ms. Ordonez them reviewed the digital media strategy ("always on" partnerships). She discussed the Southwest Airlines and Pandora station partnership results. There was discussion about traffic to the website (visitpanamacitybeach.com) being down. Ms. Ordonez stated that traffic is down because the website was updated and re-launched in the last couple of months. There have also been changes in the Google algorithm. People can now obtain information from Google without having to go to the website. It is a trend with destination marketing organizations that there has been a significant decrease in website traffic because of the changes Google has been making. Ms. Ordonez recapped the out-of-home marketing strategy which primarily promote events. She then discussed co-op opportunities and the communication with partners about co-ops. Regarding Instagram, Mrs. Lynsey Beasley, interactive marketing manager, stated that Facebook owns Instagram. The monies being spent on Facebook are actually on both platforms. An Instagram takeover is a co-op opportunity in the coming months. The previous campaign last year garnered about 4,000 followers on Instagram.

VII. BOARD ACTION ITEMS

A. Discuss and Consider for Approval Purchase of 200 Trash Corrals, Mr. Dan Rowe, President

Mr. Rowe stated there were a number of issues discussed at its workshop before the Board today.

Mr. Rowe presented the quotation from Pride Enterprises for the fabrication of 200 trash corrals. The total cost quoted is $64,940.00 for the corrals and freight. Mr. Rowe stated that the corrals will be delivered within 60 days of order.

Mr. Phillips moved, seconded by Mr. Patronis, that the TDC approves the purchase of two hundred (200) trash corrals in the total amount of sixty-four thousand nine hundred forty dollars and no cents ($64,940.00). Motion passed by the following unanimous vote:

Mr. Philips	***Yes***	***Mr. Russell***	***Yes***
Mr. Patronis	***Yes***	***Mr. Walsingham***	***Yes***
Mr. Chapman	***Yes***	***Mr. Wilkes***	***Yes***
Mrs. Oberst	***Yes***	***Mr. Griffitts***	***Yes***

B. Discuss and Consider for Approval Recommendation to the Bay County Commission the 2016 Lifeguard Program, Mr. Dan Rowe, President

1. Grants & Aid - $300,000 for City of Panama City Beach
2. Legislative Finding that Lifeguards at Public Beach Parks Promote Tourism

Mr. Rowe reported that the issues raised at the workshop were discussed with County staff, including increasing Beach & Surf Patrol, extending the lifeguard service beyond the three public beach parks, and bidding out the service to a third party vendor. The County had previously evaluated these options and determined that those options did not address the will of the County. Mr. Rowe recommended that the TDC move forward with a proposed lifeguard program at the cost of $300,000 at the three public beach parks (City Pier, County Pier, and Rick Seltzer Park). The lifeguard service will be provided seasonally, signage will be provided at public beach points stating where guarded beaches are to increase the awareness of those beaches. A legislative finding needs to be created and recommended to the Bay County Commission that lifeguard service at these public beach parks promotes tourism to Panama City Beach and the service needs to be promoted to visitors.

Additional discussion needs to be had to determine if the City of Panama City Beach will actually perform the service. Liability issues are still being worked through. Mr. Rowe recommended that the TDC set aside $300,000 for a lifeguard program and recommend that to the Bay County Board of County Commissioners. Mr. Rowe stated that last week in the Florida Legislature, Senator Gaetz was able to get language in the Governor's tax reduction package that TDCs in Bay, Walton, and Okaloosa counties as of July 1, 2016 can spend up to 10% of the tourist development tax collections on public safety including lifeguards. This action helps to set the tone for lifeguard programs going forward. Mr. Sale addressed making a legislative finding why having lifeguards at the three locations will help promote tourism in Panama City Beach, and to make that recommendation to the Board of County Commissioners.

