

MOTIONS PASSED AT THE COMBINED BOARD MEETING, Tuesday, July 09, 2024

Approved April 9, May14, and June 11, 2024 Minutes
Mr. Patronis / Mr. Walsingham

Approved Consent Agenda
Mr. Patronis / Mr. Walsingham

Approved Discussion Item A-Beach Access Signage
Mr. Phillips / Mr. Jarman

Approved Discussion Item B-10% use of 3rd Cent
Mr. Jarman / Mr. Phillips

Approved Discussion Item C-Use of funds for field repair
Mr. Phillips / Mr. Jarman

Approved Discussion Item C- Use of 4.6m for turf fields at PSP
Mr. Phillips / Mr. Johns

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

Tuesday, July 09, 2024

9:00 a.m.

Council Room, PCB City Hall

I. CALL MEETING TO ORDER

Chairman Pease called the meeting to order at 9:00 a.m.

II. ROLL CALL

Board Members:

Jeff DiBenedictis
Mike Jansen
Mike Jarman
Reggie Johns
Yonnie Patronis (Treasurer)
Clair Pease (Chairman)
Andy Phillips (Vice Chair)
Ethan Register
Gary Walsingham

Eight Members Present at the time of Roll Call.

Mr. Jansen was absent

- A. Invocation
Mr. Jarman gave the Invocation.
- B. Pledge of Allegiance
Ms. Pease led the Pledge of Allegiance.
- C. Approve April 9, May 14, and June 11, 2024 Minutes (CVB/TDC)
**Mr. Patronis Moved; Seconded by Mr. Walsingham to approve
Motion passed unanimously with Eight members present.**

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

Mr. Chris Crider addressed the board to discuss TDC funding of the lifeguard program. He stated that the TDT should be used for the lifeguard program and referred to the Walton county TDC and Okaloosa county TDC contributes to a lifeguard program.

Mr. Rex Reed addressed the board on the lifeguard program and contribution of more TDT funds into this program. He also questioned the double red flags being up when they don't need to be if there were more lifeguards. He stated that more seasonal only lifeguards and police are needed.

IV. CONSENT AGENDA

- A. Approve and recommend for the Bay County Board of County Commissioners to reimburse the Bay County Sheriff's Office for certain public safety expenditures related to increased tourism on Panama City Beach. (TDC)
 - B. Acknowledge Receipt of the May 2024 Tourist Development Tax Collection Report (CVB/TDC)
 - C. Approve the write-off of the United Tykes receivable as a bad debt expense. (CVB)
- Mr. Rowe read the consent agenda into the record and asked for a motion to approve.

**Mr. Patronis Moved; Seconded by Mr. Walsingham to approve
Motion passed unanimously with Eight members present.**

V. PRESENTATIONS

A. Sales Department Update, Steve Bailey

Mr. Bailey gave a presentation on the progress of the sales department as well as future goals.

Mr. Rowe said that the Northwest Florida Tourism Council is including Canadian trade shows to access that market that our Sales Department attends as a member.

Mr. Patronis asked how groups and businesses are reached for leisure and meetings. i.e. corporate incentive travel.

Mr. Bailey stated that his team is pursuing that target audience with cold call e-blasts followed by in person calls.

Also, sales trips to corporations are being pursued.

Ms. Leach added that there is paid media campaigns going after corporate incentive and leisure travel.

Mr. Bailey also answered questions from the board.

B. St. Andrew's School Redevelopment as Cultural Arts Center, Jennifer Vigil, Destination Panama City

Ms. Vigil discussed the future plans for the school campus as well as how DPC came into possession. The building is on the national historic registry which causes a more expensive restoration.

Ms. Robyn Malpass of Malpass & Associates discussed cultural tourism and how the school campus would be used for this purpose.

Ms. Vigil discussed the plan for the funding as part of a bond taken by the TDC, and DPC paying their portion of that bond. The board expressed concern of the funding plan regarding the unknown operating costs once the renovations are completed. Mr. Rowe said that he will ask SFC if they can provide a proforma for this facility.

Mr. Phillips asked the amount current expenses just to keep the building from deteriorating further. Ms. Vigil said the current expenses are significant for power, water, and upkeep. She said the St. Joe company is onboard for annual sponsorship for naming rights at 100,000 per year.

Ms. Pease asked for next steps. Mr. Rowe stated that what is being asked today is the concurrence that when we go out and exercise our bonding capacity, that we can bring DPC along as the bond proceeds are allocated to the two different projects. The understanding being that DPC will pay their portion, but it's one county bond. Mr. Rowe said the board can approve moving forward, and staff bringing information back to the board regarding a proforma, operating costs, and the Coca Cola Events Center.