Mr. Patronis referred to the monthly tourist development tax collections report that indicates that 80% of revenue is collected from on the beach properties, and did not know who actually visited the proposed parks for lifeguards. Mr. Rowe stated that people do visit those parks, specifically the City and County piers. Mr. Sale stated that people most likely do not make a decision where to vacation on one single factor; it could be just another reason of many to vacation in Panama City Beach. There was discussion about liability issues. Mr. Sale stated the Florida League of Cities and Florida Association of Counties are self-insured. Mr. Chapman asked if private businesses would be eligible to piggy back on the advantages by using a government trained employee at a private business. Mr. Sale stated technically yes they could. Mr. Wilkes stated he thought the program is minimally put together

with only 3 locations. If there is a need for lifeguards at 3 locations, there is a need for all areas. Mr. Sale stated that the distinction is that these 3 locations are publically owned beaches open to the public. Mr. Sale stated that this program will be a pilot program. Mr. Phillips stated he did not believe the program goes far enough and cited South Walton County's program. Mr. Phillips stated that Panama City Beach has 104 public beach access points. Mr. Rowe stated that South Walton County operates their lifeguard program under the jurisdiction of the fire department. South Walton County has 9 regional access points (with parking, restrooms, and other facilities) where they provide the lifeguard service. Panama City Beach has 3 regional access points (with parking and restrooms), and those are identified as the 3 locations in the lifeguard proposal. Mr. Sale stated legal will look at what other communities do in regard to jurisdiction.

The logistics of working this out between the City and County remain to be done. If the appropriation is made, the next step is how the City and the County will work together on a lifeguard system. Mr. Griffitts stated the City has already provided a lifeguard system at the City Pier. The Board of County Commissioners wants this to be done. There was further discussion. Mr. Chapman asked why the TDC would pay for lifeguards at the City Pier if the City is already conducting that function. Mr. Rowe stated that if the TDC is providing a benefit for the County that is being paid from the tourist development tax that is a good policy to pay for the system at all three beach parks. Mrs. Oberst stated that it is City staff's recommendation that the City will volunteer to do the gulf water training for the lifeguards. She added that the City would prefer that the County operate the other 2 locations (County park employees, not City park employees).

Mrs. Oberst moved that the TDC approves allocating the amount of three hundred thousand dollars and no cents ($300,000.00) for a lifeguard program at the City Pier, the County Pier, and Rick Seltzer Park.

If new legislation passes, it would allow Bay County to spend up to 10% of tourist development tax collections for public safety, including lifeguards. This action is based on using the current law and the current mechanisms to fund the program.

Mr. Sale stated that the County is extending to the TDC the privilege and courtesy to make a recommendation to them. Mr. Sale further stated that the County signed a resolution to honor the decisions of this board and are deferring to the TDC for a recommendation. Mr. Griffitts stated that details still need to be worked out. Mr. Rowe added there is a process for the City to work through (notices, City Council meetings), and the longer the TDC delays, the longer it will take to implement a program. The current lifeguard program at the City Pier begins April 1st, and the goal for the expanded program is to have it in place by Memorial Day. Mr. Sale stated that the central core question that the Board of County Commissioners has asked this board to make is a policy recommendation that for one year the TDC will recommend that $300,000 be spent on a lifeguard program at these 3 beach parks. Mr. Sale stated that the program, whether run by the City or the County, will be a professional program meeting the standards that the City has met over the years.

Mrs. Oberst amended the motion, seconded by Mr. Chapman, that the TDC approves allocating the amount three hundred thousand dollars and no cents ($300,000.00) to be designated for a lifeguard program at the City Pier, the County Pier, and Rick Seltzer Park for 2016, and to make that recommendation to the Board of Bay County Commissioners. Motion passed by the following vote:

Mrs. Oberst	***Yes***	***Mr. Russell***	***Yes***
Mr. Chapman	***Yes***	***Mr. Walsingham***	***Yes***
Mr. Patronis	***No***	***Mr. Wilkes***	***No***
Mr. Phillips	***No***	***Mr. Griffitts***	***Yes***

There was further discussion about the legislation.

C. Discuss and Consider for Approval 2016 Turtle Survey Contract, Mr. Dan Rowe, President

Mr. Rowe presented the 2016 Sea Turtle Survey contract based on the proposal that Mr. Kennard Watson, St. Andrew Bay Resource Management Association, made at the workshop. This contract is the same as it was in 2015. It does not include any provisions for the "Leave Only Footprints" enforcement. A modification of that will be done after approvals are given from the regulatory bodies.

Mr. Phillips moved, seconded by Mr. Walsingham, that the TDC approves the 2016 Sea Turtle Survey Contract as presented, and to forward to the Bay County Board of County Commissioners for approval and execution. Motion passed by the following unanimous vote:

Mr. Phillips	***Yes***	***Mr. Patronis***	***Yes***
Mr. Walsingham	***Yes***	***Mr. Russell***	***Yes***
Mr. Chapman	***Yes***	***Mr. Wilkes***	***Yes***
Mrs. Oberst	***Yes***	***Mr. Griffitts***	***Yes***

D. Discuss and Consider for Approval TDC Budget Amendments, Mr. Dan Rowe, President

Mr. Rowe stated that the total excess tourist development tax collections that are available to the TDC from Fund 125 is $2,470,027. Mr. Rowe recommended that $100,000 is allocated into Operating Supplies in department 0280, line item 5305201, to pay for the trash corrals and Leave Only Footprints signage. He recommended creating a new line item in department 0275, in the amount of $300,000, for Grants & Aid-Lifeguard Program expense. He recommended amending line item 0275-5808192, Grants & Aid-Leave Only Footprints enforcement from $50,000 to $150,000. Mr. Rowe recommended that the balance of $1,970,027 be placed in line item 0265-5303444, CVB Contract for Destination Marketing (contract line item). Under Fund 128 (5th cent), Mr. Rowe recommended the entire excess collections in the amount of $806,009 be amended into Contracted Services-CVB, line item 0295-5303444. Mr. Rowe recommended recognizing the amount of $4,268,220 into the Beach Nourishment Reserve, Fund 127, making the total reserve in the amount of $28,768,220. Mr. Rowe requested that the TDC accept and recognize the additional revenues for the TDC and authorize staff to move those monies into those accounts pending the concurrence of the Bay County Board of County Commissioners. Mr. Patronis expressed concerns over the March collections. Mr. Rowe asked if this action could be taken prior to conversations about CVB expenditures.

Mr. Walsingham moved, seconded by Mr. Wilkes, that the TDC accepts and recognizes excess tourist development tax collections, and to amend the TDC budget as presented by Mr. Rowe, pending the concurrence of the Bay County Board of County Commissioners. Motion passed by the following unanimous vote:

Mr. Walsingham	***Yes***	***Mr. Patronis***	***Yes***
Mr. Wilkes	***Yes***	***Mr. Phillips***	***Yes***
Mr. Chapman	***Yes***	***Mr. Russell***	***Yes***
Mrs. Oberst	***Yes***	***Mr. Griffitts***	***Yes***

E. Discuss and Consider for Approval CVB Revenue Budget Amendments, Mr. Dan Rowe, President

Mr. Rowe stated that the original estimation that the 2016 budget was built carried forward $10,100,000. Mr. Rowe stated that based on the presentation from the auditor this morning, the actual amount was $10,044,437. That line item needs to be adjusted in the amount of $55,563. The total amount of additional revenues available to the CVB this fiscal year is $2,720,473. Mr. Rowe has made no recommendations for the expenditure of those funds. Mr. Patronis stated that there will be a solid shortfall in tax collections in March. If legislation passes, there could be a shortfall of about $1.8 million. Mr. Patronis stated he would like the amount of $2 - $2.5 million allocated in the infrastructure fund. Mr. Rowe stated that if the legislation passes, he does not believe that would be applied to this year's budget. Mr. Phillips agreed with Mr. Patronis, and believes the monies should be set aside until the March and April collections are reported. Mr. Rowe recommended, based on discussion, to move the money into the tourism development department reserves (current fund balance is $10,386,000). The total of that fund balance would be approximately $13 million once the money is amended to that department.