Mr. Sale clarified that the vote for the board today would be approving that there will be one loan for both the CC Events center and the St. Andrew's Arts Center and authorizing staff to move forward and come back to the board with construction estimates, operating costs, and other funding details.

Ms. Pease discussed the immediate need for a new roof to prevent further damage. Ms. Vigil stated the cost would be approximately 200,000 dollars. Mr. Rowe said the PCB CVB could fund the roof if needed.

After board discussion, it was decided not to take any action and DPC will bring more financial information at a future meeting.

VI. DISCUSSION ITEMS

A. Beach Access Signage, Dan Rowe

(CVB) Mr. Rowe said that there is currently 250,000 budgeted to refresh the beach access points. The current signage is old and visually cluttered. Access point 3 signage was destroyed by a tornado. He said DAG architect firm has been designing new signage. He presented renderings of the proposed new signage. He is also proposing a separate sign along the access point for the flag system, rip currents and other safety information. Possibly using a QR code for some of that information.

He answered questions from the board including the cost of each access point sign to be approximately 12,000 dollars, and each sign will be built to current code requirements. Mr. Phillips said the height may need to be increased due to beachgoers carrying kayaks and other items. Ms. Pease asked about maintenance and Mr. Rowe answered that the TDC will maintain them.

He also said the process will take about two years and would start at the parks. He also clarified that the project is in the design phase and will go out for bid with conditions attached because the signs will have to be made to fit each specific access point.

(CVB) Mr. Rowe asked for a vote to go forward with the project and bring back cost information when it becomes available closer to time to go out for bid.

**Mr. Phillips Moved; Seconded by Mr. Jarman to approve
Motion passed unanimously with Eight members present.**

B. Public Safety Discussion, Dan Rowe, Jayna Leach and Doug Sale

Ms. Pease discussed that during double red flags, the banner plane flying the double red flag banner, signage on the Bay Way buses paid by the TDC via the TDC paying for Sunday routes, signage on the Sheriff's vehicles, and the city of PCB is also considering signage on their vehicles.

She also discussed the small signs and flags placed at the waters edge during double red flags, also paid for by the TDC. The vendors on the beach are now placing those at the waters edge during double red flags. Also, signage is required to be placed on all walkways for any condo/hotel or restaurant walkways to the beach. And the original flag system is still in place. All rental units are required to have signage for the flag system including the meaning and consequences of the double red flags. All rentals are required to display the signage in order to receive their rental license.

She said the county code enforcement is being dispatched to enforce the double red flag ordinance when double red flags are flying. She stated the county has added four lifeguard positions this year. Also, digital billboards automatically display double red flag warnings when they are flying. County and TDC websites also show the flag system and when double red flags fly. She said there is a geo fenced system that puts out double red flag alerts to every phone on or in the area of the beach.

Ms. Pease stated that thousands of people have signed up for the flag alerts program. She discussed the new flag system project stating that the prototype is similar to a traffic light. The new system can be changed from an app without someone having to physically go to each flag pole and change the flags. She said they are looking at the potential power source such as solar. She said the TDC will be funding this project and more information will be coming in the near future.

She also stated that other immediate programs are being researched such as having designated people on ATVs at designated locations to get people out of the water. Then that person would patrol and stay in that area in order to keep people out of the water.

She discussed that the current lifeguards are having problems seeing the edge of the water due to tents. She stated that a solution being discussed is to move the tents in the guarded areas to just behind the lifeguard stands so the sight line to the water won't be impeded.

Ms. Jayna Leach gave an overview on the CVB's ongoing safety campaign. She stated that when double red flags fly, the digital billboards are automatically showing the double red flag alerts, boomer aviation flies the banner, and geo fenced alerts goes out. She said she is currently working on beach safety PSA videos that will be used for broadcasting. As part of beach safety education, there are local TV spots and social media, as well as signage at Pier Park and on the buses of BayWay. New this year is the launch of Carvertise for June and July that wraps vehicles with the beach warning flag system.

Ms. Leach presented the advertisements for the beach safety flag warning system and double red flags. She also discussed the Real.Fun.Deals program which sends out creative messaging to give visitor's discounts on local businesses to explore when double red flags are flying and they can't go in the water.