Mr. Phillips moved, seconded by Mr. Patronis, that the CVB recognizes and approves to set aside the amount of two million seven hundred twenty thousand four hundred seventy-three dollars ($2,720,473.00) in Department 69, Tourism Development Reserve account. Motion passed by the following unanimous vote:

Mr. Phillips	***Yes***	***Mr. Russell***	***Yes***
Mr. Patronis	***Yes***	***Mr. Walsingham***	***Yes***
Mr. Chapman	***Yes***	***Mr. Wilkes***	***Yes***
Mrs. Oberst	***Yes***	***Mr. Griffitts***	***Yes***

VIII. BOARD DISCUSSION ITEMS

A. Sports Park Update and Special Counsel Engagement, Mr. Dan Rowe, President, and Mr. Doug Sale, Legal Counsel

Mr. Rowe reported that he and Mr. Sale had been working with counsel on funding options and ultimate management agreement for the sports park. Mr. Sale stated that there are 4 agreements that are being worked on for the sports park. The agreements include a development agreement (with St. Joe Company, the CVB, the TDC, and the County); a construction delivery agreement (how to deliver the construction), and he added the master services agreement is close to design/build, however, there are discussions about moving it to construction management; a financing agreement; and a management agreement between the CVB and the firm who manages the park. Regarding the development agreement, it will be executed by St. Joe Company, the CVB, and the County upon recommendation by the TDC.

The agreement is basically a real estate contract, and states St. Joe Company will give the land to the County and Bay District Schools, and the County will then lease it back to the CVB to build and operate the sports park. Current thinking is the deed would occur when the public road is accepted and plans are complete and feasible financing to build the park. Regarding financing, it is understood that the construction of the sports park would be financed with tourist development tax funds which means it is a Bay County Board of County Commissioners' action (debt to be issued by the Board of County Commissioners).

Mr. Sale stated that he and Mr. Rowe have consulted with the County attorneys, the County manager, and reached out to the County's bond counsel (Mr. Mark Mustian with Nabors, Giblin & Nickerson). Mr. Sale stated that the Board had before it an engagement letter for Mr. Mustian to represent the CVB and the County in this process at tourist development tax expense. Mr. Mustian's agreement with the County provides an hourly rate of $200/hour. Mr. Sale stated that he would also be asked to work with the management side of this arrangement (management agreement). Mr. Sale stated there is also a reimbursement resolution that would need action on to recommend to the Board of County Commissioners. There is the potential of the financing of the sports park being tax exempt. If it is tax exempt, the CVB may be able reach back and finance out of the debt proceeds some of the expenses being incurred now. The County needs to declare its intent to reimburse the tourist development tax so that cash could come back to the tourist development tax trust fund. Mr. Rowe stated that the project has been discussed as owned by the CVB; the recommendation now is to have it owned by the County and leased to the CVB for a period of 99 years. The reasons are that the County can bond the project, and the County is able to avoid paying sales tax.

Mr. Phillips moved, seconded by Mr. Patronis, that the Board accepts the engagement letter with Mr. Mark Mustian with Nabors, Giblin & Nickerson as presented. Motion passed by the following unanimous vote:

Mr. Phillips	***Yes***	***Mr. Russell***	***Yes***
Mr. Patronis	***Yes***	***Mr. Walsingham***	***Yes***
Mr. Chapman	***Yes***	***Mr. Wilkes***	***Yes***
Mrs. Oberst	***Yes***	***Mr. Griffitts***	***Yes***

Regarding the reimbursement resolution, Mr. Sale stated that would give the County, as the issuer of the debt, the ability to include in that debt proceeds reimbursement of the tourist development tax trust fund for the soft costs expended.

Mr. Walsingham moved, seconded by Mr. Patronis, that the TDC accepts the Reimbursement Resolution as presented, and forwards to the Bay County Board of County Commissioners for approval and execution. Motion passed by the following unanimous vote:

Mr. Walsingham	***Yes***	***Mr. Phillips***	***Yes***
Mr. Patronis	***Yes***	***Mr. Russell***	***Yes***
Mr. Chapman	***Yes***	***Mr. Wilkes***	***Yes***
Mrs. Oberst	***Yes***	***Mr. Griffitts***	***Yes***

IX. PRESIDENT'S REPORT

Mr. Rowe asked Mr. Brian Storm, The Sports Force, to provide an update to the Board regarding the renovations to Frank Brown Park. Mr. Rowe stated that there was a ribbon cutting scheduled for Friday, March 11, 2016, at 11:00 a.m. Mr. Storm stated that the project has turned out well, and thanked all parties involved. He stated that they are demobilizing Phase 1 this week. Phase 2 is the building, and they should be making submission to the City in the next 10 days to obtain permits and begin work. Regarding the sports park, Mr. Storm reported that all consultants have met and are working on field layouts, the first round of architectural theming has been completed, and have coordinated with geo-technical, additional survey, engineering, etc.

Mr. Chapman asked if sports park work would be bid out. Mr. Sale that portions of it will be bid. Task order #14 has been approved, and the deliverables on that task order are the design documents. Conversations are taking place regarding which would be complete bid packages and which would be self-performed. Mr. Sale anticipates the work will be between design/build and design/bid/build if going forward with The Sports Force. The CVB will get a guaranteed maximum price from The Sports Force. Staff has met with Mr. Ken Schnell, assistant county manager (former county engineer) and received his comments on that process. Mr. Sale stated that long before the Board has to make a decision, a recommendation will be provided on the basis of which the construction be conducted and the reasons why. Mr. Sale stated that he and Mr. Rowe agreed, on Mr. Sale's recommendation, to retain Mr. George Mayer with the firm of Carlton Fields (construction department). The City hired him to prepare the construction delivery documentation for Front Beach Road. Mr. Sale stated that the Master Services Agreement was to move the project quickly. The time has come to make final decisions on how the work will actually be done. Mr. Sale stated it will be his ultimate recommendation for the CVB to hire a construction manager.

Mr. Sale asked that the Board ratify hiring the law firm of Carlton Fields, and authorize Mr. Rowe to sign the engagement letter. Mr. Rowe stated it is within his spending authority to enter the agreement. Mr. Sale provided the scope of responsibility with Carlton Fields, which includes providing information on what the risks are in going forward with self-performance, essentially design/build on some aspects of this park, so the Board can make an informed decision. Mr. Rowe stated the attorney fees will be paid out of the same budgets that the rest of the development costs are being paid.

Mr. Walsingham moved, seconded by Mr. Patronis, that the CVB approves retaining the firm of Carlton Fields for the scope discussed, and authorized Mr. Rowe to execute the engagement letter. Motion passed by the following unanimous vote:

Mr. Walsingham	***Yes***	***Mr. Phillips***	***Yes***
Mr. Patronis	***Yes***	***Mr. Russell***	***Yes***
Mr. Chapman	***Yes***	***Mr. Wilkes***	***Yes***
Mrs. Oberst	***Yes***	***Mr. Griffitts***	***Yes***

X. CHAIRMAN'S REPORT

None.

XI. AUDIENCE PARTICIPATION

Mr. Griffitts announced that if there was anyone in the audience that wished to address the Board, comments are limited to 3 minutes, and requested names and local addresses.

Mr. Clant Seay, from Mississippi, stated he first wanted to clarify questions and comments made about Mr. Griffitts and his father. Mr. Wilkes stated that the email he received was despicable, and by innuendo impugned Mr. Griffitts's reputation and character. Mr. Griffitts asked Mr. Seay to concentrate on his issues rather than concentrating on the issues surrounding comments made about him.