Mr. Rowe addressed the public safety comments made during the audience participation portion of the meeting, that the TDC does not pay for lifeguards. He stated that the TDC gives 8% of the Tourist Development

Tax collections goes into public safety. Historically that amount is split 50/50 between the county and the City of PCB. They determine the breakdown within their organization of what they are going to request funding for. In order to get that funding it has to be dollars that are not offsetting other typical expenditures. It has to be tied to incremental increased visitation to Panama City Beach and public safety. We have increased the amount of the pennies that have been applied to over time.

He referred to Mr. Reed's statement that the TDC needs to open up the 5th penny, 3rd penny to the 10% allocation. Currently we apply it to four of the five pennies. Which is why it's been at 8% and not 10%. The TDC can use UP TO 10% of the TDT for public safety.

Mr. Rowe stated that the legislation is very clear that it is UP TO 10%. He said that the 3rd penny has not been opened up for this use because it was allocated exclusively for beach renourishment. Given that the value of the TDT has increase over the last several years, he suggested that the board consider opening the 10% of the 3rd penny for public safety because the amount of dollars and resources we have to accomplish the goal of beach renourishment. This would add another \$660,000 into the dollars already we have in order to support public safety.

Mr. Rowe stated that the TDC has been investing in public safety as soon as the legislature allowed the use of the TDT for that purpose. He said the TDC works very closely with both lifeguard programs, PCB Police and the Sheriff's office, to make sure we are putting our resources out there to support public safety initiatives to keep everyone safe.

Mr. Sale discussed the state statute regarding the use of the TDT for public safety. He stated that in order to open the 3rd penny to the 10% public safety would require amending the ordinance that levied the 3rd cent TDT. That ordinance, as it sits now, is limited to beach renourishment. He said that the TDC has not voluntarily restricted the use of the 3rd cent from public safety, it's use is mandated by the ordinance.

Mr. Sale said that the funding of lifeguards is a complicated legal discussion because there is no clear judicial interpretation of the statute. Which means it's been left open to various lawyers' interpretation. This has resulted in differing applications of money for lifeguards around the state. He said that one of the citizens who spoke during audience participation said that he was told that the TDT could not be used to fund lifeguards. He said that it no longer true. An old Attorney General opinion that says you can't fund lifeguards with the bed tax. He stated that you can fund it, clearly, up to 10% as part of public safety. That has been added to the statute.

Mr. Sale then discussed the bed tax as being in two separate pools of funds. One being the promote and advertise only, and the other being public safety. On the promote and advertise side, the Attorney General gave an opinion that you could not fund lifeguards. The statute was later amended to say the bed tax could be used for services, venues, and events that promote tourism. He referenced Broward County and their county attorney's opinion which stated that if lifeguards promoted tourism then the TDT could be used to fund lifeguards that would be advertised. He said that he did not agree with that opinion because the statute read, at that time, that the main purpose for funding has to be tied to promotion of tourism. He went on to say that the main purpose of lifeguards is not substantially tied to promoting tourism. Saving lives is an essential part of government and is a governmental function.

Mr. Phillips asked if Mr. Sale disagrees with the Broward County Attorney. Mr. Sale replied yes. Mr. Phillips then asked that even though we are listed as the deadliest beach, could that be construed as a main purpose and would he change his opinion. Mr. Sale said that he would add the caveat that the Attorney General uses, until legislatively or judiciously determined otherwise, his opinion stands. He also said that the Broward County Attorney made an opinion based on their circumstances. He said that the way the law is written, the primary purpose has to be to support tourism. He said that according to our circumstances is what he is basing his opinion. He said that Walton county went against their attorney's opinion and made the decision to fund lifeguards knowing that they would be going against legislation.

Mr. Rowe then made a correction to the record that it was Okaloosa County, not Walton county that Mr. Sale was just referring to.

Mr. Sale then discussed the public safety pool of funding, the 10% of the TDT. He said the legislature specified and limited the public safety amount to 10%. Broward County ignored that. Mr. Sale said he can't ignore it. Mr. Rowe added that the legislature adopted the language that allowed the TDT be used up to 10% be used for lifeguards and limited it to three counties, Bay, Walton, and Okaloosa. It is exclusively for us. It's now been expanded to another seven counties, but originally, that intent of the legislature was to allow our communities in Northwest Florida the ability to spend it. They made an over action to determine that lifeguard spending was allowable and useful tax at up to 10% at the recommendation of the Tourist Development Council.

Ms. Pease asked what happens if you spend more than the 10%. Mr. Sale replied that you would have an unauthorized expenditure. He also said that the Clerk of Courts is obligated to not allow the over spending. He gave an example of Jackson County wanting to spend 10% on public safety but was denied because they did not meet the criteria from the statute.