Mr. Phillips stated that he realized there were people in the audience that wanted to speak to the funding issue of the Gulf Coast Charity Horse Show. Mr. Phillips stated that Mr. Seay had requested to be placed on the agenda, and that decision was deferred to him as vice chairman of the Board. Mr. Phillips stated that the funding request was on the Board's January 2016 meeting, and the Board engaged in discussion regarding the funding request. Mr. Phillips stated he thought Mr. Seay should have been present at that meeting. That meeting was a noticed and public meeting, and the funding request was an agenda item. He added that would have been the time to address any concerns. When the item was deferred to Mr. Phillips, he thought it would not be appropriate to have the issue as an agenda item because it had been an item at the January Board meeting. Discussion ensued and Mr. Phillips asked again why he was not in attendance at the January Board meeting when the issue was on the agenda. Mr. Seay stated he did not live here.

Mr. Seay stated that Mrs. Martha "Sister" Blackmon Milligan had approached the City about having a location for the event, and then approached the CVB regarding funding. Mr. Wilkes stated that the Board did not have the knowledge and information Mr. Seay is presenting today regarding animal cruelty. Mr. Seay stated that Mr. Rowe informed him that to date no monies had been paid to Mrs. Milligan based on her approved funding request. Mr. Phillips stated that according to the emails he has received, the concerns from Mr. Seay and others have been occurring over a number of years, and again asked why this information was not provided to the Board at its January meeting. Mr. Seay stated that he had no knowledge that Mrs. Milligan was requesting funding in the amount of $25,000 to promote this event. Mr. Walsingham stated the Board was unaware of the concerns, however, the funding request was approved for the event, and it is difficult to rescind action that has already been taken not knowing what the organizers have already spent.

Ms. Diane Dupont, Lynn Haven, Florida, addressed the Board regarding her concerns about this horse show and played a short video showing cruelty to horses that takes place in these types of shows. Mr. Seay further discussed the cruelty that takes place during training of the horses. He also discussed the horse protection act.

Mr. Daniel Harmon, Bay County, addressed the Board stating he has participated in the Gulf Coast Charity Horse Show for many years. He discussed how horses are inspected under USDA standards. He stated the Gulf Coast Charity Horse Show is compliant with the law. The USDA inspectors have been in attendance at this show over the years. He discussed that the show has an economic impact on the community, Panama City Beach is advertised in a positive light, and stated that the show has provided $700,000 to local and area charities.

Ms. Angela Smith, Lynn Haven, Florida, addressed the Board stating she would use social media to put a stop to the Gulf Coast Charity Horse Show, and to encourage people not to visit Panama City Beach due to animal abuse that takes place because of this show. She encouraged the Board to end the horse show in Panama City Beach.

Ms. Christy Johnson, Panama City, Florida, addressed the Board stating that she has boycotted the Gulf Coast Charity Horse Show, and stated the horses are tortured to give the horses an exaggerated gait. Mr. Wilkes asked if

anyone had known that Mrs. Milligan would be requesting funding for the show, and they did not. He stated that had the Board had prior knowledge and information, there may have been a different outcome in the Board's decision. Mr. Chapman asked if the horses are unnaturally gaited. Ms. Johnson replied that there is a natural upward gait but not as exaggerated.

Ms. Jean Phillips, Panama City, Florida, read a letter from the president of Friends of Sound Horses which urged the Board to reconsider its decision to fund the Gulf Coast Charity Horse Show. Hosting this show will bring Panama City Beach criticism and condemnation. The letter also urged the Board to withdraw funding and to use its influence to release the use of City property for this show.

XII. ADJOURNMENT

With no further business, the meeting was adjourned at 11:50 a.m.

Respectfully submitted,

Marcia Bush

Marcia Bush, Recording Secretary