Ms. Pease asked what action needs to be taken. Mr. Rowe stated that the board can vote to amend the county ordinance in order to add the 10% public safety as an acceptable use to the 3rd penny. Mr. Patronis asked if, in Mr. Sale's opinion, that would be a legal and appropriate option. Mr. Sale replied yes. He said it meets the qualifications for the 10% for public safety.

Mr. Rowe added that all the programs the Ms. Leach articulated are part of our communications promotions strategies and are paid for by the CVB and are not paid by public safety funds. Ms. Pease asked if all of the educational items Ms. Leach presented that are related to beach safety are separate from the 10% public safety. Mr. Rowe replied yes. These are paid by the CVB not from public safety funds. Ms. Leach stated that their budget this year is 250,000 dollars and additional funds set aside in case of additional double red flag days.

Mr. Rowe asked for the board to vote.

(TDC) Make a recommendation to the Bay County Board of Commissioners to amend the ordinance related to the 3rd penny of the Tourist Development Tax to allow up to 10% of that fund to be used for public safety expenditures in accordance with state statute 125.01.04

**Mr. Jarman Moved; Seconded by Mr. Phillips to approve
Motion passed unanimously with Eight members present.**

Mr. Phillips discussed the possibility of having law enforcement on jet ski's patrolling and assisting. The board also discussed using the beach vendors as ambassadors.

Mr. Rowe stated that using the 10%, the City of PCB and Bay County would be required to pay those beach vendors, then submit to the CVB for reimbursement of those expenditures. He discussed the ambassador program that existed years ago as a cooperative program between the city, county and TDC. That program was for the purpose of communicating to people on the beach about beach safety. If the CVB were to go back to that type of model where it was the CVB contracting with the beach service companies to provide that service on those days of informing the visitors of the conditions in the gulf, that would prevent the duty that is being created if it's being paid for out of public safety funds, in case of a wrongful death lawsuit. He said that an ambassador program should be informational only.

Mr. Rowe stated that he and Ms. Leach met with the head of the city's lifeguard program, he suggested not to give our brochures that become liter. Other items would be beneficial such as cozies, sunscreen, etc., with the flag warning system.

Mr. Rowe stated that marketing funds could be used for this program and not effect the 10% funds.

The board discussed the role of the ambassadors and ensure they can't be construed as public safety.

Mr. Sale discussed the need to ensure the exact role of the ambassadors.

Mr. Rowe discussed the checks and balance needed for expenses prior to enacting the program.

Mr. Sale discussed the use of public safety funds for this program.

Mr. Rowe said he will build out the program and provide more information to the board at a future date.

- C. Publix Sports Park Grass Fields Discussion, Richard Sanders, Chris O'Brien and John Sparks
Mr. O'Brien and Mr. Sanders discussed the need to repair grass fields until the new turf goes in.

(TDC) Approve the use of \$30,000 to repair the grass fields so they are playable while waiting for the new turf to be put into place.

**Mr. Phillips Moved; Seconded by Mr. Jarman to approve
Motion passed unanimously with Seven members present.
(Mr. Patronis had left the meeting at the time of the vote)**

Mr. Sanders discussed the need to turf the grass fields.

(TDC) Make a recommendation to the Bay County Board of Commissioners to utilize up to 4.6m dollars to replace the playing surface on three of the four grass fields to an artificial turf product similar to what exists at the Publix Sports Park today.

**Mr. Phillips Moved; Seconded by Mr. Johns to approve
Motion passed unanimously with Seven members present.
(Mr. Patronis had left the meeting at the time of the vote)**

VII. PRESIDENTS REPORT

Mr. Rowe stated that the TDC/CVB Board meeting notices will be posted on the county public notice website. We are moving forward with the project to build the pavilion at Aaron Bessant Park. The city planning is complete and will be going out to bid. He said staff is working on the next fiscal year budgets and it will be presented and discussed with the board at the next meeting. He stated that the bad debt of Little Tykes will be pursued in collections.

VIII. CHAIRMAN'S REPORT

Yields her time to the public.
A citizen spoke saying the lifeguards should be considered promoting tourism and not public safety.

IX. AUDIENCE PARTICIPATION

Another citizen stated that some work should be done to flatten the sand at the water line by pushing the sand up on the beach to prevent rip currents

X. ADJOURNMENT

Respectfully submitted,

Sharon Cook, Recording Secretary